July 21, 2026

Unity Small Finance Bank Limited: Rating withdrawn

Summary of rating action

Instrument*	Previous rated amount (Rs. crore)	Current rated amount (Rs. crore)	Rating action	Financial sector regulator#
Issuer rating	-	-	[ICRA]A- (Stable); withdrawn	-$
Total	-	-		

**Instrument details are provided in Annexure I*

#SEBI's grievance redressal/dispute resolution and SEBI investor protection mechanisms such as SCORES and ODR shall not be available for activities and instruments which fall under the regulatory purview of Financial Sector Regulators other than SEBI.

$Since no instrument is being rated, FSR is not applicable. The rating scale and definitions stipulated in SEBI Master Circular for CRAs are being followed.

Rationale

ICRA has withdrawn the issuer rating assigned to Unity Small Finance Bank Limited, at the request of the company, and in accordance with ICRA's policy on Withdrawal. ICRA does not have information to suggest that the credit risk has changed since the time the rating was last reviewed.

The key rating drivers and their description, liquidity position and rating sensitivities have not been captured as the rating is being withdrawn. The previous detailed rating rationale is available at the following link: Click here

Analytical approach

Analytical approach	Comments
Applicable rating methodologies	ICRA's Rating Methodology for Banks and Financial Institutions Policy on Withdrawal of Credit Ratings
Parent/Group support	Not applicable
Consolidation/Standalone	Standalone

About the company

Unity SFB is the 12th small finance bank (SFB) in India, promoted by the consortium of the Centrum Group and Resilient Innovations Private Limited. As a part of the revival/reconstruction of PMC Bank in June 2021, the RBI granted in-principle approval to CFSL to set up an SFB under the general guidelines for the on-tap licensing of SFBs in the private sector. The licence was issued in October 2021.

BharatPe acquired a 49% stake in Unity SFB while CFSL holds 51%. Further, as a part of this transaction, the entire business (assets and liabilities) of CFSL and CML was transferred to Unity SFB via a slump sale. CFSL serves as the holding company of Unity SFB with no other operations. Currently, Unity SFB primarily has the existing small and medium enterprise (SME)/MSME/supply chain/microfinance asset base of CFSL and CML and receives digital platform and technology support from BharatPe. Unity SFB commenced active operations from November 1, 2021 with an upfront equity base of Rs. 1,105 crore. As the second leg of this transaction, PMC Bank was amalgamated with Unity SFB in accordance with the RBI's scheme for the recovery/resolution of the same. This was completed on January 24, 2022.

Key financial indicators

Unity Small Finance Bank	FY2025	FY2026
Total operating income^	1,912#	2,056#
Profit after tax	482*	159*
Total assets	19,152	19,024
Return on average total assets	2.93%	0.83%
CET I	16.91%	13.78%
CRAR	28.75%	26.20%
Gross NPA	5.83%	5.82%
Net NPA	1.54%	2.07%

*Source: Unity SFB, ICRA Research; All ratios as per ICRA's calculations; Amount in Rs. crore; * Before fair value charges*

^ Includes net interest income and non-interest income excluding trading gains; # Amounts to Rs. 1,517 crore in FY2025 and Rs. 1,803 crore in FY2026, excluding recoveries from written-off accounts

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for past three years

	Current (FY2027)					Chronology of rating history for the past 3 years					
						FY2026		FY2025		FY2024	
Instrument	**Type**	**Amount rated (Rs. crore)**	**July 21, 2026**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**	**Date**	**Rating**
Issuer rating	Long term	-	[ICRA]A-(Stable); withdrawn	July 01, 2026	[ICRA]A-(Stable)	20-Jun-25	[ICRA]A (Stable)	21-Jun-24	[ICRA]A (Stable)	02-Aug-23	[ICRA]A-(Stable)
Bank facilities (LT – Fund based)	Long term	-			-	20-Jun-25	[ICRA]A (Stable); withdrawn	21-Jun-24	[ICRA]A (Stable)	-	-
Non-convertible debenture	Long term	-			-	-	-	-	-	02-Aug-23	[ICRA]A-(Stable); withdrawn
Bank facilities (LT/ST – Fund based)	Long term/ Short term	-			-	-	-	-	-	02-Aug-23	[ICRA]A-(Stable)/ [ICRA]A1; withdrawn
Certificates of deposit	Short term	-			-	-	-	-	-	02-Aug-23	[ICRA]A1; withdrawn

LT – Long term; ST – Short term

Complexity level of the rated instruments

Instrument	Complexity indicator
Issuer rating	Not applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional or legal aspects. Details on the complexity levels of the instruments are available on ICRA's website: Click here

Annexure I: Instrument details

ISIN	Instrument name	Date of issuance/ Sanction	Coupon rate	Maturity date	Amount rated (Rs. crore)	Current rating and outlook	Financial Sector Regulator[#]
-	**Issuer rating**	-	-	-	-	[ICRA]A- (Stable); withdrawn	-[$]

Source: Unity SFB

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Annexure II: List of entities considered for consolidated analysis

Not applicable

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ABOUT ICRA LIMITED

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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