

Press Release

Growing Bigger & Stronger Consistently

NII at ₹ 823 crore up 24% Y-o-Y; PAT at ₹ 328 crore up 11% Y-o-Y
Disbursed ₹ 5,749 crore / ₹ 11,033 crore in Q2FY24/H1FY24; Gross loan book up 27% Y-o-Y
Asset quality continues to be healthy with GNPA/NNPA at 2.2%/0.09% & PAR at 3.7%;
Deposits at ₹29,139 crore up 43% Y-o-Y; Retail TDs[^] up 56% Y-o-Y

Bengaluru, Friday 27 October, 2023: Ujjivan Small Finance Bank Ltd. [BSE: 542904; NSE: UJJIVANSFB], today announced its financial performance for the quarter ended and half year ended September 30, 2023

Summary of Ujjivan Small Finance Bank Business Performance – Q2FY24 and H1FY24

❖ **Assets**

- Disbursements were at ₹ 5,749 crore/ ₹ 11,033 crore in Q2FY24/H1FY24 up 18%/20% Y-o-Y
- Affordable Housing[§] disbursed ₹ 541 crore/ ₹ 959 crore in Q2FY24/H1FY24 up 69%/58% Y-o-Y
- Gross loan book at ₹26,574* crore up 27%/5% Y-o-Y/Q-o-Q

❖ **Collection and Asset Quality**

- Continued traction on Collections with ~99% efficiency in Sep'23; NDA collection consistently at ~100%
- Portfolio at risk* at 3.7% as of Sep'23
- GNPA* declined to 2.2% as of Sep'23 vs 2.4% as of Jun'23; NNPA* continues to be negligible at 0.09% as on Sep'23
- Total of ₹ 56 crore written-off in Q2FY24; Provision coverage ratio as on Sep'23 is 96%#

❖ **Deposits**

- Deposits at ₹29,139 crore as of Sep'23 up by 43%/9% Y-o-Y/Q-o-Q
- Retail TD[^] grew 56%/8% Y-o-Y/Q-o-Q
- CASA grew 28%/7% Y-o-Y/Q-o-Q; CASA ratio at 24.1% as on Sep'23
- Nationwide brand campaign and launch of value-add products yielding results

❖ **Financials**

- Q2FY24 NII of ₹823 crores up 24% Y-o-Y; NIM at 8.8%* for Q2FY24
- Cost to Income ratio at 52.2% in Q2FY24 vs 52.5% for Q2FY23
- Q2FY24 PPoP at ₹483 crore up 26% Y-o-Y; PAT of ₹328 crore up 11% Y-o-Y

❖ **Capital and Liquidity**

- Capital adequacy ratio at 25.2% with Tier-1 capital at 22.5%
- Provisional LCR at 158% as on 30 Sep'23

[§] Including MLAP

* Without adjusting IBPC & Securitization of ₹ 1,685/ ₹ 2,573/ ₹ 2,580 crores as on Sep 2023/ Jun 2023/ Sep 2022

[^] Retail TDs are TDs less than ₹2 crores

For Jun'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, “Q2FY24 was yet another impressive quarter in terms of business performance. Business momentum continued its strong uptrend as seen in the previous quarters. Disbursements at ₹ 5,749 crore was strong registering a robust growth of 18% Y-o-Y and 9% Q-o-Q. Our secured book in Affordable Housing and FIG continues their strong performance. Further, our newer offerings like Gold loans and two-wheeler loans targeted to meet growing needs of our customer base is enhancing our product suite and will consequently aid growth. To provide further impetus to growth and brand awareness, we have introduced several initiatives during the quarter such as, launch of nation-wide brand campaign and value-add liability products targeting to enhance and deepen brand recall among our existing and potential stakeholders. Further we have also opened 39 new branches, taking our total branch count to 700. In H2 we will be adding ~45 more branches, this will include splitting of few branches to better manage the volumes. All these efforts have resulted in healthy growth of liabilities for our Bank. Our CASA has crossed ₹ 7,000 crore mark, growing by 28% Y-o-Y and 7% Q-o-Q. Further, our Retail TDs + CASA grew 44% Y-o-Y to ₹ 18,818 crore. Q2FY24 was yet another quarter where we marked ₹300 crore+ PAT. This was supported by our healthy NII growing by 24% Y-o-Y and 4% Q-o-Q. However, Cost of funds remained elevated in the current quarter as well, leading to NIM compression of 43 bps vs last quarter. We continue to stick to our guidance on loan and deposit book growth. Further we are also confident to maintain credit cost below 100 bps. Our strong focus on other initiatives such as ‘Hello Ujjivan’ is gaining acceptance among customers with 4.3 Lakhs downloads till date and total repayments of more than ₹ 40 crore in Q2FY24. ‘Digital FDs’ which was recently launched is also expected to bring business in the upcoming quarters.

On merger with our promoter, as per order received from the Hon’ble NCLT, shareholder’s EGM is being convened on 3rd Nov’23 by the Bank as well as Ujjivan Financial Services. Once the merger is approved by the shareholders of both the companies, we will proceed with the remaining procedural and regulatory aspects. We expect the merger to be completed in Q4FY24.”

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 ~79 lakh customers through 700 branches and 21,040 employees spread across 305 districts and 26 states and union territories in India. Gross loan book stands at ₹26,574 crore with a deposit base of ₹29,139 crore as of Sep 30, 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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