



Utkarsh Small Finance Bank

May 03, 2025

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

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

Dear Sir/Madam,

Sub: Press Release on the Financial Results of the Bank for the quarter and year ended March 31, 2025

Further to our intimation of the Financial Results of Bank for the quarter and year ended March 31, 2025 and 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 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



UTKARSH SMALL FINANCE BANK LIMITED ANNOUNCES ITS RESULTS for quarter and year ended March 31, 2025

Mumbai, 3rd May, 2025: The Board of Directors of Utkarsh Small Finance Bank Limited approved the Financial Results for the quarter and year ended March 31, 2025, at the Board meeting held on 3rd May, 2025.

Key highlights of FY24-25 ended on March 31, 2025:

- Gross Loan portfolio grew by 7.5% YoY to ₹19,666 crore.
- Deposits grew by 23.4% YoY to ₹21,566 crore, led by Retail Term Deposits (RTD) growth of 33.5% YoY¹
- Presence across 27 States & UTs, through a network of 1,092 branches
- Operating profit (pre-provisions) of ₹1,007 crore in FY25, increased by 1% vs. ₹997 crore in FY24
- Profit after tax of ₹24 crore in FY25 vs. ₹498 crore in FY24.

Speaking on the results, **Mr. Govind Singh, MD & CEO, Utkarsh Small Finance Bank** said, "During FY25, we have seen good traction in our non-JLG loan portfolio, which grew by 45%, the share of secured loans in our portfolio is also consistently increasing and reached to 43% as on Mar-25 vs. 34% as on Mar-24. Along with healthy business growth, we are optimizing our disbursements yields in secured lending products i.e. housing & MSME loan products, disbursement yield increased by 80-180 bps over same quarter last year. Our JLG loan portfolio declined in FY25 on account of difficult operating environment following implementation of guard rail norms which restricted credit supply on ground and accordingly our focus shifted towards collections. Nevertheless, stress has peaked out in JLG loan segment and we saw improvement in JLG disbursements as well as X-bucket collection efficiency towards end of FY25. We expect this momentum to continue in FY26 as there is decline in leverage level of underlying borrowers in microfinance segment and guard rail norms are ensuring tighter control on overall leverage level of microfinance borrowers. Our deposits have grown by a healthy pace of 23% YoY, deposits growth was led by retail term deposits growth. We are consistently expanding our franchise, and opened >200 new branches during FY25, our total branch count exceeded 1,000 branches as on March 31, 2025.

Financial Highlights for quarter and year ended on March 31, 2025:

- Deposits grew by 23.4% YoY to ₹21,566 crore as on March 31, 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 33.5% YoY to ₹10,635 crore¹ & CASA deposits grew by 31.2% YoY to ₹4,699 crore as on March 31, 2025. CASA deposits ratio increased to 21.8% as on March 31, 2025 from 20.5% as on March 31, 2024. Bank's CD ratio improved to 86.8% as on March 31, 2025 vs. 93.7% as on March 31, 2024.
- Bank's loan Portfolio grew by 7.5% YoY to ₹19,666 crore as on March 31, 2025. The share of secured loans in overall portfolio increased to 43% as on March 31, 2025 from 34% as on March 31, 2024.

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



- Gross NPAs were 9.43% as on March 31, 2025 vs 6.17% as on December 31, 2024 (2.51% as on March 31, 2024). Net NPAs were 4.84% as on March 31, 2025 vs 2.50% as on December 31, 2024 (0.03% as on March 31, 2024).
- During the year/quarter pursuant to the approval from Reserve Bank of India (RBI), the Bank has fully utilized the floating asset provision as per relevant RBI regulations. Consequently, the provision for NPA ("Provisions and Contingencies") has been adjusted by ₹148.62 crore and ₹189.96 crore for the year and quarter ended March 31, 2025, respectively.
- Comfortable capitalisation with CRAR at 20.93% and Tier 1 capital at 17.88% as on March 31, 2025.
- Bank's pre-provision operating profit (PPoP) increased by 1% YoY to ₹1,007 crore in FY25 vs ₹997 crore in FY24.
- During the quarter ended March 31, 2025, the Bank has changed its accounting policy with effect from April 01, 2024 on recognition of loan processing fees collected from the borrowers and allied expenses for more appropriate presentation of the financial statement and alignment with industry practice. Hitherto the Bank was recognizing the income/expense over the tenure of the loan which is now recognized as income when it becomes due.

Increase due to change in the aforesaid accounting policy for the current quarter as well as the comparative interim period of the current financial year is as below:

(₹ in crore)	Quarter ended March 31, 2025	Quarter ended December, 2024
Other Income	164.66	157.44
Other Operating Expenses	70.09	51.99
Net Profit (Before Tax)	94.57	105.45

- Bank's profit after tax was ₹24 crore in FY25 vs. ₹498 crore in FY24.

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:

Communications communications@utkarsh.bank