

November 9, 2020

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| The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Mumbai - 400051 Symbol : EQUITASBNK | The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai - 400 001 Scrip Code : 543243 |
|--|--|

Dear Sir/ Madam

Sub: Intimation on outcome of the Board Meeting held on November 09, 2020 and disclosure under Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

Ref: Scrip Codes - 951930, 951924, 952815 and 952812

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

Pursuant to Regulations 30, 33 & 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 "SEBI (LODR) 2015", we are pleased to forward the following:

- Unaudited Financial Results for the quarter and half year ended September 30, 2020 under Regulation 33 of the SEBI (LODR) 2015.
- Limited Review Report issued by the Statutory Auditors, T R Chadha & Co LLP.
- Disclosure under Regulation 52(4) of the SEBI (LODR) 2015.
- Press Release on the unaudited financial results for the quarter and half year ended September 30, 2020
- Investor Presentation on the unaudited financial results for the quarter and half year ended September 30, 2020 to be made to Analysts and Investors

The Meeting of the Board of Directors of the Bank commenced at 3.30 p.m. and concluded at 07.30 p.m.


The above information will be made available on the Bank's website www.equitasbank.com.

Kindly take the above information on record.

Thanking you.

Yours truly

for Equitas Small Finance Bank Limited


Sampathkumar K R
Company Secretary



Equitas Small Finance Bank Limited
(Previously known as Equitas Finance Limited)
4th Floor, Phase II, Spencer Plaza, No.769, Mount Road, Anna Salai, Chennai, Tamil Nadu, India - 600 002
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Toll Free: 1800 103 1222 | CIN No.: U65191TN1993PLC025280

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Independent Auditors Review Report on the unaudited quarterly financial results and year to date financial results of Equitas Small Finance Bank Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

**Review Report to
The Board of Directors
Equitas Small Finance Bank Limited**

We have reviewed the accompanying statement of unaudited financial results of Equitas Small Finance Bank Limited for the period ended quarter ended 30 September 2020 and year to date results for the period from 1 April 2020 to 30 September 2020 (the 'Statement') attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").

This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. This statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 25, (AS 25) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the relevant guidelines issued by Reserve Bank of India (the RBI Guidelines) and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review of the Statement 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 financial statements are free of material misstatement. A review is limited primarily to inquiries of company 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.

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 applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 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.

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
Phone 43259900, Fax: 43259930, E-mail: delhi@trchadha.com



T R Chadha & Co LLP
Chartered Accountants



Emphasis of Matter

We draw attention to Note 7 to the statement which describes the economic and social disruption the Bank is facing as a result of COVID-19 pandemic, and its possible consequential implications, if any, on the Bank's operations and financial results.

Our opinion is not qualified with regard to this matter.

For **T R Chadha & Co LLP**

Chartered Accountants

Firm's Registration No.: 006711N/ N500028

Sheshu Samudrala

Partner

Membership No.: 235031

UDIN: 20235031AAAABC8240



Place: Chennai

Date: November 9, 2020

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Phone 43259900, Fax: 43259930, E-mail: delhi@trchadha.com



EQUITAS SMALL FINANCE BANK LIMITED

CIN: U65191TN1993PLC025280

[formerly known as Equitas Finance Limited]

[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

Statement of Unaudited Financial Results for the quarter ended and half year ended September 30, 2020

(₹ in Lakh)

| Particulars | Quarter ended | | | Half Year ended | | Year ended |
|--|---------------|-------------|-------------|-----------------|-------------|-------------|
| | 30-Sep-20 | 30-Jun-20 | 30-Sep-19 | 30-Sep-20 | 30-Sep-19 | 31-Mar-20 |
| | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 Income Earned (a)+(b)+(c) | 79,754.04 | 72,131.17 | 63,947.38 | 1,51,885.21 | 1,24,286.02 | 2,64,544.39 |
| (a) Interest Income from Advances | 72,999.77 | 66,160.54 | 58,083.39 | 1,39,160.31 | 1,13,084.87 | 2,42,000.67 |
| (b) Income on Investments | 5,668.71 | 4,386.63 | 4,078.13 | 10,055.34 | 7,986.33 | 15,765.17 |
| (c) Interest on balances with Reserve Bank of India and other inter bank funds | 1,085.56 | 1,584.00 | 1,785.86 | 2,669.56 | 3,214.82 | 6,778.55 |
| 2 Other Income | 6,369.06 | 2,965.59 | 6,391.51 | 9,334.65 | 12,307.86 | 28,235.16 |
| 3 Total Income (1)+(2) | 86,123.10 | 75,096.76 | 70,338.89 | 1,61,219.86 | 1,36,593.88 | 2,92,779.55 |
| 4 Interest Expended | 33,628.99 | 31,703.29 | 28,893.88 | 65,332.28 | 55,516.23 | 1,15,013.81 |
| 5 Operating Expenses (i)+(ii) | 30,525.69 | 29,191.73 | 28,327.28 | 59,717.42 | 56,003.26 | 1,18,007.86 |
| (i) Employees Cost | 18,779.48 | 19,448.05 | 16,958.88 | 38,227.53 | 33,896.07 | 70,978.90 |
| (ii) Other Operating Expenses | 11,746.21 | 9,743.68 | 11,368.40 | 21,489.89 | 22,107.19 | 47,028.96 |
| 6 Total Expenditure (4)+(5) (excluding provisions & contingencies) | 64,154.68 | 60,895.02 | 57,221.16 | 1,25,049.70 | 1,11,519.49 | 2,33,021.67 |
| 7 Operating Profit before Provisions & Contingencies (3)-(6) | 21,968.42 | 14,201.74 | 13,117.73 | 36,170.16 | 25,074.39 | 59,757.88 |
| 8 Provisions (other than tax) and Contingencies | 8,390.86 | 6,834.05 | 4,536.59 | 15,224.91 | 7,617.99 | 24,663.85 |
| 9 Exceptional Items | - | - | - | - | - | - |
| 10 Profit from Ordinary Activities before tax (7)-(8)-(9) | 13,577.56 | 7,367.69 | 8,581.14 | 20,945.25 | 17,456.40 | 35,094.03 |
| 11 Tax Expense | 3,278.74 | 1,600.57 | 3,633.19 | 4,879.31 | 6,802.45 | 10,730.49 |
| 12 Net Profit from Ordinary Activities after tax (10)-(11) | 10,298.82 | 5,767.12 | 4,947.95 | 16,065.94 | 10,653.95 | 24,363.54 |
| 13 Extraordinary Items (net of Tax Expense) | - | - | - | - | - | - |
| 14 Net Profit for the Period / Year (12)-(13) | 10,298.82 | 5,767.12 | 4,947.95 | 16,065.94 | 10,653.95 | 24,363.54 |
| 15 Paid-up Equity Share Capital (Face Value of ₹ 10/- each) | 1,05,340.16 | 1,05,340.16 | 1,00,594.34 | 1,05,340.16 | 1,00,594.34 | 1,05,340.16 |
| 16 Reserves excluding Revaluation Reserves | | | | | | 1,69,074.73 |
| 17 Analytical Ratios | | | | | | |
| (i) Percentage of Shares held by Government of India | Nil | Nil | Nil | Nil | Nil | Nil |
| (ii) Capital Adequacy Ratio (%) - Basel-II (Refer note 5) | 20.93% | 22.02% | 21.58% | 20.93% | 21.58% | 23.61% |
| (iii) Earnings Per Share (EPS) - (Face Value of ₹ 10/- each) | | | | | | |
| - Basic / Diluted EPS (₹) before & after extraordinary items (net of tax expense) - not annualised | 0.98 | 0.55 | 0.49 | 1.53 | 1.06 | 2.39 |
| (iv) NPA Ratio | | | | | | |
| (a) Gross NPAs | 39,964.62 | 41,666.55 | 37,721.77 | 39,964.62 | 37,721.77 | 41,731.77 |
| (b) Net NPAs | 19,892.23 | 23,237.14 | 23,086.63 | 19,892.23 | 23,086.63 | 24,761.39 |
| (c) % of Gross NPA to Gross Advances | 2.48% | 2.86% | 2.88% | 2.48% | 2.88% | 3.00% |
| (d) % of Net NPA to Net Advances | 1.03% | 1.48% | 1.63% | 1.03% | 1.63% | 1.66% |
| (v) Return on Assets (average)- not annualised | 0.47% | 0.28% | 0.29% | 0.76% | 0.64% | 1.38% |



2. Segment information in accordance with the Accounting standard on Segment Reporting (AS-17) of the operating segment of the Bank is as under:

| | | (₹ in Lakh) | | | | | |
|-------|--------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| SI No | Particulars | Quarter ended | | | Half Year ended | | Year ended |
| | | 30-Sep-20 | 30-Jun-20 | 30-Sep-19 | 30-Sep-20 | 30-Sep-19 | 31-Mar-20 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| 1 | Segment revenue | | | | | | |
| a) | Treasury | 6,731.72 | 6,252.54 | 5,921.69 | 12,984.26 | 11,300.35 | 24,868.72 |
| b) | Retail Banking | 74,919.93 | 65,568.51 | 61,401.07 | 1,40,488.44 | 1,19,931.02 | 2,55,758.58 |
| c) | Wholesale Banking | 3,054.68 | 2,166.80 | 2,170.23 | 5,221.48 | 3,837.91 | 8,637.34 |
| d) | Other Banking operations | 1,416.77 | 1,108.91 | 845.90 | 2,525.68 | 1,524.60 | 3,514.91 |
| e) | Unallocated | - | - | - | - | - | - |
| | Less: Inter segment revenue | - | - | - | - | - | - |
| | Income from operations | 86,123.10 | 75,096.76 | 70,338.89 | 1,61,219.86 | 1,36,593.88 | 2,92,779.55 |
| 2 | Segment results | | | | | | |
| a) | Treasury | 2,375.08 | 3,225.72 | 2,089.91 | 5,600.80 | 3,871.82 | 11,883.61 |
| b) | Retail Banking | 11,015.92 | 4,955.04 | 7,952.01 | 15,970.95 | 16,095.55 | 26,721.46 |
| c) | Wholesale Banking | 1,127.03 | 294.14 | 68.75 | 1,421.17 | 506.05 | 2,534.91 |
| d) | Other Banking operations | 701.96 | 468.66 | 160.81 | 1,170.62 | 311.05 | 1,264.61 |
| e) | Unallocated | (1,642.43) | (1,575.87) | (1,690.34) | (3,218.29) | (3,328.07) | (7,310.56) |
| | Total Profit before Tax | 13,577.56 | 7,367.69 | 8,581.14 | 20,945.25 | 17,456.40 | 35,094.03 |
| 3 | Segment assets | | | | | | |
| a) | Treasury | 4,71,777.19 | 3,90,760.00 | 2,98,122.75 | 4,71,777.19 | 2,98,122.75 | 2,72,336.98 |
| b) | Retail Banking | 16,83,350.34 | 15,76,140.06 | 12,91,948.21 | 16,83,350.34 | 12,91,948.21 | 15,39,411.55 |
| c) | Wholesale Banking | 1,06,061.22 | 99,889.00 | 1,09,061.47 | 1,06,061.22 | 1,09,061.47 | 99,366.96 |
| d) | Other Banking operations | - | - | - | - | - | - |
| e) | Unallocated | 23,826.98 | 22,424.84 | 22,113.92 | 23,826.98 | 22,113.92 | 20,339.19 |
| | Total Assets | 22,85,015.73 | 20,89,213.90 | 17,21,246.35 | 22,85,015.73 | 17,21,246.35 | 19,31,454.68 |
| 4 | Segment liabilities | | | | | | |
| a) | Treasury | 4,14,857.26 | 3,40,990.81 | 2,59,697.61 | 4,14,857.26 | 2,59,697.61 | 2,35,330.53 |
| b) | Retail Banking | 14,85,187.61 | 13,79,667.55 | 11,29,052.58 | 14,85,187.61 | 11,29,052.58 | 13,34,448.29 |
| c) | Wholesale Banking | 93,697.06 | 87,573.27 | 95,337.07 | 93,697.06 | 95,337.07 | 86,254.69 |
| d) | Other Banking operations | - | - | - | - | - | - |
| e) | Unallocated | 792.95 | 800.25 | 1,073.29 | 792.95 | 1,073.29 | 1,006.28 |
| | Capital and Other Reserves | 2,90,480.85 | 2,80,182.02 | 2,36,085.80 | 2,90,480.85 | 2,36,085.80 | 2,74,414.89 |
| | Total liabilities | 22,85,015.73 | 20,89,213.90 | 17,21,246.35 | 22,85,015.73 | 17,21,246.35 | 19,31,454.68 |

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, and guidelines prescribed by RBI and in compliance with the Accounting Standard 17 - "Segment Reporting". The methodology adopted in compiling and reporting the above information has been relied upon by the auditors.

Notes:

1 Statement of Assets and Liabilities as on September 30, 2020 is given below:

| | | (₹ in Lakh) | | |
|-------|--|---------------------|---------------------|---------------------|
| SI No | Particulars | As at | As at | Year ended |
| | | 30-Sep-20 | 30-Sep-19 | 31-Mar-20 |
| | | Unaudited | Unaudited | Audited |
| | CAPITAL AND LIABILITIES | | | |
| 1 | Capital | 1,05,340.16 | 1,00,594.34 | 1,05,340.16 |
| 2 | Reserves and Surplus | 1,85,140.69 | 1,35,491.46 | 1,69,074.73 |
| 3 | Deposits | 12,90,058.44 | 10,02,508.64 | 10,78,840.55 |
| 4 | Borrowings | 6,17,448.84 | 4,27,365.92 | 5,13,487.36 |
| 5 | Other Liabilities and Provisions | 87,027.60 | 55,285.99 | 64,711.88 |
| | Total Liabilities | 22,85,015.73 | 17,21,246.35 | 19,31,454.68 |
| | ASSETS | | | |
| 6 | Cash and Balances With Reserve Bank of India | 42,582.86 | 43,631.78 | 38,086.37 |
| 7 | Balances With Banks and Money At Call and Short Notice | 1,47,514.93 | 68,681.38 | 2,15,597.88 |
| 8 | Investments | 4,29,194.33 | 2,54,490.97 | 2,34,250.62 |
| 9 | Advances | 15,93,026.98 | 12,95,955.58 | 13,74,724.15 |
| 10 | Fixed Assets | 19,539.23 | 21,764.53 | 21,276.94 |
| 11 | Other Assets | 53,157.40 | 36,722.11 | 47,518.72 |
| | Total Assets | 22,85,015.73 | 17,21,246.35 | 19,31,454.68 |



2 Statement of Cash Flow for the half year ended September 30,2020 is given below:

(₹ in Lakh)

| Particulars | Half Year ended | | Year ended |
|--|----------------------|--------------------|--------------------|
| | 30-Sep-20 | 30-Sep-19 | 31-Mar-20 |
| | Unaudited | Unaudited | Audited |
| Cash Flow from Operating activities | | | |
| Profit Before Tax | 20,945.25 | 17,456.40 | 35,094.03 |
| Adjustments for: | | | |
| Depreciation on fixed assets | 3,820.74 | 4,786.19 | 9,645.45 |
| Depreciation on investments | 821.38 | 229.88 | - |
| Amortization on held to maturity securities | 457.52 | 263.80 | 600.39 |
| Provision for standard assets | 756.12 | 860.82 | 1,513.01 |
| General Provision under COVID-19 – Regulatory Package | 7,100.00 | - | 9,963.00 |
| Bad debts written off | 2,167.08 | 2,771.77 | 7,150.44 |
| Provision for Non performing assets | 3,102.00 | 3,706.30 | 6,041.54 |
| Other Provision and Contingencies | (268.23) | 49.22 | (4.48) |
| Loss on sale of fixed assets | (3.91) | 10.26 | 25.97 |
| Interest expenses on borrowings | 24,230.65 | 20,763.17 | 43,617.28 |
| Interest income on bank balances not considered as cash and cash equivalents | (15.84) | 22.63 | (55.41) |
| | 63,112.76 | 50,920.44 | 1,13,591.22 |
| Adjustments for: | | | |
| (Increase)/Decrease in investments | (1,96,222.61) | (20,539.24) | (405.60) |
| (Increase)/Decrease in advances | (2,23,571.92) | (1,43,071.95) | (2,28,415.68) |
| Increase/(Decrease) in deposits | 2,11,217.89 | 1,01,835.01 | 1,78,166.92 |
| (Increase)/Decrease in other assets | (3,294.91) | (825.50) | (12,306.00) |
| Increase/(Decrease) in other liabilities and provisions | 12,424.33 | 5,148.82 | 6,738.34 |
| Direct taxes paid | (7,216.12) | (10,025.70) | (13,407.66) |
| Net cash (used in)/ generated from operating activities (A) | (1,43,550.58) | (16,558.13) | 43,961.54 |
| Cash flow from investing activities | | | |
| Purchase of fixed assets | (2,133.69) | (2,969.40) | (7,437.18) |
| Proceeds from sale of fixed assets | 54.58 | 141.28 | 222.44 |
| (Increase)/Decrease in bank balances not considered as cash and cash equivalents | 354.40 | - | (6.22) |
| Interest received from bank balances not considered as cash and cash equivalents | 8.88 | (29.31) | 47.96 |
| Net cash (used in) / generated from investing activities (B) | (1,715.83) | (2,857.43) | (7,173.00) |
| Cash flow from financing activities | | | |
| Increase/(decrease) in borrowings (net) | 1,03,961.48 | 30,063.31 | 1,16,184.75 |
| Proceeds from issue of share capital (including share premium) | - | - | 25,001.00 |
| Share issue Expenses | - | - | (381.50) |
| Interest paid on borrowings | (21,927.13) | (24,396.21) | (49,976.27) |
| Net cash generated from / (used in) financing activities (C) | 82,034.35 | 5,667.10 | 90,827.98 |
| Net decrease in cash and cash equivalents (A)+(B)+(C) | (63,232.06) | (13,748.46) | 1,27,616.52 |
| Cash and Cash equivalents at April 1st | 2,53,148.49 | 1,25,532.07 | 1,25,531.97 |
| Cash and Cash equivalents at end of the period /year | 1,89,916.43 | 1,11,783.61 | 2,53,148.49 |



- 3 The above unaudited financial results ("Statement") of Equitas Small Finance Bank Limited ("Bank" or "ESFBL") for the quarter ended and half year ended September 30, 2020 were reviewed by the Audit Committee at their meeting held on November 9, 2020 and approved by the Board of Directors at their meeting held on November 9, 2020 and have been subjected to a limited review by the Statutory Auditors of the Bank.
- 4 The above financial results of the Bank have been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under section 133 of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the guidelines issued by the Reserve Bank of India (RBI).
- 5 The Capital adequacy ratio ("CAR") as on September 30, 2020 and as on March 31, 2020 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).
- 6 As part of small finance bank licensing guidelines, Reserve Bank of India (RBI) has mandated listing of shares of the Bank within 3 years from the date of commencement of operations (i.e., from 5th September 2016). In the absence of Securities Exchange Board of India's ("SEBI") approval to a scheme of arrangement, which would have resulted in the listing of the Bank's shares, and the consequent non-compliance with the relevant listing condition, RBI vide its letter dated September 06, 2019 has imposed regulatory action on the Bank, by way of restriction on opening of new branches and on the remuneration of the MD & CEO of the Bank, till further advice. (However, in December 2019, the Bank has subsequently obtained the specific approval of the RBI for opening 240 banking outlets). The Board of Directors of the Bank on September 10, 2019 has approved an initial public offer and listing of the equity shares on stock exchanges in India, to comply with the licensing guidelines. Subsequently, the Bank has filed a Draft Red Herring Prospectus with SEBI on December 16, 2019 and Stock Exchanges (National Stock Exchange of India Limited and BSE Limited). The Bank has received in principle approval from Stock Exchanges and observations from the SEBI on its Draft Red Herring Prospectus ("DRHP"). In March 2020, the Bank filed a revised DRHP after addressing the SEBI's comments, and was in the process of completing the Initial Public Offer ("IPO") of shares. However, due to the COVID-19 global pandemic and consequent lockdowns across the country, the completion of the listing process and the IPO of shares has been delayed.

Pursuant to relaxation permitted by SEBI vide its circular bearing reference no. SEBI/HO/CFD/DIL1/CIR/P/2020/66 dated April 21, 2020 ("SEBI Circular"), the Bank had filed with SEBI an addendum to its DRHP, reducing the Offer Size and the updated DRHP including financials as on June 30, 2020 was filed with SEBI in September 2020. Pursuant to ROC approval of Red Herring Prospectus, the Initial Public Offer with the reduced offer size was launched on October 20, 2020. The IPO concluded on October 22, 2020, subsequent to which shares were allotted to the successful bidders on October 28, 2020 and the shares of the Bank were listed with BSE and NSE with effect from November 2, 2020. With this, the Bank has complied with the licensing requirement of listing shares of the Bank. The Bank has also applied to RBI seeking lifting of the regulatory restrictions imposed vide letter dated September 06, 2019. RBI has acceded to the Bank's request for lifting of regulatory restrictions vide its letter dated November 9, 2020.

- 7 The COVID-19 pandemic (declared as such by the World Health Organisation on March 11, 2020), has contributed to a significant decline and volatility, and a significant decrease in economic activity, in global and Indian markets. The Indian government announced a strict 40-day lockdown in India to contain the spread of the virus till May 3, 2020, which has been further extended till May 17, 2020 with some relaxations in specific areas. This has led to significant disruptions and dislocations for individuals and businesses, and has had consequential impact on regular banking operations including lending, fund-mobilisation, and collection activities. In respect of the Bank's loan book, Management has made provisions as more fully explained in Note 8 to these financial results. However, the full extent of impact of the COVID-19 pandemic on the Bank's operations, and financial metrics (including impact on provisioning on advances) will further depend on government and regulatory guidelines which may come in future and future developments which are uncertain and incapable of estimation at this time.
- 8 In terms of the COVID-19 Regulatory Package of the RBI, vide guidelines dated March 27, 2020, April 17, 2020 and May 23, 2020, the Bank has granted a moratorium of upto six months on the payment of all instalments and / or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers, in accordance with the Schemes approved by the Bank's Board. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period (i.e. the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Assets Classification and Provisioning ("IRAC") norms). The Bank has maintained provisions as on September 30, 2020 in respect of accounts in default but standard against the potential impact of COVID-19. Further, as required under the IRAC norms and based on management's assessment, the Bank has made provision of ₹. 99.63 crore in the quarter ended March 20 (including ₹.2.98 crores representing the minimum provision of entire 10% on standard assets availing moratorium where asset classification benefit is extended as required in paragraph 5 of the RBI's guidelines dated April 17, 2020). Further, the Bank has made general provision of ₹. 71.00 crore during the half year ended September 2020. With this The Bank has accumulated general Provision of ₹. 170.63 crore (including ₹.25.66 crore representing the minimum provision of entire 10% on standard assets availing moratorium where asset classification benefit is extended as required in paragraph 5 of the RBI's guidelines dated April 17, 2020), based on assessment of recoverability of advances after considering internal and external information and the norms prescribed by RBI. The provision held by the bank is in excess of the minimum norms prescribed by RBI.



- 9 In order to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses, RBI through its Circulars dated March 27, 2020 and April 17, 2020, permitted banks to grant a moratorium, on the payment of Instalments and / or interest, falling due between March 1, 2020 and May 31, 2020 to their borrowers classified as standard even if overdue, as on February 29, 2020. This period was extended by RBI till August 31, 2020 through its circular dated May 23, 2020. The Bank accordingly extended the moratorium option to its borrowers in accordance with its Board approved Policies. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period (i.e the number of days past due shall exclude the moratorium period for the purposes of determining whether an asset is non performing).

The Quantitative disclosures as required by RBI Circular dated April 17, 2020 for the half year ended September 30, 2020 are given below.

| Particulars | Amount in Rs crore |
|--|--------------------|
| Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended in terms of paragraph 2 and 3 of the COVID circular | 996.30 |
| Respective amount where asset classification benefits is extended | 11,316.89 |
| Provisions made during the Q4 FY 20, Q1 FY 21 and Q2 FY21 in terms of paragraph 5 of the COVID circular | 170.63 |
| Provisions adjusted during the respective accounting periods against slippages and the residual provisions in terms of paragraph 6 of the COVID circular | Nil |

- 10 The Bank has granted 38,00,360 options under the ESFB Employee Stock Option Scheme (ESOP) 2019 to eligible employees of the Bank as defined during the half year ended September 30, 2020. As at September 30, 2020, out of 4,52,09,088 total options granted, 32,72,301 options were lapsed, and 4,19,36,787 options are yet to be vested.
- 11 The Honourable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated September 03, 2020 ("Interim Order"), has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank has not classified any account (whether granted moratorium or not) which was not NPA as of August 31, 2020 as per the RBI IRAC norms, as NPA after August 31, 2020. Further, in light of the Interim Order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will not be, classified as NPA till such time that the Hon'ble SC rules finally on the matter.
- However, if the Bank had classified borrower accounts as NPA after August 31, 2020, the Bank's proforma Gross NPA ratio and proforma Net NPA ratio would have been 2.86% and 1.45% respectively. Pending disposal of the case, the Bank, as a matter of prudence has, in respect of these accounts made a contingent provision (including on interest accrued) of ₹. 15.43 crore, which is included in 'Provisions (other than tax) and Contingencies'
- 12 Department of Financial Services, Ministry of Finance, Government of India vide notification no. F.No.2/12/2020-BOA.I dated October 23, 2020 conveyed that in view of the unprecedented and extreme COVID - 19 situation, the Central Government has approved "Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts, (March 01, 2020 — August 31, 2020)". The benefits under the Scheme would be routed through lending institutions (as defined in the notification). The Management of the Bank has put in place a process note in line with the operational guidelines and pronouncements issued in this regard and conducted the aforesaid exercise of crediting the benefit in the respective accounts of eligible borrowers within the prescribed timeline. No effect of the Notification and the resultant credits to the loan accounts of eligible borrowers has been made in these financial results, which the Bank intends to do in subsequent quarter.
- 13 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 9, 2020



ANNEXURE FOR NON-CONVERTIBLE DEBENTURES ISSUED ON PRIVATE PLACEMENT BASIS UNDER REGULATION 52(4) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.

a) **Credit Rating and Changes in Credit Rating (if any):**

Equitas Small Finance Bank Limited being rated by leading rating agencies of India, the Credit ratings of the Bank as on 30th September 2020 are as follows:

| Nature of Debt Instrument | Rating Agency | Term | Credit Ratings |
|----------------------------|---------------|------------|------------------|
| Subordinated/Tier II Bonds | India Ratings | Long Term | IND A+ / Stable |
| | CRISIL | Long Term | CRISIL A+/Stable |
| | CARE | Long Term | CARE A+/Stable |
| Bank Loans/ Refinance | CRISIL | Long Term | CRISIL A+/Stable |
| Certificate of Deposits | CRISIL | Short Term | CRISIL A1+ |

b) **Debt Services Coverage Ratio, Asset Cover and Interest Service Coverage Ratio:**

Equitas Small Finance Bank Limited being a banking company, requirement of Debt Service Coverage Ratio, Asset cover and Interest Coverage Ratio is not applicable.

c) **Debt Equity Ratio (for the half year ended on 30th September 2020): 6.57 times** (Total Borrowing is considered as Debt for the calculation of Debt Equity Ratio)

d) **Previous due date for the payment of Interest / Principal for the half year ended on 30th September 2020:** All the amounts were duly paid, please Refer Annexure A.

e) **Next due date for the payment of Interest / Principal along with the amount of Interest payable and the redemption amount:** Refer Annexure B.

f) **Capital Redemption Reserve/Debenture Redemption Reserve:** Equitas Small Finance Bank Limited being a banking company as on 30th September 2020, accordingly Debenture Redemption Reserve requirement is not applicable for Privately Placed Debentures.

g) **Net Worth:** The Net Worth of the Bank as on 30th September 2020 is Rs.2,90,480.85 Lakhs.



Equitas Small Finance Bank Limited

(Previously known as Equitas Finance Limited)

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

T: +91 44 4299 5000 | F: +91 44 4299 5050 | corporate@equitas.in | www.equitasbank.com

Toll Free: 1800 103 1222 | CIN No.: U65191TN1993PLC025280



2223602

h) **Net Profit after Tax:** The Net Profit after tax for the half year ended on 30th September 2020 is Rs. 16,065.94 Lakhs.

i) **Earnings Per Share:**

Earnings per equity share (including exceptional item):

| Particulars | EPS |
|------------------|------|
| Basic (in Rs.) | 1.53 |
| Diluted (in Rs.) | 1.53 |

Earnings per equity share (excluding exceptional item):

| Particulars | EPS |
|------------------|------|
| Basic (in Rs.) | 1.53 |
| Diluted (in Rs.) | 1.53 |

j) **Asset Cover available (Regulations 54):** All the sub-ordinated debt instrument issued by the Bank are unsecured in nature hence asset cover is not applicable.

We request you to take the above information on your records

Thanks & Regards,

For Equitas Small Finance Bank Limited



Sampathkumar K R
Company Secretary



| Annexure A | | | | |
|------------|--------------|--------------|---------------------------------|----------------|
| SR NO | ISIN | Payment Type | Due Date of Payment | Amount in (Rs) |
| 1 | INE186N08025 | Interest | 30 th September 2020 | 2,41,97,260 |
| 2 | INE186N08033 | Interest | 16 th September 2020 | 2,08,13,115 |
| 3 | INE186N08041 | Interest | 28 th September 2020 | 8,38,39,344 |
| 4 | INE063P08013 | Interest | 30 th September 2020 | 3,01,45,753 |

| Annexure B | | | | |
|------------|--------------|--------------|-----------------------------|----------------|
| SR NO | ISIN | Payment Type | Due Date of Payment | Amount in (Rs) |
| 1 | INE186N08025 | Interest | 30 th March 2021 | 2,38,02,740 |
| 2 | INE186N08033 | Interest | 16 th March 2021 | 2,05,29,863 |
| 3 | INE186N08041 | Interest | 29 th March 2021 | 8,40,69,041 |
| 4 | INE063P08013 | Interest | 30 th March 2021 | 2,96,54,247 |





EQUITAS SMALL FINANCE BANK LIMITED

FOR IMMEDIATE PUBLICATION

PRESS RELEASE

November 09, 2020

Chennai, November 09, 2020: The Board of Directors of Equitas Small Finance Bank Limited at its meeting held today, approved the unaudited financial results for quarter ended September 30, 2020

Q2FY21 PAT at Rs. 103 Crores, up 108%

Advances* grew 26% YoY to Rs. 16,731 Cr

CASA ratio improves to 25% from 21%, Retail TD at Rs. 4,983 Cr, growth of 98% YoY

Cost to Income Ratio improves to 58.15% vs. 68.35% in Q2FY20

Q2FY21 Highlights:

1. Key Highlights for Q2FY21:

- **Advances***
 - Advances* as of Q2FY21 was at Rs. 16,731 Cr, Advances growth of 26% YoY
 - The Bank disbursed Rs. 1,902 Cr in Q2FY21, Disbursements at 80% of Q2FY20
 - 77.37% of advances* is secured loans
 - New Product - Gold Loan & Used Car Advances cross Rs. 50 Cr each
 - Collection efficiency for the month of October climbs upto 94.3%
 - 89% of the advances* is in 0 dpd bucket

- **Liabilities:**
 - Deposits excluding CD at Rs. 12,588 Cr as on 30th September 2020, growth of 31% YoY and 10% QoQ
 - Retail TD at Rs. 4,983 Cr as on 30th September 2020, growth of 98% YoY and 14% QoQ
 - Savings Account deposits at Rs. 2,845 as on 30th September 2020, growth of 53% YoY and 41% QoQ
 - CASA stood at Rs. 3,246 Cr as on 30th September 2020, CASA is 25% of Total Deposits

*Gross Advances including IBPC

- 92% of bulk deposit are non-callable
- Digi Banking gains traction - Over 80,000+ Savings Account acquired and 36,000+ FASTags issued through Digital Marketing programme
- 15,000+ Accounts opened from Non Equitas branch location
- **Key Ratios:**
 - Cost to Income improves to 58.15% in Q2FY21 as compared to 68.35% in Q2FY20 and 67.27% in Q1FY21
 - RoA and RoE for Q2FY21 at 1.88% and 14.44% respectively
- **Capital:**
 - As of September 30, 2020 Total CRAR at 20.93% and Tier-I CRAR of 20.16%; Well above minimum regulatory requirements of 15% and 7.5%. Tier II Capital at 0.77%
 - Complying with the Small Finance Bank licensing requirement, the Bank got listed
- **Treasury & Liquidity:**
 - Availed refinance of Rs. 1,100 Crore during Q2FY21 (Rs. 685 Crore in Q1FY21). Bank has adequate advances to avail fresh refinance whenever required which provides strong cushion to ALM position of the Bank
 - Bank has also undertaken Inter-Bank Participation Certificates (IBPCs) with a mix of PSL/Non-PSL advances which further enhances the liquidity of the Bank
 - Adequate surplus liquidity in the form of High Quality Liquid Assets (HQLA) being maintained to fund advances growth.
 - Liquidity Coverage Ratio (LCR) for the quarter at 126% much above the minimum regulatory requirement of LCR at 80%.
 - Daily Average cost of funds for Q2FY21 at 7.36%
- **Customer Service Management:**
 - Launched NPS (Net Promoter Score) to improve customer experience across touch points in Q2FY21
 - Launched Branch scorecards for branch banking outlets to improve customer service indicators
 - Implemented AI led Bots to manage responses from marketing campaigns related enquires
- **Awards:**
CMO Asia:
 - Best Innovative CEO – Mr. P N Vasudevan (MD & CEO)
 - Best Product Proposition – Savings Account
 - Best innovative Insurance Solution – COVID Indemnity Policy

*Gross Advances including IBPC

- Best Campaign – One India One Bank

Economic Times:

- Economic Times Best Brand Award

2. Profit & Loss:

- Net Interest Income for Q2FY21 at Rs. 461 Cr as against Rs. 351 Cr in Q2FY20, growth of 32% YoY. NIM at 9.02%
- Core Income (Net Income other than PSL Fees, Treasury & Others) at 98%
- PBT before provisions and write off for Q2FY21 at Rs. 220 Cr as against Rs. 131 Cr in Q2FY20, growth of 67%
- Additional Covid provision of Rs. 26 Cr in Q2FY21. The bank now carries Rs. 170.63 Cr of COVID-19 related provisions (other than Standard and NPA Provisions), which constitutes 1.02% of total Gross Advances
- PAT for Q2FY21 at Rs. 103 cr as against Rs. 49 Cr in Q2FY20, growth of 108%

3. Balance Sheet:

- Advances* as of September 30, 2020 grew 26% YoY to Rs. 16,731 Cr
 - Micro Finance grew by 14% YoY from Rs. 3,193 Cr in Q2FY20 to Rs. 3,641 Cr in Q2FY21
 - Small Business Loans (Incl. HF) grew by 30% YoY from Rs. 5,406 Cr in Q2FY20 to Rs. 7,051 Cr in Q2FY21
 - Vehicle Finance grew by 28% YoY from Rs. 3,235 Cr in Q2FY20 to Rs. 4,137 Cr in Q2FY21
 - MSE^ Finance at Rs. 936 Cr as in Q2FY21 as compared to Rs. 435 Cr in Q2FY20
 - NBFC^ loans at Rs. 734 Cr in Q2FY21 as compared to Rs. 693 Cr in Q2FY20

^ Rs. 145.07 Cr reclassified from Corporate to MSE Finance from Q2FY21 onwards

4. Asset Quality:

- GNPA* at 2.39% in Q2FY21 as compared to 2.68% in Q1FY21 and 2.86% in Q2FY20
- NNPA* at 1.00% in Q2FY21 as compared to 1.39% in Q1FY21 and 1.62% in Q2FY20
- The Honourable Supreme Court of India (Hon'ble SC), in a public interest litigation (Gajendra Sharma Vs. Union of India & Anr), vide an interim order dated September 03, 2020 ("Interim Order"), has directed that accounts which were not declared NPA till August 31, 2020 shall not be declared as NPA till further orders. Basis the said interim order, the Bank has not classified any account (whether granted moratorium or not) which was not NPA as of August 31, 2020 as per the RBI IRAC norms, as NPA after August 31, 2020. Further, in light of the Interim Order, even accounts that would have otherwise been classified as NPA post August 31, 2020 have not been and will

*Gross Advances including IBPC

not be, classified as NPA till such time that the Hon'ble SC rules finally on the matter.

However, if the Bank had classified borrower accounts as NPA after August 31, 2020, the Bank's proforma Gross NPA ratio and proforma Net NPA ratio would have been 2.76% and 1.40% respectively. Pending disposal of the case, the Bank, as a matter of prudence has, in respect of these accounts made a contingent provision (including on interest accrued) of Rs. 15.43 crore, which is included in Provisions (other than tax) and Contingencies

5. Collection & Billing Efficiency Product Wise:

| Particulars | Collection Efficiency October 2020 | Billing Efficiency October 2020 |
|----------------------|---------------------------------------|------------------------------------|
| Micro Finance | 92.43% | 91.02% |
| Small Business Loans | 102.80% | 88.17% |
| Vehicle Finance | 87.92% | 77.86% |
| MSE Finance | 92.91% | 83.83% |
| Corporate | 103.23% | 96.24% |
| Others | 86.15% | 75.54% |
| Total | 94.31% | 87.12% |

1. Collection efficiency represents total collections during the month as a percentage of October months total EMIs due
2. Billing efficiency represents only the EMIs of October alone collected as a percentage of October months total EMIs due

Robust collections seen across all products in "0 DPD" bucket in September and October 2020

| Particulars | 0 DPD Collection Efficiency Feb 2020 (Pre Covid) | 0 DPD Collection Efficiency October 2020 |
|----------------------|---|---|
| Small Business Loans | 99.40% | 98.77% |
| Vehicle Finance | 95.73% | 89.42% |

*Gross Advances including IBPC

About Equitas Small Finance Bank Limited [ESFBL]

Equitas Small Finance Bank Limited is the largest SFB in India in terms of number of banking outlets, and the second largest SFB in India in terms of assets under management and total deposits in Fiscal 2019. (Source: CRISIL report). Its focus customer segments include individuals with limited access to formal financing channels on account of their informal, variable and cash-based income profile. It offers a range of financial products and services that address the specific requirements of these customer segments by taking into account their income profile, nature of business and type of security available. Its asset products are suited to a range of customers with varying profiles.

For further details, contact:

Investor Relations Team

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

Q2FY21
Investor Presentation



Disclaimer

Disclaimer:

The information in this document, including facts and figures, is being provided by Equitas Small Finance Bank Limited (the “Bank”) for informational purposes only and could be subject to change without notice. The information has also not been independently verified. No representation or warranty, express implied, is made as to the accuracy, completeness or fairness of the presentation and the information contained herein and no reliance should be placed on such information. The Bank or any other parties whose name appears herein shall not be liable for any statements made herein or any event or circumstances arising therefrom.

This presentation or any part of it or the fact of its, form the basis of, or be relied on in connection with, any contract or commitment therefore. This document has not been and will not be reviewed or approved by any statutory or regulatory authority in India or any other jurisdiction or by any stock exchanges in India or elsewhere. This document and the contents hereof are restricted for only the intended recipient(s). This document and the contents hereof should not be (forwarded or delivered or transmitted in any manner whatsoever, to any other person, other than the intended recipients(s) or reproduced in any manner whatsoever. Any forwarding, distribution or reproducing of this document in whole or in part is unauthorized.

Forward Looking Statements:

Certain statements in this document with words or phrases such as “ will”,“ etc. and similar expressions or variation of these expressions or those concerning our future prospects are forward looking statements. Actual results may differ materially from those suggested by the forward looking statements, due to a number of risks or uncertainties associated with the expectations. These risks and uncertainties include, but not limited to, our ability to successfully implement our strategies, change in government policies etc. The Bank may, from time to time, make additional written and oral forward looking statements, including statements contained in the Bank’s filings with the stock exchanges and our reports to shareholders.

The Bank does not undertake to update any forward looking statements that may be made from time to time by or on behalf of the Bank.

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**Liabilities &
Branch Banking**

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Key Highlights

Snapshot

Operational



17 States and UTs



856 Banking Outlets
322 ATMs



269 Business Correspondents



40+ Lac total customers
15,879 employees

Asset Offerings



Gross Advances:
Rs. 16,731 Cr [Rs. 13,268 Cr]
SBL- 42%, VF - 25%, MF- 22%
MSE – 6%, NBFC – 4%



Disbursements:
Rs. 1,902 Cr [Rs. 2,408 Cr]
SBL – 37%, VF - 27%, MF – 21%,
MSE – 4%, NBFC – 9%



Asset Quality*:
GNPA: 2.76% [2.86%]
NNPA: 1.40% [1.62%]
PCR: 58.84% [43.83%]



Yield on Gross Advances:
19.26% [18.60%]

Liability Profile



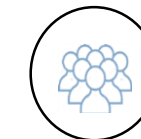
Total Deposits:
Rs. 12,901 Cr
[Rs. 10,025 Cr]



Third Party Products:
Insurance Premium Collected
Rs. 18.74 Crs [Rs. 14.91 Cr]
Mutual Fund AUM – Rs.
127.16 Cr [Rs. 117.37 Cr]



Daily Average Cost of Funds: 7.36%
SA – 6.43%, TD – 7.90%



Deposits Per Branch (branch banking outlets):
Rs. 34 Cr [Rs. 27 Cr]

Financials



PAT:
Q2FY21 Rs. 103 Cr [Rs. 49 Cr]
1HFY21 Rs 161 Cr [Rs.107 Cr]



Shareholders funds
CRAR – 20.93%
Tier I – 20.16%
Tier II – 0.77%



NIM:
Q2FY21 – 9.02% [8.83%]



**RoA: 1.88% [1.17%]
RoE: 14.44% [8.47%]**

Highlights – Q2FY21

Advances:

- Advances as of Q2FY21 was at Rs. 16,731 Cr, Advances growth of 26% YoY
- The Bank disbursed Rs. 1,902 Cr in Q2FY21, Disbursements at 80% of Q2FY20
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- Digi Banking gains traction - Over 80,000+ Savings Account acquired and 36,000+ FASTags issued through Digital Marketing programme
- 15,000+ Accounts opened from Non Equitas branch location

Highlights – Q2FY21

Profit & Loss:

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- Core Income (Net Income other than PSL Fees, Treasury & Others) at 98%
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However, if the Bank had classified borrower accounts as NPA after August 31, 2020, the Bank's proforma Gross NPA ratio and proforma Net NPA ratio would have been 2.76% and 1.40% respectively. Pending disposal of the case, the Bank, as a matter of prudence has, in respect of these accounts made a contingent provision (including on interest accrued) of Rs. 15.43 crore, which is included in Provisions (other than tax) and Contingencies

Highlights – Q2FY21

Capital:

- As of September 30, 2020 Total CRAR at 20.93% and Tier-I CRAR of 20.16%; Well above minimum regulatory requirements of 15% and 7.5%. Tier II Capital at 0.77%
- Complying with the Small Finance Bank licensing requirement, the Bank got listed

Treasury & Liquidity:

- Availed refinance of Rs. 1,100 Crore during Q2FY21 (Rs. 685 Crore in Q1FY21). Bank has adequate advances to avail fresh refinance whenever required which provides strong cushion to ALM position of the Bank
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- RoA and RoE for Q2FY21 at 1.88% and 14.44% respectively

Highlights – Q2FY21

Customer Service Management:

- Launched NPS (Net Promoter Score) to improve customer experience across touch points in Q2FY21
- Launched Branch scorecards for branch banking outlets to improve customer service indicators
- Implemented AI led Bots to manage responses from marketing campaigns related enquires

Awards:

CMO Asia:

- Best Innovative CEO – Mr. P N Vasudevan (MD & CEO)
- Best Product Proposition – Savings Account
- Best innovative Insurance Solution – COVID Indemnity Policy
- Best Campaign – One India One Bank

Economic Times:

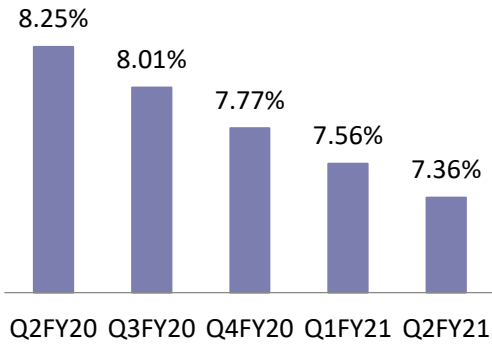
- Best Brand Award 2020



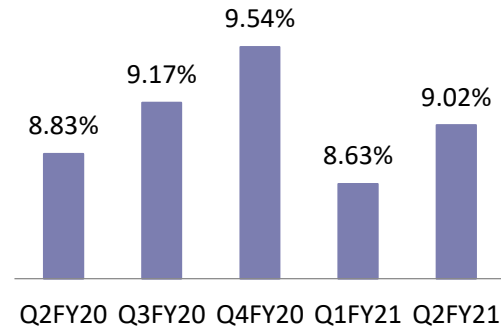
Financial Performance

Key Ratios

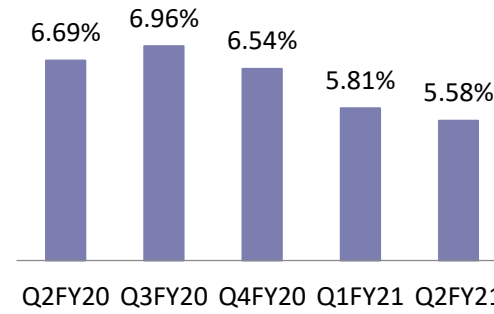
Cost of Funds



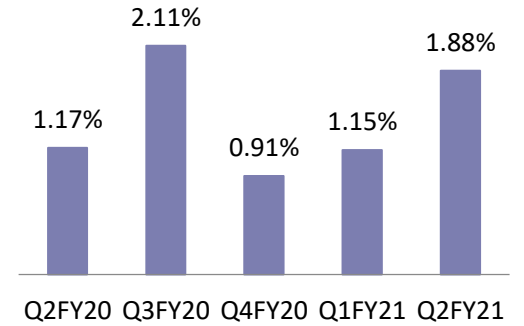
Net Interest Margin (NIM)



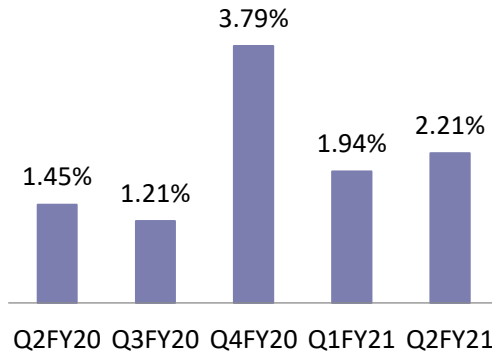
Cost to Assets



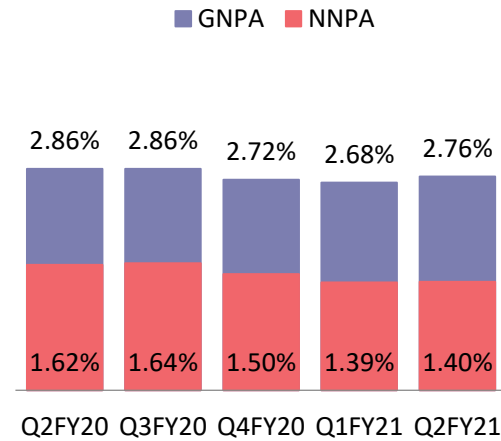
RoA



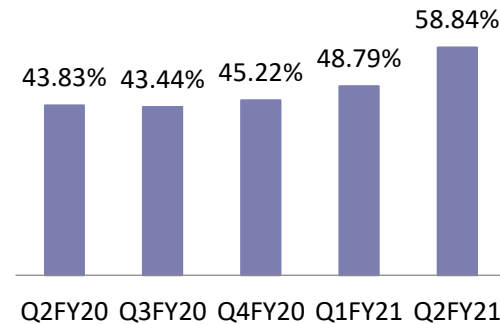
Credit Cost



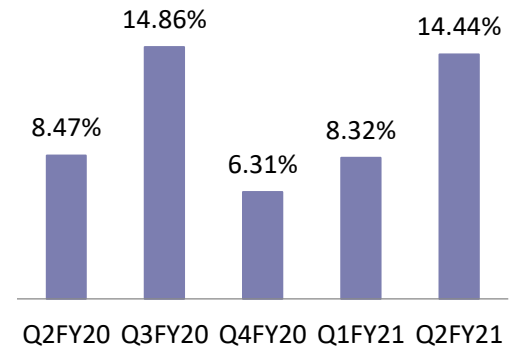
GNPA & NNPA*



Provision Coverage Ratio



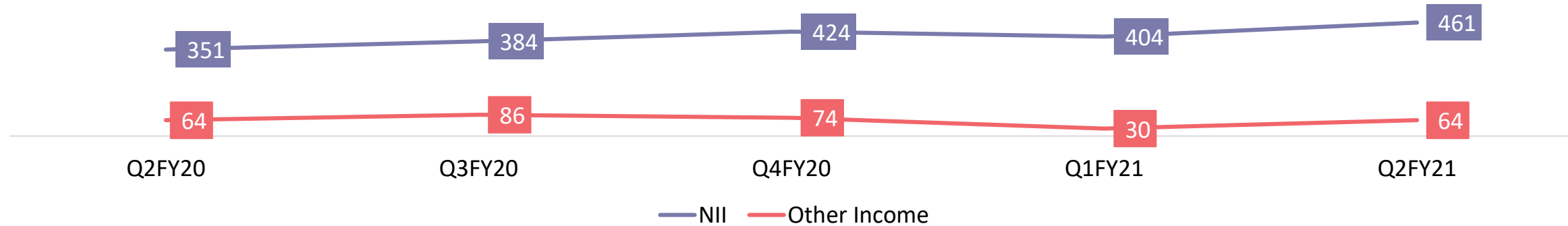
RoE



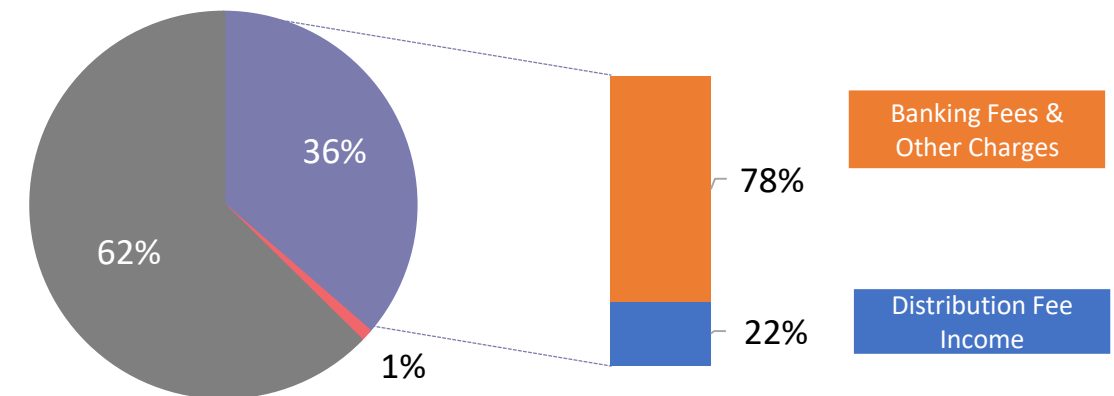
*Actual GNPA and NNPA due to Hon Supreme Court Order (Standstill) is at 2.39% and 1.00% respectively

Income Evolution

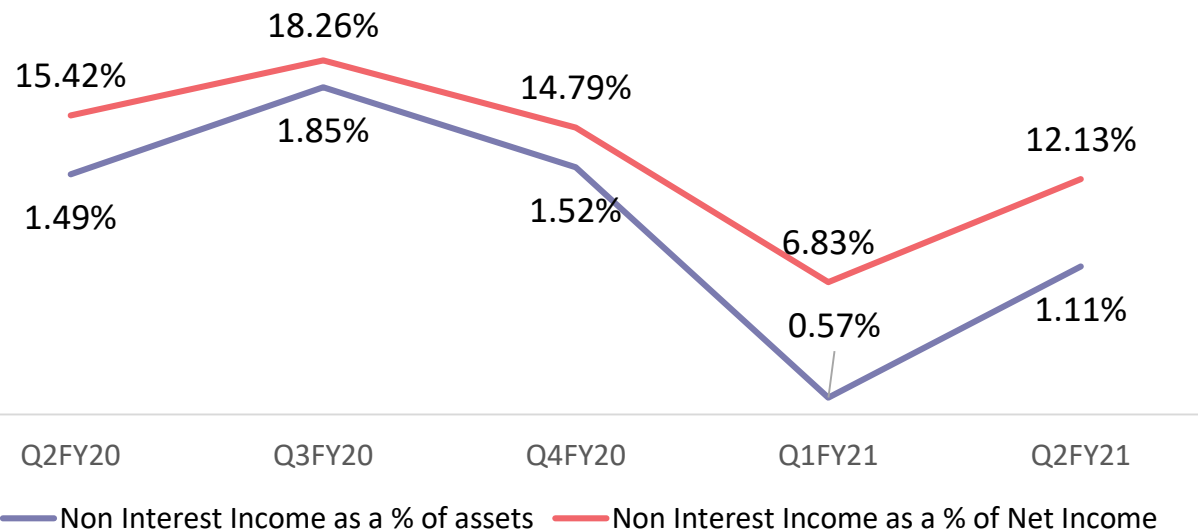
Net income evolution (in Rs. Cr)



Other Income Break-up (Rs. Cr)



Non-interest income * evolution



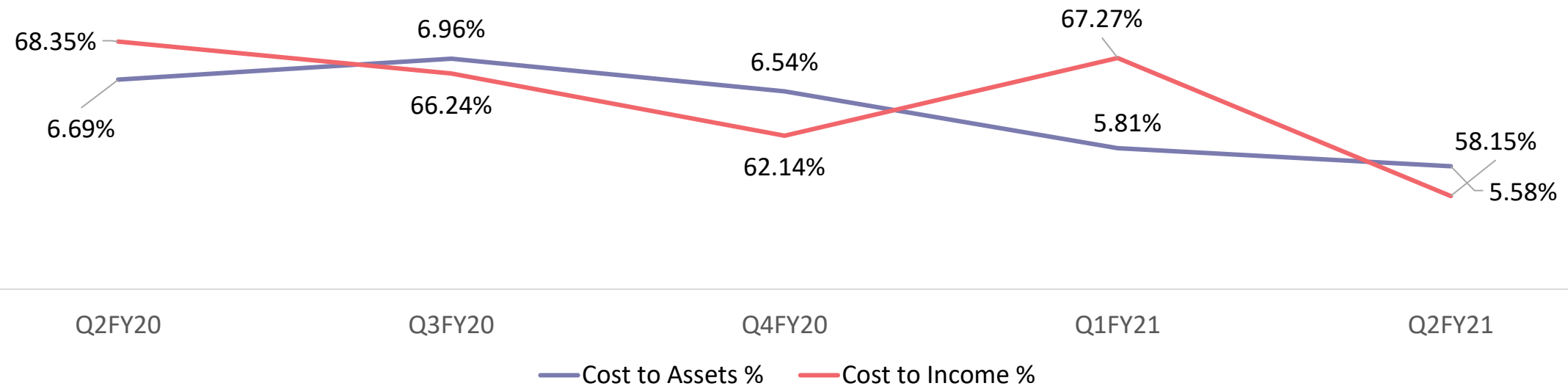
■ Liabilities Segment Fee Income
 ■ Treasury Gain/ Loss [Net]
 ■ Asset Segment Fee Income

* Non Interest Income = Other income + PSLC fee income | Net Income is NII + Other Income + PSLC

Opex Evolution

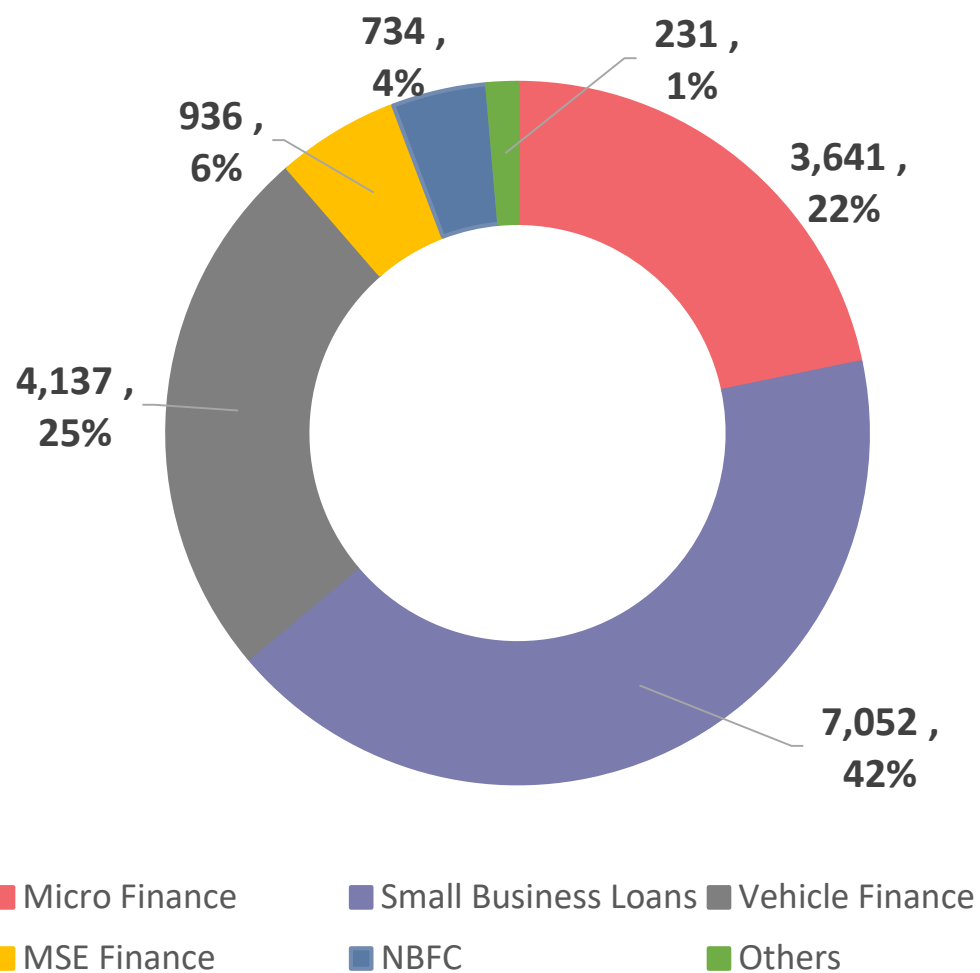
| Rs Cr | Q2FY20 | Q3FY20 | Q4FY20 | Q1FY21 | Q2FY21 |
|--------------------------|--------|--------|--------|--------|--------|
| Employee expenses | 170 | 184 | 187 | 194 | 188 |
| Other expenses | 89 | 101 | 100 | 78 | 99 |
| Depreciation | 25 | 26 | 22 | 19 | 19 |
| Total Operating expenses | 283 | 311 | 309 | 292 | 305 |
| No. of employees | 15,589 | 15,836 | 16,104 | 15,843 | 15,879 |

Opex evolution



Advances

Advances Evolution & Diversified Book



| Rs Cr | Q2FY21 | Q2FY20 | YoY Growth % |
|---------------------------------|---------------|---------------|--------------|
| Micro Finance | 3,641 | 3,193 | 14% |
| Small Business Loans (Incl. HF) | 7,052 | 5,405 | 30% |
| Vehicle Finance | 4,137 | 3,235 | 28% |
| MSE Finance [^] | 936 | 435 | NA |
| NBFC [^] | 734 | 693 | NA |
| Others [†] | 231 | 307 | -25% |
| Gross Advances | 16,731 | 13,268 | 26% |

[^] Rs. 145.07 Cr reclassified from Corporate to MSE Finance from Q2FY21 onwards

[†] Others includes loan-against-gold, unsecured business loans, overdrafts against fixed deposits and staff loans| Housing Finance (HF) | Micro Small Enterprises (MSE)

Advances Evolution & Diversified Book

| Rs Cr | Q2FY20 | Q3FY20 | Q4FY20 | Q1FY21 | Q2FY21 |
|--|---------------|---------------|---------------|---------------|---------------|
| Micro Finance | 3,193 | 3,504 | 3,616 | 3,618 | 3,641 |
| Small Business Loans (Incl. HF) | 5,405 | 5,931 | 6,279 | 6,484 | 7,052 |
| Small Business Loans | 4,340 | 4,739 | 4,995 | 5,152 | 5,580 |
| Housing Finance | 451 | 528 | 604 | 629 | 715 |
| Agri Loans | 614 | 664 | 680 | 703 | 757 |
| Vehicle Finance | 3,235 | 3,591 | 3,760 | 3,777 | 4,137 |
| Used CV | 2,362 | 2,550 | 2,625 | 2,628 | 2,835 |
| New CV | 873 | 1,041 | 1,135 | 1,149 | 1,302 |
| MSE Finance [^] | 435 | 563 | 669 | 712 | 936 |
| NBFC [^] | 693 | 760 | 818 | 772 | 734 |
| Others [†] | 307 | 258 | 224 | 210 | 231 |
| Gross Advances | 13,268 | 14,615 | 15,367 | 15,573 | 16,731 |

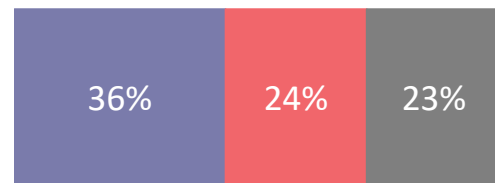
[^] Rs. 145.07 Cr reclassified from Corporate to MSE Finance from Q2FY21 onwards

[†] Others includes loan-against-gold, unsecured business loans, overdrafts against fixed deposits and staff loans| Housing Finance (HF) | Micro Small Enterprises (MSE)

Product Segment Details

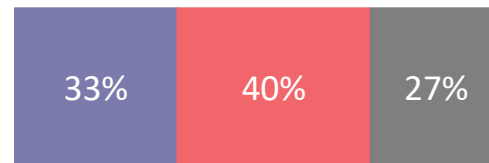
| Product Segment | Number of Live Loans | ATS @ Disbursement (Lacs) | ATS @ Portfolio (Lacs) | GNPA (%) | PCR (%) |
|---------------------------------|----------------------|---------------------------|------------------------|----------|---------|
| Micro Finance | 22,27,072 | 0.20 | 0.16 | 1.16% | 70.59% |
| Small Business Loans (Incl. HF) | 2,24,795 | 5.32 | 3.14 | 2.48% | 38.59% |
| Vehicle Finance | 1,22,063 | 3.98 | 3.39 | 2.96% | 50.51% |
| MSE Finance [^] | 1,594 | 29.46 | 49.60 | 0.85% | 27.76% |
| NBFC [^] | 47 | 2,642.86 | 1,870.90 | 0.84% | 20.43% |

NBFC Exposure Mix



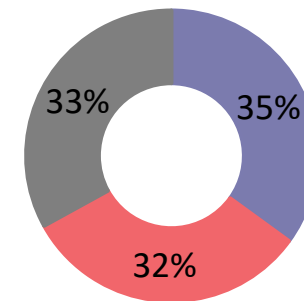
■ MFI ■ AFC ■ HFC

MSE Finance



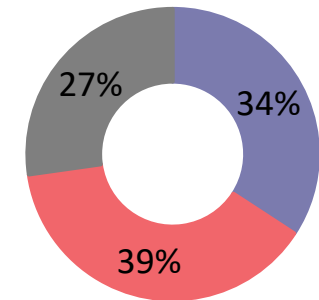
■ Manufacturing ■ Trading
■ Services

Small Business Loans Ticket Size Split



■ Less than Rs.5 lakhs
■ Rs. 5 to Rs. 10 lakhs
■ Above Rs. 10 lakhs

Vehicle Finance Ticket Size Split

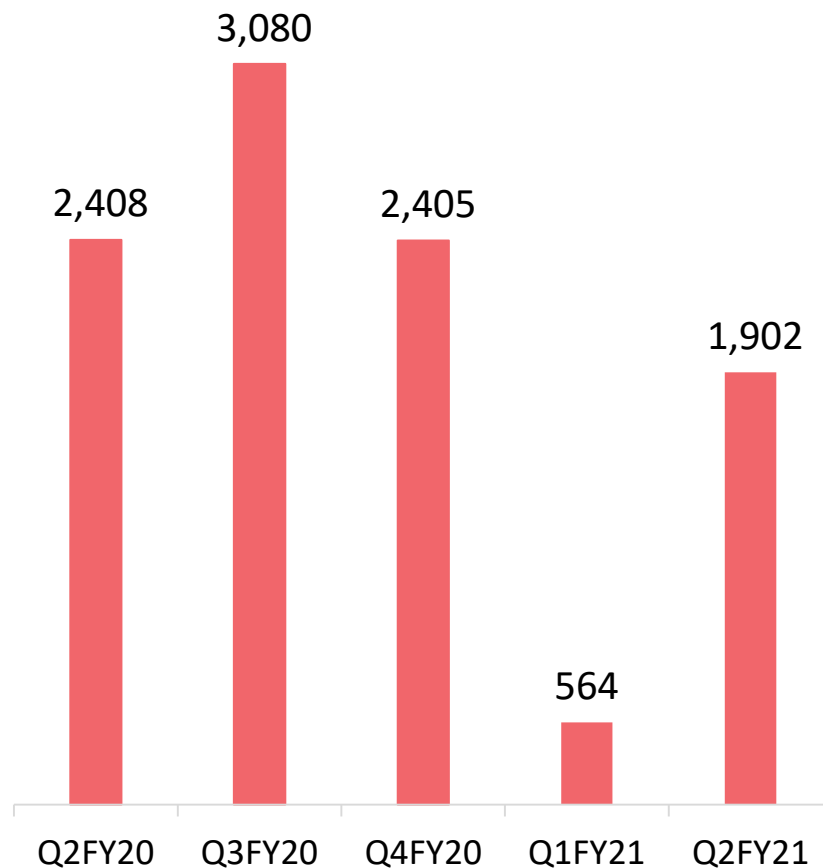


■ Less than Rs.5 lakhs
■ Rs. 5 to Rs. 10 lakhs
■ Above Rs. 10 lakhs

[^] Rs. 145.07 Cr reclassified from Corporate to MSE Finance from Q2FY21 onwards
ATS stands for Average Ticket Size

Disbursements Product Wise

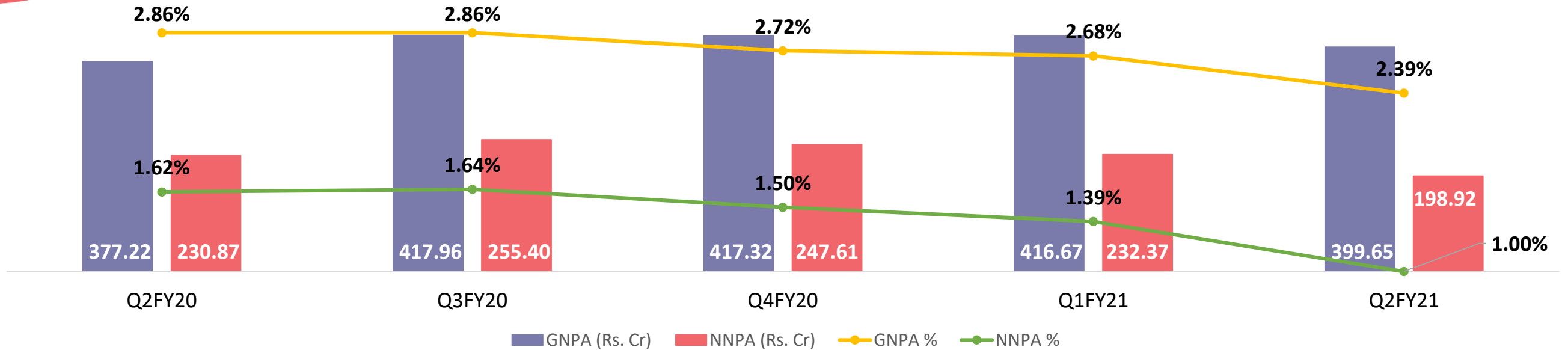
Disbursement (Rs. Cr)



| Rs Cr | Q2FY20 | Q3FY20 | Q4FY20 | Q1FY21 | Q2FY21 |
|---------------------------------|--------------|--------------|--------------|------------|--------------|
| Micro Finance | 702 | 1,022 | 814 | 132 | 390 |
| Small Business Loans (Incl. HF) | 701 | 943 | 682 | 266 | 707 |
| Small Business Loans | 563 | 743 | 532 | 204 | 523 |
| Housing Finance | 58 | 107 | 92 | 30 | 115 |
| Agri Loans | 80 | 92 | 58 | 32 | 70 |
| Vehicle Finance | 638 | 815 | 592 | 104 | 508 |
| Used CV | 472 | 566 | 419 | 70 | 309 |
| New CV | 166 | 249 | 173 | 34 | 199 |
| MSE Finance | 159 | 151 | 135 | 36 | 85 |
| NBFC [^] | 192 | 139 | 171 | 19 | 166 |
| Others | 15 | 10 | 10 | 7 | 45 |
| Total Disbursements | 2,408 | 3,080 | 2,405 | 564 | 1,902 |

[^] Rs. 5.59 Cr reclassified from Corporate to MSE Finance from Q2FY21 onwards

Asset Quality Trend



| Gross NPA Movement (Rs Cr) | Q2FY20 | Q3FY20 | Q4FY20 | Q1FY21 | Q2FY21 |
|---|---------------|---------------|---------------|---------------|---------------|
| Opening GNPA Balance | 334.30 | 377.22 | 417.96 | 417.32 | 416.67 |
| Add: Additions during the period | 108.57 | 127.24 | 94.13 | 15.39 | 22.92 |
| Less: | | | | | |
| i. Upgradations | 18.08 | 29.14 | 39.73 | 3.19 | 10.62 |
| ii. Recoveries (excluding recoveries made from upgraded accounts) | 28.77 | 35.34 | 33.26 | 4.69 | 15.82 |
| iii. Technical or Prudential write-offs | 5.47 | 3.64 | 4.79 | 5.21 | 5.54 |
| Write-offs other than those under (iii) above | 13.33 | 18.38 | 16.99 | 2.95 | 7.96 |
| Closing GNPA Balance | 377.22 | 417.96 | 417.32 | 416.67 | 399.65 |

If the Bank had classified borrower accounts as NPA after August 31, 2020, GNPA & NNPA would be 2.76% and 1.40% respectively

Collection Efficiency

| Particulars | Collection Efficiency October 2020 | Billing Efficiency October 2020 |
|----------------------|---------------------------------------|------------------------------------|
| Micro Finance | 92.43% | 91.02% |
| Small Business Loans | 102.80% | 88.17% |
| Vehicle Finance | 87.92% | 77.86% |
| MSE Finance | 92.91% | 83.83% |
| Corporate | 103.23% | 96.24% |
| Total | 94.31% | 87.12% |

1. Collection efficiency represents total collections during the month as a percentage of October months total EMIs due
2. Billing efficiency represents only the EMIs of October alone collected as a percentage of October months total EMIs due

| Particulars | 0 DPD Bucket Collection Efficiency October 2020 | 0 DPD Bucket Collection Efficiency Feb 2020 (Pre Covid) |
|----------------------|--|--|
| Small Business Loans | 98.77% | 99.40% |
| Vehicle Finance | 89.42% | 95.73% |

Robust collections seen across all products in 0 DPD bucket in September and October 2020

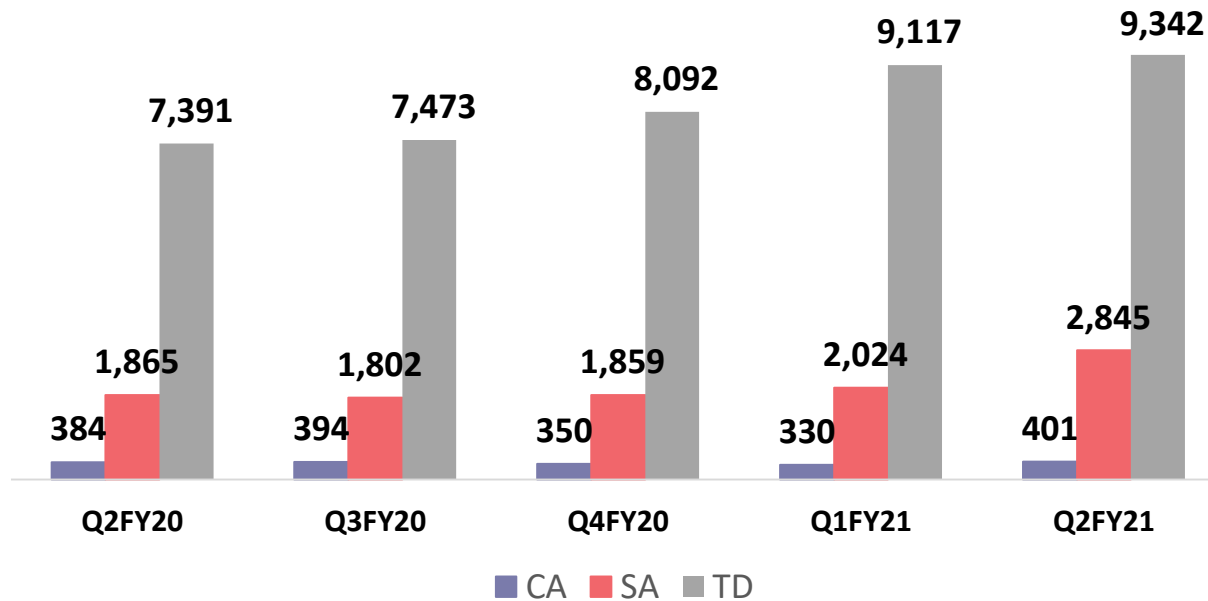
Liabilities & Branch Banking

Customer Deposits Evolution

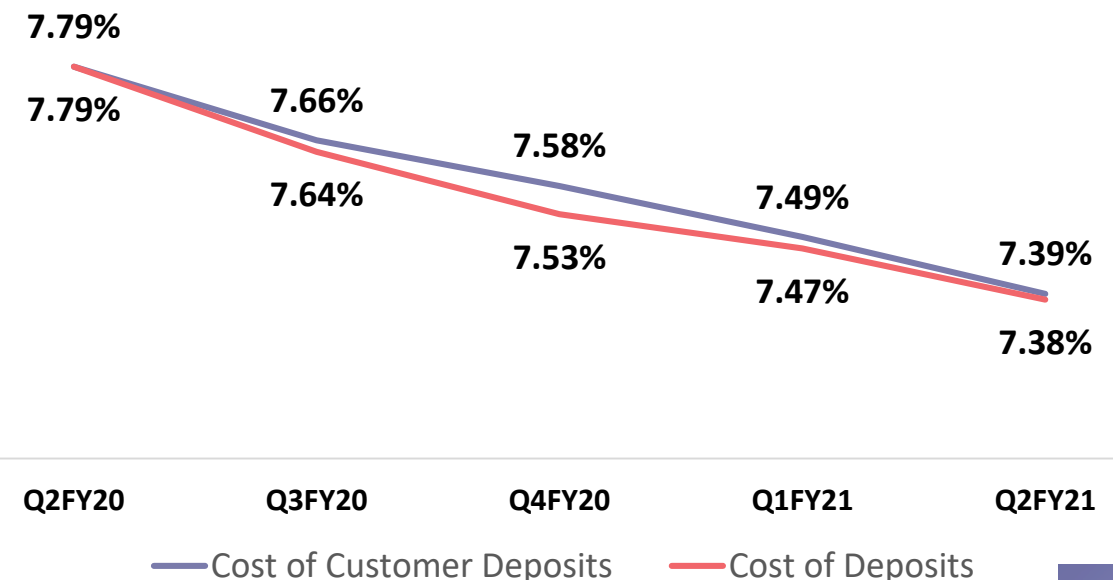
Update for Q2Y21

| as on 31 September 2020 | CA [Current Account] | SA [Savings Account] | CASA [Low cost deposits] | TD [Term Deposits] | CASA+TD [Customer Deposits] |
|--|-------------------------|-------------------------|-----------------------------|-----------------------|--------------------------------|
| Balance (Cr) | 401 | 2,845 | 3,246 | 9,342 | 12,588 |
| as a % of total borrowings (Rs. 19,675 Cr) | 2% | 14% | 16% | 47% | 64% |
| as a % of total deposits (Rs. 12,901 Cr) | 3% | 22% | 25% | 72% | 98% |
| Avg. balance (Branch Banking Customers) | 76,410 | 44,051 | - | 7,57,312 | - |

Customer Deposits evolution (Rs. Cr)



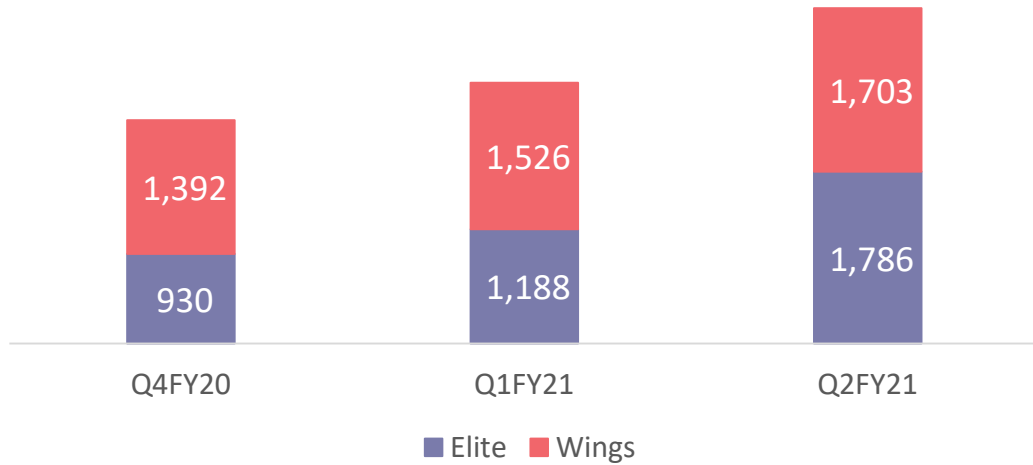
Daily Average Cost of Deposits (%)



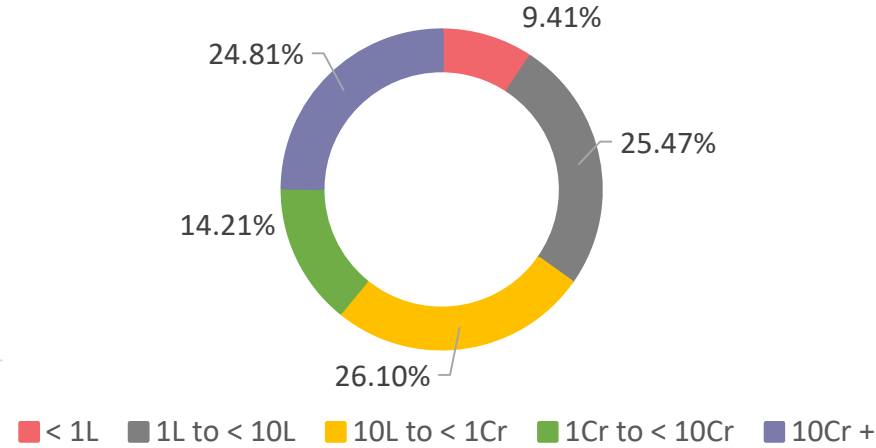
† Cost of Customer Deposits = Interest paid on Customer Deposits as a % of Average Customer Deposits | Customer Deposits = CASA + Term Deposits
 Cost of Deposits = Interest paid on Total Deposits as a % of Average Total Deposits | Total Deposits = Customer Deposits + Certificate of Deposits [CDs]

Customer Deposit Profile

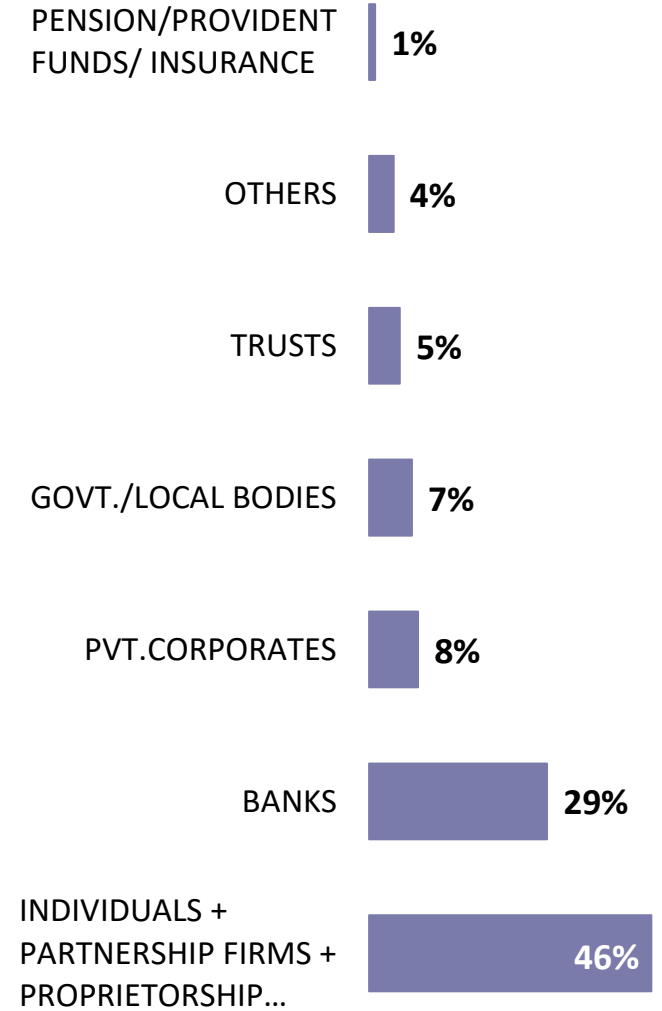
Mass Affluent Customer* (Deposit in Rs. Cr)



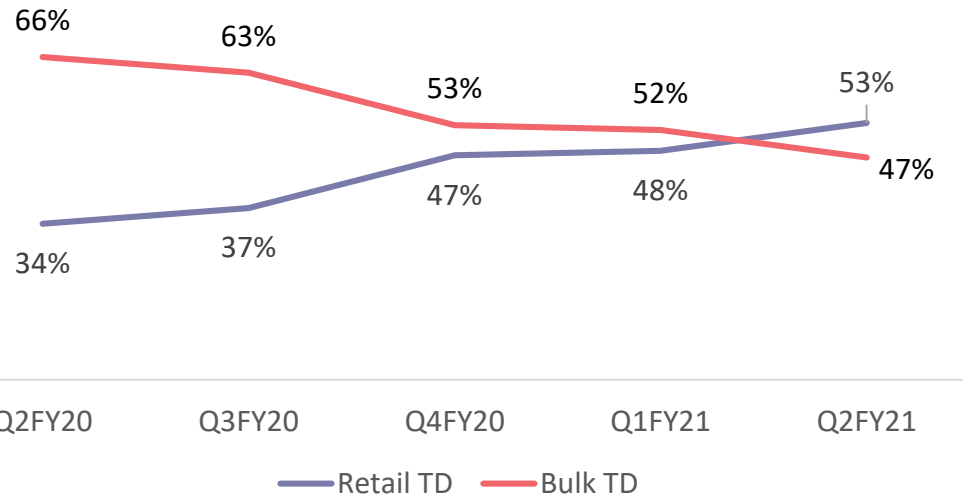
Savings Account Value Slabs



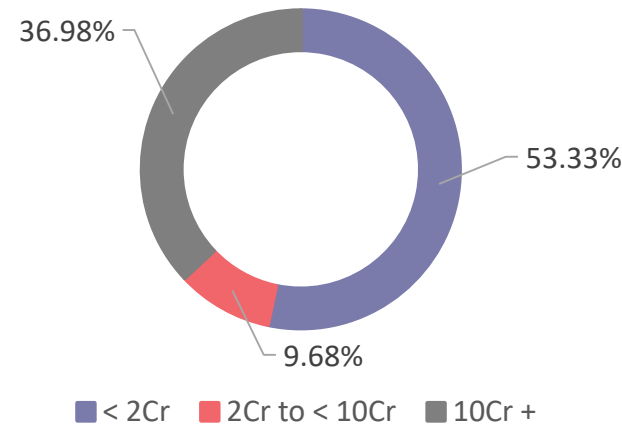
Deposits by Category



Term Deposits (TD) %



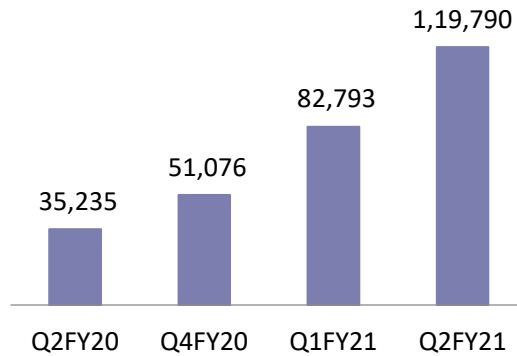
Term Deposits Value Slabs



*CASA and TD balances of Premium (Wings & Elite) CASA account holders | Retail TD as defined by RBI

Update on Channels & Acquisition

CASA Account Acquisition



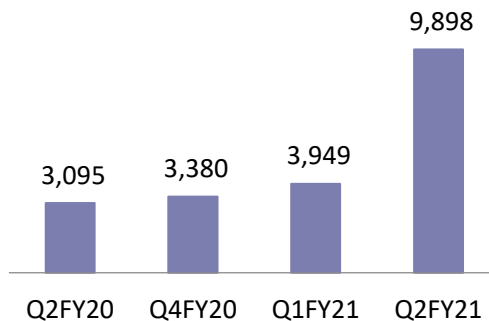
Corporate Salary Channel

- Dedicated channels to develop Corporate Salary relationships
- On boarded 170+ Corporates
- 80% of accounts opened digitally

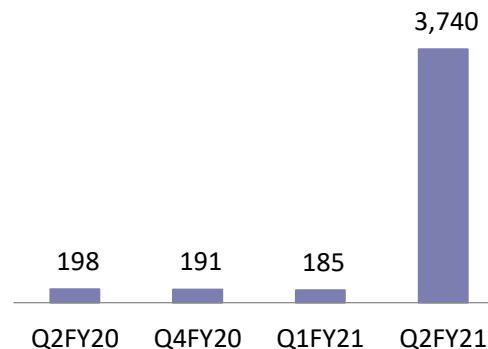
NRI Channel

- Launched Digital account opening
- Dedicated channel to tap in specific markets
- 4X YoY growth in Acquisition

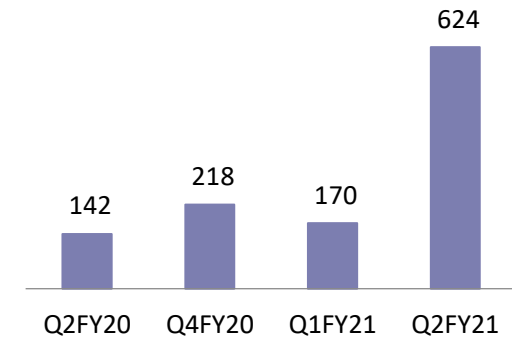
High Variant Account Acquisition



Corporate Salary Account Acquisition



NRI Account Acquisition



Digi Banking

Acquisition:

- Paperless account opening - Acquired & On boarded over 81,000+ Savings Account Customers through Digital Channels
- 15,000+ Accounts opened from Non Equitas branch location
- Launched digital account opening for Non Resident accounts
- Launched digital sales of Insurance products

Products:

- Launched digital 3 in 1 account, in partnership with Aditya Birla Securities Limited
- Live with Bharat Bill Payment System

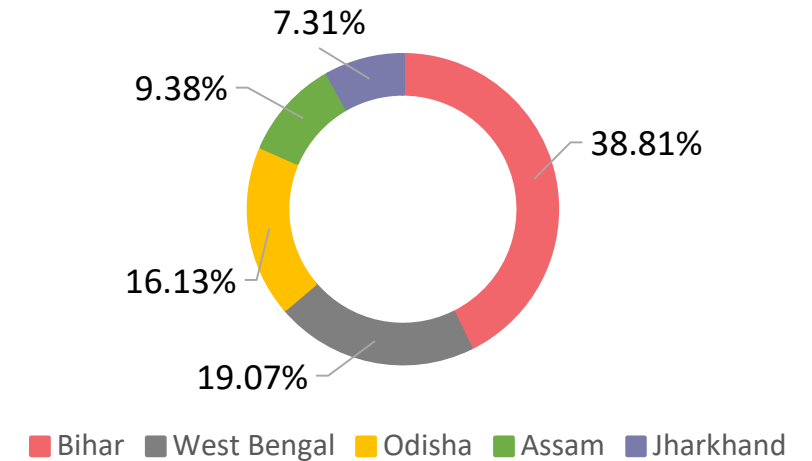
Partnerships:

- Focusing on partnerships with Fintechs to improve our service offerings. Partnered with Open Financial Technologies Private Ltd and Groww

Enhancements:

- Mobile Banking enhancements
 - OTP auto read
 - Debit Card upgrade/downgrade option
 - SIM binding for enhanced security
- Provide QR Code with all Current Accounts which shall enable easy adaption of digital transaction by customers

Top 5 Non Equitas Branch Locations



One India One Bank – Integrated Marketing Campaign

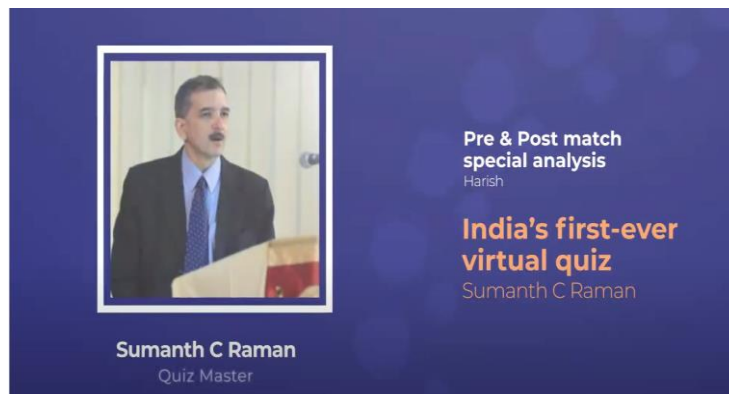
- Association with Chennai Super Kings
 - Exclusive CSK Co Branded Debit Card
 - Super Account for the Super Fan in You
 - Cricket Quiz with Ace Quiz Whiz Sumanth C Raman
 - Pre and Post Match Analysis with Hari Shankar
 - NRI Campaign with Kaleej Times - Dubai
- A Comical Web Series – Durai Shakes to reach the households and families
- A Musical tribute to the indomitable spirit of India and millions of Indians who are putting their effort in bring back the nation to its normalcy.



4th Year Anniversary Campaign



A Comical Web Series – Durai Shakes



EquiOne - Live Cricket Quiz with Sumanth C Raman



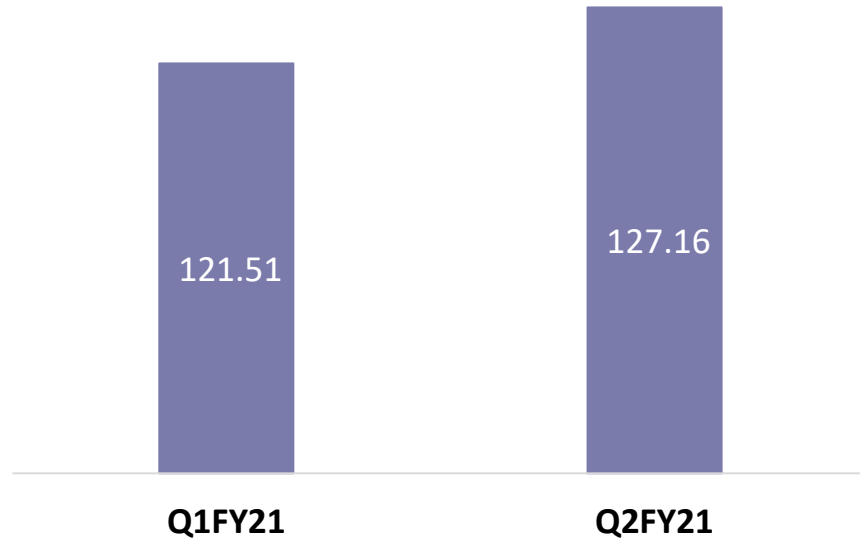
Exclusive Co Branded Debit Card



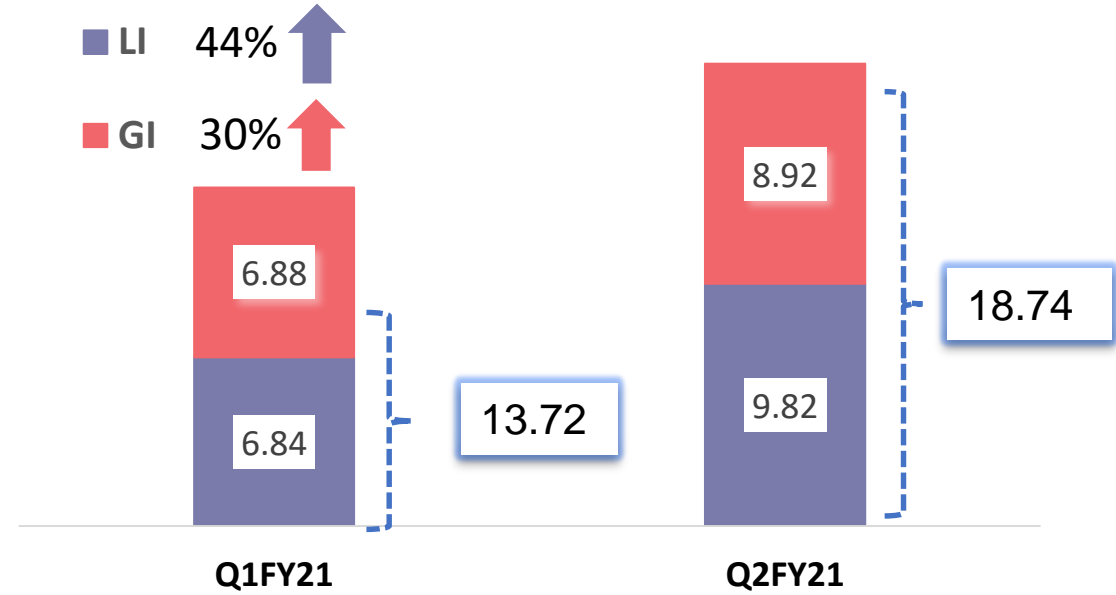
NRI Campaign with Kaleej Times

Overview of TPP Business

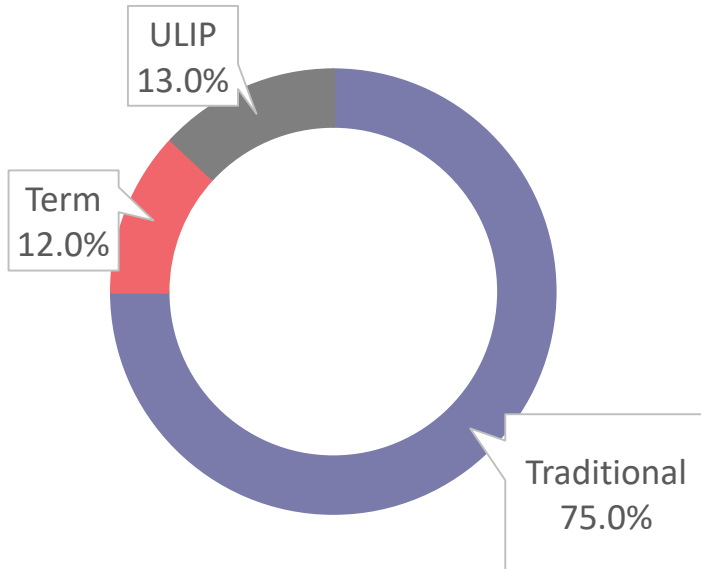
MF AUM (Rs. Cr)



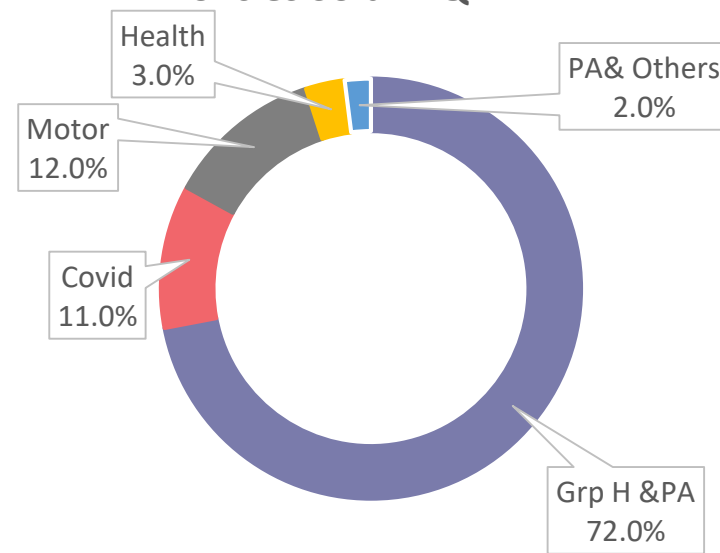
Premium Collected (Rs. Cr)



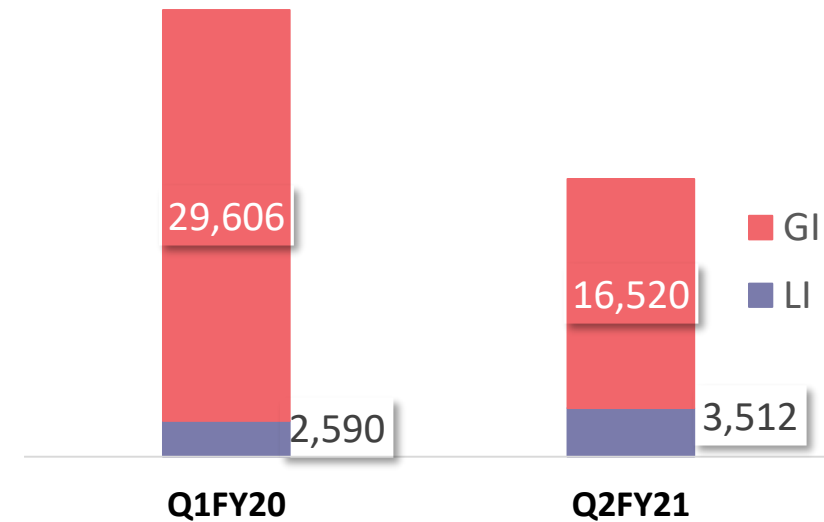
Life Insurance Policies Sold in Q2FY21



General Insurance Policies Sold in Q2FY21

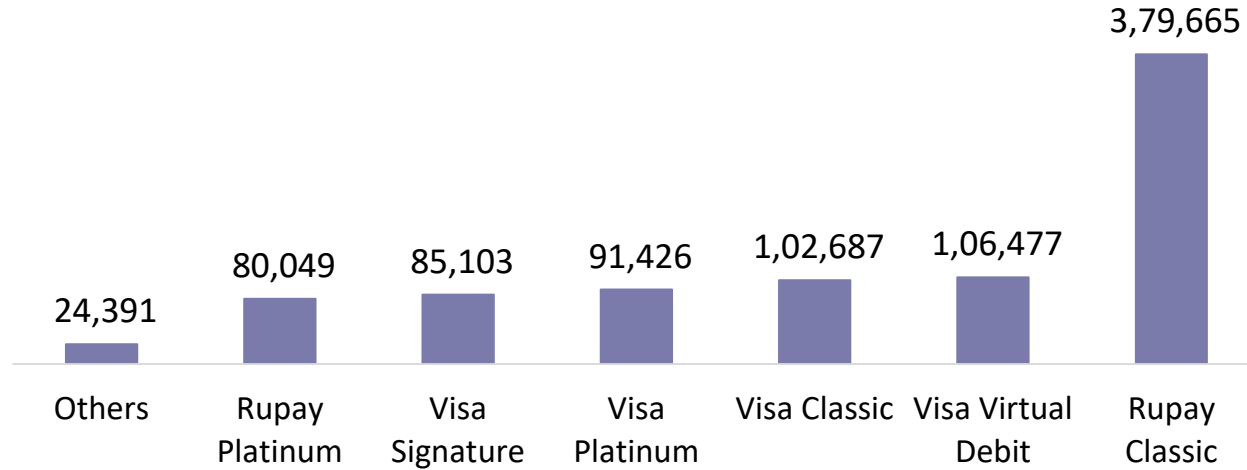


Of Policies Issued

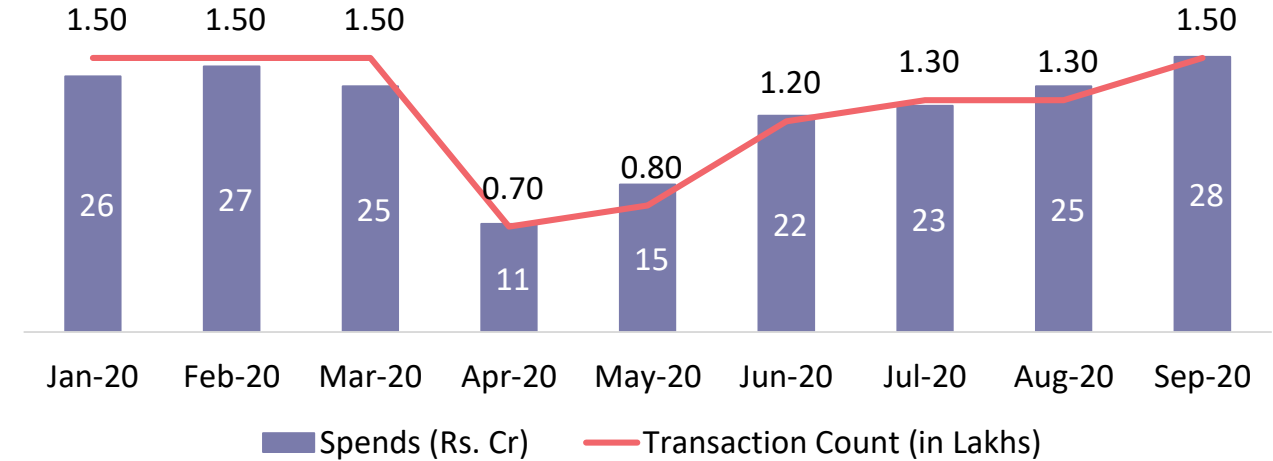


Debit Card & Spends Snapshot

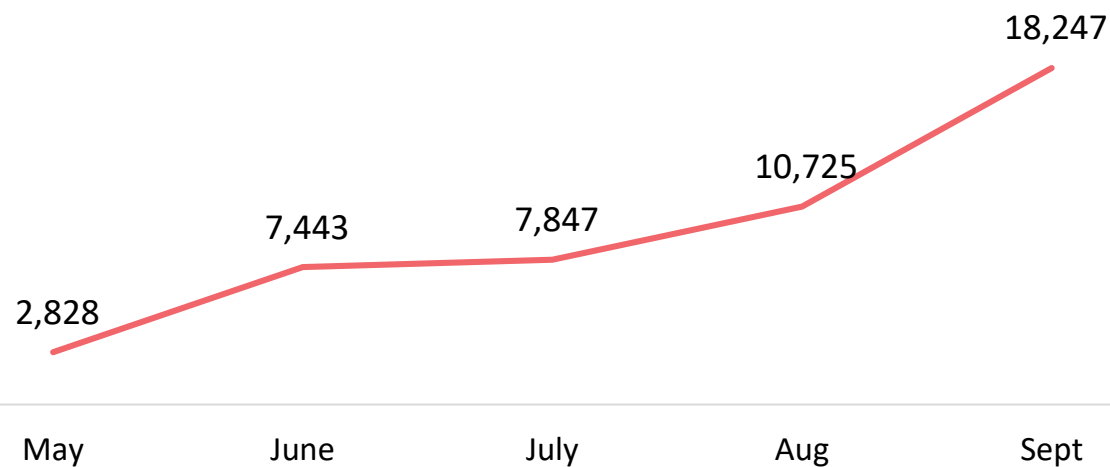
Cards Issued



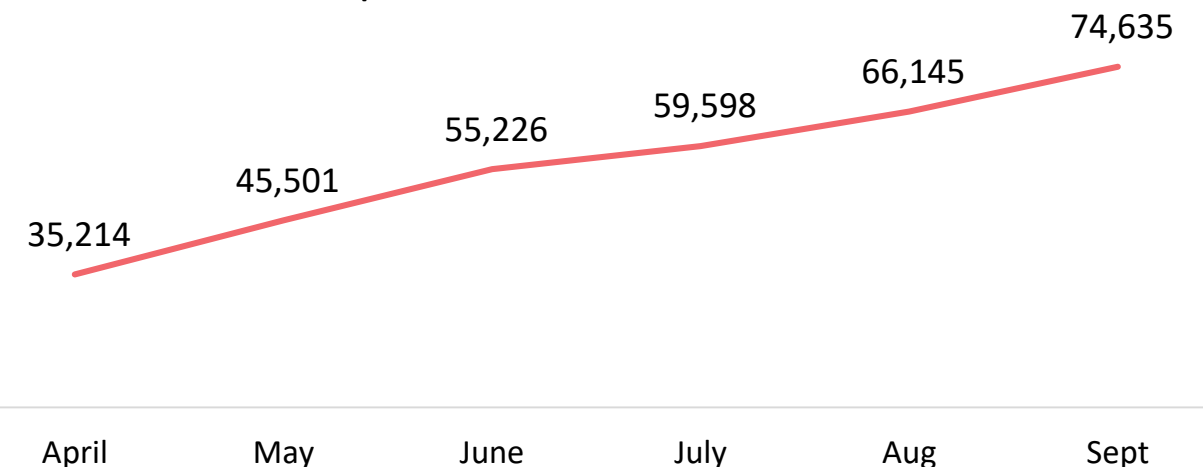
Debit Card Transaction Trend



Month on Month FastTag Issuance

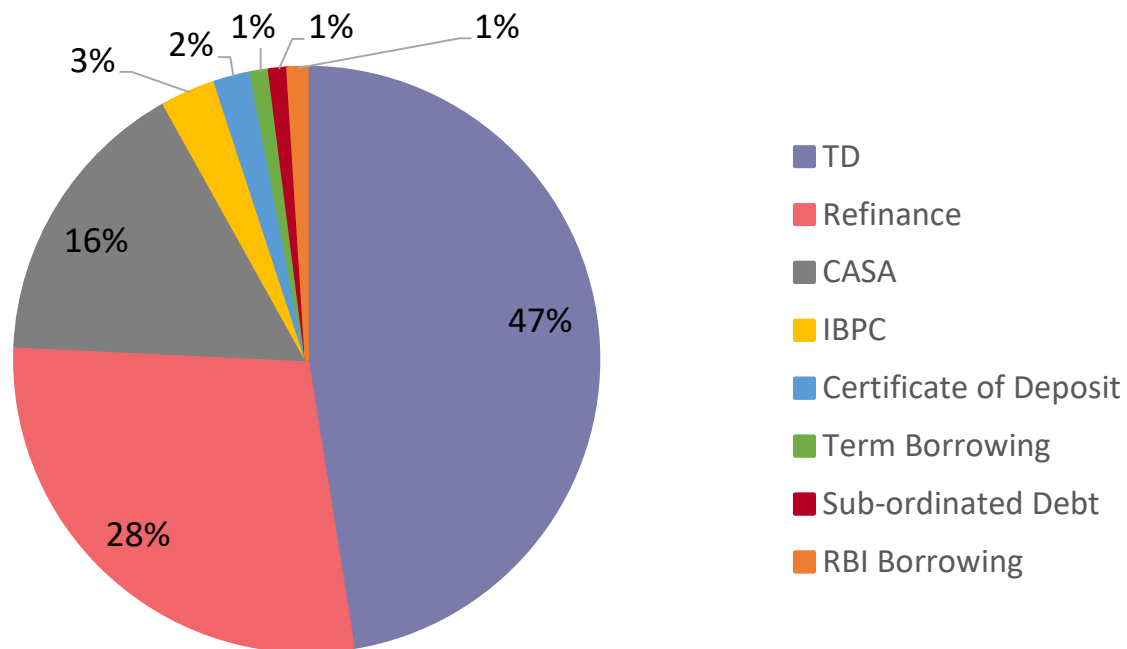


Unique Card Transactions - ATM



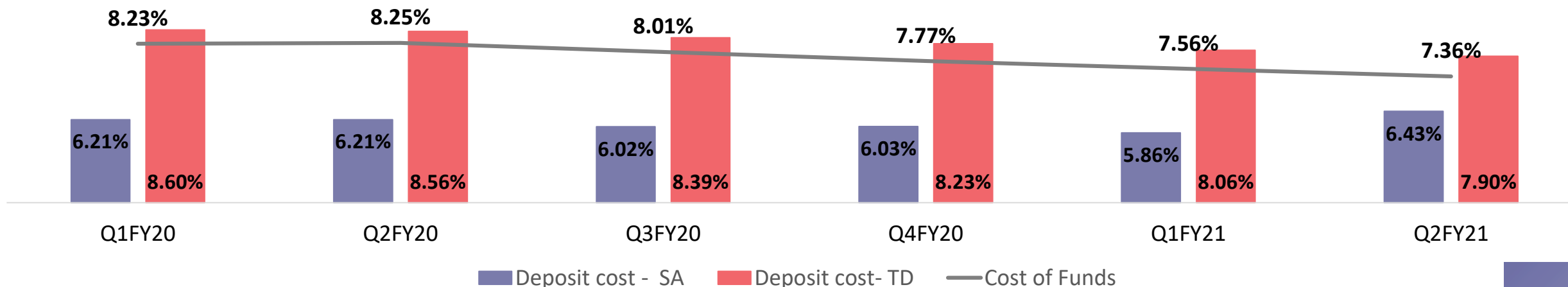
Funding Profile

As on 30 September 2020



| In Rs Cr | June 2020 | September 2020 |
|-------------------------|---------------|----------------|
| TD | 9,117 | 9,342 |
| Refinance | 4,963 | 5,570 |
| CASA | 2,354 | 3,246 |
| CD | 316 | 312 |
| Sub Debt | 220 | 220 |
| Term Borrowing | 110 | 260 |
| IBPC | 1,000 | 600 |
| Repo Borrowing | 233 | 124 |
| Total Borrowings | 18,313 | 19,675 |

Daily Average Cost of Funds



Investments

Total Investment Portfolio comprises SLR of Rs. 4,176 Crore (Book Value) and Non SLR of Rs. 124 Crore (Book Value) as given below:

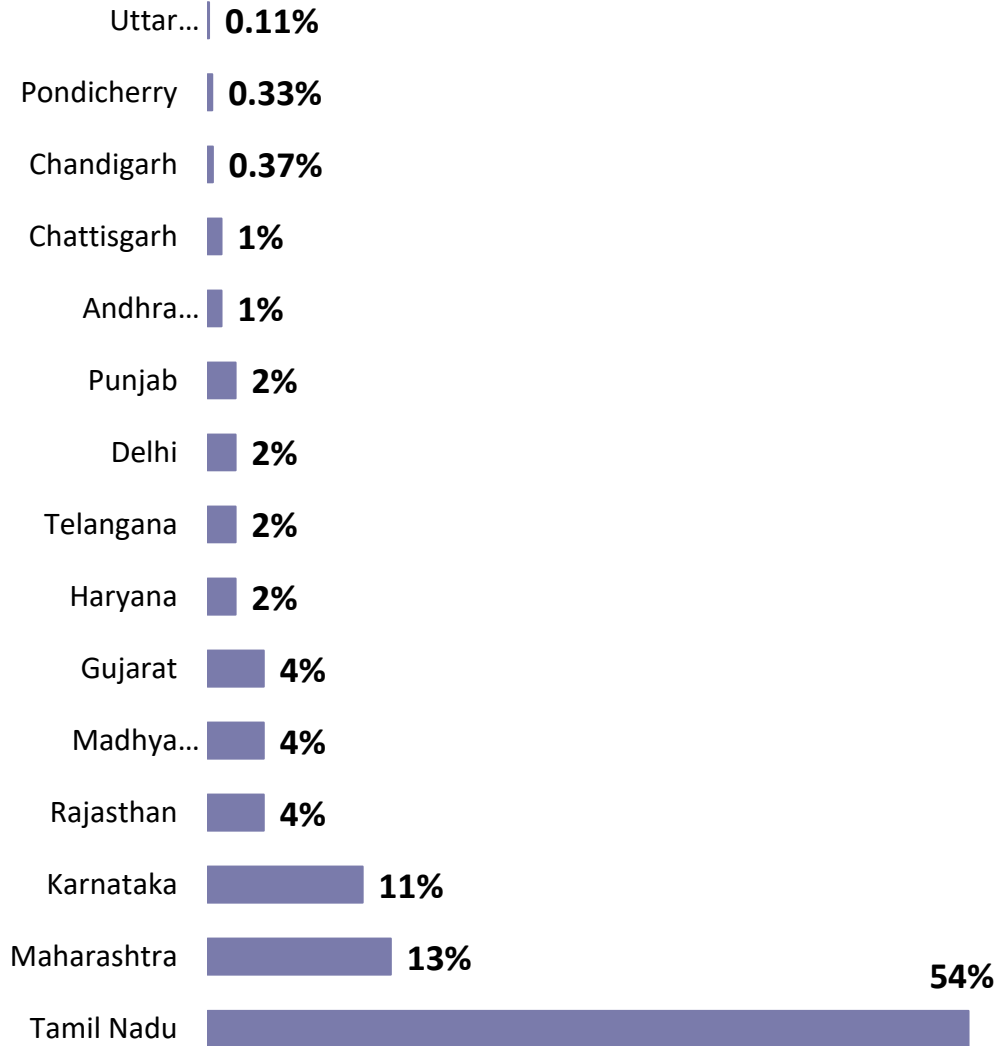
| Category (Rs. Cr) | SLR (Book Value) | Non SLR (Book Value) |
|--------------------|------------------|----------------------|
| Held Till Maturity | 2,617 | 124 |
| Available for Sale | 1,524 | - |
| Held for Trading | 35 | - |
| Total | 4,176 | 124 |

Borrowings & Liquidity:

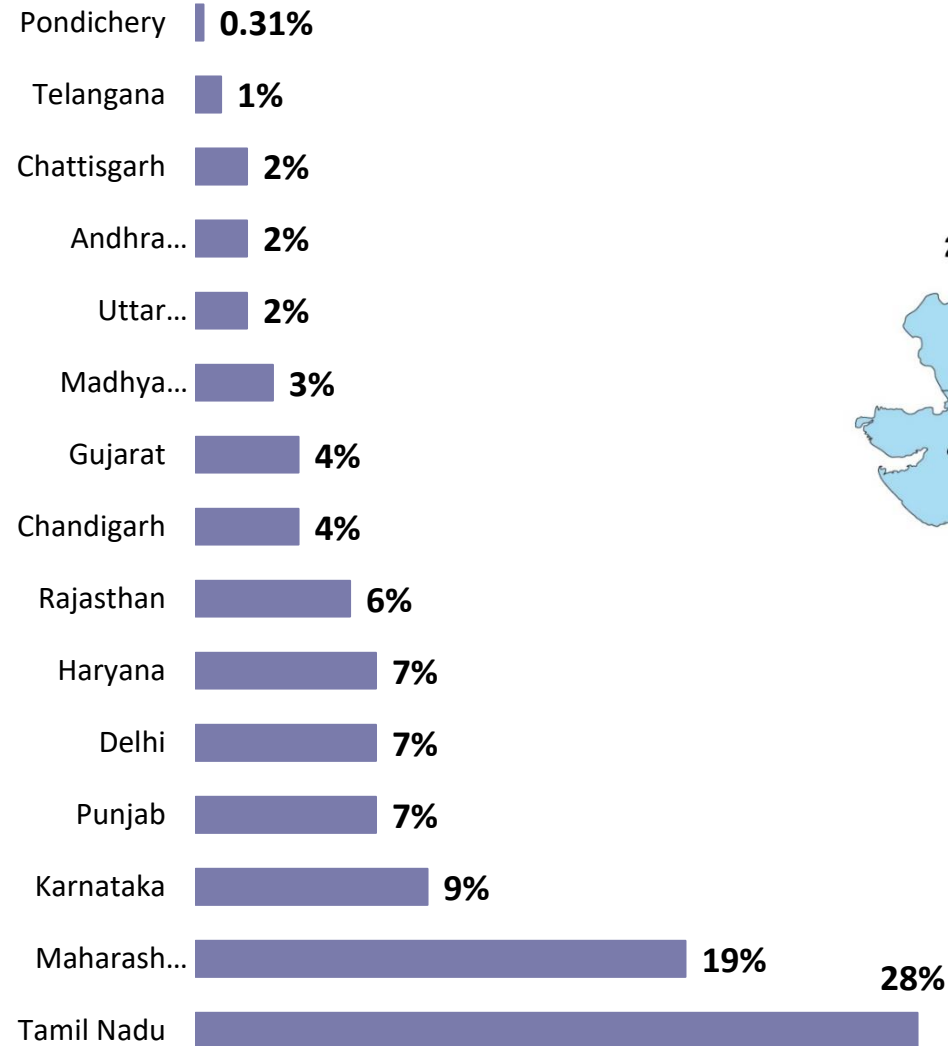
- Our Bank's Certificate of Deposit (CD) programme for ₹2,000 Crore has highest rating from at CRISIL A1+
- Availed refinance of ₹1,100 Crore during Q2FY21 (₹685 Crore in Q1FY21). Our Bank has adequate advances to avail fresh refinance whenever required which provides strong cushion to ALM position of the Bank
- Our Bank has also undertaken Inter-Bank Participation Certificates (IBPCs) with a mix of PSL/Non-PSL advances which further enhances the liquidity of the Bank
- Adequate surplus liquidity in the form of High Quality Liquid Assets (HQLA) being maintained to fund advances growth. Liquidity Coverage Ratio (LCR) for the quarter at 126% much above the minimum regulatory requirement of LCR at 80%

Pan India Presence

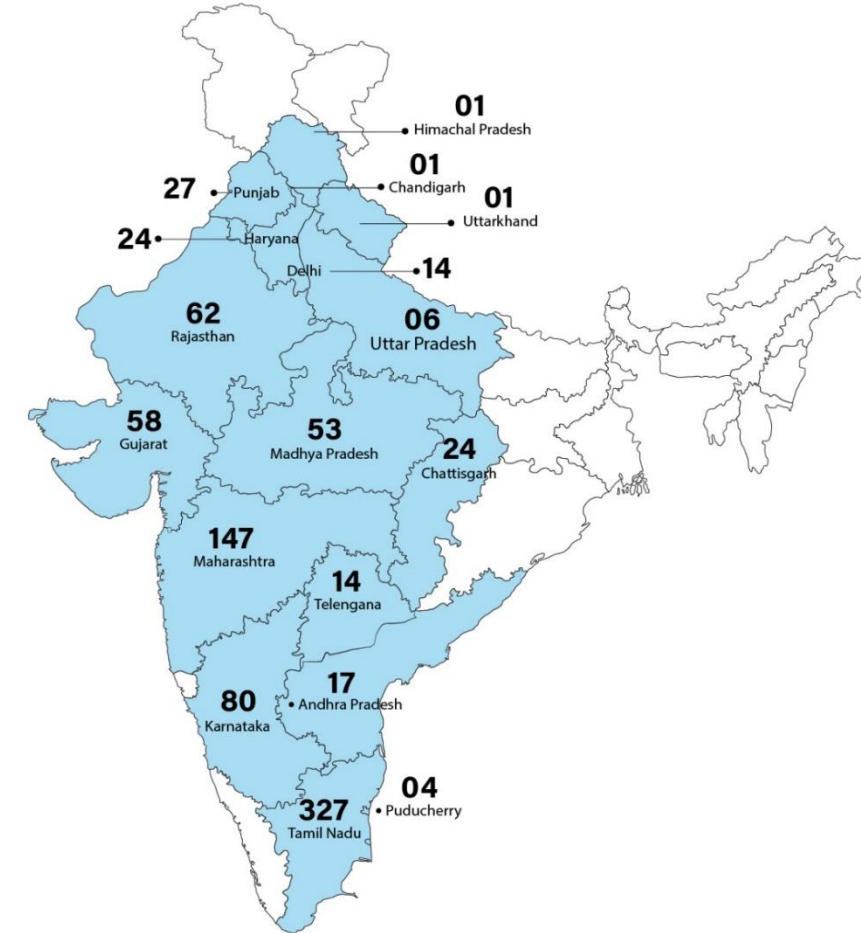
State Wise Advances



State Wise Deposits



Banking Outlets



Financials

Balance Sheet

| Particulars (in Rs Cr) | Sept-20 | Sept-19 | YoY% | June-20 | QoQ% |
|--|---------------|---------------|------------|---------------|-----------|
| Capital & Liabilities | | | | | |
| Capital | 1,053 | 1,006 | 5% | 1,053 | - |
| Reserves & Surplus | 1,851 | 1,355 | 37% | 1,748 | 6% |
| Networth | 2,904 | 2,361 | 23% | 2,801 | 4% |
| Deposits | 12,901 | 10,025 | 29% | 11,787 | 9% |
| Borrowings | 6,175 | 4,274 | 44% | 5,526 | 12% |
| Other Liabilities & Provision | 870 | 552 | 58% | 778 | 12% |
| Total | 22,850 | 17,212 | 33% | 20,892 | 9% |
| Assets | | | | | |
| Cash and Balances With Reserve Bank of India | 426 | 436 | -2% | 429 | -1% |
| Balances With Banks and Money At Call and Short Notice | 1,475 | 687 | 115% | 1,497 | -1% |
| Investments | 4,292 | 2,545 | 69% | 3,479 | 23% |
| Advances | 15,930 | 12,960 | 23% | 14,389 | 11% |
| Fixed Assets | 195 | 217 | -11% | 197 | - |
| Other Assets | 532 | 367 | 45% | 901 | -41% |
| Total | 22,850 | 17,212 | 33% | 20,892 | 9% |
| AUM [On Book + Off Book] | 16,731 | 13,268 | 26% | 15,573 | 7% |

Profit & Loss Statement

| Particulars (in Rs Cr) | Q2FY21 | Q2FY20 | YoY% | Q1FY21 | QoQ% |
|--|------------|------------|------------|------------|-------------|
| Interest Income from Loans | 730 | 581 | 26% | 662 | 10% |
| Income on Investments | 57 | 41 | 39% | 44 | 30% |
| Interest on balances with Reserve Bank of India and other inter bank funds | 11 | 18 | -39% | 16 | -31% |
| Total Interest Income | 798 | 640 | 25% | 721 | 11% |
| Finance Cost | | | | | |
| Interest on deposits | 227 | 182 | 25% | 209 | 9% |
| Interest on RBI / inter-bank borrowings | 6 | 6 | - | 4 | 50% |
| Other interest | 104 | 101 | 3% | 104 | - |
| Total Finance Cost | 336 | 289 | 16% | 317 | 6% |
| Net Interest Income | 461 | 351 | 31% | 404 | 14% |
| Other Income | | | | | |
| Processing and Other Fees | 37 | 43 | -14% | 11 | 236% |
| Interest on Securitization / Assignment | 3 | 3 | - | - | - |
| Gain on Sale of G-Secs | 1 | 1 | - | 4 | -75% |
| ATM Acquirer Fee Income & TPP Income | 13 | 7 | 86% | 10 | 30% |
| Others | 10 | 10 | - | 5 | 150% |
| Total Other Income | 64 | 64 | - | 30 | 113% |

Profit & Loss Statement

| Particulars (in Rs Cr) | Q2FY21 | Q2FY20 | YoY% | Q1FY21 | QoQ% |
|---|--------|--------|------|--------|------|
| Net Income | 525 | 415 | 27% | 434 | 21% |
| Employee Cost | 188 | 170 | 11% | 195 | -4% |
| Opex | 117 | 114 | 3% | 97 | 21% |
| Total Operating Expenditure | 305 | 284 | 7% | 292 | 4% |
| PBT before provision & Write-off | 220 | 131 | 68% | 142 | 55% |
| Credit Cost | 84 | 45 | 87% | 68 | 24% |
| PBT | 136 | 86 | 58% | 74 | 84% |
| Taxes | 33 | 37 | -11% | 16 | 106% |
| PAT | 103 | 49 | 108% | 58 | 78% |

Thank You

Investor Relations

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