August 5, 2019

The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai – 400001	The Secretary National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex (BKC), Bandra (east) Mumbai – 400051
Scrip Code: 539844	**Symbol: EQUITAS**

Dear Sirs,

Sub: Clarification on news item appearing in Business Standard dated August 05, 2019

This is with reference to the article appearing in the Business Standard (both in the print version as well as e-paper) dated August 05, 2019 captioned "Equitas Holdings likely to take bonus route to list Small Finance Bank" on which the clarification was sought by the Exchanges.

We have gone through the article that has appeared in the Business Standard newspaper dated August 05, 2019 on page 2.

We confirm that the above news item in the Business Standard paper is factually incorrect. We are not aware of any information that has not been announced to the exchanges which could explain the decrease in price of the company's scrip today.

We have released our results for the first quarter to the stock exchanges. In this release, we have put in the following paragraph on the Scheme of Arrangement:

"In order to comply with certain conditions of the banking license, issued to the Bank by RBI, Board of Directors of the Company and of the Bank have approved a composite scheme of arrangement under the provisions of Section 230 read with Section 52 and other applicable provisions of the Companies Act, 2013 (the "Proposed Scheme"), between Equitas Holdings Limited (EHL), Equitas Small Finance Bank Limited (the 'Bank' or 'ESFB') and their respective shareholders, for issuance and allotment of fully paid up equity shares of the bank to the shareholders of EHL, and consequent reduction in the securities premium, revenue and other reserves and surplus in profit and loss account of the Bank. The Proposed Scheme is subject to the approval of Reserve Bank of India, Securities Exchange Board of India and the stock exchanges (all of which have been sought for, as of date), and of the respective shareholders and creditors of each of the entities and the National Company Law Tribunal. Under the conditions of the said banking license, the Bank is required to complete the listing of its shares on or before September 04, 2019, i.e. a period of 3 years from the date of commencement of banking operations. Having regard to the status of the various approvals, the Bank has sought extension of time to comply with this condition of listing. Accordingly, management of the Bank is confident of the Bank meeting and continuing to comply with the conditions as per licensing guidelines. Considering the foregoing, and pending determination of the appointed date and effective date of the Proposed Scheme (which are based on the receipt of necessary approvals), no adjustments have been considered in the current financial results in this regard."

EQUITAS HOLDINGS LIMITED

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For your kind information, we would also like to inform that the Board of EHL had approved this scheme of arrangement at its Meeting held on February 01, 2019 and EHL had intimated the Exchanges about the scheme on the same day.

If there is any further information that we could provide in this connection, we would be happy to be of service.

Thanking you,

Yours truly,
For Equitas Holdings Limited

EQUITAS HOLDINGS LIMITED CHENNAI 600 002

Bhaskar S
ED & CEO