

May 10, 2019

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

Dear Sir/ Madam

Sub: Audited 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 - 951930, 950723, 947882, 951924, 952815, 952812, 954769 and 954804

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 audited financial results of Equitas Small Finance Bank Limited for the six months/ year ended March 31, 2019, approved by the Board of Directors in their Meeting held on May 9, 2019 along with Independent Auditors 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

Equitas Small Finance Bank
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, Chennai 600 002

Website: www.equitasbank.com

Statement of Audited Financial Results for the six months / year ended 31 March 2019

(₹ in Lakhs)

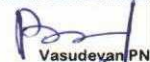
Particulars	Six months ended 31-Mar-19 Audited*	Six months ended 31-Mar-18 Audited*	Year ended 31-Mar-19 Audited	Year ended 31-Mar-18 Audited
1 Income earned (a)+(b)+(c)	112,161.57	81,512.69	212,062.52	154,271.24
(a) Interest income from advances	100,774.02	70,119.01	183,234.67	134,224.09
(b) Income on investments	10,015.29	10,417.42	25,796.12	18,124.23
(c) Interest on balances with Reserve Bank of India and other inter bank funds	1,372.26	976.26	3,031.73	1,922.92
2 Other Income	14,184.16	9,478.15	28,289.75	24,121.51
3 Total Income (1+2)	126,345.73	90,990.84	240,352.27	178,392.75
4 Interest Expended	48,500.68	35,841.70	96,889.13	68,217.20
5 Operating Expenses (i)+(ii)+(iii)	53,278.79	44,358.79	100,848.65	88,111.19
(i) Employee Cost	27,957.26	25,270.86	55,130.63	51,541.05
(ii) Depreciation / Amortisation	4,664.68	4,470.65	9,177.67	8,750.61
(iii) Other Operating Expenses	20,656.85	14,617.28	36,540.35	27,819.53
6 Total Expenditure, excluding Provisions & Contingencies (4+5)	101,779.47	80,200.49	197,737.78	156,328.39
7 Operating Profit before Provisions & Contingencies (3-6)	24,566.26	10,790.35	42,614.49	22,064.36
8 Provisions (other than tax) and Contingencies	5,028.31	10,100.63	10,240.82	17,212.87
9 Exceptional Items	-	-	-	-
10 Profit from Ordinary Activities before Tax (7-8-9)	19,537.95	689.72	32,373.67	4,851.49
11 Tax Expense	6,779.70	190.02	11,317.06	1,668.35
12 Net Profit from Ordinary Activities after Tax (10-11)	12,758.25	499.70	21,056.61	3,183.14
13 Extraordinary Items (net of Tax Expense)	-	-	-	-
14 Net Profit for the Period / Year (12-13)	12,758.25	499.70	21,056.61	3,183.14
15 Paid-up Equity Share Capital (Face Value of Share: ₹10 each)	100,594.34	100,594.34	100,594.34	100,594.34
16 Reserves excluding Revaluation Reserves	-	-	-	103,780.92
17 Analytical Ratios				
(i) Capital Adequacy Ratio (%)	22.44%	29.63%	22.44%	29.63%
(ii) Earnings Per Share (EPS) - Not Annualised for six months - Basic / Diluted (₹ per share)	1.27	0.05	2.09	0.32
18 NPA Ratio				
a) Gross NPA	29,570.65	21,252.68	29,570.65	21,252.68
Net NPA	18,641.17	13,149.81	18,641.17	13,149.81
b) % of Gross NPA to Advances	2.53%	2.73%	2.53%	2.73%
% of Net NPA to Advances	1.44%	1.46%	1.44%	1.46%
c) Return on Assets - Not Annualised for six months (% of Profit After Tax to Total Assets)	0.86%	0.04%	1.43%	0.30%
* Refer Note 3				
Particulars	As at 31-Mar-19 Audited		As at 31-Mar-18 Audited	
CAPITAL AND LIABILITIES				
1 Capital		100,594.34		100,594.34
2 Reserves and Surplus		124,837.51		103,780.92
3 Deposits		900,673.63		560,392.97
4 Borrowings		397,302.61		517,720.81
5 Other Liabilities and Provisions		52,861.00		48,506.79
Total Liabilities		1,576,269.09		1,330,995.83
ASSETS				
6 Cash and Balances with Reserve Bank of India		40,270.37		38,608.13
7 Balances With Banks and Money At Call and Short Notice		85,791.15		82,508.43
8 Investments		234,445.40		385,684.15
9 Advances		1,159,500.45		770,669.26
10 Fixed Assets		23,733.62		28,088.26
11 Other Assets		32,528.10		25,437.60
Total Assets		1,576,269.09		1,330,995.83



Notes:

- 1 The above audited financial results ("Statement") of Equitas Small Finance Bank Limited ("Bank" or "ESFBL") for the six months and year ended March 31, 2019 were reviewed by the Audit Committee of the Bank at their meeting held on May 8, 2019 and approved by the Board of Directors at their meeting held on May 9, 2019.
- 2 The above financial results of the Bank have been prepared in all material aspects, in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP), statutory requirements prescribed under the Banking Regulation Act, 1949, circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time, Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, Accounting Standards specified under Section 133 of the Companies Act, 2013, as amended and practices prevailing within the banking industry in India.
- 3 The figures of the six months ended March 31, 2019 and March 31, 2018 have been derived as balancing figures between the amounts as per the annual audited accounts for the years then ended, and unaudited results for the six months ended September 30, 2018 and September 30, 2017, being the half year of the respective financial years, which were subject to limited review, respectively.
- 4 The Capital to Risk Assets Ratio ("CRAR") as on March 31, 2019 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).
- 5 The divergence observed by RBI for the financial year 2017-18 in respect of the Bank's asset classification and provisioning under the extant prudential norms on income recognition, asset classification and provision is below the regulatory threshold requirement for the disclosure and hence the disclosure requirement under RBI circular No. RBI/2016-17/283 DBR.BP.BC.No.63/21.04.018/2016-17 April 18, 2017 read with circular No. RBI/2018-19/157 DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1, 2019 is not required to be made by the Bank.
- 6 The Board of Directors of the Bank have approved a Composite Scheme of arrangement under the provisions of Section 230 read with Section 52 and other applicable provisions of the Companies Act 2013 (the "Proposed Scheme"), between Equitas Holdings Limited, Equitas Small Finance Bank Limited and their respective shareholders, for issuance and allotment of fully paid up equity shares of Equitas Small Finance Bank Limited to the shareholders of Equitas Holdings Limited, and consequent reduction in the securities premium, revenue and other reserves and the surplus in profit and loss account of Equitas Small Finance Bank Limited. The Proposed Scheme is subject to the approval of the Reserve Bank of India ('RBI'), the Securities Exchange Board of India ('SEBI'), the respective shareholders and creditors of each of the entities and the National Company Law Tribunal ('NCLT'). The appointed date and effective date of the Proposed Scheme are based on the receipt of the aforesaid approvals, pending which no adjustments have been considered in the current financial results or the financial position of the Bank as at March 31, 2019.
- 7 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


Vasudevan PN

Managing Director & Chief Executive Officer

Place: Chennai
Date: May 09, 2019



Independent Auditor's Report on Standalone Financial Results of Equitas Small Finance Bank Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Equitas Small Finance Bank Limited

1. We have audited the financial results of Equitas Small Finance Bank Limited (the "Bank") for the year ended March 31, 2019 included in the 'Statement of Audited Financial Results for the six months / year ended 31 March 2019' ('the Statement') attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with SEBI Circular No. CIR/IMD/DF1/9/2015 dated November 27, 2015 and CIR/IMD/DF1/69/2016 dated August 10, 2016 ('Listing Regulations'). This Statement has been prepared on the basis of the audited financial statements for year ended March 31, 2019, which is the responsibility of the Bank's management and has been approved by the Board of Directors. Our responsibility is to express an opinion on the Statement based on our audit of financial statements, prepared in accordance with accounting principles generally accepted in India as applicable to banking companies, including the relevant accounting standards specified under Section 133 of the Companies Act, 2013 and the applicable requirements of the Banking Regulation Act, 1949.
2. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India. Those standards requires that we plan and perform the audit to obtain reasonable assurance as to whether the Statement is free of material misstatements.

An audit involves performing procedures to obtain sufficient audit evidences about the amount and disclosures in the Statement. The procedures selected depend on the auditor's judgement including the assessment of material misstatement of the Statement, whether due to fraud or error. In making those risk assessment, the auditor considers internal controls relevant to the Bank's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
 - i. is presented in accordance with the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - ii. gives a true and fair view of the net profit and other financial information of the Bank for the year ended March 31, 2019.



S.R. BATLIBOI & ASSOCIATES LLP

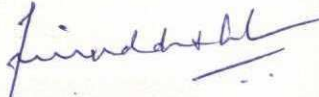
Chartered Accountants

4. The Statement includes the results of the half year ended March 31, 2019, being the derived balancing figure between the audited figures in respect of the full financial year ended March 31, 2019 and the published year to date figures upto the half year ended September 30, 2018, of the current financial year which were subject to limited review.

For S.R. BATLIBOI & ASSOCIATES LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004



per Aniruddh Sankaran

Partner

Membership No.: 211107

Place: Chennai

Date: May 09, 2019