



**SBM Bank (India) Ltd.**

CIN:U65999MH2017FLC293229

Regd Office: 101, Raheja Centre First Floor, Free Press Journal Marg, Nariman Point, Mumbai 400021

Website: <https://www.sbmbank.co.in>, Tel: +91 22 4302 8888

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31,2022**

(Rs in lacs)

Sr No	Particulars	Quarter ended			Year ended	
		31-Mar-2022	31-Dec-2021	31-Mar-2021	31-Mar-2022	31-Mar-2021
		Unaudited	Unaudited	Unaudited	Audited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	11,396	10,381	7,109	39,729	23,319
	a) Interest/discount on advances/bills	8,006	7,362	5,190	28,499	16,781
	b) Income on investments	2,740	2,494	1,300	8,602	4,413
	c) Interest on Balances with RBI and Other Inter-Bank Funds	571	373	363	1,729	1,397
	d) Others	79	152	256	899	728
2	Other income	5,132	1,545	1,957	11,588	7,360
3	<b>Total income (1)+(2)</b>	<b>16,528</b>	<b>11,926</b>	<b>9,066</b>	<b>51,317</b>	<b>30,679</b>
4	Interest Expended	8,057	7,237	4,708	27,221	15,502
5	Operating expenses (i)+(ii)	6,397	4,539	3,554	18,683	12,678
	i) Employees cost	2,351	1,685	1,408	7,308	5,544
	ii) Other operating expenses	4,046	2,854	2,146	11,375	7,134
6	<b>Total expenditure (4)+(5) (Excluding provisions and Contingencies)</b>	<b>14,454</b>	<b>11,776</b>	<b>8,262</b>	<b>45,904</b>	<b>28,180</b>
7	<b>Operating profit before Provisions and Contingencies (3)-(6)</b>	<b>2,074</b>	<b>150</b>	<b>804</b>	<b>5,413</b>	<b>2,499</b>
8	Provisions (other than tax) and Contingencies	687	1148	350	3,654	633
9	Exceptional Items	-	-	-	-	-
10	<b>Profit/(Loss) from Ordinary Activities before tax (7)-(8)-(9)</b>	<b>1,387</b>	<b>(998)</b>	<b>454</b>	<b>1,759</b>	<b>1,866</b>
11	Tax Expense	-	-	1	129	1
12	<b>Net Profit/(Loss) from Ordinary Activities after tax (10)-(11)</b>	<b>1,387</b>	<b>(998)</b>	<b>453</b>	<b>1,630</b>	<b>1,865</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-
14	<b>Net Profit/(Loss) for the period (12)-(13)</b>	<b>1,387</b>	<b>(998)</b>	<b>453</b>	<b>1,630</b>	<b>1,865</b>
15	Paid up equity share capital (Face value of Rs 10/- each)	82,363	82,363	75,696	82,363	75,696
16	Reserves excluding revaluation reserves	(13,154)	(14,541)	(18,118)	(13,154)	(18,118)
17	<b>Analytical Ratios and other disclosures</b>					
	(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL
	(ii) Capital Adequacy Ratio	17.28%	20.09%	20.72%	17.28%	20.72%
	(iii) Earnings per share (EPS) (Rs) (Face value of Rs 10/- each)					
	(a) Basic EPS before or after extraordinary items (net of tax expense)	0.17	(0.13)	0.06	0.21	0.25
	(b) Diluted EPS before or after extraordinary items (net of tax expense)	0.17	(0.13)	0.06	0.21	0.25
	(iv) NPA ratios					
	(a) Gross NPAs	9,324	8,948	8,843	9,324	8,843
	(b) Net NPAs	1,713	1,847	2,624	1,713	2,624
	(c) % of Gross NPAs to Gross Advances	2.10%	2.34%	2.97%	2.10%	2.97%
	(d) % of Net NPAs to Net Advances	0.39%	0.49%	0.90%	0.39%	0.90%
	(v) Return on assets (average)	0.27%	-0.15%	0.56%	0.27%	0.56%
	(vi) Net worth	69,209	67,822	57,578	69,209	57,578
	(vii) Outstanding redeemable preference shares	-	-	-	-	-
	(viii) Capital redemption reserve	-	-	-	-	-
	(ix) Debt-equity ratio *	0.45	0.03	0.28	0.45	0.28
	(x) Total debts to total assets *	0.04%	0.00%	0.04%	0.04%	0.04%

\* Debt represents total borrowings; Equity represents total of share capital and reserves.





Notes

1 Statement of Assets and Liabilities is given below :

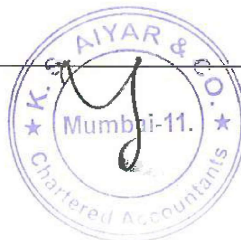
Particulars	(Rs in lacs)	
	As at	As at
	31-Mar-2022	31-Mar-2021
	Audited	Audited
<b>CAPITAL &amp; LIABILITIES</b>		
Capital	82,363	75,696
Reserves & Surplus	(10,900)	(15,797)
Deposits	6,79,945	3,85,518
Borrowings	31,900	16,898
Other Liabilities and Provisions	25,155	11,615
<b>Total</b>	<b>8,08,463</b>	<b>4,73,930</b>
<b>ASSETS</b>		
Cash and Balances with Reserve Bank of India	45,054	10,842
Balances with banks and Money at Call and Short Notice	74,514	31,481
Investments	2,22,787	1,22,652
Advances	4,35,357	2,91,733
Fixed Assets	6,963	5,778
Other Assets	23,788	11,444
<b>Total</b>	<b>8,08,463</b>	<b>4,73,930</b>



2 Statement of Cash flow is given below :

(Rs in lacs)

	Particulars	As at 31-Mar-2022	As at 31-Mar-2021
		Audited	Audited
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit after Taxes	1,631	1,864
	<b>Adjustments to profit/(loss) from operations</b>		
	Loss/(Profit) from sale of fixed assets	-	8
	Depreciation on Fixed Assets	1,138	1,478
	Amortization of premium on investments	215	222
	Specific Provision for NPA	1,391	(1,660)
	Diminution on Investment	(564)	1,100
	Direct Taxes	129	1
	Non performing Advances written off	1,881	1,170
	Provision for Standard Advances	557	925
	Provision for country exposure	(12)	12
	Provision for Diminution in fair value of restructured accounts	97	44
	Provision for NPA automation- RBI direction	120	-
	<b>Sub-Total</b>	<b>6,583</b>	<b>5,164</b>
	<b>Changes in working capital</b>		
	(Increase)/Decrease in Investments	(45,359)	(24,193)
	(Increase)/Decrease in Advances	(1,46,896)	(1,64,617)
	(Increase)/Decrease in Other Assets	(12,499)	(4,812)
	Increase/(Decrease) in Deposits	2,94,425	2,02,516
	Increase/(Decrease) in Other Liabilities	12,778	5,814
	<b>Net Cash from Operating Activities before Income Tax</b>	<b>1,09,032</b>	<b>19,872</b>
	Advance Income tax paid	(28)	-
	Refund received from Income Tax	54	-
	<b>Net Cash from Operating Activities after Income Tax</b>	<b>1,09,058</b>	<b>19,872</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	(Increase)/Decrease in Held To Maturity (HTM) securities	(54,426)	(43,001)
	Purchase of Fixed Assets	(2,391)	(1,186)
	Proceeds from sale of Fixed Assets	-	4
	<b>Net Cash from Investing Activities</b>	<b>(56,817)</b>	<b>(44,183)</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Additional capital infused	10,000	-
	Increase/(Decrease) in Borrowings	15,002	15,398
	<b>Net Cash from Financing Activities</b>	<b>25,002</b>	<b>15,398</b>
<b>D</b>	<b>Cash and Cash Equivalent at the beginning of the year</b>		
	I. Cash in Hand (including foreign currency notes and gold)	192	248
	II Balances with Reserve Bank of India	10,650	7,520
	III Balances with Banks and Money at Call and Short Notice	31,481	43,469
		<b>42,323</b>	<b>51,237</b>
<b>E</b>	<b>Cash and Cash Equivalent at the end of the year</b>		
	I. Cash in Hand (including foreign currency notes and gold)	205	192
	II Balances with Reserve Bank of India	44,848	10,650
	III Balances with Bank and Money at Call and Short Notice	74,514	31,481
		<b>1,19,567</b>	<b>42,323</b>
<b>A</b>	Cash Flow from Operating Activities	1,09,060	19,872
<b>B</b>	Cash Flow from Investing Activities	(56,817)	(44,183)
<b>C</b>	Cash Flow from Financing Activities	25,002	15,398
	<b>Net Increase/ (Decrease) In Cash &amp; Cash Equivalents (A+B+C)</b>	<b>77,245</b>	<b>(8,913)</b>
<b>D</b>	<b>Cash and Cash Equivalent at the beginning of the year</b>	<b>42,323</b>	<b>51,236</b>
<b>E</b>	<b>Cash and Cash Equivalent at the end of the year (A+B+C+D)</b>	<b>1,19,568</b>	<b>42,323</b>





- 3 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, 2021.
- 4 Based on RBI Master Direction on Financial Statements – Presentation and Disclosures, provision for depreciation on investments hitherto classified as part of provisions and contingencies has been reclassified as part of other income. Further, recoveries from written off accounts hitherto included as part of other income have been adjusted as a credit to provisions and contingencies.
- 5 In accordance with RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III framework. The Bank has made these disclosures which are available on its website at the following link <https://www.sbmbank.co.in/aboutus/investor-corner.php>. The disclosures have not been subjected to audit or limited review by the joint statutory auditors of the Bank.
- 6 Financial year 2021-22 being the 1st year of issuance, we have provided the unaudited figures for quarter ending period of March 2022, Dec 2021 and March 2021.
- 7 During the year Bank has raised additional Tier I capital of Rs 10,000 (in lacs) by issue of 667 (In lacs) shares at a premium.
- 8 India is emerging from the after effect of COVID-19 virus, a global pandemic that affected the world economy over the last two years. The extent to which any new wave of COVID-19 will impact the Bank's operations and asset quality will depend on the future developments, which are highly uncertain.
- 9 Other Income includes commission income from non-fund based activities, fees, earnings from foreign exchange transactions, profit and loss (including revaluations) from investments, etc.
- 10 The above results have been recommended by the Audit Committee and approved by the Board of Directors of the Bank at its meeting held today.
- 11 These results for the year ended 31st March, 2022 have been audited by statutory auditors – K. S. Aiyar & Co., Chartered Accountants who have issued an unmodified audit report thereon. The results for FY 2020-21 were audited by - M. P. Chitale & Co., Chartered Accountants, on which they had issued an unmodified opinion.
- 12 Figures of the previous periods have been regrouped reclassified wherever necessary to conform to current period's classification.

Place : Mumbai  
Date : May 11, 2022



For SBM Bank (India) Ltd.

  
Mr. Sidharth Rath  
Managing Director &  
Chief Executive Officer





**K. S. AIYAR & CO**  
CHARTERED ACCOUNTANTS

# F-7 Laxmi Mills  
Shakti Mills Lane (Off Dr E. Moses Rd)  
Mahalaxmi Mumbai 400 011 India  
Tel : 91 22 2493 2502 / 6655 1770  
Fax : 91 22 6655 1774  
Grams : VERIFY  
www.KSAiyar.com  
Mail@KSAiyar.com

**Independent Auditor's Report on Audited Quarterly financial results and year to date results of Bank pursuant to regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF SBM BANK (INDIA) LIMITED**

**Report on the Audit of financial results**

**Opinion**

We have audited the accompanying quarterly financial results ("the Statement") of SBM BANK (INDIA) LIMITED ("the Bank") for the quarter ended on 31<sup>st</sup> March, 2022 and the year to-date results for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022 attached herewith, being submitted by the Bank pursuant to the requirement of regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), except for the disclosures relating to Pillar 3 disclosure as at 31<sup>st</sup> March, 2022 including leverage ratio, liquidity coverage and Net Stable Funding Ratio under Basel III Capital Regulations as disclosed on the Bank's website in respect of which a link has been provided in the financial results which are not been audited by us.

In our opinion and to the best of our information and according to the explanations given to us, these financial results:

- i. are presented in accordance with the requirements of regulation 52 of the Listing Regulations in this regard except for the disclosures relating to Pillar 3 disclosure as at 31<sup>st</sup> March, 2022 including leverage ratio, liquidity coverage and Net Stable Funding Ratio under Basel III Capital Regulations as disclosed on the Bank's website in respect of which a link has been provided in the financial results which are not been audited by us;
- ii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, RBI guidelines and other accounting principles generally accepted in India of the net profit and other financial information for the quarter ended 31<sup>st</sup> March, 2022 as well as the year to-date results for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

Offices also at  
Chennai Kolkata  
Bangaluru Coimbatore Hyderabad

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. ("the Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial results, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 8 of the accompanying results which describes management's perception of Covid 19 impact on the Bank's operations.

Our opinion is not modified in respect of this matter.

**Board of Directors' Responsibility for the Financial Results**

These financial results have been compiled from the interim financial statements. The Bank's Board of Directors are responsible for the preparation of these Financial Results that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in Accounting Standard 25 (AS 25) "Interim Financial Reporting" specified under section 133 of the Act, 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 ("RBI Guidelines") and other accounting principles generally accepted in India and in compliance with regulation 52 of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act/ Banking Regulation Act, 1949 for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial results, the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. The Board of Directors are also responsible for overseeing the Bank's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Results**

Our objectives are to obtain reasonable assurance about whether the Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial results, including the disclosures, and whether the standalone financial results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the business activities within the Bank and its branches to express an opinion on the Bank's financial statements. Materiality is the magnitude of the misstatements in the financial statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

## K. S. AIYAR & CO

CHARTERED ACCOUNTANTS

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### Other Matters

The financial statements of the Bank for the year ended March 31, 2021, were audited by M.P. Chitale & Co. whose report dated June 16, 2021 expressed an unmodified opinion on those financial statements.

Bank has made an additional provision of 0.5% of Operating Income of the year having an impact of Rs. 1.20 Crores, as advised by the Reserve Bank of India in view of certain non-compliances observed in its inspection with respect to Automation of Income Recognition, Asset classification and Provisioning processes.

The Bank became a listed entity in the last quarter of financial year 2021-22 upon issue of Non-Convertible Debentures. In view of this (a) Figures for the year ended 31<sup>st</sup> March, 2022 are audited by us and figures for the previous year ended on 31<sup>st</sup> March, 2021 were audited by M.P. Chitale & Co. who had issued an unmodified opinion thereon. (b) Figures for the quarter ended on 31<sup>st</sup> December, 2021, quarter ended on 31<sup>st</sup> March, 2021 are as prepared by the management of the Bank and neither audited nor subjected to any limited review. (c) Figures for the quarter ended on 31<sup>st</sup> March, 2022 are the derived figures based on the audited year to-date figures as of 31<sup>st</sup> March 2022 and year to-date figures as of 31<sup>st</sup> December, 2021 as prepared by the management of the Bank and are neither audited nor subjected to any limited review.

Our opinion is not modified in respect of these matters.

For K.S. Aiyar & Co.  
Chartered Accountants  
Firm Registration No.100186W  
UDIN. 22038526AIULKX3748

Rajesh  
Shashikant  
Joshi

Digitally signed by  
Rajesh Shashikant Joshi  
Date: 2022.05.11  
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Rajesh S. Joshi  
Partner  
Membership No.038526

Mumbai  
Date: 11<sup>th</sup> May, 2022