

August 10, 2023

Ref.: SSFB/CS/43/2023-24

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: Disclosure of Investor Presentation on Unaudited Financial Results of Suryoday Small Finance Bank Limited (the "Bank") for the quarter ended June 30, 2023, under the Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: Our letter No. SSFB/CS/38/2023-24 dated August 04, 2023, intimating about the conference call and letter No. SSFB/CS/41/2023-24 dated August 10, 2023 intimating the outcome of Board meeting for approval of Unaudited Financial Results of the Bank for the quarter ended June 30, 2023

In continuation to above mentioned intimations, please find attached herewith Investor Presentation relating to the Conference call update on the Unaudited Financial Results of Bank for the quarter (Q1) ended June 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



SURYODAY

A BANK OF SMILES

Suryoday Small Finance Bank Limited

Investor Presentation – Q1 FY24



PURPOSEFULNESS

REFLECT. REENGINEER. REBOUND.

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Certain matters discussed in this Presentation may contain statements regarding the Company’s market opportunity and business prospects that are individually and collectively forward-looking statements. Such forward-looking statements are not guarantees of future performance and are subject to known and unknown risks, uncertainties and assumptions that are difficult to predict. These risks and uncertainties include, but are not limited to, the performance of the Indian economy and of the economies of various international markets, the performance of the industry in India and world-wide, competition, the company’s ability to successfully implement its strategy, the Company’s future levels of growth and expansion, technological implementation, changes and advancements, changes in revenue, income or cash flows, the Company’s market preferences and its exposure to market risks, as well as other risks. The Company’s actual results, levels of activity, performance or achievements could differ materially and adversely from results expressed in or implied by this Presentation. The Company assumes no obligation to update any forward-looking information contained in this Presentation. Any forward-looking statements and projections made by third parties included in this Presentation are not adopted by the Company and the Company is not responsible for such third-party statements and projections.



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Corporate Social Responsibility



Business Update

Q1 FY24

Performance Highlights – Q1 FY24

Gross Advances

₹6,372*
(+24.2% YoY)

Disbursements

₹1,190
(+17.5% YoY)

Asset Mix

IF – 60%
Others – 40%

Collection Efficiency

100.4%
(97% June-22)

Deposits

₹5,722
(+42.3% YoY)

Retail[#] : Bulk Deposit

(75.7% : 24.3%)

CASA Ratio

14.9%
(21.0% June-22)

Cost of Funds

6.9%
(+49 bps YoY)

NII

₹225
(+26.9% YoY)

Cost to Income Ratio

57.5% (-76 bps YoY)

GNPA

3.0%
(-704 bps YoY)

Pre-PoP

₹117
(+47.5% YoY)

RoA / RoE

2.0% / 12.3%
(+163 bps / +1,019 YoY)

Customers

24.3 lakhs
(+21.0% YoY)

Branch Network

609
(564 June-22)

Employee Count

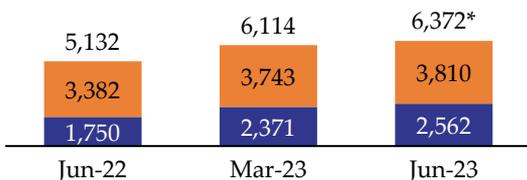
6,386
(5,239 June-22)

Key Metrics

Gross Advances (₹ crores)

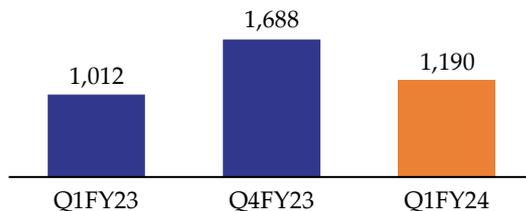
↑ +4.2% Q-o-Q ↑ +24.2% Y-o-Y

IF Retail Assets



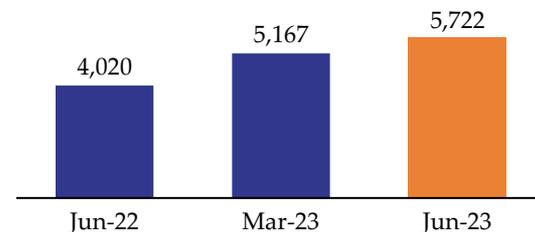
Disbursements (₹ crores)

↓ -29.5% Q-o-Q ↑ +17.5% Y-o-Y



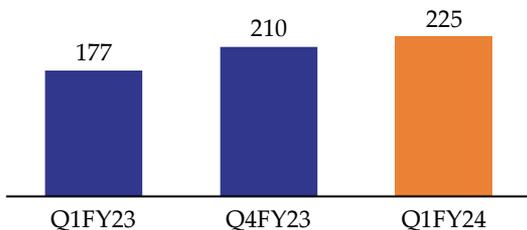
Deposits (₹ crores)

↑ +10.7% Q-o-Q ↑ +42.3% Y-o-Y



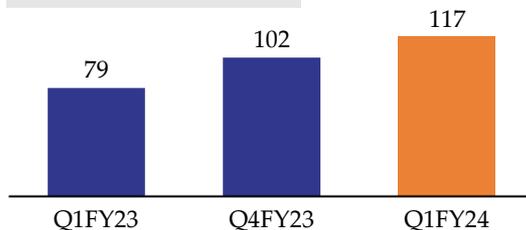
Net Interest Income (₹ crores)

↑ 6.9% Q-o-Q ↑ 26.9% Y-o-Y



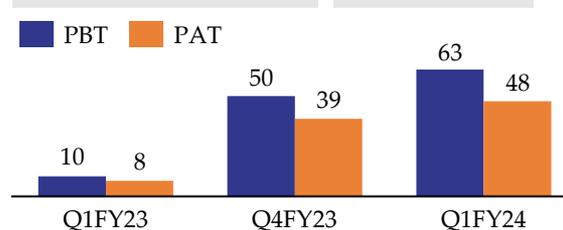
Pre-PoP (₹ crores)

↑ +15.1% Q-o-Q ↑ +47.4% Y-o-Y



PBT & PAT (₹ crores)

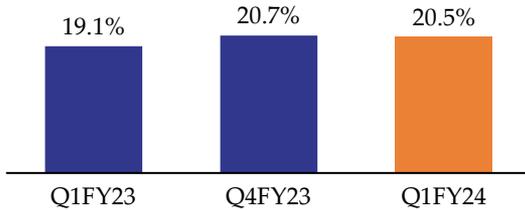
↑ PAT +22.3% Q-o-Q ↑ PAT +514.2% Y-o-Y



Key Metrics

Yield (%)

↓ -25 bps Q-o-Q ↑ +138 bps Y-o-Y



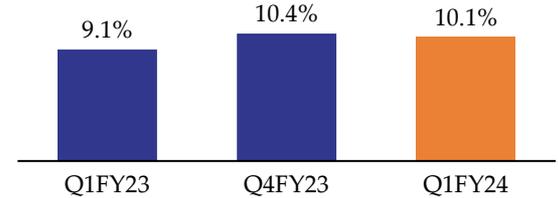
Cost of Funds (%)

↑ +6 bps Q-o-Q ↑ +49 bps Y-o-Y



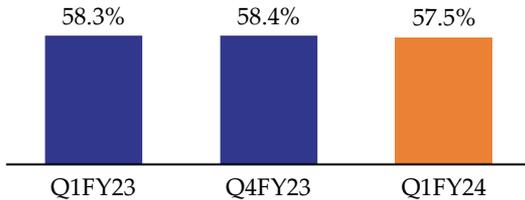
NIM (%)

↓ -24 bps Q-o-Q ↑ +105 bps Y-o-Y



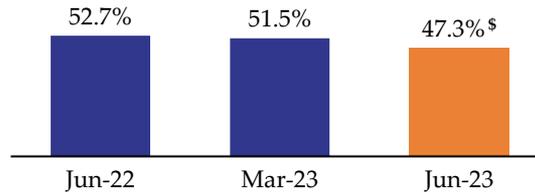
Cost / Income Ratio (%)

↓ -86 bps Q-o-Q ↓ -76 bps Y-o-Y



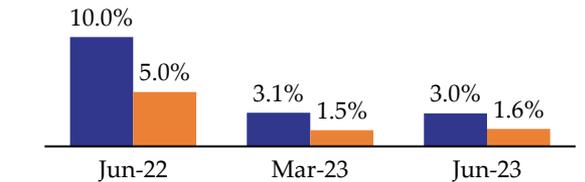
PCR (%)

↓ -420 bps Q-o-Q ↓ -540 bps Y-o-Y



Asset Quality (%)

GNPA ↓ -10 bps Q-o-Q ↓ -704 bps Y-o-Y
 NNPA ↑ +13 bps Q-o-Q ↓ -337 bps Y-o-Y



^{\$} ₹ 41.3 Crores provisions towards ARC not considered in PCR

Figures may not add up due to rounding off

All numbers in ₹ crores, unless otherwise indicated

Healthy growth in Pre-PoP & ARC Update

Comparative Pre-PoP of ₹127 crores, growth of 61% Y-o-Y and 25% Q-o-Q

Particulars		Q1 FY24	Q4 FY23	Q1 FY23
Pre-PoP before CGFMU	[A]	127	102	79
CGFMU Expense	[B]	10	-	-
Pre-PoP after CGFMU	[C = A-B]	117	102	79
One-time ARC related provision	D	41	-	-
Other Net Provisions	E	17	52	69
PBT	[F = C-D-E]	63	50	10
Tax	G	16	11	2
PAT	[H = F-G]	48	39	8

ARC Portfolio Update

ARC Portfolio Status as of Jun'23		Amount
ARC Pool	[A]	492
ARC Pool Valuation	[B]	135
Pool Value after collection	[C]	76
SSFB share	[D]=[C]*85%	65
Provision as of June-23	[E]	41
Net Carrying Value	[D]-[E]	24

One-time Provision for ARC Explained as per 77A

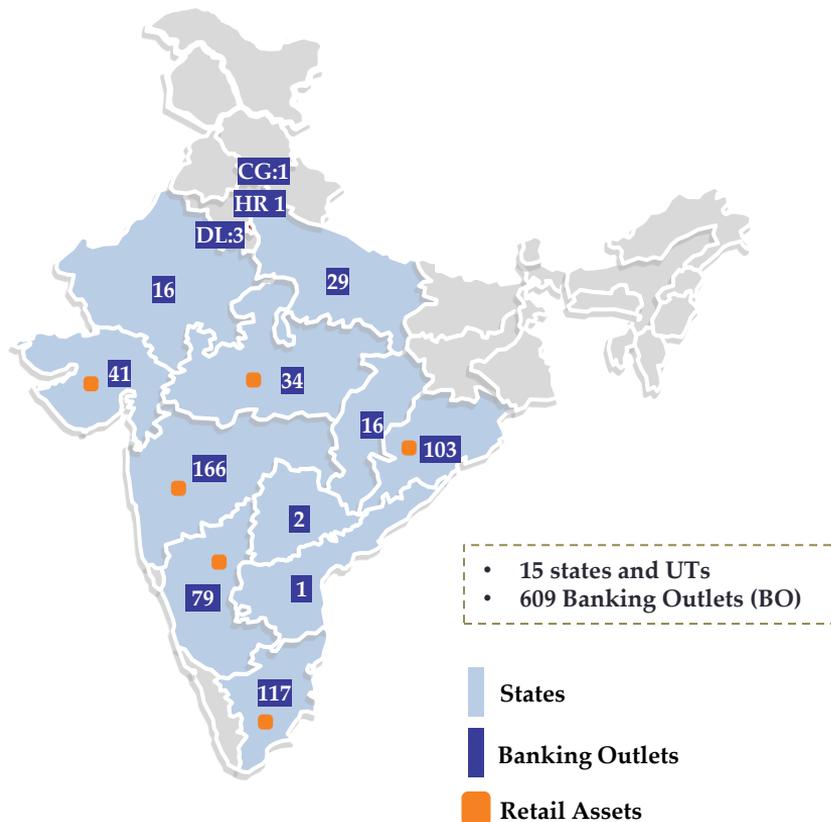
- SRs issued by ARC is required to be valued every 6 months.
- Rating assigned to the ARC pool and consequently SR's is 'INR RR2' (75 – 100% recovery)
- No incremental provisioning required
- Section 77A of RBI Master Direction on Transfer of Loan Exposure requires the value of SRs to be reduced by notional provisioning rate
- Bank has made provision of ₹41.3 Crores under section 77A
- **Bank expects the same to be reversed in the forthcoming quarters & to be used as floating provision**



Asset Business Update

Q1 FY24

Geographical Presence



Branch Distribution

Asset focused outlets	325
Liability focused outlets	95*
Rural Centers	189
Total	609

Note: *Includes 26 Composite Branches

Geographical Mix of the Branches

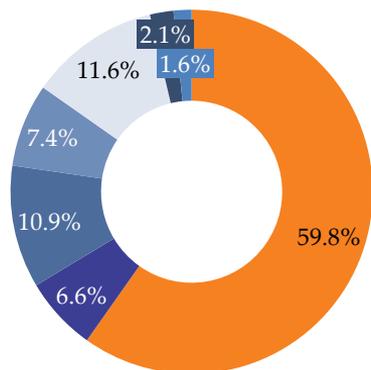
Outlets	Asset Focused	Liability Focused	URC
Tamil Nadu*	65	22	30
Maharashtra	77	34	55
Odisha	28	10	65
Karnataka	45	11	23
Madhya Pradesh	27	2	5
Gujarat	36	5	0
Others	47	11	11
Total	325	95	189

Note: Tamil Nadu Includes Puducherry
Some of the URC branches are full fledged asset branches

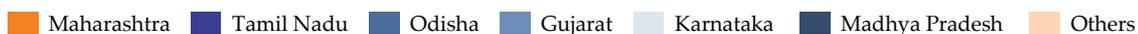
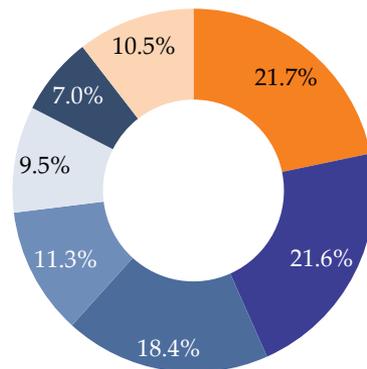
Asset Business Update – Q1 FY24

Particulars	JLG	VL	CV	HL	SBL	FIG	Partnerships	Others	Total
Gross Advances – (₹ Crores)*	2,527	1,283	421	693	469	739	133	107	6,372
Disbursement – Q1 FY24 (₹ Crores)	545	213	85	68	72	158	32	17	1,190
CE % - June 2023 (1 EMI adjusted)	95%	99%	95%	95%	93%	100%	93%	-	96%

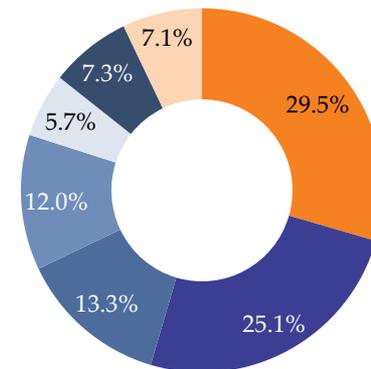
Portfolio Mix – Product Wise



Regional Portfolio Mix (IF)

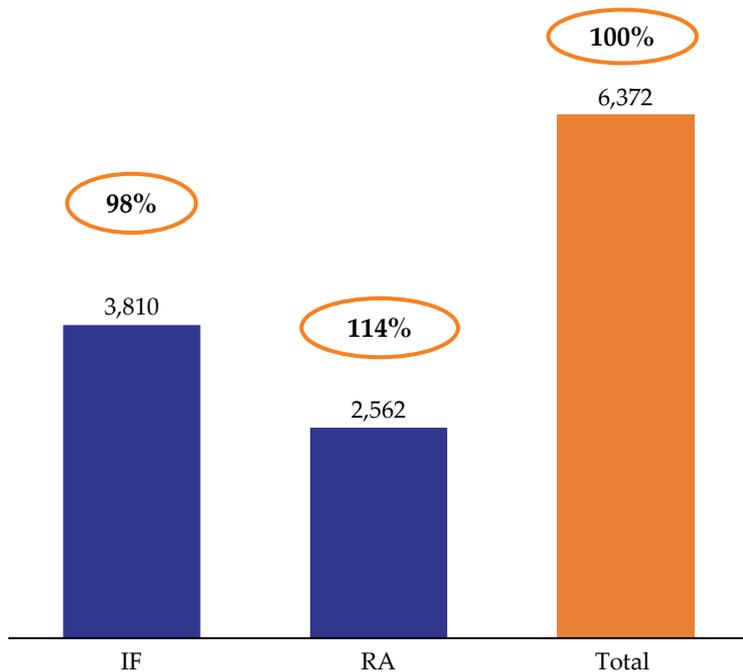


Regional Portfolio Mix (Overall)



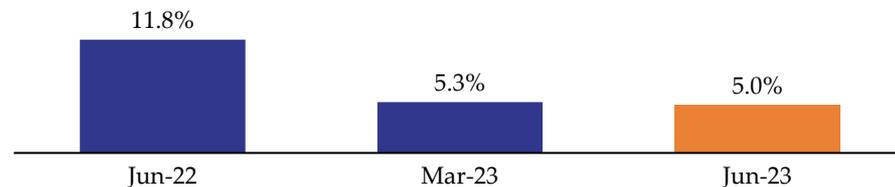
Book Performance as on 30th June 2023

Collection Efficiency (₹ crores)

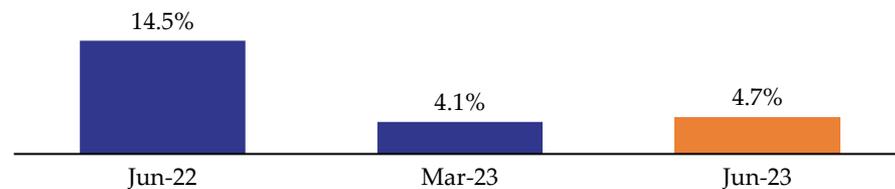


○ Collection Efficiency Overall

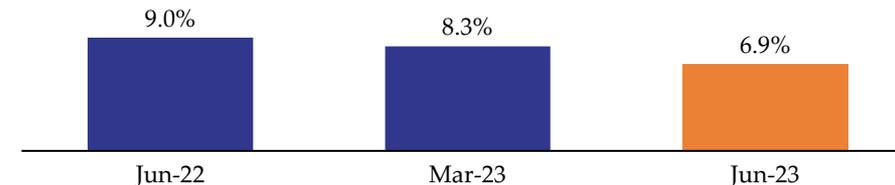
Overall – PAR 30+



IF – PAR 30+



Retail Assets – PAR 30+

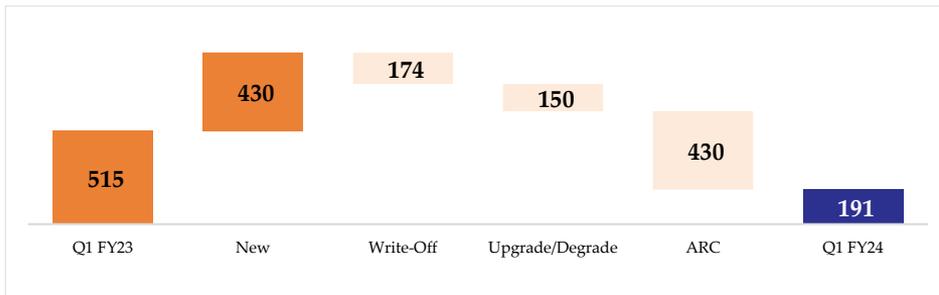


Product	Gross Advances*	GNPA	NPA Provisions	Floating Provision	Total Provision	NNPA	GNPA	NNPA	PCR
IF	3,810	140	51	18	68	72	3.7%	1.9%	48.6%
HL	693	13	4	-	4	9	1.9%	1.3%	33.1%
SBL	469	11	3	-	3	8	2.3%	1.7%	27.1%
CV	421	9	6	-	6	3	2.1%	0.6%	71.6%
FIG	739	-	-	-	-	-	-	-	-
Unsecured Business Loan	133	7	4	-	4	3	5.4%	2.2%	61.2%
Other	107	11	4	-	4	7	10.0%	6.7%	35.2%
Total	6,372	191	72	18	90	101	3.0%	1.6%	47.3%¹

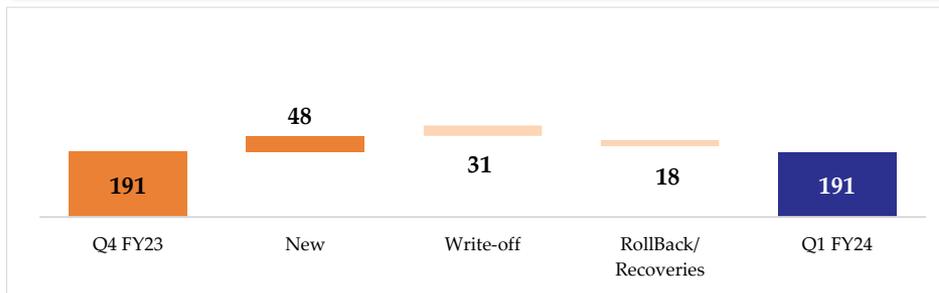
1. ₹ 41.3 crores provisions towards ARC not considered in PCR
2. The RBI notification on new IRAC norms on classification of advances guaranteed under NCGTC schemes did not impact the bank, since the bank has always recognized these advances such as ECLGS as part of GNPA

Particulars	Amt
GNPA	191
ECLGS (collections till June-23 ₹ 8.8 crores)	62
GNPA excluding ECLGS	129
Provision	90
Balance GNPA	39

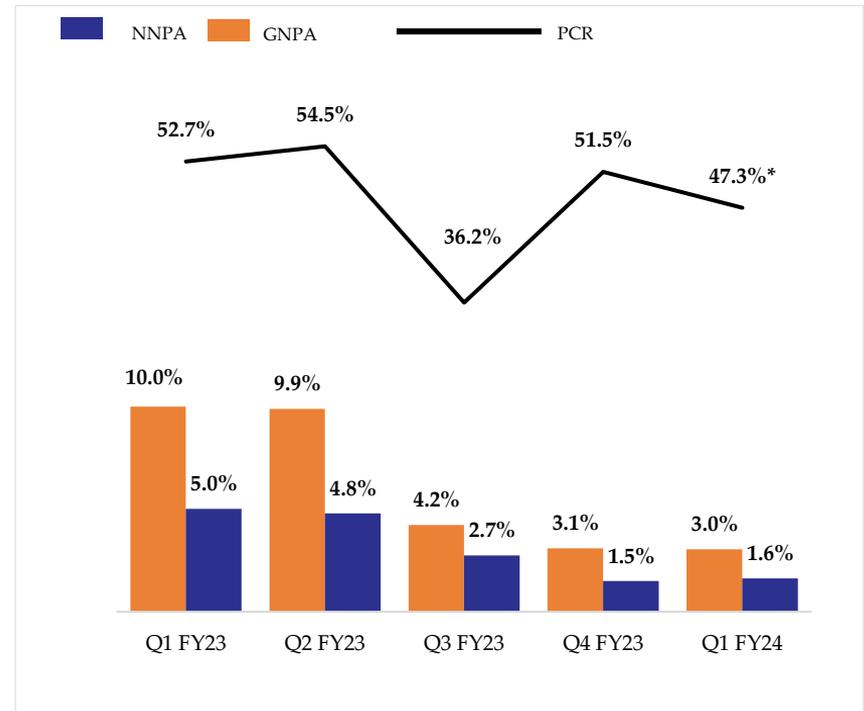
GNPA Q1FY23 to Q1FY24 Movement



GNPA Q4FY23 to Q1FY24 Movement



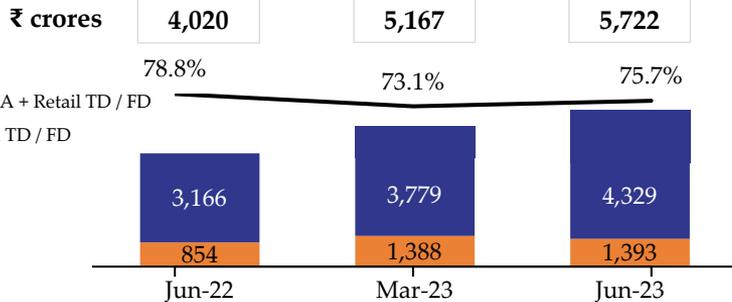
Trend: GNPA, NNPA & PCR



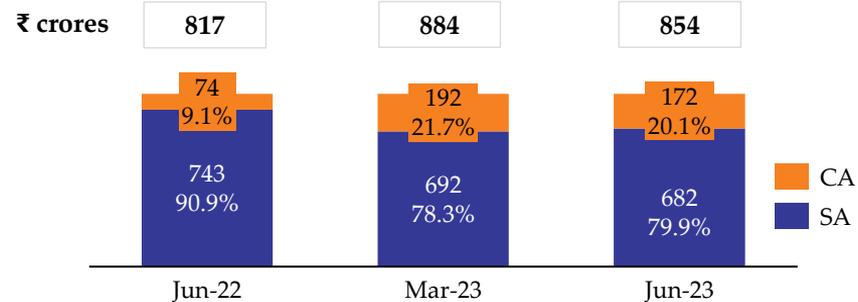
Liability & Liquidity Update

Q1 FY24

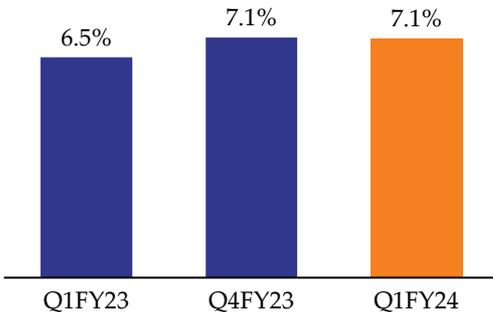
Deposits



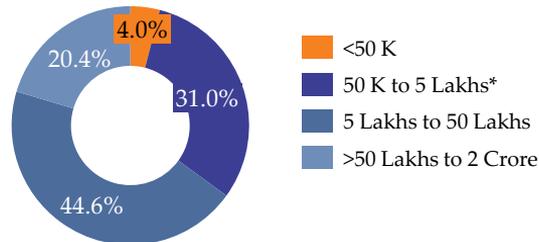
CASA Mix



Cost of Deposits

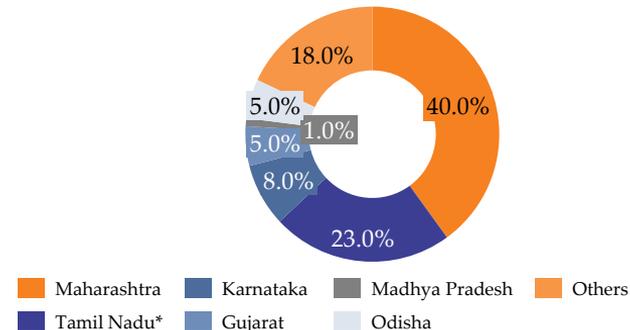


Retail Deposit (Incl CASA) Average Ticket Size



Complete Granular Retail Participation

Geographic diversification of Deposits

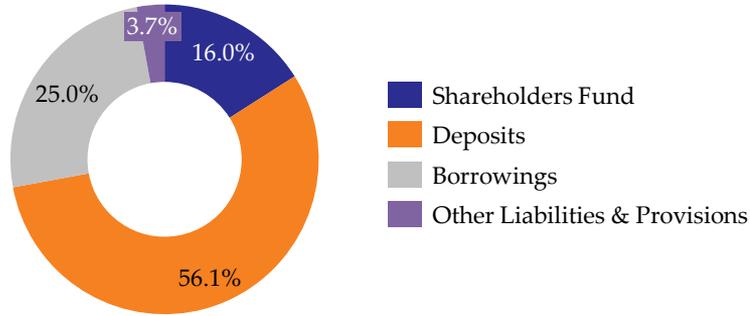


Substantial growth in deposit base with complete retail participation leading to steady Cost of Funds

*Note: Puducherry is included in Tamil Nadu

Liability Profile & Liquidity

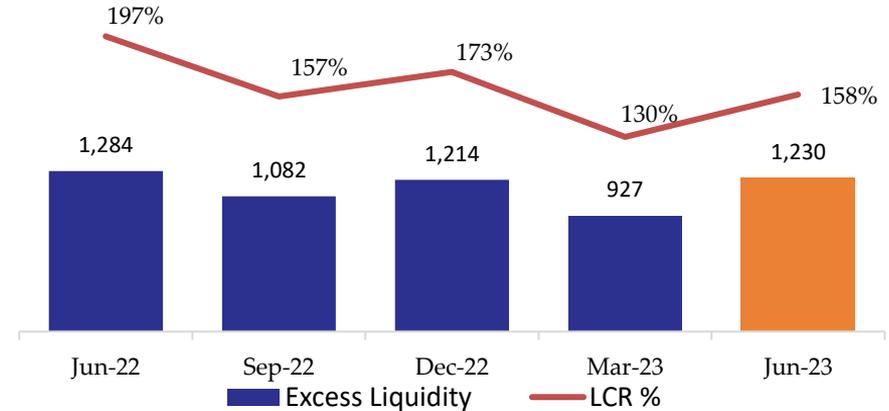
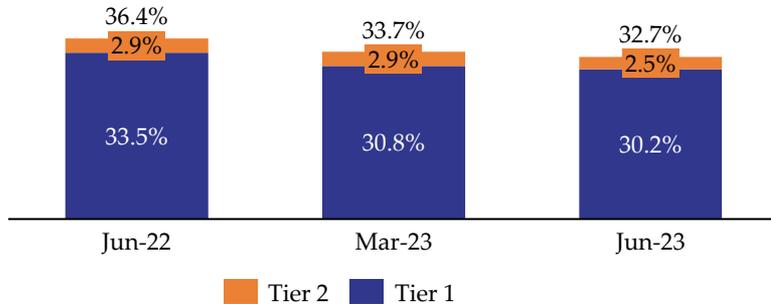
Balance Sheet Mix



- Healthy CRAR of 32.7%, well above statutory requirement
- Strong and stable ALM maintained.

Liquidity Position (₹ crores)

Capital Adequacy Ratio % (CRAR)



Financial & Key Ratios

Q1 FY24

Financials – Balance Sheet

Particulars (figures in ₹ crores)	Jun-23	Jun-22	Y-o-Y	Mar-23	Q-o-Q
Capital and Liabilities					
Capital	106.2	106.2	-	106.2	-
Reserves and Surplus	1,526.8	1,447.4	8.5%	1,478.6	3.3%
Deposits	5,721.6	4,020.1	42.3%	5,166.7	10.7%
Borrowings	2,548.4	2,683.0	-5.0%	2,765.4	-7.8%
Other Liabilities and Provisions	304.7	312.8	-2.6%	361.6	-15.7%
Total	10,207.8	8,529.7	19.7%	9,878.7	3.3%
Assets					
Fixed Assets	158.0	150.2	5.2%	164.5	-3.9%
Cash and Bank	848.0	442.0	91.9%	833.1	1.8%
Investments	2,721.6	2,799.8	-2.8%	2,570.2	5.9%
Advances	6,181.2	4,862.5	27.1%	6,012.8	2.8%
Other Assets	298.9	275.1	8.7%	298.1	0.3%
Total Assets	10,207.8	8,529.7	19.7%	9,878.7	3.3%

Financials – P&L Account

Particulars (figures in ₹ crores)	Q1 FY24	Q1 FY23	Y-o-Y	Q4 FY23	Q-o-Q	FY23	FY22	Y-o-Y
Interest Earned	358.1	281.4	27.2%	329.5	8.7%	1,183.7	941.8	25.7%
Interest Expended	133.4	104.4	27.8%	119.3	11.8%	437.1	357.4	22.3%
Net Interest Income	224.7	177.1	26.9%	210.1	6.9%	746.6	584.5	27.7%
Other Income	51.0	13.2	288.0%	33.9	50.6%	97.4	93.6	4.1%
Net Total Income	275.7	190.2	45.0%	244.1	13.0%	844.0	678.0	24.5%
Operating Expenses	158.7	110.8	43.2%	142.4	11.4%	506.5	413.1	22.6%
Employee Expense	75.2	53.2	41.3%	73.1	2.9%	242.4	228.2	6.2%
Other Expense	83.5*	57.6	44.9%	69.3	20.5%	264.2	184.9	42.9%
Operating Profit	117.1	79.4	47.4%	101.7	15.1%	337.5	264.9	27.4%
Provisions and Contingencies	53.7	69.3	-22.6%	51.5	4.2%	236.6	392.0	-39.6%
Net Profit Before Tax	63.4	10.1	527.3%	50.2	26.3%	100.9	-127.1	-
Tax	15.8	2.4	570.3%	11.3	40.0%	23.2	-34.1	-
Profit After Tax	47.6	7.8	514.2%	38.9	22.3%	77.7	-93.0	-

Key Metrics

Particulars	Unit	Q1 FY24	Q1 FY23	Y-o-Y	Q4 FY23	Q-o-Q	FY23	FY22	Y-o-Y
Gross Advances	₹ Crores	6,372	5,132	+24.2%	6,114	+4.2%	6,114	5,063	+20.8%
Disbursement	₹ Crores	1,190	1,012	+17.5%	1,688	-29.5%	5,083	3,528	+44.1%
Deposits	₹ Crores	5,722	4,020	+42.3%	5,167	10.7%	5,167	3,850	+34.2%
Retail Deposit to Total Deposit	%	75.7%	78.8%	-310 bps	73.1%	+252 bps	73.1%	78.1%	-504 bps
CASA Ratio	%	14.9%	21.0%	-606 bps	17.1%	-219 bps	17.1%	20.2%	-310 bps
Yield	%	20.5%	19.1%	+138 bps	20.7%	-25 bps	19.3%	18.2%	+110 bps
NIM	%	10.1%	9.1%	+105 bps	10.4%	-24 bps	9.5%	8.6%	+90 bps
Cost of Deposits	%	7.1%	6.5%	+60 bps	7.1%	+1 bps	6.9%	7.1%	-20 bps
Cost of Borrowings	%	6.5%	6.2%	+30 bps	6.4%	+10 bps	6.3%	6.8%	-50 bps
Cost of Funds	%	6.9%	6.4%	+49 bps	6.8%	+6 bps	6.7%	7.0%	-30 bps
Cost to income	%	57.5%	58.3%	-76 bps	58.4%	-86 bps	60.0%	60.9%	-90 bps
GNPA Ratio	%	3.0%	10.0%	-704 bps	3.1%	-10 bps	3.1%	11.8%	-870 bps
NNPA Ratio	%	1.6%	5.0%	-337 bps	1.5%	+13 bps	1.5%	5.9%	-440 bps
PCR	%	47.3% [§]	52.7%	-540 bps	51.5%	-420 bps	51.5%	52.6%	-110 bps
Book Value Per Share (BVPS)	₹	153.8	142.6	+7.9%	149.3	+3.0%	149.3	140.0	+6.6%



FY 24 Guidance

On Track to Achieve FY 24 Guidance...

Advances Growth

~ 30%
(+4.3%)

Deposit Growth

~ 35%
(+10.7%)

CASA

~ 22%
(14.9%)

Cost of Funds

~ 7.5%
(6.9%)

NIM

~ 10.0%
(10.1%)

GNPA / NNPA

<2% / <0.5%
(3% / 1.6%)

Cost to Income

~ 57%
(57.5%)

ROA*

~ 2.2%
(2.0%)

ROE*

~ 15%
(12.3%)

Way Forward...

- Building a robust ₹ 2,000 crores Vikas Loan portfolio
- Continued focus on growing Retail Asset portfolio
- Focus on granular CASA
- Branch Expansion (productivity and scalability)
- Continuing CGFMU and floating provision
- Digital end-to-end journey
- Drive operating leverage

*Annualised



CSR Initiatives

Ongoing Programs	Key Updates
Financial Capability of Domestic Workers "Adhira"	<ul style="list-style-type: none"> Financial Literacy, Health and Livelihood programs for Domestic Workers Tie up with India Post, Adhaar Kendra's for KYC updation and Rotary Club for Camps in housing complexes
Financial Capability for Students "Ujjwal"	<ul style="list-style-type: none"> Financial Literacy for student's class 8th to 12th from Government schools. Trainings conducted in Navi Mumbai and Puducherry schools with permission from respective education departments. In Odisha, permission was not received
Financial Capability for Parents "Swayamshree"	<ul style="list-style-type: none"> Financial literacy for parents whose children have attended training in school or community. Children influence parents and become partners in learning.
Health Interventions with focus on women and adolescent girls "Spandan"	<ul style="list-style-type: none"> Key focus areas are anemia , reproductive and menstrual health, seasonal infections, eye care and Osteoporosis. Tie up with Public Health Centers for medicine distribution for ailments identified during health check ups On menstrual health - low-cost Sanitary napkins made available to the community by creating a distribution network.
Quality Education for all children –"VIDYA"	<ul style="list-style-type: none"> Infrastructure support (water filters, library, science lab etc) given in 13 Navi Mumbai Municipal Schools. These schools are within slums/villages Permission for same was received from Navi Mumbai Municipal Corporation Education Department. Along with infrastructure – health and other initiatives were implemented in the schools and the community around the school.
Complimentary Livelihoods "Udyojika"	<ul style="list-style-type: none"> Community trainers for financial literacy eventually explore being CSPs as being complimentary livelihoods. Selling of Low-Cost Sanitary Napkins through distribution network is being currently piloted. Producing low-cost environment friendly cloth bags and distribution tie up with local vendor is piloted



- The CSR activities for the Bank are mostly undertaken by Suryoday Foundation . Currently 6 programs are under implementation . A total of 11,256 beneficiaries have been covered in Q1 FY 24 across these programs
- Further , the Bank is also working with Rotary Club of Chennai for preventive dental care through mobile van covering all Chennai Municipal Schools. The said arrangement is for 3 years (FY 22 , FY 23 and FY 24) . A total of 9828 students have been covered in this program for Q1 FY 24
- From time to time , Bank also gives one-time grants in areas of education, health , livelihoods and environment





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THANK YOU !

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