

Utkarsh Small Finance Bank Limited

July 02, 2025

Credit Update

Utkarsh Small Finance Bank Limited (USFBL, rated 'CARE A+; Negative') paid interest amounting to ₹3,604,546 in advance on June 27, 2025 for ISIN INE735W08020 which was due on June 30, 2025. However, interest payments totalling ₹14,238.03 (net of TDS) to three debenture holders could not be remitted due to reasons such as invalid IFSC codes, closed account number, and incorrect account details.

CARE Ratings Limited (CareEdge Ratings) notes that: (1) USFBL had sufficient liquidity on the payment date, June 27, 2025. (2) The payment failures were caused by factors beyond the bank's control and not due to any unwillingness or inability to meet obligations. (3) The unpaid amounts were transferred to a designated escrow account on June 27, 2025 (before the due date), in line with The Securities and Exchange Board of India's (SEBI's) circular dated November 18, 2024.

Name of security	ISIN	Amount to be paid	Due date of payment	Actual date of payment	Amount of payment made	Amount of payment failed	Reasons for failure of payment
Bonds-Tier-II Bonds	INE735W08020	3,604,564 (net of TDS)	30-June-2025	27-June-2025	35,90,326	4,746	Invalid IFSC
						4,746	Closed account number
						4,746	Incorrect account number

For the detailed press release of USFBL, please [click here](#).

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