

## **Equitas : gains after kicking off small finance business**

### **4 Traders**

Equitas Holdings rose 1.36% to Rs 182.30 at 10:12 Iston Bse after the company said its subsidiary commenced its small finance business with three branches in Chennai.

The announcement was made during trading hours today, 6 September 2016. Meanwhile, the BseSensex was up 275.20 points, or 0.96%, to 28,807.31.

On BSE, so far 87,000 shares were traded in the counter, compared with average daily volume of 5.57 lakh shares in the past one quarter. The stock hit a high of Rs 183.55 and a low of Rs 181 so far during the day. The stock hit a 52-week high of Rs 206 on 28 July 2016. The stock hit a 52-week low of Rs 134.15 on 21 April 2016. The stock had outperformed the market over the past 30 days till 2 September 2016, rising 4.17% compared with 2.95% rise in the Sensex. The scrip had, however, underperformed the market in past one quarter, rising 3.60% as against Sensex's 6.29% rise.

The mid-cap company has equity capital of Rs 336.83 crore. Face value per share is Rs 10.

Equitas Holdings' subsidiary Equitas Small Finance Bank today, 6 September 2016, commenced its banking operations with three branches in Chennai. This is the first private sector bank from Tamil Nadu post independence. By the end of financial year ending March 2017, Equitas Bank plans to have a network of 412 branches spread across 11 states. Of these 412 branches, Equitas plans to have 50% in South, 30% in West and the remaining 20% in North. About 25% of bank branches will be located in rural, unbanked villages. Currently the bank has advances of about Rs 6500 crore of which about 50% is micro finance, about 25% is used commercial vehicle finance and the remaining in micro and small enterprise (MSE) and affordable housing finance.

To enable physical support to its millions of customers, Equitas plan to have a net work of Business Correspondents (BC) at branch level taking banking services right to the doorstep of its clients.

The Reserve Bank of India (RBI) has issued licence dated 30 June 2016 to Chennai-based Equitas Equitas Small Finance Bank to carry on the Small Finance Bank (SFB) operations in India.

Small Finance Bank, previously known as Equitas Finance, obtained a certificate of registration from RBI on 1 September 2016, registering the company as a non-deposit taking systematically important core investment company in order to meet the requirements laid down by RBI while granting approval to the company to establish a small finance bank.

Equitas Small Finance Bank started its operations on 5 September 2016. It offers a range of banking and financial products that address the requirements of all customer segments. As of 30 June 2016, the consolidated asset under management (AUM) is about Rs 6500 crore out of which half is microfinance, 25% used commercial vehicle finance and rest MSE. Equitas Small Finance Bank will have 412 banking branches across 11 states by the end of the financial year 2016-2017.

On a consolidated basis, net profit of Equitas Holdings rose 63.64% to Rs 61.17 crore on 45.77% rise in total income to Rs 348.83 crore in Q1 June 2016 over Q1 June 2015.

Equitas Holdings is a diversified financial service provider focused on individuals and micro and small enterprises (MSEs) that are underserved by formal financing channels.

<http://www.4-traders.com/EQUITAS-HOLDINGS-LTD-28702334/news/Equitas-gains-after-kicking-off-small-finance-business-23011067/>