



SURYODAY

A BANK OF SMILES

Date: November 12, 2020

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

Dear Sir,

Sub: Un-Audited Financial Results for the half year ended 30th September 2020.

Ref: Regulation 52 of SEBI (LODR),2015.

Pursuant to Regulation 52 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, for Debt Securities please find enclosed the following

1. Un-Audited Financial Results in the prescribed format for the half year ended 30th September 2020.
2. Review Report of the Statutory Auditors on the Un-Audited Financial Results; and
3. Declaration by CFO on the unmodified Limited Review Report.

The meeting commenced at 4.45 P.M. and concluded at 07.40 P.M.

We are also arranging to publish the same as per requirements of Regulation 52 of the SEBI(LODR), 2015

Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For **Suryoday Small Finance Bank Limited**


Geeta Krishnan
Company Secretary
A6011



SURYODAY SMALL FINANCE BANK LIMITED

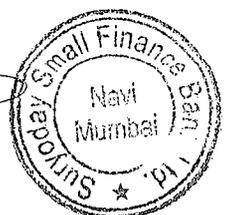
Regd & Corp Office : 1101, Sharda Terraces, Plot 65, Sector 11, CBD Belapur, Navi Mumbai - 400614 Tel: 022-40435800

Email: info@suryodaybank.com | Web: www.suryodaybank.com | CIN: U65923MH2008PLC261472 | GSTIN : 27AAMCS5499J1ZG

SURYODAY SMALL FINANCE BANK LIMITED (Scheduled Commercial Bank)			
Regd. Off: 1101, Sharda Terraces, Plot No. 65 Sector -11 CBD Belapur , Navi Mumbai - 400614 CIN No U65923MH2008PLC261472			
UNAUDITED FINANCIAL RESULTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2020			
(₹ in Lakhs)			
Particulars	Half year Ended September 30, 2020	Half year Ended September 30, 2019	Year Ended March 31, 2020
	Unaudited	Unaudited	Audited
I. INCOME			
Interest Earned	42,078	36,590	76,669
Other Income	4,116	4,358	8,745
Total	46,194	40,948	85,414
II. EXPENDITURE			
Interest Expended	17,713	13,093	27,618
Operating Expenses	13,928	12,132	27,212
Provisions and contingencies (Refer note 6,7, 8 & 9)	9,171	7,201	19,490
Total	40,812	32,426	74,320
III. PROFIT/(LOSS)			
Net Profit for the period/year	5,382	8,522	11,094
Balance in profit and loss account brought forward	20,483	12,889	12,610
Total	25,865	21,411	23,704
IV. APPROPRIATIONS			
Transfer to Statutory Reserve	-	-	(2,774)
Transfer to Investment Fluctuation Reserve	-	-	(711)
Transfer to Capital Reserve	-	-	(15)
Balance in Profit and Loss Account	25,865	21,411	20,204
Add: Share issue expenses adjusted from Share Premium Account	-	-	279
Balance carried over to Balance Sheet	25,865	21,411	20,483
V. Earnings Per Equity Share (Face value per share Rs.10)			
Basic	6.09	10.44	13.38
Diluted	5.95	10.30	13.27
(Half yearly earnings per share is not annualised)			

Notes:

- The results for the half year ended September 30, 2020 have been reviewed by the Audit Committee on November 10, 2020 and approved by the Board of Directors at the meeting held on November 12, 2020. The results were subjected to a 'Limited Review' by the statutory auditors of the Bank and the report thereon is unmodified.
- During the half year ended September 30 2020, the Bank issued 23,90,020 equity shares under private placement pursuant to shareholders approval aggregating to ₹ 62.14 crores. Equity shares aggregating to 1,40,230 were allotted pursuant to exercise of stock options during the half year ended September 30, 2020 amounting to ₹ 1.80 crores.
- 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 March 31, 2020.
- 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.
- The Bank issued unsecured, subordinated non-convertible debentures for INR 100 crores during the quarter ended September 2020.
- The Bank carries floating provision of 2% on standard micro finance loans amounting to ₹ 53.22 Crores. The provision is made over and above the minimum regulatory requirement for standard assets and NPA provisioning as prescribed by RBI.
- COVID-19 virus, a global pandemic has affected the world economy including India. The extent to which the COVID-19 pandemic will impact the Bank's operations and asset quality will depend on the future developments, which are highly uncertain. While there is improvement in the economic activity, the continued slowdown has impacted lending business, fee income, collection efficiency, etc. This slowdown may impact customer defaults. There is uncertainty regarding the time required for life and business to get back to normal. The extent to which COVID-19 pandemic will impact the Bank's operations and financial results is dependent on the future developments, including among many other things, the severity of the pandemic and any action to contain its spread or mitigate its impact.

8. In order to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses, RBI through its circulars dated March 27, 2020 and April 17, 2020, permitted banks to grant a moratorium, on the payment of installments and / or interest, falling due between March 1, 2020 and May 31, 2020, to their borrowers classified as standard even if overdue, as on February 29, 2020. This period was extended by RBI till August 31, 2020 through its circular dated May 23, 2020. The Bank accordingly extended the moratorium option to its borrowers in accordance with its Board approved policies. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period (i.e. the number of days past- due shall exclude the moratorium period for the purposes of determining whether an asset is non-performing).

(a) The quantitative disclosures as required by RBI circular dated April 17, 2020 for the half year ended September 30, 2020 are given below:

Particulars	(₹ in crore)
(i) Respective amounts in SMA/overdue categories for borrowers as at March 31, 2020, where the moratorium/ deferment was extended in terms of paragraph 2 and 3 of the circular ¹	110.60
(ii) of the above, Respective amount where asset classification benefits is extended ¹	110.60
(iii) Provisions made during the period	-
(iv) Provisions adjusted during the respective accounting periods against slippages	-
(v) Residual provisions held at period end ²	10.87

1. Outstanding balance as at September 2020.

2. Total COVID-19 related provision held at September 30, 2020 ₹ 113.98 crores (March 31, 2020: ₹ 65.99 crore). The provision made by the Bank was more than the requirement under RBI guidelines.

9. The Honourable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated September 03, 2020 ("Interim Order"), has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank has not classified any account which was not NPA as of August 31, 2020 as per the RBI IRAC norms, as NPA after August 31, 2020. Further, in light of the Interim Order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will not be, classified as NPA till such time that the Hon'ble SC rules finally on the matter.

However, if the Bank had classified borrower accounts as NPA after August 31, 2020, the Bank's Gross NPA ratio and Net NPA ratio would have been 2.58% and 0.42% respectively. Pending disposal of the case, the Bank, as a matter of prudence has, in respect of these accounts made a contingent provision of ₹ 2.77 crores, which is included in 'Provisions (other than tax) and Contingencies'.

10. Previous period/year's figures have been re-grouped/re-classified wherever necessary to correspond with the current period/year's presentation.

Place: Mumbai
Date: November 12, 2020

For Suryoday Small Finance Bank Limited



R. Baskar Babu
Managing Director & Chief Executive Officer



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

Sr. No.	Particulars	Half year Ended	Half year Ended	Year Ended
		September 30, 2020	September 30, 2019	March 31, 2020
		Unaudited	Unaudited	Audited
1	Segment Revenue			
a	Retail banking	42,608	38,648	81,391
b	Treasury	7,959	3,666	7,013
c	Corporate	1,530	1,193	2,820
d	Other banking operations	131	285	573
	Total Revenue	52,228	43,792	91,797
	Less: Inter segment Revenue ¹	(6,034)	(2,844)	(6,383)
	Income from operations	46,194	40,948	85,414
2	Segment Results²			
a	Retail banking	5,916	11,801	15,361
b	Treasury	1,131	490	733
c	Corporate	(64)	119	(449)
d	Other banking operations	-	-	-
e	Unallocated	(119)	(122)	(247)
	Profit Before Tax	6,864	12,288	15,398
3	Segment Assets			
a	Retail banking	343,094	320,074	334,546
b	Treasury	225,592	88,326	163,505
c	Corporate	33,643	25,393	32,611
d	Other banking operations	336	996	485
e	Unallocated	5,688	3,107	5,305
	Total	608,353	437,896	536,452
4	Segment Liabilities			
a	Retail banking	348,938	233,222	289,753
b	Treasury	136,549	101,806	134,720
c	Corporate	2,875	5,204	5,198
d	Other banking operations	364	597	105
e	Unallocated	878	51	53
	Total	489,604	340,880	429,829
5	Capital employed : Segment Assets - Segment Liabilities			
a	Retail banking	(5,844)	86,852	44,793
b	Treasury	89,043	(13,480)	28,785
c	Corporate	30,768	20,189	27,413
d	Other banking operations	(28)	399	380
e	Unallocated	4,810	3,056	5,252
	Total	118,749	97,016	106,623

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.
- The Bank has made additional provision of ₹ 47.99 crores (Retail banking ₹ 44.63 crores and Corporate banking ₹ 3.36 crores) for potential impact of COVID-19 as at September 30, 2020. Further COVID provision of ₹ 65.99 crores (Retail banking ₹ 57.43 crores and Corporate banking ₹ 8.56 crores) was created as at March 31, 2020. Without COVID-19 provision segment result for Retail banking and Corporate would have been ₹ 103.79 crores and ₹ 2.72 crores for half year ended September 30, 2020 and ₹ 211.04 crores and ₹ 4.07 crores for the year ended March 31, 2020 respectively.

R. Balraj



Balance Sheet as at September 30, 2020

(₹ in Lakhs)

Particulars	As at	As at	As at
	September 30, 2020	30 September 2019	March 31, 2020
	Unaudited	Unaudited	Audited
CAPITAL AND LIABILITIES			
Capital	8,912	8,178	8,659
Reserves and Surplus	109,837	88,838	97,964
Deposits	313,957	231,565	284,871
Borrowings	147,452	90,664	126,462
Other Liabilities and Provisions	28,195	18,651	18,496
Total	608,353	437,896	536,452
ASSETS			
Cash and Balances with Reserve Bank of India	9,896	6,517	6,053
Balances with banks and money at call and short notice	57,724	26,326	77,707
Investments	163,719	73,178	80,820
Advances	355,970	317,135	353,194
Fixed Assets	3,953	2,419	3,873
Other Assets	17,091	12,321	14,805
Total	608,353	437,896	536,452
Contingent Liabilities	490	1,991	462

For Suryoday Small Finance Bank Limited



R. Baskar Babu
Managing Director & Chief Executive Officer



Place: Mumbai
Date: November 12, 2020

Annexure 1

Disclosures under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

1. The previous due date of payment of interest on non convertible debentures was September 29, 2020 & the same was paid on the due date. The next due date of payment of interest on non convertible debentures was October 01, 2020 and was paid on the due date.
2. Networth as at September 30, 2020 is ₹ 1187.49 crores and networth net off intangible assets and deferred tax asset is ₹ 1116.87 crores.
3. 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 issued unsecured, subordinated non-convertible debentures in the quarter ended September 2020.
4. CRISIL has reaffirmed CD rating of A1+ on 30 Nov 2019. ICRA reaffirmed CD Rating of A1+ and NCD rating of A (Stable) on 23 March 2020.
5. 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.
6. Outstanding Redeemable Preference Shares (quantity and value): Nil.
7. Analytical Ratio:

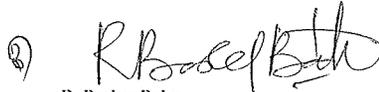
Particulars	Half year Ended September 30, 2020	Half year Ended September 30, 2019	Year Ended March 31, 2020
	Unaudited	Unaudited	Audited
(i) Capital Adequacy Ratio	29.48%	28.40%	29.57%
(ii) Debt to Equity ratio (Debt includes borrowings & deposits) (X)	3.89	3.32	3.86
(iii) Gross NPA (%)	2.25%	2.43%	2.79%
(iv) Net NPA (%)*	0.38%	0.43%	0.57%
(v) Return on Equity (ROE) ** \$	9.43%	18.40%	11.25%
(v) Return on Assets(ROA) ** \$	1.87%	4.21%	2.53%

* Include Floating Provisions to the extent permissible.

** ROA and ROE has been computed as a percentage of profit after tax to quartely average of total assets and quartely average of capital plus reserves respectively.

\$ Excluding additional provision related to COVID-19 in September 2020, ROE and ROA would have been 15.72% and 3.11%.

For Suryoday Small Finance Bank Limited



R. Baskar Babu
Managing Director & Chief Executive Officer



Place: Mumbai
Date: November 12, 2020



Floor 3, Enterprise Centre, Nehru Road
Near Domestic Airport, Vile Parle (E)
Mumbai -400099
Tel: +91 22 3358 9800

Independent Auditor's Review Report on Unaudited Half Yearly Financial Results of Suryoday Small Finance Bank Limited pursuant to the Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Board of Directors
Suryoday Small Finance Bank Limited

1. We have reviewed the accompanying statement of unaudited financial results of Suryoday Small Finance Bank Limited ('the Bank') for the half year ended September 30, 2020 ('the Statement') attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended ('the Regulation').
2. This Statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared 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 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 ('the RBI') from time to time ('the RBI Guidelines') and other recognized 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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review 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 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 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the recognition and measurement principles laid down in AS 25, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, the RBI Guidelines and other accounting principles generally accepted in India has not disclosed the information required to be disclosed in terms of the 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 the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.



& Associates

Chartered Accountants

Suryoday Small Finance Bank Limited
Independent Auditor's Review Report on Unaudited Financial Results
For the half year ended September 30, 2020

Page 2 of 2

5. Emphasis of Matter

We draw attention to Note 7 to the unaudited financial results which states that there is reduction in the business activities of the Bank due to impact of COVID - 19. The extent to which the COVID-19 Pandemic will continue to impact the Bank's financial results will depend on future developments, which are highly uncertain.

Our conclusion is not modified in respect of this matter.

For MSKC & Associates (Formerly known as R. K. Kumar & Co.)

Chartered Accountants

ICAI Firm Registration Number: 0015955

Tushar

Ramnijklal

Kurani

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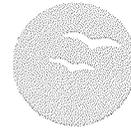
Partner

Membership Number: 118580

UDIN: 20118580AAAAHH3085

Mumbai

November 12, 2020



Date: November 12,2020

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

Dear Sir,

Sub: Declarations with respect to the Unmodified Audit Opinion in respect of Un-Audited Financial Results submitted for half year ended 30th September 2020.

We hereby confirm that Statutory Auditors of the Bank, M/s. MSKC & Associates (Firm Registration No. 001595S) have issued the Review Report with unmodified opinion in respect of Un-Audited Financial Results submitted for half year ended 30th September 2020.

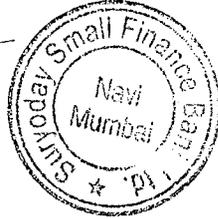
Kindly acknowledge the receipt of the same.

Thanking you,

Yours faithfully,

For **Suryoday Small Finance Bank Limited**

Bhavin Damania
Chief Financial Officer



SURYODAY SMALL FINANCE BANK LIMITED