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JANA SMALL FINANCE BANK LIMITED

Our Bank was incorporated as 'Janalakshmi Financial Services Private Limited' on July 24, 2006 at Bengaluru, Karnataka as a private limited company under the Companies Act, 1956, and was granted the certificate of incorporation by the Registrar of Companies, Karnataka at Bengaluru ("RoC"). Janalakshmi Financial Services Private Limited, was granted a certificate of registration dated March 4, 2008 by Reserve Bank of India ("RBI") to commence the business of non-banking financial institution without accepting public deposits, and was converted into an NBFC-MFI with effect from September 5, 2013. Subsequently, pursuant to a Board resolution dated June 1, 2015 and a Shareholders' resolution dated June 29, 2015, our Bank was converted into a public limited company under the Companies Act, 1956 with effect from August 10, 2015, and the name of our Bank was changed from 'Janalakshmi Financial Services Private Limited' to 'Janalakshmi Financial Services Limited', and a fresh certificate of incorporation of our Bank was issued by the RoC under such name. Janalakshmi Financial Services Limited, was granted a fresh certificate of registration as a non-banking financial institution without accepting public deposits dated September 18, 2015 pursuant to such name change. Our Bank, then known as Janalakshmi Financial Services Limited, was granted an in-principle approval by the RBI to convert into a small finance bank ("SFB") on October 7, 2015. Thereafter, our Bank received the final approval, dated April 28, 2017 from the RBI, to establish and carry on business as an SFB. Pursuant to resolutions passed by the Board and Shareholders on May 30, 2017 and January 12, 2018 respectively, the name of our Bank was changed from 'Janalakshmi Financial Services Limited' to 'Jana Small Finance Bank Limited', and a fresh certificate of incorporation dated January 29, 2018 was issued by the RoC consequent upon the change of name. Our Bank commenced its business as an SFB with effect from March 28, 2018 and its name was included in the second schedule to the RBI Act pursuant to a notification dated July 16, 2019 issued by the RBI. For further details of changes in name and changes in the registered office of the Bank, see "History and Certain Corporate Matters" on page 334 of the Red Herring Prospectus dated February 1, 2024 ("RHP") filed with RoC.

Registered and Corporate Office: The Fairway Business Park, #10/1, 11/2, 12/2B, off Domlur, Koramangala Inner Ring Road, Next to EGL, Challaghatta, Bengaluru-560 071, Karnataka, India. Tel: +91 80 4602 0100, Website: www.janabank.com; Contact Person: Lakshmi RN, Company Secretary and Compliance Officer; E-mail: investor.grievance@janabank.com Corporate Identity Number: U65923KA2006PLC040028



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OUR PROMOTERS: JANA CAPITAL LIMITED AND JANA HOLDINGS LIMITED

INITIAL PUBLIC OFFER OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹10 EACH ("EQUITY SHARES") OF JANA SMALL FINANCE BANK LIMITED ("BANK" OR "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ [●] MILLION ("OFFER") COMPRISING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,620 MILLION (THE "FRESH ISSUE")* AND AN OFFER FOR SALE OF UP TO 2,608,629 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE").

THE OFFER INCLUDES A RESERVATION OF UP TO [●] EQUITY SHARES, AGGREGATING UP TO ₹ 135.00 MILLION (CONSTITUTING UP TO [●] % OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL), FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES ("EMPLOYEE RESERVATION PORTION"). THE OFFER LESS THE EMPLOYEE RESERVATION PORTION IS HERINAFTER REFERRED TO AS THE "NET OFFER". THE OFFER AND THE NET OFFER SHALL CONSTITUTE [●] % AND [●] %, RESPECTIVELY, OF THE POST-OFFER PAID-UP EQUITY SHARE CAPITAL OF OUR BANK.

DETAILS OF THE SELLING SHAREHOLDERS, OFFER FOR SALE AND THE WEIGHTED AVERAGE COST OF ACQUISITION

| NAME OF THE SELLING SHAREHOLDERS | TYPE | NUMBER OF EQUITY SHARES OFFERED | WEIGHTED AVERAGE COST OF ACQUISITION PER EQUITY SHARE (IN ₹)^ |
|--|------------------------------|---|---|
| Client Rosehill Limited | Investor Selling Shareholder | Up to 906,277 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million | 366.43 |
| CVCIGP II Employee Rosehill Limited | Investor Selling Shareholder | Up to 929,656 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million | 363.61 |
| Global Impact Funds, S.C.A., SICAR, sub-fund Global Financial Inclusion Fund | Investor Selling Shareholder | Up to 141,285 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million | 800.00 |
| Growth Partnership II Ajay Tandon Co-Investment Trust | Investor Selling Shareholder | Up to 413 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million | 359.70 |
| Growth Partnership II Siva Shankar Co-Investment Trust | Investor Selling Shareholder | Up to 998 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million | 362.76 |
| Hero Enterprise Partner Ventures | Investor Selling Shareholder | Up to 630,000 Equity Shares of face value of ₹10 each aggregating up to ₹ [●] million | 141.14 |

^ As certified by JHS & Associates LLP, Chartered Accountants pursuant to their certificate dated February 1, 2024

Details of Pre-IPO Placement

| Date of Allotment | Type of Security | Number of Securities | Issue Price per Security (in ₹) | Name of the allottees |
|-------------------|------------------|----------------------|---------------------------------|--|
| January 19, 2024 | Equity Shares | 2,439,607 | 414 | SBI General Insurance Company Limited, Kotak Mahindra Life Insurance Company Limited, Ananta Capital Ventures Fund 1, Aziza Malik Family Trust, Madhu Silica Private Limited, Arka Nxt Ventures, Navatris Investments, Dhoot Industrial Finance Ltd, Anil Singhvi, Mc Jain Infoservices Private Limited, Capri Global Holdings Private Limited, RPM Ventures Partners (Rahul Sharma), Polisetty Shyam Sundar, LC Pharos Multi Strategy Fund VCC – SF1, Negen Undiscovered Value Fund, S Four Capital (Shikhar Raj) |
| December 7, 2023 | CCPS* | 12,154,044 | 10* | Krishnan Subramania Raman, Sumit Aggarwal, Rincoo Ji Vaccha, Shrinivas Murty J, Sudhir Madhavan, Pradeep Rebello, Gopal Tripathi, Ajay Kanwal, Mahalingam Ramachandran, Tamal Bandyopadhyay, Chitra Menon, Ashish Gopal Saxena, Rajesh Rao, Satish Ramachandran, Abhilash Sandur, Amit Raj Bakshi. |

*The CCPS has been converted to Equity Shares at a price of ₹ 302.98 per Equity Share.

Details of secondary transactions by the Selling Shareholders since filing of the draft red herring prospectus dated July 30, 2023

| Date of Transfer | Name of Selling Shareholder | Number of securities (CCPS) | Transfer price per security (CCPS) (in ₹) | Name of the transferee |
|-------------------|-----------------------------|-----------------------------|---|---|
| August 16, 2023 | Hero Ventures | 9,37,50,000 | 32 | Elpro International Limited, Bharti (Satya) Trustees Private Limited, Par Solar Private Limited, Spark Fund Advisors LLP, Bengal Rubber Company Limited, Central India Industries Limited, Universal Trading Company Limited, Ranchi Enterprises And Properties Ltd., Amer Investments (Delhi) Limited, Shikhar Rajsakshi Sinha, Puran Associates Private Limited, Ananta Capital Ventures Fund 1 |
| December 22, 2023 | Hero Ventures | 23,68,421 | 38 | Neelanchal Edifice LLP |
| January 05, 2024 | Hero Ventures | 2,105,263 | 38 | Shikhar Rajsakshi Sinha |
| January 24, 2024 | Hero Ventures | 2,380,952 | 42 | VLS Finance Limited |
| January 24, 2024 | Hero Ventures | 6,493,506 | 38.50 | Globe Capital Market Limited |

The CCPS has been converted to Equity Shares at a price of ₹ 414.00 per Equity Share.

We are a small finance bank, offering a range of banking products, with our asset products primarily including mortgages, MSME and agriculture loans

The Offer is being made through the Book Building Process in accordance with Regulation 6(1) of the SEBI ICDR Regulations

QIB Portion: Not more than 50% of the Net Offer | Non-Institutional Portion: Not less than 15% of the Net Offer | Retail Portion: Not less than 35% of the Net Offer

Employee Reservation Portion: Up to [●] Equity Shares aggregating up to ₹135.00 Million

PRICE BAND: ₹ 393 TO ₹ 414 PER EQUITY SHARE OF FACE VALUE OF ₹10 EACH.

THE FLOOR PRICE IS 39.30 TIMES THE FACE VALUE OF THE EQUITY SHARES AND THE CAP PRICE IS 41.40 TIMES THE FACE VALUE OF THE EQUITY SHARES.

BIDS CAN BE MADE FOR A MINIMUM OF 36 EQUITY SHARES AND IN MULTIPLES OF 36 EQUITY SHARES THEREAFTER.

In accordance with the recommendation of Independent Directors of our Bank, pursuant to their resolution dated February 1, 2024, the above provided price band is justified based on quantitative factors/ KPIs disclosed in the 'Basis for Offer Price' section of the RHP vis-a-vis the weighted average cost of acquisition ("WACA") of primary and secondary transaction(s), as applicable, disclosed in 'Basis for Offer Price' beginning on page 186 of the RHP.

In making an investment decision, potential investors must rely on their own examination of the Bank and the information included in the RHP and the terms of the Offer, including the merits and risks involved and not rely on any other external sources of information about the Offer available in any manner. Please refer Risk Factors beginning on page 37 of the RHP.

RISK TO INVESTORS

1. Our Bank has a high illiquidity ratio. A high Illiquidity Ratio indicates that a bank holds a low amount of liquid assets, which affects its ability to pay its debt obligations and short-term liabilities. If we are unable to decrease our Illiquidity Ratio, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

As noted in the RBI Inspection report, our Bank's illiquidity ratio was 46.16% as at March 31, 2022, as against industry average of 40% (as per the RBI), indicating our Basic Earning Assets were supported by Volatile Liabilities. A high Illiquidity Ratio indicates that a bank holds a low amount of liquid assets, which affects its ability to pay its debt obligations and short-term liabilities. Our Illiquidity Ratio improved to 40.24% as at September 30, 2023, which was primarily due to an increase in our Basic Earning Assets. However, we cannot assure you this improvement will be sustained and if our Bank's Illiquidity Ratio increases, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

The table below sets forth our Bank's Illiquidity Ratio as at the dates indicated:

| Particulars | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|-----------------------|-------------------------------------|----------------------|----------------------|----------------------|
| | (₹ in millions, except percentages) | | | |
| Illiquidity Ratio (%) | 40.24% | 32.75% | 46.16% | 30.44% |

2. Our Bank has a low Core Deposit Ratio. A low Core Deposit Ratio means that a bank has less assets that are backed by deposits, and indicates that the bank has low liquidity. If we are unable to increase our Core Deposits Ratio, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

As noted in the RBI Inspection report, our Bank's Core Deposit Ratio was 36.03% as at March 31, 2022, as against the industry average of

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50.00% (as per the RBI), indicating that 63.97% of our total assets were funded through an unstable deposit base. A low Core Deposit Ratio means that a bank has less assets that are backed by deposits, and indicates that the bank has low liquidity. Our Core Deposits Ratio improved to 40.19% as at September 30, 2023, which was primarily due to an increase in our Core Deposits. However, we cannot assure you this improvement will be sustained and if our Bank's Core Deposit Ratio decreases, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

The table below sets forth our Core Deposit Ratio as at the dates indicated:

| Particulars | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|------------------------|-------------------------------------|----------------------------|----------------------------|----------------------------|
| | (₹ in millions, except percentages) | | | |
| Core Deposit Ratio (%) | 40.19% | 38.31% | 36.03% | 35.35% |

3. Our Bank has a high Illiquid Assets Ratio. A high Illiquid Assets Ratio may affect a bank's ability to pay its liabilities. If we are unable to decrease our Illiquid Assets Ratio, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

As noted in the RBI Inspection report, our Bank's Illiquid Assets Ratio as at March 31, 2022 was 252.97%, signifying a higher degree of illiquidity embedded in our Bank's balance sheet. A high Illiquid Assets Ratio may adversely affect a bank's ability to pay its liabilities. Our Illiquid Assets Ratio increased to 221.72% as at September 30, 2023, which was primarily due to an increase in our Core Deposits. The maturity of deposits has been calculated on the basis of contractual maturity for deposits and a fixed ratio for CASA. However, we cannot assure you this improvement will be sustained and if our Bank's Illiquid Assets Ratio increases, it could have an adverse effect on our business, financial condition, results of operations and cash flows.

The table below sets forth our ratio of Illiquid Assets to Core Deposits ("Illiquid Assets Ratio") as at the dates indicated:

| Particulars | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|---------------------------|-------------------------------------|----------------------------|----------------------------|----------------------------|
| | (₹ in millions, except percentages) | | | |
| Illiquid Assets Ratio (%) | 221.72% | 212.94% | 252.97% | 205.32% |

4. Our unsecured loans have a higher credit risk than our secured loans because the vast majority of those loans are Microfinance Loans and customers availing Microfinance Loans have limited sources of income (annual household income of up to ₹300,000) and savings and, as such, generally do not have a high level of financial resilience and unsecured loans are not supported by collateral. If we are unable to recover such advances in a timely manner or at all, our financial condition, results of operations and cash flows would be adversely affected.

The table below sets forth our gross unsecured loans by category and as a percentage of our total gross advances and our gross unsecured loans that are NPAs and as a percentage of our total gross unsecured advances as at the dates provided.

| Particulars | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------------------|----------------------------|----------------------------|----------------------------|
| | (₹ in millions, except percentages) | | | |
| Gross Microfinance Loans⁽¹⁾: | | | | |
| Gross individual and micro business loans | 47,481.50 | 42,869.91 | 28,912.57 | 10,843.91 |
| Gross agricultural and allied loans | 36,141.39 | 30,944.43 | 18,770.00 | 15,510.70 |
| Gross group loans | 6,756.60 | 6,414.88 | 13,191.17 | 38,590.26 |

| Particulars | As at September 30, 2023 | As at March 31, 2023 | As at March 31, 2022 | As at March 31, 2021 |
|--|-------------------------------------|----------------------------|----------------------------|----------------------------|
| | (₹ in millions, except percentages) | | | |
| Total Gross Microfinance Loans | 90,379.49 | 80,229.22 | 60,873.74 | 64,944.87 |
| Gross Non-Microfinance Loans: | | | | |
| Gross unsecured working capital loans and overdraft facilities to micro and small enterprises based on their GST returns | 514.42 | 730.65 | 1,358.20 | 2,684.95 |
| Total gross Non-Microfinance Loans | 514.42 | 730.65 | 1,358.20 | 2,684.95 |
| Total gross unsecured advances [A] | 90,893.91 | 80,959.87 | 62,231.95 | 67,629.82 |
| Gross unsecured loans as a percentage of our total gross advances [B = A/C] (%) | 42.58% | 44.98% | 46.97% | 57.12% |
| Total gross advances [C] | 213,471.30 | 180,007.41 | 132,503.20 | 118,389.82 |
| Gross NPAs of unsecured advances [D] | 3,085.31 | 6,210.68 | 6,999.31 | 6,484.21 |
| Gross NPAs of unsecured advances as a percentage of gross unsecured advances [E = D/A] | 3.39% | 7.67% | 11.25% | 9.59% |

5. Our Bank is subject to restrictions relating to the Equity Shares as per the RBI In-Principle Approval, RBI Final Approval, SFB Licensing Guidelines and SFB Operating Guidelines.

The below summarises the compliance status of our Bank with respect to the restrictions on Equity Shares as per the RBI In-Principle Approval, RBI Final Approval, SFB Licensing Guidelines, and SFB Operating Guidelines only for the points that are not complied as of the date of RHP. For other points, please refer Risk Factor no. 3 on page 42 of RHP.

I. Our Bank is required to identify JCL as the sole Promoter of our Bank : Under the conditions set out in the RBI Final Approval dated April 28, 2017, JCL is required to be the sole promoter of our Bank. We have identified both JCL and JHL as the 'promoters' of our Bank in the Red Herring Prospectus in accordance with the applicable provisions of the SEBI ICDR Regulations, since JHL and JCL have decided not to go ahead with their proposed scheme of amalgamation (merger). The same has been intimated to the RBI pursuant to our letters dated June 29, 2023 and July 4, 2023 ("Intimation Letters"). Since the date of Intimation Letters, the RBI has not issued any further correspondence on this matter. Please note that there is no prescribed requirement for a specific approval from the RBI for identifying JCL and JHL as the 'promoters' of our Bank.

For further details, see " 2. We are subject to stringent regulatory requirements and prudential norms, some of which are more onerous than for banks that are not Small Finance Banks, like us. We have not been able to comply with certain provisions of the SFB Licensing Guidelines and the RBI Final Approval. As a result, the RBI may take regulatory action against us, which could include imposition of monetary penalties, revocation of the RBI Final Approval or such other penal actions and restrictions deemed fit by the RBI, the imposition of any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows" on page 39 of the RHP.

II. The Equity Shares were required to be listed on a stock

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exchange in India within three years from the date of commencement of our banking business, i.e., on or before **March 27, 2021** : We filed the draft red herring prospectus dated March 31, 2021 (the "2021 DRHP") with SEBI and received the letter bearing reference number SEBI/HO/CFD/DIL1/OW/P/2021/14928/1, dated July 9, 2021, from SEBI on the 2021 DRHP. However, we have not been able to complete our initial public offering within the timelines prescribed in the SFB Licensing Guidelines and the RBI Final Approval, due to market conditions. We have re-initiated the initial public offering process and are working towards completing the listing of the Equity Shares and meeting the licensing conditions.

For further details, see "2. We are subject to stringent regulatory requirements and prudential norms, some of which are more onerous than for banks that are not Small Finance Banks, like us. We have not been able to comply with certain provisions of the SFB Licensing Guidelines and the RBI Final Approval. As a result, the RBI may take regulatory action against us, which could include imposition of monetary penalties, revocation of the RBI Final Approval or such other penal actions and restrictions deemed fit by the RBI, the imposition of any of which could have a material adverse effect on our business, financial condition, results of operations and cash flows" on page 39 of the RHP.

6. We will not receive any proceeds from the Offer for Sale.

The Selling Shareholders will receive the entire proceeds from the Offer for Sale.

7. Weighted Average Cost of Acquisition at Floor and Cap Price in the last 18 months preceding the date of the Red Herring Prospectus are disclosed below:

| Past Transactions | Weighted average cost of acquisition (in ₹) | Floor Price (in ₹)* | Cap Price (in ₹)* |
|---|---|---------------------|-------------------|
| WACA of Equity Shares that were issued by our Bank | 322.86 | 1.22 times | 1.28 times |
| WACA of Equity Shares that were acquired or sold by way of secondary transactions | 346.14 | 1.14 times | 1.20 times |

*As certified by JHS & Associates LLP, Chartered Accountants pursuant to their certificate dated February 1, 2024.

8. Weighted Average Return on Net Worth for Fiscals 2023, 2022 and 2021 is 8.78%.

9. Our Bank has issued Equity Shares and Preference Shares in the last 12 months immediately preceding the date of the Red Herring

Prospectus at prices that may be lower than the Offer Price. Weighted average cost of acquisition of all Equity Shares transacted in one year, eighteen months and three years preceding the date of the Red Herring Prospectus:

| Period | Weighted average cost of acquisition per Equity Share (in ₹) | Upper end of the price band (₹414) is 'X' times the weighted average cost of acquisition | Range of acquisition price: Lowest price – Highest price (in ₹)* |
|---|--|--|--|
| Last one year preceding the date of the Red Herring Prospectus | 309.76 | 1.34 | 10.00 - 456.95 |
| Last 18 months preceding the date of the Red Herring Prospectus | 313.73 | 1.32 | 10.00 - 580.55 |
| Last three years preceding the date of the Red Herring Prospectus | 341.85 | 1.21 | 10.00 - 968.56 |

*As certified by JHS & Associates LLP, Chartered Accountants pursuant to their certificate dated February 1, 2024.

For details, see "Capital Structure - Notes to Capital Structure - Share Capital History of our Bank" on page 130 of the RHP.

10. Average cost of acquisition per Equity Share for the Selling Shareholders are ranging from ₹ 141.14 to ₹ 800.00 and Offer Price at upper Price Band is ₹ 414.

11. The three BRLMs associated with the Offer have handled 88 public Issues in the past three financial years, out of which 26 Issues closed below the offer price on listing date:

| Name of the BRLMs | Total Issues | Issues closed below IPO Price on listing date |
|------------------------------|--------------|---|
| Axis Capital Limited* | 22 | 4 |
| ICICI Securities Limited* | 28 | 5 |
| SBI Capital Markets Limited* | 6 | 3 |
| Common issues of above BRLMs | 32 | 14 |
| Total | 88 | 26 |

*Issues handled where there were no common BRLMs

ANCHOR INVESTOR BIDDING DATE : TUESDAY, FEBRUARY 6, 2024

BID/OFFER OPENS ON : WEDNESDAY, FEBRUARY 7, 2024⁽¹⁾

BID/OFFER CLOSES ON : FRIDAY, FEBRUARY 9, 2024⁽²⁾

BID/OFFER SCHEDULE

⁽¹⁾ Our Bank may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI ICDR Regulations. The Anchor Investor Bid/ Offer Period shall be one Working Day prior to the Bid/ Offer Opening Date i.e., Tuesday, February 6, 2024.

⁽²⁾ The UPI mandate end time and date shall be at 5:00 p.m. on Bid/Offer Closing Day.

BASIS FOR OFFER PRICE

The Offer Price will be determined in compliance with SEBI ICDR Regulations, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹10 each and the Offer Price is [●] times the face value, 39.30 times at Floor Price and 41.40 times at Cap Price. The financial information included herein is derived from our Restated Financial Statements. Prospective investors should also see "Our Business", "Risk Factors", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Other Financial Information" on pages 255, 37, 463 and 462, respectively, of the RHP to have an informed view before making an investment decision.

Qualitative Factors: We believe the following business strengths allow us to successfully compete in the industry: 1) Digitalised bank and majority services are available in digital form to customers. 2) Integrated risk and governance framework. 3) Professional and experienced management and Board. 4) Customer-centric organization with more than 16 years' experience in serving underbanked and underserved customers. 5) Pan-India presence with strong brand recognition. 6) Fast growing Retail Deposits base and diversified deposit franchise. 7) Proven execution ability. For further details, see "Our Business - Our Strengths" beginning on page 260 of the RHP.

Quantitative Factors: Some of the information presented below relating to our Bank is based on the Restated Financial Statements. For details, see "Financial Statements" on page 388 of the RHP.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

A. Basic and diluted earnings per share ("EPS"):

| Fiscal Year ended | Basic EPS (in ₹) | Diluted EPS (in ₹) | Weight |
|---|------------------|--------------------|--------|
| March 31, 2023 | 47.47 | 42.64 | 3 |
| March 31, 2022 | 3.44 | 3.21 | 2 |
| March 31, 2021 | 14.25 | 13.46 | 1 |
| Weighted Average | 27.25 | 24.63 | - |
| Six months period ended September 2023* | 33.26 | 29.45 | - |
| Six months period ended September 2022* | 10.52 | 9.76 | - |

*Not annualised

Notes:

(1) Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

(2) Diluted earnings per equity share is computed by dividing net profit or loss for the year attributable to equity shareholders by weighted average number of equity shares including potential equity shares outstanding as at the end of the year, except when results are anti-dilutive.

(3) Earnings per share calculations are done in accordance with Accounting Standard 20 "Earnings Per Share" ("AS 20") as notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules 2014

(4) The Weighted Average basic and diluted EPS is a product of basic and diluted EPS and respective assigned weight, dividing the resultant by total aggregate weight.

(5) Our Bank has made the following allotments on dates mentioned below. Such allotments have not been given effect in the above calculation.

| Date | Equity Shares allotted | Nature |
|-------------------|------------------------|-------------------|
| October 19, 2023 | 6,940 | RSU 2017 |
| | 1,124 | RSU 2018 |
| November 20, 2023 | 75,411 | RSU 2017 |
| | 16,662 | RSU 2018 |
| December 7, 2023 | 5,211 | RSU 2017 |
| | 904 | RSU 2018 |
| January 15, 2024 | 7,407 | RSU 2017 |
| | 412 | RSU 2018 |
| January 19, 2024 | 24,39,607 | Private Placement |
| January 31, 2024 | 1,73,51,229 | CCPS conversion |

B. P/E Ratio in relation to the Price Band of ₹ 393 to ₹ 414 per Equity Share:

| Particulars | P/E at the Floor Price (no. of times) | P/E at the Cap Price (no. of times) |
|--|---------------------------------------|-------------------------------------|
| Based on basic EPS for year ended March 31, 2023 | 8.28 | 8.72 |
| Based on diluted EPS for year ended March 31, 2023 | 9.22 | 9.71 |

C. Industry Peer Group Price/Earnings ("P/E") ratio

Based on the peer group information (excluding our Bank) given below in this section, the highest P/E ratio is 665.52, the lowest P/E ratio is 10.15 and the average P/E ratio is 93.03.

| Particulars | Industry P/E | Name of the company | Face value of the equity shares (₹) |
|-------------|--------------|-------------------------------------|-------------------------------------|
| Highest | 665.52 | Spandana Sphoorty Financial Limited | 10 |
| Lowest | 10.15 | Ujjivan Small Finance Bank Limited | 10 |
| Average | 93.03 | - | - |

Notes:

(1) The industry high and low has been considered from the industry peer set provided later in this section.

(2) For Industry P/E, P/E figures for the peers are computed based on closing market price as on January 16, 2024 at BSE, divided by Basic EPS (on consolidated basis unless otherwise available only on standalone basis) based on financial results of the respective company for the year ended March 31, 2023 submitted to stock exchanges.

D. Industry Peer Group Price/Book ("P/B") ratio

Based on the peer group information (excluding our Bank) given below in this section, the highest P/B ratio is 5.20, the lowest P/B ratio is 1.19 and the average P/B ratio is 2.93.

| Particulars | Industry P/B | Name of the company | Face value of the equity shares (₹) |
|-------------|--------------|-------------------------------------|-------------------------------------|
| Highest | 5.20 | Credit Access Grameen Limited | 10 |
| Lowest | 1.19 | Surjoday Small Finance Bank Limited | 10 |
| Average | 2.93 | - | - |

Notes:

(1) The industry high and low have been considered from the industry peer set provided later in this section. The industry composite has been calculated as the arithmetic average P/B of the industry peer provided in this section.

(2) For Industry P/B, P/B figures for the peers are computed based on closing market price as on January 16, 2024 at BSE, divided by book value per share based on financial results of the respective company for the year ended March 31, 2023 submitted to stock exchanges.

E. Average Return on Net Worth ("RoNW")

As per the Restated Financial Statements:

| Fiscal Year ended | RoNW (%) | Weight |
|---|-------------|--------|
| March 31, 2023 | 14.40 | 3 |
| March 31, 2022 | 1.47 | 2 |
| March 31, 2021 | 6.56 | 1 |
| Weighted Average | 8.78 | - |
| Six months period ended September 30, 2023* | 16.74 | - |
| Six months period ended September 30, 2022* | 7.05 | - |

*Not annualised

Return on net worth (%) = $\frac{\text{Net profit, as restated, attributable to equity shareholders of the Bank}}{\text{Net worth at the end of the year}}$

Continued on next page...

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BASIS FOR OFFER PRICE

Notes:

- ⁽¹⁾ "Net worth" means the aggregate of the paid-up share capital, share premium account, and reserves and surplus (excluding revaluation reserve, employee stock option and purchase outstanding, cash flow hedge reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and accumulated losses (if any).
- ⁽²⁾ The weighted average return on net worth is a product of return on net worth and respective assigned weight, dividing the resultant by total aggregate weight.

F. Net Asset Value ("NAV") per Equity Share

| As at | (₹) |
|--|--------|
| September 30, 2023 | 346.42 |
| September 30, 2022 | 286.89 |
| March 31, 2023 | 323.23 |
| After the completion of the Offer | |
| Floor Price | 296.83 |
| Cap Price | 298.52 |
| Offer Price* | ● |

*Offer Price per Equity Share will be determined on conclusion of the Book Building Process

$$\text{Net asset value per equity share (₹)} = \frac{\text{Net worth at the end of the period/years}^{\Delta}}{\text{Total number of equity shares outstanding at the end of period/years}}$$

^Δ "Net worth" means the aggregate of capital and reserves and surplus or other equity

G. Comparison with listed industry peers

The following peer group has been determined on the basis of companies listed on Indian stock exchanges, whose business profile is comparable to our businesses:

| Name of the bank | Total revenue (₹ in million) | Face Value per Equity Share (₹) | P/E | P/B | EPS (Basic) (₹) | EPS (Diluted) (₹) | RoNW (%) | NAV (₹ per Equity Share) |
|-------------------------------------|------------------------------|---------------------------------|--------|------|-----------------|-------------------|----------|--------------------------|
| Jana Small Finance Bank Limited* | 36,998.75 | 10.00 | ● | ● | 47.47 | 42.64 | 14.40 | 323.23 |
| Listed peers | | | | | | | | |
| AU Small Finance Bank Limited | 92,398.73 | 10.00 | 35.47 | 4.71 | 21.86 | 21.74 | 13.00 | 164.64 |
| Suryoday Small Finance Bank Limited | 12,811.05 | 10.00 | 24.21 | 1.19 | 7.32 | 7.32 | 4.90 | 149.28 |
| Credit Access Grameen Limited | 35,507.90 | 10.00 | 32.66 | 5.20 | 52.04 | 51.82 | 16.18 | 326.89 |
| Spandana Spoorthy Financial Limited | 14,770.32 | 10.00 | 665.52 | 2.65 | 1.74 | 1.74 | 0.40 | 436.58 |
| Bandhan Bank Limited | 1,83,732.50 | 10.00 | 16.87 | 1.89 | 13.62 | 13.62 | 11.21 | 121.58 |
| Ujjivan Small Finance Bank Limited | 47,541.86 | 10.00 | 10.15 | 2.81 | 5.88 | 5.87 | 26.45 | 21.27 |
| Equitas Small Finance Bank Limited | 48,314.64 | 10.00 | 24.21 | 2.46 | 4.71 | 4.67 | 11.21 | 46.44 |
| Fusion Micro Finance Limited | 17,999.70 | 10.00 | 14.68 | 2.75 | 43.29 | 43.13 | 16.67 | 230.74 |
| Utkarsh Small Finance Bank Limited | 28,042.86 | 10.00 | 13.51 | 2.73 | 4.52 | 4.51 | 20.22 | 22.33 |

*Financial information is derived from the Restated Financial Statements for the year ended March 31, 2023.

Notes:

- ⁽¹⁾ All the financial information for listed industry peers mentioned above is on a consolidated basis (unless otherwise available only on standalone basis) and is sourced from the annual reports/ financial results as available of the respective company for the year ended March 31, 2023 submitted to stock exchanges.
- ⁽²⁾ P/E ratio is calculated as closing share price (January 16, 2024 - BSE) / Basic EPS for the year ended March 31, 2023.
- ⁽³⁾ Basic and diluted EPS as reported in the relevant financial results of the respective company for the year ended March 31, 2023.
- ⁽⁴⁾ Return on net worth (%) = Net profit/(loss) after tax / Net worth at the end of the year.
- ⁽⁵⁾ Net asset value per share (in ₹) = Net worth at the end of the year / Total number of equity shares outstanding at the end of the year.
- ⁽⁶⁾ P/B Ratio is calculated as closing share price as at January 16, 2024 at BSE divided by Net Asset Value per equity share.

H. Key Performance Indicators

The table below sets forth the details of KPIs that our Bank considers having a bearing on arriving at the basis for Offer Price. All the KPIs disclosed below have been approved by a resolution of our Audit Committee dated February 1, 2024 and the Audit Committee has confirmed that verified and certified details of all the KPIs pertaining to the Bank that have been disclosed to earlier investors at any point of time during the three years period prior to the date of filing of the Red Herring Prospectus have been disclosed in this section. Further, the KPIs herein have been certified by JHS & Associates LLP, Chartered Accountants pursuant to certificate dated February 1, 2024.

Our Bank confirms that it shall continue to disclose all the KPIs included in this section on a periodic basis, at least once in a year (or any lesser period as determined by the Board of our Bank), for a duration of one year after the date of listing of the Equity Shares on the Stock Exchange or till the complete utilisation of the proceeds of the Fresh Issue as per the disclosure made in the "Objects of the Offer" Section, whichever is later or for such other duration as may be required under the SEBI/ICDR Regulations.

Key Performance Indicators:

| KPIs | Six months period ended September 30, 2023 | Six months period ended September 30, 2022 | Fiscal 2021 | Fiscal 2022 | Fiscal 2023 |
|---|--|--|-------------|-------------|-------------|
| Operations | | | | | |
| Banking Outlets ⁽¹⁾ | 771 | 723 | 619 | 715 | 754 |
| AUM (in INR million) ⁽²⁾ | 230,295.58 | 170,567.55 | 127,705.26 | 153,473.37 | 201,018.01 |
| AUM Growth (%) ⁽³⁾ | 35.02% | NA | NA | 20.18% | 30.98% |
| Gross Advances (in INR million) ⁽⁴⁾ | 213,471.30 | 149,920.24 | 118,389.82 | 132,503.20 | 180,007.41 |
| Gross Advances Growth (%) ⁽⁵⁾ | 42.39% | NA | NA | 11.92% | 35.85% |
| Gross Secured Advances (in INR million) ⁽⁶⁾ | 122,577.38 | 82,998.38 | 50,760.00 | 70,271.26 | 99,047.54 |
| Gross Secured Advances (% to Gross Advances) ⁽⁷⁾ | 57.42% | 55.36% | 42.87% | 53.03% | 55.02% |
| Deposits (in INR million) ⁽⁸⁾ | 189,367.24 | 141,677.52 | 1,23,162.58 | 1,35,364.92 | 1,63,340.16 |
| Deposits Growth (%) ⁽⁹⁾ | 33.66% | NA | NA | 9.91% | 20.67% |
| CASA Ratio (%) ⁽¹⁰⁾ | 20.49% | 22.78% | 16.29% | 22.52% | 20.21% |
| CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽¹¹⁾ | 67.21% | 75.91% | 73.18% | 75.86% | 70.22% |
| Capital | | | | | |
| Net worth (in INR million) ⁽¹²⁾ | 25,471.08 | 15,773.17 | 11,007.66 | 11,845.58 | 17,770.69 |
| Total Capital Ratio (CRAR) (%) ⁽¹³⁾ | 17.50% | 16.36% | 15.51% | 15.26% | 15.57% |
| Tier 1 Capital Ratio (%) ⁽¹⁴⁾ | 15.73% | 14.08% | 11.75% | 11.83% | 13.02% |
| Cost of Deposits (%) ⁽¹⁵⁾ | 7.54% | 6.57% | 8.89% | 8.12% | 7.22% |
| Cost of Funds (%) ⁽¹⁶⁾ | 7.40% | 6.73% | 8.61% | 7.37% | 7.02% |
| Asset Quality | | | | | |
| Gross NPA (%) ⁽¹⁷⁾ | 2.44% | 6.83% | 7.25% | 5.71% | 3.94% |
| Provision Coverage Ratio (%) ⁽¹⁸⁾ | 64.92% | 34.14% | 27.89% | 32.19% | 34.01% |
| Restructured Book as % of Advances (%) ⁽¹⁹⁾ | 1.27% | 4.73% | 8.40% | 4.61% | 1.04% |
| Net NPA (%) ⁽²⁰⁾ | 0.87% | 4.60% | 5.33% | 3.95% | 2.64% |
| Profitability | | | | | |
| Pre-Provision Operating Profit (PPOP) ⁽²¹⁾ | 5,561.02 | 4,346.54 | 4,388.52 | 5,867.92 | 10,003.74 |
| Net Profit (in INR million) ⁽²²⁾ | 2,132.18 | 556.34 | 722.60 | 174.71 | 2,559.71 |
| Yield on Advances (%) ⁽²³⁾ | 17.50% | 17.81% | 21.81% | 19.94% | 18.09% |
| Net Interest Margin (%) ⁽²⁴⁾ | 7.76% | 7.45% | 8.36% | 7.32% | 7.73% |
| Credit Cost Ratio (%) ⁽²⁵⁾ | 3.53% | 5.47% | 3.51% | 4.70% | 4.95% |
| Operating Expenses to Average Total Assets (%) ⁽²⁶⁾ | 5.81% | 5.68% | 6.52% | 5.68% | 5.66% |
| Cost to Income Ratio (%) ⁽²⁷⁾ | 58.48% | 58.42% | 70.47% | 66.00% | 56.22% |
| Return on Average Assets (%) ⁽²⁸⁾ | 1.61% | 0.52% | 0.45% | 0.09% | 1.13% |
| Return on Average Equity (%) ⁽²⁹⁾ | 19.60% | 8.00% | 6.51% | 1.53% | 16.78% |
| Basic EPS (in INR) ⁽³⁰⁾ | 33.26 | 10.52 | 14.25 | 3.44 | 47.47 |

- ⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year
- ⁽²⁾ AUM represents Advances under Management and is calculated as the sum of gross advances plus advances originated and transferred under securitization, assignment, and inter-bank participation certificates and sale to ARCs for which the company continues to hold collection responsibilities.
- ⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
- ⁽⁴⁾ Gross Advances is calculated as the AUM subtracted for advances originated and transferred under securitization, assignment, and inter-bank participation certificates and sale to ARCs for which the company continues to hold collection responsibilities.
- ⁽⁵⁾ Gross Advances growth represents growth in Gross Advances as of the last day of the relevant period/fiscal year over Gross Advances as of the last day of the previous period/fiscal year.
- ⁽⁶⁾ Gross Secured Advances Gross advances against which there is a security in form of gold, property, Fixed Deposits, Two Wheeler or any other security.
- ⁽⁷⁾ Gross Secured Advances % to Gross Advances as of the last day of the relevant period/fiscal, expressed for the period as a percentage.
- ⁽⁸⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
- ⁽⁹⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹⁰⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
- ⁽¹¹⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
- ⁽¹²⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽¹³⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽¹⁴⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹⁵⁾ Cost of Funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹⁶⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
- ⁽¹⁷⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including technical write off and Gross NPA, including technical write-off.
- ⁽¹⁸⁾ Restructured book as % of advances represent standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹⁹⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
- ⁽²⁰⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
- ⁽²¹⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽²²⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the Average Total Assets for the relevant period/fiscal year, represented as a percentage.
- ⁽²³⁾ Credit Cost Ratio is calculated as the ratio of total provisions towards NPAs and write-offs and provision towards standard assets to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁴⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁵⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁶⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁷⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁸⁾ Basic EPS: EPS as computed in accordance with Accounting Standard 20 notified under the Companies Act (Accounting Standards) Rules of 2014 (as amended).

I. Description on the historic use of the KPIs by our Bank to analyze, track or monitor the operational and/or financial performance of our Bank

In evaluating our business, we consider and use certain KPIs, as presented above, as a supplemental measure to review and assess our financial and operating performance. The presentation of these KPIs is not intended to be considered in isolation or as a substitute for the Restated Financial Statements. We use these KPIs to evaluate our financial and operating performance. These KPIs have limitations as analytical tools.

| Key Performance Indicator | Description and rationale |
|---------------------------|---|
| Operations | |
| Banking Outlets | Number of Branches including banking outlets operated by business correspondents |
| AUM | AUM represents Advances under Management and is calculated as the sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities |
| AUM Growth (%) | AUM growth represents growth in AUM as of the last day of the relevant fiscal year over AUM as of the last day of the previous fiscal year |
| Gross Advances | Gross Advances is calculated as the AUM subtracted for advances originated and transferred under securitization, assignment, and inter-bank participation certificates and sale to ARCs for which the company continues to hold collection responsibilities. |
| Gross Advances Growth (%) | Gross Advances growth represents growth in Gross Advances as of the last day of the relevant fiscal year over Gross Advances as of the last day of the previous fiscal year. |

| Key Performance Indicator | Description and rationale |
|--|---|
| Gross Secured Advances (in INR) | Gross Secured Advances Gross advances against which there is a security in form of gold, property, Fixed Deposits, Two Wheeler or any other security. |
| Gross Secured Advances Growth (% to gross advances) | Gross Advances growth represents growth in Gross Advances as of the last day of the relevant fiscal year over Gross Advances as of the last day of the previous fiscal year. |
| Deposits | Total deposits of the Bank |
| Deposits Growth (%) | Growth in deposits for the relevant period over deposits of the previous period |
| CASA Ratio (%) | Current and saving account deposit to total deposits for the period expressed as percentage |
| Retail Deposits Ratio (CASA plus Retail Term deposits as a percentage of total deposits) | Current account deposit, saving account deposit and retail deposit to total deposits expressed for the period as percentage |
| Capital | |
| Net worth | Sum of equity share capital and other equity as of the last day of the relevant period |
| Total Capital Ratio (%) (CRAR) | Total Capital Ratio (CRAR) is the total of Capital to Risk Weighted Asset Ratio (CRAR) (as a percentage of Credit Risk Weighted Assets) |
| Tier 1 Capital Ratio (%) | Tier 1 Capital Ratio consists mainly of share capital and disclosed reserves, and it is a bank's highest quality capital because it is fully available to cover losses |
| Cost of Deposits (%) | Interest expense on deposits to average total deposits for the period expressed as percentage |
| Cost of Funds (%) | Interest expense to the average of sum of deposits and borrowings for the period expressed as percentage |
| Asset Quality | |
| Gross NPA as a percentage of gross loan advances (%) | Gross NPA to the Gross Loan Advances as of the last day of the relevant period |
| Provision Coverage Ratio (%) | Provision Coverage Ratio represents the ratio of NPA provision including technical write off and gross NPA, including technical write off. |
| Restructured Book as a % of Advances (standard restructured book to net advances) (%) | Standard restructured book to net advances for the period expressed as percentage |
| Net NPA as a percentage of net advances (%) | Net NPA (%) is net Non-Performing Assets as at the year/period end / Net Advances |
| Profitability | |
| Pre-Provision Operating Profit (PPOP) | Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period |
| Net Profit | Net Profit is net profit after tax available for equity shareholders |
| Yield on Advances (%) | Ratio of interest income on loan assets for a period to the average Net advances for the period expressed as a percentage |
| Net Interest Margin (%) | Net interest income on the loans for a period to the average total assets for the period, represented as a percentage |
| Credit Cost Ratio (%) | Credit Cost Ratio is calculated as the ratio of total provisions towards NPAs and write-offs and provision towards standard assets to the company's average net advances for the relevant fiscal year, expressed as a percentage. |
| Operating Expenses to Total Average Assets (%) | Operating expenses for a period to the Average Total Assets for the period |
| Cost to Income Ratio (%) | Operating expenses for a period to the sum of net interest income and non-interest income for the period |
| Return on Average Assets (%) | Profit after Tax for the relevant period as a percentage of Average Total Assets in such period |
| Return on Average Equity (%) | Profit After Tax for the relevant period as a percentage of Average Net Worth/Equity in such period |
| Basic EPS | EPS as computed in accordance with Indian Accounting Standard 20 issued by ICAI |

J. Comparison of KPIs with Listed Peers

Set out below is the comparison of our Bank's KPIs against the KPIs of our listed peers for the year ended March 31, 2023.

| KPIs | Jana Small Finance Bank Limited | AU Small Finance Bank Limited | Equitas Small Finance Bank Limited | Ujjivan Small Finance Bank Limited | Suryoday Small Finance Bank Limited | Bandhan Bank | Credit Access Grameen | Spandana Spoorthy | Fusion Micro Finance Limited | Utkarsh Small Finance Bank |
|---|---------------------------------|-------------------------------|------------------------------------|------------------------------------|-------------------------------------|--------------|-----------------------|-------------------|------------------------------|----------------------------|
| Operations | | | | | | | | | | |
| Banking Outlets ⁽¹⁾ | 754 | 1,027 | 922 | 629 | 577 | 5,723 | 1,786 | 1,227 | 1,086 | 830 |
| AUM (in INR million) ⁽²⁾ | 201,018.01 | 591,580.00 | 278,610.00 | 240,850.00 | 61,140.00 | 1,091,200.00 | 175,610.00 | 85,110.00 | 92,960.00 | 139,571.08 |
| AUM Growth (%) ⁽³⁾ | 30.98% | 26.44% | 35.27% | 37.73% | 20.73% | 9.85% | 27.88% | 29.33% | 36.99% | 31.29% |
| Gross Advances (in INR million) ⁽⁴⁾ | 180,007.41 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Gross Advances Growth (%) ⁽⁵⁾ | NA | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Gross Secured Advances (in INR million) ⁽⁶⁾ | 99,047.54 | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Gross Secured Advances (% to Gross Advances) ⁽⁷⁾ | 55.02% | NA | NA | NA | NA | NA | NA | NA | NA | NA |
| Deposits (in INR million) | 1,63,340.16 | 693,649.86 | 253,805.56 | 255,380.00 | 51,667.20 | 1,080,693.13 | NM | NM | NM | 137,101.40 |
| Deposits Growth (%) ⁽⁸⁾ | 20.67% | 31.91% | 33.93% | 39.61% | 34.21% | 12.19% | NM | NM | NM | 36.09% |
| CASA Ratio (%) ⁽⁹⁾ | 20.21% | 38.43% | 42.28% | 26.41% | 17.11% | 39.29% | NM | NM | NM | 20.89% |
| CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽¹⁰⁾ | 70.22% | 68.76% | 77.49% | 66.03% | 73.10% | 71.20% | NM | NM | NM | 61.55% |
| Capital | | | | | | | | | | |
| Net worth (in INR million) ⁽¹¹⁾ | 17,770.69 | 109,333.19 | 51,579.48 | 41,580.00 | 15,847.30 | 195,841.53 | 51,069.40 | 30,992.48 | 23,219.19 | 20,003.21 |
| Total Capital Ratio (CRAR) (%) ⁽¹²⁾ | 15.57% | 23.59% | 23.80% | 25.81% | 33.72% | 19.76% | 23.58% | 36.87% | 27.94% | 20.64% |
| Tier 1 Capital Ratio (%) ⁽¹³⁾ | 13.02% | 21.80% | 23.08% | 22.69% | 30.80% | 18.70% | NA | NA | NA | 18.25% |
| Cost of Deposits (%) ⁽¹⁴⁾ | 7.22% | 5.93% | 6.13% | NA | NA | NA | NM | NM | NM | 6.71% |
| Cost of Funds (%) ⁽¹⁵⁾ | 7.02% | 5.63% | 6.48% | 6.08% | 6.10% | 5.34% | 8.30% | 12.86% | 10.24% | 6.96% |
| Asset Quality | | | | | | | | | | |
| Gross NPA (%) ⁽¹⁶⁾ | 3.94% | 1.66% | 2.76% | 2.88% | 3.13% | 4.87% | 1.21% | 1.95% | 3.46% | 3.23% |
| Provision Coverage Ratio (%) ⁽¹⁷⁾ | 34.01% | 75.00% | 56.90% | 98.00% | 51.43% | 76.82% | 71.58% | 70.00% | 75.50% | 88.29% |
| Restructured Book as % of Advances (%) ⁽¹⁸⁾ | 1.04% | 1.20% | 1.00% | NA | NA | NA | NA | NA | 0.20% | 0.22% |
| Net NPA (%) ⁽¹⁹⁾ | 2.64% | 0.42% | 1.21% | 0.04% | 1.55% | 1.17% | 0.35% | 0.58% | 0.87% | 0.39% |
| Profitability | | | | | | | | | | |
| Pre-Provision Operating Profit (PPOP) ⁽²⁰⁾ | 10,003.74 | 2,019.48 | 1,176.01 | 1,484.91 | 337.40 | 7,091.35 | 1,506.41 | 562.13 | 712.35 | NA |
| Net Profit (in INR million) ⁽²¹⁾ | 2,559.71 | 14,279.25 | 5,735.91 | 10,999.20 | 777.00 | 21,946.38 | 8,260.30 | 123.94 | 3,871.45 | 4,045.02 |
| Yield on Advances (%) ⁽²²⁾ | 18.09% | 13.10% | 16.67% | 19.73% | 19.04% | 13.86% | 19.39% | 19.24% | 22.92% | 19.88% |
| Net Interest Margin (%) ⁽²³⁾ | 7.73% | 5.56% | | | | | | | | |

...continued from previous page.

BASIS FOR OFFER PRICE

⁽²⁸⁾ Basic EPS: EPS as computed in accordance with Accounting Standard 20 notified under the Companies Act (Accounting Standards) Rules of 2014 (as amended). For details of our other operating metrics disclosed elsewhere in this Red Herring Prospectus, see "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages 255 and 463 of the RHP, respectively. We have described and defined the KPIs, as applicable, in the section "Definitions and Abbreviations" on page 1 of the RHP.

I. AU Small Finance Bank Limited

| Certain Key GAAP Measures and Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 |
|---|--|------------|------------|------------|
| Operations | Banking Outlets ⁽¹⁾ | 744 | 919 | 1027 |
| | AUM (in INR million) ⁽²⁾ | 353,560.00 | 467,890.00 | 591,580.00 |
| | AUM Growth (%) ⁽³⁾ | NA | 32.34% | 26.44% |
| | Deposits (in INR million) | 359,793.14 | 525,846.21 | 693,649.86 |
| | Deposits Growth (%) ⁽⁴⁾ | NA | 46.15% | 31.91% |
| | CASA Ratio (%) ⁽⁵⁾ | 23.00% | 37.29% | 38.43% |
| | CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽⁶⁾ | 54.87% | 66.61% | 68.76% |
| Capital | Net worth (in INR million) ⁽⁷⁾ | 61,720.99 | 74,726.82 | 109,333.19 |
| | Total Capital Ratio (CRAR) (%) ⁽⁸⁾ | 23.37% | 21.00% | 23.59% |
| | Tier 1 Capital Ratio (%) ⁽⁹⁾ | 21.53% | 19.69% | 21.80% |
| | Cost of Deposits (%) ⁽¹⁰⁾ | 5.98% | 5.11% | 5.93% |
| | Cost of Funds (%) ⁽¹¹⁾ | 6.50% | 5.29% | 5.63% |
| | Gross NPA (%) ⁽¹²⁾ | 4.25% | 1.98% | 1.66% |
| Asset Quality | Provision Coverage Ratio (%) ⁽¹³⁾ | 50.00% | 75.00% | 75.00% |
| | Restructured Book as % of Advances (%) ⁽¹⁴⁾ | 1.80% | 2.50% | 1.20% |
| | Net NPA (%) ⁽¹⁵⁾ | 2.18% | 0.50% | 0.42% |
| | Pre-Provision Operating Profit (PPOP) ⁽¹⁶⁾ | 2,157.98 | 1,815.00 | 2,019.48 |
| | Net Profit (in INR million) | 11,706.80 | 11,300.00 | 14,279.25 |
| | Yield on Advances (%) ⁽¹⁷⁾ | 12.82% | 12.10% | 13.10% |
| Profitability | Net Interest Margin (%) ⁽¹⁸⁾ | 5.05% | 5.36% | 5.56% |
| | Credit Cost Ratio (%) ⁽¹⁹⁾ | 1.27% | 0.89% | 0.30% |
| | Operating Expenses to Average Total Assets (%) ⁽²⁰⁾ | 3.54% | 4.00% | 4.32% |
| | Cost to Income Ratio (%) ⁽²¹⁾ | 43.46% | 57.07% | 63.01% |
| | Return on Average Assets (%) ⁽²²⁾ | 2.50% | 1.87% | 1.79% |
| | Return on Average Equity (%) ⁽²³⁾ | 22.31% | 16.56% | 15.52% |
| | Basic EPS (in INR) ⁽²⁴⁾ | 38.19 | 18.03 | 21.86 |

Source: Fitch Report

⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year.
⁽²⁾ AUM represents Advances under Management and is calculated as the sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities.
⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
⁽⁴⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
⁽⁵⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽⁶⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
⁽⁷⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
⁽⁸⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
⁽⁹⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
⁽¹⁰⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹¹⁾ Cost of funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹²⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
⁽¹³⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including Technical Write off and Gross NPA, including Technical write off.
⁽¹⁴⁾ Restructured book as % of advances represents standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as percentage.
⁽¹⁵⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
⁽¹⁶⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
⁽¹⁷⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹⁸⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the Average Total Assets for the relevant period/fiscal year, represented as a percentage.
⁽¹⁹⁾ Credit Cost Ratio is calculated as the ratio of total provisions and contingencies (excluding provision for tax) to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
⁽²⁰⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
⁽²¹⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
⁽²²⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
⁽²³⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
⁽²⁴⁾ Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 20.

II. Equitas Small Finance Bank Limited

| Certain Key GAAP Measures and Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 |
|---|--|------------|------------|------------|
| Operations | Banking Outlets ⁽¹⁾ | 861 | 869 | 922 |
| | AUM (in INR million) ⁽²⁾ | 179,250.00 | 205,970.00 | 278,610.00 |
| | AUM Growth (%) ⁽³⁾ | NA | 14.91% | 35.27% |
| | Deposits (in INR million) | 163,919.72 | 189,507.97 | 253,805.56 |
| | Deposits Growth (%) ⁽⁴⁾ | NA | 15.61% | 33.93% |
| | CASA Ratio (%) ⁽⁵⁾ | 34.25% | 52.00% | 42.28% |
| | CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽⁶⁾ | 70.05% | 89.44% | 77.49% |
| Capital | Net worth (in INR million) ⁽⁷⁾ | 33,963.41 | 42,460.00 | 51,579.48 |
| | Total Capital Ratio (CRAR) (%) ⁽⁸⁾ | 24.18% | 25.16% | 23.80% |
| | Tier 1 Capital Ratio (%) ⁽⁹⁾ | 23.23% | 24.53% | 23.08% |
| | Cost of Deposits (%) ⁽¹⁰⁾ | 7.14% | 6.42% | 6.13% |
| | Cost of Funds (%) ⁽¹¹⁾ | 7.66% | 6.75% | 6.48% |
| | Gross NPA (%) ⁽¹²⁾ | 3.73% | 4.24% | 2.76% |
| Asset Quality | Provision Coverage Ratio (%) ⁽¹³⁾ | 58.59% | 42.73% | 56.90% |
| | Restructured Book as % of Advances (%) ⁽¹⁴⁾ | NA | 3.12% | 1.00% |
| | Net NPA (%) ⁽¹⁵⁾ | 1.58% | 2.47% | 1.21% |
| | Pre-Provision Operating Profit (PPOP) ⁽¹⁶⁾ | 886.60 | 873.00 | 1,176.01 |
| | Net Profit (in INR million) | 3,842.23 | 2,807.32 | 5,735.91 |
| | Yield on Advances (%) ⁽¹⁷⁾ | 18.97% | 17.33% | 16.67% |
| Profitability | Net Interest Margin (%) ⁽¹⁸⁾ | 8.17% | 7.89% | 8.22% |
| | Credit Cost Ratio (%) ⁽¹⁹⁾ | 2.45% | 2.73% | 1.80% |
| | Operating Expenses to Average Total Assets (%) ⁽²⁰⁾ | 6.04% | 6.60% | 6.58% |
| | Cost to Income Ratio (%) ⁽²¹⁾ | 59.99% | 66.12% | 63.41% |
| | Return on Average Assets (%) ⁽²²⁾ | 1.75% | 1.09% | 1.85% |
| | Return on Average Equity (%) ⁽²³⁾ | 12.52% | 7.35% | 12.20% |
| | Basic EPS (in INR) ⁽²⁴⁾ | 3.53 | 2.43 | 4.71 |

Source: Fitch Report

⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year.
⁽²⁾ AUM represents Advances under Management and is calculated as the sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities.
⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
⁽⁴⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
⁽⁵⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽⁶⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
⁽⁷⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
⁽⁸⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
⁽⁹⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
⁽¹⁰⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹¹⁾ Cost of funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹²⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
⁽¹³⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including Technical Write off and Gross NPA, including Technical write off.
⁽¹⁴⁾ Restructured book as % of advances represents standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as percentage.
⁽¹⁵⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
⁽¹⁶⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
⁽¹⁷⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹⁸⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the Average Total Assets for the relevant period/fiscal year, represented as a percentage.
⁽¹⁹⁾ Credit Cost Ratio is calculated as the ratio of total provisions and contingencies (excluding provision for tax) to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
⁽²⁰⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
⁽²¹⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
⁽²²⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
⁽²³⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
⁽²⁴⁾ Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 20.

III. Ujivan Small Finance Bank Limited

| Certain Key GAAP Measures and Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 |
|---|--|------------|------------|------------|
| Operations | Banking Outlets ⁽¹⁾ | 575 | 575 | 629 |
| | AUM (in INR million) ⁽²⁾ | 151,399.60 | 174,876.50 | 240,850.00 |
| | AUM Growth (%) ⁽³⁾ | NA | 15.51% | 37.73% |
| | Deposits (in INR million) | 131,357.70 | 182,922.20 | 255,380.00 |
| | Deposits Growth (%) ⁽⁴⁾ | NA | 39.26% | 39.61% |
| | CASA Ratio (%) ⁽⁵⁾ | 20.55% | 27.30% | 26.41% |
| | CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽⁶⁾ | 47.52% | 54.24% | 66.03% |
| Capital | Net worth (in INR million) ⁽⁷⁾ | 31,750.20 | 27,604.30 | 41,580.00 |
| | Total Capital Ratio (CRAR) (%) ⁽⁸⁾ | 26.44% | 18.99% | 25.81% |
| | Tier 1 Capital Ratio (%) ⁽⁹⁾ | 25.06% | 17.70% | 22.69% |
| | Cost of Deposits (%) ⁽¹⁰⁾ | 6.53% | 5.69% | - |
| | Cost of Funds (%) ⁽¹¹⁾ | 6.93% | 5.70% | 6.08% |
| | Gross NPA (%) ⁽¹²⁾ | 7.07% | 7.34% | 2.88% |
| Asset Quality | Provision Coverage Ratio (%) ⁽¹³⁾ | 60.34% | 92.20% | 98.00% |
| | Restructured Book as % of Advances (%) ⁽¹⁴⁾ | NA | NA | NA |
| | Net NPA (%) ⁽¹⁵⁾ | 2.93% | 0.61% | 0.04% |
| | Pre-Provision Operating Profit (PPOP) ⁽¹⁶⁾ | 808.41 | 591.00 | 1,484.91 |
| | Net Profit (in INR million) | 82.97 | (4,145.90) | 10,999.20 |
| | Yield on Advances (%) ⁽¹⁷⁾ | 18.22% | 16.73% | 19.73% |
| Profitability | Net Interest Margin (%) ⁽¹⁸⁾ | 8.91% | 8.07% | 9.48% |
| | Credit Cost Ratio (%) ⁽¹⁹⁾ | 5.60% | 7.41% | 0.09% |
| | Operating Expenses to Average Total Assets (%) ⁽²⁰⁾ | 6.34% | 6.80% | 6.33% |
| | Cost to Income Ratio (%) ⁽²¹⁾ | 60.34% | 71.68% | 54.82% |
| | Return on Average Assets (%) ⁽²²⁾ | 0.04% | (1.89)% | 3.86% |
| | Return on Average Equity (%) ⁽²³⁾ | 0.26% | (13.97)% | 31.80% |
| | Basic EPS (in INR) ⁽²⁴⁾ | 0.05 | (2.40) | 5.88 |

Source: Fitch Report

⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year.
⁽²⁾ AUM represents Advances under Management and is calculated as the sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities.
⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
⁽⁴⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
⁽⁵⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽⁶⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
⁽⁷⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
⁽⁸⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
⁽⁹⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
⁽¹⁰⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹¹⁾ Cost of funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹²⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
⁽¹³⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including Technical Write off and Gross NPA, including Technical write off.
⁽¹⁴⁾ Restructured book as % of advances represents standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as percentage.
⁽¹⁵⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
⁽¹⁶⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
⁽¹⁷⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹⁸⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, represented as a percentage.
⁽¹⁹⁾ Credit Cost Ratio is calculated as the ratio of total provisions and contingencies (excluding provision for tax) to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
⁽²⁰⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
⁽²¹⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
⁽²²⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
⁽²³⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
⁽²⁴⁾ Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 20.

IV. Suryoday Small Finance Bank Limited

| Certain Key GAAP Measures and Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 |
|---|--|-----------|-----------|-----------|
| Operations | Banking Outlets ⁽¹⁾ | 556 | 565 | 577 |
| | AUM (in INR million) ⁽²⁾ | 42,060.00 | 50,640.00 | 61,140.00 |
| | AUM Growth (%) ⁽³⁾ | NA | 20.40% | 20.73% |
| | Deposits (in INR million) | 32,556.76 | 38,498.02 | 51,667.20 |
| | Deposits Growth (%) ⁽⁴⁾ | NA | 18.25% | 34.21% |
| | CASA Ratio (%) ⁽⁵⁾ | 15.45% | 18.81% | 17.11% |
| | CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽⁶⁾ | 80.00% | 78.14% | 73.10% |
| Capital | Net worth (in INR million) ⁽⁷⁾ | 15,969.00 | 15,051.20 | 15,847.30 |
| | Total Capital Ratio (CRAR) (%) ⁽⁸⁾ | 51.47% | 37.86% | 33.72% |
| | Tier 1 Capital Ratio (%) ⁽⁹⁾ | 47.23% | 34.44% | 30.80% |
| | Cost of Deposits (%) ⁽¹⁰⁾ | 7.81% | 6.43% | NA |
| | Cost of Funds (%) ⁽¹¹⁾ | 8.09% | 6.31% | 6.10% |
| | Gross NPA (%) ⁽¹²⁾ | 9.41% | 11.80% | 3.13% |
| Asset Quality | Provision Coverage Ratio (%) ⁽¹³⁾ | 63.73% | 69.83% | 51.43% |
| | Restructured Book as % of Advances (%) ⁽¹⁴⁾ | 2.70% | 10.40% | NA |
| | Net NPA (%) ⁽¹⁵⁾ | 4.73% | 5.97% | 1.55% |
| | Pre-Provision Operating Profit (PPOP) ⁽¹⁶⁾ | 181.34 | 264.91 | 337.40 |
| | Net Profit (in INR million) | 118.55 | (930.32) | 777.00 |
| | Yield on Advances (%) ⁽¹⁷⁾ | 17.73% | 18.72% | 19.04% |
| Profitability | Net Interest Margin (%) ⁽¹⁸⁾ | 6.80% | 7.85% | 8.28% |
| | Credit Cost Ratio (%) ⁽¹⁹⁾ | 4.50% | 8.98% | 4.40% |
| | Operating Expenses to Average Total Assets (%) ⁽²⁰⁾ | 5.44% | 5.55% | 5.62% |
| | Cost to Income Ratio (%) ⁽²¹⁾ | 64.44% | 60.93% | 60.02% |
| | Return on Average Assets (%) ⁽²²⁾ | 0.20% | (1.25)% | 0.86% |
| | Return on Average Equity (%) ⁽²³⁾ | 0.89% | (6.00)% | 5.03% |
| | Basic EPS (in INR) ⁽²⁴⁾ | 1.32 | (6.76) | 7.32 |

Source: Fitch Report

⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year.
⁽²⁾ AUM represents Advances under Management and is calculated as the sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities.
⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
⁽⁴⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
⁽⁵⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽⁶⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
⁽⁷⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
⁽⁸⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
⁽⁹⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
⁽¹⁰⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹¹⁾ Cost of funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹²⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
⁽¹³⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including Technical Write off and Gross NPA, including Technical write off.
⁽¹⁴⁾ Restructured book as % of advances represents standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as percentage.
⁽¹⁵⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
⁽¹⁶⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
⁽¹⁷⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
⁽¹⁸⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, represented as a percentage.
⁽¹⁹⁾ Credit Cost Ratio is calculated as the ratio of total provisions and contingencies (excluding provision for tax) to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
⁽²⁰⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, expressed as a percentage.
⁽²¹⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
⁽²²⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
⁽²³⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
⁽²⁴⁾ Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 20.

V. Bandhan Bank

| Certain Key GAAP Measures and Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 |
|---|--|------------|------------|--------------|
| Operations | Banking Outlets ⁽¹⁾ | 5,310 | 5,639 | 5,723 |
| | AUM (in INR million) ⁽²⁾ | 870,430.00 | 993,380.00 | 1,091,200.00 |
| | AUM Growth (%) ⁽³⁾ | NA | 14.13% | 9.85% |
| | Deposits (in INR million) | 779,722.25 | 963,306.13 | 1,080,693.13 |
| | Deposits Growth (%) ⁽⁴⁾ | NA | 23.54% | 12.19% |
| | CASA Ratio (%) ⁽⁵⁾ | 43.38% | 41.61% | 39.29% |
| | CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽⁶⁾ | 78.79% | 77.28% | 71.20% |
| Capital | | | | |

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BASIS FOR OFFER PRICE

VI. Credit Access Grameen

| Certain Key GAAP Measures and Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 | |
|---|--|---|------------|------------|-----------|
| Operations | Banking Outlets ⁽¹⁾ | 964 | 1,164 | 1,786 | |
| | AUM (in INR million) ⁽²⁾ | 113,410.00 | 137,320.00 | 175,610.00 | |
| | AUM Growth (%) ⁽³⁾ | NA | 21.08% | 27.88% | |
| | Deposits (in INR million) | NM | NM | NM | |
| | Deposits Growth (%) ⁽⁴⁾ | NM | NM | NM | |
| | CASA Ratio (%) ⁽⁵⁾ | NM | NM | NM | |
| | CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽⁶⁾ | NM | NM | NM | |
| | Capital | Net worth (in INR million) ⁽⁷⁾ | 36,340.00 | 39,398.00 | 51,069.40 |
| | | Total Capital Ratio (CRAR) (%) ⁽⁸⁾ | 31.75% | 26.54% | 23.58% |
| | | Tier 1 Capital Ratio (%) ⁽⁹⁾ | 30.50% | 25.87% | NA |
| Cost of Deposits (%) ⁽¹⁰⁾ | | NM | NM | NM | |
| Cost of Funds (%) ⁽¹¹⁾ | | 8.82% | 8.18% | 8.30% | |
| Gross NPA (%) ⁽¹²⁾ | | 4.38% | 3.12% | 1.21% | |
| Asset Quality | Provision Coverage Ratio (%) ⁽¹³⁾ | NA | 70.55% | 71.58% | |
| | Restructured Book as % of Advances (%) ⁽¹⁴⁾ | NA | NA | NA | |
| | Net NPA (%) ⁽¹⁵⁾ | 1.37% | 0.94% | 0.35% | |
| | Pre-Provision Operating Profit (PPOP) ⁽¹⁶⁾ | 850.00 | 1,087.40 | 1,506.41 | |
| Profitability | Net Profit (in INR million) | 1,423.90 | 3,821.40 | 8,260.30 | |
| | Yield on Advances (%) ⁽¹⁷⁾ | 19.67% | 19.16% | 19.39% | |
| | Net Interest Margin (%) ⁽¹⁸⁾ | 9.80% | 9.72% | 10.75% | |
| | Credit Cost Ratio (%) ⁽¹⁹⁾ | 6.85% | 4.87% | 2.37% | |
| | Operating Expenses to Average Total Assets (%) ⁽²⁰⁾ | 3.84% | 3.93% | 4.23% | |
| | Cost to Income Ratio (%) ⁽²¹⁾ | 34.57% | 35.38% | 37.48% | |
| | Return on Average Assets (%) ⁽²²⁾ | 1.22% | 2.78% | 4.20% | |
| | Return on Average Equity (%) ⁽²³⁾ | 4.52% | 9.05% | 17.81% | |
| | Basic EPS (in INR) ⁽²⁴⁾ | 9.52 | 24.54 | 52.04 | |

Source: Fitch Report

- ⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year.
- ⁽²⁾ AUM represents Advances under Management and is calculated as sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities.
- ⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
- ⁽⁴⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
- ⁽⁵⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽⁶⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
- ⁽⁷⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
- ⁽⁸⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽⁹⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽¹⁰⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹¹⁾ Cost of funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹²⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
- ⁽¹³⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including Technical Write off and Gross NPA, including Technical write off.
- ⁽¹⁴⁾ Restructured book as % of advances represents standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as percentage.
- ⁽¹⁵⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
- ⁽¹⁶⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
- ⁽¹⁷⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹⁸⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, represented as a percentage.
- ⁽¹⁹⁾ Credit Cost Ratio is calculated as the ratio of total provisions and contingencies (excluding provision for tax) to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁰⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²¹⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
- ⁽²²⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to average total assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²³⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁴⁾ Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 20.

VII. Spandana Spohrthy

| Certain Key GAAP Measures and Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 | |
|---|--|---|-----------|-----------|-----------|
| Operations | Banking Outlets ⁽¹⁾ | 1,052 | 1,120 | 1,227 | |
| | AUM (in INR million) ⁽²⁾ | 73,284.82 | 65,810.00 | 85,110.00 | |
| | AUM Growth (%) ⁽³⁾ | NA | (10.20)% | 29.33% | |
| | Deposits (in INR million) | NM | NM | NM | |
| | Deposits Growth (%) ⁽⁴⁾ | NM | NM | NM | |
| | CASA Ratio (%) ⁽⁵⁾ | NM | NM | NM | |
| | CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽⁶⁾ | NM | NM | NM | |
| | Capital | Net worth (in INR million) ⁽⁷⁾ | 27,510.97 | 30,899.45 | 30,992.48 |
| | | Total Capital Ratio (CRAR) (%) ⁽⁸⁾ | 39.20% | 50.74% | 36.87% |
| | | Tier 1 Capital Ratio (%) ⁽⁹⁾ | 39.74% | 50.55% | NA |
| Cost of Deposits (%) ⁽¹⁰⁾ | | NM | NM | NM | |
| Cost of Funds (%) ⁽¹¹⁾ | | 10.10% | 11.86% | 12.86% | |
| Gross NPA (%) ⁽¹²⁾ | | 5.60% | 15.00% | 1.95% | |
| Asset Quality | Provision Coverage Ratio (%) ⁽¹³⁾ | NA | NA | 70.00% | |
| | Restructured Book as % of Advances (%) ⁽¹⁴⁾ | NA | NA | NA | |
| | Net NPA (%) ⁽¹⁵⁾ | 3.10% | 6.20% | 0.58% | |
| | Pre-Provision Operating Profit (PPOP) ⁽¹⁶⁾ | 848.33 | 451.24 | 562.13 | |
| Profitability | Net Profit (in INR million) | 1,454.60 | 698.27 | 123.94 | |
| | Yield on Advances (%) ⁽¹⁷⁾ | 22.88% | 21.47% | 19.24% | |
| | Net Interest Margin (%) ⁽¹⁸⁾ | 14.73% | 12.12% | 9.96% | |
| | Credit Cost Ratio (%) ⁽¹⁹⁾ | 10.83% | 7.72% | 8.20% | |
| | Operating Expenses to Average Total Assets (%) ⁽²⁰⁾ | 3.26% | 4.76% | 5.55% | |
| | Cost to Income Ratio (%) ⁽²¹⁾ | 21.63% | 38.56% | 44.84% | |
| | Return on Average Assets (%) ⁽²²⁾ | 2.02% | 0.91% | 0.15% | |
| | Return on Average Equity (%) ⁽²³⁾ | 5.41% | 2.38% | 0.40% | |
| | Basic EPS (in INR) ⁽²⁴⁾ | 22.55 | 10.75 | 1.74 | |

Source: Fitch Report

- ⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year.
- ⁽²⁾ AUM represents Advances under Management and is calculated as sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities.
- ⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
- ⁽⁴⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
- ⁽⁵⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽⁶⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
- ⁽⁷⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
- ⁽⁸⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽⁹⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽¹⁰⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹¹⁾ Cost of funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹²⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
- ⁽¹³⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including Technical Write off and Gross NPA, including Technical write off.
- ⁽¹⁴⁾ Restructured book as % of advances represents standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as percentage.
- ⁽¹⁵⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
- ⁽¹⁶⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
- ⁽¹⁷⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹⁸⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, represented as a percentage.
- ⁽¹⁹⁾ Credit Cost Ratio is calculated as the ratio of total provisions and contingencies (excluding provision for tax) to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁰⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the Average Total Assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²¹⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
- ⁽²²⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to average total assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²³⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁴⁾ Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 20.

VIII. Fusion Micro Finance Limited

| Certain Key GAAP Measures and Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 | |
|---|--|---|-----------|-----------|-----------|
| Operations | Banking Outlets ⁽¹⁾ | 725 | 934 | 1,086 | |
| | AUM (in INR million) ⁽²⁾ | 46,378.40 | 67,859.70 | 92,960.00 | |
| | AUM Growth (%) ⁽³⁾ | NA | 46.32% | 36.99% | |
| | Deposits (in INR million) | NM | NM | NM | |
| | Deposits Growth (%) ⁽⁴⁾ | NM | NM | NM | |
| | CASA Ratio (%) ⁽⁵⁾ | NM | NM | NM | |
| | CASA + Retail Term Deposits Ratio (as percentage of total deposits) ⁽⁶⁾ | NM | NM | NM | |
| | Capital | Net worth (in INR million) ⁽⁷⁾ | 12,463.55 | 13,379.51 | 23,219.19 |
| | | Total Capital Ratio (CRAR) (%) ⁽⁸⁾ | 27.26% | 21.94% | 27.94% |
| | | Tier 1 Capital Ratio (%) ⁽⁹⁾ | 25.52% | 19.93% | NA |
| Cost of Deposits (%) ⁽¹⁰⁾ | | NM | NM | NM | |
| Cost of Funds (%) ⁽¹¹⁾ | | 10.29% | 9.83% | 10.24% | |
| Gross NPA (%) ⁽¹²⁾ | | 5.50% | 5.71% | 3.46% | |
| Asset Quality | Provision Coverage Ratio (%) ⁽¹³⁾ | NA | 71.26% | 75.50% | |
| | Restructured Book as % of Advances (%) ⁽¹⁴⁾ | NA | NA | 0.20% | |
| | Net NPA (%) ⁽¹⁵⁾ | 2.20% | 1.71% | 0.87% | |
| | Pre-Provision Operating Profit (PPOP) ⁽¹⁶⁾ | 277.57 | 393.25 | 712.35 | |
| Profitability | Net Profit (in INR million) | 439.44 | 217.55 | 3,871.45 | |
| | Yield on Advances (%) ⁽¹⁷⁾ | 21.48% | 20.56% | 22.92% | |
| | Net Interest Margin (%) ⁽¹⁸⁾ | 9.54% | 8.66% | 11.50% | |
| | Credit Cost Ratio (%) ⁽¹⁹⁾ | 5.73% | 7.17% | 2.87% | |
| | Operating Expenses to Average Total Assets (%) ⁽²⁰⁾ | 4.37% | 4.75% | 5.34% | |
| | Cost to Income Ratio (%) ⁽²¹⁾ | 44.26% | 44.26% | 38.44% | |
| | Return on Average Assets (%) ⁽²²⁾ | 0.87% | 0.33% | 4.65% | |
| | Return on Average Equity (%) ⁽²³⁾ | 3.60% | 1.68% | 21.16% | |
| | Basic EPS (in INR) ⁽²⁴⁾ | 5.56 | 2.67 | 43.29 | |

Source: Fitch Report

- ⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year.
- ⁽²⁾ AUM represents Advances under Management and is calculated as sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities.

- ⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
- ⁽⁴⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
- ⁽⁵⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽⁶⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
- ⁽⁷⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
- ⁽⁸⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽⁹⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽¹⁰⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹¹⁾ Cost of funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹²⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
- ⁽¹³⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including Technical Write off and Gross NPA, including Technical write off.
- ⁽¹⁴⁾ Restructured book as % of advances represents standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as percentage.
- ⁽¹⁵⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
- ⁽¹⁶⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
- ⁽¹⁷⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹⁸⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, represented as a percentage.
- ⁽¹⁹⁾ Credit Cost Ratio is calculated as the ratio of total provisions and contingencies (excluding provision for tax) to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁰⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²¹⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
- ⁽²²⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to average total assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²³⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁴⁾ Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 20.

IX. Utarkash Small Finance Bank

| Key Performance Indicators (KPIs) | | FY 2021 | FY 2022 | FY 2023 | |
|--------------------------------------|--|---|------------|------------|-----------|
| Operations | Banking Outlets ⁽¹⁾ | 558 | 686 | 830 | |
| | AUM (in million) ⁽²⁾ | 84,156.60 | 106,307.25 | 139,571.08 | |
| | AUM Growth (%) ⁽³⁾ | NA | 26.32% | 31.29% | |
| | Total Deposits (in million) | 75,075.68 | 100,741.83 | 137,101.40 | |
| | Total Deposits Growth (%) ⁽⁴⁾ | NA | 34.19% | 36.09% | |
| | CASA Ratio (%) ⁽⁵⁾ | 17.68% | 22.37% | 20.89% | |
| | CASA + Retail Term Deposits Ratio (as percentage of Total Deposits) (%) ⁽⁶⁾ | 57.51% | 59.64% | 61.55% | |
| | Capital | Net Worth (in million) ⁽⁷⁾ | 13,683.53 | 15,722.97 | 20,003.21 |
| | | Total Capital Ratio (CRAR) (%) ⁽⁸⁾ | 21.88% | 21.59% | 20.64% |
| | | Tier 1 Capital Ratio (%) ⁽⁹⁾ | 19.98% | 18.06% | 18.25% |
| Cost of Deposits (%) ⁽¹⁰⁾ | | 7.89% | 6.92% | 6.71% | |
| Cost of Funds (%) ⁽¹¹⁾ | | 8.27% | 7.47% | 6.96% | |
| Gross NPA (%) ⁽¹²⁾ | | 3.75% | 6.10% | 3.23% | |
| Asset Quality | Provision Coverage Ratio (excluding technical write-offs)(%) ⁽¹³⁾ | 65.49% | 63.62% | 88.29% | |
| | Standard Restructured Advances (%) ⁽¹⁴⁾ | 3.13% | 1.26% | 0.22% | |
| | Net NPA (%) ⁽¹⁵⁾ | 1.33% | 2.31% | 0.39% | |
| | Pre-Provision Operating Profit (PPOP) ⁽¹⁶⁾ | NA | NA | NA | |
| Profitability | Net Profit (in million) | 1,118.15 | 614.62 | 4,045.02 | |
| | Yield on Advances (%) ⁽¹⁷⁾ | 20.64% | 19.57% | 19.88% | |
| | Net Interest Margin (%) ⁽¹⁸⁾ | 8.20% | 8.75% | 9.57% | |
| | Credit Cost Ratio (%) ⁽¹⁹⁾ | 3.97% | 5.03% | 2.61% | |
| | Operating Expenses to Total Average Assets (%) ⁽²⁰⁾ | 5.10% | 5.78% | 5.92% | |
| | Cost to Income Ratio (%) ⁽²¹⁾ | 56.54% | 58.90% | 54.15% | |
| | Return on Total Average Assets (%) ⁽²²⁾ | 1.05% | 0.48% | 2.42% | |
| | Return on Average Equity (%) ⁽²³⁾ | 9.99% | 4.14% | 22.84% | |
| | Basic EPS ⁽²⁴⁾ | 1.46 | 0.70 | 4.52 | |

- ⁽¹⁾ Number of banking outlets represents aggregate number of banking outlets (including Business Correspondent run outlets) as of the last day of the relevant period/year.
- ⁽²⁾ AUM represents Advances under Management and is calculated as sum of gross advances plus advances originated and transferred under securitization, assignment and inter-bank participation certificates for which the company continues to hold collection responsibilities.
- ⁽³⁾ AUM growth represents growth in AUM as of the last day of the relevant period/fiscal year over AUM as of the last day of the previous period/fiscal year.
- ⁽⁴⁾ Deposits growth represents the percentage increase in deposits as of the last day of the relevant period/fiscal year over deposits as of the last day of the previous period/fiscal year.
- ⁽⁵⁾ CASA Ratio represents current account deposits and savings account deposits (together, "CASA") to total deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽⁶⁾ CASA + Retail Term Deposits Ratio represents CASA and retail term deposits (term deposits of less than ₹ 20 million) to total deposits as of the last day of the relevant period/fiscal year, expressed for the period as a percentage.
- ⁽⁷⁾ Net worth represents the sum of equity share capital and reserves and surplus as of the last day of the relevant period/fiscal year.
- ⁽⁸⁾ CRAR (%) as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽⁹⁾ Tier 1 Capital Ratio (%) of the last day as of the last day of the relevant period/fiscal year as reported by the company.
- ⁽¹⁰⁾ Cost of Deposits represents interest expense on deposits for the relevant period/fiscal year to the average deposits as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹¹⁾ Cost of funds represents total interest expense for the relevant period/fiscal year to the average of sum of deposits and borrowings as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹²⁾ Gross NPA (%) as reported by the company represents Gross NPAs to gross advances as of the last day of the relevant period/fiscal year.
- ⁽¹³⁾ Provision Coverage Ratio (%) - Provision Coverage Ratio represents the ratio of NPA provision including Technical Write off and Gross NPA, including Technical write off.
- ⁽¹⁴⁾ Restructured book as % of advances represents standard restructured book to net advances as of the last day of the relevant period/fiscal year, expressed as percentage.
- ⁽¹⁵⁾ Net NPA disclosed by the company as of the last day of the relevant period/fiscal year.
- ⁽¹⁶⁾ Pre-Provision Operating Profit represents difference of total income and expenses including interest expense and operating expenses for the period.
- ⁽¹⁷⁾ Yield on Advances represents the ratio of interest income on loan assets for the relevant period/fiscal year to the average net advances as of the last day of the relevant period/fiscal year, expressed as a percentage.
- ⁽¹⁸⁾ Net Interest Margin represents net interest income for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, represented as a percentage.
- ⁽¹⁹⁾ Credit Cost Ratio is calculated as the ratio of total provisions and contingencies (excluding provision for tax) to the company's average net advances for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁰⁾ Operating Expenses to Average Total Assets represents operating expenses for the relevant period/fiscal year to the average total assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²¹⁾ Cost to Income Ratio represents operating expenses for the relevant period/fiscal year to the sum of Net Interest Income (interest earned minus interest expended) and other income for the relevant period/fiscal year, expressed as a percentage.
- ⁽²²⁾ Return on Average Assets is calculated as the net profit for the relevant period/fiscal year to average total assets for the relevant period/fiscal year, expressed as a percentage.
- ⁽²³⁾ Return on Average Equity is calculated as the net profit for the relevant period/fiscal year to Average Net Worth for the relevant period/fiscal year, expressed as a percentage.
- ⁽²⁴⁾ Basic EPS: Basic EPS as reported by the company represents EPS as computed in accordance with Indian Accounting Standard 20.

K. Price per share of the Bank (as adjusted for corporate actions, including split, bonus issuances) based on primary issuances of Equity Shares or convertible securities (excluding Equity Shares issued under the ESOP Schemes and issuance of Equity Shares pursuant to a bonus issue) during the 18 months preceding the date of this Red Herring Prospectus, where such issuance is equal to or more than 5% of the fully diluted paid-up share capital of the Bank in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Primary Issuances")

| Date of Issuance | Name of Allottee | No. of Equity Shares allotted | % of paid-up capital (fully diluted prior to allotment) | Price per Equity Share allotted | Cumulative No. of Equity Shares | Cumulative amount paid for the Equity Shares |
|------------------|--|-------------------------------|---|---------------------------------|---------------------------------|--|
| August 5, 2022 | TPG Asia VI SF Pte. Ltd. | 51,676 | 0.08% | 580.55 | 51,676 | 30,000,501.80 |
| | Harbourvest Partners Co-Investment Fund IV L.P | 237,309 | 0.38% | 580.55 | 289,985 | 167,770,241.75 |
| | Harbourvest Partners Co-Investment IV AIF L.P | 62,323 | 0.10% | 580.55 | 351,308 | 203,951,859.40 |
| | Harbourvest Skew Base AIF L.P | 7,377 | 0.01% | 580.55 | 358,685 | 208,234,576.75 |
| | HIPEP VIII Partnership Fund L.P | 28,765 | 0.05% | 580.55 | 387,450 | 224,934,097.50 |
| | HIPEP VIII Partnership AIF L.P | 19,176 | 0.03% | 580.55 | 406,626 | 236,066,724.30 |
| | Harbourvest Asia Pacific Fund VIII L.P | 4, | | | | |

...continued from previous page.

BASIS FOR OFFER PRICE

| Date of Issuance | Name of Allottee | No. of Equity Shares allotted | % of paid-up capital (fully diluted prior to allotment) | Price per Equity Share allotted | Cumulative No. of Equity Shares | Cumulative amount paid for the Equity Shares |
|------------------|---|-------------------------------|---|---------------------------------|---------------------------------|--|
| | Shobha Parvathani | 50,000 | 0.07% | 302.98 | 18,571,056 | 6,069,449,921.49 |
| June 30, 2023 | Dovetail India Fund – Class 6 Shares (Converted into Equity Shares on July 31, 2023) | 660,110 | 0.98% | 302.98 | 19,231,166 | 6,269,449,921.49 |
| | Deepak Talwar (Converted into Equity Shares on July 31, 2023) | 33,006 | 0.05% | 302.98 | 19,264,172 | 6,279,449,921.49 |
| | Volrado Venture Partners Fund III-Beta (Converted into Equity Shares on July 31, 2023) | 1,749,291 | 2.59% | 302.98 | 21,013,463 | 6,809,449,921.49 |
| | Singularity Growth Opportunities Fund I (Converted into Equity Shares on July 31, 2023) | 1,254,209 | 1.85% | 302.98 | 22,267,672 | 7,189,449,921.49 |
| | Total | | | | 22,267,672 | 7,189,449,921.49 |
| | Weighted average cost of acquisition** | | | | | 322.86 |

**As certified by JHS & Associates LLP, Chartered Accountants pursuant to their certificate dated February 1, 2024.

L. Price per share of the Bank (as adjusted for corporate actions, including bonus issuances) based on secondary sale or acquisition of equity shares or convertible securities (excluding gifts) involving any of the Selling Shareholders or other shareholders with rights to nominate directors during the 18 months preceding the date of filing of the RHP, where the acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Bank (calculated based on the pre-offer capital before such transactions and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days ("Secondary Transactions")

Except as disclosed below, there has been no secondary sale/acquisitions of Equity Shares or any convertible securities ("Security(ies)"), where the Selling Shareholders or Shareholder(s) having the right to nominate Director(s) on our Board are a party to the transaction (excluding gifts), during the 18 months preceding the date of the Red Herring Prospectus, where either acquisition or sale is equal to or more than 5% of the fully diluted paid-up share capital of our Bank (calculated based on the pre-offer capital before such transactions and excluding ESOPs granted but not vested), in a single transaction or multiple transactions combined together over a span of rolling 30 days.

| Date of Secondary Sale/Acquisition | Name of Transferor | Name of Transferee | No. of Equity Shares/CCPS sold/acquired | % of paid-up capital | Price per Equity Shares/CCPS sold/acquired | Cumulative No. of Equity Shares sold/acquired | Cumulative amount paid for the Equity Shares/CCPS |
|------------------------------------|-------------------------|---|---|----------------------|--|---|---|
| August 16, 2023 | Hero Ventures | Elpro International Limited | 7,22,256 | 0.79% | 346.14 | 7,22,256 | 25,00,00,000 |
| | | Bharti (Satya) Trustees Private Limited | 28,89,023 | 3.18% | 346.14 | 36,11,279 | 1,25,00,00,000 |
| | | Par Solar Private Limited | 3,61,128 | 0.40% | 346.14 | 39,72,407 | 1,37,50,00,000 |
| | | Spark Fund Advisors LLP | 7,22,256 | 0.79% | 346.14 | 46,94,663 | 1,62,50,00,000 |
| | | Bengal Rubber Company Limited | 1,44,451 | 0.16% | 346.14 | 48,39,114 | 1,67,50,00,000 |
| | | Central India Industries Limited | 2,88,902 | 0.32% | 346.14 | 51,28,016 | 1,77,50,00,000 |
| | | Universal Trading Company Limited | 1,44,451 | 0.16% | 346.14 | 52,72,467 | 1,82,50,00,000 |
| | | Ranchi Enterprises And Properties Ltd. | 2,88,902 | 0.32% | 346.14 | 55,61,369 | 1,92,50,00,000 |
| | | Amer Investments (Delhi) Limited | 1,44,451 | 0.16% | 346.14 | 57,05,820 | 1,97,50,00,000 |
| | | Shikhar Rajsakshi Sinha | 3,61,128 | 0.40% | 346.14 | 60,66,948 | 2,10,00,00,000 |
| | | Puran Associates Private Limited | 14,44,511 | 1.59% | 346.14 | 75,11,459 | 2,60,00,00,000 |
| | | Ananta Capital Ventures Fund 1 | 11,55,609 | 1.27% | 346.14 | 86,67,068 | 3,00,00,00,000 |
| September 1, 2023 | Spark Fund Advisors LLP | Shikhar Rajsakshi Sinha | 2,81,427 | 0.31% | 346.14 | 89,48,495 | 3,09,74,12,480 |

| Date of Secondary Sale/Acquisition | Name of Transferor | Name of Transferee | No. of Equity Shares/CCPS sold/acquired | % of paid up capital | Price per Equity Shares/CCPS sold/acquired | Cumulative No. of Equity Shares sold/acquired | Cumulative amount paid for the Equity Shares/CCPS |
|------------------------------------|-------------------------|---|---|----------------------|--|---|---|
| September 15, 2023 | Spark Fund Advisors LLP | P Deepak | 26,414 | 0.03% | 346.14 | 89,74,909 | 3,10,65,55,328 |
| | | Bijoy Paulose | 26,414 | 0.03% | 346.14 | 90,01,323 | 3,11,56,98,176 |
| | | Dhankalash Distributors Private Limited | 1,05,055 | 0.12% | 346.14 | 91,06,378 | 3,15,20,61,792 |
| | | Genesis Exports Ltd | 25,969 | 0.03% | 346.13 | 91,32,347 | 3,16,10,50,528 |
| | | Tarak Bhikkhal Madhani HUF | 19,402 | 0.02% | 346.14 | 91,51,749 | 3,16,77,66,400 |
| | | Kurugod Setra Mayurmathlatha Mayur | 26,414 | 0.03% | 346.14 | 91,78,163 | 3,17,69,09,280 |
| | | Neelanchal Edifice LLP | 1,58,483 | 0.17% | 346.14 | 93,36,646 | 3,23,17,66,400 |
| | | Total | 93,36,646 | 10.28% | | | |
| | | Weighted average cost of acquisition | | | | | 346.14 |

M. The weighted average cost of acquisition at which the Equity Shares were issued by our Bank, or acquired or sold by our Promoters, the Promoter Group or other shareholders with rights to nominate directors in the last 18 months preceding the date of this Red Herring Prospectus are disclosed below:

| Past Transactions | Weighted average cost of acquisition (in ₹) | Floor Price (in ₹)* | Cap Price (in ₹)* |
|---|---|---------------------|-------------------|
| WACA of Equity Shares that were issued by our Bank | 322.86 | 1.22 times | 1.28 times |
| WACA of Equity Shares that were acquired or sold by way of secondary transactions | 346.14 | 1.14 times | 1.20 times |

*To be included on finalization of the Price Band

N. Justification for Basis of Offer price

The following provides an explanation to the Cap Price being 1.28 times of weighted average cost of acquisition of primary issuances price and 1.20 times the secondary transactions price of equity shares (as disclosed above) along with our Bank's KPIs and financial ratios for the six months ended September 30, 2023, September 30, 2022 and the Financial Years ended March 31, 2023, March 31, 2022 and March 31, 2021 and in view of external factors, if any.

1. We are the fourth largest Small Finance Bank in terms of AUM and the fourth largest Small Finance Bank in terms of deposit size as at September 30, 2023. (Source: Fitch Report). 2. As at September 30, 2023, we had 771 banking outlets, including 278 banking outlets in unbanked rural centres, in 22 states and two union territories. 3. Our gross advances has increased from ₹118,389.82 million as at March 31, 2021 to ₹180,007.41 million as at March 31, 2023, representing a CAGR of 23.31%, and further increased to ₹213,471.30 million as at September 30, 2023, an increase of 18.59%. 4. Our gross secured advances has increased from ₹50,760.00 million as at March 31, 2021 to ₹99,047.54 million as at March 31, 2023, representing a CAGR of 39.69%, and further increased to ₹122,577.38 million as at September 30, 2023, an increase of 23.76%, and our gross advances of agricultural and allied loans has increased from ₹15,510.70 million as at March 31, 2021 to ₹30,944.43 million as at March 31, 2023, representing a CAGR of 41.25% and further increased to ₹36,141.39 million as at September 30, 2023, an increase of 16.79%. 5. We have been able to leverage the strength of the "Jana" brand to rapidly grow our deposit portfolio since we commenced operations as a Small Finance Bank in March 2018. 6. Our deposits have increased from ₹123,162.58 million as at March 31, 2021 to ₹163,340.16 million as at March 31, 2023, representing a CAGR of 15.16%, and further increased to ₹189,367.24 million as at September 30, 2023, an increase of 6.28%. 7. We were among the top four Small Finance Banks in India in terms of deposit size as at September 30, 2023. (Source: Fitch Report).

O. The Offer Price is [*] times of the face value of the Equity Shares

The Offer Price of ₹[*] has been determined in compliance with SEBI ICDR Regulations, on the basis of market demand from investors for Equity Shares through the Book Building Process and is justified in view of the above qualitative and quantitative parameters.

Investors should read the above-mentioned information along with "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Financial Statements" on pages 37, 255, 463, and 388 of the RHP, respectively, to have a more informed view. The trading price of the Equity Shares could decline due to the factors mentioned in the "Risk Factors" on page 37 of the RHP and you may lose all or part of your investments.

FOR FURTHER DETAILS, SEE "BASIS FOR OFFER PRICE" ON PAGE 186 OF THE RHP.

ASBA # Simple, Safe, Smart way of Application!!!

Applications supported by blocked amount (ASBA) is a better way of applying to issues by simply blocking the fund in the bank account. For further details, check section on ASBA.

Mandatory in public issues. No cheque will be accepted.



UPI-Now available in ASBA for Retail Individual Investors and Non-Institutional Investor applying for amount upto ₹ 5,00,000/-, applying through Registered Brokers, DPs and RTAs. UPI Bidder also have the option to submit the application directly to the ASBA Bank (SCSBs) or to use the facility of linked online trading, demat and bank account. Investors are required to ensure that the bank account used for bidding is linked to their PAN. Bidders must ensure that their PAN is linked with Aadhaar and are in compliance with CBDT notification dated February 13, 2020, issued by the Central Board of Direct Taxes and the subsequent press releases, including press releases dated June 25, 2021 and September 17, 2021 and CDBT circular no. 7 of 2022, dated March 30, 2022 read with press release dated March 28, 2023 and any subsequent press releases in this regard.

ASBA has to be availed by all the investors except anchor investors. UPI may be availed by UPI Bidders. For details on the ASBA and UPI process, please refer to the details given in ASBA form and abridged prospectus and also please refer to the section "Offer Procedure" on page 550 of the RHP. The process is also available on the website of Association of Investment Bankers of India ("AIBI") and Stock Exchanges and in the General Information Document. ASBA bid-cum-application forms can be downloaded from the websites of the Stock Exchanges and can be obtained from the list of banks that is displayed on the website of SEBI at www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=35 and https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=43, respectively as updated from time to time. For the list of UPI apps and banks live on IPO, please refer to the link: www.sebi.gov.in. RIBs Bidding using the UPI mechanism may apply through the SCSBs and mobile applications whose names appear on the website of SEBI, as updated from time to time. ICICI Bank Limited and Axis Bank Limited have been appointed as Sponsor Banks for the Offer, in accordance with the requirements of the SEBI Circular dated November 1, 2018 as amended. For Offer related queries, please contact the BRLMs on their respective email IDs as mentioned below. For UPI related queries, investors can contact NPCI at the toll free number: 18001201740 and mail id: ipo.upi@npci.org.in.

THE EQUITY SHARES OF OUR BANK WILL GET LISTED ON MAIN BOARD PLATFORM OF BSE AND NSE

In case of any revision in the Price Band, the Bid/ Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/ Offer Period not exceeding 10 Working Days. In cases of force majeure, banking strike or similar circumstances, our Bank in consultation with the BRLMs may, for reasons to be recorded in writing, extend the Bid/ Offer Period for a minimum of three Working Days, subject to the Bid/ Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/ Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a public notice, and also by indicating the change on the respective websites of the BRLMs and at the terminals of the Syndicate Members and by intimation to Designated Intermediaries and the Sponsor Bank(s), as applicable.

The Offer is being made through the Book Building Process, in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 31 of the SEBI ICDR Regulations and in compliance with Regulation 6(1) of the SEBI ICDR Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs") (and such portion, the "QIB Portion"), provided that our Bank may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the SEBI ICDR Regulations ("Anchor Investor Portion"), of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of under-subscription, or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Further, 5% of the Net QIB Portion shall be available for allocation on a proportionate basis only to Mutual Funds, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation to Non-Institutional Investors which (a) one-third portion shall be reserved for Bidders with application size of more than 0.20 million and up to 1 million; and (b) two-thirds of the portion shall be reserved for Bidders with application size of more than 1 million, provided that the unsubscribed portion in either of such sub-categories may be allocated to Bidders in other sub-category of the Non-Institutional Bidders in accordance with SEBI ICDR Regulations, subject to valid Bids being received above the Offer Price and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders (except Anchor Investors) are required to mandatorily utilise the Application Supported by Blocked Amount ("ASBA") process by providing details of their respective ASBA accounts, and UPI ID (in case of UPI Bidders using the UPI Mechanism), in which case the corresponding Bid Amounts will be blocked by the SCSBs or under the UPI Mechanism, as applicable to participate in the Offer. Anchor Investors are not permitted to participate in the Anchor Investor Portion of the Offer through the ASBA process. For details, see "Offer Procedure" on page 550 of the RHP.

Bidders/ Applicants should ensure that DP ID, PAN, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) are correctly filled in the Bid cum Application Form. The DP ID, PAN and Client ID provided in the Bid cum Application Form should match with the DP ID, PAN, Client ID available in the Depository database, otherwise, the Bid cum Application Form is liable to be rejected. Bidders/ Applicants should ensure that the beneficiary account provided in the Bid cum Application Form is active. Bidders/Applicants should note that on the basis of the PAN, DP ID, Client ID and UPI ID (for UPI Bidders bidding through the UPI Mechanism) as provided in the Bid cum Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for giving Allotment Advice or unblocking of ASBA Account or for other correspondence(s) related to the Offer. Bidders/Applicants are advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk. Investors must ensure that their PAN is linked with Aadhaar and are in compliance with CDBT notification dated February 13, 2020 read with press release dated June 25, 2021 and September 17, 2021, read with press release dated September 17, 2021. CDBT circular no. 7 of 2022, dated March 30, 2022, read with press release dated March 28, 2023.

Contents of the Memorandum of Association of our Bank as regards its objects: For information on the main objects of our Bank, please see the section "History and Certain Corporate Matters" on page 336 of the RHP. The Memorandum of Association of our Bank is a material document for inspection in relation to the Offer. For further details, please see the section titled "Material Contracts and Documents for Inspection" on page 578 of the RHP.

Liability of the members of our Bank: Limited by shares

Amount of share capital of our Bank and Capital structure: As on the date of the RHP, the authorised share capital of the Bank is ₹ 5,85,00,00,000 divided into 135,00,00,000 Equity Shares of face value ₹ 10 each and 450,00,00,000 Preference Shares of face value of ₹ 10 each. The issued, subscribed and paid-up share capital of the Bank is ₹ 934,308,550 divided into 93,430,855 Equity Shares of face value ₹ 10 each. For details, please see the section titled "Capital Structure" on page 130 of the RHP.

Names of signatories to the Memorandum of Association of our Bank and the number of Equity Shares subscribed by them: The initial signatories to the Memorandum of Association of our Bank are Raghunath Srinivasan and Janalakshmi Social Services who subscribed to 10 Equity Shares and 9,990 Equity Shares of face value of ₹ 10 each respectively. For details of the share capital history and capital structure of our Bank, please see the section titled "Capital Structure" on page 130 of the RHP.

Listing: The Equity Shares issued through this Red Herring Prospectus are proposed to be listed on the Stock Exchanges. Our Bank has received 'in-principle' approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated September 7, 2023, each. For the purposes of the Offer, the Designated Stock Exchange shall be BSE. A copy of the Red Herring Prospectus and the Prospectus shall be filed with the RoC in accordance with Sections 26(4) and 32 of the Companies Act, 2013. For details of the material contracts and documents available for inspection from the date of the Red Herring Prospectus up to the Bid/ Offer Closing Date, see "Material Contracts and Documents for Inspection" on page 577 of the RHP.

Disclaimer clause of RBI: A license authorizing the Bank to carry on small finance bank business has been obtained from the Reserve Bank of India in terms of Section 22 of the Banking Regulation Act, 1949. It must be distinctly understood, however, that in issuing the license, the Reserve Bank of India does not undertake any responsibility for the financial soundness of the Bank or for the correctness of any of the statements made or opinion expressed in this connection.

Disclaimer Clause of the Securities and Exchange Board of India ("SEBI"): SEBI only gives its observations on the offer documents and this does not constitute approval of either the Offer or the specified securities or the offer document. The investors are advised to refer to page 526 of the RHP for the full text of the disclaimer clause of SEBI.

Disclaimer Clause of NSE: It is to be distinctly understood that the permission given by NSE should not in any way be deemed or construed that the Offer Document has been cleared or approved by NSE nor does it certify the correctness or completeness of any of the contents of the Offer Document. The investors are advised to refer to page 529 of the RHP for the full text of the disclaimer clause of NSE.

Disclaimer Clause of BSE (Designated Stock Exchange): It is to be distinctly understood that the permission given by BSE should not in any way be deemed or construed that the RHP has been cleared or approved by BSE nor does it certify the correctness or completeness of any of the contents of the RHP. The investors are advised to refer to page 529 of the RHP for the full text of the disclaimer clause of BSE.

General Risk: Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Bank and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page 37 of the RHP.

| BOOK RUNNING LEAD MANAGERS | | | REGISTRAR TO THE OFFER | COMPANY SECRETARY AND COMPLIANCE OFFICER |
|---|---|--|---|---|
| | | | | Lakshmi R N Jana Small Finance Bank Limited The Fairway Business Park, #10/1, 11/2, 12/2B, Off Domlur, Koramangala Inner Ring Road, Next to EGL, Challaghatta, Bengaluru - 560 071, Karnataka, India Tel: +91 80 4602 0100 Email: investor.grievance@janabank.com |
| Axis Capital Limited 1st Floor, Axis House, C-2 Wadia International Centre P.B. Marg, Worli, Mumbai-400 025, Maharashtra, India Tel: +91 22 4325 2183 E-mail: jana.ipo@axiscap.in Website: www.axiscapital.co.in Investor Grievance ID: complaints@axiscap.in Contact Person: Simran Gadh / Sagar Jatakiya SEBI Registration Number: INM000012029 | ICICI Securities Limited ICICI Venture House, Appasaheb Marathe Marg Prabhadevi, Mumbai-400 025, Maharashtra, India Tel: +91 22 6807 7100 E-mail: jana.ipo@icicisecurities.com Website: www.icicisecurities.com Investor Grievance ID: customercare@icicisecurities.com Contact Person: Ashik Joisar / Harsh Thakkar SEBI Registration Number: INM000011719 | SBI Capital Markets Limited 1501, 15th floor, A & B Wing, Parinee Crescenzo, G Block Bandra Kuria Complex, Bandra (East), Mumbai-400 051 Maharashtra, India Tel: +91 22 4006 9807 E-mail: jana.ipo@sbicaps.com Website: www.sbicaps.com Investor Grievance ID: investor.relations@sbicaps.com Contact Person: Vaibhav Shah SEBI Registration Number: INM000003531 | KFin Technologies Limited (formerly known as KFin Technologies Private Limited) Selenium, Tower B, Plot No. - 31 and 32, Financial District Nanakramguda, Serilingampally, Hyderabad, Rangareddi-500 032 Tel: +91 40 6716 2222 E-mail: jana.ipo@kfin.tech.com Website: www.kfintech.com Investor grievance ID: einward.ris@kfintech.com Contact Person: M. Murali Krishna SEBI Registration Number: INR000000221 | Investors may contact the Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-offer or post-offer related grievances including non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders or non-receipt of funds by electronic mode, etc. For all offer related queries and for redressal of complaints, Investors may also write to the BRLMs. |

AVAILABILITY OF THE RHP: Investors are advised to refer to the RHP and the section titled "Risk Factors" on page 37 of the RHP, before applying in the Offer. A copy of the RHP shall be available on website of SEBI at www.sebi.gov.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively, and on the website of the Bank at www.janabank.com and on the websites of the BRLMs i.e. Axis Capital Limited, ICICI Securities Limited and SBI Capital Markets Limited at www.axiscapital.co.in, www.icicisecurities.com and www.sbicaps.com, respectively.

Availability of the Abridged Prospectus: A copy of the abridged prospectus shall be available on the website of the Bank, the BRLMs and the Registrar to the Offer at www.janabank.com, www.axiscapital.co.in, www.icicisecurities.com, www.sbicaps.com and www.kfintech.com, respectively.

AVAILABILITY OF BID CUM APPLICATION FORMS: Bid cum Application Forms can be obtained from the Registered Office of the Bank JANA SMALL FINANCE BANK LIMITED, Tel: +91 80 4602 0100; The BRLMs : Axis Capital Limited, Tel: +91 22 4325 2183, ICICI Securities Limited, Tel: +91 22 6807 7100 and SBI Capital Markets Limited, Tel: +91 22 4006 9807; Syndicate Members: Investec Capital Services (India) Private Limited, Tel: +91 22 6849 7400 and SBICAP Securities Limited, Tel: +91 22 6931 6204; and at the select locations of the Sub-syndicate Members (as given below), SCSBs, Registered Brokers, RTAs and CDPs participating in the Offer. ASBA Forms will also be available on the websites of BSE and NSE and the Designated Branches of SCSBs, the list of which is available at websites of the Stock Exchanges and SEBI.

Sub-Syndicate Members: Axis Securities Limited, Almondz Global Securities Limited, Amrapali Capital & Finance Services Limited, Anand Rathi Share & Stock Brokers Limited, Anand Share Consultancy, ANS Pvt Limited, Ashwani Dandia & Co., Finwizard Technology Pvt Limited, G Raj & Co. (Consultants) Limited, Javeri Securities, JM Financial Services Limited, Kalpataru Multiplier Limited, KJMC Capital Market Services Limited, Kotak Securities Limited, LKP Securities Limited, Marwadi Share & Finance, Motilal Oswal Financial Services Limited, Nirmal Bang Securities Pvt Limited, Patel Wealth Advisors Pvt Limited, Pravin Raital: Share & Stock Brokers Limited, Religare Broking Limited, RR Equity Brokers Pvt Limited, SMC Global Securities Limited, Tanna Financial Services.

Escrow Collection Bank and Refund Bank : ICICI Bank Limited

Public Offer Account Bank : Axis Bank Limited

Sponsor Banks: ICICI Bank Limited and Axis Bank Limited

UPI: UPI Bidders can also bid through UPI Mechanism.

All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP.

For JANA SMALL FINANCE BANK LIMITED

On behalf of the Board of Directors

Sd/-

Lakshmi R N

Company Secretary and Compliance Officer

Place: Bengaluru

Date: February 1, 2024

JANA SMALL FINANCE BANK LIMITED is proposing, subject to applicable statutory and regulatory requirements, receipt of requisite approvals, market conditions and other considerations, to undertake an initial public offering of its Equity Shares and has filed the RHP with RoC on February 1, 2024. The RHP shall be available on the website of SEBI at www.sebi.gov.in, on the websites of the Stock Exchanges i.e. BSE and NSE at www.bseindia.com and www.nseindia.com, respectively, on the website of the Bank at www.janabank.com and on the websites of the BRLMs i.e. Axis Capital Limited, ICICI Securities Limited and SBI Capital Markets Limited at www.axiscapital.co.in, www.icicisecurities.com and www.sbicaps.com, respectively. Any potential investors should note that investment in equity shares involves a high degree of risk and for details relating to such risk, please see the section titled "Risk Factors" on page 37 of the RHP. Potential Bidders should not rely on the drafted herring prospectus dated July 30, 2023 filed with SEBI for making any investment decision. This announcement does not constitute an offer of Equity Shares for sale in any jurisdiction, including the United States, and the Equity Shares may not be offered or sold in the United States absent registration under the US Securities Act of 1933, as amended, or an exemption from registration. Any public offering of the Equity Shares to be made in the United States will be made by means of a prospectus that may be obtained from the Bank and that will contain detailed information about the Bank and management, as well as financial statements. However, there will be no offering of the Equity Shares in the United States.