



UJJIVAN SMALL FINANCE BANK

Build a Better Life

## Q2 FY21 Presentation

November 2020



Ranked 3<sup>rd</sup> in India's  
Best Companies  
To Work For 2020



Awarded 'Best  
Microfinance Bank' by  
AsiaMoney



Semi-Finalist  
European  
Microfinance Award  
2020 (Sole Indian  
representative)

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**Ujjivan – Building a Mass Market Bank**



## Q2FY21 – Key Highlights



**Collections:** 91% of customers have started paying post end of moratorium



**Q2FY21 Disbursements** – 3x of Q1FY21 – ₹ 1,458 Cr – nearly half of pre-Covid levels



**NII at ₹ 470 Cr up by 21% Y-o-Y with NIM at 10.2%**



**Pre-Provision Operating Profit at ₹ 232 Cr up by 64% Y-o-Y; Net Profit at ₹ 96 Cr; PPoP ROA at 4.9%**



**Retail Deposit base building:** Retail deposits up 24% Y-o-Y; CASA up 47% Y-o-Y; total deposit at ₹ 10,743 Cr up 6% Y-o-Y



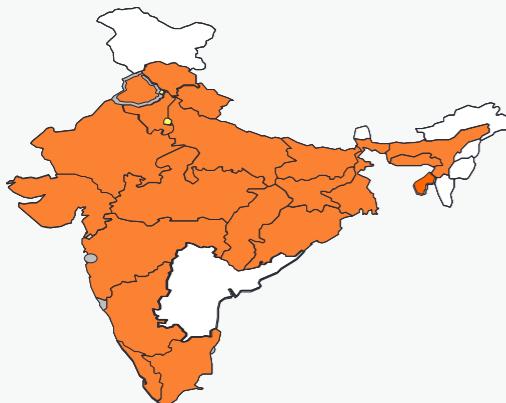
**31% Capital adequacy with Tier-1 capital at 30% as on 30<sup>th</sup> September'20; Liquidity Coverage ratio at 177%**

# Performance Highlights

# Key Highlights as on September'20

**24 States/ UTs, 244 Districts**

vs 232 districts in Sep'19



**575 branches<sup>1</sup>, 477 ATMs<sup>2</sup>**

vs 552 branches<sup>3</sup>; 442 ATMs in Sep'19



**Expanding Customer base**

**55.3 lakh customers**  
vs. **50.6 lakh in Sep'19**



**41.3 lakh borrowers**  
vs. **43.3 lakh in Sep'19**

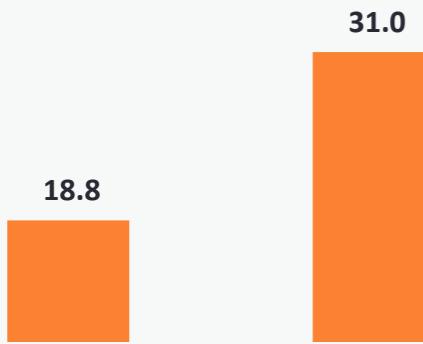
**17,018 Employees**

vs 16,776 in Sep'19



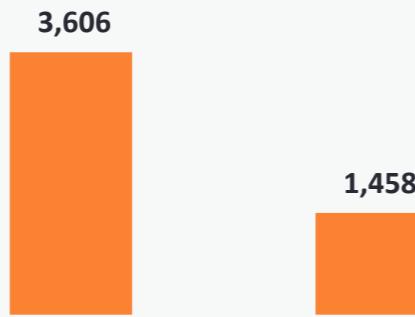
**CRAR<sup>4</sup>**

%



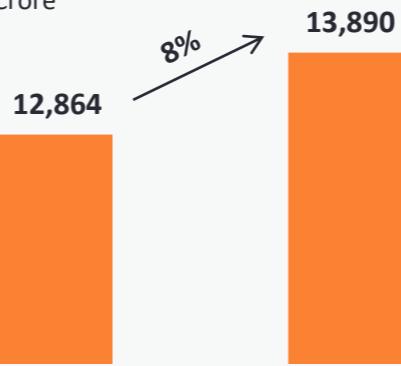
**Disbursements**

₹ Crore



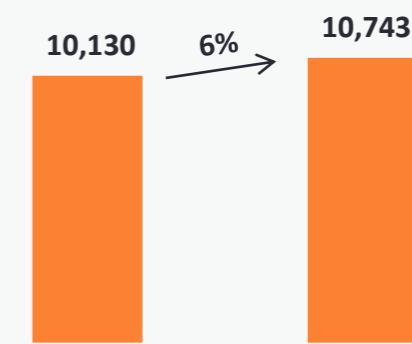
**Gross Advances<sup>5</sup>**

₹ Crore



**Total Deposits**

₹ Crore



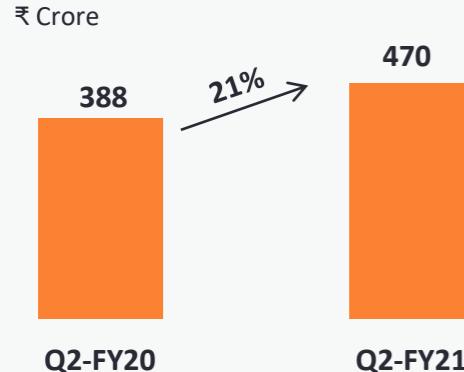
**Retail Deposits<sup>6</sup>**

₹ Crore



## Q2FY21 - Key Highlights

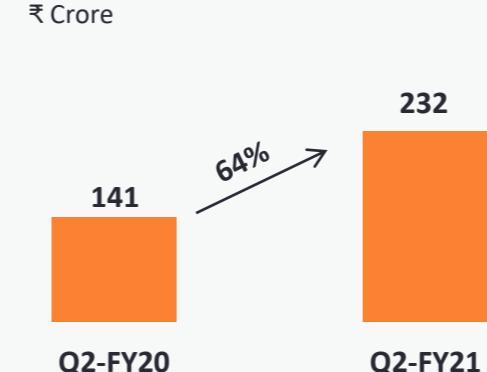
### Net Interest Income



### Net Interest Margin

**10.2%**  
Vs.  
**10.8%**  
Q2-FY20

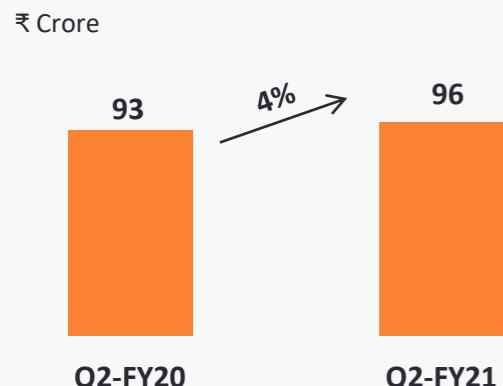
### Pre-provision Operating Profit (PPoP)



### GNPA

**1.0%\***  
Vs.  
**0.9%**  
Sep'19

### PAT



### ROA

**2.0%**  
Vs.  
**2.4%**  
Q2-FY20

### ROE

**11.6%**  
Vs.  
**18.9%**  
Q2-FY20

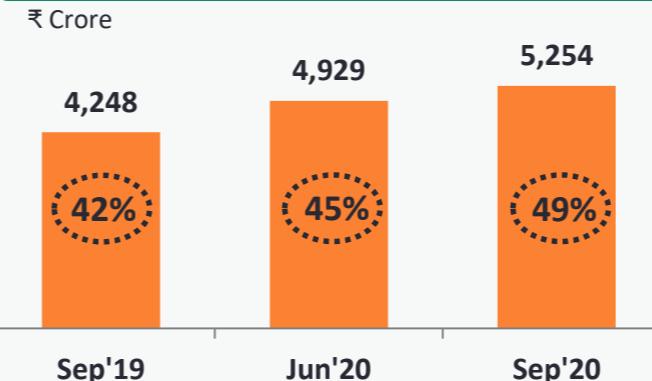
### NNPA

**0.1%\***  
Vs.  
**0.3%**  
Sep'19

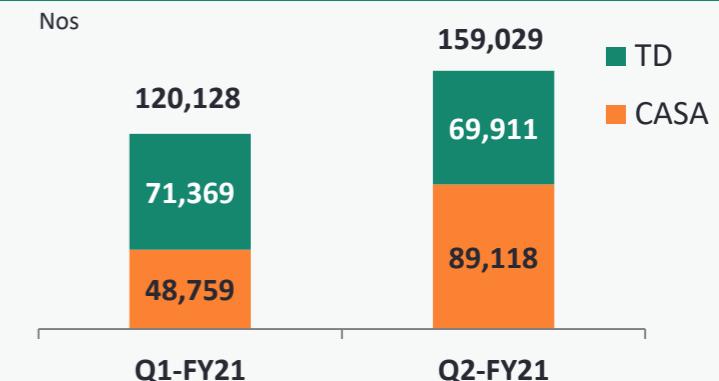
## Liabilities – Strong build-up in retail franchise

- Total deposits grew 6% Y-o-Y to ₹ 10,743 Cr
- We continue to focus on building granular and stable deposit by substituting wholesale deposits with retail deposits
- Retail deposits contribution improved to 49% (% of total deposits) in Sep'20 vs 42% in Sep'19/ 45% in Jun'20
- **Strong new customer acquisition** – 5.1 lakh new deposit accounts opened during H1-FY21; of which around 3 lakh accounts were new-to-bank, sourced by branches
- **Focus on changing product mix** – Business Edge, Privilege SA, Privilege Senior Citizen, Salary etc
- **Digital SA/ TD** continues to show healthy traction – acquired ~39,000 customers in H1-FY21
- **Cost of deposits continues to trend lower** – 7.4% vs 7.9% in Mar'20 led by significant growth in CASA and reduction in FD rates

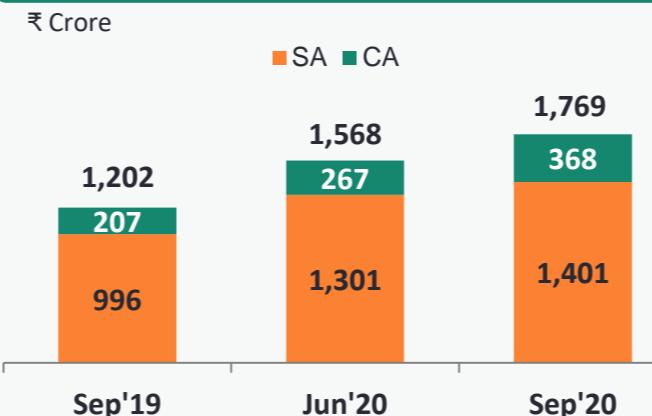
### Retail Deposits share increasing rapidly



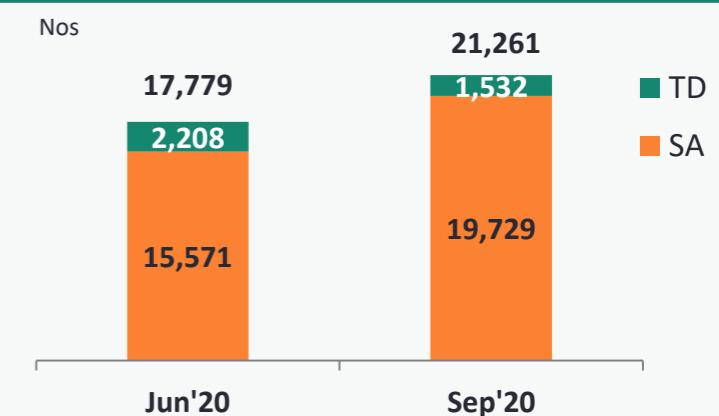
### Customer acquisition ramping-up at branches



### CASA: 13% Q-o-Q growth



### Acquiring customers digitally



## Asset businesses moving towards normalcy (1/3)

### MicroBanking

- **Collections** have improved sequentially – 88% in Oct'20 (against Oct'20 dues)
- **Disbursement**
  - Disbursements picking up as economic activities improves
  - Continuing disbursements majorly in form of repeat loans to Microbanking customers in-line with robust lending policies
- **Tightened credit policies** to avoid any undue risk reflecting in 99.5%+ collection for loans disbursed in H1-FY21
- **New products launches:**
  - Gold Loan product launched targeting towards our Microfinance customers
  - PMSvanidhi Loan (Street vendor program)
  - Pre-approved loans for Microbanking customers; scaled to 9% of clients
- **Expanding reach:** Money Mitra (Ujjivan Transaction point) – Activated 100+ outlets across 12 states by mid October facilitating customers for basic banking services

### FIG

- **Collections** reached 100% from August'20 onwards and no overdue in any account
- **Disbursements** – Cautiously scaling up; ₹ 81 Cr in Q2-FY21 vs ₹ 41 Cr in Q1-FY21
- **Tie-up** with NABARD and Vivriti Capital to offer partial guaranteed loan structure to MFIs

## Asset businesses moving towards normalcy (2/3)

### MSE

- **Collection efficiency in Secured in MSE** – 86% in Oct'20 (against Oct'20 dues)
- **Disbursements** at ₹ 92 Cr in Q2-FY21 up from ₹ 12 Cr in Q1-FY21
  - Sep'20 disbursement at ₹ 49 Cr; 78% of Sep'19
  - New case log-ins are now at pre-Covid levels
  - Disbursed 850 cases of ₹ 24 Cr under MSE Navnirman Loan (NNL) backed by ECLGS scheme
- **New products:**
  - Launched Loan against Rent Receivables (LARR) in Sep'20
  - CGTMSE facility for offering collateral free loans backed by govt. guarantee to be launched in Q3-FY21
- **Process improvement:**
  - Started full-fledged scan based disbursement process, post successful pilot
  - Piloting Hub-based disbursements to expedite disbursements and reduce cost

### Affordable Housing

- **Collection efficiency** – 93% in Oct'20 (against Oct'20 dues)
- **Disbursements at ₹ 116 Cr in Q2-FY21 up from ₹ 17 Cr in Q1-FY21**
  - Sep'20 disbursement at ₹ 53 Cr; 74% of Sep'19
  - New case log-ins are now at pre-Covid levels
- **Increased focus on formal segment**
- **Process improvement:**
  - Started full-fledged scan based disbursement process, post successful pilot
  - Piloting Hub-based disbursements to expedite disbursements and reduce cost

## Asset businesses moving towards normalcy (3/3)

### Personal Loan

- **Collection efficiency** – 88% in Oct'20 (against Oct'20 dues)
- **Disbursements** at ₹ 12 Cr in Q2-FY21 vs nil in Q1-FY21
- **Targeting corporate tie-ups** with super cat A, cat A, cat B & Government companies (>300 Cr Turnover and Rating BBB above)
- **Channel:** Focus on proprietary sourcing, internal base using data analytics, digital sourcing; expanding reach to all Ujjivan branches
- **Fintech tie-up** to boost customer acquisition; expected to go live in Q3
- **New product expected in Q3:** Self-employed professional loans
- **Contact Less Process:** using tech service provider, focus on making whole flow digital and contactless

### Vehicle Loan

- **Collection efficiency** – 91% in Oct'20 (against Oct'20 dues)
- **Disbursements** at ₹ 6 Cr in Q2-FY21 up from ₹ 2 Cr in Q1-FY21
- **Channel:** Focus on Proprietary channel; expanding reach to all Ujjivan branches
- Two-wheeler loan now available across pan India branches
- **Cross-selling** to existing MB customers and their families
- Focus on Tier-II+ markets; medium to low income category; first-time buyers
- Focus on improving productivity and efficiency – Launched LOS in Q2
- **New product launched:** Micro Mini CV
- **New product expected in Q3:** Used car loans

# Increasing digital footprints (1/3)



## Fintech & Payments Bank

- Tie-ups with Fintechs & Payments Bank
- 27.9 lac transactions made through this mode in H1-FY21
- Tie-ups have increased our reach to 7,000+ active outlets aiding in customer convenience



## Payment Solutions

- Customised payment links shared
- Presence on BBPS\* apps: Enabled for all asset products
- Range of choices provided to customers to choose between cash/digital payments



## Solutions for MB customers

- Contactless lending: Loan on Phone for MicroBanking customers (Repeat and Top up offerings)
- Collection via Airtel Payments Bank centres



## Process digitization

- Robotic Process Automation
- E-Agreement & E-Sign
- Scan-based disbursements
- Online ID & Document Verification
- Paperless sanctions
- E-KYC

## API FRAMEWORK

### Synergies

- Inorganically increase the reach of the Bank exponentially
- Sourcing asset and liability customers through the franchise's existing customer base
- Focussed on bringing in efficiencies in processes with lower cost of operations
- Over 1/3rd APIs are ready for consumption by fintechs which cover most of the banking transactions & requirements like A/c on-boarding for liabilities & assets, service requests & all types of payments

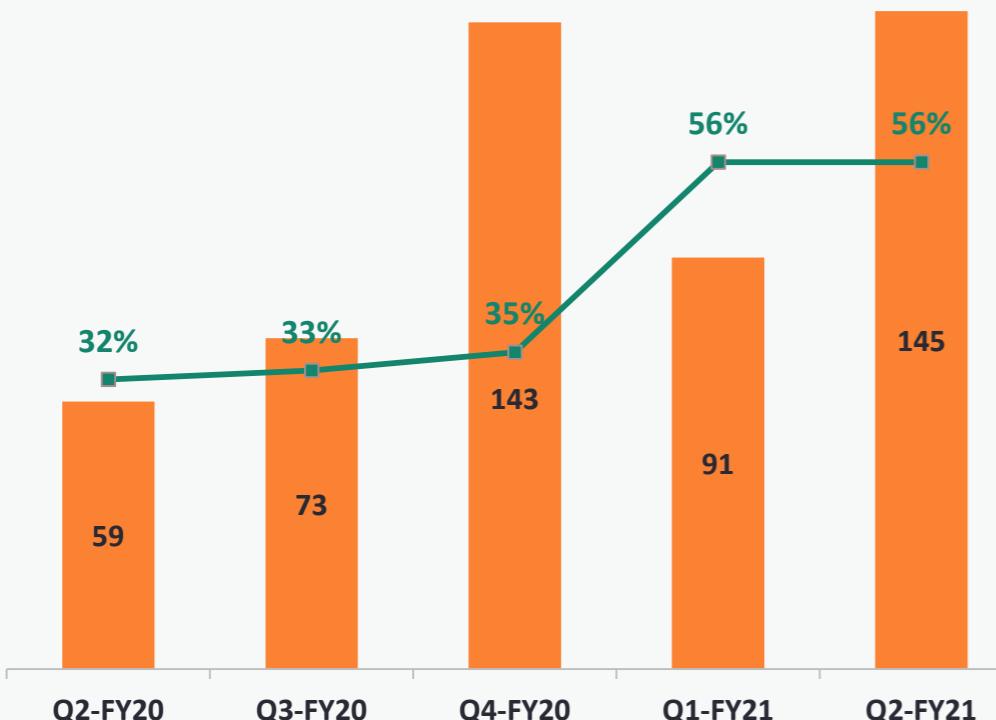
\* Bharat Bill Pay System

## Increasing digital footprints (2/3)

### \*Increasing Digital Transactions (%)

Total transactions (in Lakhs)      Digital transactions (%)

Digital transactions at 56% in Q2-FY21 despite significant increase in total transactions



### UPI Transactions

<sup>^</sup>Active Customers

148,737    219,546    312,165    377,162    459,097

₹ Crore

314    429    607    524    1,086

3.5x  
Y-o-Y

No. of Transactions

66,535    84,280    57,026    124,287    111,787

₹ Crore

2.7    3.3    4.1    4.0    4.3

1.6x  
Y-o-Y

### Business Net Banking

<sup>^</sup>Active Customers

663    976    1,164    1,416    1,638

₹ Crore

286    443    562    353    736

2.6x  
Y-o-Y

\*Basis CBS volumes

<sup>^</sup>Active customers as of period end

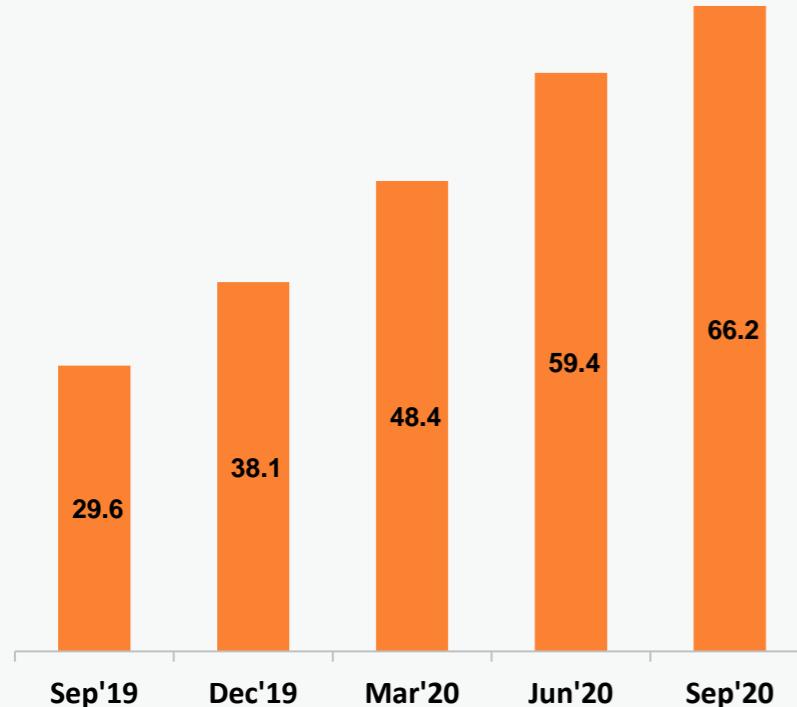
## Increasing digital footprints (3/3)

### Internet Banking

No. of Active Customers

Nos in '000

**2.2x Y-o-Y**

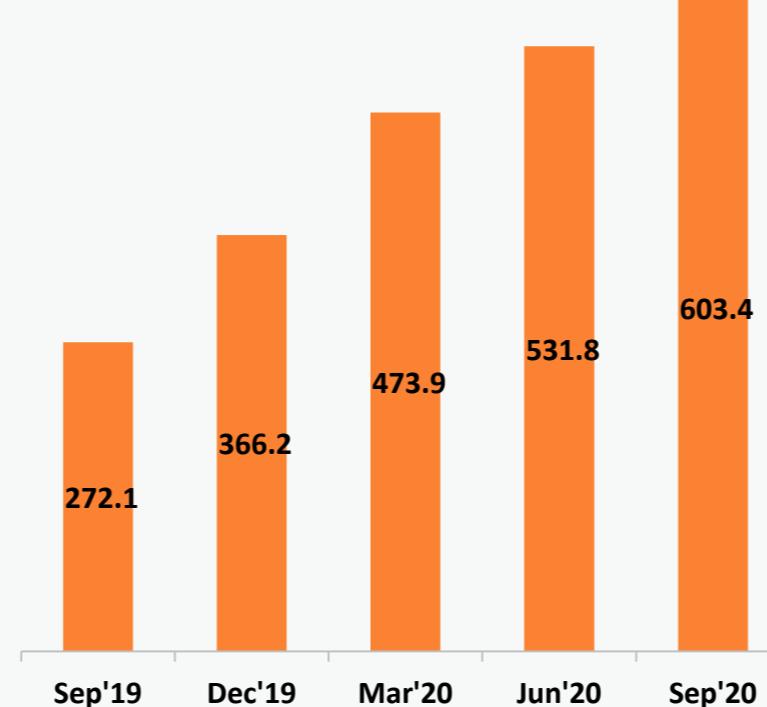


### Mobile Banking

No. of Active Customers

Nos in '000

**2.2x Y-o-Y**

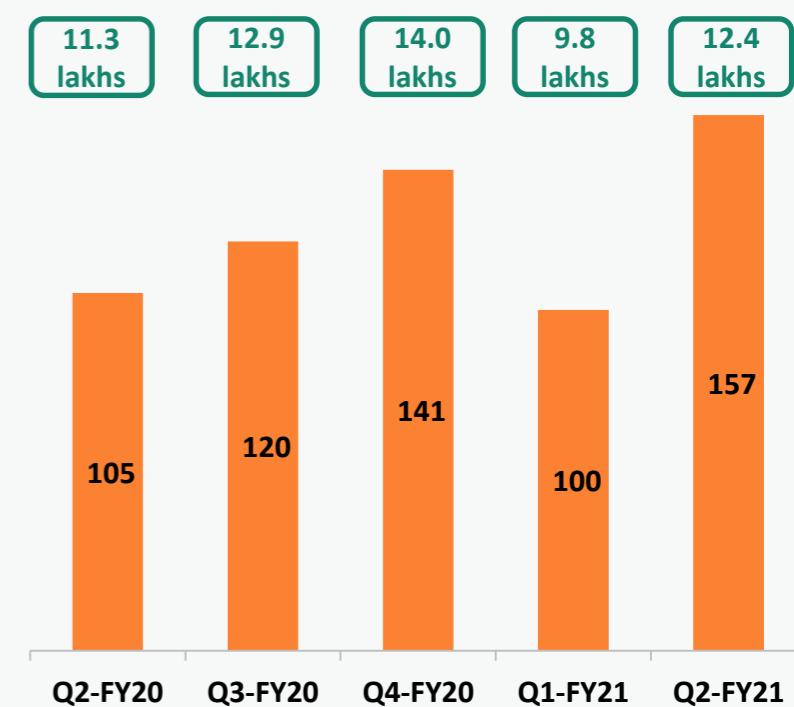


### POS Transactions

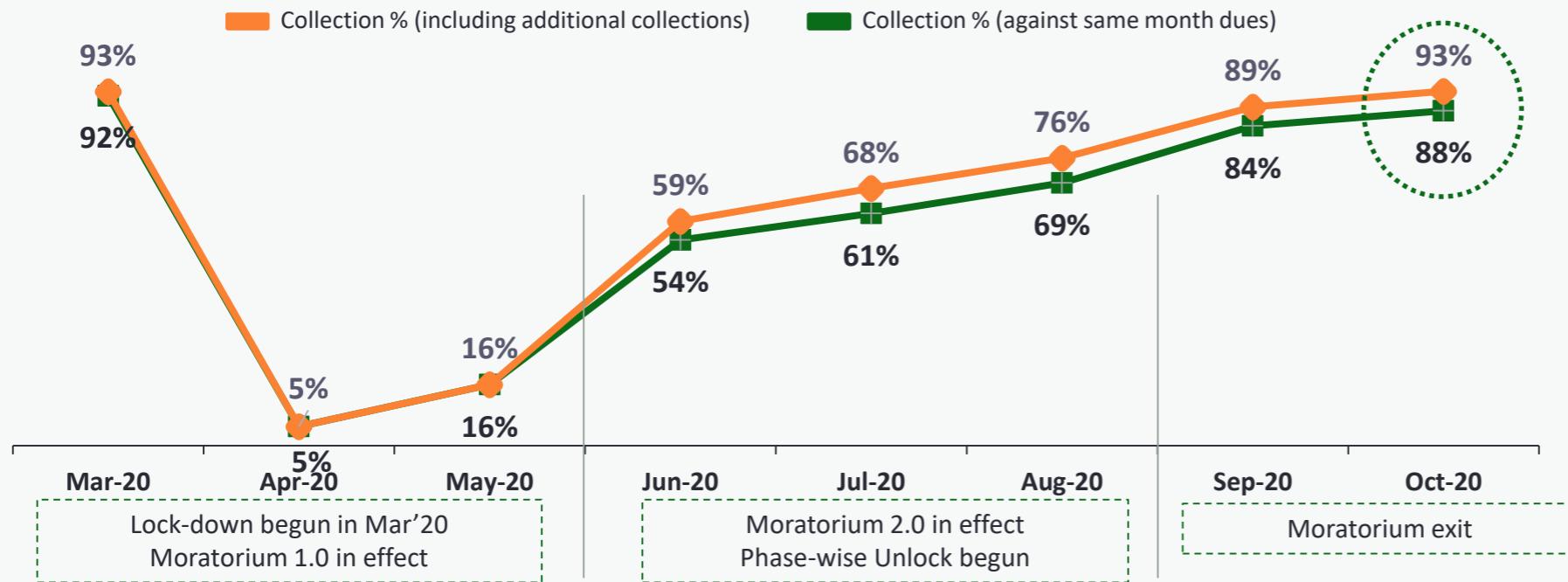
No. of Transaction (in box)

Value in ₹ Crore

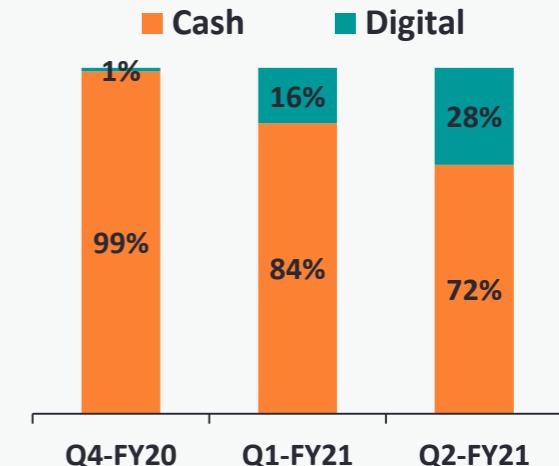
**1.5x Y-o-Y**



## Collections: 91% of customers have started paying post end of moratorium



### Digital vs cash collections



- Collection efficiency is defined as collections for the period against dues for the period. It does not include prior period and advance payments
- Flexible & multiple modes of collections apart from traditional centre meetings/ door-to-door collections
- Tie-up with Airtel Payments Bank, Business Correspondents has increased reach; already showing healthy trend
- Renewed thrust on enabling EMI repayments through online payment platforms like ECS, e-wallets, BBPS, UPI/ QR etc. to drive higher usage
- Continuously strengthening collection team

## Collection efficiency (1/2)

₹ Crore	June'20				July'20				August'20			
	Verticals	Due	Collection	Collection %	Additional Collection	Due	Collection	Collection %	Additional Collection	Due	Collection	Collection %
MicroBanking	1,038.6	549.4	53%	57.0	1,000.2	599.8	60%	71.4	996.0	677.1	68%	76.7
MSE (Secured)	16.3	9.3	57%	3.3	17.2	11.0	64%	4.6	17.4	11.1	64%	4.2
MSE (Unsecured)	6.4	1.9	30%	0.6	6.3	3.0	48%	0.4	6.2	2.7	44%	0.6
Affordable Housing	22.5	11.8	53%	0.1	23.0	15.4	67%	0.6	22.3	15.9	71%	0.6
Personal Loan	3.3	2.1	63%	0.0	3.3	2.0	62%	0.0	3.3	2.0	62%	0.0
Vehicle Loans	0.7	0.5	71%	0.0	0.6	0.5	72%	0.1	0.6	0.4	68%	0.0
FIG Lending	47.7	41.2	86%	0.0	33.0	33.0	100%	0.0	35.5	35.5	100%	0.0
<b>Total</b>	<b>1,135.4</b>	<b>616.3</b>	<b>54%</b>	<b>60.9</b>	<b>1,083.6</b>	<b>664.7</b>	<b>61%</b>	<b>77.0</b>	<b>1,081.2</b>	<b>744.7</b>	<b>69%</b>	<b>82.1</b>

## Collection efficiency (2/2)

₹ Crore	September'20				October'20			
	Verticals	Due	Collection	Collection %	Additional Collection	Due	Collection	Collection %
MicroBanking	993.2	828.6	83%	56.6	975.5	856.1	88%	52.4
MSE (Secured)	17.7	14.3	81%	6.8	17.8	15.3	86%	7.8
MSE (Unsecured)	6.0	3.7	62%	0.2	5.8	3.9	67%	0.8
Affordable Housing	22.9	21.0	92%	1.6	23.7	22.0	93%	1.5
Personal Loan	3.3	2.6	79%	0.0	3.5	3.0	88%	0.7
Vehicle Loans	0.7	0.7	92%	0.0	0.8	0.8	91%	0.1
FIG Lending	43.9	43.9	100%	0.0	35.8	35.8	100%	0.0
<b>Total</b>	<b>1,087.7</b>	<b>914.9</b>	<b>84%</b>	<b>65.2</b>	<b>1,062.8</b>	<b>936.8</b>	<b>88%</b>	<b>63.3</b>

Collection efficiency for Sep'20/ Oct'20 stands at 89%/93% if we include additional collections

## States with lower MicroBanking collections

	Maharashtra	West Bengal	Assam	Punjab
Total MB Portfolio (₹ cr)	814	1,570	385	360
MB Collection* % - Sep'20/ Oct'20	71% / 79%	74% / 78%	70% / 74%	78% / 83%
Reasons for low collections	<ul style="list-style-type: none"> <li>▪ Severe Covid situation</li> <li>▪ Localized political intervention</li> </ul>	<ul style="list-style-type: none"> <li>▪ Protests for loan waiver</li> <li>▪ Lockdowns, Transportation unavailability</li> </ul>	<ul style="list-style-type: none"> <li>▪ Rains &amp; Floods, impact of past protests</li> <li>▪ Rumours of loan waiver</li> </ul>	<ul style="list-style-type: none"> <li>▪ Loan waiver and Farm bill protest by political parties</li> </ul>
Measures	<ul style="list-style-type: none"> <li>▪ Continued loan disbursements to good customers</li> <li>▪ Strengthened collection capacity across these states</li> <li>▪ Enhance the digital payment infrastructure to scale quantum of digital payments</li> </ul>			

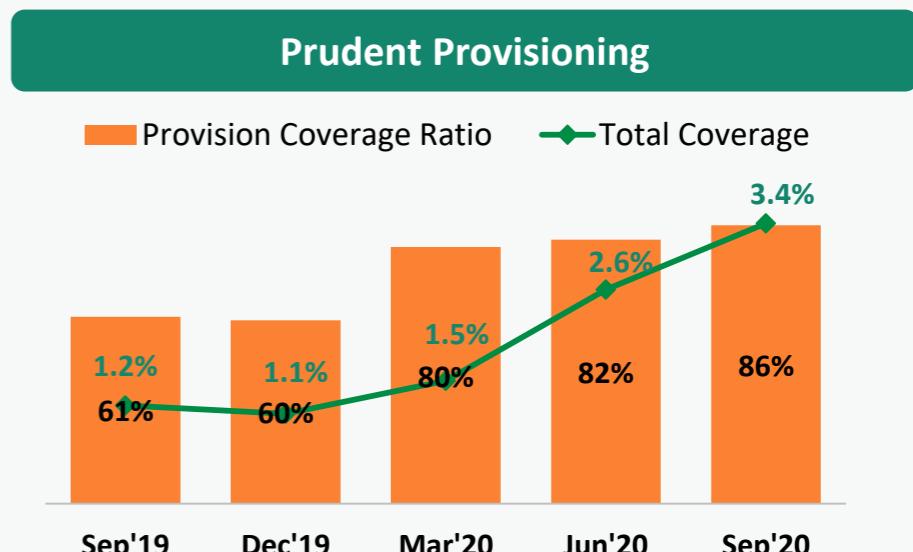
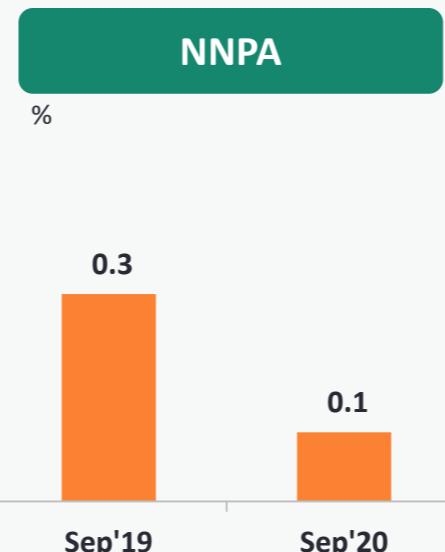
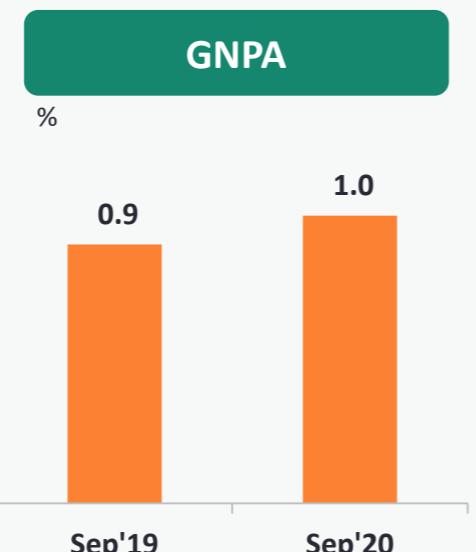
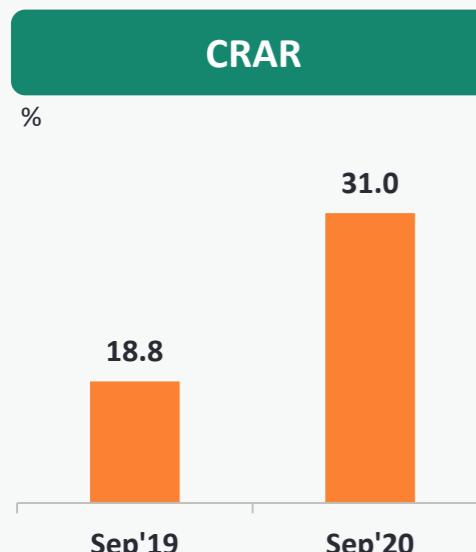
# Very Strong Fundamentals

## Balance Sheet – Well-capitalized with high liquidity

- Capital Adequacy Ratio at 31% with Tier-I being 30%
- LCR at 177% for Sep'20
- Surplus liquidity is ₹ 1,516 Cr contributing to 8% of Balance Sheet – to support revival of business in this challenging time
- CRISIL reaffirmed A1+ (Certificate of Deposits) rating and A+ long term rating by CARE

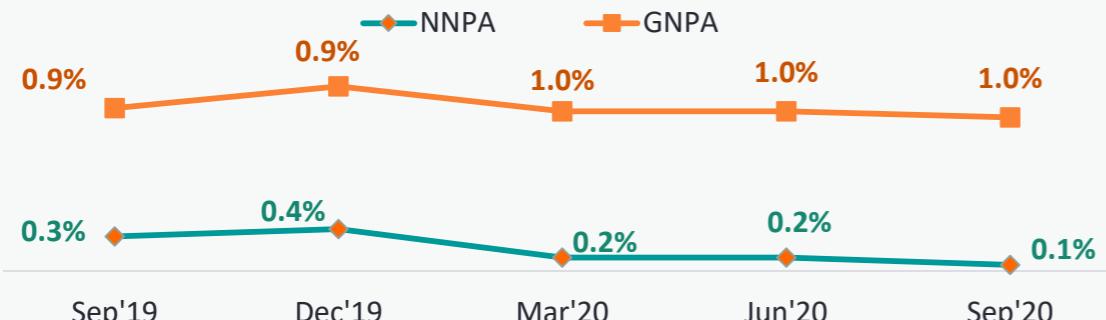
## Focus on portfolio quality

- GNPA and NNPA at 1.0% and 0.1%;
- COVID-19 provision for the quarter is ₹ 100 Cr – totaling to ₹ 299 Cr; 2.2% of gross advances
- Total coverage of Gross Advances at 3.4%
- Strong customer connect with prudent credit policies

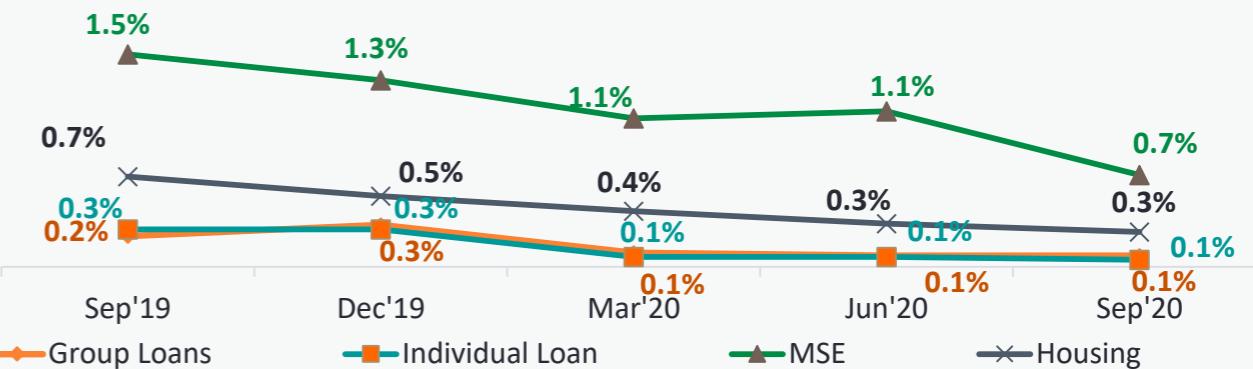


## Portfolio Quality – GNPA, NNPA and PCR

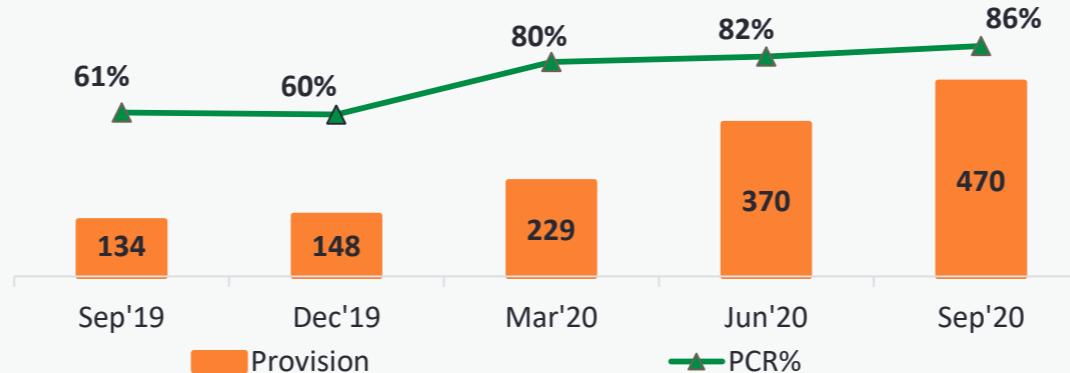
GNPA and NNPA



NNPA (%) – Segment wise



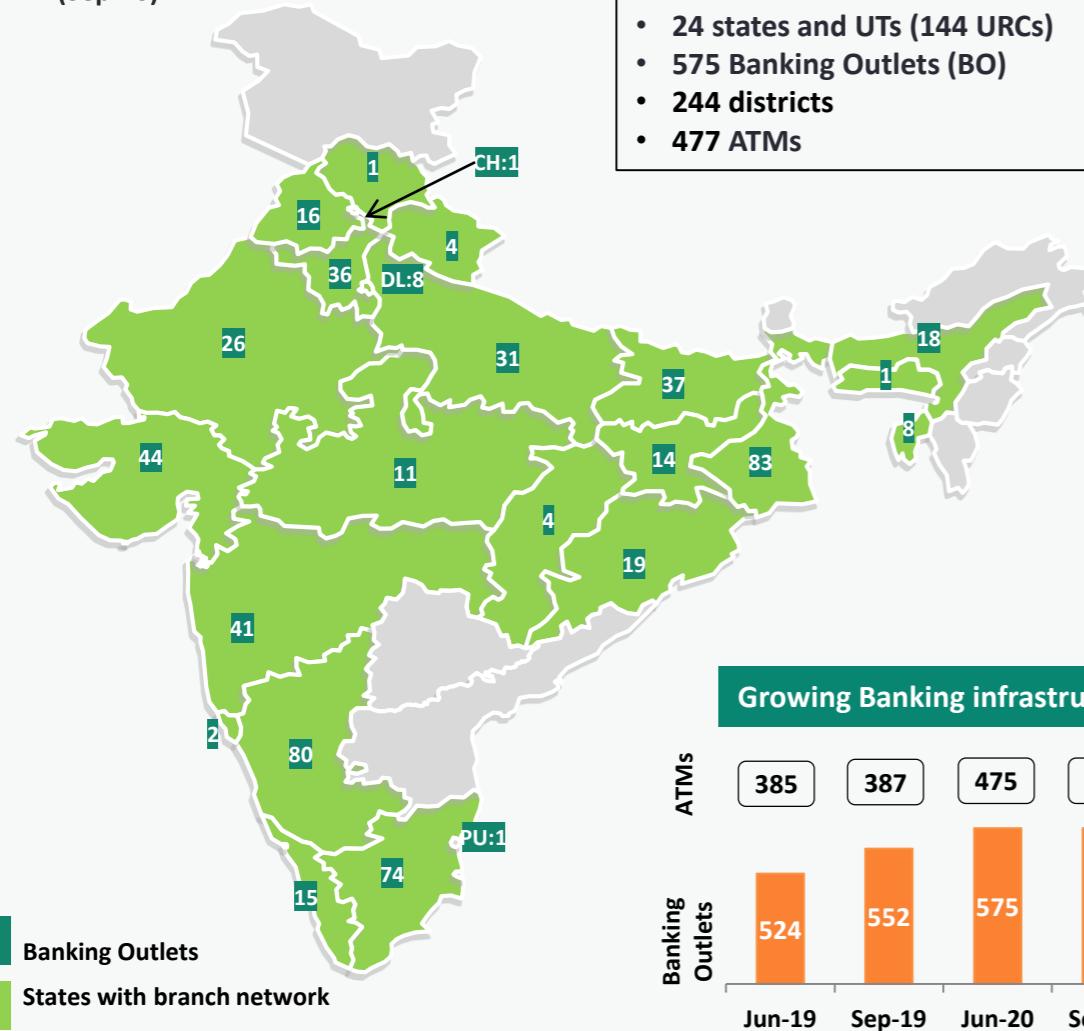
Provision (₹ in Crore) & Provision Coverage Ratio



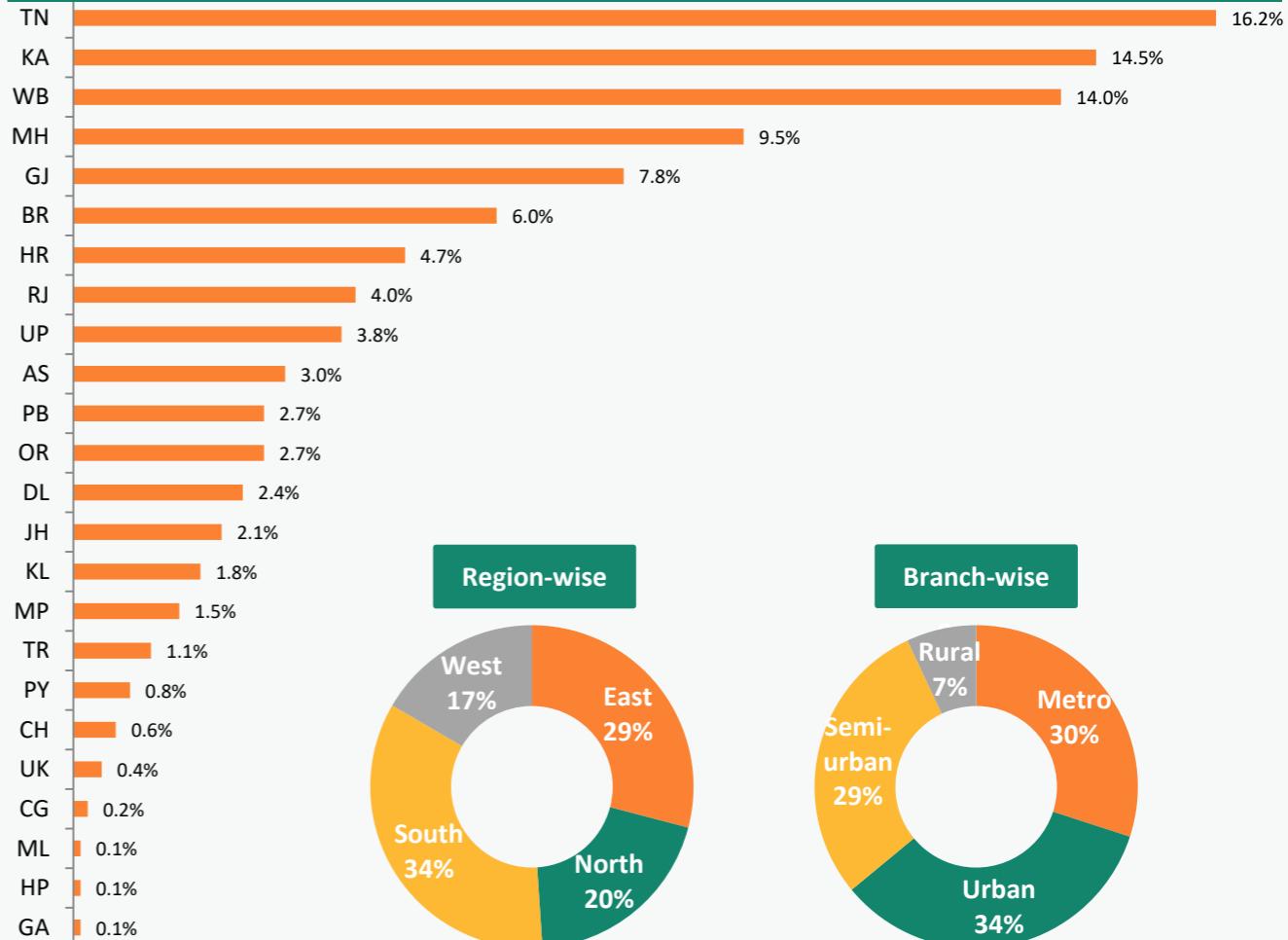
# Business Overview

# Well Diversified Pan India Presence

(Sep-20)



## Gross Advances (Sep-20)



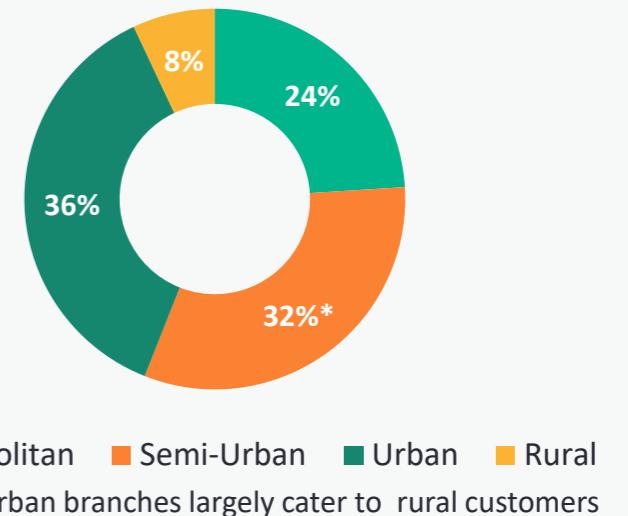
Total Gross Advances – ₹ 13,890 Cr

## Expanding liability customer base

### Customer Base Growth



### Customer Base – Basis of Branch Classification



Customers (in Lakhs)	Sep'19	Dec'19	Mar'20	Jun'20	Sep'20
Asset only Customers	14.1	10.3	7.3	6.7	5.5
Liability Customers	36.5	42.2	47.1	48.0	49.8
Liability only Customers	7.3	8.8	10.9	11.8	14.0
Total Customers	50.6	52.5	54.4	54.7	55.3

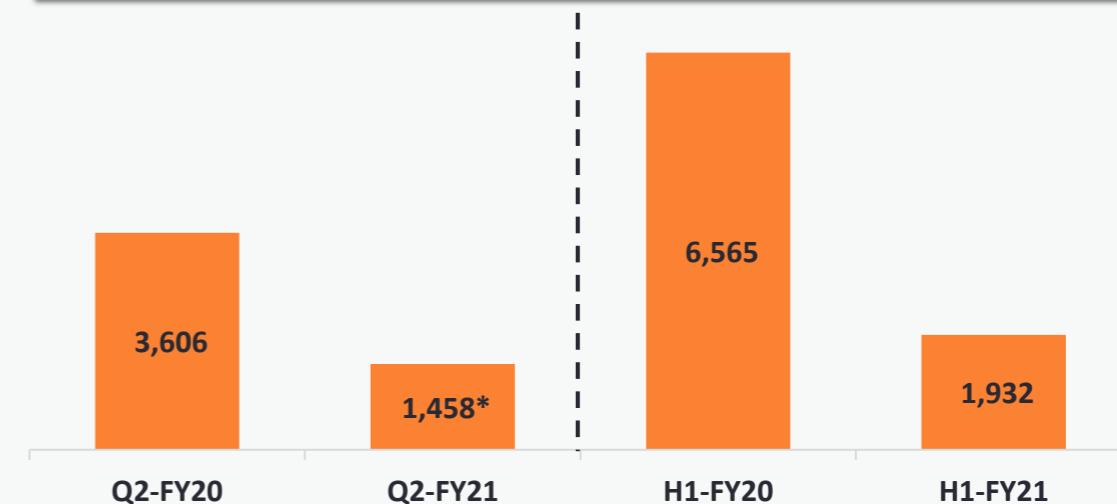
- Liability customers up by 36% vs Sep'19
- Strong new customer acquisition during the quarter – Liability only customers at 14.0 lakhs vs 11.8 lakhs as on Jun'20

# Gross Advances and Disbursement Trend

## Gross Advances (₹ in Crore)



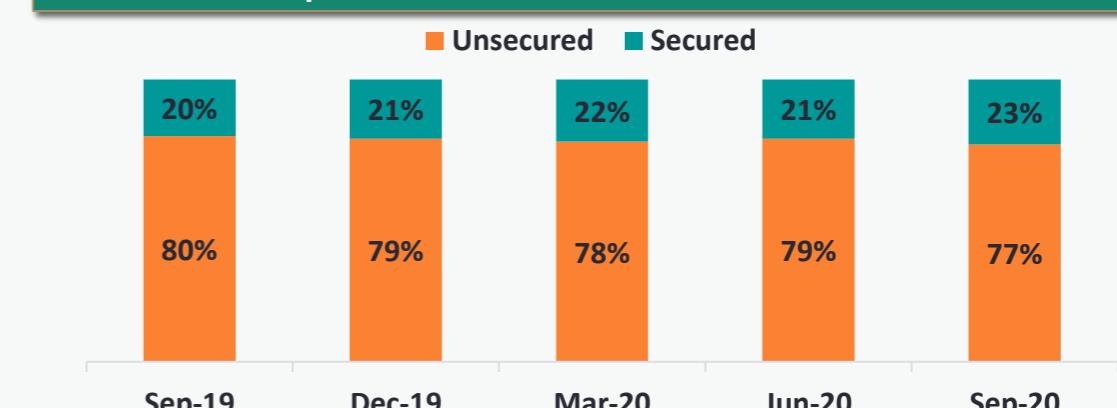
## Total Disbursements (₹ in Crore)



## Microfinance Loan Disbursement (No. of Loans)



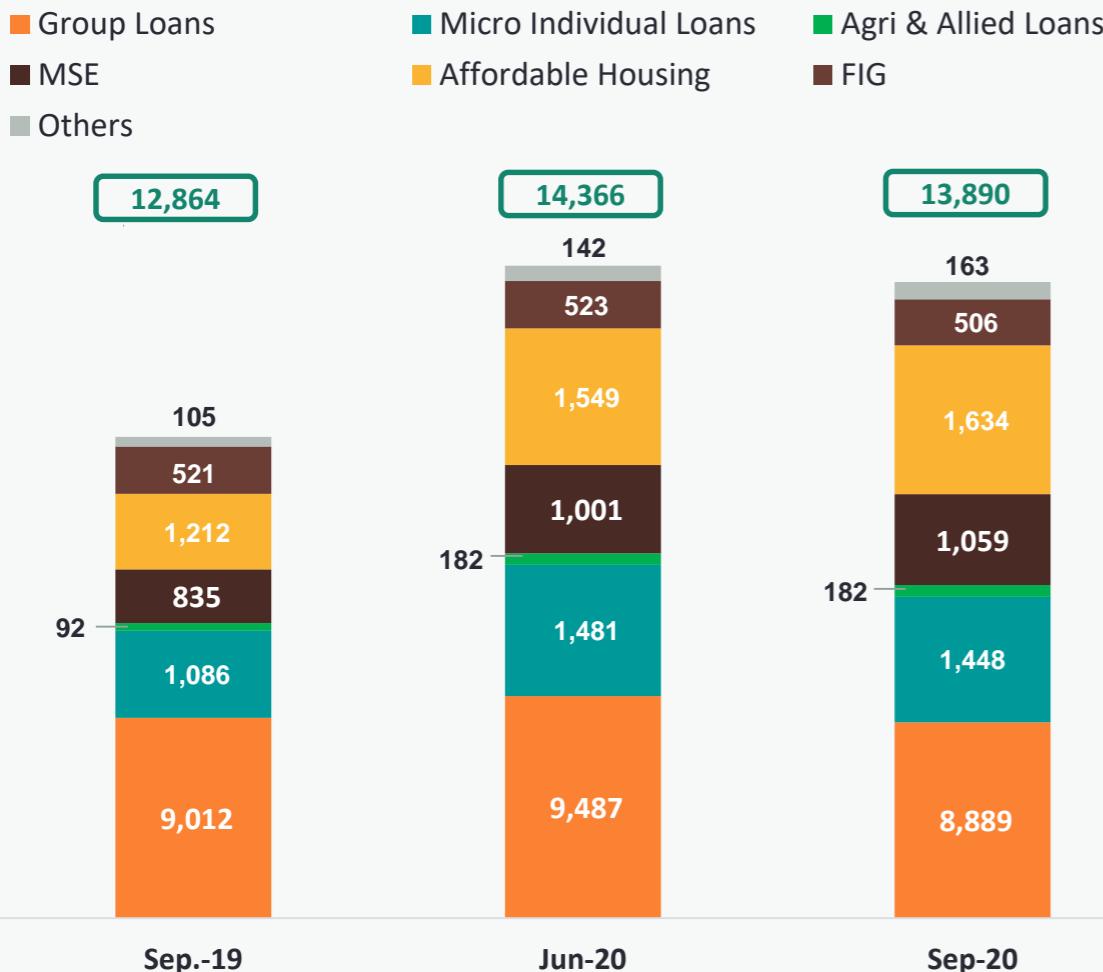
## Portfolio Breakup



\*Disbursement break-up : July'20 - ₹ 435 Cr, Aug'20 - ₹ 467 Cr, Sep'20 - ₹ 556 Cr

# Gross Advances Snapshot

## Gross Advances– Segment wise (₹ in Crore)

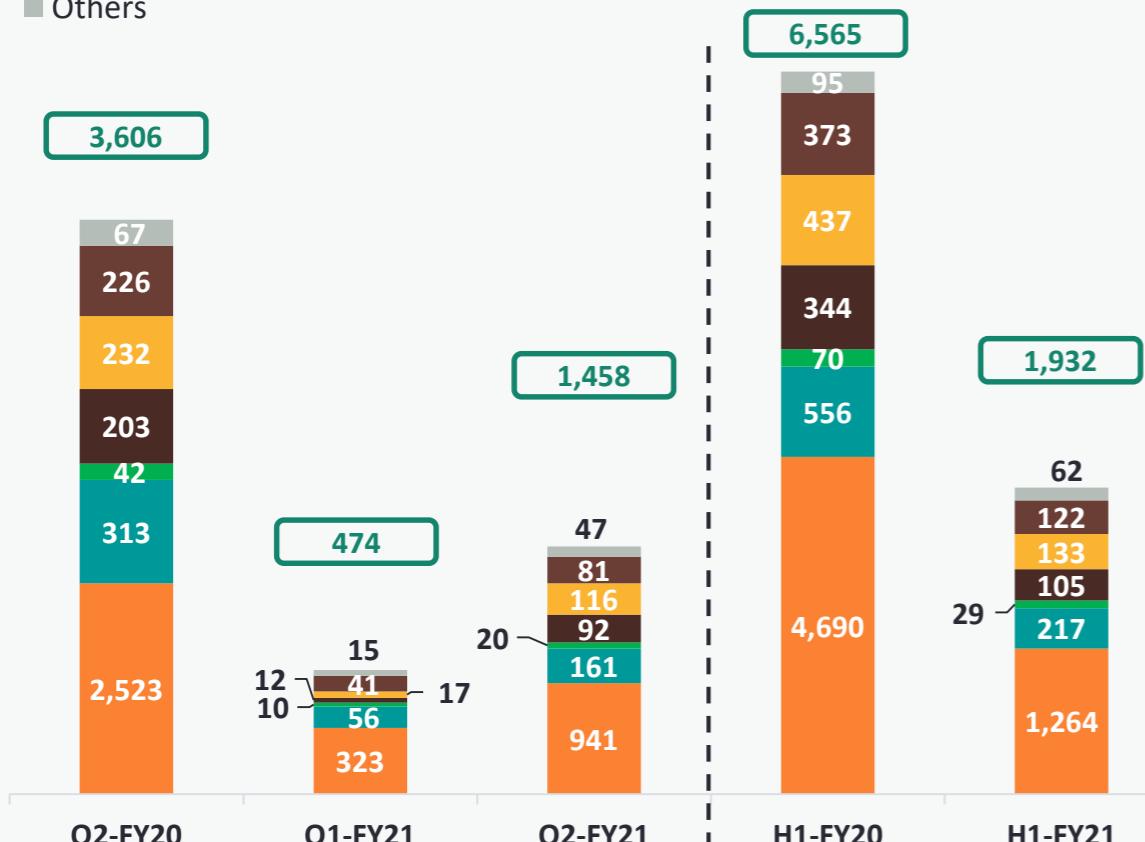


Product	% Gross Advances	Growth Y-o-Y	Growth Q-o-Q
Group Loans	64.1%	(1.3%)	(6.2%)
Micro Individual Loans	10.4%	33.3%	(2.3%)
Agri & Allied loans	1.3%	97.7%	NM
<b>MicroBanking</b>	<b>75.8%</b>	<b>3.3%</b>	<b>(5.6%)</b>
MSE	7.6%	26.8%	5.8%
Affordable Housing	11.8%	34.8%	5.5%
FIG Lending	3.6%	(2.9%)	(3.3%)
Others	1.2%	55.2%	14.8%
<b>Total</b>	<b>100.0%</b>	<b>8.0%</b>	<b>(3.3%)</b>

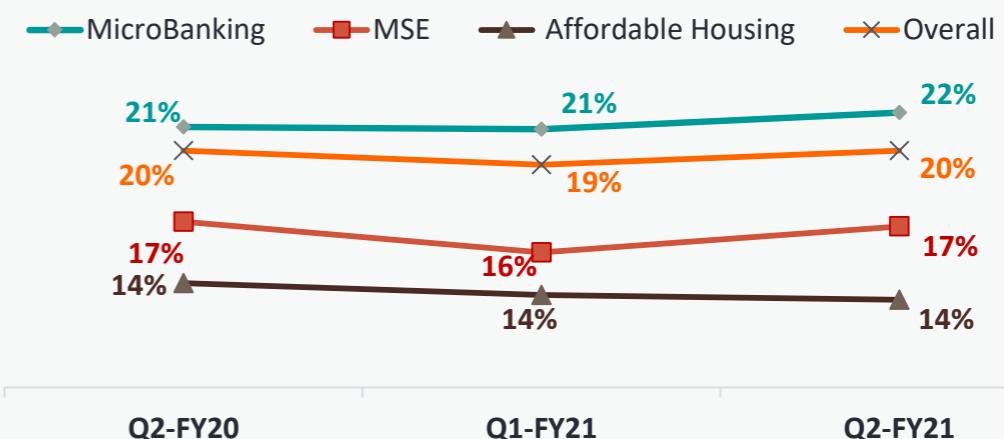
## Disbursement & Average Ticket Size

### Product wise Disbursement (₹ in Crore)

█ Group Loans      █ Micro Individual Loans      █ Agri & Allied Loans  
█ MSE      █ Affordable Housing      █ FIG  
█ Others



### Yield (%) – Segment wise



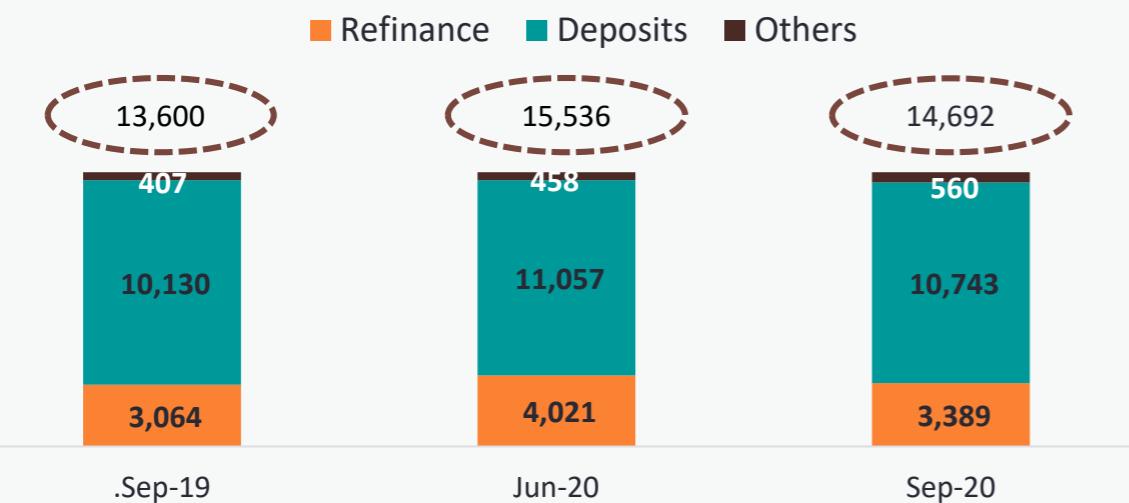
### Average Ticket Size (₹)

Product	Q2-FY20	*Q1-FY21	*Q2-FY21
Group Loans	33,316	39,068	40,253
Micro Individual Loan	88,592	1,02,100	1,00,397
MSE	14.3 lakhs	15.1 lakhs	13.8 lakhs
Affordable Housing	10.0 lakhs	9.5 lakhs	10.1 lakhs

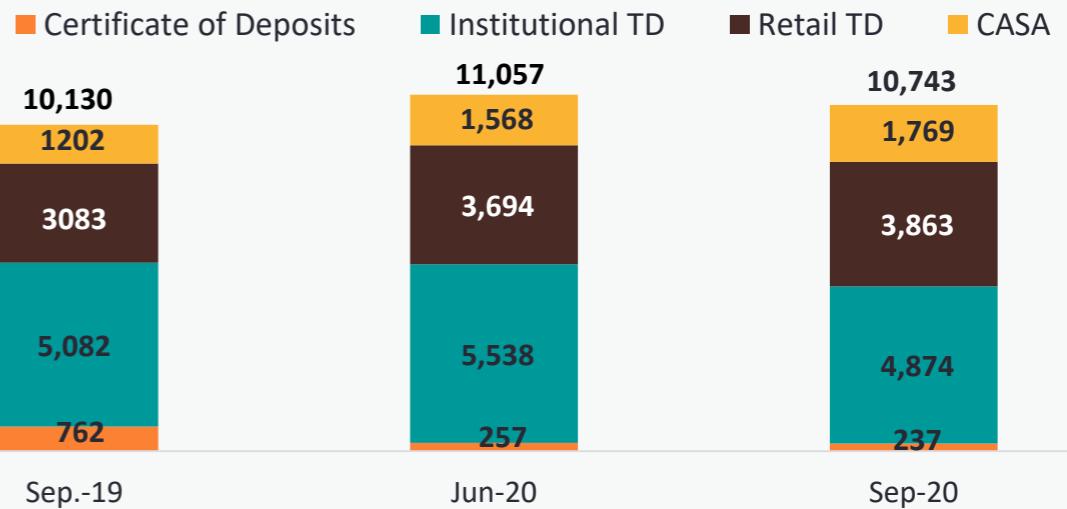
\*Higher average ticket sizes due to lower disbursements and largely to existing customer base  
MSE ticket size is ₹8.2 lakhs in Q2FY21 if Navnirman loans under ECLGS scheme are included

## Liability profile: Retail franchise picking up

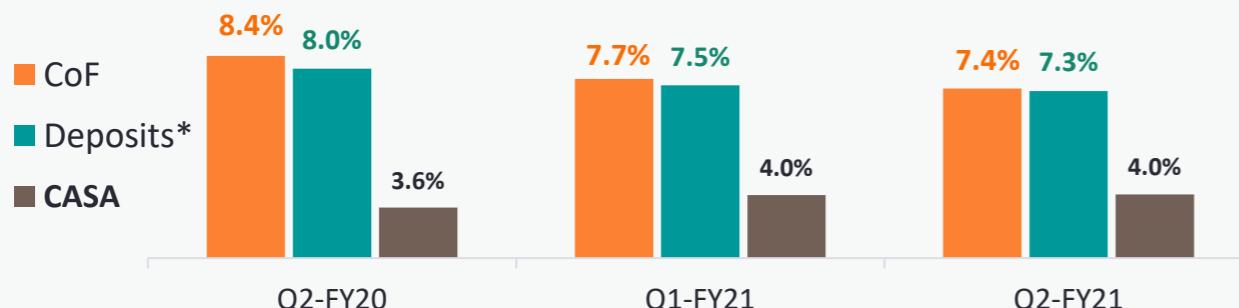
Total liabilities profile (₹ in Crore)



Deposits break-up (₹ in Crore)



Cost of funds



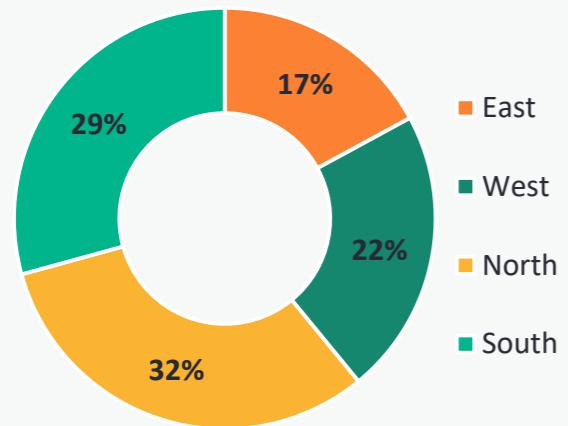
- ❖ Credit-Total Deposit: 129%
- ❖ Retail % share has increased to 49% from 42% in Sep'19
- ❖ Retail deposits continue to rise, reaping benefits from existing banking outlets and digital offerings

^ TD: Term Deposits, CASA: Current Account, Savings Account

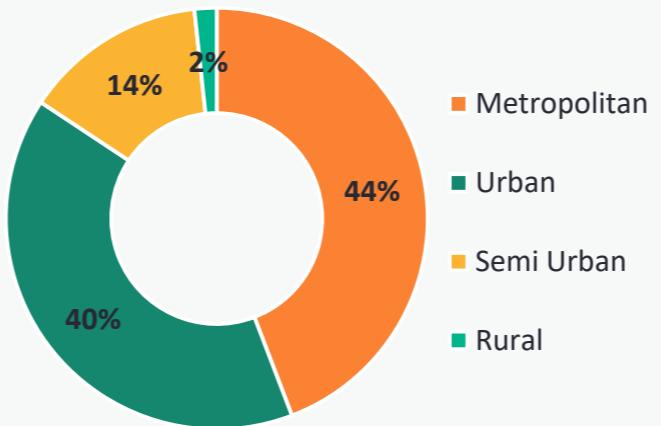
\*Cost of Blended Deposits – TD + CA+ SA

## Well-diversified Deposit Mix

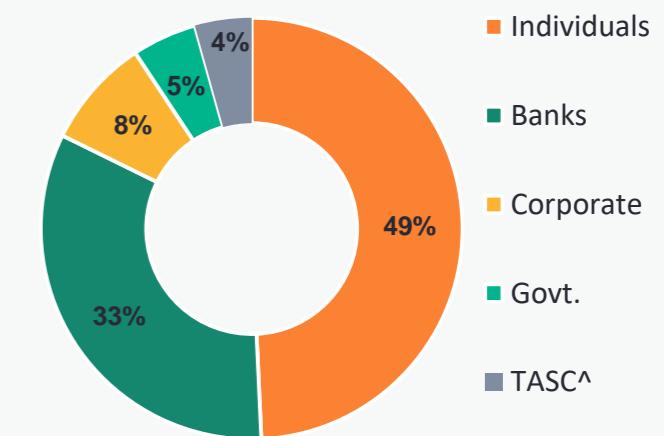
Region-wise deposit mix



Branch classification wise deposit mix



Segment wise deposit mix



Total Deposits (excluding CDs) as on 30 Sep'20: ₹ 10,506 Cr

<sup>^</sup>TASC- Trust, Association, Societies & Clubs

## Adequately Capitalized

(₹ in Crore)

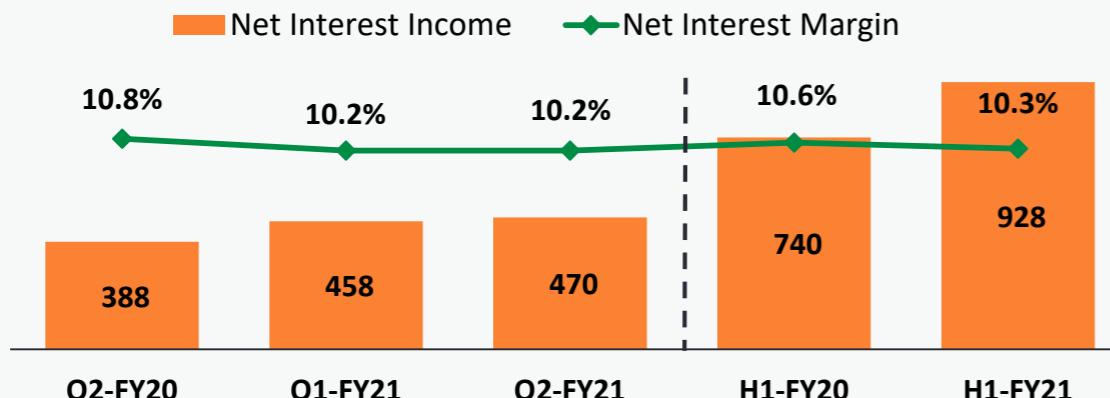
	Sep'19	Dec'19	Mar'20	Jun'20	Sep'20
Credit Risk Weighted Assets	10,026	10,442	10,775	11,032	10,543
Tier I Capital	1,821	2,873	3,018	3,072	3,168
Tier II Capital*	68	84	87	93	99
Total Capital	1,889	2,958	3,105	3,164	3,268
CRAR	18.8%	28.3%	28.8%	28.7%	30.99%
Tier I CRAR	18.1%	27.5%	28.0%	27.8%	30.05%
Tier II CRAR	0.7%	0.8%	0.8%	0.8%	0.94%

\* Additional COVID provisioning is not being considered in Tier II capital.

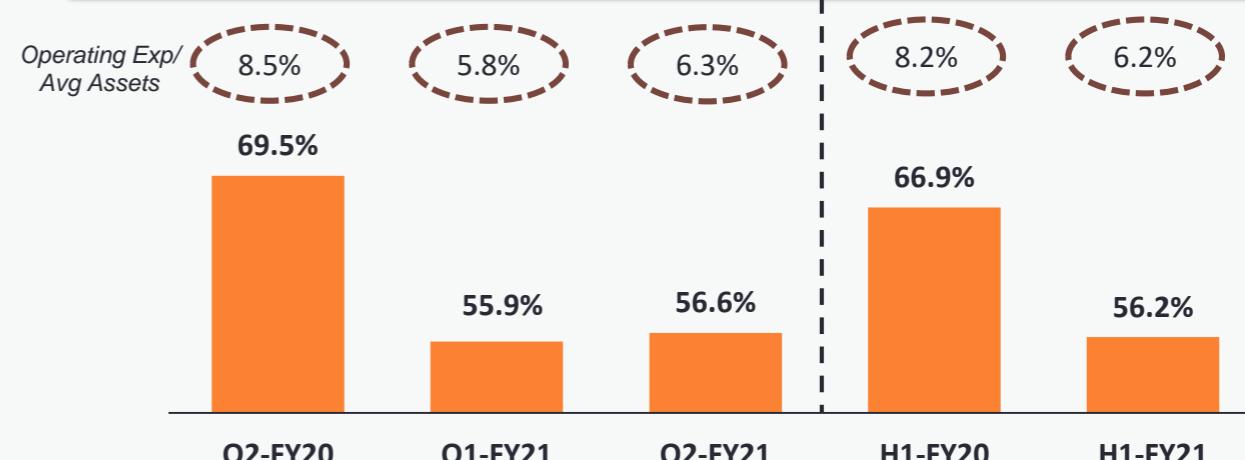
# Financial Overview

# Financial Overview

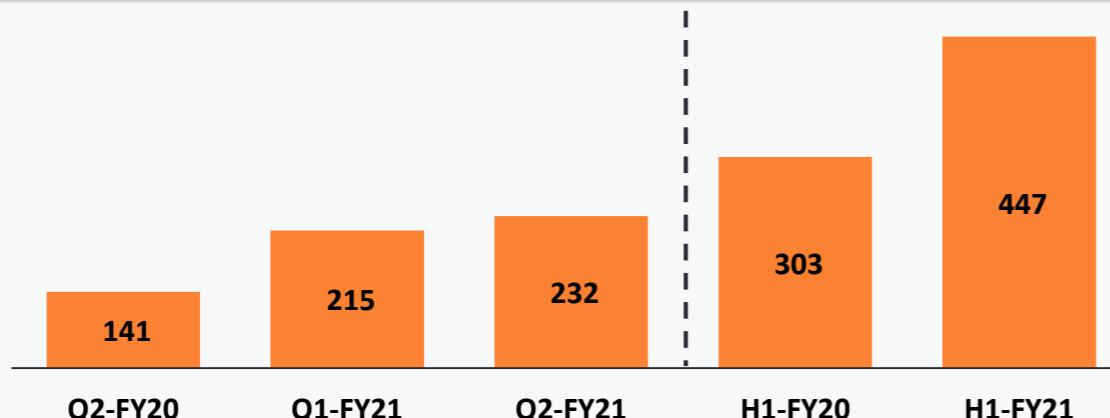
## NII (₹ in Crore) & NIM



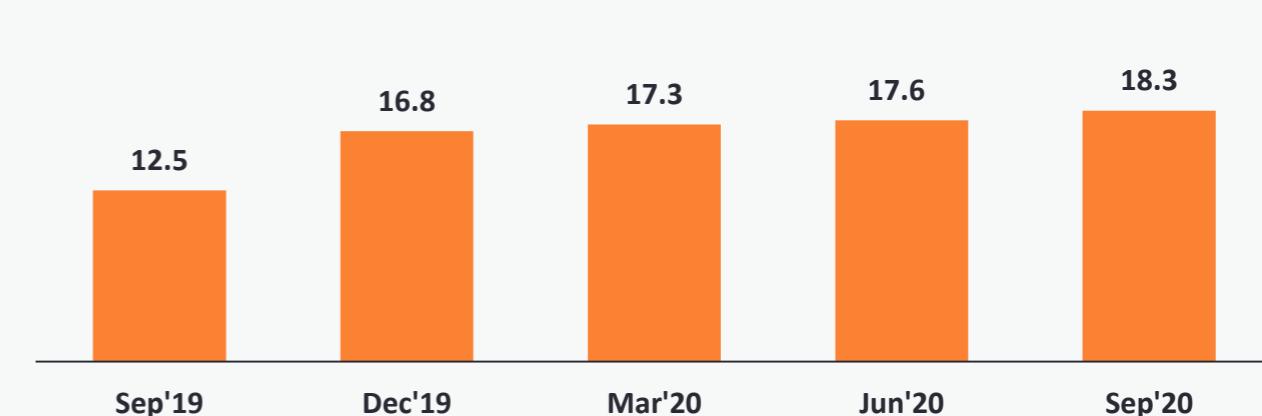
## Cost to Income Ratio & Operating Expenses/ Average Assets (%)



## Pre-Provision Operating Profit (₹ in Crore)



## Book Value Per Share (in ₹)



# Income Statement

Particulars (₹ in Crore)	Q2-FY21	Q2-FY20	YoY Growth	Q1-FY21	QoQ Growth	H1-FY21	H1-FY20	YoY Growth
Interest Earned	754	654	15%	746	1%	1,500	1,260	19%
Other Income	64	75	(14%)	29	124%	93	175	(47%)
<b>Total Income</b>	<b>818</b>	<b>729</b>	<b>12%</b>	<b>775</b>	<b>6%</b>	<b>1,593</b>	<b>1,435</b>	<b>11%</b>
Interest Expended	283	266	(6%)	288	2%	572	519	(10%)
Operating Expenses	302	322	(6%)	272	11%	574	613	6%
<b>Provisions and Contingencies</b>	<b>137</b>	<b>49</b>	<b>179%</b>	<b>160</b>	<b>(15%)</b>	<b>296</b>	<b>116</b>	<b>(156%)</b>
-Provisions for tax	36	24	139%	20	190%	55	72	7%
- Provisions (Other than tax) & Contingencies	101	25	(98%)	140	(100%)	241	44	223%
<b>Total Expenditure</b>	<b>722</b>	<b>637</b>	<b>13%</b>	<b>720</b>	<b>(0%)</b>	<b>1,442</b>	<b>1,248</b>	<b>16%</b>
<b>Net profit for the period</b>	<b>96</b>	<b>93</b>	<b>4%</b>	<b>55</b>	<b>76%</b>	<b>151</b>	<b>187</b>	<b>(19%)</b>

## Total Income - Breakup

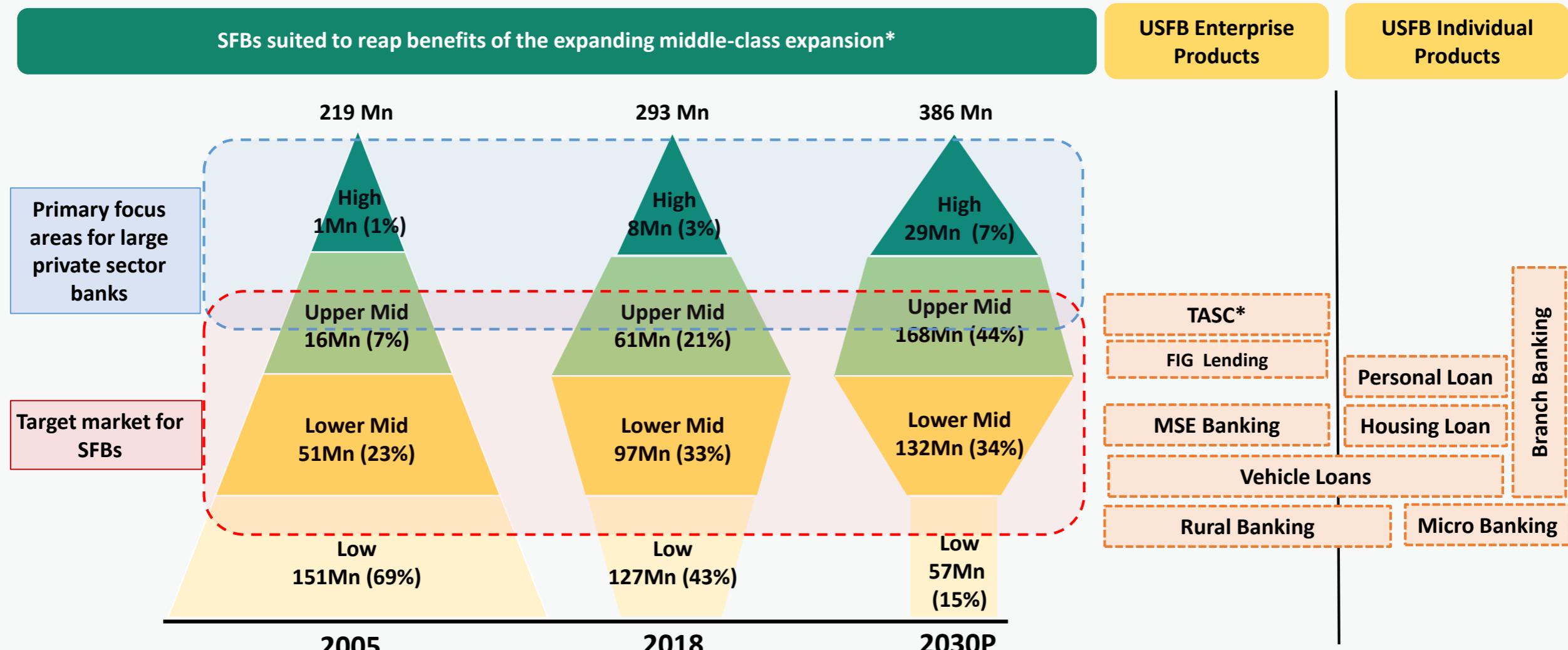
Particulars (₹ in Crore)	Q2-FY21	Q1-FY21	Q2-FY20	H1-FY21	H1-FY20
Interest on loan	701	698	619	1,398	1,186
Int. on investments	53	49	33	102	68
Securitization Inc.	0	0	2	0	5
<b>Total Interest Earned</b>	<b>754</b>	<b>746</b>	<b>654</b>	<b>1,500</b>	<b>1,260</b>
Processing Fees	19	5	45	24	81
PSLC Income	24	-	4	24	46
Trading Income	2	11	2	13	5
Bad Debts Recovery	2	1	8	3	16
Insurance Income	3	2	6	5	9
Misc. Income	14	10	10	24	18
<b>Total Other Income</b>	<b>64</b>	<b>29</b>	<b>75</b>	<b>93</b>	<b>175</b>
<b>Total Income</b>	<b>817</b>	<b>776</b>	<b>729</b>	<b>1,593</b>	<b>1,435</b>

# Balance Sheet

Particulars (₹ in Crore)	Sep-20	Jun-20	Sep-19
<b>CAPITAL AND LIABILITIES</b>			
Capital	1,928	1,928	1,640
Share Application Money Pending Allotment	-	-	36
Employees Stock Options Outstanding	37	30	11
Reserves and Surplus	1,452	1,293	353
Deposits	10,743	11,057	10,130
Borrowings	3,949	4,479	3,470
Other Liabilities and Provisions	748	621	468
<b>TOTAL</b>	<b>18,794</b>	<b>19,408</b>	<b>16,108</b>
<b>ASSETS</b>			
Cash and Balances with Reserve Bank of India	755	1,532	487
Balance with Banks and Money at Call and Short Notice	316	317	222
Investments	3,349	2,689	2,018
Advances	13,773	14,251	12,780
Fixed Assets	297	307	296
Other Assets	304	312	304
<b>TOTAL</b>	<b>18,794</b>	<b>19,408</b>	<b>16,108</b>

# Ujjivan – Building a Mass Market Bank

# Well placed to gain from evolving country demographics



\*Trusts, Associations, Societies and Clubs

# Comprehensive suite of Banking Products & Services

Loan

## Micro-Banking

- Group Loans
- Individual Loans
- Agriculture and allied loans
- Gold loan
- Street vendor loan program

## Micro and Small Enterprise Loans

- Secured Enterprise and Business Loans
- Overdraft
- LARR\*
- Navnirman loan
- Overdraft with Fintech partnership

## Affordable Housing Loans

- Construction and Purchase
- Home Improvement
- Composite Home
- Home Equity

## Vehicle Loans

- Two wheeler loan
- Electric three wheeler loan
- MMCV Loan
- Used Car loan

## Personal Loans

- Loan to salaried customers
- Self-employed professional loans
- Top-up loan

## Financial Institutions Group

- Term loan to NBFCs and MFIs
- Tie-ups: NABARD & Vivitri Capital
- Call money products

Deposit

## Retail Products

- Current Account
- Savings Account
- Term Deposit
- Goal Based Savings
- Digital Savings & FD

## Institutional Products

- Fixed Deposits
- Term Money
- Current Account
- Certificate of Deposit
- Escrow Account

Third-Party

## Fee based Products

- Insurance
- Aadhaar enrolment services
- CMS

Channels

## Branch Banking

## ATM / Debit Cards / POS / QR / UPI

## Mobile & Missed Call Banking

## Phone Banking & IVR

## Internet & Corporate Banking

## Focus on growing stable and granular Liability base



Traders, Retailers and MSE

Salaried / Corporate Salary

Youth

Senior Citizen

Micro banking customers and family members

Local institutions & governments, schools, clinics, TASC

Marginal farmers, Allied Agri Segment

Dominate branch catchment

Advanced business net banking

Encourage user adoption for digital channels

Digital + Branch led transactions

Payment solutions, Fee Based Products, CMS

Life Events Based Banking Solutions, Sampoorna Banking for Micro Banking

Differentiated branch / digital experience

Data analytics to facilitate cross-sell/ better solutions

**"Parinaam" – Financial literacy programs**

Diksha+

Paison ki ABCD

Chillar Bank

Ramped up retail deposits: ₹ 5,254 crores (49% of total deposits) vs ₹ 4,248 crores (42% of total deposits) Y-o-Y

# Other Income – diversifying revenue streams

## Third Party Products

₹ 3 crore in Q2-FY21

**Current line of products – to be ramped-up over medium-term**

- Insurance: Life, General, Health insurance
  - Relevant benefits for target segment
  - Simple and easy process
  - Sold through branches and field staff

**Products under evaluation**

- Mutual Funds
- National Pension Scheme

**Process improvement**

- Automation & IT integration
- Tick-based products

## PSLC Income

₹ 24 crore in Q2-FY21

- Focussed approach to maximise PSLC income by way to automated tagging and better timing
- Majority of portfolio is PSL compliant vs. regulatory requirement of maintaining 75%

## Fee-Based & others

₹ 37 crore in Q2-FY21

- Processing fees
- AMC/NACH/ CMS Fee
- Treasury Income
- Bad debt recovery and others

# Serving customers through multiple delivery channels

## Multiple delivery channels

- |  |   |
|--|---|
|  <p><b>Personal &amp; Business Internet banking</b></p> <ul style="list-style-type: none"> <li>• Web-based, can be accessed from any system</li> <li>• High volume bulk upload facility</li> <li>• Customizable client centric approval matrix</li> </ul>                           |  <p><b>ATMs</b></p> <ul style="list-style-type: none"> <li>• 477 ATMs including 53 Automated Cash Recycler machines</li> <li>• All ATM's re-enabled with biometrics</li> <li>• 12 regional languages</li> </ul>  |
|  <p><b>Web/ Tablet Based Origination</b></p> <ul style="list-style-type: none"> <li>• Liability customer acquisition from anywhere using website</li> <li>• Tablet-based customer acquisition for loan products</li> <li>• Door-step service; faster, easier, better TAT</li> </ul> |  <p><b>Phone</b></p> <ul style="list-style-type: none"> <li>• 24x7 phone banking helpline</li> <li>• Loan on Phone for repeat GL customers</li> <li>• Mobile number and e-mail updation over call</li> <li>• Ability to service customers in 13 Languages</li> <li>• Missed call and SMS banking services</li> </ul> |
|  <p><b>Mobile App</b></p> <ul style="list-style-type: none"> <li>• High customer rating of 4.4/5 on Google Playstore as of Sep'20 – Highest among SFBs</li> <li>• Nine languages option – English, Hindi, Kannada, Tamil, Bengali, Marathi, Gujarati, Punjabi and Odiya</li> </ul> | <ul style="list-style-type: none"> <li>• Working on voice and video enabled customer interface</li> <li>• Active users exceeds 0.67 million as of Sep'20</li> </ul>   |

# Strong Independent Board

Name	Education	Experience	Name	Education	Prior Experience
<b>Biswamohan Mahapatra</b> <i>Part-time Chairman and Independent Director</i>	MA from JNU, M.Sc in management from Arthur D. Little Management Education Institute and MBA from Delhi University	Previously served as an executive director of the Reserve Bank of India	<b>Vandana Viswanathan</b> <i>Independent Director</i>	B.Sc from Bangalore University and MA in personnel management and industrial relations from the TISS	Co-founder and partner at Cocoon Consulting
<b>Nitin Chugh</b> <i>MD and CEO</i>	Bachelor's degree in technology (electrical engineering) from Kurukshetra University and a professional diploma in marketing management from All India Management Association	Prior associations with banks incl. Standard Chartered Bank, HDFC Bank and worked with Modi Xerox Limited, HCL and Hewlett Packard Limited	<b>Prabal Kumar Sen</b> <i>Independent Director</i>	Master's degree in arts (economics) from Calcutta University	Served as Professor at XLRI, Institute of Rural Management as a Bank of Baroda chair professor and University of Burdwan
<b>Jayanta Kumar Basu</b> <i>Non-Executive Director</i>	BA(economics) from DU and a PGDM from the IIM, Ahmedabad	Serves as a partner at CX Advisors and previously worked as SVP at CitiBank	<b>Nandal Laxminarayan Sarda</b> <i>Independent Director</i>	M.Tech and PhD from IIT, Bombay	Previously served on the boards of the Union Bank of India, Clearing Corporation of India and Andhra Bank
<b>Mona Kachhwaha</b> <i>Non-Executive Director</i>	PGDM in business management from XLRI Jamshedpur and has completed a PE programme from Oxford University	Previously worked with Citibank and Caspian Impact Investment Adviser	<b>Mahadev Lakshminarayanan</b> <i>Independent Director</i>	B.Sc from Kerala University and CA from ICAI	Serves on the board of Aspinwall and Company and ex-partner at Deloitte Haskins & Sells LLP and Fraser & Ross
<b>Chitra Kartik Alai</b> <i>Non-Executive Nominee Director</i>	B.Com from Osmania University and MBA from Symbiosis Institute	Serves as General Manager at the Chennai regional office of SIDBI	<b>Umang Bedi</b> <i>Independent Director</i>	Bachelor's degree in engineering from University of Pune General Management Program from Harvard Business School, Boston, Massachusetts.	Co-Founder of Dailyhunt, India's largest local language content & news discovery platform. Previously the Managing Director - India and South Asia with Facebook India Online Services Private Limited, ADOBE Systems India Private Limited and Intuit Inc.

# Experienced Management Team



**Nitin Chugh – MD and CEO**

- Mr. Chugh took charge as MD & CEO from December 01, 2019. He joined Ujjivan SFB as President with effect from August 17, 2019
- Rich experience across traditional and digital banking with multiple associations including, HDFC Bank, Standard Chartered Bank; varied customer relations roles with HCL Hewlett Packard and Modi Xerox
- Holds a Bachelor's degree in Technology from Kurukshetra University and a professional Diploma in Marketing Management from All India Management Association

Supported by a highly experienced team of qualified & experienced professionals

Name & Designation	Prior association	Education
<b>Sanjay Kao</b> <i>Head - Human Resources</i>	Citibank, ABN AMRO Bank, Dunia Finance and Lipton India Ltd	<ul style="list-style-type: none"> <li>B.Tech, BHU</li> <li>PGDM, IIM Calcutta</li> </ul>
<b>Carol Furtado</b> <i>Head – Operations &amp; Service Quality</i>	ANZ Grindlays Bank, Bank Muscat and Centurion Bank	<ul style="list-style-type: none"> <li>B.Sc, Bangalore University</li> <li>PGDM, Mount Carmel Institute</li> </ul>
<b>Upma Goel</b> <i>Chief Financial Officer</i>	Ujjivan Financial Services , L&T Finance Holdings and Escorts Securities	<ul style="list-style-type: none"> <li>Chartered Accountant, ICAI</li> </ul>
<b>Alok Chawla</b> <i>Head – Audit</i>	Mizuho Bank,ING Vysya Bank and Tata Motors Finance	<ul style="list-style-type: none"> <li>B.Com, DU</li> <li>CA, ICAI and a Certified internal auditor</li> </ul>
<b>Kalyanraman M</b> <i>Chief Credit Officer</i>	Equitas SFB, Citibank, SRF Ltd, Cholamandalam DBS Finance, TVS Credit Services, IL&FS	<ul style="list-style-type: none"> <li>B.E. (Hons) Electrical &amp; Electronics, REC Tiruchi</li> <li>MBA (Finance), IIM Calcutta</li> </ul>
<b>Jolly Zachariah</b> <i>Head – Channels</i>	Ex COO (west) of Ujjivan Financial Services Limited; Citigroup	<ul style="list-style-type: none"> <li>B.Com, Bombay University</li> </ul>
<b>Arunava Banerjee</b> <i>Chief Risk Officer</i>	State Bank of India, Standard Chartered Bank and Bahraini Saudi Bank	<ul style="list-style-type: none"> <li>MA Economics, Calcutta University</li> <li>Associate of the Indian Institute of Bankers</li> </ul>
<b>Rajat Singh</b> <i>Business Head - Micro &amp; Rural Banking</i>	Ujjivan Financial Services	<ul style="list-style-type: none"> <li>B. Tech (Agriculture and Food Engineering), IIT Kharagpur</li> </ul>
<b>Rajeev Pawar</b> <i>Head – Treasury</i>	Growmore Research; Kotak Mahindra Capital; Daewoo Securities India Ltd. ; American Express Bank, Standard Chartered Bank	<ul style="list-style-type: none"> <li>Masters Business Management, JBIMS</li> <li>Diploma in Business Management, Xavier's Institute of Management Mumbai</li> </ul>
<b>Dheemant Thacker</b> <i>Head - Digital Banking</i>	HDFC Bank, Bandhan Bank, Aditya Birla Capital	<ul style="list-style-type: none"> <li>M.B.A (Marketing), NMMIS</li> <li>B.E (Mechanical), Mumbai University</li> </ul>
<b>Shrinivas Murty</b> <i>Head - Liabilities</i>	HDFC Bank, Bandhan Bank, ICICI Bank Ltd	<ul style="list-style-type: none"> <li>PGDBM, MDI Gurugram</li> <li>Associate of Indian Institute of Banking &amp; Finance</li> <li>MSc, Pt Ravishankar Shukla University</li> </ul>
<b>Venkat Krishnan V</b> <i>Chief Technology Officer</i>	Utkarsh SFB, Al Ahli Bank of Kuwait, Edelweiss Tokio Life, Yes Bank, Dhanlaxmi Bank, HSBC	<ul style="list-style-type: none"> <li>MCA, Government College of Engineering</li> <li>BSc (Physics, Electronics), SIES College</li> </ul>

# Key Growth Strategies

**01**

## COMPREHENSIVE & RELEVANT PRODUCTS

- Entire gamut of asset and liability products to attract new customers and deepen existing customer relationships
- Expand range of third party products and services
- Increase penetration of asset products under Retail, MSE and affordable housing segments

**02**

## FOCUS ON DIGITAL BANKING AND ANALYTICS

- User-friendly digital interface to extend bank's reach and offer a strong banking platform and focus on user adoption with programs like DigiBuddy
- Invest in API platform, innovations, fintech partnerships to widen product offerings/banking solutions
- Invest strategically to integrate technology into operations to empower customers, reduce costs and increase efficiencies
- Adopt robotic processes to automate operational processes
- Data analytics to be used to offer customized solutions
- Establish USFB as a modern technology enabled bank

**03**

## BUILD A STABLE & GRANULAR DEPOSIT BASE

- Improve share of CASA, recurring and fixed deposits by building a sticky deposit base and attracting new customers; focus on retail deposit base to reduce cost of funds
- Selectively open branches in urban areas with large customer base
- Target mass customer acquisition through focused programs

**04**

## EXPAND & OPTIMIZE DISTRIBUTION NETWORK

- Use right combination of physical and digital channels and partnerships to expand reach
- Expand banking outlets and infrastructure
- Strengthen alternate delivery channels and encourage customers to move towards a cashless environment

**05**

## CONTINUE FOCUS ON IMPROVING FINANCIAL AND DIGITAL INCLUSION

- Focus on the un-served and underserved segments and educate customers to develop improved financial behaviour
- Maintain transparency, responsibly price loan offerings, effectively redress grievances and ensure disclosures in vernacular languages
- Continue to partner with Parinaam Foundation to enhance financial literacy and develop Kisan Pragati Clubs
- Promote use of bank accounts, UPI and digital payment gateways

**06**

## DIVERSIFY REVENUE STREAMS

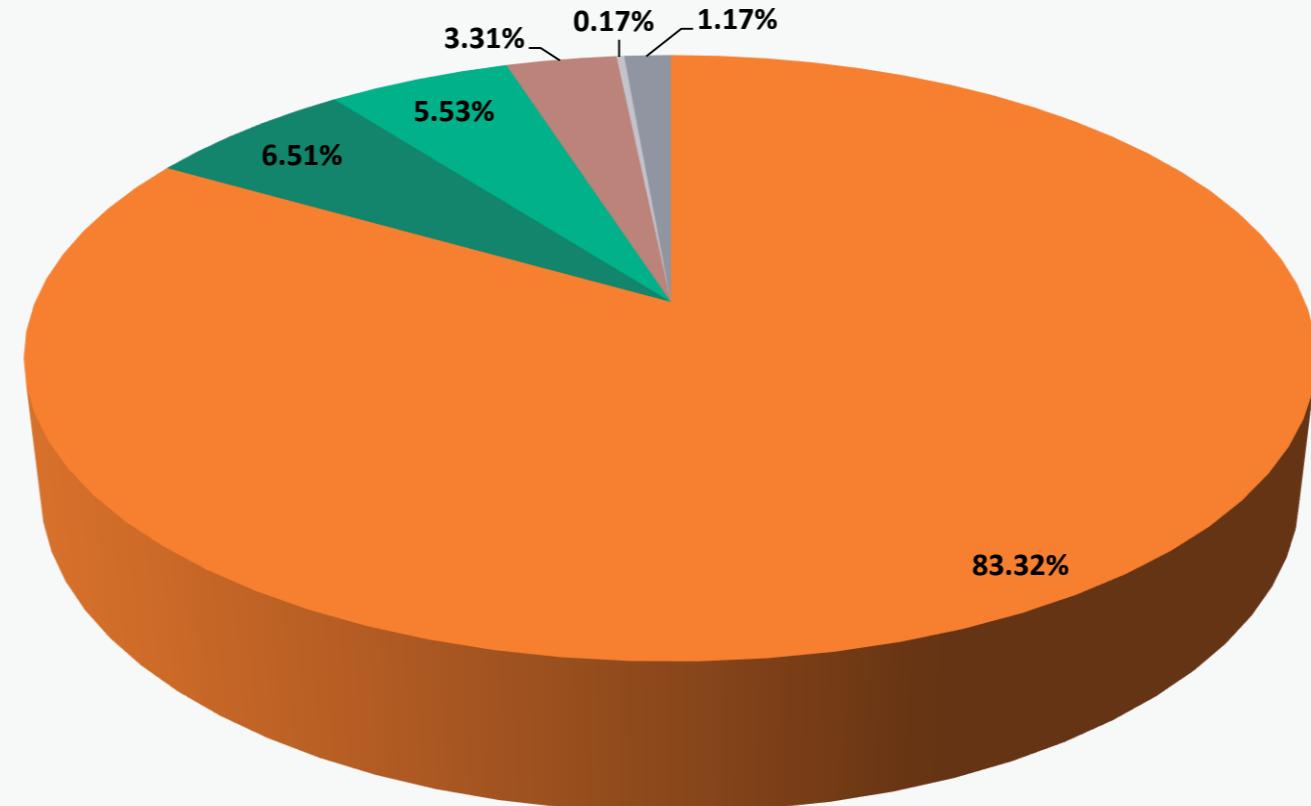
- Leverage banking infrastructure to diversify product portfolio and increase fee and commission-based business
- Increase focus on treasury income, bancassurance, fee and processing charges
- Introduce new products and services and focus on cross-selling to existing customers

# Annexure

# Shareholding Pattern

Shareholding Pattern (Based on Holding) as on 30<sup>th</sup> September, 2020

- Promoter\*
- Resident Individuals/HUF
- Foreign Investors
- Alternative Investment Funds
- Mutual Funds
- Others



\*Promoter is Ujjivan Financial Services Ltd which is a Core Investment Company and listed on NSE/ BSE

# Ujjivan: Inclusive Growth Philosophy

## Financial literacy

- Partnered with Parinaam Foundation for financial literacy programs like “Diksha”, “Chillar Bank”

## Environment Protection

- Promoting the protection of environment through the “Project Swach Neighbourhood”
- Making 100 meters around our offices & branches the cleanest area in the city, town & village we operate
- Promoting sanitization/ public health, environment protection and a concept of clean neighbourhood



## Community Development

- Partnered with Parinaam Foundation under “Chhote Kadam” promoting quality of life for marginalized communities, the project includes fixing school buildings, renovation or construction of public toilets, strengthening primary health centres, solar lighting and making available safe drinking water among others

## Relief Programs

- Quickly responding and undertaking relief activities during natural calamities like floods, cyclones through vast branch network in various parts of the country

**Following the “Double Bottom Line” approach of business**

**Aims to establish an equilibrium of financial and social benefits before arriving at business decisions**

# Relief Activities

## Beneficiary



**36,500+ Customers & Public**



**11,900+ Municipality and Panchayat workers**



**80,000+ public trained on COVID awareness**



**8,000 Healthcare Workers**



**19,300+ Police**



**500 Drivers & Conductors**

- **Covid relief activity:**

- As apart of CSR initiative distributed 45,000+ Mask; 33,000+ Sanitizers; 8,600+ gloves; 8,000+ PPE kits and many more
- ₹ 1.6 Cr (approx) spent in response to the pandemic outbreak
- ₹ 25 lac was spent on Amphan relief activities

- **Covid Education :**

- Educated 80,000+ people on Covid symptoms, precautions, nearby testing centres and insurance schemes by GOI
- Assisted 11,000+ public in downloading Arogya Setu App
- Education training is being provided in 18 states

- **Covid Education program will reach 1.2+ lakh beneficiaries by end of November**

# Thank You!