



UTKARSH COREINVEST LIMITED

Prepared by Altius Investech

OVERVIEW

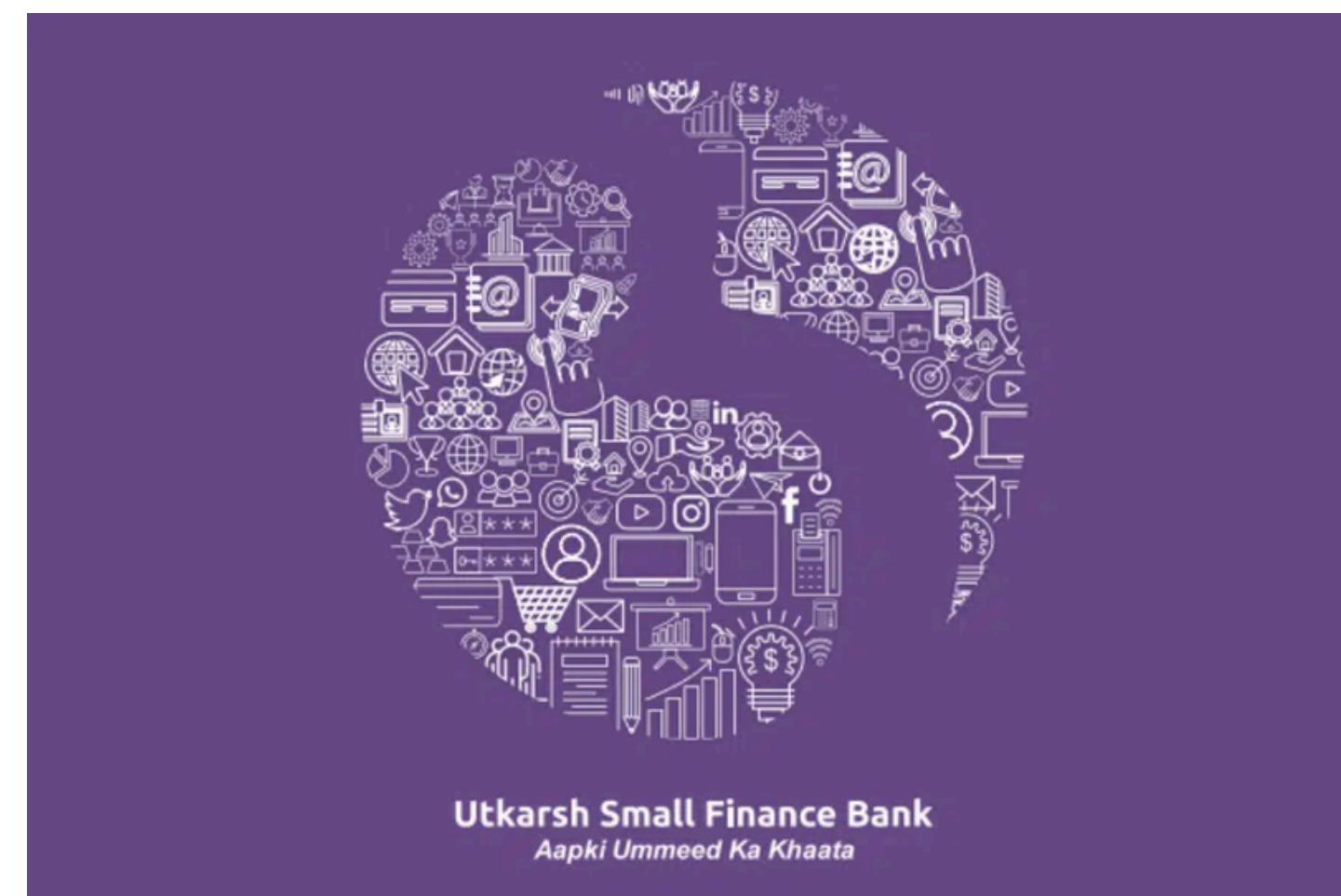
- **Established:** 2009 (as Utkarsh Micro Finance Ltd.), later became a Core Investment Company (CIC).
- **Headquarters:** Varanasi, Uttar Pradesh.
- **Role:** 100% holding company of Utkarsh Small Finance Bank Limited (USFBL).

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.

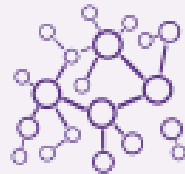




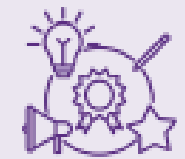
Microfinance: Loan portfolio up 25% YoY (₹3.99 lakh crore); embracing digital transformation.

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

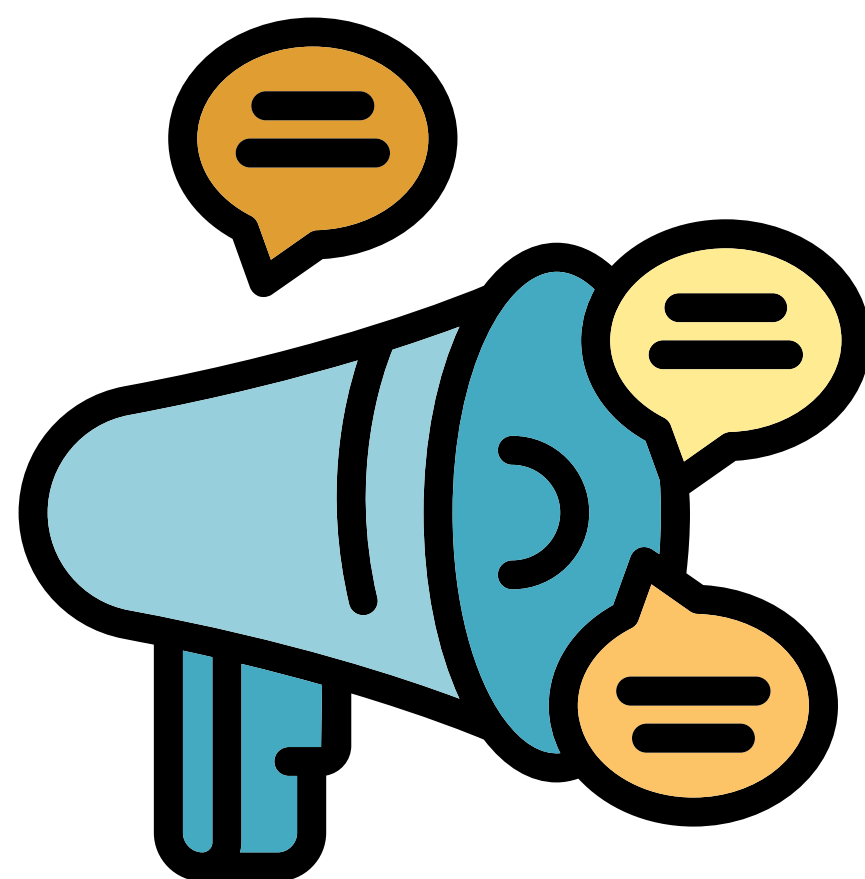
Housing Finance: Growth in affordable housing supported by PMAY and rising demand.

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

SUBSIDIARY OVERVIEW

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

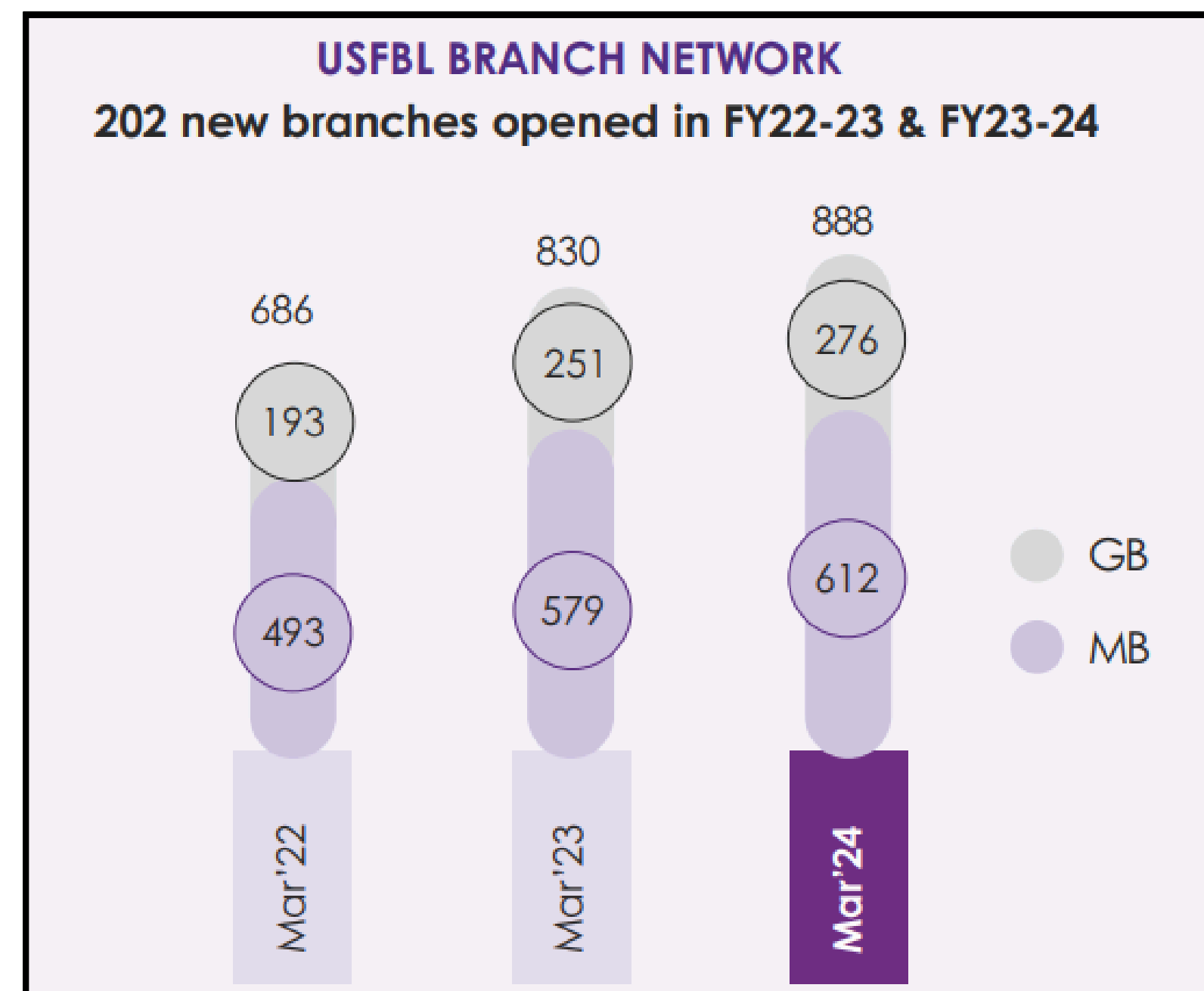
Presence: 888 branches across 22 states & 4 UTs as of March 31, 2024.

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

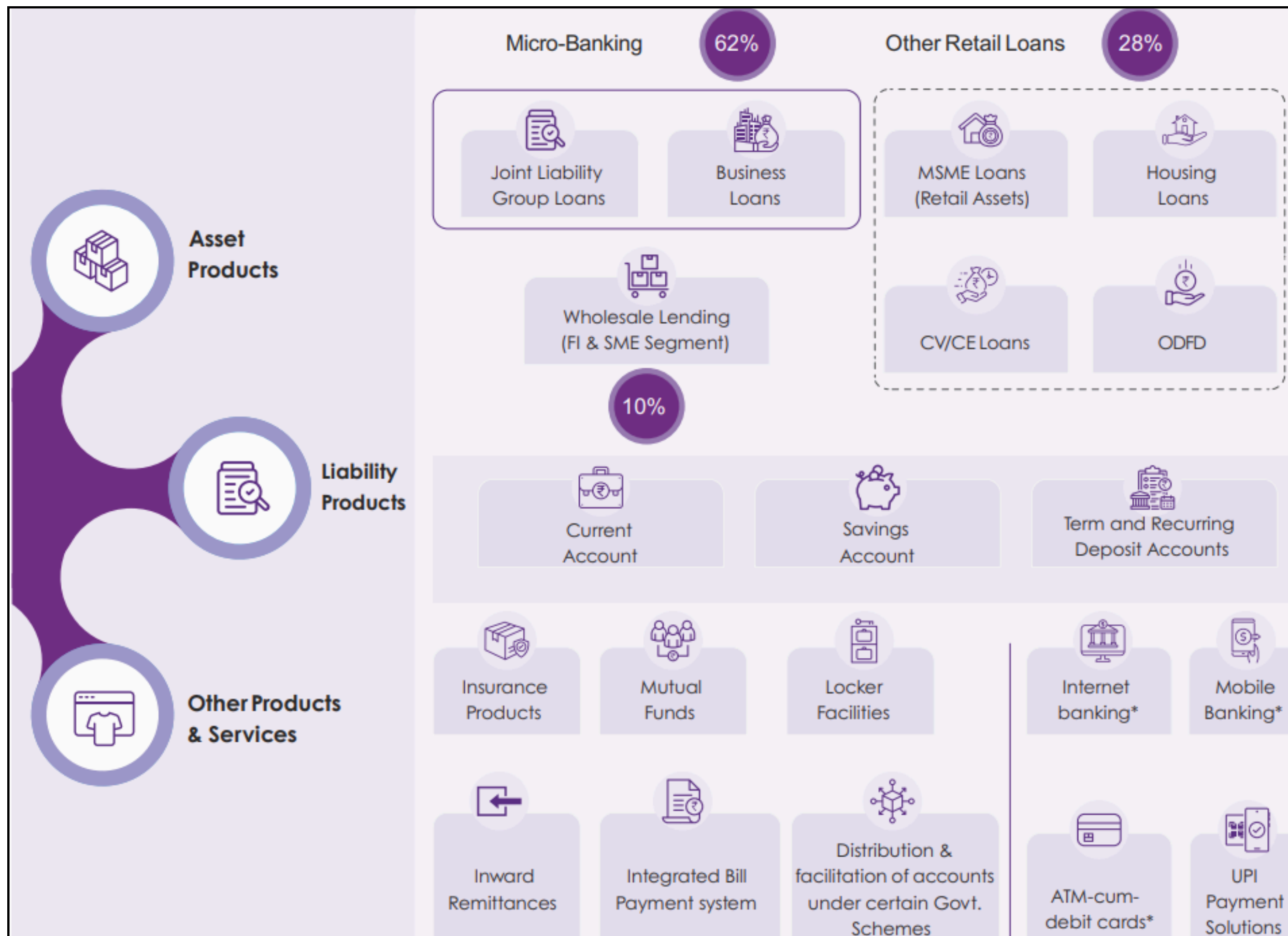
Branch Network

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



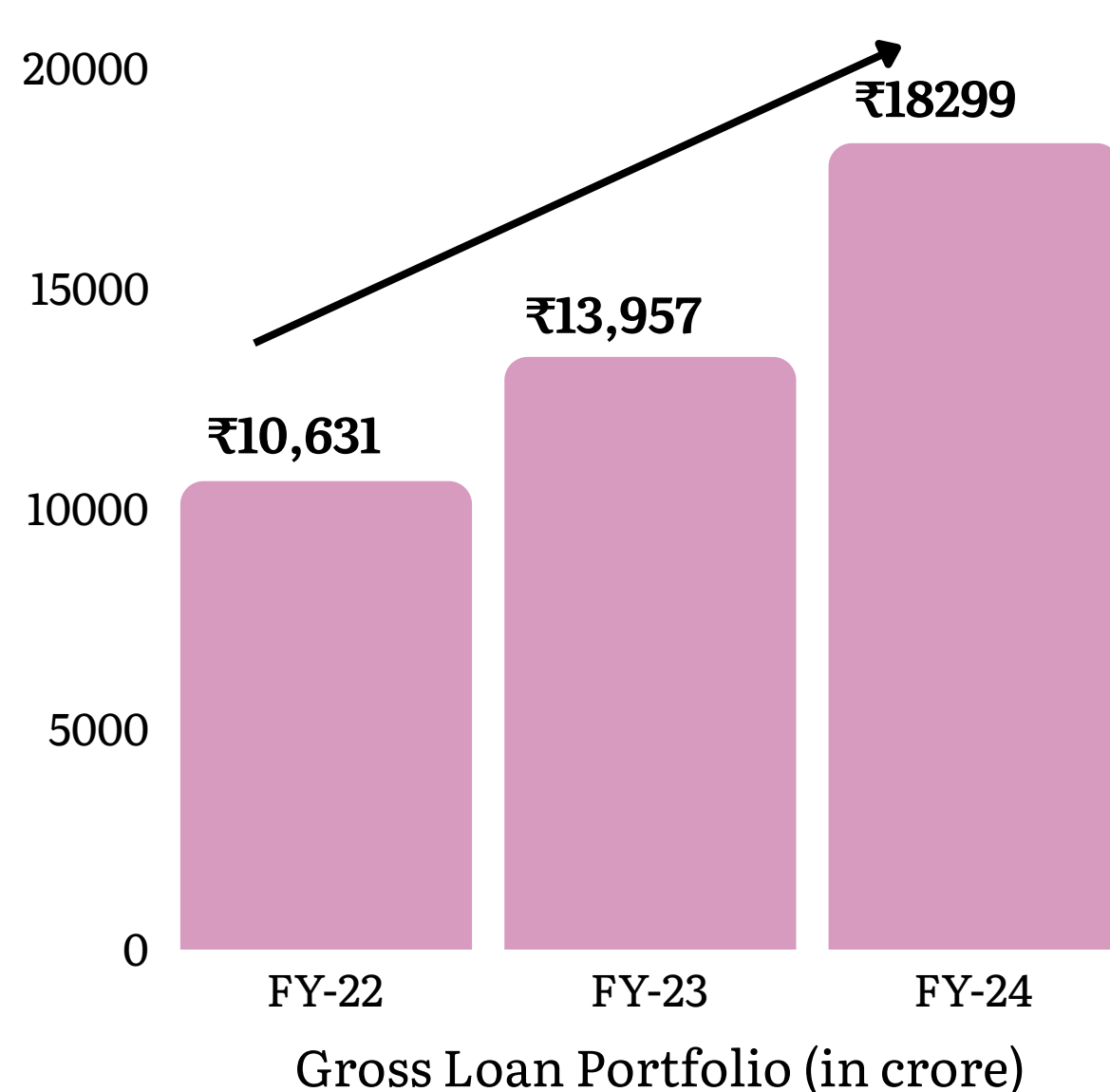
ASSET LENDING PRODUCTS



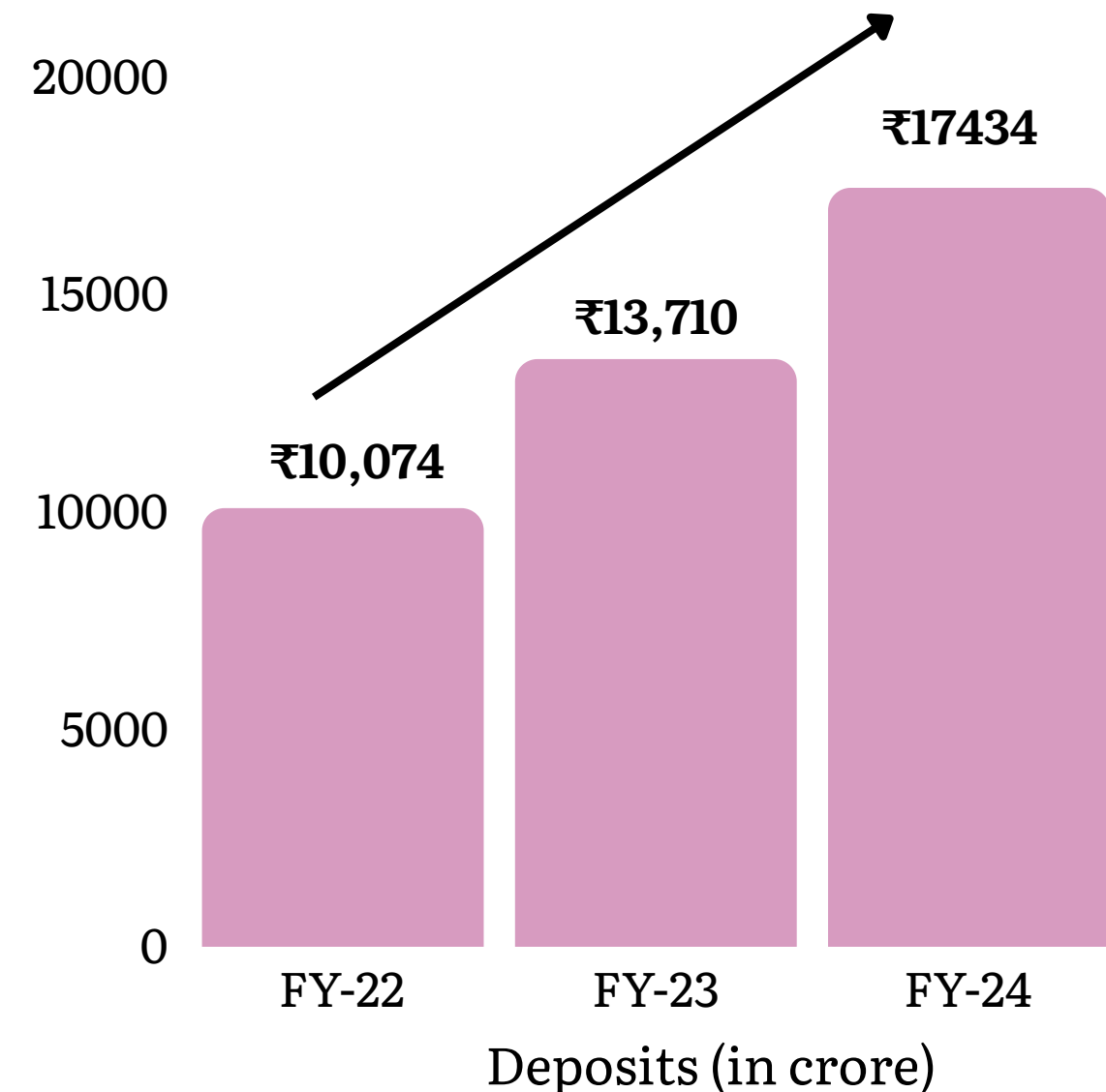
Other Retail Asset Lending Vertical

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



CAGR 31%



CAGR 32%

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.

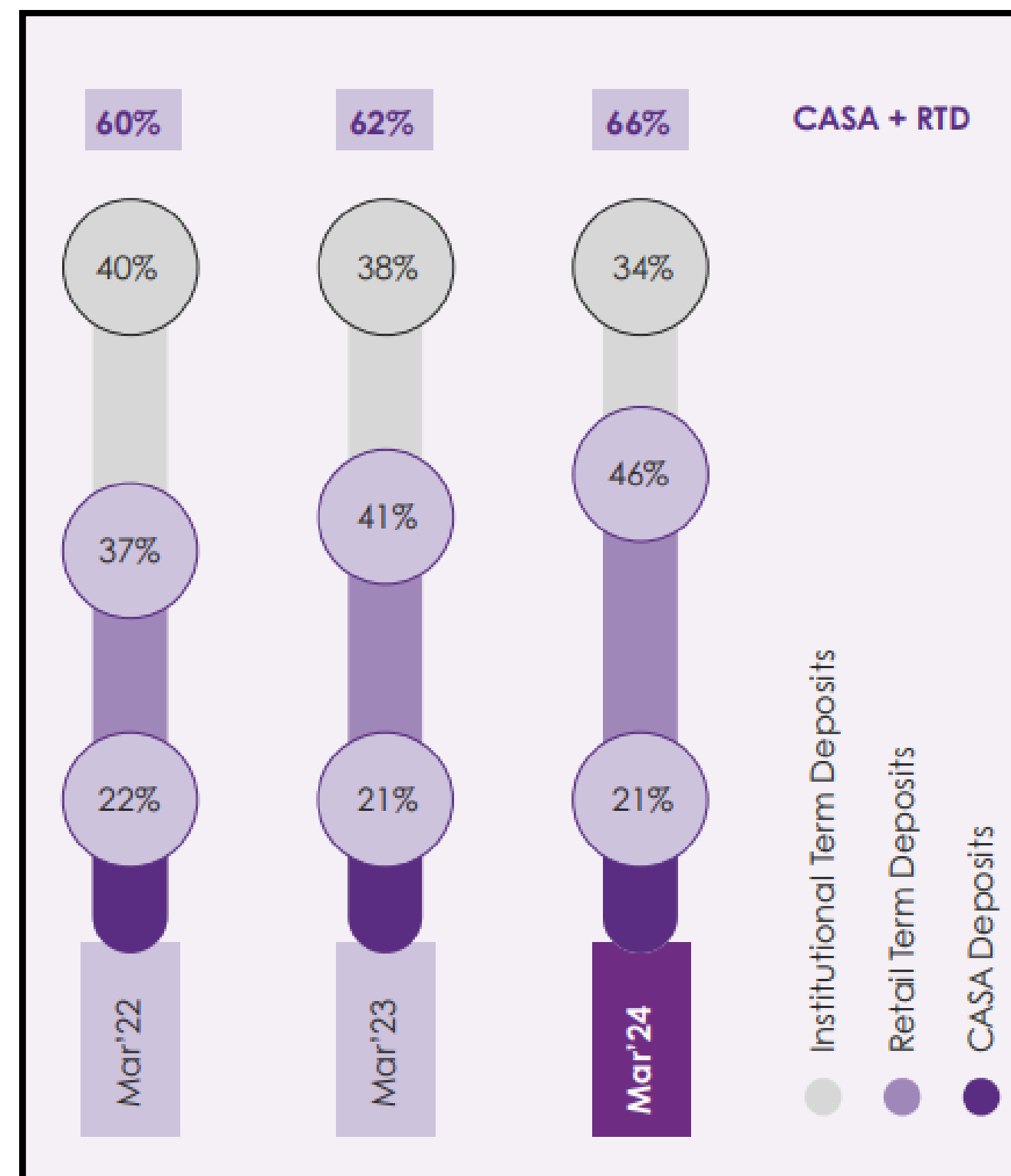
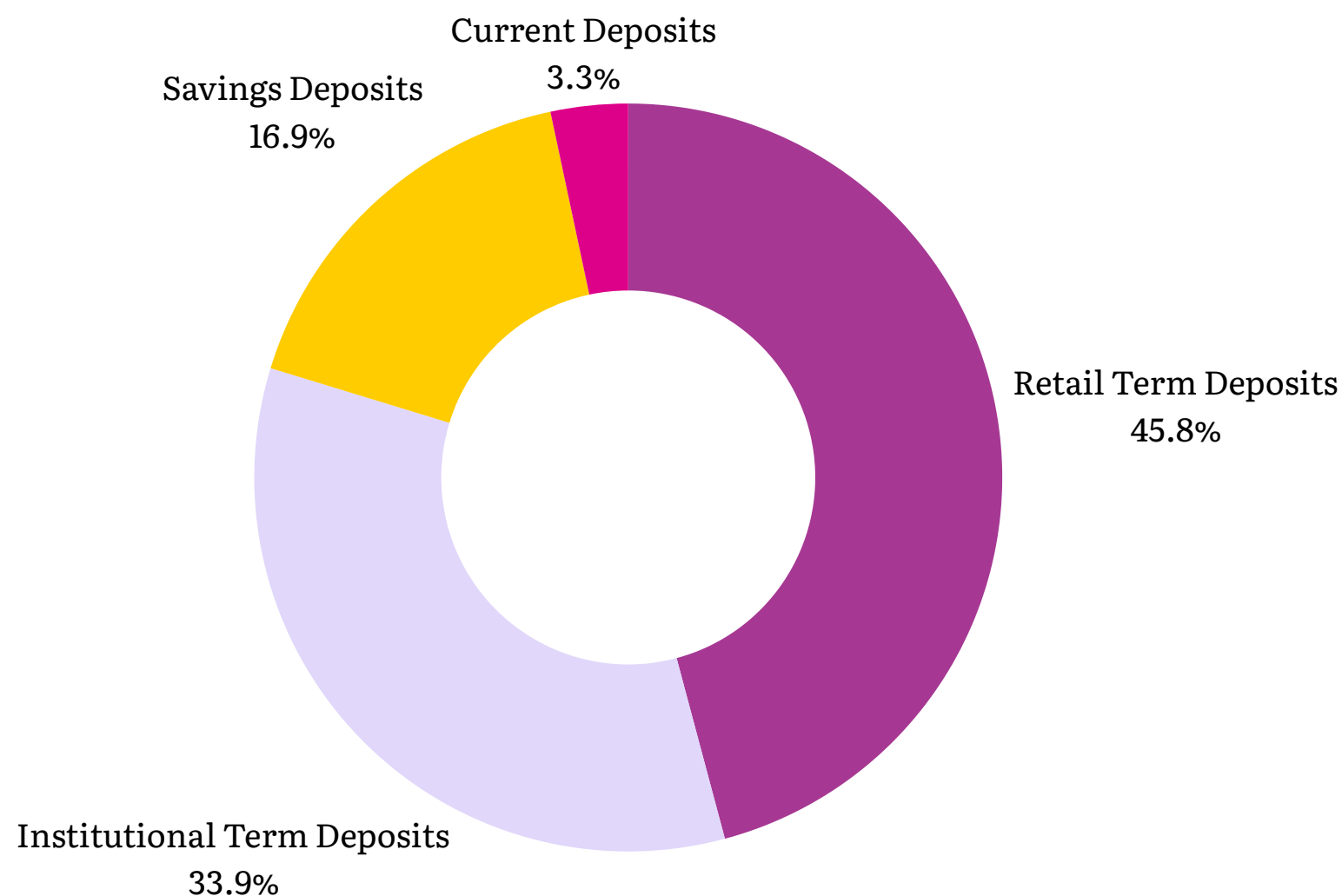
Growth: CASA deposits grew 25.09% YoY to ₹3,582.31 crore (March 31, 2024) from ₹2,863.74 crore (March 31, 2023).

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

Current Holding % of Equitas holdings in Equitas SFB	75%
Equitas SFB Market Cap	6100 crores
Holding of Equitas Holdings in Equitas SFB	4575 crores
Equitas Holdings number of shares	34.7 crores
Price per share	132
Equitas Holdings share price as on record date	110
Discount	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

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

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

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



Thank You!

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