



Utkarsh Small Finance Bank

May 09, 2026

BSE Limited

Script Code: 543942, 975790, 959644,
976203

National Stock Exchange of India Limited

Symbol: UTKARSHBNK

Dear Sir/Madam,

Sub: Press Release on the Audited Financial Results for the quarter and financial year ended March 31, 2026

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached a copy of the press release on the Audited Financial Results for the quarter and financial year ended March 31, 2026 of the Bank.

This disclosure is also available on the website of the Bank i.e. www.utkarsh.bank.in.

This is for your information and records.

Yours faithfully,

For **Utkarsh Small Finance Bank Limited**

Muthiah Ganapathy

Company Secretary & Compliance Officer

Encl.: As above

Registered & Corporate Office

Utkarsh Tower, NH-31 (Airport Road) Sehmalpur, Kazi Sarai, Harhua, Varanasi, Uttar Pradesh - 221105.
CIN: L65992UP2016PLC082804 | ☎ 0542-6605555 | 🌐 www.utkarsh.bank.in



UTKARSH SMALL FINANCE BANK LIMITED ANNOUNCES ITS RESULTS for quarter and year ended March 31, 2026

Mumbai, May 09, 2026: The Board of Directors of Utkarsh Small Finance Bank Limited approved the Financial Results for the quarter and year ended March 31, 2026, at the Board meeting held on May 09, 2026.

Key highlights of the quarter and year ended March 31, 2026:

- Disbursements grew by 46.1% QoQ in Q4 FY26 wherein JLG Disbursements grew by 58.2% QoQ and Non-JLG disbursements grew by 40.6% QoQ in Q4 FY26
- Gross Loan Portfolio grew by 5.6% QoQ to ₹19,332 crore. Share of secured lending grew from 43% as on March 31, 2025 to 51% as on March 31, 2026
- Deposits grew by 2.7% QoQ to ₹21,654 crore, CASA ratio stood at 24% in March 31, 2026 vs. 22% in December 31, 2025
- Presence across 27 States & UTs, through a network of 1,110 branches
- Net Loss of ₹188 crore in Q4, FY26 lower by 50% from Q3, FY26 loss of 375 crore.

Speaking on the results, **Mr. Govind Singh, MD & CEO, Utkarsh Small Finance Bank** said, “Q4 FY26 was a decisive quarter of strategic recalibration for the Bank, marked by a disciplined shift toward portfolio quality, secured asset expansion, and operational strengthening. The operating environment remained influenced by residual MFI stress; however, the Bank demonstrated steady progress through focused execution and structural interventions aimed at long-term resilience. During the quarter the Bank continued to prioritise stability over speed, focusing on tighter underwriting, stronger collections and a purposeful rebalancing of the portfolio mix. These actions produced tangible green shoots: disbursements improved across both JLG and non-JLG segments, JLG X-bucket collection efficiency strengthened to 99.7% in the month of March 2026 – the highest in four quarters of FY26, fresh NPA slippages (net of recoveries and upgradations) declined materially to ~₹170 crore in Q4 FY26 vs. ~₹710 crore in Q4 FY25, and the GNPA ratio improved by ~330 bps QoQ to 7.7% as of March 2026. These outcomes reflect the combined impact of field execution, targeted collection initiatives and structural interventions implemented throughout the year. A central strategic priority has been structural de-risking of unsecured exposure and a deliberate pivot to secured, higher-yield and lower-risk portfolios. Non-JLG portfolios – comprising MBBL, MSME,



Housing, BBG, etc. – registered robust momentum, with the MBBL portfolio growing by 122% YoY. Deposits mobilisation remained a key focus to support calibrated growth. The CASA + RTD ratio strengthened to 83% from 71% a year earlier. Cost of funds declined as repricing took effect, moving down by more than 45 bps YoY in Q4 FY26. To further de-risk incremental flows, the Bank registered with CGFMU for credit-guarantee coverage on eligible JLG and MBBL disbursements.

Technology investments under the Utkarsh 2.0 transformation delivered automation, digital underwriting and 360-degree monitoring capabilities that are already improving productivity and risk control. The capital position remains satisfactory following a successful ₹950 crore rights issue in November 2025, which materially strengthened Tier-1 capital. The Bank remains focused on sustaining improved collections, continuing calibrated disbursements into higher-quality segments, deepening secured lending toward a target mix, and accelerating liability mobilisation to support prudent growth. With foundational shifts underway, the Bank is positioning itself for the coming years to deliver diversified growth, healthier underwriting outcomes and long-term value creation for stakeholders.”

Financial Highlights for quarter and year ended on March 31, 2026:

- The Bank continues to focus on building granular liabilities franchise, Bank's retail term deposits grew by 19.6% YoY to ₹12,720 crore & CASA deposits grew by 10.6% YoY to ₹5,196 crore as on March 31, 2026. CASA deposits ratio increased to 24.0% as on March 31, 2026 from 21.8% as on March 31, 2025. Reflecting the Bank's focus on granular deposits, the share of institutional term deposits within its total deposits decreased to 17.3% as of March 31, 2026, compared to 28.9% on March 31, 2025. Overall Deposits grew by 0.4% YoY and 2.7% QoQ to ₹21,654 crore as on March 31, 2026, led by growth in retail term deposits.
- Bank's CD ratio was 83.4% as on March 31, 2026 vs. 86.8% as on March 31, 2025.
- The share of secured loans in overall portfolio increased to 51% as on March 31, 2026 from 43% as on March 31, 2025. Bank's loan Portfolio contracted by 1.7% YoY to ₹19,332 crore as on March 31, 2026.
- Gross NPAs declined to 7.7% as on March 31, 2026 vs. 11.0% as on December 31, 2025 (9.4% as on March 31, 2025). Net NPAs declined to 3.3% as on March 31,



2026 vs. 4.5% as on December 31, 2025 (4.8% as on March 31, 2025).

- CRAR stood at 17.71%, which is well above the statutory threshold of 15%, and Tier 1 capital at 14.98% as on March 31, 2026. In November 2025, the Bank successfully raised Equity Capital for an amount aggregating to ₹950 crore through rights issue to augment our Tier-1 capital base and meet future growth requirements.
- During Q4, FY26, the Bank reported net loss of ₹188 crore and for FY26, the Bank reported net loss of ₹1,151 crore vs. PAT of ₹24 crore in FY25.

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 commenced its operations on January 23, 2017, pursuant to the small finance banking license granted by RBI on November 25, 2016. The Bank is headquartered at Varanasi, Uttar Pradesh. 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 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 extends Joint Liability Group (JLG) loans to individuals, 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.

For more details, please contact:

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