



# EQUITAS SMALL FINANCE BANK LIMITED

FOR IMMEDIATE PUBLICATION

PRESS RELEASE

January 25, 2024

Chennai, January 25, 2024: 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 period ended December 31, 2023.

**Quarterly PAT of Rs. 202 Cr in Q3FY24 vs Rs. 170 Crs in Q3FY23**

**Gross Advances as of Q3FY24 was at Rs. 32,776 Cr, growth of 32% YoY**

**GNPA down to 2.38% in Q3 FY24 from 3.46% in Q3FY23**

**RoA and RoE of 1.98% and 14.44% respectively**

## 1. Key Highlights for Q3FY24:

Q3FY24 was a strong quarter across key performance indicators delivering sustainable loan and deposit growth and stable margins

- Robust Gross Advances growth at 32% YoY and 5% QoQ. Net of IBPC and securitization, net advances growth at 25% YoY
- Yield on disbursements 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 about 23% of Incremental deposits mobilized during the quarter funded by Bulk Term Deposits
- During Q3FY24, Bank has securitized/assigned advances worth Rs 1390 Cr
- CD ratio improves to 91.49% as compared to 103.27% in March'23

## 2. Business Highlights:

- 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.
- CASA ratio stood at 33%; Term Deposits grew 73% YoY to Rs. 21,792 Crs

- Retail Term Deposits grew 61% YoY to Rs. 13,333 Crs contributing to 62% of total term deposits.

#### **Key Ratios:**

- NIM is at 8.37%
- Cost to Income stood at 62.88% in Q3FY24 as compared to 64.37% in Q2FY24 and 63.95% in Q3FY23.
- RoA and RoE for Q3FY24 at 1.98% and 14.44%

#### **Capital:**

- Network of the Bank stands at Rs. 5,715 Crs
- As of Dec 31, 2023, Total CRAR at 20.24% | Tier I at 19.69% and Tier II at 0.55%

#### **Treasury & Liquidity:**

- The Bank's issuer rating has been rated AA-/Stable by India Rating & CareEdge Ratings
- Profit on sale of Investments for the quarter is Rs. 26.91 Crs

#### **3. Profit & Loss:**

- NII grew 21% YoY and 3% QoQ, Other income grew 46% YoY and 15% QoQ
- PAT stood at Rs. 202 Crs for Q3FY24, growth of 19% YoY and around 2% QoQ

#### **4. Asset Quality & Provisions:**

- Annualized gross slippages stable at 3.99% for Q3FY24 as compared to 5.03% in Q3FY23
- GNPA improved by 108bps YoY to 2.38% in Q3FY24 compared to 3.46% in Q3FY23.
- NNPA improved by 67bps YoY to 1.06% in Q3FY24 as compared to 1.73% in Q3FY23.
- Provision Coverage ratio at 55.97%. Bank continues to follow stringent provision norms across product segments

#### **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:

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