



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

National Stock Exchange of India Limited
UTKARSHBNK

Dear Sir/Madam,

Sub: Outcome of the Board Meeting held today

Pursuant to Regulations 30, 33 and 51, 52 and other applicable regulations, if any, of Securities Exchange and Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), we would like to inform that the Board of Directors of Utkarsh Small Finance Bank Limited (Bank) at their meeting held today, inter alia, considered and approved:

Sr. No.	Particulars	Remarks, if any
a.	Statement of Audited financial results for the half year and review for the quarter ended September 30, 2024 along with the Audit report issued by M/s. Deloitte Haskins & Sells, Chartered Accountants and M/s. Kirtane & Pandit LLP, Chartered Accountants, Joint Statutory Auditors.	The joint statutory auditors have issued an unmodified opinion. Financial results are appended herewith as Annexure - A
b.	Related Party Transactions Report for the half year ended September 30, 2024	The Report shall be disseminated separately as per the requirements of Regulation 23 of SEBI Listing Regulations
c.	Pursuant to the recommendations of the Nomination & Remuneration Committee, the Board of Directors have, subject to approval of Shareholders, approved and modified the existing ESOP Plan of the Bank, by creating and adding 5,50,59,115 options to the pool under USFBL employee stock option plan 2024 and scheme II , in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SBEBS Regulations").	The details in the format specified vide SEBI circular SEBI/HO/CFD/CFD-PoD-1/P/CIR/2023/123 dated July 13, 2023 is appended herewith as Annexure B
d.	Postal Ballot Notice (Notice) dated November 09, 2024 seeking approval of the Shareholders of the Bank for: 1. Appointment of Mr. Pramod Kumar Dubey (DIN: 00563531) as a Whole-time Director of the Bank and fixation of his remuneration – Ordinary Resolution 2. Approval of USFBL employee stock option plan 2024 and scheme II – Special Resolution	The Notice shall be disseminated separately.

The Board Meeting commenced at 02: 00 pm and concluded at 08:25 pm. The meeting continued thereafter for remaining agenda items.

This is for your information and records.

For **Utkarsh Small Finance Bank Limited**

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

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Kirtane & Pandit LLP

Chartered Accountants
601, 6th Floor,
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**INDEPENDENT AUDITORS' REPORT ON AUDIT OF HALF YEARLY FINANCIAL RESULTS
AND REVIEW OF QUARTERLY FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF
UTKARSH SMALL FINANCE BANK LIMITED**

Opinion and Conclusion

We have (a) audited the Financial Results for the half year ended September 30, 2024 and (b) reviewed the Financial Results for the quarter ended September 30, 2024 (refer 'Other Matter' section below), both included in the accompanying "Statement of Financial Results for the quarter and half year ended September 30, 2024" of **UTKARSH SMALL FINANCE BANK LIMITED** (the "Bank"), (the "Statement"), being submitted by the Bank pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations").

(a) Opinion on Half Yearly Financial Results

In our opinion and to the best of our information and according to the explanations given to us, the Financial Results for the half year ended September 30, 2024:

- i. is presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended; and
- ii. gives a true and fair view in conformity with the recognition and measurement principles laid down in Accounting Standard 25 for "Interim Financial Reporting" ("AS 25") ("Accounting Standard"), in so far as it applies 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 and other accounting principles generally accepted in India of the net profit and other financial information of the Bank for the half year then ended.

(b) Conclusion on Unaudited Financial Results for the quarter ended September 30, 2024

With respect to the Financial Results for the quarter ended September 30, 2024, based on our review conducted as stated in paragraph (b) of Auditor's Responsibilities section below, nothing has come to our attention that causes us to believe that the Financial Results for the quarter ended September 30, 2024, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, 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 and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of requirements 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.



Basis for Opinion on the Audited Financial Results for the half year ended September 30, 2024

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under Section 143(10) of the Companies Act, 2013 (the "Act"). Our responsibilities under those Standards are further described in paragraph (a) of Auditor's Responsibilities section below. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (the "ICAI") together with the ethical requirements that are relevant to our audit of the Financial Results for the half year ended September 30, 2024 under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion.

Board of Director's Responsibilities for the Statement

This Statement which includes the Financial Results is the responsibility of the Bank's Board of Directors and has been approved by them for the issuance. The Financial Results for the half year ended September 30, 2024, has been compiled from the related audited Interim Condensed Financial Statements. This responsibility includes the preparation and presentation of the Financial Results for the quarter and half year ended September 30, 2024 that give a true and fair view of the net profit and other financial information in accordance with the recognition and measurement principles laid down in the Accounting Standard prescribed under Section 133 of the Act 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 and other accounting principles generally accepted in India and in compliance with Regulation 52 and regulation 33 read with Regulation 63(2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Financial Results that give a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the Financial Results, the Board of Directors are responsible for assessing the Bank's ability, to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the financial reporting process of the Bank.

Auditor's Responsibilities**(a) Audit of the Financial Results for the half year ended September 30, 2024**

Our objectives are to obtain reasonable assurance about whether the Financial Results for the half year ended September 30, 2024, as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Financial Results.



Deloitte Haskins & Sells

Kirtane & Pandit LLP

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Half yearly Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors.
- Evaluate the appropriateness and reasonableness of disclosures made by the Board of Directors in terms of the requirements specified under Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended of the Listing Regulations.
- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Bank to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Half yearly Financial Results, including the disclosures, and whether the Half yearly Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the Half Yearly Financial Results of the Bank to express an opinion on the Half Yearly Financial Results.

Materiality is the magnitude of misstatements in the Half yearly Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Half yearly Financial Results may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Half yearly Financial Results.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



(b) Review of the Financial Results for the quarter ended September 30, 2024

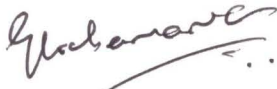
We conducted our review of the Financial Results for the quarter ended September 30, 2024, in accordance with the Standard on Review Engagements ("SRE") 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the ICAI. A review of interim financial 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 SAs specified under Section 143(10) of the Act 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.

Other Matter

The Statement includes the results for the quarter ended September 30, 2024, being the balancing figure between audited figures in respect of the half year ended September 30, 2024 and the published figures for the quarter ended June 30, 2024, which were subject to limited review by us.

Our report on the Statement is not modified in respect of this matter.

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



G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 24109839BKFTNA8687
Place: Mumbai
Date: November 09, 2024

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



Sandeep Welling
Partner
Membership No. 044576
UDIN: 24044576BKAKX3540
Place: Mumbai
Date: November 09, 2024



(₹ in lakh)

Particulars	For the quarter ended September 30, 2024	For the quarter ended June 30, 2024	For the quarter ended September 30, 2023	For the half year ended September 30, 2024	For the half year ended September 30, 2023	For the year ended March 31, 2024
	Refer Note 19	Unaudited	Refer Note 19	Audited	Audited	Audited
1 Interest Earned (a+b+c+d)	98,695.25	96,591.69	75,631.84	1,95,286.94	1,47,681.37	3,17,841.16
(a) Interest/ discount on advances/ bill	87,957.88	86,688.52	67,981.57	1,74,646.40	1,32,726.63	2,88,005.59
(b) Income on investments	6,842.54	6,069.38	5,260.50	12,911.92	9,843.74	20,933.28
(c) Interest on balances with Reserve Bank of India and other interbank funds	3,894.48	3,833.40	2,389.18	7,727.88	5,109.80	8,900.06
(d) Others	0.35	0.39	0.59	0.74	1.20	2.23
2 Other Income	10,258.50	10,464.91	10,516.92	20,723.41	19,698.56	40,034.34
3 Total Income (1+2)	1,08,953.75	1,07,056.60	86,148.76	2,16,010.35	1,67,379.93	3,57,875.50
4 Interest Expended	42,878.63	39,275.29	31,479.78	82,153.92	61,326.23	1,29,260.90
5 Operating Expenses (i)+(ii)	38,433.83	36,653.16	30,900.88	75,086.99	60,163.56	1,28,887.83
(i) Employees cost	21,073.30	20,524.16	17,656.75	41,597.46	34,685.55	73,695.13
(ii) Other operating expenses	17,360.53	16,129.00	13,244.13	33,489.53	25,478.01	55,192.70
6 Total Expenditure (4+5) excluding provisions and contingencies	81,312.46	75,928.45	62,380.66	1,57,240.91	1,21,489.79	2,58,148.73
7 Operating Profit before Provisions and Contingencies (3-6)	27,641.29	31,128.15	23,768.10	58,769.44	45,890.14	99,726.77
8 Provisions (other than tax) and Contingencies	20,834.00	12,504.14	8,325.52	33,338.14	15,991.07	33,788.14
9 Exceptional item	-	-	-	-	-	-
10 Profit for the period / year before tax (7-8-9)	6,807.29	18,624.01	15,442.58	25,431.30	29,899.07	65,938.63
11 Tax expense	1,668.17	4,884.34	4,000.66	6,552.51	7,707.63	16,175.78
12 Net Profit for the period / year after tax (10-11)	5,139.12	13,739.67	11,441.92	18,878.79	22,191.44	49,762.85
13 Paid-up equity share capital (of ₹ 10 each)	1,10,136.96	1,10,014.30	1,09,698.94	1,10,136.96	1,09,698.94	1,09,945.75
14 Reserves excluding Revaluation Reserves	-	-	-	-	-	1,87,373.08
15 Analytical Ratios						
Capital Adequacy Ratio (Refer Note 9)	22.43%	23.18%	24.82%	22.43%	24.82%	22.57%
EPS Basic (₹) (not annualised for quarters / half year)	0.47	1.25	1.17	1.72	2.27	4.79
EPS Diluted (₹) (not annualised for quarters / half year)	0.46	1.24	1.15	1.70	2.24	4.75
NPA Ratios						
Gross NPA	71,873.83	47,562.58	40,353.10	71,873.83	40,353.10	41,757.82
Net NPA*	15,996.90	4,283.16	2,164.13	15,996.90	2,164.13	448.92
% of Gross NPA to Gross Advances	3.88%	2.78%	2.81%	3.88%	2.81%	2.51%
% of Net NPA* to Net Advances*	0.89%	0.26%	0.16%	0.89%	0.16%	0.03%
Return on Assets (not annualised for quarters / half year)	0.20%	0.57%	0.58%	0.76%	1.15%	2.46%
Net Worth**	2,89,161.23	2,72,219.80	2,51,310.30	2,89,161.23	2,51,310.30	2,72,224.67
Total Debt ³ to Total Assets ratio	7.59%	8.49%	9.68%	7.59%	9.68%	8.35%
Debt Equity Ratio ⁴	0.64	0.68	0.71	0.64	0.71	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:

I. Segment information in accordance with the RBI guidelines and Accounting Standard - 17 "Segment reporting" of the operating segments of the Bank is as under:

Particulars	(₹ in lakh)					
	For the quarter ended September 30, 2024	For the quarter ended June 30, 2024	For the quarter ended September 30, 2023	For the half year ended September 30, 2024	For the half year ended September 30, 2023	For the year ended March 31, 2024
	Refer Note 19	Unaudited	Refer Note 19	Audited	Audited	Audited
1 Segmental Revenue						
(a) Retail	92,211.74	91,398.32	72,917.31	1,83,610.06	1,41,876.71	3,06,212.29
(b) Wholesale	6,004.98	5,755.50	5,581.97	11,760.48	10,549.67	21,829.87
(c) Treasury	10,737.03	9,902.78	7,649.68	20,639.81	14,953.55	29,833.34
(d) Unallocated	-	-	-	-	-	-
Less: Inter Segment Revenue	-	-	-	-	-	-
Income from Operations	1,08,953.75	1,07,056.60	86,148.96	2,16,010.35	1,67,379.93	3,57,875.50
2 Segmental Results						
(a) Retail	4,034.73	14,116.18	15,403.96	18,150.91	30,277.65	64,809.77
(b) Wholesale	279.20	927.61	(903.03)	1,206.81	(2,143.39)	(5,111.40)
(c) Treasury	2,493.36	3,580.22	941.65	6,073.58	1,764.81	6,240.26
(d) Unallocated	-	-	-	-	-	-
Total Profit before Tax	6,807.29	18,624.01	15,442.58	25,431.30	29,899.07	65,938.63
3 Segmental Assets						
(a) Retail	16,16,905.06	14,99,656.31	12,56,837.45	16,16,905.06	12,56,837.45	14,67,213.55
(b) Wholesale	2,26,202.73	2,09,674.12	1,72,287.87	2,26,202.73	1,72,287.87	1,95,843.21
(c) Treasury	7,32,946.66	7,29,575.86	4,89,711.78	7,32,946.66	4,89,711.78	6,76,446.76
(d) Unallocated	54,578.25	50,226.11	46,933.78	54,578.25	46,933.78	50,764.18
Total Assets	26,30,632.70	24,89,132.40	19,65,770.88	26,30,632.70	19,65,770.88	23,90,267.70
4 Segmental Liabilities						
(a) Retail	13,99,527.06	12,68,188.78	9,46,219.51	13,99,527.06	9,46,219.51	11,92,792.68
(b) Wholesale	7,12,976.91	6,92,125.06	5,55,486.26	7,12,976.91	5,55,486.26	6,96,180.52
(c) Treasury	2,02,512.86	2,13,966.03	1,92,475.30	2,02,512.86	1,92,475.30	2,02,127.54
(d) Unallocated	3,114.72	2,921.10	2,844.05	3,114.72	2,844.05	1,848.13
(e) Capital & other reserves	3,12,501.15	3,11,931.43	2,68,745.76	3,12,501.15	2,68,745.76	2,97,318.83
Total Liabilities	26,30,632.70	24,89,132.40	19,65,770.88	26,30,632.70	19,65,770.88	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. Statement of Assets and Liabilities as at September 30, 2024 is given below:

(₹ in lakh)

Particulars	As at	As at
	September 30, 2024	March 31, 2024
	Audited	Audited
CAPITAL and LIABILITIES		
Capital	1,10,136.96	1,09,945.75
Reserves and Surplus	2,02,364.19	1,87,373.08
Deposits	19,49,633.17	17,47,259.81
Borrowings	1,99,754.07	1,99,508.08
Other Liabilities and Provisions	1,68,744.31	1,46,180.98
Total	26,30,632.70	23,90,267.70
ASSETS		
Cash and balances with Reserve Bank of India	2,54,541.54	1,24,690.02
Balances with banks and money at call and short notice	69,979.37	1,78,056.97
Investments	4,03,267.39	3,67,946.52
Advances	18,13,168.66	16,36,480.91
Fixed Assets	32,344.57	31,157.75
Other Assets	57,331.17	51,935.53
Total	26,30,632.70	23,90,267.70



3. Statement of Cash Flow is given below:

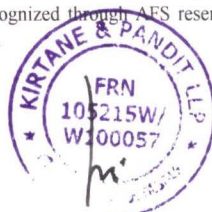
(₹ in lakh)

S.No	Particulars	For the half year ended September 30, 2024	For the half year ended September 30, 2023
		Audited	Audited
I	Cash flow from operating activities		
	Profit before taxes	25,431.30	29,899.07
	Adjustments for:-		
	Depreciation on fixed assets	3,677.19	3,103.86
	Amortization of premium on Held to Maturity Investment	942.13	1,025.55
	Write-off of non performing advances	18,313.14	17,370.21
	Provision for standard advances and other contingencies	4,807.67	1,381.69
	Provision for non performing advances (net of reversal)	10,455.89	(2,648.76)
	Loss on sale of fixed assets (Net)	5.38	8.27
	ESOP expenses of the Bank	1,106.84	300.95
	Other provisions and write off	(443.92)	(242.29)
		64,295.62	50,198.55
	Adjustments for:-		
	Decrease / (Increase) in available for sale (AFS) investments	29,765.62	1,172.25
	(Increase) in advances	(2,05,456.79)	(1,15,889.54)
	Increase in deposits	2,02,373.37	25,444.58
	(Increase) in other assets	(10,673.56)	(14,991.79)
	Increase in other liabilities and provisions	24,708.16	10,808.44
		40,716.80	(93,456.06)
	Payment of direct taxes	(6,552.98)	(8,168.17)
	Net cash flow generated from operating activities (A)	98,459.44	(51,425.68)
II	Cash flow from/(used in) investing activities		
	Purchase of fixed assets including capital work in progress	(5,127.45)	(3,079.52)
	Proceeds from sale of fixed assets	41.72	4.90
	Purchase of held to maturity (HTM) investments	(66,910.36)	(37,191.93)
	Net cash flow (used in) investing activities (B)	(71,996.09)	(40,266.55)
III	Cash flow from/(used in) Financing Activities		
	Proceeds from issue of share capital	566.89	50,413.73
	Share issue expenses	-	(1,954.21)
	Payment of dividend	(5,502.31)	-
	Net Proceeds / (repayments) from borrowings	245.99	(44,721.15)
	Net cash flow (used in) /generated from financing activities (C)	(4,689.43)	3,738.37
IV	Net (decrease)/increase in cash and cash equivalents (A) + (B) + (C)	21,773.92	(87,953.86)
V	Cash and cash equivalents at the beginning of the period	3,02,746.99	2,51,636.30
VI	Cash and cash equivalents at the end of the period	3,24,520.91	1,63,682.44

4. The above financial results for the quarter and half year ended September 30, 2024 have been reviewed by the Audit Committee at its meeting held on November 09, 2024 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 November 09, 2024.

The financial results have been subjected to audit by the Joint Statutory Auditors as required. An unmodified report has been issued by them thereon.

5. 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.
6. 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 8 below. Any circular / direction issued by RBI is implemented prospectively when it became applicable.
7. During the quarter and half year ended September 30, 2024, the Bank has allotted 12,26,595 and 19,12,095 equity shares respectively pursuant to the exercise of options under the approved employee stock option scheme.
8. 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 Rs.132.05 lakhs (post tax) and Rs. 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.



9. 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.
10. 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 current quarter ended September 30, 2024.
11. The Bank has raised debt amounting to Rs. 20,000 lakhs on June 28, 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.
12. As at September 30, 2024, the Bank carries floating provision of ₹18,973.80 lakhs (₹14,861.66 lakhs as at March 31, 2024). Due to the recent stress in the performance of the MFI 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.
13. Details of resolution plan implemented under the Resolution framework for Covid - 19 related stress as per RBI circulars dated August 06, 2020 (Resolution framework 1.0) and May 05, 2021 (Resolution framework 2.0) as at September 30, 2024 are given below:

(₹ in lakh)

Type of borrower	(A) Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of March 31, 2024	Of (A), aggregate debt that slipped into NPA during the half year	Of (A) amount written off during the half year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as Standard consequent to implementation of resolution plan - Position as at the end of September 30, 2024
Personal Loans	784.12	265.79		128.45	389.88
Corporate persons*	-				-
Of which, MSMEs	-				-
Others	326.98	67.96		185.84	73.18
Total**	1,111.10	333.75	-	314.29	463.06

*As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

Amount paid by the borrower during the half year is net of additions in the borrower amount including additions due to interest capitalisation

14. 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.
15. 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.
16. Other income includes processing fees, profit/loss on sale of investment (including provision for depreciation), recovery from loans written off and income from sale of priority sector lending certificates.
17. During the quarter and half year ended September 30, 2024, there is no transfer or acquisition of stressed loans (Non Performing Assets / Special Mention Accounts).
18. During the quarter and half year ended September 30, 2024, the Bank has not acquired/transferred any loans not in default through the assignment of loans.
19. The figures for the quarter ended September 30, 2024 and September 30, 2023 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 and June 30, 2023 respectively which were subject to review by the joint statutory auditors.
20. 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
CIN: L65992UP2016PLC082804


Govind Singh
Managing Director & CEO
DIN: 02470880



Place: Mumbai
Date: November 09, 2024



Annexure – B

Sr. No.	Particulars	Description
a)	brief details of options granted;	Not Applicable Pursuant to the recommendations of the Nomination & Remuneration Committee, the Board of Directors have, subject to approval of Shareholders, modified the existing ESOP Plan of the Bank, by creating and adding 5,50,59,115 options to the pool under USFBL employee stock option plan 2024 and scheme II.
b)	whether the scheme is in terms of SEBI (SBE) Regulations, 2021 (if applicable)	Yes
c)	total number of shares covered by these options;	Total pool size including options under the existing plan would be 11,58,00,893 (existing options 6,07,41,778 + additional options 5,50,59,115).
d)	pricing formula;	Each option issued by the Bank to the Eligible Employees would be eligible for allotment of one Equity Share of the Bank on payment of the Exercise Price. The Exercise Price shall be as determined by the Board/NRC from time to time and subject to such regulations as may be applicable from time to time (subject to conforming to the accounting policies specified in Regulation 15 of the SEBI Regulations). However, such Exercise Price in any case shall not be less than face value of the equity shares of the Bank
e)	options vested;	Nil Under the new scheme, Options granted shall vest within the minimum period of 1 (One) year and maximum period of 4 (Four) years from the date of Grant of such Options, as may be decided by the Board/Committee.
f)	time within which option may be exercised;	Maximum exercise period is 24 months from the date of vesting
g)	options exercised;	Not applicable
h)	money realized by exercise of options;	
i)	the total number of shares arising as a result of exercise of option;	
j)	options lapsed;	
k)	variation of terms of options;	
l)	brief details of significant terms;	
m)	subsequent changes or cancellation or exercise of such options;	
n)	diluted earnings per share pursuant to issue of equity shares on exercise of options;	The Earnings Per Share and Diluted Earnings Per Share is disclosed in the Financial Results for quarter & half year ended September 2024.