

July 28, 2023

|   |  |
|---|--|
| National Stock Exchange of India Limited<br>Exchange Plaza<br>Bandra Kurla Complex<br>Mumbai - 400051 | BSE Limited<br>Phiroze Jeejeebhoy Towers<br>Dalal Street<br>Mumbai - 400 001 |
| Symbol : EQUITASBNK   | Scrip Code : 543243  |

Dear Sir

**Sub: Disclosure under Regulations 30 & 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Outcome of Board meeting held on July 28, 2023**

In continuation to our intimation letter dated July 20, 2023 and pursuant to Regulation 30 (read with Part A of Schedule III) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that the Board of Directors of the Bank at its meeting held today i.e., July 28, 2023, has inter-alia considered, reviewed and approved the Unaudited Financial Results of the Bank for the quarter ended June 30, 2023 as recommended by the Audit Committee.

Pursuant to Regulation 33 and other applicable clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose the following:

- Unaudited Financial Results of the Bank for the quarter ended June 30, 2023
- Limited Review Report from the Joint Statutory Auditors, M/s T R Chadha & Co LLP and M/s Varma & Varma, Chartered Accountants.

The Meeting of the Board of Directors of the Bank commenced at 16:30 hours and concluded at 19:05 hours.


The above information will be made available on the Bank's website [www.equitasbank.com](http://www.equitasbank.com).

Kindly take the above information on record.

Thanking you,

Yours Faithfully,

For Equitas Small Finance Bank Limited

  
N Ramanathan  
Company Secretary  
Encl: a/a



BEYOND BANKING

When you bank with us, you contribute towards a better society.

Equitas Small Finance Bank Limited  
(Previously known as Equitas Finance Limited)

4<sup>th</sup> Floor, Phase II, Spencer Plaza, No.769, Mount Road, Anna Salai, Chennai, Tamil Nadu, India - 600 002

T: +91 44 4299 5000 | F: +91 44 4299 5050 | [corporate@equitas.in](mailto:corporate@equitas.in) | [www.equitasbank.com](http://www.equitasbank.com) | Toll Free: 1800 103 1222 | CIN No.: U65191TN1993PLC025280

3365333



EQUITAS SMALL FINANCE BANK LIMITED  
CIN: L65191TN1993PLC025280

Regd. Office: 4th Floor, Phase II, Spencer Plaza, No. 769, Mount Road, Anna Salai, Chennai 600 002

Website: www.equitasbank.com

1. Statement of Unaudited Financial Results for the quarter ended June 30, 2023

(₹ in Lakh)

| Particulars  | Quarter ended |             |             | Year ended  |
|--|---------------|-------------|-------------|-------------|
|  | 30-Jun-23     | 31-Mar-23   | 30-Jun-22   | 31-Mar-23   |
|  | Unaudited     | Audited     | Unaudited   | Audited     |
| 1 Interest Earned (a)+(b)+(c)  | 1,25,396.01   | 1,15,572.65 | 94,039.83   | 4,16,187.81 |
| (a) Interest / discount on advances / bills                                    | 1,14,183.45   | 1,04,659.78 | 85,448.89   | 3,76,472.47 |
| (b) Income on Investments  | 10,851.14     | 10,067.56   | 6,166.33    | 31,560.94   |
| (c) Interest on balances with Reserve Bank of India and other inter bank funds | 361.42        | 845.31      | 2,424.61    | 8,154.40    |
| 2 Other Income   | 17,136.66     | 23,869.23   | 13,322.07   | 66,958.57   |
| 3 Total Income (1)+(2)   | 1,42,532.67   | 1,39,441.88 | 1,07,361.90 | 4,83,146.38 |
| 4 Interest Expended  | 51,082.04     | 44,876.69   | 35,982.17   | 1,61,715.39 |
| 5 Operating Expenses (i)+(ii)  | 60,238.97     | 55,926.27   | 44,561.17   | 2,03,830.24 |
| (i) Employees Cost   | 32,797.20     | 30,392.21   | 22,565.16   | 1,09,667.60 |
| (ii) Other Operating Expenses  | 27,441.77     | 25,534.06   | 21,996.01   | 94,162.64   |
| 6 Total Expenditure (4)+(5) (excluding provisions & contingencies)             | 1,11,321.01   | 1,00,802.96 | 80,543.34   | 3,65,545.63 |
| 7 Operating Profit before Provisions & Contingencies (3)-(6)                   | 31,211.66     | 38,638.92   | 26,818.56   | 1,17,600.75 |
| 8 Provisions (other than tax) and Contingencies                                | 6,006.54      | 12,560.27   | 14,159.60   | 40,720.35   |
| 9 Exceptional Items  | -             | -           | -           | -           |
| 10 Profit from Ordinary Activities before tax (7)-(8)-(9)                      | 25,205.12     | 26,078.65   | 12,658.96   | 76,880.40   |
| 11 Tax Expense   | 6,085.07      | 7,074.88    | 2,958.44    | 19,521.35   |
| 12 Net Profit from Ordinary Activities after tax (10)-(11)                     | 19,120.05     | 19,003.77   | 9,700.52    | 57,359.05   |
| 13 Extraordinary Items (net of Tax Expense)                                    | -             | -           | -           | -           |
| 14 Net Profit for the Period / Year (12)-(13)                                  | 19,120.05     | 19,003.77   | 9,700.52    | 57,359.05   |
| 15 Paid-up Equity Share Capital (Face Value of ₹ 10/- each)                    | 1,11,323.20   | 1,11,055.82 | 1,25,322.82 | 1,11,055.82 |
| 16 Reserves excluding Revaluation Reserves                                     |               |             |             | 4,04,738.95 |
| 17 Analytical Ratios and other disclosures:                                    |               |             |             |             |
| (i) Percentage of Shares held by Government of India                           | Nil           | Nil         | Nil         | Nil         |
| (ii) Capital Adequacy Ratio (%)- Basel-II (Refer note 6)                       | 22.06%        | 23.80%      | 24.62%      | 23.80%      |
| (iii) Earnings Per Share (EPS) - (Face Value of ₹ 10/- each)                   |               |             |             |             |
| - Basic EPS (₹) before & after extraordinary items (net of tax expense) *      | 1.72          | 1.71        | 0.77        | 4.71        |
| - Diluted EPS (₹) before & after extraordinary items (net of tax expense) *    | 1.69          | 1.69        | 0.77        | 4.67        |
| (iv) NPA Ratio   |               |             |             |             |
| (a) Gross NPAs   | 77,018.30     | 72,396.46   | 85,599.92   | 72,396.46   |
| (b) Net NPAs   | 32,510.16     | 31,201.64   | 44,121.77   | 31,201.64   |
| (c) % of Gross NPA to Gross Advances   | 2.75%         | 2.76%       | 4.10%       | 2.76%       |
| (d) % of Net NPA to Net Advances   | 1.18%         | 1.21%       | 2.15%       | 1.21%       |
| (v) Return on Assets (average) *   | 0.51%         | 0.56%       | 0.33%       | 1.82%       |
| (vi) Net worth (excluding Revaluation Reserve & Intangibles)                   | 4,96,227.17   | 4,79,115.11 | 4,08,323.42 | 4,79,115.11 |
| (vii) Outstanding redeemable preference shares                                 | -             | -           | -           | -           |
| (viii) Capital redemption reserve  | -             | -           | -           | -           |
| (ix) Debt-equity ratio \$  | 0.24          | 0.27        | 0.25        | 0.27        |
| (x) Total debts to total assets @  | 9.60%         | 8.51%       | 8.63%       | 8.51%       |
| * Not annualised for the quarter   |               |             |             |             |
| \$ Debt represents borrowings with residual maturity of more than one year.    |               |             |             |             |
| @ Total debts represents total borrowings of the Bank.                         |               |             |             |             |



2 Segment information in accordance with the Accounting standard on Segment Reporting (AS-17) of the operating segments of the Bank is as under:

| SI No    | Particulars  | Quarter ended       |                     |                     | Year ended          |
|----------|--|---------------------|---------------------|---------------------|---------------------|
|          |  | 30-Jun-23           | 31-Mar-23           | 30-Jun-22           | 31-Mar-23           |
|          |  | Unaudited           | Audited             | Unaudited           | Audited             |
| <b>1</b> | <b>Segment revenue</b>                                       |                     |                     |                     |                     |
| a)       | Treasury   | 14,136.33           | 11,689.36           | 9,279.51            | 42,650.27           |
| b)       | Retail Banking   | 1,23,732.96         | 1,22,660.17         | 94,488.50           | 4,24,161.91         |
| c)       | Wholesale Banking  | 2,891.54            | 2,490.46            | 2,020.43            | 8,981.49            |
| d)       | Other Banking operations                                     | 1,771.84            | 2,601.89            | 1,573.46            | 7,352.71            |
| e)       | Unallocated  | -                   | -                   | -                   | -                   |
|          | Less: Inter segment revenue                                  | -                   | -                   | -                   | -                   |
|          | <b>Income from operations</b>                                | <b>1,42,532.67</b>  | <b>1,39,441.88</b>  | <b>1,07,361.90</b>  | <b>4,83,146.38</b>  |
| <b>2</b> | <b>Segment results</b>                                       |                     |                     |                     |                     |
| a)       | Treasury   | 2,514.19            | 1,196.97            | 2,730.93            | 8,326.96            |
| b)       | Retail Banking   | 22,623.17           | 23,717.99           | 9,573.74            | 66,266.02           |
| c)       | Wholesale Banking  | 405.42              | (146.05)            | 469.72              | 1,493.33            |
| d)       | Other Banking operations                                     | 1,517.72            | 2,395.75            | 1,268.52            | 6,155.97            |
| e)       | Unallocated  | (1,855.38)          | (1,086.01)          | (1,383.95)          | (5,361.88)          |
|          | <b>Profit before Tax</b>                                     | <b>25,205.12</b>    | <b>26,078.65</b>    | <b>12,658.96</b>    | <b>76,880.40</b>    |
| <b>3</b> | <b>Segment assets</b>  |                     |                     |                     |                     |
| a)       | Treasury   | 7,89,227.98         | 7,00,898.97         | 6,62,873.24         | 7,00,898.97         |
| b)       | Retail Banking   | 28,60,998.81        | 26,32,801.18        | 20,64,464.81        | 26,32,801.18        |
| c)       | Wholesale Banking  | 1,34,164.42         | 1,43,374.46         | 87,784.09           | 1,43,374.46         |
| d)       | Other Banking operations                                     | -                   | -                   | -                   | -                   |
| e)       | Unallocated  | 19,845.61           | 18,738.25           | 20,404.99           | 18,738.25           |
|          | <b>Total</b>   | <b>38,04,236.82</b> | <b>34,95,812.86</b> | <b>28,35,527.13</b> | <b>34,95,812.86</b> |
| <b>4</b> | <b>Segment liabilities</b>                                   |                     |                     |                     |                     |
| a)       | Treasury   | 6,78,346.57         | 5,97,175.89         | 5,60,590.40         | 5,97,175.89         |
| b)       | Retail Banking   | 24,71,580.71        | 22,55,631.59        | 17,64,033.99        | 22,55,631.59        |
| c)       | Wholesale Banking  | 1,15,932.60         | 1,22,860.63         | 74,788.41           | 1,22,860.63         |
| d)       | Other Banking operations                                     | -                   | -                   | -                   | -                   |
| e)       | Unallocated  | 2,374.77            | 4,349.98            | 1,340.82            | 4,349.98            |
|          | <b>Total</b>   | <b>32,68,234.65</b> | <b>29,80,018.09</b> | <b>24,00,753.62</b> | <b>29,80,018.09</b> |
| <b>5</b> | <b>Capital Employed [Segment Assets-Segment Liabilities]</b> |                     |                     |                     |                     |
| a)       | Treasury   | 1,10,881.41         | 1,03,723.08         | 1,02,282.84         | 1,03,723.08         |
| b)       | Retail Banking   | 3,89,418.10         | 3,77,169.59         | 3,00,430.82         | 3,77,169.59         |
| c)       | Wholesale Banking  | 18,231.82           | 20,513.83           | 12,995.68           | 20,513.83           |
| d)       | Other Banking operations                                     | -                   | -                   | -                   | -                   |
| e)       | Unallocated  | 17,470.84           | 14,388.27           | 19,064.17           | 14,388.27           |
|          | <b>Total</b>   | <b>5,36,002.17</b>  | <b>5,15,794.77</b>  | <b>4,34,773.51</b>  | <b>5,15,794.77</b>  |

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, and guidelines prescribed by RBI and in compliance with the Accounting Standard 17 - "Segment Reporting". The methodology adopted by the bank in compiling and reporting the above information has been relied upon by the auditors.

The RBI vide its circular dated April 7, 2022 on establishment of Digital Banking Units (DBUs), has prescribed reporting of Digital Banking Segment as a sub - segment of Retail Banking Segment. The Bank has not set up any DBUs and hence no Digital Banking Segment disclosure have been made. The business operations of the Bank are in India and for the purpose of segment reporting as per Accounting Standard-17 (Segment reporting) the bank is considered to operate only in domestic segment.



**Notes**

- 3 The above unaudited financial results (along with the notes given below) hereafter referred as "Statement" of Equitas Small Finance Bank Limited ("Bank" or "ESFBL") for the quarter ended June 30, 2023 were reviewed by the Audit Committee and approved by the Board of Directors at their meetings held on July 28, 2023 and have been subjected to a limited review by the statutory auditors of the Bank (T R Chadha & Co LLP, Chartered Accountants and Varma & Varma, Chartered Accountants). The report thereon is unmodified
- 4 The above financial results of the Bank have been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under section 133 of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the guidelines issued by the Reserve Bank of India (RBI) from time to time.
- 5 The Bank has applied its significant accounting policies in the preparation of these financial results that are consistent with those followed in the annual financial statements for the year ended March 31, 2023. Any circular / direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars / directions.
- 6 The Capital adequacy ratio ("CAR") of the Bank has been computed as per applicable Basel II Standardized approach in accordance with RBI Master Circular No. DBR.No.BP.BC.4./21.06.001/2015-16 dated July 1, 2015 on Prudential Guidelines on Capital Adequacy and Market Discipline – New Capital Adequacy Framework (NCAF).
- 7 The Bank makes Pillar III disclosures as part of Market Discipline as per above referred RBI circular. In addition to this, the Bank provides disclosures on Leverage ratio as per Basel III- Capital Regulations (vide Circular DOR.CAP.REC.3/21.06.201/2022-23 dt. April 1, 2022) Further, the Bank makes disclosures on liquidity coverage ratio (vide ref. RBI/2013-14/635 DBOD.BP.BC.No.120 / 21.04.098/2013-14 dt. June 9, 2014 read together with the RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31st March, 2015 on 'Prudential Guidelines on Capital Adequacy and Liquidity Standards-Amendments') and Net Stable Funding Ratio (vide ref. RBI/2017-18/178 DBR.BP.BC.No.106/21.04.098/2017-18 dt. May 17 2018) These disclosures are available on the Bank's website at the following link: <https://ir.equitasbank.com/reports-and-presentations/>.html. The disclosure has not been subjected to audit or limited review.
- 8 Details of loans transferred / acquired during the quarter ended June 30, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
  - (i) The Bank has not transferred any non-performing assets (NPAs).
  - (ii) The Bank has not transferred any Special Mention Account (SMA) and loan not in default.
  - (iii) The Bank has not acquired any "loans not in default" from other entities through assignment.
  - (iv) The Bank has not acquired any stressed loan.
  - (v) With respect to SRs outstanding as on June 30, 2023, pursuant to regulatory norms, the time limit to obtain initial rating of SRs is up to September 30, 2023 hence these SRs are not rated by rating agency as on date.
- 9 The Bank has granted 75,40,241 options under the ESFB Employees Stock Option Scheme 2019 (ESFB ESOP Scheme) to eligible employees of the Bank as defined during the quarter ended June 30, 2023. Out of total 8,72,16,259 options granted till June 30, 2023, 3,75,57,665 Options were vested, 1,88,34,399 options were lapsed and 1,40,65,130 options are yet to be vested.
- 10 During the quarter ended June 30 2023, the Bank has allotted 26,73,887 equity shares of ₹ 10/- each, fully paid up, on exercise of options by its employees in accordance with the ESFB ESOP Scheme.
- 11 Other Income includes fees earned from providing services to customers, Interchange fee income, selling of third-party products, profit on sale of investments (net) (including provision for depreciation), recoveries from accounts previously written off, etc.,
- 12 The ratios and other information which are to be disclosed as per Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, have been disclosed to the extent applicable.
- 13 Previous period / year figures have been reclassified/regrouped, wherever necessary, to conform to the current period / year classification/ grouping.

For Equitas Small Finance Bank Limited



P N Vasudevan

Managing Director and Chief Executive Officer

Place: Chennai  
Date: July 28, 2023



**T R Chadha & Co LLP**  
**Chartered Accountants**  
**Door No. 5D, V Floor,**  
**Mount Chambers**  
**758, Anna Salai**  
**Chennai - 600 002, Tamil Nadu**

**Varma & Varma**  
**Chartered Accountants**  
**No. 2 (Old No. 20),**  
**Second Canal Cross Road,**  
**Gandhi Nagar, Adyar**  
**Chennai - 600 020, Tamil Nadu**

---

**Independent Auditors Review Report on the unaudited financial results of Equitas Small Finance Bank Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)**

**Review Report to**  
**The Board of Directors**  
**Equitas Small Finance Bank Limited**

1. We have reviewed the accompanying statement of unaudited financial results of Equitas Small Finance Bank Limited ("the Bank") for the quarter ended 30th June 2023 ("the Statement") attached herewith, being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations"), except for the disclosures relating to 'Pillar 3 disclosure under Basel III Capital Regulations as at June 30, 2023, including Leverage Ratio and Liquidity Coverage Ratio under Capital Adequacy and Liquidity Standards issued by Reserve Bank of India' ("RBI") as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid financial results and have not been reviewed by us.
2. This statement is the responsibility of the Bank's Management and has been approved by the Bank's Board of Directors. This statement has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25, (AS 25) "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by Reserve Bank of India from time to time ('the RBI Guidelines') and other accounting principles generally accepted in India, and in compliance with the Listing Regulations. Our responsibility is to issue a report on the statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements ('SRE') 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

**T R Chadha & Co LLP**  
**Chartered Accountants**  
**Door No. 5D, V Floor,**  
**Mount Chambers**  
**758, Anna Salai**  
**Chennai - 600 002, Tamil Nadu**

**Varma & Varma**  
**Chartered Accountants**  
**No. 2 (Old No. 20),**  
**Second Canal Cross Road,**  
**Gandhi Nagar, Adyar**  
**Chennai - 600 020, Tamil Nadu**

- 
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement of unaudited financial results including notes thereon prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters, except for the disclosures relating to 'Pillar 3 disclosure under Basel III Capital Regulations as at June 30, 2023, including Leverage Ratio and Liquidity Coverage Ratio under Capital Adequacy and Liquidity Standards issued by Reserve Bank of India' ('RBI') as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid financial results and have not been reviewed by us.

**For T R Chadha & Co LLP**  
**Chartered Accountants**  
**Firm Registration No 006711N/N500028**

**SHESHU** Digitally signed by  
SHESHU  
**SAMUDRALA** SAMUDRALA  
**A** Date: 2023.07.28  
18:59:48 +05'30'

**Sheshu Samudrala**  
**Partner**

**ICAI Membership No. 235031**  
**UDIN: 23235031BGWCVY6337**

**Place: Chennai**  
**Date: 28.07.2023**

**For Varma & Varma**  
**Chartered Accountants**  
**Firm Registration No 004532S**

**POONJAR RAMA** Digitally signed by  
POONJAR RAMA PRASANNA  
**PRASANNA** VARMA  
**VARMA** Date: 2023.07.28 18:46:25  
+05'30'

**P R Prasanna Varma**  
**Partner**

**ICAI Membership No. 25854**  
**UDIN: 23025854BGRHYK4507**

**Place: Chennai**  
**Date: 28.07.2023**