



<b>The BSE Limited</b> Phiroze Jeejeebhoy Towers Dalal Street, Fort Mumbai – 400001	<b>National Stock Exchange of India Limited</b> 5th Floor, Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra East, Mumbai – 400 051
<b>Scrip Code:</b> 543942, 958095, 959644, 968226	<b>NSE symbol:</b> UTKARSHBNK

Dear Sirs/Madam,

**Sub: Outcome of the Board Meeting held today**

Further to our letter dated October 27, 2023 and October 30, 2023 intimating about the Board meeting and in accordance with Regulations 30, 33, 51, 52, and other applicable regulations, if any, 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 at their meeting held today, inter alia, considered and approved:

Sr. No.	Particulars	Remarks, if any
1.	Statement of Audited financial results for the half year and review for the quarter ended September 30, 2023 along with the Audit report issued by M/s. Deloitte Haskins & Sells, Chartered Accountants and M/s. Kirtane & Pandit LLP, Chartered Accountants, Joint Statutory Auditors.	
2.	Related Party Transaction Report for the half year ended September 30, 2023	The Report shall be disseminated separately as per the requirements of Regulation 23 of SEBI LODR.
3.	Raising of funds by issuance of Tier II Capital aggregating up to ₹200 crore through issue of Non- Convertible Debentures (NCDs).	The proposed issue is within the borrowing limit(s) approved by the shareholders under Section 180(1)(c) of the Companies Act, 2013.
4.	Postal Ballot Notice (Notice) dated November 04, 2023 seeking approval of the Shareholders of the Bank for Ratification of "Utkarsh Small Finance Bank Limited (USFBL) - Employees Stock Option Plan 2020" read with "Utkarsh Small Finance Bank Limited Employees Stock Option Scheme 2020.	The Notice shall be disseminated separately.

The Board Meeting commenced at 2:45 p.m. and concluded at 7:05 p.m.

For **Utkarsh Small Finance Bank Limited**

**Muthiah Ganapathy**  
Company Secretary & Compliance Officer

**Deloitte Haskins & Sells**19<sup>th</sup> Floor, Shapath-V

S.G. Highway

Ahmedabad – 380 015

Gujarat, India

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**Kirtane & Pandit LLP**

Chartered Accountants

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**INDEPENDENT AUDITORS' REPORT ON AUDIT OF HALF YEARLY FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS****TO THE BOARD OF DIRECTORS OF  
UTKARSH SMALL FINANCE BANK LIMITED****Opinion and Conclusion**

1. We have (a) audited the Financial Results for the half year period ended September 30, 2023 and (b) reviewed the Financial Results for the quarter ended September 30, 2023 (refer 'Other Matter' section below), both included in the accompanying "Statement of Financial Results for the quarter and half year ended September 30, 2023" of **UTKARSH SMALL FINANCE BANK LIMITED** (the "Bank"), (the "Statement"), being submitted by the Bank pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

**(a) Opinion on Half Yearly Financial Results**

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the half year ended September 30, 2023:

- i. is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in Accounting Standard 25 for "Interim Financial Reporting" ("AS 25") ("Accounting Standard"), in so far as it applies 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 and other accounting principles generally accepted in India of the net profit and other financial information of the Bank for the half year then ended.

**(b) Conclusion on Unaudited Financial Results for the quarter ended September 30, 2023**

With respect to the Financial Results for the quarter ended September 30, 2023, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended September 30, 2023, prepared in accordance with the





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recognition and measurement principles laid down in the aforesaid Accounting Standard, 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 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of requirements 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,

### **Basis for Opinion on the Audited Financial Results for the half year ended September 30, 2023**

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the half year ended September 30, 2023 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

### **Board of Director's Responsibilities for the Statement**

This Statement which includes the Financial Results is the responsibility of the Bank's Board of Directors and has been approved by them for the issuance. The Financial Results for the half year ended September 30, 2023, has been compiled from the related audited Interim Condensed financial statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and half year ended September 30, 2023 that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in the Accounting Standard prescribed under Section 133 of the Act 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 and other accounting principles generally accepted in India and in compliance with Regulation 52 and regulation 33 read with Regulation 63(2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Bank's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of



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Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Bank.

### Auditor's Responsibilities

#### (a) Audit of the Financial Results for the half year ended September 30, 2023

Our objectives are to obtain reasonable assurance about whether the Financial Results for the half year ended September 30, 2023, as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Half yearly Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Bank to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.





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- Evaluate the overall presentation, structure and content of the Half yearly Financial Results, including the disclosures, and whether the Half yearly Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Half Yearly Financial Results of the Bank to express an opinion on the Half Yearly Financial Results.

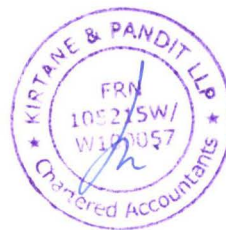
Materiality is the magnitude of misstatements in the Half yearly Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Half yearly Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Half yearly Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

### **(b) Review of the Financial Results for the quarter ended September 30, 2023**

We conducted our review of the Financial Results for the quarter ended September 30, 2023, 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 ICAI. 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 SAs specified under Section 143(10) of the Act 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.



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**Other Matter**

The Statement includes the results for the quarter ended September 30, 2023, being the balancing figure between audited figures in respect of the half year ended 30 September 2023 and the published figures for the quarter ended June 30, 2023, which were subject to limited review by us.

Our Opinion/Conclusion on the Statement is not modified in respect of this matter.

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



**G. K. Subramaniam**  
Partner  
Membership No. 109839  
UDIN: 23109839BGXQKU4605  
Place: Mumbai  
Date: November 04, 2023

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



**Sandeep Welling**  
Partner  
Membership No. 044576  
UDIN: 23044576BGXPVH1234  
Place: Mumbai  
Date: November 04, 2023



Utkarsh Small Finance Bank Limited  
CIN: U65992UP2016PLC082804  
Registered office address: Utkarsh Tower, NH-31 (Airport Road), Sehmajpur, Kazi Sarai, Harhua, Varanasi, Uttar Pradesh, PIN -221105  
Statement of audited Financial Results for the quarter and half year ended September 30, 2023

(₹ in lakh)

	For the quarter ended 30 September 2023	For the quarter ended 30 June 2023	For the quarter ended 30 September 2022	For the half year ended 30 September 2023	For the half year ended 30 September 2022	For the year ended 31 March 2023
	Refer Note 15	Unaudited	Refer Note 15	Audited	Audited	Audited
<b>1 Interest Earned (a+b+c+d)</b>	75,631.84	72,049.53	60,221.34	1,47,681.37	1,17,304.75	2,50,497.98
(a) Interest/ discount on advances/ bill	67,981.57	64,745.06	55,026.92	1,32,726.63	1,07,225.33	2,27,812.10
(b) Income on investments	5,260.50	4,583.24	3,452.70	9,843.74	6,868.18	15,053.55
(c) Interest on balances with Reserve Bank of India and other interbank	2,389.18	2,720.62	1,740.87	5,109.80	3,209.50	7,629.03
(d) Others	0.59	0.61	0.85	1.20	1.74	3.30
<b>2 Other Income</b>	10,516.92	9,189.91	7,449.36	19,706.83	15,899.06	29,930.62
<b>3 Total Income (1+2)</b>	<b>86,148.76</b>	<b>81,239.44</b>	<b>67,670.70</b>	<b>1,67,388.20</b>	<b>1,33,203.81</b>	<b>2,80,428.60</b>
<b>4 Interest Expended</b>	31,479.78	29,846.45	22,552.07	61,326.23	44,713.08	97,594.89
<b>5 Operating Expenses (i)+(ii)</b>	30,900.88	29,270.95	24,416.83	50,171.83	46,455.35	99,001.36
(i) Employees cost	17,656.75	17,028.80	13,853.40	34,685.55	26,539.85	57,005.69
(ii) Other operating expenses	13,244.13	12,242.15	10,563.43	25,486.28	19,915.50	41,995.67
<b>6 Total Expenditure (4+5) excluding provisions and contingencies</b>	<b>62,380.66</b>	<b>59,117.40</b>	<b>46,968.90</b>	<b>1,21,498.06</b>	<b>91,168.43</b>	<b>1,96,596.25</b>
<b>7 Operating Profit before Provisions and Contingencies (3-6)</b>	<b>23,768.10</b>	<b>22,122.04</b>	<b>20,701.80</b>	<b>45,890.14</b>	<b>42,035.38</b>	<b>83,832.35</b>
<b>8 Provisions (other than tax) and Contingencies</b>	8,325.52	7,665.55	8,976.93	15,991.07	18,110.87	30,250.93
<b>9 Exceptional item</b>	-	-	-	-	-	-
<b>10 Profit for the period / year before tax (7-8-9)</b>	<b>15,442.58</b>	<b>14,456.49</b>	<b>11,724.87</b>	<b>29,899.07</b>	<b>23,924.51</b>	<b>53,581.42</b>
<b>11 Tax expense</b>	4,000.66	3,706.97	2,953.74	7,707.63	6,204.27	13,131.23
<b>12 Net Profit for the period / year after tax (10-11)</b>	<b>11,441.92</b>	<b>10,749.52</b>	<b>8,771.13</b>	<b>22,191.44</b>	<b>17,720.24</b>	<b>40,450.19</b>
<b>13 Paid-up equity share capital (of ₹ 10 each)</b>	1,09,698.94	89,590.47	89,552.15	1,09,698.94	89,552.15	89,590.47
<b>14 Reserves excluding Revaluation Reserves</b>	-	-	-	-	-	1,10,441.59
<b>15 Analytical Ratios</b>						
Capital Adequacy Ratio (Refer Note 5)	24.82%	19.83%	21.22%	24.82%	21.22%	20.64%
EPS Basic (₹) (not annualised for quarters / half year)	1.17	1.20	0.98	2.27	1.98	4.52
EPS Diluted (₹) (not annualised for quarters / half year)	1.15	1.20	0.98	2.24	1.97	4.51
<b>NPA Ratios</b>						
Gross NPA	40,353.10	43,112.58	54,384.54	40,353.10	54,384.54	43,150.36
Net NPA	2,164.13	4,399.25	11,856.31	2,164.13	11,856.31	5,051.16
% of Gross NPA	2.81%	3.13%	4.61%	2.81%	4.61%	3.23%
% of Net NPA	0.16%	0.33%	1.04%	0.16%	1.04%	0.39%
Return on Assets (not annualised for quarters / half year)	0.58%	0.57%	0.56%	1.15%	1.15%	2.45%
Net Worth*	2,51,310.30	1,84,218.92	1,60,415.79	2,51,310.30	1,60,415.79	1,84,482.24
Total Debt <sup>#</sup> to Total Assets ratio	9.68%	11.58%	12.88%	9.68%	11.58%	12.29%
Debt Equity Ratio	0.71	1.06	1.20	0.71	1.20	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:

I. 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 30 September 2023	For the quarter ended 30 June 2023	For the quarter ended 30 September 2022	For the half year ended 30 September 2023	For the half year ended 30 September 2022	For the year ended 31 March 2023
	Refer Note 15	Unaudited	Refer Note 15	Audited	Audited	Audited
<b>1 Segmental Revenue</b>						
(a) Retail	72,917.31	68,967.88	59,220.83	1,41,885.19	1,17,016.69	2,42,543.58
(b) Wholesale	5,581.97	4,967.70	3,120.13	10,549.67	5,843.20	14,608.28
(c) Treasury	7,649.68	7,303.87	5,229.75	14,953.55	10,343.92	23,276.75
(d) Unallocated	-	-	-	-	-	-
Less: Inter Segment Revenue	-	-	-	-	-	-
<b>Income from Operations</b>	<b>86,148.96</b>	<b>81,239.45</b>	<b>67,670.71</b>	<b>1,67,388.41</b>	<b>1,33,203.81</b>	<b>2,80,428.61</b>
<b>2 Segmental Results</b>						
(a) Retail	15,403.96	14,873.68	13,198.73	30,277.64	25,797.85	54,343.40
(b) Wholesale	(903.03)	(1,240.36)	(1,896.82)	(2,143.39)	(2,752.68)	(2,862.75)
(c) Treasury	941.65	823.17	422.99	1,764.81	879.35	2,100.76
(d) Unallocated	-	-	-	-	-	-
<b>Total Profit before Tax</b>	<b>15,442.58</b>	<b>14,456.49</b>	<b>11,724.90</b>	<b>29,899.06</b>	<b>23,924.52</b>	<b>53,581.41</b>
<b>3 Segmental Assets</b>						
(a) Retail	12,56,837.45	12,03,720.56	10,41,605.98	12,56,837.45	10,41,605.98	11,66,702.95
(b) Wholesale	1,72,287.87	1,66,842.29	1,15,190.17	1,72,287.87	1,15,190.17	1,59,326.06
(c) Treasury	4,89,711.78	5,24,321.12	4,46,709.87	4,89,711.78	4,46,709.87	5,42,584.10
(d) Unallocated	46,933.78	44,733.88	45,865.48	46,933.78	45,865.48	43,116.11
<b>Total Assets</b>	<b>19,65,770.88</b>	<b>19,39,617.85</b>	<b>16,49,371.50</b>	<b>19,65,770.88</b>	<b>16,49,371.50</b>	<b>19,11,729.22</b>
<b>4 Segmental Liabilities</b>						
(a) Retail	9,46,219.51	8,86,135.37	6,98,032.52	9,46,219.51	6,98,032.52	8,73,444.44
(b) Wholesale	5,55,486.26	6,12,312.20	5,56,145.02	5,55,486.26	5,56,145.02	5,98,468.69
(c) Treasury	1,92,475.30	2,26,782.81	2,15,127.17	1,92,475.30	2,15,127.17	2,37,120.57
(d) Unallocated	2,844.05	3,369.26	3,531.25	2,844.05	3,531.25	2,663.44
(e) Capital & other reserves	2,68,745.76	2,11,018.21	1,76,535.54	2,68,745.76	1,76,535.54	2,00,032.08
<b>Total Liabilities</b>	<b>19,65,770.88</b>	<b>19,39,617.85</b>	<b>16,49,371.50</b>	<b>19,65,770.88</b>	<b>16,49,371.50</b>	<b>19,11,729.22</b>

## 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 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 above information is provided as per MIS for internal reporting purpose and relied upon by the auditors.

(vii) 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. Statement of Assets and Liabilities is given below:

(₹ in lakh)

	As at 30 September 2023	As at 31 March 2023
	Audited	Audited
<b>CAPITAL and LIABILITIES</b>		
Capital	1,09,698.94	89,590.47
Reserves and Surplus	1,59,046.80	1,10,441.59
Deposits	13,96,458.57	13,71,014.00
Borrowings	1,90,226.38	2,34,947.53
Other Liabilities and Provisions	1,10,340.19	1,05,735.63
	<b>19,65,770.88</b>	<b>19,11,729.22</b>
<b>ASSETS</b>		
Cash and balances with Reserve Bank of India	1,30,450.20	1,19,205.66
Balances with banks and money at call and short notice	33,232.24	1,32,430.64
Investments	3,20,419.65	2,85,942.22
Advances	14,08,044.64	13,06,876.55
Fixed Assets	29,984.10	30,332.39
Other Assets	43,640.05	36,941.76
	<b>19,65,770.88</b>	<b>19,11,729.22</b>



3. Statement of Cash Flow is given below:

(₹ in lakh)

S.No	Particulars	For the half year ended	For the year ended 31
		30 September 2023	March 2023
		Audited	Audited
I	<b>Cash flow from operating activities</b>		
	Profit before taxes	29,899.07	53,581.42
	<b>Adjustments for:-</b>		
	Depreciation on fixed assets	3,103.86	5,865.50
	Depreciation on investments, net	-	(442.17)
	Amortization of premium on Held to Maturity Investment	1,025.55	2,070.16
	Write-off of non performing advances	17,370.21	38,278.14
	Provision for standard advances and other contingencies	1,381.69	2,889.19
	Provision for non performing advances (net of reversal)	(2,648.76)	(11,288.50)
	Loss on sale of fixed assets (Net)	8.27	-
	Other provisions and write off	58.66	1,705.31
		<b>50,198.55</b>	<b>92,659.05</b>
	<b>Adjustments for:-</b>		
	Decrease in available for sale (AFS) investments	1,172.25	8,992.93
	(Increase) in advances	(1,15,889.54)	(3,10,916.48)
	Increase in deposits	25,444.58	3,63,595.75
	(Increase) in other assets	(15,238.59)	(9,025.20)
	Increase in other liabilities and provisions	11,055.24	19,078.32
		<b>(93,456.06)</b>	<b>71,725.32</b>
	Payment of direct taxes	<b>(8,168.17)</b>	<b>(7,071.04)</b>
	<b>Net cash flow (used in) / generated from operating activities (A)</b>	<b>(51,425.68)</b>	<b>1,57,313.33</b>
II	<b>Cash flow from/(used in) investing activities</b>		
	Purchase of fixed assets including capital work in progress	(3,079.52)	(7,584.70)
	Proceeds from sale of fixed assets	4.90	40.17
	Purchase of held to maturity (HTM) securities	(37,191.93)	(61,770.77)
	<b>Net cash flow (used in) investing activities (B)</b>	<b>(40,266.55)</b>	<b>(69,315.30)</b>
III	<b>Cash flow from/(used in) Financing Activities</b>		
	Proceeds from issue of share capital	50,413.73	132.58
	Share issue expenses	(1,954.21)	(1,413.36)
	Net Proceeds / (repayments) from borrowings	(44,721.15)	(22,245.96)
	<b>Net cash flow (used in) / generated from financing activities (C)</b>	<b>3,738.37</b>	<b>(23,526.64)</b>
IV	<b>Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)</b>	<b>(87,953.86)</b>	<b>64,471.39</b>
V	<b>Cash and cash equivalents at the beginning of the period/year</b>	<b>2,51,636.30</b>	<b>1,87,164.91</b>
VI	<b>Cash and cash equivalents at the end of the period/year</b>	<b>1,63,682.44</b>	<b>2,51,636.30</b>
	<b>Notes to the Cash Flow Statement:</b>		
	Cash and cash equivalents includes the following:		
(i)	Cash in hand (Refer Schedule 6)	7,574.87	14,733.05
(ii)	Balances with Reserve Bank of India (Refer Schedule 6)	1,22,875.33	1,04,472.61
(iii)	Balance with banks and money at call and short notice (Refer Schedule 7)	33,232.24	1,32,430.64
	<b>Cash and cash equivalents at the end of the period/year</b>	<b>1,63,682.44</b>	<b>2,51,636.30</b>

- The above financial results for the quarter and half year ended September 30, 2023 have been reviewed by the Audit Committee at its meeting held on November 04, 2023 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 November 04, 2023.  
The financial results have been subjected to audit 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 unqualified report has been issued by them thereon.
- 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.
- 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.
- During the quarter and half year ended September 30, 2023, the Bank has allotted 10,84,750 equity shares of ₹27 each in respect of the stock option exercised aggregating to ₹292.88 lakhs.



8. 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.
9. As at September 30, 2023, Bank carries floating provision of ₹12,003.48 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 half year.
10. **Details of resolution plan implemented under the Resolution framework for Covid - 19 related stress as per RBI circulars dated August 06, 2020 (Resolution framework 1.0) and May 05, 2021 (Resolution framework 2.0) as at September 30, 2023 are given below:**

Type of borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of March 31, 2023	Of (A), aggregate debt that slipped into NPA during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of September 30, 2023
Personal Loans	1,410.96	108.53		294.65	1,007.78
Corporate persons*	-	-			-
Of which, MSMEs	-	-			-
Others	1,614.09	161.63		613.76	838.70
<b>Total**</b>	<b>3,025.05</b>	<b>270.16</b>	<b>-</b>	<b>908.41</b>	<b>1,846.48</b>

\*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Amount paid by the borrower during the half year is net of additions in the borrower amount including additions due to interest capitalisation.

11. 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 with the Securities Premium account in accordance with Section 52 of the Companies Act, 2013.
12. Other income includes processing fess, profit/loss on sale of investment (including provision for depreciation), recovery from loans written off and income from sale of PSLC.
13. During the half year ended September 30, 2023, there is no transfer or acquisition of stressed loans (Non Performing Assets / Special Mention Accounts).
14. During the half year ended September 30, 2023, the Bank has not acquired/transferred any loans not in default through the assignment of loans.
15. The figures for the quarter ended September 30, 2023 / September 30, 2022 are the balancing figure between the audited figures in respect for the half year and figures for the quarter ended June 30, 2023 / June 30, 2022 which were subject to review by the joint statutory auditors.
16. 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

Place : Mumbai  
Date : November 04, 2023

  
Govind Singh  
Managing Director & CEO  
DIN: 02470880

