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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 nine months the period ended 31st December, 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 2 to the Statement, relating to Pillar 3 disclosure as at December 31, 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 3 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

The Statement includes figures with respect to corresponding quarter and nine months period of previous year ended on December 31, 2021 which are not subjected to any review or audit and are stated as prepared by the management.

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

For K.S. Aiyar & Co;
Chartered Accountants;
Firm Registration No. 100186W
UDIN: 23038526BGWQBO8389



Rajesh S. Joshi
Partner,
Membership No. 038526

Mumbai
February 10, 2023



SBM Bank (India) Ltd.

CIN:U65999MH2017FLC293229

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UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31,2022

(Rs in lacs)

Sr No	Particulars	Quarter ended			Nine Months Ended		Year ended
		31-Dec-2022	30-Sep-2022	31-Dec-2021	31-Dec-2022	31-Dec-2021	31-Mar-2022
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Interest Earned (a)+(b)+(c)+(d)	17,727	16,099	10,379	47,841	28,333	39,729
	a) Interest/discount on advances/bills	12,131	11,277	7,362	32,918	20,493	28,499
	b) Income on investments	4,940	4,225	2,493	12,527	5,862	8,602
	c) Interest on Balances with RBI and Other Inter-Bank Funds	448	457	372	1,746	1,158	1,729
	d) Others	208	140	152	650	820	899
2	Other income	4,940	4,863	1,545	14,273	6,456	11,335
3	Total income (1)+(2)	22,667	20,962	11,924	62,114	34,789	51,064
4	Interest Expended	11,509	10,786	7,237	31,883	19,164	27,221
5	Operating expenses (i)+(ii)	10,520	8,461	4,538	26,053	12,286	18,430
	i) Employees cost	3,108	2,752	1,686	8,400	4,957	7,308
	ii) Other operating expenses	7,412	5,709	2,852	17,653	7,329	11,122
6	Total expenditure (4)+(5) (Excluding provisions and Contingencies)	22,029	19,247	11,775	57,936	31,450	45,651
7	Operating profit before Provisions and Contingencies (3)-(6)	638	1,715	149	4,178	3,339	5,413
8	Provisions (other than tax) and Contingencies	209	662	1,148	1,466	2,967	3,654
9	Exceptional Items	-	-	-	-	-	-
10	Profit/(Loss) from Ordinary Activities before tax (7)-(8)-(9)	429	1,053	(999)	2,712	372	1,759
11	Tax Expense	-	-	-	-	129	129
12	Net Profit/(Loss) from Ordinary Activities after tax (10)-(11)	429	1,053	(999)	2,712	243	1,630
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit/(Loss) for the period (12)-(13)	429	1,053	(999)	2,712	243	1,630
15	Paid up equity share capital (Face value of Rs 10/- each)	82,363	82,363	82,363	82,363	82,363	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	14.64%	16.76%	20.09%	14.64%	20.09%	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)	0.05	0.13	(0.12)	0.33	0.03	0.21
	(b) Diluted EPS before or after extraordinary items (net of tax expense)	0.05	0.13	(0.12)	0.33	0.03	0.21
	(iv) NPA ratios						
	(a) Gross NPAs	10,675	8,775	8,948	10,675	8,948	9,324
	(b) Net NPAs	2,072	651	1,847	2,072	1,847	1,713
	(c) % of Gross NPAs to Gross Advances	1.94%	1.63%	2.34%	1.94%	2.34%	2.10%
	(d) % of Net NPAs to Net Advances	0.38%	0.12%	0.49%	0.38%	0.49%	0.39%
	(v) Return on assets (average)	0.18%	0.45%	-0.61%	0.40%	0.06%	0.27%
	(vi) Net worth	70,041	69,794	66,602	70,041	66,602	67,461
	(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
	(viii) Capital redemption reserve	-	-	-	-	-	-
	(ix) Debt-equity ratio *	2.00	1.70	0.03	2.00	0.03	0.45
	(x) Debenture redemption reserve	-	-	-	-	-	-
	(xi) Total debts to total assets *	14.53%	12.71%	0.28%	14.53%	0.28%	3.95%
	* Debt represents total borrowings; Equity represents total of share capital and reserves.						



Notes

- 1 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, 2022. Any circular/ direction issued by RBI is implemented prospectively when it becomes applicable.
- 2 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 auditors of the Bank.
- 3 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.
- 4 Other income includes commission income from non-fund based activities, fees, earnings from foreign exchange transactions, profit and loss (including revaluations) from investments, etc.
- 5 The above results have been approved by the Board of Directors of the Bank at its meeting held today.
- 6 These results for the Nine months ended December 31, 2022 have been reviewed by statutory auditors – K. S. Aiyar & Co., Chartered Accountants who have issued an unmodified review report thereon.
- 7 Details of loan transferred / acquired during the quarter ended December 31, 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 December 31, 2022.

(ii) The Bank has not acquired any stressed loans (NPA and SMA accounts) during the quarter ended December 31, 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)	10,583
Aggregate consideration paid (Rs in lacs)	8,466
Weighted average residual maturity (in years)	2.12
Weighted average holding period by originator (in years)	0.77
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 December 31, 2022:

Recovery Rating ^	Anticipated recovery as per recovery rating	December 31, 2022 (Amt in lacs)	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 rating agencies.

* Represents security receipts for which 8 years have been completed

** The Bank has not made any Investment in Security Receipts during the nine months ended December 31, 2022. Provision against the outstanding Security Receipts as on December 31, 2022 is Rs 18.25 Crore.

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

9 The figures of the quarter ended December 31, 2022 are the balancing figures between unaudited figures for the nine months ended December 31, 2022 and the published year to date reviewed figures upto September 30, 2022.

Place : Mumbai
Date : February 10, 2023



For SBM Bank (India) Ltd.

Kan
Mr. Sidharth Rath
Managing Director &
Chief Executive Officer

