



**AUDITOR'S CERTIFICATE ON THE PROPOSED ACCOUNTING TREATMENT SPECIFIED IN THE DRAFT
SCHEME OF AMALGAMATION**

To
The Board of Directors,
Equitas Small Finance Bank Limited
4th Floor, Phase II, Spencer Plaza,
No. 769, Mount Road, Anna Salai,
Chennai – 600 002

1. This certificate is issued in accordance with the terms of our Engagement Letter dated June 29, 2021 with Equitas Small Finance Bank Limited.
2. We, the statutory auditors of Equitas Small Finance Bank Limited (hereinafter the “Bank” or “Transferee Company”), have examined the proposed accounting treatment specified in Clause 12 ‘Accounting Treatment in the Books of the Transferee Company’ of Part IV of the draft scheme of amalgamation as approved by the Board of Directors of the Bank in their meeting dated July 26, 2021 for amalgamation between Equitas Holdings Limited (“Transferor Company”) and Equitas Small Finance Bank Limited (Transferee Company) and their respective shareholders (Draft Scheme”) in terms of provisions of Section 230 to 232 of the Companies Act, 2013, with reference to its compliance with the applicable Accounting Standards specified under the Companies Act, 2013, the Banking Regulation Act, 1949 and other generally accepted accounting principles.

Management’s Responsibility

3. The responsibility for the preparation of the Draft Scheme along with the accounting treatment and its compliance with the relevant laws and regulations, including the Applicable Accounting Standards as afore said is that of the Board of Directors of the companies involved in the scheme.

Auditor’s Responsibility

4. Our responsibility is to express reasonable assurance, based on our examination and according to the information and explanations given to us, as to whether the proposed accounting treatment specified in the Draft Scheme complies with the applicable Accounting standards and Other Generally Accepted Accounting Principles.

T R Chadha & Co., a partnership firm converted into T R Chadha & Co LLP
(A limited liability partnership with LLP Identification No. AAF-3926) with effect from 28th December 2015



Chennai Branch: Door No. 5D, V Floor, Mount Chambers, 758, Anna Salai, Chennai – 600 002
Phone: +91-44-42694571/572 Email: chennai@trchadha.com
Corporate/ Regd. Office: B-30, Connaught Place, Kuthiala Building, New Delhi – 110001
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5. Nothing contained in this Certificate, nor anything said or done in the course of, or in connection with the services that are subject to this Certificate, will extend any duty of care that we may have in our capacity of the statutory auditors of any financial statements of the Bank. We carried out our examination in accordance with the Guidance Note on Audit Reports and Certificates for Special Purposes, issued by the Institute of Chartered Accountants of India.
6. A reasonableness assurance engagement includes performing procedures to obtain sufficient appropriate evidence on the reporting criteria, mentioned in paragraph 4 above. Accordingly, we have performed the following procedures in relation to the certificate:
 - a) Read the proposed accounting treatment as specified in Clause 12 of Part IV of the Draft Scheme, which is attached as Annexure 1 to this certificate and initialed by us only for the purpose of identification.
 - b) Validated the accounting treatment as described in the Draft Scheme with the accounting treatment at prescribed under the applicable Accounting standards and other Generally Accepted Accounting Principles.
7. We conducted our examination in accordance with the guidance note on reports or certificates for special purposes issued by the Institute of Chartered Accountants of India. The Guidance note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

Conclusion

8. Based on our examination and according to the information and explanations given to us, we confirm that the accounting treatment contained in the aforesaid scheme is in compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and circulars issued there under and all the applicable Accounting Standards notified by the Central Government under the Companies Act, 2013 specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.

Restriction on Use

9. This Certificate is issued at the request of the Bank and addressed to the Board of Directors of the Bank, solely for the purpose to comply with the requirements of the SEBI Listing Regulations, 2015 for onward submission to the National Stock Exchange and BSE Ltd and National Company Law Tribunal (the "NCLT").

This Certificate should not be used for any other purpose without our prior written consent. Accordingly, we do not accept or assume any liability or any duty of care or for any other

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T R Chadha & Co LLP
Chartered Accountants



purpose or to any other party to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For T R Chadha & Co LLP
Chartered Accountants
ICAI Firm Registration Number: 006711N/N500028

A handwritten signature in blue ink, appearing to read 'Sheshu Samudralla'.

Sheshu Samudralla
Partner

Membership No: 235031

UDIN: 21235031AAAABH8662



Place: Chennai
Date: 26.07.2021

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