

May 15, 2023

Ref.: SSFB/CS/11/2023-24

To,

**National Stock Exchange of India Limited**  
**Listing Department**  
Exchange Plaza, C-1, Block G,  
Bandra Kurla Complex,  
Bandra (East)  
Mumbai – 400 051

**BSE Limited**  
**The Corporate Relations Department**  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Fort,  
Mumbai – 400 001

Symbol: **SURYODAY**

Scrip Code: **543279**

Dear Sir/Madam,

**Sub: Press Release on Audited Financial Results of Suryoday Small Finance Bank Limited (the "Bank") for the quarter (Q4) and financial year ended March 31, 2023 - Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref: Intimation of Outcome of meeting of the Board of Directors (the "Board") of Suryoday Small Finance Bank Limited (the "Bank") held on May 15, 2023 - Approval of the Audited Financial Results of the Bank for the quarter (Q4) and financial year ended March 31, 2023**

In continuation to above mentioned intimation, please find attached herewith Press Release on Audited Financial Results of Bank for the quarter (Q4) and financial year ended March 31, 2023.

The Audited Financial Results of the Bank for the quarter (Q4) and financial year ended March 31, 2023, as aforesaid along with the Audit Report, issued by Statutory Auditors of the Bank, M/s. Walker Chandiook & Co. LLP, Chartered Accountants (Firm Registration Number 001076N/N500013) on the abovementioned Audited Financial Results has already been submitted as part of Outcome of meeting of the Board of Directors of the Bank held on May 15, 2023.

This intimation shall also be made available on the Bank's website at <https://www.suryodaybank.com/> in terms of Regulation 30, 46 and 62 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The above is submitted for your kind information and appropriate dissemination.

Thanking You,

Yours truly,  
For **Suryoday Small Finance Bank Limited**

**Krishna Kant Chaturvedi**  
**Company Secretary & Compliance Officer**

Encl: As above

**SURYODAY SMALL FINANCE BANK LIMITED**

**Reg. & Corp. off :** 1101, Sharda Terraces, Plot. 65, Sector 11, CBD Belapur, Navi Mumbai: 400614 Tel: 022-40435800

**E Mail:** info@suryodaybank.com / **Web:** www.suryodaybank.com **CIN:** L65923MH2008PLC261472 / **GSTIN NO:** 27AAMCS5499J1ZG

15<sup>th</sup> May 2023, Navi Mumbai

## **Reported Profit After Tax of ₹77.7 crores in FY23, a significant improvement from the loss of ₹93.0 crores in FY22**

**Suryoday Small Finance Bank Limited** has announced its audited financial results for the quarter and year ended 31<sup>st</sup> March 2023.

### **Business Performance – FY23**

- The Bank's gross advances stood at ₹6,114 crores as compared to ₹5,063 crores in FY22, an increase of 20.8% year on year (Adjusted for ARC ₹6,541 crores with growth of 29.2%)
- Disbursements stood at ₹5,083 crores as compared to ₹3,528 crores, an increase of 44.1% year on year
  - Due to healthy on-ground demand, disbursement activities have regained momentum and reached pre-COVID levels.
  - The bank has also witnessed a substantial increase in retail asset disbursement which grew by 72.8% at ₹1,580 crores
- Deposits stood at ₹5,167 crores as compared to ₹3,850 crores, registering a strong growth of 34.2% year on year
- Share of retail deposits stood at 73.1%
- Collection efficiency as of March 2023 stood at 102.2% (1 EMI collection efficiency is at 96.5%)
- The Bank has ~23.1 lakh customers, an increase of 19.9% over the same period last year
- Total number of branches stood at 577, with 95 being liability-focused outlets and 324 being asset focused branches and 158 Rural Centres
- Total number of employees stood at 6,025

### **Financial highlights – FY23**

- Net interest income stood at ₹746.6 crores as compared to ₹584.5 crores, an increase of 27.7% year on year
- Net total income stood at ₹844.0 crores as compared to ₹678.0 crores, an increase of 24.5% year on year
- Our cost of funds for FY23 reduced to 6.7% compared to 7.0% in FY22
- Cost to income stood at 60.0% as compared to 60.9% in FY22, Cost to income ratio for FY23 has been adjusted for adjusted for one time ARC related provision of ₹21.5 crores

- Pre-Provisioning Operating Profit stood at ₹337.5 crores (adjusted for one time ARC related provision of ₹21.5 crores) crores as compared to ₹264.9 crores an increase of 27.4% year on year

### Asset Quality and Capital – FY23

- Gross NPA stood at 3.1% (FY22 - 11.8%)
- Net NPA stood at 1.5% (FY22 - 5.9%)
- Provision coverage ratio (excluding technical write offs) stood at 51.5% (FY22 - 55.6%)
- CRAR of the Bank stood at 33.7%; Tier I capital of 30.8% and Tier II capital of 2.9% (FY22 - 37.9%)

### Performance Highlights:

Particulars (figures in ₹crores.)	Q4 FY23	Q4 FY22	Y-o-Y	Q3 FY23	Q-o-Q	FY23	FY22	Y-o-Y
Interest Earned	329.5	236.6	39.3%	291.7	12.9%	1,183.7	941.8	25.7%
Interest Expended	119.3	90.2	32.3%	108.3	10.2%	437.1	357.4	22.3%
<b>Net Interest Income</b>	<b>210.1</b>	<b>146.4</b>	<b>43.5%</b>	<b>183.4</b>	<b>14.5%</b>	<b>746.6</b>	<b>584.5</b>	<b>27.7%</b>
Other Income	33.9	20.0	69.5%	25.6	32.2%	97.4*	93.6	4.1%
<b>Net Total Income</b>	<b>244.1</b>	<b>166.4</b>	<b>46.7%</b>	<b>209.1</b>	<b>16.8%</b>	<b>844.0</b>	<b>678.0</b>	<b>24.5%</b>
<b>Operating Expenses</b>	<b>142.4</b>	<b>117.9</b>	<b>20.8%</b>	<b>145.8</b>	<b>-2.3%</b>	<b>506.5</b>	<b>413.1</b>	<b>22.6%</b>
Employee Expense	73.1	66.4	10.1%	64.4	13.5%	242.4	228.2	6.2%
Other Expense	69.3	51.5	34.6%	81.4	-14.8%	264.2 <sup>#</sup>	184.9	42.9%
<b>Operating Profit</b>	<b>101.7</b>	<b>48.5</b>	<b>109.8%</b>	<b>63.3</b>	<b>60.8%</b>	<b>337.5</b>	<b>264.9</b>	<b>27.4%</b>
Provisions and Contingencies	51.5	112.1	-54.1%	39.7	29.8%	236.6	392.0	-39.6%
<b>Net Profit Before Tax</b>	<b>50.2</b>	<b>-63.6</b>	<b>-</b>	<b>23.6</b>	<b>112.9%</b>	<b>100.9</b>	<b>-127.1</b>	<b>-</b>
Tax	11.3	-15.5	-	5.5	105.5%	23.2	-34.1	-
<b>Profit After Tax</b>	<b>38.9</b>	<b>-48.1</b>	<b>-</b>	<b>18.1</b>	<b>115.1%</b>	<b>77.7</b>	<b>-93.0</b>	<b>-</b>

\*After netting of MTM loss (FY23 – ₹35.4 crores)

<sup>#</sup>Includes impact of loss of sale on stressed loans (FY23 - ₹21.5 crores)

Particulars	Q4 FY23	Q4 FY22	Y-o-Y	Q3 FY23	Q-o-Q	FY23	FY22	Y-o-Y
<b>Gross Advances</b>	6,114*	5,063	20.7%	5,408	13.1%	6,114*	5,063	20.8%
<b>Disbursement</b>	1,684	980	71.8%	1,265	33.1%	5,083	3,528	44.1%
<b>Deposits</b>	5,167	3,850	34.2%	4,697	10.0%	5,167	3,850	34.2%
Retail Deposit to Total Deposit	73.1%	78.1%	-500 bps	77.9%	-480 bps	73.1%	78.1%	-504 bps
CASA Ratio	17.1%	18.8%	-170 bps	14.1%	300 bps	17.1%	20.2%	-310 bps
Yield	20.7%	16.4%	430 bps	18.4%	230 bps	19.3%	18.2%	110 bps
NIM	10.4%	7.8%	260 bps	9.2%	120 bps	9.5%	8.6%	90 bps
Cost of Deposits	7.1%	6.7%	40 bps	6.9%	20 bps	6.9%	7.1%	-20 bps
Cost of Borrowings	6.4%	6.1%	30 bps	6.3%	10 bps	6.3%	6.8%	-50 bps
Cost of Funds	6.8%	6.5%	30 bps	6.7%	10 bps	6.7%	7.0%	-30 bps
Cost to income	58.4%	70.9%	-1,250 bps	69.7%	-1,130 bps	60.0%	60.9%	-90 bps
GNPA Ratio	3.1%	11.8%	-870 bps	4.2%	-110 bps	3.1%	11.8%	-870 bps
NNPA Ratio	1.5%	5.9%	-440 bps	2.7%	-120 bps	1.5%	5.9%	-440 bps
PCR (Excluding write offs)	51.5%	52.6%	-110 bps	36.2%	1,530 bps	51.5%	52.6%	-110 bps
Book Value Per Share (BVPS)	149.3	140.0	6.6%	145.5	2.6%	149.3	140.0	6.6%

\*Adjusted for ARC ₹6,541 crores with growth of 29.2%

**Commenting on the performance, Mr. Baskar Babu, MD & CEO, Suryoday Small Finance Bank, said:**

“FY23 marked the first normalized year post-COVID, witnessing a significant rebound in the overall economy. The bank's Gross Advances in FY23 crossed Rs. 6,000 Crores, with the Vikas Loan Portfolio crossing Rs. 1,200 Crores. Vikas Loan is the bank's flagship product in unsecured business loans offered to the bank's existing graduating JLG customers, driven by increased government support for nurturing MSME growth. Consequently, the AUM of the Vikas Loan grew to Rs. 1,232 crores in FY23 from Rs. 213 crores, while the customer base for the same grew over 2.5 times to ~1.9 lakh customers.

The bank has experienced remarkable improvement in Gross Non-Performing Assets (GNPA), which reduced to 3.1% in FY23 from 11.8% in FY22, and Net Non-Performing Assets (NNPA), which decreased to 1.5% in FY23 from 5.9% in FY22. The bank is confident of maintaining GNPA of less than 2% and NNPA of less than 1%.

The bank's collection efficiency, as of FY23, stands at 102.2%. Furthermore, we have achieved a Profit After Tax of Rs. 77.7 crores in FY23, a significant improvement from the loss of Rs. 93.0 crores in FY22.

In terms of disbursement, the bank's disbursements for FY23 stood at Rs. 5,083 crores, a 44.1% increase from Rs. 3,528 crores in FY22. Additionally, Gross Advances grew from Rs. 5,063 crores in FY22 to Rs. 6,114 crores in FY23, representing a 20.8% increase (Adjusted for ARC ₹6,541 crores with growth of 29.2%). These numbers indicate that our AUM, disbursements and profitability have returned to pre-COVID levels, driven by the revival of the overall economy, strong on-ground demand, and increased geographical presence.

Looking ahead to FY24, the bank aims to focus on growing Gross Advances by ~30%, Deposits by ~35%, achieving a Return on Assets (ROA) of ~2.2%, and a Return on Equity (ROE) of ~15%. Operationally, our key areas of focus include product diversification, maintaining GNPA level below 2.0% and NNPA level below 0.5%, leveraging digital initiatives through multiple apps, taking CGFMU cover for JLG and Vikas Loan, building a Vikas loan book of ~Rs. 2,000 crores and expanding our branch network.”

We are on track to build a world class financial services institution in the financial inclusion space.

**About Suryoday Small Finance Bank Limited:**

Suryoday Small Finance Bank Limited is a scheduled commercial bank. Commencing its operations as an NBFC and for over a decade with a clear focus on serving customers in the unbanked and underbanked segments and promoting financial inclusion. Pursuant to receipt of the RBI Final Approval, Suryoday started its operations as an SFB on January 23, 2017. Suryoday is among the leading SFBs in India in terms of net interest margins, return on assets, yields and deposit growth and had the lowest cost-to-income ratio among SFBs in India in Fiscal 2020. The bank has a wide presence across 15 states and UTs across India through its 577 banking outlets, with a strong presence in Maharashtra, Tamilnadu and Odisha. We offer a wide array of services to our customers, through our array of asset and liability products, via our multiple delivery channels. Suryoday SFB is listed on NSE and BSE.

For more details, please visit, [www.suryodaybank.com](http://www.suryodaybank.com)

**Safe Harbour:**

Some of the statements in this document that are not historical facts; are forward-looking statements. These forward- looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

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**Company:****Investor Relations Advisor**

**For further information, please contact**

**Suryoday Small Finance Bank Limited****CIN: L65923MH2008PLC261472****Mr. Himadri Das**[himadri.das@suryodaybank.com](mailto:himadri.das@suryodaybank.com)[www.suryodaybank.com](http://www.suryodaybank.com)**Strategic Growth Advisors Pvt. Ltd.****CIN: U74140MH2010PTC204285****Mr. Aakash S Mehta / Mr. Abhishek Shah**[aakash.s.m@sgapl.net](mailto:aakash.s.m@sgapl.net) / [abhishek.shah@sgapl.net](mailto:abhishek.shah@sgapl.net)**+91 9870679263 / +91 9930651660**[www.sgapl.net](http://www.sgapl.net)