

USFB/CS/SE/2020-21/51

Date: November 07, 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 the meeting of the Board of Directors-Approval of Audited Financial Results for the quarter and half year ended September 30, 2020

Further to our letter bearing reference number USFB/CS/SE/2020-21/47 dated October 27, 2020 and pursuant to Regulation 30 and 33 read with Schedule III of the 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 Saturday, November 07, 2020, has considered and approved, *inter alia*, Audited Financial Results of the Bank for the quarter and half year ended September 30, 2020 along with the Audit Report thereon issued by the statutory auditors of the Bank, M/s MSKA & Associates, Chartered Accountants.

A copy of aforesaid Audited Financial Results and Audit 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 and half year ended September 30, 2020 are enclosed herewith.

The meeting of the Board of Directors commenced at 01:30 P.M and concluded at 04:15 P.M

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: L65110DL2016PLC302481 **W** www.ujjivansfb.in **E** ujjivan.blr@ujjivan.com

Independent Auditor's Report on Quarter and Half year ended Financial Results of the Bank pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements), 2015

TO THE BOARD OF DIRECTORS OF UJJIVAN SMALL FINANCE BANK LIMITED

Report on the Audit of the Financial Results

Opinion

We have audited the accompanying Financial Results of Ujjivan Small Finance Bank Limited ("the Bank") for the quarter and half year ended September 30, 2020 ("the Statement"), being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- i. is presented in accordance with the requirements of Listing Regulations; and
- ii. gives a true and fair view, in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Accounts) Rules, 2014, as amended to the extent applicable, 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 accounting principles generally accepted in India of the net profit and other financial information for the quarter and half year ended September 30, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Statement, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Statement.

Emphasis of Matter

We draw attention to Note 11 to the audited financial results, which states that there is reduction in the business activities of the Bank due to impact of COVID-19. The extent to which the COVID-19 Pandemic will continue to impact the Bank's operations and financial results will depend on future developments, which are highly uncertain.

Our opinion is not modified in respect of the above matter.

Board of Directors' Responsibility for the Financial Results

This Statement has been compiled from the interim financial statements. The Bank's Board of Directors are responsible for the preparation of the Statement that gives a true and fair view of the net profit and other financial information of the Bank in accordance with the Accounting Standard - 25 "Interim Financial Reporting" (AS - 25) specified under section 133 of the Act, the RBI Guidelines and other accounting principles generally accepted in India and in compliance with the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act and RBI guidelines for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Statement by the Board of Directors of the Bank, as aforesaid.

In preparing the Statement, the Board of Directors are responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Bank are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Results

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing our opinion on whether the Bank has internal financial controls with reference to the Statement in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matter

The Statement include the results for the quarter ended September 30, 2020 being the balancing figure between the audited figures in respect of the half year ended September 30, 2020 and the published unaudited figures up to the first quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in AS - 25 which were subject to limited review by us.

Our opinion is not modified in respect of this matter.

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



Swapnil Kale
Partner
Membership No.117812
UDIN: 20117812AAAAZX9369

Mumbai
November 07, 2020

UJIVAN SMALL FINANCE BANK LIMITED
CIN: L65110DL2016PLC302481

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.ujivansfb.in Phone: +91 80 4071 2121

Audited Financial Results for the Quarter and Half Year Ended September 30, 2020							(Rs. in Lacs)
S.No.	Particulars	Quarter ended			Half - Year Ended		Year Ended
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
		(Audited) (Refer Note 6)	(Unaudited)	(Audited) (Refer Note 6)	(Audited)	(Audited)	(Audited)
1	Interest Earned (a)+(b)+(c)+(d)	75,361	74,628	65,433	149,989	125,970	270,360
	a) Interest/ discount on advances/ bills	70,057	69,763	61,983	139,820	118,703	255,171
	b) Income on Investments	4,396	4,154	3,146	8,550	6,648	13,870
	c) Interest on balances with Reserve Bank of India and other interbank funds	908	711	130	1,619	174	773
	d) Others	-	-	174	-	445	546
2	Other Income (Refer note 8)	6,440	2,870	7,503	9,310	17,516	32,221
3	Total Income (1)+(2)	81,801	77,498	72,936	159,299	143,486	302,581
4	Interest Expended	28,347	28,827	26,636	57,174	51,928	107,001
5	Operating Expenses (i)+(ii)	30,237	27,202	32,161	57,439	61,296	131,857
	(i) Employees Cost	18,980	18,576	17,779	37,556	33,718	71,849
	(ii) Other Operating Expenses	11,257	8,626	14,382	19,883	27,578	60,008
6	Total Expenditure (4)+(5) [excluding provisions & contingencies]	58,584	56,029	58,797	114,613	113,224	238,858
7	Operating Profit before Provisions & Contingencies (3)-(6)	23,217	21,469	14,139	44,686	30,262	63,723
8	Provisions (other than tax) and Contingencies	10,052	14,034	2,479	24,086	4,358	17,099
9	Exceptional Items	-	-	-	-	-	-
10	Profit from Ordinary Activities before tax (7)-(8)-(9)	13,165	7,435	11,660	20,600	25,904	46,624
11	Tax Expense	3,565	1,970	2,397	5,535	7,193	11,632
12	Net Profit from Ordinary Activities after tax (10)-(11)	9,600	5,465	9,263	15,065	18,711	34,992
13	Extraordinary items (net of tax expense)	-	-	-	-	-	-
14	Net Profit for the period/year (12)-(13)	9,600	5,465	9,263	15,065	18,711	34,992
15	Paid up equity share capital (Face Value of Rs 10/- each)	172,822	172,822	144,004	172,822	144,004	172,822
16	Reserves excluding revaluation reserves						123,808
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 9)	30.99%	28.68%	18.84%	30.99%	18.84%	28.82%
	(iii) Earnings per share (before and after extraordinary items, net of tax expenses)*						
	Basic EPS (Rs)	0.56	0.32	0.55	0.87	1.21	2.19
	Diluted EPS (Rs)	0.56	0.32	0.55	0.87	1.21	2.18
	(iv) NPA Ratios						
	(a) Gross NPAs	13,609	13,982	10,940	13,609	10,940	13,714
	(b) Net NPAs	1,908	2,510	4,253	1,908	4,253	2,749
	(c) % of Gross NPAs to Gross Advances	0.98%	0.97%	0.85%	0.98%	0.85%	0.97%
	(d) % of Net NPAs to Net Advances	0.14%	0.18%	0.33%	0.14%	0.33%	0.20%
	(v) Return on assets (average)*	0.50%	0.29%	0.61%	0.79%	1.28%	2.21%

* Figures for the quarter and half year 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			Half - Year Ended		Year ended March 31, 2020 (Audited)
		September 30, 2020 (Audited) (Refer Note 6)	June 30, 2020 (Unaudited)	September 30, 2019 (Audited) (Refer Note 6)	September 30, 2020 (Audited)	September 30, 2019 (Audited)	
1	Segment Revenue						
(a)	Treasury	7,887	5,979	3,821	13,866	11,813	19,781
(b)	Retail Banking	72,476	69,996	67,719	142,472	129,368	277,268
(c)	Wholesale Banking	1,438	1,523	1,396	2,961	2,305	5,532
(d)	Unallocated	-	-	-	-	-	-
	Less: Inter-segment revenue	-	-	-	-	-	-
	Income from operations	81,801	77,498	72,936	159,299	143,486	302,581
2	Segment Results						
(a)	Treasury	2,330	972	360	3,302	4,477	4,241
(b)	Retail Banking	12,000	7,791	13,995	19,791	25,588	48,845
(c)	Wholesale Banking	666	444	174	1,110	301	153
(d)	Unallocated	(1,831)	(1,772)	(2,869)	(3,603)	(4,462)	(6,615)
	Total Profit Before Tax	13,165	7,435	11,660	20,600	25,904	46,624
3	Segment Assets						
(a)	Treasury	424,180	429,710	256,979	424,180	256,979	355,489
(b)	Retail Banking	1,400,190	1,454,924	1,296,055	1,400,190	1,296,055	1,426,434
(c)	Wholesale Banking	50,591	52,338	52,156	50,591	52,156	54,916
(d)	Unallocated	4,498	3,838	5,599	4,498	5,599	4,284
	Total Assets	1,879,459	1,940,810	1,610,789	1,879,459	1,610,789	1,841,123
4	Segment Liabilities						
(a)	Treasury	424,180	429,710	256,979	424,180	256,979	355,489
(b)	Retail Banking	1,085,019	1,148,705	1,097,644	1,085,019	1,097,644	1,127,771
(c)	Wholesale Banking	34,911	37,325	52,156	34,911	52,156	39,091
(d)	Unallocated	-	-	-	-	-	-
	Total Liabilities	1,544,110	1,615,740	1,406,779	1,544,110	1,406,779	1,522,351
5	Capital Employed (Segment Assets - Segment Liabilities)						
(a)	Treasury	-	-	-	-	-	-
(b)	Retail Banking	315,171	306,219	198,411	315,171	198,411	298,663
(c)	Wholesale Banking	15,680	15,013	-	15,680	-	15,825
(d)	Unallocated	4,498	3,838	5,599	4,498	5,599	4,284
	Total	335,349	325,070	204,010	335,349	204,010	318,772

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 comprises of 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) 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 :

1) Statement of Assets and Liabilities as at September 30, 2020 is given below:

Particulars	(Rs. in Lacs)		
	As at September 30, 2020 (Audited)	As at September 30, 2019 (Audited)	As at March 31, 2020 (Audited)
CAPITAL AND LIABILITIES			
Capital	192,822	164,004	192,822
Share Application Money Pending Allotment	-	3,592	-
Employees Stock Options and Purchase Outstanding	3,654	1,070	2,142
Reserves and Surplus	138,874	35,344	123,808
Deposits	1,074,277	1,012,985	1,078,048
Borrowings	394,891	347,017	395,327
Other Liabilities and Provisions	74,941	46,777	48,976
Total	1,879,459	1,610,789	1,841,123
ASSETS			
Cash and Balances with Reserve Bank of India	75,550	48,725	122,487
Balances with Banks and Money at Call and Short notice	31,555	22,206	11,842
Investments	334,941	201,839	239,614
Advances	1,377,269	1,278,040	1,404,364
Fixed Assets	29,684	29,621	30,048
Other Assets	30,460	30,358	32,768
Total	1,879,459	1,610,789	1,841,123

2) Statement of Cashflow as at September 30, 2020 is given below:

Particulars	(Rs. in Lacs)		
	Half Year ended September 30, 2020 (Audited)	Half Year ended September 30, 2019 (Audited)	Year ended March 31, 2020 (Audited)
Cash Flow from Operating Activities			
Profit before taxation	20,600	25,904	46,624
Adjustments for :			
Depreciation on Bank's Property	3,755	3,592	7,263
Loss on sale of Land, Building & Other assets (net)	47	10	19
Expense on employee stock option	1,512	473	2,142
Expense on employee stock purchase	-	591	797
Fixed Assets Written off	-	9	9
Provision for Non Performing Assets	761	2,988	10,451
Provision for Standard Assets	23,324	1,370	6,641
Amortisation of premium on Held Till Maturity investments	592	158	455
	50,591	35,095	74,401
Adjustments for :			
(Increase) /Decrease in Advances	26,335	(225,782)	(359,570)
(Increase)/Decrease in Investments	(95,919)	(49,334)	(87,407)
(Increase)/Decrease in Other Assets	2,521	(1,173)	(3,595)
Increase/ (Decrease) in Deposits	(3,771)	275,041	340,104
Increase/ (Decrease) in Other Liabilities	2,641	7,708	4,629
	(17,602)	41,555	(31,438)
Direct Taxes paid (net of refunds)	(5,749)	(7,956)	(11,150)
Net Cash Flow generated from/(used in) Operating Activities (A)	(23,351)	33,599	(42,588)
Cash Flow from Investing Activities			
Proceeds from sale of Fixed Assets	20	49	59
Purchase of Fixed Assets including WIP	(3,457)	(4,836)	(8,953)
Net Cash Flow used in Investing Activities (B)	(3,437)	(4,787)	(8,894)
Cash Flow from Financing Activities			
Proceeds from issue of equity shares (net of issue expenses)	-	-	100,204
Proceeds from share application money pending allotment	-	3,592	-
Increase/(Decrease) in Borrowings (Net)	(436)	(69,592)	(21,282)
Preference dividend paid during the period/year	-	(1,100)	(1,100)
Dividend distribution tax paid during the period/year	-	(226)	(226)
Net Cash Flow used in Financing Activities (C)	(436)	(67,326)	77,596
Net Decrease in Cash and Cash Equivalents (A+B+C)	(27,224)	(38,514)	26,114
Cash and Cash Equivalents at the beginning of the period/year	133,879	107,765	107,765
Cash and Cash Equivalents at the end of the period/year	106,655	69,251	133,879



- 3) The above financial results for the quarter and half year ended September 30, 2020 have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on November 07, 2020. The financial results for the quarter and half year ended September 30, 2020 have been subjected to an audit by the statutory auditors of the Bank. The report thereon is unmodified.
- 4) 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) Regulations, 2015, as amended and the guidelines issued by the Reserve Bank of India (RBI).
- 5) 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, 2020.
- 6) The figures for the second quarter in each of the financial years are the balancing figures between audited figures in respect of the half year end and the published year to date figures upto the end of the first quarter of the respective financial year.
- 7) 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) during the financial year 2019-20. As at September 30, 2020, out of the total options granted, 37,43,858 options were lapsed, 66,95,496 options were vested yet to be exercised and 2,65,61,049 options are yet to be vested.
- 8) 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.
- 9) 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. Additional COVID provisioning have not been considered in Tier II capital.
- 10) Bank has considered ESOP reserve as Tier 1 capital for the computation of Capital Adequacy Ratio -BASEL II.
- 11) Consequent to the outbreak of COVID-19 pandemic, the Indian government had announced a lockdown in March 2020. Subsequently, the lockdown has been lifted by the government for certain activities in a phased manner outside specified containment zones.
The impact of COVID-19, including changes in customer behaviour and pandemic fears, as well as restrictions on business and individual activities, has led to significant volatility in global and Indian financial markets and a significant decrease in global and local economic activity, which may persist even after the restrictions related to the COVID-19 outbreak are lifted. While there has been some improvement in economic activities during the current quarter, the continued slowdown has led to a decrease in loan originations and in collection efforts efficiency. The slowdown may lead to a rise in the number of customers defaults and consequently an increase in provisions there against.
The extent to which the COVID-19 pandemic will continue to impact the Bank's operations and financial results will depend on future developments, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Bank.

The Bank has made total provision of Rs 7,000 lacs for COVID 19 as on March 31, 2020 out of which Rs 4,586 lacs was in respect of accounts in default but standard against the potential impact of COVID-19. Further, the Bank has made additional provision of Rs 12,900 lacs and Rs 10,000 lacs during the quarter ended June 30, 2020 and September 30, 2020 respectively against the potential impact of COVID 19 on standard assets based on the information available at this point in time. The provision held by the Bank is in excess of the RBI prescribed norms.

In order to mitigate the burden of debt servicing brought about by disruptions on account of COVID-19 pandemic and to ensure the continuity of viable businesses, RBI through its circulars dated March 27, 2020 and April 17, 2020, permitted Banks to grant a moratorium, on the payment of all instalments and / or interest, falling due between March 01, 2020 and May 31, 2020 to their borrowers classified as standard even if overdue, as on February 29, 2020. This period was extended by RBI till August 31, 2020 through its circular dated May 23, 2020. The Bank accordingly extended the moratorium option to its borrowers in accordance with its Board approved policies. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period (i.e, the number of days past due shall exclude the moratorium period for the purposes of determining whether an asset is non-performing).

The quantitative disclosures as required by RBI circular dated April 17, 2020 for the half year ended September 30, 2020 are given below:

Particulars	(Rs in lacs)
	Amount
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended, in terms of paragraph 2 and 3 of the circular*	11,858
Term Loan Instalments: Rs 11,833 (Rs in lacs)	
Cash Credit / Overdraft :Rs 24 (Rs in lacs)	
Respective amount where asset classification benefits is extended*	13,394
Term Loan Instalments: Rs 13,370 (Rs in lacs)	
Cash Credit / Overdraft : Rs 24 (Rs in lacs)	
Provisions made in terms of para 5 of the circular during the period ended September 30, 2020:	
March 31, 2020	4,586
June 30, 2020	17,486
September 30, 2020	27,486
Provisions adjusted during the respective accounting periods against slippages in terms of paragraph 6 of the circular	-
Residual provisions in terms of paragraph 6 of the circular	27,486

*represents outstanding balance as on September 30, 2020 in respect of such accounts.



12) The Honourable Supreme Court of India, vide an interim order dated September 03, 2020 in the writ petition - Gajendra Sharma Vs Union of India & Anr., directed that the accounts which were not declared Non-Performing Assets ('NPA') till August 31, 2020 shall not be declared NPA till further orders. Accordingly, an account, which was not declared NPA as at August 31, 2020, has not been declared NPA subsequently as per the RBI's Master Circular - Prudential Norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances.

However, if the Bank had classified borrower accounts as NPA after August 31, 2020, the Bank's proforma Gross NPA ratio and Net NPA ratio as at September 30, 2020 would have been 1.19% and 0.30% respectively. As a matter of prudence, the Bank has made contingency provisions (including interest accrued) of Rs. 792 lacs at September 30, 2020 on such advances in accordance with the extant policies as applicable to NPA's. This provision is included as Covid-19 related provision.

13) Department of Financial Services, Ministry of Finance, Government of India vide notification no. F.No.2/12/2020-BOA.I dated October 23, 2020 conveyed that in view of the unprecedented and extreme COVID - 19 situation, the Central Government has approved "Scheme for grant of ex-gratia payment of difference between compound interest and simple interest for six months to borrowers in specified loan accounts, (March 01, 2020 – August 31, 2020)". The benefits under the Scheme would be routed through lending institutions (as defined in the notification). The Bank has developed a Board approved Policy in line with the operational guidelines and pronouncements issued in this regard and conducted the aforesaid exercise of crediting the benefit in the respective accounts of eligible borrowers within the prescribed timeline. No effect of the Notification and the resultant credits to the loan accounts of eligible borrowers has been made in these financial results. Bank has considered computing and processing ex-gratia only for the eligible loan products which were charged/collected with compound interest during moratorium period (March 01, 2020 – August 31, 2020).

14) The Indian Parliament has approved the Code on Social Security, 2020 which may impact the contributions by the Bank towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules for quantifying the financial impact are yet to be determined. The Bank will complete their evaluation and will give appropriate impact in the financial statements in the year in which, the Code becomes effective and the related rules to determine the financial impact are notified.

15) Figures for the previous periods have been regrouped/reclassified wherever necessary to confirm to the current period's presentation.

Bengaluru
November 07, 2020

By order of the Board
For Ujjivan Small Finance Bank Limited



Nitin Chugh
DIN: 01884659
Managing Director & CEO

