



**Utkarsh Small Finance Bank**

**November 14, 2025**

**BSE Limited**

**Scrip Code:** 543942, 975790,  
959644, 958226, 976203

**National Stock Exchange of India Limited**

**Symbol:** UTKARSHBNK

Dear Sir/Madam,

**Sub: Press Release on the Unaudited Financial Results for the quarter and half year ended September 30, 2025**

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Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the press release on the Unaudited Financial Results for the quarter and half year ended September 30, 2025.

This disclosure is also available on the website of the Bank i.e. [www.utkarsh.bank.in](http://www.utkarsh.bank.in).

This is for your information and records.

Yours faithfully,

For **Utkarsh Small Finance Bank Limited**

**Muthiah Ganapathy**

**Company Secretary & Compliance Officer**

Encl.: As above

**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 September 30, 2025**

**Mumbai, November 14, 2025:** The Board of Directors of Utkarsh Small Finance Bank Limited approved the Financial Results for the quarter and half year ended September 30, 2025, at the Board meeting held on November 14, 2025.

**Key highlights of the quarter and half year ended September 30, 2025:**

- Gross Loan Portfolio contracted by 2.3% YoY to ₹18,655 crore. Share of secured lending grew from 38% as on September 30, 2024 to 47% as on September 30, 2025
- Deposits grew by 10.0% YoY to ₹21,447 crore, led by Retail Term Deposits (RTD) growth of 28.8% YoY
- Presence across 27 States & UTs, through a network of 1,104 branches
- Net Loss of ₹348 crore in Q2, FY26.

Speaking on the results, **Mr. Govind Singh, MD & CEO, Utkarsh Small Finance Bank** said, “Q2, FY26 marked a deliberate shift in the Bank’s growth architecture, rather than chasing quantity, we leaned into quality – prioritizing secured lending, recalibrating risk, and tightening execution. This quarter was about building resilience. Secured loans now comprise 47% of our portfolio as of September 30, 2025, up from 38% a year ago. This shift reflects a strategic pivot toward more stable asset classes. Consequently, our non-JLG loan portfolio sustained strong momentum, growing by 30% YoY & 4% QoQ. Healthy business growth driven by yield optimization efforts in secured products i.e. disbursement yields rising in housing & MSME loans by 40–100 bps compared to Q2, FY25. On the liabilities side, our deposit base expanded by 10% YoY to ₹21,447 crore as on September 30, 2025, led by retail term deposits. As the newly launched branches build maturity and traction, we are working towards margin improvement and overall business scalability in the coming quarters. In the unsecured micro-banking segment, we’ve adopted a more cautious stance in response to recent stress indicators. Tighter credit norms and underwriting have moderated originations, resulting in contraction of JLG loan book during the quarter, which has impacted short-term interest income but is aligned with our long-term asset quality goals. Additionally, we continue to split larger micro-banking branches to improve oversight and control. We are also working on back-to-basics programs to train new frontline staff on core processes such as centre meetings and customer onboarding, ensuring a more robust and consistent execution framework. The Bank has expanded our collection workforce (to ~1,200 as of Sep-25). The Bank has already embarked on its Utkarsh 2.0 Technology Transformation Project, with



several sub-projects already live and yielding benefits. FY26 remains a year of recalibration. We are focused on operational agility, prudent growth, and margin discipline, with an eye toward building momentum into FY27 and FY28. While the operating environment presents challenges, we are positioning the franchise to navigate them with resilience and adaptability.”

**Financial Highlights for quarter and half year ended on September 30, 2025:**

- Deposits grew by 10.0% YoY to ₹21,447 crore as on September 30, 2025, led by growth in retail term deposits. The Bank continues to focus on building granular liabilities franchise, Bank's retail term deposits grew by 28.8% YoY to ₹12,257 crore & CASA deposits grew by 17.4% YoY to ₹4,482 crore as on September 30, 2025. CASA deposits ratio increased to 20.9% as on September 30, 2025 from 19.6% as on September 30, 2024. Reflecting the Bank's focus on granular deposits, the share of institutional term deposits within its total deposits decreased to 21.9% as of September 30, 2025, compared to 31.6% on September 30, 2024.
- Bank's CD ratio improved to 78.8% as on September 30, 2025 vs. 93.0% as on September 30, 2024.
- Bank's loan Portfolio contracted by 2.3% YoY to ₹18,655 crore as on September 30, 2025. The share of secured loans in overall portfolio increased to 47% as on September 30, 2025 from 38% as on September 30, 2024.
- Gross NPAs were 12.4% as on September 30, 2025 vs. 11.4% as on June 30, 2025 (3.9% as on September 30, 2024). Net NPAs were 5.0% as on September 30, 2025 vs. 5.0% as on June 30, 2025 (0.9% as on September 30, 2024).
- Comfortable capitalisation with CRAR at 17.21% and Tier 1 capital at 14.16% as on September 30, 2025. In November 2025, we successfully raised Equity Capital for an amount aggregating to ₹950 crore through rights issue to augment our Tier-1 capital base and meet future growth requirements.
- Bank's pre-provision operating profit was at ₹88 crore in H1, FY26 vs ₹588 crore in H1, FY25. During H1, FY26, the Bank reported net loss of ₹588 crore vs. PAT of ₹189 crore in H1, FY25. Bank's pre-provision operating loss was at ₹3 crore in Q2, FY26 vs pre-provision operating profit of ₹276 crore in Q2, FY25 (pre-provision operating profit of ₹92 crore in Q1, FY26). During Q2, FY26, the Bank reported net loss of ₹348 crore vs. PAT of ₹51 crore in Q2, FY25 (Loss of ₹239 crore in Q1, FY26).



### **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 commenced its operations on January 23, 2017, pursuant to the small finance banking license granted by RBI on November 25, 2016. The Bank is headquartered at Varanasi, Uttar Pradesh. 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 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 extends Joint Liability Group (JLG) loans to individuals, 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.

For more details, please contact:

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