



Utkarsh Small Finance Bank

February 14, 2025

**The BSE Limited
543942, 959644, 958226, 975790, 976203**

**National Stock Exchange of India
Limited
NSE symbol: UTKARSHBNK**

Dear Sir/Madam,

Sub: : Integrated Filing (Financial)- Unaudited Financial Results of Utkarsh Small Finance Bank Limited ("Bank") for the quarter and nine-months ended December 31, 2024

Pursuant to Regulation 33 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated December 31, 2024, read with BSE circular no. 20250102-4 and NSE circular no. NSE/CML/2025/02 dated January 2, 2025, please find attached Integrated Filing - unaudited financial results of the Bank for the quarter and nine-months ended December 31, 2024.

The results are being uploaded on the website of the Bank and will also be published in the newspapers. This is for information and records.

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

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Chartered Accountants
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Nr. MCGM Pumping Station,
Senapati Bapat, Marg Dadar (West)
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Independent Auditors' Review Report on unaudited financial results for the quarter and nine months ended December 31, 2024 of Utkarsh Small Finance Bank Limited pursuant to the Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements, Regulations, 2015, (as amended)

**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, 2024 (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.

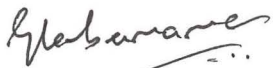


**Deloitte
Haskins & Sells**

Kirtane & Pandit LLP

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 or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

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



G. K. Subramaniam

Partner

Membership No. 109839

UDIN: 25109839BMOFUC7429

Place: Mumbai

Date: February 14, 2025



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



Sandeep Welling

Partner

Membership No. 044576

UDIN: 25044576BMKQWP9788

Place: Mumbai

Date: February 14, 2025



Utkarsh Small Finance Bank Limited
CIN: L65992UP2016PLC082804
Registered office address: Utkarsh Tower, NH-31 (Airport Road), Sehmalpur, Kazi Sarai, Harhua, Varanasi, Uttar Pradesh, PIN -221105
Statement of unaudited Financial Results for the quarter and nine months ended December 31, 2024

(₹ in lakh)

	For the quarter ended December 31, 2024	For the quarter ended September 30, 2024	For the quarter ended December 31, 2023	For the nine months ended December 31, 2024	For the nine months ended December 31, 2023	For the year ended March 31, 2024
	Refer Note 16	Refer Note 16	Refer Note 16	Unaudited	Unaudited	Audited
1 Interest Earned (a+b+c+d)	93,243.35	98,695.25	80,597.78	2,88,530.29	2,28,279.15	3,17,841.16
(a) Interest/ discount on advances/ bill	82,663.50	87,957.88	73,644.87	2,57,309.90	2,06,371.50	2,88,005.59
(b) Income on investments	7,048.10	6,842.54	5,359.21	19,960.02	15,202.95	20,933.28
(c) Interest on balances with Reserve Bank of India and other interbank funds	3,531.39	3,894.48	1,593.12	11,259.27	6,702.92	8,900.06
(d) Others	0.36	0.35	0.58	1.10	1.78	2.23
2 Other Income	10,549.03	10,264.07	8,267.29	31,272.44	27,965.85	40,034.34
3 Total Income (1+2)	1,03,792.38	1,08,959.32	88,865.07	3,19,802.73	2,56,245.00	3,57,875.50
4 Interest Expended	45,230.80	42,878.63	32,367.40	1,27,384.72	93,693.63	1,29,260.90
5 Operating Expenses (i)+(ii)	40,035.44	38,439.40	30,882.58	1,15,122.43	91,046.14	1,28,887.83
(i) Employees cost	22,536.60	21,073.30	17,968.22	64,134.06	52,653.77	73,695.13
(ii) Other operating expenses	17,498.84	17,366.10	12,914.36	50,988.37	38,392.37	55,192.70
6 Total Expenditure (4+5) excluding provisions and contingencies	85,266.24	81,318.03	63,249.98	2,42,507.15	1,84,739.77	2,58,148.73
7 Operating Profit before Provisions and Contingencies (3-6)	18,526.14	27,641.29	25,615.09	77,295.58	71,505.23	99,726.77
8 Provisions (other than tax) and Contingencies	42,320.44	20,834.00	10,410.20	75,658.58	26,401.27	33,788.14
9 Exceptional item	-	-	-	-	-	-
10 Profit for the period / year before tax (7-8-9)	(23,794.30)	6,807.29	15,204.89	1,637.00	45,103.96	65,938.63
11 Tax expense	(6,988.83)	1,668.17	3,599.13	(436.32)	11,306.76	16,175.78
12 Net Profit for the period / year after tax (10-11)	(16,805.47)	5,139.12	11,605.76	2,073.32	33,797.20	49,762.85
13 Paid-up equity share capital (of ₹ 10 each)	1,10,158.71	1,10,136.96	1,09,808.24	1,10,158.71	1,09,808.24	1,09,945.75
14 Reserves excluding Revaluation Reserves						1,87,373.08
15 Analytical Ratios						
Capital Adequacy Ratio (Refer Note 8)	21.10%	22.43%	23.18%	21.10%	23.18%	22.57%
EPS Basic (₹) (not annualised for quarters / nine months)	(1.53)	0.47	1.14	0.19	3.32	4.79
EPS Diluted (₹) (not annualised for quarters / nine months)	(1.52)	0.46	1.13	0.19	3.28	4.75
NPA Ratios						
Gross NPA	1,17,676.45	71,873.83	46,443.37	1,17,676.45	46,443.37	41,757.82
Net NPA*	45,769.00	15,996.90	2,892.69	45,769.00	2,892.69	448.92
% of Gross NPA to Gross Advances	6.17%	3.88%	3.04%	6.17%	3.04%	2.51%
% of Net NPA* to Net Advances*	2.50%	0.89%	0.19%	2.50%	0.19%	0.03%
Return on Assets (not annualised for quarters / nine months)	(0.64%)	0.20%	0.58%	0.08%	1.72%	2.46%
Net Worth**	2,72,701.58	2,89,161.23	2,51,900.36	2,72,701.58	2,51,900.36	2,72,224.67
Total Debt† to Total Assets ratio	6.64%	7.59%	8.47%	6.64%	8.47%	8.35%
Debt Equity Ratio*	0.60	0.64	0.63	0.60	0.63	0.67

* after considering floating provision

** 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, 2024	For the quarter ended September 30, 2024	For the quarter ended December 31, 2023	For the nine months ended December 31, 2024	For the nine months ended December 31, 2023	For the year ended March 31, 2024
	Refer Note 16	Refer Note 16	Refer Note 16	Unaudited	Unaudited	Audited
1 Segmental Revenue						
(a) Retail	86,396.75	92,217.31	76,433.37	2,70,006.80	2,18,310.07	3,06,212.29
(b) Wholesale	7,037.25	6,004.98	5,479.38	18,797.74	16,029.06	21,829.87
(c) Treasury	10,358.38	10,737.03	6,952.32	30,998.19	21,905.87	29,833.34
(d) Unallocated	-	-	-	-	-	-
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	1,03,792.38	1,08,959.32	88,865.07	3,19,802.73	2,56,245.00	3,57,875.50
2 Segmental Results						
(a) Retail	(22,713.95)	4,034.73	14,472.75	(4,563.04)	44,750.39	64,809.77
(b) Wholesale	(1,354.61)	279.20	(1,324.73)	(147.80)	(3,468.12)	(5,111.40)
(c) Treasury	274.26	2,493.36	2,056.87	6,347.84	3,821.69	6,240.26
(d) Unallocated	-	-	-	-	-	-
Total Profit before Tax	(23,794.30)	6,807.29	15,204.89	1,637.00	45,103.96	65,938.63
3 Segmental Assets						
(a) Retail	16,47,138.12	16,16,905.06	13,39,932.35	16,47,138.12	13,39,932.35	14,67,213.55
(b) Wholesale	2,37,532.21	2,26,202.73	1,81,089.62	2,37,532.21	1,81,089.62	1,95,843.21
(c) Treasury	7,11,494.48	7,32,946.66	5,19,167.40	7,11,494.48	5,19,167.40	6,76,446.76
(d) Unallocated	64,495.37	54,578.25	47,241.46	64,495.37	47,241.46	50,764.18
Total Assets	26,60,660.18	26,30,632.70	20,87,430.83	26,60,660.18	20,87,430.83	23,90,267.70
4 Segmental Liabilities						
(a) Retail	14,85,595.74	13,99,527.06	10,54,999.41	14,85,595.74	10,54,999.41	11,92,792.68
(b) Wholesale	6,98,845.15	7,12,976.91	5,70,769.58	6,98,845.15	5,70,769.58	6,96,180.52
(c) Treasury	1,77,824.48	2,02,512.86	1,79,092.13	1,77,824.48	1,79,092.13	2,02,127.54
(d) Unallocated	1,898.15	3,114.72	1,772.68	1,898.15	1,772.68	1,848.13
(e) Capital & other reserves	2,96,496.66	3,12,501.15	2,80,797.03	2,96,496.66	2,80,797.03	2,97,318.83
Total Liabilities	26,60,660.18	26,30,632.70	20,87,430.83	26,60,660.18	20,87,430.83	23,90,267.70

Notes:

(i) Business segments have been identified and reported taking into account the target customer profile, nature of products and services, the differential risks and returns, the organization structure, internal business reporting system and guidelines prescribed by RBI.

(ii) 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, 2024 have been reviewed by the Audit Committee at its meeting held on February 14, 2025 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 February 14, 2025.

The financial results have been subjected to limited review by the Joint Statutory Auditors as required. An unmodified 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 read with Regulation 63(2) 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, 2024 except as disclosed in Note 7 below. Any circular / direction issued by RBI is implemented prospectively when it became applicable.
5. During the quarter and nine months ended December 31, 2024, the Bank has allotted 217,500 and 2,129,595 equity shares respectively pursuant to the exercise of options under the approved employee stock option scheme.
6. As at December 31, 2024 336,843 options were lapsed, 9,262,502 options were vested and yet to be exercised and balance 43,040,079 options remains unvested out of the total options granted under the approved Employee Stock Option Plan (ESOP).
7. During the quarter ended June 30, 2024, the Bank has implemented the Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023 dated September 12, 2023 which is applicable to banks from April 01, 2024. Consequent to the transitions provisions, the Bank's net worth and investments have increased by ₹132.05 lakhs (post tax) and ₹176.48 lakhs (pre-tax) respectively as on April 01, 2024 on account of revision in the carrying value to the fair value as on such date. Subsequent changes in fair value of performing investments under Available for Sale (AFS) and Fair Value Through Profit and Loss (FVTPL) (including Held For Trading ('HFT')) categories have been recognized through AFS reserve and Profit and Loss Account respectively. Figures for the previous year/period are not comparable to that extent.
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. The Board of Directors at its meeting held on April 26, 2024, had proposed a dividend of ₹0.50 per share (Previous Year- ₹NIL per share) for the year ended March 31, 2024 and the same is approved by the shareholders at the Annual General Meeting held on July 22, 2024. The declared dividend has been paid during the previous quarter ended September 30, 2024.
10. The Bank has raised debt in the form of Non-Convertible Debentures amounting to ₹20,000 lakhs on June 28, 2024 and ₹10,500 lakhs on November 27, 2024, through issue of rated, listed, unsecured, subordinated, redeemable non-convertible debentures, which has been considered in Tier II capital as per Capital Adequacy Framework issued by RBI.
11. As at December 31, 2024, the Bank carries floating provision of ₹18,996.24 lakhs (₹14,861.66 lakhs as at March 31, 2024). Due to the recent stress in the performance of the MF1 portfolio, the Management is of the view that the normal provision (higher than as required by RBI) may remain elevated and hence the purpose of creating the floating provision on the JLG book as intended by the Management is no longer applicable. The Board has accordingly decided to not create floating provision w.e.f October 01, 2024 and the same will be reviewed on a periodic basis. However, Management continues to create floating provision at 20% of total standard provision.



12. 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 year ended March 31, 2024 with the Securities Premium account in accordance with Section 52 of the Companies Act, 2013.
13. The Board of Directors of the Bank and Utkarsh Core Invest Limited (UCL), the Holding Company, have approved a draft scheme of amalgamation of the latter with the former in terms of Section 230 to 232 of the Companies Act, 2013 on September 20, 2024. The appointed date under the said scheme is April 01, 2025 or such other date as may be approved by NCLT or such other competent authority. The amalgamation is subject to the provisions of the said scheme document and receipt of the relevant regulatory and statutory approvals. The Bank has received no-objection from RBI on January 02, 2025, to proceed with the approval of NCLT and other relevant statutory authorities, ensuring compliance with certain conditions/procedural matters in this regard. However, other necessary approvals from relevant competent authority is under process.
14. Other income includes Income from commission, exchange and brokergae, recovery from accounts previously written off and income from sale of priority sector lending certificates.
15. Details of loans transferred / acquired during the quarter and nine months ended December 31, 2024 under the RBI Master Direction on Transfer of Loan Exposure dated September 24, 2021 is given below:
- (i) The Bank has not acquired/transferred any loans not in default to other entities during the quarter and nine months ended December 31, 2024.
- (ii) Details of Stressed Loans transferred to Asset Reconstruction Company (ARC) is given below:

Particulars	₹ in lakh
No. of accounts *	1,24,728
Aggregate principal outstanding of loans transferred *	35,454.04
Weighted average residual tenor of the loans transferred (in months)#	9.53
Net book value of loans transferred (at the time of transfer)	6,665.87
Aggregate Consideration	5,200.00
Additional consideration realized in respect of accounts transferred in earlier years	-

* includes transfer of 56433 accounts having principal outstanding as on September 30, 2024 ₹13,040.33 lakhs which are previously written off as at September 30, 2024.

not applicable to technically written off pool

The Bank has received Security Receipts (SRs) amounting to ₹3,390 lakhs as part of the consideration for transfer of stress loans to ARC. The recovery ratings of the SRs would be obtained within 6 months as per relevant RBI guidelines. Investments in SRs are valued at ₹445.44 lakhs and ₹2,944.56 lakhs has been provided in the books of account on a prudent basis.

(iii) During the quarter and nine months ended December 31, 2024, the Bank has not acquired stressed loans (Non Performing Assets).

(iv) During the quarter and nine months ended December 31, 2024, the Bank has not acquired/transferred stressed loans (Special Mention Accounts).

16. The figures for the quarter ended December 31, 2024 and December 31, 2023 are the balancing figure between the figures which were subject to limited review by the joint statutory auditors in respect for the nine months then ended and audited figures for the half year ended September 30, 2024 and September 30, 2023 respectively.

The figures for the quarter ended September 30, 2024 are the balancing figure between the audited figures in respect for the half year then ended and figures for the quarter ended June 30, 2024 which were subject to limited review by the joint statutory auditors.

17. Figures of the previous period / 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

Govind Singh
Managing Director & CEO
DIN: 02470880



Place : Mumbai
Date : February 14, 2025





Utkarsh Small Finance Bank

B. Statement on deviation or variation for proceeds of public issue, rights issue, preferential issue, qualified institutions placement etc.

Not Applicable

C. Disclosure of outstanding default on loans and debt securities.

Not Applicable

D. Disclosure of Related Party Transactions (applicable only for half-yearly filings i.e., 2nd and 4th quarter)

Not Applicable

E. Statement on impact of audit qualifications (for audit report with modified opinion) submitted along-with annual audited financial results (Standalone and Consolidated separately) (applicable only for Annual Filing i.e., 4th quarter)

Not Applicable

Registered & Corporate Office

Utkarsh Tower, NH-31 (Airport Road) Sehmalpur, Kazi Sarai, Harhua, Varanasi, Uttar Pradesh - 221105.
CIN: L65992UP2016PLC082804 | ☎ 0542-6605555 | 🌐 www.utkarsh.bank