



IPO INSIGHTS



ESAF Small Finance Bank Limited

Issue Dates - Opens: 03-11-2023 | Closes: 07-11-2023

IPO Note	<div>1. ESAF is a Small Finance Bank mainly focusing on providing loans to rural and semi-urban customers.</div> <div>2. The Bank's products consist of (a) Micro Loans, (b) retail loans, (c) MSME(Micro,Small & Medium Enterprises) loans (d) loans to financial institutions and (e) agricultural loans.</div>
Rating	★ ★ ★ (Good)

IPO SNAPSHOT

Issue Size	₹ 463 Crores
Issue Type	Book Built Issue IPO
Fresh Issue	₹ 390.70 Crores
Offer for Sale	₹ 72.30 Crores
Face Value Per Share	₹ 10
Price Band Per Share	₹57 to ₹60
Minimum Lot Size	250 shares
Listing On	BSE, NSE
Registrar to the Issue	Link Intime India Private Ltd

IPO SNAPSHOT – ESAF Small Finance Bank Limited																																		
About the Company	<ul style="list-style-type: none">▪ Incorporated in 1992▪ ESAF Small Finance Bank Limited focuses on unbanked and under-banked customer segments, especially in rural and semiurban centres.▪ As of March 2023, Bank has a network of 700 outlets, 743 customer service centers, 20 business correspondents and 481 business facilitators.▪ Bank offers convenience banking through various digital platforms such as an internet banking portal, a mobile banking platform, SMS alerts, bill payments and RuPay branded ATM cum debit cards.▪ Services include safety deposit lockers, foreign currency exchange, giving our customers access to the Bharat Bill Payment System, money transfer services and Aadhaar Seva Kendra services.▪ It also distribute third-party life and general insurance policies and Government pension products.▪ The Bank has 581 ATM's located across 21 states of India.As of 31st March 2022, the Bank has provided employment to 4100 people.																																	
Competitive Strengths	<ul style="list-style-type: none">▪ Understanding of the micro loan segment has enabled us to grow our business outside of Kerala, their home state▪ Main focus on our rural and semi-urban banking franchise▪ Growing Retail Deposits portfolio▪ Customer connections driven by our customer-centric products and processes and other non-financial services for Micro Loan customers▪ Technology-driven model with a digital technology platform▪ Experienced Board and Key Managerial Personnel and Senior Management Personnel																																	
Financials (₹ in Crores)	<table><tr><th>Particulars</th><th>31-3-2021</th><th>31-3-2022</th><th>31-03-2023</th><th>Y-o-Y</th><th>2 - Yrs CAGR</th></tr><tr><td>NII</td><td>921.59</td><td>1147.14</td><td>1836.64</td><td>60%</td><td>41.17%</td></tr><tr><td>PAT</td><td>105.40</td><td>54.73</td><td>302.33</td><td>452%</td><td>69.36%</td></tr><tr><td>PAT Margin</td><td>11.4%</td><td>4.8%</td><td>16.5%</td><td></td><td></td></tr></table>						Particulars	31-3-2021	31-3-2022	31-03-2023	Y-o-Y	2 - Yrs CAGR	NII	921.59	1147.14	1836.64	60%	41.17%	PAT	105.40	54.73	302.33	452%	69.36%	PAT Margin	11.4%	4.8%	16.5%						
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Valuation	<ul style="list-style-type: none">▪ Attributing Annualized FY23 Earnings asking P/E = 8.92																																	
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Promoters	<ul style="list-style-type: none">▪ Kadambelil Paul Thomas▪ ESAF Financial Holdings Private Limited																																	
Objects of the issue	<ul style="list-style-type: none">▪ Augmentation of the Bank's Tier-I capital base to meet the Bank's future capital requirements																																	

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