



EQUITAS HOLDINGS LIMITED

Q1FY18 results

FOR IMMEDIATE PUBLICATION

PRESS RELEASE

July 28, 2017

Net Income growth 31%; Deposits cross ₹ 2,200 Cr in 10 months

Equitas Holdings Limited [EHL] announces the Unaudited Consolidated results for quarter ended June 30, 2017:

AUM growth despite Micro Finance [MF] slowdown

AUM as of June 30, 2017 at ₹ 7,036 Crore up 7.3% YoY. MF AUM dropped 14% YoY, while other products grew by 31% YoY. New products like Business Loans, Agri Loans, Loans against Gold and Small & Mid Corporate loans now make-up 3% of AUM, with ₹ 157 Crore disbursement during the quarter.

Liability franchise gains traction

Deposits stood at ₹ 2,255 Crore, up from ₹ 1,886 Crore last quarter. CASA stood at 25.6% of deposits. 51 new branches added during the quarter, taking the tally up to 335 across India. The number of deposit account holders has crossed 1 lakh and CASA balance crossed ₹ 580 Crore.

Gross NPA at 4.9%

With RBI's 90-day moratorium for NPA recognition coming to an end, the GNPA stands at 4.9%, against 3.5% of previous quarter. However, GNPA of non-MF portfolio, comprising ~60% of AUM, remained relatively stable at 4.9%. Provision cover is at 51.8% and Net NPA stood at 2.4%.

PAT down 74% YoY, incremental provision of ₹ 24 Cr for MF in Q1

Net Interest Income [NII] increased by 5.6% YoY to ₹ 215.8 Crore for quarter ended June 30, 2017, and Net Income [NII and Other Income] increased by 31% YoY, to ₹ 298.0 Crore. However, Pre Provision Operating Profit [PPOP] reduced by 39% YoY, due increase in operating expenses from setting-up of liability network and related increase in employee & other costs.

Given the stress in MF, the bank has made an incremental provision of ₹ 24 Crore during the quarter towards MF portfolio. PAT for Q1 is at ₹ 15.6 Crore

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

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