



Utkarsh Small Finance Bank

August 02, 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 Un-audited Financial Results of the Bank for the quarter ended June 30, 2025

Further to our intimation of the Financial Results of Bank for the quarter ended June 30, 2025 and pursuant to Regulation 30 of the 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.

The aforesaid disclosure is also available on the Bank's website i.e. www.utkarsh.bank

This is for your information and records.

Thanking You

Yours faithfully,

For **Utkarsh Small Finance Bank Limited**

Muthiah Ganapathy
Company Secretary & Compliance Officer

Encl: a/a

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 ended June 30, 2025

Mumbai, 2nd August, 2025: The Board of Directors of Utkarsh Small Finance Bank Limited approved the Financial Results for the quarter ended June 30, 2025, at the Board meeting held on 2nd August, 2025.

Key highlights of the quarter ended June 30, 2025:

- Gross Loan portfolio grew by 2.3% YoY to ₹19,224 crore.
- Deposits grew by 18.3% YoY to ₹21,489 crore, led by Retail Term Deposits (RTD) growth of 33.7% YoY
- Presence across 27 States & UTs, through a network of 1,099 branches
- Operating profit (pre-provisions) of ₹92 crore in Q1, FY26
- Net Loss of ₹239 crore in Q1, FY26.

Speaking on the results, **Mr. Govind Singh, MD & CEO, Utkarsh Small Finance Bank** said, "During Q1, FY26, the Bank continued its strategic pivot towards secured lending, amid difficult operating environment. Our non-JLG loan portfolio sustained strong momentum, growing 39% YoY. Consequently, the share of secured loans within the overall book rose to 45% as of June 30, 2025 – up from 35% as of June 30, 2024 – underscoring our focused efforts toward portfolio de-risking and improving asset quality. Healthy business growth driven by Yield optimization efforts in secured products i.e. disbursement yields rising in housing & MSME loans by 40–150 bps compared to Q1, FY25. We have also adopted a prudent stance on new sourcing in the unsecured micro-banking segment due to recent stress indicators. This measured approach has impacted short-term interest income but is aligned with our long-term asset quality goals. The JLG loan portfolio contracted during the quarter, largely owing to tightened guard-rail norms which limited on-ground credit flow, though, there is reduction in microfinance borrower leverage levels. On the deposits front, in a declining interest rate scenario, our deposit base expanded 18.3% YoY to ₹21,489 crore as on June 30, 2025, primarily fueled by strong momentum in 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.

Financial Highlights for quarter ended on June 30, 2025:

- Deposits grew by 18.3% YoY to ₹21,489 crore as on June 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 33.7% YoY to ₹11,675 crore & CASA deposits grew by 22.5% YoY to ₹4,229 crore as on June 30, 2025. CASA deposits ratio increased to 19.7% as on June 30, 2025 from 19.0% as on June 30, 2024. Bank's CD ratio improved to 83.4% as on June 30, 2025 vs. 92.7% as on June 30, 2024.
- Bank's loan Portfolio grew by 2.3% YoY to ₹19,224 crore as on June 30, 2025. The share of secured loans in overall portfolio increased to 45% as on June 30, 2025 from 35% as on June 30, 2024.
- Gross NPAs were 11.42% as on June 30, 2025 vs. 9.43% as on March 31, 2025 (2.78% as on June 30, 2024). Net NPAs were 5.00% as on June 30, 2025 vs.



4.84% as on March 31, 2025 (0.26% as on June 30, 2024).

- Comfortable capitalisation with CRAR at 19.64% and Tier 1 capital at 16.71% as on June 30, 2025.
- Bank's pre-provision operating profit (PPOP) was at ₹92 crore in Q1, FY26 vs ₹311 crore in Q1, FY25. During Q1, FY26, the Bank reported net loss of ₹239 crore vs. PAT of ₹137 crore in Q1, FY25.

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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