Utkarsh CoreInvest Limited
(Formerly Utkarsh Micro Finance Limited)

ANNUAL REPORT

FY 2025-26











CIN: U65191UP1990PLC045609
RBI NBFC - CIC - NDSI Certificate: C.07.00781

WHAT'S INSIDE

Content

GOVERNANCE & LEADERSHIP

- Corporate Information
- From the Desk of MD & CEO
- Board of Directors
- Committees of the Company
- Senior Management

PERFORMANCE & REPORTS

- Management Discussion & Analysis
- Directors' Report
- Secretarial Audit Report

FINANCIALS & ASSURANCE

- Independent Auditor's Report (Standalone & Consolidated)
- Audited Financial Statements (Standalone & Consolidated)
- CEO & CFO Certificate

IMPACT & STAKEHOLDERS

- Annual CSR Report
- Institutional Investors

SECTION ONE

Corporate Information

01

Corporate Information



CORPORATE IDENTIFICATION NO.

U65191UP1990PLC045609

WEBSITE

www.utkarshcoreinvest.com

E-MAIL

secretarial@utkarshcoreinvest.com

STATUTORY AUDITORS

M/s. DMKH & Co.

[Firm Registration No. 116886W / 066580], Chartered Accountants
803-804, Ashok Heights, NICCO Circle, Near Bhuta School, Old Nagardas Lane, Gundavali, Andheri (East), Mumbai - 400069, Maharashtra, India
Tel: +91-22-26824800 / 4900

SECRETARIAL AUDITORS

M/s. S. N. Ananthasubramanian & Co.

10/25-26, 2nd Floor, Brindaban, Thane (West) - 400601, Maharashtra, India
Tel: +91-22-25345648, +91-22-25432704

COMPANY SECRETARY

Mr. Neeraj Kumar Tiwari

Membership No. 12101

REGISTRAR & SHARE TRANSFER AGENT

M/s. NSDL Database Management Limited

Unit: Utkarsh CoreInvest Limited
4th Floor, “A” Wing, Trade World, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai - 400013, Maharashtra, India
Tel: +91-22-2499 4720 / 4200

REGISTERED & CORPORATE OFFICE

S-24/1-2, Fourth Floor, Mahavir Nagar, Orderly Bazar, Near Mahavir Mandir, Varanasi - 221002, Uttar Pradesh, India

SECTION TWO

From the Desk of MD & CEO

02

From the MD & CEO's Desk

Mr. Suman Saurabh · Managing Director & CEO

As we embark on our 36th year, I am delighted to share our progress and financial performance through the 36th Annual Report of Utkarsh CoreInvest Limited. Moving into this milestone year, it is worth noting that Utkarsh CoreInvest Limited stands apart from standard financial NBFCs. As an NBFC-CIC middle-layer entity, our core structure is designed as a passive holding company for the group's financial assets.

I take this opportunity to express our heartfelt gratitude to you for your unstinted support and trust throughout our 16-year journey. Through many upheavals and challenges, your Company has successfully navigated macroeconomic waves to see its crowning achievement flourish: our banking subsidiary, Utkarsh Small Finance Bank Limited (USFBL), headquartered in Varanasi. As a listed banking entity, USFBL continues to anchor itself to the grassroots. It provides affordable, technology-enabled financial services to the unserved and underserved segments of society. This directly fulfils the financial inclusion mandates championed by the Government of India to integrate marginalized communities into the mainstream of our economy.

"Our heartbeat will always remain rooted in Varanasi and the millions of underserved individuals we empower every day."



Milestones in the Reverse Merger Process

Our banking subsidiary's journey as a listed entity has paved an exciting path for our future. To fulfil regulatory licensing mandates and optimize our corporate structure, we are actively advancing our 'Reverse Merger' process. Following the key clearances from SEBI, BSE, and NSE, we are moving forward dynamically with the Scheme of Amalgamation. This strategic transition will simplify our structure, eliminate holding layers, and unlock direct value for you, our valued shareholders, as we transition into a more unified financial powerhouse.

In the Matter of the Scheme of Amalgamation of Utkarsh CoreInvest Limited (Transferor Company) with and into Utkarsh Small Finance Bank Limited (Transferee Company).

Filing Timeline and Jurisdictional Bench

Following initial regulatory clearances from SEBI, BSE, and NSE, a joint first-motion application was submitted to the National Company Law Tribunal (NCLT). Pursuant to the subsequent order issued by the Hon’ble NCLT, Allahabad Bench, dated February 11, 2026, dedicated stakeholder meetings were formally directed.

Unanimous Stakeholder Approvals

On March 28, 2026, the NCLT-convened meetings of the equity shareholders and unsecured creditors of the bank were successfully conducted via video conferencing. The participating stakeholders unanimously approved the Scheme of Amalgamation with a 100% majority, satisfying all necessary statutory requirements under Sections 230 to 232 of the Companies Act, 2013.

Filing of the Second-Motion Petition

Moving swiftly from the scrutinizer’s reports, a Joint Second-Motion Petition was officially filed before the Hon'ble NCLT, Allahabad Bench, on April 5, 2026. This petition seeks the final sanction and judicial approval to execute the corporate restructuring.

Strategic Objective

Upon final approval by the NCLT, the amalgamation will completely dissolve the holding company layer (Utkarsh CoreInvest Limited) without winding up. This transition will seamlessly transfer direct equity ownership of the listed banking subsidiary into the hands of our shareholders, fulfilling RBI promoter dilution mandates while maximizing corporate efficiency.

Industry Overview & Macroeconomic Outlook

Industry Overview and Financial Landscape

The financial environment surrounding Non-Banking Financial Companies (NBFCs) and banking systems in India remains fundamentally sound. The RBI's financial evaluation updates throughout FY26 reinforce that the sector maintains strong capital buffers, resilient earnings, and comfortable capital adequacy parameters. While short-term challenges around asset quality and sector-specific microfinance over-lending have surfaced across the broader ecosystem, proactive risk management and enhanced collection mechanisms remain active pillars of stabilization. Your group continues to map these risks stringently through integrated oversight and structural adaptations.

Macroeconomic Outlook: Strength, Stability, and Opportunity

The Indian economy continues to project a framework of remarkable strength and stability on the global stage. As validated by the Reserve Bank of India's (RBI) Monetary Policy and Financial Stability Reports for FY 2025–26, the domestic financial system remains deeply resilient:

Balance Sheet Strength

Corporate, banking, and NBFC balance sheets are exceptionally well-capitalised, displaying high liquidity and strong asset quality.

Three-Front Stability

Structural equilibrium across price, financial, and political landscapes ensures policy certainty amidst shifting global dynamics.

The 3D Opportunities

Global and domestic investors continue to leverage India's powerful structural tailwinds - Demography, Digitalisation, and robust Domestic Demand.

Supported by these strong fundamentals and adaptive fiscal frameworks, the economy has exhibited durable resilience throughout FY26, positioning your entity efficiently for its next unified phase of growth.

Our Banking Subsidiary i.e. Utkarsh Small Finance Bank sets a milestone being 'Listed Company' during the year 2025-26 and extends its outreach in 27 states and Union Territories having an expanded network of 1110 branches across the country, bringing more than 52 lakh customers in its fold.

The focus of the Bank is to create a future for all where a financial inclusivity, self-reliance, digital access and prosperity are there to bringing a smile to unserved and underserved across its outreach. Deposit base of the Bank reached to ₹ 21,654 Crore with the CASA & Retail Term Deposit growth of 19.6% while loan book has stood at 19,332 crore with the secured loan book of 51% at year ended March 31, 2026 from 49% at the last fiscal of total loan portfolio through 1110 Banking Outlets and 373 ATMs and 787 micro ATMs pan India, spread over 27 States and 4 Union Territories, delivered by over 18,400 employee base. Gross NPA percentage (%) has reduced to 7.7% at March 31, 2026 from 9.4% of the last year ended March 31, 2025 while the Net NPA stood at 3.3% from 4.8% of the last year.

Financial Results & Net-Worth

The Bank has successfully de-risked its operations, with the secured loan portfolio strategically increasing to 51% from 49% last year and this would continue in the years to come. Driven by a geographic expansion into retail lending, this portfolio diversification is backed by an institutional focus on robust risk management and operational efficiency. By rigorously validating borrower intent, repayment capacity, and creditworthiness, we continue to reinforce our credit hygiene. This operational discipline is further anchored by a strengthened Leadership and Governance framework.

Our banking subsidiary remains focused on fortifying asset quality through a balanced approach: maximizing yields via low-risk products and driving growth in the secured lending segment. Operational resilience is further backed by rigorous collection mechanisms and a continuous drive for higher productivity. True to our core legacy, the Bank remains deeply committed to promoting financial inclusion by serving under-banked populations. As we accelerate our digital and business transformation initiatives, we maintain the highest standards of transparency, corporate accountability, and global best practices.

According to the applicable accounting standard i.e. the Ind-AS based classification and categorizations, the Company has recorded total comprehensive income of 0.08 crore on a standalone basis and (-)839.19 crore at consolidated level. The consolidated level net advances were ₹18,019 crore and the total deposits were ₹22,611 crore as at the close of the financial year. The Company's Net-worth as on March 31, 2025 stood at ₹856.54 crore comprising of paid-up equity capital of ₹99.37 crore and Reserves of ₹756.57 crore (excluding Revaluation Reserve, Investment Reserve and Intangible Assets) on standalone basis. Whereas, on a Consolidated basis, the Net-worth stood at ₹1,153.83 crore comprising of paid-up equity capital of ₹99.38 crore, Reserves of ₹1,054.45 crore and excluding non-controlling interest of ₹146.75 crore.

As at the close of the FY 2025-26, the Bank posted (as per applicable IGAAP accounting rules) a Net Profit of (-)₹1150.98 crore against ₹24 crore in the last year. The Gross Non-Performing Assets (GNPAs) reduced to 7.7% at the year ended March 31, 2026 from 4.8% of the last year and the Net Non-Performing Assets (NNPAs) was at 3.29% compared to 4.8% in FY2024-25. An increased ratio of impaired assets and shrinking PAT to double digit in comparison to previous years' bottom lines evolves a distraught but on the other hand compels for introspection and to change the strategy and, so our banking subsidiary puts-forth its steadfast steps to improve upon.

Our Shared Future

As we stand on the threshold of this historic corporate transformation, I want to reiterate that our core mission remains unchanged. The pending transition from a holding company structure to direct integration with Utkarsh Small Finance Bank Limited is designed to eliminate operational layers and optimize value for each of you. However, our heartbeat will always remain rooted in Varanasi and the millions of underserved individuals we empower every day.

I extend my deepest appreciation to our Board of Directors for their strategic guidance, to our regulatory authorities for their ongoing oversight, and most importantly, to you - our shareholders - for your enduring confidence in our vision. Together, we step into a highly integrated, resilient, and purposeful future.

Suman Saurabh

Managing Director & CEO

SECTION THREE

Board of Directors

03

Mr. G. S. Sundararajan

Non-Executive Independent Director · Chairperson of the Board

Mr. G. S. Sundararajan is presently serving on Boards of several reputed companies in the Banking and Financial Service Sector. He is also actively involved in the field of Social Entrepreneurship in advisory capacities.

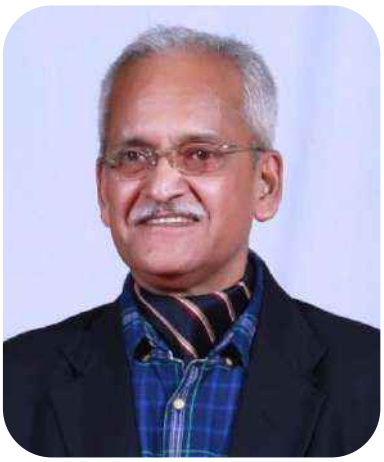


- He was till recently the Group Director, Shriram Group. He joined Shriram Group as the Managing Director of Shriram Capital Ltd., the Holding Company of Shriram Group's financial services and insurance businesses across India and overseas. Sundararajan's experience in the Asian market and his understanding of these countries and the business opportunities therein made Sanlam Emerging Markets induct him into their Board in South Africa in August 2013. In his capacity as Group Director, Mr. Sundararajan was a Director on the Board of the Group's subsidiaries to provide oversight in critical areas of strategic growth opportunities for each of these companies. Specifically, Mr. Sundararajan was responsible for the Retail and MSME business housed in Shriram City Union Finance and the life and non-life Insurance businesses, housed in the two Insurance ventures in collaboration with Sanlam, South Africa.
- Prior to his Shriram stint, Mr. Sundararajan was the CEO & Managing Director of Fullerton India Credit Company Ltd., a registered Non-Banking Finance Company catering to the financial services needs of the retail and commercial mass markets. He was also the Managing Director of Fullerton Enterprises Private Limited, a KPO, which had formed a strategic alliance with the Centurion Bank of Punjab to jointly drive the SME business.
- Mr. Sundararajan was nominated to the Boards of two Financial Services investments of Temasek in China, one in Nanjing for the SME Business and the other in Chengdu in their Village Bank franchise. He was an integral part of Temasek's vision for India in the Banking and Financial Services space that went on to become the fastest growing and largest networked Finance Company in the country.
- Earlier to this, he was the Managing Director and Head of Citibank's SME and Asset Based Finance business in India. He had an exceptional stint at Citibank where he built the SME and ABF (Asset Based Finance) business of the bank across the country. He started his career in Sales with Eicher Mitsubishi and went on to head the captive finance arm of this company in India.
- He holds a Bachelor of Engineering degree from Coimbatore and a Post Graduate Diploma in Management from the Indian Institute of Management (IIM), Ahmedabad.

The Board

Mr. Atul

Independent Director



- Mr. Atul has over three (03) decades of Administrative Service experience with focus on Security, Vigilance and Anti-Corruption. Mr. Atul is an Indian Police Service (IPS) Officer of 1976 batch.
- Mr. Atul had served as Director General of Police (DGP), Uttar Pradesh (UP), DGP CBI in charge of UP and has been in-charge Additional Director General of Police, Crime, Law and Order. Mr. Atul had stints with Personnel Wing of DGP Headquarters as in-charge of IPS and PPS officers at Uttar Pradesh.
- Mr. Atul had been awarded President's Medal for distinguished service and has been President of IPS Association in Uttar Pradesh and President of Lucknow University Alumni Association.
- He is an M.Sc. (Physics) and B.Sc. (Physics, Math & Statistics) from Lucknow University.

Mr. Aditya Deepak Parekh

Nominee Director representing Faering Capital



- Mr. Aditya Deepak Parekh is the Co-founder of Faering Capital and has over 20 years of global and Indian experience in private equity and investment banking. Mr. Aditya serves on the Board of several Faering Capital portfolio companies including Utkarsh CoreInvest Limited, Finova Capital, and Bikebazaar.
- Prior to founding Faering Capital, Mr. Aditya was Vice President at Old Lane India Opportunities Fund, a private equity fund, where he was responsible for leading investments in the Indian real estate sector and was involved in evaluating opportunities across the infrastructure and financial services sectors.
- Earlier, Mr. Aditya had worked in the Media and Entertainment Investment Banking Group at Merrill Lynch, New York for five (05) years.
- He holds an MBA from the Wharton School, University of Pennsylvania and holds a Bachelor degree in Economics from Cambridge University.

Mr. Suman Saurabh

Managing Director & CEO

- Mr. Suman has over 17 years of industry experience especially in Bank and Micro Finance domain. He has handled senior management roles in different control and support functions at Utkarsh Small Finance Bank. Prior to appointment as MD & CEO of UCL, Mr. Suman was with Utkarsh Small Finance Bank (USFBL) as Head Structured finance and Lending. Initially he had joined Utkarsh Small Finance Limited as Head Finance & Corporate Communication.

- Prior to joining Utkarsh, he was with Bhartiya Micro Credit as Director and Chief Executive Officer. He also had stint with Bharitya Harit Khadi Gramudyog Sansthan as Founding Member Secretary, YTS Solutions Private Limited as General Manager Credit Products, and Yes Bank.Limited as Vice President, Food & Agri Business Research Management, Northern Arc Capital Limited (erstwhile IFMR Capital) as Business Head North and East India, IFMR Mezzanine Finance Private Limited as Senior Analyst, Business Development and People's' Association for Research and Development as District Coordinator. He started his career as a Field Supervisor with Gramudyog Hastkala Kendra. He is a PGDRM (Post Graduate Diploma in Rural Management) from Institute of Rural Management, Anand (IRMA) and an Honours Graduate in Geography from Magadh University, Bodhgaya.



SECTION FOUR

Committees of the Company

04

Board Committees

The details of the Board Committees and the Committee Members are tabulated as under, as on March 31, 2026:

Sl.	Name of the Committee	Statutory & Regulatory Requirement	Composition of the Committee
1.	**Audit Committee of the Board (ACB)**	*Required as per the Companies Act, 2013*	1. Mr. G. S. Sundararajan, Independent Director (Chairperson) 2. Mr. Atul, Independent Director 3. Mr. Aditya Deepak Parekh, Nominee Director
2.	**Corporate Social Responsibility Committee (CSRC)**		1. Mr. G. S. Sundararajan, Independent Director (Chairperson) 2. Mr. Atul, Independent Director 3. Mr. Aditya Deepak Parekh, Nominee Director
3.	**Nomination & Remuneration Committee (NRC)**		1. Mr. Atul, Independent Director (Chairperson) 2. Mr. G. S. Sundararajan, Independent Director 3. Mr. Aditya Deepak Parekh, Nominee Director
4.	**Share Allotment Committee (SAC)**		1. Mr. Atul, Independent Director 2. Mr. Aditya Deepak Parekh, Nominee Director 3. Mr. Suman Saurabh, Managing Director & CEO
5.	**Group Risk Management Committee (GRMC)**	*Required as per RBI Directions*	1. Mr. G. S. Sundararajan, Independent Director (Chairperson) 2. Mr. Atul, Independent Director 3. Mr. Aditya Deepak Parekh, Nominee Director 4. Mr. Suman Saurabh, Managing Director & CEO
6.	**Promoter Dilution Monitoring Committee (PDMC)**	*Constituted in terms of Equity Dilution at the Banking Subsidiary ('USFBL')*	1. Mr. G. S. Sundararajan, Independent Director (Chairperson) 2. Mr. Aditya Deepak Parekh, Nominee Director 3. Mr. Suman Saurabh, Managing Director & CEO



Committee Charters

The Charters of the various Board Committees are as under:

1. Audit Committee of the Board (ACB)

The Audit Committee meets at quarterly intervals. The major responsibilities of the Committee are as under:

1. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. Review and monitoring the auditor's independence and performance and effectiveness of audit process;
3. Examination of the financial statements and the Auditors' Report thereon;
4. Approval or any subsequent modification of transactions of the Company with related parties;
5. Scrutiny of inter-corporate loans and investments;
6. Valuation of undertakings or assets of the Company, wherever it is necessary;
7. Evaluation of internal financial controls and risk management systems;
8. Monitoring the end use of funds raised through public offers and related matters.

2. Corporate Social Responsibility Committee (CSRC)

Meets minimum once on yearly basis.

The CSR Committee shall formulate and recommend to the Board an annual action plan in pursuance of this Policy, which shall include the following:

1. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
2. the manner of execution of such projects or programmes as specified in sub-rule (1) of rule 4 of the Act;
3. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
4. monitoring and reporting mechanism for the projects or programmes; and
5. details of need and impact assessment, if any, for the projects undertaken by the company;
6. the mechanism and adherence of necessary compliance under the applicable CSR Act and Rules, including for the unspent CSR Amount, if any.

3. Nomination and Remuneration Committee

The Nomination & Remuneration Committee meets minimum once in a year and also as and when required. The major responsibilities of the Committee are as under:

1. Ensuring fit and proper status of proposed / existing Directors at the Board of the Company and that there is no conflict of interest in appointment of Directors /KMPs and Senior Management;
2. Regular review of the structure, size and composition of the Board (including skills, knowledge and experience) taking into account the current requirements and future developments of the Company and making recommendations to the Board with regard to any adjustments that are deemed necessary;
3. Identification, nomination and recommendation for the approval of the Board, candidates to fill Board vacancies as and when it arises;
4. Ensuring that on appointment, all non-executive Directors receive formal written terms of appointment;
5. Review the composition of Committees of the Board and to identify and recommend to the Board, the Directors who can best serve as members of each Board Committee;
6. Recommendation to the Board, the compensation payable to the Chairperson of the Company.

4. Share Allotment Committee (SAC)

The Share Allotment Committee meets as and when required. The major responsibilities of the Committee are as under:

1. Considering and resolving grievances of shareholders, debenture holders and other security holders;
2. Allotment of Equity Shares, approval of transfer or transmission of Equity Shares, Debentures or any other securities;
3. Issue of duplicate certificates and new certificates on split / consolidation / renewal, etc.;
4. Overseeing requests for dematerialization and rematerialisation of Securities;
5. Spreading awareness amongst security holders for protection of their rights and interest(s);
6. Carrying out any other function as assigned by the Board from time to time related to security holders of the company.

Committee Charters

The Charters of the various Board Committees are as under:

5. Group Risk Management Committee (GRMC)

The Group Risk Management Committee meets at quarterly intervals. The major responsibilities of the Committee are as under:

1. Analyse the material risks to which the group, its businesses and subsidiaries are exposed. It must discuss all risk strategies both at an aggregated level and by type of risk and make recommendations to the Board in accordance with the group's overall risk appetite;
2. Identify potential intra-group conflicts of interest;
3. Assess whether there are effective systems in place to facilitate exchange of information for effective risk oversight of the group;
4. Assess whether the corporate governance framework addresses risk management across the group;
5. Carry out periodic independent formal review of the group structure and internal controls;
6. Articulate the leverage of the Group and monitor the same.

6. Promoter Dilution Monitoring Committee (PDMC)

The Promoter Dilution Monitoring Committee (PDMC) meets as and when required. The major responsibilities of the Committee are as under:

1. Capital reorganization in Utkarsh CoreInvest Limited (UCL) and / or Utkarsh Small Finance Bank Limited (USFBL) either through an 'Offer for Sale', Capital Structuring, etc;
2. Private Placement / FPO / Rights / Bonus Issue or any other permissible option as per applicable laws and regulations;
3. Listing of Banking Subsidiary, i.e. USFBL through Primary Issuance;
4. Reverse merger of UCL with USFBL, subject to RBI and other regulatory approvals.

MEETING CADENCE

Audit Committee (ACB)

Quarterly intervals

CSR Committee (CSRC)

Minimum once yearly

Share Allotment (SAC)

As and when required

Group Risk Mgmt (GRMC)

Quarterly intervals

Promoter Dilution (PDMC)

As and when required

SECTION FIVE

Senior Management

05

Senior Management



Mr. Suman Saurabh

MANAGING DIRECTOR & CEO

Over eighteen (18) years of BFSI industry experience across Investor Relations, Corporate Lending, Due Diligence, Structuring, Wholesale Banking, Credit Analysis and Fund Raising. Previously Head of the Structuring Desk at Utkarsh Small Finance Bank, and part of the IPO Team. A Rural Management Graduate from IRMA and a B.A. (Geography Hons.) from Magadh University.



Mr. Harshit Agrawal

CHIEF FINANCIAL OFFICER

Over fourteen (14) years of experience in Accounts & Finance, Taxation, Micro Credit and Internal Audit. Joined Utkarsh Micro Finance Pvt. Ltd. as a Concurrent Auditor and now oversees Finance and Accounts as CFO. A Chartered Accountant (ICAI) and Commerce Graduate from Banaras Hindu University, and a JAIIB.



Mr. Neeraj Kumar Tiwari

COMPANY SECRETARY & CHIEF COMPLIANCE OFFICER

Over twelve (12) years of experience in company secretarial and corporate compliance with Utkarsh - from its NBFC-MFI format to the present NBFC-CIC structure. A Fellow Member of the ICSI, with a law degree from Veer Kunwar Singh University, Arrah, and a member of the Varanasi Chapter of NIRC of ICSI.

SECTION SIX

Management Discussion & Analysis

06

Executive Overview and Corporate Structure

Utkarsh CoreInvest Limited. (UCL, "the Company") is a registered Core Investment Company (CIC) operating under the Reserve Bank of India's (RBI) Master Direction – Core Investment Companies (Reserve Bank) Direction 2016. In essence, the Company functions as a passive holding entity managing financial assets within its corporate group.
UCL is the promoter Utkarsh Small Finance Bank Limited (USFBL, "the Bank"). Established in 2017, the Bank's core mission is to drive financial inclusion by targeting unbanked and underbanked segments across India.

Operational Footprint and Growth Trajectory

Since launching with just four branches in Varanasi, the Bank has rapidly expanded its national footprint. Today, it operates 1,092 branch outlets spanning 27 states and 4 Union Territories.
Supported by a dedicated workforce of 18,400 employees, the Bank now serves more than 5.19 million diverse customers. On January 22, 2026, the Bank successfully completed nine full years of commercial operations.

Strategic Vision and Value System

The Bank is actively optimizing its business processes, boosting operational efficiency, and elevating customer experience through an omni-channel digital transformation.

The Vision: To build the most trusted, digitized, and socially inclusive bank that delivers value across all social strata via insightful solutions.

The Core Values: To "Reimagine, Redefine, Rise." This framework ensures the Bank remains competitive in a fast-paced market while meeting stakeholder expectations.

Regulatory Compliance and Reverse Merger Roadmap

Under RBI Licensing Guidelines, UCL must dilute its equity stake in the Bank to 40% within 5 years of launch, and further to 26% within 15 years. As of March 31, 2026, the Company held a 68.9% equity stake in the Bank

Milestones in the Reverse Merger Process

Our banking subsidiary's journey as a listed entity has paved an exciting path for our future. To fulfil regulatory licensing mandates and optimize our corporate structure, we are actively advancing our 'Reverse Merger' process. Following key clearances from SEBI, BSE, and NSE, we are moving forward dynamically with the Scheme of Amalgamation. This strategic transition will simplify our structure, eliminate holding layers, and unlock direct value for you, our valued shareholders, as we transition into a more unified financial powerhouse

In the Matter of the Scheme of Amalgamation of Utkarsh CoreInvest Limited (Transferor Company) with and into Utkarsh Small Finance Bank Limited (Transferee Company)

February 11, 2026: NCLT Allahabad Bench ordered stakeholder meetings following a joint first-motion application.

March 28, 2026: Equity shareholders and unsecured creditors unanimously approved the Scheme with a 100% majority.

April 5, 2026: Joint Second-Motion Petition filed with NCLT Allahabad Bench for final corporate restructuring sanction.

Strategic Objective: Dissolve the holding company to give shareholders direct equity ownership and meet RBI mandates.

Basis of Analysis

Because the Company operates primarily as a holding entity, this Management Discussion and Analysis. focusses on the operational performance, structural shifts, and vertical-specific initiatives of its banking subsidiary, USFBL.

This Management Discussion and Analysis is primarily deriving from the operations of, USFBL and the initiatives taken up by the different verticals of the Bank, as highlighted in subsequent paragraphs.

Indian Economy Review

Overview

India remained the world's fastest-growing major economy in FY26, with estimated GDP growth of 7.6% compared to 7.1% in FY25. Real GDP at constant prices rose to ₹322.58 lakh crore, supported by strong consumption, rising investments and broad-based sectoral momentum. Services continued to drive growth, expanding 9.0%, while manufacturing GVA grew 11.5%, reflecting strengthening industrial activity. Consumption and investment remained healthy, with both private consumption and capital investment recording growth above 7%.

Inflation remained benign, with CPI estimated at 2.1% for FY26, enabling cumulative policy rate cuts of 125 basis points to support economic activity. However, global uncertainty and capital flow volatility weighed on financial markets. The Indian rupee depreciated 9.88% against the US dollar, while foreign portfolio investors withdrew a record ₹1.8 trillion. Strong domestic institutional inflows of ₹8.55 trillion partially offset these outflows. India's market capitalisation declined to $4.5 trillion amid geopolitical tensions and global trade concerns, while gold prices surged 61.47% due to safe-haven demand.
India's fiscal and banking fundamentals remained resilient. Net direct tax collections increased 7.19% to ₹22.8 trillion, supported by formalisation and improved compliance. The banking sector demonstrated stronger asset quality, with gross NPAs declining to 2.1%, while scheduled commercial banks reported RoA of 1.3% and RoE of 12.5%.

Looking ahead, India's growth outlook remains favourable, supported by policy reforms, tax relief measures, infrastructure spending, improving credit growth, and resilient domestic demand. Despite risks from global uncertainty and energy prices, India is expected to remain a key engine of global economic growth.

(Source: MoSPI, Press Information Bureau)

Industry overview

Indian Banking Industry

India's banking sector continues to play a critical role in supporting economic growth, financial inclusion and digital transformation under the regulatory guidance of the Reserve Bank of India. Stronger underwriting standards, healthier borrower profiles and disciplined risk management have strengthened sector stability.

Gross non-performing assets (NPAs) declined to an estimated historic low of nearly 2.0% in March 2026 and are expected to remain contained at around 2.2% in FY27 despite geopolitical uncertainty, commodity volatility and currency pressures. Retail lending, which accounts for nearly one-third of total credit, also remains resilient, with gross NPAs estimated at approximately 1.3%. Housing loans continue to demonstrate strong asset quality, while corrective measures in unsecured lending have improved the performance of newer loan vintages.

The sector has also recorded strong balance sheet growth. Between 2015 and 2025, bank deposits increased "from

₹95.99 lakh crore to ₹253.32 lakh crore", while credit expanded from ₹66.91 lakh crore to ₹181.34 lakh crore, reflecting deeper financial penetration and sustained demand.

Looking ahead, the sector remains well-positioned, supported by robust capitalisation, improving asset quality and advanced digital capabilities, enabling banks to support inclusive and long-term economic growth.

RBI. (Source: PIB, Crisil intelligence)

Small Finance Banking industry

India's Small Finance Banks (SFBs) continued to demonstrate strong growth momentum in FY26, with loan portfolio growth exceeding 20%, significantly higher than overall banking sector credit growth of 13.8%. Their share in total banking credit increased from 0.4% in FY18 to nearly 1.5% in FY25, reflecting expanding relevance in underserved markets.

The sector is gradually shifting toward secured lending to improve risk-adjusted returns and strengthen portfolio quality amid stress in parts of the microfinance segment. Asset quality has shown signs of improvement, while capital levels remain comfortably above regulatory norms.

Deposit growth remained healthy with marginal improvements in CASA Ratio. Regulatory easing in Priority Sector Lending norms has improved flexibility and diversification opportunities, supporting long-term sustainable growth for the sector.

(Source: Cera rating, MoSPI, Press Information Bureau)

Microfinance industry

The microfinance sector continued to navigate the after-effects of the recent asset quality cycle in FY26, although signs of recovery began to emerge. As of April 30, 2026, the industry's total microfinance portfolio stood at ₹3.34 trillion, reflecting a 9% year-on-year decline,

while disbursement volumes during May 2025-April 2026 declined by 18%. Encouragingly, portfolio quality improved significantly, with the 30+ DPD delinquency rate declining to 2.5% from 6.4% a year earlier, supported by tighter underwriting standards and enhanced credit discipline across the industry.

Credit costs, which had risen sharply in FY25, are expected to moderate steadily over the next two years, while gross NPAs are projected to decline as portfolio performance normalises. Although growth is likely to remain measured in the near term, improving asset quality, stable liquidity conditions and stronger lending practices are expected to support a gradual recovery in AUM growth and profitability, with a broader earnings revival anticipated from FY27 onwards.

(Source: ICRA, CareEdge Ratings)

Micro, Small and Medium Enterprises (MSME)

India's MSME sector remains a key pillar of economic growth, contributing 31.1% to GDP, 35.4% to manufacturing output, and 48.58% to exports in FY26. With over 7.47 crore enterprises employing more than 32.82 crore people, the sector is the country's second-largest employment generator after agriculture.

MSMEs have demonstrated strong post-pandemic recovery, supported by rising formalisation, improved access to institutional credit, and deeper integration into supply chains. Export performance has strengthened significantly, with MSME exports tripling to nearly ₹12 lakh crore over the past five years, while NPAs declined to around ₹80,749 crore in FY25, reflecting improving financial health.

Policy initiatives, including the SRI Fund and MSME-Innovative scheme, alongside Union Budget 2026-27 measures focused on liquidity, equity access and exports, are expected to further strengthen long-term sector growth.

(Source: PIB)

Housing finance

India's housing finance sector witnessed steady growth, with the aggregate loan portfolio increasing from ₹7.9 lakh crore in FY21 to ₹9.6 lakh crore in FY25. Affordable Housing Finance Companies (AHFCs) emerged as a key growth driver, increasing their share in total HFC portfolios from 10% to nearly 18% during the period.

The AHFC segment recorded strong AUM growth of around 18% CAGR, reaching ₹1.55 lakh crore by FY25, supported by urbanisation, rising homeownership aspirations and government initiatives such as PMAY. The segment primarily serves self-employed and informal-income borrowers in semi-urban and smaller towns.

Asset quality has remained broadly stable, while strong policy support, favourable demographics and continued housing demand are expected to sustain long-term growth in affordable housing finance.

(Source: Cera rating)

Commercial vehicle & Construction equipment finance

The construction equipment finance market has recorded strong growth, driven by infrastructure expansion, rising mechanisation and increasing demand for heavy equipment financing. The global market grew from USD

63.63 billion in 2025 to USD 69.26 billion in 2026 and is expected to reach USD 98.19 billion by 2030, supported by digital finance platforms, equipment leasing and flexible financing models.

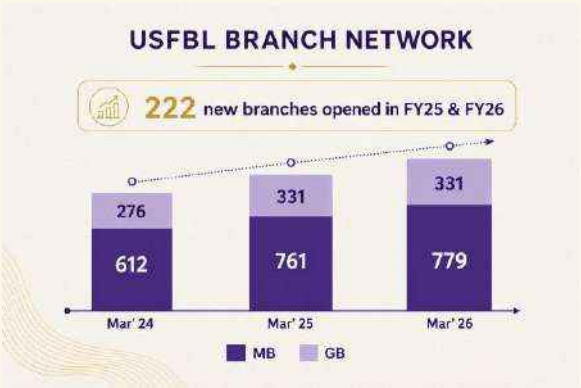
In India, the commercial vehicle financing market stood at USD 28.5 billion in 2025 and is projected to grow at a CAGR of 12.5% through 2033. Growth is being supported by infrastructure investments under PM Gati Shakti, rising fleet demand, expanding NBFC penetration in Tier II and III markets, and increasing financing demand for electric commercial vehicles.
(Source: MoSPI, Press Information Bureau)

Utkarsh Small Finance Bank Overview

Headquartered in Varanasi, Uttar Pradesh, Utkarsh Small Finance Bank Limited (USFBL) was incorporated on April 30, 2016, as a public limited company under the Companies Act, 2013. As of March 31, 2026, the bank has established a strong presence nationwide through its 1,110 banking outlets spread across 23 States and 4 Union Territories of the country. It maintains a significant presence in rural and semi-urban regions, aligning with its mission to serve underbanked communities.

This strategic focus on underserved areas has not only driven the Bank's growth but also enabled compliance with the Reserve Bank of India's directive that mandates at least 25% of branches be located in Unbanked Rural Centres (URCs). As of March 31, 2026, 27% of USFBL's outlets were situated in URCs. Over the past two financial years, the Bank has added more than 220 branches, a steady expansion that supports its ongoing business growth and strengthens its diversified operational profile.

As of March 31, 2026, Utkarsh Small Finance Bank's branch network comprised 779 Micro banking (MB) branches and 331 general banking (GB) branches. The MB branches are primarily located in rural and semi-urban areas and focus on micro-banking loans and advancing financial inclusion. In contrast, the GB branches are concentrated in metropolitan and urban centers, offering a broader range of services, including deposit mobilization and lending, having products such as MSME (retail assets) loans, housing loans, and loans for commercial vehicles and construction equipment.



USFBL is committed to advancing financial inclusion by providing access to banking services for underserved and unserved segments of society. This includes women entrepreneurs, low- to middle-income households, micro and small enterprises, and homebuyers from similar income groups.

To fulfil this mission, the bank has established a strong presence in financially underserved regions such as Bihar, Jharkhand, and Uttar Pradesh. As of March 31, 2026, these states accounted for 48% of the bank's gross loan portfolio, highlighting both its impact and the significant growth potential in these areas. USFBL actively expands its footprint across other geographies like Orissa, Madhya Pradesh and Rajasthan etc.

The bank's journey began with micro-banking operations in Uttar Pradesh in September 2009 through its promoter entity, Utkarsh Core Invest Limited (UCL). Since then, it has built a solid reputation in the microfinance sector, laying a strong foundation for long-term growth. While continuing to scale its micro-banking business, the bank is also diversifying its retail loan portfolio with products focused on MSME (Retail Assets), housing, and commercial vehicle and construction equipment (CV & CE) financing.

As of March 31, 2026, USFBL had a strong workforce of 18,400 employees, serving a customer base exceeding 5.1 million. The bank's gross loan portfolio reached ₹19,332.44 crores, reflecting continued growth and outreach.

USFBL offers a wide range of banking services in line with the mandate for small finance banks. Its product suite includes various savings and current account options tailored to meet the diverse saving and transaction needs of its customers. Embracing digital transformation, the bank provides convenient banking experiences through internet banking, mobile banking, and UPI-based transactions.

The bank's deposit base also maintained its consistent growth, rising from ₹21,565.70 crores as of March 31, 2025, to ₹21,653.98 crores as of March 31, 2026, underscoring continued customer trust and engagement.



Focus on Financial inclusion, offer a range of financial products and services that address the specific requirements of customer segments

ASSET PRODUCTS

Micro-banking (38%)

- Joint liability group loans (28%)
- Business loans (11%)

Wholesale lending (FI, BBG & TReDS) (15%)

Other retail loans (46%)

- MSME loans (retail assets)
- Housing loans
- CV/CE loans
- ODPD
- Gold loan
- Other retail loans and BC channels

LIABILITY PRODUCTS

- Current account
- Savings account
- Term and recurring deposit accounts

OTHER PRODUCTS AND SERVICES

- Insurance products
- Mutual funds
- Locker facilities
- Integrated bill payment system
- Distribution and facilitation of accounts under certain Government Schemes
- Internet banking
- Mobile banking
- ATM-cum-debit cards
- UPI payment solutions

Portfolio split % (Mar'26)

The bank is led by its Managing Director and Chief Executive Officer, Mr. Govind Singh, who brings over 25 years of experience in the banking and financial services sector. The board comprises members with diverse industry expertise, offering strategic direction that supports the bank's continued growth. Backed by a seasoned senior management team with deep industry knowledge, the bank remains focused on sustainable and responsible expansion.

Key highlights of our financial performance during FY2025-26

Network
1,110 vs. [1,092]
Banking outlets

27
States and UTs

18,400 vs. [19,779]
Employees

Assets
₹ 19,332 cr. vs. [₹19,666 cr.]
Gross loan portfolio

-1.7 %
Gross loan portfolio growth YoY

51% vs. [43%]
Share of secured loans in gross loan portfolio

Liabilities
24.0% vs. [21.8%]
CASA Ratio

₹21,654 cr. vs. [₹21,566 cr.]
Deposits

0.4% / 19.6%
Deposits / RTD growth YoY

82.7% vs. [71.1%]
CASA+Retail Term Deposit Ratio

Financial performance
Loss ₹1,151 cr. vs. Profit [₹24 cr.]
Profit After Tax

₹56 cr. vs. [₹1,007 cr.]
Pre-provisioning Operating Profit

97.0% vs. [61.6%]
Cost to Income

-4.1% / -42.1% vs. [0.1% / 0.8%]
RoAA / RoAE

Capital structure
₹2,776 cr. vs. [₹2,975 cr.]
Capital + Reserves

17.7% vs. [20.9%]
CRAR

33.4%* vs. [56.8%]
CD Ratio

Asset quality
7.7% vs. [9.4%]
Gross NPAs

3.3% vs. [4.8%]
Net NPA

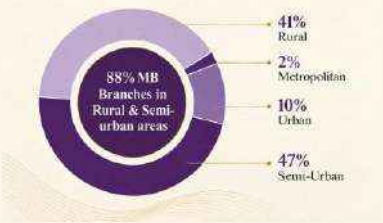
59.3% vs. [51.2%]
Provision Coverage Ratio

Figures in [] represent FY25
*CD Ratio at 76% excluding. advances against which refinance is raised

Business performance

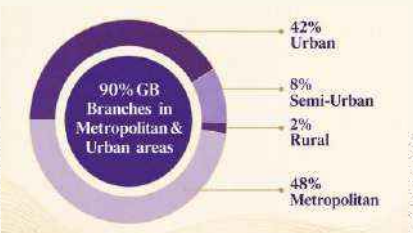
The bank has built a robust presence in rural and semi-urban areas, with approximately 65% of its branches located in these regions. Its distinctive branch network is designed to deliver customized and relevant financial solutions while maintaining operational cost efficiency. The bank's micro banking (MB) branches provide micro-credit, a range of retail loans, deposit services, and payment solutions to meet the diverse needs of its customers.

Demographic break up of MB outlets



On the other hand, GB branches focus on garnering deposits. The Bank has adopted the strategy to target the top 100 locations that can facilitate deposit mobilisation to expand its GB branches network.

Demographic break up of GB outlets



As of March 31, 2026, the bank operated its MSME (Retail assets), housing loan, and CV and CE loan verticals through 87, 62, and 46 branches, respectively. This extensive branch network not only supports a diversified customer base but also offers strong cross-selling opportunities.

During FY 2025–26, the bank delivered stable performance, with total assets growing by 3% to ₹28,869.07 crore. This positive growth reflects the bank's strategic expansion and broad portfolio of services. Utkarsh SFBL's deposits grew by 0.41% to ₹21,653.98 crore, whereas gross loan portfolio declined by 1.69% reaching ₹19,332.44 crore as of March 31, 2026.





Liabilities – Deposits

Network

The Bank has adopted a strategic focus on India's top 100 deposit centres, primarily targeting metropolitan and urban markets. It offers a comprehensive suite of services at competitive rates, catering primarily to a broad retail customer base, including senior citizens, middle-class individuals, salaried professionals and the self-employed.

The Bank has a presence across 27 States and Union Territories, operating through a network of 1,110 banking outlets. This includes 331 General Banking (GB) branches and 779 Micro Banking (MB) branches. Among the GB branches, 90% are situated in metropolitan and urban areas, with a focus on mobilizing stable and sustainable deposits. Meanwhile, 88% of the MB branches are located in rural and semi-urban regions, playing a key role in advancing the Bank's financial inclusion initiatives. Complementing this network are 373 ATMs and 787 micro-ATMs, offering cost-effective access to essential services such as cash deposits, withdrawals, and green PIN generation.

Offerings

The Bank continues to enhance its digital and fintech capabilities through both direct initiatives and strategic. partnerships. The Bank has enabled instant onboarding for term deposit accounts through video KYC on its website and via FinTech BC Partners. In addition, strategic fintech collaborations have strengthened the Bank's digital distribution capabilities, allowing term deposit products to be offered seamlessly across partner platforms.

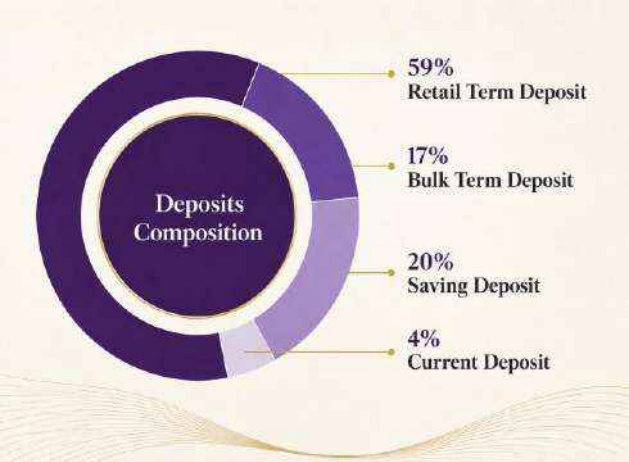
Innovative offerings have been introduced which includes Green PIN Generation through Website, Utkarsh Smart Business Account, Will Making Services, ITR Filling Services, 3-in-1 Account, NRI Savings and Fixed Deposits and Bharat Bill Payment System – Biller Operating Unit. The Bank also participates in the Aadhaar enabled payment system (AEPS) as both an issuer and acquirer, facilitating convenient cash withdrawals and access to micro-ATM services in rural and semi-urban regions.

Deposit Growth

FY25-26 has been the year of business consolidation with focus on overall business scalability, margin improvement and operational efficiency. As a result, the total deposit grew to ₹21,654 crore as of March 31, 2026 marking a year-on-year (YoY) increase of 0.4%. CASA+ Retail Term deposits reached ₹17,916 crore, led by 16.8% YoY growth. The Bank's CASA Deposits grew by 10.6% YoY to ₹5,196 crore, reaching a CASA ratio of 24.0% from 21.8% as on March 31, 2025.

Particulars	Mar'24	Mar'25	Mar'26
CASA Deposits	3,582	4,699	**5,196**
Retail Term Deposits	7,968	10,635	**12,720**
Bulk Term Deposits	5,922	6,232	**3,738**
Total Deposits	17,473	21,566	**21,654**
CASA + Retail Term Deposits	**11,551**	**15,334**	**17,916**

Deposits Composition as on March 31, 2026

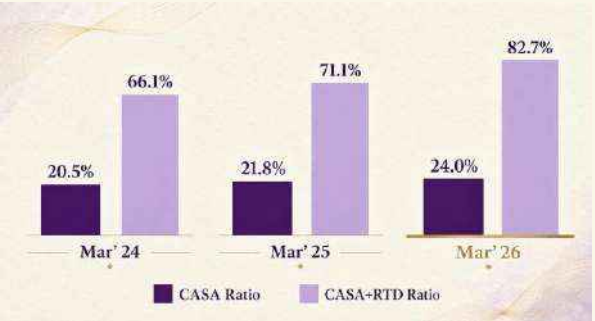


Retail term deposits (RTD) emerged as a key driver, growing by 19.6% YoY to ₹12,720 crore as of March 31, 2026. Under CASA, Current account registered YoY growth of 23.6% and Savings account registered YoY growth of 8.5%.

Key performance metrics saw notable improvements:

- CASA Ratio: 24.0%
- CASA + RTD Ratio: Improved to 82.7%
- Credit to Deposit (CD) Ratio: stood at 83.4%
- Liquidity coverage ratio (LCR) stood at 175.1%.
- Net stable funding ratio (NSFR): Stood at 117.48%

Improvement in CASA Ratio and CASA + Retail Term Deposit Ratio



Institutional Business expansion

The Bank has strengthened its institutional deposit base by intensifying efforts towards solution led acquisition and deepen relationships across the Government, TASC (Trusts, Associations, Societies, and Clubs) and Financial Institutions.

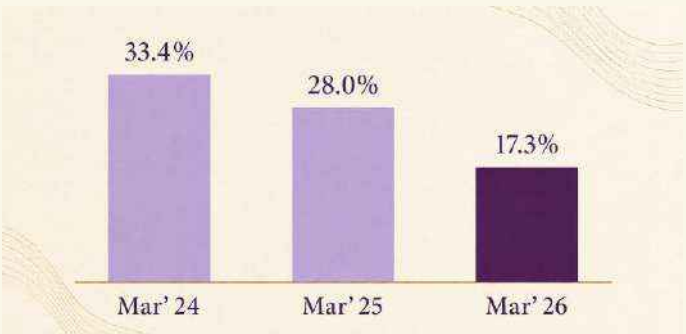
Healthy Average Balances growth

CASA average balances have grown at 16% YoY in FY26. As on March 31, 2026 CASA average balances reach 86.0% of CASA month end balances over 82.2% as on March 31, 2025.

Growth in average ticket size of acquisition

Focus has been on improving sourcing quality with 360-degree banking, improving product per customer and comprehensive customer engagement. CASA Acquisition average ticket size has improved to ₹1Lac+.



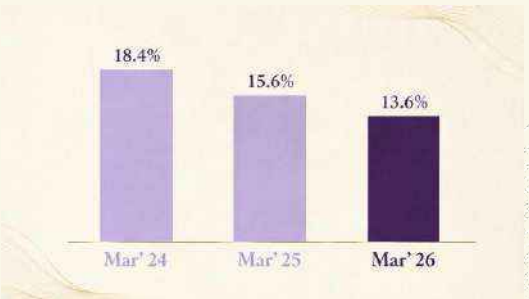


Reduced Dependency on Bulk Term Deposits

The bank has been able to reduce reliance on bulk term deposits year-on-year. Bulk term deposits stand at 17.3% total deposits over 28.9% as on March 31, 2025.

Decline in Top-20 Depositors' Concentration

Bank focused on building well-diversified deposit base. Concentration risk reduced as share of deposits from Top-20 customers brought down to 13.6%.



Geographically Well Diversified Mix of Deposits

The Bank has strengthened its institutional deposit base by intensifying efforts towards solution led acquisition and deepen relationships across the Government, TASC (Trusts, Associations, Societies, and Clubs) and Financial Institutions..

States	Deposits as on Mar'26	% share in Total Deposits	Total Banking Outlets
Andhra Pradesh	₹ 99	0.5%	**4**
Assam	₹ 92	0.4%	**2**
Bihar	₹ 1,161	5.5%	**284**
Chandigarh	₹ 307	1.5%	**3**
Chhattisgarh	₹ 189	0.9%	**24**
Goa	₹ 60	0.3%	**2**
Gujarat	₹ 976	4.7%	**20**
Haryana	₹ 1,549	7.4%	**35**
Himachal Pradesh	₹ 280	1.3%	**4**
Jammu & Kashmir	₹ 47	0.2%	**1**
Jharkhand	₹ 850	4.1%	**101**
Karnataka	₹ 480	2.3%	**10**
Kerala	₹ 422	2.0%	**11**
Madhya Pradesh	₹ 493	2.3%	**53**
Maharashtra	₹ 2,762	13.2%	**85**
Meghalaya	₹ 13	0.1%	**1**
NCT of Delhi	₹ 2,478	11.8%	**35**
Odisha	₹ 243	1.2%	**102**
Puducherry	₹ 83	0.4%	**1**
Punjab	₹ 1,194	5.7%	**10**
Rajasthan	₹ 747	3.6%	**29**
Sikkim	₹ 16	0.1%	**1**
Tamil Nadu	₹ 537	2.6%	**15**
Telangana	₹ 174	0.8%	**5**
Uttar Pradesh	₹ 3,673	17.5%	**228**
Uttarakhand	₹ 849	4.0%	**27**
West Bengal	₹ 1,210	5.8%	**17**
Total (excl. Digital FD sourced through Fintech & Bank Website)	₹ 20,984	100%	**1,110**
Digital Deposits sourced through Fintech and Bank Website	₹ 670		
Total Deposits	**₹ 21,654**		**1,110**

Product Offerings

The Bank offers a comprehensive suite of demand and term deposit products, complemented by a range of digital and utility services tailored to meet the diverse needs of its customer base. Its product portfolio caters to individuals, senior citizens, high-net worth individuals, non-residents, Micro Small and Medium Enterprises, corporates, and businesses across the retail spectrum.

Seamless digital banking solutions including internet and mobile banking, WhatsApp Banking, Unified Payment Interface (UPI), Digital Fixed Deposits, Application Supported by Blocked Amount (ASBA) and 3-in-1 Accounts are central to the Bank's technology-driven approach. Additional services such as Debit Cards, bill payments, Aadhaar seeding, interoperable card-less cash withdrawals, lockers, POS solutions, Utkarsh Vyapar merchant payment soundbox, Mutual Funds, Lockers and Remittances offered alongside insurance and asset products. The Bank has built a strong asset-liability franchise and distributes third-party products through multiple channels.

Utkarsh Vyapar is the bank's UPI acquiring solution designed to serve MSMEs, kirana stores, and small merchants, enabling seamless digital payment acceptance through interoperable UPI QR codes across all major UPI apps. During FY 2025–26, the bank processed ₹942 crore of P2M transaction value through Utkarsh Vyapar, reflecting strong merchant adoption and growing reliance on UPI-led digital payments within the merchant ecosystem.

For institutional clients, the bank provides specialized solutions such as cash management services, Smart Pay, Corporate Internet Banking, System for Pension Administration RAKSHA (SPARSH), Public Financial Management System integration and Bharat Bill Payment System - Biller Operating Unit (BBPS-BOU)—delivering a robust and comprehensive institutional banking experience.

To enhance its competitive edge, the bank has undertaken several strategic initiatives and digital revamps, strengthening its capabilities through both in-house innovation and external partnerships.

Bank pursued the following initiatives in the financial year:

Non-Resident Banking Services:
The Bank launched NRI Savings and Fixed Deposit Accounts. Non-Resident External (NRE) & Non-Resident Ordinary (NRO) Product to be offered by the bank is mentioned below:

- Utkarsh Standard NRE Savings Account
- Utkarsh Platinum NRE Savings Account
- Utkarsh Standard NRO Savings Account
- Utkarsh Platinum NRO Savings Account
- Utkarsh NRE Fixed Deposit
- Utkarsh NRO Fixed Deposit
- Utkarsh NRE Term Deposit
- Utkarsh NRO Term Deposit

3-in-1 Account
The bank under referral arrangement with Axis Securities Ltd, offers a perfect fusion of banking and investment. This 3-in-1 Account gives the convenience to Buy, Sell and Hold investments through an integrated account, where the Savings Account is with the bank and the Demat + Online Trading facilities are offered by Axis Securities Ltd.

Bharat Bill Payment System - Biller Operating Unit (BBPS-BOU)
During the year, the Bank operationalized its capability as a Biller Operating Unit (BOU) under the Bharat Bill Payment System (BBPS). This enables the Bank to offer standardized, secure, and interoperable bill collection services to institutional clients across key segments, including Corporates, Government entities, Financial Institutions, and TASC. The initiative strengthens the Bank's digital collection offerings and supports broader adoption of electronic payments.

Utkarsh Smart Business Account
A premium current account solution designed for retailers, wholesalers, and businesses with high daily cash inflow:

WhatsApp Banking
The Bank has added following utilities to WhatsApp Banking services:

Digital Channel Activation: Customers can now activate or access the following digital channels links for internet banking, mobile banking, UPI Application and Debit Card Activation via Whatsapp Banking Services.

Explore other products: Customers can express interest in a variety of banking and financial products, including Accounts, Term Deposits, Loans, Insurance, Mutual Funds, and Merchant Products.

ATM Locator: Customers can locate the nearest ATM instantly by simply sharing their current location on WhatsApp Banking.

View FD/RD: Customers can check their booked FD/RD details instantly on WhatsApp Banking.

Will Making Services
The bank has gone live with Will-Making services in partnership with QuickDox, exclusively for our premium segment customer.

ITR Filling services
The bank has gone live with ITR Filing services in partnership with Cleartax, exclusively for our premium segment customers.

As part of its fintech ecosystem expansion, the Bank onboarded Blostem FinTech as a FinTech BC Partner to enable sourcing of digital fixed deposits through fintech-led channels.

Customer Service and Digital Adoption

The Bank remains committed to delivering customer excellence by continually enhancing its technology infrastructure and service delivery processes. A well-equipped customer care center, supported by a dedicated relationship management channel, ensures efficient and personalized support across customer segments.

To streamline and elevate the service experience, the Bank has deployed several technology-driven solutions, including tab based onboarding, next-generation applications, advanced customer relationship management (CRM) systems, and video banking capabilities. These digital tools play a key role in improving responsiveness, accessibility, and overall customer satisfaction.

Assets – lending products

USFBL continues to strengthen its retail loan portfolio by focusing on a diverse mix of lending products, including micro-banking loans through the Joint Liability Group (JLG) model, micro-banking business loans, MSME (retail assets) loans, housing loans, and loans for commercial vehicles and construction equipment.

As of March 31, 2026, the bank's gross loan portfolio declined by 1.69% and stood at ₹19,332.44 crore. This decline was primarily driven by subdued performance in JLG segments including BC JLG, which registered a marked decline of 37% during FY26. However, this decline was majorly offset by a 29% growth in the Non JLG segments, including other retail loans and wholesale lending, over the same period.

Micro-banking lending

Utkarsh SFBL began its journey in September 2009 from Uttar Pradesh and has since built a strong track record in the micro banking sector. With a focused presence in rural and semi-urban regions, areas that remain largely underserved, the Bank has played a pivotal role in driving inclusive growth and expanding access to financial services.

The Bank offers Joint Liability Group (JLG) loans a group based micro credit facilities, Micro Banking Individual Loan (MBIL) designed as an intermediate product that bridges the gap between JLG and Micro-Banking Business Loans (MBBL) offerings, Micro-Banking Business Loans (MBBL) for matured JLG clients, PM SVANidhi loans tailored for street vendors, PM Vishwakarma to traditional artisans and craftspeople and CM Yuva loans for the young and budding entrepreneurs. These financial products are designed to empower low-income and underprivileged individuals who traditionally have limited access to formal banking. By supporting income-generating activities and entrepreneurial ventures, these loans have enabled many customers to improve their livelihoods and pursue their aspirations

The JLG structure fosters strong credit discipline through frequent and personal interactions with borrowers. This model not only ensures financial sustainability across economic cycles but also delivers meaningful social impact—making micro-banking a true double bottom-line business for Utkarsh SFBL.

Micro-banking loan book (in crore)



As of March 31, 2026, the Bank's micro-banking loan portfolio stood at ₹7,420 crore. Within this portfolio, the Joint Liability Group (JLG) segment moderated to ₹5,386 crore at the close of FY26, compared to ₹8,761 crore in FY25.

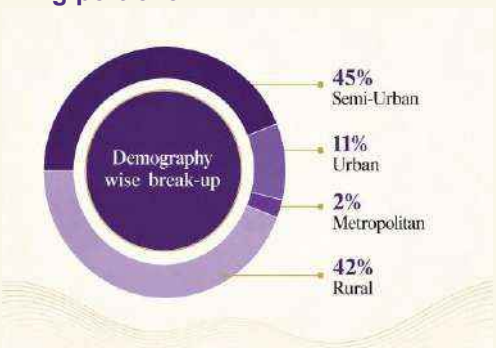
During the year, the Bank introduced a new product, MBIL (Micro Banking Individual Loan), positioned as an intermediate stage between JLG and MBBL (Micro Banking Business Loan) to bridges the gap between both product while addressing client's evolving individual financial needs.

On the other hand, the micro-banking business loan segment along with micro banking individual loan reached to ₹2,022 crores in FY26 from ₹910 crores in FY25, reflecting a year-on-year increase of 122%. This uptick was largely driven by onboarding seasoned JLG borrowers.

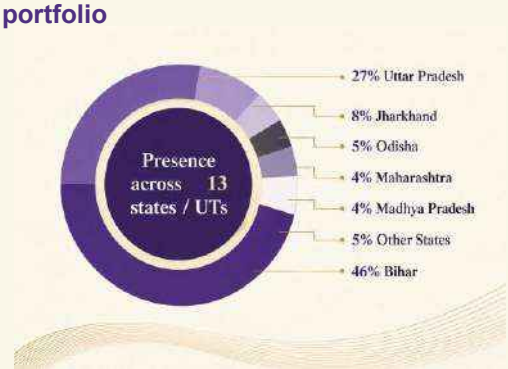
Looking ahead, the Bank anticipates a positive momentum in JLG lending volumes alongside robust growth in individual loan and business loan advances, underpinned by its established reach in regions that remain underserved. The Bank's tech-led initiatives—ranging from fully digital loan and savings account onboarding to services like e-KYC, Aadhar based e-signatures, personalized QR-based collections, and micro-ATMs, AePS (Aadhar Enabled Payment System) —are expected to reinforce a scalable and efficient operating model.

As of the fiscal year-end, the micro-banking portfolio extended across 13 states and union territories with Bihar and Uttar Pradesh continuing the core geographies, catering to over 19 lakh clients. The Bank's presence spans 184 districts and is supported by a network of 788 dedicated Micro Banking branches (including combo branches).

Demography wise break-up of bank's micro-banking portfolio



State-wise break-up of bank's micro-banking portfolio



The Bank offers cashless disbursement for all micro-banking loans, ensuring that funds are directly credited to the customer's bank account. In line with its digital-first strategy, the Bank is actively expanding cashless collections. To support this initiative, the newly introduced product MBIL is designed as a fully cashless collection system, enabling digital collections primarily through Standard Instruction (SI), customer-specific QR codes and the Bill Desk payment gateway.

This transition is expected to significantly increase the adoption of cashless transactions, reduce operational risks associated with handling physical cash, and enhance the productivity and efficiency of field staff. Additionally, the cashless payment model offers customers greater convenience, improved security, and a seamless repayment experience.

Onboarding micro banking clients is streamlined through E-KYC and E-sign processes, optimizing operational efficiency and ensuring a swift and seamless onboarding experience, ultimately offering a superior customer experience.

Amount in ₹ Cr

Break up of micro-banking portfolio	Mar-25	Mar-26
Joint liability group loans	₹8,761	₹5,386
Micro-banking business loan	₹910	₹2,022
PM SVANidhi,PM Vishwakarma & CM Yuva	₹9	₹12
Total micro-banking portfolio	₹9,679	₹7,420

Joint Liability Group (JLG) loans

The Bank offers Joint Liability Group (JLG) loans to clients for income-generating activities, leveraging a group-guarantee model that allows individuals to access loans without the need for collateral or security. This model encourages borrowers to foster credit discipline through mutual support, promoting responsible financial behaviour within the group and ensuring timely loan repayment.

The primary target segment for these loans is women in households engaged in existing or potential income-generating activities. The loan methodology includes regular centre meetings either fortnightly or bi-fortnightly and stepped-up loans, which increase each time a client successfully repays a loan, demonstrating good credit discipline and a need for larger loans.

As on March 31, 2026, all the bank's JLG loan customers were women, with loans ranging from H 6,000 to H 75,000 to support various income-generating ventures.

Micro Banking Business Loans (MBBL)

To meet the evolving and higher funding requirements of customers who have successfully completed multiple loan cycles, the Bank offers Micro Banking Business Loans (MBBL) to its matured Joint Liability Group (JLG) borrowers. As of March 31, 2026, the Bank had a strong base of over 16 lakh JLG borrowers, while the MBBL customer base of over 2.6 lakh.

The Bank's MBBL loan portfolio grew to ₹2,022 Crore as of March 31, 2026. Supported by its long-standing experience in JLG lending and a large pool of seasoned borrowers, the Bank continues to witness robust growth in this segment, contributing meaningfully to the overall credit growth during FY26. Further, as MBBL loans are predominantly extended to existing customers with a demonstrated track record of timely repayments, asset quality in this portfolio has remained healthy and stable.

To further expand its reach and diversify its customer base, the Bank launched a new MBBL product in January 2026, aimed at catering to non existing customers and facilitating acquisition of new clients.

PM SVANidhi loan scheme

With the objective of supporting the livelihood restoration of street vendors, the Ministry of Housing and Urban Affairs launched the Prime Minister's Street Vendor's AtmaNirbhar Nidhi (PM SVANidhi) loan scheme.

PM Vishwakarma Loan Scheme

The PM Vishwakarma Loan Scheme is for traditional artisans and craftspeople with the aim of providing them holistic support, including access to credit, skill training, modern tools, digital transaction incentives and market linkages.

CM Yuva Loan Scheme

"CM Yuva Loan Scheme" is a state-government entrepreneurship scheme (not one single central scheme). Different states like Uttar Pradesh, Bihar, Madhya Pradesh, etc. run their own version to help youth start businesses. The purpose of the scheme is to promote entrepreneurship and self-employment.

Saving and pension, health insurance products for micro-banking clients

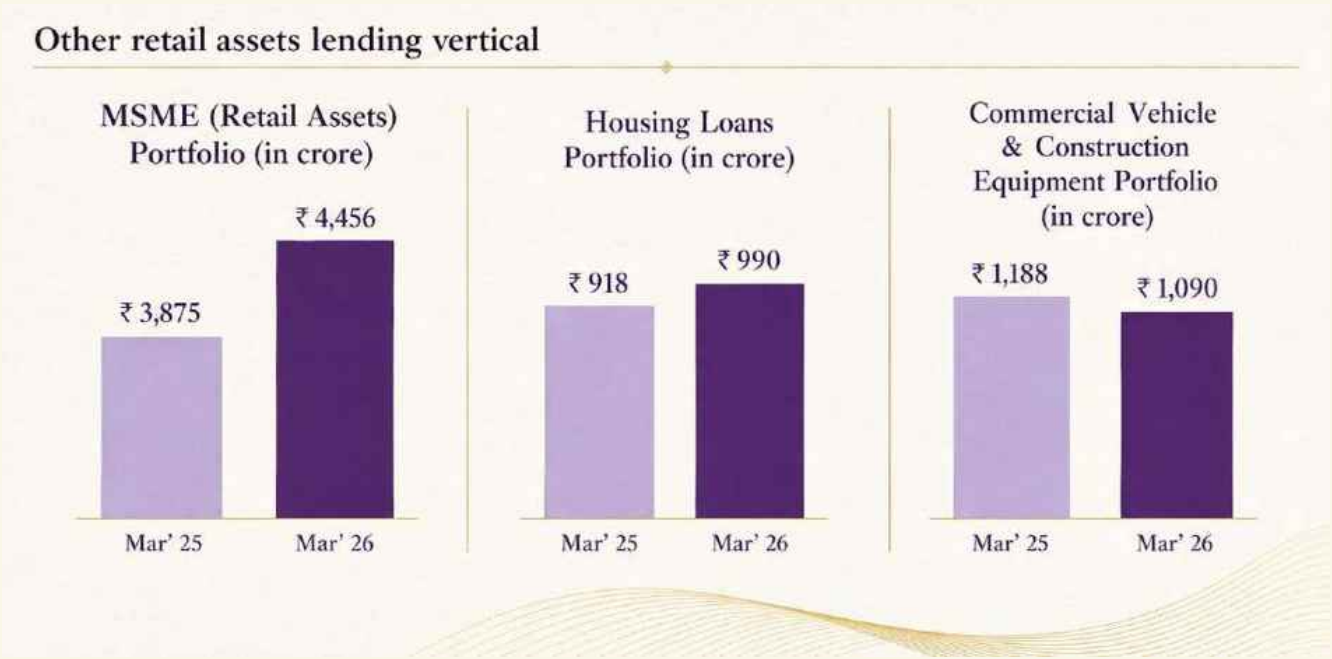
As of March 31, 2026, the Bank had opened more than 26 lakh basic savings bank deposit accounts (BSBDA), aimed at offering appropriate savings and financial products to microfinance borrowers while encouraging a habit of saving.

To further promote financial security among its customers, the Bank offers the Atal Pension Yojana (APY) to savings account holders aged 18 to 40 years. Acting as both a point of presence and aggregator, the Bank enrolls subscribers under the National Pension System framework, supporting long-term savings.

The Bank also provides Hospicash, a health insurance product that covers hospitalization expenses and also compensates for wage loss incurred by micro-banking customers during hospitalization, thereby offering both financial protection and income continuity.

Other retail and wholesale lending book

The bank has consistently focused on building a well-diversified retail loan portfolio, catering to the varied financial needs of its customers. Over time, it has developed a comprehensive suite of retail loan offerings, including MSME (retail assets), housing loans, commercial vehicle (CV) and construction equipment (CE) loans, among others. The bank's core geographies—Bihar, Uttar Pradesh, and other states—continue to offer substantial growth opportunities for these products as well.



MSME (retail assets) loans

The bank offers a range of lending products to MSMEs, including secured and unsecured business loans, Micro LAP, and overdraft facilities. During FY 2025–26, the bank expanded its MSME loan footprint to 87 branches, driving a modest 15% year-on-year growth in its MSME loan book—from ₹3,874.53 crore in FY 2024–25 to ₹4,455.93 crore in FY 2025–26. The modest increase in the MSME portfolio was due to Bank's focus on consolidation of the

business in the geography of its presence. The MSME portfolio remains predominantly secured, with over 95% of loans backed by collateral, and the average ticket size ranging between ₹25 lakh and ₹35 lakh.

Housing loans

The housing finance segment remains a key driver of economic growth in India. USFBL continues to strengthen its presence in this space by offering affordable housing loans to both salaried and self-employed individuals across formal, informal, and semi-formal income groups. As of March 31, 2026, the bank provides housing loans through 62 branches.

During FY 2025–26, the housing loan portfolio grew by 8%, increasing from ₹918.29 crore to ₹989.55 crore. This growth can be attributed to the Bank's consistent focus on building the housing loan book, large network of branches offering housing loans. 58% of our housing loan portfolio comprise loans having ticket size upto ₹35 lacs.

Commercial vehicle (CV) and construction equipment (CE) loans

Commercial vehicle (CV) and construction equipment (CE) loans continue to be among the key retail lending products for banks and NBFCs across India. USFBL provides financing for both new and used commercial vehicles & construction equipment as well as construction equipment, with used vehicle & construction equipment loans accounting for 11.9 % of the total CV & CE loan book as of March 31, 2026.

The Bank primarily serves small fleet operators, focusing on core geographies such as Bihar, Jharkhand, and Uttar Pradesh—regions that remain relatively underserved but offer strong growth potential. Moreover, markets like Haryana, Delhi NCR and Rajasthan are emerging as attractive opportunities for expansion.

With CV & CE loans currently being disbursed through 46 branches, the Bank's loan portfolio in this segment declined from ₹1,188.13 crore in FY 2024–25 to ₹1,090.42 crore in FY 2025–26. Book has de-grown by ₹ 97.71 crores in March 31, 2026 as compared to March 31, 2025 mainly due to heightened focus on portfolio management to control the delinquency in the portfolio. The Bank exited few locations where Portfolio was not performing as per expectation in order to improve the overall Wheels Portfolio Quality.

Business correspondent (BC)

USFBL introduced the business correspondent (BC) model in FY 2017–18 to expand its reach into untapped geographies and diversify its loan portfolio. Under this model, BC partners operate as an extended arm of the bank—acquiring, managing, and servicing customers while adhering to the bank's internal governance policies and procedures.

The bank leverages BC partnerships across multiple products, including Joint Liability Group (JLG) loans, small business loans, personal loans, and supply chain finance. As of March 31, 2026, BC partners collectively manage a loan book of ₹1,218.24 crore attributing to 6.30% of Gross Loan Portfolio.

Wholesale lending (WSL)

USFBL's wholesale loan (WSL) portfolio grew by 33.08% in FY 2025–26, rising from ₹2,239.73 crore as of March 31, 2025, to ₹2,980.66 Crore by March 31, 2026. The this growth, the WSL portfolio's share in the bank's total loan book grew from 11.4% to 15.4%, in line with the bank's strategic intent to maintain the WSL share at similar levels going forward.

The wholesale loan portfolio comprises lending to financial institutions (WSL FI), business banking loans extended to small corporates and receivable financing through TReDS platform managed by RBI.

Break up of wholesale loan portfolio	Mar-25	Mar-26
WSL FI lending	1,337	1,602
Business banking group (BBG)	903	1,074
TReDS	-	304
Total WSL portfolio	2,240	2,981

Amount in ₹ Cr

WSL FI lending

USFBL commenced its wholesale lending to financial institutions (WSL FI) in FY 2017–18, aiming to diversify its loan portfolio and extend its geographic reach by leveraging its strong expertise in retail lending. Under this segment, the bank offers loan facilities to non-banking financial companies (NBFCs), housing finance companies (HFCs), NBFC-MFIs, and other entities engaged in financial services, primarily to support their on-lending requirements.

As of March 31, 2026, 76% of the WSL FI loan book comprises loans extended to entities rated 'A-' category or higher by external credit rating agencies, while the remaining 24% is allocated to entities rated in the 'BBB' category or lower.

Rating wise WSL FI portfolio break up



Business banking group (BBG) lending

USFBL extends both short-term and long-term loan facilities to small and medium enterprises (SMEs) and other entities engaged in manufacturing, services, or trading activities. These loans are designed to support working capital needs and business expansion plans. In addition to fund-based lending, the bank also offers non-fund-based products such as bank guarantees under its wholesale lending portfolio.

The loans typically range from ₹1 crore to ₹10 crore and are primarily secured by immovable property as collateral.

TReDS(Trade Receivable Discounting System)

USFBL has expanded its presence in receivables financing through the Trade Receivables Discounting System (TReDS), a platform regulated by the Reserve Bank of India (RBI) that facilitates the discounting of MSME receivables. Under this framework, the Bank finances approved invoices, with the underlying credit exposure primarily on the buyers (corporates/anchors), which may include both MSMEs and large corporates.
For the Bank, TReDS represents a relatively secure short-term lending avenue, driven by the credit profile of the buyers and the structured nature of the platform. For MSMEs, it enables timely realization of receivables, thereby improving liquidity and working capital cycles.

Business Strengths and Strategies

Strong microfinance expertise and rural reach: USFBL draws on the legacy and deep experience of its promoter company, UCL, to address the financial needs of unbanked and underbanked communities. Serving the underserved is a core element of the bank's vision. With a strong foundation in microfinance and an extensive presence in rural and semi-urban areas, USFBL is well-positioned to tap into growth opportunities in regions that remain relatively underpenetrated.

Expanding and diversifying the retail asset portfolio: USFBL remains focused on diversifying its retail asset portfolio to better serve the evolving financial needs of customers, particularly from unserved and underserved segments. The bank aims to offer a comprehensive suite of retail loan products to address varying customer requirements across segments.

Driven by healthy growth in other retail loan categories, the share of micro banking loans in the bank's gross loan portfolio declined from 49% in March 2025 to 38% in March 2026. This trend of decline in share of micro-banking portfolio is expected to continue over short to medium term.

Strengthening deposit base through retail-centric growth: USFBL offers a comprehensive suite of demand and time deposit products, including savings accounts, recurring deposits, and fixed deposits—designed to meet the needs of a diverse retail customer base at competitive interest rates. The bank continues to prioritize deposit granularity, with a strong emphasis on growing its current account and savings account (CASA) base, along with retail term deposits.

As of March 31, 2026, the bank's CASA and retail term deposit portfolio stood at ₹17,916.28 crore, accounting for 82.74% of total deposits—an increase from ₹15,334.16 crore or 71.10% as of March 31, 2025. This consistent growth reflects USFBL's strategic focus on building a stable, retail-led deposit base.

Broadening distribution network with significant cross-selling :opportunities; Leverage Bank's extensive franchise and presence further: As of March 31, 2026, the bank operates an extensive physical network of 1,110 banking outlets, 723 are located in rural and semi-urban areas, aligning with USFBL's core vision of financial inclusion. The Bank has opened more than 220 branches during last two financial years FY25 & FY26, providing services to a diversified clientele. Furthermore, our franchise as well as large customer base, in addition to the implementation of LeMS offers significant cross-sell opportunities.

Prioritizing risk management and operational efficiency: Risk management is a central focus of the bank's operations. USFBL has implemented a robust and comprehensive credit assessment and risk management framework designed to identify, monitor, and manage risks across various areas, including credit, market, liquidity, IT, and operational risks.

The bank employs a range of risk parameters, including real-time monitoring of regulatory changes and market trends both nationally and internationally. It frames policies, guidelines, and products in line with industry best practices, defines acceptable portfolio risk limits for each product, and utilizes an early warning system to track sector performance and establish boundaries for fund allocation to specific industries.

The bank's effective credit risk management is evidenced by its strong portfolio quality indicators. Moreover, the bank maintained a healthy provision coverage ratio (PCR) of 59.31% as on March 31,2026.

The bank's success in managing these risks can be attributed to its efficient management team, composed of highly qualified and experienced professionals. Their deep industry knowledge enables the bank to navigate challenges effectively, fostering a resilient and consistent franchise.

Pioneering technological advancements and expanding digital offerings: The Bank harnesses advanced, cost-effective technology to streamline its operations and improve efficiency. USFBL is committed to strategically investing in technology to optimize operations, reduce costs, and drive greater efficiency. Moreover, the Bank encourages customers to transition from assisted services to a self-service delivery model. By continuing to invest in cutting-edge technology, USFBL aims to enhance the customer experience and provide a range of tailored financial products that meet diverse customer needs.

Strategic business technology transformation project

In line with the Bank's strategic priorities of customer centricity, operational efficiency, and digital maturity, a comprehensive Business and Technology Transformation Program was undertaken in the previous year. A Transformation Management Office (TMO) was established to ensure disciplined execution and strong governance.

Phase I of the program was successfully delivered, resulting in the rollout of critical technology platforms, enhanced digital onboarding and automation, and the creation of a scalable, future ready technology foundation aligned with industry best practices.

With the completion of Phase I, the Bank is now progressing to Phase II including focus on Business Process Re- engineering (BPR). This phase aims to systematically review and redesign business and operational processes to fully leverage technology investments, improve system effectiveness, and optimize resource utilization. The BPR initiative will emphasize process simplification, deeper automation, turnaround time improvement, and elimination of redundancies—reinforcing the Bank's commitment to building a resilient, cost efficient, and future ready organization.

Commitment to financial inclusion and focus on priority sector lending

The Reserve Bank of India (RBI) mandates that small finance banks (SFBs) allocate 60% of their loan portfolio to priority sector lending (PSL), compared to 40% for universal banks. Given the bank's legacy of serving under-banked populations and promoting financial inclusion, USFBL comfortably meets these PSL requirements. The Bank monetizes its surplus PSL portfolio through the sale of priority sector lending certificates (PSLCs), inter-bank participatory certificates (IBPC), or portfolio sell-downs.

As of FY 2025-26, after accounting for the sale of PSLCs and IBPC, the bank's PSL achievement (based on quarterly averages) stood at 71.02%, significantly exceeding the RBI's minimum requirement of 60%. This surplus PSL portfolio allowed the bank to earn non-interest income from PSLCs, with PSLC income totalling ₹87.11 crore in FY 2025-26.

Moreover, USFBL continues to comply with RBI norms for SFBs, ensuring that loans with a ticket size of up to ₹25 lakh constitute no less than 50% of its total loan portfolio. The Bank's lending to the ticket size of less than ₹25 lakh was at 58.62% of the gross loan portfolio, as on March 31, 2026.

Asset quality

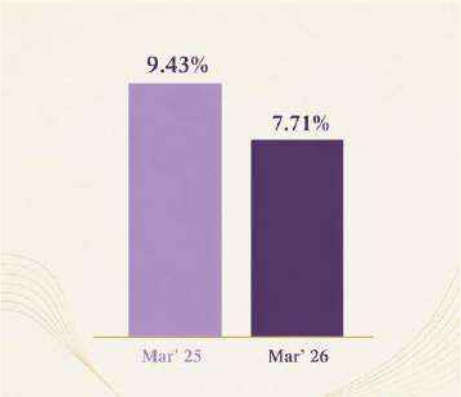
Bank's Gross NPA decreased from 9.43% as on March 31, 2025 to 7.71% as on March 31, 2026. Bank's Net NPA decreased from 4.84% as on March 31, 2025 to 3.29% as on March 31, 2026. The Bank has strengthened collections team by adding more manpower as well as separate team for bucket wise and vertical wise collections. The Bank has also implemented EBIX collection application for better tracking of our collection efforts. These have strengthened Bank's collection efforts and are likely to support asset quality & collection efficiency.

Last year, the Bank was carrying floating asset provision of ₹189.96 Crore and during the year pursuant to the approval from Reserve Bank of India (RBI), the Bank had fully utilized the floating asset provision as per relevant RBI regulations. Consequently, the provision for NPA ("Provisions and Contingencies") had been adjusted by ₹189.96 Crore for the year ended March 31, 2025 whereas we do not have any floating asset provision for the year ending March 31, 2026. On an overall basis, the Bank had provision coverage ratio of 59.31% as of March 31, 2026, against 51.18% for FY 2024-25.

Provision coverage ratio



Gross NPA



Financial Performance

The bank recorded a muted financial performance in FY 2025-26. It reported an annual operating profit (pre-provision) of ₹56 crore and annual profit / (loss) after tax (PAT) of (₹1,151) crore for the year.

Key Performance Indicators (KPIs)	FY 2025-26	FY2024-25
OPERATIONS		
Banking Outlets	1,110	1,092
Gross Loan Portfolio (₹ in crore)	19,332	19,666
Secured Advances as % of Gross Loan Portfolio	51.00%	43.42%
Total Deposits (₹ in crore)	21,654	21,566
CASA Ratio (%)	24.00%	21.79%
CASA + Retail Term Deposits (as % of Total Deposits) (%)	82.74%	71.10%
CAPITAL		
Capital + Reserves (i.e. Net Worth) (₹ in crore)	2,776	2,975
Total Capital Ratio (CRAR) (%)	17.71%	20.93%
Tier 1 Capital Ratio (%)	14.98%	17.88%
Cost of Deposits (%)	8.02%	8.16%
Cost of Funds (%)	8.08%	8.21%
ASSET QUALITY		
Gross NPA (%)	7.71%	9.43%
SMA 1 %	2.21%	2.26%
SMA 2 %	1.29%	1.77%
Provision Coverage Ratio (excl. Technical Write-offs) (%)	59.31%	51.18%
Standard Restructured Advances (%)	0.06%	0.03%
Net NPA (%)	3.29%	4.84%
PROFITABILITY		
Net Profit (₹ in crore)	(1,151)	24
Yield on Advances (%) (basis Gross Loan Portfolio)	15.05%	17.85%
Net Interest Margin (%)	5.42%	7.98%
Credit Cost Ratio (%)	8.24%	5.16%
Operating Expenses to Total Average Assets (%)	6.67%	6.26%
Cost to Income Ratio (%)	97.05%	61.61%
Return on Total Average Assets (%)	(4.14)%	0.09%
Return on Average Equity (%)	(42.11)%	0.79%
OTHERS		
Basic EPS	(8.37)	0.22
Net Asset Value per Equity Share	15.60	27.00

Income and expenses

The Net interest income (NII) of the bank declined by 27% from ₹2,022.86 crore in FY 2024-25 to ₹1,476.74 crore in FY 2025-26. The decline in NII in FY 2025-26 was majorly due to substantial decline in high yield MB JLG portfolio during the year. Bank's NIMs declined by 257 bps from 7.98% in FY 2024-25 to 5.42% in FY 2025-26.

The other income of the bank witnessed a decline of 28.15% from ₹599.83 crore in FY 2024-25 to ₹430.97 crore in FY 2025-26 mainly due to loan processing fee which has declined by ₹162.50 crore, PSLC income by ₹28.05 crore, Recovery from written off accounts declined by ₹22.38 crore and income from cross-selling of third-party products also declining by ₹9.53 crore partly offset by increased income from Gain on sale of securities ₹29.16 crore and fee-based & transaction income by ₹24.58 crore. Further, higher processing fee in 2024-25 was augmented by change in a/c policy wherein upfront loan processing fee was booked instead of being amortised over loan tenure resulting in booking of additional loan processing fee income of H 165 crore.

The operating expenses of the bank increased by 14.58% during FY 2025-26 primarily on account of full year impact of significant expansion in franchise (>220 new branches during FY 2024-25 and FY 2025-26). Cost-to-income ratio of the bank remains significantly higher at 97.05% in FY 2025-26.

Pre-provisioning operating profit (PPoP) of the bank declined by 94.40% year-on-year to ₹56.35 crore in FY 2025-26 as compared to ₹1,006.93 crore in FY 2024-25.

Overall credit cost was 8.24% for FY 2025-26.

Profit after tax and dividend

Bank incurred a loss of ₹1,151 crore in FY 2025-26 compared to a profit of ₹24 crore in FY 2024-25 . The return on average assets (ROAA) was at (4.14)% during FY 2025-26 and return on equity was (42.11)% in FY 2025-26.

Credit-deposits ratio

Bank's credit-deposits (CD) ratio declined from 86.8% as on Mar-25 to 83.4 % as on Mar-26 and the bank targets to reduce CD ratio further.

NPA

The bank's gross NPAs declined from 9.43% as on March 31, 2025 to 7.71% as of March 31, 2026. The net NPAs declined from 4.84% as of March 31, 2025 to 3.29% as of March 31, 2026. The bank is holding provision coverage of 59.31% as of March 31, 2026.

CRAR

The Bank's capital plus reserves declined by 6.69% from ₹2,974.50 crore as on March 31, 2025 to ₹ 2,775.60 crore as on March 31, 2026.

The bank's capital to risk weighted asset ratio (CRAR) stood at 17.71% as on March 31, 2026 compared to 20.93% as on March 31, 2025. Further, the Tier-I CRAR of the Bank stood at 14.98% as of March 31, 2026, compared to 17.88% as of March 31, 2025.

Particulars	2025-26	2024-25
CRAR	17.71%	**20.93%**
Tier-I	14.98%	**17.88%**
Tier-II	**2.73%**	**3.05%**

Credit ratings

The Bank's certificate of deposits programme is rated, at the highest credit rating grade, [ICRA] A1+ by ICRA Limited. As on March 31, 2026, the Bank's long-term subordinated bonds were rated at A (Negative) rating by ICRA and CARE Ratings. Negative Revision in the outlook reflects continued stress in the microfinance segment, affecting USFBL's asset quality and profitability

Rating agency	Facilities	Credit rating
ICRA limited	Certificate of deposit	**[ICRA] A1+**
	Subordinated debt programme	**[ICRA] A (Negative)**
CARE ratings	**Long term tier II bonds**	**CARE A (Negative)**



Outlook

The reported year has been an year of mixed performance for the Bank. In case of MB portfolio, Micro Banking Business Loan(MBBL) & Micro Banking Individual Loans have shown good traction over the year increasing by 122% whereas lingering effect of legacy stress continues to mar performance of Joint Liability Group segment which has declined by 38.5% in FY26. Non MB portfolio has also increased by 19.3%, particularly Gold Loan and secured Credit Cards etc have shown better than anticipated performance. We are witnessing a consistent increase of secured loans in our portfolio mix, now constituting 51% of gross loan advances. The Bank intends to leverage wide base of existing customers in the unserved and underserved areas by extending product offerings from JLG loans to individual loans, affordable housing and other newer products. Liabilities have also undergone a positive change in terms of composition with CASA+RTD constituting 83% of our total deposits. The Bank also witnessed improvement in asset quality. The Bank believes that there are significant growth opportunities available in the core operational geographies, owing to robust growth potential and relatively low financial penetration. USBFL aims to strengthen its franchise with its 17% GB branches within vintage of <2 years (55/331). While FY27 is expected to pose challenge due to circumstances emerging from geopolitics resulting in supply chain disruptions and energy price volatility, the Bank expects to maintain business growth and profitability at healthy levels in FY27 owing to its retail focus and other operational efficiencies.

USFBL strives to be a retail-focused Bank, providing financial services to mass markets. The Bank intends to develop and offer a comprehensive suite of assets and liabilities products that will acquire new customers and strengthen the relationship with existing customers. USFBL is planning to augment the liabilities franchise further by deepening relationship and targeting the top 100 districts of the country in terms of overall deposits, including tapping of metropolitan and urban areas by promoting savings accounts and other deposit products.

Material orders passed by the regulators

There were no significant material orders passed by the Regulators, Court, Tribunal or any other legal institution during FY 25-26, that can impact the growth of the organisation.

Internal ombudsman (IO)

The Internal Ombudsman Scheme is introduced with the objective of enabling and ensuring a proper and speedy resolution of complaints of Bank customers at the Bank level by an independent apex level authority within the Bank. Internal Ombudsman deals only with the complaints that have already been examined by the Bank's internal grievance redressal mechanism and have remained partly or wholly un-redressed.

Further, the Internal Ombudsman also analyses the pattern of complaints such as product/category wise, consumer groups wise, based on geographical location etc. and suggests means for taking actions to address the root cause of complaints of different nature. The Internal Ombudsman holds meetings with concerned functionaries/department of the Bank and seeks records/ documents available with the Bank that are necessary for examining the complaint. Furthermore, in its endeavour to achieve fair, transparent, and customer-centric grievances redressal system, the Bank has synchronized its Internal Ombudsman mechanism with the Customer Relationship Management System.

In the backdrop of above, the presence of Internal Ombudsman at the apex level of Grievance Redressal Mechanism of the Bank is helping to enhance the impartiality of the mechanism, as the grievance resolution have an independent viewpoint as a precursor to Banking Ombudsman.

No. of grievance received by the Bank during 2025-26	No. of cases rejected by Bank partly/fully During 2025-26	No. of cases reviewed by IO during 2025-26	No. of grievances closed by IO during 2025-26	No. of grievances outstanding as on March 31, 2026
8337	801	799	799	2

Disposal of grievances by bank during FY 2025-26

No. of grievances at the beginning of 2025-26	No. of grievances received by the Bank during 2025-26	No. of grievances disposed of by the Bank in 2025-26	No. of grievances outstanding as on March 31, 2026
110	8337	8388	59



Credit function

Utkarsh Small Finance Bank aims to be the preferred banker to cater to the diverse financial needs of the various customers in its operational geography

The Credit Department has different verticals such as Retail Lending, Wholesale Credit, wheels lending, Gold loans, Micro Business Individual Loans, Credit Administration (CAD) & Credit Support.

The credit department's major objectives are as follows:

- Build a good quality diversified asset portfolio through risk-based lending
- Largely responsible for development of Credit and Risk management strategies for loans acquisition ensuring sustainable business growth & healthy
- portfolio for Retail lending and Wholesale lending products.
- Adhere to the guidelines / policies enunciated by the Reserve Bank of India and other regulatory authorities.
- Leverage on Technological tools for various credit appraisal and financial analysis. process Leverage on Score card based underwriting model for Retail Lending products.
- Prudent monitoring framework on Portfolio behavior and asset quality.
- Adoption of a forward-looking and market responsive approach within the framework of policy guidelines for moving into profitable new areas of lending which are emerging in the market.
- Fulfilling responsible lending objectives.
- The Credit function largely performs the following to achieve the defined objectives
- Ensuring credit expansion to productive sectors with an emphasis on asset quality.
- Utilizing the sanctioning powers judiciously by following the credit norms, risk management considerations and due diligence while appraising Wholesale & Retail loans.
- Ensuring prudent credit risk management practices and high standards of due diligence to protect and improve asset quality at both transaction and portfolio levels.
- Leverage on various smart technological tools like "Perfios" tool for financial & banking analysis, "SaveRisk" & "Probe" tools for analysis of Companies' financials and other critical parameters history, "Hunter & Sherlock" tools for borrowers' adverse history enabling prudent due diligence, key lending decisions and optimization.
- LOS systems for loan applications processing and leverage on Rule Engine for adherence of various product guidelines, automation of various processes, monitoring of early warning signals etc.
- Lending for the sustenance of profitability, implying the need to nurture superior credit appraisal skills through specialization and competence building.
- Ensuring KYC norms are strictly followed, and the borrowers are carefully selected after proper pre-sanction scrutiny and thereafter monitoring the account constantly to maintain asset quality.
- Post disbursement Portfolio & covenant monitoring on wholesale lending products with periodic reviews and monitoring visits to Companies.

Collection mechanism

The Bank has established a robust and well-structured collections framework to effectively manage and control delinquencies across its lending portfolio. As part of its continuous improvement efforts, a pilot hybrid collections model (Agency + In-house) was introduced from December 2025 onwards, aimed at enhancing recovery efficiency, expanding reach, and strengthening monitoring mechanisms.

Organizational Structure & Governance

The collections' function is led by the Head of Collections, supported by the National Collection Manager, Zonal Collection Managers, and Regional Collection Managers. This leadership team provides strong governance and oversight across all collection activities.

They collectively supervise and manage a network of 250+ Field Officers (Fleet on Street – FOS) deployed across multiple geographies to ensure effective on-ground execution and timely resolution of delinquencies.

Field Operations & Customer Engagement

The FOS teams are the backbone of the collection process, responsible for:

- Conducting field visits and follow-ups
- Driving customer engagement and resolution
- Ensuring timely collections and delinquency control

All field staff are thoroughly trained in the Bank's policies, operational guidelines, and Code of Conduct, ensuring that customer interactions are handled in a professional, ethical, and compliant manner.

Multi-Channel Collection Approach

To enhance efficiency and coverage, the Bank follows a multi-channel collections strategy, which includes:

- In-house collections team for direct monitoring and control
- Hybrid model (Agency + In-house) to improve scalability and productivity
- Outsourced call center support for:
    - Pre-EMI reminder calls
    - Follow-ups on overdue accounts

This outsourced support is utilized across all business segments except the JLG (Joint Liability Group) lending business, which follows a specialized and separate collection mechanism.

Legal & Recovery Mechanism

The Bank has a dedicated in-house legal team to support advanced stage recoveries. The team is responsible for:

- Initiating and managing legal proceedings for overdue accounts
- Issuing legal notices
- Coordinating repossession of secured assets
- Managing the auction and disposal process

This ensures that all recovery actions are legally compliant, structured, and effectively executed.

Collection Strategy & Analytics Team

To strengthen decision-making and improve performance, the Bank has a dedicated in-house Collection Strategy team that works closely with both field and legal teams.

This team plays a critical role in:

- Monitoring and governing end-to-end collection processes
- Analyzing portfolio performance and delinquency trends
- Designing data-driven strategies and policies to reduce slippages and improve recovery rates
- Providing actionable insights and MIS support to regional and field teams
- Driving performance tracking, productivity improvement, and process optimization

This ensures a proactive, analytical, and strategy-led approach to collections management.

End-to-End Collections Lifecycle

The Bank follows a well-defined and comprehensive collections policy, covering the entire lifecycle:

- Tele-calling and customer engagement (Pre-EMI and overdue reminders)
- Field visits and follow-ups
- Customer servicing and issue resolution
- Issuance of legal notices
- Repossession of secured assets (where applicable)
- Auction and disposal of repossessed assets

This structured, multi-layered approach enables the Bank to maintain strong control over asset quality, minimize delinquency levels, and ensure consistent, compliant, and customer-centric collection practices.

The integration of field strength, centralized strategy, legal support, and technology-driven insights ensures a holistic and efficient collections ecosystem, aligned with the Bank's overall risk management objectives.

Treasury

The Bank's treasury operations are carried out from its dedicated treasury office in Mumbai, in compliance with the RBI Master Directions on Liquidity Risk Management, Asset Liability Management (ALM), and Risk Governance. The organisational structure provides for clear functional segregation between the front office (dealing desk), mid office (risk management / ALM monitoring), and back office (settlement and operations) thereby strengthening internal controls, ensuring independent risk oversight, and mitigating operational and conduct risks.

The Treasury function is responsible for overall liquidity risk management of the Bank, including Asset Liability Management (ALM) and maintenance of the Liquidity Coverage Ratio (LCR) in line with regulatory prescriptions. Liquidity risk is monitored on an ongoing basis through analysis of maturity mismatches across prescribed time buckets, cash flow projections, and periodic stress testing, to ensure that the Bank remains capable of meeting its obligations as and when they fall due under both normal and stressed conditions. The treasury supports balance sheet growth through calibrated participation in the money market and securities market, while maintaining adequate buffers of High Quality Liquid Assets (HQLA) as per the extant regulatory framework.

Treasury and investment activities are governed by a Board approved Investment Policy, ALM Policy, and Market Risk Management Policy, which define the Bank's risk appetite, prudential limits, delegation of powers, valuation norms, and operating procedures. Within this framework, investment decisions are overseen by the Investment Committee, which functions under the authority of the Board and/or ALCO, as per approved governance arrangements. The Investment Committee reviews and approves investment strategies, portfolio positioning, and exposure limits, and ensures that investment activities remain aligned with the Bank's risk appetite, liquidity requirements, and regulatory guidelines. The Committee also monitors portfolio performance, market risks, and compliance with approved limits on an ongoing basis.

The Asset Liability Management Committee (ALCO) exercises oversight over liquidity and balance sheet risks and reviews key liquidity metrics, structural mismatches, funding concentration, stress test results, and market developments at regular intervals. Based on these reviews, the ALCO and Investment Committee take corrective or pre emptive measures, where necessary, to ensure continued adherence to regulatory norms and internal risk tolerance levels.

The Treasury endeavours to optimise investment returns within approved risk limits, while managing the overall cost of funds through an appropriate mix of liabilities. It ensures continuous compliance with statutory and regulatory requirements, including maintenance of the Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR), in accordance with the directives issued by the Reserve Bank of India from time to time.

In line with RBI guidelines on operational resilience and business continuity, the Treasury function operates under a robust Business Continuity Plan (BCP). Critical treasury operations are periodically tested and, where required, conducted from alternate locations, to ensure uninterrupted functioning and timely settlement of obligations during exigencies. The BCP framework is reviewed and tested at regular intervals, and observations are placed before the appropriate governance committees.



Risk Management

Risk management forms a critical pillar of the bank's strategic planning process, fostering informed, collaborative, and unbiased decision-making. The bank's ability to effectively manage diverse categories of risks—while complying with current regulations and proactively preparing for emerging ones—positions it as a resilient and future-ready financial institution.

The bank follows a structured and integrated risk management approach encompassing credit risk, market and liquidity risk, operational risk, IT and cyber security risk, and other emerging risk domains. This framework is underpinned by robust systems involving people, processes, data, and technology to identify, assess, monitor, and mitigate risks in a timely manner. The bank ensures that risk management roles are handled by qualified and experienced professionals who receive continuous training to stay abreast of evolving risks.

The bank's risk philosophy focuses on safeguarding the interests of depositors, customers, employees, and other stakeholders while maintaining the integrity and reputation of the institution. To cultivate a strong risk-aware culture, the bank conducts regular training through mandatory induction programs, refresher courses, and weekly risk workshops.

Oversight of the risk function is exercised by the risk management committee of the Board (RMCB), which periodically reviews the overall risk framework and strategic risk exposures. The bank also has dedicated senior management committees, including the credit risk management committee (CRMC), operational risk management committee (ORMC), asset liability and market risk committee (ALCO), and the information security committee, to manage specific risk domains. Furthermore, the bank's internal capital adequacy assessment process (ICAAP) ensures comprehensive assessment of significant business risks to maintain capital adequacy and financial stability.

The bank has appointed a senior official as the chief risk officer (CRO), entrusted with the overall responsibility of managing key risk verticals, including credit risk, market and liquidity risk, operational risk, information security risk, and other emerging risk areas. Operating under the framework of board-approved risk management policies, the CRO plays a pivotal role in implementing and overseeing the bank's risk strategy. The CRO maintains regular engagement with the risk management committee of the Board (RMCB), providing timely updates and insights on risk related developments, challenges, and mitigation strategies.

Credit risk

IMPACT

The bank defines credit risk as the potential for loss arising from a borrower or counterparty's failure to meet their obligations as per the agreed terms. This type of risk can negatively impact the bank's revenue and margins, posing a significant challenge to financial stability.

MITIGANTS

The credit risk management committee (CRMC) is responsible for overseeing and reviewing credit risk within the bank. The committee ensures the monitoring of prudential limits on large credit exposures, portfolio concentration, loan review mechanisms, and overall risk concentration. Furthermore, it addresses provisioning, regulatory compliance, and other credit-related matters. The bank has implemented various credit risk policies to limit the exposure to credit risk. Portfolio review and monitoring are carried out through an early warning framework and close monitoring of high-value customers. The CRMC follows the following approach: Adhering to RBI's guidelines and policies regarding credit risk and NPA management Establishing a governance framework to ensure effective oversight, proper segregation of duties, and management of credit risk Setting and monitoring credit risk appetite and limits, and taking appropriate action in case of breaches Creating a system for identifying and monitoring early warning signals and red flag accounts Enhancing the use of structured internal and external data to make informed decisions and utilizing scorecards for decision-making Conducting stress testing and taking necessary actions based on results Monitoring global and domestic developments, analysing industry trends, and issuing necessary guidelines and directions

Market risk

IMPACT

Risks stemming from fluctuations in market prices could affect the bank's ability to generate revenue.

MITIGANTS

The investment committee and the asset-liability management committee of the bank oversee investment and market risk, approving the framework and its associated thresholds. The mid-office prepares and analyses daily reports on the bank's treasury activities, closely monitoring various limits, including stop losses. A comprehensive market and liquidity risk dashboard is shared with senior management monthly, providing detailed insights into the investment portfolio, liquidity position, deposits, and borrowings, supporting well-informed decision-making.

Operational risk

IMPACT

Inefficiencies or failures in internal processes, systems, or human resources can negatively affect the profitability of the business.

MITIGANTS

Operational Risk Management Committee (ORMC), responsible for the implementation of the Operational Risk framework of the Bank. All the new products and processes, as well as changes in existing products and processes are subjected to risk evaluation by the Operational Risk team, through the PPMC process. Outsourcing arrangements are examined and approved by the Bank's Outsourcing Committee after a thorough review by the Third-Party Risk Management team. The Bank has set up a comprehensive structure for documenting, assessing, and periodic monitoring of various risks and controls linked to various processes across all businesses. The Bank has a comprehensive operational risk management policy, with a framework to identify, assess and monitor risks and strengthen controls to improve customer service and minimise operational losses. The Bank has well established Business Continuity Plan (BCP) framework which has been put in place to ensure continuity of service to its large customer base. The effectiveness of the approved Business Continuity Plan (BCP) framework is tested for all identified critical units to ensure readiness to meet various contingency scenarios and take corrective actions wherever any issues are observed. The Bank has been effectively managing its operations by adapting to the checks and controls of various continuity plans.

Fraud risk

IMPACT

Fraud risks include cyber threats, scams, processing errors, and document mishandling, all of which can impact the bank's reputation and revenue generation capabilities.

MITIGANTS

To mitigate this risk, the Bank has put together a Fraud Risk Management (FRM) department as an independent group in the Bank to enable fraud prevention, monitoring, investigation, reporting and awareness creation. Fraud Risk Management Unit (FRM): The Fraud Risk Management (FRM) unit works within the overall risk management framework of the Bank. The responsibilities of the FRM Unit include effective application of fraud control measures, strategies and procedures. It is responsible for handling fraud complaints, desktop investigation, Fraud case mgmt., internal and regulatory reporting. Risk Containment Unit (RCU): RCU conducts risk-based evaluation of applications i.e. Screening & Sampling for any new account relationship in both Asset (Pre-sanction) as well as Liability (Post A/c Opening) Businesses at the time of on-boarding, on a sample basis. RCU Screening & Sampling (S&S) involves review / scrutiny of applications/documents based on dynamic trigger observed as well as inputs received from online checks such as CUG check i.e. Hunter/Sherlock checks. The objective behind RCU S&S Is to ensure that the submitted KYC documents are reviewed to ascertain any inconsistency or discrepancy in the documents or information submitted to the bank, for taking timely preventive and corrective actions to detect and prevent fraudulent applications at on-boarding stage. Transaction Monitoring (TM): TM team monitors digital debit transactions carried out through various channels and payment modes, to safeguard our customers from any abnormal/suspicious/fraudulent transactions. Transactions are monitored via near real time & real time account alerts generated by volumes and/or velocity based preventive rules built in IFRM and EFRM Transaction Monitoring Tool/Solutions

IT risk

IMPACT

The risks tied to the growing adoption of technology encompass system and process unavailability, which can lead to business losses due to both unintentional issues (such as faulty usage) and intentional events (such as cyber fraud).

MITIGANTS

To effectively manage IT risk and safeguard the confidentiality and integrity of business and customer information, the bank has implemented security controls in line with the RBI cybersecurity framework. Regular security monitoring is conducted, and the bank adheres to regulatory guidelines as they are updated. To ensure business continuity while maintaining security, the bank has established controls such as VPN with multi-factor authentication, business continuity plans (BCP), and incident response protocols to address both operational and security risks.

Liquidity risk

IMPACT

An asset-liability mismatch can lead to liquidity risk for the bank, potentially forcing it to raise new liabilities at a higher cost or sell assets at a higher discount rate, which could negatively impact the bank's margins.

MITIGANTS

The bank's asset liability management (ALM) policy establishes a framework for managing liquidity risk, ensuring that the bank can meet its liquidity obligations and endure periods of liquidity stress, whether caused by internal or market-wide factors. The bank's liquidity profile is closely monitored both statically and dynamically, using key liquidity ratios and periodic liquidity stress tests. Liquidity positions and stress test outcomes are regularly reviewed by the bank's ALCO and the risk management committee of the board. In addition to regulatory limits, the bank has set prudential internal limits on liquidity gaps, borrowings, deposits, and placements. The bank also adheres to the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) in line with RBI guidelines, ensuring alignment with the defined risk appetite.

Cyber risk

IMPACT

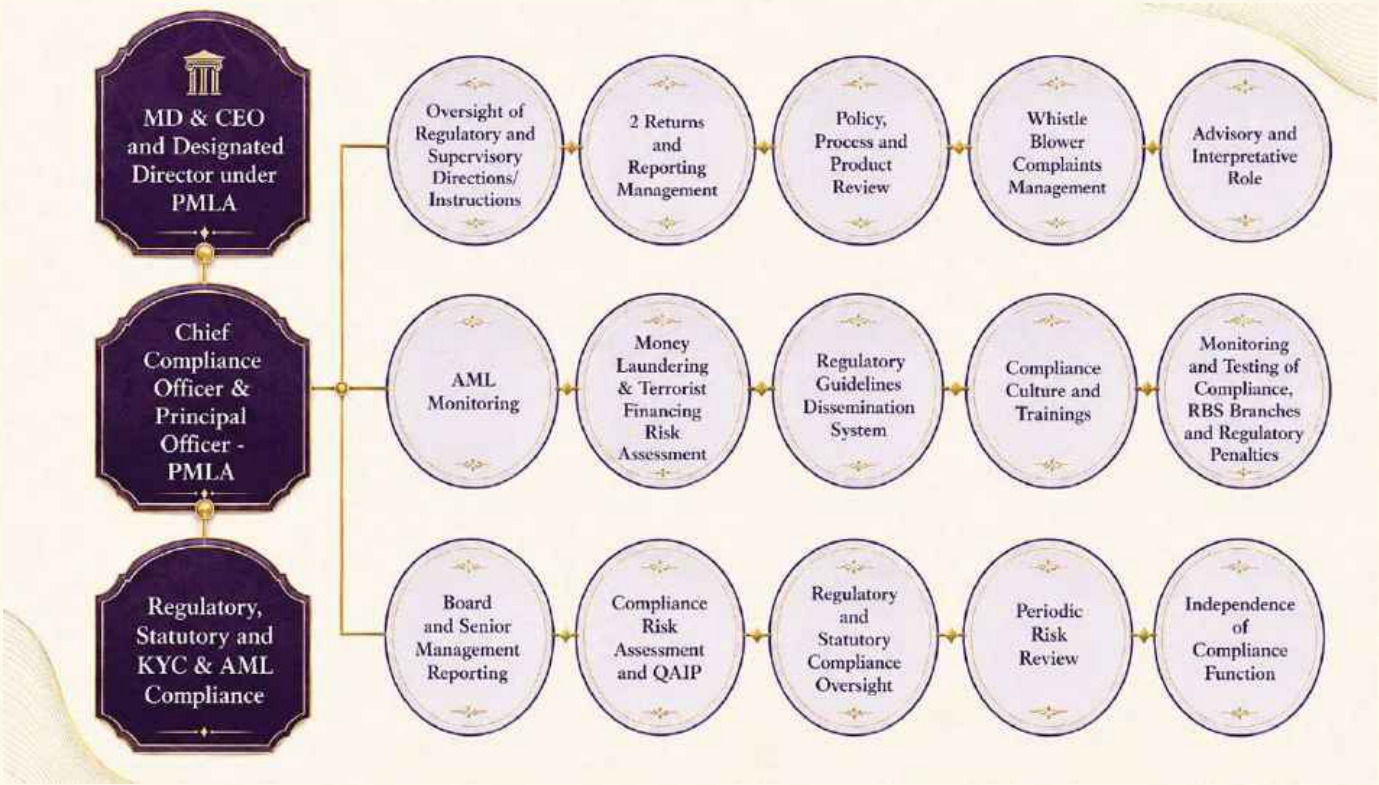
The bank's interconnected structure, both internally and externally via the internet, along with the complexity of its people, processes, and technology—such as delivery channels, cloud services, partners, and remote workers—the bank is susceptible to cyber threats. These include risks like man-in-the-middle (MiTM) attacks, distributed denial of service (DDoS) attacks, and ransomware, which could lead to financial losses, data breaches, and reputational damage.

MITIGANTS

The bank has established a robust and efficient cybersecurity framework, in line with RBI guidelines, to enhance its cybersecurity posture. The bank has a cybersecurity policy, cyber crisis management plan (CCMP), and information security policies, all approved by the board. A dedicated governance and management process has been put in place, defining roles and responsibilities to ensure these policies are implemented, maintained, assessed, and periodically updated. In line with regulatory requirements, the bank has set up a cybersecurity incident response team (CSIRT) and a cyber crisis management team (CCMT), as outlined in the CCMP. The security operations centre (SOC) operates 24/7 to monitor and protect the bank's assets in real-time. The bank has fully complied with the baseline cybersecurity resilience requirements of the RBI and has implemented a layered defence strategy, covering perimeter, network, application, data, and physical security. The bank runs a comprehensive cybersecurity awareness program for customers, employees, and partners. Cyber risk insurance coverage has been secured as a fallback for cyber incidents. The bank is ISO 27001:2013 certified and has been recognized with consecutive awards from the Indian banks' association (IBA) for its excellence in cyber risk management over the past two years.



Process framework within the compliance department



The Compliance Department of Utkarsh Small Finance Bank Limited ("the Bank") is responsible for ensuring adherence to applicable laws, rules, regulations, regulatory guidelines, internal policies, and the Bank's Code of Conduct. The Compliance Function is aligned with the Reserve Bank of India's guidelines on the Compliance Function in Banks, with the objective of fostering a strong compliance culture and ensuring effective regulatory governance across the Bank.

The Compliance Department plays a critical role in ensuring compliance with regulatory instructions, including the provisions of the Prevention of Money Laundering Act, 2002 and rules framed thereunder. The Compliance Department functions as an independent unit and reports directly to the Managing Director & CEO and the Audit Committee of the Board.

Roles & Responsibilities

Business and functional heads retain primary responsibility for compliance and risk management within their respective areas. The Compliance Function facilitates, oversees, and monitors compliance but does not substitute the ownership of risks by business units.

Key Responsibilities

Regulatory and Statutory Compliance Oversight

Ensuring strict compliance with all applicable provisions of RBI Acts, Banking Regulation Act, Rules, Regulations, Master Directions, Circulars, and Supervisory Instructions.

- Monitoring compliance with other applicable laws (FEMA, PMLA, etc.)
- Ensuring compliance with codes of conduct, including Fair Practices Code.

AML/ Transaction Monitoring (PMLA, 2002)

KYC/EDD, transaction monitoring, AML alert resolution, STR, CTR, NTR and CCR filing to FIU-IND.

Returns Management

Tracking, vetting, and timely submission of regulatory and statutory returns.

Oversight of Regulatory and Supervisory Directions

Ensuring compliance with:

- RBI inspection reports (RBI Annual Financial Inspection, RMP observations, and Scrutiny Reports etc.)
- Supervisory letters, risk mitigation plans, and enforcement actions
- Monitoring adherence "in letter and spirit," not merely procedural closure

Regulatory Guidelines and Advisories Dissemination System

Implementing enterprise-wide compliance monitoring tools as per RBI guideline Ensuring:

- Tracking of all regulatory requirements and sharing with Functional Head for implementation within timelines.
- Track the status as per timeline.
- Escalation of non-compliance.
- Recording approvals for deviations.
- Dashboard-level MIS to senior management/ Board.

Policy, Process and Product Review

- Ensure Timely Annual Review of all policies by the Board.
- Ensure Timely review of all process and Product note.

Compliance Risk Assessment and QAIP

- Identifying, assessing, monitoring, and managing compliance risk across the bank.
- Evaluating the impact of new or amended laws/ regulations on bank operations.
- Maintaining a compliance risk assessment framework proportionate to the bank's size and risk profile
- Establishing a Quality Assurance and Improvement Program (QAIP) for the compliance function.
- Compliance function is independent external review at least once in three years.
- Periodic self-assessment of effectiveness of the compliance framework.

Compliance Monitoring and Testing including RBS Tranches and Penalties Testing

- Conducting or overseeing compliance testing and monitoring (thematic, issue-based, or periodic)
- Tracking regulatory observations, supervisory findings, and internal compliance breaches.
- Ensuring time-bound corrective actions and sustainable closure of non-compliance.

Advisory and Interpretative Role

- Acting as a central reference point for business/ operational units on:
- Interpretation of RBI instructions
- Applicability of statutory and regulatory provisions
- Providing compliance advice during product design, process changes, and new initiatives.

Compliance Culture and Training

- Promoting a strong compliance culture.
- Designing and overseeing compliance training programs for staff and senior management.
- Ensuring accountability and appropriate disincentive structures for compliance breaches.

Whistle-blower

Ensure timely closure of all complaints with proper investigation.

Board and Senior Management Reporting

Periodic reporting to the Board / Audit Committee of the Board (ACB) on:

- Compliance status.
- Major regulatory developments.
- Significant breaches and root causes.
- Vetting the quality and accuracy of regulatory compliance reports submitted to RBI by senior management.

Independence of Compliance Function

- Ensuring strict compliance with all applicable RBI Acts, Banking Regulation Act, Rules, Regulations, Master Directions, Circulars, and Supervisory Instructions.
- Monitoring compliance with other applicable laws (FEMA, PMLA, etc.) as far as they relate to banking operations.
- Ensuring compliance with codes of conduct, including Fair Practices Code.

Legal Department

The Legal Department of Utkarsh Small Finance Bank Limited is structured to provide comprehensive legal support across all business verticals, ensuring compliance with applicable laws, regulations, and internal policies. The legal management process encompasses the following core responsibilities:

Legal Advisory Support

Providing legal opinions, clarifications, and approvals to various internal departments including:

- Branches / branch operations team – on matters like account opening, HUF formation, partnership account issues, etc.
- Central processing centre (CPC) – on operational and documentation queries.
- Recovery and collections teams – on recovery and enforcement actions.
- HR department – in relation to employee investigations, enquiries, and disciplinary matters.

Contract Management

Drafting, vetting, negotiating, and standardizing various legal agreements and documentation, including but not limited to Non-Disclosure Agreements (NDA), Master Service Agreements (MSA), Software License Agreements (SLA), Referral Associate Agreements (RFA), Direct Selling Agent (DSA) Agreements, Branding/Co-Branding & Sponsorship Agreements, Manpower, Housekeeping & HR Contracts, Recovery Agent & Auction Purchaser Agreements, Call Centre & Collection Agreements, Agreements with Payment Aggregators / Gateways, Merchant Agreements (e.g., Zomato, Flipkart, etc.), All other vendor/contractor/ subcontractor arrangements.

Legal advisory and policy development

- Advising on loan and security documentation
- Issuing circulars on state-wise stamp duty rates
- Recommending delegation of powers for legal and operational decisions
- Advising on loss of documents and related procedures

Product papers and policy vetting

Legal review and sign-off on product notes, policies, guidelines, and procedural manuals prepared by business and functional departments.

Vigilance matters

- Legal advice on vigilance proceedings against employees
- Vetting of legal representations made to authorities/courts
- Tracking and sharing of FIH filed by employees
- Liaising with empanelled/local advocates for legal support in such cases
- Support during internal enquiries initiated by HR or Vigilance

Statutory notices and regulatory responses

Responding to legal notices and queries from government and enforcement authorities including:

- Police, Courts, DRTs, Cyber Crime, CBI, ED, GST, EPFO, ESIC, Income Tax, Revenue Authorities, Arbitration Forums, Tehsildars, etc.
- Advisories related to freeze orders, title search reports, property documentation and security perfection in mortgage loans.
- Handling Banking Ombudsman (BO) complaints and customer grievances arising out of service deficiencies

Litigation against Bank and advocate management

- Empanelment/De-panelment of legal counsel
- Drafting, reviewing, and filing replies to legal notices, RTIs, and court proceedings
- Tracking and maintaining MIS of all legal cases filed against the Bank including:
    - Writ Petitions (High Court)
    - Civil and Criminal Cases
    - Consumer and Labour Disputes
    - Pre-litigation and Recovery Matters
- Coordination with external counsel for drafting:
    - Written Statements, Applications, and Submissions before DRT, CMM, DM, and other authorities

Legal audit of high value loan accounts

Conducting legal audits in alignment with:

- Master Direction on Frauds – Classification and Reporting by commercial banks and select FIs (July 01,2016)
- Master Direction on Fraud Risk Management in Commercial Banks (including Regional Rural Banks) and All India Financial Institutions (July 15, 2024)

Corporate transactions and strategic actions

Legal support for all strategic and transactional matters, including:

- Drafting, vetting, and review of documents for reverse merger and corporate restructuring
- Support in regulatory filings with SEBI, RBI, NSE, BSE, NCLT, ROC
- Drafting and negotiation of Engagement Letters for Valuers, Merchant Bankers, Legal Advisors, Trustees, etc.
- Review of fundraising documentation:
    - GID, KID, DTA, DTD – for issuance of Non-Convertible Debentures (NCDs)
- Vetting of Shareholders Agreements (SHA) and Share Subscription Agreements (SSA) for equity deals

Miscellaneous responsibilities

- Advising on title perfection and roperty due diligence
- Supervising legal research, analysing key judgments and regulatory updates
- Issuing advisories to prevent non-compliance or avoidable litigation
- Coordinating with internal departments on emerging legal trends impacting the Bank

In addition to the above Legal Department is also involved in cultivating and building a strong compliance culture within the Bank.

Audit and internal control systems

The Bank's Internal Audit function plays a pivotal role in ensuring robust governance, risk management, and control processes. With a team of skilled professionals, the function provides assurance and advisory services that enhance the organization's overall operational efficiency & objective evaluation of the adequacy and effectiveness of internal controls, information security controls, risk management and processes on an ongoing basis to provide assurance that the policies, regulations,

and internal standards defined for management of the various risks are operating effectively.

Audit and Internal control are the backbone of corporate governance. Internal controls are the policies and procedures Bank implemented to safeguard assets, ensure accurate financial reporting, and promote compliance. Audits are the independent evaluations of those controls to verify; the controls are operating effectively.

The Bank follows widely recognized COSO framework

, which structures internal control system in five interrelated elements.

- **Control Environment:** The foundation of the organization, encompassing the integrity, ethical values and 'tone at the top' set by the Board and Management
- **Risk Assessment:** The proactive identification and analysis of risk that could prevent the Bank from achieving objectives.
- **Control Activities:** The policies, procedures and mechanism put in place to mitigate risk
- **Information and Communication:** Systems that capture and process necessary data across the organization.
- **Monitoring Activities:** Ongoing evaluations to ensure the controls are performing as intended.

A key focus area for the function is leveraging technology to enhance audit efficiency and effectiveness. In this regard, IT/IS audits emerge as a prominent area of emphasis, enabling the function to assess the organization's technology infrastructure and identify potential vulnerabilities. Additionally, system-based offsite audits are being successfully implemented, allowing for more comprehensive and remote assessments. In congruence with the Reserve Bank of India's Guidelines on Risk Based Internal Audit (RBIA), the Bank has adopted a robust Internal Audit Policy and undertakes a comprehensive Risk Based Audit of operating units.

The audit function is strengthening its data analytics capabilities to conduct data-driven audits and review on a continuous basis, enabling trend analysis of the issues with agility, utilizing advanced tools and techniques to analyze large datasets and identify potential risks. Computer-Assisted Audit Techniques (CAATs) tools are being extensively used to scrutinize financial transactions, detect anomalies, and provide valuable insights in audit recommendations. Additionally, it performs end-to-end reviews of new product, processes & systems, ensuring the alignment with Bank's strategic objective & regulatory requirement.

The Internal audit practices are guided by the globally recognized standards and best practices outlined by The Institute of Internal Auditors (IIA). The department adopts the IIA's Quality Assurance and Improvement Program (QAIP) framework to ensure the quality and effectiveness of its internal audit activities. This commitment to quality and best practices enables the department to maintain its high standards and deliver effective support to the organization.

The Head – Internal Audit functionally reports to the Audit Committee Board (ACB), ensuring the Independence, and for administrative purpose, reports to the Managing Director & CEO. The Internal Audit Department works under the guidance of Audit Committee Board (ACB) and the ACB reviews the efficacy of the Internal Audit Department, the effectiveness of controls laid down by the Bank and compliance with internal and regulatory guidelines, thus ensuring the alignment with the Best Practices on corporate governance.

Vigilance mechanism

The Bank's Vigilance and Security Department play a multi-dimensional role in the Bank. The department investigates all types of internal fraud cases such as corruption, cash misappropriation as well as external fraud cases such as cash snatching, theft, robbery, dacoity, untoward incidents and policy and procedural violation cases including whistle blower complaints.

All investigations are reported directly to the Bank's HR department for initiating suitable disciplinary action once upon categorising into 'vigilance' or 'non-vigilance' angle.

The Vigilance department imparts periodical training to the bank officials on vigilance awareness, surveillance, safety and security of the Bank's assets. The department also does surprise visits to branches to facilitate preventive vigilance.

The Bank's Vigilance Tele calling team contacts receive feedback on its vigilance measures. The Bank also work closely with police department and other related government departments. Furthermore, USFBL issue timely reminders on vigilance and security awareness. In cases of security issues, the team files police reports and send to concerned business teams for filing criminal cases against the guilty.

Information Technology (IT)

In an increasingly digital and customer-centric banking landscape, Information Technology continues to be a key strategic enabler for Utkarsh Small Finance Bank. During FY 2025–26, the Bank focused on strengthening & execution of core technology foundations, modernizing critical enterprise platforms, enhancing digital customer journeys, and embedding advanced technologies to support scalability, resilience, and regulatory compliance.

Key Technology Initiatives and Platform Transformation

During the year, the Bank undertook multiple large-scale technology initiatives aimed at improving operational efficiency, customer experience, and risk management:

Payment Switch & ATM Modernization: The Bank successfully migrated its Debit Card and IMPS switching to a new, robust switch platform, resulting in significantly improved transaction throughput, stability, and scalability, and an enhanced overall customer experience. In parallel, the Bank's ATM network was modernized through migration to new ATM machines, further strengthening service reliability and availability.

Treasury & Financial Risk Systems: The Treasury Management System (TMS) was upgraded to support enhanced deal processing, regulatory reporting, and integrated risk monitoring. In parallel, the Bank migrated to a new Asset Liability Management (ALM) application, strengthening liquidity risk assessment and balance sheet management.

Strengthening AML & Compliance Capabilities: A new, advanced Anti-Money Laundering (AML) system was implemented, replacing the legacy application. The new platform enables stronger transaction monitoring, improved alert quality, enhanced regulatory reporting, and better scalability to support business growth.

Credit & Recovery Digitization: The Bank implemented a Centralized NPA Management System, enabling end-to-end monitoring, recovery tracking, legal actions, and analytics for delinquent accounts, thereby improving recovery governance and effectiveness.

Digital Lending & New Product Enablement: A Digital Gold Loan Platform was launched to provide a fully digitized, faster time-to-disbursement experience. Additionally, the Loan Origination System was enhanced to better support Micro Banking Individual Loan (MBIL) and Micro Banking Business Loan (MBBL) asset products, improving configurability, reporting, and operational controls.

Digital Channels & Customer Experience Enhancements

Significant investments were made to enhance digital touchpoints and improve customer convenience:

WhatsApp Banking Services were upgraded with extended service coverage and improved response capabilities.

Continuous improvements were made across Internet Banking and Mobile Banking platforms to enhance security, performance, and usability.

API, Middleware, and Low-Code Enablement

To support faster innovation and system integration, the Bank:

Continued strengthening its API and Middleware platforms, enabling secure, scalable integration with fintech partners and internal systems.

Introduced a Low Code / No Code development platform to accelerate internal application development, automate workflows, and reduce dependency on traditional development cycles.

Strategic Adoption of Artificial Intelligence

FY 2025–26 marked a significant milestone in the Bank's journey toward AI-led transformation. Artificial Intelligence was adopted as a strategic initiative across multiple functions leveraging both generative AI and Agentic AI capabilities. AI adoption has been structured along with appropriate governance, security controls, and regulatory alignment, ensuring responsible and scalable implementation across the Bank.

Data Centre Modernization & Managed Infrastructure Services:

The Bank established a new on premises Data Centre and Disaster Recovery (DR) setup to support ongoing system modernization initiatives and strengthen infrastructure resilience. A leading industry partner was engaged for managed Data Centre services to ensure skilled operations, best in class practices, and service continuity.

Additionally, enterprise grade Backup solutions were implemented to ensure data availability, integrity, and rapid recovery, while advanced Endpoint Detection & Response (EDR) solutions were onboarded to strengthen cyber security, enable proactive threat detection, and protect critical systems from evolving cyber risks.

New Core Banking System (CBS)

The Bank continued to make measured progress on its enterprise-wide transformation initiatives relating to the Core Banking System (CBS) during FY 2025–26 and planned to go-live during the year. These programs are aimed at modernizing the Bank's core technology landscape, improving system scalability and resilience, and enabling a consistent omni-channel customer experience. The initiatives are being executed under strong governance with a phased approach to ensure business continuity and regulatory compliance throughout the transformation journey.

Outlook

The Bank remains committed to leveraging technology as a strategic differentiator. Investments made during FY 2025–26 have laid a strong foundation for future growth, operational excellence, and superior customer experience. The IT roadmap continues to prioritize modernization, resilience, digital innovation, and responsible adoption of emerging technologies

Workforce

At Utkarsh, our people remain central to our growth journey. We foster an inclusive, transparent, and performance-driven workplace through a robust HR framework spanning recruitment, operations, learning, and employee engagement. Supported by a strong zonal structure and technology-enabled HR services, including a mobile-based platform, employees have seamless access to key HR functions and support. As of March 31, 2026, our workforce stood at 18,400 employees.

Cautionary statement

Statements included in this MD&A describing the Bank's priorities, forecasts, predictions, general market conditions, expectations, etc., can constitute 'forward-looking statements' within the scope of applicable legislation. Such factors and uncertainties include, but are not limited to, the Bank's ability to execute plans for development and expansion, variation between anticipated and actual non-performing advances, credit loss reserve, technological change, investment income and various risk profiles.

SECTION SEVEN

Directors' Report

07

Directors' Report

To The Members
Utkarsh CoreInvest Limited

Dear Shareholders,

On behalf of the Board of Directors, it is our pleasure to present the 36th Annual Report on the business and operations of Utkarsh CoreInvest Limited ('UCL' or the 'Company'), together with the Audited Financial Statements of the Company for the year ended March 31, 2026.

The Company has adopted Ind AS since April 01, 2018 and accordingly, the financial statements have been prepared in accordance with the Indian Accounting Standard ("Ind AS"), as notified by the Ministry of Corporate Affairs, Government of India under the Companies (Indian Accounting Standard) Rules, 2015 and as amended from time to time.

The Company has recorded the following audited financial performance (on Standalone basis) for the year ended March 31, 2026:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	Change in %
Total Income	14.52	43.45	(675)
Profit Before Interest, Depreciation & Tax (EBITDA)	**10.70**	**40.59**	**(74%)**
Finance Charges	-	-	2,43,354
Depreciation	0.04	0.02	110%
Provision for Income Tax	2.75	10.30	(73%)
Profit/(loss) After Tax	**7.91**	**30.27**	**(74%)**
Other Comprehensive Income Acturial gain/(loss) on defined benefit obligation*	(0.00)	(0.01)	(80%)
Total comprehensive Income	**7.90**	**30.26**	**(&4%)**

**Absolute amount for FY2025-26 is (₹22,252) so taking its impact, derived Total comprehensive Income and so for FY2024-25 is (₹1,09,418).*

Further, the Company has recorded the following audited financial performance (on consolidated basis) for the year ended March 31, 2026:

Particulars	For the Year ended March 31, 2026	For the Year ended March 31, 2025	Change in %
Total Income	3,890.12	4,155.62	(6%)
Profit Before Interest, Depreciation & Tax (EBITDA)	**962.61**	**1,294.40**	**(26%)**
Finance Charges	1,914.16	1,714.39	12%
Depreciation	137.68	135.48	2%
Provision for Income Tax	(250.88)	(133.17)	(88%)
Profit/ (Loss) after Tax	**(838.35)**	**(422.30)**	**(99%)**
Other Comprehensive Income	(0.84)	2.53	(133%)
Total Comprehensive Income	**(839.20)**	**(419.77)**	**(100%)**

A. Financial Disclosures

Dividend

Your Directors have not recommended any Dividend for this financial year ended March 31, 2026.

Net Worth

The Company's Net-worth as on March 31, 2026 stood at ₹864.09 crore comprising of paid-up equity capital of ₹99.38 crore and Reserves of ₹764.71 crore (excluding Revaluation Reserve, Investment Reserve and Intangible Assets) on Standalone basis. Further, on a Consolidated basis, the Net-worth stood at ₹1,727.91 crore comprising of paid-up equity capital of ₹99.37 crore, Reserves of ₹1,628.54 crore while excluding the non-controlling interest of ₹780.31 crore.

B. Corporate Governance

The Company's Philosophy

The Company has a Corporate Governance framework that lays out various requirements of Corporate Governance as set out under various regulations and the best practices.

Constitution of the Board of Directors

The Board of Directors of the Company is constituted in accordance with the provisions of the Companies Act, 2013 (CA 2013) and the Articles of Association ('AoA') of the Company. The Board consists of eminent persons with considerable professional expertise in Audit, Banking, Compliance, Finance, Risk, Strategy, Technology and other related fields. Their experience and professional credentials have helped the Company to gain insights for strategy formulation, monitoring control framework and direction setting for the Company, thus adding value to set a strong foundation enabling the overall growth objective of the Company.

The Board of the Company comprised of four (04) Directors consisting of two (02) Independent Directors, one (01) Nominee Director and one (01) Managing Director & CEO as on March 31, 2026.

All the Independent Directors have given the declarations that they meet the criteria of independence, as laid down under Section 149(6) of the Companies Act, 2013. Based on the declaration of independence provided by them, all the aforesaid two (02) Independent Directors would qualify to be classified as Independent Directors under Section 149 of the Companies Act, 2013.

The Independent Directors on the Board of the Company are included in the Director's Data Bank of MCA. One of the Independent Directors, Mr. Sundararajan, is not required to pass Online Proficiency Self-Assessment Test (OPSAT) in terms of exemption from OPSAT, while Mr. Atul, Independent Director of the Company has passed the OPSAT on January 26, 2022 for Independent Director's Databank.

Committees of the Board of Directors

For effective decision-making, the Board acts through various Committees, which oversee specific operational or strategic matters falling within the ambit of the specific terms of reference of those Committees. The Board has constituted six (06) Committees. All the Board Committees have specific charter aligning with Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued on October 19, 2023 and these Committees monitor activities falling within their respective terms of reference. Composition of the Committees and attendance of the Directors at the Committee Meetings and the Board Meetings held during the financial year under review have been given as Annexure - 'A' to this report.

Board Evaluation and Remuneration Policy

The Independent Directors of the Company carried out an Annual Performance Evaluation of the entire Board, the Chairperson and the individual Directors, as well as the evaluation of the working of its Committees. The Board has framed a Corporate Governance Policy, which inter alia deals with remuneration structure and criteria for selection and appointment of Directors.

Management Discussion & Analysis.

Management Discussion & Analysis (MDA) is formed part of Annual Report of the company for the year ended March 31, 2026. This part has been elucidated on the points of the task taken by the management in terms of the relevant Act and Regulations and this affair of the company along with its banking subsidiary.

C. Statutory Disclosure

Conservation of Energy and Technology Absorption

The particulars to be disclosed under Section 134(3)(m) of the Companies Act, 2013, relating to conservation of energy and technology absorption are not applicable to the Company as the Company is not engaged in these types of activities as per the Memorandum of Association (MOA) & Articles of Association (AOA) of the Company.

Foreign Exchange Earnings / Outgo

As the Company has not carried out any activities relating to the export and import during the financial year, there are no foreign exchange expense and foreign exchange income during the financial year under review.

Whistle Blower Policy (Vigil Mechanism / Anti Bribery)

Pursuant to the provisions of Section 177(9) of the Companies Act, 2013 and the guidelines issued by Reserve Bank of India (RBI) and other applicable laws, the Company has established the Vigil Mechanism, as part of its Whistle Blower Policy, for the employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. Additionally, the Company places zero tolerance for any integrity issue. Towards this, all the new as well as the existing employees are trained to maintain high standards of integrity in their work area. The Company's Whistle Blower Policy thus enables the employees to escalate, including any perceived integrity issues. The policy also encourages stakeholders, other than the employees to escalate such concerns.

In the FY 2025-26, no case of bribery or whistleblower disclosures or any case of corruption have been reported to the Company.

Risk Management Policy

Pursuant to the circular on 'Review of Guidelines of Core Investment Company' as issued by Reserve Bank of India on August 13, 2020, the Risk Management Policy of the Company has been introduced and adopted post approval of the Board. Further, in terms of the circular issued by RBI on 'Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 issued on October 19, 2023, and amended guidelines/directions time to time, the Risk Management Policy of the Company has been revised, updated with the changes and adopted post approval of the Board of the Company. There is no element of risk, which has been detected so far as a threat to the existence of the Company.

There is no element of risk, which has been detected so far as a threat to the existence of the Company.

Statutory Auditors

Pursuant to Section 139 and 141 of the Companies Act, 2013, M/s. DMKH & Co., Chartered Accountants (Firm Registration Number 116886W / 066580) was appointed as the Statutory Auditor of the Company for a period of five years (05) from FY 2021-22 upto FY 2025-26.

Issue of Employee Stock Options

As part of the HR Policy for retention of employees in Utkarsh Group, the Company has Board approved ESOP policy. During FY 2025-26, as per policy, the ESOPs of the Company have also been allotted to, including the employees of the subsidiary – 'Utkarsh Small Finance Bank Limited' (USFBL). The employees of the subsidiary and of the Company were assessed and recommended by the Board Committees and the Options at the employee level were decided by the respective Boards or as delegated by the Board.

Particulars	Options 31-Mar-26	Avg. price (₹) 31-Mar-26	Options 31-Mar-25	Avg. price (₹) 31-Mar-25
Outstanding options at the beginning of the year	6,48,731.00	120.68	13,09,227	119.40
Add: Granted during the year	2,63,573.00	44.72	17,500	125.00
Add: Adjustment of previous year (negative impact)	-	-	2,43,354	110.61
Less: Lapsed / forfeited during the year	3,99,215.00	118.08	2,93,875	116.63
Less: Exercised during the year	6,250.00	118.74	6,27,475	116.11
Less: Adjustment of current year	4,688.00	125.00	-	-
Outstanding options at the end of the year	**5,02,151.00**	**75.29**	**6,48,731**	**120.68**
Options vested and exercisable at the end of the year	2,14,673.00	125.00	6,13,888	120.44

Deposits

The Company is a non-deposit taking company i.e., Non-Banking Financial Company - Non-Deposit taking - Systemically Important - Core Investment Company (NBFC-ND-SI-CIC) and thus has not accepted any deposits during the FY 2025-26.

Details of Top Ten (10) employees in terms of Remuneration

The Company had only seven (07) employees during FY 2025-26, the details of which are as under (Employee Dashboard - Age, Experience & Remuneration):

Name	Designation	DOJ	Qualifications	Age	Exp	Total Remuneration (₹)*	Last Employment
Mr. Suman Saurabh	Managing Director & CEO	30.09.2023	MBA PGDRM	44 Years	17 Years+	57,97,458	USFBL
Mr. Harshit Agrawal	Chief Financial Officer	02.04.2018	CA	36 Years	13 Years+	20,26,816	USFBL
Mr. Neeraj Kumar Tiwari	Company Secretary	10.11.2014	CS	35 Years	12 Years+	11,21,468	-
Mr. Raju Pandey	Assistant Manager, Accounts	04.10.2018	M. Com	32 years	12 Years+	6,29,569	USFBL
Mr. Vikas Kumar Singh	Assistant Manager, HR, IT & Admin	23.09.2029	MCA	36 Years	15 Years +	5,86,344	CMS IT Services Pvt. ltd.
Mr. Jai Kapoor	Senior Executive - HR & Training	07.02.2022	B Com, CA Inter	37 Years	10 years +	4,10,031	ARSAN & Co., Chartered Accountants
Miss Anjali #	Senior Executive - HR & Training	01.04.2024	MBA	27 Years	1year +	2,78,866	-
Mr. Adarsh Raj	Senior Executive - HR & Training	01.08.2025	B. Sc. (Hons). Statistica	26 Years	8 Months	1,96,386	

**Earned Gross Salary #resigned and exited on Feb. 18, 2026*

Other Statutory Disclosure:

A. All related party transactions entered into FY 2025-26 were at Arm's Length basis in the ordinary course of business. There were no materially significant Related Party Transactions made by the Company with the Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large;

B. During the financial year 2025-26, no material orders were passed by any regulatory authority or court impacting the Company's status as a going concern or its future operations, save for the orders issued by the Hon'ble National Company Law Tribunal (NCLT). The details of the NCLT orders concerning the Scheme of Amalgamation are further elucidated under the 'Reverse Merger Process' heading within 'Other Disclosures' (at point 'D').

C. There were no adverse observations / qualifications in the Statutory Auditors' Report.

D. All recommendations of the Audit Committee were approved by the Board;

E. Proper internal financial controls were in place, and that the financial controls were adequate and were operating effectively;

F. There were no material changes and commitments, affecting the financial position of the Company, that have occurred between April 01, 2025 and the end of the Financial Year of the Company i.e. March 31, 2026.

D. Other Disclosures

Code of Conduct

The Company has adopted a Code of Conduct for all the Directors and Key Managerial Personnel. Some of the areas which are covered by the Code of Conduct are fairness of employment practices, protection of intellectual property, integrity, customer confidentiality and conflict of interest.

Vigilance

Your Company is responsible, both to the members and to the communities in which the Company operates and aspires to be transparent in all the dealings. The Code of Conduct requires the employees not to be engaged in integrity related issues. The Code mentions that the Company maintains the highest level of professional ethics and personal integrity to avoid situations in which an individual's personal interest may conflict or appear to be in conflict with the interest of the Company.

Secretarial Auditors

Pursuant to the section 204 of Companies Act, 2013 and relevant provisions of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. S. N. Ananthasubramanian & Co. [ICSI Unique Code: P1991MH040400] as the Secretarial Auditor for the FY 2025-26. The Secretarial Auditor has carried out the Secretarial Audit, a copy of which is enclosed as Annexure 'B' to this Report.

Corporate Social Responsibility (CSR)

Your Company has Board approved policy for CSR, which is drawn in line with the existing regulations. The CSR initiatives of the Company is routed through CSR Implementing Agency, i.e. Utkarsh Welfare Foundation (UWF).

Your Company has been providing for CSR contribution in line with statutory requirements (currently 2% of average of last 3 years' profit), every year as part of its CSR initiatives to UWF, for undertaking various welfare activities.

As per the above provision, the obligation towards CSR contribution amounted to ₹30.00 lakh, towards CSR contribution for FY2025-26.
The CSR Activities are monitored by the CSR Committee of the Board, comprised of the following members:

i. Mr. G. S. Sundararajan, Independent Director, Chairperson
ii. Mr. Atul, Independent Director
iii. Mr. Aditya Deepak Parekh, Nominee Director

Prevention of Sexual Harassment of Women at Workplace (POSH)

Pursuant to provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH Act, 2013), Utkarsh CoreInvest Limited ('UCL' or 'the Company') upholds working women's fundamental right to equality and dignity at the workplace and abides by three key obligations as advised under the POSH Act 2013:

1.Prohibition
2.Prevention, and
3.Redressal

Group Company Policy on POSH Act, 2013 is adopted and circulated amongst employees of the Company and is updated on the website of the company. In view of the small structure (establishment) of the Company, as advised thereby, the establishment having less than 10 workers, a Local Complaints Committee (LCC) structure which is required to be constituted by the District Officials is applicable to deal with in case of complaint(s) received.

Reverse Merger Process

To fulfil regulatory licensing mandates and optimize company's corporate structure, your company is actively advancing 'Reverse Merger' process. This strategic transition will simplify group company's structure, eliminate holding layers, and unlock direct value for the valued shareholders, by transitioning into a more unified financial entity.

Following the key clearances from SEBI, BSE, and NSE, Company is moving forward dynamically with the Scheme of Amalgamation. A joint first-motion application was submitted to the National Company Law Tribunal (NCLT). Pursuant to the subsequent order issued by the Hon'ble NCLT, Allahabad Bench, dated February 11, 2026, dedicated stakeholder meetings were formally directed. On March 28, 2026, the NCLT-convened meetings of the equity shareholders and unsecured creditors of the bank were successfully conducted via video conferencing. The participating stakeholders unanimously approved the Scheme of Amalgamation with a 100% majority, satisfying all necessary statutory requirements under Sections 230 to 232 of the Companies Act, 2013.

A Joint Second-Motion Petition was officially filed before the Hon'ble NCLT, Allahabad Bench, on April 5, 2026. This petition seeks the final sanction and judicial approval to execute the corporate restructuring.

Web Link for Annual Return. The Company is having its website i.e. www.utkarshcoreinvest.com; and the Annual Return of the Company has been published on such website at the web-link:
https://www.utkarshcoreinvest.com/index.php/InvestorRelations/annuals_reports

E. Directors' Responsibility Statement

In pursuance of Section 134(3)(c) of the Companies Act, 2013, your Directors do hereby confirm and declare that:

a. in the preparation of the annual accounts for financial year ended March 31, 2025, the applicable accounting standards have been followed and there are no material departures from the same;
b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the FY 2025-26 and of the profit or loss of the Company for the FY 2025-26;
c. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
d. the Directors had prepared the annual accounts on a going concern basis; and
e. the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

F. Acknowledgement

Your Directors would like to express their sincere appreciation for the co-operation and assistance received from all the stakeholders including shareholders, bankers, regulatory bodies and other partners during the year under review.

The Directors of the Company are thankful to the customers for posing their faith in the products and services offered by the Banking Subsidiary, i.e. Utkarsh Small Finance Bank Limited and their continued patronage.

Your Directors also wish to place on record their deep sense of appreciation for the commitment displayed by all the employees of the Company, resulting in the committed performance of the Company and its subsidiary during the year under review.

For and on behalf of the Board of Directors

G. S. Sundararajan
Chairperson
DIN- 00361030
Place: Chennai

Suman Saurabh
Managing Director & CEO
DIN- 07132387
Place: Varanasi

Committees of Board of Directors

The Board functions either as a full Board or through various Committees which oversee operational or strategic matters. The Board has constituted various such Committees of Directors, required including as per the Companies Act, 2013. The composition, dates of meetings and names of the members of these Committees as on March 31, 2026 are given below:

SI	Name of the Committee	Members	Meetings FY25	Dates of Meetings
1	Audit Committee of Board (ACB)	Mr. G. S. Sundararajan, Independent Director (Chairperson); Mr. Atul, Independent Director; Mr. Aditya Deepak Parekh, Nominee Director	4	30 May 2025; 29 Aug 2025; 12 Dec 2025; 24 Feb 2026
2	Corporate Social Responsibility (CSR) Committee	Mr. G. S. Sundararajan, Independent Director (Chairperson); Mr. Aditya Deepak Parekh, Nominee Director; Mr. Atul, Independent Director	1	30 May 2025
3	Nomination & Remuneration Committee (NRC)	Mr. Atul, Independent Director (Chairperson); Mr. G. S. Sundararajan, Independent Director; Mr. Aditya Deepak Parekh, Nominee Director	2	29 Aug 2025; 12 Dec 2025
4	Share Allotment Committee (SAC)	Mr. Atul, Independent Director; Mr. Aditya Deepak Parekh, Nominee Director; Mr. Suman Saurabh, MD & CEO	0	-
5	Group Risk Management Committee (GRMC)	Mr. G. S. Sundararajan, Independent Director (Chairperson); Mr. Atul, Independent Director; Mr. Aditya Deepak Parekh, Nominee Director; Mr. Suman Saurabh, MD & CEO	4	30 May 2025; 29 Aug 2025; 12 Dec 2025; 24 Feb 2026
6	Promoter Dilution Monitoring Committee (PDMC)	Mr. G. S. Sundararajan, Independent Director (Chairperson); Mr. Atul, Independent Director; Mr. Aditya Deepak Parekh, Nominee Director; Mr. Suman Saurabh, MD & CEO	0	-

Board Meetings

The Board of Directors of the Company met five (05) times during FY 2025-26. The maximum gap between any two (02) Board meetings was not more than one hundred and twenty (120) days at any point of time. The details of the Meetings conducted are as under:

SI	Members	Directorship	Meetings	Dates of Meetings
1	Mr. G. S. Sundararajan	Chairperson, Independent Director	5	30 May 2025; 29 Aug 2025; 09 Oct 2025; 12 Dec 2025; 24 Feb 2026
2	Mr. Atul	Independent Director	5	30th May 2025, 29th August 2025, 9th Oct, 2025, 12th Dec. 2025, 24th Feb, 2025
3	Mr. Aditya Deepak Parekh	Nominee Director	4	30th May 2025, 29th August 2025, 9th Oct, 2025, 24th Feb, 2025
4	Mr. Suman Saurabh	Managing Director & CEO	5	30th May 2025, 29th August 2025, 9th Oct, 2025, 12th Dec. 2025, 24th Feb, 2025

Attendance of the Board of Directors

Attendance at Board (BOD), Committee Meetings (ACB, CSRC, NRC, SAC, GRMC, PDMC) and number of other Directorships held during FY 2025-26:

Name	DIN	Category	BOD	ACB	CSRC	NRC	SAC	GRMC	PDMC	Public	Private
Meetings held in FY2026			5	4	1	2	0	4	0	-	-
Mr. G. S. Sundararajan	00361030	Chairperson, Ind.	5	4	1	2	-	4	-	5	1
Mr. Atul	07711079	Independent	5	4	1	2	-	4	-	-	-
Mr. Aditya Deepak Parekh	02848538	Nominee	4	4	1	2	-	4	-	1	4
Mr. Suman Saurabh	07132387	MD & CEO	5	-	-	-	-	4	-	-	1

BOD - Board of Directors
ACB - Audit Committee of Board
CSRC - Corporate Social Responsibility Committee
NRC - Nomination & Remuneration Committee
SAC - Share Allotment Committee
GRMC - Group Risk Management Committee
PDMC - Promoter Dilution Monitoring Committee

SECTION EIGHT

Secretarial Audit Report

08

S. N. ANANTHASUBRAMANIAN & CO
Company Secretaries

10/24-25-26, 2nd Floor, Brindaban,
Thane (W) - 400 601
T: +91 99878 91740
E: snaco@snaco.net | W: www.snaco.net
ICSI Unique Code: P1991MH040400

FORM No. MR – 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Utkarsh CoreInvest Limited,
CIN: U65191UP1990PLC045609
S-24/1-2, 4th Floor, Mahavir Nagar,
Orderly Bazar, New Mahavir Mandir,
Varanasi, Uttar Pradesh – 221002.

We have conducted Secretarial Audit of compliance with the applicable statutory provisions and adherence to good corporate practices by **Utkarsh CoreInvest Limited** (hereinafter called 'the Company') for the **Financial Year ended 31st March, 2026**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books and papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the **Financial Year ended 31st March, 2026** complied with statutory provisions listed hereunder and also, that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books and papers, minute books, forms and returns filed and other records maintained by the Company for the **Financial Year ended 31st March, 2026** according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder: **Not applicable as the securities of the Company are not listed on any Stock Exchange during the period under review;**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings: **Not applicable to the extent of Overseas Direct Investment and External Commercial Borrowing during the period under review;**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): **Not applicable as the securities of the Company were not listed on any Stock Exchanges during the period under review;**

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; - **except to the extent of being a promoter of a listed entity;**

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021;

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; and

i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(vi) The management has identified and confirmed the following laws as being specifically applicable to the Company:

a) Reserve Bank of India Act, 1934 and guidelines made thereunder;

b) Master Direction – Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions, 2023 – **Applicable till November 27, 2025;**

c) Reserve Bank of India (Non-Banking Financial Companies - Registration, Exemptions and Framework for Scale Based Regulation) Directions, 2025 – **Applicable with effect from November 28, 2025;**



d) Master Direction - Core Investment Companies (Reserve Bank) Directions, 2016 – **Applicable till November 27, 2025; and**

e) Reserve Bank of India (Core Investment Companies) Directions, 2025 – **Applicable with effect from November 28, 2025;**

and the various Directions, Circulars and Guidelines issued by the RBI as applicable to NBFC Core-Investment Company.

We have also examined compliance with the applicable clauses/regulations of the following:

(i) Secretarial Standards with regard to Meeting of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India;

(ii) The Listing Agreements entered into by the Company with the Stock Exchanges; **Not Applicable as the Securities of the Company are not listed on any Stock Exchange during the period under review.**

During the period under review, the Company has complied with provisions of the Act, Rules, applicable Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

(i) The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. There has been no change in the composition of Board of Directors during the period under review.

(ii) Adequate notice is given to all Directors to convene the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance except where consent of Directors was received for circulation of the agenda and notes on Agenda at a shorter notice and there exists a system for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.

(iii) As recorded in the minutes, all the decisions of the Board and Committees thereof were carried through with requisite majority.

We further report that based on the representation made by the Company and on the basis of the compliances taken on record by the Board of Directors at their meeting(s), we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines, and

We further report that during the financial year ended 31st March, 2026 following major event has occurred which had a bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc.



a) The Board of Directors of the Company at their meeting held on 20th September, 2024 approved the Scheme of the Amalgamation of Utkarsh CoreInvest Limited ("Transferor Company") with Utkarsh Small Finance Bank Limited ("Transferee Company") subject to regulatory approvals, as may be required. Necessary applications have been filed before National Company Law Tribunal, and the matter is presently under process.

b) The Board of Directors of the Company at its Meeting held on 09th October, 2025, approved to renounce the rights entitlement offered by Utkarsh Small Finance Bank Limited, a listed subsidiary of the Company. Consequent to the completion of the said transaction, the shareholding of the Company in Utkarsh Small Finance Bank Limited was diluted from 68.92% to 42.67% with effect from 04th November, 2025 and accordingly, Utkarsh Small Finance Bank ceased to be a subsidiary of the Company.

This Report is to be read with our letter of even date annexed as **Annexure – A** which forms an integral part of this report.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023



S. N. Viswanathan
Managing Partner
FCS: 13685 | COP No.: 24335
ICSI UDIN: F013685H000297078
7th May, 2026 | Thane

Annexure – A

To,
The Members,
Utkarsh CoreInvest Limited,
CIN: U65191UP1990PLC045609
S-24/1-2, 4th Floor, Mahavir Nagar,
Orderly bazar, New Mahavir Mandir,
Varanasi, Uttar Pradesh – 221002.

Our Secretarial Audit Report for the financial year ended **31st March, 2026** of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We have conducted the Audit as per the applicable Auditing Standards issued by the Institute of Company Secretaries of India.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
5. Wherever required, we have obtained reasonable assurance whether the statements prepared, documents or Records, in relation to Secretarial Audit, maintained by the Company, are free from misstatement.
6. Wherever required, we have obtained the Management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer:

7. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted affairs of the Company.



8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For S. N. ANANTHASUBRAMANIAN & Co.
Company Secretaries
ICSI Unique Code: P1991MH040400
Peer Review Cert. No.: 5218/2023



S. N. Viswanathan
Managing Partner
ACS: 61955 | COP No.: 24335
ICSI UDIN: F013685H000297078
7th May, 2026 | Thane

SECTION ELEVEN

Independent Auditor's Report (Standalone)

The consolidated auditor's report is enclosed as part of the audited consolidated financial statements.

09

INDEPENDENT AUDITOR'S REPORT

To the Members of Utkarsh CoreInvest Limited
(Formerly known as Utkarsh Micro Finance Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone financial statements of **Utkarsh CoreInvest Limited** (the "Company"), which comprise the Standalone Balance Sheet as at March 31, 2026, Standalone Statement of Profit and Loss (including Standalone Other Comprehensive Income), Standalone Statement of Cash Flows and Standalone Statement of Changes in Equity for the year ended, and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, its profit and total comprehensive income (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Standalone financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Standalone financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance Report and

Shareholder's Information, but does not include the Standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone financial statements our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company 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 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 Standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone financial statements, the Management is responsible for assessing the Company'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 Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone financial statements

Our objectives are to obtain reasonable assurance about whether the Standalone financial statements as a whole are 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 these Standalone financial statements.

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

- Identify and assess the risks of material misstatement of the Standalone financial statements 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of management's 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 Company's ability 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 Standalone financial statements 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone financial statements including the disclosures, and whether the Standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control 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.

From the matters communicated with those charged with governance, we did not identify any matters that were of such significance in the audit of the Standalone Ind AS financial statements for the financial year ended March 31, 2026, that they would be considered key audit matters. Accordingly, no such matters have been described in our auditor's report. Furthermore, there were no circumstances where disclosure was precluded by law or regulation, or where adverse consequences were expected to outweigh the public interest benefits of such communication.

Other Matter:

(i) With regard to the Scheme of Amalgamation of Utkarsh CoreInvest Limited ('UCL' or 'Transferor Company') into and with Utkarsh Small Finance Bank Limited ('USFBL' or 'Transferee Company'), RBI has conveyed its 'No Objection' vide letter dated January 02, 2025 and the stock exchanges have also provided their 'No Objection' on July 04, 2025 and July 07, 2025 respectively. Further, pursuant to the order of the Hon'ble National Company Law Tribunal ("NCLT") dated February 11, 2026, meetings of shareholders of

transferor and transferee companies and meeting of unsecured creditors of transferee company were held on March 28, 2026, and as per the Scrutinizer's Report dated March 31, 2026, the results of the e-voting were in favour of the scheme. The Chairperson's Report was filed with the Hon'ble NCLT, Allahabad Bench, Prayagraj on April 02, 2026 and the second motion petition has been filed on April 05, 2026. The scheme is presently pending final approval of the Hon'ble NCLT. Upon receipt of such approval and the scheme becoming effective, the Transferor Company shall stand dissolved without winding up and the promoter shareholding in the Transferee Company will be reduced to nil, thereby ensuring compliance with the RBI's stipulated dilution requirements. Our opinion is not modified in respect of this matter.

(ii) We draw attention to Note 60 to the Standalone financial statements, which describes that Subsequent to FY 2025-26, the Banking Subsidiary, Utkarsh Small Finance Bank Limited ("USFBL"), has raised funds amounting to ₹ 9,490.8 million through a rights issue. The Company has not participated in the said rights issue, resulting in a dilution of its shareholding in USFBL from 68.92% to 42.67% as at November 04, 2025. As further explained in the said note, the management has evaluated the impact of such change in shareholding and has concluded that there is no change in control, rights, or voting power over USFBL, and accordingly, USFBL continues to be classified as a subsidiary of the Company. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **'Annexure A'**, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, based on our audit we report that:

   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   c. The Standalone Balance Sheet, the Standalone Statement of Profit and Loss including Other Comprehensive Income, Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

   d. In our opinion, the aforesaid Standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

   e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **'Annexure B'**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act: In our opinion and to the best of our information and according to the explanations given to us, the provisions of section 197 read with schedule V to the companies Act, 2013 in respect of the remuneration paid by the Company to its directors during the year. The remuneration paid is in accordance with the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer Note no. 23 to the standalone financial statements.

   ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses.

   iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

   iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

   (b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries; and

   (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) above, contain any material misstatement.

   v. The Company has not declared or paid dividend during the year.

vi. Based on our examination of the books of account and other relevant records of the Company, and according to the information and explanations given to us, we report that the Company has used accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been operative from 1st April, 2023 for all relevant transactions recorded in the software.

Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with and the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For D M K H & CO.
Chartered Accountants
Firm Registration No.: 116886W

CA Manish Kankani
Partner
Membership No.:158020
UDIN: 26158020DSTRYH4267
Place: Mumbai
Date: 07th May, 2026

ANNEXURE "A" TO INDEPENDENT AUDITORS' REPORT
(Referred to in Paragraph 1 under the heading "Report on other Legal and Regulatory Requirements" of our report of even date)

In terms of the information and explanations sought by us and given by the Company and Books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

i. (a)

(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there are no immovable properties held by the company; hence the said clause is not applicable to the company.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2026.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. The Company is a Non-Banking Finance Company ("NBFC"). Accordingly, it does not hold any inventory. Hence the provisions of Clause 3(ii) of the said order is not applicable to the company.

iii. (a) During the year, the Company has not provided loans, advances in the nature of loans, provided guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties.

(b) The investments made by the Company, during the year, are not prejudicial to its interest. During the year the Company has not provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

(c) The Company has not granted any loans to its employees during the year, Accordingly, the requirement to report under clause 3(iii)(c) of the Order is not applicable to the Company.

(d) There are no amounts of loans and advances in nature of loans granted to companies, Firms, Limited Liability Partnerships, or any other parties which are overdue for more than ninety days.

(e) There were no amounts of loans and advances in nature of loans granted to companies, Firms, Limited Liability Partnerships or any other parties which has fallen due during the years, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.

(f) The Company has not granted loans and advances in the nature of loans, either repayable at demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order are not applicable to the company.

iv. There are no loans, investments, guarantees and securities given in respect of which provisions of Section 185 of the Companies Act 2013 are applicable. The Company being NBFC, nothing contained in Section 186 is applicable, except subsection (1) of that section.

v. The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of section 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

vi. The Central Government has not specified the maintenance of cost records under Section 148(1) of the companies Act, 2013, for the services rendered by the Company. Accordingly, the requirement to report on clause 3(vi) of the Order is not applicable to the Company.

vii. (a)The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and service tax, provident fund, employee's state insurance, income tax, cess and other statutory dues applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect of these statutory dues were in outstanding, at the year ending, for a period of more than six months from the date they become payable.

(b)The dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income Tax, cess and other statutory dues have not been deposited on account of any dispute are as follows:

Nature of the statute	Nature of the dues	Amount in (₹ in Crores)	Period to which the amount relates	Forum where the dispute is pending.
Income Tax Act, 1961	Income Tax Demands	1.04	AY 18-19	Income-tax Appellate Tribunal (ITAT)

However, the disputed amount has already been adjusted by the Income Tax Department against the refunds of the Company for later assessment years. Hence, as on the date of this report, there are no dues outstanding in this regard.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of accounts, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirements to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) The Company did not have any outstanding loans or borrowings due to any lender during the year. Accordingly, the requirements to report on clause 3(ix)(a) of the Order is not applicable to the Company.

(b) The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.

(c) The Company did not have any term loans outstanding during the year, hence the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable.

(e) On an overall examination of the financial statements of the company, the company has not taken any funds from any entity or persons on account of or to meet the obligations of its subsidiaries or associates.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Hence the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money during the year by way of initial public offer or further public offer (including debt instruments), hence the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debenture during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to

Company.

xi. (a) No Fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under subsection (12) of section 143 of the Companies Act, 2013 has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rule, 2014 with the Central Government.

(c) To the best of our knowledge and according to the information and explanations given to us, no whistle-blower complaints received during the year by the company.

xii. The Company is not a Nidhi company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a), 3(xii)(b) and 3(xii)(c) of the Order is not applicable to the Company.

xiii. Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

xiv. (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The Internal Audit reports of the company issued till the date of the audit report, for the period under audit, have been considered by us.

xv. The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirements to report to clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company has obtained the requisite registration as a Non-Banking Financial Institution under section 45 – IA of the Reserve Bank of India Act, 1934.

(b) During the year, the Company has not conducted any non-banking financial activities or housing financial activities without a valid Certificate of Registration ('CoR') from the RBI as per the RBI Act, 1934.

(c) The Company is a Core Investment Company (CIC) as defined in the Core Investment Companies (Reserve Bank) Directions, 2016, and continues to fulfil the criteria of a CIC.

(d)There is no Core Investment Company as a part of the Group, Hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has neither incurred cash losses in the current financial year nor in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report Clause 3(xviii) of the Order is not applicable to the company.

xix. On the basis of the financial ratios disclosed in the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements and our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which cause us to believe that any material uncertainty exists as on the date of this audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date will get discharged by the Company as and when they fall due.

xx. (a) In respect of other than ongoing projects, there are no unspent amounts in respect of CSR that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in Note no. 19 to the financial statements.

(b)In respect of ongoing projects, there are no unspent amounts in respect of CSR, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act. This matter has been disclosed in Note no. 19 to the financial statements.

For D M K H & CO.
Chartered Accountants
FRN: 116886W

CA Manish Kankani
Partner
MRN: 158020
UDIN: 26158020DSTRYH4267
Place: Mumbai
Date: 07th May, 2026

Annexure "B" to the Independent Auditors' Report

(Referred to in Paragraph 2(f) under the heading of 'Report on other Legal and Regulatory Requirements' of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone financial statements of **Utkarsh CoreInvest Limited** ("the Company") as of March 31, 2026, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Control Over Financial Reporting issued by the Institute of Chartered Accountants of India("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by ("ICAI"). Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls over financial reporting with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement including, the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls over financial reporting with reference to these standalone financial statements.

Meaning of Internal Financial Controls Over Financial Reporting with reference to these Standalone Financial Statements

A company's internal financial controls over financial reporting with reference to these standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting with reference to these standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting With Reference to these Standalone Financial Statements

Because of the inherent limitations of internal financial controls over financial Reporting with reference to these standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these standalone financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to these standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference these standalone financial statements and such internal financial controls over financial reporting with reference to these standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For D M K H & CO.
Chartered Accountants
FRN: 116886W

CA Manish Kankani
Partner
MRN: 158020
UDIN: 26158020DSTRYH4267
Place: Mumbai
Date: 07th May, 2026

SECTION TWELVE

Audited Financial Statements (Standalone)

The audited consolidated financial statements are enclosed with this report.

10

Utkarsh CoreInvest Limited (Formerly known as Utkarsh Micro Finance Limited)
Standalone Balance Sheet as at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

	Note	As at 31 March 2026	As at 31 March 2025
Assets			
Financial assets			
Cash and cash equivalents	3	0.56	1.25
Bank balance other than above	4	611.57	531.85
Investments in subsidiaries	6	7,902.73	7,899.58
Other financial assets	5	8.06	6.86
Non-financial assets			
Current tax assets (net)	-	122.26	122.55
Property, plant and equipment	7	2.73	3.11
Other non-financial assets	8	1.30	0.19
Total assets		8,649.21	8,565.39
Liabilities and equity			
Liabilities			
Financial liabilities			
Trade payables			
- Total outstanding due to micro and small enterprises -		0.90	0.57
Total outstanding dues of creditors other than micro	9		
enterprises and small enterprises		0.52	0.94
Other financial liabilities	10	5.01	3.41
Non-financial liabilities			
Provisions	11	1.34	0.43
Other non-financial liabilities	12	0.51	0.59
Equity			
Equity share capital	13	993.78	993.72
Other equity	14	7,647.15	7,565.73
Total liabilities and equity		8,649.21	8,565.39
Summary of material accounting policies	2		

The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

for D M K H & Co.
Chartered Accountants
ICAI Firm Registration No. 116886W/066580

MANISH KANKANI
Digitally signed by MANISH KANKANI
Date: 2026.05.07 18:01:35 +05'30'

Manish Kankani
Partner
Membership No: 158020

Place: Mumbai
Date: 07 May 2026

for andonbehalfofBoardofDirectors of
Utkarsh CoreInvest Limited
CIN: U65191UP1990PLC045609

Suman Saurabh
Digitally signed bySuman Saurabh
Date: 2026.05.07 16:14:40 +05'30'

Suman Saurabh
Managing Director and CEO
DIN: 07132387

GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN
Digitally signed by GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN
Date: 2026.05.07 17:27:38+05'30'

G.S. Sundararajan
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari
Digitally signed by Neeraj Kumar Tiwari
Date: 2026.05.07 17:11:39 +05'30'

Neeraj Kumar Tiwari
Company Secretary
FCS: 12101

Harshit Agrawal
Digitally signed by Harshit Agrawal
Date: 2026.05.07 16:40:51 +05'30'

Harshit Agrawal
Chief Financial Officer
ACA: 417412

Place: Dehradun (Uttarakhand)
Date: 07 May 2026

Utkarsh CoreInvest Limited (Formerly known as Utkarsh Micro Finance Limited)
Standalone Statement of Profit and Loss for the year ended 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
Other income	15	145.22	434.54
Total income		**145.22**	**434.54**
Expenses			
Employee benefits expenses	16	19.95	15.63
Depreciation	17	0.42	0.19
Others expenses	18	18.29	13.04
Total expenses		**38.66**	**28.86**
Profit/(Loss) before tax		106.56	405.68
Tax Expense:			
Current tax	59	27.51	102.98
Profit/(Loss) for the year		**79.05**	**302.70**
Other comprehensive income			
Items that will not be reclassified to profit or loss :			
-Actuarial gain/(loss) on defined benefit obligation		(0.02)	(0.11)
Total		**(0.02)**	**(0.11)**
Total Comprehensive Income for the year		**79.03**	**302.59**
Earnings per equity share			
Basic earnings per share of INR 10 each	29	0.80	3.06
Diluted earnings per share of INR 10 each	29	0.80	3.05
Summary of material accounting policies	2		
The accompanying notes are an integral part of these standalone financial statements.			

As per our report of even date attached.

for D M K H & Co.
Chartered Accountants
ICAI Firm Registration No. 116886W/066580

MANISH KANKANI
Digitally signed by MANISH KANKANI
Date: 2026.05.07 18:02:04 +05'30'

Manish Kankani
Partner
Membership No: 158020

Place: Mumbai
Date: 07 May 2026

for and on behalf of Board of Directors of
Utkarsh CoreInvest Limited
CIN:U 65191UP1990PLC045609

Suman Saurabh
Digitally signed by Suman Saurabh
Date: 2026.05.07 16:17:01 +05'30'

Suman Saurabh
ManagingD irector and CEO
DIN: 07132387

GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN
Digitally signed by GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN Date: 2026.05.07 17:28:21 +05'30'

G.S. Sundararajan
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari
Digitally signed by Neeraj Kumar Tiwari
Date: 2026.05.07 17:14:16+05'30'

Neeraj Kumar Tiwari
Company Secretary
FCS: 12101

Harshit Agrawal
Digitally signed by Harshit Agrawal
Date: 2026.05.07 17:05:29 +05'30'

Harshit Agrawal
Chief FinancialOfficer
ACA: 417412

Place: Dehradun (Uttarakhand)
Date: 07 May 2026

Utkarsh CoreInvest Limited (Formerly known as Utkarsh Micro Finance Limited) Cash flow statement for the year ended 31 March 2026

(All amounts are in Rupees millions unless otherwise stated)

	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
A. CASH FLOW FROM OPERATING ACTIVITES			
Net Profit/(loss) before Tax		**106.56**	**405.68**
Adjustments for:			
Depreciation and amortisation		0.42	0.19
Dividend income		0.00	(379.64)
Interest income		(47.63)	(40.59)
Sharebased payment adjustment		(1.21)	(0.36)
Actuarial gain/(loss) on defined benefit obligation		(0.02)	(0.11)
Operating (Loss)/profit before Working Capital Changes		**58.12**	**(14.83)**
Adjustments for:			
(Increase) in bank balance other than above		(79.72)	(68.25)
Decrease/(Increase) in other financial assets		(1.20)	(3.74)
Decrease in other non financial asset		(1.11)	0.00
(Decrease)/Increase in trade payables		(0.09)	(1.26)
(Decrease)/Increase in other financial liability		1.56	0.77
(Decrease)/Increase in other non financial liability		(0.08)	(3.42)
Increase/(Decrease) in provision		0.91	0.07
Cash Flow before taxation		(79.73)	(75.83)
Income Tax (paid)/ refund - Net		(27.22)	(101.37)
Net cash flow from operating activities		(48.83)	(192.03)
B. CASH FLOW FROM INVESTING ACTIVITIES			
Dividend income		0.00	379.64
Interest income		47.63	40.47
Purchase of property, plant and equipments		0.00	(3.30)
Net cash used in Investing Activities		**47.63**	**416.81**
C. CASH FLOW FROM FINANCING ACTIVITIES			
Issue of Equity Shares including Securities premium		0.51	51.51
Payment to shareholder under Shareholder agreement		0.00	(300.00)
Net cash flow from Financing Activities		**0.51**	**(248.49)**
Net (Decrease)/Increase in Cash and Cash Equivalent Flow (A+B+C)		(0.69)	(23.71)
Opening Cash and Cash Equivalent	3	1.25	24.96
Closing Cash and Cash Equivalent	3	0.56	1.25
Summary of material accounting policies			
The accompanying notes are an integral part of these standalone financial statements	2		

As per our report of even date attached.

for D M K H & Co.
Chartered Accountants
ICAI Firm Registration No. 116886W/066580

MANISH KANKANI
Digitally signed by MANISH KANKANI
Date: 2026.05.07 18:02:28 +05'30'

Manish Kankani
Partner
Membership No: 158020

Place: Mumbai
Date: 07 May 2026

for and on behalf of Board of Directors of
Utkarsh Core Invest Limited
CIN: U65191UP1990PLC045609

Suman Saurabh
Digitally signed by Suman Saurabh
Date: 2026.05.07 16:19:40 +05'30'

Suman Saurabh
ManagingD irector and CEO
DIN: 07132387

GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN
Digitally signed by GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN
Date: 2026.05.07 17:28:48 +05'30'

G.S. Sundararajan
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari
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Date: 2026.05.07 17:17:29 +05'30'

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Company Secretary
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Harshit Agrawal
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Date: 2026.05.07 17:06:39 +05'30'

Harshit Agrawal
Chief Financial Officer
ACA: 417412

Place: Dehradun (Uttarakhand)
Date: 07 May 2026

Utkarsh CoreInvest Limited (Formerly known as Utkarsh Micro Finance Limited)
Standalone statement of changes in equity Balance as at 31 March 2026
(Amount in millions unless otherwisestated)

A Equity Share Capital

	Balance as at 1st April 2023	Changes during the year	Balance as at 31 March 2024	Changes during the year	Balance as at 31 March 2025	Changes during the year	Balance as at 31 March 2026
Paid up share capital	984.21	3.23	987.44	6.28	993.72	0.06	993.78
	984.21	3.23	987.44	6.28	993.72	0.06	993.78

B

Other Equity	Reserves and Surplus									Other comprehensive income		Total
	Share application money pending allotment	Equity component of financial instruments	Statutory reserve	Other Equity - Fair valuation changes	Capital redemption reserve	Securities premium	ESOP reserve	Treasury shares	Retained Earnings	Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	Actuarial gain / loss on post employment defined benefit plan	Total
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	302.70	-	(0.11)	302.59
Share options exercised	-	-	-	-	-	32.16	(		-	-	-	-
Transfer to / from retained earnings	-	-	60.60	-	-	-	32.16)	-	(51.85)	-	-	-
Equity settled share based plan	-	-	-	-	-	-	(8.75)	-	-	-	-	0.44
Shares issued	(21.54)	-	-	-	-	66.54	0.44-		-	-	-	45.00
Payment to shareholders under shareholder agreement	-	-	-	-	-	-	-	-	(300.00)	-	-	(300. 00)
Share application money received	0.23		-	-	-	-	-	-	-	-	-	0.23
Balance as at 31 March 2025	0.23	(109. 01)	278.75	4,121.67	90.00	6,630.39	42.24	(2.45)	(3,324.91)	(160.62)	(0.56)	7,565.73
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	79.05	-	(0.02)	79.03
Share options exercised	-	-	-	-	-	(1.09)	1.09		-	-	-	-
Transfer to / from retained earnings	-	-	15.95	-	-	-	(23.05)	-	7.10	-	-	-
Equity settled share based plan	-	-	-	-	-	-	1.94	-	-	-	-	1.94
Shares issued	(0.23)	-	-	-	-	0.68	-		-	-	-	0.45
Payment to shareholders under shareholder agreement	-	-	-	-	-	-	-	-	-	-	-	-
Share application money received	-		-			-	-	-	-			-
Balance as at 31 March 2026	2	(109. 01)	294.70	4,121.67	90.00	6,629.98	22.22	(2.45)	(3,238.76)	(160.62)	(0.58)	7,647.15

Summary of material accounting policies
The accompanying notes are an integral part of these standalone financial statements.

As per our report of even date attached.

for D M K H & Co.
Chartered Accountants
ICAI Firm Registration No. 116886W/066580

MANISH KANKANI
Digitally signed by MANISH KANKANI
Date: 2026.05.07 18:02:28 +05'30'

Manish Kankani
Partner
Membership No: 158020

Place: Mumbai
Date: 07 May 2026

for and on behalf of Board of Directors of
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CIN: U65191UP1990PLC045609

Suman Saurabh
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Date: 2026.05.07 16:19:40 +05'30'

Suman Saurabh
ManagingD irector and CEO
DIN: 07132387

GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN
Digitally signed by GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN
Date: 2026.05.07 17:28:48 +05'30'

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Company Secretary
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Harshit Agrawal
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Date: 2026.05.07 17:06:39 +05'30'

Harshit Agrawal
Chief Financial Officer
ACA: 417412

Place: Dehradun (Uttarakhand)
Date: 07 May 2026

		As at 31 March 2026	As at 31 March 2025
3	**Cash and Bank Balances**		
	Cash and cash equivalents		
	Balances with Banks		
	- On current accounts	0.56	1.25
	- Deposits with original maturity of less than three months		
	Total	**0.56**	1.25
4	**Bank balance other than above**		
	In Bank deposits	611.57	531.85
	Total	**611.57**	**531.85**
5	**Other financial assets**		
	Receivable from Utkarsh Small Finance Bank Limited	5.94	5.77
	Other recoverable	0.02	0.02
	Plan assets receivable for leave encashment provision	0.71	1.07
	Staff Advances	1.39	-
	Total	**8.06**	**6.86**
6	**Investments in subsidiaries**		
	Investment in -		
	- 759,272,222 (31 March 2025: 759,272,222) Equity shares of Utkarsh Small Finance Bank Limited	7,902.73	7,899.58
	Total	**7,902.73**	**7,899.58**

7 Property, Plant and Equipment

	Gross value				Depreciation				Net value
Particulars	**As at 1 April 2025**	**Additions**	**Disposals**	**As at 31 March 2026**	**As at 1 April 2025**	**For the year**	**Disposals**	**As at 31 March 2026**	**As at 31 March 2026**
Owned Assets									
Computers	0.10	0.03	-	0.13	0.10	0.00	-	0.10	0.03
Vehicles	6.28	-	-	6.28	3.18	0.41	-	3.59	2.70
Total	**6.38**	**0.03**	-	**6.42**	**3.27**	**0.42**	-	**3.69**	**2.73**

	Gross value				Depreciation				Net value
Particulars	As at 1 April 2024	Additions	Disposals	As at 31 March 2025	As at 1 April 2024	For the year	Disposals	As at 31 March 2025	As at 31 March 2025
Owned Assets									
Computers	0.10	-	-	0.10	0.10	-	-	0.10	-
Vehicles	2.98	3.30	-	6.28	2.98	0.19	-	3.18	3.11
Total	**3.08**	**3.30**	-	**6.38**	**3.08**	**0.19**	-	**3.27**	**3.11**

		As at 31 March 2026	As at 31 March 2025
8	**Other non-financial assets**		
	Balance with tax authorities	0.94	-
	Pre-paid expenses	0.36	0.19
	Total	**1.30**	**0.19**
9	**Trade payables**		
	Total outstanding due to micro and small enterprises	0.90	0.57
	Total outstanding dues of creditors other than micro enterprises and small enterprises	0.52	0.94
	Total	**1.42**	**1.51**

Trade payables ageing schedule:

As on 31 March 2026:

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME		0.90	-	-	- -	-	0.90
(ii) Others	0.04	0.47	0.01	-	- -	-	0.52
(iii) Disputed dues - MSME	-	-	-	-		-	-
(iv) Disputed dues -Others	-	-	-	-		-	-
Total	**0.04**	**1.38**	**0.01**	-	-	-	**1.42**

As on 31 March 2025:

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	-	0.57		-	- -	-	0.57
(ii) Others	0.43	0.51		-	- -	-	0.94
(iii) Disputed dues - MSME	-	-	-	-		-	-
(iv) Disputed dues -Others	-	-	-	-		-	-
Total	**0.43**	**1.08**	-	-	-	-	**1.51**

10	**Other financial liabilities**		
	Employee benefits payable	5.01	3.41
		5.01	**3.41**
11	**Provisions**		
	Provision for employee benefits		
	Provision for gratuity	0.79	0.12
	Provision for other employee benefits	0.55	0.31
	Total	**1.34**	**0.43**
12	**Other non-financial liabilities**		
	Statutory dues payable		
	TDS payable	0.41	0.36
	GST payable	-	0.15
	PF payable	0.10	0.08
		0.51	**0.59**

	As at 31 March 2026	As at 31 March 2025
13 Share capital		
Authorised		
Equity shares		
10,00,00,000 (31 March 2025: 10,00,00,000) Equity shares of INR 10 each	1,000.00	1,000.00
Issued, subscribed and paid-up		
Equity shares		
9,93,78,215 (Previous year 9,93,71,965) equity shares of Rs. 10 each, fully paid up	993.78	993.72
	993.78	**993.72**

(a) Reconciliation of the number of shares outstanding is set out below:

	31 March 2026		31 March 2025	
	Number of shares (in units)	Amount	Number of shares (in units)	Amount
Outstanding as at the beginning of the year	9,93,71,96	993.7	9,87,44,49	987.4
Issued during the year	5 6,250	2 0.06	0 6,27,475	4 6.28
Outstanding at the end of the year	**9,93,78,215**	**993.78**	**9,93,71,965**	**993.72**

(b) Details of shareholder holding more than 5% shares is set below:

Equity shares	As at 31 March 2026		As at 31 March 2025	
Name of the shareholder	Number of shares (in units)	% of Holding	Number of shares (in units)	% of Holding
British International Investment PLC (Formerly known as CDC Group PLC) RBL	1,37,26,978	13.81%	1,37,26,978	13.81%
Bank Limited	85,81,150	8.63%	85,81,150	8.64%
NMI Frontier Fund KS, Norway	77,02,602	7.75%	77,02,602	7.75%
Faering Capital India Evolving FUND II	76,60,082	7.71%	76,60,082	7.71%
	3,76,70,812	**37.91%**	**3,76,70,812**	**37.91%**

	As at 31 March 2026	As at 31 March 2025
14 Other equity		
Capital redemption reserve		
Balance as at the beginning of the year	90.00	90.00
Add: Transfer from surplus in Statement of Profit and Loss		
Balance as at the end of the year	**90.00**	**90.00**
Securities premium		
Balance as at the beginning of the year	6,630.39	6,531.69
Add: Transfer from stock option outstanding	(1.09)	32.16
Add: On issue of shares during the year	0.68	66.54
Balance as at the end of the year	**6,629.98**	**6,630.39**
Employees stock options outstanding		
Balance as at the beginning of the year	42.24	82.71
Add: Compensation for options granted	1.94	0.44
Less: Transfer to Retained Earnings	(23.05)	(8.75)
Exercise of stock options	1.09	(32.16)
Balance as at the end of the year	**22.22**	**42.24**
Equity component of financial instruments		
Balance as at the beginning oftheyear	(109.01)	(109.01)
Balance as at the end of the year	**(109.01)**	**(109.01)**
Remeasurement of defined benefit plans		
Balance as at the beginning oftheyear	(0.56)	(0.45)
Other comprehensive income	(0.02)	(0.11)
Balance as at the end of the year	**(0.58)**	**(0.56)**
Statutory reserve		
Balance as at the beginning of the year	278.75	218.15
Add: Transferred from surplus	15.95	60.60
Balance as at the end of the year	**294.70**	**278.75**
Other Equity - Fair valuation changes		
Balance as at thebeg inning of the year	4,121.67	4,121.67
Add: Fair valuation of equity share capital	-	-
Less: Loss on extinguishment	-	-
Balance as at the end of the year	**4,121.67**	**4,121.67**
Retained earnings		
Balanceasat the beginning of the year	(3,324.91)	(3,275.76)
Add: Profit/(loss) for the year	79.05	302.70
Add: Amount transferred to statutory reserve (created under Section 45-1C of RBI Act, 1934)	-	-
Add: ESOP Reserve Adjustment	7.10	(51.85)
Less: Payment to shareholder under shareholder agreement	-	(300.00)
Balance as at the end of the year	**(3,238.76)**	**(3,324.91)**
Share Application money pending allotment		
Balance asat the beginningoftheyear	0.23	21.54
Shares issued during the year	(0.23)	(21.54)
Share application money received during the year	-	0.23
	-	**0.23**
Treasury shares		
Balance as at the beginning of the year	(2.45)	(2.45)
Treasury shares exercised during the year	-	-
Balance as at the end of the year	**(2.45)**	**(2.45)**
Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss		
Balance as at the beginning of the year	(160.62)	(160.62)
Total Comprehensive Income for the year	-	-
	(160.62)	**(160.62)**
Total	**7,647.15**	**7,565.73**

Nature and purpose of other reserve :

Capital Redemption Reserve
Capital Redemption Reserve represents amount transferred from surplus in statement of profit and loss towards redemption of preference shares without fresh issue of capital, as was required under Companies Act, 2013.

Securities premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

ESOP Reserve
The said amount is used to recognise the grant date fair value of options issued to employees under Utkarsh CoreInvest Ltd and its subsidiary Utkarsh Small Finance Bank.

Equity component of financial instruments
This represents the equity component of the financial liability created on account of classification of equity share capital as financial liability.

Remeasurement of defined benefit plans
Remeasurements of defined benefit plans represents the following as per Ind AS 19, Employee Benefits:
(a) actuarial gains and losses
(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Statutory reserve
The said reserve has been created under Section 45-IC of Reserve Bank of India Act, 1934. As per the said section, every Non-Banking Financial Company shall create a reserve fund and transfer a sum not less than 20% of net profit every year before declaration of dividend.

Other Equity - Fair valuation changes
The said reserve represents the premium amount paid by the shareholders transferred on account of reclassification of equity share capital as financial liabilities. During the year ended 31 March 2019, due to substantial modification of the shareholder agreement, the Company has reclassified the equity share capital from financial liability to equity. Accordingly, the amount debited to said reserve in the previous periods was credited. Further, on the date of said reclassification, the Company has recorded the equity at the fair valuation on the date of reclassification and accordingly, the impact of the same has been booked in other equity. Loss on extinguishment of financial liability has been recorded in the said reserve.

Retained Earnings
The said amount represents accumulated surplus/(deficit) of the profits earned by the Company.
The company has provided for INR 30 million to RAAG trust in lieu of issuing 3% of share capital on fully diluted basis as per share holder agreement and artic le of asssociation

Share Application money pending allotment
This amount represents amount received from share holders against which shares are yet to be allotted.

Treasury shares
The said amount represents shares issued to the ESOP trust and subsequently issued to the employees of the Company.

Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss
The said amount represents fair value changes on financial liabilities designated at fair value through profit or loss relating to own credit risk which is recognised in other comprehensive income.

		For the year ended 31 March 2026	For the year ended 31 March 2025
15	**Other income**		
	Dividend Income	-	379.64
	Interest on financial assets at amortised cost	47.63	40.59
	Recovery from written off portfolio	32.81	12.70
	Miscellaneous income	5.46	1.61
	Consideration Amount for Rights Entitlement (RE)	59.32	-
	Total	**145.22**	**434.54**
16	**Employee benefit expenses**		
	Salaries and bonus	14.36	12.91
	Contribution to provident and other funds	1.84	0.51
	Share based payment to employees	2.50	1.98
	Staff welfare expenses	1.25	0.23
	Total	**19.95**	**15.63**
17	**Depreciation**		
	Depreciation of property, plant and equipment	0.42	0.19
	Total	**0.42**	**0.19**
18	**Other expenses**		
	Repairs and maintenance	0.01	0.02
	Contribution towards Corporate Social Responsibilities	3.00	0.50
	Legal and professional charges	7.49	6.58
	Director sitting fees	3.30	3.67
	Communication expenses	0.07	0.07
	Miscellaneous expenses	3.56	1.32
	Lease rent*	0.86	0.88
	Total	**18.29**	**13.04**

* Represents lease rentals for short term leases in the current year

19	**Details of corporate social responsibility expenditure**		
	Average net profit of the Company for last three financial years	148.32	20.99
	Gross amount required to be spent by the company during the year	Nil	Nil
	Corporate Social Responsibility expenses for the year	3.00	0.50
	Various Head of expenses included in above:		
	Other expenses (Contribution towards Corporate Social Responsibilities)	3.00	0.50
	Amount spent during the year on:		
	(i) Construction/acquisition of any asset	-	-
	(ii) On purposes other than (i) above	3.00	0.50
	Details of related party transactions	3.00	0.50
	Provision for CSR Expenses		
	Opening Balance	-	-
	Add: Provision created during the year	3.00	0.50
	Less: Provision utilised during the year	3.00	0.50
	Closing Balance	-	-
	The amount of shortfall at the end of the year out of the amount required to be spent by the Company during the year	Nil	Nil
	The total of previous years' shortfall amounts	Nil	Nil
	The reason for above shortfalls by way of a note	-	-
	The nature of CSR activities undertaken by the Company	**Contribution made towards CSR activities**	**Contribution made towards CSR activities**

As per Section 135 of the Companies Act 2013, the Company has formed a CSR Committee of the Board of Directors. The CSR Committee has also approved a CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, has been identified.

		For the year ended 31 March 2026	For the year ended 31 March 2025
20	**Auditors remuneration (Included in legal and professional charges, excluding taxes)**		
	Payments to auditor (excluding tax) -		
	Statutory auditor	0.94	0.90
	- Other services	-	0.03
	- Reimbursement of expenses	-	-
	Total	**0.94**	**0.93**

21 Amounts payable to Micro and Small enterprises

The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated 26 August 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allotted after filing of the Memorandum. Accordingly, the disclosure in respect of the amounts payable to such enterprises as at 31 March 2026 has been made in the financial statements based on information received and available with the Company. Further in the view of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Micro, Small and Medium Enterprises Development Act, 2006 is not expected to be material. The Company has not received any claim for interest from any supplier under the said Act.

Particulars	As at 31 March 2026	As at 31 March 2025
Principal amount remaining unpaid to any supplier as at the end of the year.	0.91	0.58
Interest due thereon remaining outstanding as at the end of the year.	Nil	Nil
The amount of interest paid by the buyer as per Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
The amount of the payments made to micro and small suppliers beyond the appointed date during each accounting year.	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of the accounting year.	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

22 A. Contingent liabilities

Claims against the company not acknowledged as debts in respect of Income Tax is INR 10.39 (31 March 2025: INR 10.39).

B. Commitments

There are no commitments as at 31 March 2026 and 31 March 2025.

C. Contingent assets

There are no contingent assets as at 31 March 2026 and 31 March 2025.

23 Details of pending litigations

	As at 31 March 2026	As at 31 March 2025
Proceedings by Company against theft*	2.51	2.51
Income Tax CIT (A) - Refund Income-tax Appellate	114.30	114.30
Tribunal (ITAT) - Demand	10.39	10.39

*An amount of INR 0.14 (31 March 2025: 0.14) has been recovered in earlier years and INR 2.37 (31 March 2025 : 2.37) is yet to be recovered. The total unrecovered amount (against theft) is written off in the previous years.

24 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled.

		As at 31 March 2026			As at 31 March 2025			As at 31 March 2024		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(I)	**Assets**									
A	**Financial assets**									
	Cash and cash equivalents Bank	0.56	-	0.56	1.25	-	1.25	24.96	-	24.96
	balance other than above	-	611.57	611.57	-	531.85	531.85	-	463.48	463.48
	Investment in subsidiary	-	7,902.73	7,902.7	-	7,899.58	7,899.5	-	7,898.7	7,898.7
	Other financial assets	8.06	-	3 8.06	6.86	-	8 6.86	3.12	- 8	8 3.12
	Total financial assets	**8.62**	**8,514.30**	**8,522.92**	**8.11**	**8,431.43**	**8,439.54**	**28.08**	**8,362.26**	**8,390.34**
B	**Non-financial assets**									
	Current tax assets (net)	-	122.26	122.26	-	122.55	122.55	-	124.16	124.16
	Property, plant and equipment	-	2.73	2.73	-	3.11	3.11	-	-	-
	Other non-financial assets	1.30	-	1.30	0.19	-	0.19	0.19	-	0.19
	Total non-financial assets	**1.30**	**124.99**	**126.29**	**0.19**	**125.66**	**125.85**	**0.19**	**124.16**	**124.35**
	Total Assets	**9.92**	**8,639.29**	**8,649.21**	**8.30**	**8,557.09**	**8,565.39**	**28.27**	**8,486.42**	**8,514.69**
(II)	**Liabilities**									
A	**Financial liabilities**									
	Trade Payable	1.41	0.01	1.42	1.51	-	1.52	2.77		
	Other financial liabilities	5.01	-	5.01	3.41	-	3.41	2.64	-	2.64
B	**Non-financial liabilities**									
	Provisions	1.34	-	1.34	0.43	-	0.43	0.36	-	0.36
	Other non-financial liabilities	0.51	-	0.51	0.59	-	0.59	4.01	-	4.01
	Total financial liabilities	**8.27**	**0.01**	**8.28**	**5.94**	-	**5.95**	**9.78**	-	**7.01**
	Total Liabilities	**8.27**	**0.01**	**8.28**	**5.94**	-	**5.94**	**9.78**	-	**9.78**
	Net	**1.65**	**8,639.28**	**8,640.93**	**2.36**	**8,557.09**	**8,559.45**	**18.49**	**8,486.42**	**8,504.91**

25 Segment reporting

The Board of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "Operating Segments." The Company's operating segments are established in the manner consistent with the components of the Company that are evaluated regularly by the Chief Operating Decision Maker as defined in 'Ind AS 108 - Operating Segments.' As the Company is not having any commercial operations, hence there are no separate reportable segments as per Ind AS 108.

Information about products and services:
The Company does not have any commercial operations. Hence, the said disclosure is not applicable.

Information about geographical areas:
The Company does not have any commercial operations. Hence, the said disclosure is not applicable.

Information about major customers (from external customers):
The Company does not have any commercial operations. Hence, the said disclosure is not applicable.

26 Employee benefits

The Company operates the following post-employment plans -

i. Defined Benefit plan

Gratuity

Every employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service in line with the payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	31 March 2026	31 March 2025
Net defined benefit liability	0.80	0.12

A) Funding

The scheme is fully funded with Life Insurance Corporation of India (LIC). The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan.The funding of the plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in Section D below. Employees do not contribute to the plan.

Expected contributions to gratuity plan for the year ending 31 March 2026 is INR 1.01

B) Reconciliation of the net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	As at 31 March 2026			As at 31 March 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	1.04	0.92	0.12	0.70	0.68	0.01
Included in profit or loss						
Current service cost	0.22	-	0.22	0.17	-	0.17
Past Service cost	0.41	-	0.41	-	-	-
Interest cost (Investment Income)	0.08	0.06	0.02	0.05	0.05	0.00
Total (A)	0.71	0.06	0.65	0.22	0.05	0.17
Included in Other comprehensive income						
Remeasurements loss (gain)						
– Actuarial loss (gain) arising from:						
-demographic assumptions	-	-	-	-	-	-
-financial assumptions	(0.01)	-	(0.01)	0.01	-	0.01
-experience adjustment	0.03	-	0.03	0.11	-	0.11
– Return on plan assets excluding interest income	-	-	-	-	0.01	(0.01)
Total (B)	0.02	-	0.03	0.12	0.01	0.11
Other						
Contributions paid by the employer	-	-	-	-	0.18	(0.18)
Benefits Paid	-			-		
Total (C)	-	-	-	-	0.18	(0.18)
Balance at the end of the year	1.77	0.98	0.80	1.04	0.92	0.12

C. Plan assets

	31 March 2026	31 March 2025
Insurer managed funds	100%	100%

The Company has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the Company is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

D. Actuarial assumptions

Principalactuarialassumptions at the reporting date (expressed as weighted averages):

	31 March 2026	31 March 2025
Discount rate	6.50%	6.50%
Future salary growth	8%	8%
Withdrawal rate:		
All ages	13.10% - 31.90%	13.10% - 31.90%
Retirement Age (in year)	60	60
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Discount rate: The rate used to discount post-employment benefit obligations is determined by reference to market yields at the balance sheet date on government bonds. The currency and term of the government bonds is consistent with the currency and estimated term of the post-employment benefit obligations.

Salary escalation rate: Salary increase takes into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

E. Sensitivity analysis of significant assumptions

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	31 March 2026		31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement). (0.06). 0 .06 (0.07) 0.07				
Salary growth rate (1% movement) 0 .06 (0.05) 0 .07(0.07)				

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

F. Expected maturity analysis of the defined benefit plans in future years

	31 March 2026	31 March 2025
0 to 1 Year	0.46	0.14
1 to 5 Year	1.26	0.50
6 Year onwards	0.51	1.12
Total	2.23	1.76

As at 31 March 2026, the weighted-average duration of the defined benefit obligation was 3 years (31 March 2025: 7 years)

G. Description of risk exposures

Investment risk
The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk (discount rate risk)
Interest Rate risk: The plan exposes the Company to the risk of falling interest rates.A falling interest result in rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Mortality risk
The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For the current year and the previous years, we have used Indian Assured Lives Mortality (2012-14) ultimate table.

A change in mortality rate will have a bearing on the plan's liability.

Salary risk
The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

ii. Defined contribution plan

The Company makes monthly contribution towards Provident Fund which is a defined contribution plan. The Company has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as expense towards such contribution are as follows:

	Year ended 31 March 2026	Year ended 31 March 2025
Provident fund	0.57	0.50

iii. Other long-term benefits

The Company provides compensated absences benefits to the employees of the Company which can be carried forward to future years. Amount recognised in the Statement of Profit and Loss for compensated absences is as under-

	Year ended 31 March 2026	Year ended 31 March 2025
Amount recognised in Statement of Profit and Loss		
Provision for leave encashment and gratuity	1.28	0.11

27 Employee stock options

A Description of share-based payment arrangements

The Company has formulated an Employees Stock Option Scheme to be administered through a Trust. The Scheme is applicable to all the eligible employees of the Company and its subsidiary Companies ('Group'). The scheme provides that subject to continued employment with the company, the employees are granted an option to acquire equity shares of the Company that may be exercised within a specified period.

The Company formed Utkarsh ESOP Welfare Trust ('Trust') to issue ESOPs to employees of the Company as per Employee Stock Option Scheme. Total 1,200,000 equity shares has been reserved under ESOP scheme 2016 and pursuant to Shareholder agreement executed in the year 2016-17 additional 5,989,594 equity shares has been reserved for the purpose of ESOP scheme.

The trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The Trust in turn allots the shares to employees on exercise of their right against cash. The compensation costs of stock options granted to employees are accounted by the Company using fair value method.

The Trust does not have any transactions/activities other than those mentioned above, hence it is treated as a part of the Company and gets consolidated with the standalone books of the Company. The Company granted 2,63,573(31March2025,17,500) options to the employees of the Company and its subsidiary Companies('Group') during the year, out of which 2,34,573 options related to the Trust and hence their exercise and allotment would be routed through the Trust.

The options vested shall be exercised within a period of 24 months from the date of vesting. The plan shall be administered, supervised and implemented by the Compensation Committee under the policy and frame work laid down by the Board of Directors of the Company in accordance with the authority delegated to the Compensation Committee in this regard from time to time.

The said ESOP scheme is an equity settled scheme as the same would lead to a settlement in its own equity instruments.

These options shall vest on graded basis as follows:

Time period	Percentage	Vesting condition
On completion of 1 year	25%	Service
On completion of 2 years	25%	Service
On completion of 3 years	25%	Service
On completion of 4 years	25%	Service

B Reconciliation of outstanding share options

Set out below is a summary of options granted under the plan

	31 March 2026		31 March 2025	
	Number of share options (in Units)	Average exercise price per share	Number of share options (in Units)	Average exercise price per share
Outstanding options at the beginning of the year	6,48,731	120.68	13,09,227	119.40
Add: Grantedduring the year	2,63,573	44.72	17,500	125.00
Add: Adjustment of previous year (negative impact)	-	-	2,43,354	110.61
Less: Lapsed/forfeited during the year	3,99,215	118.08	2,93,875	116.63
Less: Exercised during the year	6,250	118.74	6,27,475	116.11
Less: Adjustment of current year	4,688	125.00		
Outstanding options at the end of the year			-	-
Options vested and exercisable at the end of the year	5,02,151	75.29	6,48,731	120.68
	2,14,673	125.00	6,13,888	120.44

The weighted average share price at the date of exercise for share options exercised for the year ended 31 March 2026 was 118.74 (31 March 2025 INR 116.11).

C Share options outstanding at the end of the year have the following contractual expiry date and exercise options

Grant date	Expiry date	Exercise price	No of options outstanding As at 31 March 2026	No of options outstanding As at 31 March 2025
1 April 2014	1 April 2016 - 1 April 2019	21.60	-	-
1 April 2015	1 April 2017 - 1 April 2020	21.60	-	-
1 April 2016	1 April 2018 - 1 April 2021	21.60	-	-
1 April 2017	1 April 2019 - 1 April 2022	109.36	-	-
1 April 2018	1 April 2020 - 1 April 2023	109.36	-	-
1 April 2019	1 April 2021 - 1 April 2024	109.36	-	-
1 June 2019	1 June 2021 - 1 June 2024	109.36	-	
9 Dec 2019	9 Dec 2021 - 9 Dec 2024		-	1,79,094
1 Oct 2020	1 Oct 2022 - 1 Oct 2025	125.00		12,500
1 April 2021	1 April 2023 - 1 April 2026	125.00	2,08,423	4,16,669
1 April 2022	1 April 2024 - 1 April 2027	125.00	1,875	3,750
1 April 2023	1 April 2025 - 1 April 2028	125.00	3,750	7,031
1 April 2024	1 April 2026 - 1 April 2029	125.00	7,030	12,187
1 April 2025	1 April 2027 - 1 April 2030	125.00	17,500	17,500
1 October 2025	1 October 2027 - 1 October 2030	125.00	9,000	
12 December 2025	12 December 2027 - 12 December 2030		20,000	-
12 December 2025	12 December 2027 - 12 December 2030	10.00	61,007	-
12 December 2025	12 December 2027 - 12 December 2030	21.60	9,066	-
		21.60		-
			1,64,500	-
Weighted average remaining contractual life of options outstanding at the end of the year			3.38 years	1.28 years

D Measurement of Fair values

The fair value of employee share options has been measured using Black-Scholes model. The weighted average fair value of each option on the grant date ranged between INR 9.54 - 203.60
The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Grant date	Expiry date	Historical volatility	Exercise price	Share price	Risk free rate	Fair value
1 April 2014	1 April 2016 - 1 April 2019	33.83%	21.6	28.72		11.57 - 16.12
1 April 2015	1 April 2017 - 1 April 2020	43.09%	21.6	45.51	8.81%	27.54 - 32.21
1 April 2016	1 April 2018 - 1 April 2021	52.41%	21.6	71.4	7.74%	53.15 - 57.95
1 April 2017	1 April 2019 - 1 April 2022	30.91%	109.36	82.19	7.46%	9.54 - 23.70
1 April 2018	1 April 2020 - 1 April 2023	29.51%	109.36	107.19	6.68%	23.88 - 42.55
1 June 2019	1 June 2021 - 1 June 2024	19.60%	109.36	132.13	7.40%	49.31 - 67.99
1 October 2020	1 Oct 2022 - 1 Oct 2025	47.00%	125.00	131.59	7.03%	50.10 - 65.77
1 April 2021	1 April 2023 - 1 April 2026	49.30%	125.00	142.50	5.55%	53.60 - 77.00
1 April 2022	1 April 2024 - 1 April 2027	49.10%	125.00	155.20	5.80%	60.00 - 88.30
1 April 2023	1 April 2025 - 1 April 2028	47.90%	125.00	166.70	6.20%	68.20 - 99.40
1 April 2024	1 April 2026 - 1 April 2029	46.70%	125.00	278.90	7.10%	173.90 -
1 April 2025	1 April 2027 - 1 April 2030	43.00%	125.00	139.60	7.00%	203.60 41.30 -
1 October 2025	1 October 2027 - 1 October 2030	37.30%	125.00	138.80	6.40%	70.70 40.70 -
12 December 2025	12 December 2027 - 12 December 2030	36.40%	10.00	98.50	6.20%	65.00 89.50 -
12 December 2025	12 December 2027 - 12 December 2030	36.40%	21.60	98.50	6.20%	91.10 79.20 -
12 December 2025	12 December 2027 - 12 December 2030	36.40%	21.60	98.50	6.20%	82.80 79.20 -
						82.80

The dividend yield has been taken as 0% in all the fair value calculations as Company has never distributed dividend in the past and does not intend to distribute its earnings in the foreseeable future.

E. Expense recognised in statement of profit and loss

For details on the employee benefits expense, refer Note 26

As the scheme is applicable to all the employees of the group, the Company has made a cross charge to Utkarsh Small Finance Bank for the ESOP expense incurred by the Company on behalf of Utkarsh Small Finance Bank.

28 Related party disclosure

i. Name of the related party and nature of relationship:-

A.	Name of the Related Party	Nature of Relationship
a.	**Key managerial personnel**	
i	Mr. Suman Saurabh	– Managing Director & CEO (w.e.f. 19 December 2023)
ii	Mr. G.S. Sundararajan	– Independent Director
iii	Mr. Atul	– Independent Director
iv	Mr. Aditya Deepak Parekh	– Nominee Director
b.	**Subsidiaries**	Utkarsh Small Finance Bank Limited

c. **Company in which Director / KMP / their Relatives are Member and have the Controlling Rights / Shareholding in that Company exceeding 50%**

Utkarsh Welfare Foundation(Ceased tobe related party w.e.f.Dec 19,2023)
Faering Capital Private Limited (Mr. Aditya Deepak Parekh has the controlling right in the capacity of MD)
Faering Capital LLP (Mr. Aditya Deepak Parekh has the controlling right in the capacity of designated Partner)
AMP Fitness LLP (Mr. Aditya Deepak Parekh has the controlling right in the capacity of designated Partner)

B. Related party transactions during the year and balance receivable from and payable to related parties as at the balance sheet date:

Name of related party	Nature of transaction	Year ended 31 March 2026	Year ended 31 March 2025
Utkarsh Small Finance Bank Limited	(i) ESOP cost cross charge	(3.71)	(2.34)
	(ii) Fixed deposits placed during the year	151.70	589.35
	(iii) Fixed deposits matured during the year	73.65	521.10
	(iv) Interest received	47.50	40.59
	(v) Service charge on collection	0.36	0.15
	(vi) Rent Paid	0.86	0.88
	(vii) Deemed Investment in USFB (Basis IND AS Fair valuation)	3.15	0.80

C. Compensation of key managerial personnel

	Year ended 31 March 2026	Year ended 31 March 2025
Short-term employee benefits		
Suman Saurabh*	6.29	5.81
GS Sundararajan	1.10	1.25
Post-employment defined benefit plan		
Suman Saurabh	0.47	0.25
Other long term benefits		
Suman Saurabh	0.74	0.11
Share-based payments		
Suman Saurabh	0.81	0.82
Sitting fees		
GS Sundararajan	1.09	1.18
Atul	1.09	1.24
	11.59	**10.66**

*Including advance against salary given and recovered of Rs. 1.05 million during the year

Terms and conditions
All transactions with these related parties are priced on an arm's length basis and at normal commercial terms.

D. Receivables as at balance sheet date:

Name of related party	Year ended 31 March 2026	Year ended 31 March 2025
	606.05	527.00
	0.34	1.11
	5.94	5.77

29 Earnings per share

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
a) Basic earning per share		
Profit/(loss)after tax	79.05	302.70
Weighted average number of equity shares outstanding during the year – Basic	9,91,32,017	9,89,88,994
b) Diluted		
Profit/(loss)after tax	79.05	302.70
Weighted average number of equity shares outstanding during the year – Basic	9,91,32,017	9,89,88,994
Add: Weighted average number of potential equity shares on account of employee stock options	56,992	3,73,348
Weighted average number of equity shares outstanding during the year – Diluted	9,91,89,009	9,93,62,341
Earnings per share		
Basic – parvalueof INR 10 each	0.80	3.06
Diluted - par value of INR 10 each	0.80	3.05

30 Update on Reverse Merger:

As per the SFB Guidelines and RBI Clarifications read with the RBI Acquisition Directions, the promoter (in this case, 'UCL' or 'Transferor Company') of a small finance bank (in this case 'USFBL' or 'Transferee Company') is required to reduce its equity shareholding stake in the small finance bank to 40% within a period of 5 (five) years from the date of commencement of business operations by the small finance bank. Thereafter, the promoter's equity stake in such small finance bank is required to be further brought down to 26% within a period of 15 (fifteen) years from the date of commencement of business operations by the small finance bank.

Further, as per the RBI Clarifications, the promoter may elect to exit, or cease to be a promoter of a small finance bank after expiry of 5 (five) years from the date of commencement of business operations by the small finance bank depending upon the RBI's regulatory and supervisory comfort and regulations issued by Securities and Exchange Board of India ("SEBI"). In view of the foregoing, and pursuant to Direction 7.1 of the RBI Acquisition Directions, the Board of Directors of both the Transferor Company and the Transferee Company have, considering the option of such a reverse merger to be the most efficient mode of ensuring compliance with the RBI mandated dilution requirements, granted an in-principle approval to such proposed reverse merger on February 13, 2024 and March 14-16, 2024 respectively.

The Scheme has been formulated in view of the above, and consequent to the amalgamation as contemplated under the Scheme, and dissolution of the Transferor Company, the Transferor Company's shareholding in the Transferee Company would be reduced to nil and since none of the shareholders of the Transferor Company will qualify as a promoter of the Transferee Company, the Scheme will result in compliance with dilution requirements under the SFB Guidelines and the RBI Acquisition Directions.

Apropos the above, the Board of Directors of both the Transferor Company and the Transferee Company provided final approval to the scheme on September 20, 2024 and the scheme has been submitted to RBI on September 30, 2024 and the stock exchanges i.e. BSE and NSE on October 01, 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 RBI vide their NOC dated January 02, 2025 have conveyed their 'No-Objection' to the proposal and to proceed with the amalgamation in compliance with all applicable statutory and regulatory requirements.

Further, the Companies have received 'No Objection' from the stock exchanges i.e. BSE and NSE on July 04, 2025 and July 07, 2025 respectively to the proposal and to proceed with amalgamation of "Utkarsh CoreInvest Limited (UCL) with Utkarsh Small Finance Bank Limited (USFBL)" in accordance with compliance to all applicable statutory and regulatory requirements.

The Companies have received 'No Objection' from the stock exchanges i.e. BSE and NSE on July 04, 2025 and July 07, 2025 respectively to the proposal and to proceed with amalgamation of "Utkarsh CoreInvest Limited (UCL) with Utkarsh Small Finance Bank Limited (USFBL)" in accordance with compliance to all applicable statutory and regulatory requirements.

Apropos the above, the Companies have filed the application with Hon'ble NCLT on December 26, 2025 for their review and approval. The Hon'ble NCLT has passed its order dated Feb 11, 2026 directing the companies as under:

(1) UCL i.e. Transferor Company to convene its shareholders' meeting on March 28, 2026.

(2) USFBL i.e. Transferee Company to convene its shareholders' and unsecured creditors' meeting on March 28, 2026.

Notices towards convening the meetings have been sent by both the Companies as per order.

Further, post conducting the shareholders' and unsecured creditors' meeting, the Companies received the Scrutinizer's Report on March 31, 2026, confirming that the results of the e voting process were in favour of the approval of the Scheme of Amalgamation of Utkarsh CoreInvest Limited (UCL) with Utkarsh Small Finance Bank (the Bank). Subsequently, the Chairperson's Report was filed before the Hon'ble NCLT, Allahabad Bench, Prayagraj, on April 02, 2026.

Subsequently, the Second Motion Petition has been filed by both the companies, i.e., the Transferor Company (Utkarsh CoreInvest Limited) and the Transferee Company (Utkarsh Small Finance Bank), on April 05, 2026, before the Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench at Prayagraj.

31 Disclosure for New Labour Codes 2025:

The Company has taken actuarial valuation for gratuity and leave basis the "New Labour Codes 2025" and the impact for the same has been considered in the financials of the Company for the year ended March 31, 2026

32. Financial instruments - fair value and risk management

A. Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

	As at 31 March 2026		
	FVTPL	FVTOCI	Amortised cost
Financial assets:			
Cash and cash equivalents	-	-	0.56
Bank balance other than above	-	-	611.57
Other financial assets	-	-	8.06
	-	-	620.19
Financial liabilities:			
Other financial liabilities	-	-	5.01
	-	-	5.01

	As at 31 March 2025		
	FVTPL	FVTOCI	Amortised cost
Financial assets:			
Cash and cash equivalents	-	-	1.25
Bank balance other than above	-	-	531.85
Other financial assets	-	-	6.86
	-	-	539.96
Financial liabilities:			
Other financial liabilities	-	-	3.41
	-	-	3.41

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:

Financial assets and liabilities measured at fair value - recurring fair value measurements

Financial assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at 31 March 2026	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash andcash equivalents	0.56	-	-	-	-
Bank balance other than above	611.57	-	-	-	-
Other financial assets	8.06	-	-	-	-
	620.19	-	-	-	-
Financial liabilities:					
Other financial liabilities	5.01			-	-
	5.01	-	-	-	-

As at 31 March 2025	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash andcash equivalents	1.25	-	-	-	-
Bank balance other than above	531.85	-	-	-	-
Other financial assets	6.86	-	-	-	-
	539.96	-	-	-	-
Financial liabilities:					
Other financial liabilities	3.41			-	-
	3.41	-	-	-	-

The respective carrying values of certain on-balance sheet financial instruments approximated their fair value. These financial instruments include cash in hand, balances with other banks and certain other financial assets and liabilities. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivable or payable on demand.

Financial assets includes investment in subsidiary recorded at cost as per Ind AS 27 Seperate Financial Statements

C. Valuation framework

The finance department of the Company includes a team that performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values.

The Company measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximize the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instrument but do not qualify as Level 1 inputs. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based in observable market data, the instruments is included in level 3. That is, Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. The Bank develops Level 3 inputs based on the best information available in the circumstances.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

33. Financial risk management

The Company's activities exposure is to credit risk, liquidity risk, market risk and operational risk.

A.Risk management framework

(a) Risk management structure and Company's risk profile

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the Company's risk management policies. The committee reports regularly to the board of directors on its activities.

Efficient and timely management of risks involved in the Company's activities is critical for the financial soundness and profitability of the Company. Risk management involves the identifying, measuring, monitoring and managing of risks on a regular basis. The objective of risk management is to increase shareholders' value and achieve a return on equity that is commensurate with the risks assumed. To achieve this objective, the Company employs leading risk management practices and recruits skilled and experienced people.

The Company's risk management policies are established to identify and analyse the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities. The company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's audit committee oversees how management monitors compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

B. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's investment in debentures, cash and cash equivalents, other bank balances, etc.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Cash and bank balances and other financial assets

Cash and bank balances of the Company are held with banks which have high credit rating. The Company considers that its cash and cash equivalents and other financial assets have low credit risk based on the external credit ratings of the counterparties.

C. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial labilities at the reporting date. The amount are gross and undiscounted.

As at 31 March 2026	Contractual cash flows						
	Carrying amount	Gross nominal inflow/ (outflow)	6 month or less	6-12 months	1-2 years	2-5 years	More than 5 y ears
Non - derivative financial liabilities							
Other financial liabilities	5.01	(5.01)	(5.01)	-	-	-	-

As at 31 March 2025	Contractual cash flows						
	Carrying amount	Gross nominal inflow/ (outflow)	6 month or less	6-12 months	1-2 years	2-5 years	More than 5 years
Non - derivative financial liabilities							
Other financial liabilities	3.41	(3.41)	(3.41)	-	-	-	-

D. Market risk

Market risk is the risk that changes in market prices– such as foreign exchange rates and interest rates –will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

(i) Currency risk

The company is not exposed to any currency risk as Company does not have any foreign currency transactions during the current year and comparative year.

(ii) Interest rate risk

The Company does not have any borrowings.

Exposure to interest rate risk
The interest rate profile of the Company's interest-bearing financial instruments as reported to the management is as follows:

Particulars	31 March 2026	31 March 2025
Fixed rate instruments		
Financial assets	611.57	531.85
Financial liabilities	-	-

(iii) Legal and operational risk

a Legal risk

Legal risk is the risk relating to losses due to legal or regulatoryaction that invalidates or otherwise precludes performance bythe end user or its counterparty under the terms of the contract or related netting agreements.

The Company has developed preventive controls and formalised procedures to identify legal risks so that potential losses arising from non-adherence to laws and regulations, negative publicity, etc. are significantly reduced. The Company also has well established legal procedures to scrutinise product offerings and manage risks arising out of its transactions.

b Operational

Operational risk is the exposure to loss resulting from inadequate or failed internal processes, people and systems, or from external events. The Company has clearly defined operations procedures for each of its products and services. It also has advanced computer systems that enable it to run operations with speed and accuracy.

The operational risk department operates independently from other units of the Company and reports directly to the Audit Committee, which consists of members of the Board. It conducts regular reviews of all business areas of the Company and reports control deficiencies and exceptions to the Company's policies and procedures. It also recommends measures to mitigate operational risk, which are implemented by management immediately.

34 Capital management

The basic approach of capital adequacy framework is that, a financial institution should have sufficient capital to absorb shocks on account of any unexpected losses arising from the risks in its business.

As per RBI guidelines, the Company is required to maintain a minimum capital to risk weighted asset ratio. Capital management entails optimal utilization of scarce capital to meet extant regulatory capital requirements. The Company has put in place an appropriate Risk Appetite framework and computes its capital requirements and adequacy as per extant regulatory guidelines. Going forward, attempt shall be made to strengthen Capital allocation practices and enhance efficiency of capital.

i. Regulatory capital

The Company's regulatory capital consists of the sum of the following elements :

- Common equity Tier 1 (CET1) capital, which includes ordinary share capital, related share premiums and retained earnings.
- The Company does not have any elements in Tier 2 capital.

	As at 31 March 2026	As at 31 March 2025
Common equity Tier 1 (CET1) capital		
Paidup sharecapital	993.78	993.72
Capital redemption reserve	90.00	90.00
Securities premium account	6,629.98	6,630.39
(Deficit) in the statement of profit and loss account	(3,238.76)	(3,324.91)
Statutory reserve	294.70	278.75
ESOP outstanding account	19.77	39.79
Prepaid expenditure	(0.36)	(0.19)
	4,789.11	**4,707.55**
Tier 2 capital instruments		
Less:Investmentinexcessof10% of Own fund		
	4,789.11	**4,707.55**
Total regulatory capital	4,789.11	4,707.55
Risk weighted assets	7,913.07	7909.55
CRAR (%) - Refer note 34 (a)	60.52%	59.52%
CRAR -Tier I Capital (%)	60.52%	59.52%
CRAR -Tier II Capital (%)	0 .00%	0.00%

ii. Capital allocation

Management uses extant regulatory capital ratios to monitor its capital base. The amount of capital allocated to each operation or activity is based primarily on regulatory capital requirements. Theoretically, maximisation of the return on risk-adjusted capital is the principal basis used in determining how capital is allocated within the Company to particular operations or activities. Going forward, capital allocation for various lines of business and activities shall be attempted, as part of annual business plan based on synergies with other operations and activities, the availability of management and other resources, and the fit of the activity with the Company's longer-term strategic objectives.

35 Liquidity coverage ratio

Numerator	Denominator	31-Mar-26	31- Mar - 25	% of variance	Explanation for change in the ratio by more than 25%
602. 41	2.47	24419%	22666%	7.73%	-

36 The Company has elected not to recognise right of use assets and lease liabilities for short term lease of building that have a lease term of 12 months or less. The Company recognises the lease payments associated with these leases as an expense on straight line basis.

Rent expense recognised in the statement of profit and loss on account of short term exemption is INR 0.86 (31 March 2025 : INR 0.88)

37 Additional Disclosures as required by Reserve Bank of India (RBI)

a) Components of ANW and other related information:

Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
i) ANW as a % of Risk Weighted Assets	60. 5 2%	59.52%	58.61%
ii) Unrealized appreciation in the book value of quoted investments	-	-	-
iii) Diminution in the aggregate book value of quoted investments	-	-	-
iv) Leverage Ratio	0.00	0.00	0.00

Note:
The ANW as a % of RWA as at 31 March 2026 disclosed above is as per RBI circular "RBI/DoR(NBFC)/2016-17/39 dated August 25, 2016, Master Direction DoR(NBFC).PD.003/03.10.119/2016-17 (Updated as on December 29, 2022)".
ANW as a % of RWA as at 31 March 2026 has been calculated without considering the fair value changes in other equity as part of free reserves. If the Company consider the fair value changes in other equity and equity component of financial instruments, the ANW as a % of RWA as at 31 March 2026 will be 111.23% (31 March 25: 110.25%).

b) The Company has the following direct exposure to real estate sector:

Particulars	As at 31 March 2026	As at 31 March 2025	As at 31 March 2024
Residential Mortgages			
Lending fullysecuredby mortgages on residential property that is or will be occupied by the borrower or that is rented	-	-	-

c) Maturity pattern of certain items of assets and liabilities:

Particulars (31 March 2026)	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Borrowings											
Advances	-	-	-	-	-	-	-	-	-	-	-
Deposits accepted	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets Foreign	-	-	-	-	-	-	-	-	-	-	-
Currency Liabilities Investments	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	7,971.43	7,971.43

Particulars (31 March 2025)	1 day to 7 days	8 days to 14 days	15 days to 30/31 days	Over 1 month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Borrowings											
Advances	-	-	-	-	-	-	-	-	-	-	-
Deposits accepted	-	-	-	-	-	-	-	-	-	-	-
Foreign Currency Assets Foreign	-	-	-	-	-	-	-	-	-	-	-
Currency Liabilities Investments	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	7,971.43	7,971.43

d) Investments:

Particulars	31 March 2026	31 March 2025	31 March 2024
Valueof Investments			
(i) Gross Value of Investments			
(a) inIndia	7,971.43	7,971.43	7,971.43
(a) outside India,	-	-	-
(ii) Provisions for Depreciation			
(a) in India	-	-	-
(a) outside India,	-	-	-
(iii) Net Value of Investments			
(a) in India	7,971.43	7,971.43	7,971.43
(a) outside India,	-	-	-
Movement of provisions held towards depreciation on investments			
(i) Opening balance	-	-	-
(ii) Add : Provisions made during the year	-	-	-
(iii) Less : Write-off / write-back of excess provisions during the year	-	-	-
(iv) Closing balance	-	-	-

e) Business Ratio:

Particular	31 March 2026	31 March 2025	31 March 2024
Return on Equity	0. 92 %	3.55%	0.17%
Return on Assets	0. 92 %	3.54%	0.17%
Net Profit per Employee	9.88	37.82	1.77

f) Provision and contingency

Particulars	For the Year ended 31 March 2026	For the Year ended 31 March 2025	For the year ended 31 March 2024
Provisions for depreciation on Investment	-	-	-
Provision towards NPA	-	-	-
Provision made towards Income tax	27.51	102.98	5.85
Provision for Standard Assets	-	-	-
Other Provision and Contingencies	-	-	-

g) Draw down from Reserves

There has been no draw down from reserves during the year ended 31 March 2026 (previous year: ₹300 million in FY 2024-25 on account of settlement of liability and thereby extinguishment / waiver / cancellation of the rights of the trust under the Shareholders Agreement dated April 26, 2024 and Articles of Association of the Company).

h) Concentration of Advances, Exposures and NPAs

Particulars	For the Year ended 31 March 2026	For the Year ended 31 March 2025	For the year ended 31 March 2024
Concentration of Advances			
Total advances to twenty largest borrowers	-	-	-
(%)of advances to twenty largest borrowers to total advances	-	-	-
Total exposure to top five NPA Accounts	-	-	-

i) Sector wise Non-Performing Assets (NPA)

Sector	Percentage of NPAs to total advances in that sector		
	For the Year ended 31 March 2026	For the Year ended 31 March 2025	For the year ended 31 March 2024
Agriculture & allied activities	-	-	-
MSME	-	-	-
Corporate borrowers	-	-	-
Services	-	-	-
Unsecured personal loans	-	-	-
Auto loans	-	-	-
Other personal loans	-	-	-

j) Movement in Non-Performing Asset (NPA)

Particulars	For the Year ended 31 March 2026	For the Year ended 31 March 2025	For the year ended 31 March 2024
Net NPA to net advances percentage	-	-	-
Movement of NPAs (Gross)			
a) Opening balance	-	-	-
b) Additions during the year	-	-	-
c) Reduction during the year	-	-	-
d) Closing balance		-	-
Movement of net NPAs			
a) Opening balance	-	-	-
b) Additions during the year	-	-	-
c) Reduction during the year	-	-	-
d) Closing balance	-	-	-
Movement of provisions for NPAs (excluding provisions on standard assets)	-	-	
a) Opening balance	-	-	-
b) Provisions made during the year	-	-	-
c) Write off/ write back of excess provisions	-	-	-
d) Closing balance			-

k) Disclosure with respect to customer complaints

Particulars	Number of complaints		
	For the Year ended 31 March 2026	For the Year ended 31 March 2025	For the year ended 31 March 2024
No. of complaints pending at the beginning of the year	-	-	-
No. of complaints received during the year	-	-	-
No. of complaints redressed during the year	-	-	-
No. of complaints pending at the end of the year	-	-	-

l) Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by the NBFC:
The Company has not exceeded the prudential exposure limits during the financial year ended 31 March 2026 and financial year ended 31 March 2025.

m) Registration obtained from other financial sector regulators

Regulator	Registration No.	Date of Registration
Ministry ofCorporateAffairs	U65191UP1990PLC045609	24 June 2016

n) Details of penalties imposed by RBI and other regulators
No penalties has been imposed by RBI and other regulators on the Company during the year ended 31 March 2026 and financial year ended 31 March 2025.

o) Unsecured Advances
The Company has not given any unsecured advances against intangible securities such as charge over the rights, licenses, authority, etc. during the year ended 31 March 2026 and financial year ended 31 March 2025.

p) Details of non-performing financial assets purchased / sold
The Company has not purchased/sold any non-performing financial assets during the year ended 31 March 2026 and financial year ended 31 March 2025.

q) Disclosure of frauds reported during the year ended March 31, 2026 vide DNBS. PD. CC No. 256/03.10.042/2011-12 dated 2 March 2012

During the year ended March 31, 2026:-

Particulars	Less than INR 1 Lakh		INR 1 Lakh to INR 5 Lakh		More than INR 5 Lakh	
	No. of accounts	Value (INR)	No. of accounts	Value (INR)	No. of accounts	Value (INR)
A) Person involved		-		-		-
Staff	-	-	-	-	-	-
Customers	-	-	-	-	-	-
Staff andCustomers	-		-		-	
Total						
B) Type of Fraud						
	-	-	-	-	-	-
Misappropriation and	-	-	-	-	-	-
Criminal Breach of Trust						
Fraudulent Encashment/ manipulation of books of accounts or through fictitious accounts and conversion of property.	-	-	-	-	-	-
Unauthorised credit facilities extended for reward or for illegal gratification	-	-	-	-	-	-
Negligence and cash shortages	-	-	-	-	-	-
Cheating and forgery	-	-	-	-	-	-
Irregularities in foreign exchange transactions	-	-	-	-	-	-
Any other type of fraud not coming under the specific heads as above	-	-	-	-	-	-
Total	-	-	-	-	-	-

During the year ended 31 March 2025:-

Particulars	Less than INR 1 Lakh		INR 1 Lakh to INR 5 Lakh		More than INR 5 Lakh	
	No. of accounts	Value (INR)	No. of accounts	Value (INR)	No. of accounts	Value (INR)
A) Person involved						
Staff	-	-	-	-	-	-
Customers	-	-	-	-	-	-
Staff and Customers	-	-	-	-	-	-
Total	-	-	-	-	-	-
B) Type of Fraud						
Misappropriation and Criminal Breach of Trust	-	-	-	-	-	-
Fraudulent Encashment/ manipulation of books of accounts or through fictitious accounts and conversion of property.	-	-	-	-	-	-
Unauthorised credit facilities extended for reward or for illegal gratification	-	-	-	-	-	-
Negligence and cash shortages	-	-	-	-	-	-
Cheating and forgery	-	-	-	-	-	-
Irregularities in foreign exchange transactions	-	-	-	-	-	-
Any other type of fraud not coming under the specific heads as above	-	-	-	-	-	-
Total	-	-	-	-	-	-

r) The Company has no exposure or transactions regarding overseas assets.

s) There are no derivatives as at 31 March 2026 and 31 March 2025. Accordingly disclosure pertaining to derivatives vide DNBR (PD) CC.No.053/03.10.119/2015-16 dated 01 July 2015 are not provided.

t) The Company has no investment in other CICs as at 31 March 2026 and March 31, 2025.

u) The Company has no Off Balance Sheet exposure as at March 31, 2026 and March 31, 2025.

38 Additional Disclosures as required by Reserve Bank of India (RBI) basis Scale Based Regulation (SBR)

(Refer Circular No- RBI/2022-23/26 DOR.ACC.REC.NO.20/21.04.018/2022-23 dated April 19, 2022)

a) Exposure:

1 Exposure to real estate sector

Category	As at 31 March 2026	As at 31 March 2025
i) Direct exposure		
a) Residential Mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.	Nil	Nil
b) Commercial Real Estate – Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	Nil	Nil
c)Investments in Mortgage-Backed Securities (MBS) and other securitized exposures –		
i. Residential	Nil	Nil
ii. Commercial Real Estate	Nil	Nil
ii) Indirect Exposure Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.	Nil	Nil
Total Exposure to Real Estate Sector		

2 The Company does not have any exposure to capital market as at March 31, 2026 and March 31, 2025.

3 Sectoral exposure

Sectors	As at 31 March 2026			As at 31 March 2025		
	Total Exposure (includes on balance sheet and off-balance sheet exposure) (₹ crore)	Gross NPAs (₹crore)	Percentageof Gross NPAstototal exposure in that sector	Total Exposure (includeson balancesheet andoff-balance sheet exposure) (₹ crore)	GrossNPAs (₹ crore)	Percentageof GrossNPAsto total exposure in that sector
1. Agriculture and Allied Activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
i....	-	-	-	-	-	-
ii....	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Industry (i+ii+...+Others)	-	-	-	-	-	-
3. Services	-	-	-	-	-	-
i...	-	-	-	-	-	-
ii...	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Services (i+ii+...+Others)	-	-	-	-	-	-
4. Personal Loans	-	-	-	-	-	-
i...	-	-	-	-	-	-
ii...	-	-	-	-	-	-
Others	-	-	-	-	-	-
Total of Personal Loans (i+ii+...+Others)	-	-	-	-	-	-
5. Others, if any (please specify)	-	-	-	-	-	-

4 Intra-group exposures

Particulars	As at 31 March 2026	As at 31 March 2025
i. Total amount of intra-group exposures	8,515.06	8,433.46
ii. Total amount of top 20 intra-group exposures	8,515.06	8,433.46
iii. Percentage of intra-group exposures to total exposure of the NBFC on borrowers / customers	100%	100%

Utkarsh CoreInvest Limited (Formerly known as Utkarsh Micro Finance Limited) Notes to standalone financial statements as at 31 March 2026

(Amountin millionsunless otherwisestated)

5 The Company does not have any unhedged foreign currency exposure as at March 31, 2026 and March 31, 2025.

B) Related Party Disclosures

Related Party	Parent (as per ownership or control)		Subsidiaries		Associates/ Joint ventures		Directors		Key Management Personnel		Relatives of Key Management Personnel		Total	
Items	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025	As at 31 March 2026	As at 31 March 2025
Borrowings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deposits	-	-	606.05	527.00	-	-	0.08	0.31	0.45	0.60	0.10	0.75	606.68	528.66
Placement of deposits (Maximum Balance)	-	-	610.60	545.85	-	-	1.53	10.81	1.15	0.91	0 .99	1.54	614.27	559.11
Advances	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Investments	-	-	7,902.73	7,899.58	-	-	-	-	-	-	-	-	7,902.73	7,899.58
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	47.53	-	-	-	-	-	-	0.03		0.05	-	-
Interest received			-	40.59			0.01	0.76	0.04	-	0 .01	-	47.59	41.42
Others				-				-	-				-	-

C) Disclosure of complaints

1) Summary information on complaints received by the NBFCs from customers and from the Offices of Ombudsman

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Complaints received by the NBFC from its customers		
1. Number of complaints pending at beginning of the year	-	-
2. Number of complaints received during the year	-	-
3. Number of complaints disposed during the year	-	-
	-	-
3.1 Of which, number of complaints rejected by the NBFC	-	-
4. Number of complaints pending at the end of the year		
Maintainable complaints received by the NBFC from Office of Ombudsman		
5. Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1 Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
5.2 Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3 Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6.Number ofAwards unimplementedwithinthe stipulated time (other than those appealed)	-	-

2) Since, no complaints have been received during the year ended March 31, 2026 (FY 2025-26) and March 31, 2025 (FY 2024-25), hence, the ground of complaints are Nil for both years.

D) The Company does not have any loan or have not issues any debt securities for the year ended March 31, 2026 (FY 2025-26) and March 31, 2025 (FY 2024-25)

E) Since, none of the conditions for divergence in asset classification and provisioning are met, hence, the same is not applicable to the Company for the year ended March 31, 2026 (FY 2025-26) and March 31, 2025 (FY 2024-25).

(Amount in millions unless otherwise stated)

Additional Disclosures as per Schedule III Amendment by Ministry of Corporate Affairs (MCA) dated March 24, 2021:

39	There are no immovable properties in the name of Company included in property ,plant and equipment and intangible assets.
40	The Company has not entered into a transaction where the fair value of investment property (as measured for disclosure purposes in the financial statements) is measured on the valuation by a registered valuer as defined under Rule 2 of Companies (Registered Valuers and Valuation) Rules, 2017.
41	The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
42	The Company has not guaranteed any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties, either severally or jointly with any other person, that are repayable on demand; or without specifying any terms or period of repayment.
43	(a) The Company has not advanced / loaned / invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall: (I) directly or indirectly lend / invest in other person or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) (II) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries (b) The Company has not received any fund from any party(s) (Funding Party) with the understanding that the Company shall: (I) directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") (II) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
44	No proceedings have been initiated on or are pending against the company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
45	The Company has no borrowings from banks and financial institutions on the basis of security of current assets.
46	The Company has not been declared willful defaulter by any bank or financial institution or government or any government authority.
47	There are no identified promoter of the Company as at March 31, 2026 and March 31, 2025.
48	No transactions have taken place with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
49	There are no charges / satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
50	There are no capital work in progress, investment property in progress and intangible assets as at March 31, 2026 and March 31, 2025. Hence, there are no projects in progress or temporarily suspended. Also, there are no projects whose completion is overdue or has exceeded its cost as per original plan.
51	The Company is in compliance with the number of layers prescribed u/s (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.
52	There are no approved Scheme of Arrangements by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 as at March 31, 2026 and March 31, 2025.
53	There are no Security deposits, lease liabilities and long–term borrowings of the Company as at March 31, 2026 and March 31, 2025.
54	There are no any transactions not recorded in the books of accounts that has been surrendered or disclosed as income during the year and previous year in the tax assessments under the Income Tax Act, 1961.
55	There have been no trading / investment in crypto / virtual currency during the year and previous year. Also, there have been no deposits and advances received from any person for the purpose of trading / investment in crypto currency during current year and previous year.

Additional Disclosures as required by Reserve Bank of India (RBI) basis Master Direction- Reserve Bank of India (Non-Banking Financial Company- Scale Based Regulation) Directions, 2023 vide RBI / DoR / 2023-24 / 106 DoR.FIN.REC.No.45/03.10.119/2023-24 updated as on March 21, 2024

56

Particulars				
Liabilities side			**Amount outstanding**	**Amount overdue**
(1)	Loans andadvancesavailedbytheNBFCinclusiveofinterestaccruedthereon butnot paid:			
	(a)	Debentures: Secured	Nil	Nil
		: Unsecured	Nil	Nil
		(other than falling withinthemeaning of public deposits*)	Nil	Nil
	(b)	Deferred Credits	Nil	Nil
	(c)	Term Loans	Nil	Nil
	(d)	Inter-corporate loans and borrowing	Nil	Nil
	(e)	Commercial Paper	Nil	Nil
	(f)	Public Deposits*	Nil	Nil
	(g)	Other Loans (specifynature)	Nil	
(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):			
	(a)	In the form of Unsecured debentures	Nil	Nil
	(b)	In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	Nil	Nil
	(c)	Other public deposits	Nil	Nil
Assets side			**Amount outstanding**	
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**			
	(a)	Secured	Nil	
	(b)	Unsecured	Nil	
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities**			
	(i)	Lease assets including lease rentals under sundry debtors:		
		(a) Financial lease	Nil	
		(b) Operating lease	Nil	
	(ii)	Stock on hire including hire charges under sundry debtors:		
		(a) Assets on hire	Nil	
		(b) Repossessed Assets	Nil	
	(iii)	Other loans counting towards asset financing activities		
		(a) Loans where assets have been repossessed	Nil	
		(b) Loans other than (a) above	Nil	
(5)	**Break-up of Investments**			
	Current Investments			
	1.	Quoted		
		(i) Shares	-	
		(a) Equity	Nil	
		(b) Preference	Nil	
			Nil	
		(ii) Debentures and Bonds	Nil	
		(iii) Units of mutual funds	Nil	
		(iv)Government Securities	Nil	
		(v) Others (please specify)		
	2.	Unquoted		
		(i) Shares	Nil	
		(a) Equity	Nil	
		(b) Preference	Nil	
		(ii) Debentures and Bonds	Nil	
		(iii) Units of mutual funds	Nil	
		(iv)Government Securities	Nil	
		(v) Others (please specify)	Nil	
	Long Term Investments			
	1.	Quoted		
		(i) Shares		
		(a) Equity	7,902.73	
		(b) Preference	Nil	
		(ii) Debentures and Bonds	Nil	
		(iii) Units of mutual funds	Nil	
		(iv) Government Securities	Nil	
		(v) Others (please specify)	Nil	
	2.	Unquoted		
		(i) Shares		
		(a) Equity	Nil	
		(b) Preference	Nil	
		(ii) Debentures and Bonds	Nil	
		(iii) Units of mutual funds	Nil	
		(iv)Government Securities	Nil	
		(v) Others (please specify)	Nil	

(6)	Borrower group-wise classification of assets financed as in (3) and (4) above: Please see Note 2 below				
	Category		Amount net of provisions		
			Secured	Unsecured	Total
	1.	**Related Parties ****			
		(a) Subsidiaries	Nil	Nil	Nil
		(b) Companies in the same group	Nil	Nil	Nil
		(c) Other related parties	Nil	Nil	Nil
	2.	Otherthan related parties	Nil	Nil	Nil
		Total			

(7)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):			
	Category		Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
	1.	Related Parties **		
		(a) Subsidiaries	NA	7,902.73
		(b) Companies in the same group	Nil	Nil
		(c) Other related parties	Nil	Nil
	2.	Other than related parties	Nil	Nil
		Total		7,902.73

(8)	Other information		
	Particulars		Amount
	(i)	Gross Non-Performing Assets	
		(a) Related parties	Nil
		(b) Other than related parties	Nil
	(ii)	Net Non-Performing Assets	
		(a) Related parties	Nil
		(b) Other than related parties	Nil
	(iii)	Assets acquired in satisfaction of debt	Nil

Additional Disclosures as required by Reserve Bank of India (RBI) basis Reserve Bank of India (Non-Banking Financial Companies – Credit Risk Management) Directions, 2025 (Updated as on April 01, 2026) as per Annex-I
(Refer Circular No-RBI/DOR/2025-26/350, DOR.CRE.REC.No.269/07-02-008/2025-26 dated November 28, 2025)

57 Loans to Directors, Senior Officers and relatives of Directors:

Loans to Directors, Senior Officers and relatives of Directors			
Sl. No.	Particulars	As at 31 March 2026	As at 31 March 2025
1	Directorsandtheir relatives	Nil	Nil
2	Entities associated with directors and their relatives	Nil	Nil
3	Senior Officers and their relatives	Nil	Nil

Additional Disclosures as required by Reserve Bank of India (RBI) basis Presentation and Disclosures of Financial Statements, Amendment Directions, 2026
(Refer Circular No-RBI/2025-26/187, DOR.CRE.REC.388/21.04.018/2025-26 dated January 05, 2026)

58 Exposures to Related Parties:

Sl. No.	Particulars	As at 31 March 2026	As at 31 March 2025
	A. Loans to Related Parties		
1	Aggregate value of loans sanctioned to related parties	Nil	Nil
2	Aggregate value of outstanding loans to related parties	Nil	Nil
3	Aggregate value of outstanding loans to related parties as a proportion of total credit exposure	Nil	Nil
4	Aggregate value of outstanding loans to related parties which are categorized as:	-	-
	(i) Special Mention Accounts	Nil	Nil
	(ii) Non-Performing Assets	Nil	Nil
5	Amount of provisions held in respect of loans to related parties	Nil	Nil
	B. Contracts and Arrangements involving Related Parties		
6	Aggregate value of contracts and arrangements awarded to related parties	Nil	Nil
7	Aggregate value of outstanding contracts and arrangements involving related parties	Nil	Nil

59. Income tax

A. Amounts recognised in profit or loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax expense	27.51	102.98
Tax expense	**27.51**	**102.98**

B. Reconciliation of effective tax rate

Particulars	For the year ended 31 March 2026		For the year ended 31 March 2025	
	%	Amount	%	Amount
Profit before tax		106.56		405.68
Tax using the Company's domestic tax rate	25.17%	26.82	25.17%	102.10
Effect of:				
Permanent differences	0.00%	-	0.00%	-
Tax for earlier years	0.00%	-	0.00%	-
Tax exempt income	0.00%	-	0.00%	-
Change in unrecognised temporary differences	0.48%	0.51	0.15%	0.59
Others	0.17%	0.18	0.07%	0.28
Effective tax rate/tax expense	25.82%	27.51	25.38%	102.98

C. Uncertain tax positions

Claims against the company not acknowledged as debts in respect of Income Tax is INR 124.69 (31 March 2025: INR 124.69).

D. Unrecognised deferred tax balances

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

	As at 31 March 2026	As at 31 March 2025
Deductible temporary differences	0.51	0.59
Deferred tax on account of indexation on equity shares of investment in subsidiary*	-	-
Total	**0.51**	**0.59**

* From FY 2024-25, there will be no indexed cost of acquisition. Hence, there is no disclosure made for deferred tax impact on investment in subsidiary as tax base and carrying value will be the same.

60 Subsequent to FY 2025-26, the Banking Subsidiary i.e. Utkarsh Small Finance Bank Limited (USFBL) raised funds amounting to Rs. 9490.8 mn. through Rights Issue. Since, the Company chose not to participate in the Rights Issue, hence, there has been a change in shareholding of UCL in USFBL from 68.92% to 42.67% as at November 04, 2025. The company has evaluated the impact of change in shareholding on financial statements of the Company and is of the view that since there is no change in control / rights / voting power of the Company in USFBL, hence, USFBL shall continue to be treated as the Subsidiary of the Company.

for D M K H & Co.
Chartered Accountants
ICAI Firm Registration No. 116886W/066580

MANISH KANKANI Digitally signed by MANISH KANKANI Date: 2026.05.07 18:03:12 +05'30'

Manish Kankani
Partner
Membership No:
158020

Place: Mumbai
Date: 07 May 2026

for and on behalf of Board of Directors of
Utkarsh CoreInvest Limited
CIN: U65191UP1990PLC045609

Suman Saurabh Digitally signed by Suman Saurabh Date: 2026.05.07 16:26:55 +05'30'

Suman Saurabh
ManagingDirectorand CEO
DIN: 07132387

GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN Digitally signed by GOPALASAMUDRAM SRINIVASARAGHAVAN SUNDARARAJAN Date: 2026.05.07 17:30:33+05'30'

G.S. Sundararajan
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari Digitally signed by Neeraj Kumar Tiwari Date: 2026.05.07 17:20:19 +05'30'

Neeraj Kumar Tiwari
Company Secretary
FCS: 12101

Harshit Agrawal Digitally signed by Harshit Agrawal Date: 2026.05.07 17:09:46 +05'30'

Harshit Agrawal
Chief FinancialOfficer
ACA: 417412

Place: Dehradun (Uttarakhand)
Date: 07 May 2026

1. Reporting entity

Utkarsh Coreinvest Limited("theCompany'' or ''Holding Company") is domiciled in India. The Company is having its registered office at Varanasi. The Company was formerly known as Utkarsh Micro Finance Limited and got the name changed to Utkarsh Coreinvest Limited w.e.f. 11 October 2018.

The company was primarily engaged in the business of micro finance, following group lending methodology and providing small value unsecured bank loans to lower income groups of Below Poverty Line (''BPL'') in urban and rural areas. During the financial year 2016-17, the Company executed a business transfer agreement with its subsidiary Company 'Utkarsh Small Finance Bank Limited' ('USFB') and transferred all its assets and liabilities (except certain statutory assets, vehicle and statutory liabilities). Accordingly, the business of micro finance was also transferred to USFB.

On 3 May 2018, the ReserveBankof India ("RBI") has granted its approval to the Company for carrying on the business of a Non-Deposittaking- Systemically Important Core Investment Company (CIC-ND- SI) under the Certificate NoC.07.00781.

2. Material accounting policies

The Company has consistently applied the following accounting policies to all periods presented in the financial statements.

a. Basis of preparation

i. Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) as amended from time to time.

These financial statements were authorized for issue by the Company's Board of directors on May 07, 2026.

The Company is regulated by the Reserve Bank of India ('RBI'). The RBI periodically issues/amends directions, regulations and/or guidance (collectively "Regulatory Framework") covering various aspects of the operation of the Company, including those relating to accounting for certain types of transactions. The Regulatory Framework contains specific instructions that need to be followed by the Company in preparing its financial statements. The financial statements for the previous years may need to undergo changes in measurement and/or presentation upon receipt of clarifications on the Regulatory Framework or changes thereto.

ii. Basis of measurement

The financial statementshave been prepared under the historical cost convention on accrual basis except for the following items:

a) Certain financial assets and liabilities that are measured at fair value or amortised value;

b) Net defined benefit liability/ (asset): present value of defined benefit obligation less fair value of plan assets.

iii. Functional and presentation currency

These financial statements are presented in Indian Rupee (INR), which is the Company's functional currency. All amounts have been rounded to the nearest million rupees, unless otherwise stated.

iv. Use of judgements and estimates

In preparing these financial statements, management has made judgments, estimates and assumptions that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of these financial statements are prudent and reasonable. Actual results may differ from these estimates.
Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

A. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the standalone financial statements have been given below:
Note 32 - Financial instruments - fair value and risk management: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the standalone financial statements for every period ended are included below:

Note 7 – useful lives of Property, Plant and Equipment ("PPE")

Note 26 - Measurement of defined benefit obligations; key actuarial assumptions

Note 33 - Impairment of financial assets

Note 32 - Fair value measurement of financial instruments: When the fair value of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques as per the valuation policy. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of the respective financial instruments.

b. Revenue Recognition

Dividend income is accounted on an accrual basis when the right to receive the dividend is established. This is generally when the shareholders approve the dividend.
Income from interest on deposits and interest-bearing securities is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

All other fees are accounted for as and when they becomedue.

c. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

The Company initially recognizes loans and advances on the date on which they are originated. All other financial assets are recognized on the trade date, which is the date on which the Company becomes a party to the contractual provision of the instrument.

Financial instruments are initially measured at their fair value, except in the case of financial assets recorded at Fair value through profit or loss (FVTPL). Transaction costs that are directly attributable to the acquisition of financial assets, which are not valued at fair value through profit or loss, are added to the fair value of underlying asset on initial recognition.

Classification and subsequent

measurement Classification

The Company classifies its financial assets as subsequently measured at either amortized cost or fair value depending on the Company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Company makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

Thestated policies and objectivesforthe portfolio and the operationof thosepolicies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets

How the performance of the portfolio is evaluated and reported to the Company's key management personnel.

How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).

The frequency, volume, and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized.

The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instruments at amortized cost

A financial asset is measured at amortized cost only if both of the following conditions are met:

it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.

the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortized cost using the Effective Interest Rate ("EIR") method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the profit or loss. The losses arising from ECL impairment are recognized in the profit or loss.

Financial assets measured at fair value through Other Comprehensive Income (FVTOCI)

A financial asset that is a debt instrument measured at FVOCI only if both of the following conditions are met:

it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.

the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at fair value with changes in fair value being recognized in other comprehensive income (OCI). Interest income recognized basis EIR method and the losses arising from Expected Credit Loss ("ECL") are recognized in the Statement of Profit and Loss.

Financial assets measured at fair value through profit and loss (FVTPL)

A financial asset is measured at FVTPL unless it is measured at amortized cost or at FVTOCI. In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as "accounting mismatch"). The transaction costs directly attributable to the acquisition of financial assets at FVTPL are immediately recognized in profit or loss. These assets are subsequently measured at fair value.Net gains and losses, including any interest or dividend income, are recognized in profit or loss. Currently there are no financial assets that are measured at FVTPL by the Company.

Reclassification of financial assets

Financial assets are not reclassified subsequent to their initial recognition, except in the period after the Company changes its business model for managing financial assets.

Derecognition of financial assets

A financial asset is primarily derecognized when:

The rights to receive cash flows from the asset have expired, or The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass- through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass- through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. If the Company evaluates that substantial risk and rewards have not been transferred, the Company continues to recognize the transferred asset. If the Company evaluates that substantial risk and rewards are neither transferred nor retained and the control of the asset is also not transferred, the Company continues to recognize the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognizes an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI are recognized in profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair valueand, in the case of amortized cost, net of directly attributable transaction costs.

Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortized cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in the Statement of Profit and loss when the liabilities are derecognized.

Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

Financial liabilities designated at fair value through profit and loss

When a financial liability contract contains one or more embedded derivative, the Company may designate the entire hybrid contract as at fair value through profit and loss unless:

the embedded derivative(s) does not significantly modify the cash flows that otherwise would be required by the contract; or

it is clear with little or no analysis when a similar hybrid instrument is first considered that separation of the embedded derivative(s) is prohibited, such as a prepayment option embedded in a loan that permits the holder to prepay the loan for approximately its amortized cost.

The fair valuation changes on the liabilities subsequently measured at FVTPL account are recognized in profit and loss account except the changes in the liability's credit risk, which is recognized in OCI.

Financial liabilities not measured at fair value

The carrying value less provision of other financial liabilities are assumed to approximate their fair values due to their short-term nature.

Derecognition of financial liabilities

The Company derecognizes a financial liability when its contractual obligations are discharged or cancelled or expires.

Modifications of financial assets and financial liabilities

Financial assets

Iftheterms of a financial asset are modified, the Companyevaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and a new financial asset is recognized at fair value.

If the cash flows of the modified asset carried at amortizedcost are not substantially different, then the modification does not result in derecognition of the financialasset. In this case, the Company recalculates the gross carrying amount of the financial asset and recognizesthe amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss.

Financial liabilities

TheCompanyderecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability or equity based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability derecognized and the new financial liability or equity recognized with modified terms is recognized in profit or loss or in other equity in case the same is a transaction with the shareholders.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Company has access at that date.

Accordingly, the Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

The Company has classified the financial instruments based on a hierarchy of valuation techniques, as summarized below:

Level 1, the Company measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2, if there is no quoted price in an active market, then the Company uses valuation techniques that maximize the use of relevant observable inputs and minimize the use of unobservable inputs. The valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction like quoted price for identical instruments, interest rates and yields adjusted for condition and location of the asset or to the extent to which it relates.

Level 3, if adjustments are based on one or more unobservable inputs where there is no market activity for the asset or liability at the measurement date

d. Impairment of Financial Assets

Impairment of financial instruments

The Company recognizesECL on all the financial assets that are not measured at FVTPL:

No impairment loss is recognized on equity investments.

ECL are probability weighted estimate of credit losses. They are measured as follows:

Financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.

Financial assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.

Financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.

Loss allowances for financial assets measured at amortized cost are deducted from the gross carrying amount of the assets. For financial assets at amortized cost and FVOCI, the loss allowance is recognized in the Statement of Profit or Loss.

e. Investment in Subsidiaries

Investment in subsidiary is accounted at cost as per Ind AS 27, Separate Financial Statements. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

f. Foreign Currency transactions and balances

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. Non-monetary assets are recorded at the rates prevailing on the date of the transaction. Foreign exchange gains and losses are recognized in the Statement of Profit and Loss and reported within foreign exchange gains/(losses), net under other income.

g. Property, Plant and Equipment (PPE)

Initial Measurement

Property, plant and equipment are stated at cost less accumulated depreciation as adjusted for impairment, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment. Any gain on disposal of property, plant and equipment is recognized in the Statement of Profit and Loss. The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognized in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used itas its deemed cost as at the date of transition.

Subsequent Measurement

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated

with the expenditure will flow to the Company.

Impairment

Carrying amounts of assets or a Cash Generating Unit ("CGU") are reviewed at each Balance Sheet date to determine whether there is any impairment. Impairment loss, if any, is recognized in the Statement of Profit and Loss whenever the carrying amount exceeds the recoverable amount.

Depreciation

Depreciation is provided as per straight-line method from the date of addition over the estimated useful life of the asset.The management believes that depreciation rates currently used, fairly reflect its estimate of the useful lives and residual values of property, plant and equipment, which are in accordance with lives prescribed under Schedule II of Companies Act, 2013.

Assets	Estimated useful life (in Years)
Vehicles	8 years
Computers	3 years

Depreciation methods, useful lives and residual values are reviewed at each financial year end and changes, if any, are accounted for prospectively.

h. Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is received. A liability is recognized for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employees and the obligation can be estimated reliably.

ii.Share-based payment arrangements

The Company has formulated an Employees Stock Option Scheme ("the Scheme") to be administered through Utkarsh ESOP Welfare Trust and also issues options to employees which are not routed through the Trust. The Scheme provides that subject to continued employment with the Company, the employees are granted an option to acquire equity shares of the Company that may be exercised within a specified period.

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognized as an expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service conditions are expected to be met, such that the amount ultimately recognized is based on the number of awards that meet the related service conditions at the vesting date.

iii. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The Company has following defined contribution plans:

Provident Fund

TheCompanycontributes to mandatory government administered provident fund which is a defined contribution scheme as the Company does not carry any further obligation, apart from the contributions made on a monthly basis. The contributions are accounted for on an accrual basis and are recognized in the Statement of Profit and Loss.

iv. Defined benefit plans

The Company's net obligation in respect of gratuity is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense (income) and other expenses related to defined benefit plans are recognized in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v.Other long-term employee benefits

Accumulated absences expected tobe carried forward beyond twelve months is treated as long-term employee benefit for measurementpurposes. The Company's net obligation in respect of other long-term employee benefits of accumulatingcompensated absences is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. The obligation is measured annually by a qualified actuary using the projected unit credit method. Re-measurements are recognized in profit or loss in the period in which they arise.

i. Income Tax

Income tax expense comprises of current tax. It is recognized in profit or loss except to the extent that it relates to items recognized directly in equity or in OCI.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.
Current tax assets and liabilities are offset only if, the Company:

has a legally enforceable right to set off the recognized amounts; and

intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

j. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, balances with other banks.

Cash and cash equivalents are carried at amortized cost in the Statement of Financial Position.

k. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.
The board of directors of the Company has been identified as the chief operating decision maker for the Company.

l. Provision, Contingent Liabilities and Contingent Assets

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.
The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A disclosure for Contingent Liability is made when thereisa possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood ofoutflow of resources is remote, no provision or disclosure is made.

Where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

m. Leases

The Company's lease asset class primarily consists of leases for buildings.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration.

The Company has elected not to recognize right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less. The Company recognizes the lease payments associated with these leases as an expense over the lease term.

n. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares on account of employee stock options, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

Suman Saurabh

Digitally signed by Suman Saurabh
Date: 2026.05.07 16:34:24 +05'30'

SECTION ELEVEN

Independent Auditor's Report (Consolidated)

The consolidated auditor's report is enclosed as part of the audited consolidated financial statements.

11

INDEPENDENT AUDITOR'S REPORT

To the Members of
Utkarsh CoreInvest Limited
(Formerly known as Utkarsh Micro Finance Limited)

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying Consolidated Ind AS Financial statements of **Utkarsh CoreInvest Limited** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss (including Consolidated other comprehensive income), Consolidated statement of changes in equity and Consolidated statement of cash flows for the year ended and a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Consolidated Ind AS Financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the other auditors on separate financial statements of such subsidiary as were audited by the other auditors, the aforesaid Consolidated Ind AS Financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and Consolidated profit and total comprehensive income (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 41 to the Consolidated Ind AS Financial Statements which specifies that there are 3 legal cases pending aggregating to 3.44 million which may impact the Group's operations as they are uncertain in nature. Our opinion is not modified in respect of this matter.

Information Other than the Financial Statements and Auditor's Report Thereon

The Holding Company's Management and Board of Directors are responsible for other information. The other information comprises the information included in the management Discussion and Analysis, Board's Report Including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report, and Shareholder Information, but does not include the Consolidated Ind AS Financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated financial statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated changes in equity and consolidated cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 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 Consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the respective Company, as aforesaid

In preparing the Consolidated financial statements the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group'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 respective Board of Directors of the Companies included in the Group either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS Financial statements as a whole are 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 these Consolidated Ind AS Financial statements.

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 risk of material misstatement of the Consolidated Ind AS Financial statements, 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether adequate internal financial controls systems are in place and the operating effectiveness of such controls
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
- Conclude on the appropriateness of management's 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 Company's ability 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 Consolidated Ind AS Financial Statements 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 Company to cease to continue as a going concern

- Evaluate the overall presentation, structure and content of the Consolidated Ind AS Financial Statements, including the disclosures, and whether the Consolidated Ind AS Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial statements of such entity or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entity included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph of the section titled "Other Matters" in this audit report.

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

We also provide those charged with governance with a statement that we may 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.

Other Matters:

The Company has a subsidiary registered as a bank, to which Ind AS is not applicable. The financial statements of the bank are prepared as per Indian GAAP (IGAAP) and are audited by its statutory auditors. For the purpose of consolidation, the financial statements of the bank have been converted to Ind AS, and a Fit for Consol (special purpose) has been prepared for the same. The Fit for Consol received by us is management-certified, and those financial statements reflect total assets of Rs. 2,90,018.15 million as at March 31, 2026, total revenues of Rs. 36,748.85 million, total profit after tax of Rs. (8,462.58) million, and net cash outflows of Rs. 15,547.23 million for the year ended March 31, 2026, as considered in the consolidated financial statements. These financial statements have been furnished to us by the Management, and we have performed such procedures thereon as we considered necessary for the purpose of the audit of the consolidated financials statement. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based on the financial statements furnished by management to us.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matter with respect to our reliance on the work done by the Management for Fit for Consol and the standalone reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1) As required by Section 143(3) of the Act, based on our audit and on the consideration of the financials certified by the Management for Fit for Consol and the reports of the other auditors on the separate financial statements of the subsidiaries referred to in the Other Matters section above, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS Financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept by the Company so far as it appears from our examination of those books, fit for consol provide d by the management and standalone reports of the other auditors.

   c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

d) In our opinion, the aforesaid Consolidated Ind AS Financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 4 of the Companies (Indian Accounting Standards) Rules, 2015 as amended.

e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2026 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditor of its subsidiary company, none of the directors of the Group companies is disqualified as on 31 March 2026 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure A".** Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary, as noted in the "Other Matters" paragraph:

i. The Consolidated Ind AS Financial Statements disclose the impact of pending litigations as at 31 March 2026 on the consolidated financial position of the Group. **Refer Note 31** to the Consolidated Ind AS Financial Statements.

ii. Provision has been made in the Consolidated Ind AS Financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long term contracts including derivative contracts. **Refer Note 16** to the Consolidated Ind AS Financial Statements in respect of such items as it relates to the Group.

iii. There are no amounts which are required to be transferred to the Investor Education and protection Fund by the Holding Company or its subsidiary company incorporated in India during the year ended 31st March 2026.

iv.

a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries

b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Group from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security, or the like on behalf of the Ultimate Beneficiaries; and.

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement.

v. The Group has not declared or paid any dividend during the year and compliance with the provisions of Section 123 of the Companies Act, 2013.

vi. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

vii. Based on our examination, which included test checks and that performed by the respective auditors of the subsidiary which are companies incorporated in India whose financial statements have been

audited under the Act, the Holding Company and its subsidiaries incorporated in India have used accounting software for maintaining books of account which have a feature of recording audit trail (edit log) facility and that have operated throughout the year for all relevant transactions recorded in the software systems.

Further, during the course of audit, we and respective other auditors of above referred subsidiary, whose reports have been furnished to us by the Management of the Holding Company, have not come across any instance of the audit trail feature being tampered with.

Further, in accordance with the requirements of the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, applicable with effect from April 1, 2023, the audit trail feature has been operated throughout the financial year ended March 31, 2026, for all transactions recorded in the software, and the audit trail has not been tampered with and the audit trail has been preserved by the Company and its subsidiary as per the statutory requirements for record retention.

2) With respect to the matters specified in the Paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ('CARO') issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's Report, and according to the information and explanations given to us, and based on the CARO reports issued by the auditors of the respective companies included in the consolidated financial statements of the Holding Company, to which reporting under CARO is applicable, as provided to us by the Management of the Holding Company and based on the identification of matters of qualifications or adverse remarks in their CARO reports by the respective component auditors and provided to us, we report that the auditors of such companies have not reported any qualifications or adverse remarks in their CARO report

For D M K H & CO.
Chartered Accountants
Firm Registration No.: 116886W

Manish Kankani
Partner
Membership No.: 158020
UDIN:

Place: Mumbai
Date:

Annexure 'A' to the Independent Auditor's Report

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of Utkarsh CoreInvest Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").

Opinion

In conjunction with our audit of the consolidated financial statements of **Utkarsh CoreInvest Limited** (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2026, we have audited the internal financial controls with reference to financial statements of the Holding Company and such company incorporated in India under the Act which is its subsidiary company, as of that date.

In our opinion, to the best of our information and explanations given to us, the Holding Company and its subsidiary companies which are companies incorporated in India has, in all material respects, adequate internal financial control over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, based on the internal financial control over financial reporting criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company and its subsidiaries, which are companies incorporated in India, internal financial controls with reference to the consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting with reference to financial statements.

Meaning of internal financial controls with reference to Consolidated financial statements

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

a. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and

c. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company incorporated in India based on the corresponding reports of the auditors of such company incorporated in India.

Our opinion is not modified in respect of this matter.

For D M K H & CO.
Chartered Accountants
Firm Registration No.: 116886W

Manish Kankani
Partner
Membership No.: 158020
UDIN:

Place: Mumbai
Date:

SECTION TWELVE

Audited Financial Statements (Consolidated)

The audited consolidated financial statements are enclosed with this report.

12

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

Particulars	Notes	As at 31 March 2026	As at 31 March 2025
Assets			
Financial assets			
Cash andcash equivalents	3	17,770.23	33,317.37
Bank balance other than above	3	5,556.66	1,091.08
Loans	4	1,80,194.69	1,80,404.62
Investments	5	70,033.51	50,224.67
Other financial assets	6	2,915.15	2,333.15
Non-financial assets			
Current tax assets (net)	7	717.63	782.70
Deferred tax assets (net)	7	5,556.17	3,015.25
Property, plant and equipment	8	5,461.36	5,961.74
Capital work-in-progress	8	1,251.28	630.05
Other intangible assets	9	241.68	210.41
Other non-financial assets	10	411.35	472.39
Total Assets		**2,90,109.71**	**2,78,443.43**
Equity and Liabilities			
Liabilities			
Financial liabilities			
Trade payables			
- Total outstanding due to micro and small enterprises	11	264.49	101.36
- Total outstanding dues of creditors other than micro enterprises and small enterprises	11	453.47	306.11
Borrowings (other than debt securities)	12	23,419.22	18,454.23
Lease liability	47	2,843.82	3,453.41
Deposits	13	2,26,113.62	2,22,352.97
Subordinated liabilities	14	5,011.24	5,158.86
Other financial liabilities	15	5,653.99	3,306.61
Non-financial liabilities			
Currenttaxliabilities (net)		-	
Provisions	16	58.92	97.03
Other non-financial liabilities	17	77.43	58.74
Equity	18		71.85
Equity share capital	19		
Other equity	19	993.78	993.72
Equity attributable to equity holders of the parent		10,544.52	16,285.42
		11,538.30	17,279.14
Non controlling interest	2	14,675.21	7,803.12
Total Liabilities and Equity		**2,90,109.71**	**2,78,443.43**

Summary of Material accounting policies
The accompanying notes are an integral part of these financial statements.

As per our report of even date attached.

for DMKH & Co.
CharteredAccountants
ICAI Firm Registration No. 116886W/066580

for and on behalf of Board of Directors of
Utkarsh CoreInvest Limited
CIN:U65191UP1990PLC045609

Manish Kankani
Partner
Membership No: 158020

Suman Saurabh
ManagingDirector and CEO
DIN: 07132387

G.S. Sundararajan*
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari
CompanySecretary
FCS: 12101

Harshit Agrawal
Chief Financial Officer
ACA: 417412

Place: Mumbai
Date: August 29, 2026

Place: Varanasi & Chennai*
Date: August 29, 2026

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

#	Particulars	Notes	For the year ended 31 March 2026	For the year ended 31 March 2025
I.	**Revenue from operations**			
	Interest income	20	36,402.20	38,453.66
	Feesand commission income	21	346.77	440.40
	Total revenue from operations		36,748.97	38,894.06
II.	**Other income**	22	2,152.22	2,662.13
III.	**Total income**		38,901.19	41,556.19
IV.	Expenses			
	Finance costs	23	19,141.56	17,143.85
	Fees and commission expense	24	1,477.49	1,218.64
	Net loss on fair value changes	25	(391.23)	242.18
	Impairment on financial instruments	26	13,106.45	13,698.54
	Employee benefits expenses	27	9,525.10	8,536.41
	Depreciation and amortisation	28	1,376.78	1,354.79
	Others expenses	29	5,557.31	4,916.40
	Total expenses		49,793.46	47,110.81
V.	Profit/(loss) before tax		(10,892.27)	(5,554.62)
	Tax Expense:			
	Current tax	7	29.34	264.86
	Deferred tax	7	(2,538.09)	(1,596.53)
VI.	**Profit for the year**		(8,383.52)	(4,222.95)
VII. A	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	- Actuarialgain/(loss) on defined benefitobligation		(11.26)	33.85
	- Incometaxrelating to itemsthat willnotbereclassified to profit or loss		2.83	(8.55)
	Subtotal (A)		(8.43)	25.30
B	(i) Items that will be reclassified to profit or loss			
	- Debtsecuritiesmeasuredat FVTOCI - reclassifiedto other comprehensive income		-	-
	- IncomeTaxrelatingtoitems thatwill bereclassified to profit or loss		-	-
	Subtotal (B)		-	-
	Other comprehensive income (A + B)		(8.43)	25.30
VIII.	**Total comprehensive income for the year**		(8,391.95)	(4,197.65)
IX.	Profit for the year attributable to :			
	- Equityholders of theparent		(4,862.43)	(3,126.17)
	- Non-controlling interest		(3,521.09)	(1,096.78)
X.	Other comprehensive income for the year attributable to :			
	- Equityholders of theparent		(4.93)	18.58
	- Non-controlling interest		(3.50)	6.72
XI.	Total comprehensive income for the year attributable to :			
	- Equityholders of theparent		(4,867.37)	(3,107.59)
	- Non-controlling interest		(3,524.58)	(1,090.06)
XII.	Earnings per equity share			
	Basicearningspershareof INR 10.00 each	INR	(84.57)	(42.66)
	Diluted earnings per share of INR 10.00 each	INR	(84.52)	(42.50)

Summary of Material accounting policies 2
The accompanying notes are an integral part of these financial statements.

As per our report of even date attached.

for DMKH & Co.
Chartered Accountants
ICAI Firm Registration No. 116886W/066580

for and on behalf of Board of Directors of
Utkarsh CoreInvest Limited
CIN: U65191UP1990PLC045609

Manish Kankani
Partner
Membership No: 158020

Suman Saurabh
ManagingDirector and CEO
DIN: 07132387

G.S. Sundararajan*
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari
Company Secretary
FCS: 12101

Harshit Agrawal
Chief Financial Officer
ACA: 417412

Place: Mumbai
Date: August 29, 2026

Place: Varanasi & Chennai*
Date: August 29, 2026

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

	Note	For the year ended 31 March 2026	For the year ended 31 March 2025
I. Cash flows from operating activities			
Net profit before tax		(10892.27)	(5554.62)
Adjustments for:			
Depreciation and amortisation		1376.78	1354.79
Impairment provision/ write offs		13106.45	13698.54
Net (gain) / loss in fair value changes		(391.23)	242.18
Finance costs		19141.56	17143.85
Interest income on investments		(4016.79)	(2709.59)
Interest income on Loans		(31066.45)	(34234.33)
Interest income on term deposits		(332.62)	(93.79)
Interest income on RBI ReverseRepo,TREPSReverse Repo, Call / Term Lending)		(986.33)	(1415.95)
Employee share based expense		111.12	221.60
Impairment on non-financial asset		(22.12)	12.56
Profit/Loss on sale of property, plant and equipment		1.89	(2.40)
Profit/Loss on sale of investments		-	-
Operational cash flows from interest			
Interest paidon Deposits		(14069.72)	(14116.38)
Interest received on Loans and Advances		29567.00	36351.36
Operating cash flow before working capital changes		1,527.25	10,897.81
Adjustments for:			
(Increase) in loans		(11385.53)	(19715.88)
(Increase) in other financial assets		(543.85)	(109.12)
Decrease/ (increase) in other non-financial asset		61.04	(295.04)
Increase in deposits		806.08	40883.13
Increase in other financial liability		2347.38	(518.85)
Increase in other non-financial liability		5.58	(9.11)
Increase in trade payables		310.50	(87.05)
Increase in provision		11.05	(49.99)
Cash flow from operations		(6,860.51)	30,995.91
Income tax paid		(61.30)	(735.97)
Net cash flow from operating activities (A)		**(6,921.81)**	**30,259.94**
II. Cash flow from investing activities			
Purchase of property, plant and equipments (including capital work in progress)		(1406.58)	(1388.32)
Proceeds from sale of property, plant and equipments		71.38	12.77
Purchase of intangible assets		(194.94)	(127.62)
Purchase of investments		(18825.47)	(12999.96)
Acquisition by Non-Controlling Interest		9412.30	91.56
Deposits in other bank balances		(11009.26)	(1578.57)
Withdrawals in other bank balances		6617.06	2343.58
Dividend income			
Interest received		4663.69	4120.36
Net cash used in investing activities (B)		**(10,671.82)**	**(9,526.21)**
III. Cash flow from financing activities			
Issue of equityshares		0.51	51.28
Share application money received		0.00	0.23
Payment to shareholders under shareholder agreement		0.00	(300.00)
Payment of lease liabilities		(924.82)	(828.55)
Repayment of borrowings		(8154.09)	(27695.48)
Proceeds from borrowings		13110.83	11540.00
Proceeds from issue of subordinated liabilities		(150.00)	3,049.99
Reapyment of subordinated liabilities		-	-
Dividend paid		-	(170.59)
Interest paid		(1835.93)	(1527.90)
Net cash (used in)/ from financing activities (C)		**2,046.49**	**(15,881.02)**
Refer Note 33 for Change in liabilities arising from financing activities			
Net increase/(decrease) in cash and cash equivalents (A + B + C)		(15,547.14)	4,852.71
Opening Cash and Cash Equivalent		33,317.37	28,464.66
Closing Cash and Cash Equivalent		17,770.23	33,317.37
For composition of cash & cash equivalents	3		

Notes:
1. The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard 7 (Ind AS 7) on Cash Flow Statement.
2. Figures in Bracket represents Cash Outflow.

Summary of Material accounting policies 2
The accompanying notes are an integral part of these financial statements.

As per our report of even date attached.

for DMKH & Co.
Chartered Accountants
ICAI Firm Registration No. 116886W/066580

for and on behalf of Board of Directors of
Utkarsh CoreInvest Limited
CIN: U65191UP1990PLC045609

Manish Kankani
Partner
Membership No: 158020

Suman Saurabh
ManagingDirector and CEO
DIN: 07132387

G.S. Sundararajan*
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari
Company Secretary
FCS: 12101

Harshit Agrawal
Chief Financial Officer
ACA: 417412

Place: Mumbai
Date: August 29, 2026

Place: Varanasi & Chennai*
Date: August 29, 2026

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026

(All amounts are in Rupees millions unless otherwise stated)

A. Equity Share Capital

Particulars	Balance as at 31 March 2022	Changes during the year	Balance as at 31 March 2023	Changes during the year	Balance as at 31 March 2024	Changes during the year	Balance as at 31 March 2025	Changes during the year	Balance as at 31 March 2026
Paid up share capital	983.30	0.91	984.21	3.24	987.45	6.27	993.72	0.06	993.78
Less: Equity share capital classified as financial liab ility	-	-	-	-	-	-	-	-	-
Total	983.30	0.91	984.21	3.24	987.45	6.27	993.72	0.06	993.78

B. Other Equity

Particulars	Reserve and Surplus												Other Comprehensive Income			Total attributable to equity holders of the parent	Total non-controlling interest	Total
	Share application money pending allotment	Equity component of financial instruments	Statutory reserve	Capital redemption reserve	Securities premium	Other Equity - Fair valuation changes	ESOP Reserve	Investment fluctuation reserve	Treasury shares	Capital reserve	General reserve	Retained earnings	Debt instruments through other comprehensive income	Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	Actuarial gain/ loss on post employment defined benefit plan			
Balance as at 31 March 2024	21.54	(109.01)	2,567.65	90.00	5,531.70	4,121.67	82.73	82.33	(2.45)	62.30	-	6,156.63	(209.47)	(160.62)	6.65	19,241.64	8,881.78	28,123.42
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	(3,126.17)	-	-	18.58	(3, 107. 59)	(1,090.06)	(4,197.65)
Acquisition by Non-Controlling Interest*	-	-	(23.00)	-	-	-	-	(42.21)	-	(20.86)	(1.24)	304.61	-	-	(1.19)	216. 10	(124.55)	91.56
Transfer to/(from) retained earnings	-	-	119.85	-	-	-	-	135.30	-	66.74	3.99	(337.00)	-	-	-	0.00	-	0.00
Reclassification of Investment from FVOCI to Amortised cost	-	-	-	-	-	-	(8.75)	-	-	-	-	-	19.87 189.60	-	-	189. 60	85.39	274.99
Issue of equity shares			-				-	-		-								
ESOP reserve of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	221.16	221.16
Equity settled share based plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to non-controlling interest of su b sid iar y	-	-	-	-	32.16	-	(32.16)	-	-	-	-	-	-	-	-	0.44	-	0.44
Shares issued					-		0.44									-	(170.59)	(170.59)
Payment to shareholders under shareholder agreement							-											
Share issue expenses	(21.54)	-	-	-	61.44	-	-	-	-	-		-	-	-	-	39. 90	-	39.90
Share application money received	-	-	-	-	-	-	-	-	-	-		(300.00)	-	-	-	(300. 00)	-	(300.00)
	-	-	-	-	5.06	-	-	-	-	-		-	-	-	-	5.06	-	5.06
	0.23	-	-	-	-	-	-	-	-	-		-	-	-	-	0.23	-	0.23
Balance as at 31 March 2025	0.23	(109.01)	2,664.50	90.00	5,630.36	4,121.67	42.25	175.42	(2.45)	108.18	2.75	2,698.06	-	(160.62)	24.04	16,285.39	7,803.12	24,088.51
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	(4,862.43)	-	-	(4.93)	(4, 867. 36)	(3,524.58)	(8,391.95)
Acquisition by Non-Controlling Interest*	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(8.05)	(875. 20)	10,287.50	9,412.30
Transfer to/(from) retained earnings	-	-	(908.86)	-	-	-	-	67.21	-	(173.25)	(20.19)	147.22	-	-	-	-	-	-
Reclassification of Investment from FVOCI to Amortised cost	-	-	15.95	-	-	-	(23.05)	(233.79)	-	230.31	33.39	(22.80)	-	-	-	-	-	-
Issue of equity shares			-				-	-		-	-	-						
ESOP reserve of subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share options exercised	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	109.18	109.18
Equity settled share based plan	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend paid to non-controlling interest of su b sid iar y	-	-	-	-	(1.09)	-	1.09	-	-	-	-	-	-	-	-	-	-	-
Shares issued			-		-		1.94	-		-		-				1.94	-	1.94
Payment to shareholders under shareholder agreement							-									-		-
Share issue expenses	(0.23)	-	-	-	0.68	-	-	-	-	-	-	-	-	-	-	0.45	-	0.45
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Share application money received	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at 31 March 2026	-	(109.01)	1,771.59	90.00	5,629.98	4,121.67	22.23	8.84	(2.45)	165.23	15.95	(2,019.95)	-	(160.62)	11.06	10,544.52	14,675.21	25,219.73

During the year ended March 31, 2025, pursuant to implementation of the Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2023, effective from April 01, 2024, covering regulatory change by the RBI related to restrictions on sale of securities from HTM portfolio, the group had reassessed its business model and concluded that investment in Government securitites are primarily intended to collect contractual cash flows being solely payments of principal and interest on the principal amount outstanding. Consequently, the group has reversed accumulated fair value loss of Rs. 366.81 million on such investment in Government securities and related deferred tax of Rs. 92.32 million in other equity on April 1, 2024.

*Refer Note 46 for ownership interest held by non- controlling interest

As per our report of even date attached

for DMKH & Co.
Chartered Accountants
ICAI Firm Registration No. 116886W/O66580

for and on behalf of Board of Directors of
Utkarsh CoreInvest Limited
CIN: U65191UP1990PLC045609

Manish Kankani
Partner
Membership No: 158020

Suman Saurabh
Managing Director and CEO
DIN: 07132387

G.S. Sundararajan*
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari
Company Secretary
FCS: 12101

Harshit Agrawal
Chief Financial Officer
ACA: 417412

Place: Mumbai
Date: August 29, 2026

Place: Varanasi & Chennai*
Date: August 29, 2026

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
19 Other equity		
Share Application money pending allotment		
Balance asat the beginning oftheyear	0.23	21.54
Shares issued during the year	(0.23)	(21.54)
Amount received during the year	-	0.23
Balance as at the end of the year	-	0.23
Equity component of compound financial instruments		
Balance as at the beginning of the year	(109.01)	(109.01)
Balance as at the end of the year	**(109.01)**	**(109.01)**
Statutory reserve		
Balance as at the beginning of the year	2,664.50	2,567.65
Add: Transferred from retained earnings	15.95	119.85
Add: Transactions with Non-Controlling Interest	(908.86)	(23.00)
Balance as at the end of the year	**1,771.59**	**2,664.50**
Capital redemption reserve		
Balance as at the beginning of the year	90.00	90.00
Balance as at the end of the year	**90.00**	**90.00**
Securities premium		
Balance as at the beginning of the year	6,630.36	6,531.70
Add: Transactions with Non-Controlling Interest	-	-
Add: Transfer from stock option outstanding	(0.41)	98.66
Balance as at the end of the year	**6,629.98**	**6,630.36**
Other Equity - Fair valuation changes		
Balance as at the beginning oftheyear	4,121.67	4,121.67
Balance as at the end of the year	**4,121.67**	**4,121.67**
Employees stock options outstanding		
Balance as at the beginning of the year	42.25	82.72
Add: Compensation for options granted	1.94	0.44
Less: transfer to retained earnings	(23.05)	(8.75)
Exercise of stock options	1.09	(32.16)
Others		
Balance as at the end of the year	**22.23**	**42.25**
Investment fluctuation reserve		
Balance as at the beginning of the year	175.42	82.33
Add: transfer from retained earnings	67.21	(42.21)
Add: Transactions with Non-Controlling Interest	(233.79)	135.30
Balance as at the end of the year	**8.84**	**175.42**
Treasury shares		
Balance as at the beginning of the year	(2.45)	(2.45)
Treasury shares exercised during the year	-	-
Balance as at the end of the year	**(2.45)**	**(2.45)**
Retained earnings		
Balance as at the beginning of the year	2,698.06	6,156.63
Add: Profit for the year	(4,862.43)	(3,126.17)
Add: Amount transferred to various reserves	(22.80)	(337.00)
Payment to shareholder`s under shareholder	-	(300.00)
agreement Transactions with Non controlling interest	167.22	304.61
Balance as at the end of the year	**(2,019.95)**	**2,698.06**
Debt instruments through other comprehensive income		
Balance as at the beginning of the year	-	(209.47)
Other comprehensive income for the year	-	-
Loss transferred on reclassification of investments held at FVTOCI	-	189.60
Transfer from retained earnings	-	19.87
Balance as at the end of the year	**-**	**-**
Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss		
Balance as at the beginning of the year	(160.62)	(160.62)
Total Comprehensive Income for the year	-	-
Balance as at the end of the year	**(160.62)**	**(160.62)**
Remeasurement of defined benefit plans (gain)/loss)		
Balance as at the beginning of the year	24.04	6.65
Other comprehensive income for the year	(4.93)	18.58
Transactions with Non-Controlling Interest	(8.05)	(1.19)
Balance as at the end of the year	**11.06**	**24.04**

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

General reserve		
Balance as at the beginning of the year	2.75	-
Additions during the year	13.20	2.75
Balance as at the end of the year	**15.95**	**2.75**
Capital reserve		
Balance as at the beginning of the year	108.18	62.30
Additions during the year	57.05	45.88
Balance as at the end of the year	**165.23**	**108.18**
Non-controlling interest		
Balance as at the beginning of the year	7,803.12	8,881.78
Other comprehensive income for the year	(3,524.58)	(1,090.06)
Acquisition by Non-Controlling Interest	10,287.50	(124.55)
Transfer from retained earnings Dividend	-	85.39
ESOP reserve of subsidiary	-	(170.59)
Balance as at the end of the year	109.18	221.16
	14,675.21	**7,803.12**
Total	**25,219.73**	**24,088.54**

*Refer Statement of Changes in Equity
**Refer Note 48 for ownership interest held by non-controlling interest
Nature and purpose of other reserve :

Share Application money pending allotment
This amount represents amount received from shareholders against which shares are yet to be allotted.

Equity component of financial instruments
This represents the equity component of the financial liability created on account of classification of equity share capital as financial liability.

Statutory reserve
The said reserve has been created under section 45-IC of Reserve Bank of India Act, 1934. As per the said section, every Non-Banking Financial Group shall create a reserve fund and transfer a sum not less than 20% of net profit every year before declaration of dividend. The Group has made an appropriation of 25% out of profits for the year ended March 31, 2023 to the Statutory Reserve pursuant to the requirements of Section 17 of the Banking Regulation Act, 1949.

Capital Redemption Reserve
Capital Redemption Reserve represents amount transferred from surplus in statement of profit and loss towards redemption of preference shares without fresh issue of capital, as was required under Companies Act, 2013.

Securities premium
Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013.

Other Equity - Fair valuation changes
The said reserve represents the premium amount paid by the shareholders transferred on account of reclassification of equity share capital as financial liabilities as at 31 March 2018 and 1 April 2017.

ESOP Reserve
The said amount is used to recognise the grant date fair value of options issued to employees of Utkarsh CoreInvest Ltd and its subsidiary Utkarsh Small Finance Bank.

Investment fluctuation reserve
As per the notification issued by Reserve Bank of India on Investment Fluctuation Reserve(IFR) on April 02,2018, the Group is required to create reserve of at least 2% of the HFT and AFS portfolio, on continuing basis. Notification further says that this should be achieved within a period of 3 years. As per the policy, the Group is required to create Investment Fluctuation Reserve within 2 years starting from financial year 2018-19. The Group has created Investment Fluctuation Reserve at 2% on HFT & AFS portfolio. Any adjustment (drawdown) to the reserve due to change in HFT & AFS portfolio is permitted only at the end of the accounting year.

Treasury shares
The said amount represents shares issued to the ESOP trust and subsequently issued to the employees of the Group.

Retained Earnings
The said amount represents accumulated surplus/(deficit) of the profits earned by the Group.

Debt instruments through other comprehensive income
This comprises changes in the fair value of debt instruments recognised in other comprehensive income and accumulated within equity. The Group transfers amounts from such component of equity to retained earnings when the relevant debt instruments are derecognised.
Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss

The said amount represents fair value changes on financial liabilities designated at fair value through profit or loss relating to own credit risk which is recognised in other comprehensive income.

Remeasurement of defined benefit plans
Remeasurements of defined benefitplansrepresents the following as per Ind AS 19, Employee Benefits:
(a) actuarial gains and losses
(b) the return on plan assets, excluding amounts included in net interest on the net defined benefit liability (asset); and
(c) any change in the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability (asset)

Capital Reserve
The amount relates to profit on sale of HTM securities as stated by RBI guidelines.
Non-controlling interest

The said amount represents non-controlling interest in the subsidiaries.

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

3 Cash and bank balances

	As at 31 March 2026		As at 31 March 2025
Cash and cash equivalents			
Cash in hand	990.36		792.73
Balances with banks			
- in current accounts	348.55		435.44
- in RBI current accounts	6,511.08		6,750.09
- in deposits accounts (with maturity less than three months)	-		-
- call/notice lending (with less than three months maturity)	500.00		1,250.00
- term lending (with less than three months maturity)	-		-
- term lending (with maturity less than three months maturity)	-		-
Reverse repo	9,421.49		24,091.87
	17,771.49		33,320.13
		-	-
Less : Allowance for Impairment loss	1.26		2.76
		-	-
Total (A)	**17,770.23**		**33,317.37**

Balances with banks earn interest at fixed rates. Short term deposits are made for varying periods of between one day and three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates. The Company has not taken bank overdraft, therefore the cash and cash equivalent for cash flow statement is same as cash and for cash equivalent given above.

Bank balance other than above			
Fixed deposits with bank not considered as cash and cash equivalents	5,563.74		1,091.42
		-	
	5,563.74		1,091.42
		-	-
Less : Allowance for Impairment loss	7.08		0.34
Total (B)	**5,556.66**		**1,091.08**
Total (A+B)	**23,326.89**		**34,408.45**

4 Loans

	As at 31 March 2026	As at 31 March 2025
At Amortised cost		
(A)		
(i) Bills Purchased and Bills Discounted	3,042.59	-
(ii) Loans repayable on Demand	9,535.24	6,862.92
Term Loans	1,81,957.67	1,89,741.83
Total (A) - Gross	**1,94,535.50**	**1,96,604.75**
Less : Allowance for Impairment loss	(14,340.81)	(16,200.13)
Total (A) - Net	**1,80,194.69**	**1,80,404.62**
(B)		
(i) Secured by tangible assets and intangible assets	97,884.45	84,018.75
(ii) Covered by Bank/Government guarantees	24,859.58	290.83
(iii) Unsecured	71,791.47	1,12,295.17
Total (B) - Gross	**1,94,535.50**	**1,96,604.75**
Less : Allowancefor Impairment loss	(14,340.81)	(16,200.13)
Total (B) - Net	**1,80,194.69**	**1,80,404.62**
(C)		
(i) PrioritySector	1,26,085.99	1,44,681.40
(ii) Banks	170.93	-
(iii) Others	68,278.58	51,923.35
Total (C) - Gross	**1,94,535.50**	**1,96,604.75**
Less : Allowance for Impairment loss	(14,340.81)	(16,200.13)
Total (C) - Net	**1,80,194.69**	**1,80,404.62**

All the Loans above are Loans in India.

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

5 Investments:	Amortised cost (1)	At Fair Value: Through other comprehensive income (2)	At Fair Value: Through profit or loss (3)	Designated at fair value through profit or loss (4)	Sub- Total (5)=(2)+(3)+(4)	Others (6)	Total (7)=(1)+(5)+(6)
As at 31 March 2026							
Government securities	69,332.93	-	-	-	-	-	69,332.93
Debt securities	-	-	44.26	-	44.26	-	44.26
Equity instruments	-	-	663.97	-	663.97	-	663.97
Total – Gross (A)	**69,332.93**	-	**708.24**	-	**708.24**	-	**70,041.16**
(i) Investments in India	69,332.93	-	708.24	-	708.24	-	70,041.16
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	**69,332.93**	-	**708.24**	-	**708.24**	-	**70,041.16**
Less: Allowance for Impairment loss (C)	(7.65)	-	-		-		(7.65)
Total – Net D= (A)-(C)	**69,325.28**	-	**708.24**	-	**708.24**	-	**70,033.51**
As at 31 March 2025				-		-	
Government securities	37,512.06	-	5,348.01	-	5,348.01	-	42,860.07
Debt securities	-	-	67.89	-	67.89	-	67.89
Equity instruments	-	-	7,309.89	-	7,309.89	-	7,309.89
Total – Gross (A)	**37,512.06**	-	12,725.79	-	12,725.79	-	50,237.85
(i) Investments in India	37,512.06	-	12,725.79	-	12,725.79	-	50,237.85
(ii) Investments outside India	-	-	-	-	-	-	-
Total (B)	**37,512.06**	-	**12,725.79**	-	**12,725.79**	-	**50,237.85**
Less: Allowance for Impairment loss (C)	(13.18)	-	-		-		(13.18)
Total – Net D= (A)-(C)	**37,498.88**	-	**12,725.79**	-	**12,725.79**	-	**50,224.67**
				-		-	

6 Other financial assets	As at 31 March 2026	As at 31 March 2025
Bank deposit (due to mature after 12 months from the reporting date)	1.02	0.00
Advances recoverable in cash & security deposits	2,924.68	2,332.89
Other recoverables	2.12	1.09
	2,927.82	2,333.98
Less : Allowance for Impairment loss	12.67	0.83
Total	**2,915.15**	**2,333.15**

Information about the group's exposure to fair value measurement and credit and market risks are included in Note 40 and 41

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

7 Income tax

A.Amounts recognised in profit or loss

Particulars	For the year ended 31 March 2026	For the year ended 31 March 2025
Current tax		
Current period(a)	29.34	264.86
Changes in estimates related to prior years (b)	-	-
	-	-
Deferred tax (c)	-	-
Attributable to-	-	-
Origination and reversal of temporary differences	(2,538.09)	(1,596.53)
Sub-total (c)	(2, 538. 09)	(1, 596.53)
Tax expense (a)+(b)+(c)	**(2,508.75)**	**(1,331.67)**

B.Income tax recognised in other comprehensive income

Particulars	For the year ended 31 March 2026			For the year ended 31 March 2025		
	Before tax	Tax (expense) / income	Net of tax	Before tax	Tax (expense) / income	Net of tax
Remeasurements of the net defined benefit liability/ asset	(11.26)	2.83	(8.43)	33.85	(8.55)	25.31
Fair value changes relating to own credit risk of financial liabilities designated at fair value through profit or loss	-	-	-	-	-	-
	-	-	-	-	-	-
Debt instruments fair value through other comprehensive	**(11.26)**	**2.83**	**(8.43)**	**33. 85**	**(8.55)**	**25.31**

C.Reconciliation of effective tax rate

Particulars	Year ended 31 March 2026		Year ended 31 March 2025	
	%	Amount	%	Amount
Profit before tax		(10,892.27)		(5,554.62)
Tax using the Company's domestic tax rate	25.17%	(2,741.37)	25.17%	(1,397.99)
Effect of:				
Permanent differences	1.81%	(197.07)	-0.40%	22.05
Tax exemption/deduction	0.46%	(50.34)	0.82%	(45.70)
Change in unrecognised temporary differences	0.00%	0.51	-0.01%	0.59
Changes in estimate related to prior years	0.00%		0.00%	
Changes in tax rate	0.00%		0.00%	-
MAT credit written off	0.00%		0.00%	-
Others	4.82%	(525.21)	-1.61%	89.38
Effective tax rate/tax expense		(3,513.47)		
		1,004.72		**(1,331.67)**

D.Recognised deferred tax assets and liabilities

Movement of deferred tax assets / liabilities presented in the balance sheet

	As at 31 March 2025	Recognised in profit or loss during the year	Recognised in OCI during the year	Recognised in other equity	As at 31 March 2026
Deferred tax assets:					
Loans	2,602.97	(2, 011. 32)			591.64
Lease Liabilities	1 50. 64	(1. 71)			148.93
Property, plant and equipment	428.51	10. 33			438.84
Others	(206.72)	(29.21)			(235.93)
	2,975.40	(2, 031. 92)	-		943.48
Deferred tax liabilities:					
Property, plant and equipment	6.61				6.61
Others	(46.46)	(2. 86)	(2. 83)	-	(52.14)
	(39.85)	(2. 86)	(2.83)	-	(45.53)
Net deferred tax assets	**3,015.24**	**(2, 029. 06)**	**2.83**	**-**	**989.01**

	Asat 31 March 2024	Recognised in profit or loss during the year	Recognised in OCI during theyear	Recognised in other equity	As at 31 March 2025
Deferred tax assets:					
Loans	1,095.86	1,507.11			2, 602. 97
Lease Liabilities	1 35. 38	15. 26			150.64
Property, plant and equipment	400.29	28. 22			428.51
Others	(223.07)	16. 35			(206.72)
	1,408.45	1,566.94	-		2,975.40
Deferred tax liabilities:					
Property, plant and equipment	6.61				6.61
Others	(117.74)	(29.59)	8.55	92.32	(46.46)
	(111.13)	(29.59)	8.55	92.32	(39.85)
Net deferred tax assets	**1,519.58**	**1,596.53**	**(8. 55)**	**(92. 32)**	**3, 015. 25**

E.Unrecognised deferred tax balances

Deferred tax assets have not been recognised in respect of the following items, because it is not probable that future taxable profit will be available against which the Company can use the benefits therefrom.

Particulars	As at 31 March 2026	As at 31 March 2025
Deductible temporary differences	0.51	0.59
Total	**0.51**	**0.59**

F.Uncertain tax positions

Refer Note 31 on contingent liabilities and commitment relating to income tax matter under dispute.

Particulars	As at 31 March 2026	As at 31 March 2025
Current Tax Assets	717.63	782.70
Total	**717.63**	**782.70**

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

8 **Property, Plant and Equipment**

Particulars	Gross Block					Depreciation				Net Block	
	As at 1 April 2025	Adjustment	Additions	Disposals	As at 31 March 2026	As at 1 April 2025	For the year	Disposals	As at 31 March 2026	As at 31 March 2026	As at 1 April 2025
Owned Assets											
Leasehold improvement	760.29	-	76.38	14.87	821.81	263.72	86.88	8.31	342.29	479.53	496.58
Computers	1,004.15	-	105.36	180.53	928.98	654.81	218.43	178.50	694.73	234.25	349.34
Vehicles	92.90	-	21.94	15.31	99.53	26.90	18.41	5.15	40.16	59.38	66.00
Office equipment	525.28	-	87.92	7.03	606.17	311.83	99.46	6.81	404.48	201.68	213.46
Electrical equipment	603.54	-	141.10	7.69	736.95	245.84	69.07	5.55	309.36	427.59	357.70
Furniture and fixtures	716.10	-	58.90	37.04	737.94	412.58	71.49	31.03	453.03	284.91	303.52
Generator	178.69	-	46.18	1.45	223.42	55.65	21.50	1.20	75.94	147.48	123.04
Land	121.20	-	-	-	121.20	-	-	-	-	121.20	121.20
Building	1,001.30	-	-	-	1,001.30	34.21	16.69	-	50.90	950.40	967.09
Right of use assets			201.75	-	1,203.05	50.90	19.95	-	70.85	1,132.20	950.40
Premises											
ATM Machines	5,051.32	-	46.50	-	5,097.82	2,123.31	602.66	-	2,725.97	2,371.85	2,928.01
	123.63	-	-	123.65	(0.03)	71.13	5.27	77.74	(1.33)	1.30	52.49
Total	10,178.39	-	786.03	387.56	10,576.85	4,216.64	1,213.15	314.30	5,115.50	5,461.36	5,961.74

Particulars	Gross Block					Depreciation				Net Block	
	As at 1 April 2024	Adjustment	Gross Block Additions	Disposals	As at 31 March 2025	As at 1 April 2024	For the year	Disposals	As at 31 March 2025	As at 31 March 2025	As at 1 April 2024
Owned Assets											
Leasehold improvement	576.59	-	186.28	2.58	760.29	193.40	71.51	1.19	263.72	496.58	383.19
Computers	752.25	-	309.82	57.92	1,004.15	492.61	218.76	56.56	654.81	349.34	259.64
Vehicles	65.95	-	33.78	6.83	92.90	12.91	16.46	2.47	26.90	66.00	53.04
Office equipment	403.71	-	124.76	3.19	525.28	216.16	98.80	3.13	311.83	213.46	187.55
Electrical equipment	535.05	-	72.52	4.03	603.54	181.85	67.02	3.03	245.84	357.70	353.19
Furniture and fixtures	656.98	-	65.20	6.08	716.10	328.59	88.41	4.42	412.58	303.52	328.39
Generator	111.34	-	68.67	1.32	178.69	42.20	14.38	0.93	55.65	123.04	69.14
Land	121.20	-	-	-	121.20	-	-	-	-	121.20	121.20
Building	1,001.30	-	-	-	1,001.30	34.21	16.69	-	50.90	950.40	967.09
Right of use assets											
Premises											
ATM Machines	3,776.19	-	1,275.13	-	5,051.32	1,534.87	588.44	-	2,123.31	2,928.01	2,241.32
	107.69	-	17.00	1.06	123.63	56.60	15.43	0.90	71.13	52.49	51.09
Total	8,108.25	-	2,153.16	83.01	10,178.40	3,093.40	1,195.90	72.63	4,216.67	5,961.74	5,014.85

For capital commitments made by the group refer note 31

Capital-Work-in Progress (CWIP):
As on 31 March 2026:
Ageing Schedule

CWIP	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	1,251.28	-	-	-	1,251.28
Projects temporarily suspended	-	-	-	-	-
Total	1,251.28	-	-	-	1,251.28

As on 31 March 2025:
Ageing Schedule

CWIP	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	T otal
Projects in Progress	630.05	-	-	-	630.05
Projects temporarily suspended	-	-	-	-	-
Total	630.05	-	-	-	630.05

There are no projects where the completion is overdue or has exceeded its cost compared to its original plan as at 31 March 2026 and as at 31 March 2025.

9 Intangible assets

Particulars	Gross Block					Amortisation				Net Block
	As at 1 April 2025	Adjustment	Additions	Disposals	As at 31 March 2026	As at 1 April 2025	For the year	Dis pos als	As at 31 March 2026	As at 31 March 2026
Owned Assets										
Computer software	951.91		194.94	-	1,146.84	741.50	163.66	(0.00)	905.16	241.68
Right of use assets										
Core banking software	165.58		-	-	165.58	165.58	-	-	165.58	-
Total	1,117.49	-	194.94	-	1,312.42	907.08	163.66	-	1,070.74	241.68

Particulars	Gross Block					Amortisation				Net Block
	As at 1 April 2024	Adjustment	Additions	Disposals	As at 31 March 2025	As at 1 April 2024	For the year	Disposals	As at 31 March 2025	As at 31 March 2025
Owned Assets										
Computer software	824.29	-	127.62	-	951.91	582.58	158.92		741.50	210.41
Right of use assets										
Core banking software	165.58	-			165.58	165.58	-		165.58	-
Total	989.87	-	127.62	-	1,117.48	748.16	158.92	-	907.08	210.41

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
10 Other non-financial assets		
Capital advances	2.86	63.89
Balance with tax authorities	0.94	-
Prepaid expenses	407.56	408.50
Total	**411.35**	**472.39**
11 Trade payables		
Total outstanding due to micro and small enterprises	264.49	101.36
Total outstanding dues of creditors other than micro enterprises and small enterprises	453.47	306.11
Total	**717.97**	**407.47**

Trade payables ageing schedule

As on 31 March 2026

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	0.17	0.90	263.42	-	-	-	264.49
(ii) Others	1.99	0.47	448.42	-	-	2.59	453.47
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**2.16**	**1.38**	**711.85**	-	**-**	**2.59**	**717.97**

As on 31 March 2025

Particulars	Outstanding for following period from due date of payment						Total
	Unbilled	Not due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(I) MSME	100.80	0.57	-	-	-	-	101.36
(ii) Others	303.00	0.51	-	-	2.59	-	306.11
(iii) Disputed dues - MSME	-	-	-	-	-	-	-
(iv) Disputed dues -Others	-	-	-	-	-	-	-
Total	**403.80**	**1.08**	-	-	**2.59**	-	**407.47**

12 Borrowings (Other than Debt Securities)

	As at 31 March 2026	As at 31 March 2025
At Amortised cost		
Term loans		
- from banks	-	-
- from financial institution	15,285	18,454.23
- from others	-	-
RBI repo	8,134	-
Total	**23,419.22**	**18,454.23**
Borrowings in India	23,419.22	18,454.23
Borrowings outside India	-	-
Total	**23,419.22**	**18,454.23**

Information about the group's exposure to fair value measurement and credit and market risks are included in note 40 & 41

Information about the lease liabilities is included in Note 47

Terms of Borrowings (Other than debt securities)

Nature of Facility	Amount o/s	Contractual amount o/s	ROI	Date of first repayment	Terms of repayment	Date of maturity
As at March 31, 2026						
Secured Refinance from Financial Institution						
NABARD Refinance 12	1.77	0	0.086	30-Jun-23	Principal Quarterly /Interest Monthly	31-Mar-26
NABARD Refinance 13	130.91	130	0.086	31-Aug-23	Principal Quarterly /Interest Monthly	31-May-26
NABARD Refinance 15	1510.78	1500	0.0855	31-Aug-24	Principal Quarterly /Interest Monthly	30-Nov-26
NABARD Refinance 16	1008.62	1000	0 .085	31-Mar-25	Principal Quarterly /Interest Monthly	30-Jun-27
NABARD Refinance 17	2115.07	2100	0.0845	31-Jul-25	Principal Quarterly /Interest Monthly	31-Oct-27
NABARD Refinance 18	2115	2100	0.0845	31-Aug-25	Principal Quarterly /Interest Monthly	30-Nov-27
NABARD Refinance 19	2117.05	2100	0 .084	30-Sep-25	Principal Quarterly /Interest Monthly	31-Dec-27
NABARD Refinance 20	5028.67	5000	0.0805	30-Sep-26	Principal Quarterly /Interest Monthly	31-Dec-28
Refinance SIDBI	461.52	460	0.055	1-Mar-27	Principal Bullet /Interest Monthly	1-Mar-27
Refinance SIDBI	541.79	540	0.055	1-Mar-27	Principal Bullet /Interest Monthly	1-Mar-27
Refinance NHB	253.56	253.56	0.049	1-Apr-23	Principal & Interest Quarterly	1-Oct-29

Nature of Facility	Amount o/s	Contractual amount o/s	ROI	Date of first repayment	Terms of repayment	Date of maturity
As at March 31, 2025						
Secured Refinance from Financial Institution						
NABARD Refinance 8*	1.26	-	8.50%	30-Aug-20	Principal Quarterly /Interest Monthly	28-Feb-25
NABARD Refinance 9*	3.49	-	8.50%	30-Sep-20	Principal Quarterly /Interest Monthly	29-Mar-25
NABARD Refinance 12	1,009.07	1,000.00	8.60%	30-Jun-23	Principal Quarterly /Interest Monthly	31-Mar-26
NABARD Refinance 13	815.92	810.00	8.60%	31-Aug-23	Principal Quarterly /Interest Monthly	31-May-26
NABARD Refinance 14	908.59	900.00	8.50%	30-Sep-23	Principal Quarterly /Interest Monthly	31-Dec-25
NABARD Refinance 15	3,525.42	3,500.00	8.55%	31-Aug-24	Principal Quarterly /Interest Monthly	30-Nov-26
NABARD Refinance 16	1,814.39	1,800.00	8.50%	31-Mar-25	Principal Quarterly /Interest Monthly	30-Jun-27
NABARD Refinance 17	3,021.53	3,000.00	8.45%	31-Jul-25	Principal Quarterly /Interest Monthly	31-Oct-27
NABARD Refinance 18	3,021.53	3,000.00	8.45%	31-Aug-25	Principal Quarterly /Interest Monthly	30-Nov-27
NABARD Refinance 19	3,002.07	3,000.00	8.40%	30-Sep-25	Principal Quarterly /Interest Monthly	31-Dec-27

*Amount outstanding includes interest on borrowings paid in the next financial year

	As at 31 March 2026	As at 31 March 2025
13 Deposits (at amortized cost)		
Deposits		
(i) From Banks	29,189.07	-
(ii) From Others	1,96,924.56	2,22,352.97
Total	**2,26,113.62**	**2,22,352.97**
14 Subordinated Liabilities (at amortized cost)		
Subordinated debt	5,011.24	5,158.86
Total (A)	**5,011.24**	**5,158.86**
Subordinated Liabilities in India	-	5,158.86
Subordinated Liabilities outside India	5,011.24	-
Total (B)	**5,011.24**	**5,158.86**

Concentration by location is based on the subscriber country of incorporation.
Information about the Group's exposure to fair value measurement and credit and market risks are included in Note 40 and 41.

Terms of Subordinated liabilities

Nature of Facility	Amount o/s	Contractual amount outstanding	ROI	Date of first repayment	Terms of repayment	Date of maturity
As at March 31, 2026						
Unsecured						
Redeemable non convertible debt - 16	1,951.52	1,950.00	12. 47%	26-Jun-27	Bullet repayment	26-Jun-27
Redeemable non convertible debt - 17	2,000.91	2,000.00	10. 89%	28-Jun-31	Bullet repayment	28-Jun-31
Redeemable non convertible debt - 18	1,058.67	1,050.00	10. 81%	27-Nov-31	Bullet repayment	27-Nov-31
As at March 31, 2025						
Unsecured						
Redeemable non convertible debt - 15	149.57	150.00	10. 58%	30-Aug-25	Bullet repayment	30-Aug-25
Redeemable non convertible debt - 16	1,949.80	1,950.00	12. 50%	26-Jun-27	Bullet repayment	26-Jun-27
Redeemable non convertible debt - 17	2,000.82	2,000.00	11. 00%	28-Jun-31	Bullet repayment	28-Jun-31
Redeemable non convertible debt - 18	1,058.67	1,050.00	10. 90%	27-Nov-31	Bullet repayment	27-Nov-31

15	Other financial liabilities		
	Employee benefits payable	477.34	369. 09
	Bills payable	1,386.75	1,296.56
	Security deposit from staff	53.21	64.77
	Expenses payable	715.58	400. 22
	Client insurance payable	20.72	35.73
	Interest accrued	0.00	-
	Others*	3,000.41	1,140.24
	Total	**5,653.99**	**3,306.61**
	*Others comprises of settlement accounts		
16	**Provisions**		
	For Employee Benefits		
	Provision for gratuity	22.58	(34.29)
	Provision for leave benefits	18.02	42.81
	Allowance on impairment loss on off-book exposure	0.34	10.27
	Others	17.98	39.95
	Total	**58.92**	**58.74**
	* Refer note 34 for employee benefits.		
	** For information about allowance on impairment loss on off book exposure refer note 41.		
17	Other non-financial liabilities		
	Statutory dues payable	77.43	71.85
	Total	**77.43**	**71.85**

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026

(All amounts are in Rupees millions unless otherwise stated)

	As at 31 March 2026	As at 31 March 2025
18 Share capital		
Authorised		
Equity shares 10,00,00,000 (31 March 2024: 10,00,00,000) Equity shares of INR 10 each	1,000	1,000
Issued, subscribed and paid-up		
Equity shares 9,93,78,215 (Previous year 9,93,71,965) equity shares of Rs. 10 each, fully paid up	993.78	993.72
Total	**993.78**	**993.72**

(a) Reconciliation of the number of shares outstanding is set out below:

Particulars	As at 31 March 2026		As at 31 March 2025	
	Number of shares (in units)	Amount	Number of shares (in units)	Amount
Outstanding as at the beginning of the year	9,93,71,965	993.72	9,87,44,490	987.44
Issued during the year	6,250	0.06	6,27,475	6.28
Outstanding at the end of the year	**9,93,78,215**	**993.78**	**9,93,71,965**	**993.72**

(b) Details of shareholder holding more than 5% shares is set below:

Name of the equity shareholders	As at 31 March 2026		As at 31 March 2025	
	Number of shares (in units)	% of Holding	Number of shares (in units)	% of Holding
British International Investment PLC (Formerly known as CDC Group PLC)	1,37,26,978	13.81%	1,37,26,978	13.81%
RBL Bank Limited	85,81,150	8.63%	85,81,150	8.64%
NMI Frontier Fund KS, Norway	77,02,602	7.75%	77,02,602	7.75%
Faering Capital India Evolving FUND II	76,60,082	7.71%	76,60,082	7.71%
Total	**3,76,70,812**	**37.91%**	**3,76,70,812**	**37.91%**

(c) Shares reserved for issue under options - refer Note 35 for details of share to be issued under employee stock option plan

	For the year ended 31 March 2026		For the year ended 31 March 2025	
	On Financial Instruments measured at Fair value through OCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at Fair value through OCI	On Financial Instruments measured at Amortised Cost
20 Interest Income				
Interest income on loan portfolio	-	31,066.45	-	34,234.33
Income from securitised portfolio	-	-	-	-
Income from business correspondence portfolio	-	-	-	-
Interest income on fixed deposits	-	332.62	-	93.79
Interest income on investments	-	4,016.79	-	2,709.59
Others (Interest on RBI Reverse Repo, TREPS Reverse Repo, Call / Term Lending)	-	986.33	-	1,415.95
Total	**-**	**36,402.20**	**-**	**38,453.66**

	For the year ended 31 March 2026	For the year ended 31 March 2025
21 Fees and commission income		
ATM interchange - acquirer fees	13.72	20.53
Insurance commission	326.49	416.74
Others	6.57	3.13
	346.77	**440.40**

	Fortheyearended 31March2026	Fortheyearended 31March2025
22 Other income		
Dividend income	-	-
Miscellaneous income*	2,060.09	2,649.43
Recovery from written off portfolio	32.81	12.70
Consideration Amount for Rights Entitlement (RE)	59.32	-
Total	**2,152.22**	**2,662.13**

* includes fee received on sale of PSLCs of INR 871.13 million (31 March 2025: 1151.66 million)

	For the year ended 31 March 2026		For the year ended 31 March 2025	
	On Financial Liabilities measured at Fair value through OCI	On Financial Liabilities measured at Amortised Cost	On Financial Liabilities measured at Fair value through OCI	On Financial Liabilities measured at Amortised Cost
23 Finance costs				
Interest on deposits	-	17,024.29	-	15,610.41
Interest on borrowings	-	1,188.81	-	772.52
Interest on lease liabilities	-	271.64	-	289.63
Interest on subordinated debt	-	587.18	-	465.66
Otherborrowing costs	-	69.64	-	5.64
Total	**-**	**19,141.56**	**-**	**17,143.85**

	For the year ended 31 March 2026	Fortheyearended 31 March2025
24 Fees and commission expenses		
ATM interchange - issuer fees	92.02	72.69
Commission on business correspondent	1,385.47	1,145.96
Total	**1,477.49**	**1,218.64**

		For the year ended 31 March 2026	For the year ended 31 March 2025
25	**Net (gain)/loss on fair value changes**		
	Derivative instruments	391.23	242.18
	Reclassified from OCI for sale of investments	-	-
	Net (gain)/loss on fair value changes	**391.23**	**242.18**
	Fair value changes :		
	- Realised	(414.85)	(118.93)
	- Unrealised	23.63	361.11
	Total	**(391.23)**	**242.18**

		For the year ended 3 1 March 2026		For the year ended 31 March 2025	
		On Financial Instruments measured at Fair value through OCI	On Financial Instruments measured at Amortised Cost	On Financial Instruments measured at Fair value through OCI	On Financial Instruments measured at Amortised Cost
26	**Impairment on financial instruments**				
	Loans		13,123.12		13,712.57
	Investments	-	(5.54)	-	3.17
	Off balance sheet items		(28.21)		(18.29)
	Other assets		17.08		1.09
	Total	**-**	**13,106.45**	**-**	**13,698.54**

		For the year ended 31 March 2026	For the year ended 31 March 2025
27	Employee benefit expenses		
	Salaries and wages	8,612.62	7,593.60
	Contribution to provident and other funds	679.68	600.20
	Share Based Payments to employees	144.51	250.63
	Staff welfare expenses	88.29	91.98
	Total	**9,525.10**	**8,536.41**
28	Depreciation and amortisation		
	Depreciation of property, plant and equipment	1,213.13	1,195.87
	Amortisation of intangible assets	163.66	158.92
	Total	**1,376.78**	**1,354.79**
29	**Other expenses**		
	Repairs and maintenance	236.37	207.85
	Contribution towards Corporate Social Responsibilities	84.60	85.50
	Legal and professional charges	387.69	304.49
	Auditor's fees and expenses (Refer Note 30)	15.95	24.92
	Subscription and membership expenses	11.32	8.48
	Recruitment expenses	63.98	59.85
	Insurance	659.29	203.80
	Director sitting fees	10.98	10.80
	Rent	0.07	(0.00)
	Travelling expenses	286.40	316.49
	Printing and stationery	147.88	126.84
	Communication expenses	375.79	360.26
	Credit bureau expenses	53.98	36.59
	Power and fuel	196.66	190.10
	Provision against unreconciled balances	(22.12)	12.56
	Office maintenance	51.56	56.69
	Software charges	1,115.46	949.88
	Miscellaneous expenses	1,881.46	1,961.30
	Total	**5,557.31**	**4,916.40**
30	Payment to Auditors		
	Statutory audit fees	14.57	105.51
	Certification and other services	-	4.41
	Reimbursement of expenses	2.31	5.03
	Total	**16.88**	**114.95**

		As at 31 March 2026	As at 31 March 2025
31	**Contingent Liabilities, commitments and contingent assets**		
A.	**Contingent liabilities and capital commitments**		
(i)	Claims not acknowledged asdebts	16.20	45.98
(ii)	Other items for which the group is contingently liable *	1,120.91	861.19
(iii)	Income Tax CIT (A) - Refund	114.30	114.30
	Total	**1,137.11**	**907.17**

* Includes capital commitments of INR 418.82 (31 March 2025: INR 552.96) and Bank guarantees of INR 320.63 million (31 March 2025 : 308.23 million)

The Group's pending litigations include claims by counterparties and proceedings pending with tax authorities. The Group has reviewed its pending litigations and proceedings and has adequately provided for where provisions are required, and disclosed as contingent liabilities where applicable.

B. Commitments

There are no other commitments as at 31 March 2026 and 31 March 2025.

C. Contingent assets

There are no contingent assets as at 31 March 2026 and 31 March 2025.

32 Maturity analysis of assets and liabilities

The table below shows an analysis of assets and liabilities analysed according to when they are expected to be recovered or settled. Derivatives have been classified to mature and/or be repaid within 12 months, regardless of the actual contractual maturities of the products. With regard to loans and advances to customers, the Group uses the same basis of expected repayment behaviour as used for estimating the EIR. Issued debt reflect the contractual coupon amortisations.

Particulars	As at 31 March 2026			As at 31 March 2025		
	Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
Assets						
Financial assets						
Cash and cash equivalents	16,364.39	1, 405. 60	17,769.99	29,431.29	3,886.08	33,317.37
Bank balance other than above	5,518.95	37.71	5,556.66	1,048.84	42.24	1,091.08
Loans	66,632.00	1,13, 562. 69	1,80,194.69	79,773.26	1,00,631.37	1,80,404.62
Investments	51,877.49	18,156.03	70,033.52	28,225.45	21,999.22	50,224.67
Other financial assets	1,579.13	1, 335. 00	2,914.13	2,066.94	266.21	2,333.15
Non-financial assets			-			-
Current tax assets (net)	717.63	-	717.63	782.70	-	782.70
Deferred tax assets (net)	-	5,556.17	5,556.17	-	3,015.25	3,015.25
Property, plant and equipment		5,461.36	5,461.36		5,961.74	5,961.74
Capital work-in-progress		1,251.28	1,251.28		630.05	630.05
Other intangible assets		241.68	241.68		210.41	210.41
Other non-financial assets	-	411.35	411.35	66.81	405.58	472.39
Total Assets	**1,42,689.60**	**1,47,418.86**	**2,90,108.46**	**1,41,395.28**	**1,37,048.16**	**2,78,443.44**
Liabilities						
Financial liabilities						
Trade payables			-			-
- Total outstanding due to micro and small enterprises	1.07	-	1.07	101.37	-	101.37
Total outstanding dues of creditors other than micro enterprises and small enterprises	2.46	2.59	5.05	303.52	2.59	306.11
Borrowings (other than debt securities)	16,821.22	6,598.00	23,419.22	8,252.15	10,202.08	18,454.23
Lease liability	750.72	2,093.10	2,843.82	864.67	2,588.73	3,453.41
Deposits	1,03,615.97	1,22,497.65	2,26,113.62	95,784.42	1,26,568.55	2,22,352.97
Subordinated liabilities	16. 77	4,994.48	5,011.24	166.77	4,992.10	5,158.86
Other financial liabilities	3,803.33	1,850.66	5,653.99	3,196.04	110.57	3,306.61
Non-financial liabilities						
Currenttaxliabilities (net)	-	-	-	97.03	-	97.03
Provisions	39.66	19.26	58.92	10.26	48.48	58.74
Other non-financial liabilities	77.43	-	77.43	71.85	-	71.85
Total Liabilities	**1,25,128.63**	**1,38,055.73**	**2,63,184.37**	**1,08,848.08**	**1,44,513.09**	**2,53,361.18**
Net	**17,560.97**	**9,363.13**	**26, 924. 09**	**32,547.20**	**(7,464.93)**	**25,082.26**

33 Change in liabilities arising from financing activities

Particulars	As at 1 April 2025	Cashflows	Other non-cash adjustments	As at 31 March 2026
Deposits	2,22,352.97	3,761.92	(1.27)	2,26,113.62
Borrowings (other than debt securities)	18,454.23	3,619.88	1,345.11	23,419.22
Lease liability	3,453.41	(828.55)	218.96	2,843.82
Subordinated liabilities	5,158.86	(150.00)	2.38	5,011.24
Total Liabilities from financing activities	**2,49,419.47**	**6,403.25**	**1,565.20**	**2,57,387.90**

Particulars	As at 1 April 2024	Cashflows	Other non-cash adjustments	As at 31 March 2025
Deposits	1,79,975.81	42,377.08	0.08	2,22,352.97
Borrowings (other than debt securities)	34,904.54	(16,170.93)	(279.38)	18,454.23
Lease liability	2,716.73	(828.56)	1,565.24	3,453.41
Subordinated liabilities	2,098.12	3,070.76	(10.01)	5,158.86
Total Liabilities from financing activities	**2,19,695.20**	**28,448.35**	**1,275.93**	**2,49,419.47**

34 Employee benefits

The Group operates the following post-employment plans:

i. Defined Benefit plan
Gratuity

Every employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service in line with the payment of Gratuity Act, 1972. The same is payable at the time of separation from the Group or retirement, whichever is earlier.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2026. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Group's financial statements as at balance sheet date:

	As at 31 March 2026	As at 31 March 2025
Net defined benefit liability	**(39.77)**	**(34.29)**

A. Funding

The scheme is fully funded with Life Insurance Corporation of India (LIC). The funding requirements are based on the gratuity fund's actuarial measurement framework set out in the funding policies of the plan. The funding of the plan is based on a separate actuarial valuation for funding purposes for which the assumptions may differ from the assumptions set out in Section E below. Employees do not contribute to the plan.

Expected contributions to gratuity plan for the next year is INR 115.31

B. Reconciliation of the net defined benefit (asset) / liability

The following table shows are conciliation from the opening balances to the closing balances for net defined benefit (asset)/ liability and its components:

Particulars	As at 31 March 2026			As at 31 March 2025		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	296.40	330.69	(34.29)	272.96	256.52	16.44
Included in profit or loss						
Current service cost	68.29	-	68.29	71.00	-	71.00
Past Service credit						
Interest cost (income)	20.71	13.69	7.01	19.37	18.20	1.17
Total (A)	**89.00**	**13.69**	**75.30**	**90.37**	**18.20**	**72.17**
Included in Other comprehensive income						
Remeasurements loss (gain)						
– Actuarial loss (gain) arising from:						
- demographic assumptions	-	-	-	-	-	-
- financial assumptions	(2.82)	-	(2.82)	(55.07)	-	(55.07)
- experience adjustment	15.76	-	15.76	22.69	-	22.69
– Return on plan assets excluding interest income	-	1.67	(1.67)	-	1.47	(1.47)
Total (B)	**12.93**	**1.67**	**11.26**	**(32.38)**	**1.47**	**(33.85)**
Other						
Contributions paid by the employer	-	92.04	(92.04)	-	89.05	(89.05)
Benefits paid	(54.16)	(54.16)	-	(34.55)	(34.55)	-
Benefits paid from revenue account of the Group	-	-	-	-	-	-
	-	-	-	-	-	-
Total (C)	**(54.16)**	**37.87**	**(92.04)**	**(34.55)**	**54.50**	**(89.05)**
Balance at the end of the year	**344.17**	**383.92**	**(39.77)**	**296.40**	**330.69**	**(34.29)**

Amount recognised in Statement of Profit and Loss Account	For the year ended 31 March 2026	For the year ended 31 March 2025
Gratuity Expenses	**75.30**	**72.17**

For detailed Break up please refer column 'Net defined benefit (asset)/ liability' in the above table

C. Plan assets

	For the year ended 31 March 2026	For the year ended 31 March 2025
Insurer managed funds	**100%**	**100%**

The group has purchased insurance policy, which is basically a year-on-year cash accumulation plan in which the interest rate is declared on yearly basis and is guaranteed for a period of one year. The insurance Company, as part of the policy rules, makes payment of all gratuity outgoes happening during the year (subject to sufficiency of funds under the policy). The policy, thus, mitigates the liquidity risk. However, being a cash accumulation plan, the duration of assets is shorter compared to the duration of liabilities. Thus, the group is exposed to movement in interest rate (in particular, the significant fall in interest rates, which should result in a increase in liability without corresponding increase in the asset).

D. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31 March 2026	As at 31 March 2025
Discount rate	6.50%	6.50%
Future salary growth	8%	8%
Withdrawal rate:		
For management	13.10% - 31.90%	13.10% - 31.90%
For junior staff		
Mortality	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)

Discount rate: The discount rate is based on the prevailing market yields of Indian government securities as at the balance sheet date for the estimated term of the obligations.

Salary escalation rate: The estimates of future salary increases considered takes into account the inflation, seniority, promotion.

E. Sensitivity analysis of significant assumptions

The following table present a sensitivity analysis to one of the relevant actuarial assumption, holding other assumptions constant, showing how the defined benefit obligation would have been affected by changes in the relevant actuarial assumptions that were reasonably possible at the reporting date.

	As at 31 March 2026		As at 31 March 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(13.63)	14.55	(9.55)	10.20
Future salary growth (1% movement)	14.65	13.97	10.33	9.73

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

F. Expected maturity analysis of the defined benefit plans in future years

	As at 31 March 2026	As at 31 March 2025
(i) Duration of defined benefit obligation		
Duration (Years)		
0-1 years	128.31	86.97
1 to 5 years	280.29	194.66
More than 5	135.84	96.19
Total	544.45	377.82
(ii) Weighted Average duration of the defined benefit obligation	3 years	3-7 years

G. Description of risk exposures

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such group is exposed to various risks as follow -

Investment risk

The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest risk (discount rate risk)

Interest Rate risk: The plan exposes the group to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Mortality Risk

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants. For the current year, we have used Indian Assured Lives Mortality (2012-14) ultimate table and in the previous year, Indian Assured Lives Mortality (2006-08) had been used.

A change in mortality rate will have a bearing on the plan's liability.

Salary Risk

The present value of the defined benefit plan is calculated with the assumption of salary increase rate of plan participants in future. Deviation in the rate of increase of salary in future for plan participants from the rate of increase in salary used to determine the present value of obligation will have a bearing on the plan's liability.

ii. **Defined contribution plan**

The Group makes monthly contribution towards Provident Fund which is a defined contribution plan. The Group has no obligations other than to make the specified contributions. The contributions are charged to the Statement of Profit and Loss as they accrue. The amount recognised as expense towards such contribution are as follows:

	As at 31 March 2026	As at 31 March 2025
Contribution to Provident Fund and other funds	679.68	600.20

iii.Other long-term benefits

The Group provides compensated absences benefits to the employees of the Group which can be carried forward to future years. Amount recognised in the Statement of Profit and Loss for compensated absences is as under-

	As at 31 March 2026	As at 31 March 2025
Amount recognised in Statement of Profit and Loss	36.49	61.79

35 Employee stock options

A Description of share-based payment arrangements

The Company has formulated an Employees Stock Option Scheme to be administered through a Trust. The Scheme is applicable to all the eligible employees of the Company and its subsidiary Companies ('Group'). The scheme provides that subject to continued employment with the company, the employees are granted an option to acquire equity shares of the Company that may be exercised within a specified period.

The Company formed Utkarsh ESOP Welfare Trust ('Trust') to issue ESOPs to employees of the Company as per Employee Stock Option Scheme. Total 1,200,000 equity shares has been reserved under ESOP scheme 2016 and pursuant to Shareholder agreement executed in the year 2016-17 additional 5,989,594 equity shares has been reserved for the purpose of ESOP scheme.

The trust holds these shares for the benefit of the employees and issues them to the eligible employees as per the recommendation of the compensation committee. The Trust in turn allots the shares to employees on exercise of their right against cash. The compensation costs of stock options granted to employees are accounted by the Company using fair value method.
The Trust does not have any transactions/activities other than those mentioned above, hence it is treated as a part of the Company and gets consolidated with the standalone books of the Company.

The Company granted 2,63,573 (31 March 2025, 17,500) options to the employees of the Company and its subsidiary Companies ('Group') during the year, out of which 2,34,573 options related to the Trust and hence their exercise and allotment would be routed through the Trust.

The options vested shall be exercised within a period of 24 months from the date of vesting. The plan shall be administered, supervised and implemented by the Compensation Committee under the policy and frame work laid down by the Board of Directors of the Company in accordance with the authority delegated to the Compensation Committee in this regard from time to time.

The said ESOP scheme is an equity settled scheme as the same would lead to a settlement in its own equity instruments.
As the scheme is applicable to all the employees of the group, the Company has made a cross charge to Utkarsh Small Finance Bank for the ESOP expense incurred by the Company on behalf of Utkarsh Small Finance Bank.

These options shall vest on graded basis as follows:

Time period	Percentage	Vesting condition
On completion of 1 year	25%	Service
On completion of 2 years	25%	Service
On completion of 3 years	25%	Service
On completion of 4 years	25%	Service

B Reconciliation of outstanding share options

Set out below is a summary of options granted under the plan

Particulars	31 March 2026		31 March 2025	
	Number of share options (in Units)	Average exercise price per share	Number of share options (in Units)	Average exercise price per share
Outstanding options at the beginning of the year	6,48,731	120.68	13,09,227	119.40
Add: Grantedduring the year	2,63,573	44.72	17,500	125.00
Add: Adjustment of previous year (negative impact)	-	-	2,43,354	110.61
Less: Lapsed/forfeited during the year	3,99,215	118.08	2,93,875	116.63
Less: Exercised during the year	6,250	118.74	6,27,475	116.11
Less: Adjustment of previous year	4,688	125.00	-	-
Outstanding options at the end of the year	5,02,151	75.29	6,48,731	120.68
Options vested and exercisable at the end of the year	2,14,673	125.00	6,13,888	120.44

The weighted average share price at the date of exercise for share options exercised for the year ended 31 March 2026 was 118.74 (31 March 2025 INR 116.11).

C Share options outstanding at the end of the year have the following contractual expiry date and exercise options

Grant date	Expiry date	Exercise price	No of options outstanding	
			As at 31 March 2026	As at 31 March 2025
1 April 2014	1 April 2016 - 1 April 2019	21.60	-	-
1 April 2015	1 April 2017 - 1 April 2020	21.60	-	-
1 April 2016	1 April 2018 - 1 April 2021	21.60	-	-
1 April 2017	1 April 2019 - 1 April 2022	109.36	-	-
1 April 2018	1 April 2020 - 1 April 2023	109.36	-	-
1 April 2019	2 April 2020 - 1 April 2023	109.36	-	-
1 June 2019	3 April 2020 - 1 April 2023	109.36	-	1,79,094
9 Dec 2019	4 April 2020 - 1 April 2023	125	-	12,500
1 Oct 2020	5 April 2020 - 1 April 2023	125.00	2,08,423	4,16,669
1 April 2021	6 April 2020 - 1 April 2023	125.00	1,875	3,750
1 April 2022	7 April 2020 - 1 April 2023	125.00	3,750	7,031
1 April 2023	8 April 2020 - 1 April 2023	125.00	7,030	12,187
1 April 2024	9 April 2020 - 1 April 2023	125.00	17,500	17,500
1 April 2025	1 April 2027 - 1 April 2030	125.00	9,000	-
1 October 2025	1 October 2027 - 1 October 2030	125.00	20,000	-
12 December 2025	12 December 2027 - 12 December 2030	10.00	61,007	-
12 December 2025	12 December 2027 - 12 December 2030	21.60	9,066	-
12 December 2025	12 December 2027 - 12 December 2030	21.60	1,64,500	-
Weighted average remaining contractual life of options outstanding at the end of the period			3.38 years	1.28 years

D Measurement of Fair values

The fair value of employee share options has been measured using Black-Scholes model. The weighted average fair value of each option on the grant date ranged between INR 9.54 - 203.60

The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Grant date	Expiry date	Historical volatility	Exercise price	Share price	Risk free rate	Fair value
1 April 2014	1 April 2016 - 1 April 2019	33.83%	21.6	28.72	8.81%	11.57 - 16.12
1 April 2015	1 April 2017 - 1 April 2020	43.09%	21.6	45.51	7.74%	27.54 - 32.21
1 April 2016	1 April 2018 - 1 April 2021	52.41%	21.6	71.4	7.46%	53.15 - 57.95
1 April 2017	1 April 2019 - 1 April 2022	30.91%	109.36	82.19	6.68%	9.54 - 23.70
1 April 2018	1 April 2020 - 1 April 2023	29.51%	109.36	107.19	7.40%	23.88 - 42.55
1 June 2019	1 June 2021 - 1 June 2024	19.60%	109.36	132.13	7.03%	49.31 - 67.99
1 Oct 2020	1 Oct 2022 - 1 Oct 2025	47.00%	125	131.59	5.55%	50.10 - 65.77
1 April 2021	1 April 2023 - 1 April 2026	49.30%	125	142.5	5.80%	53.60 - 77.00
1 April 2022	1 April 2024 - 1 April 2027	49.10%	125	155.2	6.20%	60.00 - 88.30
1 April 2023	1 April 2025 - 1 April 2028	47.90%	125	166.7	7.10%	68.20 - 99.40
1 April 2024	1 April 2026 - 1 April 2029	46.70%	125	278.9	7.00%	173.90 - 203.60
1 April 2025	1 April 2027 - 1 April 2030	43.00%	125	139.6	6.40%	41.30 - 70.70
1 October 2025	1 October 2027 - 1 October 2030	37.30%	125	138.8	6.20%	40.70 - 65.00
12 December 2025	12 December 2027 - 12 December 2030	36.40%	10	98.5	6.20%	89.50 - 91.10
12 December 2025	12 December 2027 - 12 December 2030	36.40%	21.6	98.5	6.20%	79.20 - 82.80
12 December 2025	12 December 2027 - 12 December 2030	36.40%	21.6	98.5	6.20%	79.20 - 82.80

The dividend yield has been taken as 0% in all the fair value calculations as Group has never distributed dividend in the past and does not intend to distribute its earnings in the foreseeable future.

E. Expense recognised in statement of profit and loss

For details on the employee benefits expense, refer Note 27
Options granted by the subsidiary Utkarsh Small Finance Bank Limited ('the Bank')

F. Description of share-based payment arrangements

Over the period till March 31, 2026, pursuant to the approval of the shareholders the Bank has framed the Utkarsh Small Finance Bank Limited (USFBL) Employee Stock Option Plan 2020 ("ESOP Plans") for options aggregating 11,58,00,893 that vest in a graded manner over 3 to 4 years, subject to vesting conditions. The options can be exercised within two years from the date of the vesting.

7,00,79,183 options have been granted under the Schemes till the previous year ended March 31, 2025. During the year ended March 31, 2026, pursuant to the approval of the Nomination and Remuneration Committee, the Bank has granted 2,99,60,058 options (March 31, 2025: 1,92,87,909 options) under the ESOP Plans, to MD & CEO and other employees as under :-

Date of Grant	As at March 31, 2026		As at March 31, 2025	
	Number of Options	Exercise Price	Number of Options	Exercise Price
September 03, 2024	-	-	1,82,33,265	44.00
September 20, 2024	-	-	10,54,644	44.19
November 14, 2025*	2,99,60,058	14.00	-	-

Shares vested to the employees have an exercise period of two years.
*This includes 26,05,765 ESOPs granted to MD & CEO at Fair value of ₹ 5.03 and at exercise price of ₹14.00 per share during the year. The bank received approval for remuneration to MD & CEO for financial year 2025-26 from RBI on March 17, 2026 with fixed pay of ₹2.57 crore including perquisites & variable pay of ₹1.31 crore non-cash component with deferral over three years.
These options are vested on graded basis as follows:

Vesting details	Grant to employees	Grant to WTD	Grant to MD & CEO		Other grant
			Grant dated December 28, 2020	Grant dated January 12, 2022	
On completion of 1 year	25%	10%	25.00%	69.00%	33.33%
On completion of 2 years	25%	20%	25.00%	31.00%	33.33%
On completion of 3 years	25%	30%	25.00%	-	33.33%
On completion of 4 years	25%	40%	25.00%	-	-

Reconciliation of outstanding share options
Set out below is a summary of options granted under the plan

Particulars	31 March 2026		31 March 2025	
	Number of share options (in Units)	Average exercise price per share	Number of share options (in Units)	Average exercise price per share
Outstanding options at the beginning of the year	5,03,86,253	38.27	3,84,13,892	34.54
Add: Grantedduringthe year	2,99,60,058	14	1,92,87,909	44.01
Less: Lapsed/forfeited during the year	1,16,45,909	36	51,63,108	36.69
Less: Exercised during the year	-	-	21,52,440	26.91
Less: Adjustment of previous year	22,461	-	-	-
Outstanding options at the end of the year	6,86,77,941	28.04	5,03,86,253	38.27
Options vested and exercisable at the end of the year	1,95,50,724	36.02	1,24,09,946	32.14

The weighted average share price in respect of units exercised during the year March 31, 2026 was Nil (31 March 2025: INR 26.91).

The compensation cost is calculated based on the fair value of the options under black scholes model and amortised over the grant period.
The following assumptions are used for calculation of fair value of grants issued to employees other than MD & CEO and WTD:

Particulars	Number of options	Number of options
Dividend yield	3.07%	1.00%
Risk free interest rate	5.76% to 6.20%	6.64% to 6.72%
Expected life in years	2 to 5	2 to 5
Expected volatility	35.43% to 42.19%	33.1% to 42.7%

Volatility is the measure of the amount by which a price has fluctuated or is expected to fluctuate during a period. The measure of volatility used in the Black-Scholes options pricing model is the annualised standard deviation of the continuously compounded rates of return on the stock over a period of time. For calculating volatility, the daily volatility of the stock prices on the National Stock Exchange, over a period prior to the date of grant, corresponding with the expected life of the options has been considered.

The weighted average fair value of options granted during the year ended March 31, 2026 is ₹5.35 (March 31, 2025 ₹ 18.43).

Share options outstanding at the end of the year have the following contractual expiry date and exercise options

			No of options outstanding	
Grant date	Expiry date	Exercise price	As at 31 March 2026	As at 31 March 2025
28 December 2020	28 Dec 2023 - 28 Dec 2026	14.01	-	-
1 August 2021	1 Aug 26- 1 Aug 2027	27.00	36,62,374	55,37,287
1 October 2021	1 Oct 2026 - 1 Oct 2027	30.00	7,500	11,250
18 October 2021	18 Oct 2024 - 18 Oct 2027	31.80	10,000	15,000
8 November 2021	8 Nov 2024 - 8 Nov 2027	31.80	-	-
1 January 2022	1 Jan 2026- 1 Jan 2027	31.80	10,000	15,000
12 January 2022	12 Jan 2025 - 12 Jan 2028	14.01	-	-
1 April 2022	1 April 2027 - 1 April 2028	31.80	30,000	45,000
7 April 2022	7 April 2025 - 7 April 2028	31.80	-	-
2 May 2022	2 May 2025 - 2 May 2028	31.80	-	20,000
16 July 2022	16 July 2025 - 16 July 2028	31.80	-	-
1 August 2022	1 Aug 26 - 1 Aug 2028	27.00	74,81,437	1,07,81,063
17 Sep 2022	17 Sep 2026 - 17 Sep 2027	31.80	4,17,484	4,17,484
30 Sep 2022	30 Sep 2026 -30 Sep 2028	31.80	1,50,000	1,50,000
13 Oct 2022	13 Oct 2026 -13 Oct 2028	27.00	90,000	1,20,000
2 Jan 2023	2 Jan 2027 - 2 Jan 2029	31.80	26,250	35,000
1 Feb 2023	1 Feb 2026 - 1 Feb 2029	31.80	-	1,04,000
20 Mar 2023	20 Mar 2023 - 20 Mar 2029	31.80	-	75,000
1 Jan 2024	01 Jan 2024 - 01 Jan 2029	27.00	30,000	1,42,86,577
16 Mar 2024	16 Mar 2024 - 16 Mar 2030	44.14	1,21,21,597	1,87,43,592
03 Sep 2024	03 Sep 2024 - 03 Sep 2030	44.00	1,47,07,245	
14 Nov 2025	14 Nov 2025 - 14 Nov 2031	14.00	2,99,34,054	-
Weighted average remaining contractual life of options outstanding at the end of the period			3.06 years	3.06 years

Measurement of Fair values
The fair value of employee share options has been measured using Black-Scholes model. The weighted average fair value of each option on the grant date ranged between INR 4.39 - 23.28
The fair value of the options and the inputs used in the measurement of the grant-date fair values of the equity-settled share based payment plans are as follows:

Grant date	Expiry date	Historical volatility	Exercise price	Share price	Risk free rate	Dividend Yield	Fair value
28 December 2020	28 Dec 2023 - 28 Dec 2026	52.20%	14.01	10	4.10%	0%	15.15 - 18.52
1 August 2021 to 1 January 2022	1 Aug 2024 - 1 Jan 2028	49.80%	27.00 to 31.80	10	4.48%	0%	11.44 - 17.00
12 January 2022	12 Jan 2025 - 12 Jan 2028	49.80%	14.01	10	4.48%	0%	11.44 - 17.00
1 August 2022 to 20 March 2023	1 Aug 2025 - 20 Mar 2029	49.30%	27.00 to 31.80	10	7.04%	0%	9.03 - 14.94
17-Sep-22	17 Sep 2025 - 17 Sep 2027	48.50%	31.80	10	7.06%	0%	6.92 - 11.87
January 1, 2024 to March 16, 2024	1 Jan 2027 - 16 Mar 2029	43.00%	27 to 44.14	10	6.99%	1%	14.38 - 23.28
September 3, 2024 to September 2025	3 Sep 2027- 20 Sep 2030	42.70%	44 to 44.19	10	6.72%	1%	13.60 - 23.00
November 14, 2025	14 Nov 2025 - 14 Nov 2031	42.19%	14.00	10	6.20%	3%	4.39 - 6.46

36 Related party disclosure

1 Related party relationships and transactions of the Parent Company:

A.Name of the related party and nature of relationship:-

a.Name of the Related Party /Key managerial personnel / Others		Nature of Relationship
i	Mr. Suman Saurabh	– Managing Director & CEO (w.e.f. 19 December 2023) –
ii	Mr. G.S. Sundararajan	Independent Director
iii	Mr. Atul	– Independent Director
iv	Mr. Aditya Deepak Parekh	– Nominee Director

b. Subsidiaries Utkarsh Small Finance Bank Limited

c. Company in which Director / KMP / their Relatives are Member and have the Controlling Rights / Shareholding in that Company exceeding 50%

Utkarsh Welfare Foundation(Ceased to be related party w.e.f. Dec 19,2023)
Faering Capital Private Limited (Mr. Aditya Deepak Parekh has the controlling right in the capacity of MD)
Faering Capital LLP (Mr. Aditya Deepak Parekh has the controlling right in the capacity of designated Partner)
AMP Fitness LLP (Mr. Aditya Deepak Parekh has the controlling right in the capacity of designated Partner)

B. Related party transactions during the year and balance receivable from and payable to related parties as at the balance sheet date:

Name of related party	Nature of transaction	Year ended 31 March 2026	Year ended 31 March 2025
Utkarsh Small Finance Bank Limited	(i) ESOP cost cross charge	(3.71)	(2.34)
	(ii) Fixed deposits placed during the year	151.70	589. 35
	(iii) Fixed deposits matured during the year	73.65	521. 10
	(iv) Interest received	47.50	40. 59
	(v) Service charge on collection	0.36	0.15
	(vi) Rent Paid	0.86	0.88
	(vii) Deemed Investment in USFB (Basis IND AS Fair valuation)	3.15	0.80

C. Compensation of key managerial personnel

	As at 31 March 2026	As at 31 March 2025
Short-term employee benefits		
	6.29	5.81
Suman Saurabh*	1.10	1.25
GS Sundararajan		
Post-employment defined benefit plan	0.47	0.25
Suman Saurabh		
Other long term benefits	0.74	0.11
Suman Saurabh		
Share-based payments	0.81	0.82
Suman Saurabh	-	
Sitting fees	1.09	1.18
G S Sundararajan	1.09	1.24
Atul	**11.59**	**10.66**

*Including advance against salary given and recovered of Rs. 1.05 million during the year

Terms and conditions
All transactions with these related parties are priced on an arm's length basis and at normal commercial terms.

D. Transactions with related parties

Bank deposits		
Mr. Suman Saurabh	13.11	9.99
Mr. Aditya Deepak Parekh	0.00	0.00

Terms and conditions
All transactions with these related parties are priced on an arm's length basis and at normal commercial terms.

E. (Payable) / receivables as at balance sheet date:

	Name of related party	As at 31 March 2026	As at 31 March 2025
i.	Mr. Suman Saurabh		
	Saving bank deposits	0.08	0.31
ii.	Mr. G S Sundararajan		
	Fixed deposits	-	0.76
iii.	Mr. Aditya Deepak Parekh		
	Saving bank deposits	0.00	0.00

2 Related party relationships and transactions of the subsidiary:

A. Name of the related party and nature of relationship:-

	Name of the related party /Key managerial personnel / Others	Nature of Relationship
i	Mr. Parveen Kumar Gupta	– Part Time Non-Executive Chairman and Non-Executive Independent Director – Non-Executive Independent Director
ii	Mr. Nagesh Dinkar Pinge	– Non-Executive Director ceased w.e.f. March 02, 2026
iii	Mr. Muralidharan Rajamani	– Non-Executive Independent Director
iv	Mr. Kajal Ghose	– Non-Executive Independent Director
v	Mr. Ajay Kumar Kapur	– Non-Executive Independent Director
vi	Ms. Kalpana Prakash Pandey	– Managing Director & CEO
vii	Mr. Govind Singh	–Whole Time Director ceased w.e.f. December 31, 2025
viii	Mr. Pramod Dubey	– Chief Financial Officer
ix	Mr. Sarjukumar Pravin Simaria	– Company Secretary
x	Mr. Muthiah Ganapathy	– Non-Excutive Director w.e.f. June 01, 2025
xi	Ms. Gauri Rushabh	– Non-Executive Director w.e.f. July 01, 2025
xii	Mr. Kshatrapati Shivaji	– Non-Executive Director w.e.f. January 03, 2026
xiii	Mr. RamJass Yadav	

B.Enterprise where KMP exercise significant influence

RAAG FamilyPrivate Trust
Utkarsh Welfare Foundation

C.Relatives of Key Management Personnel

Name of KMP	Father and Mother	Spouse and Children	Other relatives
Mr.ParveenKumar Gupta	Father - Baldev KrishnaGupta	Neena Gupta (Spouse)	Anu Gupta (Sister)
	Mother - deceased	Saksham Gupta (Son)	Naveen Gupta (Brother)
		Nipun Gupta (Son)	Ashwani Gupta (Brother)
Mr. Nagesh Dinkar Pinge	Both deceased	Sujata Nagesh Pinge (Spouse)	Mahesh Dinkar Pinge (Brother)
		Nikita Nagesh Pinge (Daughter)	
		Pankaja Nagesh Pinge (Daughter)	
Mr. Muralidharan Rajamani	Both deceased	Seetha Muralidharan (Spouse)	Meera Sridharan (Sister)
		Amrithanand Muralidharan (Son)	Usha Rajan (Sister)
			Anu Gopu (Sister)
Mr. Kajal Ghose	Father - deceased	Monimala Ghose (Spouse)	Kakoli Ghose (Sister)
	Mother - Dipali Ghose	Ranjita Ghose (Daughter)	Kamal Ghose (Brother)
		Mayank Shekar (Son-in-law)	Kushal Ghose (Brother)
Mr. Ajay Kumar Kapur	Both deceased	Deepshikha Kapur (Spouse)	Usha Rani Malhotra (Sister)
		Ankit Kapur (Son)	LT. Col. (Retd.) Barat Bushan Kapur (Br o t her)
			Gr. Capt. (Retd.) Arun Kapur (Br o t her)
			Anil Kapur (Brother)
Ms. Kalpana Prakash Pandey	Father - Dharma Nand Pandey	Prakash Mohan Pandey (Spouse)	Meena Kothyari (Sister)
	Mother - deceased	Aditya Prakash Pandey (Son)	Bharati Joshi (Sister)
			Geeta Joshi (Sister)
Ms. Gauri Rushabh Shah	Father-Dattatray Shankar Kaushik	Rushabh Uday Shah (Spouse)	Radha Dattatray Kaushik (Sister)
	Mother-deceased	Kaveri Rushabh Shah (Son)	Amrish Dattatray Kaushik (Brother)
		Agastya Rushabh Shah (Son)	
Mr. Kshatrapati Shivaji		Poonam Shivaji (Spouse)	Usha Devi (Sister)
		Abhigyan Shivaditya (Son)	Uma Devi (Sister)
		Nidhi Bhatia (Daughter in law)	Kiran Kumari (Sister)
		Ananya Shivaditya (Daughter)	Kusum Kumari (Sister)
		Pronoy Barua (Son in law)	Aasha Devi (Sister)
			Lallu Prasad (Brother)
			Madan Lal (Brother)
			Subodh Kumar (Brother)
			Sunil Kumar (Brother)
			Bidya Devi (Sister)
Mr. RamJass Yadav	Both deceased	Krishna Yadav (Spouse)	Ram Mehar Singh (Brother)
		Saurabh Yadav (Son)	
		Priya Yadav (Daughter in law)	
		Shobha Yadav (Daughter)	
		Dinesh Chand Yadav (Son in law)	
Mr. Govind Singh	Father - deceased	Revati Govind Singh (Spouse)	Ramesh Chandra Singh (Brother)
	Parvati Devi (Mother)	Ankur Singh (Son)	
		Achin Singh (Son)	
Mr. Pramod Dubey	Father - deceased	Anita Dubey (Spouse)	Neelam Tiwari (Sister)
	Janak Dulari (Mother)	Apoorva Dubey (Son)	Pushpa Tiwari (Sister)
		Aditya Dubey (Son)	Arun Kumar Dubey (Brother)
			Nirmal Kumar Dubey (Brother)
Mr. Sarjukumar Pravin Simaria	Father-Pravin V. Simaria	Karuna S. Simaria (Spouse)	Bharat P. Simaria- Brother
	Mother-Nirmala P. Simaria	Malav S. Simaria (Son)	
		Bhakti S. Simaria (Daughter)	
Mr. Muthiah Ganapathy	Both deceased	Lakshmi Devi (Spouse)	Mukesh (Brother)
		Aarna (Daughter)	
		Arshini (Daughter)	

D.Post-employment benefit plan Utkarsh Small Finance Bank Employees' Gratuity Trust

E. Compensation of key managerial personnel

Short-term employee benefits	**31 March 2026**	**31 March 2025**
Mr. Govind Singh (MD &CEO)	*26.44	*30.24
Mr. Pramod Dubey	**11.7	**9.47
Mr. Sarjukumar Pravin Simaria (CFO)	16.21	17.34
Mr. Muthiah Ganapathy (CS)	5.63	0
Mr.Kshatrapati Shivaji	0	0
Mr. Muralidharan Rajamani	1.8	5.89
Ms. Kalpana Prakash Pandey	0.83	0
Mr. Ajay Kumar Kapur	0.83	0.9
Mr. Nagesh Dinkar Pinge	0.9	0.71129032
Ms. Gauri Rushabh Shah	0.9	0.9
Mr. Praveen Kumar Gupta	0.36	0
Mr. Ram Jass Yadav	0.96	0
	66.56	**65.45**
Share-based payments		
Mr. Govind Singh (MD & CEO)	67.91	65.45129032
Mr. Pramod Dubey (WTD)	0	0
Mr. Sarjukumar Pravin Simaria (CFO)	13.11	10.56
Mr. Muthiah Ganapathy (CS)	0	19.3
	81.02	**95.31**
Sitting fees		
Mr. Ajay Kumar Kapur	17.25	39.49
Ms. Gauri Rushabh Shah	0	0
Ms. Kalpana Prakash Pandey	3.5	3.34
Mr. Muralidharan Rajamani	1.94	2.82
Mr. Nagesh Dinkar Pinge	3.5	3.4
Mr. Parveen Kumar Gupta	3.34	3.2
Mr. Kashatrapati Shivaji	0.7	2.8
Mr. Ramjass Yadav	3.52	3.28
	33.75	**58.33**

*Includes deferred bonus od Rs. 2.82 million for FY 2021-22, FY 2022-23 and FY 2023-24.
**Mr. Pramod Kumar Dubey resigned from his position as whole Time Director w.e.f close of business hours on December 31, 2025, Transaction summary and balances are till last day as WTD.

Terms and conditions

All transactions with these related parties are priced on an arm's length basis and at normal commercial terms.

F. (Payable)/ receivables as at balance sheet date:

Related Party	**Nature of the transactions**	**As at March 31, 2026**	**As at March 31, 2025**
Utkarsh CoreInvest Ltd (Holding Company)	Deposits Outstanding	605.39	528.11
	Amount Payable/(Recoverable)	5.94	5.77
	Maximum deposit outstanding during the year	610.94	548.19
Utkarsh Welfare Foundation	Deposits Outstanding	29.72	25.63
	Maximum deposit outstanding during the year	43.14	64.16
Utkarsh Small Finance Bank Employees' Gratuity Trust	Deposits Outstanding	10.44	4.88
	Maximum deposit outstanding during the year	67.49	31.90
KMP: Parveen Kumar Gupta	Deposits Outstanding	0.69	22.52
	Maximum deposit outstanding during the year	51.07	31.04
KMP: Kajal Ghose	Deposits Outstanding	0.11	1.47
	Maximum deposit outstanding during the year	0.79	3.88
KMP: Ajay Kumar Kapur	Deposits Outstanding	-	4.00
	Maximum deposit outstanding during the year	4.25	4.00
KMP: Govind Singh (MD & CEO)	Deposits Outstanding	10.12	11.87
	Maximum deposit outstanding during the year	12.85	13.67
KMP: Pramod Dubey (WTD)	Deposits Outstanding	31.43	4.13
	Maximum deposit outstanding during the year	31.43	5.95
KMP: Sarjukumar Pravin Simaria (CFO)	Deposits Outstanding	17.39	28.62
	Maximum deposit outstanding during the year	31.37	33.21
KMP: Muthiah Ganapathy (CS)	Deposits Outstanding	1.93	1.80
	Maximum deposit outstanding during the year	2.85	2.43
KMP Relative - Neena Gupta	Deposits Outstanding	3.10	2.58
	Maximum deposit outstanding during the year	3.42	2.58
KMP Relative - Deepshikha Kapur	Deposits Outstanding	3.00	3.73
	Maximum deposit outstanding during the year	3.00	6.56
KMP Relative - Revati Govind Singh	Deposits Outstanding	4.99	5.25
	Maximum deposit outstanding during the year	5.34	12.71
KMP Relative -Ankur Singh	Deposits Outstanding	16.16	3.50
	Maximum deposit outstanding during the year	26.01	83.01
KMP Relative - Achin Singh	Deposits Outstanding	18.14	4.98
	Maximum deposit outstanding during the year	25.27	73.96
KMP Relative -Ramesh Chandra Singh	Deposits Outstanding	1.04	1.53
	Maximum deposit outstanding during the year	1.81	4.14
KMP Relative - Parvati Devi	Deposits Outstanding	1.26	1.22
	Maximum deposit outstanding during the year	1.24	1.22
KMP Relative- Nirmala Simaria	Deposits Outstanding	0.90	1.40
	Maximum deposit outstanding during the year	1.40	1.60
RAAG Family Private Trust	Deposits Outstanding	3.72	48.04
	Maximum deposit outstanding during the year	48.04	249.54

G. Transactionswith related parties

Related Party	Nature of the transactions	As at March 31, 2026	As at March 31, 2025
Utkarsh CoreInvest Ltd (Holding Company)	Amount deposited during the year (excluding CASA deposit)	151.70	589.35
	Amount repaid during the year (excluding CASA deposit)	73.65	521.10
	Interest paid	47.50	40.59
	ESOP cost cross charged	-	379.64
	Service charge for collections	(3.71)	(2.34)
	Rent for office space	0.33	0.13
	Collection by Bank on behalf of UCL.	0.79	0.75
	Payment by bank on behalf of UCL	32.81	12.70
	Transactions (collection and payment) carried out on behalf of Bank	0.21 1.66	-
Utkarsh Welfare Foundation	Interest paid	81.60	2.09
	Contribution towards CSR & CER		85.00
Utkarsh Small Finance Bank Employees' Gratuity Trust	Interest paid	-	-
	Contribution to Gratuity Trust	92.04	88.87
	Withdrawal from Gratuity Trust	54.16	40.23
KMP: Praveen Kumar Gupta	Interest paid	2.43	1.92
	Amount deposited during the year (excluding CASA deposit)	-	10.00
	Amount repaid during the year (excluding CASA deposit)	-	5.70
KMP: Kajal Ghose	Interest paid	0.04	0.18
	Amount deposited during the year (excluding CASA deposit)	-	-
	Amount repaid during the year (excluding CASA deposit)	-	-
KMP: Ajay Kumar Kapur	Interest paid	0.26	0.38
	Amount deposited during the year (excluding CASA deposit)	-	-
	Amount repaid during the year (excluding CASA deposit)	4.00	-
KMP: Govind Singh (MD & CEO)	Interest paid	0.67	0.61
	Amount deposited during the year (excluding CASA deposit)	*0.00	-
	Amount repaid during the year (excluding CASA deposit)	*0.00	-
	Dividend paid	-	0.24
KMP: Pramod Dubey (WTD)	Interest paid	0.21	0.14
	Amount deposited during the year (excluding CASA deposit)	-	0.05
	Amount repaid during the year (excluding CASA deposit)	-	0.05
KMP: Sarjukumar Pravin Simaria (CFO)	Interest paid	1.90	1.19
	Amount deposited during the year (excluding CASA deposit)	-	-
	Amount repaid during the year (excluding CASA deposit)	-	-
	Dividend paid	-	0.03
KMP: Muthiah Ganapathy (CS)	Interest paid	0.15	0.13
	Amount deposited during the year (excluding CASA deposit)	-	-
	Amount repaid during the year (excluding CASA deposit)	0.50	-
RAAG Family Private Trust	Interest paid	1.48	3.33
	Amount deposited during the year (excluding CASA deposit)	-	251.50
	Amount repaid during the year (excluding CASA deposit)	47.00	204.50
KMP Relative - Neena Gupta	Interest paid	0.27	0.18
	Amount deposited during the year (excluding CASA deposit)	0.39	1.70
	Amount repaid during the year (excluding CASA deposit)	0.13	0.91
KMP Relative - Deepshikha Kapur	Interest paid	0.31	0.29
	Amount deposited during the year (excluding CASA deposit)	-	3.00
	Amount repaid during the year (excluding CASA deposit)	-	-
KMP Relative - Revati Govind Singh	Interest paid	0.37	0.70
	Amount deposited during the year (excluding CASA deposit)	-	10.00
	Amount repaid during the year (excluding CASA deposit)	-	7.50
	Dividend paid	-	*0.00
KMP Relative -Ankur Singh	Interest paid	1.05	2.90
	Amount deposited during the year (excluding CASA deposit)	-	10.00
	Amount repaid during the year (excluding CASA deposit)	-	7.50
KMP Relative - Achin Singh	Interest paid	1.11	2.74
	Amount deposited during the year (excluding CASA deposit)	-	10.50
	Amount repaid during the year (excluding CASA deposit)	0.50	7.50
	Dividend Paid	-	0.01
KMP Relative -Ramesh Chandra Singh	Interest paid	0.14	0.20
	Consultancy Charges	-	-
	Amount deposited during the year (excluding CASA deposit)	-	-
	Amount repaid during the year (excluding CASA deposit)	0.40	0.64
	Dividend paid	-	*0.00
KMP Relative - Nirmala Simaria	Interest paid	0.10	0.14
	Amount deposited during the year (excluding CASA deposit)	-	-
	Amount repaid during the year (excluding CASA deposit)	0.50	0.20
KMP Relative - Parvati Devi	Interest paid	0.12	0.11
	Amount deposited during the year (excluding CASA deposit)	0.03	1.20
	Amount repaid during the year (excluding CASA deposit)	-	1.12

* Amount less than INR 0.05 million is shown as Nil

Terms and conditions

All transactions with these related parties are priced on an arm's length basis and at normal commercial terms.

37 Earnings per share

Particulars		For the year ended 31 March 2026	For the year ended 31 March 2025
a) Basic earning per share			
Profit after tax		(8,383.52)	(4,222.95)
Weighted average number of equity shares outstanding during the year – Basic	Nos.	9,91,32,017	9,89,88,994
b) Diluted earning per share			
Adjusted netprofit/(loss) for the year		(8,383.52)	(4,222.95)
Weighted average number of equity shares outstanding during the year – Basic	Nos.	9,91,32,017	9,89,88,994
Add: Weighted average number of potential equity shares on account of employee stock options	Nos.	56,992	3,73,348
Weighted average number of equity shares outstanding during the year – Diluted	Nos.	9,91,89,009	9,93,62,342
Earnings per share			
Basic– par value of Rs.10 each	INR	(84.57)	(42.66)
Diluted - par value of Rs.10 each	INR	(84.52)	(42.50)

38 Operating segments

The Board has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, “Operating Segments.” The Group's operating segments are established in the manner consistent with the components of the Group that are evaluated regularly by the Chief Operating Decision Maker as defined in 'Ind AS 108 - Operating Segments.' The Group is engaged primarily in the business of banking and there are no separate reportable segments as per Ind AS 108.

a. Information about products and services:
The Group deals in only one product i.e. granted loans to customers. Hence, no separate disclosure is required.

b. Information about geographical areas:
The entire sales of the Group are made to customers which are domiciled in India. Also, all the assets of the Group are located in India.

c. Information about major customers (from external customers):
TheGroupdoesnotearnrevenuesfromthecustomerswhichamount to 10 per cent or more of Group’s revenues

39 Transfers of financial assets

In the ordinary course of business, the Group enters into transactions that result in the transfer of loans and advances. In accordance with the accounting policy set out in Note 2, the transferred financial assets continue to be recognised in their entirety or to the extent of the Group's continuing involvement, or are derecognised in their entirety.

40 Financial instruments - fair value and risk management

A. Financial instruments by category

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

Particulars	As at 31 March 2026		
	FVTPL	FVTOCI	Amortised cost
Financial assets:			
Cash and cash equivalents Bank	-		17,770.23
balance other than above	-		5,556.66
Derivative financial instruments	-		-
Loans	-		1,80,194.69
Investments	708.24		69,325.28
Other financial assets	-		2,915.15
	708.24	**-**	**2,75,762.01**
Financial liabilities:			
Trade payables	-		717.96
Borrowings (other than debt securities)	-		23,419.22
Lease liability	-		2,843.82
Deposits	-		2,26,113.62
Subordinated liabilities	-		5,011.24
Other financial liabilities	-		5,653.99
	-	**-**	**2,63,759.85**

Particulars	As at 31 March 2025		
	FVTPL	FVTOCI	Amortised cost
Financial assets:			
Cash and cash equivalents Bank	-		33,317.37
balance other than above	-		1,091.08
Derivative financial instruments	-		-
Loans	-		1,80,404.62
Investments	12,725.79		37,498.88
Other financial assets	-		2,333.15
	12,725.79	**-**	**2,54,645.10**
Financial liabilities:			
Trade payables	-		407.46
Borrowings (other than debt securities)	-		18,454.23
Lease liability	-		3,453.41
Deposits	-		2,22,352.97
Subordinated liabilities	-		5,158.86
Other financial liabilities	-		3,306.61
	-	**-**	**2,53,133.54**

B. Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are:
(a) recognised and measured at fair value and
(b) measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table. During the year there were no transfer between Level 1 and Level 2. Similarly, there were no transfers from or transfer to Level 3.

Financial assets measured at fair value - recurring fair value measurements

As at 31 March 2026	Level 1	Level 2	Level 3	Total
Financial assets:				
Derivative financial instruments	-	-	-	-
Investments	663.97	-	44.26	708.24
	663.97	**-**	**44.26**	**708.24**

Financial assets measured at fair value - recurring fair value measurements

As at 31 March 2025	Level 1	Level 2	Level 3	Total
Financial assets:				
Derivative financial instruments	-	-	-	-
Investments	50.00	12,675.79	-	12,725.79
	50.00	**12,675.79**	**-**	**12,725.79**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at 31 March 2026	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	17,770.23	-	-	17,770.23	17,770.23
Bank balance other than above	5,556.66	-	-	5,556.66	5,556.66
Loans	1, 80,194. 69	-	-	1,79,782.02	1,79,782.02
Investments	69,325. 28			69,325.28	69,325.28
Other financial assets	2,915. 15	-	-	2,915.15	2,915.15
	2, 75, 762. 01	**-**	**-**	**2,75,349.34**	**2,75,349.34**
Financial liabilities:					
Trade payables	717. 96	-	-	717.96	717.96
Borrowings (other than debt securities)	23,419.22	-	-	34,975.80	34,975.80
Lease liability	2,843.82	-	-	2,843.82	2,843.82
Deposits	2, 26, 113. 62	-	-	2,26,724.51	2,26,724.51
Subordinated liabilities	5,011.24	-	-	2,127.72	2,127.72
Other financial liabilities	5,653.99	-	-	6,371.32	6,371.32
	2, 63, 759. 86	**-**	**-**	**2,73,761.14**	**2,73,761.14**

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at 31 March 2025	Amortised cost	Level 1	Level 2	Level 3	Total
Financial assets:					
Cash and cash equivalents	33,317.37	-	-	33,317.37	33,317.37
Bank balance other than above	1,091.08	-	-	1,091.08	1,091.08
Loans	1,80, 404. 6237,	-	-	1,79,991.96	1,79,991.96
Investments	498. 882,333. 15			37,498.88	37,498.88
Other financial assets		-	-	2,333.15	2,333.15
	2, 54, 645. 10	**-**	**-**	**2,54,232.44**	**2,54,232.44**
Financial liabilities:	407. 46	-	-	407.46	407.46
Trade payables	18,454.23	-	-	34,975.80	34,975.80
Borrowings (other than debt securities)	3,453.41	-	-	3,453.41	3,453.41
Lease liability	2, 22, 352. 97	-	-	2,22,885.93	2,22,885.93
Deposits	5,158.86	-	-	2,127.72	2,127.72
Subordinated liabilities	3,306.61	-	-	3,714.81	3,714.81
Other financial liabilities	**2, 53, 133. 55**	**-**	**-**	**2,67,565.13**	**2,67,565.13**

C. Valuation framework

The finance department of the group relies on external valuers to perform the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. Discussions of valuation processes and results are held between the CFO and the external valuer at every twelve months, in line with the group's annual reporting periods. Specific controls include :
- verification of observable pricing
- re-performance of model valuations
- review and approval process for new models and changes to models
- review of significant unobservable inputs, valuation adjustments and significant changes to the fair value measurement of Level 3 instruments.

The Group measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: Inputs that are quoted market prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : The fair value of financial instruments that are not traded in active markets is determined using valuation techniques which maximize the use of observable market data either directly or indirectly, such as quoted prices for similar assets and liabilities in active markets, for substantially the full term of the financial instrument but do not qualify as Level 1 inputs. If all significant inputs required to fair value an instrument are observable the instrument is included in level 2.

Level 3 : If one or more of the significant inputs is not based in observable market data, the instruments is included in level 3. That is, Level 3 inputs incorporate market participants' assumptions about risk and the risk premium required by market participants in order to bear that risk. The Group develops Level 3 inputs based on the best information available in the circumstances.

Valuation techniques include net present value and discounted cash flow models. Assumptions and inputs used in valuation techniques include risk-free and benchmark interest rates, credit spreads and other premium used in estimating discount rates and expected price volatilities and correlations.

The objective of valuation techniques is to arrive at a fair value measurement that reflects the price that would be received to sell the asset or paid to transfer the liability in an orderly transaction between market participants at the measurement date.

The Group uses widely recognised valuation models to determine the fair value of common and simple financial instruments, that use only observable market data and require little management judgement and estimation. The availability of observable market prices and model inputs reduces the need for management judgement and estimation and also reduces the uncertainty associated with determining fair values.

Financial instruments valued at carrying value

The respective carrying values of certain on-balance sheet financial instruments approximated their fair value. These financial instruments include cash in hand, balances with other banks, trade receivables, trade payables and certain other financial assets and liabilities. Carrying values were assumed to approximate fair values for these financial instruments as they are short-term in nature and their recorded amounts approximate fair values or are receivable or payable on demand.

41 Financial risk management

The group's activities exposure it to credit risk, liquidity risk, market risk and operational risk.

A. Risk management framework

(a) Risk management structure and group's risk profile

The group's board of directors has overall responsibility for the establishment and oversight of the group's risk management framework. The board of directors has established the risk management committee, which is responsible for developing and monitoring the group's risk management policies. The committee reports regularly to the board of directors on its activities.

Efficient and timely management of risks involved in the group's activities is critical for the financial soundness and profitability of the group. Risk management involves the identifying, measuring, monitoring and managing of risks on a regular basis. The objective of risk management is to increase shareholders' value and achieve a return on equity that is commensurate with the risks assumed. To achieve this objective, the group employs leading risk management practices and recruits skilled and experienced people.

The group's risk management policies are established to identify and analyse the risks faced by the group, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the group's activities. The group, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The group's audit committee oversees how management monitors compliance with the group's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the group. The audit committee is assisted in its oversight role by internal audit. Internal audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the audit committee.

B. Credit risk

Credit risk arises from loans and advances, cash and cash equivalents, investment in debt securities and deposits with banks and financial institutions and any other financial assets.

Credit risk is the risk of financial loss to the group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the group's asset on finance and trade receivables from customers; loans and investments in debt securities.

The carrying amounts of financial assets represent the maximum credit risk exposure.

(a) Credit risk management

The group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk associated with the industry. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:
• significant financial difficulty of the borrower or issuer;
• a breach of contract such as a default or past due event;
• the restructuring of a loan or advance by the group on terms that the group would not consider otherwise; or
• it is becoming probable that the borrower will enter bankruptcy or other financial re-organization;

The risk management committee has established a credit policy under which each new customer is analyzed individually for credit worthiness before the group's standard payment and delivery terms and conditions are offered. The group's review includes external ratings, if they are available, background verification, financial statements, income tax returns, credit agency information, industry information, etc. Credit limits are established for each customer and reviewed quarterly. Any loan exceeding those limits require approval from the risk management committee.

(b) Definition of default and cure

The group considers a financial instrument defaulted and therefore Stage 3 (credit-impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

The group considers probability of default upon initial recognition of asset and whether there has been any significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the group compares the risk of default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forward-looking information. Following indicators are incorporated:
- DPD analysis as on each reporting date
- actual or expected significant adverse changes in business, financial or economic condition that are expected to cause a significant change to borrower's ability to meet its obligations.
- significant increase in credit risk on other financial instruments of same borrower.
- significant changes in value of the collateral supporting the obligation or in the quality of third party guarantees or credit enhancements.
- significant changes in expected performance and behavior of the borrower including changes in payment status of borrowers and changes in operating results.

Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model. In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

(c) Exposure at default

The exposure at default (EAD) represents the gross carrying amount of the financial instruments subject to the impairment calculation, addressing both the client's ability to increase its exposure while approaching default and potential early repayments too.

To calculate the EAD for a Stage 1 loan, the group assesses the possible default events within 12 months for the calculation of the 12 months ECL. However, if a Stage 1 loan that is expected to default in the 12 months from the balance sheet date and is also expected to cure and subsequently default again, then all linked default events are taken into account. For Stage 2, Stage 3 and POCIfinancial assets, the exposure at default is considered for events over the lifetime of the instruments.

The group determines EADs by modelling the range of possible exposure outcomes at various points in time, corresponding the multiple scenarios. The Ind AS 109 PDs are then assigned to each economic scenario based on the outcome of group's models.

(d) Loss given default

JLG and MBBL loans, loss given default (LGD) values are assessed based on historical data for a period of 5 years which is at 50-55%. However, considering increase in the LGD based on most recent periods to reduce the volatility in the Bank's provisioning requirement, Bank has chosen to stick with pre-Covid higher level LGD percentage at ~62.5%.

MSME Unsecured loans LGD is assessed for FY2025-26 at 65%.

Corporate loans, LGD is taken at 39.87%.

Bank doesn't have adequate historical data of recovery / resolution of secured loans. Considering the same Bank is taking a conservative view of keeping the minimum LGD at 30% or model computed LGD number whichever is higher. Basis recovery rate & collateral impact under Stage 3 loans the computed LGD is higher for HL at 31.44%, MSME Secured at ~30.89% and Wheels at 32.0%.
For all the fraud cases the bank has applied 100% LGD.

The credit risk assessment is based on a standardised LGD assessment framework that results in a certain LGD rate. These LGD rates take into account the expected EAD in comparison to the amount expected to be recovered or realised from any collateral held.

The group segments its retail lending products into smaller homogeneous portfolios, based on key characteristics that are relevant to the estimation of future cash flows. The applied data is based on historically collected loss data.

Under Ind AS 109, LGD rates are estimated for the Stage 1, Stage 2, Stage 3 and POCI Ind AS 109 segment of each asset class.

(e) Significant increase in credit risk

The group continuously monitors all assets subject to ECLs. In order to determine whether an instrument or a portfolio of instruments is subject to 12 months ECL or life time ECL, the Company assesses whether there has been a significant increase in credit risk since initial recognition. The group also applies a secondary qualitative method for triggering a significant increase in credit risk for an asset, such as moving a customer/facility to the watch list, or the account becoming forborne. Regardless of the change in credit grades, if contractual payments are more than 30 days past due, the credit risk is deemed to have increased significantly since initial recognition.

(f) Expected credit loss on Loans

The group assesses whether the credit risk on a financial asset has increased significantly on collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account accounting instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, collateral type and other relevant factors.

The group considers defaulted assets as those which are contractually past due 90 days, other than those assets where there is empirical evidence to the contrary. Financial assets which are contractually past due 30 days are classified under Stage 2 - life time ECL, not credit impaired, barring those where there is empirical evidence to the contrary. The group considers financial instruments to have low credit risk if they are rated internally or externally within the investment grade. An asset migrates down the ECL stage based on the change in the risk of a default occurring since initial recognition. If in a subsequent period, credit quality improves and reverses any previously assessed significant increase in credit risk since origination, then the loan loss provision stage reverses to 12-months ECL from lifetime ECL.

The group measures the amount of ECL on a financial instrument in a way that reflects an unbiased and probability-weighted amount. The group considers its historical loss experience and adjusts the same for current observable data. The key inputs into the measurement of ECL are the probability of default, loss given default and exposure at default. These parameters are derived from the group's internally developed statistical models and other historical data. In addition, the group uses reasonable and supportable information on future economic conditions including macroeconomic factors such as interest rates, gross domestic product, inflation, industry and expected direction of the economic cycle. Since incorporating these forward looking information increases the judgment as to how the changes in these macroeconomic factor will affect ECL, the methodology and assumptions are reviewed regularly.

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

	As at 31 March 2026				
Loans and advances at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Current (not past due)	1,66,878.84	-	-	-	1,66,878.84
1-30 days past due	5,140.30	-	-	-	5,140.30
31-60 days past due	-	4,270.70	-	-	4,270.70
61-90 days past due	-	2,555.87	-	-	2,555.87
More than 90 days past due	-	-	14,599.02	-	14,599.02
	1,72,019.14	6,826.58	14,599.02	-	1,93,444.74
Loss allowance	(2,185.07)	(1,195.41)	(8,102.04)	-	(11,482.52)
Carrying value	**1,69,834.07**	**5,631.16**	**6,496.98**	-	**1,81,962.21**
Other financial assets at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Gross carrying amount	2,924.68	-	-	-	2,924.68
Loss allowance	(12.67)	-	-	-	(12.67)
Carrying value	**2,912.01**	-	-	-	**2,912.01**
Investments at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Sovereign rated	69,332.93	-	-	-	69,332.93
BBB - to AAA	-	-	-	-	-
BB- to BB+	-	-	-	-	-
B- to B+	-	-	-	-	-
C to CCC+	-	-	-	-	-
D	-	-	-	-	-
	69,332.93	-	-	-	69,332.93
Loss allowance	(7.65)		-	-	(7.65)
Amortised cost	**69,325.28**	-	-	-	**69,325.28**
Investments at FVTPL					
Sovereign rated	-	-	-	-	-
BBB - to AAA	663.97	-	-	-	663.97
BB- to BB+	-	-	-	-	-
B- to B+	-	-	-	-	-
C to CCC+	-	-	-	-	-
D	-	-	-	-	-
Unrated	44.26	-	-	-	44.26
	708.24	-	-	-	708.24
Loss allowance	-	-	-	-	-
Amortised cost	**708.24**				**708.24**
Bank balances					
BBB - to AAA	-	-	-	-	-
BB- to BB+	23,338.27	-	-	-	23,338.27
B- to B+	-	-	-	-	-
C to CCC+	-	-	-	-	-
D	-	-	-	-	-
	23,338.27	-	-	-	23,338.27
Loss allowance	23,338.27	-	-	-	23,338.27
Amortised cost	**46,676.55**		-	-	**46,676.55**

	As at 31 March 2025				
Loans and advances at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Current (not past due)	1,63,716.63	-	-	-	1,63,716.63
1-30 days past due	4,778.15	-	-	-	4,778.15
31-60 days past due	-	4,278.50	-	-	4,278.50
61-90 days past due	-	3,448.94	-	-	3,448.94
More than 90 days past due	-	-	20,382.54	-	20,382.54
	1,68,494.78	7,727.43	20,382.54	-	1,96,604.75
Loss allowance	(2,035.17)	(1,740.85)	(12,424.11)	-	(16,200.13)
Carrying value	**1,66,459.61**	**5,986.58**	**7,958.43**	-	**1,80,404.62**
Other financial assets at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Gross carrying amount	2,332.89	-	-	-	2,332.89
Loss allowance	(0.83)	-	-	-	(0.83)
Carrying value	**2,332.05**	-	-	-	**2,332.05**
Investments at amortised cost	**Stage 1**	**Stage 2**	**Stage 3**	**POCI**	**Total**
Sovereign rated	37,512.06	-	-	-	37,512.06
BBB - to AAA	-	-	-	-	-
BB- to BB+	-	-	-	-	-
B- to B+	-	-	-	-	-
C to CCC+	-	-	-	-	-
D	-	-	-	-	-
	37,512.06	-	-	-	37,512.06
Loss allowance	(13.18)		-	-	(13.18)
Amortised cost	**37,498.88**	-	-	-	**37,498.88**
Investments at FVTPL					
Sovereign rated	-	-	-	-	-
BBB - to AAA	12,657.90	-	-	-	12,657.90
BB- to BB+	-	-	-	-	-
B- to B+	-	-	-	-	-
C to CCC+	-	-	-	-	-
D	-	-	-	-	-
Unrated	67.89	-	-	-	67.89
	12,725.79				12,725.79
Loss allowance	-	-	-	-	-
Amortised cost	**12,725.79**		-	-	**12,725.79**
Bank balances					
BBB - to AAA	34,411.40	-	-	-	34,411.40
BB- to BB+	-	-	-	-	-
B- to B+	-	-	-	-	-
C to CCC+	-	-	-	-	-
D	-	-	-	-	-
	34,411.40	-	-	-	34,411.40
Loss allowance	(3.10)	-	-	-	(3.10)
Amortised cost	**34,408.30**		-	-	**34,408.30**

The group has applied a three-stage approach to measure expected credit losses (ECL) on loans and investment in debt securities accounted for at amortised cost and FVOCI. Loss rates are calculated using a 'Transition Matrix' method based on the probability of a receivable in 12 months time interval. Assets migrate through following three stages based on the changes in credit quality since initial recognition:

(a) Stage 1: 12- months ECL: For exposures where there is no significant increase in credit risk since initial recognition and that are not credit-impaired upon origination, the portion of the lifetime ECL associated with the probability of default events occurring within the next 12- months is recognized.

(b) Stage 2: Lifetime ECL, not credit-impaired: For credit exposures where there has been a significant increase in credit risk since initial recognition but are not credit-impaired, a lifetime ECL is recognized.

(c) Stage 3: Lifetime ECL, credit-impaired: Financial assets are assessed as credit impaired upon occurrence of one or more events that have a detrimental impact on the estimated future cash flows of that asset. For financial assets that have become credit-impaired, a lifetime ECL is recognized and interest revenue is calculated by applying the effective interest rate to the amortised cost.

At each reporting date, the group assesses whether there has been a significant increase in credit risk of its financial assets since initial recognition by comparing the risk of default occurring over the expected life of the asset. In determining whether credit risk has increased significantly since initial recognition, the group uses information that is relevant and available without undue cost or effort. This includes the group's internal credit rating grading system, external risk ratings and forward-looking information to assess deterioration in credit quality of a financial asset.

Expected credit loss on other financial assets

The group assesses whether the credit risk on a financial asset has increased significantly on collective basis. For the purpose of collective evaluation of impairment, financial assets are grouped on the basis of shared credit risk characteristics, taking into account accounting instrument type, credit risk ratings, date of initial recognition, remaining term to maturity, industry, geographical location of the borrower, collateral type, and other relevant factors.

The group monitors changes in credit risk by tracking published external credit ratings. In order to determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the group supplements this by reviewing changes in government bond yields together with available press and regulatory information about issuers.

Expected credit loss on Investments in Debt securities

The group limits its exposure to credit risk by investing only in government securities and only with counterparties that have a credit rating of at least A-1 from S&P and/ or from CRISIL.

The group monitors changes in credit risk by tracking published external credit ratings. In order to determine whether published ratings remain up to date and to assess whether there has been a significant increase in credit risk at the reporting date that has not been reflected in published ratings, the group supplements this by reviewing changes in government bond yields together with available press and regulatory information about issuers.

12-month and lifetime probabilities of default are based on historical data supplied by S&P for each credit rating and are recalibrated based on current government bond yields. Loss given default (LGD) parameters generally reflect an assumed recovery rate of 40% except when a security is credit-impaired, in which case the estimate of loss is based on the instrument's current market price and original effective interest rate.

The following table presents an analysis of the credit quality of debt securities at amortised cost, at FVTOCI and FVTPL. It indicates whether assets measured at amortised cost or FVTOCI were subject to a 12 month expected credit loss (ECL) or lifetime ECL allowance and, in the latter case, whether they were credit impaired.

Bank balances

The significant portion of Bank balances are held with bank and financial institution counterparties, which are rated A+ to AAA, based on Credit ratings.

Impairment on bank balances has been measured on the 12-month expected loss basis and reflects the short maturities of the exposures. The group considers that its bank balances have low credit risk based on the external credit ratings of the counterparties.

The group uses a similar approach for assessment of ECLs for bank balances as used for investment in debt securities.

g) Movements in the allowance for impairment in respect of loans, Investment in debt securities, trade receivables and other financial assets

The movement in the allowance for impairment in respect of asset on finance, trade receivables and other financial assets is as follows:

Loans and advances at amortised cost (including loan commitments)

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses		Total
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
Loss allowance on 31 March 2024	**2,115.79**	**850.41**	**2,813.39**	**5,779.59**
Transfer to Stage 1	34.13	(26.09)	(8.04)	-
Transfer to Stage 2	(55.96)	71.40	(15.44)	-
Transfer to Stage 3	(154.08)	(235.76)	389.83	-
Net remeasurement of loss allowance	(35.57)	1,491.63	14,028.05	15,484.11
Movement of new originated	1,532.09	-	-	1,532.09
Transfer - financial assets originated or purchased	(83.25)	30.50	52.75	-
Financial assets that have been derecognised	(1,307.71)	(441.25)	(753.18)	(2,502.14)
Write offs	-	-	(2,461.66)	(2,461.66)
Loss allowance on 31 March 2025	**2,045.43**	**1,740.84**	**14,045.70**	**17,831.99**
Transfer to Stage 1	360.22	(123.24)	(236.98)	-
Transfer to Stage 2	(51.24)	123.59	(72.35)	-
Transfer to Stage 3	(107.99)	(875.53)	983.52	-
Net remeasurement of loss allowance	(302.82)	728.93	12,896.46	13,322.57
Movement of new originated	1,360.34	-	-	1,360.34
Transfer - financial assets originated or purchased	(20.69)	12.16	8.54	0.01
Financial assets that have been derecognised	(1,098.27)	(411.34)	(546.56)	(2,056.17)
Write offs	-	-	(16,117.14)	(16,117.14)
Loss allowance on 31 March 2026	**2,184.99**	**1,195.41**	**10,961.19**	**14,341.60**

The contractual amount outstanding on loans and advances measured at amortised cost that were written off (including ARC sold) during the year ended 31 March 2026 and are still subject to enforcement activity is INR 16,117.14 million (31 March 2025: INR 2,461.66 million)

All restructured accounts has atleast shown 18 months of performance. Considering the same, it is classified as per actual DPD.

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

Investment at Amortised cost

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time		Total
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
Loss allowance on 31 March 2025	13.18	-	-	13. 18
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Net remeasurement of loss allowance		-	-	
New financial assets originated or purchased	1.22	-	-	1.22
Financial assets that have been derecognised	12. 41	-	-	12. 41
Write offs	(5.43)	-	-	(5.43)
	-	-	-	-
Loss allowance on 31 March 2026	21. 38			21. 38

Other financial assets at amortised cost

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses		Total
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
Loss allowance on 31 March 2024	0.29	-	-	0.29
Newfinancial assets originated orpurchased	0.83	-	-	0.83
Financial assets that have been derecognised	(0.29)	-	-	(0.29)
Loss allowance on 31 March 2025	0.83	-	-	0.83
New financial assets originated or purchased	12.67	-	-	12.67
Financialassets that havebeen derecognised	(0.83)	-	-	(0.83)
Loss allowance on 31 March 2026	12.67	-	-	12.67

Bank balances

Reconciliation of loss allowance	Loss allowance measured at 12 month expected losses	Loss allowance measured at life-time expected losses		Total
		Financial assets for which credit risk has increased significantly and not credit-impaired	Financial assets for which credit risk has increased significantly and credit-impaired	
Loss allowance on 31 March 2024	2.55	-	-	2.55
Net remeasurement of loss allowance	0.55	-	-	0.55
Loss allowance on 31 March 2025	3.10	-	-	3.10
Net remeasurement of loss allowance	5.24	-	-	5.24
Loss allowance on 31 March 2026	8.34	-	-	8.34

h) Collateral held and other credit enhancements

As of 31 March 2026, 47.93% (31 March 2025: 56.64%) of the group's retail loans (inclusive of corporate loans) were unsecured. The Bank's retail loans are generally secured by a charge on the asset financed (vehicle loans, property loans and gold loans). Retail business banking loans (inclusive of corporate loans) are secured with current assets as well as immovable property and fixed assets in some cases.

Collateral securing each individual loan may not be adequate in relation to the value of the loan. All borrowers must meet the Group's internal credit assessment procedures, regardless of whether the loan is secured. In addition to the collateral stated above, the Group holds other types of collateral such as second charges and floating charges for which specific values are generally not available.

The following table sets out the principal types of collateral held against different types of financial assets.

As at 31 March 2026	Maximum exposure to credit risk	Land or Building	Bookdebts	Other collateral	Fixed Deposits	Total Collateral	Net Exposure	Associated ECLs
Cash and cash equivalents	17,422.93	-	-	-	-	-	17,422.93	(1.26)
Other bank balances	5,915.34	-	-	-	-	-	5,915.34	(7.08)
Loans and advances	1,94,535.50	53,508.42	16,023.38	10,918.27	4,805.89	85,255.96	1,09,279.54	(11,482.52)
Other financial assets	2,921.40	-	-	-	-	-	2,921.40	(12.67)
Investments in governmentsecurities	69,332.93	-	-	-	-	-	69,332.93	(7.65)
Total financial assets at amortised cost	2,20,795.17	53,508.42	16,023.38	10,918.27	4,805.89	85,255.96	2,04,872.14	(11,511.18)
Investments at FVTOCI	-	-	-	-	-	-	-	-
Total financial assets at FVTOCI	-	-	-	-	-	-	-	-
Investments at FVTPL	708.24	-	-	-	-	-	708.24	-
Total financial assets at FVTPL	**708.24**	-	-		-	-	**708.24**	-

As at 31 March 2025	Maximum exposure to credit risk	Land or Building	Bookdebts	Other collateral	Fixed Deposits	Total Collateral	Net Exposure	Associated ECLs
Cash and cash equivalents	33,319.98	-	-	-	-	-	33,319.98	(2.76)
Other bank balances	1,091.42	-	-	-	-	-	1,091.42	(0.34)
Loans and advances	1,96,604.75	71,906.50	13,372.70	1,188.13	3,015.04	89,482.37	1,07,122.38	(16,200.13)
Other financial assets	2,332.89	-	-	-	-	-	2,332.89	(0.83)
Investments in governmentsecurities	37,512.06	-	-	-	-	-	37,512.06	(13.18)
Total financial assets at amortised cost	2,33,349.04	71,906.50	13,372.70	1,188.13	3,015.04	89,482.37	1,81,378.73	(16,217.24)
Investments at FVTOCI	-	-	-		-	-	-	-
Total financial assets at FVTOCI	-	-	-		-	-	-	-
Investments at FVTPL	12,725.79	-	-		-	-	12,725.79	-
Total financial assets at FVTPL	**12,725.79**	-	-		-	-	**12,725.79**	-

The below tables provide an analysis of the current fair values of collateral held and credit enhancements for stage 3 assets. Dependent on the level of collateral, some Stage 3 exposures may not have individual ECLs when the expected value of the collateral is greater than the LGD, even in if the future value of collateral is forecast using multiple economic scenarios. However, the Stage 3 ECL can be higher than net exposure show below when the future value of collateral, measured using multiple economic scenarios, is expected to decline.

As at 31 March 2026	Maximum exposure to credit risk	Land or Building	Book debts	Other collateral	Fixed Deposits	Total Collateral	Exposure net of collateral	Associated ECLs
Loans and advances	14,599.02	1,901.37	203.39	1,280.30	-	3,385.06	11,213.96	8,102.04
Total financial assets at amortised cost	14,599.02	1,901.37	203.39	1,280.30	-	3,385.06	11,213.96	8,102.04
As at 31 March 2025	**Maximum exposure to credit risk**	**Land or Building**	**Book debts**	**Other collateral**	**Fixed Deposits**	**Total Collateral**	**Exposure net of collateral**	**Associated ECLs**
Loans and advances	20,382.54	1,077.24	240.12	709.45	1.60	2,028.41	18,354.13	12,424.53
Total financial assets at amortised cost	20,382.54	1,077.24	240.12	709.45	1.60	2,028.41	18,354.13	12,424.53

i) Concentration of risk

The group monitors credit risk by sector and by geographic location. An analysis of grouping of credit risk from loans and advances, loan commitments, financial guarantees and investment securities is shown be l ow.

Loans and advances to customers	As at 31 March 2026	As at 31 March 2025
Carrying amount	1,80,194.69	1,80,404.62
Concentration by sector		
Corporate:		
Wholesale Lending	26,697.90	21,956.74
Retail:		
Mortgages	68,693.56	46,152.71
Unsecured lending	84,803.24	1,12,295.17
Total	1,80,194.70	1,80,404.62
Concentration by location		
India	**1,80,194.69**	**1,80,404.62**

Investments	As at 31 March 2026	As at 31 March 2025
Carrying amount	70,033.52	50,224.66
Concentration by sector		
Corporate/ NBFC	700.59	7,364.59
Government	69,332.93	42,860.07
Banks	-	-
Mutual funds	-	-
Total	**70,033.52**	**50,224.66**
Concentration by location		
India	**70,033.52**	**50,224.66**

Concentration by location for loans and advances, loan commitments and financial guarantees, is based on the customer's country of domicile.
Concentration by location for investment securities is based on the country of domicile of the issuer of the security.

C. Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The Group uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

The Group aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities over the next six months. The Group also monitors the level of expected cash inflows on asset on finance, trade receivables and loans together with expected cash outflows on borrowings, payables and other financial liabilities.

Currently the Group is not having any lines of credit.
Exposure to liquidity risk
The following are the remaining contractual maturities of financial labilities at the reporting date. The amount are gross and undiscounted, and excludes contractual interest payments and exclude the impact of netting agreements.

As at 31 March 2026	Contractual cash flows						
	Carrying amount	Total contractual cash flows	6 month or less	6-12 months	1-3 years	3-5 years	More than 5 years
Non - derivative financial liabilities							
Trade Payables	717.96	-		-	-	-	-
Borrowings (Other than Debt Securities)	23,419.22	23,419.22	12,084.18	4,737.04	6,548.16	49.84	-
Lease liability	2,843.82	3,622.62	750.72	-	1,271.99	967.03	632.88
Deposits	2,26,113.62	2,26,723.04	46,337.76	57,278.20	83,471.56	8,433.72	31,201.80
Subordinated Liabilities	5,011.24	5,016.77	16.77	-	1,950.00	-	3,050.00
Other financial liabilities	5,653.99	4,692.67	3,890.86	627.22	108.87	-	65.74
Non-derivative financial assets							
Cash andcash equivalents*	17,770.23	17,771.25	15,819.41	544.98	1,284.13	84.34	38.39
Bank balances other than cash and cash equivalents	5,556.66	5,567.02	5,518.41	0.55	48.06	-	-
Loans	1,80,194.69	1,82,088.28	34,926.04	31,705.96	57,390.67	17,545.19	40,520.43
Investments	70,033.51	70,368.91	44,564.49	7,313.00	17,216.81	789.81	484.80
Other Financial assets	2,915.15	2,987.12	1,183.68	393.32	736.90	88.22	585.00

Carrying amount includes CRR requirement of INR 5902.33 million in March 2026

As at 31 March 2025	Contractual cash flows						
	Carrying amount	Total contractual cash flows	6 month or less	6-12 months	1-3 years	3-5 years	More than 5 years
Non - derivative financial liabilities							
Trade Payables	407.46	-		-	-	-	-
Borrowings (Other than Debt Securities)	18,454.23	18,454.23	3,875.11	4,377.04	10,078.16	123.92	(0.00)
Lease liability	3,453.41	4,291.40	437.39	427.29	1,403.59	1,085.19	937.94
Deposits	2,22,352.97	2,22,885.67	44,587.69	51,196.73	1,09,347.55	17,349.20	404.50
Subordinated Liabilities	5,158.86	5,166.77	166.77	-	1,950.00	-	3,050.00
Other financial liabilities	3,306.61	3,714.81	2,876.30	725.34	96.62	-	16.55
Non-derivative financial assets							
Cash andcash equivalents*	33,317.37	33,319.97	27,935.29	1,495.85	3,324.44	468.31	96.08
Bank balances other than cash and cash equivalents	1,091.08	1,091.42	524.66	524.18	42.58	-	-
Loans	1,80,404.62	1,88,449.52	45,002.07	34,771.18	51,213.71	19,896.20	37,566.36
Investments	50,224.67	50,237.85	19,245.08	8,614.87	19,060.35	2,695.40	622.15
Other Financial assets	2,333.15	2,201.14	1,878.23	187.61	83.16	15.39	36.75

Carrying amount includes CRR requirement of INR 6,684.44 million in March 2025

The inflows/(outflows) disclosed in the above table represents contractual undiscounted cash flows. The disclosure shows net cash flow amounts that are net cash settled and gross cash inflow and outflow amounts that have simultaneous gross settlement.

As disclosed in Note 12, the Group has a secured bank loan that contains a loan covenant. A future breach of covenant may require the Group to repay the loan earlier than indicated in the above table. Under the agreement, the covenant is monitored on a regular basis by the treasury department and regularly reported to management to ensure compliance with the agreement.

The future cash flows on contingent consideration and derivative instruments may be different from the amount in the above table as interest rates and exchange rates or the relevant conditions underlying the contingency change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts.

D.Market risk

The fair value or future cash flows of financial instruments will fluctuate due to changes in market variables such as interest rates, foreign exchange rates and equity prices. The Group classifies exposures to market risk into either trading or non–trading portfolios and manages each of those portfolios separately. Such risks for the trading portfolio is managed and monitored based on a VaR methodology that reflects the interdependency between risk variables. Non–trading positions are managed and monitored using other sensitivity analyses. All such transactions are carried out within the guidelines set by the Risk Management Committee.

The following table sets out the allocation of assets and liabilities subject to market risk between trading and non-trading portfolios:

As at 31 March 2026	Carrying amount	Market risk measure Trading portfolios	Non-trading portfolios
Financial assets:			
Cash andcash equivalents	17,770.23	-	17,770.23
Bank balance other than above	5,556.66	-	5,556.66
Loans	1,80,194.69	-	1,80,194.69
Investments	70,033.51	-	70,033.51
Other financial assets	2,915.15	-	2,915.15
	2,76,470.24	-	**2,76,470.24**
Financial liabilities:			
Trade Payables	717.96	-	717.96
Borrowings (other than debt securities)	23,419.22	-	23,419.22
Lease liability	2,843.82	-	2,843.82
Deposits	2,26,113.62	-	2,26,113.62
Subordinated liabilities	5,011.24	-	5,011.24
Other financial liabilities	5,653.99	-	5,653.99
	2,63,759.85	-	**2,63,759.85**

As at 31 March 2025	Carrying amount	Market risk measure Trading portfolios	Non-trading portfolios
Financial assets:			
Cash and cash equivalents	33,317.37	-	33,317.37
Bank balance other than above	1,091.08	-	1,091.08
Loans	1,80,404.62	-	1,80,404.62
Investments	50,224.67	-	50,224.67
Other financial assets	2,333.15	-	2,333.15
	2,67,370.89	-	**2,67,370.89**
Financial liabilities:	407.46	-	407.46
Trade Payables	18,454.23	-	18,454.23
Borrowings (other than debt securities)	3,453.41	-	3,453.41
Lease liability	2,22,352.97	-	2,22,352.97
Deposits	5,158.86	-	5,158.86
Subordinated liabilities	3,306.61	-	3,306.61
Other financial liabilities	**2,53,133.54**	-	**2,53,133.54**

Market risk - Non-trading portfolios

(i) Currency risk

The Group is exposed to currency risk to the extent that there is a mismatch between the currencies in which borrowings are denominated and the respective functional currencies of Group. The functional currency for the Group is INR. The Foreign currency in which these transactions are primarily denominated is USD.

Currency risks related to the principal amounts of the Group's USD loans, have been fully hedged using forward contracts that mature on the same dates as the loans are due for repayment.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Group's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management is as follows:

Particulars	31 March 2026		31 March 2025	
	INR	USD	INR	USD
Subordinated liabilities	-	-	-	-
Swap Contract	-	-	-	-
Net exposure in respect of recognised assets and liabilities	-	-	-	-

Sensitivity analysis

A reasonably possible strengthening (weakening) of INR and USD against all currencies at 31 March would not have any affect on measurement of financial instruments denominated in foreign currency as the exposure is hedged.

	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2026 USD (1% movement)	-	-	-	-
31 March 2025 USD (1% movement)	-	-	-	-

(ii) Interest rate risk

The Groups maximum interest rate exposure is at a fixed rate. This is achieved mostly by entering into fixed rate instruments and partly by borrowing at a floating rate.

Exposure to interest rate risk

The interest rate profile of the Group's interest-bearing financial instruments as reported to the management is as follows:

Particulars	31 March 2026	31 March 2025
Fixed rate instruments		
Financial assets	2,56,686.76	2,57,929.65
Financial liabilities	2,64,370.11	2,53,667.23
Variable rate instruments		
Financial assets	19,780.10	9,439.99
Financial liabilities	-	-

Fair value sensitivity analysis for fixed rate instruments

A reasonably possible change of 100 basis points in interest rate at the reporting date would have increased or decreased profit or loss before tax by INR (3,224.92) million (31 March 2025: INR 1493.10 million). This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Cash flow sensitivity analysis for variable rate instruments

A reasonably possible change of 100 basis points in interest rate at the reporting date would have increased or decreased equity and profit or loss by the amounts shown below.
This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Profit or loss before Tax		Equity, net of tax	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
31 March 2026				
Variable rate instruments	19, 780. 10	19,780.10	14,801.85	14,801.85
Cash flow sensitivity (net)	197. 80	(197. 80)	148.02	(148. 02)
31 March 2025				
Variable rate instruments	9,439.99	9,439.99	7,064.13	7,064.13
Cash flow sensitivity (net)	**94. 40**	**(94 . 40)**	**70.64**	**(70. 64)**

D. Legal and operational risk

(i) Legal risk

"Legal risk is the risk relating to losses due to legal or regulatory action that invalidates or otherwise precludes performance by the end user or its counterparty under the terms of the contract or related netting agreements.

The group had engaged the services of a Legal Consultant for addressing legal matters pertaining to the Bank", including vetting of agreements entered into by the group. The group also availed the services of Legal firms / Legal Counsels, wherever warranted. The group also has a system in place to respond to legal and statutory notices.

There were 3 cases pending against the Bank aggregating INR 3.44 million (31 March 2025 :INR 30.29 million)

The group has since appointed Head – Legal in April 2019 and at present Legal Department is functioning with Head-Legal, one AVP (Legal) and three Senior Executive. The group also has a team of Officers with legal background in its Retail Assets Collection Team for filing of cheque bounce cases u/s 138 of N.I Act and initiating arbitration / civil proceedings wherever required."

(ii) Operational

Operational risk is the exposure to loss resulting from inadequate or failed internal processes, people and systems, or from external events. The Company has clearly defined operations procedures for each of its products and services. It also has advanced computer systems that enable it to run operations with speed and accuracy.

The operation risk department under risk department operates independently from other units of the group and reports directly to the Risk Management Committee of the Board. It conducts regular reviews of all business areas of the group and reports control deficiencies and exceptions to the Company's policies and procedures. It also recommends measures to mitigate operational risk, which are implemented by management immediately.

The group also has a contingency plan to take care of any failure of its computer systems. Regular backups are made for all important datasets, and stored outside the group's premises. This ensures that in case of any system failure, the group will be able to continue its operations without losing critical data or business transactions. As part of its disaster recovery plan, the group has established a back-up site which would and operate during an emergency.

The group has a specific Business Continuity Plan ("BCP") unit. The main objective of the BCP is to ensure that in the event of full or partial disaster which includes Pandemic, the group is well set to be able to continue providing essential services to customers, minimizing any adverse effects on the group's business, through business impact analysis, business restoration.

The Group is using various tools under operational risk for monitoring operational risk such as conducting risk & control self assessments, capturing operational loss data and monitoring of KRIs.

42 Capital management

The basic approach of capital adequacy framework is that, a financial institution should have sufficient capital to absorb shocks on account of any unexpected losses arising from the risks in its business.

As per RBI guidelines, the Group is required to maintain a minimum capital to risk weighted asset ratio. Capital management entails optimal utilization of scarce capital to meet extant regulatory capital requirements. UCIL has put in place an appropriate Risk Appetite framework and computes its capital requirements and adequacy as per extant regulatory guidelines.

i. The Group maintains minimum capital to risk weighted asset ratio entity wise for all the entities forming part of the group and accordingly manage the capital requirements among all the entities in the group.

ii. Capital allocation

The amount of capital allocated to each operation or activity is undertaken with the objective of minimisation of return on the risk adjusted capital. Allocation of capital is to various lines of business basis annual business plan drawn at the beginning of the year. Various consideration for allocating capital include synergies with existing operations and activities, availability of management and other resources, and benefit of the activity with the Group's long term strategic objectives.

43 Details of financial assets sold to Asset Reconstruction Company

Particulars	During the year ended March 31, 2026	During the year ended March 31, 2025
No. of accounts *	4,28,864	1,24,728
Aggregate principal outstanding of loans transferred * (on the date of transfer)	15,150	3,545
Net book value of loans transferred (at the time of transfer)	920	667
Aggregate Consideration	2,067	520
Additional consideration realized in respect of accounts transferred in earlier years	-	-

* includes transfer of 2 accounts having principal outstanding as on September 30, 2025 ₹240.00 millions for which consideration received was ₹114.00 millions and transfer of 428862 accounts having principal outstanding as on December 31, 2025 ₹14909.96 millions for which consideration received was ₹1952.90 millions.

The group has received Security Receipts (SRs) amounting to ₹1029.18 millions as part of the consideration for transfer of stress loans to ARC. Investment in SR has been fully provided and the resultant fair value loss has been recognised in Note 24 - Net loss on fair value changes.

44 Amounts payable to Micro and Small enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 that came into force from 02 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. The above is based on the information available with the Group, which has been relied upon by the statutory auditors.

Particulars	As at 31 March 2026	As at 31 March 2025
a. Principal amount due to suppliers under MSMED Act, 2006	264.25	101.3 8
b. Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-	-
c. Payment made to suppliers (other than interest) beyond the appointed day during the year d.	59.52	183.86
Interest paid to suppliers under MSMED Act (Section 16)	-	-
e. Interest due and payable towards suppliers under MSMED Act for payments already made	0.68	2.05
f. Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act (including interest mentioned in (e) above)	0.68	2.05

45 Details of corporate social responsibility expenditure

Particulars	As at 31 March 2026	As at 31 March 2025
Corporate Social Responsibility expenses for the period*	84.60	85.50
Various Head of expenses included in above:		
Note 29: Other expenses: Contribution towards Corporate Social Responsibilities	68.80	76.28
Gross amount required to be spent by the Group during the year.	15.80	9.22
Amount spent during the year on:		
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	68.80	76.28
Details of related party transactions (Utkarsh Welfare Foundation)	84.60	85.50
Provision for CSR Expenses		
Opening Balance	-	-
Add: Provision created during the period	84.60	85.50
Less: Provision utilised during the period	68.80	76.28
Closing Balance	15.80	9.22
The amount of shortfall at the end of the year out of the amount required to be spent by the Group during the year	15.80	9.22
The total of previous years' shortfall amounts	9.30	1.59
The reason for above shortfalls by way of a note	-	-
The nature of CSR activities undertaken by the Group	CSR activities undertaken as per scheduleVII under section 135 on thematic areas of Health, Education and Livelihoods and Entrepreneurship development.	CSR activities undertaken as per scheduleVII under section 135 on thematic areas of Health, Education and Livelihoods and Entrepreneurship development.

As per Section 135 of the Companies Act 2013, the Company has formed a CSR Committee of the Board of Directors. The CSR Committee has also approved a CSR Policy where certain focus areas out of list of activities covered in Schedule VII of the Companies Act 2013, has been identified.

46 Interest in other entities

a) Interest in subsidiaries

i. The group's subsidiaries at 31 March 2026 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of entity	Country of incorporation	Ownership held by the group		Ownership interest held by non-controlling interests		Principle activities
		31 March 2026	31 March 2025	31 March 2026	31 March 2025	
Subsidiaries						
Utkarsh small finance bank	India	42.67%	68.92%	57.33%	31.08%	Small finance bank

ii. Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Summarised balance sheet

Particulars	Utkarsh Small Finance Bank Ltd.	
	As at 31 March 2026	As at 31 March 2025
Total Assets	2,90,018.15	2,78,354.41
Total Liabilities	2,64,504.65	2,53,893.84
Net Assets	**25,513.50**	**24,460.56**

Summarised statement of profit and loss

Particulars	Utkarsh Small Finance Bank Ltd.	
	For the year ended 31 March 2026	For the year ended 31 March 2025
Revenue from operation	36,748.85	38,894.06
Profit for the year	(8,462.58)	(4,145.99)
Other Comprehensive income	(8.41)	25.41
Total Comprehensive income	(8,470.99)	(4,120.58)
Total Comprehensive income attributable to non controlling interest	(3,524.58)	(1,090.06)

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

b) Additional disclosure under Schedule III of Companies Act 2013.

Name of the Entity	Net assets		Share in profit or Loss		Share in other comprehensive income		Share in total comprehensive income	
	% of Consolidated net assets	Amount (in millions)	% of Consolidated profit or loss	Amount (in millions)	% of Consolidated profit or loss	Amount (in millions)	% of Consolidated profit or loss	Amount (in millions)
Parent Company								
31-Mar-26	33.00%	8,649.21	-0.94%	79.05	0.24%	(0.02)	-0.94%	79.03
31-Mar-25	34.15%	8,565.39	-7.17%	302.7	-0.43%	(0.11)	-7.21%	302.59
31-Mar-24	29.25%	8,514.69	0.44%	14.45	-0.13%	(0.32)	0.40%	14.13
Utkarsh small finance bank								
31-Mar-26	97.33%	25,513.50	100.94%	(8,462.58)	99.74%	(8.41)	100.94%	(8,470.99)
31-Mar-25	97.52%	24,460.56	98.18%	(4,145.99)	100.45%	25.41	98.16%	(4,120.57)
31-Mar-24	98.05%	28,542.91	99.56%	3,283.94	100.13%	243.16	99.60%	3,527.10
Non-controlling interest								
31-Mar-26	55.98%	14,675.21	42.00%	(3,521.09)	41.50%	(3.50)	42.00%	(3,524.58)
31-Mar-25	31.11%	7,803.12	25.97%	(1,096.78)	26.57%	6.72	25.97%	(1,090.06)
31-Mar-24	30.51%	8,881.78	26.10%	860.77	26.25%	63.74	26.11%	924.50
Consolidation/other adjustments								
31-Mar-26	-86.31%	(22,624.41)	-42.00%	3,521.10	-41.48%	3.50	-42.00%	3,524.59
31-Mar-25	-62.78%	(15,746.81)	-16.98%	717.12	-26.59%	(6.73)	-16.92%	710.40
31-Mar-24	-57.81%	(16,828.52)	-26.10%	(860.81)	-26.24%	(63.73)	-26.11%	(924.54)
Total								
31-Mar-26	100.00%	26,213.51	100.00%	(8,383.52)	100.00%	(8.43)	100.00%	(8,391.95)
31-Mar-25	100.00%	25,082.26	100.00%	(4,222.95)	100.00%	25.3	100.00%	(4,197.65)
31-Mar-24	100.00%	29,110.86	100.00%	3,298.35	100.00%	242.84	100.00%	3,541.19

47 Lease as lessee

The group has taken various premises on lease for undertaking its banking and allied business.

Following are the changes in the carrying values of right of use assets:

Particulars	Category of ROU Assets		
	Premises	ATM Machines	Core Banking software
Balance as at 31 March 2024	2,241.32	51.09	-
Additions	1,275.13	17.00	-
Disposals	-	1.06	-
Depreciation	588.44	14.53	-
Balance as at 31 March 2025	2,928.01	52.51	-
Additions	46.50	-	-
Disposals	-	123.65	-
Depreciation	602.66	(72.47)	-
Balance as at 31 March 2026	**2,371.85**	**1.33**	-

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of profit and loss.

The following is the movement in lease liabilities:

Particulars	Lease liabilities
Balance as at 31 March 2024	2,716.73
Addit ions	1,275.61
Finance cost accrued during the period	289.63
Payment of lease liabilities	(828.55)
Balance as at 31 March 2025	3,453.41
Addit ions	43.59
Finance cost accrued during the period	271.64
Payment of leaseliabilities	(924.82)
Balance as at 31 March 2026	**2,843.82**

The table below provides details regarding the contractual maturities of lease liabilities as at 31 March 2026 and 31 March 2025 on an undiscounted basis:

Particulars	As at 31 March 2026	As at 31 March 2025
Less than one year 750.72 8 64.67 One to five years 2 ,239.02 2 ,488.78 More than five years 632.88 9 37.94		

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.
Rental expense recorded for short-term leases was Nil for the year ended 31 March 2026 (31 March 2025: INR 11.76 million).

48 Update on Reverse Merger :

As per the SFB Guidelines and RBI Clarifications read with the RBI Acquisition Directions, the promoter (in this case, 'UCL' or 'Transferor Company') of a small finance bank (in this case 'USFBL' or 'Transferee Company') is required to reduce its equity shareholding stake in the small finance bank to 40% within a period of 5 (five) years from the date of commencement of business operations by the small finance bank. Thereafter, the promoter's equity stake in such small finance bank is required to be further brought down to 26% within a period of 15 (fifteen) years from the date of commencement of business operations by the small finance bank.

Further, as per the RBI Clarifications, the promoter may elect to exit, or cease to be a promoter of a small finance bank after expiry of 5 (five) years from the date of commencement of business operations by the small finance bank depending upon the RBI's regulatory and supervisory comfort and regulations issued by Securities and Exchange Board of India ("SEBI"). In view of the foregoing, and pursuant to Direction 7.1 of the RBI Acquisition Directions, the Board of Directors of both the Transferor Company and the Transferee Company have, considering the option of such a reverse merger to be the most efficient mode of ensuring compliance with the RBI mandated dilution requirements, granted an in-principle approval to such proposed reverse merger on February 13, 2024 and March 14-16, 2024 respectively.

The Scheme has been formulated in view of the above, and consequent to the amalgamation as contemplated under the Scheme, and dissolution of the Transferor Company, the Transferor Company's shareholding in the Transferee Company would be reduced to nil and since none of the shareholders of the Transferor Company will qualify as a promoter of the Transferee Company, the Scheme will result in compliance with dilution requirements under the SFB Guidelines and the RBI Acquisition Directions.

Apropos the above, the Board of Directors of both the Transferor Company and the Transferee Company provided final approval to the scheme on September 20, 2024 and the scheme has been submitted to RBI on September 30, 2024 and the stock exchanges i.e. BSE and NSE on October 01, 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 Companies have received 'No Objection' from the stock exchanges i.e. BSE and NSE on July 04, 2025 and July 07, 2025 respectively to the proposal and to proceed with amalgamation of "Utkarsh CoreInvest Limited (UCL) with Utkarsh Small Finance Bank Limited (USFBL)" in accordance with compliance to all applicable statutory and regulatory requirements.

Apropos the above, the Companies have filed the application with Hon'ble NCLT on December 26, 2025 for their review and approval. The Hon'ble NCLT has passed its order dated Feb 11, 2026 directing the companies as under:

'(1) UCL i.e. Transferor Company to convene its shareholders' meeting on March 28, 2026.
'(2) USFBL i.e. Transferee Company to convene its shareholders' and unsecured creditors' meeting on March 28, 2026.

Notices towards convening the meetings have been sent by both the Companies as per order.

Further, post conducting the shareholders' and unsecured creditors' meeting, the Companies received the Scrutinizer's Report on March 31, 2026, confirming that the results of the e voting process were in favour of the approval of the Scheme of Amalgamation of Utkarsh CoreInvest Limited (UCL) with Utkarsh Small Finance Bank (the Bank). Subsequently, the Chairperson's Report was filed before the Hon'ble NCLT, Allahabad Bench, Prayagraj, on April 02, 2026.

Subsequently, the Second Motion Petition has been filed by both the companies, i.e., the Transferor Company (Utkarsh CoreInvest Limited) and the Transferee Company (Utkarsh Small Finance Bank), on April 05, 2026, before the Hon'ble National Company Law Tribunal (NCLT), Allahabad Bench at Prayagraj.

49 Update on Right Issue of Banking Subsidiary i.e. Utkarsh Small Finance Bank Limited (USFBL):

Subsequent to FY 2025-26, the Banking Subsidiary i.e. Utkarsh Small Finance Bank Limited (USFBL) raised funds amounting to Rs. 9490.8 mn. through Rights Issue. Since, the Company chose not to participate in the Rights Issue, hence, there has been a change in shareholding of UCL in USFBL from 68.92% to 42.67% as at November 04, 2025. The company has evaluated the impact of change in shareholding on financial statements of the Company and is of the view that since there is no change in control / rights / voting power of the Company in USFBL, hence, USFBL shall continue to be treated as the Subsidiary of the Company.

50 Disclosure for New Labour Codes 2025:

The Group has taken actuarial valuation for gratuity and leave basis the "New Labour Codes 2025" and the impact for the same has been considered in the financials of the Company for the year ended March 31, 2026

Utkarsh CoreInvest Limited
Consolidated Balance Sheet As at 31 March 2026
(All amounts are in Rupees millions unless otherwise stated)

51 Expected credit loss (ECL) impairment provision - Loans

2025-26

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	109 (4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,72,019.14	2,185.07	1,69,834.07	579.30	1,605.77
	Stage 2	6,826.58	1,195.41	5,631.16	-	1,195.41
	Stage 3	-	-	-	-	
Subtotal		1,78,845.71	3,380.48	1,75,465.25	579.30	2,801.18
Non-Performing Assets (NPA)						
Substandard	Stage 3	13,471.16	7,366.67	6,104.49	7,903.91	(537.24)
Doubtful - upto 1 year	Stage 3	789.10	440.04	349.06	447.24	(7.20) (43.41)
1 - 3 years	Stage 3	188.34	144.93	43.41	188.34	
more than 3	Stage 3	26.84	26.84	-	26.84	-
Subtotal for Doubtful		1,004.28	611.82	392.47	662.42	(50.61)
Loss	Stage 3	123.56	123.56	-	123.56	-
						-
Other items such as guarantees, loan commitments, etc. which are in the scope ofInd AS 109 but not covered	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		-	-	-	-	
Total	Stage 1	1,72,019.14	2,185.07	1,69,834.07	579.30	1,605.77
	Stage 2	6,826.58	1,195.41	5,631.16	-	1,195.41
	Stage 3	14,599.00	8,102.05	6,496.96	8,689.89	(587. 84)
	Total	1,93,444.71	11,482.53	1,81,962.20	9,269.19	2,213.34

2024-25

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	109 (4)	(5)=(3)-(4)	(6)	(7) = (4)-(6)
Performing Assets						
Standard	Stage 1	1,68,545.30	2,035.17	1,66,510.13	780.92	1,254.25
	Stage 2	7,743.00	1,740.85	6,002.15	-	1,740.85
	Stage 3					
Subtotal		1,76,288.30	3,776.02	1,72,512.28	780.92	2,995.10
Non-Performing Assets (NPA)						
Substandard	Stage 3	19,594.46	11,979.46	7,615.01	8,927.00	3,052.46
Doubtful - upto 1 year	Stage 3	350.59	214.34	136.25	226.00	(11.66)
1 - 3 years	Stage 3	371.40	230.32	141.08	338.00	(107.68)
more than 3	Stage 3			-		-
Subtotal for Doubtful		721.99	444.65	277.33	564.00	(119. 35)
Loss	Stage 3	-	-	-	-	-
Other items such as guarantees, loan commitments, etc. which are in the scope ofInd AS 109 but not covered	Stage 1	1,075.19	10.26	1,064.93	-	10.26
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
Subtotal		1,075.19	10.26	1,064.93	-	10.26
Total	Stage 1	1,69,620.49	2,045.43	1,67,575.06	780.92	1,264.51
	Stage 2	7,743.00	1,740.85	6,002.15	-	1,740.85
	Stage 3	20,316.45	12,424.11	7,892.34	9,491.00	2,933.11
	Total	1,97,679.94	16,210.39	1,81,469.55	10,271.92	5,938.47

52 The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current year.

53 The title deeds of immovable properties included in property, plant and equipment (other than properties where the Group is the lessee and the lease agreements are duly executed in favor of the lessee) and intangible assets are held in the name of the Group.

54 No proceedings have been initiated on or are pending against the Group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

55 The Group has granted loans to KMPs of promoter company after approval of Board and at arm's length amounting to Rs 1.36 Million.

56 The Group has obtained various borrowings from banks/ FI on basis of security of current assets wherein the quarterly returns/ statements of current assets as filed with banks/ FI are in agreement with the books. The Group has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date. The Group is not declared as willful defaulter by any bank or financial Institution or other lender as at 31 March 2026. The group has secured borrowings. All secured term loans were secured by way of exclusive charge on the standard assets portfolio receivables pertaining to micro credit loans and cash collateral as per the respective agreements. The borrowing of the group comprised of Tier II and Refinance as on 31st March 2026 - Tier II INR 5,011.24 million & Refinance INR 23,378.81 million. Tier II is towards mostly for capital augmentation while refinance is to obtain longer term funds at competitive pricing for asset growth.

57 a) The Group has not advanced / loaned / invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(I) directly or indirectly lend / invest in other person or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries)
(II) Provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(b) The Group has not received any fund from any party(s) (Funding Party) with the understanding that the Group shall:
(I) directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Group ("Ultimate Beneficiaries")
(II) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

58 No transactions have taken place with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

59 There are no charges which are yet to be registered with the Registrar of Companies beyond the statutory period.

60 The Group does not have any number of layers prescribed u/s (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017. There are no Scheme of Arrangements that has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013 as at 31 March 2026.

61 There is no income surrendered or disclosed as income during the current year or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

62 No crypto / virtual currency was traded/ invested during the current year. No deposits / advances were received from any person for the purpose of trading / investing in crypto currency during the current year or previous year.

63 The Group has reported frauds amounting to Rs. 26.73 million (previous year: Rs. 44.2 million) based on management reporting to Risk Committee and to RBI through prescribed returns. The nature of fraud involved is misappropriation of funds, fraudulent encashment/manipulation of books of accounts.

64 Previous years figures have been regrouped, reclassified wherever considered necessary to conform to the classification/disclosure requirements adopted in the current year.

for DMKH & Co.
Chartered Accountants
ICAIFirmRegistrationNo. 116886W/066580

Manish Kankani
Partner
Membership No: 158020

Place: Mumbai
Date: August 29, 2026

for and on behalf of Board of Directors of
Utkarsh CoreInvest Limited
CIN: U65191UP1990PLC045609

Suman Saurabh
Managing Director and CEO
DIN: 07132387

G.S. Sundararajan*
Chairperson
DIN: 00361030

Neeraj Kumar Tiwari
Company Secretary
FCS:12101

Harshit Agrawal
Chief Financial Officer
ACA: 417412

Place: Varanasi & Chennai*
Date: August 29, 2026

1. Reporting entity

Utkarsh Coreinvest Limited ("the Company' or 'Holding Company") is domiciled in India. The Company is having its registered office at Varanasi. The Company was formerly known as Utkarsh Micro Finance Limited and got the name changed to Utkarsh CoreInvest Limited w.e.f. 11 October 2018.

The Company together with its subsidiary Utkarsh Small Finance Bank Limited ('the Bank or 'SFB') are collectively referred to as"the Group". The Group has been engaged in the business of micro finance and banking operations as further explained below.

The holding company was primarily engaged in the business of micro finance, following group lending methodology and providing small value unsecured bank loans to lower income group of below poverty line('BPL') in urban and rural areas. The tenure of these loans was generally spread over a period of upto 2 years. During the financial year 2016-17, the Company executed a business transfer agreement with its subsidiary Company 'Utkarsh Small Finance Bank Limited' ('USFB') and transferred all its assets and liabilities (except certain statutory assets, vehicle and statutory liabilities). Accordingly, the business of micro finance was also transferred to USFB.

On 3 May2018, the RBI has granted its approval to the Holding Company for carrying on the business of a Non-Deposit taking-Systemically Important Core Investment Company (CIC-ND-SI) under the Certificate No C.07.00781.

2. Material accounting policies

a. Basis of preparation of consolidated financial statements

i. Statement of compliance

The Consolidated financial statements of the Company have been prepared in accordance with the Ind AS 110- 'Consolidated Financial Statements' as prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules as amended from time to time.

The financial statements of the Subsidiary companies used in the consolidation are drawn up to the same reporting date as of the Company i.e. year ended March 31, 2026 and are prepared based on the accounting policies consistent with those used by the Company.

These consolidated financial statements were authorised for issue by the Group's Board of directors on August 29 2026.

Subsidiary considered in the consolidated financial statements

Name of the Subsidiary	Country of incorporation	Percentage of holding	
		31 March 2026	31 March 2025
Utkarsh Small Finance Bank Limited	India	42.67%	68.92%

The Group has consistently applied accounting policies to all periods.

ii. Basis of measurement

The consolidated financial statements have been prepared on a historical cost basis, except for the following material items:

- Financial assets at FVTOCI that is measured at fair value.
- Financial instruments at FVTPL that is measured at fair value.
- Financial instruments measured at amortised cost
- Net defined benefit (asset)/ liability - fair value of plan assets less present value of defined benefit obligation.

iii. Principles of Consolidation

Subsidiary are all entities over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiary are fully consolidated from the date on which control is transferred to the group.

The group combines the consolidated financial statements of the parent and its subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

iv. Functional and presentation currency

These consolidated financial statements are presented in Indian Rupee (INR), which is the Group's functional currency. All amounts have been rounded to the nearest million rupees, unless otherwise stated.

v. Use of judgements and estimates

In preparing these consolidated financial statements, management has made judgments, estimates and assumptions that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of these consolidated financial statements are prudent and reasonable. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the Consolidated financial statements have been given below:

- Note 49 – Measurement of lease liabilities and right of use assets

- Note 40 - classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the Consolidated financial statements for the every period ended is included below:

- Note 34 - Measurement of defined benefit obligations: key actuarial assumptions;
- Note 7- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Note 8-9- Useful life and residual value of property, plant and equipment and intangible assets
- Note 31- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- Note 40 – Fair value measurement of financial instruments
- Note 41 – Impairment of financial assets: key assumptions in determining the average loss rate

b. Revenue Recognition

i. Interest income from financial assets is recognised on an accrual basis using Effective Interest Rate ('EIR') method. The EIR is the rate that exactly discounts the estimated future cash receipts through the expected life of the financial instrument or a shorter period, where appropriate to the net carrying amount of the financial asset. The EIR is computed basis the expected cash flows by considering all the contractual terms of the financial instrument. The calculation includes all fees, transaction costs, and all other premiums or discounts paid or received between parties to the contract that are an integral part of the effective interest rate.

ii. The interest revenue continues to be recognised at the original EIR applied on the gross carrying amount for financial assets (when the asset is not credit impaired). However, for the financial assets that have become credit impaired subsequent to the initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

iii. For financial assets that were credit impaired on initial recognition, interest income is calculated by applying the credit-adjusted effective interest rate to the amortised cost of the financial asset.

iv. Dividend is accounted on an accrual basis when the right to receive the dividend is established.

v. Income from interest on deposits and interest bearing securities is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate.

vi. Any differences between the fair values of financial assets classified as fair value through the profit or loss, held by the Company on the balance sheet date is recognised as an unrealised gain/loss. In cases there is a net gain in the aggregate, the same is recognised in "Net gains on fair value changes" and if there is if there is a net loss the same is disclosed under "Expenses" in the statement of profit and loss under. Similarly, any realised gain or loss on sale of financial instruments measured at FVTPL and debt instruments measured at FVOCI is recognised in net gain / loss on fair value changes.

vii. All other fees are accounted for as and when they become due.

c. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments also include derivative contracts such as foreign exchange forward contracts, embedded derivatives in the host contract, etc.

Financial assets

Initial recognition and measurement

The Group initially recognises loans and advances on the date on which they are originated. All other financial assets are recognised on the trade date, which is the date on which the Group becomes a party to the contractual provision of the instrument.

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Classificationand subsequent measurement

Classifications

The Group classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the Group's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realizing cash flows through the sale of the assets
- How the performance of the portfolio is evaluated and reported to the Company's key management personnel.
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected).
- The frequency, volume, and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Company's stated objective for managing the financial assets is achieved and how cash flows are realized.

- The risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed.

Assessment whether contractual cash flows are solely payments of principal and interest
For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition.

Debt instruments at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- It is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from ECL impairment are recognised in the profit or loss.

Financial assets at fair value through Other Comprehensive Income (FVTOCI)

A financial asset is measured at FVTOCI only if both of the following conditions are met:

- It is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets.
- The contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at fair value with changes in fair value recognised in other comprehensive income (OCI). Interest income is recognised basis EIR method and the losses arising from ECL impairment are recognised in the profit or loss.

Financial assets measured at fair value through profit and loss (FVTPL)
Any financial asset, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

Financial assets included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss.

Reclassification of financial assets

Financial assets are not reclassified after their initial recognition, except in the period the Bank changes its business model for managing financial assets.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Group's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset

When the Group has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. If the Group evaluates that substantial risk and reward have not been transferred, the Group continues to recognise the transferred asset. If the Group evaluates that substantial risk and rewards are neither transferred nor retained and the control of the asset is also not transferred, the Group continues to recognise the transferred asset to the extent of the Group's continuing involvement. In that case, the Group also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised in profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL or amortised cost, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of amortised cost, net of directly attributable transaction costs.

Classification and subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial Liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Financial liabilities designated at FVTPL

When a financial liability contract contains one or more embedded derivative, the Company may designate the entire hybrid contract as at fair value through profit and loss unless:

- the embedded derivative(s) do(es) not significantly modify the cash flows that otherwise would be required by the contract; or

- it is clear with little or no analysis when a similar hybrid instrument is first considered that separation of the embedded derivative(s) is prohibited, such as a prepayment option embedded in a loan that permits the holder to prepay the loan for approximately its amortised cost.

The fair valuation change on the liabilities subsequently measured at fair value through profit and loss account is recognised in profit and loss account except the changes in the liablity's credit risk which is recognised in 'Other Comprehensive Income'

Derecognition of financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.
Modifications of financial assets and financial liabilities

Financial assets

If the terms of a financial asset are modified, the Group evaluates whether the cash flows of the modified asset are substantially different. If the cash flows are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognised and a new financial asset is recognised at fair value.

If the cash flows of the modified asset carried at amortised cost are not substantially different, then the modification does not result in derecognition of the financial asset. In this case, the Group recalculates the gross carrying amount of the financial asset and recognises the amount arising from adjusting the gross carrying amount as a modification gain or loss in profit or loss. If such a modification is carried out because of financial difficulties of the borrower, then the gain or loss is presented together with impairment losses. In other cases, it is presented as interest income.

Financial liabilities

The Group de-recognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different. In this case, a new financial liability or equity based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability or equity recognized with modified terms is recognised in profit or loss or in other equity in case the same is a transaction with the shareholders.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously ('the offset criteria').

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Group has access at that date. The fair value of a liability reflects it non-performance risk.

When one is available, the Group measures the fair value of an instrument using the quoted price in an active market for that instrument. A market is regarded as active if transactions for the asset or liability take place with sufficient frequency and volume to provide pricing information on an ongoing basis.

If there is no quoted price in an active market, then the Group uses valuation techniques that maximise the use of relevant observable inputs and minimise the use of unobservable inputs. The valuation technique incorporates all of the factors that market participants would take into account in pricing a transaction.

The best evidence of the fair value of a financial instrument on initial recognition is normally the transaction price i.e. the fair value of consideration given or received. If the Group determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market nor based on a valuation technique for which any unobservable inputs are judged to be insignificant in relation to measurement, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value and the transaction price. Subsequently, that difference is recognised in profit or loss on an appropriate basis over the life of the instrument.

d. Impairment of Financial Assets

Impairment of financial instruments

The Group recognises impairment allowances for ECL on all the financial assets that are not measured at FVTPL:

- Financial assets that are debt instruments
- Loan commitment issued

No impairment loss is recognised on equity investments

ECL are probability weighted estimate of credit losses. They are measured as follows:

- Financial assets that are not credit impaired – as the present value of all cash shortfalls that are possible within 12 months after the reporting date.
- Financial assets with significant increase in credit risk but not credit impaired – as the present value of all cash shortfalls that result from all possible default events over the expected life of the financial asset.
- Financial assets that are credit impaired – as the difference between the gross carrying amount and the present value of estimated cash flows.
- Undrawn loan commitments – as the present value of the difference between the contractual cash flows that are due to the Group if the commitment is drawn down and the cash flows that the Group expects to receive

With respect to trade receivables and other financial assets, the Group measures the loss allowance at an amount equal to lifetime expected credit losses.

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets. For financial assets at FVTOCI, the loss allowance is recognised in statement of profit and loss.

e. Foreign Currency transactions and balances

Holding Company

Foreign currency transactions are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognised in the Statement of Profit and Loss. Non-monetary assets are recorded at the rates prevailing on the date of the transaction.

Banking company in the group

Transactions denominated in foreign currency are recorded at exchange rates prevailing on the date of the transactions. Exchange differences arising on foreign currency transactions settled during the year are recognised in the statement of Profit and Loss account. Income and Expenditure items are translated at the rates of exchange prevailing on the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the Balance Sheet date based on exchange rates notified by Foreign Exchange Dealers' Association of India ('FEDAI') and the resultant exchange differences are recognized in the statement of Profit and Loss.

f. Property, Plant and Equipment (PPE)

Initial Measurement

Property, plant and equipment are stated at cost less accumulated depreciation as adjusted for impairment, if any.
If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate items (major components) of property, plant and equipment. Any gain on disposal of property, plant and equipment is recognised in statement of Profit and loss.

Leasehold improvements are amortised on straight line basis over the primary period of the lease or the estimated useful life of the assets, whichever is lower.

The Company has elected to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used it as its deemed cost as at the date of transition.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Impairment

Carrying amounts of cash generating assets are reviewed at each Balance Sheet date to determine whether there is any impairment. Impairment loss, if any, is recognised in the statement of Profit and Loss whenever the carrying amount exceeds the recoverable amount.

Depreciation

Depreciation is provided as per straight-line method from the date of addition over the estimated useful life of the asset. The Group has carried out a technical assessment of the useful life of its assets taking into account changes in environment, changes in technology, the utility and efficacy of the asset in use. If the management's estimate of the useful life of a property, plant and equipment at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter, then the depreciation is provided at a higher rate based on management's estimate of the useful life/remaining useful life. The management believes that depreciation rates currently used, fairly reflect its estimate of the useful lives and residual values of property, plant and equipment which are in accordance with lives prescribed under Schedule II of Companies Act, 2013.

Assets	Estimated useful life (in Years)
Vehicles	8 years
Computers	3 years
Leasehold improvement	As per the lease term.
Office equipment	5 years
Electrical equipment	10 years
Furniture and fixtures	10 years
Generator	10 years
Land	-
Building	60 years

Improvements and installations of capital nature on the leasehold property are depreciated over the primary lease term.

Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

De-recognition

Property, plant and equipment is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is de-recognised. Depreciation on assets sold during the year is recognised on a pro-rata basis to the statement of profit and loss upto the date of sale.

Capital Work in Progress

Capital work in progress includes cost of fixed assets that are not ready for their intended use.

g. Intangible assets

Initial Measurement

Intangible assets that are acquired by the Group are measured initially at cost and are stated at cost less accumulated depreciation as adjusted for impairment, if any.

The Company has elected to continue with the carrying value for all of its intangible assets as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and used it as its deemed cost as at the date of transition.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

Impairment

The Group assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Group estimates the recoverable amount of the asset. An asset's recoverable amount is the higher of an asset's net selling price and its value in use. If such recoverable amount of the asset is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of Profit and Loss. If at the Balance Sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

Amortisation

Intangible assets are amortised in the statement of profit and loss over their estimated useful lives from the date they are available for use based on the expected pattern of consumption of economic benefits

of the asset. Intangible assets are amortised on straight line basis. Computer software are amortised on straight line basis over their estimated useful life of three years.

Amortisation methods and useful lives are reviewed in each financial year end and changes, if any, are accounted for prospectively.

De-recognition

Intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use. Any gain or loss arising on de-recognition of the asset is recognised in other income / expense in the statement of profit and loss in the year the asset is de-recognised. Amortisation on assets sold during the year is recognised on a pro-rata basis to the statement of profit and loss upto the date of sale.

h. Leases

The Group's lease asset classes primarily consist of leases for ATMs, Software and buildings. The Group, at the inception of a contract, assesses whether the contract is a lease or not lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a time in exchange for a consideration. This policy has been applied to contracts existing and entered into on or after 01 April 2019.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received. The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the Group's incremental borrowing rate. The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or less and leases of low-value assets. The Group recognises the lease payments associated with these leases as an expense over the lease term.

Employee benefits

i. Short term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

ii. Share-based payment arrangements

Utkarsh CoreInvest Ltd. has formulated an Employees Stock Option Scheme to be administered through a Trust. The scheme provides that subject to continued employment with the Group, the employees are granted an option to acquire equity shares of the Holding Company that may be exercised within a specified period.

The grant-date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an expense, with a corresponding increase in equity, over the vesting

period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date.

Parent Company is the grantor of its equity instrument for all share options provided to the employee of the Bank. The Bank reimburses the parent company for the equity-settled share-based payment arrangements granted to the employees of the Bank

iii. Defined contribution plans

Obligations for contributions to defined contribution plans are expensed as the related service is provided. The Group has following defined contribution plans:

Provident Fund

The Group contributes to mandatory government administered provident funds which are defined contribution schemes as the Group does not carry any further obligation, apart from the contributions made on a monthly basis. The contributions are accounted for on an accrual basis and recognised in the statement of Profit and Loss

iv. Defined benefit plans

The Group's net obligation in respect of gratuity is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income. Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

v. Other long-term employee benefits

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The group's net obligation in respect of other long-term employee benefits of accumulating compensated absences is the amount of future benefit that employees have earned in return for their service in the current and prior periods. That benefit is discounted to determine its present value. The obligation is measured annually by a qualified actuary using the projected unit credit method. Re-measurements are recognized in profit or loss in the period in which they arise.

j. Taxes

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date.

Current tax assets and liabilities are offset only if, the Group:

- has a legally enforceable right to set off the recognised amounts; and
- intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit nor loss.

Deferred tax assets are recognised for deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised; such reductions are reversed when the probability of future taxable profits improves.

Unrecognised deferred tax assets are reassessed at each reporting date and recognised to the extent that it has become probable that future taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if:

- the entity has a legally enforceable right to set off current tax assets against current tax liabilities; and
- the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

k. Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, balances with RBI, balances with other banks and money at call and short notice.

Cash and cash equivalents are carried at amortised cost in the statement of financial position.

l. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The board of directors of the Group has been identified as the chief operating decision maker for the Group.

m. Earnings Per share

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

n. Provision, Contingent Liabilities and Contingent Assets

The Group creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate of the amount of the obligation can be made. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A disclosure for Contingent Liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

The provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. Where an inflow of economic benefits is probable, an entity shall disclose a brief description of the nature of the contingent assets at the end of the reporting period, and, where practicable, an estimate of their financial effect.

Contingent assets are not recognised in the consolidated financial statements but disclosed, where an inflow of economic benefit is probable.

o. Recent Accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2026, MCA has not notified any new standards or amendments to the existing standards applicable to the Group.

SECTION THIRTEEN

CEO & CFO Certificate

13

CEO and CFO Certification

We, Suman Saurabh, Managing Director & Chief Executive Officer and Harshit Agrawal, Chief Financial Officer of Utkarsh CoreInvest Ltd. (erstwhile Utkarsh Micro Finance Limited), "the Company", hereby certify to the Board that:

a. We have reviewed financial statements and the cash flow statement of the Financial Year ended March 31, 2026 and that to the best of our knowledge and belief:
   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   ii. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

a. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

a. We accept responsibility for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operations of such internal controls, if any, of which we are aware of and the steps we have taken or proposed to be taken to rectify these deficiencies.

a. We have indicated to the Auditors and the Audit Committee:
   i. Significant changes in internal control over financial reporting during the year;
   ii. Significant changes in accounting policies during the year and the same have been disclosed in the Notes of the financial statements; and
   iii. Instances of significant fraud of which we have become aware of and involvement therein, if any, of the Management or an employee having a significant role in the Company's internal control system over financial reporting.

a. We affirm that we have not denied any personnel access to the Audit Committee of the Company (in respect of matters involving alleged misconduct, if any).

Suman Saurabh
Managing Director & CEO

Harshit Agrawal
Chief Financial Officer

SECTION FOURTEEN

Annual CSR Report

14

CSR Policy & Guiding Principles

Corporate Social Responsibility (CSR) Report · Financial Year 2025-26

Policy Statement

Utkarsh CoreInvest Limited (formerly known as Utkarsh Micro Finance Limited), through its CSR projects, will enhance value creation in the society and in the community in which it operates, through its services, conduct and initiatives, so as to promote sustained growth for the society and community, in fulfilment of its role as a Socially Responsible Corporate Citizen. The ultimate aim of the CSR projects will be to benefit the communities at large and over a period of time enhance the quality of life and economic well-being of the local populace.

CSR PHILOSOPHY & GUIDING PRINCIPLES

Socially oriented services

Serving households through a range of socially oriented products and services.

Balanced development

Adopting an approach that aims at achieving a greater balance between social development and economic development.

Meeting basic needs

Adopting new measures to accelerate and ensure the basic needs of deprived sections of the society.

Social inclusion

Work towards elimination of barriers for the social inclusion of disadvantaged groups such as the poor and the disabled.

Livelihood & skills

Enabling ways for enhancing skills for better livelihood opportunities.

Sustainable support

Support underprivileged and underserved segments by providing financial and non-financial services through a socially responsible, sustainable and scalable institution.



CSR Governance & Scope

Management Structure: CSR Committee. Corporate Social Responsibility Committee ("CSR Committee") of the Board of Directors of the Company ("Board") shall be responsible for framing and approving the Policy and for the overall governance of CSR activities. The CSR Committee shall consist of three (03) or more Directors including at least one (01) Independent Director and it shall meet at least once a year and as and when required. The activities of CSR Committee will be in accordance with Schedule VII of the Companies Act, 2013 (as amended from time to time) and as per approved terms and reference (CSR Charters) by the Board of the Company.

Roles and Responsibility of the Board and its Committee. The CSR Committee shall formulate and recommend to the Board an annual action plan in pursuance of the CSR Policy, which shall include: (i) the list of CSR projects or programmes approved to be undertaken in areas specified in Schedule VII of the Act; (ii) the manner of execution of such projects as specified in sub-rule (1) of rule 4 of the Act; (iii) the modalities of utilisation of funds and implementation schedules; (iv) monitoring and reporting mechanism for the projects; (v) details of need and impact assessment, if any; and (vi) the mechanism and adherence of necessary compliance under the applicable CSR Act and Rules, including for the unspent CSR Amount, if any. The Board may alter such plan at any time during the financial year, as per the recommendation of the CSR Committee.

Scope of Activities, FY 2025-26. The Board approved a CSR Expenditure of ₹30,00,000 (Rupees Thirty Lakh only) for FY2025-26, to be expended towards Health Initiatives and such incidental or related activities, taken up through Utkarsh Welfare Foundation (UWF) - the regular CSR Implementing Agency of the Company.

COMPOSITION OF CSR COMMITTEE (FY 2025-26)

Sl.	Name of Director	Designation / Nature of Directorship	Meetings held	Meetings attended
1	Mr. G. S. Sundararajan	Independent Director, Chairperson	1	1
2	Mr. Atul	Independent Director	1	1
3	Mr. Aditya Deepak Parekh	Nominee Director	1	1

Web-link - Composition of CSR Committee, CSR Policy and CSR projects approved by the Board:
http://www.utkarshcoreinvest.com/index.php/CSR/Activities



CSR Expenditure - FY 2025-26

Format for the Annual Report on CSR Activities to be included in the Board's Report

₹14,83,16,667	₹29,66,333	₹29,66,333	₹30,00,000
AVERAGE NET PROFIT	2% OF AVERAGE NET PROFIT	TOTAL CSR OBLIGATION	TOTAL AMOUNT SPENT
u/s 135(5) of the Act	u/s 135(5) of the Act	[(b)+(c)−(d)] for the year	On CSR Projects for the FY

CSR FINANCIAL DETAILS

(a) Average net profit of the company as per Section 135(5)	₹14,83,16,667
(b) Two percent of average net profit as per Section 135(5)	₹29,66,333
(c) Surplus arising out of CSR Projects/programmes of previous financial years	Nil
(d) Amount required to be set-off for the financial year, if any	Nil
(e) Total CSR obligation for the financial year [(b)+(c)−(d)]	**₹29,66,333**
(a) Amount spent on CSR Projects (Ongoing and other than Ongoing Project)	₹30,00,000
(b) Amount spent in Administrative Overheads	Nil
(c) Amount spent on Impact Assessment, if applicable	N.A.
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]	**₹30,00,000**
Amount transferred to Unspent CSR Account / any Schedule VII Fund	Nil

**The Board had approved CSR contribution of ₹30,00,000 (upper rounded off) against the CSR obligation of ₹29,66,748 for FY26 and hence, the company did not intend to set-off the excess CSR contribution spent during FY26 in future. Details of Unspent CSR amount for the preceding three financial years: Nil.*



SECTION FIFTEEN

Institutional Investors

15

Investors Profile

FY 2026 · Part I of II

Aavishkaar Bharat Fund

An alternative investment fund registered with SEBI; an India-focused, equity-oriented fund with an objective to invest in enterprises serving large market segments, with special emphasis on the under-served demographic segments.

Aavishkaar Goodwell India Microfinance Development Company II Limited

A private company limited by shares under Mauritius law, with objectives to (A) provide commercial long-term risk capital and active support directly to MFIs in India, and (B) facilitate the setting up and accelerate the growth of these MFIs, integrating them into the mainstream financial sector.

Aavishkaar Venture Management Services Pvt. Ltd. ("Aavishkaar Capital")

A company registered under the laws of India. Aavishkaar Capital pioneered the venture-capital approach of investing in early-growth-stage enterprises in geographies and sectors often overlooked and challenging. It currently manages/advises funds focused on India, South & South East Asia, and Africa.

British International Investment (BII)

Erstwhile CDC Group Plc, the UK's development finance institution and impact investor, with a mission to help solve the biggest global development challenges by investing patient, flexible capital to support private-sector growth and innovation across Africa, Asia and the Caribbean.

Faering Capital India Evolving Fund II & III

A leading Indian private equity firm with an entrepreneurial vision and a disciplined, sector-focused approach. It partners with exceptional companies across Financial Services, Consumer & Retail, Healthcare and Business Services, with a proven track record and long-term partnerships.

ICICI Prudential Life Insurance Company Limited

Promoted by ICICI Bank Limited and Prudential Corporation Holdings Limited. ICICI Prudential Life began operations in FY2001 and has consistently been among the top players in the Indian life-insurance sector — the first insurance company in India to be listed on NSE and BSE.

Norwegian Microfinance Initiative (NMI Frontier Fund KS)

NMI invests in and builds up MFIs in developing countries through equity and loan investments. It primarily targets poor women in Sub-Saharan Africa, South Asia and Southeast Asia, pursuing double-bottom-line results and contributing to the creation of jobs and wealth on a sustainable basis.

Triodos Microfinance Fund (TMF)

Triodos SICAV II – Triodos Microfinance Fund supports an accessible, well-functioning and inclusive financial sector worldwide by providing loans and equity to sustainable microfinance institutions, including SMEs. Established in Luxembourg; Triodos Investment Management acts as investment manager.

Investors Profile

FY 2026 · Part II of II

International Finance Corporation (IFC)

IFC, a member of the World Bank Group, is the largest global development institution focused on the private sector in emerging markets.

responsAbility Participations Mauritius (RAPM)

responsAbility Participations AG (registered office in Zurich, Switzerland) targets long-term participations in established, primarily unlisted companies in emerging and transitioning economies, focused on institutions serving MSMEs and low-income clients. Managed by responsAbility Investments AG, an impact-investing house with 20+ years' track record.

HDFC ERGO General Insurance Company Limited

Promoted by erstwhile HDFC and ERGO International AG (Munich Re Group); now a subsidiary of HDFC Bank following the HDFC–HDFC Bank amalgamation. Offers a complete range of retail and corporate general-insurance products through a wide distribution network with 24x7 support.

HDFC Life Insurance Company Limited

Founded in 2000, a leading provider of long-term life-insurance solutions in India across Protection, Pension, Savings, Investment, Annuity and Health. A subsidiary of HDFC Bank, with a nationwide presence and a network of 300+ distribution partners, plus a strong base of financial consultants.

Shriram Life Insurance Company Limited

Jointly promoted by Shriram Capital and South Africa's Sanlam. Focused on the bottom of the socio-economic pyramid (~40% of beneficiaries from rural markets), with 478 branches, gross premium over ₹4,200 crore and AUM exceeding ₹13,208 crore (FY24), and a 98%+ claims-settlement ratio.

Small Industries Development Bank of India (SIDBI)

Set up on April 02, 1990 under an Act of Indian Parliament, SIDBI is the Principal Financial Institution for the Promotion, Financing and Development of the MSME sector, facilitating and strengthening credit flow to MSMEs and addressing financial and developmental gaps in the eco-system.

Patni Family Trust

Part of the Patni Family Office, which invests across equity, debt, real estate, commodities, joint ventures and other financial structures. The Patni Group pioneered computer hardware and software in India; flagship Patni Computers (founded 1978) went public in 2004 and was sold in 2011.

RBL Bank Limited

One of India's leading private-sector banks, offering services across five verticals: Corporate, Commercial, Branch & Business Banking, Retail Assets, and Treasury & Financial Markets. Serves 15.48 million+ customers via 561 branches and 1,472 BC branches; listed on NSE & BSE (RBLBANK).



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