

Date: August 02, 2023

To,
Department of Corporate Services
BSE Limited,
1st Floor, P.J. Towers,
Dalal Street, Mumbai - 400 001

Ref Scrip Code – 959462 and 959476

Sub: Outcome of Board Meeting held on August 02, 2023

Madam/ Sir,

Pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we wish to inform you that the Board of Directors have at its meeting held today, *inter alia*, approved the unaudited financial results of the Bank for the quarter ended June 30, 2023.

The Meeting of the Board of Directors of the Bank commenced at 10:30 a.m. and concluded at 01 : 55 a.m/p.m.

Accordingly, we are enclosing herewith the following:

- i) Unaudited Financial Results for the quarter ended June 30, 2023 in the specified format;
- ii) Limited Review Report for the aforesaid financial results issued by **M/s. V. Sankar Aiyar & Co.**, the Statutory Auditors of the Bank;
- iii) Disclosures in accordance with Regulation 52(4) and Regulation 54 of the Listing Regulations.
- iv) Disclosures in accordance with Regulation 52(7) of the Listing Regulations.

We request you to take the above on record and same be treated as compliance under the applicable provisions of the Listing Regulations.

Thanking you,

Yours truly,
For Unity Small Finance Bank Limited


Archana Goyal
Company Secretary & Compliance Officer
Membership No.: A16004



Encl: a/a

CC: Beacon Trusteeship Limited

■ **UNITY SMALL FINANCE BANK LIMITED**
CIN : U65990DL2021PLC385568
Email : info@unitybank.co.in

■ **REGISTERED OFFICE**
40, Basant Lok,
Vasant Vihar,
New Delhi 110057
Tel No. 011-47414100

■ **CORPORATE OFFICE:**
Centrum House, CST Road,
Vidyanagari Marg, Kalina,
Santacruz (E),
Mumbai 400098
Tel No. 022-42159000

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

(₹ in Lakhs)

Particulars	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	Unaudited	Audited	Unaudited	Audited
1 Interest Earned (a)+(b)+(c)+(d)	27,824	22,429	15,339	73,470
a) Interest / discount on advances / bills	22,938	18,018	9,255	53,201
b) Income on investments	4,529	4,076	4,337	17,467
c) Interest on balances with Reserve Bank of India and other inter bank funds	351	305	1,747	2,739
d) Others	6	30	-	63
2 Other Income	3,422	3,491	(2,788)	6,861
3 Total Income (1)+(2)	31,246	25,919	12,551	80,331
4 Interest Expended	6,717	4,298	5,989	17,491
5 Operating Expenses (i)+(ii)	19,256	17,925	8,033	47,660
i) Employees cost	8,340	7,207	3,806	21,199
ii) Other operating expenses	10,916	10,718	4,227	26,461
6 Total Expenditure (4)+(5) (excluding Provisions and Contingencies)	25,973	22,223	14,022	65,151
7 Operating Profit before Provisions and Contingencies (3)-(6)	5,273	3,696	(1,471)	15,180
8 Provisions (other than tax) and Contingencies	547	11,498	1,758	13,929
9 Exceptional Items	-	-	-	-
10 Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	4,726	(7,801)	(3,229)	1,251
11 Tax Expense	(83)	(2,578)	(398)	(2,211)
12 Net Profit / (Loss) from Ordinary Activities after tax (10)-(11)	4,809	(5,224)	(2,831)	3,462
13 Extraordinary items (net of tax expense)	-	-	-	-
14 Net Profit / (Loss) for the period (12)-(13)	4,809	(5,224)	(2,831)	3,462
15 Paid up equity share capital (Face value ₹ 10 each)	70,490	70,490	70,490	70,490
16 Reserves excluding revaluation reserves	-	-	-	35,179
17 Analytical Ratios				
(i) Percentage of shares held by Government of India	Nil	Nil	Nil	Nil
(ii) Capital Adequacy Ratio	42.63%	49.40%	58.91%	49.40%
(iii) Earnings per share (EPS)(Face Value of ₹10/-each)				
(a) Basic EPS before & after extraordinary items (net of tax expense) - not annualized	0.60	(0.74)	(0.40)	0.17
(b) Diluted EPS before & after extraordinary items (net of tax expense) - not annualized	0.25	(0.74)	(0.40)	0.07
(iv) NPA Ratios				
(a) Gross NPAs	3,75,352	3,76,736	3,80,425	3,76,736
(b) Net NPAs	2,253	1,531	20,842	1,531
(c) % of Gross NPAs to Gross Advances	42.02%	45.83%	59.40%	45.83%
(d) % of Net NPAs to Net Advances	0.43%	0.34%	7.42%	0.34%
(v) Return on assets (average) - not annualized	0.51%	-0.62%	-0.98%	0.40%
(vi) Net worth	1,34,571	1,37,889	1,81,327	1,37,889
(vii) Outstanding redeemable preference shares	Nil	Nil	Nil	Nil
(viii) Capital redemption reserve/debenture redemption reserve	Nil	Nil	Nil	Nil
(ix) Debt equity ratio	0.47	0.25	0.41	0.25
(x) Total debts to total assets	0.08	0.05	0.09	0.05

1. Net worth comprises Paid-up capital plus Free Reserves including Share Premium less debit balance in Profit and Loss account, Accumulated Losses and Intangible Assets excluding deferred tax asset. Accordingly, Networth has been computed for the current period and previous period.

2. For the purpose of computation of Debt Equity Ratio, Debt represents Total borrowings of the Bank and Equity represents total of Share Capital and Reserves.

3. As per regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015, the debt listed entities are required to disclose certain ratios, however ratios which are not relevant to Banking sector are not disclosed above.



Segment Information in accordance with the Accounting Standard 17 - Segment Reporting of the operating segments of the Bank is as under:

Particulars	Quarter ended			Year ended
	30.06.2023	31.03.2023	30.06.2022	31.03.2023
	Unaudited	Audited	Unaudited	Audited
1 Segment Revenue				
a) Treasury	5,571	4,344	2,088	16,060
b) Retail Banking	23,672	17,165	8,715	54,427
c) Corporate	1,961	4,321	1,712	9,613
d) Other Banking Operations	-	-	-	-
e) Unallocated	42	89	36	231
Total	31,246	25,919	12,551	80,331
Less: Inter Segment Revenue	-	-	-	-
Income from Operations	31,246	25,919	12,551	80,331
2 Segment Results				
a) Treasury	2,835	2,192	(1,147)	7,570
b) Retail Banking	895	(4,268)	(2,790)	(3,132)
c) Corporate	954	(5,814)	672	(3,418)
d) Other Banking Operations	-	-	-	-
e) Unallocated	42	89	36	231
Total Profit Before Tax	4,726	(7,801)	(3,229)	1,251
3 Segment Assets				
a) Treasury	3,54,577	3,05,508	3,63,465	3,05,508
b) Retail Banking	4,92,233	4,18,682	2,98,953	4,18,682
c) Corporate	66,046	70,622	62,115	70,622
d) Other Banking Operations	-	-	-	-
e) Unallocated	81,889	81,321	78,625	81,321
Total	9,94,745	8,76,133	8,03,158	8,76,133
4 Segment Liabilities				
a) Treasury	1,05,079	37,141	1,69,717	37,141
b) Retail Banking	7,08,134	6,60,197	4,28,821	6,60,197
c) Corporate	7,952	3,249	21,290	3,249
d) Other Banking Operations	-	-	-	-
e) Unallocated	1,229	1,123	707	1,123
Total	8,22,394	7,01,710	6,20,535	7,01,710
5 Capital and Reserve	1,72,351	1,74,423	1,82,623	1,74,423
Total	9,94,745	8,76,133	8,03,158	8,76,133

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, the internal business reporting system and guidelines prescribed by the RBI and in compliance with the Accounting Standard 17 - "Segment Reporting". The RBI vide its circular dated April 7, 2022 on establishment of Digital Banking Units (DBUs), has prescribed reporting of Digital Banking Segment as a subsegment of Retail Banking Segment. The Bank is in the process of setting up DBUs and hence no Digital Banking Segment disclosure have been made. 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.

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Notes:

- 1 The above financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at their respective meetings held on August 01, 2023 and August 02, 2023. The financial results for the quarter ended June 30, 2023 have been subjected to "Limited Review" by M/s. V Sankar Alayar & Co., Chartered Accountants, the statutory auditors of the Bank.
- 2 These financial results have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 - 'Interim Financial Reporting ("AS-25") as prescribed under the Companies Act, 2013, relevant provisions of the Banking Regulations Act 1949, the circulars, guidelines and directions issued by Reserve Bank ("the RBI") from time to time ('RBI Guidelines') and other accounting principles generally accepted in India, and in compliance with presentation and disclosure requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements), 2015, as amended including relevant circulars issued by the SEBI from time to time.
- 3 The Capital adequacy ratio ("CAR") has been computed as per operating guidelines for Small Finance Banks in accordance with RBI Circular No. RBI/2016-17/81 DBR.NBD.No. 26/16.13.218/2016-17 dated October 6, 2016.
The Bank has followed Basel II standardized approach for credit risk in accordance with the operating guidelines issued by the Reserve Bank of India for Small Finance Banks. Further, the RBI vide its circular No. DBR.NBD.No. 4502/16.13.218/2017-18 dated November 8, 2017 has provided an exemption to all Small Finance Banks whereby no separate capital charge is prescribed for market risk and operational risk.
- 4 In accordance with the RBI guidelines, Banks are required to make consolidated Pillar 3 disclosures including leverage ratio, liquidity coverage ratio and Net Stable Funding Ratio (NSFR) under the Basel III Framework. These disclosures are available on the Bank's website at the following link: <https://theunitybank.com/regulatory-disclosures.html>. These disclosures have not been subjected to audit or limited review.
- 5 Bank has not issued any Principal Protected Market linked debentures ('MLDs'). However, Bank has grandfathered MLDs from Centrum Financial Services Limited (CFSL) as a result of slump sale.
- 6 The Principal protected, Secured, Rated, Listed, Redeemable, Non-convertible, Market Linked debentures (MLDs) are fully secured by a first pari-pasu charge over the specified immovable property wherever applicable and/or present and future book debts, investments & receivables of the Bank.
- 7 Details of loans transferred/acquired during the quarter ended June 30, 2023 under the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021 are given below:
 - a) Details of loans not in default transferred to other entities:

Sr.No.	Particulars	₹ in Crore June 30, 2023
1	Aggregate amount of loans transferred	20.76
2	Aggregate consideration received	20.76
3	Weighted average residual maturity	N.A
4	Weighted average holding period of originator	6.98 Years
5	Retention of beneficial economic interest by originator	N.A
6	Coverage of tangible security coverage (%)	100%
7	Rating-wise distribution of rated loans	Not Rated
 - b) The Bank has not acquired any Loans not in default from eligible lenders through assignment.
 - c) During the quarter ended June 30, 2023, the bank has not acquired/transferred any stressed loans (Non-performing asset and Special mention Account).
- 8 Other income includes processing fees, profit/loss on sale of investments (including provision on depreciation) and recoveries from accounts previously written off etc.
- 9 Other operating expenses include commission paid to sales agents of ₹20 crore for the quarter ended June 30, 2023 (Previous period ₹18 crore)
- 10 Based on the advice of an independent firm of chartered accountants, in the absence of guidance in the Accounting standards which are applicable to the bank namely Indian Generally accepted Accounting Principles, the fair value changes relating to restructured liabilities arising on account of amalgamation are recognized by debiting the profit and loss appropriation account and crediting the respective restructured liabilities accounts.
- 11 Previous period figures have been reclassified/regrouped, wherever necessary, to conform to the current period classification/ regrouping.
- 12 Security cover for principal and interest as at June 30, 2023 is 3539.9 times and same is adequate as per the terms of issue of MLDs.
- 13 There has been no change to significant accounting policies during the quarter ended June 30, 2023 as compared to those followed for the year ended 31st March, 2023.
- 14 The figures of the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the financial year 2022-23 and the published year to date figures upto December 31, 2022.

For and on behalf of the Board of Directors


Inderjit Camotra
Managing Director & CEO
DIN: 09602543
Place: Mumbai

Date: August 02, 2023



Tel. : 022-2200 4465, 2206 7440
E-mail : mumbai@vsa.co.in
Website : www.vsa.co.in

V. Sankar Aiyar & Co.
CHARTERED ACCOUNTANTS
2-C, Court Chambers
35, New Marine Lines
Mumbai - 400 020

Independent Auditors' Review Report on Unaudited Financial Results for the quarter ended June 30, 2023 of Unity Small Finance Bank pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (as amended)

To,
The Board of Directors,
Unity Small Finance Bank Limited,
Mumbai

1. We have reviewed the accompanying statement of Unaudited Standalone Financial Results of **Unity Small Finance Bank Limited** ("The Bank") for the quarter ended June 30, 2023 ('the Statement') attached herewith, being submitted by the Bank pursuant to the requirement of regulation 52 of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended ("Listing Regulations").
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 Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), prescribed by The Institute of Chartered Accountants of India, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to issue a report on these financial results based on our review.
3. We conducted our review in accordance with the Standards on Review Engagements (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 is limited primarily to making inquiries of Bank's personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with the Standards on 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. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Unaudited Standalone Financial Results together with the notes thereon prepared in accordance with applicable accounting standards and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 as amended including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

Emphasis of Matter

5. We draw attention to note no. 10 of the financial results, regarding the accounting treatment for subsequent measurement of fair value changes relating to the restructured liabilities taken over from erstwhile Punjab and Maharashtra Co-operative Bank Limited ("PMC") in accordance with the Punjab and Maharashtra Co-operative Bank Limited (Amalgamation with Unity Small Finance Bank Limited) Scheme, 2022 sanctioned by the Government of India in exercise of the powers conferred by sub-section (7) of section 45 of Banking Regulation Act, 1949 (10 of 1949).

Our opinion is not modified in respect of this matter.

Place: Mumbai
Dated: August 02, 2023



For V Sankar Aiyar & Co.
Chartered Accountants
(FRN:109208W)

Asha Patel
Partner
M. No. 166048
UDIN: 23166048BGUTGH9504

Date: August 02, 2023

To,
Department of Corporate Services,
BSE Limited,
1st Floor, P.J. Towers,
Dalal Street, Mumbai - 400 001

Ref Scrip Code: - 959462 and 959476

Subject: Submission of statement under Regulation 52(4) and Regulation 54 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

With reference to the above subject, kindly find below the following details for quarter ended June 30, 2023. The same are provided in the financial results for the quarter ended June 30, 2023 and are reproduced below:

- a) **Debt Equity Ratio:** Debt equity ratio of the Bank as on June 30, 2023 is 0.47:1.
- b) **Debt service coverage ratio:** NA
- c) **Interest service coverage ratio:** NA
- d) **Outstanding Redeemable Preference Shares:** NIL
- e) **Capital Redemption Reserve/ Debenture Redemption Reserve:** NIL
- f) **Net worth:** Net worth as on June 30, 2023 is Rs. 1,34,571/- Lakh.
- g) **Net Profit/(Loss) after Tax:** The Net profit for quarter ended June 30, 2023 is Rs. 4,809 /- Lakh
- h) **Earnings per Share:** Basic EPS for the quarter ended June 30, 2023 is Rs. 0.60 /- and Diluted EPS for the quarter ended June 30, 2023 is Rs. 0.25/-
- i) **Current ratio:** Not Applicable
- j) **Long term debt to Working Capital:** Not Applicable
- k) **Bad debts to Accounts receivable ratio:** Not Applicable
- l) **Current liability ratio:** Not Applicable
- m) **Total debts to total assets:** Total debts to total Assets ratio is 0.08 times
- n) **Debtors turnover:** Not Applicable

■ **UNITY SMALL FINANCE BANK LIMITED :**
CIN : U65990DL2021PLC385568
Email : info@unitybank.co.in

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Tel No. 011-47414100

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Vidyanagari Marg, Kalina,
Santacruz (E),
Mumbai 400098
Tel No. 022-42159000

- o) Inventory turnover:** Not Applicable
- p) Operating Margin (%):** Not Applicable
- q) Net profit Margin:** Not Applicable
- r) Sector Specific equivalents ratios, as applicable:**
 - a. Gross NPAs: Rs. 3,75,352 /- lakh
 - b. Net NPAs : Rs. 2,253 /- lakh
 - c. Percentage of Gross NPAs to Gross Advances: 42.02 %
 - d. Percentage of Net NPAs to Net Advances: 0.43 %
 - e. Return on assets (average) - not annualized: 0.51 %
 - f. Capital adequacy ratio: 42.63 %

The Principal Protected, Secured, Rated, Listed, Redeemable, Non-convertible Market Linked Debentures (MLDs) are fully secured by a pari-pasu charge over the specified immovable property and/or present and future book debts, investments & receivables of the Bank. Complete details regarding the security created is provided under the Offer document / Debenture Trust Deed.

As per the provision of regulation 54 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the listed entity shall disclose the security cover available in case of Non-Convertible debt securities along with its financial results. Security cover for Principal and interest as at June 30, 2023 is 3539.9 times, and is adequate as per the terms issue of the MLDs. The certificate from the statutory auditor as per Regulation 54 read with 56(1)(d) of the Listing Regulations, 2015 and SEBI Circular no. SEBI/HO/MIRSD/MIRSD CRADT/CIR/P /2022/67 dated May 19, 2022 shall be disclosed separately.

We request you to take the above information on record.

Thanking You.

Yours truly,
For Unity Small Finance Bank Limited

Archana Goyal
Company Secretary & Compliance Officer
Membership No.: A16004

Encl: a/a

CC: Beacon Trusteeship Limited

■ **UNITY SMALL FINANCE BANK LIMITED :**
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Date: August 02, 2023

To,
Department of Corporate Services,
BSE Limited,
1 Floor, P.J. Towers,
Dalal Street, Mumbai - 400 001

Ref Scrip Code: - 959462 and 959476

Sub: Submission of Statement under Regulation 52(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ("Listing Regulation").

Madam/ Sir,

With reference to the Regulation 52(7) of the Listing Regulation, we hereby submit that the Bank has not issued any listed Debentures till date. The Non-Convertible Debentures (NCDs), including Market linked Debentures (MLDs), were grandfathered by the Bank from Centrum Financial Services Limited ("CFSL"), pursuant to the Business Transfer Agreement dated October 26, 2021 executed between CFSL and the Bank.

The proceeds raised by CFSL from the issue of NCDs including MLDs were utilized by CFSL for the purposes as mentioned in the Offer Document / Disclosure Document and there were no material deviation in the utilization of such proceeds.

In view of the above, statement indicating utilisation and a statement indicating deviation/ variation, of the issue proceeds is not required to be submitted.

We request you to take the above information on record.

Thanking you,

Yours truly,
For Unity Small Finance Bank Limited

Archana Goyal
Company Secretary & Compliance Officer
Membership No.: A16004

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