



26th October, 2017

The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001	The Secretary National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex (BKC) Bandra (East) Mumbai - 400051
Scrip Code No-539844	Symbol: EQUITAS

Dear Sirs,

Sub: Intimation of information under Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

We wish to inform you that pursuant to the above Regulation, the presentation on financial results for the quarter ended 30th September, 2017, to be made to the analysts and institutional investors is attached. The same has been displayed on the website of the Company.

Thanking you,

Yours Faithfully,
For Equitas Holdings Limited

Jayashree S Iyer
Company Secretary



EQUITAS HOLDINGS LIMITED
(Previously known as Equitas Holdings Private Limited)



Equitas
Holdings Limited
Investor Presentation
Q2FY18

Quarter ended Sept 2017





MISSION

Empowering
through Financial
Inclusion

VISION

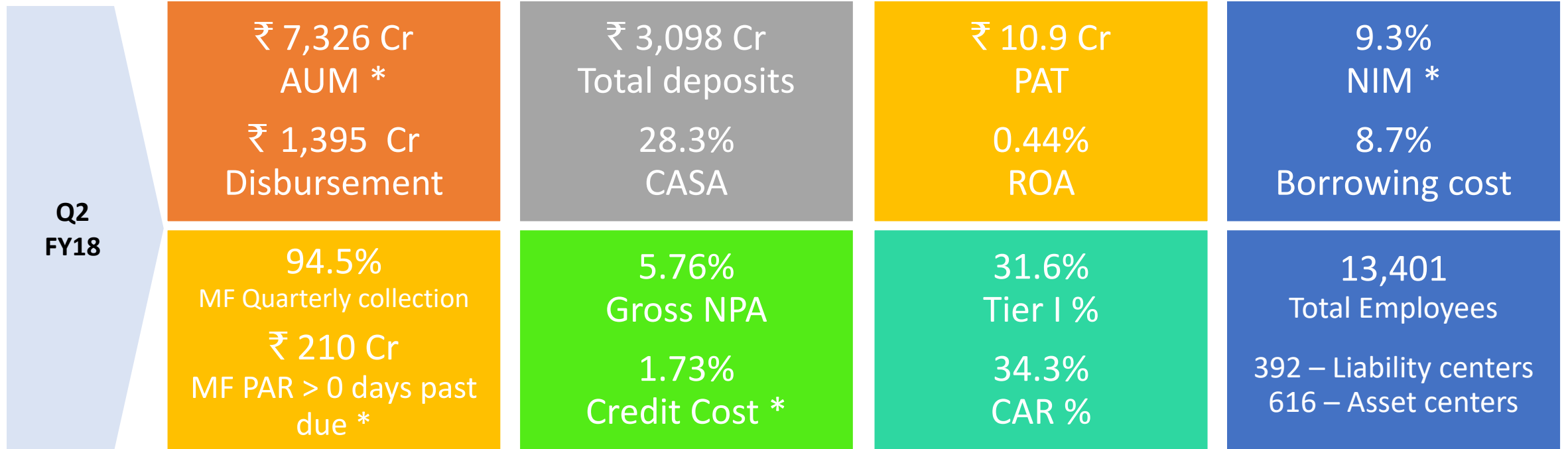
To Serve 5% of
Indian Households
by 2025

VALUES

Fair and
Transparent

Contents	Slide no.
Highlights	4
Banking and Business Strategy	5
Business Evolution	8
One year of Banking	12
Advances – Asset Remix and Diversifying Credit offering	15
Liabilities – Products and Franchise Roll-out	21
Asset Quality	27
Consolidated Financial Overview	29
Consolidated Financial Performance	32
Annexures	42

Highlights



* AUM = Advances Under Management | NIM = Net interest income as a % of avg. total assets
PAR = Principal at Risk; includes both on-book and off-book PAR | Credit cost as a % of avg. 'On Book' advances

Banking Business and Strategy



Banking Business lines





Banking Strategy

Diversifying Credit offering

- Primarily focusing growth from “Bottom of the Pyramid”
- Grow the secured loan portfolio: VF, Agri loan, Gold loan, Micro-LAP, working capital loan etc.
- Leveraging MFI network to handle related products like Agri and Micro-LAP
- Reducing cost of funds to facilitate new products across credit profiles

Building up Liability Franchise

- Reach out to Mass & Affluent to garner deposits
- Market share to be driven by
 - Product innovation
 - Bundling of CASA with loan products like Business Loans & Home loans
 - Differential pricing
 - Fun Banking promise
- New opportunities for Fee Income opening up

National roll-out of Hub & Spoke

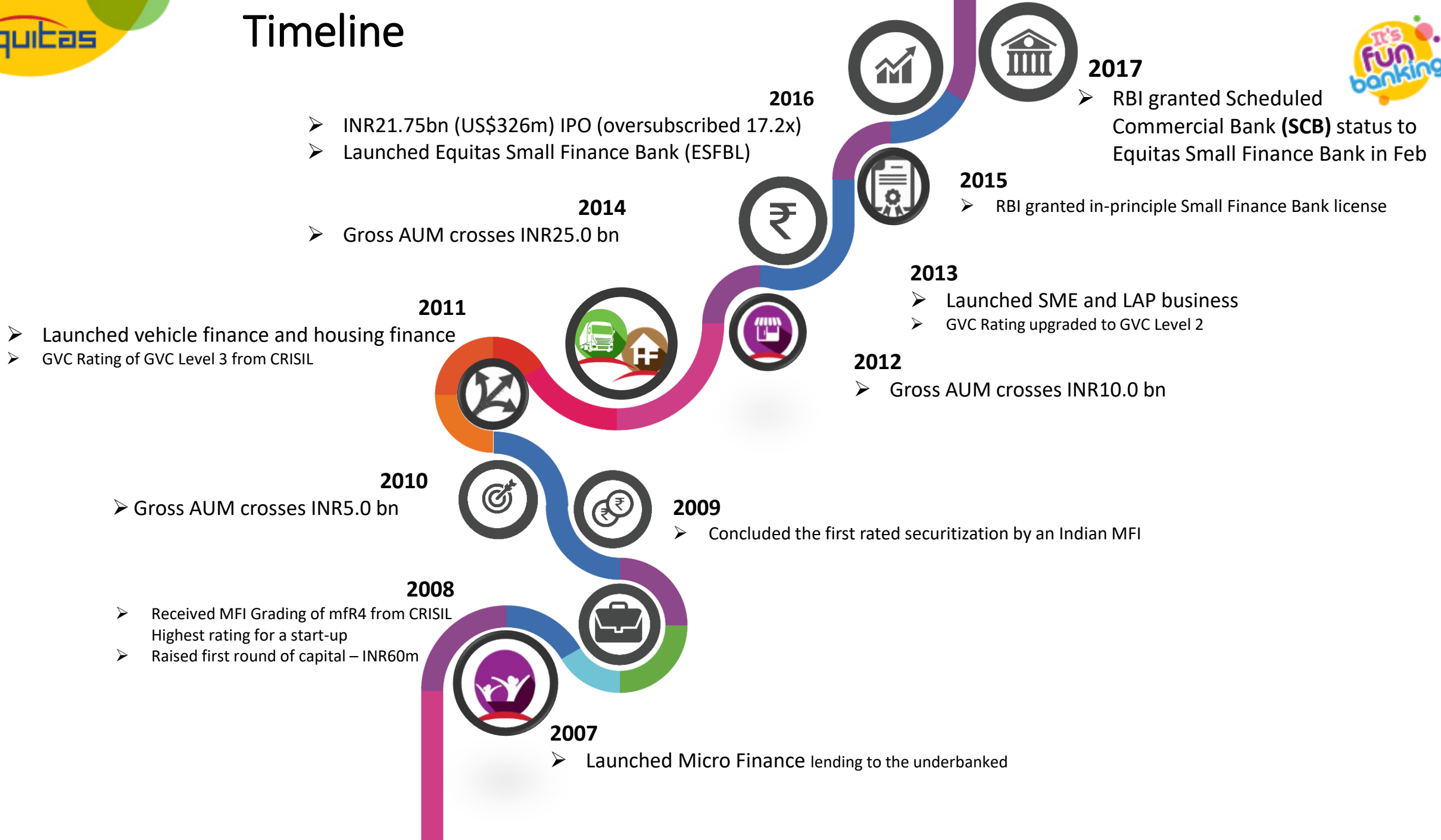
- Pan India roll-out of “liability branches” in progress
- Hub & Spoke Model for servicing customers
- Hubs – physical upmarket branches to extend branch banking services
- Spokes – Each hub to have multiple banking through Business Correspondents (not company owned)
- Automated Service centres to enable Cash & Cheque deposits, self-serving kiosks etc.

High Performance model

- Market potential and under penetration provides opportunity for sustained credit growth over the next few years
- Diversified asset portfolio
- Liability customer pool in long term to be a strong value creator for the bank
- Returns landscape (5+ years)
 - ROA: ~2.25%
 - ROE: ~16% -20%

Business Evolution

Timeline



- Launched vehicle finance and housing finance
- GVC Rating of GVC Level 3 from CRISIL

2011

- Gross AUM crosses INR25.0 bn

2014

2016

- INR21.75bn (US\$326m) IPO (oversubscribed 17.2x)
- Launched Equitas Small Finance Bank (ESFBL)

2015

- RBI granted in-principle Small Finance Bank license

2017

- RBI granted Scheduled Commercial Bank (SCB) status to Equitas Small Finance Bank in Feb

2013

- Launched SME and LAP business
- GVC Rating upgraded to GVC Level 2

2012

- Gross AUM crosses INR10.0 bn

2009

- Concluded the first rated securitization by an Indian MFI

2010

- Gross AUM crosses INR5.0 bn

2008

- Received MFI Grading of mfR4 from CRISIL Highest rating for a start-up
- Raised first round of capital – INR60m

2007

- Launched Micro Finance lending to the underbanked

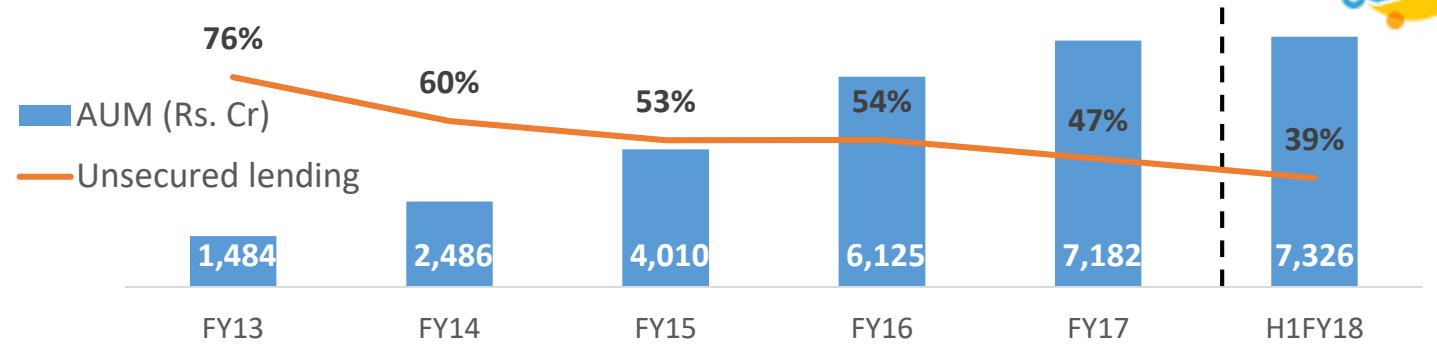
Business evolution – FY13 to FY17



AUM growth | Unsecured lending reduction

Robust growth in AUM in the past 4 years with a steady reduction in unsecured portfolio

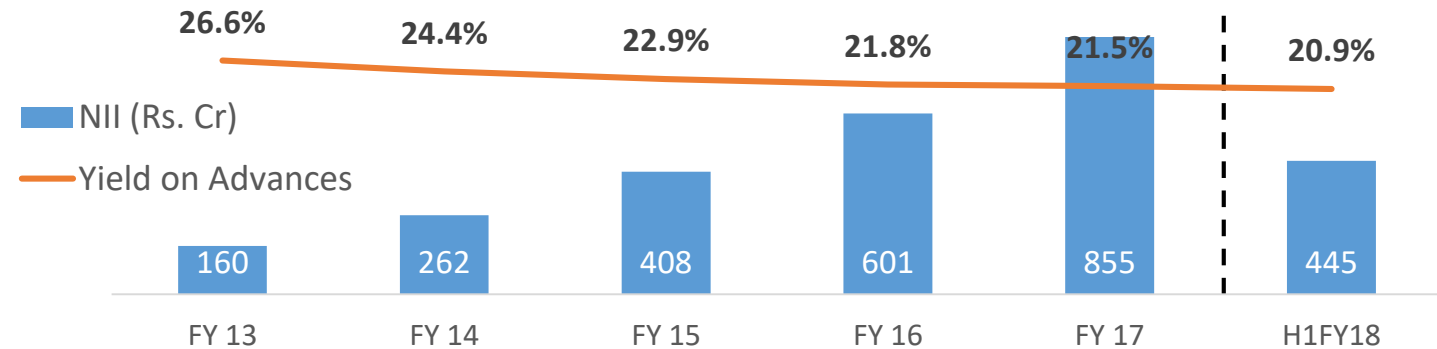
AUM CAGR (FY13 – FY17)	48%	Unsecured lending	39% of AUM down from 76%
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NII growth | Stable Yields

Healthy growth in Net Interest Income [NII] in the past 4 years with stable Yields

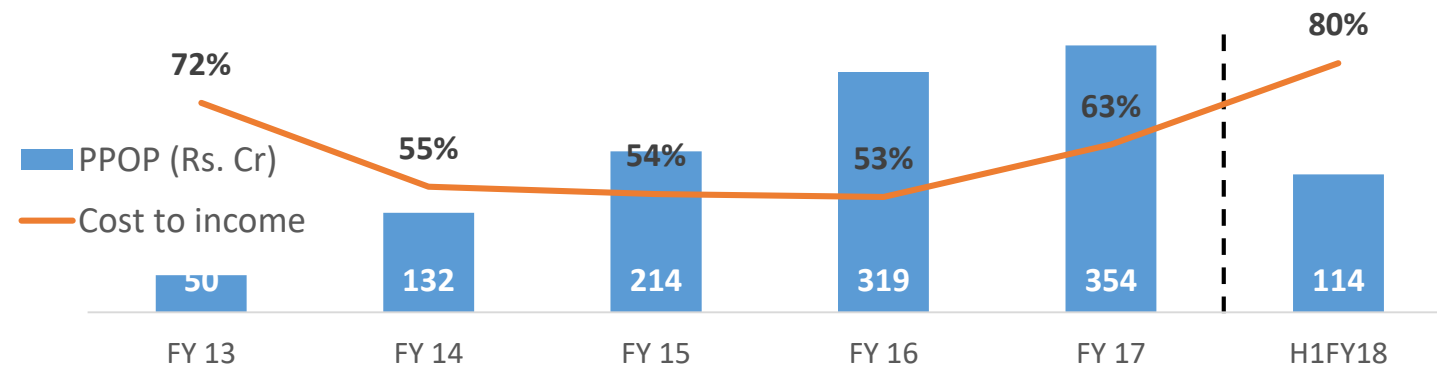
NII CAGR (FY13 – FY17)	52%	Yield on Advances	20% and above in the past 5 years
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PPOP growth | Transitional Cost-to-Income

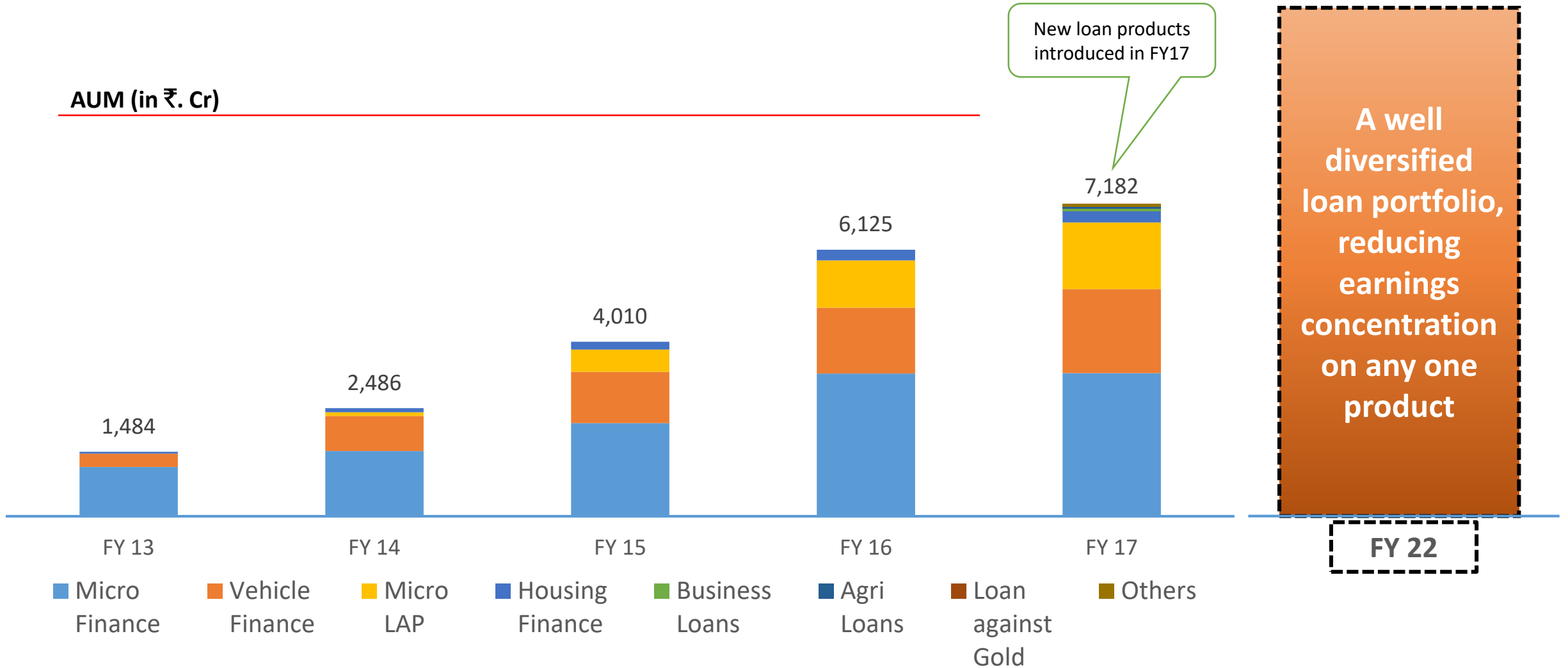
Significant Pre Provision Operating Profit [PPOP] growth in past 4 years. Cost-to-income increased recently and is expected to peak this year, due to bank transition and network expansion

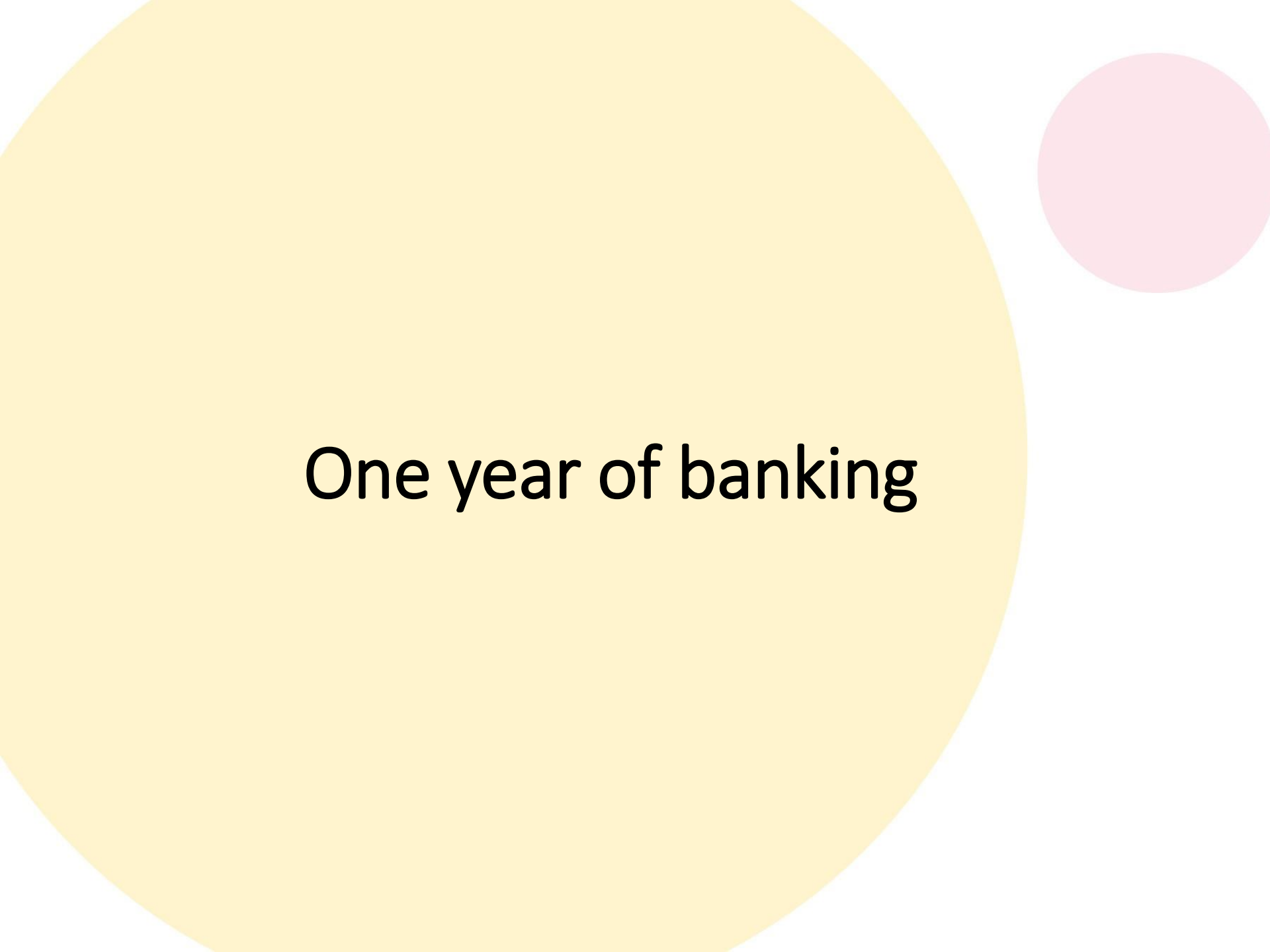
PPOP CAGR (FY13 – FY17)	64%	Cost-to-Income	80% reflecting bank transition
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Way forward – Asset remix

AUM (in ₹. Cr)





One year of banking

New Branches

- 392 liability centers set-up across India

New Product launches

- New loan offerings along with the a comprehensive suite of liability products launched.

Manpower Scale-up

- 3500 employees added and close to 3000 employees retrained and upskilled.

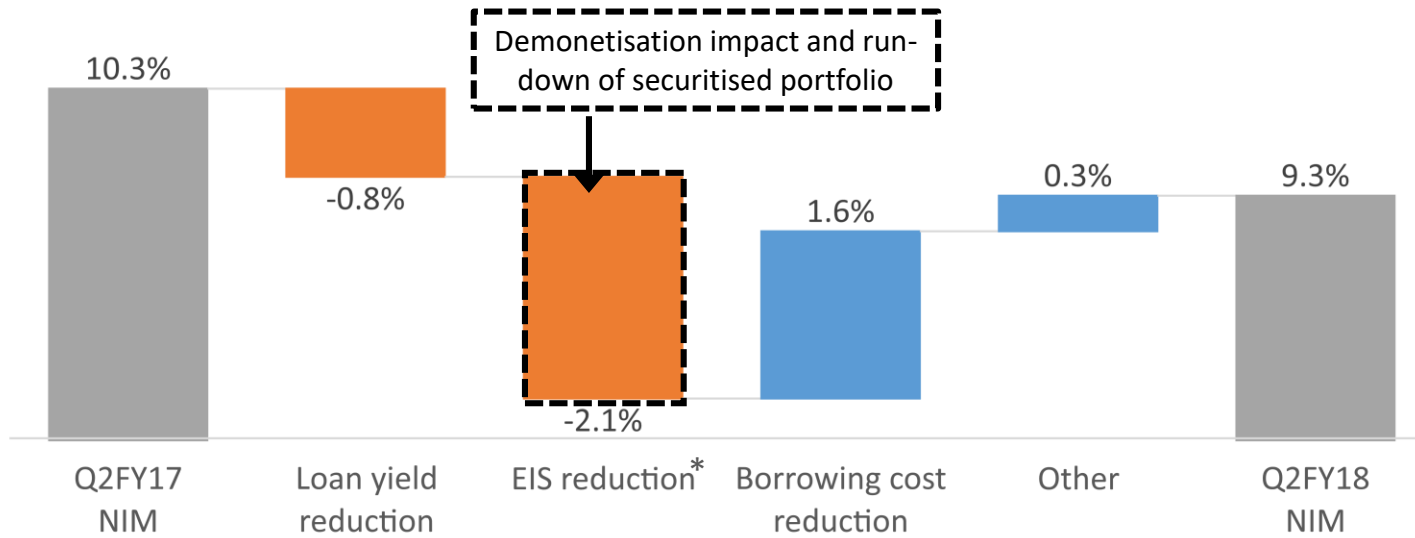
Low Cost Deposit Mobilization

- More than ₹ 3,000 Crore reduction in high cost debt
- ₹ 4,400 Crore of fresh funds* raised as a bank
 - Of which ₹ 878 Crore of CASA (low cost funding)

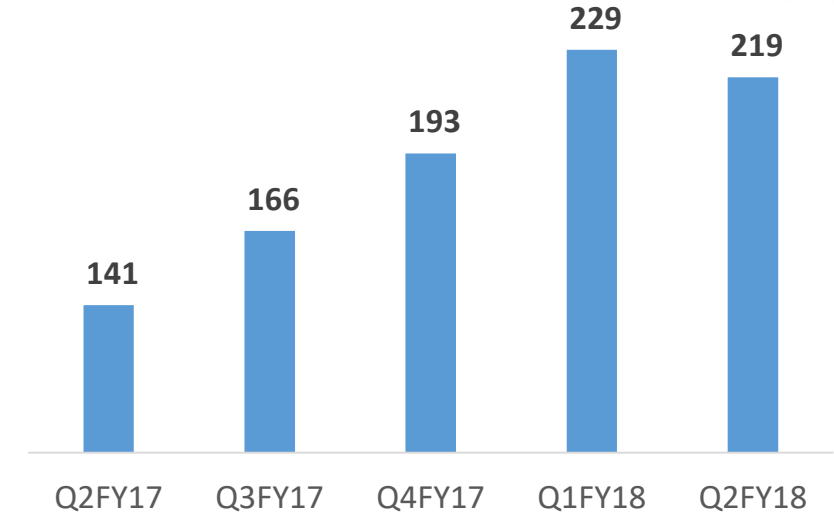
Reduction in Borrowing Cost

- Borrowing cost down from 10.7% in Q2FY17 to 8.7% in Q2FY18
- Marginal cost of borrowing at 6.5%, as of Q2FY18

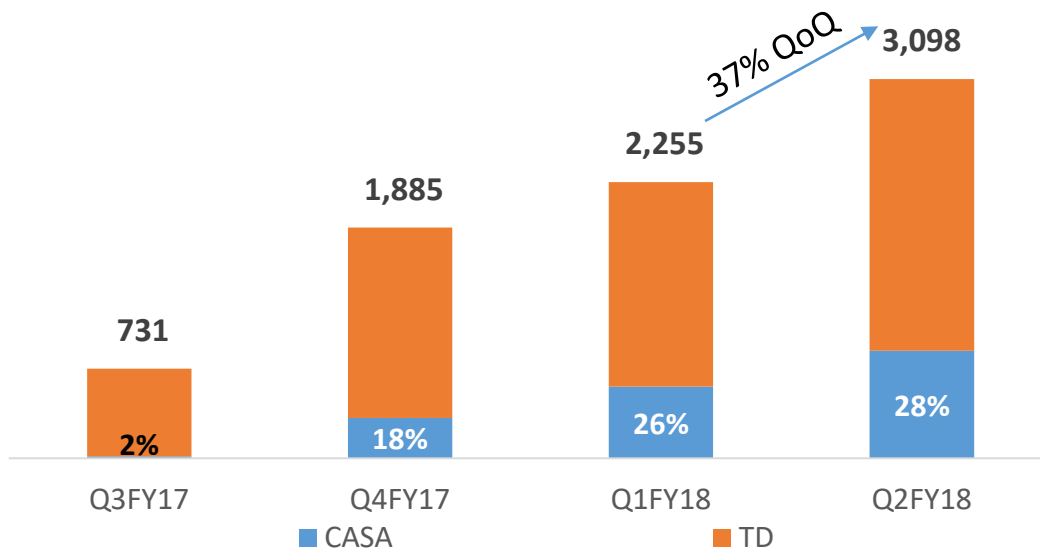
NIM evolution (%)



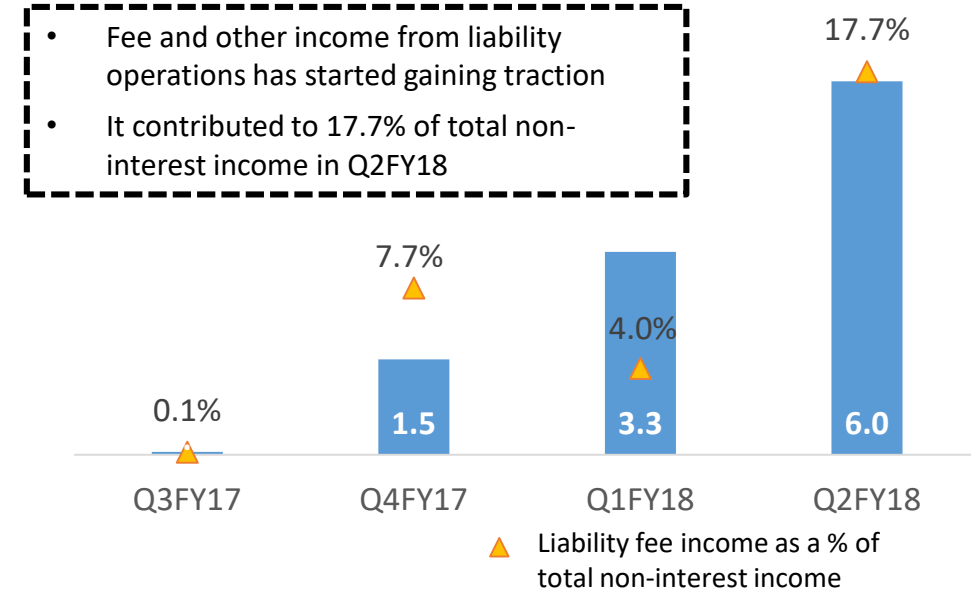
Opex evolution (₹ Cr)



Customer Deposits evolution (₹ Cr)



Liability fee income evolution (₹ Cr)



- Fee and other income from liability operations has started gaining traction
- It contributed to 17.7% of total non-interest income in Q2FY18

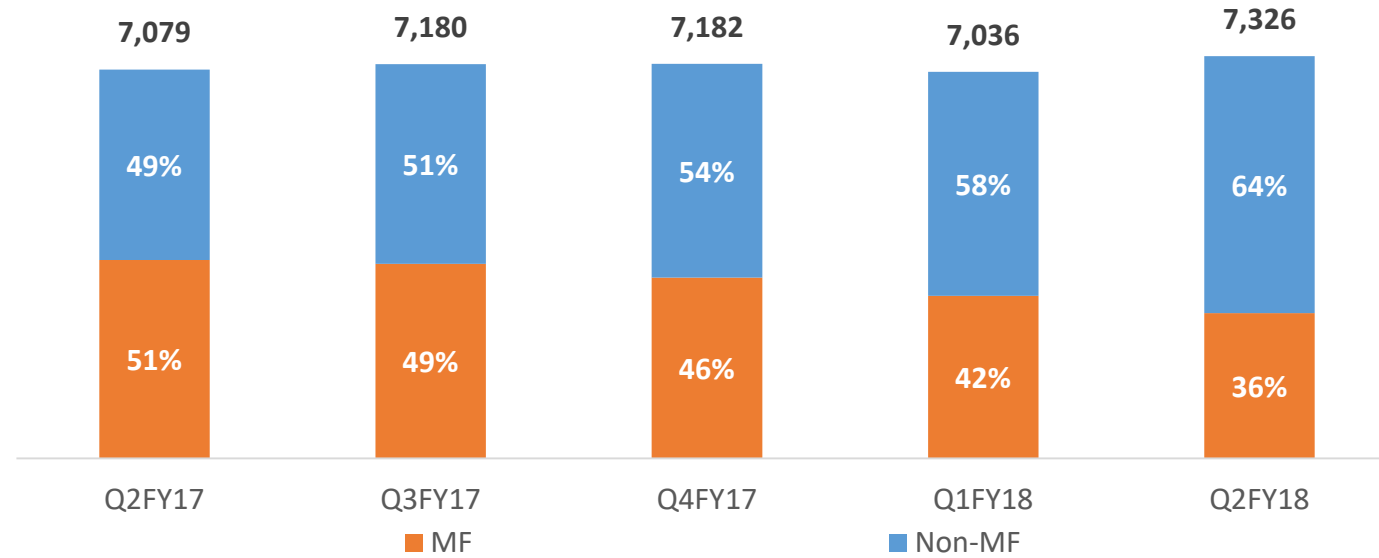
▲ Liability fee income as a % of total non-interest income

* EIS – Excess Interest Spread from securitised assets

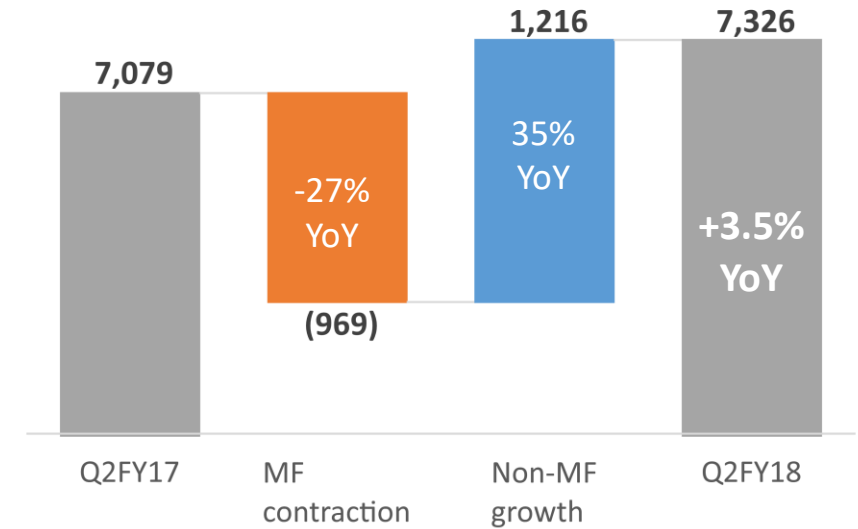


Advances – Asset Remix and Diversifying Credit Offering

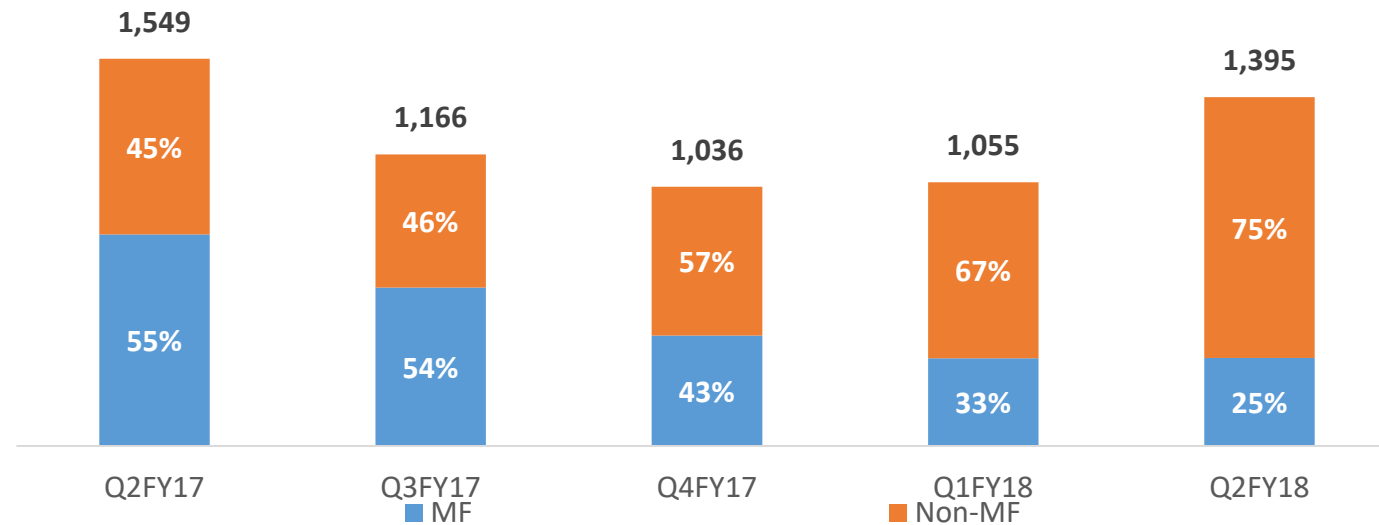
AUM evolution (in ₹. Cr)



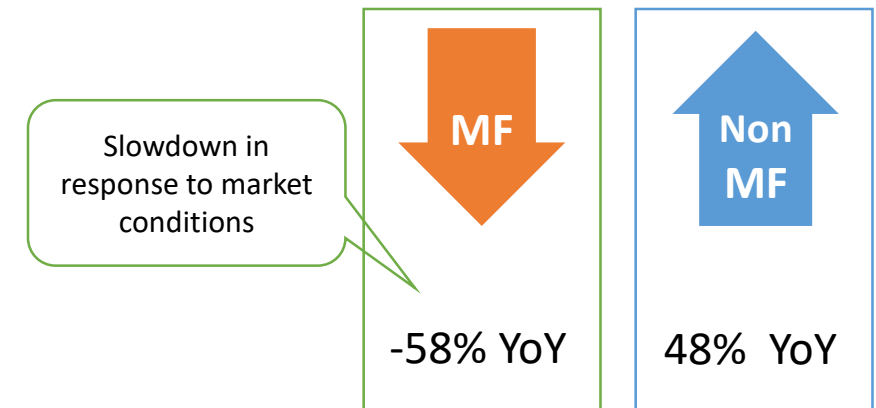
AUM growth (in ₹ Cr) – Q2FY18 vs Q2FY17



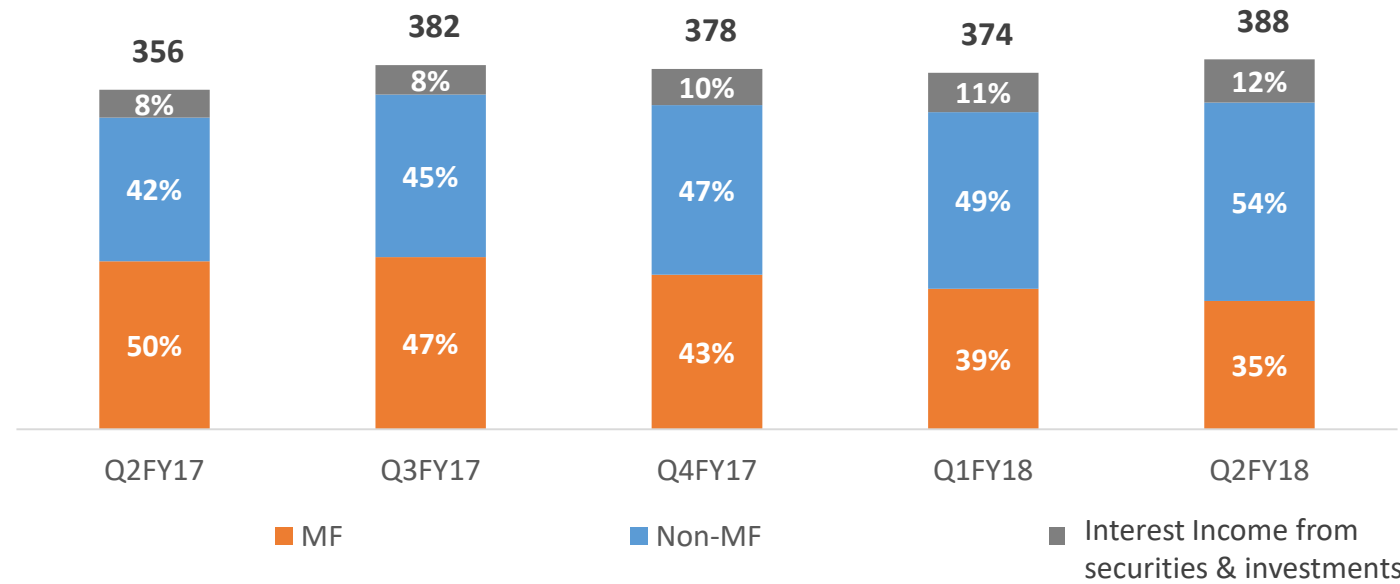
Disbursement evolution (in ₹. Cr)



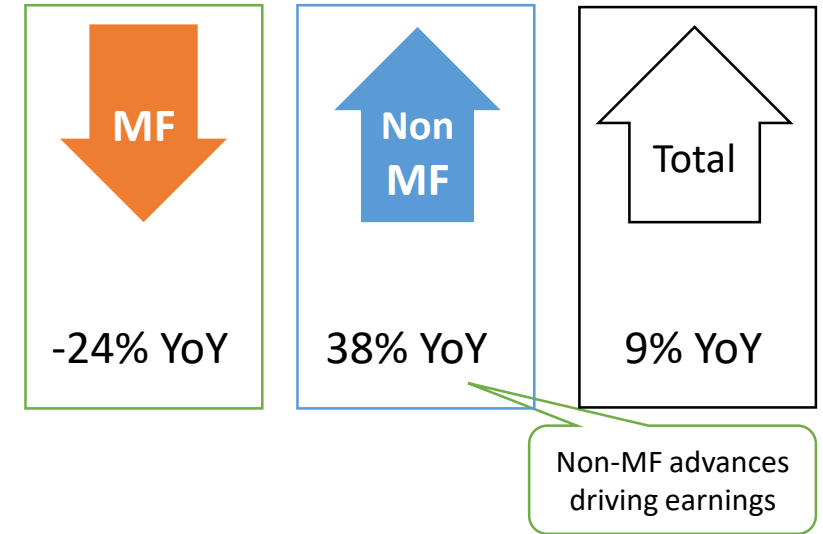
Disbursement growth rates – Q2FY18



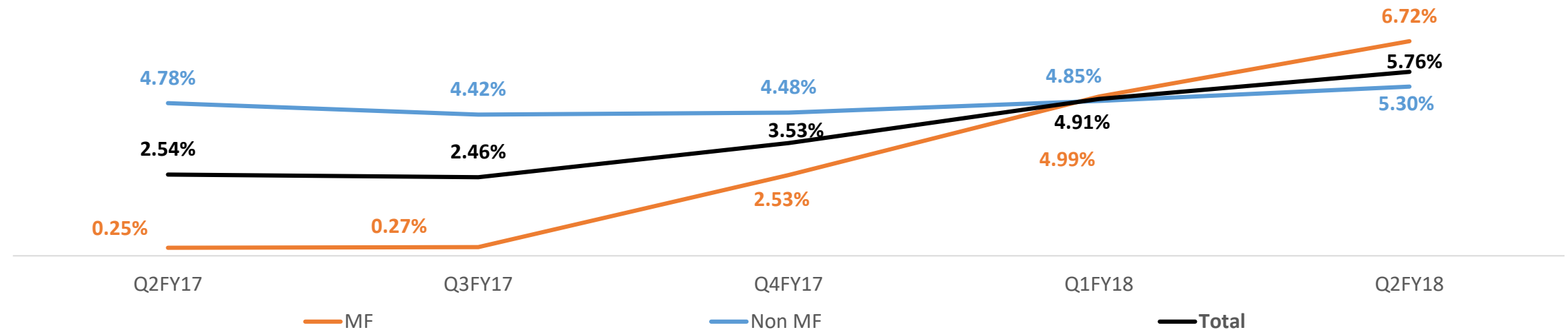
Interest income evolution (in ₹. Cr)



Interest income growth rates – Q2FY18

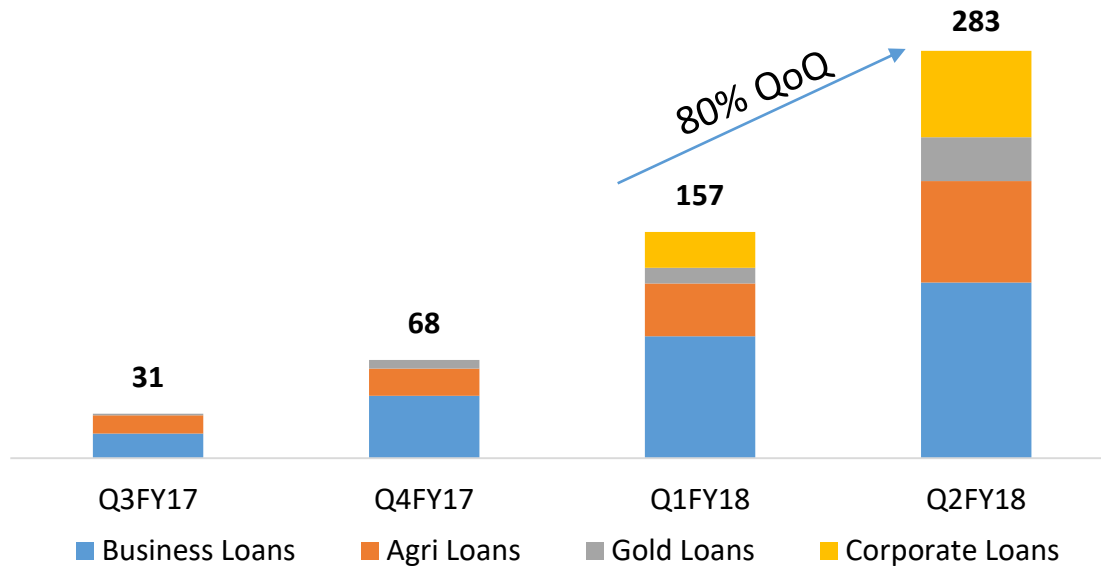


Gross NPA evolution (%)

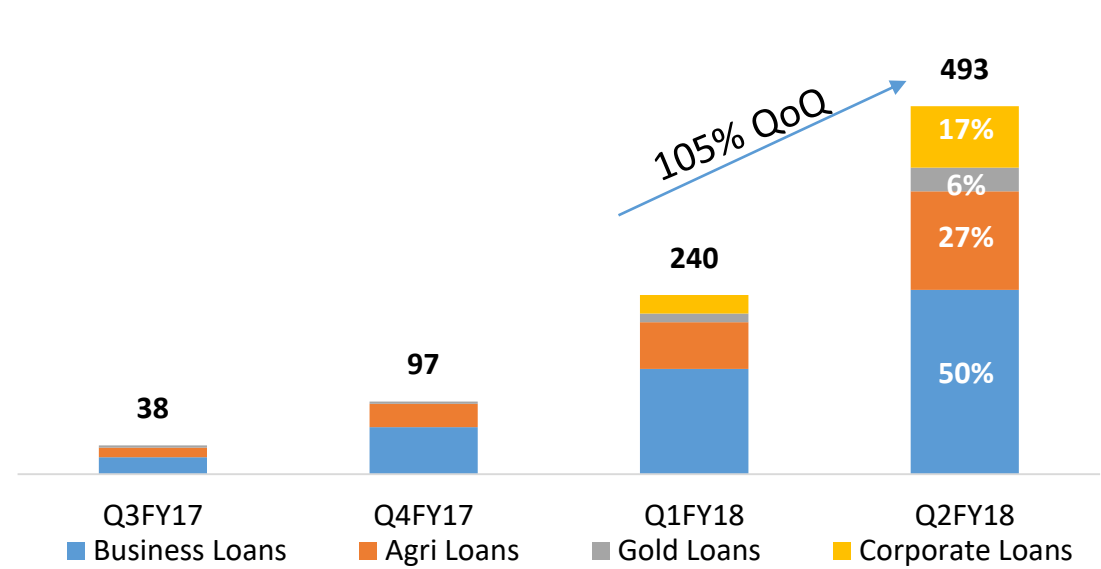


New products traction

New products traction – Disbursement (in ₹. Cr)



New products traction – AUM (in ₹. Cr)



New credit products traction – Network and Reach

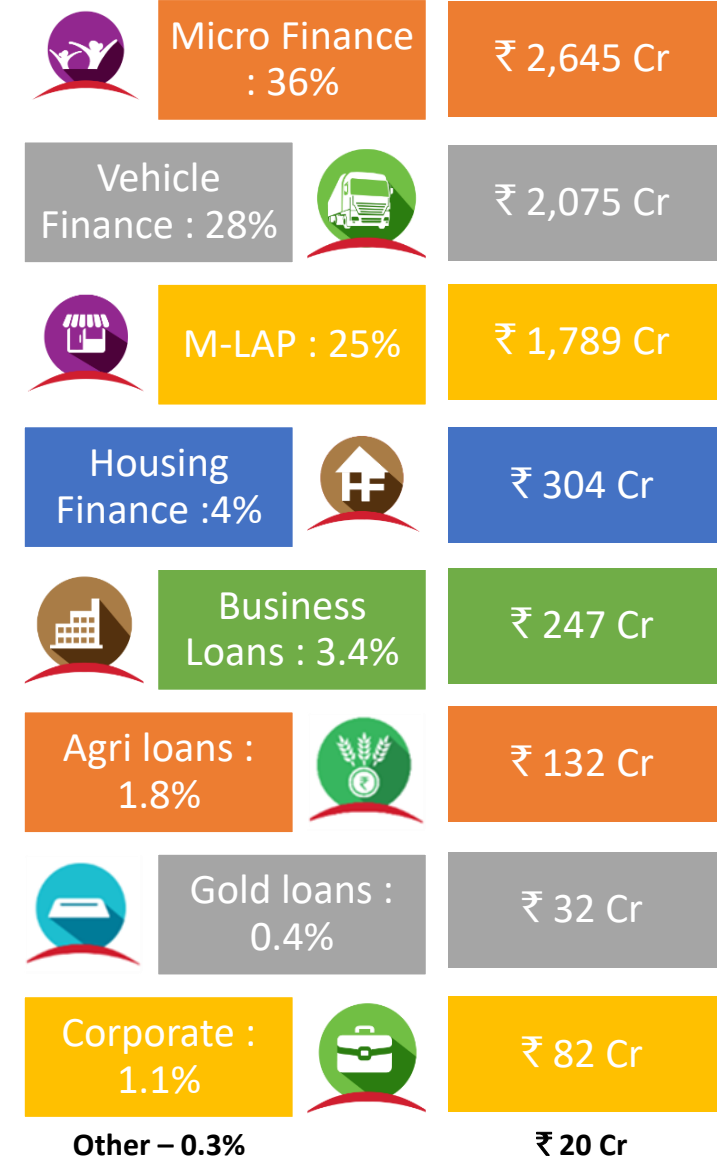
New credit products	No. of States & UTs	Locations (or) Centers
Business Loans	13	150+
Agri Loans	7	150+
Gold Loans	5	164
Corporate Loans	Centralised operations	

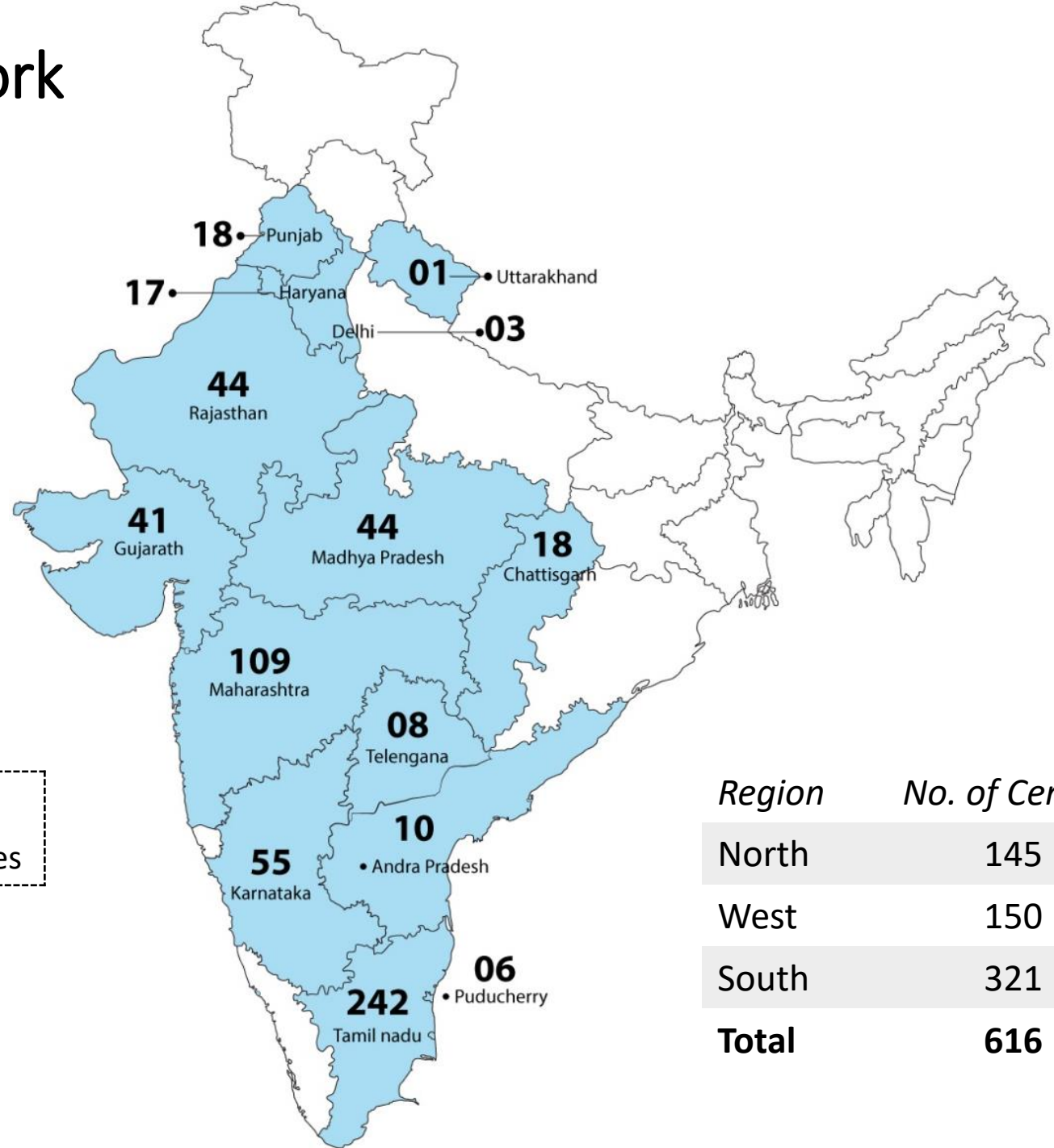
- Efficient reach of Business Loans [BL] network
 - Enables offering in almost all banking centers
- Existing MF network leveraged for new products (Agri Loans)
- Gold Loans offered in liability centers
- Small & Mid Corporate loans - lending exclusively to NBFCs and SMEs

Business update for Q2FY18

- Micro Finance collection efficiency in the states of Maharashtra and MP have shown signs of improvement
 - Improvement in Center Meeting attendance
- Key locations have been identified to drive special focus on Agri loans
- New LCV financing, which was introduced in Q1FY18, is gaining traction
- Current Account and Savings Account products rolled-out for asset customers (Inclusive banking customers)

Portfolio Mix





Asset Centers

616 Centers	12 States	02 Union Territories
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Region	No. of Centers
North	145
West	150
South	321
Total	616



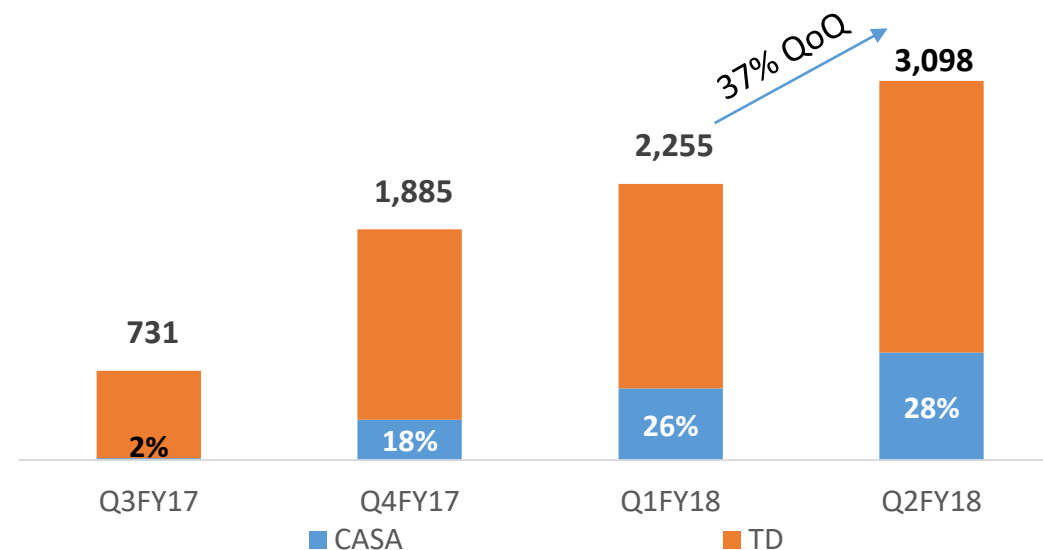
Liability – Products and Franchise Roll-out

Update for Q2FY18

as of 30 Sept 2017	CA [Current Account]	SA [Savings Account]	CASA [Low cost deposits]	TD [Term Deposits]	CASA+TD Total Deposits
Balance (₹ Cr)	225	653	878	2,220	3,098
as a % of total borrowings (₹ 7,373 Cr)	3.1%	8.9%	11.9%	30.1%	42.0%
Number of customers	~ 30,000	1,16,000+	1,46,000+	16,000+	1,66,000+
Avg. balance (exc. Inclusive banking customers) (₹)	1,02,000+	56,000+		13,00,000+	

- 37% QoQ increase in customer deposit balance
 - 28.3% CASA to Total Deposits; up from 25.9% previous quarter
 - Retail Term deposits at ~22% of total Term Deposits *
- New customer deposit products introduced
 - NRI savings deposits introduced

Customer Deposits evolution (₹ Cr)



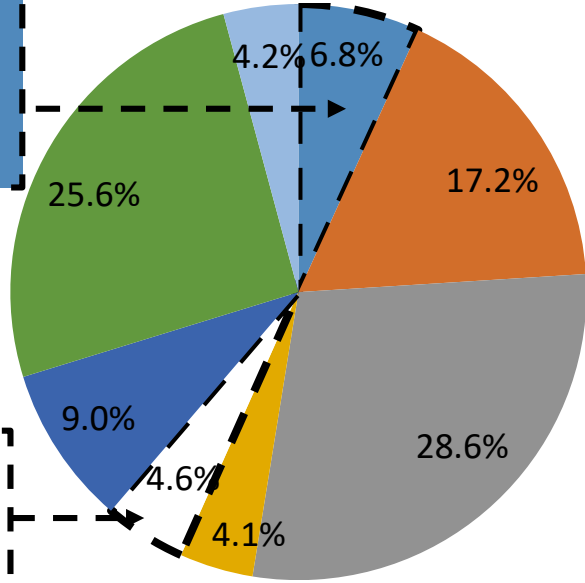
* Retail pertains to accounts with less than Rs.1Cr balance

Borrowing profile

As on 30 Jun 2017

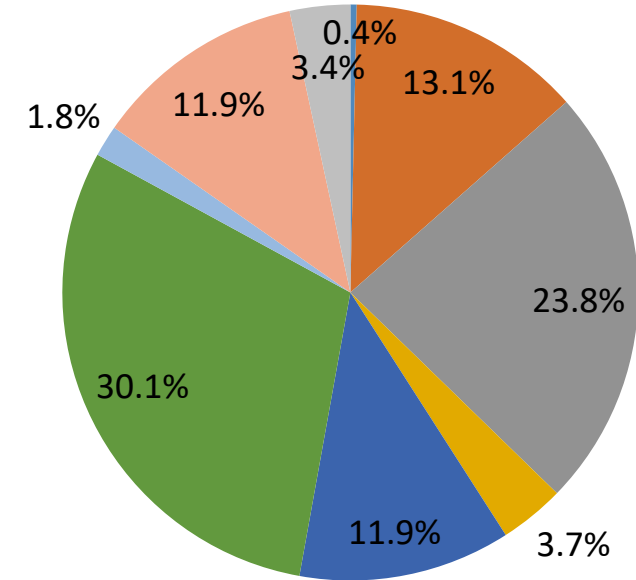
Term loans have been pre-closed during Q2FY18, with no pre-closure charge

Commercial Paper borrowing matured and closed in Q2FY18

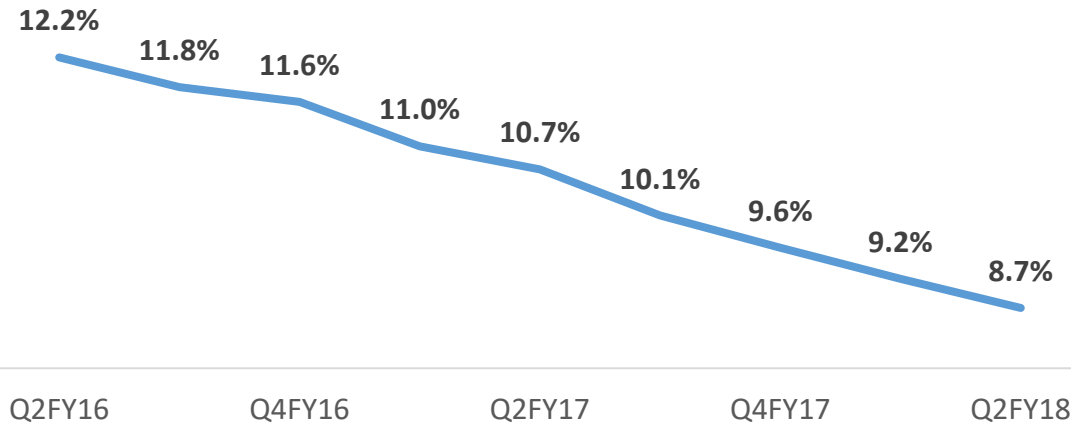


- Term Loans
- Refinance
- Debenture
- Sub-ordinated Debt
- CASA
- TD
- CBLO
- Certificate of Deposit
- Term Borrowing

As on 30 Sept 2017



Funding cost evolution

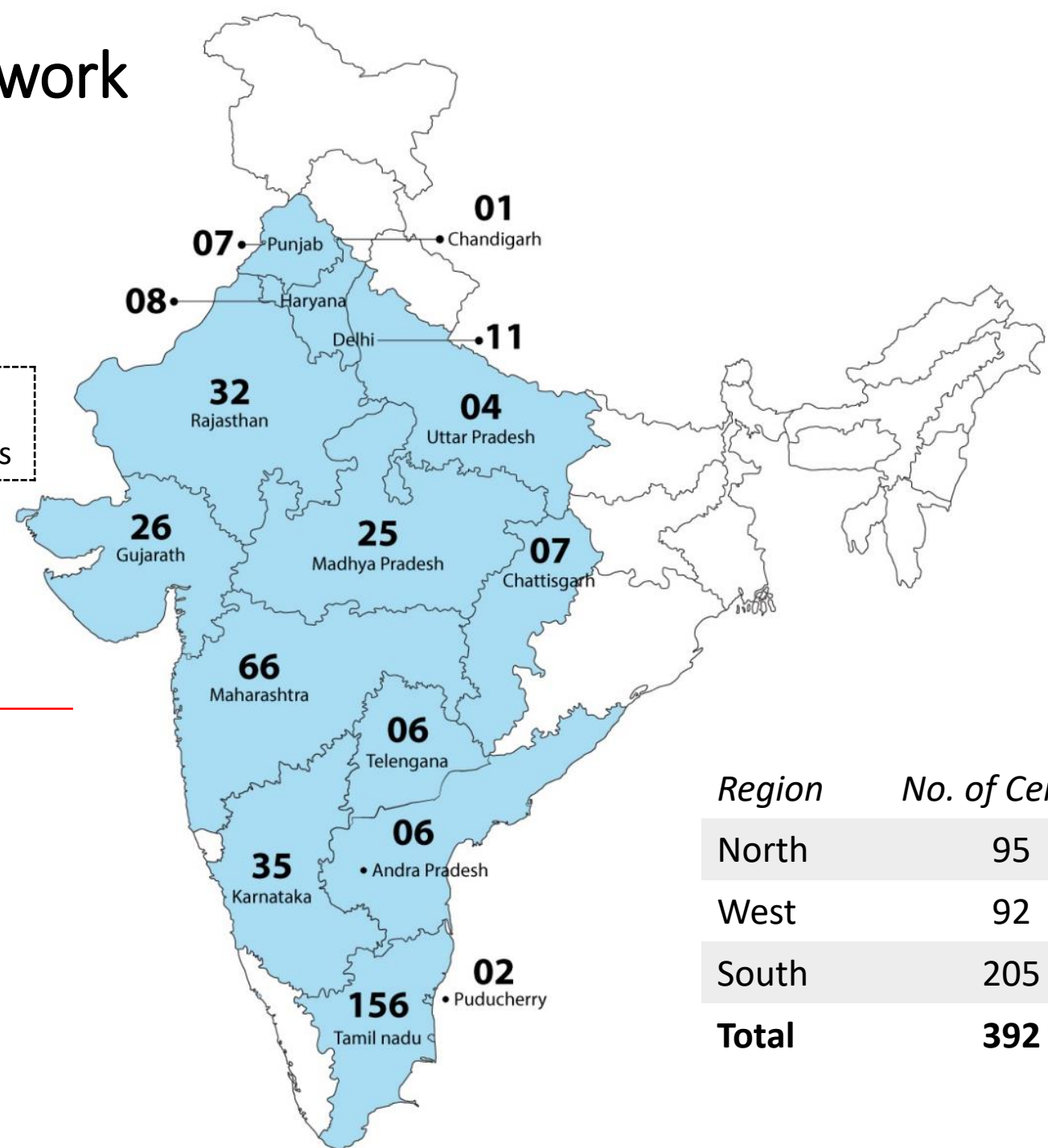


Credit to deposit trend

₹ Cr	Total deposits (CASA + TD)	Credit to Deposit ratio
31 st Dec 16	731	8.1x
31 st Mar 17	1,885	3.1x
30 th Jun 17	2,255	2.7x
30th Sep 17	3,098	2.1x

Liability Centers

392 Centers	13 States	02 Union Territories
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Liability network update for Q2FY18

- 57 new branches opened in Q2FY18
- Branch network across the country
- Outreach Banking (Business correspondents) has been integrated in the network

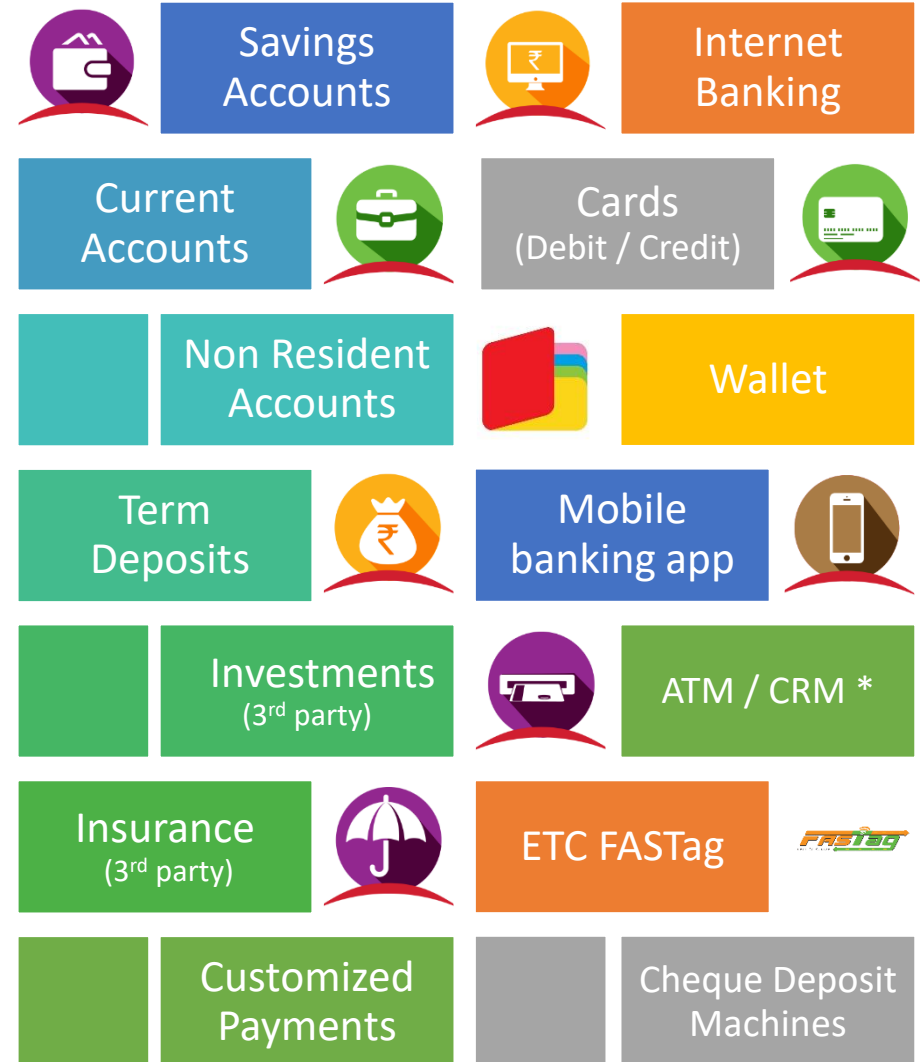
Region	No. of Centers
North	95
West	92
South	205
Total	392

Liability – Business update

Update as of 30 Sept, 2017

- Key person on-boarding :
Head of Branch Banking, Liability, Products and Wealth
- 3,700+ branch banking employees on roll
- 300+ ATMs / CRMs* operational
- 1,00,000+ debit cards issued
 - Visa Card variants launched in July 2017
- Corporate internet banking introduced
- Online ETC FASTag introduced – first bank to launch online
 - Mobile App for FASTag launched in Oct 2017
- Loyalty and Rewards platform “Equinox” launched

Product offerings – banking, digital and others



* CRM – Cash Recycler Machines

Digital Payment Systems



FASTag



Add multiple Bank
a/c-VPA



e-KYC, AEPS
Aadhaar Pay



Digital POS –Scan/Tap
to pay



Bill Payments



Other digital payment
systems

Digital Banking – products and services

Debit / Prepaid Cards



Net, Mobile, Chat
Banking



Mobile Wallet, Store
Cards & Bank A/cs




Branch assisted TAB



Self service kiosks
-Cardless deposit, Chq
Deposit, Passbook

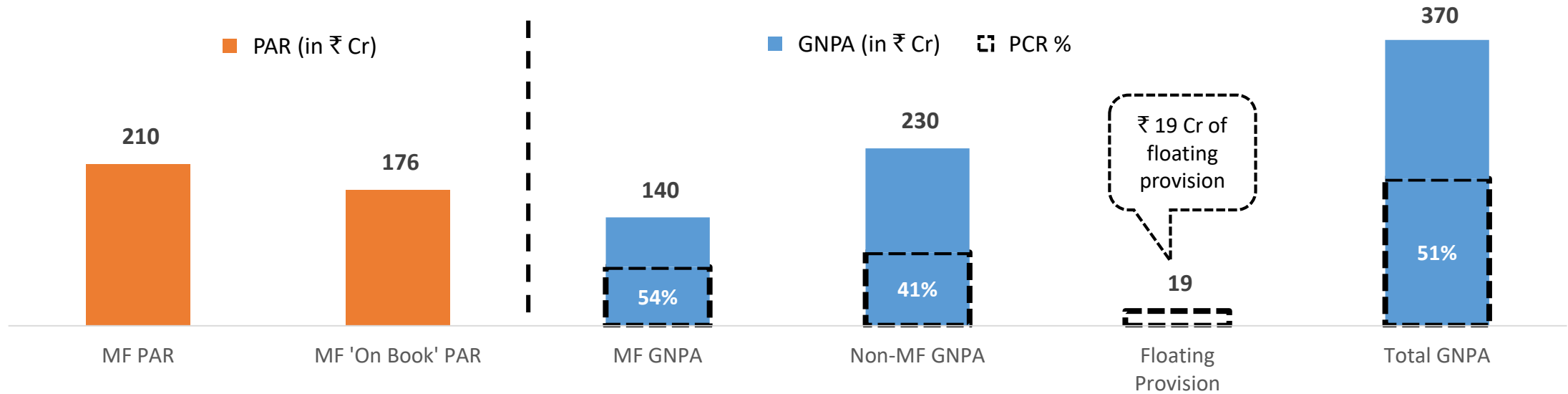




Asset quality

PAR and GNPA (in ₹ Cr) and Provision cover (%) for Q2FY18

- In MF portfolio, of the ₹ 176 Cr of 'On Book' PAR ₹ 140 Cr is classified as GNPA



Consolidated Financial Overview

Consolidated Financial Overview

Q2
FY18

₹ 1,395 Cr
[₹ 1,549 Cr]
Disbursement

↓ -10% YoY

₹ 229.6 Cr
[₹ 200.6 Cr]
NII

↑ 14% YoY

₹ 7,326 Cr
[₹ 7,079 Cr]
AUM

↑ 3.5% YoY

₹ 219.2 Cr
[₹ 140.8 Cr]
Opex

↑ 56% YoY

₹ 10,323 Cr
[₹ 9,011 Cr]
Assets

↑ 15% YoY

₹ 27.1 Cr
[₹ 14.9 Cr]
Provisions

↑ 82% YoY

₹ 3,098 Cr
Deposits

↑ 28% CASA

₹ 10.9 Cr
[₹ 46.3 Cr]
PAT

↓ -76% YoY

H1
FY18

₹ 445.3 Cr
[₹ 405.0 Cr]
NII

₹ 447.8 Cr
[₹ 254.2 Cr]
Opex

₹ 71.2 Cr
[₹ 32.4 Cr]
Provisions

₹ 26.5 Cr
[₹ 107.5 Cr]
PAT

Consolidated Key Ratios

**Q2
FY18**

9.3%
[10.3%]
NIM *

83.1%
[61.4%]
Cost / Income

1.93%
[8.67%]
ROAE

31.6%
Tier 1

12.9%
**Non-interest
income/Net income ***

8.9%
[7.2%]
Cost / Assets

0.44%
[2.37%]
ROAA

34.3%
CAR

5.76%
[2.54%]
GNPA

2.80%
[1.17%]
NNPA

51.4%
[53.9%]
PCR

1.73%
[1.05%]
Credit cost *

**H1
FY18**

9.0%
[10.5%]
NIM *

79.7%
[55.7%]
Cost / Income

2.32%
[1.21%]
Credit cost *

0.54%
[2.80%]
ROAA

Consolidated Financial Performance

Consolidated Balance Sheet

₹ Cr

Particulars	Sep 17	Sep 16	YoY %	Jun 17	QoQ %
Capital & Liabilities					
Share Capital	339.0	337.0	1%	337.8	0%
Reserves & Surplus	1,924.4	1,837.6	5%	1,910.7	1%
Net Worth	2,263.4	2,174.6	4%	2,248.6	1%
Borrowings	7,373.1	6,152.8	20%	6,532.1	13%
Other Liabilities & Provision	686.1	684.0	0%	705.1	(3%)
Total Capital & Liabilities	10,322.6	9,011.3	15%	9,485.8	9%
Assets					
Cash and Bank Balance	728.0	734.7	(1%)	662.9	10%
Investments	2,478.7	1,821.7	36%	2,088.0	19%
Advances	6,425.8	5,654.8	14%	6,104.9	5%
Fixed Assets	352.4	161.1	119%	348.8	1%
Other Assets	337.7	639.0	(47%)	281.2	20%
Total Assets	10,322.6	9,011.3	15%	9,485.8	9%
AUM [On Book + Off Book]	7,325.8	7,078.7	3%	7,036.1	4%

Consolidated Profit & Loss

₹ Cr

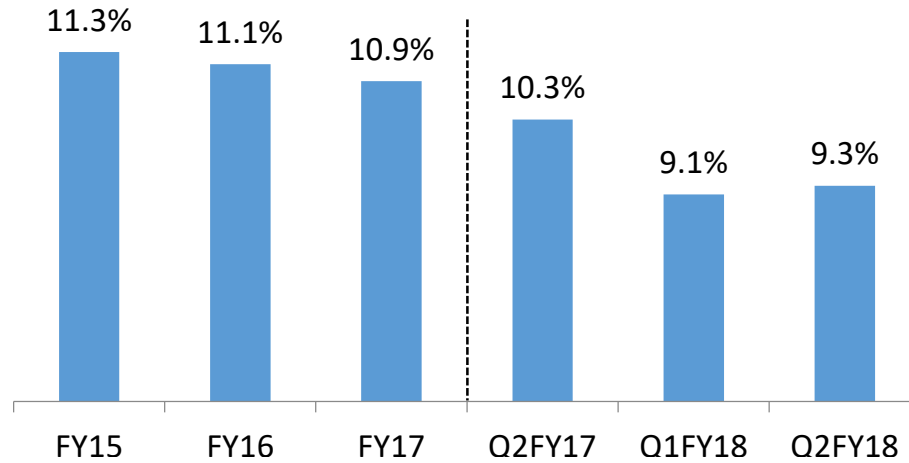
Particulars	Q2FY18	Q2FY17	YoY %	Q1FY18	QoQ %
Interest Income *	388.1	356.2	9%	374.4	4%
Finance Cost	158.5	155.6	2%	158.6	(0%)
Net Interest Income	229.6	200.6	14%	215.8	6%
Other Income **	34.1	28.7	19%	82.3	(59%)
Net Income	263.7	229.4	15%	298.0	(12%)
Operating Expenses	219.2	140.8	56%	228.6	(4%)
Profit before Provisions	44.5	88.6	(50%)	69.4	(36%)
Credit Cost	27.1	14.9	82%	44.1	(39%)
Profit Before Tax	17.4	73.7	(76%)	25.4	(31%)
Provision for Taxation	6.5	27.3	(76%)	9.8	(33%)
Profit After Tax	10.9	46.3	(76%)	15.6	(30%)

* Interest income includes EIS from securitisation of ₹ 14.9 Cr for Q2FY18, ₹ 19.9 Cr for Q1FY18 and ₹ 52.4 for Q2FY17

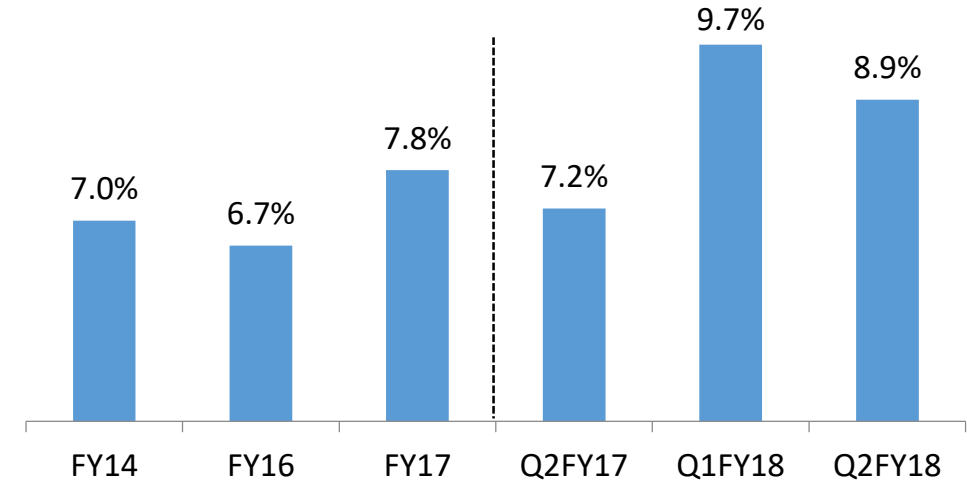
** Other Income includes PSLC fee income which is NIL for Q2FY18, ₹ 60.1 Cr in Q1FY18 and ₹ 6.9 Cr in Q2FY17

Consolidated – Key Ratios

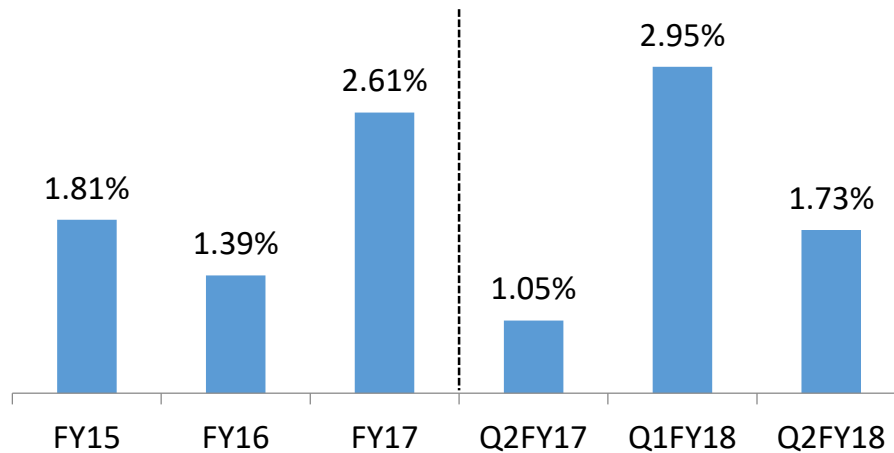
Net Interest Margin * (NIM)



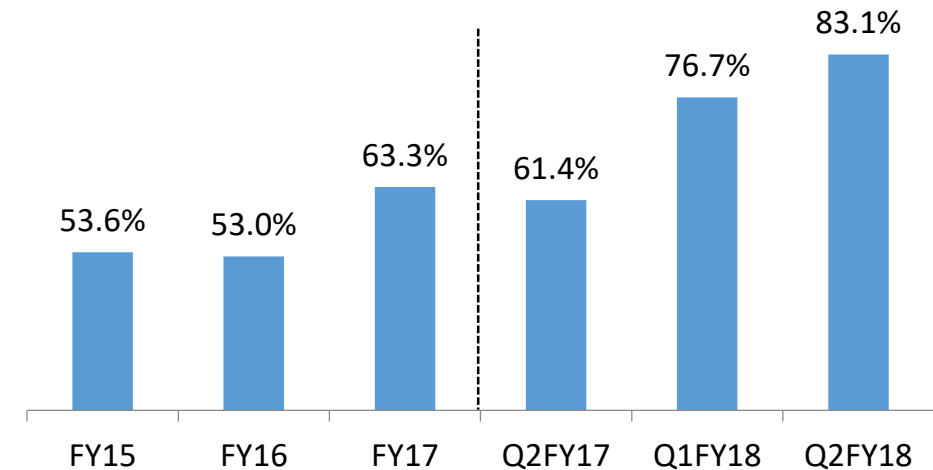
Cost / Avg. Assets



Credit cost *



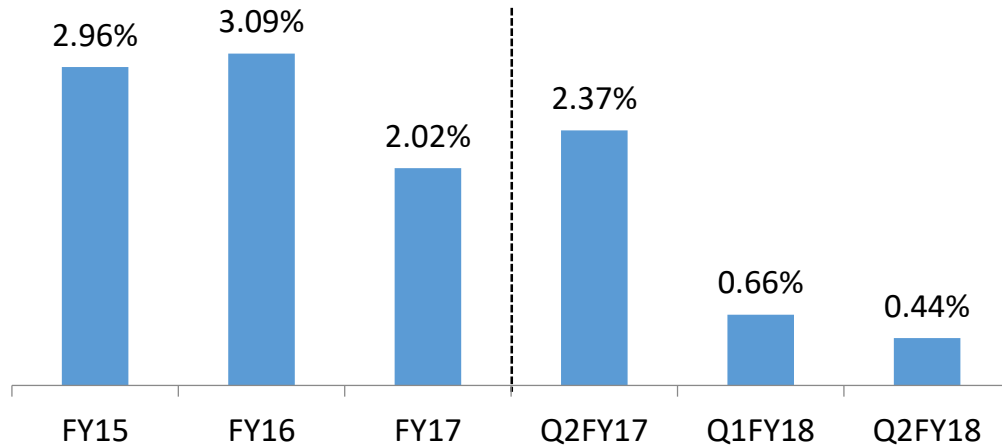
Cost / Income



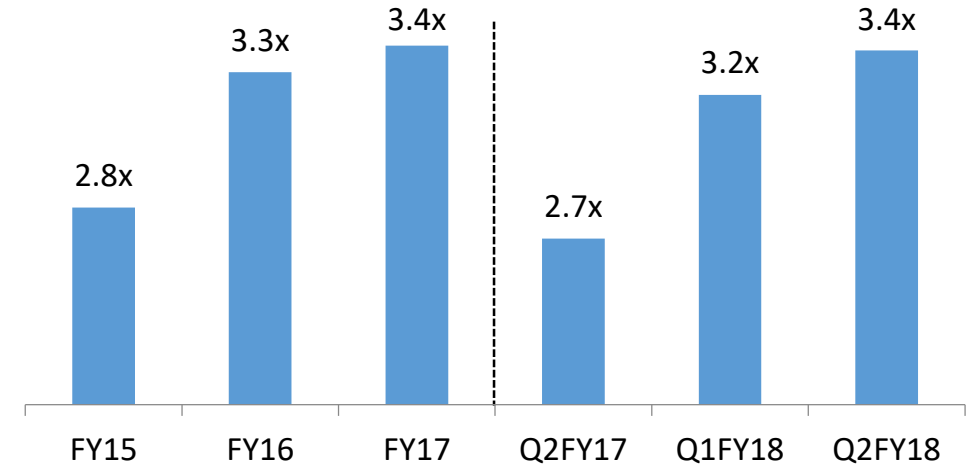
* NIM = Net Interest Income as a % of Average Total Assets | Credit cost = Provision as a % of average 'On Book' advances

Consolidated – Key Ratios (contd.)

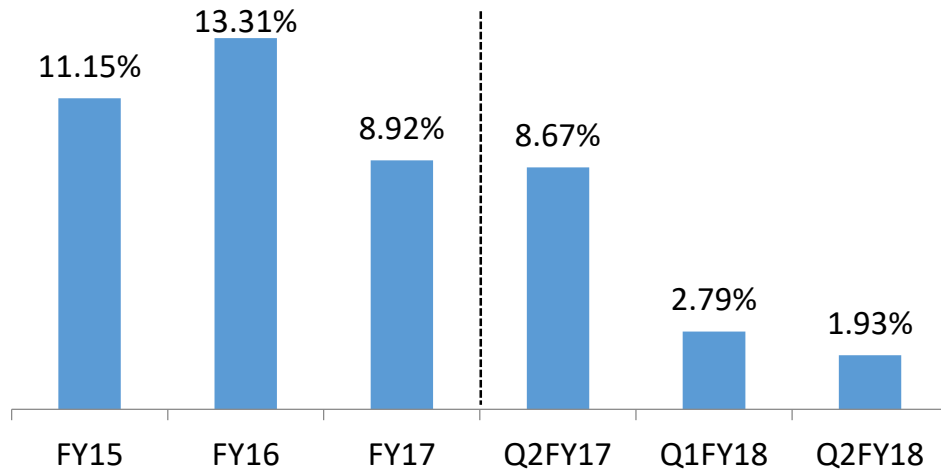
Return on Avg. Assets (ROAA)



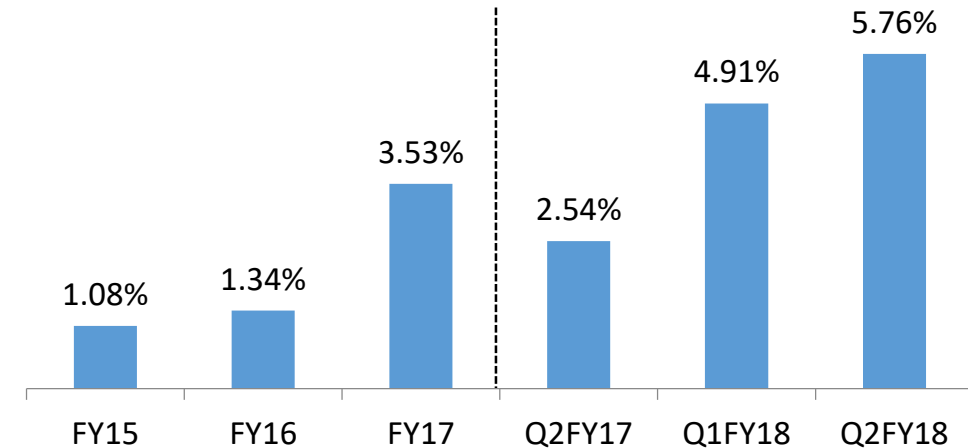
Gearing - Avg. Assets / Avg. Equity



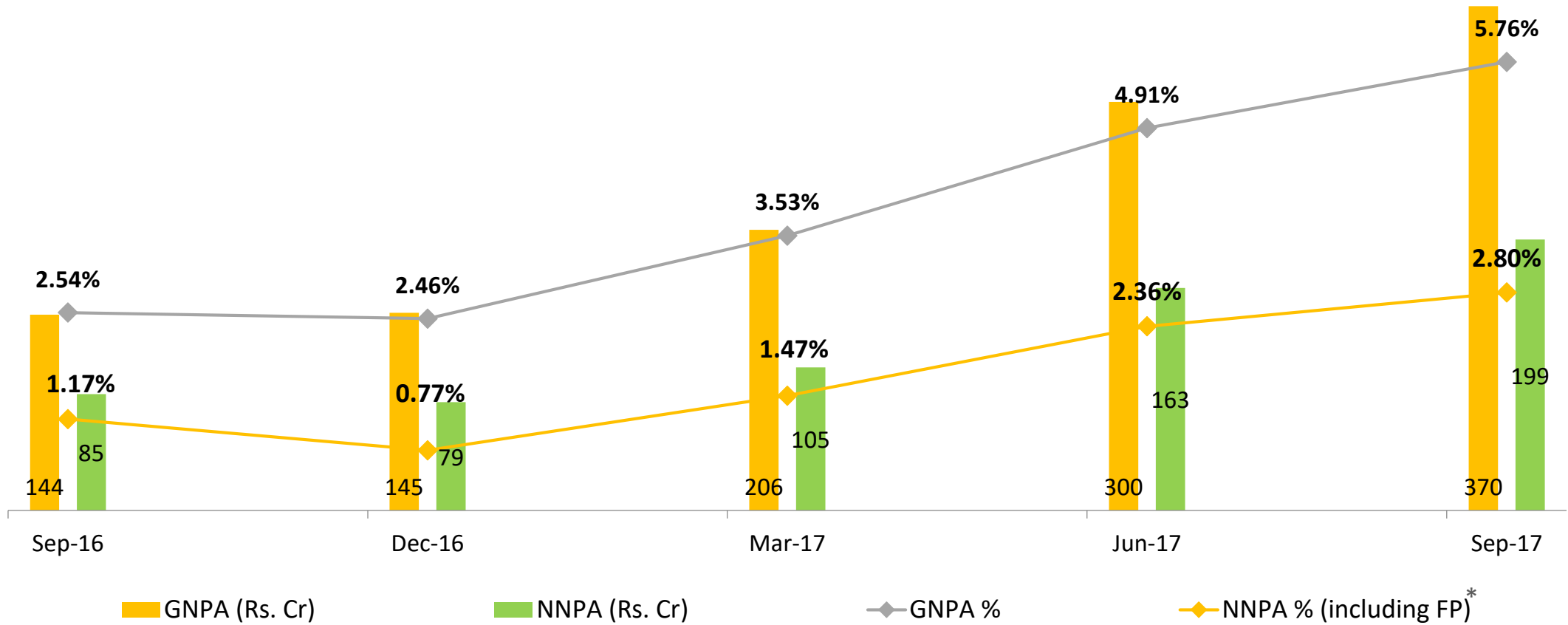
Return on Avg. Equity (ROAE)



Asset Quality – Gross NPA



Asset quality trend



* FP – Floating Provision

Equitas Technologies Private Limited [ETPL] - Highlights

Operations started effective middle of Q2FY17

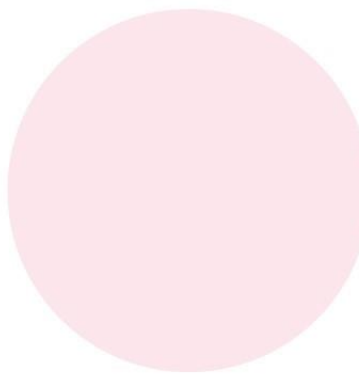

Driver App rolled out in Q3FY17.
Customer App rolled out in Q4FY17

Operations currently in 3 cities in Tamil Nadu

Transactions are only intra-city movements and volumes are continue to grow steadily

Full technology led integrated operations done in Q1FY18

Q2FY18 Operational revenue: ₹ 67 lakh
and
Net Loss of ₹ 174 lakh



CSR Initiatives – *Social impact continues*

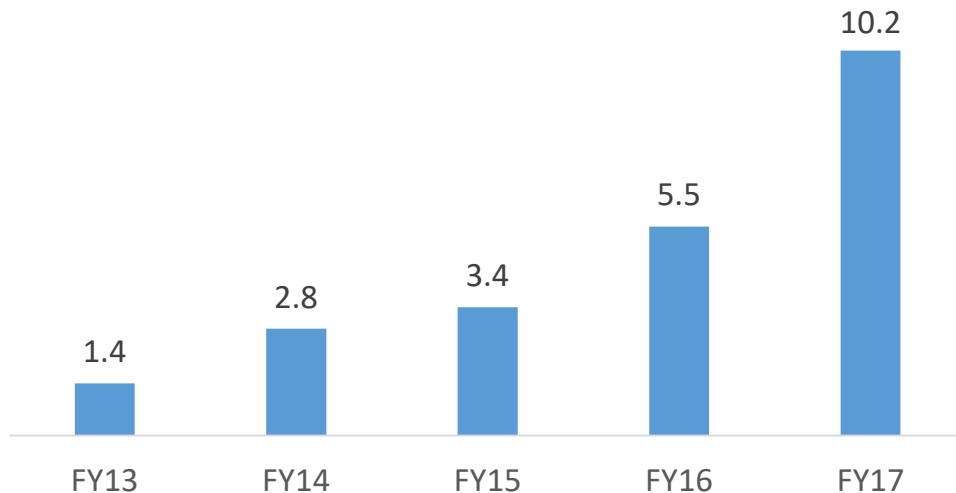
EDIT – Equitas Development Initiatives Trust

Set up in 2008 and supervised by eminent trustees, Equitas believes social initiatives also enables it to engage better with underbanked communities that it works with

Group CSR Policies

Group has a policy to contribute up to 5% of PAT to CSR activities and ₹ 2,000 per branch per month may be allocated for primary health care and skill development of customers

CSR contribution (₹ Cr)



Medical awareness and preventive healthcare programs

5mn beneficiaries from health and eye care camps



7 English-medium board schools

5,600+ children from low-income households enrolled



Job fairs for candidates from economically weaker sections

1,00,000+ candidates previously unemployed placed in jobs



Equitas Birds Nest – Pavement dwellers rehabilitation program

1,200+ families rehabilitated to organized housing

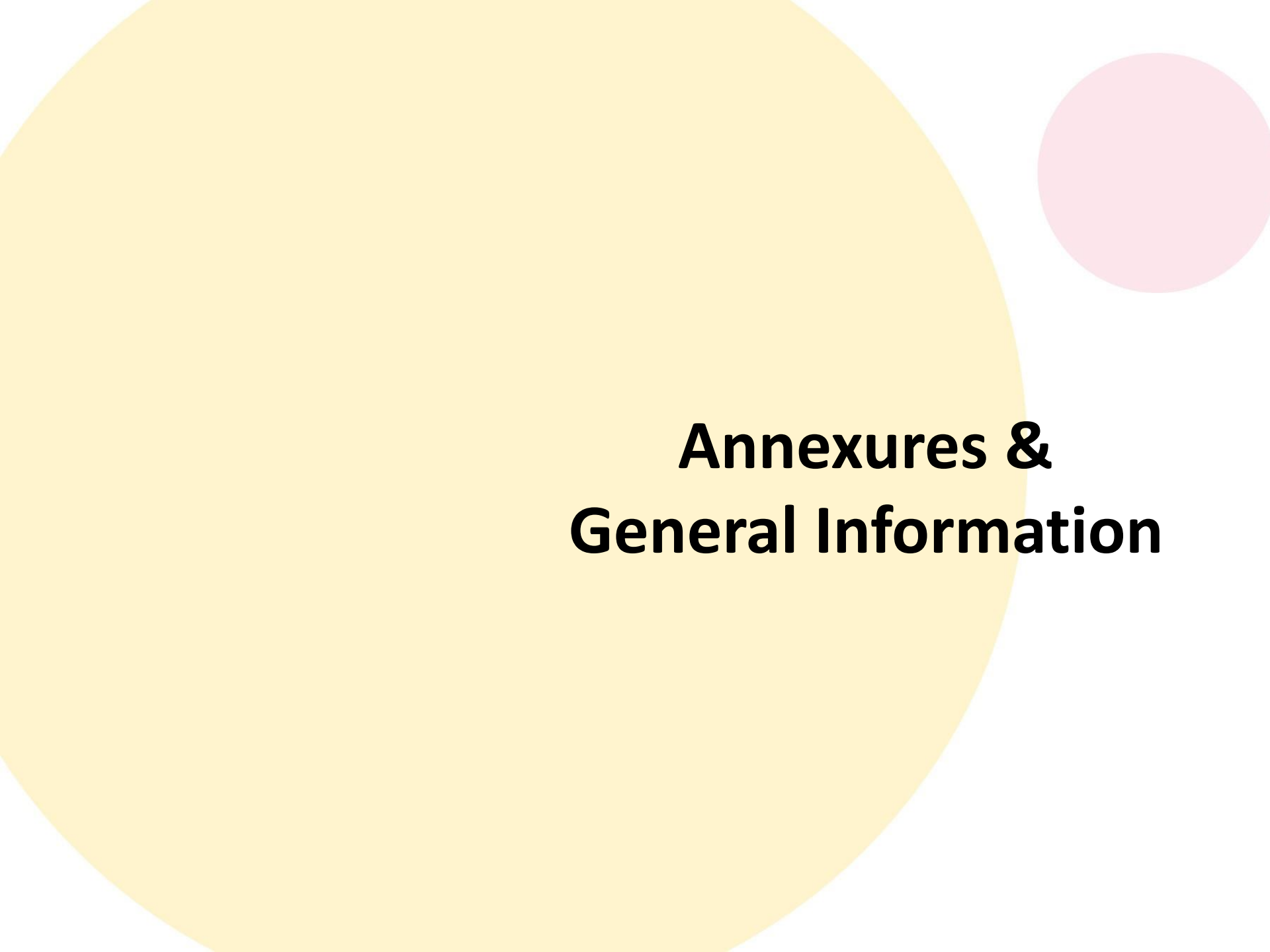


Skills development program

4,60,000+ people trained on cottage livelihood skills

Equitas Social Initiatives

Particulars	FY16	FY17	Q2FY18	Cumulative since inception
No. of beneficiaries in health camps	864,384	8,37,247	2,07,878	50,28,983
No. of spectacles provided [free of cost]	11,690	8,852	2,759	96,917
No. of cataract operations [free of cost]	1,563	1,842	307	28,664
No. of people trained on cottage livelihood skills	41,268	39,406	6,630	4,65,821
No. of unemployed youth placed in jobs	26,320	32,090	15,067	1,08,701
No. of families living on pavements rehabilitated	362	482	74	1,277
No. of children studying in the 7 Equitas schools	4,142	4,948	5,680	N.A.



Annexures & General Information

EHL - Shareholding Pattern

Type of Shareholder	As on 07 th Jul, 2017	As on 30 th Sep, 2017
Foreign Investors	41.1%	39.1%
Domestic Investors	58.9%	60.9%
Mutual Funds	32.6%	33.8%
Corporate Bodies, Banks, NBFCs, Trusts etc.	12.1%	13.7%
Other	14.2%	13.4%
Resident Individual & HUF	12.7%	11.9%
Employees	1.5%	1.5%

Profitability [₹ Cr]	FY15	FY16	FY17	Q2FY17	Q2FY18	YoY %	Q1FY18	QoQ %
Gross Interest Income	687	1,014	1,443	356	388	9%	374	4%
Finance Cost	295	436	587	156	159	2%	159	(0%)
Net Interest Income	392	578	856	201	230	14%	216	6%
Other Income	69	101	114	29	34	19%	82	(59%)
Net Income	461	679	969	229	264	15%	298	(12%)
Opex	247	360	615	141	219	56%	229	(4%)
Credit Cost	50	59	103	15	27	82%	44	(39%)
PBT	164	260	252	74	17	(76%)	25	(31%)
Tax	57	93	92	27	7	(76%)	10	(33%)
PAT	107	167	159	46	11	(76%)	16	(30%)
Key Ratio								
ROA	2.96%	3.09%	2.02%					
ROE	11.15%	13.31%	8.92%					
Gearing	2.77x	3.37x	3.42x					
EPS [Basic]	4.48	6.21	4.79					
Book Value Per Share	43.54	49.69	66.03					

Key Ratio

Key Ratio\	FY15	FY16	FY17	Q1FY18	Q2FY18
Yield on "On book" Advances	22.9%	21.8%	20.7%	21.0%	20.9%
Finance Cost	11.7%	11.3%	10.1%	9.2%	8.7%
NIM	10.8%	10.1%	9.4%	8.9%	9.3%
GNPA	1.08%	1.34%	3.53%	4.91%	5.76%
Credit Cost	1.55%	1.17%	2.13%	2.95%	1.73%
Provision Coverage	25.7%	29.8%	58.3%	51.8%	51.4%
NNPA	0.80%	0.94%	1.47%	2.36%	2.80%
ROA	2.96%	3.09%	2.02%	0.66%	0.44%

Notes:

NIM = Net Interest Income [excluding securitisation income] as a % of Interest earning assets

Credit Cost = Provision cost as a % of average 'On Book' advances

NPA recognition norms transitioned from 6 months recognition in FY15 to 5 months recognition in FY16 to 4 months in Q1FY17 and to bank norms (90 days) from Q2FY17; hence, NPA is not comparable YoY

Advances under Management – Product-wise

₹ Crore	FY14	FY15	FY16	FY17	Q2FY17	Q2FY18	YoY growth	CAGR FY14 - FY17
Micro Finance	1,503	2,144	3,283	3,293	3,614	2,645	-26.8%	29.9%
Vehicle Finance	801	1,175	1,510	1,928	1,771	2,075	17.2%	34.0%
M-LAP	87	511	1,087	1,528	1,424	1,789	25.6%	164.1%
Housing Finance	94	180	246	265	264	304	15.1%	41.3%
Business Loans				63	6	247	n.a.	n.a.
Agri Loans				31		132	n.a.	n.a.
Loan against Gold				3		32	n.a.	n.a.
Small and Mid Corporate loans						82	n.a.	n.a.
Others				71		20	n.a.	n.a.
Equitas Total	2,486	4,010	6,125	7,182	7,079	7,326	3.5%	42.4%

end of period figures

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Disclaimer [contd.]

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Certain statements in this document with words or phrases such as “will”, “should” etc., and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward looking statements, due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but not limited to, our ability to successfully implement our strategies, change in government policies etc. The Company may, from time to time, make additional written and oral forward looking statements, including statements contained in the Company’s filings with the stock exchanges and our reports to shareholders.

The Company does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Company.



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