



Shivalik Mercantile Co-operative Bank Ltd.

Shivalik Small Finance Bank receives license from RBI

First Urban Cooperative Bank in India to receive a commercial banking license under voluntary transition scheme

Delhi, January 04, 2021

Shivalik Small Finance Bank (SSFB) today announced the receipt of a license from Reserve Bank of India (RBI) to carry on banking business as a Small Finance Bank (SFB) in India. This marks the successful completion of the last major step in the transition of Shivalik Mercantile Co-operative Bank (SMCB) to a SFB. SMCB is the first Urban Cooperative Bank (UCB) in India to transition to a Small Finance Bank under the voluntary transition scheme.

Highlights:

- Shivalik is the first and largest multi-state Urban Co-operative Bank in Uttar Pradesh and has been at the forefront of financial inclusion through a technology focussed approach. It is currently serving customers in Uttar Pradesh, Madhya Pradesh, Delhi and Uttarakhand.
- The 22 year old bank serves over 4 lakh unique customers through several customer touch points such as banking outlets, ATMs, internet banking, mobile banking, and doorstep services through hand held devices. As on 31 March 2020, the total business size of the bank was approximately ₹1,800 Crores.
- The bank is already live on all significant payment platforms and prides itself in providing a best-in-class digital experience to customers. The bank's major technology platforms are powered by Infosys Finacle using a cloud native model.
- The bank had received an in-principle approval from RBI for transitioning to a Small Finance Bank in January 2020 and was given an 18 month timeline to commence business as a Small Finance Bank. With today's announcement, the bank is on track to achieve this much earlier than expected. The bank expects to commence business as a Small Finance Bank by April 2021.

Commenting on this, Suveer Kumar Gupta, MD & CEO of Shivalik Mercantile Cooperative Bank, said, "It is an honour for Shivalik to be the first UCB in India to transition to a Small Finance Bank. A scheduled commercial banking license will alter our identity significantly allowing us to offer banking services across the country, offer a complete range of retail banking solutions to our customers and further our goal of financial inclusion.

With a rich 22 year banking heritage and experience, Shivalik is well placed to significantly benefit from becoming a Small Finance Bank. Our vision is to build a new age bank which is digital first and customer oriented at its roots. Shivalik can rapidly innovate and rollout highly personalized products and services for its customers through its advanced technology platform including the ability to implement Open Banking, and easily collaborate with the external ecosystem, including fintechs, digital businesses and non-banking financial service providers. We believe that technology adoption will allow us to explore previously under explored customer segments and expand across the country without reliance on a physical branch network.”

About Shivalik Mercantile Co-operative Bank Ltd.

Incorporated in 1997, Shivalik Mercantile Co-operative Bank (SMCB) commenced its journey as a district level urban cooperative bank (UCB) in September 1998 from district Saharanpur in Uttar Pradesh. In 2010, SMCB acquired a loss-making single branch bank in Dhar (Madhya Pradesh) and converted it into a profit-making branch for the bank within a year. This successful acquisition helped the bank in attaining Multi-state Cooperative Bank status, a first for any UCB in the state of Uttar Pradesh. Encouraged with the success of the acquisition, the bank successfully acquired another cooperative bank at Indore (Madhya Pradesh). Over the course of 22 years, the bank has expanded and grown steadily, from a single branch in 1998 to 31 branches currently.

Today, SMCB has emerged as the largest multi-state UCB in Uttar Pradesh associated with over 4 lakh unique customers including 12,000 self-help groups and operates through 31 branches and over 250 banking agents across Uttar Pradesh, Madhya Pradesh, Delhi and Uttarakhand. As on March 31, 2020, the total deposit base of the bank stood at Rs 1,140 Crores and total advances stood at Rs 719 Crores.

Pioneering the benchmark for its excellence in banking services, SMCB provides a gamut of banking solutions to its valued customers including Loan Products (personal, professional, business and microfinance loans), Deposit products (savings, current accounts and term deposits), services including payments, remittances, lockers, ATM Cards, Insurance, Forex and others. The bank is digitally oriented and offers Internet and Mobile Banking services. The Bank is a corporate agent for distribution of insurance products of New India Assurance Co. Ltd. (General Insurance), Bajaj Allianz General Insurance Co. Ltd., Bajaj Allianz Life Insurance Co. Ltd., Star Health & Allied Insurance Company (Health Insurance) and Life Insurance Corporation of India. Its key technology partners include Infosys Finacle, FIS and Ctrl-S.

To know more, visit www.shivalikbank.com