

Ref No: 05/SE/CS/FEB/2023-24



Date: February 08, 2024

To,

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

Dear Sir / Madam,

Sub: Disclosure under Regulations 30, 33, 51 and 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Financial Results for the quarter ended December 31, 2023

In continuation to our intimation dated February 01, 2024 , we hereby inform that further to the review by the Audit Committee, the Board of Directors of the Bank, in its meeting held on Thursday, February 08, 2024, has, inter alia, considered and approved the Unaudited Standalone Financial Results of the Bank for the quarter ended December 31, 2023 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.

Therefore, pursuant to Regulation 30, 33, 51 and 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith the, Unaudited Standalone Financial Results of the Bank for the quarter ended on December 31, 2023 together with the disclosures in accordance with Regulation 52(4) of the Listing Regulations and the Limited Review reports issued thereon by the Joint Statutory Auditors of the Bank, M/s. Abarna and Ananthan, Chartered Accountants and M/s. Kirtane and Pandit, Chartered Accountants.

The above announcements are also being made available on the website of the Bank at www.esafbank.com

Requesting you to take the same into your records.

Thank you,
Yours Faithfully

Ranjith Raj. P
Company Secretary and Compliance Officer

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

Abarna & Ananthan
Chartered Accountants
521,3rd Main Rd, 2nd Phase,
6th Block, Banashankari 3rd Stage,
Bengaluru,
Karnataka - 560085.

Kirtane & Pandit LLP
Chartered Accountants
601, 6th Floor, Earth Vintage Building,
Nr. MCGM Pumping Station,
Senapati Bapat, Marg Dadar (West)
Mumbai 400028.

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 nine months ended December 31, 2023 (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.
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 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with 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 (the "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. 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 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.

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



Mohan Rao G.
Partner
Membership No. 203737
UDIN:24203737BKHAFQ1223
Place: Mannuthy
Date : February 08, 2024



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



Sandeep Welling
Partner
Membership No. 044576
UDIN: 24044576BKATZK7404
Place: Mannuthy
Date : February 08, 2024



Statement of unaudited financial results for the quarter and nine months ended 31 December 2023

Rs. In Lakh

Sl No.	Particulars	Quarter ended 31 December 2023	Quarter ended 30 September 2023	Quarter ended 31 December 2022	Nine Months ended 31 December 2023	Nine Months ended 31 December 2022	Year ended 31 March 2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	97,437	94,334	70,128	2,81,643	2,07,979	2,85,360
	a) Interest/discount on advances/bills	87,838	85,425	61,687	2,55,343	1,83,772	2,53,199
	b) Income on investments	9,395	8,748	8,412	25,923	23,261	31,204
	c) Interest on balances with Reserve Bank of India and other inter-bank funds	204	161	29	377	946	957
	d) others	-	-	-	-	-	-
2	Other Income	11,998	7,894	8,091	29,198	19,396	28,797
3	Total Income (1)+(2)	1,09,435	1,02,228	78,219	3,10,841	2,27,375	3,14,157
4	Interest expended	37,741	34,679	24,993	1,03,748	74,241	1,01,732
5	Operating Expenses (i)+(ii)	42,926	38,584	29,317	1,19,291	85,613	1,23,054
	i) Employees Cost	8,930	8,909	7,014	25,825	20,176	27,800
	ii) Other operating expenses	33,996	29,675	22,303	93,466	65,437	95,254
6	Total Expenditure (4)+(5)	80,667	73,263	54,310	2,23,039	1,59,854	2,24,786
	(excluding provisions & contingencies)						
7	Operating Profit before provisions and contingencies (3)-(6)	28,769	28,965	23,909	87,802	67,521	89,371
8	Provisions (other than tax) and contingencies	13,784	10,136	18,806	36,613	40,539	48,767
9	Exceptional items	-	-	-	-	-	-
10	Profit from ordinary activities before tax (7)-(8)-(9)	14,985	18,829	5,103	51,189	26,982	40,604
11	Tax expenses	3,771	4,817	1,362	12,967	6,887	10,371
12	Net profit from ordinary activities after tax (10)-(11)	11,214	14,012	3,741	38,222	20,095	30,233
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit for the Period/ year (12)-(13)	11,214	14,012	3,741	38,222	20,095	30,233
15	Paid up equity share capital (Face Value of Rs. 10/- each)	51,478	44,947	44,947	51,478	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 5)	21.03%	20.57%	20.27%	21.03%	20.27%	19.83%
	(iii) Earnings Per Share (EPS) [before and after extraordinary items, net of expenses] (Face value of Rs.10/-						
	- Basic (Rs.)	2.43	3.12	0.83	8.27	4.47	6.73
	- Diluted (Rs.)	2.42	3.11	0.83	8.26	4.46	6.71
	(iv) NPA Ratio						
	(a) Gross NPA	71,320	39,912	90,828	71,320	90,828	35,169
	(b) Net NPA	36,831	17,767	45,105	36,831	45,105	15,789
	(c)% of Gross NPA to Gross Advances	4.16%	2.64%	7.24%	4.16%	7.24%	2.49%
	(d) % of Net NPA to Net Advances	2.19%	1.19%	3.73%	2.19%	3.73%	1.13%
	(v) Return on Assets *	0.51%	0.66%	0.21%	1.74%	1.11%	1.63%
	(vi) Networth #	2,48,205	1,97,921	1,60,775	2,48,205	1,60,775	1,70,912
	(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
	(viii) Capital Redemption Reserve/ Debenture Redemption	-	-	-	-	-	-
	(ix) Debt - Equity Ratio **	0.54	0.94	1.22	0.54	1.22	1.47
	(x) Total debts ** to total assets	9.90%	10.92%	15.53%	9.90%	15.53%	16.59%

* Quarterly and nine months 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.Equity represents sum of Capital and Reserves & Surplus

As per regulation 33 and regulation 52(4) of SEBI (Listing obligations & 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.



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Notes:

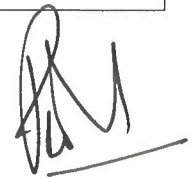
1.Segment information in accordance with the RBI guidelines and Accounting Standard 17-"Segment Reporting"

Rs. In Lakh

SI No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Nine Months	Nine Months	Year ended
		31 December 2023	30 September 2023	31 December 2022	ended 31 December 2023	ended 31 December 2022	31 March 2023
		Unaudited	Audited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
(a)	Retail	92,340	89,750	66,770	2,68,648	1,97,250	2,78,706
(b)	Wholesale	2,137	2,071	805	6,217	3,399	5,767
(c)	Treasury	11,104	8,809	9,408	28,881	23,262	24,719
(d)	Other Banking Operations	3,854	1,598	1,236	7,095	3,464	4,965
(e)	Less: Inter Segment Revenue	-	-	-	-	-	-
	Income from operations	1,09,435	1,02,228	78,219	3,10,841	2,27,375	3,14,157
2	Segment Results						
(a)	Retail	9,150	16,134	8,127	38,313	26,651	35,916
(b)	Wholesale	780	965	180	2,693	1,258	2,831
(c)	Treasury	1,523	135	(4,370)	3,496	(4,233)	(2,765)
(d)	Other Banking Operations	3,532	1,595	1,166	6,687	3,306	4,622
	Total Profit Before Tax	14,985	18,829	5,103	51,189	26,982	40,604
3	Segment Assets						
(a)	Retail	16,67,898	14,90,301	12,24,690	16,67,898	12,24,690	13,74,633
(b)	Wholesale	74,446	66,073	26,307	74,446	26,307	66,087
(c)	Treasury	6,62,699	6,57,296	5,55,188	6,62,699	5,55,188	5,57,836
(d)	Unallocated	25,003	23,179	28,308	25,003	28,308	23,810
	Total Assets	24,30,046	22,36,849	18,34,493	24,30,046	18,34,493	20,22,366
4	Segment Liabilities						
(a)	Retail	15,96,641	14,64,091	12,62,125	15,96,641	12,62,125	13,83,845
(b)	Wholesale	62,520	55,879	103	62,520	103	52,077
(c)	Treasury	4,84,917	4,83,412	3,86,845	4,84,917	3,86,845	3,81,087
(d)	Capital & Reserves	2,48,205	1,97,921	1,60,775	2,48,205	1,60,775	1,70,913
(e)	Unallocated	37,763	35,546	24,645	37,763	24,645	34,444
	Total Liabilities	24,30,046	22,36,849	18,34,493	24,30,046	18,34,493	20,22,366

Notes

- 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 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.
- 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.
- 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.The statement of unaudited financial results for the quarter and nine months ended 31 December 2023 ("Statement" or "financial results") have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 8 February 2024 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 included in the Statement have been reviewed/ audited by M/s. Deloitte Haskins & Sells and M/s. Abarna & Ananthan (one of the present Joint auditors), who expressed an unmodified opinion.

3. These financial results of the Bank have 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 relevant rules issued thereunder, in so far as they apply to the 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 (the "RBI Guidelines") and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.

4. 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.

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 6th 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.

6. (i) During the nine months ended 31 December 2023, the bank has not acquired / transferred any "loans not in default" through assignment of loans.
(ii) During the nine months ended 31 December 2023, the bank has not acquired/ transferred any stressed loans (Non-performing Asset and Special Mention Account).

7. 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. 16.87 Crore during the nine months (Rs. 10.13 Crore during Quarter ended 31 December 2023 and Rs. 3.65 Crore during Quarter ended 30 September 2023) and consequently the contingency provision on standard assets as at 31 December 2023 stands at Rs. 30.11 Crore.

8. 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).

9. The Bank has completed the process of Initial Public Offer (IPO) and raised Rs. 39,070 Lakhs by issue of 653.06 Lakhs 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.

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

Place : Mannuthy
Date : 8 February 2024




Kadambelil Paul Thomas
Managing Director & CEO
DIN: 00199925

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Annexure

Disclosure in Compliance with Regulation 52 (4) of SEBI (LODR) Regulations, 2015 for the quarter ended December 31, 2023

		For the Quarter ended December 31, 2023	
1	Debt Equity Ratio**	0.54	
2	Debt Service Coverage Ratio	NA	
3	Interest Service Coverage Ratio	NA	
4	Outstanding Redeemable Preference Shares (Quantity and Value)	NA	
5	Capital Redemption Reserve/ Debenture Redemption Reserve	NA	
6	Networth #	Rs. 2482.05 Crore	
7	Net Profit after Tax	Rs. 382.22 Crore	
8	Earnings Per Share	Basic (Rs)	8.27
		Diluted (Rs)	8.26
9	Current Ratio	NA	
10	Long Term Debt to Working Capital	NA	
11	Bad Debts to Account Receivable Ratio	NA	
12	Current Liability Ratio	NA	
13	Total Debts to Total Assets	9.90%	
14	Debtors Turnover	NA	
15	Inventory Turnover Ratio	NA	
16	Operating Margin	NA	
17	Net Profit Margin	NA	

Note:

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

Networth represents sum of Capital and Reserves & Surplus



C. K. S. M. K. N. T. H.



C. P. G. R. U. S. H.

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.

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