

# Walker ChandioK & Co LLP

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## Review Report on half yearly Financial Results of the Bank Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Board of Directors of Fincare Small Finance Bank Limited (formerly Disha Microfin Limited)

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of Fincare Small Finance Bank Limited (formerly Disha Microfin Limited) ("the Bank") for the half year ended 30 September 2019. This Statement is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (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 Statement is free of material misstatement. A review is limited primarily to inquiries of company 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.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in accordance with applicable accounting standards, prescribed under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and SEBI Circulars CIR/IMD/DFI/9/2015 dates 27 November 2015 and CIR/IMD/DFI/69/2016 dated 10 August 2016, other recognised 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.

For Walker ChandioK & Co LLP  
Chartered Accountants  
Firm Registration No: 001076N/N500013



Manish Gujral  
Partner  
Membership No.: 105117



UDIN No:19105117AAAAPM8135

Place: Bengaluru  
Date: 11 November 2019

Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

Walker ChandioK & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

## Fincare Small Finance Bank Limited

(formerly Disha Microfin Limited)

Unaudited Balance Sheet as at 30 September 2019

Particulars	(₹ in lakhs)	
	As at 30 September 2019 (Un-audited)	As at 31 March 2019 (Audited)
<b>Capital and liabilities</b>		
Capital	5,644	5,644
Reserves and surplus	68,553	60,956
Deposits	3,71,527	2,04,321
Borrowings	1,31,010	1,28,307
Other liabilities and provisions	16,187	17,946
<b>Total Capital and Liabilities</b>	<b>5,92,921</b>	<b>4,17,174</b>
<b>Assets</b>		
Cash and balances with Reserve Bank of India	61,124	14,191
Balances with banks and money at call and short notice	56,169	37,967
Investments	78,237	70,086
Advances	3,78,474	2,76,469
Fixed assets	3,848	3,307
Other assets	15,069	15,154
<b>Total Assets</b>	<b>5,92,921</b>	<b>4,17,174</b>
Contingent liabilities	8,830	11,475
Bills for collection	-	-

### Unaudited Statement of Profit and Loss for the half year ended 30 September 2019

Particulars	Half year ended 30 September 2019 (Un-audited)	Half year ended 30 September 2018 (Un-audited)	Year ended 31 March 2019 (Audited)
<b>I. Income</b>			
Interest earned	47,463	26,868	60,515
Other income	5,105	3,340	6,973
<b>Total</b>	<b>52,568</b>	<b>30,208</b>	<b>67,488</b>
<b>II. Expenditure</b>			
Interest expended	19,931	10,444	22,907
Operating expenses	19,568	13,077	29,581
Provision and contingencies	5,472	2,454	4,802
<b>Total</b>	<b>44,971</b>	<b>25,975</b>	<b>57,290</b>
<b>III. Profit/(loss)</b>			
Net profit for the period/year	7,597	4,233	10,198
Balance in profit and loss brought forward from previous year	(618)	(7,955)	(7,955)
<b>Total</b>	<b>6,979</b>	<b>(3,722)</b>	<b>2,243</b>
<b>IV. Appropriation</b>			
Transfer to statutory reserves	-	-	2,550
Transfer to other reserves	188	-	311
Transfer to capital reserves	-	-	-
Balance carried over to balance sheet	6,791	(3,722)	(618)
<b>Total</b>	<b>6,979</b>	<b>(3,722)</b>	<b>2,243</b>

Earnings per equity share of ₹10 each  
Basic and diluted (₹)

13.46

11.20

22.41

### FINCARE SMALL FINANCE BANK LIMITED

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CIN No. U67120GJ1995PLC025373



# Fincare Small Finance Bank Limited

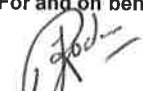
(formerly Disha Microfin Limited)

## Notes

1. The above un-audited financial results ('the Statement') of Fincare Small Finance Bank Limited ('the Bank') for the half year ended 30 September 2019 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on 11 November 2019. These results have been subjected to limited review by the statutory auditors of the Bank.
2. These unaudited financial results are prepared in compliance with the generally accepted accounting principles in India (Indian GAAP), statutory requirements prescribed under Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India ('the RBI') from time to time and Regulation 52 of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) 2015.
3. EPS disclosed for the half year ended 30 September 2019 and 30 September 2018 are not annualised.
4. During the half year ended 30 September 2019, the Bank has allotted 1,000 Non-convertible debenture at an issue price of ₹ 10,00,000 each.
5. The Government of India, vide the Taxation Laws (Amendment) Ordinance, 2019 dated 20 September 2019 inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the bank for paying income tax at reduced rates as per the provisions/conditions defined in the said section. The Bank has a one time option to opt for a reduced Maximum Marginal Tax Rate ("MMR") of 25.17% instead of 29.12% in the current financial year up to 31 March 2020 or in the future financial years. The Bank is in the process of finalizing its position with respect to adoption of the reduced tax rates. If the Bank exercises the choice of lower MMR in the current financial year, it would correspondingly result in lower effective tax rate due to lower current tax outflow net of the deferred tax income.
6. Amounts for the previous year/period have been regrouped/reclassified, wherever necessary, to correspond with the current period's classification/disclosures.



For and on behalf of the Board of Directors

  
Rajeev Yadav  
MD & CEO  
DIN: 00111379

Place: Bengaluru  
Date: 11 November 2019

**Fincare Small Finance Bank Limited**

(formerly Disha Microfin Limited)

Un-audited statement of financial results for the half year ended 30th September 2019

Annexure I

**Disclosures under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**
**1 Credit rating:**

Deposit instrument	Name of rating agency	Rating assigned
Non-Convertible Debentures	ICRA Limited	[ICRA] A (Stable)
Term loans (Long)	ICRA Limited	[ICRA] A (Stable)
Fixed Deposit	ICRA Limited	[ICRA] MA+ (Stable)
Certificate of Deposit	CRISIL Limited	CRISIL A1+

There has been no change in the aforesaid rating from the previous period.

**2 Debt-Equity ratio:**

Debt-Equity ratio of the Bank as on 30 September 2019 is 1.77 as per audited Financial Results of the Bank.

**3 Previous due date for payment of principal/interest on Non Convertible Debentures ("NCDs")**

NCD	ISIN number	Due date (from 01 April 2019 to 30 September 2019)	
		Principal	Interest
350, 10.90% Debentures of ₹1,000,000 each	INE519Q08012	Not due	17-Jul-19
2500, 12.60% Debentures of ₹100,000 each	INE519Q08020	Not due	29-Aug-19
250, 10.75% Debentures of ₹100,000 each	INE519Q08103	31-May-19	31-May-19
250, 10.75% Debentures of ₹100,000 each	INE519Q08111	31-Aug-19	31-Aug-19
250, 10.75% Debentures of ₹100,000 each	INE519Q08129	Not due	31-Aug-19
3700, 11.30% Debentures of ₹100,000 each	INE519Q08145	Not due	20-Mar-19
3800, 11.30% Debentures of ₹100,000 each	INE519Q08137	Not due	22-Sep-19
1000, 12.87% Debenture of ₹10,00,000 each	INE519Q08152	Not due	Not due


The Bank has paid the interest and principal on NCDs on the respective due dates mentioned above.


**4 Next due date for payment of principal/interest on Non-convertible Preference Shares - Not applicable.**
**5 Outstanding redeemable preference shares - Not applicable.**
**6 Debenture Redemption Reserve (DRR) - No DRR is required in respect of privately placed debentures in terms of Rule 18(7)(b)(ii) of the Companies (Share Capital and Debenture) Rules, 2014.**
**7 Net worth as on 30 September 2019 - ₹ 71,930 lakhs**
**8 Net Profit after tax - ₹ 7,597 lakhs**
**9 Earnings per share - ₹ 13.46 per share**


For and on behalf of the Board of Directors

 Rajeev Yadav  
 MD & CEO  
 DIN: 00111379

 Place: Bengaluru  
 Date: 11th November 2019

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