

UTKARSH VOICE

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NBFC-MFI License:

The Reserve Bank of India issued NBFC-MFI license to the company on January 21, 2014. The classification of the company, therefore has changed from "Loan company" to "NBFC-MFI" company. This is significant as guidelines pertaining to micro finance will be applicable to the company and not the general guidelines for the NBFCs.

Year end Operational Highlights:

Joint Liability Group (JLG) Loan: Utkarsh has 317,900 active women entrepreneurs under its Joint Liability Group (JLG) program at the end of the financial year 2013-14. The Company has made cumulative disbursements of Rs. 8999.0 mn so far. The JLG loan outstanding at the close of business on March 31, 2014 stood at Rs. 3436.1 mn against Rs. 1767.8 mn as on March 31, 2013.

Micro Enterprises Loan : The company supported 2415 Clients till 31st March, 2014 and disbursed Rs.149.0 mn. The portfolio outstanding for MEL was Rs. 120.3 mn at the end of the financial year 2013-14

National Pension System (NPS): The company opened 11,189 accounts in the FY 2013-14. The pension services was provided through 41 branches . It is planned to scale it up further during the FY 2014-15. By starting NPS services at 20 new branches

IT Initiative

Moving another mile ahead in the field of e-communication and information security, Utkarsh has got its own state-of-the-art e-mail server with various other data security facilities in place. This will help the company in managing its internet usage in an efficient and controlled manner.

Expansion in Maharashtra

With a view to increase geographical coverage of the company and also to reduce concentration risk, the company expanded in new states like Maharashtra & Haryana. Apart from good business opportunity, it will also give the company an opportunity to explore in other adjoining states.

Project on HR Intervention:

With an objective to strengthen HR department, adopt best practices of the industry and support growth, Utkarsh is taking consultancy from Global Talent Consultants and MicroSave for two projects. These Interventions are jointly supported by Norwegian Microfinance Initiative and Utkarsh. The project started in February, 2014 with the visit of the team of Global Talent Consultant at the Head office of Utkarsh. The Project team will start developing and designing various HR process and policies.

MicroSave Intervention:

The intervention of MicroSave is to provide support on developing client and employee feedback mechanism. A team from MicroSave visited Utkarsh to initiate the project and the main focus of the team during this visit was to start developing the client feedback mechanism. During this visit they tried to understand the existing process and mechanism of Utkarsh on client and employee feedback

Networking facilities at Head Office has also been improved with proper IT infrastructure. On CBS front, there have been several control measures built which will help the company in maintaining and retrieving data in efficient manner

Operational Highlights

	OPERATIONAL HIGHLIGHTS		
	As on March 31, 2014	As on Mar 31, 2013	As on Mar 31, 2012
Microfinance Outreach			
No of States	8	5	2
No. of Districts	40	24	19
Total No of Branches	142	102	75
No of Branches in UP	74	63	54
No of branches in Bihar	39	27	21
No of Branches in MP	8	6	-
No of Branches in Uttarakhand	7	5	-
No of Branches in Delhi	8	1	-
No of Branches in Himachal Pradesh	1	-	-
No of Branches in Haryana	1		
No of Branches in Maharashtra	4		
Total No. of Centres	20,476	14,369	7,826
Total No. of Groups	80,181	49,087	25,816
Total No. of Members	3,37,543	2,00,066	1,15,097
Total No. of Clients	3,17,900	1,97,874	1,06,370
Total Disbursement - Cumulative (Rs in Mn)	8,999.0	4,396.4	1,851.1
Loan Outstanding (Rs in Mn)(Own+Managed)	3,436.1	1,767.8	752.9
Total no of Loan Disbursed	6,64,219	3,72,019	1,77,501
Total no. of Credit Officers	575	341	216
No. of Client/Credit Officer	553	580	492
On Time Repayment Rate (OTRR in %)	100.0%	100.0%	100.0%
PAR >30 Days			
No of Clients	15	2	4
Amount (In Mn)	0.21	0.02	0.02
Micro Enterprises Lending			
No of States	3	1	1
No. of Districts	9		

		2	1
Total No of Branches	9	2	1
Total no of Loan Disbursed	2564	310	2
Total No. of Clients	2415	307	2
Total Disbursement - Cumulative (Rs in Mn)	149.0	17.0	1.20
Loan Outstanding (Rs in Mn)(Own+Managed)	120.3	14.8	1.20
No. of Relationship Officer (RO)	43	9	2
No. of Clients/RO	56	34	1
PAR >30 Days			
No of Clients	1	-	-
Amount (In Mn)	0.01	-	-
National Pension System (NPS)			
No of States	2	1	-
No. of Districts	7	1	-
Total No of Branches	41	3	-
No of Accounts	11340	153	-
Total Subscription - Cumulative (Rs in Mn)	3.01	0.11	-
Staff			
Operation Staff	898	533	330
Total Staff	1032	623	408

Employee Detail:

Employee	Mar,14	Mar, 13
JLG Operations	821	509
MEL Team	87	22
HO Support & Control team	123	93
Total	1031	624

Financial Performance

The Company achieved a PBT of Rs. 135.8 Mn for the FY 2013-14. Important financial parameters are placed below

	As on March 31, 2014 (Audited)	As on March 31, 2013 (Audited)	As on March 31, 2012 (Audited)
Income (Rs in Mn)	703.2	313.0	128.9
Expenses (Rs in Mn)	567.4	253.1	107.3
Profit Before Tax (Rs in Mn)	135.8	59.9	21.5
Net worth(Rs in Mn)	742.7	643.0	326.0

Social Performance:

Solar Light Project: Utkarsh has initiated through Samutkarsh Welfare Society(SWS) to launch pilot phase of solar project to create awareness about clean green energy among the Utkarsh client. SWS has tied up with solar lantern producer company GREEN LIGHT PLANET to provide solar product to Utkarsh's client. The project started from two branches- Harahua(Varanasi) and Chandvak (Jaunpur) and 3 new branches have subsequently been opened at 3 new locations that is Durgawati (Bihar), Aurai and Lalganj. Total 535 clients purchased the solar combo product till 31 March 2014.

Financial Awareness: The Company organized 203 programmes on Financial Awareness for the clients of Utkarsh across several branches. Total 7333 clients benefitted in these Financial Awareness camps. Samutkarsh in with association with ACCION is in the process of imparting new Financial Awareness Training to the members of Utkarsh. The module of the new awareness training has been finalized

Health Initiatives: In order to provide low cost medical facility, SWS has tied up with Ram Krishna Sewashram Hospital Ojhala, Mirzapur and GV Meditech group Varanasi for operating poly clinic at three branches. This has been done to provide free medical facilities to the members. The Poly clinic opens for the customer of Utkarsh for medical treatment at fortnightly intervals, as such the poly clinic remain operational for 39 times till March 2014 and 4390 patients have been examined so far. Company plans to expand this initiative in many more branches and is in discussion with several hospitals