

**Independent Auditor's Report on annual financial results of SBM Bank (India) Ltd.  
pursuant to Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

**To the Board of Directors of SBM Bank (India) Limited**

**Report on the audit of annual financial results**

**Opinion**

We have audited the accompanying financial results ("the Statement") of SBM Bank (India) Limited ("the Bank") for year ended March 31, 2025, 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 March 31, 2025 including Leverage Ratio, Liquidity Coverage Ratio 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 have 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:

- a. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard. The disclosures relating to Pillar 3 disclosure as at March 31, 2025 including Leverage Ratio, Liquidity Coverage Ratio 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 have not been audited by us;
- b. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read along with the rules issued thereunder, the relevant provisions of the Banking Regulations Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India from time to time ("RBI guidelines") and other accounting principles generally accepted in India of the net loss and other financial information for the year ended March 31, 2025.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of 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 on the financial results.

### **Management and Board of Directors' responsibility for the financial results**

These financial results have been compiled from the annual financial statements and approved by the Board of Directors. 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/loss, as applicable and other financial information in accordance with the recognition and measurement principles laid down in Accounting prescribed 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 annual financial results, the Management and 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:



- a. 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.
- b. 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.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- d. 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.
- e. 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.

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**

- a. The financial results include the result for the quarter ended March 31, 2025, being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.



- b. The financial results dealt with by this report have been prepared for the express purpose of filing with National Stock Exchange of India Limited. These results are based on and should be read with the audited financial statements of the Bank, for the year ended March 31, 2025 on which we have issued an unmodified audit opinion vide our report dated May 30, 2025. Attention is drawn to the fact that the financial results of the Bank for the corresponding quarter and year ended March 31, 2024, were audited by predecessor auditor whose report dated May 29, 2024, expressed an unmodified audit opinion on those results.

Our opinion is not modified in respect of these matters.

For Gokhale & Sathe  
Chartered Accountants  
Firm Regn. No.103264W



Rahul Joglekar

Partner

Membership No. 129389

UDIN: 25129389BMJIRF8461



Place: Mumbai

Date: May 30, 2025

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, 2025**

(Rs in lacs)

Sr No	Particulars	Quarter ended			Year ended	
		31-Mar-2025	31-Dec-2024	31-Mar-2024	31-Mar-2025	31-Mar-2024
		Audited (refer Note 13)	Unaudited	Audited (refer Note 13)	Audited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	18,423	18,816	18,146	74,084	75,293
	a) Interest/discount on advances/bills	12,623	12,931	12,437	51,577	50,521
	b) Income on investments	4,034	3,734	4,948	16,348	21,457
	c) Interest on Balances with RBI and Other Inter-Bank Funds	515	715	366	2,085	1,447
	d) Others	1,251	1,436	395	4,074	1,868
2	Other income	4,929	5,067	5,049	17,574	18,658
3	<b>Total income (1)+(2)</b>	<b>23,352</b>	<b>23,883</b>	<b>23,195</b>	<b>91,658</b>	<b>93,951</b>
4	Interest Expended	13,856	14,090	12,419	54,507	52,755
5	Operating expenses (i)+(ii)	10,632	10,230	11,824	43,408	42,878
	i) Employees cost	4,178	3,770	4,007	16,432	15,340
	ii) Other operating expenses	6,454	6,460	7,817	26,976	27,538
6	<b>Total expenditure (4)+(5) (Excluding provisions and Contingencies)</b>	<b>24,488</b>	<b>24,320</b>	<b>24,243</b>	<b>97,915</b>	<b>95,633</b>
7	<b>Operating profit before Provisions and Contingencies (3)-(6)</b>	<b>(1,136)</b>	<b>(437)</b>	<b>(1,048)</b>	<b>(6,257)</b>	<b>(1,682)</b>
8	Provisions (other than tax) and Contingencies	91	(284)	767	2,463	2,309
9	Exceptional Items	-	-	-	-	-
10	<b>Profit/(Loss) from Ordinary Activities before tax (7)-(8)-(9)</b>	<b>(1,227)</b>	<b>(153)</b>	<b>(1,815)</b>	<b>(8,720)</b>	<b>(3,991)</b>
11	Tax Expense	-	-	334	-	334
12	<b>Net Profit/(Loss) from Ordinary Activities after tax (10)-(11)</b>	<b>(1,227)</b>	<b>(153)</b>	<b>(2,149)</b>	<b>(8,720)</b>	<b>(4,325)</b>
13	Extraordinary items (net of tax expense)	-	-	-	-	-
14	<b>Net Profit/(Loss) for the period (12)-(13)</b>	<b>(1,227)</b>	<b>(153)</b>	<b>(2,149)</b>	<b>(8,720)</b>	<b>(4,325)</b>
15	Paid up equity share capital (Face value of Rs 10/- each)	1,00,114	1,00,114	92,138	1,00,114	92,138
16	Reserves excluding revaluation reserves	-	-	-	(23,597)	(15,173)
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	15.52%	15.76%	16.90%	15.52%	16.90%
	(iii) Earnings per share (EPS) (Rs) (Face value of Rs 10/- each)					
	(a) Basic EPS before or after extraordinary items (net of tax expense)	(0.12)	(0.02)	(0.25)	(0.89)	(0.52)
	(b) Diluted EPS before or after extraordinary items (net of tax expense)	(0.12)	(0.02)	(0.25)	(0.89)	(0.52)
	(iv) NPA ratios					
	(a) Gross NPAs	16,292	14,109	12,363	16,292	12,363
	(b) Net NPAs	4,594	2,789	2,866	4,594	2,866
	(c) % of Gross NPAs to Gross Advances	3.42%	2.88%	2.59%	3.42%	2.59%
	(d) % of Net NPAs to Net Advances	0.99%	0.58%	0.61%	0.99%	0.61%
	(v) Return on assets (Annualized)	(0.01%)	(0.66%)	(1.00%)	(0.97%)	(0.49%)
	(vi) Net worth	73,432	74,101	73,988	73,432	73,988
	(vii) Outstanding redeemable preference shares	-	-	-	-	-
	(viii) Capital redemption reserve	-	-	-	-	-
	(ix) Debt-equity ratio *	0.78	0.77	0.91	0.78	0.91
	(x) Debenture redemption reserve	-	-	-	-	-
	(xi) Total debts to total assets *	6.48%	6.84%	8.12%	6.48%	8.12%
	* Debt represents total borrowings; Equity represents total of share capital and reserves.					



SBM BANK (INDIA) LTD

Corporate Office : 306 - A, The Capital, G Block, Bandra-Kurla Complex, Bandra East, Mumbai - 400 051, India.

Regd. Office : 101, Raheja Centre, 1<sup>st</sup> Floor, Free Press Journal Marg, Nariman Point, Mumbai - 400 021, India.

t: +91 22 4007 1500

f: +91 22 2284 2966

tolL-free: 1800 1033 817

[www.sbmbank.co.in](http://www.sbmbank.co.in)

CIN No. : U65999MH2017FLC293229



## Notes

1 Statement of Assets and Liabilities is given below :

(Rs in lacs)

Particulars	As at 31-Mar-2025	As at 31-Mar-2024
	Audited	Audited
<b>CAPITAL &amp; LIABILITIES</b>		
Capital	1,00,114	92,138
Reserves & Surplus	(21,029)	(12,521)
Deposits	7,69,946	7,11,298
Borrowings	62,052	72,684
Other Liabilities and Provisions	47,242	30,989
<b>Total</b>	<b>9,58,325</b>	<b>8,94,588</b>
<b>ASSETS</b>		
Cash and Balances with Reserve Bank of India	2,13,662	63,144
Balances with banks and Money at Call and Short Notice	2,092	3,869
Investments	2,21,170	3,05,738
Advances	4,65,363	4,67,620
Fixed Assets	10,519	10,450
Other Assets	45,519	43,767
<b>Total</b>	<b>9,58,325</b>	<b>8,94,588</b>



SBM BANK (INDIA) LTD

Corporate Office : 306 - A, The Capital, G Block, Bandra-Kurla Complex, Bandra East, Mumbai - 400 051, India.

Regd. Office : 101, Raheja Centre, 1<sup>st</sup> Floor,

Free Press Journal Marg, Nariman Point,

Mumbai - 400 021, India.

t: +91 22 4007 1500

f: +91 22 2284 2966

toll-free: 1800 1033 817

www.sbmbank.co.in

CIN No. : U65999MH2017FLC293229

2 Statement of Cash flow is given below :

		(Rs in lacs)	
	Particulars	Year Ended 31-Mar-2025	Year Ended 31-Mar-2024
		Audited	Audited
<b>A</b>	<b>Cash Flow from Operating Activities</b>		
	Net Profit / (Loss) before Taxes	(8,720)	(3,991)
	<b>Adjustments to profit/(loss) from operations</b>		
	Depreciation on Fixed Assets	3,022	2,265
	Amortisation of premium on Held to Maturity investments	243	230
	Provision for Non-Performing Assets	2,257	679
	Depreciation on investments or (Profit)/ loss on revaluation of investments	(137)	(101)
	Non performing Advances written off	983	3,373
	Non performing Investments written off	-	70
	Provision on standard assets and other contingencies	42	(186)
	<b>Sub-Total</b>	<b>(2,310)</b>	<b>2,339</b>
	<b>Changes in working capital</b>		
	(Increase)/Decrease in Investments	1,00,850	42,807
	(Increase)/Decrease in Advances	(982)	11,920
	(Increase)/Decrease in Other Assets	(1,618)	8,086
	Increase/(Decrease) in Deposits	58,648	(20,556)
	Increase/(Decrease) in other liabilities & provisions	16,211	(4,946)
	<b>Net Cash from Operating Activities before Income Tax</b>	<b>1,70,799</b>	<b>39,650</b>
	Tax refund (net of taxes paid)	(136)	(798)
	<b>Net Cash from Operating Activities after Income Tax</b>	<b>1,70,663</b>	<b>38,852</b>
<b>B</b>	<b>Cash Flow from Investing Activities</b>		
	(Increase)/Decrease in Held To Maturity (HTM) securities	(16,115)	20,528
	Purchase of Fixed Assets	(3,175)	(3,984)
	<b>Net Cash from Investing Activities</b>	<b>(19,290)</b>	<b>16,544</b>
<b>C</b>	<b>Cash Flow from Financing Activities</b>		
	Proceeds from issue of share capital	8,000	10,000
	Increase/(Decrease) in Borrowings	(10,632)	(97,841)
	<b>Net Cash from Financing Activities</b>	<b>(2,632)</b>	<b>(87,841)</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)	195	148
	II Balances with Reserve Bank of India	62,949	96,983
	III Balances with Banks and Money at Call and Short Notice	3,869	2,327
		<b>67,013</b>	<b>99,458</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)	247	195
	II Balances with Reserve Bank of India	2,13,415	62,949
	III Balances with Bank and Money at Call and Short Notice	2,092	3,869
		<b>2,15,754</b>	<b>67,013</b>
<b>A</b>	Cash Flow from Operating Activities	1,70,663	38,852
<b>B</b>	Cash Flow from Investing Activities	(19,290)	16,544
<b>C</b>	Cash Flow from Financing Activities	(2,632)	(87,841)
	<b>Net Increase/ (Decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>1,48,741</b>	<b>(32,445)</b>
<b>D</b>	<b>Cash and Cash Equivalent at the beginning of the year</b>	<b>67,013</b>	<b>99,458</b>
<b>E</b>	<b>Cash and Cash Equivalent at the end of the year (A+B+C+D)</b>	<b>2,15,754</b>	<b>67,013</b>

SBM BANK (INDIA) LTD

Corporate Office : 306 - A, The Capital, G Block, Bandra-Kurla Complex, Bandra East, Mumbai - 400 051, India.

Regd. Office : 101, Raheja Centre, 1<sup>st</sup> Floor,

Free Press Journal Marg, Nariman Point,

Mumbai - 400 021, India.

t: +91 22 4007 1500

f: +91 22 2284 2966

toll-free: 1800 1033 817



www.smbank.co.in



CIN No. : U65999MH2017FLC293229

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, 2025. Any circular/ direction issued by RBI is implemented prospectively when it becomes applicable.

4 In accordance with RBI guidelines, banks are required to make Pillar 3 disclosures including leverage ratio, 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.smbank.co.in/aboutus/investor-corner.php>. The disclosures have not been subjected to audit or limited review by the statutory auditor of the Bank.

5 Details of Resolution plan implemented under the Resolution Framework for COVID -19 related Stress as per RBI Circular dated August 06,2020 (Resolution Framework 1.0) and May 05,2021 (Resolution Framework 2.0) as at March 31, 2025 are given below:

(Rs. in Lacs)

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan- Position as at the end of the previous half year September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half year ended March 31, 2025.	Of (A) amount written off during half year	Addition (Interest accrued) during half year ended March 31, 2025	Of (A) amount paid by the borrowers during the half year March 31, 2025.	Exposure to accounts classified as Standard consequent to implementation of resolution plan. Position as at the end of this half year i.e. March 31, 2025
Personal Loans	-					
Corporate persons	375			45	51	369
Of which MSMEs	375			45	51	369
Others	204			34	97	141
<b>Total</b>	<b>579</b>	<b>-</b>	<b>-</b>	<b>79</b>	<b>148</b>	<b>510</b>

6 Other Income includes commission income from non-fund based activities, fees, earnings from foreign exchange transactions, profit and loss (including revaluations) from investments, etc.

7 With effect from April 1, 2024, the Bank has adopted the revised framework as detailed in the RBI Master Direction on Classification, Valuation and Operation of Investment Portfolio issued on September 12, 2023. Accordingly, as prescribed under the transition provisions of the aforesaid framework, the Bank has transferred Rs 234 Lacs to the general reserve, resulting into increase in the net worth of the Bank, on account of :

- reversal of the balance in provision for depreciation on investments as at March 31, 2024; and
- adjustment to the general reserve as on April 1, 2024, being the difference between the carrying value of its investment portfolio as per the revised framework and the previous carrying value as at March 31, 2024, including for adjustment due to amortization of discount on securities classified under the Held to Maturity category.

Further in compliance with the above-mentioned RBI Master Direction, the valuation gains and losses at the twelve months ended March 31, 2025, as across all performing investments (irrespective of classification), held under Available for Sale ("AFS") is aggregated and the net gains amounting to Rs 38.12 Lacs has been directly credited to a reserve named "AFS Reserve" (net of taxes). The securities held in Fair Value through Profit and Loss ("FVTPL") (including Held for Trading) is fair valued at the year ended March 31, 2025 and the revaluation gain/ loss arising on such valuation has been credited/ debited respectively.

Figures for the previous year are not comparable for the corresponding quarter and full year to that extent.

8 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 on May 30, 2025.

9 During the year Bank has raised additional Tier I capital of Rs 8,000 (in lacs) by issue of 798 (In lacs) shares at a premium.





10 These results for the year ended March 31, 2025 have been audited by statutory auditor – Gokhale & Sathe, Chartered Accountants who have issued an unmodified audit report thereon.

11 Details of loan transferred / acquired during the quarter ended March 31, 2025 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below :-

(i) The Bank has not transferred any stressed loans (Non- performing asset and Special Mention Account) and loans not in default during the quarter ended March 31, 2025.

(ii) The Bank has not acquired any stressed loans (NPA and SMA accounts) during the quarter ended March 31, 2025.

(iii) The Bank has not acquired loans through assignment during the quarter ended March 31, 2025.

(iv) Details of recovery ratings assigned for Security Receipts as on March 31, 2025:

Recovery Rating ^	Anticipated recovery as per recovery rating	March 31, 2025 (Rs in lacs)
		Book Value **
IND RR5*	0%-25%	242
RR5/Unrated *	0%-25%	1,682
<b>Total</b>		<b>1,924</b>

^ Recovery rating is assigned by various external agencies.

\* Represents security receipts for which 8 years have been completed

\*\* The Bank has not made any Investment in Security Receipts during the quarter ended March 31, 2025. Provision against the outstanding Security Receipts as on March 31, 2025 is 1,924 lacs.

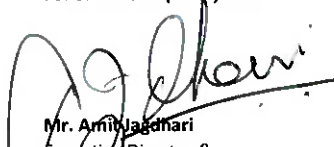
12 Figures of the previous periods have been regrouped and reclassified wherever necessary to conform to current period's classification.

13 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.

Place : Mumbai  
Date : May 30, 2025



For SBM Bank (India) Ltd.

  
Mr. Amit Jagdhari  
Executive Director &  
Chief Financial Officer