September 22, 2026

National Stock Exchange of India Limited Exchange Plaza Bandra Kurla Complex (BKC) Bandra (east) Mumbai – 400051	BSE Limited Phiroze Jeejeeboy Towers Dalal Street Mumbai – 400001
Symbol: EQUITASBNK	**Scrip Code No: 543243,976218 & 976979**

Dear Sir / Madam

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Receipt of Show Cause Notice from GST Authorities

Pursuant to Regulation 30 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we would like to inform that the Bank has received Form GST DRC-01 dated September 21, 2026, together with a Show Cause Notice ("SCN") attachment dated September 19, 2026, bearing reference number ZD330926162719U, issued by the Office of the Deputy Commissioner (ST), Central-III Zone, Commercial Taxes Department, Government of Tamil Nadu, under Section 73 of the Central Goods and Services Tax Act, 2017 and the Tamil Nadu Goods and Services Tax Act, 2017, for financial year 2022-23 on September 21, 2026 at 13:28 hours.

The SCN proposes an aggregate demand of Rs. 533,81,24,251/-, comprising tax of Rs. 485,18,30,588/-, interest of Rs. 11,10,604/- and penalty of Rs. 48,51,83,059/- Of the proposed tax demand, Rs. 479,33,04,094/- relates to the authority's proposed disallowance of exemption on turnover, which substantially pertains to interest income earned from loans and advances. The Bank's preliminary assessment is that consideration represented by interest or discount on deposits, loans or advances is specifically exempt under Entry 27(a) of Notification No. 12/2017-Central Tax (Rate) dated June 28, 2017, issued under Section 11(1) of the Central Goods and Services Tax Act, 2017, except interest involved in credit card services. The Bank has consistently applied this statutory treatment. Further, in prior years, the relevant assessments were completed without treating such exempt interest income as taxable turnover. Based on its preliminary assessment, the Bank believes that it has substantive factual and legal grounds to contest all the matters raised in the SCN, including the proposed disallowance of exemption on interest income and the other proposed tax, interest and penalty components. The SCN is at the show-cause stage, represents the position proposed by the authority and does not constitute a final adjudication or crystallised liability. The Bank is examining all matters raised and will submit its detailed response, together with the relevant reconciliations and supporting records, within the prescribed timeline.

The details required under Regulation 30 read with Para B of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is enclosed as **Annexure**.

Equitas Small Finance Bank Limited
(Previously known as Equitas Finance Limited)
4th 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 | www.equitas.bank.in | Toll Free: 1800 103 1222 | CIN No: L65191TN1993PLC025280

Kindly take the above information on record.

Thanking you,

Yours faithfully,

For **Equitas Small Finance Bank Limited**

NATARAJAN RAMANATHAN

Digitally signed by NATARAJAN RAMANATHAN
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Date: 2026.09.22 12:07:41 +05'30'

N Ramanathan
Company Secretary

Annexure

Information as required under Regulation 30 read with Para B of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

1	Name of Opposite Party(ies)	Office of the Deputy Commissioner (ST), Central-III Zone, Commercial Taxes Department, Government of Tamil Nadu
2	Date of Initiation	September 21, 2026
3	Authority where the litigation is filed	Agency
4	Details of Authority	Before the office of the Deputy Commissioner (ST), Central-III zone
5	Party to the litigation	Company
6	Details of Party to the litigation	Equitas Small Finance Bank Limited
7	Brief details of dispute/litigation	The SCN, inter alia, proposes tax in relation to: short payment of tax on outward supplies; difference in turnover described in the SCN as suppressed turnover; short payment under reverse charge; proposed disallowance of exemption on turnover, including interest income, amounting to Rs. 479,33,04,094/-; credit notes; inter-State branch transfer; rate differences; excess ITC; and ITC identified as ineligible
8	Expected financial implications, if any, due to compensation, penalty etc.	The aggregate amount proposed in the SCN is Rs. 533,81,24,251/-, comprising tax of Rs. 485,18,30,588/-, interest of Rs. 11,10,604/- and penalty of Rs. 48,51,83,059/-. the proposed tax demand, Rs. 479,33,04,094/- relates to the proposed disallowance of exemption on turnover, which substantially pertains to interest income earned from loans and advances. The Bank's preliminary assessment is that such interest income is specifically exempt under Entry 27(a) of Notification No. 12/2017-Central Tax (Rate) dated June 28, 2017, issued under Section 11(1) of the CGST Act, 2017, except interest involved in credit card services. The Bank has consistently followed this statutory treatment, and the relevant assessments for prior years were completed without treating such exempt interest income as taxable turnover. Based on its preliminary assessment, the Bank believes that it has substantive factual and legal grounds to contest

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		all the matters raised in the SCN, including the proposed disallowance of exemption on interest income and the other proposed tax, interest and penalty components. The SCN is at the show-cause stage and does not presently result in a crystallised liability. The Bank will submit a detailed response, supported by reconciliations and records. The financial impact, if any, will depend upon the outcome of the proceedings and cannot presently be determined.
9	Quantum of claims, if any	Rs. 533,81,24,251/-, comprising tax of Rs. 485,18,30,588/-, interest of Rs. 11,10,604/- and penalty of Rs. 48,51,83,059/-.

For **Equitas Small Finance Bank Limited**

NATARAJAN RAMANATHAN

Digitally signed by NATARAJAN RAMANATHAN
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Date: 2026.09.22 12:08:48 +05'30'

N Ramanathan
Company Secretary