

January 25, 2024

<b>National Stock Exchange of India Limited</b> Exchange Plaza Bandra Kurla Complex Mumbai - 400 051	<b>BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001
<b>Symbol : EQUITASBNK</b>	<b>Scrip Code : 543243</b>

Dear Sir

**Sub: Submission of Investors presentation**

Pursuant to Regulation 30 and other applicable clauses of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Investors presentation on the Unaudited Financial Results of the Bank for the quarter and nine months ended December 31, 2023.

The same is also available on the website of the Bank and can be accessed using the below link [Click here](#)

Kindly take the above information on record.

Thanking you,

Yours faithfully,  
**For Equitas Small Finance Bank Limited**

**N Ramanathan**  
Company Secretary

Encl: a/a

# Investor Presentation

Q3FY24



BEYOND BANKING

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



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.

This presentation or any part of it or the fact of its, form the basis of, or be relied on in connection with, any contract or commitment therefore. This document has not been and will not be reviewed or approved by any statutory or regulatory authority in India or any other jurisdiction or by any stock exchanges in India or elsewhere This document and the contents hereof are restricted for only the intended recipient(s). This document and the contents hereof should not be (forwarded or delivered or transmitted in any manner whatsoever, to any other person, other than the intended recipients(s) or reproduced in any manner whatsoever. Any forwarding, distribution or reproducing of this document in whole or in part is unauthorized.

## **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.

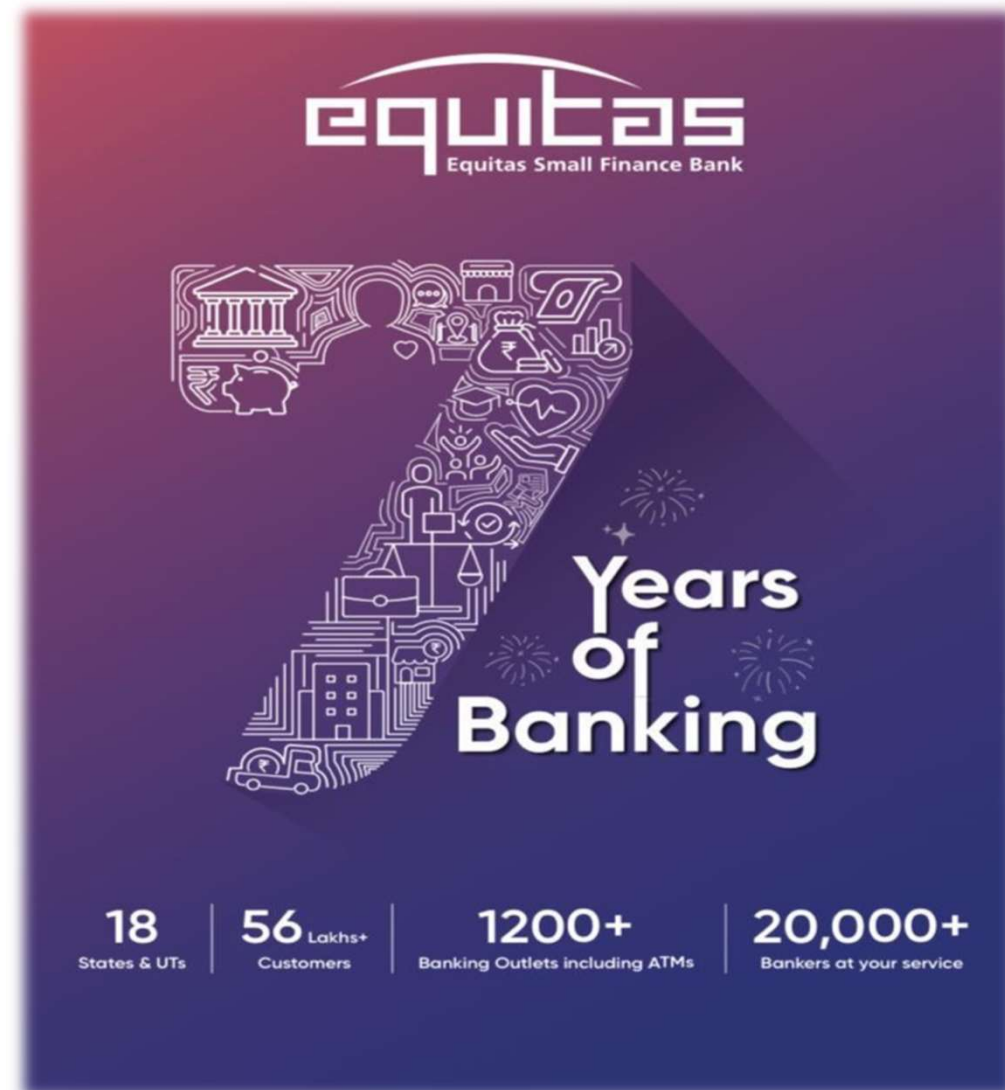
The Bank does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Bank.

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



# Table of Contents

1. Key Highlights
2. Financial Performance
3. Advances
4. Liabilities & Branch Banking
5. Digital Banking
6. Financials



## Key Highlights



# Snapshot

## Operational



18 States and UTs



963 Banking Outlets  
363 ATMs



302 Business  
Correspondents



21,679 employees

## Asset Offerings



**Gross Advances:**  
Rs. ^32,776 Cr [Rs.24,915 Cr]  
SBL- 37%, VF - 25%,  
MFI- 18%, HF-12%  
MSE – 4%, NBFC – 3%



**Disbursements for Q3FY24:**  
Rs. 4,740 Cr [Rs. 4,797 Cr]  
SBL – 30%, VF - 26%,  
MFI – 29%, HF- 9% ,  
MSE – 3%, NBFC – 0%



**Asset Quality:**  
^GNPA: 2.38% [3.46%]  
\*GNPA: 2.29%  
NNPA: 1.06% [1.73%]  
PCR: 55.97% [50.84%]



**Yield on Advances:**  
17.59% for Q3FY24 [17.01%]

## Liability Profile



**Total Deposits:**  
Rs. 32,385 Cr [Rs. 23,362 Cr]  
CASA – 33%, TD – 67%



**Third Party Products:**  
LI Premium-  
Rs 31.30 Cr [Rs 29.20 Cr]  
Mutual Fund AUM-  
Rs 281 Cr [Rs 211 Cr]  
Demat A/C opened -4031 Nos



**Daily Average Cost of  
Funds for Q3FY24:**  
7.36% [6.41%]  
SA – 6.14%, TD – 8.16%



**CASA Ratio:**  
33% [46.24%]

## Financials



**PAT for Q3FY24:**  
Rs. 202 Cr [Rs. 170 Cr]



**Shareholders funds:**  
CRAR –20.24%  
Tier I – 19.69%  
Tier II – 0.55%



**NIM for Q3FY24:**  
8.37% [9.01%]



**RoA: Q3FY24 at 1.98% [2.21%]  
RoE: Q3FY24 at 14.44% [14.94%]**

Figures in [] represent Q3FY23 data | \*Advance for the purpose of GNPA/NNPA calculation includes Securitization book | ^ Gross Advances includes IBPC



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

# Key Highlights



## Key message

- Robust Gross Advances growth at 32% YoY and 5% QoQ . Net of IBPC and securitization, net advances growth at 25% YoY
- Yield on disbursement improved by 120 bps to 18.77% in Q3FY24 Vis a Vis 17.57% in Q3FY23
- Robust TD growth of 73 % YoY supported by 61% YoY growth in retail TD
- Only ~23% of Incremental deposits during the quarter funded by Bulk Term Deposits
- During Q3FY24, Bank has securitized/assigned advances worth Rs 1390 Cr



## Profit & Loss

- NII grew 21% YoY and 3 % QoQ, Other income grew 46% YoY and 15% QoQ
- Opex grew 23% YoY and 2% QoQ ; PPOP grew 29% YoY. PPOP to assets stands at 3.53% for the quarter
- PAT stood at Rs. 202 Crs for Q3FY24, growth of 19% YoY and 2% QoQ
- PAT for 9MFY24 stood at Rs 591 Cr, growth of 54% as compared to 9MFY23
- Profit on Sale of Investments accounted for Rs 26.91 Crs during Q3FY24
- RoA and RoE for Q3FY24 remains resilient at 1.98% and 14.44% respectively



# Highlights



## Asset Quality & Provisioning

- GNPA improved by 108 bps YoY to 2.38% in Q3FY24 as compared to 3.46% in Q3FY23 ; including securitization book, GNPA would stand at 2.29%
- NNPA improved by 67 bps YoY to 1.06 % in Q3FY24 as compared to 1.73% in Q3FY23
- Gross Slippages Stands at 3.99% for Q3FY24 as compared to 5.03% in Q3FY23 as business environment normalizes



## Business Update

- Used Car Advances Crossed Rs 1000 Crs during Q3FY24
- Repeat Customers for MF segments climbs to 53%
- Merchant OD introduced during Q1FY23 crosses Rs 800 Crs in Q3FY24
- ASBA services pick up momentum, 18K Customers availed ASBA services during the quarter
- Added 7 new branches during Q3FY24 across AP, Delhi, Karnataka and TN
- “Selfe Loans” – A customer mobile App for borrowers launched .The app aims to significantly improve customer experience and also enable customers to apply for new loans.



Digital platforms



**Rs 865 Crs**

Deposits – Digital Accounts



**50,000**

Loan App downloads



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

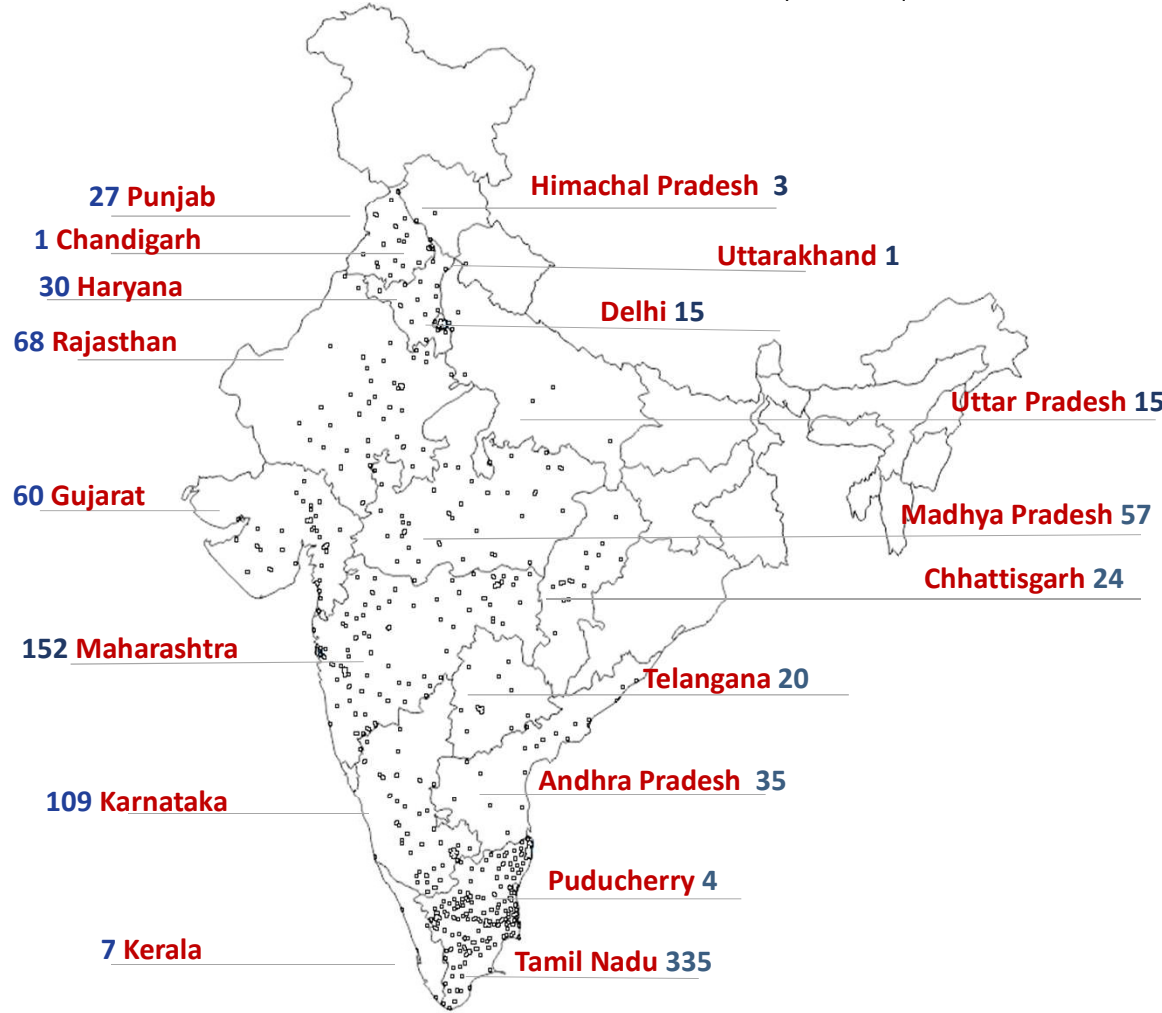


# Our Presence

States	Advances (%)	Deposits (%)
Andhra Pradesh	2%	3%
Chandigarh	-	3%
Chhattisgarh	1%	2%
Delhi	1%	8%
Gujarat	5%	6%
Haryana	2%	5%
Himachal Pradesh	0.14%	
Karnataka	12%	9%
Kerala	0.18%	1%
Madhya Pradesh	3%	4%
Maharashtra	14%	12%
Punjab	2%	7%
Rajasthan	4%	6%
Tamil Nadu & Pondicherry	50%	29%
Telangana	3%	3%
Uttar Pradesh	1%	2%
Uttarakhand	0.26%	-

Map not to scale

● Districts present in | Branch network



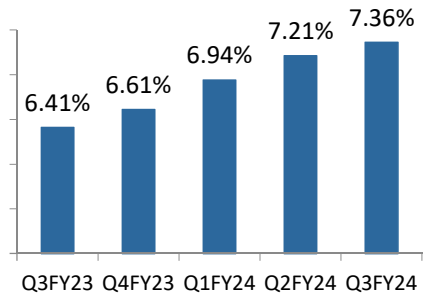
BEYOND BANKING | When you bank with us, you contribute towards a better society.

# Financial Performance – Quarterly Trends

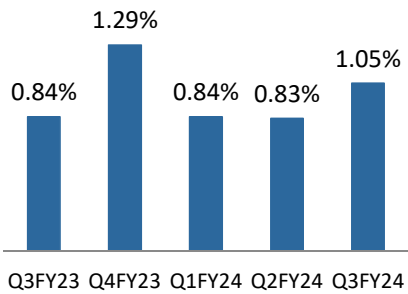


# Key Ratios

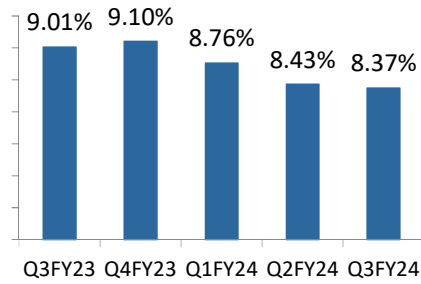
Daily Avg Cost of Funds



Credit Cost

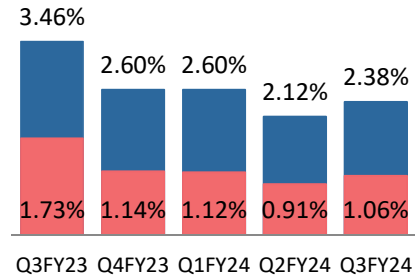


Net Interest Margin (NIM)

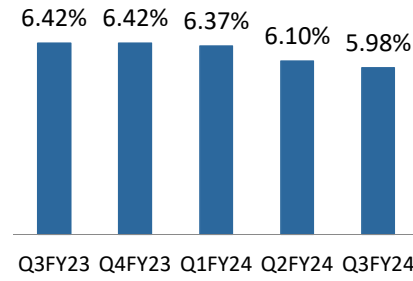


GNPA & NNPA

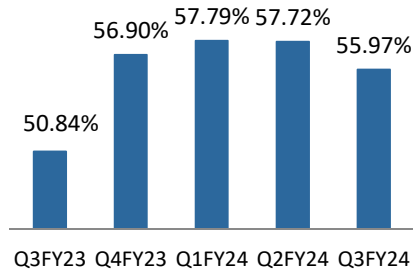
■ GNPA ■ NNPA



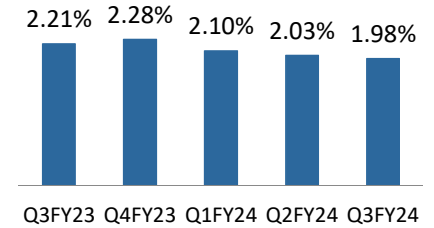
Cost to Assets



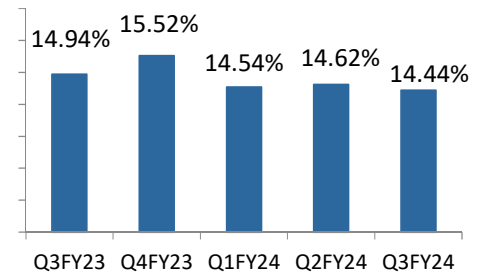
Provision Coverage Ratio



RoA

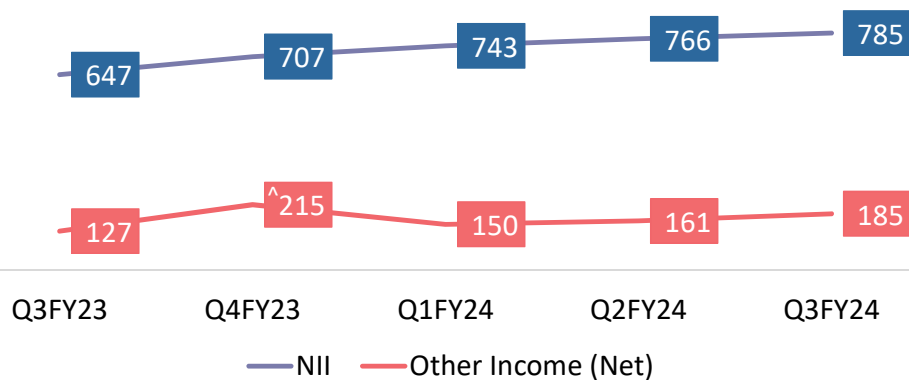


RoE

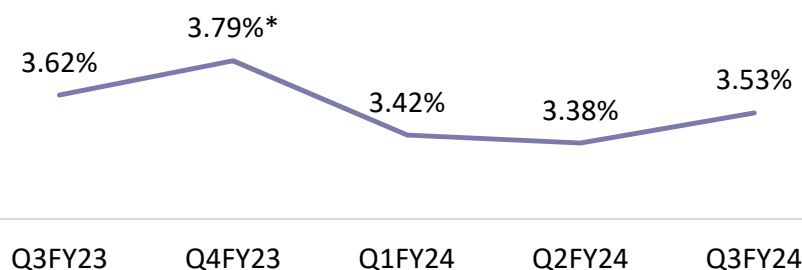


# Income Evolution

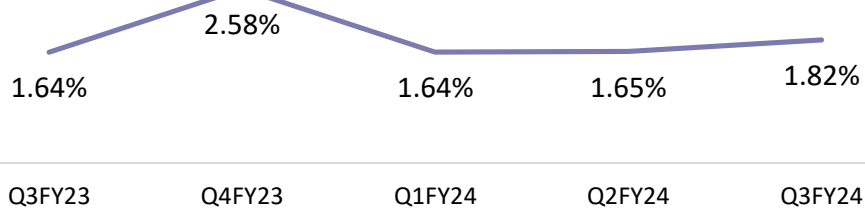
Net Income Evolution (Rs. Cr)



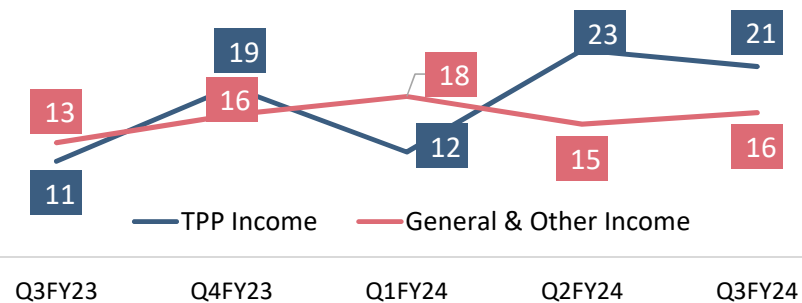
PPoP / Assets (%)



Other Income [Net] Contribution<sup>^</sup> (%)



Liability Fee Income (Rs .Cr)

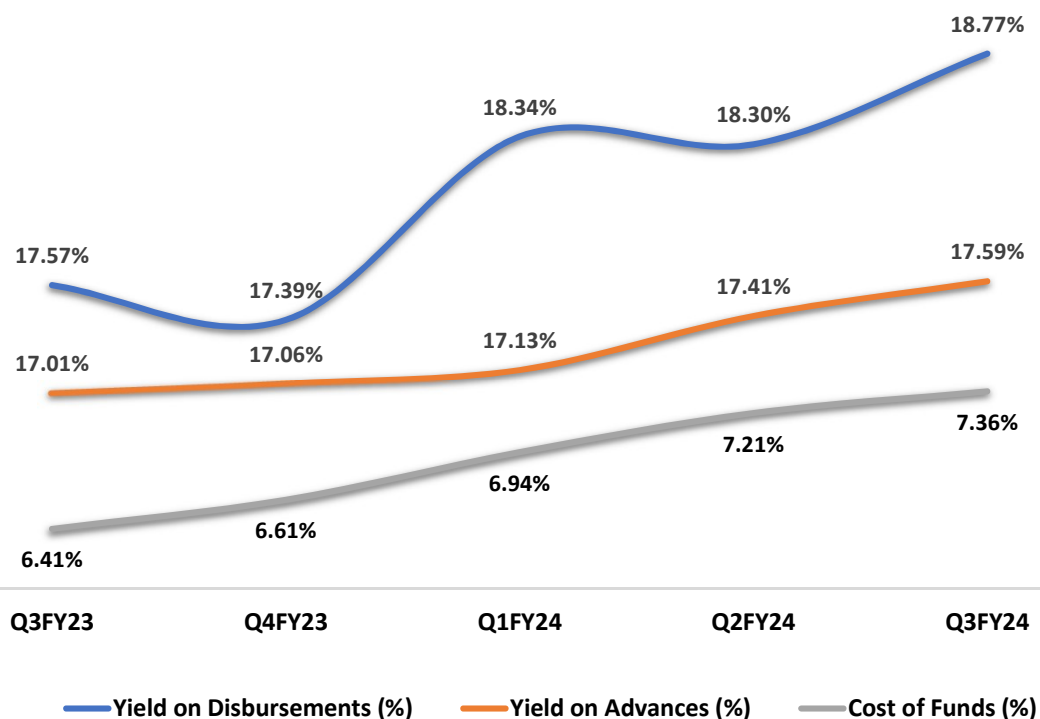


<sup>^</sup>Other income Excludes Rs 70 Crs Income from Sale to ARC in Q4FY23

\*Core PPoP – PPoP excluding income from sale to ARC



# Yield & Cost of Funds Trend



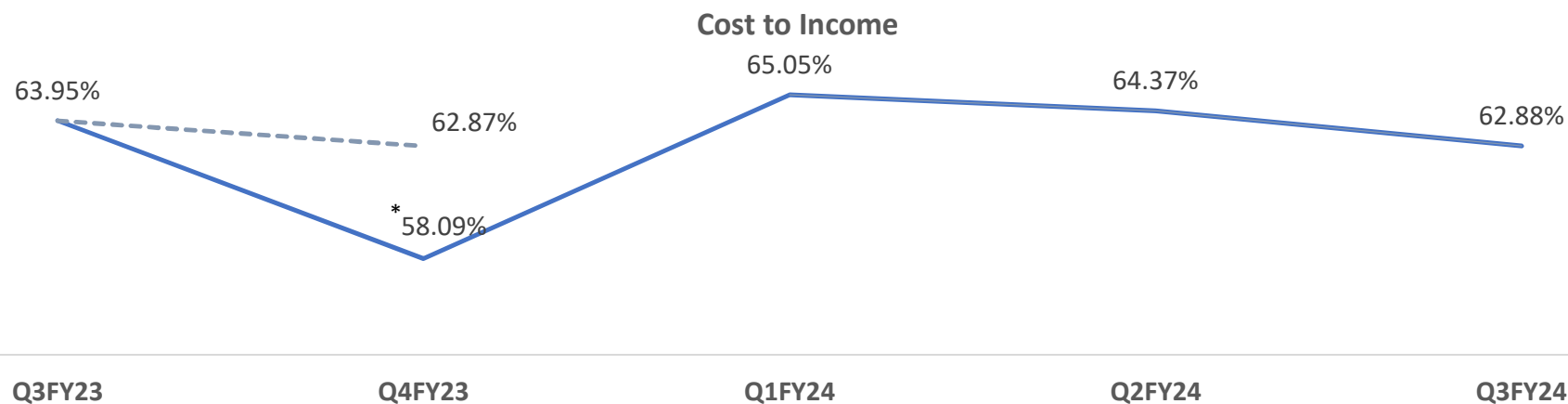
Particulars	March 2023	June 2023	Sept 2023	Dec 2023
CD Ratio	103.27	100.95	94.52	91.49
CD Ratio (after reducing refinance borrowings from advances)	91.55	90.22	86.47	84.97

- ~ 85% of the portfolio is fixed rate loans with a average tenure of 2.5 Yrs
- Impact of rising Cost of Funds mitigated by raising portfolio yields
- NIM impacted additionally due to increased balance sheet liquidity as CD ratio improves



# Opex evolution

Rs. Cr	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Employee expenses	275	292	304	328	332	346
Other expenses (net of digital expenses)	187	182	207	224	232	229
Depreciation	21	21	25	29	33	35
Total Operating expenses	483	495	536	581	597	610
No. of employees	18,962	20,005	20,563	20,996	21,862	21,679



\* Including the Income from ARC Sale of Rs 70 Crs



# Advances



# Advances evolution

Rs Cr	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	YoY %	Contribution %
Micro Finance & Micro Loans	4,600	5,225	5,626	5,878	6,056	32%	18%
Small Business Loans (SBL)	9,312	10,083	10,787	11,493	12,285	32%	37%
Housing Finance	2,463	2,873	3,206	3,582	3,884	58%	12%
Vehicle Finance	6,203	6,971	7,342	7,777	8,093	30%	25%
Used CV	3,226	3,463	3,540	3,675	3,762	17%	11%
New CV	2,404	2,793	2,960	3,118	3,234	35%	10%
Used Car	573	715	842	984	1097	91%	3%
MSE Finance	1,172	1,175	1,093	1,095	1,167	0%	4%
NBFC	872	1,184	1,178	1,042	887	2%	3%
Others <sup>†</sup>	293	350	369	362	404	38%	1%
<b>Gross Advances</b>	<b>24,915</b>	<b>27,861</b>	<b>29,601</b>	<b>31,229</b>	<b>32,776</b>	<b>32%</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	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24	YoY %
Micro Finance & Micro Loans	1,340	1,676	1,464	1,406	1,380	3%
Small Business Loans (SBL)	1,260	1,464	1,361	1,494	1,435	14%
Housing Finance	427	557	438	500	439	3%
Vehicle Finance	1,334	1,591	1,169	1,341	1,238	-7%
Used CV	699	743	551	668	621	-11%
New CV	477	635	408	429	392	-18%
Used Car	158	213	210	243	225	43%
MSE Finance	92	88	91	102	152	66%
NBFC	261	425	135	25	0	-100%
Others <sup>†</sup>	83	116	100	93	95	15%
<b>Total Disbursements</b>	<b>4,797</b>	<b>5,917</b>	<b>4,757</b>	<b>4,961</b>	<b>4,740</b>	<b>-1%</b>

<sup>†</sup> Others includes loan-against-gold

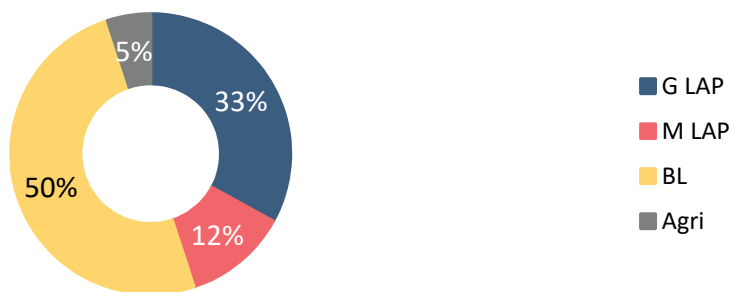


BEYOND BANKING | When you bank with us, you contribute towards a better society.

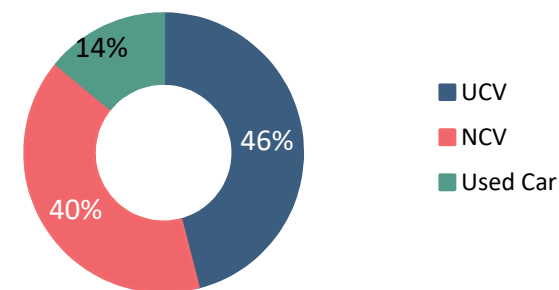
# Segmental Details

Product Segment	Number of Live Loans	ATS @ Disbursement (Lacs)	ATS @ Portfolio (Lacs)	GNPA (%)	PCR (%)
Micro Finance	20,13,573	0.49	0.30	3.26%	78.77%
Small Business Loans (SBL)	2,63,709	7.07	4.66	1.76%	26.59%
Housing Finance	36,963	11.80	10.51	1.00%	30.13%
Vehicle Finance	2,09,391	5.25	3.86	2.91%	57.90%
MSE Finance	3,007	*74.73	38.82	7.73%	63.93%
NBFC	52	-	1,705.27	0.54%	100.00%

**SBL Product Mix**



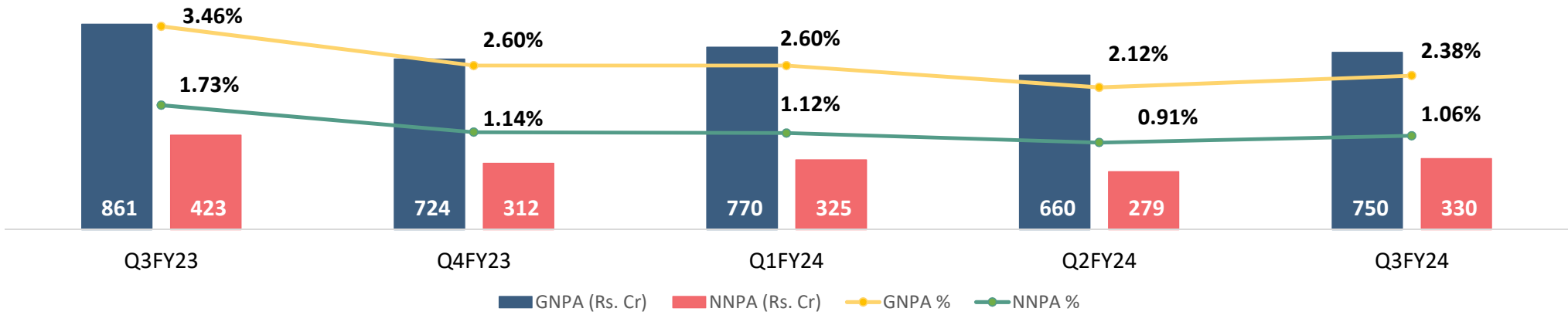
**VF Product Mix**



\*Excludes TReDS



# Asset Quality Trend

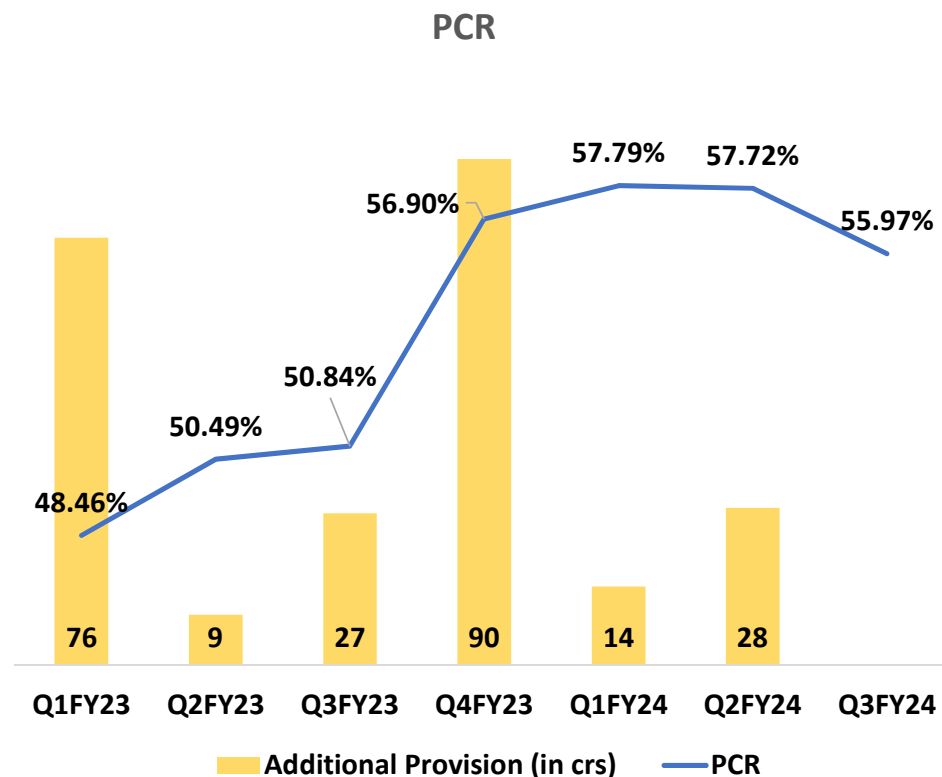


GNPA Movement (Rs. Cr)	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Opening GNPA Balance	870.26	861.36	723.96	770.18	660.50
Add: Additions during the period	286.46	190.59	213.94	256.81	312.19
Less:					
i. Upgradations	144.81	125.71	87.38	114.86	102.71
ii. Recoveries (excluding recoveries made from upgraded accounts)	69.37	84.79	49.38	167.92	69.77
iii. Technical or Prudential write-offs	27.71	9.21	3.37	8.41	17.15
Write-offs other than those under (iii) above	53.47	108.28	27.59	75.32	32.80
<b>Closing GNPA Balance</b>	<b>861.36</b>	<b>723.96</b>	<b>770.18</b>	<b>660.50</b>	<b>750.26</b>



# Strengthening Provision Coverage

Asset Classification	Nature	Provisioning as per IRAC	Provisioning as per Equitas
Sub-standard	Secured	15%	24%
	Unsecured	25%	69%
Doubtful-1	Secured	25%	61%
	Unsecured	100%	100%
Doubtful-2	Secured	40%	86%
	Unsecured	100%	100%
Doubtful – 3	Secured	100%	100%
	Unsecured	100%	100%



## Liabilities & Branch Banking

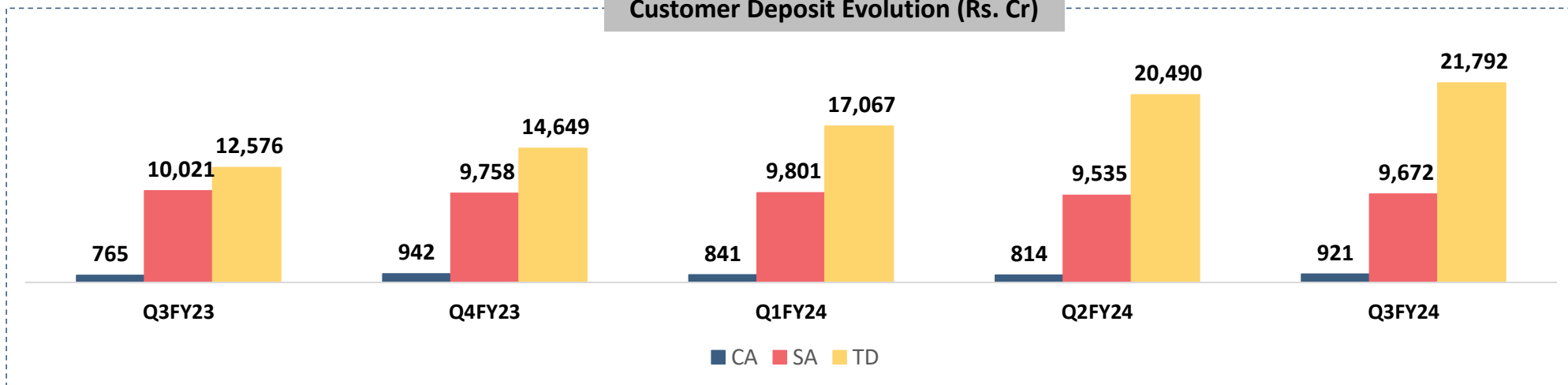


# Deposits Evolution

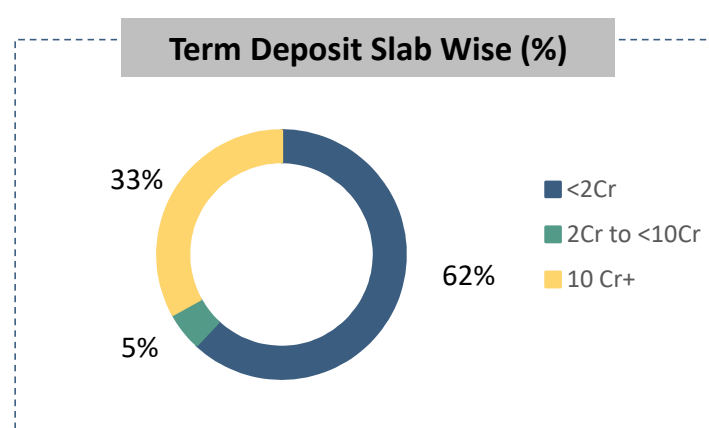
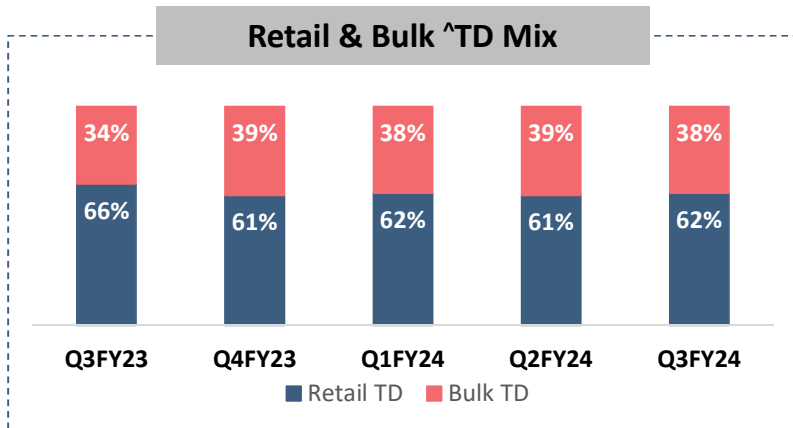
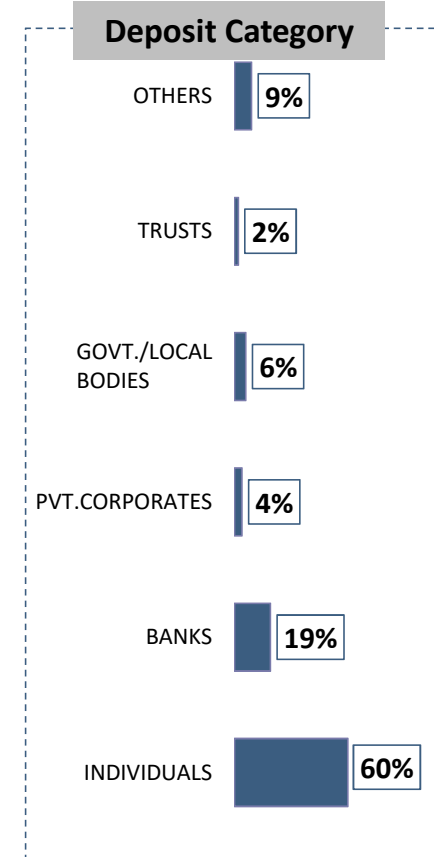
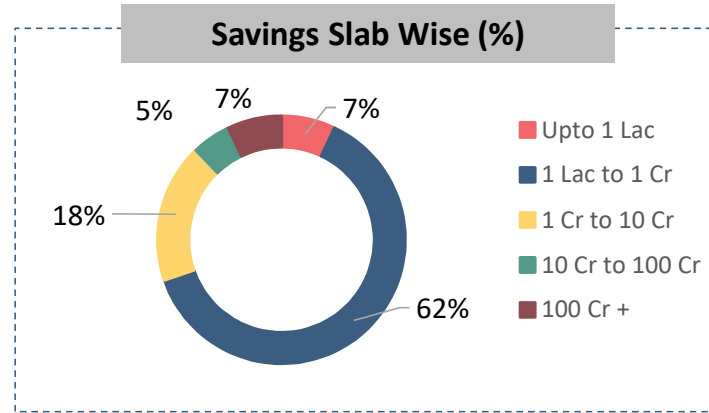
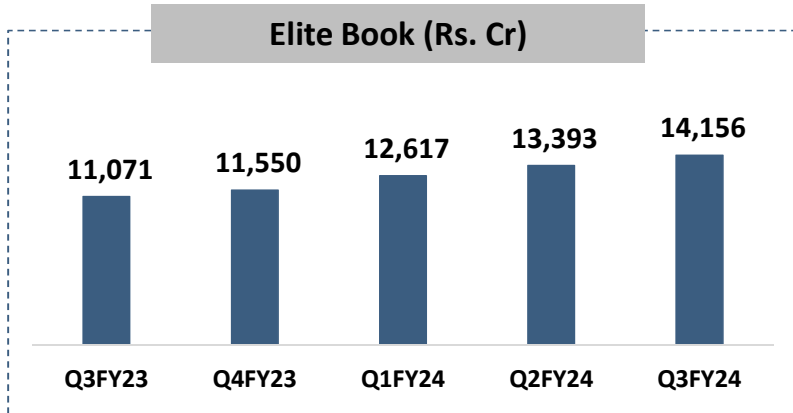
as on 31 Dec 2023	CA [Current Account]	SA [Savings Account]	CASA [Low cost deposits]	TD [Term Deposits]	CASA+TD [Customer Deposits]
Balance (Cr)	921	9,672	10,593	<sup>^</sup> 21,792	32,385
as a % of total borrowings (Rs. 34,498 Cr)	3%	28%	31%	63%	94%
as a % of total deposits (Rs. 32,385 Cr)	3%	30%	33%	67%	100%

<sup>^</sup>Includes Certificate of Deposits of Rs 367 Crs

Customer Deposit Evolution (Rs. Cr)



# Customer Deposit Profile

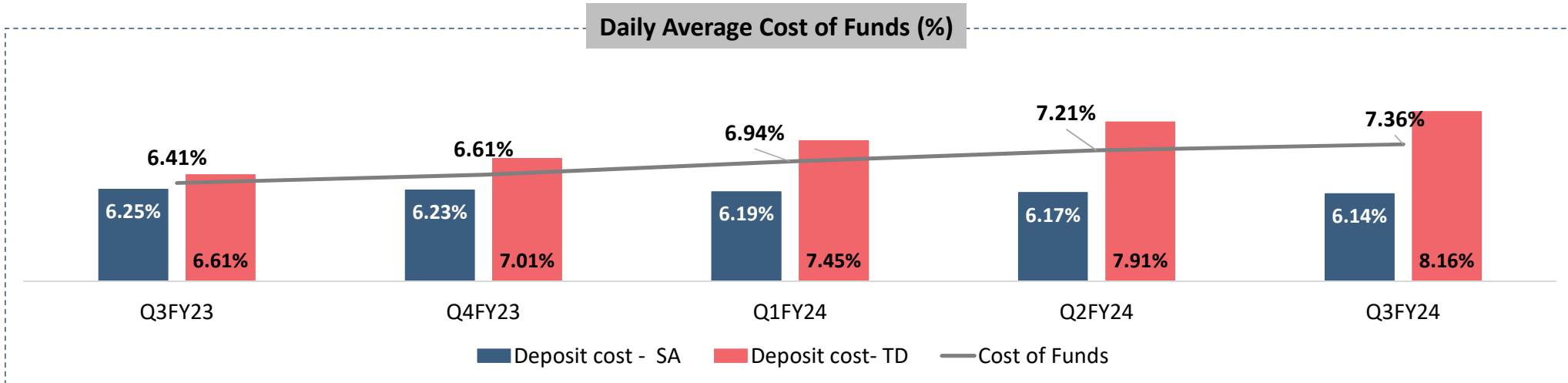
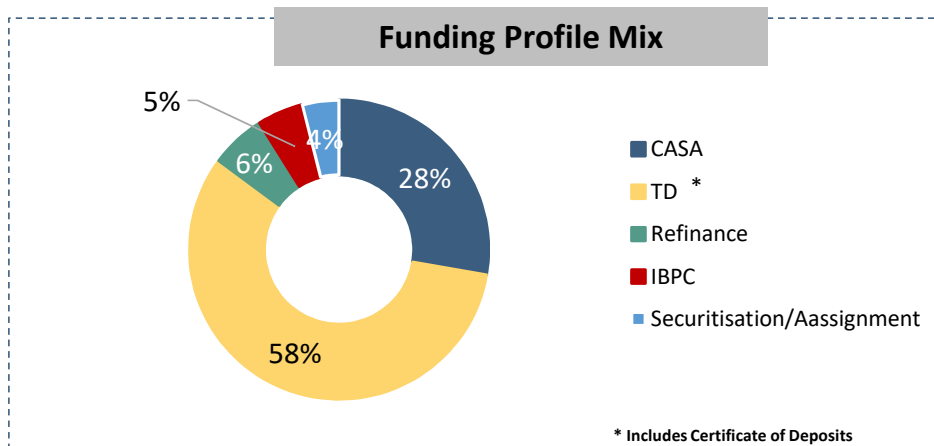


<sup>^</sup>TD excludes certificate of Deposits | Retail TD as defined by RBI



# Funding Profile

In Rs Cr	Q3FY23	Q2FY24	Q3FY24
TD	12,576	19,706	21,425
Certificate of Deposits	-	784	367
Refinance	2,410	2,481	2,113
CASA	10,817	10,350	10,593
Securitization/Assignment	-	-	1390
IBPC	1200	2080	1830
Others (Repo & Market Repo)	330	-	-
<b>Total</b>	<b>27,333</b>	<b>35,401</b>	<b>37,718</b>





# Treasury Update



The Bank's total net Investment portfolio of Rs. 8,475 Crore comprises of SLR and Non-SLR securities

Category ( In Rs. Cr)	Q3FY24
SLR	7,756
Non SLR	719
<b>Total</b>	<b>8,475</b>



## Borrowings & Liquidity

- The Bank's Certificate of Deposits (CD) programme has highest rating at A1+ from India Rating, CareEdge Ratings & Crisil.
- The Bank's issuer rating has been rated AA-/Stable by India Rating & CareEdge Ratings.
- Liquidity Coverage Ratio (LCR) as on 31.12.2023 is 211.63%
- Additionally, 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.



Profit on Sale of Investments for the quarter is Rs. 26.91 Crore



# Financials



# Balance Sheet

Particulars (in Rs Cr)	Dec-23	Dec-22	YoY %	Sept-23	QoQ%
<b>Capital &amp; Liabilities</b>					
Capital	1,131	1,254	-10%	1,122	1%
Reserves & Surplus	4,584	3,386	35%	4,357	5%
Networth	5,715	4,640	23%	5,479	4%
Deposits	32,385	23,362	39%	30,839	5%
Borrowings	2,113	2,740	-23%	2,481	-15%
Other Liabilities & Provision	1,368	1,064	29%	1,330	3%
<b>Total</b>	<b>41,580</b>	<b>31,805</b>	<b>31%</b>	<b>40,129</b>	<b>4%</b>
<b>Assets</b>					
Cash and Balances With Reserve Bank of India	2,348	1,303	80%	1,306	80%
Balances With Banks and Money At Call and Short Notice	57	28	101%	17	234%
Investments	8,475	6,181	37%	8,551	-1%
Advances	29,210	23,277	25%	28,768	2%
Fixed Assets	565	232	143%	560	1%
Other Assets	926	784	18%	928	0%
<b>Total</b>	<b>41,580</b>	<b>31,805</b>	<b>31%</b>	<b>40,129</b>	<b>4%</b>
<b>Gross Advances</b>	<b>32,776</b>	<b>24,915</b>	<b>32%</b>	<b>31,229</b>	<b>5%</b>



# Profit & Loss Account

Particulars (in Rs Cr)	Q3FY24	Q3FY23	YoY%	Q2FY24	QoQ%
Interest Income from Loans	1,274	959	33%	1,225	4%
Income on Investments	149	81	84%	126	18%
Interest on balances with RBI and other inter bank funds	6	23	-75%	8	-25%
<b>Total Interest Income</b>	<b>1,429</b>	<b>1,063</b>	<b>34%</b>	<b>1,359</b>	<b>5%</b>
Finance Cost					
Interest on deposits	573	357	61%	522	10%
Interest on RBI / inter-bank borrowings	24	11	122%	16	54%
Other interest	46	48	-4%	55	-17%
<b>Total Finance Cost</b>	<b>644</b>	<b>416</b>	<b>55%</b>	<b>593</b>	<b>8%</b>
<b>Net Interest Income</b>	<b>785</b>	<b>647</b>	<b>21%</b>	<b>766</b>	<b>3%</b>
<b>Other Income<sup>^</sup></b>					
Asset Fee Income	118	95	24%	105	12%
Treasury & PSLC Fee Income	30	8	302%	18	70%
Liability & Distribution Income	37	24	57%	38	-2%
<b>Total Other Income<sup>^</sup></b>	<b>185</b>	<b>127</b>	<b>46%</b>	<b>161</b>	<b>15%</b>

<sup>^</sup>Other income is net of digital expenses



# Profit & Loss Account

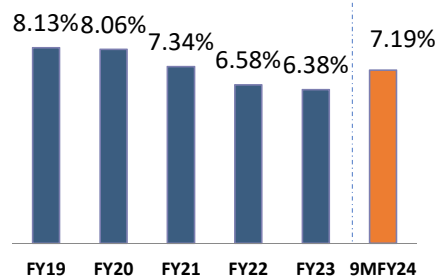
Particulars (in Rs Cr)	Q3FY24	Q3FY23	YoY%	Q2FY24	QoQ%
<b>Net Income</b>	<b>971</b>	<b>774</b>	<b>25%</b>	<b>927</b>	<b>5%</b>
Employee Cost	346	292	19%	332	4%
Opex*	264	203	30%	265	0%
<b>Total Operating Expenditure</b>	<b>610</b>	<b>495</b>	<b>23%</b>	<b>597</b>	<b>2%</b>
<b>PBT before provision &amp; Write-off</b>	<b>360</b>	<b>279</b>	<b>29%</b>	<b>330</b>	<b>9%</b>
Credit Cost	84	50	69%	63	34%
<b>PBT</b>	<b>276</b>	<b>229</b>	<b>20%</b>	<b>267</b>	<b>3%</b>
Taxes	74	59	25%	69	7%
<b>PAT</b>	<b>202</b>	<b>170</b>	<b>19%</b>	<b>198</b>	<b>2%</b>

\*Opex is exclusive of digital expenses

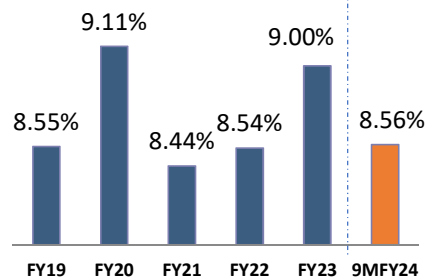


# Key Ratios - Annual

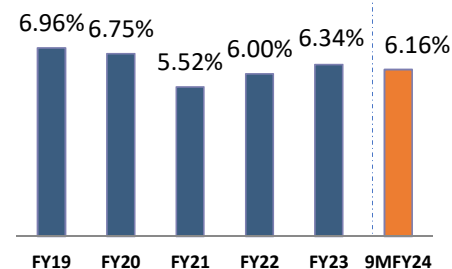
### Cost of Funds



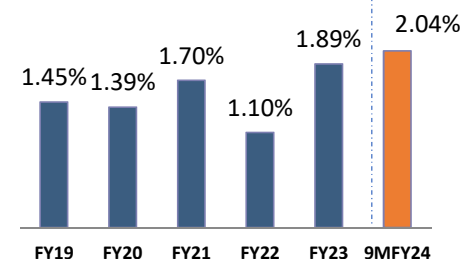
### Net Interest Margin (NIM)



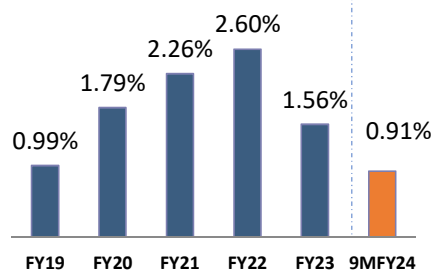
### Cost to Assets



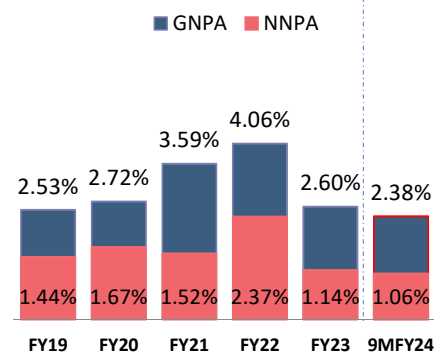
### RoA



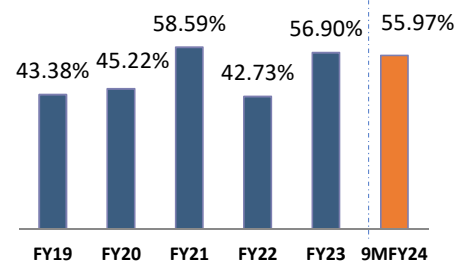
### Credit Cost



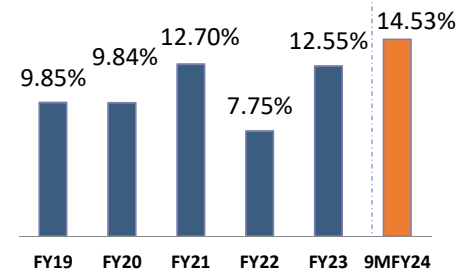
### GNPA & NNPA



### Provision Coverage Ratio




### RoE



# CSR Initiatives



# CSR Initiatives



**CHILDREN SCHOLARSHIP**  
Beneficiaries:-  
Q3FY23 – 13  
Cumulative - 2571

**DIFFERENTLY ABLED**  
Financial help:  
Inception Year - 2008  
Q3FY24 - 1117  
Cumulative - 169579

**JOB PLACEMENTS**  
Placed Youth:  
Inception Year – 2014  
Q3FY24 - 4579  
Cumulative - 269022

**FLOOD RELEIF WORK - MICHAUNG CYCLONE**  
Food packs, Rice bags, Ration, Lunch and Snacks were distributed at flood affected areas in Chennai, Tirunelveli & Tuticorin, 500+ families benefitted.

**SKILL TRAINING**  
Women Trained:  
Inception Year - 2008  
Q3FY24 - 9874  
Cumulative - 653152



**FREE CATARACT SURGERIES**  
Beneficiaries:-  
Q3FY24 – 871  
Cumulative - 36630

**WOMEN EMPOWERMENT**  
Exhibitions Conducted:  
Inception Year - 2008  
Q3FY24 - 21  
Cumulative - 124

**TRANSGENDER INCLUSION**  
Beneficiaries:  
Inception Year - 2008  
Q3FY24 - 36  
Cumulative - 455

**SRINGERI SARADHA EQUITAS - CANCER HOSPITAL**  
Cancer & Multi Specialty Hospital accessible & affordable cancer care, especially for the underprivileged.



**MEDICAL CAMPS**  
Camps Conducted:  
Q3FY24 - 1254  
Cumulative - 45085





**Beyond  
Banking**

**28K+ Reach**



**Circle of Life – Rebirth of farmer’s passion**

<https://youtu.be/KrJ-1SWjZks?si=XnKjN4DtiLbsRril>

## 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



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