

November 09, 2023

Ref.: SSFB/CS/78/2023-24

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 the Unaudited Financial Results of Suryoday Small Finance Bank Limited (the "Bank") for the Quarter (Q2) and Half year ended September 30, 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 November 09, 2023 - Approval of the Unaudited Financial Results of the Bank for the Quarter (Q2) and Half year ended September 30, 2023

In continuation to the abovementioned intimation dated November 09, 2023, pertaining to Outcome of the Board meeting, please find attached herewith Press Release on the Unaudited Financial Results of the Bank for the Quarter (Q2) and Half year ended September 30, 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

09th November 2023, Navi Mumbai

Suryoday Small Finance Bank Limited has announced its un-audited financial results for the quarter and half year ended 30th September 2023.

Business Performance – Q2 & H1 FY24

- The Bank's gross advances stood at ₹6,921* crores as compared to ₹5,378 crores in H1 FY23, an increase of 28.7% year on year
- Disbursements for H1 FY24 stood at ₹2,787 crores as compared to ₹2,130 crores, an increase of 30.8% year on year.
- Disbursements for Q2 FY24 stood at ₹1,598 crores as compared to ₹1,118 crores, an increase of 42.9% year on year
 - Disbursement continues to be strong and we expect the momentum to continue in the coming quarters.
 - Vikas Loan disbursement grew by 171% to ₹577 crore in Q2FY24 as compared to ₹213 crore in Q1FY24
- Deposits stood at ₹ 6,388 crores as compared to ₹4,207 crores, an increase of 51.9% year on year
- Share of retail deposits stood at 77.6%
- CASA ratio stood at 15.7%, compared to 17.3% year on year and 14.9% sequentially
- Overall collection efficiency for the month of September 2023 stood at 101.7%
- The Bank has ~25.1 lakh customers, an increase of 20% over the same period last year
- Total number of banking outlets stood at 635, with 96 being liability-focused outlets and 350 being asset focused branches
- Total number of employees stood at 6,989

Financial highlights – H1 FY24

- Net interest income stood at ₹445.8 crores as compared to ₹353.1 crores, an increase of 26.2% year on year
- Net total income stood at ₹548.5 crores as compared to ₹390.8 crores, an increase of 40.4% year on year
- Cost of Funds increased to 7.2% compared to 6.6% in H1 FY23
- Cost to income stood at 56.7% as compared to 55.9% in H1FY23. Cost to income including CGFMU expenses stood at 61.5%
- Pre-Provisioning Operating Profit stood at ₹211.4 crores as compared to ₹172.5 crores an increase of 22.6% year on year

*Includes IBPC of ₹100 crores

Financial highlights – Q2FY24

- Net interest income stood at ₹221.0 crores as compared to ₹175.9 crores, an increase of 25.6% year on year
- Net total income stood at ₹272.8 crores as compared to ₹200.6 crores, an increase of 36.0% year on year
- Cost of Funds increased to 7.5% compared to 6.7% in Q2 FY23
- Cost to income stood at 59.7% as compared to 53.5% in Q2 FY23, including CGFMU, cost to income stood at 65.4%. The rise in cost is due to increase in employee cost, expansion and CGFMU.
- Pre-Provisioning Operating Profit stood at ₹94.3 crores as compared to ₹93.1 crores an increase of 1.3% year on year

Asset Quality and Capital – H1 FY24

- Gross NPA stood at 2.90% against 9.9% YoY
- Net NPA stood at 1.40% versus 4.8% YoY
- Provision coverage ratio (excluding technical write offs) stood at 50.5%.
- CRAR of the Bank stood at 30.2%; Tier I capital of 28.0% and Tier II capital of 2.2%

Performance Highlights:

Particulars (figures in ₹ crores)	Q2 FY24	Q2 FY23	Y-o-Y	Q1 FY24	Q-o-Q	H1 FY24	H1 FY23	Y-o-Y
Interest Earned	375.2	281.0	+33.5%	358.1	+4.8%	733.3	562.5	+30.4%
Interest Expended	154.2	105.1	+46.7%	133.4	+15.6%	287.6	209.5	+37.3%
Net Interest Income	221.0	175.9	+25.6%	224.7	-1.6%	445.8	353.1	+26.2%
Other Income	51.8	24.7	+110.0%	51.0	+1.4%	102.8	37.8	+171.9%
Net Total Income	272.8	200.6	+36.0%	275.7	-1.1%	548.5	390.8	+40.4%
Operating Expenses	162.9	107.5	+51.5%	148.4	+9.8%	311.3	218.3	+42.6%
Employee Expense	83.9	51.6	+62.6%	75.2	+11.6%	159.1	104.8	+51.8%
Other Expense	79.0	55.9	+41.3%	73.2	+7.9%	152.2	113.5	+34.1%
Operating Profit Before CGFMU	109.9	93.1	+18.1%	127.4	-13.7%	237.3	172.5	+37.5%
CGFMU Expense	15.6	-	-	10.3	+50.9%	25.9	-	-
Operating Profit After CGFMU	94.3	93.1	+1.3%	117.1	-19.4%	211.4	172.5	+22.5%
Provisions and Contingencies	26.7	76.1	-65.0%	53.7	-50.3%	80.3	145.4	-44.8%
Profit Before Tax	67.7	17.0	+299.3%	63.4	+6.8%	131.1	27.1	+384.3%
Tax	17.4	4.0	+339.3%	15.8	+9.8%	33.2	6.3	+425.6%
Profit After Tax	50.3	13.0	+287.1%	47.6	+5.8%	97.9	20.8	+371.7%

Particulars (figures in ₹ crores)	Q2 FY24	Q2 FY23	Y-o-Y	Q1 FY24	Q-o-Q	H1 FY24	H1 FY23	Y-o-Y
Gross Advances	6,921	5,378	28.7%	6,372	8.6%	6,921	5,378	28.7%
Disbursement	1,598	1,118	42.9%	1,190	34.3%	2,787	2,130	30.8%
Deposits	6,388	4,207	51.9%	5,722	11.7%	6,388	4,207	51.9%
Retail Deposit to Total Deposit	77.6%	71.9%	567 bps	75.7%	192 bps	77.6%	71.9%	567 bps
CASA Ratio (Excluding CD)	15.7%	17.3%	-158 bps	14.9%	80 bps	15.7%	17.3%	-158 bps
Yield	20.1%	18.8%	130 bps	20.5%	-44 bps	20.3%	18.9%	138 bps
NIM	9.4%	9.2%	12 bps	10.1%	-75 bps	9.7%	9.1%	60 bps
Cost of Deposits	7.8%	7.0%	85 bps	7.1%	68 bps	7.5%	6.8%	70 bps
Cost of Borrowings	6.7%	6.4%	30 bps	6.5%	20 bps	6.6%	6.3%	30 bps
Cost of Funds	7.5%	6.7%	75 bps	6.9%	56 bps	7.2%	6.6%	60 bps
Cost to income – Excl CGFMU	59.7%	53.5%	620 bps	53.8%	590 bps	56.7%	55.9%	80 bps
Cost to income – Incl CGFMU	65.4%	53.6%	1181 bps	57.5%	787 bps	61.5%	55.9%	556 bps
GNPA Ratio	2.9%	9.9%	-704 bps	3.0%	-14 bps	2.9%	9.9%	-704 bps
NNPA Ratio	1.4%	4.8%	-332 bps	1.6%	-19 bps	1.4%	4.8%	-332 bps
PCR (Excluding write offs)	50.5%	54.5%	-400 bps	47.3%	320 bps	50.5%	54.5%	-400 bps
Book Value Per Share (BVPS)	158.6	143.9	10.2%	153.8	3.1%	158.6	143.9	10.2%

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

"We are pleased to report that the bank has registered a 28.7% growth in advances to ₹6,921 crore in H1FY24 against the corresponding period last year. The growth is led by an overall performance demonstrated by the bank coupled with sustained momentum in the microfinance sector. The small ticket loans within the overall MFI industry has witnessed resilience in terms of growth and asset quality. The disbursement for the bank increased from ₹2,130 crore in H1FY23 to ₹2,787 crore in H1FY24; a growth of 30.8% on a YoY basis. The disbursement growth is led by our Vikas Loan and Commercial Vehicle Loans which grew by 139% and 262% YoY growth respectively.

The overall deposits increased from ₹4,207 crore in H1FY23 to ₹6,388 in H1FY24. We always focused on building a granular retail deposit book, the retail deposits as a % of overall deposits is at 77.6% in H1FY24 versus 71.9% during H1FY23. CASA acquisition momentum outpaced deposit mobilisation in Q2 FY24. In terms of asset quality, the GNPA stood at 2.9% at the end of H1FY24, down from 9.9% in H1FY23. Net NPA was 1.4% in H1FY24 compared to 4.8% in H1FY23. Overall Collection efficiency in the month of September 2023 was 101.7%. We continue to focus on growth and maintaining asset quality. Furthermore, the bank will continue to build floating provision and CGFMU cover to mitigate any unforeseen risks.

On the profitability front, while the bank's net interest income grew by 26.2% to ₹445.8 crore during the first half of the fiscal year versus same period last year. The rise in cost of deposits especially during Q2FY24 marginally impacted the profitability. During the quarter gone by, the bank has invested in expanding the branch network and human resource base; the leverage of which will accrue in the coming quarters. However, the bottom-line saw a remarkable improvement from ₹20.8 crore in H1FY23 to ₹97.9 crores in H1FY24."

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 14 states and UTs across India through its 635 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

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.

Company:

Investor Relations Advisors:

For further information, please contact



Suryoday Small Finance Bank Limited

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SGA Strategic Growth Advisors

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CIN: U74140MH2010PTC204285

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