



EQUITAS SMALL FINANCE BANK LIMITED

Equitas Small Finance Bank Limited launches Video KYC Account

- *Convert a selfie KYC to a full KYC Account by the Bank*
- *Remotely verify and collect documents of the customer*
- *Complete the KYC with assistance of Artificial intelligence]*

Mumbai, July 03, 2020: Equitas Small Finance Bank Limited (the “Bank”), the largest small finance bank (“SFB”) in India in terms of number of banking outlets as of March 31, 2019 (Source: CRISIL report), becomes one of the leading banks in the country to launch video KYC account.

This is a web application designed to conduct a remote verification process through a video call. The video call has to be triggered from the Relationship Executive’s domain and the recording for the video call will be stored as well. The customer has to submit their Aadhaar and pan details on the video call for bank to verify.

The Bank has revamped its mobile bank app to deliver most of the services over the app itself. Further work is on to roll in remaining services also over the app. With this, any person anywhere in the country can open a savings account with Equitas Small Finance Bank, complete the full KYC through video with the Bank employee and start enjoying the benefit of high quality Do It Yourself (DIY) service as well as the better interest rates offered by Equitas on its Savings Account balances.

Mr. Murali Vaidyanathan, President & Country Head - Branch Banking, Liabilities, Product & Wealth, Equitas Small Finance Bank Limited, said, “Equitas SFB has always provided a better experience for its customers. Today, Equitas SFB is bringing in a new digital banking experience to its customers, the new video KYC account is a step forward towards our vision. This will ensure contact less, no branch visit and hassle free account opening and transactions for customers.”

The Video KYC Process:

- Customer receives SMS
- Fills form before VKYC
- Customer starts or schedules
- Agent panel is able to see & interact with the customer video & customer’s location.
- Random questions are asked from the customer to check liveliness of the person
- Customer’s Aadhaar details are confirmed during the Video call with previously submitted documents while opening the selfe account

- Wet signature is collected from the user by asking the user to switch the camera from front to rear and signing on a white paper
- Customers are asked to submit the PAN card through the rear camera. The process can be extended to additional images to be collected if required
- In real time, text is extracted from the PAN Card.
- Facial recognition is done on the image captured during the video call with the image as per the document in banking records.
- Agent/Maker gives a final verdict depending on the individual activities.
- Customer is also asked for a debit card / cheque book confirmation for issuance request to be taken on the same video call. Communication address is also verified on the video call
- The checker(s) can access this transaction by logging in their panel which will list all the available transactions.
- Checker & Reviewer is able to see all the documents including the video recording & captured data in both textual & visual format (also in PDF format)
- In addition to checker, Concurrent audit of the whole process is completed & application moves forward for the customer.
- Rejection can be turned into a retry SMS with reason for rejection.

Requirements for Video KYC

- Aadhaar details and PAN Card
- Uninterrupted data connectivity
- Ample light & a clear background
- Clear view of the customer's face
- Smart phone with GPS
- Compatible browser
- Pen & White paper for Signature

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*). As of September 30, 2019, its distribution channels comprised 853 Banking Outlets and 322 ATMs across 15 states and union territories in India. 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. These include provision of small business loans comprising loan against property, housing loans, and agriculture loans to micro-entrepreneurs, microfinance to joint liability groups predominantly comprising women, used and new commercial vehicle loans to drivers and micro-entrepreneurs typically engaged in logistics, MSE loans to proprietorships, and corporate loans. On the liability side, its target customers comprise mass and mass-affluent individuals to whom the Bank offers current accounts, salary accounts, savings accounts, and a variety of deposit accounts. In addition, it also provides non-credit offerings comprising ATM-cum-debit cards, third party insurance, mutual fund products, and issuance of FASTags.

Disclaimer:

Equitas Small Finance Bank Limited is proposing, subject to receipt of requisite approvals, market conditions and other considerations, to make an initial public offer of its equity shares and has filed a draft red herring prospectus dated December 16, 2019 (“DRHP”) with the Securities and Exchange Board of India. The DRHP is available on the website of the SEBI at www.sebi.gov.in as well as on the websites of the book running lead managers, JM Financial Limited, Edelweiss Financial Services Limited and IIFL Securities Limited, at www.jmfl.com, www.edelweissfin.com and www.iiflcap.com respectively, the website of the National Stock Exchange of India Limited at www.nseindia.com and the website of the BSE Limited at www.bseindia.com, respectively. Investors should note that investment in equity shares involves a high degree of risk. For details, potential investors should refer to the RHP which may be filed with the Registrar of Companies, Tamil Nadu, situated at Chennai, in future including the section titled “Risk Factors”. Potential investors should not rely on the DRHP filed with SEBI in making any investment decision.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”) or any other applicable law of the United States and, unless so registered, may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States only to persons reasonably believed to be “qualified institutional buyers” (as defined in Rule 144A under the Securities Act, “Rule 144A”) in transactions exempt from, or not subject to, registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and pursuant to the applicable laws of the jurisdictions where those offers and sales are made. There will be no public offering of the Equity Shares in the United States.

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