



IPO INSIGHTS



Utkarsh Small finance Bank Ltd

Issue Dates - Opens: 12-07-2023 | Closes: 14-07-2023

IPO Note	<ol style="list-style-type: none"> Utkarsh Small finance bank limited is an (SFB) small finance bank in India. It recorded the second fastest AUM growth in the years 2019 and 2022 among SFBs with AUM of more than Rs50 Billion.
Rating	★★★★ (Very Good)

IPO SNAPSHOT

Issue Size	₹ 500 Crores
Issue Type	Book Built Issue IPO
Fresh Issue	₹ 500 Crores
Offer for Sale	-
Face Value Per Share	₹ 10
Price Band Per Share	₹23 to ₹25
Minimum Lot Size	600 shares
Listing On	BSE, NSE
Registrar to the Issue	Kfin Technologies Ltd

IPO SNAPSHOT – Utkarsh Small finance Bank Ltd

About the Company	<ul style="list-style-type: none"> Utkarsh Small finance bank limited was incorporated as a wholly-owned subsidiary on April 30,2016. The bank focuses on rural and semi-urban , and as of March 31,2022,it had 3.14 million customers primarily located in Bihar, Uttar Pradesh, and Jharkhand. It aims to expand its presence in new geographies by partnering with business correspondents and direct selling agents. The bank offers various asset products, including micro banking loans, retail loans, wholesale lending, housing loans and gold loans. The bank provides non-credit offerings such as ATM-cum-debit cards, bill payment systems, and distribution of third-party point-of-sale terminals, mutual funds, and insurance products. 																														
Competitive Strengths	<ul style="list-style-type: none"> Sound understanding of microfinance segment and presence in rural and semi-urban areas. Growing deposits with focus on retail deposits. Focus on risk management and effective operations. Diversified distribution network with significant cross-selling opportunities. Stable growth with cost efficient operational performance. 																														
Financials (₹ in Crores)	<table border="1"> <thead> <tr> <th>Particulars</th> <th>31-3-2021</th> <th>31-3-2022</th> <th>31-03-2023</th> <th>Y-o-Y</th> <th>2-Yrs CAGR</th> </tr> </thead> <tbody> <tr> <td>NII</td> <td>839.25</td> <td>1060.85</td> <td>1529.03</td> <td>44%</td> <td>34.98%</td> </tr> <tr> <td>PAT</td> <td>111.82</td> <td>61.46</td> <td>404.50</td> <td>558%</td> <td>90.78%</td> </tr> <tr> <td>PAT Margin</td> <td>13.3%</td> <td>5.8%</td> <td>26.5%</td> <td></td> <td></td> </tr> <tr> <td>NNPA</td> <td>1.33%</td> <td>2.31%</td> <td>0.39%</td> <td></td> <td></td> </tr> </tbody> </table>	Particulars	31-3-2021	31-3-2022	31-03-2023	Y-o-Y	2-Yrs CAGR	NII	839.25	1060.85	1529.03	44%	34.98%	PAT	111.82	61.46	404.50	558%	90.78%	PAT Margin	13.3%	5.8%	26.5%			NNPA	1.33%	2.31%	0.39%		
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Valuation	<ul style="list-style-type: none"> Attributing Annualized FY23 Earnings asking P/E = 5.53 																														
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Promoters	Utkarsh CoreInvest Limited																														
Objects of the issue	<ul style="list-style-type: none"> Augmentation of Bank's Tier I Capital base to meet future capital requirements. 																														

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