



EQUITAS SMALL FINANCE BANK LIMITED

FOR IMMEDIATE PUBLICATION

PRESS RELEASE

October 31, 2025

Chennai, October 31, 2025: The Board of Directors of Equitas Small Finance Bank Limited at its meeting held today, approved the unaudited financial results for quarter and half year ended September 30, 2025

Gross Advances grew by 9% YoY and 4% QoQ

Secured Small Business loan (SBL) portfolio crossed Rs. 17,000 Crs, registered a growth of 17% YoY

Deposits grew by 11% YoY, Growth in Retail TD of 11% YoY

Disbursements grew by 11% YoY & 53% QoQ

1. Key Highlights for Q2FY26:

- Gross Advances grew by 9% YoY and 4% QoQ. Non Microfinance book grew 17% YoY, led by 17% growth in SBL over previous year.
- Overall deposits registered a growth of 11% YoY

2. Business Highlights:

- Small Business loan portfolio has crossed Rs. 17,000 Crs during the quarter
- Used Car Advances crossed Rs. 2100 Crs, registered a growth of 43% YoY
- Used CV Advances crossed Rs. 5000 Crs, registered a growth of 25% YoY
- The Bank has sold its NPA assets (Secured Portfolio) amounting to ~Rs.216 Crs to an Asset Reconstruction Company
- CASA ratio stable at 31%
- Retail Term Deposits posted a growth of 11% YoY to Rs. 19,272 Crs

Key Ratios:

- NIM for the quarter stood at 6.29%
- Cost to Income stood at 75.89% in Q2FY26 as compared to 70.62% in Q1FY26 and 66.09% in Q2FY25

Capital:

- Networth of the Bank stands at Rs. 5,858 Crs

- As of September 30, 2025, Total CRAR at 20.74% | Tier I at 16.44% and Tier II at 4.30%

Treasury & Liquidity:

- The Bank's Certificate of Deposit (CD) programme has highest rating at A1+ from India Ratings, CareEdge Ratings & CRISIL
- Liquidity Coverage Ratio (LCR) as on 30.09.2025 is 184.44%
- Income from Investments (including MTM & dividend) for the quarter is Rs. 34 Crore

3. Profit & Loss:

- Total Opex in Q2FY26 grew by 11% YoY and flat QoQ
- The bank reported a PAT of Rs. 24 crs for Q2FY26 as against a loss of Rs. 224 crs in Q1FY26

4. Asset Quality & Provisions:

- GNPA remains flat QoQ at 2.82% in Q2FY26 as compared to Q1FY26
- NNPA remains flat QoQ at 0.95% in Q2FY26 as compared to Q1FY26
- Credit Cost has significantly improved to 2.16% in Q2FY26 from 6.48% in Q1FY26 and 3.72% in Q2FY25
- Net Slippages improved by ~1% QoQ to 3.78% in Q2FY26 as compared to 4.77% in Q1FY26

About Equitas Small Finance Bank Limited [ESFB]

Equitas Small Finance Bank is one of the largest small finance banks in India. As a new-age bank, we offer a bouquet of products and services tailored to meet the needs of our customers – individuals with limited access to formal financing channels, as well as affluent and mass affluent, Small & Medium Enterprises (SMEs) and corporates. Our firmly entrenched strategy focuses on providing credit to the unbanked and underbanked micro and small entrepreneurs, developing products to address the growing aspirations at the 'bottom of the pyramid', fuelled by granular deposits and 'value for money' banking relationships.

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