



Utkarsh Small Finance Bank

August 03, 2024

**The BSE Limited
543942, 958095, 959644, 968226, 975790**

**National Stock Exchange of India Limited
UTKARSHBNK**

Dear Sir/Madam,

Sub: Press Release on the Financial Results of the Bank for the quarter ended on June 30, 2024

Further to our intimation regarding the Financial Results of the Bank for the quarter ended on June 30, 2024 and pursuant to Regulation 30 of the of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 we enclose herewith a copy of the Press Release in this regard.

This is for your information & record.

For **Utkarsh Small Finance Bank Limited**

**Muthiah Ganapathy
Company Secretary & Compliance Officer
ICSI Membership No: F5674**

Encl.: As above.

Registered & Corporate Office:

Utkarsh Tower, NH - 31 (Airport Road) Sehmalpur, Kazi Sarai, Harhua Varanasi - Uttar Pradesh 221105
CIN: U65992UP2016PLC082804 | Tel.: 0542-6605555 | Website: www.utkarsh.bank



UTKARSH SMALL FINANCE BANK LIMITED ANNOUNCES ITS RESULTS FOR QUARTER ENDED June 30, 2024

Consistent business growth and financial performance

Mumbai, 3rd August, 2024: The Board of Directors of Utkarsh Small Finance Bank Limited approved the Financial Results for the quarter ended June 30, 2024, at the Board meeting held on 3rd August, 2024.

Key highlights of the quarter ended June 30, 2024:

- Gross Loan portfolio grew by 30.6% YoY to ₹18,798 crore
- Deposits grew by 30% YoY to ₹18,163 crore, led by Retail Term Deposits (RTD) growth of 48% YoY¹
- Gross NPAs & Net NPAs were 2.78% and 0.26%, respectively, as on June 30, 2024
- Highest ever quarterly operating profit (pre-provisions) of ₹311 crore in Q1, FY25. Profit after tax increased by 27.8% YoY to ₹137 crore in Q1, FY25
- Return on Assets and Return on Equity stood at a healthy 2.3% and 18.1% respectively, during Q1, FY25

Speaking on the results, **Mr. Govind Singh, MD and CEO, Utkarsh Small Finance Bank** said, "Our business is growing at healthy pace with gross loan portfolio growth of 31% YoY and deposits growth of 30% YoY as on June 30, 2024. We continue to work towards improving the granularity of deposits profile and diversification of loan portfolio. Our deposit growth was led by retail term deposits, and in loan book we are increasing share of secured loans consistently. We are expanding our franchise, and opened 28 new branches during Q1, FY25, and have a total branch network of 916 branches, spread across 26 states & UTs of the country, as on June 30, 2024.

Financial Highlights for quarter ended June 30, 2024:

- Bank's loan Portfolio grew by 30.6% YoY to ₹18,798 crore as on June 30, 2024. The share of secured loans in overall portfolio increased to 35% as on June 30, 2024 from 34% as on March 31, 2024.
- Gross NPAs were 2.78% as on June 30, 2024 vs. 2.51% as on March 31, 2024 (3.13% as on June 30, 2023). Net NPAs were 0.26% as on June 30, 2024 vs. 0.03% as on March 31, 2024 (0.33% as on June 30, 2023).
- Our provision coverage ratio, including floating provision, was 91% as on June 30, 2024. In addition to provision in accordance with RBI IRAC norms, the Bank is consistently creating floating provision which stood at ₹169 crore as on June 30, 2024 vs. ₹149 crore as on March 31, 2024 (₹106 crore as on June 30, 2023).
- Deposits grew by 30% YoY to ₹18,163 crore as on June 30, 2024 led by growth in retail term deposits. The Bank continues to focus on building granular liabilities franchise, Bank's retail term deposits grew by 47.7% YoY to ₹8,729 crore¹. Bank's

¹ As per change in regulatory norms, bulk deposits threshold considered as ₹3 crore for June 30, 2024 vs. ₹2 crore for earlier period. If we consider retail term deposit (RTD) threshold of <₹2 crore for Jun-24 as well then RTD as on Jun-24 is ₹8,595 crore, YoY RTD growth ~45%



CD ratio improved to 92.7% as on June 30, 2024 vs. 93.7% as on March 31, 2024 (96.7% as on June 30, 2023).

- Comfortable capitalisation with CRAR at 23.18% and Tier 1 capital at 20.39% as on June 30, 2024.
- Bank's pre-provision operating profit (PpoP) increased by 40.7% YoY to ₹311 crore in Q1, FY25 vs. ₹221 crore in Q1, FY24. Profit after tax increased by 27.8% YoY to ₹137 crore for Q1, FY25 vs. ₹107 crore in Q1, FY24.
- Return on Assets and Return on Equity stood at 2.3% & 18.1% respectively for Q1, FY25. Our cost-income ratio was 54.1% during Q1, FY25.
- Bank is continuously expanding its footprints, which is currently present in 26 States & UTs through a network of 916 banking outlets with a customer base of more than 46 lakh.

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'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 commenced its operations on January 23, 2017, pursuant to the small finance banking license granted by RBI on November 25, 2016.

The Bank extends loans based on Joint Liability Group (JLG) model to individuals and 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. 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 is headquartered at Varanasi, Uttar Pradesh.

For more details, please contact:

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