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Review report to;
The Board of Directors,
SBM Bank (India) Limited.

We have reviewed the accompanying statement of unaudited financial results of SBM Bank (India) Limited ('the Bank') for quarter and six months the period ended 30th September, 2022 ('the Statement') being submitted by the Bank pursuant to the requirements of Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as amended (the Regulations') except for the disclosures, referred to in Note 4 to the Statement, relating to Pillar 3 disclosure as at September 30, 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 Statement which have not been reviewed by us.

This statement 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 'Interim Financial Reporting ('AS 25') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by Reserve Bank of India (the RBI') from time to time and other recognized accounting principles generally accepted in India.

Our responsibility is to issue a review report on this Statement of Unaudited Financial Results based on our review.

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. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in

accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter

We draw attention to Note 5 to the Statement of unaudited financial results which describes the business uncertainties due to the outbreak of the SARS-CoV-2 virus (COVID-19). In view of these uncertainties, the impact on the Bank's results for the subsequent period is significantly dependent on future developments.

Other Matter

1. The Statement includes figures with respect to corresponding quarter and six months period of previous year ended on September 30, 2021 which are not subjected to any review or audit and are stated as prepared by the management.
2. Bank has, during the current quarter, made additional provision of Rs.59.75 Lakhs (cumulative till 30.09.2022 Rs.225.43 Lakhs) @ 0.5% of its operating income, 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.

Our Review Conclusion is not modified in respect of these matters.

For K.S. Aiyar & Co;
Chartered Accountants;
Firm Registration No. 100186W
UDIN: **22038526BCKHTH3527**



Rajesh S. Joshi
Partner,
Membership No. 038526

Mumbai
November 07, 2022



SBM Bank (India) Ltd.

CIN:U65999MH2017FLC293229

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEP 30,2022

Sr No	Particulars	Quarter Ended			Half Year Ended		(Rs in lacs)
		30-Sep-2022	30-Jun-2022	30-Sep-2021	30-Sep-2022	30-Sep-2021	31-Mar-2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	16,099	14,015	9,558	30,114	17,954	39,729
	a) Interest/discount on advances/bills	11,277	9,510	7,089	20,787	13,131	28,499
	b) Income on investments	4,225	3,362	1,704	7,587	3,369	8,602
	c) Interest on Balances with RBI and Other Inter-Bank Funds	457	841	513	1,298	786	1,729
	d) Others	140	302	252	442	668	899
2	Other Income	5,637	4,648	2,349	10,285	4,911	11,588
3	Total Income (1)+(2)	21,736	18,663	11,907	40,399	22,865	51,317
4	Interest Expended	10,786	9,588	6,200	20,374	11,927	27,221
5	Operating expenses (i)+(ii)	9,235	7,250	4,171	16,485	7,748	18,683
	i) Employees cost	2,752	2,540	1,591	5,292	3,271	7,308
	ii) Other operating expenses	6,483	4,710	2,580	11,193	4,477	11,375
6	Total expenditure (4)+(5) (Excluding provisions and Contingencies)	20,021	16,838	10,371	36,859	19,675	45,904
7	Operating profit before Provisions and Contingencies (3)-(6)	1,715	1,825	1,536	3,540	3,190	5,413
8	Provisions (other than tax) and Contingencies	662	595	2,007	1,257	1,819	3,654
9	Exceptional Items	-	-	-	-	-	-
10	Profit/(Loss) from Ordinary Activities before tax (7)-(8)-(9)	1,053	1,230	(471)	2,283	1,371	1,759
11	Tax Expense	-	-	67	-	129	129
12	Net Profit/(Loss) from Ordinary Activities after tax (10)-(11)	1,053	1,230	(538)	2,283	1,242	1,630
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit/(Loss) for the period (12)-(13)	1,053	1,230	(538)	2,283	1,242	1,630
15	Paid up equity share capital (Face value of Rs 10/- each)	82,363	82,363	75,696	82,363	75,696	82,363
16	Reserves excluding revaluation reserves	-	-	-	-	-	(13,154)
17	Analytical Ratios and other disclosures						
	(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
	(ii) Capital Adequacy Ratio	16.76%	16.68%	18.81%	16.76%	18.81%	17.28%
	(iii) Earnings per share (EPS) (Rs) (Face value of Rs 10/- each)						
	(a) Basic EPS before or after extraordinary items (net of tax expense)	0.13	0.15	(0.07)	0.28	0.16	0.21
	(b) Diluted EPS before or after extraordinary items (net of tax expense)	0.13	0.15	(0.07)	0.28	0.16	0.21
	(iv) NPA ratios						
	(a) Gross NPAs	8,775	9,145	9,048	8,775	9,048	9,324
	(b) Net NPAs	651	1,372	1,002	651	1,002	1,713
	(c) % of Gross NPAs to Gross Advances	1.63%	1.78%	2.59%	1.63%	2.59%	2.10%
	(d) % of Net NPAs to Net Advances	0.12%	0.27%	0.29%	0.12%	0.29%	0.39%
	(v) Return on assets (average) (Annualised)	0.45%	0.58%	-0.40%	0.52%	0.49%	0.27%
	(vi) Net worth	69,794	68,842	58,124	69,794	58,124	67,461
	(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
	(viii) Capital redemption reserve	-	-	-	-	-	-
	(ix) Debt-equity ratio *	1.70	1.53	0.03	1.70	0.03	0.45
	(x) Debenture redemption reserve	-	-	-	-	-	-
	(xi) Total debts to total assets *	12.71%	12.19%	0.33%	12.71%	0.33%	3.95%

* 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 30-Sep-2022	As at 31-Mar-2022
	Unaudited	Audited
CAPITAL & LIABILITIES		
Capital	82,363	82,363
Reserves & Surplus	(8,651)	(10,900)
Deposits	7,26,190	6,79,945
Borrowings	1,24,960	31,900
Other Liabilities and Provisions	58,546	25,155
Total	9,83,408	8,08,463
ASSETS		
Cash and Balances with Reserve Bank of India	82,532	45,054
Balances with banks and Money at Call and Short Notice	4,969	74,524
Investments	3,07,452	2,22,787
Advances	5,29,804	4,35,357
Fixed Assets	7,001	6,963
Other Assets	51,650	23,788
Total	9,83,408	8,08,463



2 Statement of Cash flow is given below :

(Rs in lacs)

	Particulars	As at	As at
		30-Sep-2022	30-Sep-2021
		Unaudited	Unaudited
A	Cash Flow from Operating Activities		
	Net Profit after Taxes	2,283	1,242
	Adjustments to profit/(loss) from operations		
	Depreciation on Fixed Assets	705	559
	Amortization of premium on investments	116	114
	Specific Provision for NPA	515	1,826
	Diminution on Investment	87	17
	Direct Taxes	-	129
	Non performing Advances written off	23	5
	Provision for Standard Advances	584	182
	Provision for country exposure	-	(10)
	Provision for Diminution in fair value of restructured accounts	-	(13)
	Provision for NPA automation- RBI direction	105	-
	Sub-Total	4,418	4,051
	Changes in working capital		
	((Increase)/Decrease in Investments	(55,967)	(16,805)
	((Increase)/Decrease in Advances	(94,985)	(51,684)
	((Increase)/Decrease in Other Assets	(28,066)	(4,532)
	Increase/(Decrease) in Deposits	46,245	1,17,761
	Increase/(Decrease) in Other Liabilities	32,700	2,796
	Net Cash from Operating Activities before Income Tax	(95,655)	51,587
	Advance Income tax paid	-	(28)
	Refund received from Income Tax	207	-
	Net Cash from Operating Activities after Income Tax	(95,448)	51,559
B	Cash Flow from Investing Activities		
	((Increase)/Decrease in Held To Maturity (HTM) securities	(28,901)	(27,677)
	Purchase of Fixed Assets	(778)	(406)
	Net Cash from Investing Activities	(29,679)	(28,083)
C	Cash Flow from Financing Activities		
	Increase/(Decrease) in Borrowings	93,060	(14,998)
	Net Cash from Financing Activities	93,060	(14,998)
D	Cash and Cash Equivalent at the beginning of the half year		
	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 Banks and Money at Call and Short Notice	74,515	31,481
		1,19,568	42,323
E	Cash and Cash Equivalent at the end of the half year		
	I. Cash in Hand (including foreign currency notes and gold)	157	187
	II Balances with Reserve Bank of India	82,375	18,038
	III Balances with Bank and Money at Call and Short Notice	4,969	32,576
		87,501	50,801
A	Cash Flow from Operating Activities	(95,448)	51,559
B	Cash Flow from Investing Activities	(29,679)	(28,083)
C	Cash Flow from Financing Activities	93,060	(14,998)
	Net Increase/ (Decrease) in Cash & Cash Equivalents (A+B+C)	(32,067)	8,478
D	Cash and Cash Equivalent at the beginning of the year	1,19,568	42,323
E	Cash and Cash Equivalent at the end of the year (A+B+C+D)	87,501	50,801



- 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 half year ended September 30, 2022. 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 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.sbm-bank.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.
- 5 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.
- 6 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 September 30, 2022 are given below:

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the	Of (A), aggregate debt that slipped into NPA during the half year ended September 30,2022	Of (A) amount written off during the half year	additional during the half year	(Rs In lacs)	
					Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of
Personal Loans	-	-	-	-	-	-
Corporate persons*	394	-	-	18	25	387
Of which MSMEs	394	-	-	18	25	387
Others	506	80	-	20	28	418
Total	900	80	-	38	53	805

- 7 Other Income includes commission income from non-fund based activities, fees, earnings from foreign exchange transactions, profit and loss (including revaluations) from investments, etc.
- 8 The above results have been approved by the Board of Directors of the Bank at its meeting held today.
- 9 These results for the half year ended September 30, 2022 have been reviewed by statutory auditors – K. S. Aiyar & Co., Chartered Accountants who have issued an unmodified audit report thereon.
- 10 Details of loan transferred / acquired during the quarter ended September 30, 2022 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 loan not in default during the quarter ended September 30, 2022.
- (ii) The Bank has not acquired any stressed loans (NPA and SMA accounts) during the quarter ended September 30, 2022.
- (iii) Details of loans not in default acquired through assignment as given below:

Particulars	Amount (in lacs)
Aggregate amounts of loans acquired (Rs in lacs)	14,213
Aggregate consideration paid (Rs in lacs)	11,371
Weighted average residual maturity (in years)	2.15
Weighted average holding period by originator (in years)	0.69
Retention of beneficial economic interest by the originator	20%
Tangible security coverage	Unsecured Loans
Rating wise distribution of rated loans*	Unrated

*The loans are unrated as these are from non-corporate borrowers.

- (iv) Details of recovery ratings assigned for Security Receipts as on September 30, 2022:

Recovery Rating ^	Anticipated recovery as per recovery rating	Book Value **
BWRR1 / BWRR1+	100%-150%	242
BWRR3	50%-75%	225
RR5/Unrated *	0%-25%	1,767
Total		2,234

^ 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 half year ended September 30, 2022. Provision against the outstanding Security Receipts as on September 30, 2022 is Rs 1,825 lacs.

- 11 The Figures for the quarter ended September 30,2021 are the balancing figures between unaudited figures for the half year end September 30, 2021 and the published year to date reviewed figures upto June 30,2021.

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

Place : Mumbai
Date : November 07, 2022



For SBM Bank (India) Ltd.

Mr. Sidharth Rath
Managing Director & Chief Executive Officer