

UJJIVAN/SE/2021-22/11

May 28, 2021

**National Stock Exchange of India Limited**  
Exchange Plaza, Bandra Kurla Complex,  
Bandra (East),  
Mumbai 400 051  
Kind Attention: Manager, Listing Department

**BSE Limited**  
P.J. Tower,  
Dalal Street  
Mumbai 400 001  
Kind Attention: Manager, Listing Compliance

**Trading Symbol: UJJIVAN**

**SCRIP CODE: 539874**

Dear Sir/Madam,

**Subject: Outcome of the Board Meeting held on May 28, 2021 - Financial Results for the quarter and year ended March 31, 2021**

Please refer to our letter dated May 18, 2021, wherein we have intimated about the convening of the meeting of the Board of Directors on May 28, 2021 to approve inter alia the Financial Results for the quarter and year ended March 31, 2021.

In connection therewith, please note that the Board in its meeting held today May 28, 2021 (meeting commenced at 04:00 PM and concluded at 05:30 PM) has approved and taken on record the audited financial results of the Company (standalone and consolidated) for the quarter and financial year ended March 31, 2021. **The Audited Financial Results alongwith the Auditor's Report are enclosed herewith.**

**We hereby declare and confirm that the Statutory Auditors of our Company M/s MSKA & Associates have issued the Audit Reports on the aforesaid Standalone and Consolidated financial results for the year ended March 31, 2021 with an unmodified opinion.**

For the interests of the shareholders, also being attached a presentation which highlights the following:

- The standalone results and significant variance from the previous financial year along with explanations and
- Presenting the consolidated financials which includes the financial numbers of our subsidiary 'Ujjivan Small Finance Bank Limited' ("Bank"); the significant difference is in the credit provisioning which is explained. Our Company being a NBFC needs to prepare its financial results and financial statements under Ind-AS whereas for the Bank, IGAAP is mandatory.

The above disclosures are being made in compliance with Regulation 30 and 33 read with Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We request you to please take the above on record.

Thanking you,

Yours faithfully,

**For Ujjivan Financial Services Limited**

**Sanjeev Barnwal**  
**Company Secretary and Compliance Officer**

*Encl: Audit Reports, Financial Results and presentation as mentioned above*

**Independent Auditor's Report on Quarterly and Year to Date Standalone Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015****To the Board of Directors of Ujjivan Financial Services Limited****Report on the Audit of Standalone Financial Results****Opinion**

We have audited the accompanying standalone annual financial results of **Ujjivan Financial Services Limited** (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2021 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement 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 Regulation 33 of the Listing Regulations in this regard; and
- (ii) give 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 (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2021.

**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 Standalone Financial Results section of our report. We are independent of the Company 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 08 to the standalone financial results which states that management has made an assessment of the impact of COVID-19 on the Company's operations, financial performance and position as at and for the year ended March 31, 2021 and has concluded that no there is no impact which is required to be recognised in the standalone financial results. Further, the impact of COVID-19 Pandemic on the subsidiary's financial results will depend on the future developments which are uncertain. Accordingly, no adjustments have been made to the standalone financial results.

Our opinion is not modified in respect of this matter.

**Board of Directors' Responsibilities for the Standalone Financial Results**

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Directors of the Company, as aforesaid.

In preparing the Statement, the Board of Directors of the Company are responsible for assessing the ability of the Company 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 Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company are responsible for overseeing the financial reporting process of the Company.

**Auditor's Responsibilities for the Audit of the Standalone Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are 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 these 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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 ability of the Company 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 Company 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 of the Company of which we are the independent auditors 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 March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" which were subject to limited review by us.

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

#### **For MSKA & Associates**

Chartered Accountants

ICAI Firm Registration No.105047W



**Deepak Rao**

Partner

Membership No. 113292

UDIN: 21113292AAAAGD5612

Bengaluru

May 28, 2021

**Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2021**

(Rs. in lakhs, except per share data)

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		Audited (refer note 7 below)	Unaudited	Audited (refer note 7 below)	Audited	Audited
I	Revenue from operations:					
	- Preference dividend	-	-	-	-	1,100.00
II	Other Income	170.07	184.05	250.78	844.38	1,024.47
III	<b>Total Income (I+II)</b>	<b>170.07</b>	<b>184.05</b>	<b>250.78</b>	<b>844.38</b>	<b>2,124.47</b>
	<b>Expenses</b>					
	Employee benefits expenses	19.69	67.26	78.86	224.79	315.73
	Depreciation, amortization and impairment	0.21	0.23	0.57	1.14	2.25
	Other expenses	67.71	50.14	429.20	229.76	788.06
IV	<b>Total Expenses</b>	<b>87.61</b>	<b>117.63</b>	<b>508.63</b>	<b>455.69</b>	<b>1,106.04</b>
V	<b>Profit / (Loss) before tax (III-IV)</b>	<b>82.46</b>	<b>66.42</b>	<b>(257.85)</b>	<b>388.69</b>	<b>1,018.43</b>
	Tax Expense:					
	(i) Current tax	20.65	16.83	29.80	98.70	132.96
	(ii) In respect of earlier years	-	-	-	(4.07)	3.45
	(iii) Deferred tax charge / (credit)	0.16	(0.29)	(0.98)	0.60	(0.05)
VI	<b>Total tax Expense</b>	<b>20.81</b>	<b>16.54</b>	<b>28.82</b>	<b>95.23</b>	<b>136.36</b>
VII	<b>Profit / (Loss) for the period / year (V-VI)</b>	<b>61.65</b>	<b>49.88</b>	<b>(286.67)</b>	<b>293.46</b>	<b>882.07</b>
VIII	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit or loss	0.89	(0.30)	(0.64)	(0.01)	(1.20)
	(ii) Income tax relating thereto	(0.23)	0.08	0.11	-	0.30
	<b>Total other comprehensive income / (loss) for the period / year, net of tax</b>	<b>0.66</b>	<b>(0.22)</b>	<b>(0.53)</b>	<b>(0.01)</b>	<b>(0.90)</b>
IX	<b>Total Comprehensive Income / (Loss) for the period / year (VII+VIII)</b>	<b>62.31</b>	<b>49.66</b>	<b>(287.20)</b>	<b>293.45</b>	<b>881.17</b>
X	<b>Paid-up equity share capital (face value of Rs. 10 per share)</b>	<b>12,165.60</b>	<b>12,165.20</b>	<b>12,160.32</b>	<b>12,165.60</b>	<b>12,160.32</b>
XI	<b>Earnings per equity share*:</b>					
	(1) Basic	0.05	0.04	(0.24)	0.24	0.73
	(2) Diluted	0.05	0.04	(0.24)	0.24	0.73
	*Earnings per share for the interim periods are not annualised					

**Notes:**

**1. Statement of Audited Standalone Assets and Liabilities**

Particulars	(Rs. in lakhs)	
	As at March 31, 2021	As at March 31, 2020
	Audited	Audited
<b>ASSETS</b>		
<b>Financial assets</b>		
i. Cash and cash equivalents	59.25	96.48
ii. Bank balances other than (i) above	12,329.52	12,890.90
iii. Investments	1,67,964.56	1,67,630.98
<b>Non - Financial assets</b>		
i. Current tax assets (Net)	65.00	72.51
ii. Deferred tax assets (Net)	2.72	3.32
iii. Property, plant and equipment	2.28	3.41
iv. Other non-financial assets	26.52	36.92
<b>Total assets</b>	<b>1,80,449.85</b>	<b>1,80,734.52</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
<b>Financial liabilities</b>		
i. Payables		
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	21.50	12.07
<b>Non-Financial liabilities</b>		
i. Current tax liabilities (Net)	-	15.31
ii. Provisions	10.17	12.52
iii. Other non-financial liabilities	107.29	104.60
<b>Total liabilities</b>	<b>138.96</b>	<b>144.50</b>
<b>Equity</b>		
Equity share capital	12,165.60	12,160.32
Other equity	1,68,145.29	1,68,429.70
<b>Total equity</b>	<b>1,80,310.89</b>	<b>1,80,590.02</b>
<b>Total Liabilities and Equity</b>	<b>1,80,449.85</b>	<b>1,80,734.52</b>

## 2. Statement of Audited Standalone Cash Flow

Particulars	(Rs. in lakhs)	
	For the Year Ended	
	March 31, 2021	March 31, 2020
	Audited	Audited
<b>Cash Flows from Operating Activities</b>		
Profit before tax	388.69	1,018.43
Adjustments for:		
Depreciation, amortization and impairment	1.14	2.25
Profit on sale of mutual funds	-	(0.07)
Share based payments	(2.59)	13.61
Interest on fixed deposits	(844.38)	(1,024.40)
<b>Operating cash flows before Working capital changes</b>	<b>(457.14)</b>	<b>9.82</b>
<b>Changes in working capital:</b>		
<b>Financial Assets/ Liabilities</b>		
Increase / (Decrease) in Trade Payable	9.43	(5.38)
<b>Non Financial Assets/ Liabilities</b>		
(Increase) / Decrease in Other Assets	10.41	(13.17)
Increase / (Decrease) in Provisions	(2.36)	1.70
Increase / (Decrease) in Other Non Financial liabilities	2.69	2.06
<b>Cash flow used in operations</b>	<b>(436.97)</b>	<b>(4.97)</b>
Net Tax (paid) / Refunds received	(102.43)	(162.76)
<b>Net cash generated from / (used in) operating activities (A)</b>	<b>(539.40)</b>	<b>(167.73)</b>
<b>Cash flows from Investing activities</b>		
Sale proceeds of mutual fund units	-	0.07
Maturity proceeds from fixed deposit	16,075.80	12,420.00
Placement of fixed deposits	(15,650.80)	(12,955.00)
Purchase of fixed assets	-	(0.71)
Interest on fixed deposits received	980.75	772.88
<b>Net cash (used in) / generated from investing activities (B)</b>	<b>1,405.75</b>	<b>237.24</b>
<b>Cash flows from Financing activities</b>		
Proceeds from share application money (net)	69.33	458.58
Dividend paid	(972.91)	(546.22)
Dividend tax paid	-	(6.44)
<b>Net cash (used in)/ generated from financing activities (C)</b>	<b>(903.58)</b>	<b>(94.08)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)</b>	<b>(37.23)</b>	<b>(24.57)</b>
Cash and cash equivalents at the beginning of the year	96.48	121.05
<b>Cash &amp; Cash equivalents at the end of the year (Closing)</b>	<b>59.25</b>	<b>96.48</b>

3 The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 28, 2021 in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended. These financial results have been prepared in accordance with the recognition and measurement principles, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. The financial results for the quarter and year ended March 31, 2021 have been subjected to audit by the statutory auditors and the report thereon is unmodified.

4 The Company 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, 2021 and March 31, 2020.

5 Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Company. The Company being a NBFC-ND-SI-CIC (Core Investment Company) registered with the RBI under section 45-1A of the Reserve Bank of India Act, 1934, operates only in one Business Segment, accordingly it does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".

6 The Company, during the year ended March 31, 2021, has allotted 52,760 equity shares of Rs 10 each, fully paid-up, on exercise of options by employees of its subsidiary, in accordance with the Company's employee stock option schemes.

7 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.

8 Consequent to the outbreak of COVID-19 pandemic, on March 24, 2020, the Indian government announced lockdown across the country to contain the spread of the virus. Subsequently, the lockdown has been lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. 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. The Company is a CIC-NBFC and its activities are limited to its investment which significantly comprises of Investment made in subsidiary, Ujjivan Small Finance Bank Limited ("the Bank"). Numerous government and companies, including our subsidiary, have introduced a variety of measures to contain the spread of virus.

The slowdown during the year has led to a decrease in loan originations and in collection efforts efficiency. It is expected that the slowdown may lead to a rise in the number of customer defaults and consequently an increase in provisions against the same.

The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the Bank's results will depend on future developments, which are incapable of assessment at this point in time, 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.

Management has made an assessment that there is no material impact of COVID-19 on the Company which is required to be recognised in the standalone financial statements. The Company has adequate liquidity and resources to service its obligations in the near future.

Further, the impact of COVID-19 pandemic on the subsidiary's financial statements will depend on the future developments which are uncertain. Accordingly, no adjustments have been made to the standalone financial statements.

9 Figures of the previous period / year have been reclassified / re-grouped, wherever necessary, to confirm with current period's / year's presentation.

**For and on behalf of the Board of Directors of  
Ujjivan Financial Services Limited**

Bengaluru  
May 28, 2021

Samit Ghosh  
Non-Executive Director and Chairman  
DIN: 00185369

**Independent Auditor's Report on Quarterly and Year to Date Consolidated Financial Results pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015****To the Board of Directors of Ujjivan Financial Services Limited****Report on the Audit of Consolidated Financial Results****Opinion**

We have audited the accompanying consolidated annual financial results of Ujjivan Financial Services Limited (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") for the quarter and year ended March 31, 2021, ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement 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) include the annual financial results of the following entity

Sr. No	Name of the Entity	Relationship with the Holding Company
1	Ujjivan Small Finance Bank Limited	Subsidiary

(ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and

(iii) give 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 (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net loss and other comprehensive income and other financial information of the Group for the year ended March 31, 2021.

**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 Consolidated Financial Results section of our report. We are independent of the Group 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.

**Emphasis of Matter**

We draw attention to Note 08 to the consolidated financial results, which describes the that the impact of COVID-19 Pandemic on the subsidiary's financial results will depend on the future developments which are uncertain.

Our opinion is not modified in respect of this matter.



**Board of Directors' Responsibilities for the Consolidated Financial Results**

These Statement, which is the responsibility of the Holding Company's Management and approved by the Holding Company's Board of Directors, have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net loss and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring 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 Directors of the Holding Company, as aforesaid.

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

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Results**

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are 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. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements 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 ability of the Group 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 Group 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.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors 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.

We also performed procedures in accordance with the circular issued by SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent possible.

#### **Other Matters**

The Statement include the results for the quarter ended March 31, 2021 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" 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

**Deepak Rao**

Partner

Membership No.: 113292

UDIN: 21113292AAAAAGE6094

Bengaluru

May 28, 2021

**UJJIVAN FINANCIAL SERVICES LIMITED**

CIN No: L65999KA2004PLC035329

Registered Office : Grape Garden, No. 27, 3rd A Cross, 18th Main, Koramangala 6th Block, Bengaluru 560 095

Website: www.ujjivan.com

**Statement of audited Consolidated Financial Results for the quarter and year ended March 31, 2021**

(Rs. in lakhs, except per share data)

Sr. No.	Particulars	Quarter ended			Year ended	
		March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
		Audited (refer note 7)	Unaudited	Audited (refer note 7)	Audited	Audited
<b>I</b>	<b>Revenue from operations</b>					
	Interest Income	69,644.39	72,010.25	77,327.60	2,96,778.73	2,81,363.99
	Fees and Commission Income (Includes Revenue from contracts with customers)	1,992.60	1,388.08	1,278.76	4,860.32	4,472.37
	Net gain on derecognition of financial instruments at amortised cost	28.44	3,775.83	42.39	4,959.04	139.92
		<b>71,665.43</b>	<b>77,174.16</b>	<b>78,648.75</b>	<b>3,06,598.09</b>	<b>2,85,976.28</b>
<b>II</b>	Other Income	1,550.04	2,034.32	1,871.73	11,501.46	10,961.47
<b>III</b>	<b>Total Income (I+II)</b>	<b>73,215.47</b>	<b>79,208.48</b>	<b>80,520.48</b>	<b>3,18,099.55</b>	<b>2,96,937.75</b>
	<b>Expenses</b>					
	Finance Costs	27,515.13	26,215.47	29,022.12	1,12,095.09	1,11,491.69
	Impairment on Financial Instruments	6,292.41	84,495.02	9,046.01	1,16,519.02	17,446.33
	Employee benefits Expenses	17,350.40	20,558.50	18,867.13	75,909.98	73,470.91
	Depreciation, amortization and impairment	6,220.86	3,627.22	5,864.77	16,990.34	16,599.34
	Other expenses	4,448.63	10,574.49	8,123.78	28,517.88	36,338.57
<b>IV</b>	<b>Total expenses</b>	<b>61,827.43</b>	<b>1,45,470.70</b>	<b>70,923.81</b>	<b>3,50,032.31</b>	<b>2,55,346.84</b>
<b>V</b>	<b>Profit / (loss) before tax (III-IV)</b>	<b>11,388.04</b>	<b>(66,262.22)</b>	<b>9,596.67</b>	<b>(31,932.76)</b>	<b>41,590.91</b>
	Tax expense:					
	(i) Current tax	(5.90)	11,200.93	1,097.96	17,199.28	11,572.18
	(ii) In respect of earlier years	-	-	-	(4.07)	3.45
	(iii) Deferred tax charge / (credit)	2,996.13	(28,390.28)	756.18	(25,217.27)	149.41
<b>VI</b>	<b>Total tax expense</b>	<b>2,990.23</b>	<b>(17,189.35)</b>	<b>1,854.14</b>	<b>(8,022.06)</b>	<b>11,725.04</b>
<b>VII</b>	<b>Profit / (loss) for the period / year (V-VI)</b>	<b>8,397.81</b>	<b>(49,072.87)</b>	<b>7,742.53</b>	<b>(23,910.70)</b>	<b>29,865.87</b>
<b>VIII</b>	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit or loss	284.44	(162.57)	(24.70)	214.25	(375.76)
	(ii) Income tax relating thereto	(71.60)	40.92	6.22	(53.93)	94.57
	<b>Total other comprehensive income / (loss) for the period / year, net of tax</b>	<b>212.84</b>	<b>(121.65)</b>	<b>(18.48)</b>	<b>160.32</b>	<b>(281.19)</b>
<b>IX</b>	<b>Total Comprehensive Income / (Loss) for the period / year (VII+VIII)</b>	<b>8,610.65</b>	<b>(49,194.52)</b>	<b>7,724.05</b>	<b>(23,750.38)</b>	<b>29,584.68</b>
	<b>Net Profit attributable to:</b>					
	Owners	7,005.51	(40,880.96)	6,403.68	(19,876.25)	28,229.44
	Non-controlling interests	1,392.30	(8,191.91)	1,338.85	(4,034.45)	1,636.43
	<b>Other Comprehensive Income / (Loss) attributable to:</b>					
	Owners	177.44	(101.40)	(15.45)	133.57	(274.67)
	Non-controlling interests	35.40	(20.25)	(3.03)	26.75	(6.52)
	<b>Total Comprehensive Income / (Loss) attributable to:</b>					
	Owners	7,182.95	(40,982.37)	6,388.23	(19,742.69)	27,954.77
	Non-controlling interests	1,427.70	(8,212.15)	1,335.82	(4,007.69)	1,629.91
<b>X</b>	<b>Paid-up equity share capital (face value of Rs. 10 per share)</b>	<b>12,165.60</b>	<b>12,165.20</b>	<b>12,160.32</b>	<b>12,165.60</b>	<b>12,160.32</b>
<b>XI</b>	<b>Earnings per equity share*:</b>					
	(1) Basic	5.76	(33.61)	5.27	(16.34)	23.25
	(2) Diluted	5.76	(33.61)	5.26	(16.33)	23.21
	*Earnings per share for the interim periods are not annualised					

**UJJIVAN FINANCIAL SERVICES LIMITED**

CIN No: L65999KA2004PLC035329

Registered Office : Grape Garden, No. 27, 3rd A Cross, 18th Main, Koramangala 6th Block, Bengaluru 560 095

Website: www.ujjivan.com

**Statement of audited Consolidated Financial Results for the quarter and year ended March 31, 2021**

Notes:

**1. Statement of Audited Consolidated Assets and Liabilities**

(Rs. in lakhs)

Particulars	March 31, 2021	March 31, 2020
	Audited	Audited
<b>ASSETS</b>		
<b>Financial Assets</b>		
Cash and cash equivalents	1,93,393.45	1,33,985.82
Bank balances other than above	68,155.67	456.66
Loans	13,84,741.42	13,93,373.30
Investments	2,55,170.64	2,42,920.30
Other financial assets	3,274.70	3,068.80
<b>Non Financial Assets</b>		
Current tax assets (net)	4,772.40	352.01
Deferred tax assets (net)	34,083.93	8,920.54
Property, plant And equipment	17,340.54	20,247.28
Right of use asset	44,176.23	51,897.13
Capital work-in-progress	478.72	2,062.61
Other intangible assets	10,256.77	7,742.10
Other non financial assets	4,826.33	6,081.06
<b>Total assets</b>	<b>20,20,670.80</b>	<b>18,71,107.61</b>
<b>Liabilities And Equity</b>		
<b>Liabilities</b>		
<b>Financial Liabilities</b>		
Derivative Financial Instruments		
Payables		
(a) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	5,160.55	6,405.39
Borrowings (Other than Debt Securities)	3,24,717.75	3,95,261.60
Deposits	13,04,537.42	10,65,558.82
Lease Liability	50,664.97	59,547.99
Other Financial Liabilities	31,460.42	19,267.66
<b>Non Financial Liabilities</b>		
Current Tax Liabilities	-	15.31
Provisions	5,320.28	4,678.39
Other Non Financial Liabilities	3,777.05	3,290.29
<b>Total Liabilities</b>	<b>17,25,638.44</b>	<b>15,54,025.45</b>
<b>Equity</b>		
Equity Share Capital	12,165.60	12,160.32
Other equity	2,53,711.95	2,71,802.11
<b>Total equity</b>	<b>2,65,877.55</b>	<b>2,83,962.43</b>
Non-Controlling Interests	29,154.81	33,119.73
<b>Total Liabilities and Equity</b>	<b>20,20,670.80</b>	<b>18,71,107.61</b>

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**Statement of audited Consolidated Financial Results for the quarter and year ended March 31, 2021**

**2. Statement of Audited Consolidated Cash Flow**

Particulars	(Rs. in lakhs)	
	For the Year Ended	
	March 31, 2021	March 31, 2020
	Audited	Audited
<b>Cash Flow from Operating Activities</b>		
Net Profit before tax	(31,932.76)	41,590.91
Adjustments for :		
Depreciation, amortization and impairment	16,998.04	16,599.34
Loss on sale of Fixed Asset	(926.67)	(128.04)
Profit on Sale of Mutual Funds	-	(0.07)
Fixed Assets Written off (including claims written off)	-	8.80
Share Based Payments	2,572.08	3,977.63
Provision for Advances & Investment	1,16,519.02	17,446.33
Interest income	(47.91)	-
<b>Operating cash flows before Working Capital changes</b>	<b>1,03,181.80</b>	<b>79,494.90</b>
Adjustments for :		
<b>Financial Assets / Liabilities</b>		
(Increase)/Decrease in Loans	(1,07,884.77)	(3,17,749.37)
(Increase)/Decrease in Other Bank Balances	(64,587.43)	1,385.37
(Increase)/Decrease in Other Financial Assets	(432.70)	(746.38)
Increase/ (Decrease) in Trade Payable	(1,244.84)	1,973.84
Increase/ (Decrease) in Other Financial Liabilities	12,073.86	(794.92)
<b>Non Financial Assets / Liabilities</b>		
(Increase)/Decrease in Other Assets	1,205.12	(167.34)
Increase/ (Decrease) in Provisions	848.44	911.89
Increase/ (Decrease) in Other Liabilities	666.81	588.25
<b>Cash generated from / (used in) Operations</b>	<b>(56,173.71)</b>	<b>(2,35,103.76)</b>
Net Tax (paid)/Refunds received	(21,630.90)	(11,313.22)
<b>Net Cash generated from/(used) in Operating Activities (A)</b>	<b>(77,804.61)</b>	<b>(2,46,416.98)</b>
<b>Cash Flow from Investing Activities</b>		
Sale / (purchase) of Investments (Net)	(3,047.62)	(88,156.40)
Proceeds from sale of Fixed Assets	(13,550.30)	61.29
Purchase of Fixed Assets including WIP	(4,884.51)	(20,605.40)
Interest on fixed deposits received	3.73	-
<b>Net Cash generated from / (used) in Investing Activities (B)</b>	<b>(21,478.70)</b>	<b>(1,08,700.51)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from share application money (Net)	112.11	458.58
Debt Securities Repaid during the year	-	(10,000.00)
Redemption of Subordinated Liabilities	-	(5,000.00)
Increase in Deposits (Net)	2,38,978.60	3,39,640.67
Consideration received on dilution of stake in subsidiary	-	1,00,192.34
Dividend Paid	(972.91)	(546.22)
Dividend Tax Paid	-	(232.55)
Payment of Lease Liability	(8,883.01)	4,746.01
Increase/(decrease) in Borrowings (Net)	(70,543.85)	(48,038.89)
<b>Net Cash generated from/(used) in Financing Activities (C)</b>	<b>1,58,690.94</b>	<b>3,81,219.94</b>
<b>Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>59,407.63</b>	<b>26,102.45</b>
Cash and Cash Equivalents at the beginning of the year	1,33,985.82	1,07,883.37
<b>Cash and Cash Equivalents at the end of the year</b>	<b>1,93,393.45</b>	<b>1,33,985.82</b>

3 The aforesaid consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 28, 2021 in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. These financial results have been prepared in accordance with the recognition and measurement principles, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. It 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, 2021 and March 31, 2020. The above results for the quarter and year ended March 31, 2021 have been subjected to an "Audit" by the auditors of the Group. The report thereon is unmodified.

4 The financial results of Ujjivan Small Finance Bank Limited ("USFB"), the subsidiary, as published on May 18, 2021, were 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) Regulation, 2015, as amended and the guidelines issued by Reserve Bank of India ("RBI"). For the purpose of preparing the aforesaid audited consolidated financial results of the Company, these standalone results of USFB have been restated to comply with the recognition and measurement principles as referred to in paragraph 3 above.

**UJJIVAN FINANCIAL SERVICES LIMITED**

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**Statement of audited Consolidated Financial Results for the quarter and year ended March 31, 2021**

5 Segment wise Revenue, Results and Capital employed for audited consolidated financial results under Regulation 33 of the Listing Regulations, 2015:

(Rs. in lakhs)

Particulars	Quarter ended			Year ended	
	March 31, 2021	December 31, 2020	March 31, 2020	March 31, 2021	March 31, 2020
	Audited	Unaudited	Audited	Audited	Audited
<b>Segment Revenue</b>					
a. Banking	73,182.15	79,193.89	80,520.48	3,18,051.64	2,96,937.75
b. Others*	33.32	14.59	-	47.91	-
<b>Total Revenue</b>	<b>73,215.47</b>	<b>79,208.48</b>	<b>80,520.48</b>	<b>3,18,099.55</b>	<b>2,96,937.75</b>
<b>Segment Results</b>					
a. Banking	11,442.33	(66,159.18)	10,105.30	(31,524.98)	42,696.88
b. Others*	(54.29)	(103.04)	(508.63)	(407.78)	(1,105.97)
<b>Profit before tax</b>	<b>11,388.04</b>	<b>(66,262.22)</b>	<b>9,596.67</b>	<b>(31,932.76)</b>	<b>41,590.91</b>
<b>Segment Assets</b>					
a. Banking	20,17,427.78	18,52,173.62	18,70,895.98	20,17,427.78	18,70,895.98
b. Others*	3,243.02	3,129.62	211.63	3,243.02	211.63
<b>Total</b>	<b>20,20,670.80</b>	<b>18,55,303.24</b>	<b>18,71,107.61</b>	<b>20,20,670.80</b>	<b>18,71,107.61</b>
<b>Segment Liabilities</b>					
a. Banking	17,25,499.48	15,69,066.57	15,53,880.95	17,25,499.48	15,53,880.95
b. Others*	138.96	125.81	144.50	138.96	144.50
<b>Total</b>	<b>17,25,638.44</b>	<b>15,69,192.38</b>	<b>15,54,025.45</b>	<b>17,25,638.44</b>	<b>15,54,025.45</b>
<b>Capital Employed (Segment Assets less Segment Liabilities)</b>					
a. Banking	2,91,928.30	2,83,107.05	3,17,015.03	2,91,928.30	3,17,015.03
b. Others*	3,104.06	3,003.81	67.13	3,104.06	67.13
<b>Total</b>	<b>2,95,032.36</b>	<b>2,86,110.86</b>	<b>3,17,082.16</b>	<b>2,95,032.36</b>	<b>3,17,082.16</b>

Banking includes Micro finance, Housing loans, Micro and small enterprise loans, Personal loans, Vehicle loans and Institutional loans. Revenue from these segment include interest earned and processing fees. Expenses comprise of interest expense, premises expense and personnel expense, credit costs, other direct overheads and allocated expenses.

\*Others include NBFC Operations of the Group.

6 During the year ended March 31, 2021, Holding Company has allotted 52,760 equity shares of Rs 10 each, fully paid-up, on exercise of options by employees of its subsidiary, in accordance with the Company's employee stock option schemes.

7 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.

8 Consequent to the outbreak of COVID-19 pandemic, on March 24, 2020, the Indian government had announced lockdown in March 2020. Subsequently, the lockdown has been lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases. 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. Numerous government and companies, including our subsidiary, Ujjivan Small Finance Bank Limited ('the Bank'), have introduced a variety of measures to contain the spread of virus.

The slowdown during the year has led to a decrease in loan originations and in collection efforts efficiency. The slowdown may lead to a rise in the number of customer defaults and consequently an increase in provisions against the same.

The extent to which the COVID-19 pandemic, including the current "second wave" that has significantly increased the number of cases in India, will continue to impact the subsidiary's results will depend on future developments and which the Group is unable to assess currently, 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 subsidiary.

**Statement of audited Consolidated Financial Results for the quarter and year ended March 31, 2021**

9 The Bank's Results for the year ended March 31, 2021 were declared on May 18, 2021 and prepared as per the recognition and measurement principles as referred to in paragraph 4 above (or IGAAP). As per that, the Bank has made Provisions on Gross Advances of Rs. 79,896.24 lakhs (Total closing Provisions of Rs. 95,456.34 lakhs) for the year ended March 31, 2021 whereas per the Consolidated Financial Results for the year ended March 31, 2021 of the Company, have an Impairment on Advances (or Expected Credit loss provisioning or ECL) of Rs. 1,16,516.66 lakhs (Total closing Provisions of Rs. 1,35,413.67 lakhs).

The Consolidated Financial results are prepared as per the recognition and measurement principles as referred in para 3 above (or Ind-AS). Ministry of Corporate Affairs (MCA), in 2015, had notified the Companies (Indian Accounting Standards (IND AS) Rules 2015, which stipulated the adoption and applicability of Ind-AS in a phased manner wherein Ind-AS applicability and adoption was made mandatory for all Non-Banking Financial Companies (NBFCs). As per the rules, the Company being a NBFC adopted Ind-AS with effect from April 1, 2018 having Net worth of more than Rs. 500 crores. However, with respect to applicability of Ind-AS to our subsidiary, RBI through its notification dated March 22, 2019 have deferred the implementation of Ind-AS for Banks till further notice.

The Consolidated Financial Results largely represents the standalone results of Ujjivan Small Finance Bank restated as mentioned in para 4 above and standalone Ind-AS results of Ujjivan Financial Services Limited. The Bank Results (after restatement to Ind-AS) were also adopted by the Board of Directors of the Bank in their meeting dated May 18, 2021 and were subjected to audit by statutory auditors of the Bank.

There is a difference of Rs. 36,620.42 lakhs (Total closing Provisions difference of Rs. 39,957.33 lakhs) between provision as per Bank Results under IGAAP and ECL provision as per Consolidated Financial Results under Ind-AS. The broad reasons for the difference are listed below:

(i) One fundamental reason is both Bank Results and Consolidated Financial Results are prepared under different recognition and measurement principles as mentioned above; i.e. IGAAP and Ind-AS respectively.

(ii) IGAAP provisioning is based on RBI prudential norms, which is more like a rule based provisioning and based on the days past due concept. Ind-AS 109 refers to the expected credit losses and much more stringent than the IGAAP provisioning. Under Ind-AS, the assets are classified under three stages:

- Stage I reflects that the expected credit loss is insignificant and twelve month credit loss assessment is done.
- Stage II reflects the medium risk enhancement and
- Stage III is where the higher risk is envisaged basis the expected deterioration of the loan portfolio considering the both internal and external factors.

Stage II & stage III works on the life time assessment of the loan portfolio by following the NPV concept of net cash flows expected from the stress book portfolio.

To summarize, the credit loss is calculated following forward looking approach by discounting the future expected cash flows whereas IGAAP based on days past due concept and follows prudential norms.

- Restructured Book: The provision on account of restructuring is as per RBI stipulated norms, and the said loan book is classified as the standard asset in IGAAP. However, considering the underlying stress, the book moves into stage II/III with a credit cost assessment considering the life time period and hence under Ind-AS ECL there is an enhanced provision.

- NPA Provisioning under IGAAP as per RBI prudential norms is Rs. 64,601.36 lakhs, whereas in Ind-AS 109, stressed book (including restructured book) moves into Stage 2 and Stage 3 and ECL is calculated on the lifetime of the tenure considering the ongoing/future stress on the non performing book which has resulted in higher provisioning. Stage II and III total provisioning is of Rs 96,701.38 lakhs under Ind-AS.

- The provision as per IGAAP is worked out on the total loan book of Rs 1,513,996.52 lakhs. Under Ind-AS, the expected credit loss is calculated on exposure at default (EAD) of Rs 16,03,878.46 lakhs, which is always higher on account of undrawn amount, adjustment on account of interest accrued but not due/ broken period interest.

10 Figures of the previous period / year have been reclassified / re-grouped, wherever necessary, to confirm with current period's / year's presentation.

**For and on behalf of the Board of Directors of  
Ujjivan Financial Services Limited**

Bengaluru  
May 28, 2021

Samit Ghosh  
Non-Executive Director and Chairman  
DIN: 00185369

# **Ujjivan Financial Services Limited**

## **Results FY 2020-21**

**28<sup>th</sup> May 2021**



## About Ujjivan Financial Services Limited:

Ujjivan Financial Services Limited (UFSL) is registered as a Non Banking Financial Company (NBFC) and also a Non-Deposit taking Systemically Important - Core Investment Company. It is registered with RBI and is the holding company and promoter of its subsidiary Ujjivan Small Finance Bank Limited (USFB). Being a non-operating holding Company, its main objective is to carry on the business of making investments in the group company(ies). In terms of Total Assets apart from investment in USFB, the other assets mainly includes investment in fixed deposits with various banks.

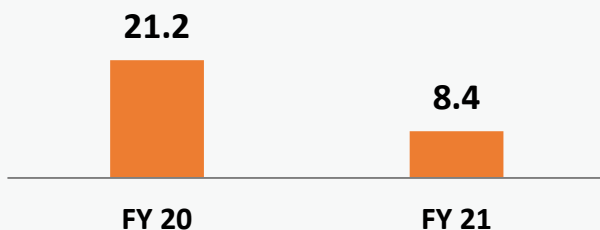
Income streams of UFSL includes dividend income from investments held in its subsidiary USFB and interest earned on fixed deposit invested with various banks. Apart from the above UFSL does not carry any other business related activities.

We are announcing our financial results both on a stand-alone and consolidated basis. The standalone results highlights and the significant variance from the previous financial year along with explanations are provided in the next two slides.

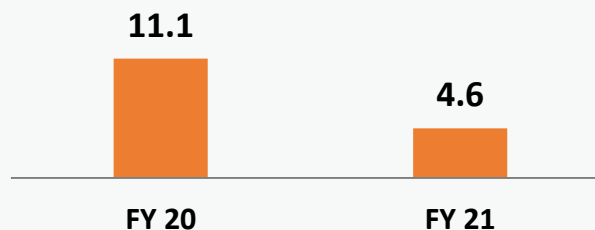
We are also presenting the consolidated financials including Bank numbers. The significant difference is in the credit provisioning which is explained in the sixth slide.

# FY 2021 – Key financial highlights - Standalone

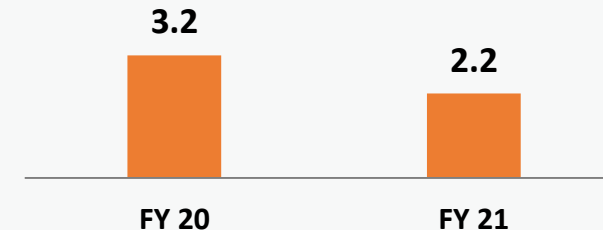
## Total Income



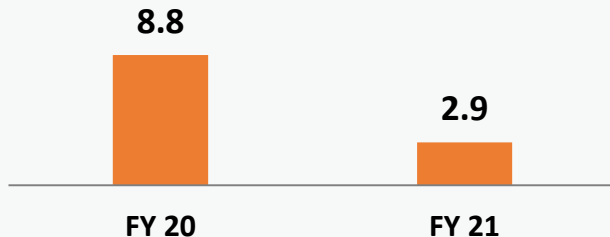
## Total Expense



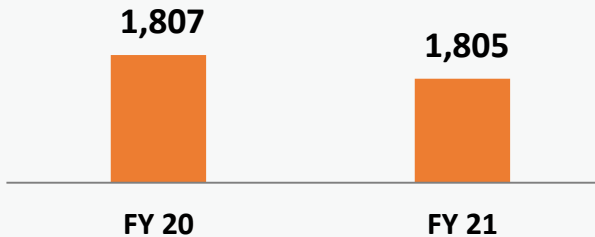
## Employee Expense



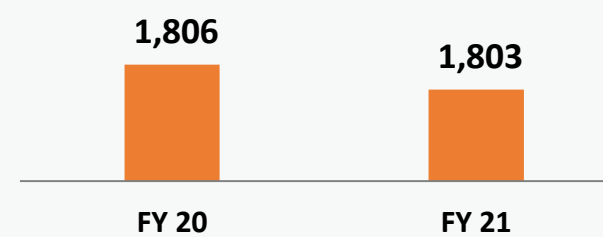
## Profit after Tax



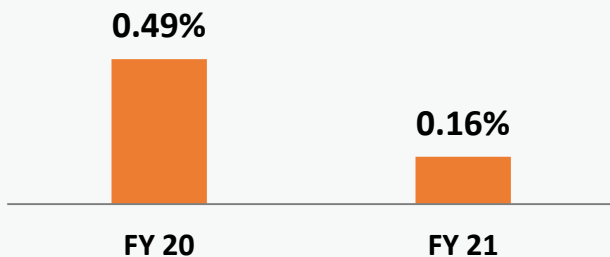
## Total Asset



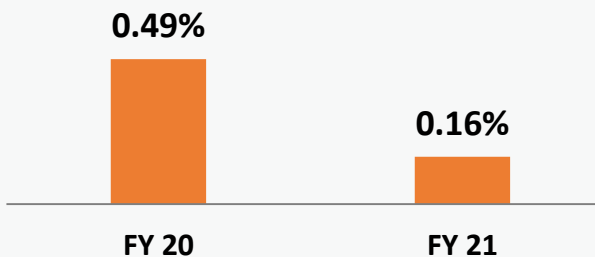
## Net worth



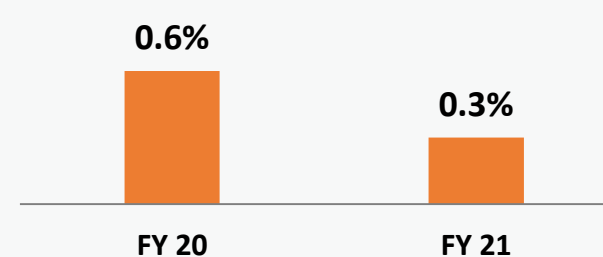
## RoA %



## RoE %



## Opex / Avg Total Asset %



Note: Figures are mentioned in Rs crore, except those mentioned in %

# Variance analysis of key financial metrics - Standalone

Particulars	FY 2020 (Rs in Crore)	FY 2021 (Rs in Crore)	Variance (%)	Remarks
<b>Income Statement</b>				
Total Income	21.2	8.4	(60%)	No dividend income on Preference shares from USFB in FY 21 (FY 21 – Nil, FY 20 – Rs. 11 Cr) due to RBI restrictions on banks from declaring dividends.  Interest income from fixed deposits was subdued as the market witnessed fall in interest rate on FDs by Banks.
Total Expense	11.1	4.6	(59%)	Lower expenses in FY21 was due to decline in employee expenses and closure of all commitments towards CSR spends in FY20.
Employee Expense	3.2	2.2	(31%)	Employee expenses declined y-o-y as Nil ESOP/ESPS cost, no bonus and marginal increment was given to employees in FY21
Profit After Tax	8.8	2.9	(67%)	Profit declined substantially as income streams remained affected
<b>Balance Sheet</b>				
Total Assets	1,807	1,805	-	During the year, the Company paid dividend of Rs 0.8 per share (8%) amounting to Rs 9.7 Cr out of reserves. Marginal decline in Total Assets and Net Worth considering dividend paid after nullifying the impact of net profit and others.
Net Worth	1,806	1,803	-	

# Consolidated and Standalone number highlights – FY 2021

Particulars (All amounts in Rs crores)	UFSL Standalone –Ind-AS	USFB Standalone –Ind-AS	UFSL Consolidated – Ind-AS
<b>Income Statement</b>			
Total Income	8.4	3,180.5	3,181.0
Total Expense excluding provisions	4.6	2,338.5	2,335.1
Impairment on Financial Instruments	-	1,165.2	1,165.2
Profit / (Loss) before Tax	3.9	(323.1)	(319.3)
Profit / (Loss) after Tax	2.9	(241.9)	(239.1)

Particulars (All amounts in Rs crores)	USFB Provision on Advances under Ind-AS and IGAAP		Variance
	Ind-AS	IGAAP	
Balance Sheet	1,354.1	954.6	399.5
Income Statement	1,165.2	799.0	366.1

# Variance between USFB provision vs UFSL (consolidated) provisions on Advances

Particulars  (All amounts in Rs crores)	December 2020 (9 months)		FY 2021 (12 months)	
	Balance Sheet	Income Statement	Balance Sheet	Income Statement
Consolidated Ind-AS ECL provision <sup>#</sup>	1,364.8	1,102.1	1,354.1	1,165.2
USFB IGAAP provision*	1,028.9	824.3	954.6	799.0

- USFB provisioning is made on the stressed assets as per days past due concept or historical basis under I-GAAP and RBI prudential norms, whereas UFSL provisioning is based on projected stressed assets which is a forward looking approach under Ind-AS. This is significantly higher as it includes the projected impact of the virulent Second Round of Covid impacting both urban and rural parts of the country.
- Provisioning under both norms are prepared by Bank's Risk team and validated by our common Statutory Auditors. These numbers were presented and approved by the Bank Board in their board meeting held on 18<sup>th</sup> May 2021 and provided to the Holding Company for the purpose of consolidated financial statements.
- NBFCs are mandatorily required to prepare financial results and financial statements under Ind-AS as per Rules notified by Ministry of Corporate Affairs (MCA) whereas for Banks, I-GAAP is mandatory since Ind-AS for them have been deferred by RBI till further notice.

# As per the audited Consolidated Results of Ujjivan Financial Services Limited for the quarter and year ended March 31, 2021 and published on May 28, 2021

\* As per the audited Financial Results of Ujjivan Small Finance Bank Limited for the quarter and year ended March 31, 2021 and published on May 18, 2021

- ❖ Reverse Merger – As Bank's 5 years banking operations is due to complete in February 2022, we will resume the discussion with RBI officials in this regard. Before that we are now awaiting the outcome of RBI's Internal Working Group on the ownership guidelines and corporate structure for Indian private sector banks.
- ❖ We hope that we all pass this pandemic, keeping healthy and safe. We also hope the business to get back to normal levels by second half of FY 2022, when the Covid 2.0 spread begins to contain and the vaccination drive succeeds in the country.

# Thank You!