



## **EQUITAS HOLDINGS LIMITED**

*FOR IMMEDIATE PUBLICATION*

**PRESS RELEASE**

**July 22, 2016**

### **Equitas Holdings Consolidated Q1FY17 Net Profit grows by 64%**

Equitas Holdings Limited, a diversified financial service provider, announced today the Unaudited & Consolidated financial performance for the quarter ended June 30, 2016.

- **Consolidated PAT for the quarter grows by 64% over Q1FY16**
- **Strong Operating performance despite NPA recognition period change**
- **Consolidated AUM as of June 30, 2016 of Rs 6,559 Crore; a growth of 48% over Q1FY16**

The growth has been led by healthy disbursements in key focus asset products such as Microfinance, Used Commercial Vehicle finance [UCV] & Micro enterprise loans. Gross NPA and Net NPA at Consolidated level have shown increase due to migration of NPA recognition with effect from Q1FY17 from 5 months to 4 months for EFL, in line with RBI requirements.

#### **Q1FY17 Consolidated Results**

Total Income increased by 46% at Rs.348.8 Crore for the quarter ended June 30, 2016 as against Rs.239.3 Crore in the corresponding quarter last year. Profit after Tax [PAT] grew by 64% to Rs.61.2 Crore for the quarter ended June 30, 2016 as against Rs.37.4 Crore for the corresponding quarter last year.

#### **Bank conversion**

RBI has given the final license to the Company on June 30, 2016 for converting the above mentioned subsidiaries into a Small Finance Bank [SFB]. We have since applied to RBI for further approvals in connection with the commencement of the Bank. Subject to the required approvals, we are hopeful of starting the Bank by September 16.

#### **About Equitas Holdings Limited**

Equitas Holdings Limited is a diversified financial services provider focused on individuals and micro and small enterprises (MSEs) that are underserved by formal financing channels. Its focus customer segment includes low income groups and economically weaker individuals operating small businesses, as well as MSEs with limited access to formal financing channels on account of their informal, variable and cash-based income profile. These customers require various financial products including small, short-term business

loans as well as relatively large, longer tenor enterprise and home loans. It offers a range of financial products and services that address the specific requirements of these customer segments that take into account their income profile, nature of business and kind of security available. Its microfinance business is conducted through the wholly-owned subsidiary EMFL. As of March 31, 2015, EMFL was the fifth largest microfinance company in India in terms of gross loan portfolio (Source: CRISIL MF Opinion). EFLs used commercial vehicle finance customers are typically first-time formal financial channel borrowers purchasing commercial vehicles. The customers also include small fleet operators. It is amongst a few NBFCs in India operating in the used commercial vehicle finance business. It provides asset backed financing primarily focused on self-employed individuals operating micro enterprises and small enterprises, typically in urban and semi-urban locations. It focuses on providing micro-housing and affordable-housing loans to self employed individuals who have limited access to loans from banks and larger housing finance companies.

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