



SE/2023-24/98

January 27, 2024

The BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai – 400001	National Stock Exchange of India Limited 5th Floor, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai – 400051
Scrip Code: 543942, 958095, 959644, 968226	NSE symbol: UTKARSHBNK

Dear Sirs/Madam,

Sub: Outcome of the Board Meeting held today

1. Approval of Financial Results for the quarter and nine months ended December 31, 2023

- a) Further to our letter dated January 18, 2024 intimating about the Board meeting and connected matters and in accordance with Regulations 30, 33, 51, 52, and other applicable regulations of Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR), we would like to inform that the Board of Directors of Utkarsh Small Finance Bank Limited (Bank) at their meeting held today, inter alia, considered and approved Statement of Unaudited Financial Results for the quarter and nine months ended December 31, 2023, together with line items as specified under Regulation 52(4) of SEBI LODR along with the Limited Review Report issued by M/s. Deloitte Haskins & Sells, Chartered Accountants and M/s. Kirtane & Pandit LLP, Chartered Accountants, Joint Statutory Auditors. The joint statutory auditors' have issued an unmodified review report.
- b) Further, the Bank has no outstanding secured listed non-convertible debt securities as on December 31, 2023, and accordingly, the disclosure requirements in terms of Regulation 54 of the SEBI LODR is not applicable with respect to the extent and nature of security created and maintained and security cover available.

2. Recommendation for re-appointment of Mr. Govind Singh (DIN: 02470880) as the Managing Director and CEO of Bank.

- a) On the recommendation of Nomination and Remuneration Committee, the Board of Directors have, subject to approval of RBI and shareholders, recommended the re-appointment of Mr. Govind Singh (DIN: 02470880) as the Managing Director and CEO of the Bank, to the Reserve Bank of India (RBI), for a further period of three years w.e.f. September 21, 2024. The current term of Mr. Govind Singh is up to September 20, 2024.
- b) Mr. Govind Singh is in compliance with the 'Fit & Proper' criteria as prescribed by Reserve Bank of India and the BSE Circular LIST/COMP/14/2018-19 dated July 20, 2018 and is not debarred from holding office of director by virtue of any SEBI order. He is not related to any director or Key Managerial Personnel of the Bank.



Format of disclosure as per SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023

1.	Reason for change viz. appointment, re-appointment, resignation, removal, death or otherwise;	Re-appointment
2.	Date of appointment/re-appointment/cessation (as applicable) & term of appointment/re-appointment;	Effective from September 21, 2024 to September 20, 2027, subject to approval of RBI and Shareholders.
3.	Brief profile (in case of appointment);	Mr. Govind Singh is the Managing Director and Chief Executive Officer of our Bank. He holds a bachelor's degree in commerce from Delhi University. He is a certified associate of the Indian Institute of Bankers. He was previously the Assistant General Manager at ICICI Bank Limited. He has received an award of excellence for Apy Big Believers (ABB) 4.0 by Pension Fund Regulatory and Development Authority in Fiscal 2022. He was the Managing Director and Chief Executive Officer of our Promoter- Utkarsh Core Invest. He has also been associated with Surya Fincap Limited, UTI Bank Limited, Allahabad Bank, State Bank of Patiala and Bank International Indonesia.
4.	Disclosure of relationships between directors (in case of appointment of a director).	None

The Board Meeting commenced at 02:30 p.m. and concluded at 06:50 p.m.

For **Utkarsh Small Finance Bank Limited**

Muthiah
Ganapathy

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Muthiah Ganapathy
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Muthiah Ganapathy
Company Secretary & Compliance Officer

Registered & Corporate Office:

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

CIN: U65992UP2016PLC082804 | Tel.: 0542-6605555 | Website: www.utkarsh.bank

Deloitte Haskins & Sells

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Kirtane & Pandit LLP

Chartered Accountants
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Earth Vintage Building,
Nr. MCGM Pumping Station,
Senapati Bapat, Marg Dadar (West)
Mumbai 400 028
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INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS**TO THE BOARD OF DIRECTORS OF
UTKARSH SMALL FINANCE BANK LIMITED**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **UTKARSH SMALL FINANCE BANK LIMITED** (the "Bank") for the quarter and nine months ended December 31, 2023 (the "Statement"), being submitted by the Bank pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Bank's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, in so far as they apply to Banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (the "RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of the Bank's personnel responsible for financial and accounting matters and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, the RBI Guidelines and other accounting principles generally accepted in India, in so far as they apply to Banks, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No. 117365W)

Subramaniam
Govindarajapuram
Krishnamurthy
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G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 24109839BKFTEA7398
Place: Mumbai
Date: January 27, 2024

For **Kirtane & Pandit LLP**
Chartered Accountants
(Firm Registration No. 105215W/W100057)

Sandeep
Dinanath Welling
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UDIN: 24044576BKFTEA7398, cn=Sandeep Dinanath Welling
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Sandeep Welling
Partner
Membership No. 044576
UDIN: 24044576BKFTEA7398
Place: Mumbai
Date: January 27, 2024

Utkarsh Small Finance Bank Limited
CIN: U65992UP2016PLC082804
Registered office address: Utkarsh Tower, NH-31 (Airport Road), Schmalpur, Kazi Sarai, Harhua, Varanasi, Uttar Pradesh, PIN -221105
Statement of unaudited Financial Results for the quarter and nine months ended December 31, 2023

(₹ in lakh)

	For the quarter ended December 31, 2023	For the quarter ended September 30, 2023	For the quarter ended December 31, 2022	For the nine months ended December 31, 2023	For the nine months ended December 31, 2022	For the year ended March 31, 2023
	Unaudited	Unaudited	Audited	Unaudited	Audited	Audited
1 Interest Earned (a+b+c+d)	80,597.78	75,631.84	64,082.31	2,28,279.15	1,81,387.06	2,50,497.98
(a) Interest/ discount on advances/ bill	73,644.87	67,981.57	58,390.29	2,06,371.50	1,65,615.62	2,27,812.10
(b) Income on investments	5,359.21	5,260.50	3,540.94	15,202.95	10,409.12	15,053.55
(c) Interest on balances with Reserve Bank of India and other interbank funds	1,593.12	2,389.18	2,150.20	6,702.92	5,359.70	7,629.03
(d) Others	0.58	0.59	0.88	1.78	2.62	3.30
2 Other Income	8,265.76	10,516.92	7,116.87	27,972.59	23,015.93	29,930.62
3 Total Income (1+2)	88,863.54	86,148.76	71,199.18	2,56,251.74	2,04,402.99	2,80,428.60
4 Interest Expended	32,367.40	31,479.78	24,729.75	93,693.63	69,442.83	97,594.89
5 Operating Expenses (i)+(ii)	30,881.05	30,900.88	25,503.49	91,052.88	71,958.84	99,001.36
(i) Employees cost	17,968.22	17,656.75	14,570.82	52,653.77	41,110.67	57,005.69
(ii) Other operating expenses	12,912.83	13,244.13	10,932.67	38,399.11	30,848.17	41,995.67
6 Total Expenditure (4+5) excluding provisions and contingencies	63,248.45	62,380.66	50,233.24	1,84,746.51	1,41,401.67	1,96,596.25
7 Operating Profit before Provisions and Contingencies (3-6)	25,615.09	23,768.10	20,965.94	71,505.23	63,001.32	83,832.35
8 Provisions (other than tax) and Contingencies	10,410.20	8,325.52	8,730.32	26,401.27	26,841.19	30,250.93
9 Exceptional item	-	-	-	-	-	-
10 Profit for the period / year before tax (7-8-9)	15,204.89	15,442.58	12,235.62	45,103.96	36,160.13	53,581.42
11 Tax expense	3,599.13	4,000.66	2,885.46	11,306.76	9,089.73	13,131.23
12 Net Profit for the period / year after tax (10-11)	11,605.76	11,441.92	9,350.16	33,797.20	27,070.40	40,450.19
13 Paid-up equity share capital (of ₹ 10 each)	1,09,808.24	1,09,698.94	89,571.95	1,09,808.24	89,571.95	89,590.47
14 Reserves excluding Revaluation Reserves						1,10,441.59
15 Analytical Ratios						
Capital Adequacy Ratio (Refer Note 6)	23.18%	24.82%	20.39%	23.18%	20.39%	20.64%
EPS Basic (₹) (not annualised for quarters / nine months)	1.14	1.17	1.04	3.32	3.02	4.52
EPS Diluted (₹) (not annualised for quarters / nine months)	1.13	1.15	1.04	3.28	3.01	4.51
NPA Ratios						
Gross NPA	46,443.37	40,353.10	44,848.16	46,443.37	44,848.16	43,150.36
Net NPA	2,892.69	2,164.13	8,742.50	2,892.69	8,742.50	5,051.16
% of Gross NPA	3.04%	2.81%	3.58%	3.04%	3.58%	3.23%
% of Net NPA	0.19%	0.16%	0.72%	0.19%	0.72%	0.39%
Return on Assets (not annualised for quarters / nine months)	0.58%	0.58%	0.56%	1.72%	1.71%	2.45%
Net Worth*	2,51,900.36	2,51,310.30	1,70,120.40	2,51,900.36	1,70,120.40	1,84,482.24
Total Debt [#] to Total Assets ratio	8.47%	9.68%	12.97%	8.47%	12.97%	12.29%
Debt Equity Ratio	0.63	0.71	1.26	0.63	1.26	1.17

* as per RBI guidelines.

#Debt represents total borrowings of the Bank & Equity consists of Share Capital plus Reserves

As per regulation 33 and regulation 52(4) of SEBI (Listing Obligation & Disclosure Requirements) regulations 2015, the equity and debt listed entities are required to disclose certain ratios. The ratios which are relevant to Banking sector are disclosed above.

Notes:

1. Segment information in accordance with the RBI guidelines and Accounting Standard - 17 "Segment reporting" of the operating segments of the Bank is as under:

(₹ in lakh)

	For the quarter ended December 31, 2023	For the quarter ended September 30, 2023	For the quarter ended December 31, 2022	For the nine months ended December 31, 2023	For the nine months ended December 31, 2022	For the year ended March 31, 2023
	Unaudited	Unaudited	Audited	Unaudited	Audited	Audited
1 Segmental Revenue						
(a) Retail	76,431.63	72,917.31	61,313.69	2,18,316.82	1,78,330.38	2,42,543.58
(b) Wholesale	5,479.38	5,581.97	4,057.16	16,029.06	9,900.36	14,608.28
(c) Treasury	6,952.32	7,649.68	5,826.65	21,905.87	16,170.58	23,276.75
(d) Unallocated	-	-	-	-	-	-
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	88,863.33	86,148.96	71,197.50	2,56,251.75	2,04,401.32	2,80,428.61
2 Segmental Results						
(a) Retail	14,472.77	15,403.96	12,024.79	44,750.41	37,822.64	54,343.40
(b) Wholesale	(1,324.73)	(903.03)	(477.28)	(3,468.12)	(3,229.96)	(2,862.75)
(c) Treasury	2,056.87	941.65	688.11	3,821.69	1,567.45	2,100.76
(d) Unallocated	-	-	-	-	-	-
Total Profit before Tax	15,204.91	15,442.58	12,235.62	45,103.98	36,160.13	53,581.41
3 Segmental Assets						
(a) Retail	13,39,932.35	12,56,837.45	11,04,746.10	13,39,932.35	11,04,746.10	11,66,702.97
(b) Wholesale	1,81,089.62	1,72,287.87	1,39,219.95	1,81,089.62	1,39,219.95	1,59,326.06
(c) Treasury	5,19,167.40	4,89,711.78	5,21,432.14	5,19,167.40	5,21,432.14	5,42,584.10
(d) Unallocated	47,241.46	46,933.78	42,518.20	47,241.46	42,518.20	43,116.11
Total Assets	20,87,430.83	19,65,770.88	18,07,916.40	20,87,430.83	18,07,916.40	19,11,729.23
4 Segmental Liabilities						
(a) Retail	10,54,999.41	9,46,219.51	7,85,172.65	10,54,999.41	7,85,172.65	8,73,444.46
(b) Wholesale	5,70,769.58	5,55,486.26	5,96,208.24	5,70,769.58	5,96,208.24	5,98,468.69
(c) Treasury	1,79,092.13	1,92,475.30	2,37,518.55	1,79,092.13	2,37,518.55	2,37,120.57
(d) Unallocated	1,772.68	2,844.05	2,702.21	1,772.68	2,702.21	2,663.44
Capital & other reserves	2,80,797.03	2,68,745.76	1,86,314.75	2,80,797.03	1,86,314.75	2,00,032.08
Total Liabilities	20,87,430.83	19,65,770.88	18,07,916.40	20,87,430.83	18,07,916.40	19,11,729.23

Notes:

- (i) Consequent to the listing of equity shares of the Bank as stated in Note 8 below pursuant to the requirement of Regulation 33 of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Bank has disclosed the segment information.
 - (ii) The business of the Bank does not extend outside India and it does not have any assets outside India or earnings emanating from outside India. Accordingly, the Bank has reported operations in the domestic segment only.
 - (iii) Income, expenses, assets and liabilities have been either specifically identified to individual segment or allocated to segments on a reasonable basis or are classified as unallocated.
 - (iv) Unallocated items include Fixed Assets, Capital expenditure, realized gains/losses on their sale, income tax expense, deferred income tax assets/liabilities and advance tax.
 - (v) In computing the above information, certain estimates and assumptions have been made by the management and have been relied upon by the auditors.
 - (vi) The RBI vide its circular dated April 07, 2022 on establishment of Digital Banking Units (DBUs), has prescribed reporting of Digital Banking Segment as a sub-segment of Retail Banking Segment. The Bank has not setup any DBU so far and hence DBU has not been disclosed as a separate segment as per Accounting Standard 17 (Segment Reporting).
2. The above financial results for the quarter and nine months ended December 31, 2023 have been reviewed by the Audit Committee at its meeting held on January 27, 2024 and recommended for adoption to the Board of Directors. The Board of Directors of the Bank have considered and approved the same at its meeting held on January 27, 2024. The financial results have been subjected to limited review by the Joint Statutory Auditors as required under Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). An unmodified review report has been issued by them thereon.
 3. These financial results of the Bank have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 for "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, in so far as they apply to the Banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time (the "RBI Guidelines") and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
 4. The Bank has applied its significant accounting policies in preparation of these financial results consistent with those followed in annual financial statement for the year ended March 31, 2023. Any circular / direction issued by RBI is implemented prospectively when it became applicable.
 5. During the quarter and nine months ended December 31, 2023, the Bank has allotted 10,92,979 and 21,77,729 equity shares respectively pursuant to the exercise of options under the approved employee stock option scheme.
 6. The Capital adequacy ratio ("CRAR") has been computed as per the Operating guidelines vide RBI notification RBI/2016-17/81 DBR.NBD.NO.26/16.13.218/2016-17 dated October 06, 2016 ("the Operating guidelines") prescribed for Small Finance Banks. The Bank has followed Basel II standardised approach for credit risk in accordance with the operating guidelines issued by the RBI for Small Finance Banks. Further no separate capital charge for market risk and operational risk has been computed in view of the exception contained in RBI Notification DBR. NBD. NO. 4502/16.13.218/2017-18 dated November 08, 2017. The Capital Adequacy Ratio is computed on the basis of RBI guidelines applicable on the relevant reporting dates and the ratio for the corresponding previous periods is not adjusted to consider the impact of subsequent changes if any, in the guidelines.
 7. As at December 31, 2023, Bank carries floating provision of ₹13,405.20 lakhs (₹9,264.95 lakhs as at March 31, 2023). Further, the Bank was carrying an additional contingency provision of ₹1,300 lakhs as at March 31, 2023 which has been fully utilised in current nine months.
 8. The Bank has completed the process of initial public offer (IPO) and raised ₹50,000 lakhs by issue of 2,000 lakhs equity shares which got listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE") on July 21, 2023. The expenses incurred towards IPO of its equity shares has been adjusted in the previous quarter with the Securities Premium account in accordance with Section 52 of the Companies Act, 2013.
 9. Other income includes processing fees, profit/loss on sale of investment (including provision for depreciation), recovery from loans written off and income from sale of PSLC.
 10. During the nine months ended December 31, 2023, there is no transfer or acquisition of stressed loans (Non Performing Assets / Special Mention Accounts).
 11. During the nine months ended December 31, 2023, the Bank has not acquired/transferred any loans not in default through the assignment of loans.
 12. Figures of the previous periods / year have been regrouped / reclassified, wherever necessary to conform current period classification.

for and on behalf of the Board of Directors of
Utkarsh Small Finance Bank Limited
CIN: U65992UP2016PLC082804

GOVIND SINGH Digitally signed by GOVIND SINGH
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Govind Singh
Managing Director & CEO
DIN: 02470880

Place : Mumbai
Date : January 27, 2024