

# a differentiated bank

EQUITAS SMALL FINANCE BANK

# Large untapped segment

As per the Sixth Economic Census (2013),

**58.5 million establishments were found to be in operation.**

(Micro enterprises)

40% Urban

77% Non Agri

71% Owner Worker

36% Home based

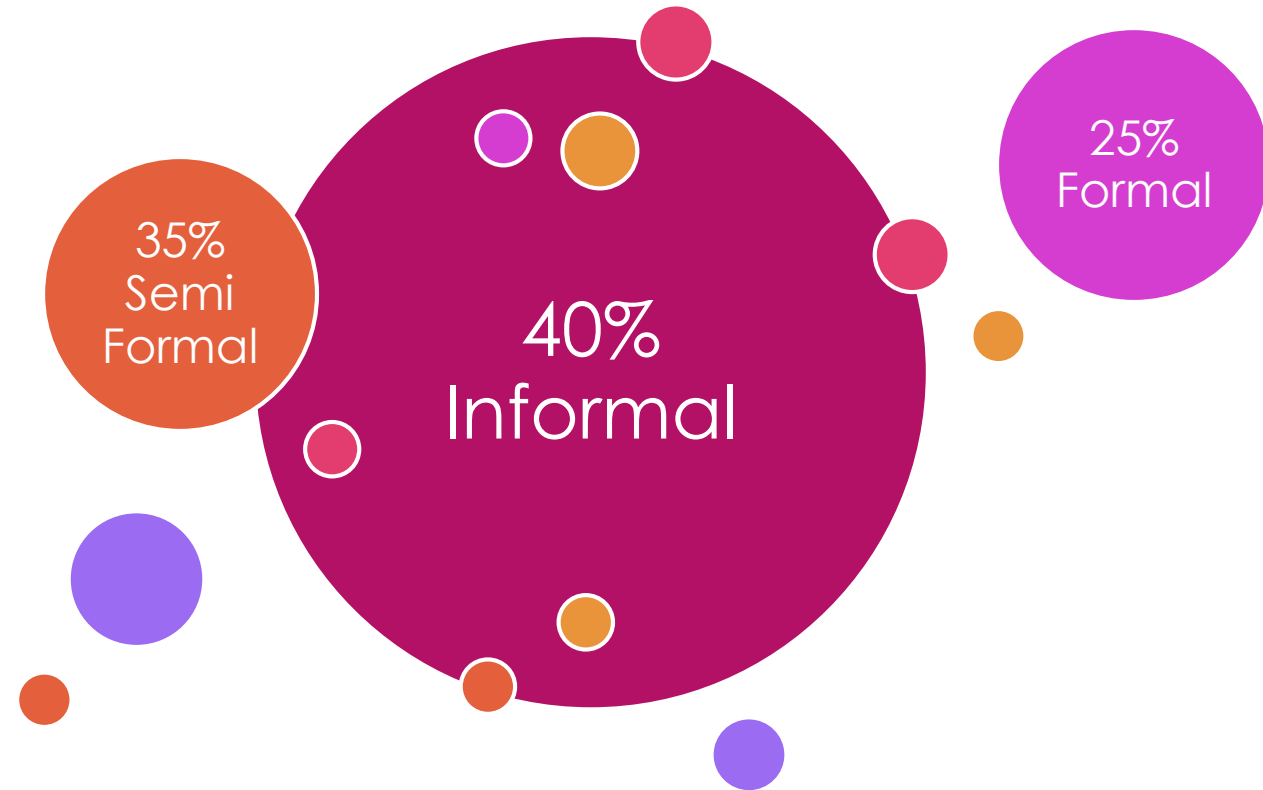
42% Annual Growth

# Equitas Business Philosophy

# Customer Philosophy



remain focused  
on unbanked





# Lending Philosophy



Product level Risk Adjusted Growth focusing on ROA & ROEs

Decision  
Fulcrum

Stability

|

Scalability

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Sustainability

# 2021 Strategy : Operating Leverage

FY19-21 Value Drivers

# Network Leverage

Driving efficiency across  
Investments

- ▶ Asset Branches- “All products All Branches”
  - ▶ VF only in 1/3<sup>rd</sup> of the branches
  - ▶ Business Loans present in 10% of branches
  - ▶ RD/TD cross sell to asset customers
- ▶ Liability Branches – Loan Sourcing
  - ▶ CC/OD loans
  - ▶ Mid ticket business loans in Semi urban Branches



# Enterprise Leverage

Centres of Excellence to  
deliver growth without dilution

- ▶ Credit , Legal, Collection departments to support new product lines.
  - ▶ Low opex product launches
    - ▶ MLAP > Agri > GLAP
    - ▶ UCV > New CV

## MSE Advantage

Multi pronged approach to leverage MSE loans across business segments

- ▶ Asset Led Current Account focus
- ▶ Sole Banking to drive fee income
- ▶ Unified operations team for MSE & Mid Corporate Financing

# Technology

Nimbleness through  
Technology Investments

- ▶ Open Banking platform to enable fintech collaborations
- ▶ Tab Banking aiding liability sourcing & servicing through Asset branches
- ▶ RPA and bots driving process and operating efficiency for scale up.

What we said , *sans guidance*

# Milestones & Outlook

- ▶ FY 22
  - ▶ ROA : 2.25%
  - ▶ ROE – 16% - 20%
- ▶ FY19
  - ▶ 40% Loan Growth
  - ▶ 12% Opex Growth
- ▶ Business Outlook : near term
  - ▶ Lending rates: Stable
  - ▶ Cost of Funds : Marginal weakness
  - ▶ Loan Growth : Strong
  - ▶ Asset Quality : Stable
  - ▶ Non Interest Income: Strong

Thank you