

Press Release

Milestone year; Setting new benchmarks

Best ever performance across all parameters with PAT at ₹310 crore/₹1,100 crore for Q4/ FY23
Disbursed ₹6,001 crore /₹20,037 crore for Q4/ FY23; Gross loan book up 33% Y-o-Y/ 10% Q-o-Q
Collections/ asset quality at industry best; PAR at 3.8%; GNPA/NNPA at 2.6%/0.04%
Deposits up 40% Y-o-Y/ 10% Q-o-Q; Retail TDs[^] up 69% Y-o-Y/ 10% Q-o-Q

Mumbai, Thursday 11 April, 2023: Ujjivan Small Finance Bank Ltd. [BSE: 542904; NSE: UJJIVANSFB], today announced its financial performance for the year and quarter ended March 31, 2023

Summary of Ujjivan Small Finance Bank Business Performance – Q4FY23 and FY23

❖ **Assets**

- Disbursements were at ₹6,001 crore/ ₹20,037 crore for Q4FY23/ FY23; crossing major milestones
- All-round growth with Housing and FIG crossing milestone of ₹400 crore/ ₹300 crore quarterly disbursement, disbursing ₹439 crore/ ₹318 crore respectively – highest ever for both the segments
- Gross loan book at ₹24,085* crore up 33%/10% Y-o-Y/Q-o-Q

❖ **Collection and Asset Quality**

- Continued traction on Collections with ~100% efficiency in Mar'23; NDA collection consistently at ~100%
- Portfolio at risk at 3.8% as of Mar'23* vs 4.9% as on Dec'22
- GNPA/ NNPA declined to 2.6% / 0.04%^{**} as of Mar'23 against 3.4% / 0.05%^{**} as of Dec'22
- Total of ₹ 67 crore written-off in Q4FY23; Provision coverage ratio as on Mar'23 is 98.4%[#]
- Restructured book falls below 1%; constitutes only 0.9% of gross loan book* with provision cover of ~100% and collection efficiency of 111% in Mar'23

❖ **Deposits**

- Deposits at ₹25,538 crore as of Mar'23 up by 40%/10% Y-o-Y/Q-o-Q
- Retail TD grew 69%/10% Q-o-Q/Y-o-Y
- CASA grew 35%/11% Q-o-Q/Y-o-Y taking CASA ratio at 26.4% as on Mar'23
- Healthy retail liability customer acquisition.

❖ **Financials**

- Q4/ FY23 NII of ₹738 / ₹2,698 crores up 36%/ 52% Y-o-Y; NIM at 9.1%* for Q4FY23, 9.5% for FY23
- Cost to Income ratio at 55.2% in Q4FY23 vs 64.0% Y-o-Y; 54.8% for FY23 down from 70.1% Y-o-Y
- Q4 PPOp at ₹411 crore up 70% Y-o-Y; PAT of ₹310 crore up 145% Y-o-Y; FY23 PPOp at ₹1,485 crore up 133% Y-o-Y; PAT of ₹1,100 crore vs ₹(415) crore in FY22

❖ **Capital and Liquidity**

- Capital adequacy ratio at 25.8% with Tier-1 capital at 22.7%
- Provisional LCR at 180% as of Mar'23

Given the strong performance for the fiscal, the Board has recommended a final dividend of 5% in addition to the 7.5% dividend already paid.

* Without adjusting IBPC & Securitization of ₹2,174/ ₹1,619/₹2,580 crores as on Mar 2023/ Dec 2022 / Sep 2022

** annualized; ^ Retail TDs are TDs of below ₹2 crores

For Mar'23, out of ₹250 crores floating provision only ₹120 crores has been utilized towards NNPA/ PCR calculation; ₹100 crores has been classified under "other provisions" and ₹30 crores used towards Tier II capital. Entire Floating provision of ₹250 Cr continues to be on books & can be utilized for making specific provisions in future during extraordinary circumstances, with prior approval from the RBI

Mr. Ittira Davis, MD & CEO, Ujjivan Small Finance Bank said, “FY23 started on a high note and ended on even higher note as Q4FY23 marked several milestones in the Bank’s history, set benchmarks and achieved success on multiple fronts. We delivered an all-round performance and met all our guidances. On one hand, we made new benchmarks for growth with all-time high disbursements and on the other hand asset quality continued to show sequential and sustained improvement. Our deposits continued to outpace asset growth crossing ₹25,000 crore mark. We had a negligible credit cost for the year on the back of sustained collections – reduced slippages and strong recoveries. While, slippages have normalised towards the year-end, recoveries may continue for a while. Our continued strong collections will ensure a sub-100 bps credit cost in FY24 as well. We picked-up our branch expansion during the quarter with 31 new branches and will continue it in the new fiscal with around 100 branches. Among various other achievements on digital side, most remarkable one is the launch of our vvv* based mobile banking app – “Hello Ujjivan” targeting non-tech savvy customers. The app has already received several industry accolades including Aegis Graham Bell Awards 2022 for Innovation in Consumer Tech and has seen 1.3+ lakh downloads. We would continue to leverage our digital capabilities in addition to brick and mortar.

On the merger with our promoter, we have filed our application with Honourable NCLT, Bengaluru and are awaiting observations/ communication. We will keep the stakeholders informed on the same.

In FY24, we would be building on the base of FY23. The contribution of secured products in growth would see improvement as our strategy/ execution for respective verticals take clearer shape. Overall, we remain confident of the business growth (>25% gross loan book growth) and profitability (~22% RoE). We remain committed to our journey towards becoming a leading mass-market bank and contributing towards digital inclusion in India.”

About Ujjivan Small Finance Bank Limited:

Ujjivan Small Finance Bank Limited is a small finance bank licensed under Section 22 (1) of the Banking Regulation Act, 1949 to carry on the business of small finance bank in India. Bank serves ~77 lakh customers through 629 branches and 17,870 employees spread across 271 districts and 25 states and union territories in India. Gross loan book stands at ₹24,085 crore with a deposit base of ₹25,538 crore as of Mar 31, 2023.

‘We constantly strive to ensure strong corporate culture which emphasizes on integrating CSR values with business objectives. We work with communities in navigating the unprecedented challenges primarily focused on healthcare, disaster relief, Covid relief, livelihood for especially abled people, education, and community infrastructure development.’

Web: www.ujjivansfb.in Twitter: [@UjjivanSFB](https://twitter.com/UjjivanSFB)

Safe Harbour:

Some of the statements in this document that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.

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