



Reference No: SE/2021-22/39

Date: November 1, 2021

To,
BSE Limited
Dept. of Corporate Services
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai 400 001

Scrip Code: 949694

Sub: Audited Financial Results of Utkarsh Small Finance Bank Limited ("the Bank") for the quarter and half year ended September 30, 2021

Pursuant to Regulation 52 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the Board of Directors at its meeting held today, i.e., November 01, 2021, and concluded at 06:30 p.m. has considered and approved the Audited Financial Results of the Bank for the quarter and half year ended September 30, 2021.

We hereby enclose Audited Financial Results for the quarter and half year ended September 30, 2021, together with the Audit Report dated November 01, 2021, thereon from M/s. Haribhakti & Co. LLP, Statutory Auditors of the Bank.

We request you to take this on record.

Thanking you,

Yours Faithfully,
For Utkarsh Small Finance Bank Limited



Nutan Anand Rane
Company Secretary & Compliance Officer

Encl : as above

Utkarsh Small Finance Bank Limited
Registered office address: S-24/1-2, First Floor, Mahavir Nagar, Orderly Bazar, Varanasi, Uttar Pradesh, India, 221002
Statement of Audited Financial Results for half year ended 30 September 2021

(₹ in lakhs)

	For the quarter ended 30 September 2021	For the quarter ended 30 June 2021	For the quarter ended 30 September 2020	For the half year ended 30 September 2021	For the half year ended 30 September 2020	For the year ended 31 March 2021
	Audited	Audited	Audited #	Audited	Audited	Audited
1 Interest Earned (a+b+c+d)	42,754.75	44,461.33	38,743.82	87,216.08	78,672.69	158,098.73
(a) Interest/ discount on advances/ bill	37,320.41	39,020.32	33,388.33	76,340.73	69,441.03	138,574.37
(b) Income on investments	4,294.27	4,036.50	3,998.60	8,330.77	6,579.52	14,869.18
(c) Interest on balances with Reserve Bank of India and other interbank	1,139.23	1,403.64	1,356.49	2,542.87	2,650.28	4,651.84
(d) Others	0.84	0.87	0.40	1.71	1.86	3.34
2 Other Income	5,700.01	2,461.52	2,903.93	8,161.53	4,087.49	12,484.90
3 Total Income (1+2)	48,454.76	46,922.85	41,647.75	95,377.61	82,760.18	170,583.63
4 Interest Expended	19,386.74	19,886.39	19,085.72	39,273.13	36,732.18	74,174.07
5 Operating Expenses (i)+(ii)	17,050.80	15,835.43	12,119.12	32,886.23	24,520.47	54,505.72
(i) Employees cost	9,861.74	9,238.67	7,353.10	19,100.41	14,580.81	32,620.41
(ii) Other operating expenses	7,189.06	6,596.76	4,766.02	13,785.82	9,939.66	21,885.31
6 Total Expenditure (4+5) excluding provisions and contingencies	36,437.54	35,721.82	31,204.84	72,159.36	61,252.65	128,679.79
7 Operating Profit before Provisions and Contingencies (3-6)	12,017.22	11,201.03	10,442.91	23,218.25	21,507.53	41,903.84
8 Provisions (other than tax) and Contingencies	9,278.92	8,927.06	6,693.06	18,205.98	11,074.33	26,760.18
9 Exceptional item	-	-	-	-	-	-
10 Profit for the period / year before tax (7-8-9)	2,738.30	2,273.97	3,749.85	5,012.27	10,433.20	15,143.66
11 Tax expense	618.54	627.08	882.67	1,245.62	2,646.25	3,962.15
12 Net Profit for the period / year after tax (10-11)	2,119.76	1,646.89	2,867.18	3,766.65	7,786.95	11,181.51
13 Paid-up equity share capital (of ₹ 10 each)	89,550.37	84,833.39	75,927.22	89,550.37	75,927.22	84,833.39
14 Reserves excluding Revaluation Reserves						52,001.87
15 Analytical Ratios						
Capital Adequacy Ratio	28.06%	26.80%	24.87%	28.06%	24.87%	21.88%
EPS Basic (₹) (not annualised for quarter/half year)	0.25	0.19	0.38	0.44	1.03	1.46
EPS Diluted (₹) (not annualised for quarter/half year)	0.25	0.19	0.38	0.44	1.03	1.46
Face Value of shares (₹)	10	10	10	10	10	10
16 NPA Ratios						
(a) Gross NPA	70,079.14	44,359.44	4,266.02	70,079.14	4,266.02	31,528.87
(b) Net NPA	28,610.27	12,455.03	(85.37)	28,610.27	(85.37)	10,881.75
(c) % of Gross NPA	8.27%	5.58%	0.64%	8.27%	0.64%	3.75%
(d) % of Net NPA	3.55%	1.63%	(0.01%)	3.55%	(0.01%)	1.33%
17 Return on Assets (not annualised for quarter/half year)	0.17%	0.13%	0.27%	0.30%	0.75%	1.04%
18 Net Worth*	142,570.91	127,281.81	100,931.56	142,570.91	100,931.56	125,651.51
19 Total Debt to Total Assets ratio	16.10%	18.68%	26.77%	16.10%	26.77%	21.48%
20 Debt Equity Ratio	1.27	1.64	2.56	1.27	2.56	1.91

* as per RBI guidelines.

Debt represents total borrowings of the Bank & Equity consists of Share Capital plus Reserves

Figures for the corresponding quarter ended 30 September 2020 is the balancing figure between Audited figures for half year ended 30 September 2020 and Unaudited figures for quarter ended 30 June 2020 .

As per regulation 52(4) of SEBI (Listing Obligation & Disclosure Requirements) regulations 2015, the debt listed entities are required to disclose certain ratios. However the ratios which are not relevant to Banking sector are not disclosed above.

Notes:**1. Statement of Assets and Liabilities is given below:***(₹ in lakhs)*

	As at 30 September 2021	As at 31 March 2021
	Audited	Audited
CAPITAL and LIABILITIES		
Capital	89,550.37	84,833.39
Reserves and Surplus	65,894.85	52,001.87
Deposits	806,873.32	750,756.81
Borrowings	196,748.52	260,782.52
Other Liabilities and Provisions	62,620.01	65,416.64
	1,221,687.07	1,213,791.23
ASSETS		
Cash and balances with Reserve Bank of India	32,042.73	27,493.83
Balances with banks and money at call and short notice	86,112.06	89,487.77
Investments	246,557.14	231,393.56
Advances	806,288.20	821,685.75
Fixed Assets	20,546.00	18,117.12
Other Assets	30,140.94	25,613.20
	1,221,687.07	1,213,791.23
Contingent Liabilities	4,848.24	6,207.27
Bills for Collection	-	-

Utkarsh Small Finance Bank Limited
Registered office address: S-24/1-2, First Floor, Mahavir Nagar, Orderly Bazar, Varanasi, Uttar Pradesh, India, 221002
Cash Flow Statement for the half year ended 30 September 2021

2. Statement of cash flow is given below:

		(₹ in lakhs)	
S.No	Particulars	For the half year ended 30 September 2021	For the half year ended 30 September 2020
I	Cash flow from operating activities	-	-
	Profit before taxes	5,012.27	10,433.20
	Adjustments for:-		
	Depreciation on fixed assets	1,809.51	1,300.06
	Depreciation on investments, net	(739.98)	758.68
	Amortization of premium on Held to Maturity Investment	846.77	427.28
	Profit on sale & Redemption of HTM portfolio	(41.37)	(34.98)
	Unrealised loss on external commercial borrowings	(53.44)	(111.94)
	Write-off of non performing advances	511.15	-
	Provision for standard advances and other contingencies	(3,165.73)	10,008.63
	Provision for non performing advances (net of reversal)	20,821.75	933.72
	Loss on sale of fixed assets (Net)	0.62	1.41
	Other provisions and write off	292.43	131.98
		25,293.98	23,848.04
	Adjustments for:-		
	Decrease / (Increase) in investments	15,339.87	(105,188.18)
	(Increase) in advances	(5,935.34)	(33,432.24)
	Increase in deposits	56,116.51	73,408.54
	(Increase) / Decrease in other assets	(3,628.53)	2,056.48
	Increase in other liabilities and provisions	369.13	1,424.62
		62,261.64	(61,730.78)
	Payment of direct taxes	(2,255.04)	(772.96)
	Net cash flow generated / (used in) from operating activities (A)	85,300.58	(38,655.70)
II	Cash flow from/(used in) investing activities		
	Purchase of fixed assets including capital work in progress	(4,249.17)	(4,382.26)
	Proceeds from sale of fixed assets	10.15	0.89
	Purchase of held to maturity securities	(30,568.88)	(16,498.14)
	Net cash flow (used in) investing activities (B)	(34,807.90)	(20,879.51)
III	Cash flow from/(used in) Financing Activities		
	Proceeds from issue of share capital (net of share issue expenses)	14,661.07	-
	Net Proceeds / (repayments) from borrowings	(63,980.56)	13,529.95
	Net cash flow (used in) /generated from financing activities (C)	(49,319.49)	13,529.95
IV	Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	1,173.19	(46,005.26)
V	Cash and cash equivalents at the beginning of the period	116,981.60	161,405.26
VI	Cash and cash equivalents at the end of the period	118,154.79	115,400.00
	Notes to the Cash Flow Statement:		
	Cash and cash equivalents includes the following:		
(i)	Cash and Balances with Reserve Bank of India	32,042.73	19,339.48
(ii)	Balances with Banks in Current Accounts	5,412.06	4,460.52
(iii)	Money at Call and Short Notice	80,700.00	91,600.00
	Cash and cash equivalents at the end of the period	118,154.79	115,400.00

The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 - Cash Flow Statements specified under Section 133 of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

- The financial results for the half year ended 30 September 2021 have been reviewed by the Audit Committee at its meeting held on 01 November 2021 and recommended for adoption to the Board of Directors. The Board of Directors of the Bank have considered and approved the same at its meeting held on 01 November 2021.
- The Statutory Auditors have Audited the financial results as required under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and have issued an unmodified opinion thereon.
- These financial results of the Bank have been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under Section 133 of the Companies Act, 2013, Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the guidelines, directions, circulars, resolutions issued by the Reserve Bank of India (RBI). The Bank has followed its significant accounting policies in the preparation of financial results consistent with those followed in the year ended 31 March 2021.
- During the half year ended 30 September 2021, the Bank has issued 47,169,809 equity shares having face value of ₹10 each at a premium of ₹21.80 each for cash aggregating to ₹14,999.99 lakhs.
- The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous periods is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
- RBI circular DBR.No.BP.BC.U21.06.20 1/20 15-16 dated 1 July, 2015 on 'Basel III Capital Regulations' read together with the RBI circular DBR.No.BP.BC.80121.06.20 112014-15 dated 31 March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards- Amendments' requires banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III Framework. These disclosures are available on the Bank's website at the following link: <https://www.utkarsh.bank/basel-disclosures>. The disclosures have not been subjected to audit or review by the statutory auditors.
- During the half year the Bank has granted 15,611,500 options to the Bank's employees on 01 August 2021 under USFBL Employee Stock Option Plan 2020 (ESOP 2020) . Further post RBI approval on 31 August 2021 Bank has granted 71377 options as part of variable pay to MD & CEO for FY 19 – 20, options were granted with effect from 6th November 2020 under the ESOP scheme.

8. The COVID-19 virus, a global pandemic has affected the world economy including India. The extent to which the COVID-19 pandemic including the second wave witnessed in country, or future subsequent waves, if any, will continue to impact the Bank's operations and asset quality will depend on the future developments, which are highly uncertain.

Country faced second wave of covid-19 towards the end of financial year 2021. The entire country came to standstill during April and May 2021. The eventual effect of the second wave was not as severe as the first due to various factors such as localised lockdowns (rather than being national) due to which supply chain was not affected and commercial activities were able to resume once the lockdown's were lifted. The Bank was able to resume normal banking operations (both on liabilities and assets side) by the end of May 2021, thus the damage done has been minimal. This time though the RBI did not come out with a financial package assistance in the form of 'blanket moratorium' as was done last year, however the RBI Governor announced the extension of the 'restructuring scheme to help the existing borrower for revival of their businesses.

Estimates and associated assumptions applied in preparing these financial results, especially for determining the overall provisions for the Advances, are based on historical experience and other emerging factors on account of the pandemic. The Bank believes that the factors considered are reasonable under the current circumstances. Given the dynamic nature of the pandemic situation, these estimates are subject to change and may be affected by severity and duration of the pandemic. In the event impacts is more severe or prolonged than anticipated, this will have a corresponding impact on the carrying value of advances, the financial position and performance of the Bank. The Bank holds adequate provisions towards Non-performing and restructuring assets as at September 30, 2021. The stress test was undertaken by the Bank from time to time and complying with regulatory requirements under IRAC & provisioning norms prescribed. The Bank is well capitalised to be able to face any further upheavals, which the Bank may face in times to come due to the various socio-economic conditions.

9. (i) Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated 6 August 2020 (Resolution Framework 1.0) are given below.

(₹ in lakhs except number of accounts)

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution
Personal Loans	60,289	17,102.67	-	-	3,420.53
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	38,186	11,260.04	-	-	2,252.01
Total**	98,475	28,362.71	-	-	5,672.54

Offer for restructuring of the loans made to customers based on asset classification as per Honourable Supreme Court ruling prevailing then.

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

** As on 30 September 2021 out of above restructured loans amounting to ₹17,511.44 lakhs, have been pre-closed or classified as NPA and accordingly restructuring provision as on 30 September 2021 is amounting to ₹2,089.16 lakhs

(₹ in lakhs except number of accounts)

Type of borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan— Position as at the end of the previous half-year	Of (A), aggregate debt that slipped into NPA during the half- year ⁽ⁱ⁾	Of (A) amount written off during the half-year	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 this half-year
Personal Loans	15,863.90	8,052.59	-	1,551.28	6,260.03
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	10,460.14	5,632.96	-	997.47	3,829.71
Total**	26,324.04	13,685.55	-	2,548.75	10,089.74

⁽ⁱ⁾ Exposure is as on March 31, 2021

- (ii) Details of resolution plan implemented under the Resolution Framework - 2.0 for COVID-19-related Stress of Individuals and Small Businesses as per RBI circular dated 5 May 2021 are given below.

(₹ in lakhs except number of accounts)

Sl. No	Description	Individual Borrowers		Small businesses
		Personal Loans	Business Loans	
(A)	Number of requests received for invoking resolution process	6,924	72,224	87,114
(B)	Number of accounts where resolution plan has been implemented under this window	6,585	68,289	82,250
(C)	Exposure to accounts mentioned at (B) before implementation of the plan	1,537.33	19,211.92	20,102.17
(D)	Of (C), aggregate amount of debt that was converted into other securities	-	-	-
(E)	Additional funding sanctioned, if any, including between invocation of the plan and implementation	-	-	-
(F)	Increase in provisions on account of the implementation of the resolution plan*	151.08	2,499.55	2,633.53

* provisions as on 30 September 2021

There were 24,775 borrowers with exposure of ₹ 4,625.45 Lakhs, where resolution plan was earlier implemented under RBI resolution framework 1.0 and now modified under RBI resolution framework 2.0

10. Bank had accelerated the provisioning matrix by 15% for all sub-standard advances in March Quarter, which was continued till June 2021. During the quarter, considering the current analysis of portfolio and collection, Bank has reverted back to original Sub-standard provisioning matrix which is higher than prescribed by RBI for the portfolio classified as NPA from July onwards. The Impact of such change in provisioning is ₹ 10,389.02 Lakhs.

11. The Honourable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated 3 September 2020 ("Interim Order"), had directed banks that accounts which were not declared NPA till 31 August 2020 shall not be declared as NPA till further orders. Accordingly, the Bank did not classify any account which was not NPA as of 31 August 2020 as per the RBI's Prudential Norms on Income Recognition, Asset Classification, and Provisioning (IRAC) norms, as NPA after 31 August 2020. However, as a basis its assessment and as a prudent measure, the Bank had followed the extant policies relating to NPA's in this regards.

The interim order granted to not declare accounts as NPA stood vacated on 23 March 2021 vide the judgement of the Hon'ble SC in the matter of Small Scale Industrial Manufacturers Association vs. UOI & Ors. and other connected matters. In accordance with the instructions in paragraph 5 of the RBI circular dated 7 April 2021 issued in this connection, the Bank has followed with the asset classification of borrower accounts as per the extant RBI instructions / IRAC norms.

12. As per the Master Direction on Financial Statements - Presentation and Disclosures issued by the RBI dated August 30, 2021, provision / (write-back) of mark-to-market depreciation on investments in AFS and HFT categories (net) has been classified under Other Income. Hitherto, the Bank was classifying such Provisions / (write-back) under Provisions and Contingencies. Figures for the previous periods / year have been regrouped to conform to current period's presentation.
13. Figures of the previous periods / year have been regrouped / reclassified, wherever necessary to conform current period classification.

Place : Varanasi
Date : 01 November 2021

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PURUSHOTTAM
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for and on behalf of the Board of Directors of
Utkarsh Small Finance Bank Limited
CIN: U65992UP2016PLC082804

GOVIND SINGH Digitally signed by GOVIND SINGH
Date: 2021.11.01 16:46:04 +05'30'

Govind Singh
Managing Director & CEO
DIN : 02470880

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Utkarsh Small Finance Bank Limited

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying financial results of **Utkarsh Small Finance Bank Limited** ("the Bank") for the quarter ended September 30, 2021 and the year to date results for the period from April 01, 2021 to September 30, 2021 ("the Statement"), 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 September 30, 2021, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been audited by us.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

(i) is 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 September 30, 2021, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the financial results and have not been audited by us; and

(ii) gives a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards, 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 of the net profit and other financial information for the quarter ended September 30, 2021 as well as the year to date results for the period from April 01, 2021 to September 30, 2021.

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 ("Act"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Statement 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Statement, 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 Statement.

Emphasis of Matter

We draw attention to Note 10 to the Statement which explains that the extent to which COVID-19 pandemic will impact the Bank's operations and financial results is dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

HARIBHAKTI & CO. LLP

Chartered Accountants

Board of Directors' Responsibility for the Statement

This Statement has been compiled from the interim financial statements. The Bank's Board of Directors are responsible for the preparation and presentation of this Statement that gives a true and fair view of the net profit and other financial information of the Bank in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the 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 and RBI Guidelines 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 Statement that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Statement, 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 Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is 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 this Statement.

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 Statement, 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 operating 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

HARIBHAKTI & CO. LLP

Chartered Accountants

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 Statement 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 Statement, including the disclosures, and whether the Statement 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 Matter

The Statement includes the results for the quarter ended September 30, 2020, being the balancing figure between the Audited figures in respect of half year ended September 30, 2020 and the reviewed figures for the preceding quarter ended June 30, 2020.

Our opinion is not modified in respect of this matter.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W / W100048

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Date: 2021.11.01 17:23:06
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Purushottam Nyati

Partner

Membership No. 118970

UDIN: 21118970AAAAIU9320

Place: Mumbai

Date: November 01, 2021