



# UTKARSH COREINVEST LIMITED

Prepared by Altius Investech

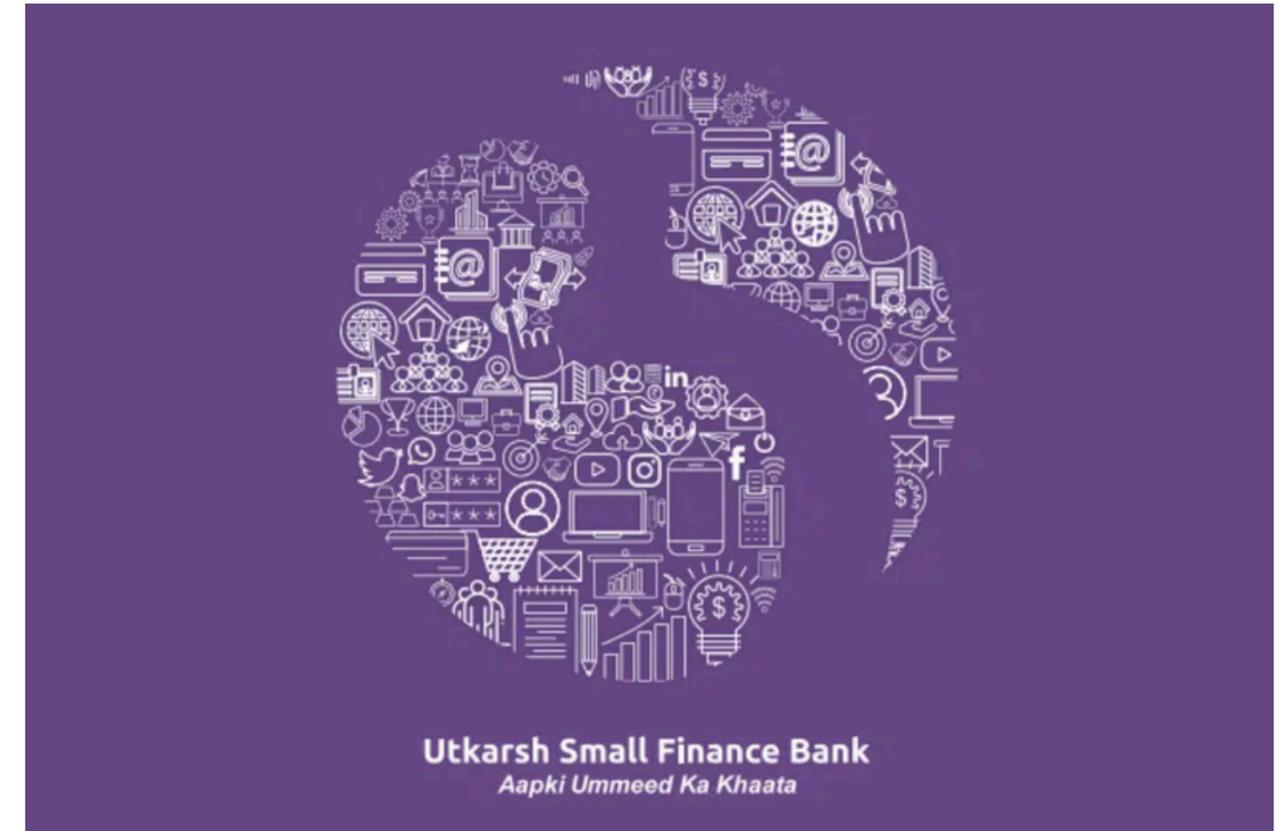
- **Established:** 2009 (as Utkarsh Micro Finance Ltd.), later became a Core Investment Company (CIC).
- **Headquarters:** Varanasi, Uttar Pradesh.
- **Role:** 100% holding company of Utkarsh Small Finance Bank Limited (USFBL).

## Key Offerings

**Insurance Products:** Motor, health, travel, home, property, liability, and more for retail and corporate clients.

## Banking Services (via USFBL):

- Deposit accounts.
- Microfinance, wholesale, housing, and MSME loans.



# INDUSTRY OVERVIEW

**Indian Banking:** Loan growth 16%, deposit growth 13% (FY24).

**SFBs:** Driving financial inclusion, diversified portfolios, rural focus, strong IPO performance in FY24.

**Microfinance:** Loan portfolio up 25% YoY (₹3.99 lakh crore); embracing digital transformation.

**MSMEs:** Contribute 29% to GDP, aided by government credit and skill initiatives.

**Housing Finance:** Growth in affordable housing supported by PMAY and rising demand.

**Commercial Vehicles & Construction Equipment:** Boosted by infrastructure push and economic recovery.

# SUBSIDIARY OVERVIEW

<b>NETWORK</b>		<b>888 vs. [830]</b> Banking Outlets	<b>26</b> States & UTs	<b>16,081 vs. [15,424]</b> Employees
<b>ASSETS</b>		<b>₹ 18,299 cr. vs. [₹13,957 cr.]</b> Gross Loan Portfolio	<b>31.1%</b> Gross Loan Portfolio Growth YoY	<b>34% vs. [31%]</b> Share of Secured Loans in Gross Loan Portfolio
<b>LIABILITIES</b>		<b>₹ 17,473 cr. vs. [₹13,710 cr.]</b> Deposits	<b>27.4% / 42.9%</b> Deposits / RTD Growth YoY	<b>66% vs. [62%]</b> Share of CASA + Retail Term Deposits
<b>FINANCIAL PERFORMANCE</b>		<b>₹ 498 cr. vs. [₹405 cr.]</b> Profit After Tax	<b>₹997 cr. vs. [₹838 cr.]</b> Pre-provisioning Operating Profit	<b>56.4% vs. [54.1%]</b> Cost to Income
<b>CAPITAL STRUCTURE</b>		<b>₹ 2,973 cr. vs. [₹ 2,000 cr.]</b> Capital + Reserves	<b>22.6% vs. [20.6%]</b> CRAR*	<b>2.4%/19.5% vs. [2.5%/22.9%]</b> ROAA/ROAE
<b>ASSET QUALITY</b>		<b>2.5% vs. [3.2%]</b> Gross NPAS	<b>0.03% vs. [0.39%]</b> Net NPA	<b>98.9% vs. [88.3%]</b> Provision Coverage Ratio (incl. floating provision)

# SUBSIDIARY KEY HIGHLIGHTS



- UCL's Stake in USFBL: 69.06%.
- Banking Network: 888 branches across 26 states & 4 UTs.
- Customers: Serving over 4.5 million.
- Employees: 16,081 workforce driving inclusive growth.
- Values: PRIDE – Persistence, Responsibility, Inclusivity, Diligence, Excellence.

# SUBSIDIARY OVERVIEW

## Utkarsh Small Finance Bank Limited (USFBL)

**Incorporated:** April 30, 2016.

**Presence:** 888 branches across 22 states & 4 UTs as of March 31, 2024.

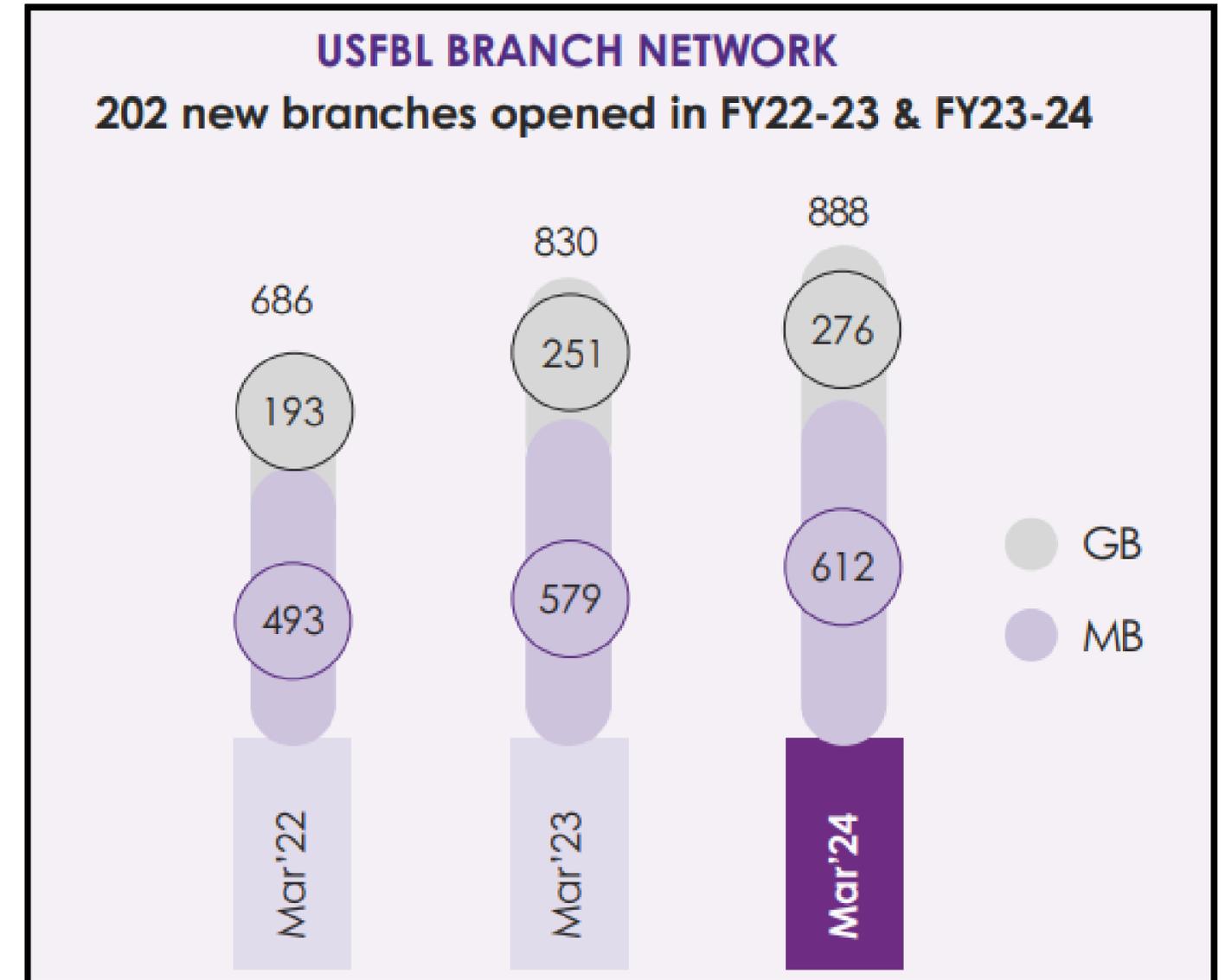
**Focus:** Financial inclusion in underserved and rural areas; 27% branches in Unbanked Rural Centers (URCs).

### Branch Network

**Micro-Banking (MB):** 612 branches (focus on loans & financial inclusion).

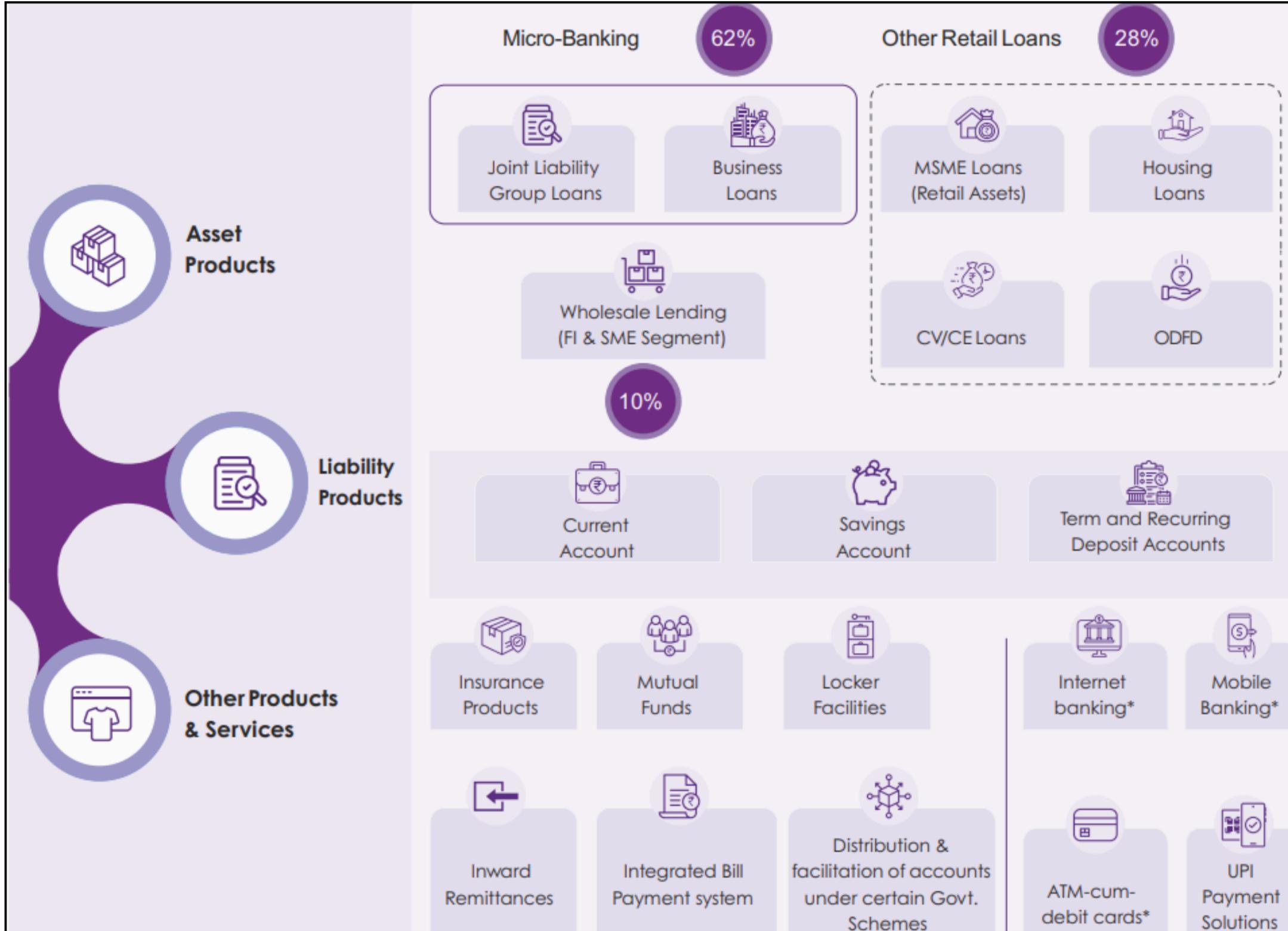
**General Banking (GB):** 276 branches (focus on deposits, MSME, housing, and CV/CE loans).

Opened 202 new branches over FY22-24.





# PRODUCT PORTFOLIO



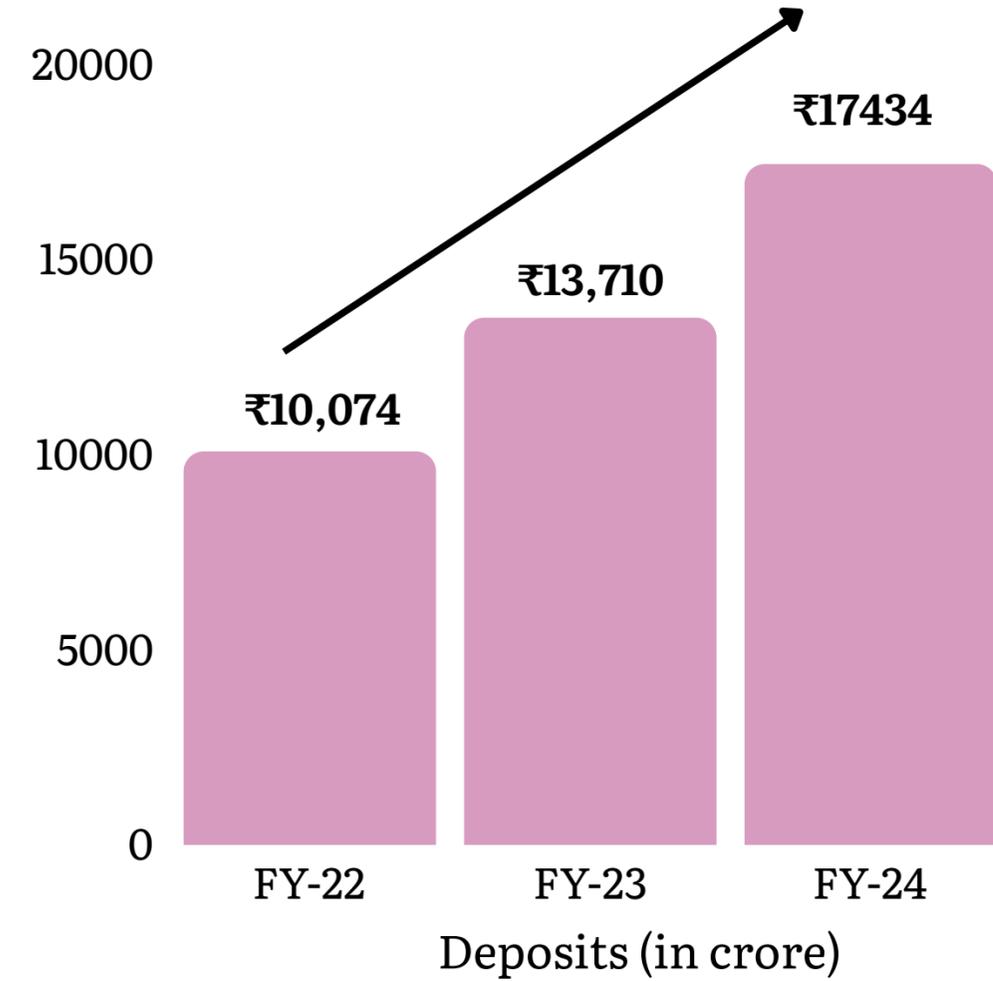
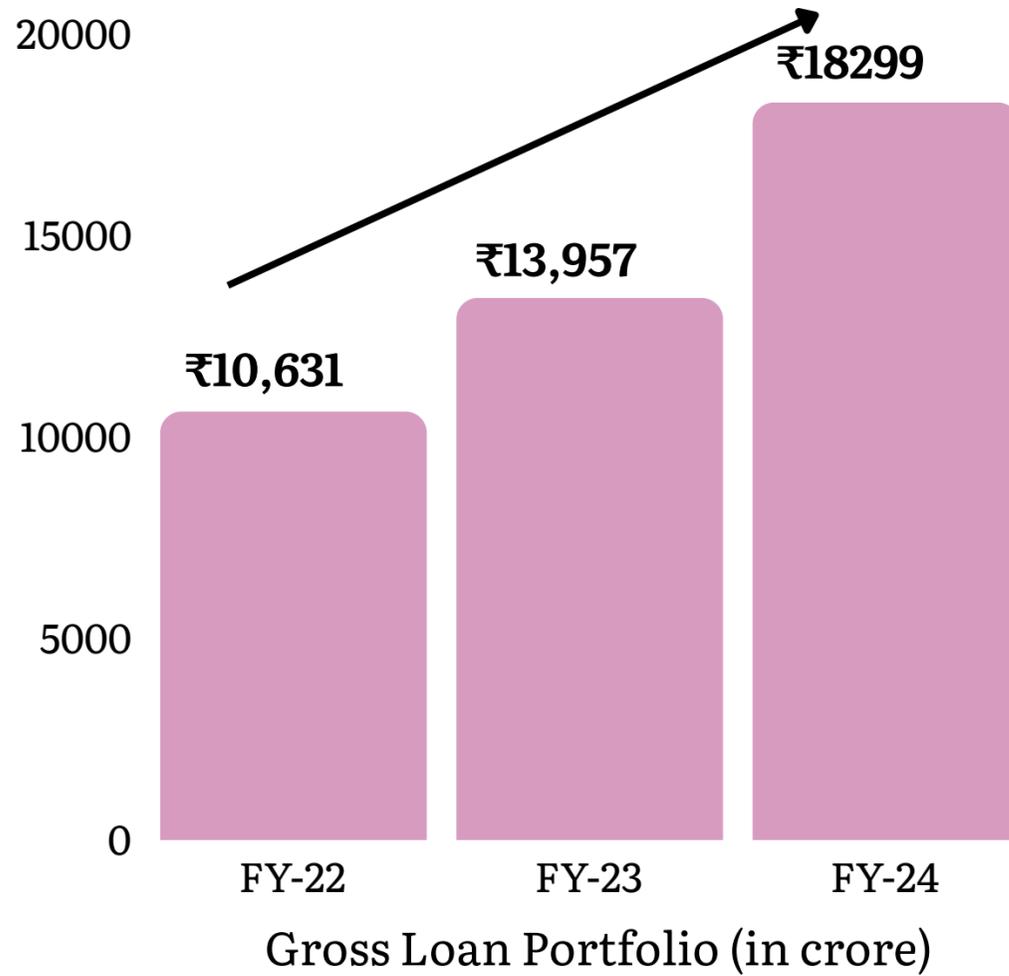
# ASSET LENDING PRODUCTS



## Other Retail Asset Lending Vertical

Particulars	FY-24	FY-23	YoY Growth
Wholesale Lending	1882	1547	22%
Retail Lending	2557	1534	67%
Housing Loans	677	519	30%
CV/CE Loans	944	560	69%

# DEPOSITS AND LOANS



During FY 2023-24, Utkarsh Small Finance Bank witnessed strong growth, with total assets increasing by 25% to ₹23,902.68 crore. The Bank's gross loan portfolio grew by 31%, reaching ₹18,299.28 crore, while deposits rose by 27%, totaling ₹17,472.60 crore as of March 31, 2024. This positive performance reflects the Bank's robust expansion and diversified services.

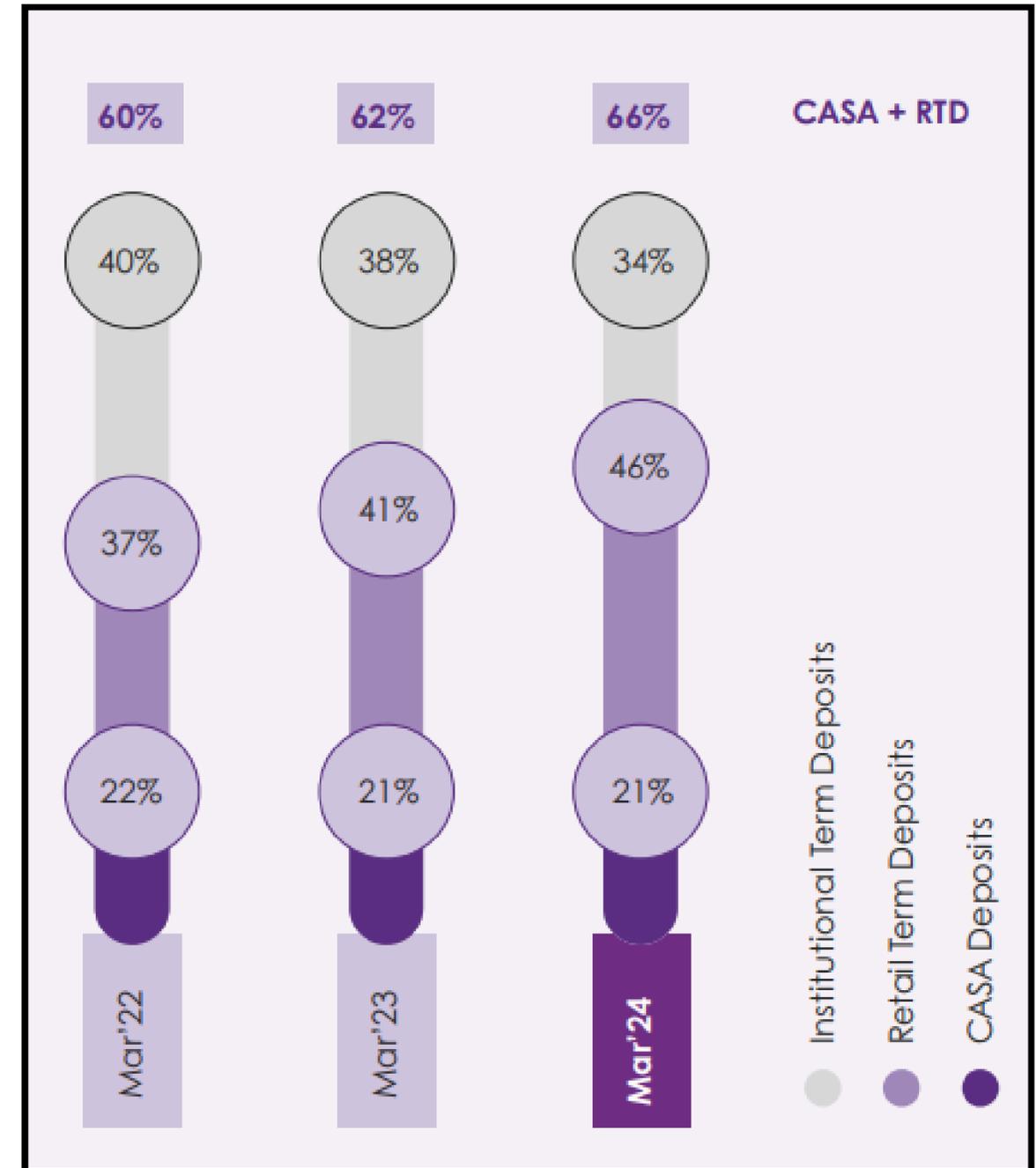
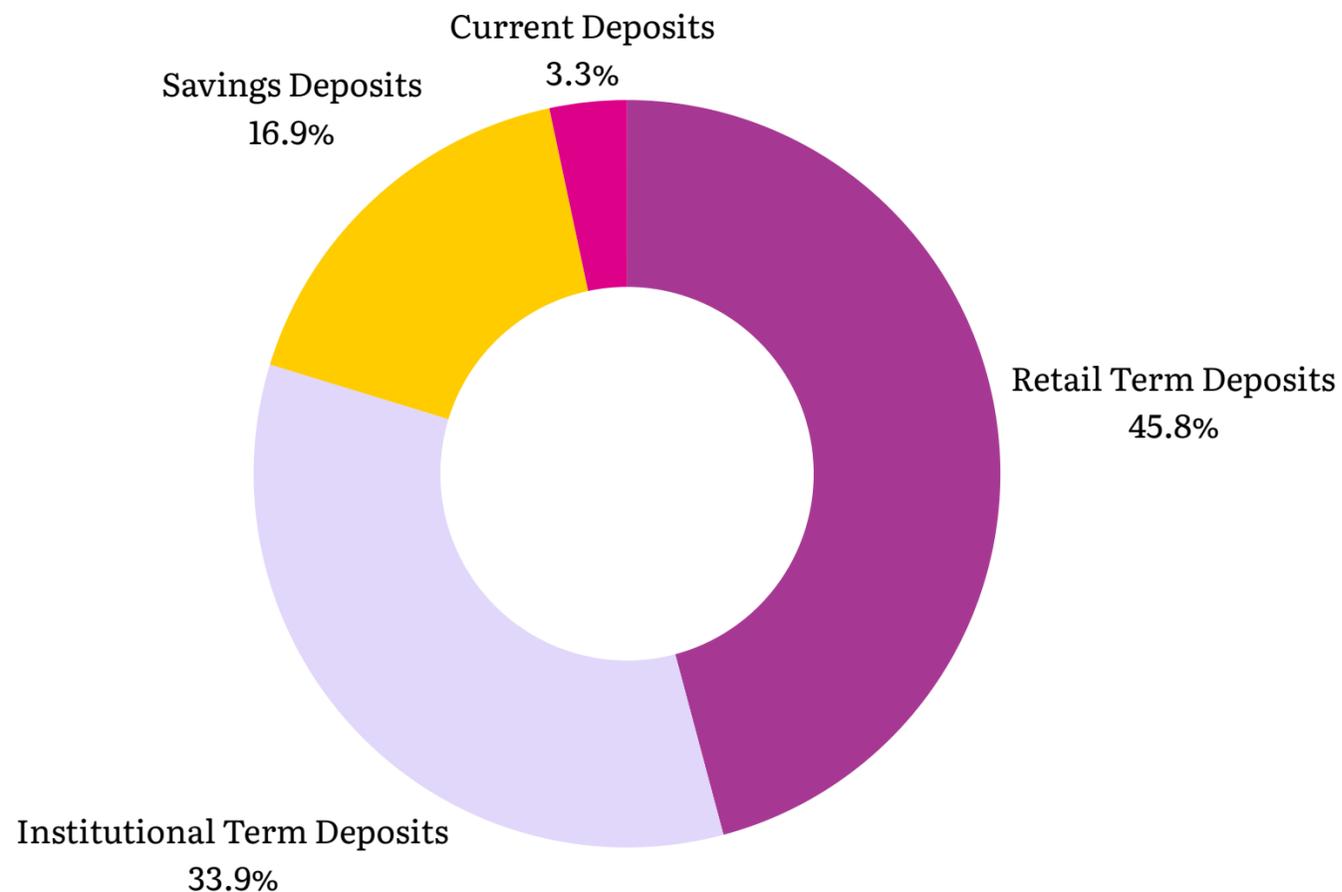
**Growth:** CASA deposits grew 25.09% YoY to ₹3,582.31 crore (March 31, 2024) from ₹2,863.74 crore (March 31, 2023).

**Impact:** Growth affected by rising interest rates, shifting depositor preference to term deposits and fixed-income investments.

**Focus:** Increasing CASA + retail term deposits share:

- **March 31, 2024:** 66.11% of total deposits.
- **March 31, 2023:** 61.55% of total deposits.

## Deposit Composition



# PEER COMPARISON

**Utkarsh Small Finance Bank**

**VS**

**Ujjivan Small Finance Bank**



**Utkarsh Small Finance Bank**  
*Aapki Ummeed Ka Khaata*



**UJJIVAN**

**UJJIVAN SMALL FINANCE BANK**

Build a Better Life

Particulars	Utkarsh Small Finance Bank	Ujjivan Small Finance Bank
Total Income	3383	6464
Net Interest Income	1885	3409
PAT	498	1281
PAT Margins	14%	20%
Gross Loan Portfolio	18299	29780
Total Deposits	17417	31462
GNPA	2.51%	2.1%
NNPA	0.03%	0.3%
Net Interest Margins	9.44%	9.1%



**HOLDING COMPANY:  
UTKARSH COREINVEST  
LIMITED**

# SHAREHOLDERS

Shareholding above 5%	Holding %
CDC Group PLC	13.95
RBL Bank Limited	9.86
NMI Frontier Fund KS Norway	7.83
Faering Capital India Evolving FUND II	7.78



# MANAGEMENT



**Mr. Suman Saurabh**

Managing Director & CEO



**MR. Sundararanjan**

Non Executive Independent  
Director, Chairperson



**Mr. Atul**

Independent  
Director

# REVERSE MERGER

- Reverse Merger occurs when a privately held company merges with a publicly traded company to bypass the traditional IPO process
- Compared to the conventional IPO, reverse mergers are far less time consuming and incur fewer costs
- A well executed reverse merger generally creates shareholder value for all stakeholders and offer access to the capital markets



Lets understand this with a few examples and understand how the investors have benefited from the reverse merger process



# EQUITAS HOLDINGS & EQUITAS SFB REVERSE MERGER

- Swap ratio 100:231 - Post the reverse merger, 231 shares of Equitas SFB were issued to the shareholders holding 100 shares in Equitas HL.
- Received No Objection from RBI : May, 2022
- Received shareholder approval : September, 2022
- Final Approval received : 17 January, 2023
- Record date : 3rd February, 2023

## Calculations as per the data on 2nd November 2022

<b>Current Holding % of Equitas holdings in Equitas SFB</b>	75%
<b>Equitas SFB Market Cap</b>	6100 crores
<b>Holding of Equitas Holdings in Equitas SFB</b>	4575 crores
<b>Equitas Holdings number of shares</b>	34.7 crores
<b>Price per share</b>	132
<b>Equitas Holdings share price as on record date</b>	110
<b>Discount</b>	22 per share (16.6%)

## UJJIVAN FINANCIAL SERVICES & UJJIVAN SFB REVERSE MERGER

- Swap ratio 116:10 – Post the reverse merger, 116 shares of Ujjivan SFB will be issued to the shareholders holding 10 shares of Ujjivan FS.
- Merger announced : 14 October, 2022
- Received approval from NCLT : 8 September, 2023
- The process is expected to get finished by the end of FY-24.

### Calculations as per the data on 3rd January 2024

<b>Current Holding % of Ujjivan FS in Ujjivan SFB</b>	<b>73%</b>
<b>Ujjivan SFB Market Cap</b>	<b>11500 crore</b>
<b>Holding of Ujjivan FS in Ujjivan SFB</b>	<b>8395 crores</b>
<b>Ujjivan FS number of shares</b>	<b>12.1 crores</b>
<b>Price per share</b>	<b>694</b>
<b>Ujjivan FS share price as on record date</b>	<b>565</b>
<b>Discount</b>	<b>120 per share (18.6%)</b>

## UTKARSH COREINVEST & UTKARSH SFB

We anticipate that Utkarsh will experience something akin to Equitas and Ujjivan. Here, a reverse merger process might occur, giving the investors an opportunity of wealth creation. With precedence, the reverse merger has become more streamline.

### Calculations as per the data on 3rd January 2024

<b>Current Holding % of Utkarsh CoreInvest in Utkarsh SFB</b>	<b>69%</b>
<b>Utkarsh SFB Market Cap</b>	<b>5800 crores</b>
<b>Holding of Utkarsh CoreInvest in Utkarsh SFB</b>	<b>4000 crores</b>
<b>Utkarsh CoreInvest Number of shares outstanding</b>	<b>9.64 crores</b>
<b>Price per share</b>	<b>406</b>
<b>Utkarsh CoreInvest CMP</b>	<b>245</b>
<b>Discount</b>	<b>161 per share (40%)</b>



# Thank You!

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