

**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 Unaudited Interim Financial Results for the Quarter and Nine Months Ended December 31, 2023, of the Company pursuant to 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 December 31, 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 the 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 the 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 has not been prepared in accordance with applicable accounting standards i.e. Accounting Standards prescribed under Section 133 of the Companies Act, 2013, and read with relevant rules issued thereunder or by the Institute of Chartered Accountants of India, RBI guidelines 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



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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 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: 24212013BKCLPD2413



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



(Nilesh Joshi)  
Partner

Membership No. 114749  
UDIN:24114749BKCBSJ4718



Place: Bengaluru  
Date: January 24, 2024

| UJJIVAN SMALL FINANCE BANK LIMITED   |   |                               |                    |                               |                   |                   |                 |
|--|---|-------------------------------|--------------------|-------------------------------|-------------------|-------------------|-----------------|
| CIN: L65110KAZ016PLC142162   |   |                               |                    |                               |                   |                   |                 |
| 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   |   |                               |                    |                               |                   |                   |                 |
| Statement of Unaudited Financial Results for the quarter and nine months ended December 31, 2023                                       |   |                               |                    |                               |                   |                   |                 |
| (Rs. in Lakhs)   |   |                               |                    |                               |                   |                   |                 |
| Sl No.   | Particulars   | Quarter ended                 |                    |                               | Nine months ended |                   | Year ended      |
|  |   | December 31, 2023             | September 30, 2023 | December 31, 2022             | December 31, 2023 | December 31, 2022 | March 31, 2023  |
|  |   | (Unaudited)<br>(Refer Note 4) | (Unaudited)        | (Unaudited)<br>(Refer Note 4) | (Unaudited)       | (Unaudited)       | (Audited)       |
| 1  | Interest Earned (a)+(b)+(c)+(d)   | 1,47,063                      | 1,39,114           | 1,08,159                      | 4,14,865          | 2,98,009          | 4,16,489        |
|  | a) Interest/ discount on advances/ bills  | 1,28,345                      | 1,21,002           | 95,665                        | 3,62,677          | 2,67,046          | 3,70,777        |
|  | b) Income on Investments  | 18,069                        | 17,519             | 11,356                        | 50,259            | 27,635            | 41,083          |
|  | c) Interest on balances with Reserve Bank of India and other interbank funds          | 336                           | 161                | 441                           | 772               | 1,094             | 1,806           |
|  | d) Others   | 313                           | 432                | 697                           | 1,157             | 2,234             | 2,823           |
| 2  | Other Income (Refer note 7)   | 18,476                        | 18,864             | 13,895                        | 55,062            | 41,021            | 58,930          |
| 3  | <b>Total Income (1)+(2)</b>   | <b>1,65,539</b>               | <b>1,57,978</b>    | <b>1,22,054</b>               | <b>4,69,927</b>   | <b>3,39,030</b>   | <b>4,75,419</b> |
| 4  | Interest Expended   | 61,070                        | 56,780             | 38,467                        | 1,67,273          | 1,02,027          | 1,46,709        |
| 5  | Operating Expenses (i)+(ii)   | 58,739                        | 52,862             | 44,695                        | 1,62,799          | 1,29,556          | 1,80,206        |
|  | (i) Employees Cost  | 31,401                        | 27,344             | 22,554                        | 85,589            | 66,701            | 92,025          |
|  | (ii) Other Operating Expenses   | 27,338                        | 25,518             | 22,141                        | 77,210            | 62,855            | 88,181          |
| 6  | <b>Total Expenditure (4)+(5)</b><br>[excluding provisions & contingencies]            | <b>1,19,809</b>               | <b>1,09,642</b>    | <b>83,162</b>                 | <b>3,30,072</b>   | <b>2,31,583</b>   | <b>3,26,915</b> |
| 7  | <b>Operating Profit before Provisions &amp; Contingencies (3)-(6)</b>                 | <b>45,730</b>                 | <b>48,336</b>      | <b>38,892</b>                 | <b>1,39,855</b>   | <b>1,07,447</b>   | <b>1,48,504</b> |
| 8  | Provisions (other than tax) and Contingencies   | 6,291                         | 4,692              | (22)                          | 13,594            | 1,973             | 1,780           |
| 9  | Exceptional Items   | -                             | -                  | -                             | -                 | -                 | -               |
| 10   | <b>Profit/(Loss) from Ordinary Activities before tax (7)-(8)-(9)</b>                  | <b>39,439</b>                 | <b>43,644</b>      | <b>38,914</b>                 | <b>1,26,261</b>   | <b>1,05,474</b>   | <b>1,46,724</b> |
| 11   | Tax Expense   | 9,433                         | 10,870             | 9,595                         | 31,074            | 26,432            | 36,732          |
| 12   | <b>Net Profit/(Loss) from Ordinary Activities after tax (10)-(11)</b>                 | <b>30,006</b>                 | <b>32,774</b>      | <b>29,319</b>                 | <b>95,187</b>     | <b>79,042</b>     | <b>1,09,992</b> |
| 13   | Extraordinary items (net of tax expense)  | -                             | -                  | -                             | -                 | -                 | -               |
| 14   | <b>Net Profit/(Loss) for the period (12)-(13)</b>                                     | <b>30,006</b>                 | <b>32,774</b>      | <b>29,319</b>                 | <b>95,187</b>     | <b>79,042</b>     | <b>1,09,992</b> |
| 15   | Paid up equity share capital (Face Value of Rs 10/- each)                             | 1,95,654                      | 1,95,559           | 1,95,450                      | 1,95,654          | 1,95,450          | 1,95,471        |
| 16   | Reserves excluding revaluation reserves   |                               |                    |                               |                   |                   | 2,00,318        |
| 17   | <b>Analytical Ratios and Other disclosure</b>   |                               |                    |                               |                   |                   |                 |
|  | (i) Percentage of shares held by Government of India                                  | NIL                           | NIL                | NIL                           | NIL               | NIL               | NIL             |
|  | (ii) Capital Adequacy Ratio - BASEL II (Refer Note 8)                                 | 24.37%                        | 25.19%             | 26.02%                        | 24.37%            | 26.02%            | 25.81%          |
|  | (iii) Earnings per share (before and after extraordinary items, net of tax expenses)* |                               |                    |                               |                   |                   |                 |
|  | Basic EPS (Rs)  | 1.53                          | 1.68               | 1.50                          | 4.87              | 4.35              | 5.82            |
|  | Diluted EPS (Rs)  | 1.50                          | 1.65               | 1.50                          | 4.79              | 4.35              | 5.81            |
|  | (iv) NPA Ratios   |                               |                    |                               |                   |                   |                 |
|  | (a) Gross NPAs  | 57,074                        | 58,580             | 73,755                        | 57,074            | 73,755            | 63,061          |
|  | (b) Net NPAs  | 4,275                         | 2,181              | 948                           | 4,275             | 948               | 904             |
|  | (c) % of Gross NPAs to Gross Advances   | 2.18%                         | 2.35%              | 3.64%                         | 2.18%             | 3.64%             | 2.88%           |
|  | (d) % of Net NPAs to Net Advances   | 0.17%                         | 0.09%              | 0.05%                         | 0.17%             | 0.05%             | 0.04%           |
|  | (v) Return on assets (average)*   | 0.78%                         | 0.89%              | 1.04 %                        | 2.63%             | 3.07 %            | 4.04%           |

\* Figures for the quarter ended and nine months ended are not annualised



| 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, 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     |                    |                   | Nine months ended |                   | Year ended       |
|   |                                | December 31, 2023 | September 30, 2023 | December 31, 2022 | December 31, 2023 | December 31, 2022 | March 31, 2023   |
|   |                                | (Unaudited)       | (Unaudited)        | (Unaudited)       | (Unaudited)       | (Unaudited)       | (Audited)        |
|   |                                | (Refer Note 4)    | -                  | (Refer Note 4)    |                   |                   |                  |
| <b>1</b>  | <b>Segment Revenue</b>         |                   |                    |                   |                   |                   |                  |
| (a)   | Treasury                       | 18,774            | 17,777             | 11,895            | 52,415            | 28,852            | 43,172           |
| (b)   | Retail Banking                 | 1,43,410          | 1,37,097           | 1,07,694          | 4,08,131          | 3,03,481          | 4,22,899         |
| (c)   | Wholesale Banking              | 3,355             | 3,104              | 2,465             | 9,381             | 6,697             | 9,348            |
| (d)   | Unallocated                    | -                 | -                  | -                 | -                 | -                 | -                |
|   | Less: Inter-segment revenue    | -                 | -                  | -                 | -                 | -                 | -                |
|   | <b>Income From Operations</b>  | <b>1,65,539</b>   | <b>1,57,978</b>    | <b>1,22,054</b>   | <b>4,69,927</b>   | <b>3,39,030</b>   | <b>4,75,419</b>  |
| <b>2</b>  | <b>Segment Results</b>         |                   |                    |                   |                   |                   |                  |
| (a)   | Treasury                       | 2,545             | 1,994              | 1,621             | 5,769             | 2,691             | 3,648            |
| (b)   | Retail Banking                 | 36,572            | 41,721             | 39,058            | 1,20,626          | 1,05,862          | 1,43,897         |
| (c)   | Wholesale Banking              | 1,554             | 1,152              | (419)             | 3,618             | 962               | 4,408            |
| (d)   | Unallocated                    | (1,232)           | (1,223)            | (1,346)           | (3,752)           | (4,041)           | (5,229)          |
|   | <b>Total Profit Before Tax</b> | <b>39,439</b>     | <b>43,644</b>      | <b>38,914</b>     | <b>1,26,261</b>   | <b>1,05,474</b>   | <b>1,46,724</b>  |
| <b>3</b>  | <b>Segment Assets</b>          |                   |                    |                   |                   |                   |                  |
| (a)   | Treasury                       | 12,58,664         | 13,08,991          | 9,82,452          | 12,58,664         | 9,82,452          | 10,90,307        |
| (b)   | Retail Banking                 | 25,24,440         | 24,01,849          | 19,31,063         | 25,24,440         | 19,31,063         | 21,03,076        |
| (c)   | Wholesale Banking              | 1,42,074          | 1,29,982           | 99,300            | 1,42,074          | 99,300            | 1,10,314         |
| (d)   | Unallocated                    | 27,849            | 27,199             | 34,071            | 27,849            | 34,071            | 27,991           |
|   | <b>Total Assets</b>            | <b>39,53,027</b>  | <b>38,68,021</b>   | <b>30,46,886</b>  | <b>39,53,027</b>  | <b>30,46,886</b>  | <b>33,31,688</b> |
| <b>4</b>  | <b>Segment Liabilities</b>     |                   |                    |                   |                   |                   |                  |
| (a)   | Treasury                       | 10,96,823         | 11,47,546          | 8,51,412          | 10,96,823         | 8,51,412          | 9,52,563         |
| (b)   | Retail Banking                 | 21,99,843         | 21,05,616          | 16,73,497         | 21,99,843         | 16,73,497         | 18,37,382        |
| (c)   | Wholesale Banking              | 1,23,806          | 1,13,951           | 86,055            | 1,23,806          | 86,055            | 96,378           |
| (d)   | Unallocated                    | 24,268            | 23,845             | 29,528            | 24,268            | 29,528            | 24,455           |
|   | <b>Total Liabilities</b>       | <b>34,44,740</b>  | <b>33,90,958</b>   | <b>26,40,492</b>  | <b>34,44,740</b>  | <b>26,40,492</b>  | <b>29,10,778</b> |
| <b>5</b>  | <b>Capital Employed</b>        |                   |                    |                   |                   |                   |                  |
| (a)   | Treasury                       | 1,61,841          | 1,61,445           | 1,31,040          | 1,61,841          | 1,31,040          | 1,37,744         |
| (b)   | Retail Banking                 | 3,24,597          | 2,96,233           | 2,57,566          | 3,24,597          | 2,57,566          | 2,65,694         |
| (c)   | Wholesale Banking              | 18,268            | 16,031             | 13,245            | 18,268            | 13,245            | 13,936           |
| (d)   | Unallocated                    | 3,581             | 3,354              | 4,543             | 3,581             | 4,543             | 3,536            |
|   | <b>Total</b>                   | <b>5,08,287</b>   | <b>4,77,063</b>    | <b>4,06,394</b>   | <b>5,08,287</b>   | <b>4,06,394</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.

**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 a portion of income/loss from sale/purchase 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, other related incomes and a portion of income/loss from sale/purchase of Priority Sector Lending Certificates ("PSLC"). 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) The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on January 24, 2024. The financial results for the quarter and nine months ended December 31, 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. Any circular/direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required under those circulars / directions.
- 4) The figures for the quarter ended December 31, 2023 and December 31, 2022 are the balancing figures between reviewed nine month ended figures and published year to date reviewed figures for the half year ended September 30,2023 and September 30,2022 respectively.
- 5) During the nine months ended December 31, 2023, the Bank has allotted 18,36,229 equity shares pursuant to the exercise of stock options under the approved Employee Stock Option Plan (ESOP) 2019.
- 6) As at December 31, 2023, 3,85,74,142 options were lapsed, 1,56,58,010 options were vested and yet to be exercised and balance 9,23,10,763 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 December 31, 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 and nine months ended December 31, 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) 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.



- 12) 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. The appointed date under the said Scheme is April 01, 2023 or such other date as may be approved by the Hon'ble 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. 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. The shares held by UFSL in the Bank shall stand extinguished on the amalgamation taking effect. The Bank is already in receipt of NOCs / No observation letters from the RBI, NSE and BSE. Based on the joint application filed by the Bank and UFSL with the Hon'ble NCLT, Bengaluru Bench on March 29, 2023 and as directed by the NCLT, the Bank and UFSL convened their respective equity shareholders on November 03, 2023 and the resolution for the approval of the scheme of amalgamation was approved by the shareholders of both the Bank and UFSL. The next hearing with the NCLT is due on January 30, 2024.
- 13) Figures of the previous periods/year have been regrouped / reclassified, wherever considered necessary to confirm to the current period's /year's presentation.

Bengaluru  
January 24, 2024

By order of the Board  
For Ujjivan Small Finance Bank Limited



*Ittira Davis*  
Ittira Davis

Managing Director & CEO  
DIN: 06442816

