

November 2, 2018

Department of Corporate Services  
BSE Limited  
P J Towers, Dalal Street,  
Mumbai 400001

Dear Sir/ Madam

**Sub: Unaudited Results of the Bank pursuant to Regulation 52 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**Ref: Scrip Codes - 952464, 952614, 951930, 950723, 952700, 947882, 951924, 952815, 952812, 949649, 954775, 954784, 954788, 954803, 954825, 954780, 954802, 954769, 954804 and 953456**

Kindly refer to the above mentioned Non-Convertible Debentures (NCDs) listed in BSE under **F Group – Debt Instruments**.

Pursuant to the aforesaid regulation, please find attached the unaudited financial results of Equitas Small Finance Bank Limited for the half year ended September 30, 2018, approved by the Board of Directors in their Meeting held on November 1, 2018 along with Limited Review Report issued by the Statutory Auditors, M/s S R Batliboi & Associates LLP, Chartered Accountants.

Kindly acknowledge receipt.

Thanking you

Yours truly  
for Equitas Small Finance Bank Limited



**Sampathkumar K R**  
Company Secretary





# **EQUITAS SMALL FINANCE BANK LIMITED**

CIN: U65191TN1993PLC025280

[formerly known as Equitas Finance Limited]

[Wholly owned 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

Unaudited Financial Results for the six months ended September 30, 2018

		(₹ in Lakh)		
Particulars		Six months ended 30-Sep-18 Unaudited	Six months ended 30-Sep-17 Unaudited	Year ended 31-Mar-18 Audited
1	Income earned (a)+(b)+(c)	99,900.95	72,758.55	154,271.24
	(a) Interest income from advances	82,460.65	64,105.08	134,224.09
	(b) Income on investments	15,780.83	7,706.81	18,124.23
	(c) Interest on balances with Reserve Bank of India and other inter bank funds	1,659.47	946.66	1,922.92
2	Other Income	14,105.59	14,643.36	24,121.51
3	<b>Total Income (1+2)</b>	<b>114,006.54</b>	<b>87,401.91</b>	<b>178,392.75</b>
4	Interest Expended	48,388.45	32,375.50	68,217.20
5	Operating Expenses (i)+(ii)+(iii)	47,569.86	43,752.40	88,111.41
	(i) Employees Cost	27,173.37	26,270.19	51,541.05
	(ii) Depreciation / Amortisation	4,512.99	4,279.96	8,750.61
	(iii) Other Operating Expenses	15,883.50	13,202.25	27,819.75
6	<b>Total Expenditure, excluding provisions &amp; contingencies (4+5)</b>	<b>95,958.31</b>	<b>76,127.90</b>	<b>156,328.61</b>
7	Operating Profit before Provisions & Contingencies (3-6)	18,048.23	11,274.01	22,064.14
8	Provisions (other than tax) and Contingencies	5,212.51	7,112.24	17,212.65
9	Exceptional Items	-	-	-
10	<b>Profit from Ordinary Activities before tax (7-8-9)</b>	<b>12,835.72</b>	<b>4,161.77</b>	<b>4,851.49</b>
11	Tax Expense	4,537.36	1,478.33	1,668.35
12	<b>Net Profit from Ordinary Activities after tax (10-11)</b>	<b>8,298.36</b>	<b>2,683.44</b>	<b>3,183.14</b>
13	Extraordinary Items (net of Tax Expense)	-	-	-
14	<b>Net Profit for the Period / Year (12-13)</b>	<b>8,298.36</b>	<b>2,683.44</b>	<b>3,183.14</b>
15	<b>Paid-up Equity Share Capital (Face Value of Share: ₹ 10 each)</b>	<b>100,594.34</b>	<b>100,594.34</b>	<b>100,594.34</b>
16	<b>Reserves excluding Revaluation Reserves</b>	<b>-</b>	<b>-</b>	<b>103,780.92</b>
17	<b>Analytical Ratios</b>			
	(i) Capital Adequacy Ratio (%) (Refer note 3)	23.84%	34.30%	29.63%
	(ii) Earnings Per Share (EPS) - Not Annualised for six months - Basic / Diluted (₹ per share)	0.82	0.27	0.32
18	<b>NPA Ratio</b>			
	a) Gross NPA	31,882.39	37,024.49	21,252.68
	Net NPA	18,761.43	19,884.95	13,149.81
	b) % of Gross NPA to Advances	3.36%	5.79%	2.73%
	% of Net NPA to Advances	2.00%	3.20%	1.46%
	c) Return on Assets - Not Annualised for six months (% of Profit After Tax to Total Assets)	0.59%	0.27%	0.30%

		(₹ in Lakh)	
Particulars		As at 30-Sep-18 Unaudited	Year ended 31-Mar-18 Audited
<b>CAPITAL AND LIABILITIES</b>			
1	Capital	100,594.34	100,594.34
2	Reserves and Surplus	112,079.26	103,780.92
3	Deposits	695,616.28	560,392.97
4	Borrowings	443,485.92	517,720.81
5	Other Liabilities and Provisions	57,765.49	48,506.79
	<b>Total Liabilities</b>	<b>1,409,541.29</b>	<b>1,330,995.83</b>
<b>ASSETS</b>			
6	Cash and Balances With Reserve Bank of India	38,787.30	38,608.13
7	Balances With Banks and Money At Call and Short Notice	48,019.81	82,508.43
8	Investments	328,276.94	385,684.15
9	Advances	936,351.62	770,669.26
10	Fixed Assets	25,217.95	28,088.26
11	Other Assets	32,887.67	25,437.60
	<b>Total Assets</b>	<b>1,409,541.29</b>	<b>1,330,995.83</b>

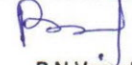




**Notes to the unaudited financial results**

- 1 The above unaudited financial results ("Statement") of Equitas Small Finance Bank Limited ("Bank" or "ESFBL") for the six months ended September 30, 2018 were reviewed by the Audit Committee at their meeting held on October 31, 2018 and approved by the Board of Directors at their meeting held on November 1, 2018 and have been subjected to a limited review by the Statutory Auditors of the Bank.
- 2 These unaudited financial results of the Bank have been in all material aspects in accordance with the recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting, specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014, relevant prudential norms (including related circulars, directions, etc) issued by the Reserve Bank of India in respect of Income Recognition, Asset Classification, Provisioning and other related matters, and other recognised accounting practices and policies ; and the disclosures required in terms of Regulation 52 of the Listing Agreement.
- 3 The Capital adequacy ratio ("CAR") as on September 30, 2018 and as on March 31, 2018 have been computed as per applicable Basel II requirements in accordance with RBI Master Circular No.DBOD.BP.BC.9/21.06.001/2013-14 dated 1 July 2013, on Prudential Guidelines on Capital Adequacy and Market Discipline – New Capital Adequacy Framework (NCAF).
- 4 Other Income for the six months ended September 30, 2018 includes PSLC fee income of ₹ 1,407.65 lakh recognised out of ₹ 2,815.40 lakh received during this period. The balance income of ₹ 1,407.75 lakh will be recognised equally over the remaining two quarters. During the financial year 2017-18, the Bank had recognised PSLC fee income upfront. Had the Bank followed the same practise in the current year, the Net Profit for the six months ended September 30, 2018 would have been higher by ₹ 915.83 lakh.
- 5 Effective September 1, 2018, Non performing assets (NPA) are identified on a daily basis as against month end NPA classification followed by the Bank earlier. This has resulted in identification of additional NPA of ₹ 6,019.24 lakh and recording of related provision of ₹ 911.35 lakh and reversal of unrealised interest of ₹ 317.11 lakh totaling to ₹ 1228.46 lakh.
- 6 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

Managing Director and Chief Executive Officer

Place: Chennai

Date : November 1, 2018



# **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

6th Floor - "A" Block  
Tidel Park, No. 4  
Rajiv Gandhi Salai  
Taramani, Chennai - 600 113, India  
Tel : +91 44 6117 9000

## **Independent Auditor's Review Report On Unaudited Financial Results of Equitas Small Finance Bank Limited, Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015**

### **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 ended and half year ended September 30, 2018 (the "Statement") being submitted by the Bank pursuant to the requirements of Regulation 52 of SEBI (Listing and Obligations and Disclosure Requirements) Regulation 2015. This Statement is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review 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 personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. 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 prepared in accordance with recognition and measurement principles laid down in Accounting Standard 25 Interim Financial Reporting, specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014) and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the Listing Agreement 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.

### **For S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



**per Bharath N S**  
Partner

Membership No.: 210934



Place Chennai

Date: November 1, 2018

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