



EQUITAS SMALL FINANCE BANK LIMITED

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PRESS RELEASE

January 28, 2022

Chennai, January 28, 2022: The Board of Directors of Equitas Small Finance Bank Limited at its meeting held today, approved the unaudited financial results for quarter and nine months ended December 31, 2021

PPoP improves to 3.52% in Q3FY22 from 3.14% in Q2FY22

CASA stood at Rs. 9,085 Cr, CASA is 50.80% of Total Deposits

Cost of Fund reduced to 6.47% from 7.27% in Q3Y21

PAT for Q3FY22 at Rs. 108 Cr as against Rs. 111 Cr in Q3FY21

Q3FY22 Highlights:

1. Key Highlights for Q3FY22:

- **Advances:**
 - Advances as of Q3FY22 was at Rs. 19,687 Cr, Advances growth of 13% YoY
 - 81% of advances is secured loans
 - Quarterly disbursement of Rs. 2,861 Cr in Q3FY22

- **Liabilities:**
 - Deposits excluding CD at Rs. 17,884 Cr
 - Retail TD at Rs. 7000 Cr, growth of 27% YoY and 3% QoQ. Retail TD at 79.5% and Bulk TD at 20.5%
 - Cost of funds reduced to 6.47% from 6.81% in Q2FY22 and 7.27% in Q3Y21
 - Savings Account deposits at Rs. 8,554 Cr, growth of 143% YoY and 11% QoQ
 - CASA stood at Rs. 9,085 Cr, CASA is 50.80% of Total Deposits

- **Key Ratios:**
 - Cost to Income at 66.71% in Q3FY22 as compared to 68.72% in Q2FY22 and 55.63% in Q3FY21
 - RoA and RoE for Q3FY22 at 1.70% and 12.27% respectively for the quarter annualised

- **Capital:**
 - As of December 31, 2021 Total CRAR at 21.91%, Tier-I CRAR at 20.66% and Tier II CRAR at 1.25%
- **Treasury & Liquidity:**
 - The Bank currently maintains 'surplus' liquidity in the form of High Quality Liquid Assets (HQLA). Liquidity Coverage Ratio (LCR) as on 31.12.2021 at 125%

2. Profit & Loss:

- Net Interest Income for Q3FY22 at Rs. 541 Cr as against Rs. 484 Cr in Q3FY21. NIM at 9.09%
- Core Income (Net Income other than PSL Fees, Treasury & Others) at 87.62%
- Pre Provisioning Operating Profit (PPoP) for Q3FY22 at Rs. 225 Cr as against Rs. 283 Cr in Q3FY21
- PAT for Q3FY22 at Rs. 108 cr as against Rs. 111 Cr in Q3FY21

3. Asset Quality, Provisions & Restructuring:

- GNPA at 4.39% in Q3FY22 as compared to 4.64% in Q2FY22 and 4.16% in Q3FY21
- NNPA at 2.38% in Q3FY22 as compared to 2.37% in Q2FY22 and 1.71% in Q3FY21
- Provision coverage ratio at 46.81%

Commenting on the quarterly performance, **Mr. P N Vasudevan, Managing Director and CEO of Equitas Small Finance Bank** said:

The business environment is slowly but surely coming back to normal. The Wave 3 of covid is a matter of concern, but at this point in time, we see that normal life has not been impacted much due to this.

Our flagship product, Small Business Loans remains resilient and affordable housing loans and new commercial vehicle loans are primed for growth in the coming quarters.

Deposits continue to perform well and during the quarter the Bank has been able to significantly improve its retail focus and moderate the excess liquidity. An over 50% CASA ratio is something we would be focussed to retain 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

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

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