

October 04, 2025

National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex (BKC) Bandra (east) Mumbai - 400051	BSE Limited Phiroze Jeejeeboy Towers Dalal Street Mumbai - 400001
Symbol: EQUITASBNK	Scrip Code No. : 543243,976218 & 976979

Dear Sir

Sub: Disclosure under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015-Business Update for the quarter ended September 30, 2025

In accordance with applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to intimate the following with respect to Bank's Deposits and Advances for the quarter ended September 30, 2025:

I. Quarterly Updates:

Particulars <i>(In Rs. Crore unless specified otherwise)</i>	September 30, 2024 (Unaudited)	June 30, 2025 (Unaudited)	September 30, 2025 (Provisional)	YoY %	QoQ %
Gross Advances*	36,053	37,610	^39,145	8.58	4.08
Micro Finance & Micro Loans	5,636	3,537	3,414	(39.42)	(3.46)
Non- Micro Finance & Micro Loans	30,417	34,073	35,731	17.47	4.87
Total Deposits	39,754	44,345	44,094	10.92	(0.57)
CASA	12,079	13,019	13,622	12.78	4.63
CASA Ratio (%)	30%	29%	31%		
Cost of Funds (%)	7.50%	7.49%	7.35%		

**Gross Advances includes IBPC/Securitized/Assigned portfolio of Rs. 2047 Crore as on September 30, 2025 and Rs. 2,175 Crore as on June 30, 2025*

^These are subject to change based on technical write off

Advances: Compared to a 1% degrowth in gross advances in the June '25 quarter on a QoQ basis, the gross advances for the Sep '25 quarter has grown by 4% QoQ on the back of improved disbursement of Rs. 5381 crs, a growth of 53% QoQ & 11% YoY. Similarly, the Micro finance and micro loan advances, which had degrown 22% QoQ in the June '25 quarter has improved to a degrowth of 3% QoQ for the Sep '25 quarter, with increased disbursement in micro finance & micro loan.

During Q2FY26, the bank has sold its NPA assets amounting to ~Rs.216 crs to an ARC (Asset Reconstruction Company).

II. CD Ratio

Particulars	Mar-25 (Audited)	Jun-25 (Unaudited)	Sep-25 (Provisional)
CD Ratio (%)	85.66%	79.91%	84.14%
CD Ratio (%) (after reducing Refinance borrowings from advances)	81.86%	76.48%	78.57%

III. MFI & Micro Loan 1-90 DPD Trend:

With collection efficiencies improving, the 1-90 DPD has shown consistent reduction

Particulars	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25
X Bucket (%)	84.45%	82.42%	89.65%	88.34%	87.52%	87.05%
1 - 90 DPD (in Crs)	365	322	285	245	212	183
1 - 90 DPD (%)	8.45%	7.83%	8.06%	7.09%	6.21%	5.36%

IV. X Bucket Collection Efficiency in Microfinance & Micro Loans

a) Quarterly Trend:

Particulars	Q1FY25	Q2FY25	Q3FY25	Q4FY25	Q1FY26	Q2FY26
Overall	98.85%	98.22%	98.17%	97.96%	97.97%	98.56%
Tamil Nadu (TN)	98.97%	98.48%	98.26%	98.41%	98.13%	98.63%
Karnataka (KA)	98.97%	97.89%	96.72%	91.85%	94.62%	96.81%

b) X Bucket Collection Efficiency in Microfinance & Micro Loans (Disbursed from Jan'25)

The X bucket collection efficiency of new loans disbursed during the current calendar year is at the earlier normal level:

Particulars	Apr'25	May'25	June'25	Q1FY26	Jul'25	Aug'25	Sep'25	Q2FY26
Overall	99.30%	99.41%	99.56%	99.45%	99.43%	99.50%	99.59%	99.52%
Tamil Nadu (TN)	99.43%	99.50%	99.55%	99.50%	99.48%	99.62%	99.71%	99.62%
Karnataka (KA)	94.41%	97.06%	98.77%	97.05%	98.34%	98.43%	98.83%	98.57%



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Equitas Small Finance Bank Limited
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V. Fresh OD Trend (MFI and Micro Loan):

With X bucket CE improving, the Principle Outstanding (POS) of loans which slip from X bucket to OD bucket has come down sharply, which is expected to lead to lower levels of stress and consequent levels of NPA and credit cost going forward:

Particulars (in Rs. Crs)	Apr'25	May'25	June'25	Jul'25	Aug'25	Sep'25
POS value of Fresh OD accounts	97.48	72.48	44.73	52.58	38.12	30.16

VI. Provisional Net Slippages in the Small Business Loan segment (SBL):

Karnataka, which saw increasing slippages over the last 4 quarters in the Small Business Loans secured against house property, saw an improvement in the 2nd quarter, while the rest of the regions continue to perform well.

Net Slippages	Q1FY26	Q2FY26
Karnataka	9.35%	7.98%
Others	2.07%	1.17%
Overall	3.22%	2.23%

VII. Advances mix as on September 30, 2025 (Provisional):

Micro Finance & Micro Loans (Unsecured)	9%
All Other Loans (Secured)	91%

Please note that the numbers mentioned above as on September 30, 2025 are provisional numbers and is subject to review by the Joint Statutory Auditors of the Bank and approval of the Audit Committee and Board of Directors.

Kindly take the above information on record.

Thanking you,

Yours faithfully,

For Equitas Small Finance Bank Limited

N Ramanathan
Company Secretary