

October 31, 2022

The Secretary National Stock Exchange of India Limited Exchange Plaza BandraKurla Complex (BKC) Bandra (East) Mumbai - 400051	The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400001
Symbol: EQUITASBNK	Scrip Code No-543243
<b>F Group - Debt Instruments listed in BSE</b> <b>Ref: Scrip Codes - 952815 and 952812</b>	

Dear Sirs

**Sub: Outcome of the Board Meeting held on October 31, 2022 and disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Pursuant to Regulations 30 (read with Part A of Schedule III) & 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are forwarding the following:

- a) Un-audited financial results for the quarter & half-year ended September 30, 2022
- b) Limited Review Report from the Joint Statutory Auditors, M/s T R Chadha & Co LLP and M/s Varma & Varma, Chartered Accountants.
- c) Press Release on the un-audited financial results for the quarter & half-year ended September 30, 2022.
- d) Investor Presentation on the un-audited financial results for the quarter & half-year ended September 30, 2022 to be made to Analysts and Investors
- e) Disclosure pursuant to Regulation 52(4) of SEBI (LODR) Regulations, 2015

The Meeting of the Board of Directors of the Bank commenced at 16.30 hours and concluded at 19:35 hours

The above information will be made available on the Bank's website [www.equitasbank.com](http://www.equitasbank.com).

Kindly take the above information on record.

Thanking you,

Yours truly,  
For Equitas Small Finance Bank Limited

  
N Ramanathan  
Company Secretary



BEYOND BANKING

When you bank with us, you contribute towards a better society.

Equitas Small Finance Bank Limited  
(Previously known as Equitas Finance Limited)

3011262

4<sup>th</sup> Floor, Phase II, Spencer Plaza, No.769, Mount Road, Anna Salai, Chennai, Tamil Nadu, India - 600 002

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Equitas Small Finance Bank

EQUITAS SMALL FINANCE BANK LIMITED

CIN: L65191TN1993PLC025280

[Subsidiary of Equitas Holdings Limited]

Regd. Office: 4th Floor, Phase II, Spencer Plaza, No. 769, Mount Road, Anna Salai, Chennai 600 002

Website: www.equitasbank.com

1. Statement of Unaudited Financial Results for the quarter and half year ended September 30, 2022

(₹ in Lakh)

Particulars	Quarter ended			Half Year ended		Year ended
	30-Sep-22	30-Jun-22	30-Sep-21	30-Sep-22	30-Sep-21	31-Mar-22
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1 Interest Earned (a)+(b)+(c)	1,00,236.51	94,039.83	84,371.66	1,94,276.34	1,66,268.57	3,45,966.93
(a) Interest / discount on advances / bills	90,433.21	85,448.89	76,650.81	1,75,882.10	1,50,866.18	3,13,912.24
(b) Income on Investments	7,265.59	6,166.33	5,977.85	13,431.92	11,655.47	24,614.47
(c) Interest on balances with Reserve Bank of India and other inter bank funds	2,537.71	2,424.61	1,743.00	4,962.32	3,746.92	7,440.22
2 Other Income	14,502.90	13,322.07	15,197.76	27,824.97	25,555.58	53,755.65
3 Total Income (1)+(2)	1,14,739.41	1,07,361.90	99,569.42	2,22,101.31	1,91,824.15	3,99,722.58
4 Interest Expended	39,267.69	35,982.17	35,974.95	75,249.86	71,768.07	1,42,113.36
5 Operating Expenses (i)+(ii)	51,239.73	44,561.17	43,701.07	95,800.90	83,723.07	1,70,414.53
(i) Employees Cost	27,510.06	22,565.16	22,754.09	50,075.22	44,919.48	89,820.84
(ii) Other Operating Expenses	23,729.67	21,996.01	20,946.98	45,725.68	38,803.59	80,593.69
6 Total Expenditure (4)+(5) (excluding provisions & contingencies)	90,507.42	80,543.34	79,676.02	1,71,050.76	1,55,491.14	3,12,527.89
7 Operating Profit before Provisions & Contingencies (3)-(6)	24,231.99	26,818.56	19,893.40	51,050.55	36,333.01	87,194.69
8 Provisions (other than tax) and Contingencies	9,010.28	14,159.60	14,211.02	23,169.88	29,225.87	49,383.69
9 Exceptional Items	-	-	-	-	-	-
10 Profit from Ordinary Activities before tax (7)-(8)-(9)	15,221.71	12,658.96	5,682.38	27,880.67	7,107.14	37,811.00
11 Tax Expense	3,579.58	2,958.44	1,563.18	6,538.02	1,795.35	9,737.82
12 Net Profit from Ordinary Activities after tax (10)-(11)	11,642.13	9,700.52	4,119.20	21,342.65	5,311.79	28,073.18
13 Extraordinary Items (net of Tax Expense)	-	-	-	-	-	-
14 Net Profit for the Period / Year (12)-(13)	11,642.13	9,700.52	4,119.20	21,342.65	5,311.79	28,073.18
15 Paid-up Equity Share Capital (Face Value of ₹ 10/- each)	1,25,367.12	1,25,322.82	1,14,519.12	1,25,367.12	1,14,519.12	1,25,202.77
16 Reserves excluding Revaluation Reserves						2,99,414.09
17 Analytical Ratios and other disclosures:						
(i) Percentage of Shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio (%) - Basel-II (Refer note 8)	23.08%	24.62%	22.21%	23.08%	22.21%	25.16%
(iii) Earnings Per Share (EPS) - (Face Value of ₹ 10/- each)						
- Basic EPS (₹) before & after extraordinary items (net of tax expense) - not annualised	0.93	0.77	0.36	1.70	0.47	2.43
- Diluted EPS (₹) before & after extraordinary items (net of tax expense) - not annualised	0.92	0.77	0.36	1.69	0.46	2.40
(iv) NPA Ratio						
(a) Gross NPAs	87,026.23	85,599.92	88,082.54	87,026.23	88,082.54	83,718.36
(b) Net NPAs	43,088.18	44,121.77	43,964.00	43,088.18	43,964.00	47,947.51
(c) % of Gross NPA to Gross Advances	3.91%	4.10%	4.82%	3.91%	4.82%	4.24%
(d) % of Net NPA to Net Advances	1.97%	2.15%	2.46%	1.97%	2.46%	2.47%
(v) Return on Assets (average)- not annualised for the quarter and half year ended	0.38%	0.33%	0.16%	0.71%	0.21%	1.07%
(vi) Net worth (excluding Revaluation Reserve & Intangibles)	4,19,584.81	4,08,549.42	3,19,455.73	4,19,584.81	3,19,455.73	3,97,281.76
(vii) Outstanding redeemable preference shares	-	-	-	-	-	-
(viii) Capital redemption reserve	-	-	-	-	-	-
(ix) Debt-equity ratio \$	0.19	0.25	0.56	0.19	0.56	0.29
(x) Total debts to total assets @	7.82%	8.63%	12.16%	7.82%	12.16%	9.71%
\$ Debt represents borrowings with residual maturity of more than one year.						
@ Total debts represents total borrowings of the Bank.						



2. Segment information in accordance with the Accounting Standard on Segment Reporting (AS-17) of the operating segments of the Bank is as under:

		(₹ in Lakh)					
SI No	Particulars	Quarter ended			Half Year ended		Year ended
		30-Sep-22	30-Jun-22	30-Sep-21	30-Sep-22	30-Sep-21	31-Mar-22
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>1</b>	<b>Segment revenue</b>						
a)	Treasury	10,505.48	9,279.51	9,522.51	19,784.99	18,669.89	37,155.90
b)	Retail Banking	1,00,422.90	94,486.12	85,906.14	1,94,909.02	1,65,838.08	3,46,870.49
c)	Wholesale Banking	2,155.38	2,022.81	2,389.34	4,178.19	4,868.08	9,345.27
d)	Other Banking operations	1,655.65	1,573.46	1,751.43	3,229.11	2,448.10	6,350.92
e)	Unallocated	-	-	-	-	-	-
	Less: Inter segment revenue	-	-	-	-	-	-
	<b>Income from operations</b>	<b>1,14,739.41</b>	<b>1,07,361.90</b>	<b>99,569.42</b>	<b>2,22,101.31</b>	<b>1,91,824.15</b>	<b>3,99,722.58</b>
<b>2</b>	<b>Segment results</b>						
a)	Treasury	2,558.76	2,730.93	3,189.82	5,289.69	6,180.95	13,699.76
b)	Retail Banking	12,234.87	9,554.16	2,602.20	21,789.03	1,095.24	21,876.74
c)	Wholesale Banking	675.54	489.29	437.87	1,164.83	617.16	2,434.11
d)	Other Banking operations	1,231.92	1,268.52	1,316.99	2,500.44	1,974.73	5,348.91
e)	Unallocated	(1,479.38)	(1,383.94)	(1,864.50)	(2,863.32)	(2,760.94)	(5,548.52)
	<b>Profit before Tax</b>	<b>15,221.71</b>	<b>12,658.96</b>	<b>5,682.38</b>	<b>27,880.67</b>	<b>7,107.14</b>	<b>37,811.00</b>
<b>3</b>	<b>Segment assets</b>						
a)	Treasury	6,72,436.25	6,62,873.24	6,66,242.42	6,72,436.25	6,66,242.42	6,36,573.43
b)	Retail Banking	22,10,406.65	20,65,603.17	17,77,374.85	22,10,406.65	17,77,374.85	19,43,273.40
c)	Wholesale Banking	89,192.17	87,784.09	1,03,091.75	89,192.17	1,08,091.75	93,982.52
d)	Other Banking operations	-	-	-	-	-	-
e)	Unallocated	20,379.81	20,404.99	23,062.08	20,379.81	23,062.08	21,360.59
	<b>Total</b>	<b>29,92,414.88</b>	<b>28,36,665.49</b>	<b>25,74,771.10</b>	<b>29,92,414.88</b>	<b>25,74,771.10</b>	<b>26,95,189.94</b>
<b>4</b>	<b>Segment liabilities</b>						
a)	Treasury	5,71,741.92	5,60,590.40	5,74,234.59	5,71,741.92	5,74,234.59	5,34,382.59
b)	Retail Banking	18,95,973.42	17,65,172.35	15,59,152.25	18,95,973.42	15,59,152.25	16,54,367.84
c)	Wholesale Banking	76,401.31	74,788.41	93,505.83	76,401.31	93,505.83	79,347.68
d)	Other Banking operations	-	-	-	-	-	-
e)	Unallocated	1,630.32	1,340.82	1,274.35	1,630.32	1,274.35	2,474.97
	<b>Total</b>	<b>25,45,746.97</b>	<b>24,01,891.98</b>	<b>22,28,167.02</b>	<b>25,45,746.97</b>	<b>22,28,167.02</b>	<b>22,70,573.03</b>
<b>5</b>	<b>Capital Employed [Segment Assets-Segment Liabilities]</b>						
a)	Treasury	1,00,694.33	1,02,282.84	92,007.83	1,00,694.33	92,007.83	1,02,190.84
b)	Retail Banking	3,14,433.23	3,00,430.82	2,18,222.60	3,14,433.23	2,18,222.60	2,88,905.56
c)	Wholesale Banking	12,790.86	12,935.68	14,585.92	12,790.86	14,585.92	14,634.84
d)	Other Banking operations	-	-	-	-	-	-
e)	Unallocated	16,749.49	19,064.17	21,787.73	18,749.49	21,787.73	18,885.62
	<b>Total</b>	<b>4,46,667.91</b>	<b>4,34,773.51</b>	<b>3,46,604.08</b>	<b>4,46,667.91</b>	<b>3,48,604.08</b>	<b>4,24,616.86</b>

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, and guidelines prescribed by RBI and in compliance with the Accounting Standard 17 - "Segment Reporting". The methodology adopted in compiling and reporting the above information has been relied upon by the auditors.

3 Statement of Assets and Liabilities as on September 30, 2022 is given below:

		(₹ in Lakh)		
SI No	Particulars	As at	As at	As at
		30-Sep-22	30-Sep-21	31-Mar-22
		Unaudited	Unaudited	Audited
	<b>CAPITAL AND LIABILITIES</b>			
1	Capital	1,25,367.12	1,14,519.12	1,25,202.77
2	Reserves and Surplus	3,21,300.79	2,32,084.96	2,99,414.09
3	Deposits	21,72,619.54	18,09,399.66	18,95,079.73
4	Borrowings	2,33,927.56	3,12,999.00	2,61,640.00
5	Other Liabilities and Provisions	1,39,199.87	1,05,768.36	1,13,853.35
	<b>Total Liabilities</b>	<b>29,92,414.83</b>	<b>25,74,771.10</b>	<b>26,95,189.94</b>
	<b>ASSETS</b>			
6	Cash and Balances With Reserve Bank of India	97,609.14	3,42,414.19	2,07,699.17
7	Balances With Banks and Money At Call and Short Notice	28,833.70	6,354.80	5,552.29
8	Investments	5,74,578.62	3,53,069.22	4,44,984.96
9	Advances	21,83,959.61	17,63,709.07	19,37,420.59
10	Fixed Assets	22,116.22	17,309.84	20,044.45
11	Other Assets	85,277.59	71,913.88	79,488.48
	<b>Total Assets</b>	<b>29,92,414.88</b>	<b>25,74,771.10</b>	<b>26,95,189.94</b>



4 Statement of Cash Flow for the half year ended September 30,2022 is given below:

(₹ In Lakh)

Particulars	Half Year ended		Year ended
	30-Sep-22	30-Sep-21	31-Mar-22
	Unaudited	Unaudited	Audited
<b>Cash Flow from Operating activities</b>			
Profit Before Tax	27,880.67	7,107.14	37,811.00
<b>Adjustments for</b>			
Depreciation on fixed assets	3,865.44	3,883.53	7,528.31
Depreciation on investments	161.20	-	56.30
Amortization on held to maturity securities	1,196.31	1,054.38	2,169.29
Provision for standard assets (including restructured standard assets)	(4,622.70)	19,261.62	12,585.99
Additional Provision on Standard assets	(1,752.49)	-	2,607.68
Bad debts written off	21,116.67	3,384.99	36,045.73
Provision for Non performing assets	8,167.20	6,457.58	(1,890.12)
Other Provision and Contingencies	261.20	121.69	34.40
(Profit) / Loss on sale of fixed assets	5.67	8.06	30.65
Interest expenses on borrowings	14,753.07	16,544.12	31,980.45
Interest income on bank balances not considered as cash and cash equivalents	(77.76)	(74.13)	(189.38)
Esop Expenses -Material Risk Takers/Whole Time Director	226.53	36.55	126.79
Dividend Income	(17.76)	(14.00)	(50.40)
	<b>71,163.25</b>	<b>57,771.53</b>	<b>1,28,846.69</b>
<b>Adjustments for</b>			
(Increase)/Decrease in investments	(1,30,951.17)	16,393.01	(76,693.95)
(Increase)/Decrease in advances	(2,75,862.88)	(1,08,732.73)	(2,86,757.30)
Increase/(Decrease) in deposits	2,77,539.82	1,70,202.48	2,55,882.55
(Increase)/Decrease in other assets	(3,035.76)	(4,388.64)	(14,220.45)
Increase/(Decrease) in other liabilities and provisions	32,557.83	11,987.48	24,708.43
Direct taxes paid	(9,865.87)	(10,170.50)	(15,819.22)
<b>Net cash (used in)/ generated from operating activities (A)</b>	<b>(38,454.78)</b>	<b>1,33,062.83</b>	<b>15,946.75</b>
<b>Cash flow from investing activities</b>			
Purchase of fixed assets	(6,092.51)	(2,793.86)	(9,275.45)
Proceeds from sale of fixed assets	149.62	97.44	177.04
Interest received from bank balances not considered as cash and cash equivalents	77.76	74.13	189.38
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>(5,865.13)</b>	<b>(2,622.29)</b>	<b>(8,909.03)</b>
<b>Cash flow from financing activities</b>			
Increase/(decrease) in borrowings (net)	(27,712.44)	(1,03,533.00)	(1,54,892.00)
Proceeds from issue of share capital (including share premium)	481.25	1,621.63	- 57,396.93
Share issue Expenses	-	-	(1,114.15)
Interest paid on borrowings	(15,258.12)	(17,630.73)	(33,547.79)
<b>Net cash (used in) / generated from financing activities (C)</b>	<b>(42,488.71)</b>	<b>(1,19,542.10)</b>	<b>(1,31,857.01)</b>
<b>Net Increase /(decrease) in cash and cash equivalents (A)+(B)+(C)</b>	<b>(86,808.62)</b>	<b>10,898.24</b>	<b>(1,24,619.29)</b>
Cash and Cash equivalents at beginning of the period / year	2,13,251.46	3,37,870.75	3,37,870.75
<b>Cash and Cash equivalents at end of the period / year</b>	<b>1,26,442.84</b>	<b>3,48,768.99</b>	<b>2,13,251.46</b>

Note: Cash and Cash equivalents comprise of cash on hand, Balances with Reserve Bank of India, Balance with Banks and money at call and short notice.



**Notes**

- 5 The above unaudited financial results (along with the notes given below) hereafter described as "Statement" of Equitas Small Finance Bank Limited ("Bank" or "ESFBL") for the quarter and half year ended September 30, 2022 were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on October 31, 2022 and have been subjected to a limited review by the statutory auditors of the Bank (T R Chadha & Co LLP, Chartered Accountants and Varma & Varma, Chartered Accountants). The report thereon is unmodified.
- 6 The above financial results of the Bank have been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under section 133 of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the guidelines issued by the Reserve Bank of India (RBI).
- 7 The Bank has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2022. Circulars/ directions issued by RBI is implemented prospectively when it becomes applicable.
- 8 The Capital adequacy ratio ("CAR") of the Bank has been computed as per applicable Basel II Standardized approach in accordance with RBI Master Circular No. DBR.No.BP.BC.4./21.06.001/2015-16 dated July 1, 2015 on Prudential Guidelines on Capital Adequacy and Market Discipline – New Capital Adequacy Framework (NCAF). The Bank makes Pillar III disclosures as part of Market Discipline as per the said circular. In addition to this, the Bank provides disclosures on Leverage ratio as per Basel III- Capital Regulations (vide Circular DOR.CAP.REC.3/21.06.201/2022-23 dt. April 1, 2022) Further, the bank makes disclosures on liquidity coverage ratio ( vide ref. RBI/2013-14/635 DBOD.BP.BC.No.120 / 21.04.098/2013-14 dt. June 9, 2014 read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards-Amendments') and Net Stable Funding Ratio (vide ref. RBI/2017-18/178 DBR.BP.BC.No.106/21.04.098/2017-18 dt. May 17 2018) These disclosures are available on the Bank's website at the following link: <https://ir.equitasbank.com/reports-and-presentations/html>. These disclosures have not been subjected to audit or limited review.
- 9 The Board of Directors of Equitas Small Finance Bank Limited (ESFBL) and Equitas Holdings Limited (EHL) at their respective Meetings held on March 21, 2022 approved the revised Scheme of Amalgamation (Scheme) between EHL, ESFBL and their respective shareholders, after complying with the Minimum Public Shareholding (MPS) requirements through Qualified Institutions Placement (QIP) of its equity shares in February 2022. The Scheme was then filed with the Stock Exchanges and RBI for necessary approvals/ sanctions.
- Upon coming into effect of this Scheme and in consideration of the amalgamation of EHL with ESFBL, ESFBL, without any further application, act or deed, shall issue and allot to each of the equity shareholders of EHL as on the Record Date defined in the Scheme, 231 equity Shares of ₹ 10/- each credited as fully paid up of ESFBL, in respect of every 100 Equity Shares of ₹ 10/- each fully paid up held by them in EHL.
- During the quarter, RBI vide its letter dated May 6, 2022 has conveyed its 'no-objection' to our proposal for voluntary amalgamation of EHL with ESFBL. Observation letters on the draft scheme of amalgamation with 'No adverse observations' from the stock exchanges were received on June 10, 2022 including the observations of SEBI. Consequently, Joint application by EHL and ESFBL for the Scheme has been filed under sections 230 to 232 and other applicable provisions of the Companies Act, 2013 with the Hon'ble National Company Law Tribunal, Chennai Bench (NCLT) on June 18, 2022 seeking directions on convening Meeting of shareholders and creditors of EHL and ESFBL.
- Subsequently, NCLT has passed an order dated July 22, 2022 directing EHL and ESFBL to convene meetings of their respective Equity Shareholders and Unsecured Creditors on September 06, 2022 and Depositors holding deposits above Rs.3 lakhs in ESFBL on September 07, 2022. As directed by NCLT, Extraordinary General Meetings were held by EHL & ESFBL on 6th & 7th September 2022 respectively, wherein the necessary resolutions were passed by the Shareholders, Creditors and Depositors of the respective companies with requisite majority. As part of further process, Company petition has been filed before NCLT, which is pending for hearing.
- 10 India is emerging out of the COVID 19 pandemic and the operations have returned to normalcy during the quarter. The bank continues to monitor and assess the impact of the Pandemic on its operations and financials, including the possibility of higher defaults by customer, which however largely depend on external factors including new information on severity of the new and evolving virus variants, if any. All information available upto the date of these results have been considered and adequately dealt with in preparation and presentation of these Financial results.
- 11 Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) as at September 30, 2022 are given below:

**Format B**

(Amount in ₹ .crore)

Type of Borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of previous half - year (A)\$	Of (A) aggregate debt that slipped into NPA during the half - year	Of (A) amount written off during the half - year #	Of (A) amount paid by the borrower during the half - year ##	Exposure to accounts classified as Standard consequent of implementation of resolution plan - Position as at end of this half-year
Personal Loans	14.49	2.38	-	0.41	11.70
Corporate persons*	12.36	0.93	0.39	2.71	8.72
Of which, MSMEs	5.70	0.16	-	0.81	4.73
Others	1,196.65	187.42	63.42	304.22	705.01
<b>Total</b>	<b>1,223.50</b>	<b>190.73</b>	<b>63.81</b>	<b>307.34</b>	<b>725.43</b>

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

# represents debt that slipped into NPA and was subsequently written off during the half year

## includes change in the balances on account of interest

\$ Excludes other facilities to the borrowers which have not been restructured

There were 1028 borrower accounts having an aggregate exposure of ₹ 62.49 Crore to the Bank, where resolution plans had been Implemented under RBI's Resolution Framework 1.0 dated August 6, 2020 and modified under RBI's Resolution Framework 2.0 dated May 5, 2021.

- 12 Details of loans transferred / acquired during the quarter ended September 30, 2022 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:

- (i) The Bank has not transferred any non-performing assets (NPAs).
- (ii) The Bank has not transferred any Special Mention Account (SMA) and loan not in default.
- (iii) The Bank has not acquired any "loans not in default" from other entities through assignment.
- (iv) The Bank has not acquired any stressed loan.



- 13 The Bank has granted 1,78,01,704 options under the ESFB Employees Stock Option Scheme 2019 (ESFB ESOP Scheme) to eligible employees of the Bank and employees of the Holding company (Equitas Holdings Limited) as defined during the half year ended September 30, 2022. Out of total 7,70,67,094 options granted till September 30,2022, 2,95,15,282 Options were vested and 1,27,42,803 options were lapsed, and 2,20,19,029 options are yet to be vested.
- 14 During the half year ended September 30,2022, the Bank has allotted 16,43,498 equity shares of ₹ 10/- each, fully paid up, on exercise of options by its employees and employees of the Holding company (Equitas Holdings Limited) in accordance with the ESFB ESOP Scheme.
- 15 During the half year ended September 30, 2022, The Bank has realised ₹ 2.00 Crore from sale of Priority Sector Lending Certificates ('PSLC'). The same is amortised on a straight-line basis over the tenor of the certificate. The Bank has recognised ₹ 1.00 Crore as income during the period ended September 30, 2022 and has deferred ₹ 1.00 Crore of PSLC fee income.
- 16 Other Income includes fees earned from providing services to customers, Interchange fee income, selling of third-party products, profit on sale of investments (net), profit on sale of Priority Sector Lending Certificates, recoveries from accounts previously written off, etc.,
- 17 As per RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022, for the purpose of disclosure under Accounting Standard 17, Segment reporting, 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the proposed Digital Banking Unit (DBU) of the Bank has not yet commenced operations and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), reporting of Digital Banking as a separate sub-segment of Retail Banking Segment will be implemented by the Bank based on the decision of the DBU Working Group.
- 18 The ratios and other information which are to be disclosed as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been disclosed to the extent considered applicable.
- 19 Previous period / year figures have been reclassified/regrouped, wherever necessary, to conform to the current period / year classification/ grouping.

For Equitas Small Finance Bank Limited



P N Vasudevan

Place: Chennai  
Date: October 31, 2022

Managing Director and Chief Executive Officer

T R Chadha & Co LLP  
Chartered Accountants  
Door No. 5D, V Floor,  
Mount Chambers  
758, Anna Salai  
Chennai - 600 002, Tamil Nadu

Varma & Varma  
Chartered Accountants  
Sreela Terrace, Level 4, Unit -D  
105, 1st Main Road,  
Gandhi Nagar Adyar  
Chennai - 600 020, Tamil Nadu

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**Independent Auditors Review Report on the unaudited financial results of Equitas Small Finance Bank Limited pursuant to Regulation 33 & Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**Review Report to  
The Board of Directors  
Equitas Small Finance Bank Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Equitas Small Finance Bank Limited (**"the Bank"**) for the quarter and half year ended 30th September 2022 ('the Statement') attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 & Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"), except for the disclosures relating to 'Pillar 3 disclosure under Basel III Capital Regulations as at September 30, 2022, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio under Capital Adequacy and Liquidity Standards issued by Reserve Bank of India ('RBI') as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid financial results and have not been reviewed by us.
2. This statement is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors. This statement has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25, (AS 25) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by Reserve Bank of India from time to time ('the RBI Guidelines') and other recognized accounting principles generally accepted in India. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results including notes thereon prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 & Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters, except for the disclosures relating to 'Pillar 3 disclosure under Basel III Capital Regulations as at September 30, 2022,

**T R Chadha & Co LLP**  
**Chartered Accountants**  
**Door No. 5D, V Floor,**  
**Mount Chambers**  
**758, Anna Salai**  
**Chennai - 600 002, Tamil Nadu**

**Varma & Varma**  
**Chartered Accountants**  
**Sreela Terrace, Level 4, Unit -D**  
**105, 1st Main Road,**  
**Gandhi Nagar Adyar**  
**Chennai - 600 020, Tamil Nadu**

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including Leverage Ratio Liquidity Coverage Ratio and Net Stable Funding Ratio under Capital Adequacy and Liquidity Standards issued by Reserve Bank of India ('RBI') as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid financial results and have not been reviewed by us.

**Emphasis of Matter**

5. We draw attention to Note 10 to the statement regarding the assessment of the management on the impact of COVID-19 pandemic, on the Bank's operations and financial results.

Our conclusion is not modified with regard to this matter.

For **T R Chadha & Co LLP**  
Chartered Accountants  
Firm Registration No 006711N/N500028

**SHESHU** Digitally signed by  
SHESHU  
**SAMUDRALA** SAMUDRALA  
Date: 2022.10.31  
**A** 19:34:13 +05'30'

**Sheshu Samudrala**  
**Partner**  
ICAI Membership No. 235031  
UDIN: 22235031BBOOFB7269

Place: Chennai  
Date: 31-10-2022

For **Varma & Varma**  
Chartered Accountants  
Firm Registration No 004532S

**POONJAR** Digitally signed by  
RAMA POONJAR RAMA  
**PRASANNA** PRASANNA VARMA  
**VARMA** Date: 2022.10.31  
19:39:26 +05'30'

**P R Prasanna Varma**  
**Partner**  
ICAI Membership No. 25854  
UDIN: 22025854BBOLVJ6606

Place: Chennai  
Date: 31-10-2022



# EQUITAS SMALL FINANCE BANK LIMITED

FOR IMMEDIATE PUBLICATION

PRESS RELEASE

Oct 31, 2022

Chennai, Oct 31, 2022: The Board of Directors of Equitas Small Finance Bank Limited at its meeting held today, approved the unaudited financial results for quarter ended September 30, 2022

**PAT for the quarter at Rs 116 Cr compared to Q2FY22 PAT of Rs 41 Crs**

**Gross Advances<sup>^</sup> as of Q2FY23 was at Rs. 22,779 Cr, growth of 20% YoY**

**Q2FY23 disbursement at Rs. 3,845 Crs, growth of 22% YoY**

**RoA & RoE at 1.60% and 10.57%**

**CASA Deposit grew 28% YoY to Rs. 10,456 Crs. CASA Ratio stood at 48% as of Sept 2022**

**GNPA<sup>^</sup> down to 3.82% from 3.95% in Q1FY23, PCR improves to 50.49% from 48.46% sequentially**

## Q2FY23 Highlights:

### 1. Key Highlights for Q2FY23:

- **Advances<sup>^</sup>:**
  - Q2FY23 disbursement at Rs. 3,845 Crs, growth of 22% YoY
  - Advances<sup>^</sup> as of Q2FY23 was at Rs. 22,779 Cr, growth of 20% YoY
  - Yields stable at 17.10% on a sequential basis
  
- **Liabilities:**
  - Cost of funds stable at 6.25%, on a YoY basis CoF improved by 56bps
  - CASA deposit grew 28% YoY to Rs. 10,456 Crs. CASA ratio stood at 48% as of September 2022
  - Term Deposits grew 14% YoY to Rs. 11,270 Crs
  - Retail Term Deposits grew 13% YoY to Rs. 7,665 Crs. Retail Term Deposits contribute 68% of total term deposits
  - Elite book consisting of Savings account plus Term Deposits crossed Rs. 10,000 Crs
  - SA mobilized through digital channel crossed Rs. 900 Crs and it contributes to ~ 10% of SA Portfolio

<sup>^</sup>GNPA, NNPA & Gross Advances refers to GNPA, NNPA & Gross Advances including IBPC sold

- **Key Ratios:**
  - Cost to Income at 66.58% in Q2FY23 as compared to 60.60% in Q1FY23 as compared and 66.27% in Q2FY22
  - RoA and RoE for Q2FY23 at 1.60% and 10.57%
  
- **Capital:**
  - As of Sept 30, 2022 Total CRAR at 23.08% | Tier I at 22.55% and Tier II at 0.53%
  
- **Treasury & Liquidity:**
  - The Bank's Certificate of Deposit (CD) program for Rs. 500 Crore has highest rating from at CRISIL A1+
  - The Bank maintains 'surplus' liquidity in the form of High Quality Liquid Assets (HQLA). Liquidity Coverage Ratio (LCR) as on 30.09.2022 is 202%
  - Profit on sale of Investments for the quarter is Rs. 7.76 Crore and MTM depreciation on Investments for the quarter is Rs. 1.35 crore

## 2. Profit & Loss:

- Net Interest Income for Q2FY23 at Rs. 610 Cr as against Rs. 484 Cr in Q2FY22. NIM at 9.00%
- Pre Provisioning Operating Profit (PPoP) for Q2FY23 at Rs. 242 Cr as against Rs. 199 Cr in Q2FY22
- PAT for Q2FY23 at Rs. 116 cr as against Rs. 41 Cr in Q2FY22

## 3. Asset Quality & Provisions:

- Annualised Credit Cost at 1.62%, excluding onetime impact\* at 1.35%
- Non restructured 31-90 pool as of Sept'22 at comfortable levels of 3.49%
- GNPA^ at 3.82% in Q2FY23 as compared to 3.95% in Q1FY23 and 4.64% in Q2FY22
- NNPA^ at 1.93% in Q2FY23 as compared to 2.07% in Q1FY23 and 2.37% in Q2FY22
- Provision coverage ratio improves to 50.49% from 48.46% in Q1FY23

^GNPA, NNPA & Gross Advances refers to GNPA, NNPA & Gross Advances including IBPC sold

\*One time impact on account of complying with FAQ issued by RBI (updated Aug 22) wrt. Covid restructured loans | <https://www.rbi.org.in/Scripts/FAQView.aspx?id=137>

Commenting on the quarterly performance, **Mr. P N Vasudevan, Managing Director and CEO of Equitas Small Finance Bank** said: "Demand for credit continues to remain strong, especially in the informal sector. The 20% year on year growth in advances for the first half is expected to improve further in the seasonally active second half. Quality of portfolio remains a comfort with reducing credit cost. Deposit growth has been satisfactory and we have been able to retain the cost of funds with only marginal increase. Our CASA continues to remain in comfort zone and the digital initiatives of the Bank are beginning to yield significant benefits. Overall, the effect of Covid is receding and we expect to be back to our pre-covid levels of growth and profitability going forward"

### **About Equitas Small Finance Bank Limited [ESFB]**

Equitas Small Finance Bank is one of the largest small finance banks in India. As a new-age bank, we offer a bouquet of products and services tailored to meet the needs of our customers – individuals with limited access to formal financing channels, as well as affluent and mass affluent, Small & Medium Enterprises (SMEs) and corporates. Our firmly entrenched strategy focuses on providing credit to the unbanked and underbanked micro and small entrepreneurs, developing products to address the growing aspirations at the ‘bottom of the pyramid’, fuelled by granular deposits and ‘value for money’ banking relationships.

For further details, contact:

#### **Investor Relations Team**

Website – <https://ir.equitasbank.com/>

Email – [ir@equitasbank.com](mailto:ir@equitasbank.com)

Twitter - [@EquitasIR](https://twitter.com/EquitasIR)

4th Floor, Phase II, Spencer Plaza, No. 769, Mount Road, Anna Salai, Chennai 600 002, Tamil Nadu

# Investor Presentation

Q2FY23



BEYOND BANKING

When you bank with us, you contribute towards a better society.

# Disclaimer

## **Disclaimer:**

The information in this document, including facts and figures, is being provided by Equitas Small Finance Bank Limited (the “Bank”) for informational purposes only and could be subject to change without notice. The information has also not been independently verified. No representation or warranty, express implied, is made as to the accuracy, completeness or fairness of the presentation and the information contained herein and no reliance should be placed on such information. The Bank or any other parties whose name appears herein shall not be liable for any statements made herein or any event or circumstances arising therefrom.

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## **Forward Looking Statements:**

Certain statements in this document with words or phrases such as “ will”,“ 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 Bank may, from time to time, make additional written and oral forward looking statements, including statements contained in the Bank’s filings with the stock exchanges and our reports to shareholders.

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

GNPA ,NNPA & Gross Advances across the presentation refers to GNPA, NNPA & Gross Advances including IBPC sold



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2. Financial Performance
3. Advances
4. Liabilities & Branch Banking
5. Digital Banking
6. Financials
7. Sustainability and Awards

**BEYOND BANKING**  
**The more you save in  
your account, the more  
we contribute together.**

When you bank with us,  
we invest up to 5% of our net  
profit every year back to the  
communities.



# Key Highlights



# Snapshot

## Operational

 18 States and UTs

 887 Banking Outlets  
345 ATMs\*

 285 Business  
Correspondents

 18,962 employees

## Asset Offerings

 **Gross Advances:**  
Rs. 22,779 Cr [Rs. 18,978 Cr]  
SBL- 38%, VF - 25%,  
MFI- 18%, HF- 9% ,  
MSE – 5%, NBFC – 3%

 **Disbursements<sup>^</sup> for Q2FY23:**  
Rs. 3,845 Cr [Rs. 3,145 Cr]  
SBL – 29%, VF - 29%, MFI –  
25%, HF- 10% , MSE – 2%,  
NBFC – 4%

 **Asset Quality:**  
GNPA: 3.82% [4.64%]  
NNPA: 1.93% [2.37%]  
PCR: 50.49% [50.09%]

 **Yield on Advances:**  
17.10% for Q2FY23 [17.75%]

## Liability Profile

 **Total Deposits:**  
Rs. 21,726 Cr [Rs. 18,094 Cr]  
CASA – 48%, TD – 52%

 **Third Party Products:**  
Premium Collected for Q2FY23  
Rs. 38 Crs [Rs 31 Cr]  
Mutual Fund AUM  
Rs. 206 Cr [Rs. 170 Cr]

 **Daily Average Cost of  
Funds for Q2FY23:**  
6.25% [6.81%]  
SA – 6.28%, TD – 6.49%

 **CASA Ratio:**  
48.13% [45.31%]

## Financials

 **PAT for Q2FY23:**  
Rs. 116 Cr [Rs. 41 Cr]

 **Shareholders funds**  
CRAR –23.08%  
Tier I – 22.55%  
Tier II – 0.53%

 **NIM for Q2FY23:**  
9.00% [8.14%]

 **RoA: Q2FY23 at 1.60% [0.65%]  
RoE: Q2FY23 at 10.57% [4.79%]**

Figures in [] represent Q2FY22 data | \*Including 342 onsite and 3 offsite ATMs ^Disbursement excludes Rs 183 Crs under the TReDS platform in Q2FY23



# Business Highlights



## Asset Updates

### **Small Business Loans**

- *Piloted new age Loan Origination System (LOS) for Small Business Loans in select branches. This aims to improve sales productivity and improve disbursement TATs*
- *Continued to scale-up Merchant OD product – limit set increased from Rs. 50 Cr in Q1FY23 to Rs. 100 Cr in Q2FY23*

### **Vehicle Finance**

- *Achieved highest ever quarterly disbursement in Q2FY23*
- *Continued to scale up Used Car business – disbursements increased by 49% YoY*
- *Increased our penetration in existing markets & expanded to new geographies – UP & Kerala*

### **Housing Finance**

- *Continued to increase our penetration – disbursements increased 46% QoQ*



## Liabilities Updates

- *Elite book consisting of Savings account plus Term Deposits crossed Rs. 10,000 Crs with 75,000+ accounts from 60,000+ Family relationships*
- *Continued focus on Individual SA segment has resulted in its mix improving to 84% of SA portfolio*
- *TD Sweep Product for Current Account is seeing a good traction with 1200+ Customers registered and portfolio crossing 100 Crs*
- *Managing more than 1 Lac Customers through Virtual Relationship Management Channel with sharp uptick in relationship value*
- *Corporate Salary Account business is growing in a healthy pace with 1,200+ Corporate relationships on boarded*
- *With RBI directions on NRE Term deposits - Exemption from maintenance of CRR/SLR, deposit mobilization from Non-Resident customers showed good traction in Q2*
- *SA mobilized through digital channel crossed 900 Crs and it contributes to ~ 10% of our SA Portfolio*
- *Tied up with HDFC Securities for 3-1 Account, this tie-up offers an opportunity to provide its customer with additional investment avenues*



# Highlights



## Profit & Loss

- *Net Interest Income for Q2FY23 at Rs. 610 Cr as against Rs. 484 Cr in Q2FY22. Growth of 26% YoY. NIM at 9.00%*
- *PPoP as a % of assets expanded to 3.33% from 3.14% YoY*
- *PAT for Q2FY23 at Rs. 116 cr as against Rs. 41 Cr in Q2FY22*



## Asset Quality, Provisioning & Restructuring

- *Annualised Credit Cost at 1.62%, excluding one time impact\* at 1.35%*
- *Non restructured 31-90 pool as of Sept'22 at comfortable levels of 3.49%*
- *GNPA at 3.82% in Q2FY23 as compared to 3.95% in Q1FY23 and 4.64% in Q2FY22*
- *NNPA at 1.93% in Q2FY23 as compared to 2.07% in Q1FY23 and 2.37% in Q2FY22*
- *Provision coverage ratio improves to 50.49% from 48.46% in Q1FY23*



## Strong Capital Buffer

- *As of Sept 30, 2022 Total CRAR at 23.08% | Tier I at 22.55% and Tier II at 0.53%*

\*One time impact on account of complying with FAQ issued by RBI (updated Aug 22) wrt. Covid restructured loans | <https://www.rbi.org.in/Scripts/FAQView.aspx?Id=137>



# Restructured Loans - Update

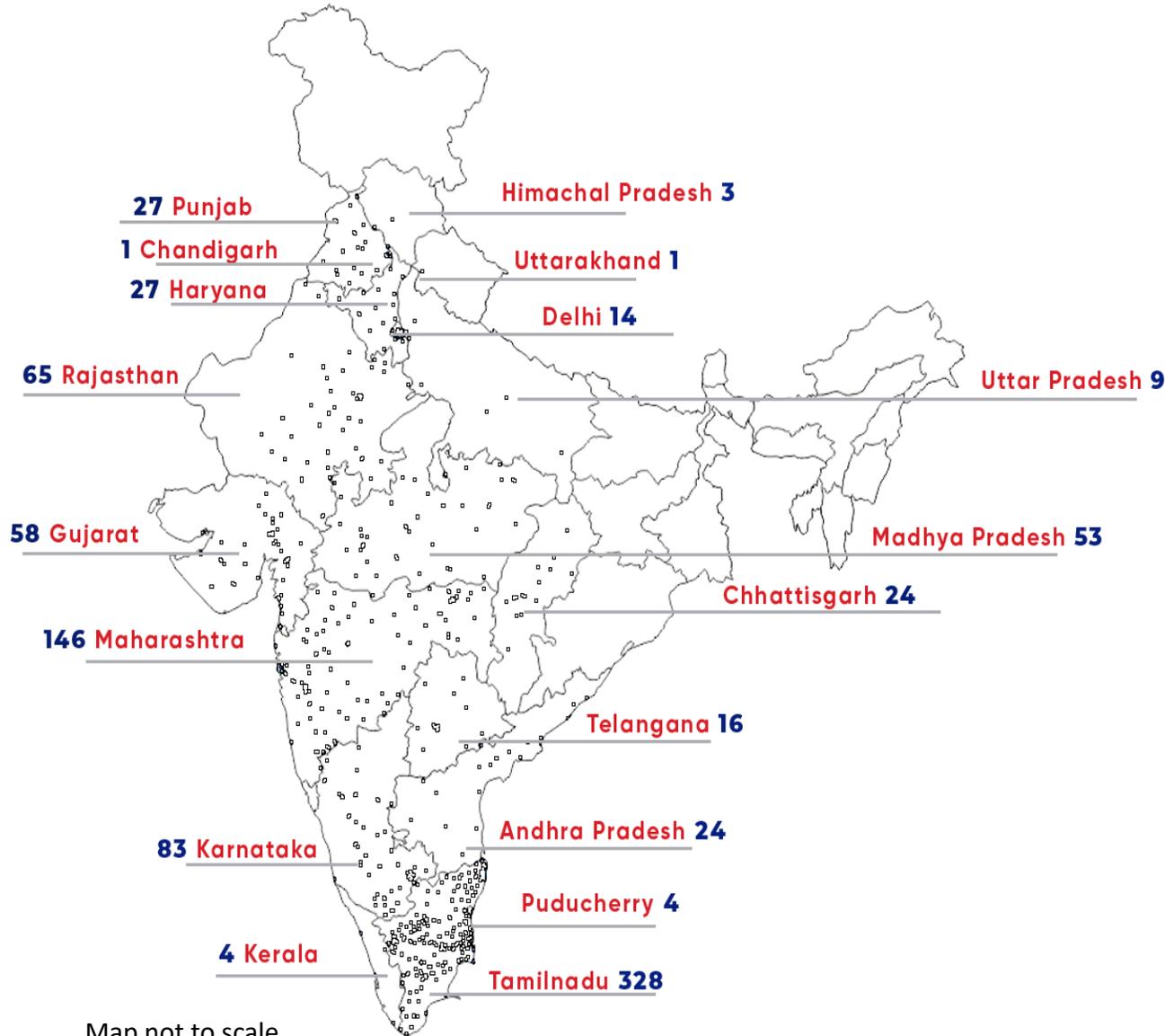
As of 30 <sup>th</sup> Sept 2022					Rs. Cr
Buckets	MF	CV	SBL & HF	MSE	Total
Standard	44	125	135	16	320
1 to 30 Days	8	76	30	8	121
31 to 60 Days	8	86	49	18	162
61 to 90 Days	31	43	49	7	130
NPA	14	108	121	10	253
<b>Total</b>	<b>105</b>	<b>438</b>	<b>384</b>	<b>59</b>	<b>986</b>

- Restructured loans as a % of gross advances down from 9.76% in Q3FY22 to 4.33% in Q2FY23
  - X Bucket Restructured Loans at 1.40% of gross advances
  - NPA out of Restructured Loans at 1.11% of gross advances
  - Restructured Delinquent Loans which are not NPA at 1.81% of gross advances

Particulars	Rs. Cr
Provision on Standard Assets	<b>67.61</b>
Additional Provision on Standard Assets	8.55
Provision on Restructured Standard Assets	95.14
Provision for Non-Performing Assets	439.38
<b>Total</b>	<b>610.68</b>



# Our Presence



States	Advances (%)	Deposits (%)
Andhra Pradesh	2%	2%
Chandigarh	0.04%	3%
Chhattisgarh	1%	2%
Delhi	1%	8%
Gujarat	5%	6%
Haryana	3%	5%
Himachal Pradesh	0.09%	-
Karnataka	10%	10%
Kerala	0.07%	1%
Madhya Pradesh	3%	4%
Maharashtra	13%	13%
Pondicherry	1%	1%
Punjab	2%	5%
Rajasthan	4%	5%
Tamil Nadu	53%	31%
Telangana	2%	2%
Uttar Pradesh	0.46%	2%
Uttarakhand	0.24%	-

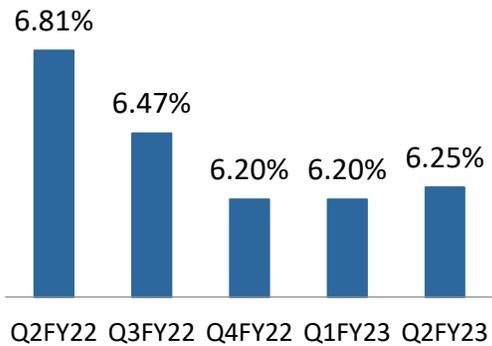


# Financial Performance – Quarterly Trends

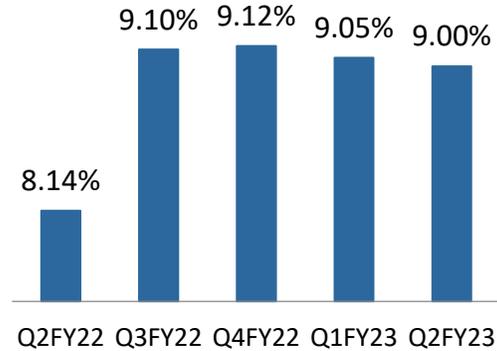


# Key Ratios

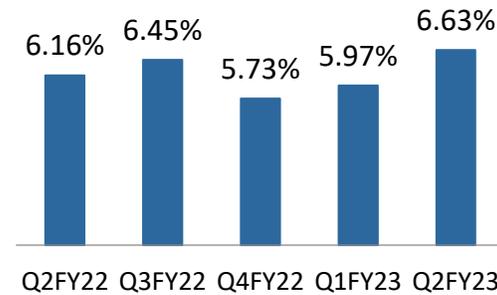
Daily Avg Cost of Funds



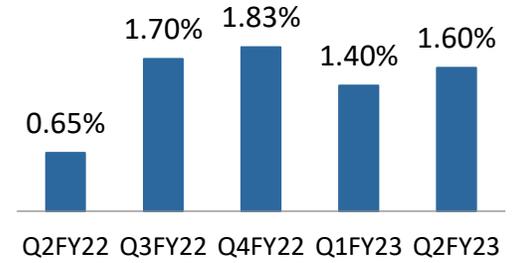
Net Interest Margin (NIM)



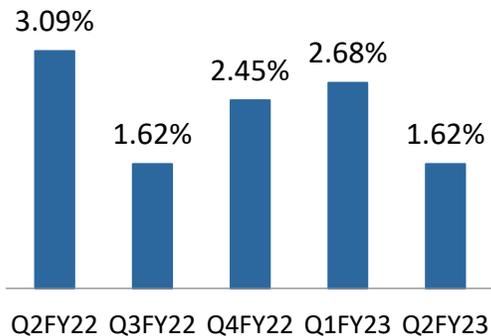
Cost to Assets



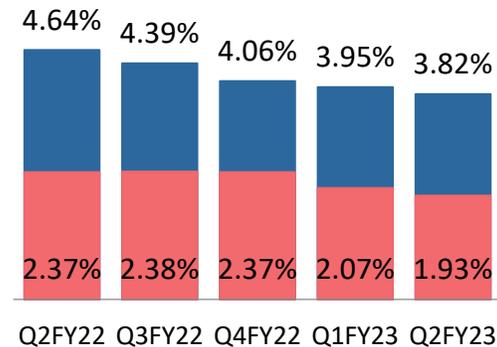
RoA



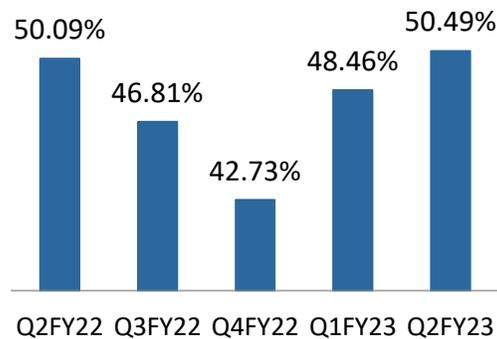
Credit Cost



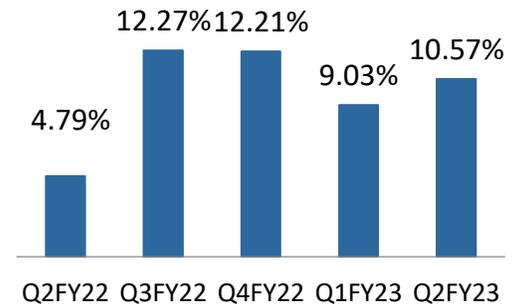
GNPA & NNPA



Provision Coverage Ratio

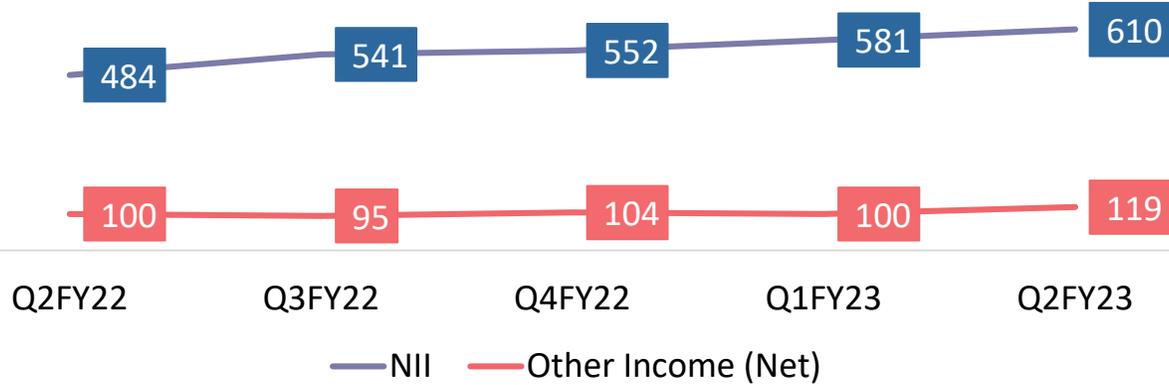


RoE

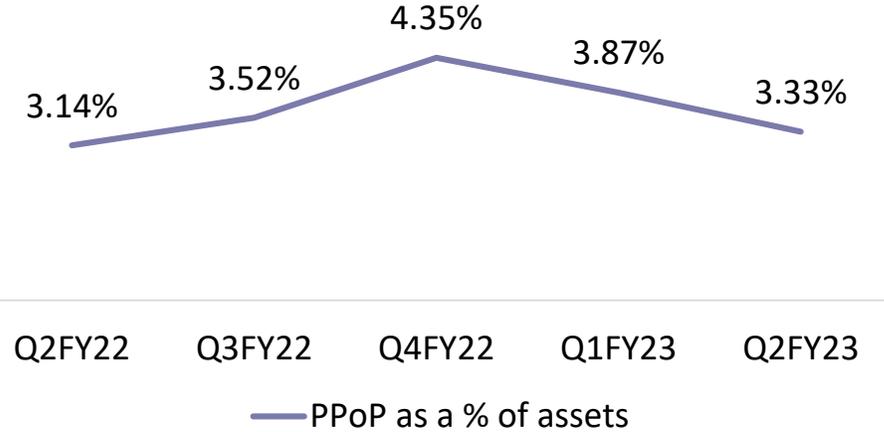


# Income Evolution

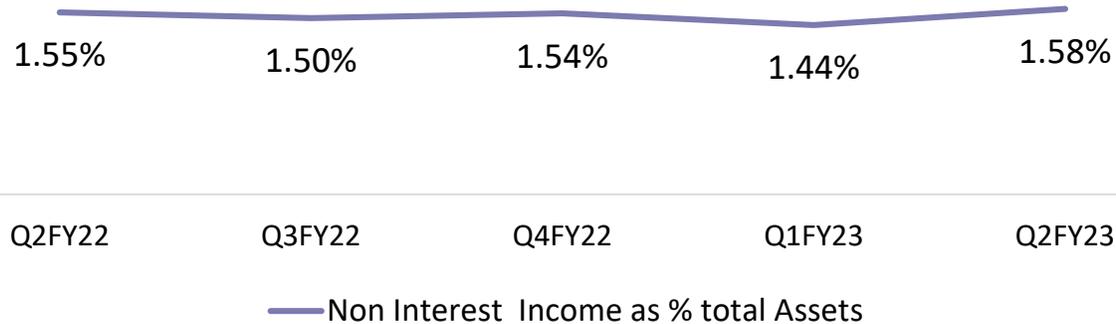
Net Income Evolution (Rs. Cr)



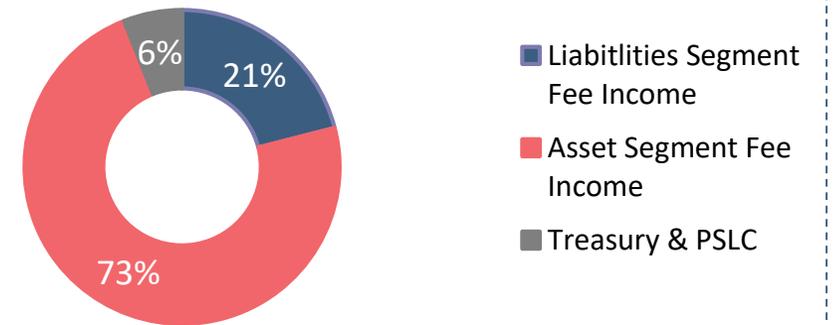
PPoP/ Assets (%)



Other Income [Net] Contribution (%)



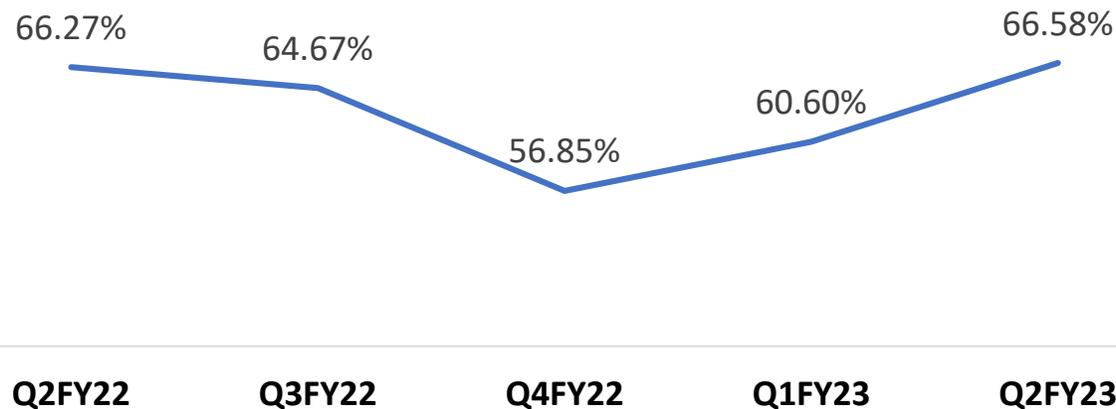
Other Income Break up (%)



# Opex evolution

Rs. Cr	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Employee expenses	228	240	209*	225 <sup>#</sup>	275
Other expenses (net of digital expenses)	144	152	148	169	187
Depreciation	19	19	17	18	21
Total Operating expenses	391	411	374	412	483
No. of employees	17,441	17,509	17,607	17,936	18,962

Cost to Income(%)



\*Reversal of excess provision for gratuity and leave salary of Rs 30.63 Cr. during the quarter

<sup>#</sup>Reversal of employee provision of Rs. 31 Crs created on account of Covid policy and performance incentives



# Advances



# Advances evolution

Rs Cr	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	YoY %	Contribution %
Micro Finance	3,438	3,695	3,907	4,007	4,144	21%	18%
Small Business & Agri Loans	7,421	7,609	7,881	8,234	8,725	18%	38%
Housing Finance	1,175	1,310	1,641	1,821	2,121	80%	9%
Vehicle Finance	4,670	4,846	5,047	5,279	5,641	21%	25%
Used CV	2,997	3,127	3,193	3,303	3,491	16%	15%
New CV	1,673	1,719	1,854	1,976	2,150	29%	9%
MSE Finance	1,170	1,194	1,164	1,122	1,157	-1%	5%
NBFC	908	817	758	692	709	-22%	3%
Others <sup>†</sup>	196	217	199	533	282	44%	1%
<b>Gross Advances</b>	<b>18,978</b>	<b>19,687</b>	<b>20,597</b>	<b>21,688</b>	<b>22,779</b>	<b>20%</b>	<b>100%</b>

<sup>†</sup> Others includes loan-against-gold, unsecured business loans, overdrafts against fixed deposits ,staff loans and reverse repo of more than 14 days



# Disbursements evolution

Rs Cr	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	YoY %
Micro Finance	938	1,010	972	939	971	4%
Small Business and Agri Loans	951	728	940	978	1,096	15%
Housing Finance	203	177	267	266	388	91%
Vehicle Finance	782	778	940	889	1,098	40%
Used CV	523	512	617	579	717	37%
New CV	259	266	323	310	381	47%
MSE Finance	98	54	72	73	77	-21%
NBFC	136	50	28	30	135	-1%
Others <sup>†</sup>	37	64	60	63	80	116%
<b>Total Disbursements</b>	<b>3,145</b>	<b>2,861</b>	<b>3,279</b>	<b>3,238</b>	<b>3,845</b>	<b>22%</b>

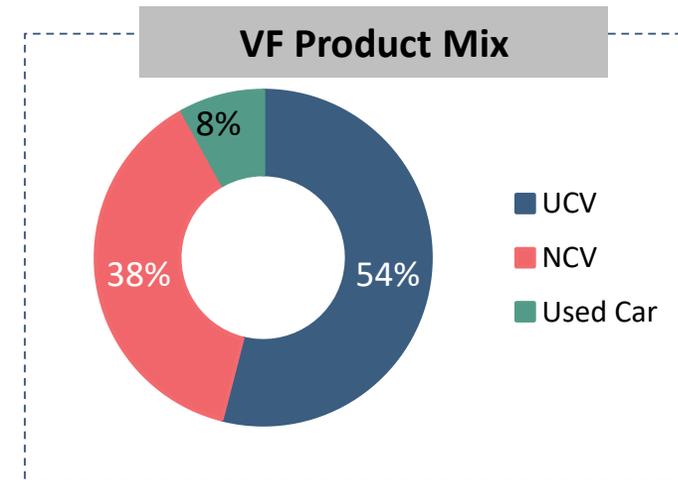
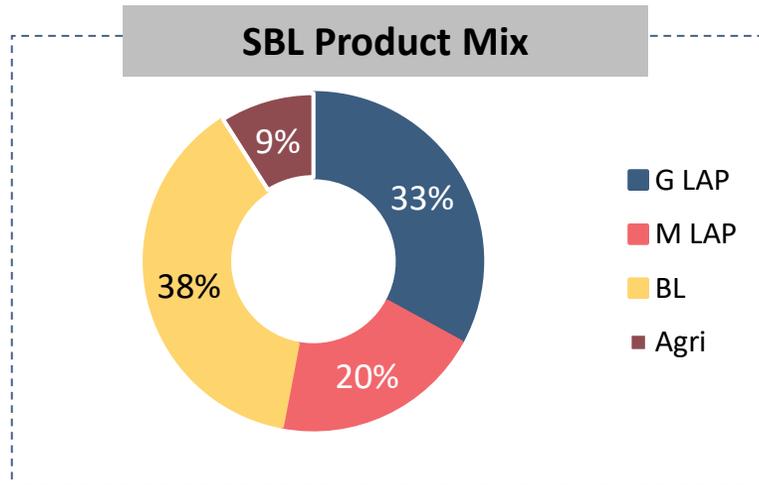
<sup>†</sup> Others includes loan-against-gold, unsecured business loans, overdrafts against fixed deposits and staff loans

\* Disbursement excludes Rs 185 Crs & Rs 183 Crs under the TReDS platform in Q1FY23 & Q2FY23 respectively



# Segmental Details

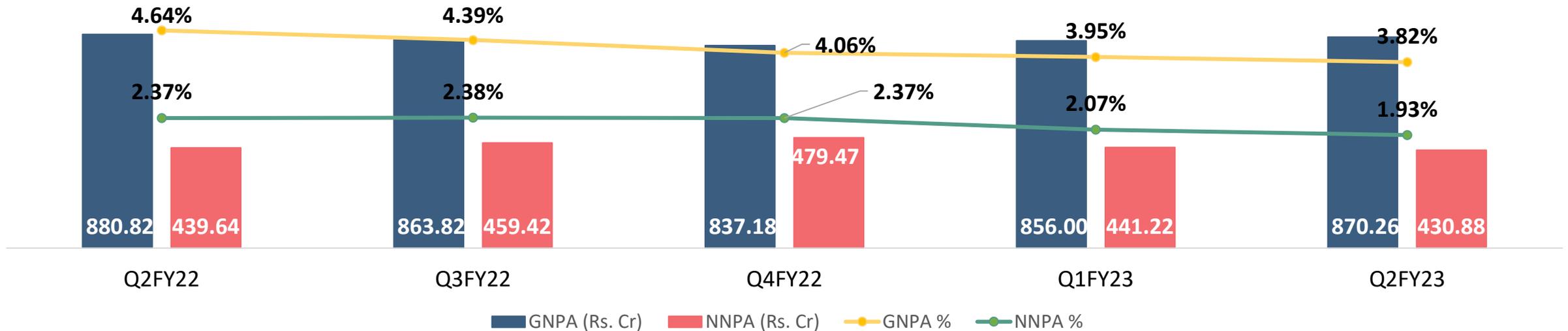
Product Segment	Number of Live Loans	ATS @ Disbursement (Lacs)	ATS @ Portfolio (Lacs)	GNPA (%)	PCR (%)
Micro Finance	18,54,906	0.40	0.22	4.63%	55.14%
Small Business Loans	2,31,380	6.30	3.77	4.19%	37.81%
Housing Finance	25,102	11.15	8.45	1.17%	33.25%
Vehicle Finance	1,76,442	5.20	3.20	3.65%	75.99%
MSE Finance	3,205	55.04*	36.09	6.29%	31.64%
NBFC	41	1,921	1,730	0.67%	100%



\* Excludes disbursement under the TReDS platform



# Asset Quality Trend



GNPA Movement (Rs. Cr)	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23
Opening GNPA Balance	816.17	880.82	863.82	837.18	856.00
Add: Additions during the period	339.08	266.82	408.56	296.03	314.01
Less:					
i. Upgradations	186.61	68.64	109.88	51.75	136.67
ii. Recoveries (excluding recoveries made from upgraded accounts)	65.47	80.28	133.62	95.64	81.73
iii. Technical or Prudential write-offs	7.15	102.46	105.62	95.95	58.58
Write-offs other than those under (iii) above	15.20	32.45	86.08	33.87	22.76
<b>Closing GNPA Balance</b>	<b>880.82</b>	<b>863.82</b>	<b>837.18</b>	<b>856.00</b>	<b>870.26</b>

Previous quarters do not include slippages and upgrades within each month

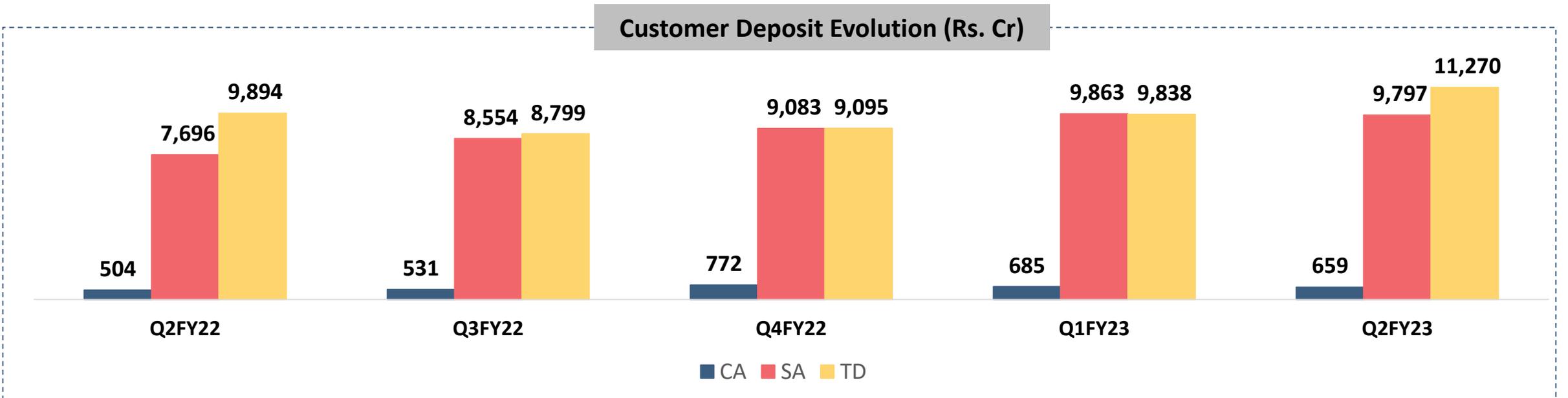


# Liabilities & Branch Banking



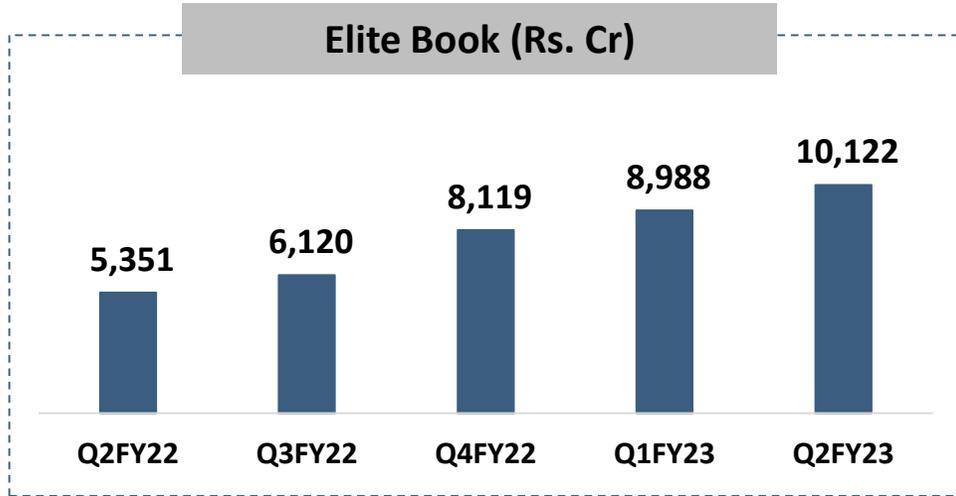
# Deposits Evolution

as on 30 Sept 2022	CA [Current Account]	SA [Savings Account]	CASA [Low cost deposits]	TD [Term Deposits]	CASA+TD [Customer Deposits]
Balance (Cr)	659	9,797	10,456	11,270	21,726
as a % of total borrowings (Rs. 24,065 Cr)	3%	41%	43%	47%	91%
as a % of total deposits (Rs. 21,726 Cr)	3%	45%	48%	52%	100%

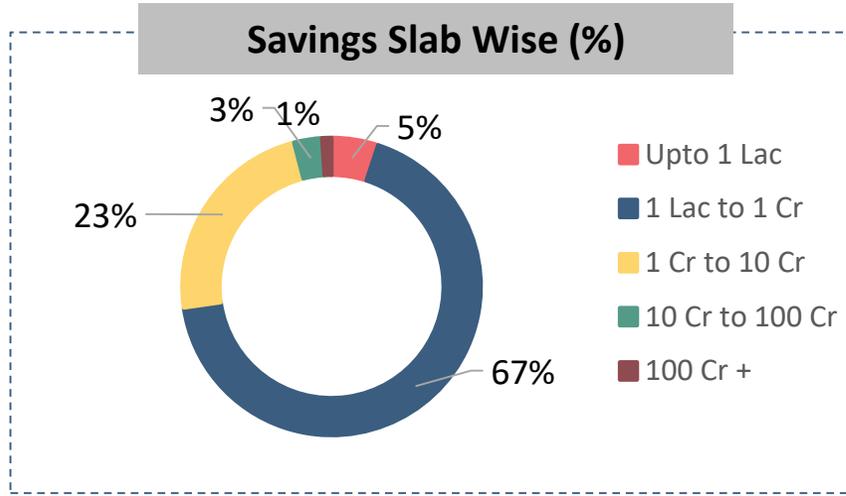


# Customer Deposit Profile

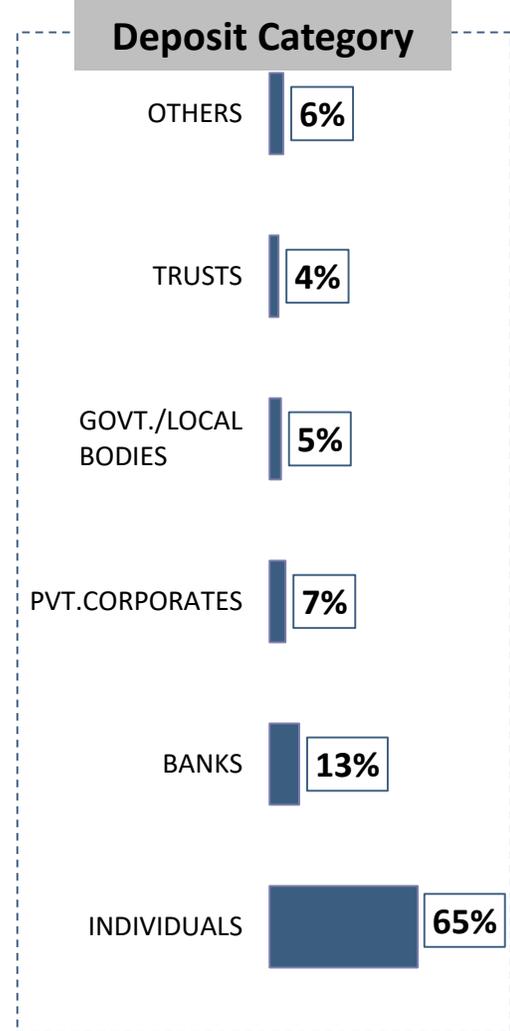
Elite Book (Rs. Cr)



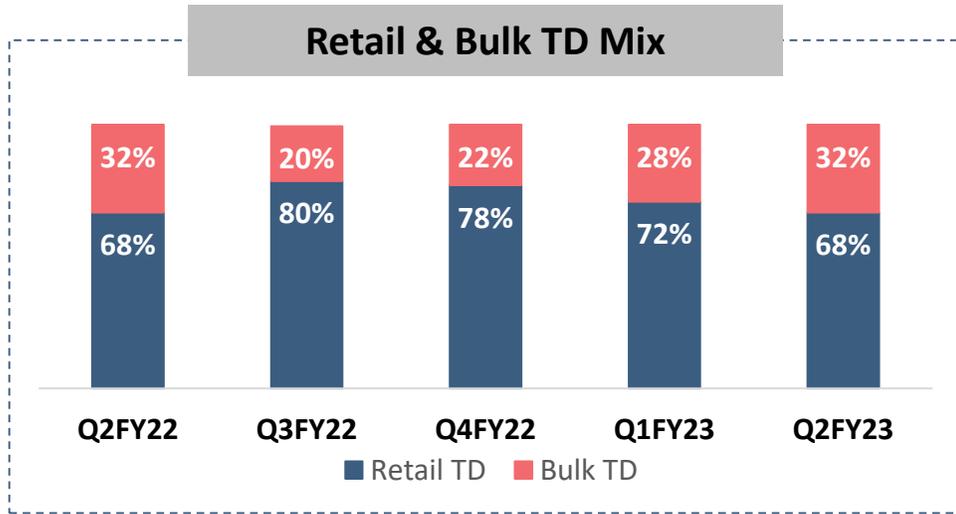
Savings Slab Wise (%)



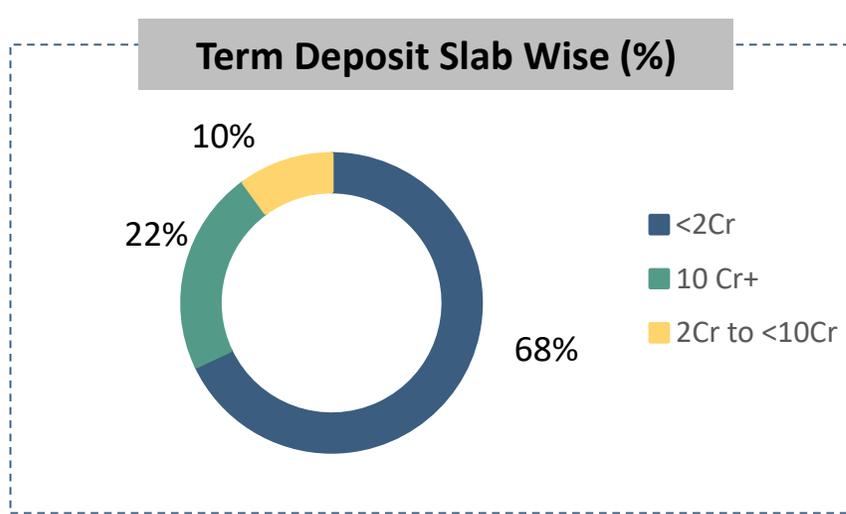
Deposit Category



Retail & Bulk TD Mix

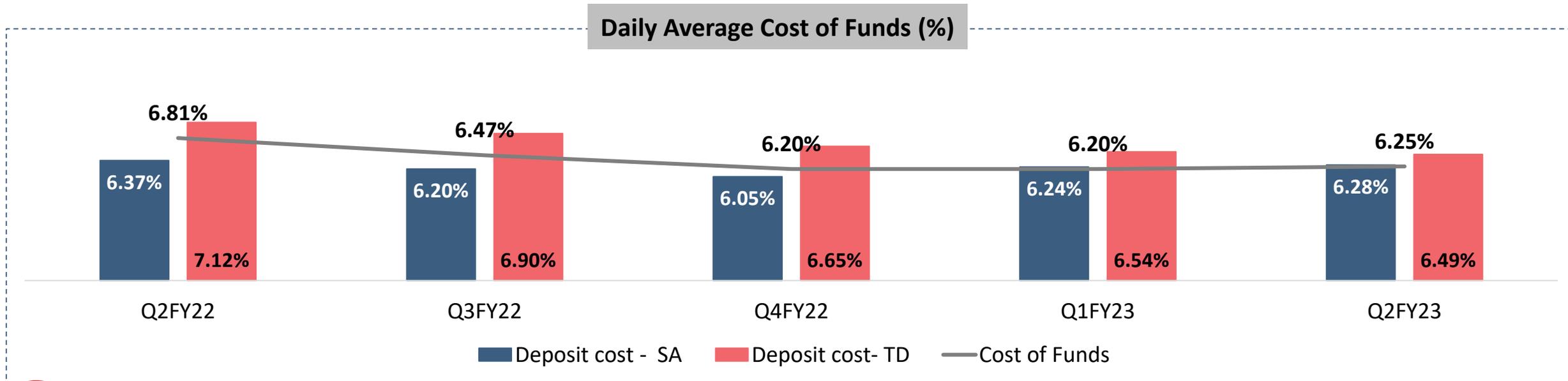
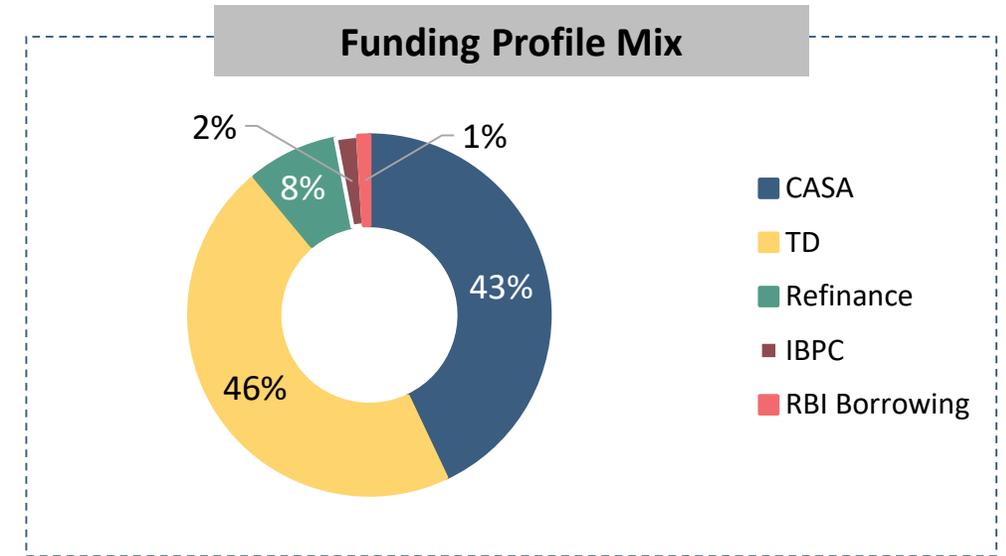


Term Deposit Slab Wise (%)



# Funding Profile

In Rs Cr	Sept 2021	June 2022	Sept 2022
TD	9,894	9,838	11,270
Refinance	2,980	2,299	2,023
CASA	8,200	10,548	10,456
Sub Debt	150	150	-
IBPC	700	795	500
RBI Borrowing	-	-	316
<b>Total Borrowings</b>	<b>21,924</b>	<b>23,630</b>	<b>24,565</b>



# Treasury Update



The Bank's total investment portfolio of Rs. 5,748 Crore comprises of SLR and Non-SLR securities

Category (Rs. Cr)	Book Value
SLR	5,730
Non SLR	18
<b>Total</b>	<b>5,748</b>



## Borrowings & Liquidity

- The Bank's Certificate of Deposit (CD) programme for Rs. 500 Crore has highest rating from at CRISIL A1+
- The Bank has adequate eligible advances available to raise funds through refinance or IBPC whenever required which provides strong cushion to ALM position of the Bank
- The Bank currently maintains 'surplus' liquidity in the form of High Quality Liquid Assets (HQLA). Liquidity Coverage Ratio (LCR) as on 30.09.2022 is 202%



Profit on sale of Investments for the quarter is Rs. 7.76 Crore and MTM depreciation on Investments for the quarter is Rs. 1.35 crore



# Digital Banking



# Digital Banking – Key Highlights

## Neo Banking



**Equitas Selfe**  
Own digital platform



**Rs. 578 Crs**  
Total Deposits

**Niyox**



**Rs. 510 Crs**  
Total Deposits

**freo**



**Rs. 4 Crs**  
Total Deposits

## Digital Products overview for Q2



### Prepaid Cards

- 1.58 Lacs Cards issued
- 55 Lacs+ Transactions
- Rs. 325 Crs Txn value processed

### Micro ATM

- 195 Lacs+ Transactions
- Rs. 6,546 Crs Txn value processed

### NETC - FASTag

- 49 K+ new Fastags issued
- Rs. 267 Crs issuer Txn value processed

### UPI

- 12.75 Lacs Transactions Processed
- Rs. 23 Crs Txn Value processed



# Financials



# Balance Sheet

Particulars (in Rs Cr)	Sept-22	Sept-21	YoY %	Jun-22	QoQ%
<b>Capital &amp; Liabilities</b>					
Capital	1,254	1,145	9%	1,253	-
Reserves & Surplus	3,213	2,321	38%	3,095	4%
Networth	4,467	3,466	29%	4,348	3%
Deposits	21,726	18,094	20%	20,386	7%
Borrowings	2,339	3,130	-25%	2,449	-4%
Other Liabilities & Provision	1,392	1,058	32%	1,184	18%
<b>Total</b>	<b>29,924</b>	<b>25,748</b>	<b>16%</b>	<b>28,367</b>	<b>5%</b>
<b>Assets</b>					
Cash and Balances With Reserve Bank of India	976	3,424	-71%	1,911	-49%
Balances With Banks and Money At Call and Short Notice	288	64	354%	145	98%
Investments	5,746	3,531	63%	4,854	18%
Advances	21,840	17,837	22%	20,479	7%
Fixed Assets	221	173	28%	200	11%
Other Assets	853	719	19%	778	10%
<b>Total</b>	<b>29,924</b>	<b>25,748</b>	<b>16%</b>	<b>28,367</b>	<b>5%</b>
<b>Gross Advances</b>	<b>22,779</b>	<b>18,978</b>	<b>20%</b>	<b>21,688</b>	<b>5%</b>

# Profit & Loss Account

Particulars (in Rs Cr)	Q2FY23	Q2FY22	YoY%	Q1FY23	QoQ%	H1FY23	H1FY22	YoY%
Interest Income from Loans	904	767	18%	855	6%	1,759	1,509	17%
Income on Investments	73	60	22%	62	18%	134	117	15%
Interest on balances with Reserve Bank of India and other inter bank funds	25	17	47%	24	4%	50	37	35%
<b>Total Interest Income</b>	<b>1,002</b>	<b>844</b>	<b>19%</b>	<b>941</b>	<b>6%</b>	<b>1,943</b>	<b>1,663</b>	<b>17%</b>
<b>Finance Cost</b>								
Interest on deposits	326	289	13%	296	10%	622	568	10%
Interest on RBI / inter-bank borrowings	18	-	-	12	50%	30	1	-
Other interest	49	70	-31%	52	-8%	101	149	-32%
<b>Total Finance Cost</b>	<b>393</b>	<b>360</b>	<b>9%</b>	<b>360</b>	<b>9%</b>	<b>752</b>	<b>718</b>	<b>5%</b>
<b>Net Interest Income</b>	<b>610</b>	<b>484</b>	<b>26%</b>	<b>581</b>	<b>5%</b>	<b>1,190</b>	<b>945</b>	<b>26%</b>
<b>Other Income</b>								
Asset Fee Income	84	65	29%	67	25%	151	92	64%
Treasury & PSLC Fee Income	7	17	-59%	7	-	14	32	-56%
Liability & Distribution Income	25	24	4%	26	-4%	51	41	24%
<b>Total Other Income<sup>^</sup></b>	<b>115</b>	<b>106</b>	<b>8%</b>	<b>100</b>	<b>15%</b>	<b>216</b>	<b>165</b>	<b>31%</b>

\*Opex is exclusive of digital expenses | <sup>^</sup>Other income is net of digital expenses

# Profit & Loss Account

Particulars (in Rs Cr)	Q2FY23	Q2FY22	YoY%	Q1FY23	QoQ%	H1FY23	H1FY22	YoY%
<b>Net Income</b>	<b>725</b>	<b>590</b>	<b>23%</b>	<b>681</b>	<b>6%</b>	<b>1,406</b>	<b>1,110</b>	<b>27%</b>
Employee Cost	275	228	21%	226	22%	501	449	12%
Opex*	208	163	28%	187	11%	395	298	33%
<b>Total Operating Expenditure</b>	<b>483</b>	<b>391</b>	<b>24%</b>	<b>413</b>	<b>17%</b>	<b>875</b>	<b>747</b>	<b>17%</b>
<b>PBT before provision &amp; Write-off</b>	<b>242</b>	<b>199</b>	<b>22%</b>	<b>268</b>	<b>-10%</b>	<b>510</b>	<b>363</b>	<b>40%</b>
Credit Cost	90	142	-37%	142	-37%	232	292	-21%
<b>PBT</b>	<b>152</b>	<b>57</b>	<b>167%</b>	<b>127</b>	<b>20%</b>	<b>279</b>	<b>71</b>	<b>293%</b>
Taxes	36	16	125%	30	20%	66	18	267%
<b>PAT</b>	<b>116</b>	<b>41</b>	<b>183%</b>	<b>97</b>	<b>20%</b>	<b>213</b>	<b>53</b>	<b>302%</b>

\*Opex is exclusive of digital expenses ^Other income is net of digital expenses

# Sustainability at Equitas

## Environment

- Bank has a policy on Environmental & Social safeguards framework for Micro & Small Enterprises during the appraisal process of loan application
- Bank has tied-up with IFC to conduct exploratory data analysis to establish base line for Green Portfolio

## Social

- The Equitas Development Initiative Trust (EDIT) was set up to undertake social and community development initiatives in the areas of Health, Education and Employment
- To know more about the impact of EDIT on society [click here](#)

## Governance & Inclusion

- Board of Directors with diversified industry experience
- Experienced Management team with 20+ years of individual experience across functions
- To more about our governance & inclusion practices [click here](#)

## UN SDG's



Sustainalytics – Equitas ESG risk rated at Medium levels among Banks



# EDIT Impact

26,16,049 Eye- Camp Participants	1,18,812 Spectacles distributed for free	33,605 Cataract Operations Sponsored
38,80,073 Medical Camps Organized	6,00,420 Participants in Skill Training	2,40,251 Unemployed Placed
4,33,166 Swasth Mahila Health Education	2,343 Pavement Dweller Rehabilitated	57,38,883 Number of People Vaccinated

# Inclusion

- Employee were provided with benefits of Covid policy which included benefits like Special Covid leaves , Hospitalization Assistance , test charges reimbursement
- A Child Care Centre has been opened in the Head-Office to encourage and support the working parents. This initiative specially helps the working mothers in managing their careers

# Governance

Equitas from the very beginning has reflected high governance standard which is reflected by the board demographics and its independence

6 No of Board Meeting	98.33% Board Attendance	99.53% Board Committee Attendance
9 No of Independent Directors	9 No of non- management Directors	8 Years Term Limit of Ind. Directors

To know more about our Board Committees [click here](#)



# Awards



AmbitionBox Best Places to Work in India 2022



e4m IMA South Circle of Life – Branded Content BFSI



Quantic Disruptive Technology Innovation Award



e4m IMA South Equiverse – Innovative use of Technology



# Awards



W.E. matter  
Global Employee  
Choice Awards  
Best CEO



BW Marketing World  
40 under Forty



BSE  
Top Performer in  
Banks Category  
2020-21





## **Investor Relations**

### **Equitas Small Finance Bank Limited**

Website – <https://ir.equitasbank.com/>

Email – [ir@equitasbank.com](mailto:ir@equitasbank.com)

Twitter - @EquitasIR

4<sup>th</sup> Floor, Phase II, Spencer Plaza, No. 769, Mount Road, Anna Salai,  
Chennai 600 002, Tamil Nadu

**ANNEXURE FOR NON-CONVERTIBLE DEBENTURES ISSUED ON PRIVATE PLACEMENT BASIS UNDER REGULATION 52(4) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

- a) **Debt Equity Ratio:** The Debt Equity Ratio of the Bank as on 30<sup>th</sup> September 2022 is 0.19 (Debt represents borrowings with residual maturity of more than one year)
- b) **Capital Redemption Reserve/Debenture Redemption Reserve:** Equitas Small Finance Bank Limited being a banking company as on 30<sup>th</sup> September 2022, accordingly Debenture Redemption Reserve requirement is not applicable for Privately Placed Debentures.
- c) **Net Worth:** The Net Worth of the Bank as on 30<sup>th</sup> September 2022 is ₹ 41,95,84.81 Lakhs.
- d) **Net Profit after Tax:** The Net Profit after tax for the quarter ended 30<sup>th</sup> September 2022 is ₹ 116,42.13 Lakhs.
- e) **Earnings Per Share for the quarter ended 30<sup>th</sup> September 2022 (not annualised):**

**Earnings per equity share (including exceptional item):**

Particulars	EPS
Basic (in Rs.)	0.93
Diluted (in Rs.)	0.92

**Earnings per equity share (excluding exceptional item):**

Particulars	EPS
Basic (in Rs.)	0.93
Diluted (in Rs.)	0.92

- f) **Current Ratio: Not Applicable**

The ratios and other information which are to be disclosed as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been disclosed to the extent considered applicable.

We request you to take the above information on your records.

Thanks & Regards,  
For Equitas Small Finance Bank Limited

  
N Ramanathan  
Company Secretary



**BEYOND BANKING**

When you bank with us, you contribute towards a better society.

**Equitas Small Finance Bank Limited**  
(Previously known as Equitas Finance Limited)

**3011266**

4<sup>th</sup> Floor, Phase II, Spencer Plaza, No.769, Mount Road, Anna Salai, Chennai, Tamil Nadu, India - 600 002

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