



**Utkarsh Small Finance Bank**

**November 9, 2024**

**The BSE Limited  
543942, 958095, 959644, 968226, 975790**

**National Stock Exchange of India Limited  
UTKARSHBNK**

Dear Sir/Madam,

**Sub: Press Release on the Financial Results of the Bank for the quarter & half year ended on September 30, 2024**

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Further to our intimation regarding the Financial Results of the Bank for the quarter & half year ended September 30, 2024 and pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith a copy of the Press Release in this regard.

This is for your information and records.

Thanking You

For **Utkarsh Small Finance Bank Limited**

**Muthiah Ganapathy  
Company Secretary & Compliance Officer  
ICSI Membership No: F5674**

**Registered & Corporate Office**

Utkarsh Tower, NH-31 (Airport Road) Sehmalpur, Kazi Sarai, Harhua, Varanasi, Uttar Pradesh - 221105.

CIN: L65992UP2016PLC082804 | ☎ 0542-6605555 | 🌐 [www.utkarsh.bank](http://www.utkarsh.bank)



## UTKARSH SMALL FINANCE BANK LIMITED ANNOUNCES ITS RESULTS For quarter and half year ended on September 30, 2024

**Mumbai, 9<sup>th</sup> November, 2024:** The Board of Directors of Utkarsh Small Finance Bank Limited approved the Financial Results for the quarter and half year ended on September 30, 2024, at the Board meeting held on 9<sup>th</sup> November, 2024.

### Key highlights of Q2FY24-25 and H1FY24-25 ended on September 30, 2024:

- Gross Loan portfolio grew by 28.3% YoY to ₹19,101 crore.
- Deposits grew by 39.6% YoY to ₹19,496 crore, led by Retail Term Deposits (RTD) growth of 47.6% YoY<sup>1</sup>
- Gross NPAs & Net NPAs were 3.88% and 0.89%, respectively, as on Sep 30, 2024
- Operating profit (pre-provisions) of ₹588 crore in H1FY25 (YoY growth 28%) and ₹276 crore in Q2FY25 (YoY growth 16%). Profit after tax ₹189 crore in H1FY25 and ₹51 crore in Q2FY25.
- Return on Assets and Return on Equity stood at 1.5% and 12.3% respectively during H1FY25 and 0.8% and 6.6% respectively during Q2FY25.

Speaking on the results, **Mr. Govind Singh, MD and CEO, Utkarsh Small Finance Bank** said, "Q2, FY25 has been a challenging quarter for microfinance sector wherein collection efficiency and disbursements, both, were significantly impacted on account stress which started from heatwave & operating limitations during general elections in Q1, FY25 to higher borrower level leverage and credit supply tightening for underlying micro-banking borrowers on account implementation of MFIN guard rail norms and general slowdown in disbursement by the micro finance sector. We continue to work on strengthening our collection efforts further to improve collection efficiency. On the positive side, we continue to witness healthy growth in non-micro-banking loan portfolio and consistent increase in share of secured loan portfolio. We have also been able to optimize our disbursements yields in secured lending by 50-80 bps for housing and MSME portfolio. Our deposits have also grown by a healthy pace of 40% YoY, deposits growth was led by retail term deposits growth. We are expanding our franchise, and opened 79 new branches during H1FY25 and 51 in Q2FY25, and have a total branch network of 967 branches, spread across 26 states & UTs of the country, as on September 30, 2024".

### Financial Highlights for quarter and half year ended on September 30, 2024:

- Bank's loan Portfolio grew by 28.3% YoY to ₹19,101 crore as on September 30, 2024. The share of secured loans in overall portfolio increased to 38% as on September 30, 2024 from 35% as on June 30, 2024 and 34% as on March 31, 2024.
- Gross NPAs were 3.88% as on September 30, 2024 vs 2.78% as on June 30, 2024 (2.81% as on September 30, 2023). Net NPAs were 0.89% as on September 30, 2024 vs 0.26% as on June 30, 2024 (0.16% as on September 30, 2023).
- Our provision coverage ratio, including floating provision, was 78% as on September 30, 2024. In addition to provision in accordance with RBI IRAC norms,

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<sup>1</sup> As per change in regulatory norms, bulk deposits threshold considered as ₹3 crore from June 30, 2024 onwards vs. ₹2 crore for earlier period.



the Bank has created floating provision which stood at ₹190 crore as on September 30, 2024 vs ₹169 crore as on June 30, 2024 vs. ₹149 crore as on March 31, 2024 (₹120 crore as on September 30, 2023).

- Deposits grew by 39.6% YoY to ₹19,496 crore as on September 30, 2024 led by growth in retail term deposits. The Bank continues to focus on building granular liabilities franchise, Bank's retail term deposits grew by 47.6% YoY to ₹9,518 crore<sup>1</sup>. Bank's CD ratio improved to 93.0% as on September 30, 2024 vs. 93.7% as on March 31, 2024 (100.8% as on September 30, 2023).
- Comfortable capitalisation with CRAR at 22.43% and Tier 1 capital at 19.85% as on September 30, 2024.
- Bank's pre-provision operating profit (PPoP) increased by 28.1% YoY to ₹588 crore in H1FY25 vs ₹459 crore in H1FY24 and by 16.3% YoY to ₹276 crore in Q2FY25 vs. ₹238 crore in Q2FY24. Bank's profit after tax was ₹189 crore in H1FY25 vs ₹222 crore in H1FY24 and ₹51 crore in Q2FY25 vs ₹114 crore in Q2FY24.
- Return on Assets and Return on Equity stood at 1.5% and 12.3% respectively during H1FY25 and 0.8% and 6.6% respectively during Q2FY25. Our cost-income ratio was 56.1% for H1FY25 and 58.2% during Q2FY25.
- Bank is continuously expanding its footprints, which is currently present in 26 States & UTs through a network of 967 banking outlets with a customer base of more than 48 lakh.

### **About Utkarsh Small Finance Bank Limited**

Utkarsh Small Finance Bank Limited (USFBL), incorporated on April 30, 2016, is engaged in providing banking and financial services with a focus on providing financial services to the underserved and unserved sections. The Bank's micro-banking activities are primarily focused in rural and semi-urban locations of the country while its other services are spread across the country. The Bank commenced its operations on January 23, 2017, pursuant to the small finance banking license granted by RBI on November 25, 2016.

The Bank extends loans based on Joint Liability Group (JLG) model to individuals and micro-banking business loans (MBBL), other retail asset loans including Micro, Small and Medium Enterprise (MSME) Loans, Housing Loans (HL), Commercial Vehicle Loans, Construction Equipment Loans among other lending products. The Bank offers deposits products in form of saving, current and term deposits to its customers accompanied by slew of digital services such as Internet and Mobile Banking, Digi On-Boarding, and an online account opening facility for clients, besides a range of ATMs and Micro ATMs for ease of transactions, amongst other. The Bank is headquartered at Varanasi, Uttar Pradesh.

For more details, please contact:

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