

**B K Ramadhyani & Co LLP**

Chartered Accountants  
4B, Chitrapur Bhavan ,  
No.68, 8th Main,  
15th Cross, Malleshwaram,  
Bangalore - 560 055

**Mukund M Chitale & Co.**

Chartered Accountants  
Second Floor, Kapur House, Paranjape B  
Scheme Road No 1, Vile Parle East,  
Mumbai- 400057

## **Independent Auditor's Review Report on Review of Unaudited Interim Financial Results of the Company pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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

1. We have reviewed the accompanying statement of unaudited financial results ("the Statement") of **Ujjivan Small Finance Bank Limited** ("the Bank") for the quarter ended June 30, 2023, being submitted by the Bank pursuant to the requirement of Regulation 33 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Bank's management and approved by Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Accounting Standard 25 "Interim Financial Reporting" ("AS 25") prescribed under section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review of Statement in accordance with the Standard on Review Engagement (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 statements 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 of Auditing 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 and 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 of unaudited standalone financial results prepared in accordance with applicable accounting standards i.e. Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended 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



**B K Ramadhyani & Co LLP**

Chartered Accountants  
4B, Chitrapur Bhavan ,  
No.68, 8th Main,  
15th Cross, Malleshwaram,  
Bangalore - 560 055

**Mukund M Chitale & Co.**

Chartered Accountants  
Second Floor, Kapur House, Paranjape B  
Scheme Road No 1, Vile Parle East,  
Mumbai- 400057

norms issued by the Reserve Bank of India in respect of income recognition, asset classification and provisioning and other related matters.

5. A copy of the unaudited quarter ended financial results of the Bank for the period under review, which formed the basis of our limited review, duly initiated by us for the purpose of identification is enclosed to this report.

For B K Ramadhyani & Co. LLP  
Chartered Accountants  
FRN: 002878S/ S200021



(Vasuki H S)  
Partner

Membership No. 212013  
UDIN: 23212013 BGWLG-1896



Mukund M. Chitale & Co  
Chartered Accountants  
FRN: 106655W



(Nilesh Joshi)  
Partner

Membership No. 114749  
UDIN: 23114749 BG-SVRG-3198



Place: Bengaluru  
Date: July 27, 2023

**UJJIVAN SMALL FINANCE BANK LIMITED**

CIN: L65110KA2016PLC142162

Registered and Corporate Office: Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru - 560095,  
Website: www.ujjivansfb.in Phone: +91 80 4071 2121

**Unaudited Financial Results for the Quarter Ended June 30, 2023**

(Rs. in Lakhs)

Sl No.	Particulars	Quarter ended			Year ended	
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023	
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	
<b>1</b>	<b>Interest Earned (a)+(b)+(c)+(d)</b>	<b>1,28,688</b>	<b>1,18,480</b>	<b>90,535</b>	<b>4,16,489</b>	
	a) Interest/ discount on advances/ bills	1,13,330	1,03,731	81,844	3,70,777	
	b) Income on Investments	14,671	13,448	7,642	41,083	
	c) Interest on balances with Reserve Bank of India and other interbank funds	275	712	467	1,806	
	d) Others	412	589	582	2,823	
<b>2</b>	<b>Other Income (Refer note 7)</b>	<b>17,722</b>	<b>17,909</b>	<b>12,457</b>	<b>58,930</b>	
<b>3</b>	<b>Total Income (1)+(2)</b>	<b>1,46,410</b>	<b>1,36,389</b>	<b>1,02,992</b>	<b>4,75,419</b>	
<b>4</b>	<b>Interest Expended</b>	<b>49,423</b>	<b>44,682</b>	<b>30,566</b>	<b>1,46,709</b>	
<b>5</b>	<b>Operating Expenses (i)+(ii)</b>	<b>51,198</b>	<b>50,650</b>	<b>42,370</b>	<b>1,80,206</b>	
	(i) Employees Cost	26,844	25,324	22,104	92,025	
	(ii) Other Operating Expenses	24,354	25,326	20,266	88,181	
<b>6</b>	<b>Total Expenditure (4)+(5) [excluding provisions &amp; contingencies]</b>	<b>1,00,621</b>	<b>95,332</b>	<b>72,936</b>	<b>3,26,915</b>	
<b>7</b>	<b>Operating Profit before Provisions &amp; Contingencies (3)-(6)</b>	<b>45,789</b>	<b>41,057</b>	<b>30,056</b>	<b>1,48,504</b>	
<b>8</b>	<b>Provisions (other than tax) and Contingencies</b>	<b>2,611</b>	<b>(193)</b>	<b>2,989</b>	<b>1,780</b>	
<b>9</b>	<b>Exceptional Items</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>10</b>	<b>Profit/(Loss) from Ordinary Activities before tax (7)-(8)-(9)</b>	<b>43,178</b>	<b>41,250</b>	<b>27,067</b>	<b>1,46,724</b>	
<b>11</b>	<b>Tax Expense</b>	<b>10,771</b>	<b>10,300</b>	<b>6,773</b>	<b>36,732</b>	
<b>12</b>	<b>Net Profit/(Loss) from Ordinary Activities after tax (10)-(11)</b>	<b>32,407</b>	<b>30,950</b>	<b>20,294</b>	<b>1,09,992</b>	
<b>13</b>	<b>Extraordinary items (net of tax expense)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	
<b>14</b>	<b>Net Profit/(Loss) for the period (12)-(13)</b>	<b>32,407</b>	<b>30,950</b>	<b>20,294</b>	<b>1,09,992</b>	
<b>15</b>	<b>Paid up equity share capital (Face Value of Rs 10/- each)</b>	<b>1,95,478</b>	<b>1,95,471</b>	<b>1,72,831</b>	<b>1,95,471</b>	
<b>16</b>	<b>Reserves excluding revaluation reserves</b>				<b>2,00,318</b>	
<b>17</b>	<b>Analytical Ratios and Other disclosure</b>					
	(i) Percentage of shares held by Government of India	NIL	NIL	NIL	NIL	
	(ii) Capital Adequacy Ratio - BASEL II (Refer Note 8)	26.69%	25.81%	20.03%	25.81%	
	(iii) Earnings per share (before and after extraordinary items, net of tax expenses)*					
	Basic EPS (Rs)	1.66	1.47	1.17	5.82	
	Diluted EPS (Rs)#	1.65	1.47	1.17	5.81	
	(iv) NPA Ratios					
	(a) Gross NPAs	59,654	63,061	1,14,671	63,061	
	(b) Net NPAs	1,262	904	1,780	904	
	(c) % of Gross NPAs to Gross Advances	2.62%	2.88%	6.51%	2.88%	
	(d) % of Net NPAs to Net Advances	0.06%	0.04%	0.11%	0.04%	
	(v) Return on assets (average)*	0.97%	0.97%	0.86%	4.04%	
	* Figures for the quarter ended are not annualised					
	# The effect of potential equity shares on EPS is anti - dilutive for the quarter ended June 30, 2022.					



<b>UJJIVAN SMALL FINANCE BANK LIMITED</b>					
CIN: L65110KA2016PLC142162					
Registered and Corporate Office: Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru - 560095, Karnataka					
Website: www.ujjivansfb.in Phone: +91 80 4071 2121					
Segment information in accordance with Accounting Standard on Segment Reporting (AS-17) of the operating segment of the Bank is as under:					
(Rs. In Lakhs)					
Sl No.	Particulars	Quarter ended			Year ended
		June 30, 2023	March 31, 2023	June 30, 2022	March 31, 2023
		(Unaudited)	(Audited)	(Unaudited)	(Audited)
		(Refer Note 4)			
<b>1</b>	<b>Segment Revenue</b>				
(a)	Treasury	15,864	14,320	8,027	43,172
(b)	Retail Banking	1,27,624	1,19,418	92,984	4,22,899
(c)	Wholesale Banking	2,922	2,651	1,981	9,348
(d)	Unallocated	-	-	-	-
	Less: Inter-segment revenue	-	-	-	-
	<b>Income From Operations</b>	<b>1,46,410</b>	<b>1,36,389</b>	<b>1,02,992</b>	<b>4,75,419</b>
<b>2</b>	<b>Segment Results</b>				
(a)	Treasury	1,230	957	519	3,648
(b)	Retail Banking	42,333	38,035	27,359	1,43,897
(c)	Wholesale Banking	912	3,446	474	4,408
(d)	Unallocated	(1,297)	(1,188)	(1,285)	(5,229)
	<b>Total Profit Before Tax</b>	<b>43,178</b>	<b>41,250</b>	<b>27,067</b>	<b>1,46,724</b>
<b>3</b>	<b>Segment Assets</b>				
(a)	Treasury	11,37,172	10,90,307	6,67,745	10,90,307
(b)	Retail Banking	21,91,150	21,03,076	16,34,006	21,03,076
(c)	Wholesale Banking	1,18,857	1,10,314	86,116	1,10,314
(d)	Unallocated	27,784	27,991	35,649	27,991
	<b>Total Assets</b>	<b>34,74,963</b>	<b>33,31,688</b>	<b>24,23,516</b>	<b>33,31,688</b>
<b>4</b>	<b>Segment Liabilities</b>				
(a)	Treasury	9,88,646	9,52,563	5,84,893	9,52,563
(b)	Retail Banking	19,04,965	18,37,382	14,31,265	18,37,382
(c)	Wholesale Banking	1,03,333	96,378	75,430	96,378
(d)	Unallocated	24,155	24,455	31,226	24,455
	<b>Total Liabilities</b>	<b>30,21,099</b>	<b>29,10,778</b>	<b>21,22,814</b>	<b>29,10,778</b>
<b>5</b>	<b>Capital Employed</b>				
(a)	Treasury	1,48,526	1,37,744	82,851	1,37,744
(b)	Retail Banking	2,86,186	2,65,694	2,02,742	2,65,694
(c)	Wholesale Banking	15,524	13,936	10,685	13,936
(d)	Unallocated	3,628	3,536	4,424	3,536
	<b>Total</b>	<b>4,53,864</b>	<b>4,20,910</b>	<b>3,00,702</b>	<b>4,20,910</b>

Business Segments have been identified and reported taking into account the target customer profile, the nature of products and services, the differing risks and returns, the organisation structure and guidelines prescribed by the RBI and in compliance with the Accounting Standard 17 - "Segment Reporting". The business operations of the Bank are in India and for the purpose of segment reporting as per Accounting Standard-17 (Segment reporting) the Bank is considered to operate only in domestic segment.





Notes :

- 1) The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on July 27, 2023. The financial results for the quarter ended June 30, 2023, have been subjected to "Limited Review" by the statutory auditors (B. K. Ramadhyani & Co LLP, Chartered Accountants and Mukund M Chitale & Co, Chartered Accountants) of the Bank. An unqualified report has been issued by them thereon.
- 2) The above financial results 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 read with relevant rules thereunder, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015, as amended, and the guidelines issued by the Reserve Bank of India ('RBI')
- 3) The Bank has consistently applied its significant accounting policies in the preparation of these financial results that are consistent with those followed in the annual financial statements for the year ended March 31, 2023.
- 4) The figures for the last quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the financial year 2022-23 and published year to date reviewed figures up to December 31, 2022.
- 5) During the quarter ended June 30, 2023, the Bank has allotted 69,750 equity shares pursuant to the exercise of stock options under the approved Employee Stock Option Plan (ESOP) 2019.
- 6) As at June 30, 2023, 3,36,43,770 options were lapsed, 1,43,29,135 options were vested and yet to be exercised and balance 7,15,86,010 options remains unvested out of the total options granted under the approved Employee Stock Option Plan (ESOP) 2019.
- 7) Other income includes fees earned from providing services to customers, income from commission, exchange and brokerage, processing fees, selling of third party products, profit on sale of investments, PSLC fee income and recoveries from accounts previously written off.
- 8) The Capital Adequacy Ratio ("CAR") has been computed as per RBI Circular No. RBI/2016-17/81 DBR.NBD.No. 26/16.13.218/2016-17 dated October 06, 2016 on 'Operating Guidelines for Small Finance Banks'.  
The Bank has followed BASEL II standardized approach for credit risk in accordance with the aforesaid guidelines. 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) As per RBI guidelines, as at June 30, 2023, the Bank carries a floating provision of Rs. 250 crore. Of which, Rs. 120 crore is used for calculation of net NPA and provision coverage ratio and remaining Rs. 130 crore is disclosed as other liabilities. Out of Rs.130 crore, Rs. 30 crore is used for calculation of Tier II capital and Rs. 100 crore is unutilised, which can be utilised in future for calculation of net NPA and provision coverage ratio. The Bank has informed RBI about the same. Had Rs. 100 crores been utilised for calculation of Net NPA and provision coverage ratio, the same would have gone below 0% and above 100% respectively.
- 10) Details of loans transferred / acquired during the quarter ended June 30, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
  - (i) The Bank has not transferred any non-performing assets (NPAs).
  - (ii) The Bank has not transferred any Special Mention Account (SMA) and loan not in default.
  - (iii) The Bank has not acquired any loans through assignment.
  - (iv) The Bank has not acquired any stressed loan.
- 11) The Bank has restructured NIL accounts which fall under the RBI Circular No.DBR.No.BP.BC.45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets, as on June 30, 2023.
- 12) As per the RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022, for the purpose of disclosure under Accounting Standard 17, Segment reporting, 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the proposed Digital Banking Unit (DBU) of the Bank has not yet commenced operations and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), held on July 14, 2022, reporting of Digital Banking as a separate sub-segment of Retail Banking Segment will be implemented by the Bank based on the decision of the DBU Working Group.



- 13) The Board of Directors of the Bank and Ujjivan Financial Services Limited ( UFSL ) in their respective meetings held on October 14, 2022 have approved a scheme of amalgamation of UFSL with the Bank in terms of Sections 230 to 232 of the Companies Act, 2013. In terms of the said scheme, UFSL will be amalgamated into and with the Bank and all its assets, liabilities, contracts, employees, licenses, records and approvals will be transferred to and will be deemed to have been transferred to and vested in the Bank, as a going concern, without any further act, instrument or deed, together with all its properties, assets, liabilities, rights, benefits and interest therein. All the Key Managerial Personnel, and other employees of UFSL who are in employment as on the Effective Date shall become, and be deemed to have become, the staff and employees of the Bank, without any break or interruption in their services and on the same terms and conditions (and which are not less favourable than those) on which they are engaged by UFSL as on the Effective Date. All proceedings by or against UFSL shall continue by or against the Bank. The appointed date under the said Scheme is April 01, 2023 or such other date as may be approved by the NCLT. In consideration of the proposed merger, the Bank will allot to the shareholders of UFSL as on the Record Date (to be fixed by the Board of the Bank), 116 (One hundred and sixteen) equity shares of the face value of Rs. 10/- each of the Bank, credited as fully paid-up, for every 10 (ten) equity shares of the face value of Rs. 10/- each fully paid-up held by such shareholders of UFSL. The shares held by UFSL in the Bank shall stand extinguished on the amalgamation taking effect. The RBI vide its letter dated February 01, 2023, has conveyed its "no-objection" to the said proposal for voluntary amalgamation of UFSL with the Bank subject to NCLT and other regulatory approvals. Further, the Bank on March 09, 2023 has received the no-observation letters from the Stock Exchanges (NSE and BSE), basis which a joint application has been filed by the Bank and UFSL with the Hon'ble NCLT, Bengaluru Bench on March 29, 2023. The hearing of our application with the NCLT was successfully completed on June 28, 2023 and the Bank is awaiting the directions / orders from the NCLT.
- 14) Figures of the previous periods/year have been regrouped / reclassified, wherever considered necessary including segment reporting, to confirm to the current period's /year's presentation.

Bengaluru  
July 27, 2023

By order of the Board  
For Ujjivan Small Finance Bank Limited



*Ittira Davis*  
Ittira Davis

Managing Director & CEO  
DIN: 06442816

