

USFB/CS/SE/2019-20/09

Date: January 22, 2020

To,

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G, Bandra Kurla
Complex, Bandra (E)
Mumbai - 400 051

BSE Limited
Listing Compliance
P.J. Tower,
Dalal Street
Mumbai - 400 001

Symbol: UJJIVANSFB

Scrip Code: 542904

Dear Sir/Madam,

Sub: Outcome of meeting of Board of Directors-Approval of Financial Results for the quarter and nine months ended December 31, 2019

Further to our letter baring reference number USFB/CS/SE/2019-20/04 dated January 13, 2020 and pursuant to Regulation 30 and 33 read with Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby inform you that further to the review by the Audit Committee, the Board of Directors of the Bank, at their meeting held on Wednesday, January 22, 2020, has considered and approved, *inter alia*, un-audited financial results of the Bank for the quarter and nine months ended December 31, 2019 along with limited review report thereon issued by the statutory auditors of the Bank.

A copy of aforesaid unaudited financial results and limited review report thereon issued by the statutory auditors of the Bank, a copy of press release and the Investor presentation on financial and business performance of the Bank for quarter ended December 31, 2019 are enclosed herewith.

The Meeting of the Board of Directors commenced at 11:30 AM and concluded at 04:30 PM

This intimation shall also be available on the Bank's website at www.ujjivansfb.in.

We request you to take note of the above.

Thanking You,

Yours faithfully,
For UJJIVAN SMALL FINANCE BANK LIMITED



Chanchal Kumar
Company Secretary and Compliance Officer

Ujjivan Small Finance Bank Ltd.

Registered Office: Plot No. 2364/8, Khampur Raya Village, Shadi Kampur, Main Patel Road, New Delhi-110008.
Tel: +91 11 30432121, Fax: +91 11 30432111.

Head Office: Grape Garden, No. 27, 3rd A Cross, 18th Main, Koramangala 6th Block, Bengaluru-560095.
Tel: +91 80 40712121, Fax: +91 80 4146 8700.

CIN: U65110DL2016PLC302481 **W** www.ujjivansfb.in **E** ujjivan.blr@ujjivan.com

Independent Auditors' Review Report on Unaudited Quarterly and Nine Months Ended Financial Results of Ujjivan Small Finance Bank Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors of
Ujjivan Small Finance Bank Limited

1. We have reviewed the accompanying statement of unaudited financial results of Ujjivan Small Finance Bank Limited ('the Bank') for the quarter and nine months ended December 31, 2019 ('the Statement') being submitted by the Bank pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Listing Regulations').
2. This Statement, which is the responsibility of the Bank's Management and approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 'Interim Financial Reporting' ('AS 25') prescribed under section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, in so far as they apply to banks, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time ('the RBI Guidelines') and other recognized accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in AS 25 prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder, in so far as they apply to banks, the RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of the Listing Regulations including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters.

For MSKA & Associates
Chartered Accountants
ICAI Firm Registration No.105047W

Swapnil Kale
Swapnil Kale

Partner

Membership No.: 117812

UDIN: 20117812AAAABS9182



Bengaluru

January 22, 2020

UJJIVAN SMALL FINANCE BANK LIMITED

CIN: U65110DL2016PLC302481

Registered Office: Plot No. 2364/8, Khampur Raya Village, Main Patel Nagar Road, Shadi Khampur, New Delhi - 110 008

Corporate Office: Grape Garden, No. 27, 3rd A Cross, 18th Main, 6th Block, Koramangala, Bengaluru 560 095

Website: www.ujjivansfb.in Phone: +91 80 4071 2121

Unaudited Financial Results for the Quarter and Nine Months Ended December 31, 2019

(Rs. in Lacs)

S.No.	Particulars	Quarter ended			Nine Months ended		Year ended
		December 31, 2019	September 30, 2019	December 31, 2018	December 31, 2019	December 31, 2018	March 31, 2019
		(Unaudited)	(Unaudited) (Refer Note 10)	(Unaudited)	(Unaudited)	(Unaudited)	(Audited)
1	Interest Earned (a)+(b)+(c)+(d)	70,642	65,433	46,238	196,612	129,571	183,161
	a) Interest/ discount on advances/ bills	66,647	61,983	43,682	185,350	122,572	172,849
	b) Income on Investments	3,602	3,146	2,131	10,250	6,451	9,310
	c) Interest on balances with Reserve Bank of India and other interbank funds	292	130	62	466	185	243
	d) Others	101	174	363	546	363	759
2	Other Income (Refer note 7)	7,489	7,503	4,849	25,005	13,963	20,596
3	Total Income (1)+(2)	78,131	72,936	51,087	221,617	143,534	203,757
4	Interest Expended	27,989	26,636	18,202	79,916	50,901	72,520
5	Operating Expenses (i)+(ii)	35,741	32,161	25,599	97,037	70,189	100,335
	(i) Employees Cost	19,641	17,779	13,554	53,359	36,819	51,880
	(ii) Other Operating Expenses	16,100	14,382	12,045	43,678	33,370	48,455
6	Total Expenditure (4)+(5)	63,730	58,797	43,801	176,953	121,090	172,855
	[excluding provisions & contingencies]						
7	Operating Profit before Provisions & Contingencies (3)-(6)	14,401	14,139	7,286	44,664	22,444	30,902
8	Provisions (other than tax) and Contingencies	3,053	2,479	700	7,411	2,823	4,060
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before tax (7)-(8)-(9)	11,348	11,660	6,586	37,253	19,621	26,842
11	Tax Expense	2,382	2,397	2,055	9,576	6,077	6,920
12	Net Profit from Ordinary Activities after tax (10)-(11)	8,966	9,263	4,531	27,677	13,544	19,922
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit for the period (12)-(13)	8,966	9,263	4,531	27,677	13,544	19,922
15	Paid up equity share capital (Face Value of Rs 10/- each)	172,822	144,004	144,004	172,822	144,004	144,004
16	Reserves excluding revaluation reserves (As per the Balance Sheet of previous accounting year)						17,959
17	Analytical Ratios						
	(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	NIL	NIL
	(ii) Capital Adequacy Ratio - BASEL II (Refer note 8)	28.38%	18.84%	22.16%	28.38%	22.16%	18.95%
	(iii) Earnings per share (before and after extraordinary items, net of tax expenses)*						
	Basic EPS (Rs)	0.58	0.55	0.22	1.79	0.85	1.20
	Diluted EPS (Rs)	0.58	0.55	0.22	1.78	0.85	1.20
	(iv) NPA Ratios						
	(a) Gross NPAs	12,945	10,940	12,777	12,945	12,777	9,785
	(b) Net NPAs	5,149	4,253	2,375	5,149	2,375	2,755
	(c) % of Gross NPAs to Gross Advances	0.95%	0.85%	1.41%	0.95%	1.41%	0.92%
	(d) % of Net NPAs to Net Advances	0.38%	0.33%	0.26%	0.38%	0.26%	0.26%
	(v) Return on assets (average)*	0.54%	0.61%	0.43%	1.82%	1.36%	1.88%

* Figures for the quarter and nine months are not annualised



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Segment information in accordance with Accounting Standard on Segment Reporting (AS-17) of the operating segment of the Bank is as under:							(Rs. in Lacs)
S.No	Particulars	Quarter ended			Nine Months ended		Year ended March 31, 2019 (Audited)
		December 31, 2019 (Unaudited)	September 30, 2019 (Unaudited)	December 31, 2018 (Unaudited)	December 31, 2019 (Unaudited)	December 31, 2018 (Unaudited)	
1	Segment Revenue						
(a)	Treasury	4,004	3,821	2,375	15,817	9,727	13,113
(b)	Retail Banking	72,478	67,719	48,568	201,846	133,661	190,006
(c)	Corporate/ Wholesale Banking	1,649	1,396	144	3,954	146	638
(d)	Unallocated	-	-	-	-	-	-
	Less: Inter-segment revenue						
	Income from operations	78,131	72,936	51,087	221,617	143,534	203,757
2	Segment Results						
(a)	Treasury	37	360	(23)	4,514	2,359	2,612
(b)	Retail Banking	17,551	21,558	8,243	50,702	21,618	30,081
(c)	Corporate/ Wholesale Banking	(25)	174	(15)	276	(29)	12
(d)	Unallocated	(6,215)	(10,432)	(1,619)	(18,239)	(4,327)	(5,863)
	Total Profit Before Tax	11,348	11,660	6,586	37,253	19,621	26,842
3	Segment Assets						
(a)	Treasury	301,709	256,979	139,313	301,709	139,313	252,354
(b)	Retail Banking	1,373,624	1,296,055	951,380	1,373,624	951,380	1,094,596
(c)	Corporate/ Wholesale Banking	54,628	52,156	10,003	54,628	10,003	22,505
(d)	Unallocated	6,080	5,599	4,814	6,080	4,814	4,766
	Total Assets	1,736,041	1,610,789	1,105,510	1,736,041	1,105,510	1,374,221
4	Segment Liabilities						
(a)	Treasury	301,709	256,979	139,313	301,709	139,313	252,354
(b)	Retail Banking	1,084,377	1,097,644	779,283	1,084,377	779,283	917,399
(c)	Corporate/ Wholesale Banking	39,126	52,156	10,003	39,126	10,003	22,505
(d)	Unallocated	-	-	-	-	-	-
	Total Liabilities	1,425,212	1,406,779	928,599	1,425,212	928,599	1,192,258
5	Capital Employed (Segment Assets - Segment Liabilities)						
(a)	Treasury	-	-	-	-	-	-
(b)	Retail Banking	289,247	198,411	172,097	289,247	172,097	177,197
(c)	Corporate/ Wholesale Banking	15,502	-	-	15,502	-	-
(d)	Unallocated	6,080	5,599	4,814	6,080	4,814	4,766
	Total	310,829	204,010	176,911	310,829	176,911	181,963

A) Treasury: The Treasury Segment primarily consists of net interest earnings from the Bank's Investment portfolio, money market borrowing and lending, gains or losses on Investment operations and income from sale of Priority Sector Lending Certificates ("PSLC").

B) Retail Banking: The Retail Banking Segment serves retail customers through a branch network and other delivery channels. Retail Banking includes lending to and deposits from retail customers and identified earnings and expenses of the segment. This segment raises deposits from customers and provides loans and other services to customers. Revenues of the retail banking segment are derived from interest earned on retail loans, processing fees earned and other related incomes. Expenses of this segment primarily comprise interest expense on deposits & borrowings, infrastructure and premises expenses for operating the branch network and other delivery channels, personnel costs, other direct overheads and allocated expenses.

C) Corporate/ Whole Sale Banking: The Wholesale Banking Segment provides loans to Corporates and Financial Institutions. Revenues of the wholesale banking segment consist of interest earned on loans made to customers. The principal expenses of the segment consist of interest expense on funds borrowed from external sources and other internal segments, premises expenses, personnel costs, other direct overheads and allocated expenses of delivery channels, specialist product groups, processing units and support groups.

Notes :

- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 22, 2020. The financial results for the quarter and nine months ended December 31, 2019 have been subjected to limited review by the statutory auditors of the Bank.
- The above financial results of the Bank have been prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under section 133 of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the guidelines issued by the Reserve Bank of India (RBI).
- The Bank has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2019.
- During the period ended December 31, 2019, the Bank successfully raised capital of Rs 745.94 crores through Initial Public Offer by issuing 20,27,02,702 equity shares of Rs 10/-each and Rs 250 crores through private placement by issuing 7,14,28,570 equity shares of Rs 10 each at premium ranging from Rs 25 to Rs 27. The equity shares of the Bank got listed on December 12, 2019 on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE).
- Bank has allotted 1,40,55,097 equity shares to eligible employees (including employees of Ujjivan Financial Services Limited "holding company") under Employee Stock Purchase Scheme (ESPS) 2019 at a price of Rs 35 per equity share including premium of Rs 25. The Bank has granted 4,07,99,100 options under the Employee Stock Option Plan (ESOP) 2019 to eligible employees of the Bank (including employees of the Bank's holding company). No options have vested as at December 31, 2019.
- The Board of Directors vide its meeting held on July 30, 2019 approved an Interim Preference Dividend of 5.5% i.e. Rs 0.55 per preference share of Rs 10/-each (within the maximum permissible coupon rate of 11%) amounting to Rs 11 crores (excluding Dividend Distribution Tax) on 200,000,000 11% Perpetual Non-Cumulative Non-Convertible preference shares.
- Other income includes income from commission, exchange and brokerage, processing fees, profit on sale of investments, PSLC fee income and recoveries from accounts previously written off.
- The Capital Adequacy Ratio ("CAR") has been computed as per operating guidelines for Small Finance Bank in accordance with RBI Circular No. RBI/2016-17/81 DBR.NBD.No. 26/16.13.218/2016-17 dated October 06, 2016. The Bank has followed BASEL II standardized approach for credit risk in accordance with the operating guidelines issued by the RBI for Small Finance Banks. Further, the RBI vide its Circular No. DBR.NBD.No.4502/16.13.218/2017-18 dated November 08, 2017 has provided an exemption to all Small Finance Banks whereby no separate capital charge is prescribed for market risk and operational risk.



- 9) The Bank has appointed Mr. Nitin Chugh as Managing Director and Chief Executive Officer with effect from December 01, 2019.
- 10) The figures for the quarter ended September 30, 2019 are the balancing figures between audited figures in respect of the half year ended September 30, 2019 and the year to date figures upto June 30, 2019.
- 11) Share issue expenses are adjusted from Securities Premium Account as permitted by Section 52 of the Companies Act, 2013.
- 12) Bank has considered ESOP reserve as Tier 1 capital for the computation of Capital Adequacy Ratio -BASEL II.
- 13) During the quarter, the Bank has made the additional provision of Rs. 4.94 crores on standard advances in micro finance portfolio after evaluating the risk observed in certain areas of state of Assam.
- 14) Figures for the previous periods have been regrouped and reclassified wherever necessary to confirm to the current period's presentation.

Bengaluru
January 22, 2020



By order of the Board
For Ujjivan Small Finance Bank Limited


Nitin Chugh

DIN: 01884659
Managing Director & CEO

