

Ref No: 10/SE/CS/NOV/2025-26



Date: November 11, 2025

To,

<b>Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400001</b>	<b>Listing &amp; Compliance Department National Stock Exchange of India Limited Exchange Plaza, 5<sup>th</sup> Floor Plot No.C/1, “G” Block Bandra- Kurla Complex Bandra(E), Mumbai- 400051</b>
<b>BSE Scrip Code: 544020</b>	<b>NSE Symbol: ESAFSFB</b>

Dear Sir/ Madam,

**SUB: PRESS RELEASE ON THE FINANCIAL RESULTS OF THE BANK FOR THE  
QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2025**

Further to our letter dated November 04, 2025 intimating about the Board meeting to consider and approve the Unaudited Standalone Financial Results of the Bank for the quarter and half year ended September 30, 2025 and pursuant to Regulation 30 of the of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we enclose herewith a copy of the Press Release in this regard.

The copy of the disclosure is also being made available on the website of the Bank at <https://www.esafbank.com/investor-relation/?id=disclosure-to-stock-exchanges>.

Requesting you to take the same into your records.

Thanking you,

Yours Faithfully,

**For ESAF Small Finance Bank Limited**

**Ranjith Raj. P  
Company Secretary and Compliance Officer**

**ESAF SMALL FINANCE BANK LIMITED**

RBI License No.: MUM 124, CIN: L65990KL2016PLC045669

**Registered & Corporate Office:** ESAF Small Finance Bank Limited, Building No. VII/83/8, ESAF Bhavan, Mannuthy, Thrissur – Palakkad National Highway, Thrissur – 680 651, Kerala.

24x7 Toll Free: 1800-103-3723 Email: [customercare@esafbank.com](mailto:customercare@esafbank.com) [www.esaf.bank.in](http://www.esaf.bank.in)

## **ESAF Small Finance Bank Posts Strong secured Loan Growth and CASA momentum in Q2 FY26**

Thrissur, Kerala | November 11, 2025: ESAF Small Finance Bank, one of India's leading scheduled commercial banks headquartered in Thrissur, announced its financial results for the second quarter ended September 30, 2025, highlighting robust growth in secured assets, strong retail deposit traction, and steady progress in asset quality. .

The Bank's total business stood at **₹42,031 crore**, registering a 5.2% year-on-year growth, driven by expansion in secured lending and retail deposits. Gross advances rose to **₹19,137 crore**, up 4.3% YoY, while total deposits grew to **₹22,894 crore**, up 5.9% YoY.

Secured loan disbursements surged **161%** to **₹7,292 crore**, with secured loans accounting for **82%** of total disbursements, underscoring ESAF's focus on building a high-quality, collateralized portfolio. The gold loan book more than doubled to **₹7,500 crore** from **₹3,741 crore** a year ago, becoming a key growth driver along with Agri, MSME, Mobility and Mortgage segments. Meanwhile, the **Micro Loan portfolio** now accounts for **39%** of total advances, down from 61% a year ago, underscoring the Bank's strategic shift toward a more secured and diversified lending mix.

For the quarter ended September 2025, the Bank **narrowed its net loss to ₹116 crore**, compared to a loss of ₹190 crore in the corresponding period of the previous year, reflecting improved operational performance and portfolio resilience.

CASA balances increased **13.7% YoY** to **₹6,046 crore**, improving the CASA ratio to **26.4%** from 24.6% last year. The retail share of deposits rose further to **96%**, reflecting deep customer trust and franchise stability. Retail term deposits **grew by 10.1%**, rising from **₹14,562 crore** as of September 30, 2024, to **₹16,033 crore as of September 30, 2025**, reflecting continued customer confidence in the Bank's deposit franchise.

The Bank's Provision Coverage Ratio improved to 74.4%, and Net NPA remained stable at 3.8%. The Capital Adequacy Ratio stood at 22.4%, with Tier-I at 16.9%. During Q2 FY 26, the Bank raised Tier II Capital of ₹115 Crore and further raised ₹150 Crore during Q3.

During the quarter, ESAF added nearly two lakh new customers, taking its total customer base to **97.8 lakh** across **24 States and 2 Union Territories..**

Commenting on the results, Dr. K. Paul Thomas, Managing Director & CEO, ESAF Small Finance Bank, said: "The consistent growth in our business and the healthy rise in CASA deposits reflect the deep and enduring trust our customers place in ESAF Bank. Nearly 96% of our deposits are from retail customers—an encouraging sign of the strength of our franchise. Our secured portfolio continues to gain strong traction, driven by growth in gold, mobility, Agri and mortgage loans. These pillars position us well for sustained, quality-led expansion. We remain committed to strengthening the balance sheet, improving asset quality, and enhancing customer engagement through technology-driven initiatives. With a clear strategic focus and a resilient business model, we are confident of delivering stronger and more sustainable performance in the quarters ahead."

## Financial Highlights (Q2 FY26)

### Business Growth

- Total business grew **5.2% YoY** to ₹42,031 crore (₹39,954 crore in Q2FY25).

### Advances

- Gross advances increased **4.3% YoY** to ₹19,137 crore (₹18,340 crore in Q2FY25).
- Micro Loans and Gold Loans each contributed **39%**, with the remaining **22%** from other portfolios.
- Disbursements during the quarter more than doubled to **₹8,913 crore**, from ₹4,058 crore in Q2FY25.

### Deposits

- Total deposits rose **5.9% YoY** to ₹22,894 crore (₹21,613 crore in Q2FY25).
- CASA deposits increased **14% YoY** to ₹6,046 crore (₹5,319 crore in Q2FY25).
- CASA ratio improved to **26.4%** (from 24.6%).

### Profitability Metrics

- **Net Interest Income (NII):** ₹364 crore (₹539 crore in Q2FY25).
- **Net Interest Margin (NIM):** 5.9%.
- **Pre-Provision Operating Profit (PPoP):** ₹93 crore (₹143 crore in Q2FY25).
- **Provisions:** ₹249 crore, resulting in a quarterly loss of ₹116 crore.

### Asset Quality

- **Provision Coverage Ratio (PCR):** 74.4% (up from 73.2% in the previous quarter).
- **Net NPA:** Stable at 3.8%.

### Other Highlights

As of September 2025, ESAF SFB's distribution network stood at **788 branches** and **718 ATMs** across **24 States and 2 Union Territories**, supported by **33 Institutional Business Correspondents** and **1,110 Customer Service Centres**.

### About ESAF Small Finance Bank



ESAF Small Finance Bank Ltd (ESFB) is a scheduled commercial bank that commenced operations on March 10, 2017. Promoted by Dr. Kadambelil Paul Thomas and ESAF Financial Holdings Pvt. Ltd., the Bank follows a triple-bottom-line philosophy—People, Planet, and Prosperity—that underscores its commitment to financial inclusion and sustainable development.

ESAF focuses on serving low- and middle-income segments, empowering livelihoods, and driving inclusive growth. Today, the Bank has total gross advances of ₹191 billion and total deposits of ₹229 billion, supported by a strong nationwide network of 788 banking outlets, 1,110 Customer Service

Centres, 33 Institutional Business Correspondents, 5,041 Banking Agents, 737 Business Facilitators, and 718 ATMs across India.

**Safe Harbor Statement** Any forward-looking statements about expected future events and financial and operating results of the Company are based on certain assumptions which the Company does not guarantee the fulfilment of. These statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations include a downtrend in the industry, global or domestic or both, significant changes in the political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, technological changes, investment and business income, cash flow projections, interest, and other costs. The Company does not undertake any obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

**Contact Details :**

ESAF Small Finance Bank Ltd	Investor Relations: Orient Capital
	
<p>CIN: L65990KL2016PL65669 Sreekanth CK, Head Marketing &amp; Public Relations, Email: sreekanth.ck@esafbank.com Contact: +91 8589918282</p>	<p>Mr. Nikunj Jain Email: Nikunj.jain@in.mpms.mufg.com Contact: +91 9769060608</p>
<p>Email: investor.relations@esafbank.com</p>	

