



## EQUITAS HOLDINGS LIMITED

### Q4 and full year FY18 results

FOR IMMEDIATE PUBLICATION

PRESS RELEASE

April 27, 2018

### **Equitas profitability bounces back in Q4FY18 PAT of ₹ 34.9 Cr & ROA of 1.12%**

Equitas Holdings Limited [EHL] announced the Audited Consolidated results for quarter and full year ended March 31, 2018:

#### **Non-Micro Finance Advances grew by 53%**

Non-Micro Finance advances in FY18 grew by 53% YoY, driven by strong traction in new products. New products like Business Loans, Agri Loans, Loan against Gold, Small & Mid Corporate loans and New LCV finance make-up more than 15% of total advances.

In line with our strategy to reduce unsecured loans, micro finance loans reduced by about 31% YoY. Non-micro finance portfolio now forms 72% of total lending portfolio, with the remaining being micro finance. Overall advances for the year at ₹ 8,238 Cr, up by 15% YoY

#### **Customer Deposits crossed ₹ 4,700 Cr as CASA balance reached ₹ 1,630 Cr**

The Bank added ₹ 1,020 Cr in Customer Deposits over the quarter. Deposits stood at ₹ 4,719 Cr, with CASA at 35% of deposits. The bank continues its focus on customer acquisition, with deposit account holders crossing 2.8 lakh in number. Fee Income contribution saw significant growth over previous quarter as distribution of third party products picked up.

#### **Asset quality improved, GNPA at 2.72%; ₹ 142 Cr of Micro Finance bad assets written off**

With this write-off, Equitas SFB's GNPA improved to 2.72%, against 3.53% of previous year and 4.95% of previous quarter. GNPA of non-Micro Finance portfolio also improved to 3.44% against 4.40% in FY17 and 4.11% in the Dec '17 quarter. Bank's Provision cover stood at 47.1% and Net NPA stood at 1.44%.

#### **Returns improved in Q4 with a PAT of ₹ 34.9 Cr, as opex stabilises**

NII for Q4FY18 stood at ₹ 248 Cr, up 12% YoY. Net Income stood at ₹ 291 Cr, growing 21% YoY driven by a strong pick up in non-interest income. Pre-Provision Operating Profit [PPOP] for Q4 increased by 41% YoY, as operating expenses stabilised. Equitas reported a ₹ 34.9 Cr profit after tax for the quarter, against ₹ 6.9 Cr in Q4 previous year and a loss in previous quarter. Quarterly RoA (annualised) stood at 1.12%, against 0.31% in Q4FY17.

Full year FY18 profitability was affected by additional provision, of ₹ 101Cr, made during the year to provide for impacted Micro Finance portfolio. PAT for full year FY18 is at ₹ 31.4 Cr

### **About Equitas Holdings Limited [EHL]**

Equitas Holdings Limited ('the Company') is a Non-Deposit Taking Systemically Important - Core Investment Company – (CIC-ND-SI) registered with The Reserve Bank of India. The activity of the Company is making investment in subsidiary companies and providing loans to them. It has no other operations.

The Company has the following Wholly Owned Subsidiaries:

- Equitas Small Finance Bank Limited, licensed under Section 22 of the Banking Regulations Act, 1949 to carry on the business of small finance bank;
- Equitas Technologies Private Limited [ETPL], a Company registered under the Companies Act, 2013 engaged in the business of freight aggregation.

### **About Equitas Small Finance Bank Limited [ESFBL]**

Equitas Small Finance Bank Limited is a Small Finance Bank (SFB), licensed by Reserve Bank of India under Section 22 of the Banking Regulation Act, 1949 to carry on the business of Small Finance Bank. The Bank commenced the business of SFB on September 5, 2016. It is the first Private Sector Bank from Tamil Nadu to commence operations post Indian Independence.

ESFBL, with pan India operations, is focussed on providing financing solutions for individuals and micro and small enterprises (MSEs) that are underserved by formal financing channels while providing a comprehensive banking and digital platform for all.

True to its tag line – “Fun Banking”, the bank offers customized savings products with a focus towards giving children, youth, families and entrepreneurs across India, a new and a fun way to bank.

For further details contact:

#### **Investor Relations**

#### **Equitas Holdings Limited**

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