

# Resolve. Resilience. Readiness.



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## Key Highlights of FY 2020-21

**₹3,117 Crore**

Revenue

**₹809 Crore**

Pre-Provision Operating Profit (PPOP)

**₹8 Crore**

Profit After Tax (PAT)

**₹0.05**

Earnings Per Share (EPS)



# Resolve. Resilience. Readiness.

**Resolve, Readiness and Resilience were the three key anchors of our overall approach to ensure business continuity in the backdrop of an extremely challenging FY 2020-21.**

**As the crisis began to unfold, we put together a Quick Response Team (QRT) to ensure the safety and security of our teams. We also regularly engaged with our customers to identify their pain points and offer quick and hassle-free resolutions.**

We ramped up our digital ecosystem to reassure customers of our preparedness. As the pandemic continued to cause widespread disruptions across the length and the breadth of the economy, we stayed resilient owing to the determined efforts of our teams, who delivered beyond the call of duty. Although the first half of the year presented huge hardships for us, our business revived in the second half, with a strong bounce back in both assets and deposit businesses and we ended the year on a positive note.

As we move on, we will continue to roll out more digital initiatives to enhance our processes, improve the quality, further diversify our portfolio and walk the extra mile with our customers as their most reliable banking partner.

## Resolve shines in testing times

→ Read more on PG 18



**Digital readiness is our biggest competitive advantage**

→ Read more on PG 26



## Enhancing our resilience in a tough year

→ Read more on PG 48



## Report Card, FY 2020-21

# Steadfast commitment to value creation

## Financial

### Balance Sheet Size

**₹20,380 Cr**

**11% ▲**

(₹18,411 Crores in FY 2019-20)

### Disbursements

**₹8,397 Cr**

**36% ▽**

(₹13,221 Crores in FY 2019-20)

### Total Gross Advances

**₹15,140 Cr**

**7% ▲**

(₹14,153 Crores in FY 2019-20)

### Retail Deposits

**₹6,242 Cr**

**32% ▲**

(₹4,724 Crores in FY 2019-20)

### Net Interest Income

**₹1,729 Cr**

**6% ▲**

(₹1,634 Crores in FY 2019-20)

### Gross NPA

**7.1%**

**610 bps ▲**

(1.0% in FY 2019-20)

### Return on Average Assets (ROAA)

**0.04%**

**215 bps ▽**

(2.2% in FY 2019-20)

## Operational

### Asset

- Asset book saw growth of 7% y-o-y, despite nationwide lockdown and economic headwinds
- Continued our efforts towards 'Sampoorna Family banking' - offering our customers a holistic suite of offerings including group loans, individual loans, savings/deposit products, two-wheeler loans, insurance, payment solutions, remittances and others

- Affordable housing business book grew by 35% y-o-y, with total number of customers crossing 24,000 during the year
- MSE book grew by 31% y-o-y
- Ventured into the area of supply chain finance through fintech partnership
- Financial Institutions Lending book grew by 18% y-o-y
- Forayed into small commercial vehicle finance segment, addressing the requirements of

the mass market segment in Tier II markets and beyond

### Deposits

- Deposit book recorded 22% y-o-y growth driven by new to bank retail customers
- CASA grew by 85% y-o-y, closing at 21% of the total deposit book as of March 31, 2021
- Retail deposits witnessed significant growth, closing at ₹6,242 Crore, constituting 48% of the total deposit as of March 31, 2021

 y-o-y growth     y-o-y de-growth

**Net Interest Margin (NIM)****9.5%**130 bps 

(10.8% in FY 2019-20)

**Capital Adequacy Ratio (CAR)****26.4%**240 bps 

(28.8% in FY 2019-20)

**Total Deposits****₹13,136 Cr**22% 

(₹10,780 Crores in FY 2019-20)

**Net NPA****2.9%**270 bps 

(0.2% in FY 2019-20)

**Provision Coverage Ratio****60%**2,000 bps 

(80% in FY 2019-20)

**Cost Income Ratio****60%**710 bps 

(67% in FY 2019-20)

**Return on Average Networth (ROAE)****0.3%**1,360 bps 

(13.9% in FY 2019-20)

- Institutional business comprising deposits from Financial Institutions, along with Trusts, Associations, Societies and Corporates (TASC) grew by 14% y-o-y

**Digital**

- Partnered with Airtel Payments Bank, PayNearBy for rolling out transaction or payment outlets as an alternative to repayment at centre meetings, and drove API based digital repayment via Bharat Bill Payment System
- Digital penetration increased to 5.5 Lakh MicroBanking

customers now registered on Mobile Banking & UPI platform

- UPI QR is showing steady adoption and gaining momentum month on month
- Introduced Money Mitra transactions point, offering basic banking services accessible to customers in their neighbourhood, facilitating entrepreneurs running local businesses such as kirana/medical stores or insurance agencies to offer retail banking solutions to our customers exclusively

**People**

- Quick Response Team (QRT) was formed to monitor the pandemic situation and act as a task force
- Ranked 5<sup>th</sup> among 'Best Large Workplaces in Asia 2020' by the Great Place To Work® Institute
- Launched campaign on COVID-19 safety guidelines around festive season
- Launched Garima Savings Account for women

## Corporate Identity

# A reliable bank for aspirational India

**We have emerged as India's leading new-age small finance bank, committed to serving our country's aspiring citizens through our diverse financial products and services.**

We are expanding our presence across India by using technology as a great facilitator. With continued focus on strengthening our digital interface, we are empowering the unserved and underserved customers.

We are further deepening our customer connect through financial and digital inclusion initiatives. As a responsible banking institution, we stay invested in creating a sustainable social impact through community development and financial literacy programmes.

### ABOUT UJJIVAN FINANCIAL SERVICES LIMITED (UFSL)

UFSL is the promoter for Ujjivan Small Finance Bank. It had commenced operations in 2005 as a Non-Banking Financial Company (NBFC). UFSL functions with the mission to provide a full range of financial services to the 'economically active poor' who are not adequately served by financial institutions.

In October, 2015, UFSL received the Reserve Bank of India's (RBI's) In-Principle Approval to set up a Small Finance Bank (SFB). Subsequently, it was incorporated as Ujjivan Small Finance Bank Limited, a wholly owned subsidiary.

UFSL, after obtaining the RBI's final approval in November, 2016, transferred its business undertaking comprising its lending and financing business to Ujjivan Small Finance Bank, which commenced operations in February, 2017.





## Mission

To provide financial services to the unserved and underserved customers and transform to a mass market bank



## Values

We have the scale, capability and the commitment to emerge as a best-in-class institution with deeply embedded values and culture, which shape all our actions.

Customer's choice institution

Integrity in all dealings

Provide responsible finance

Fair with suppliers and service partners

Professionalism and teamwork

Respected in the community

Compliance with laws, regulations and code of conduct

Best place to work

**575**  
Banking outlets  
(575 in March 2020)

**491**  
ATMs  
(475 in March 2020)

**59.2 LAKHS**  
Customer base  
(52.5 Lakhs in March 2020)

**248**  
District present across 24 states and UTs  
(244 in March 2020)

**16,571**  
Workforce  
(17,841 in March 2020)

## OUR DIFFERENTIATORS

### Growing reach

Pages 06-07

### Diversified product mix

Pages 08-09

### Strong digital backbone

Pages 26-29

### Well-equipped and energised team

Pages 48-51

### Strong positioning as a bank that positively impacts society

Pages 52-55

### Sound risk management

Pages 56-61

### Experienced leadership team

Pages 62-65

### Good governance

Pages 170-204

## Geographic Spread

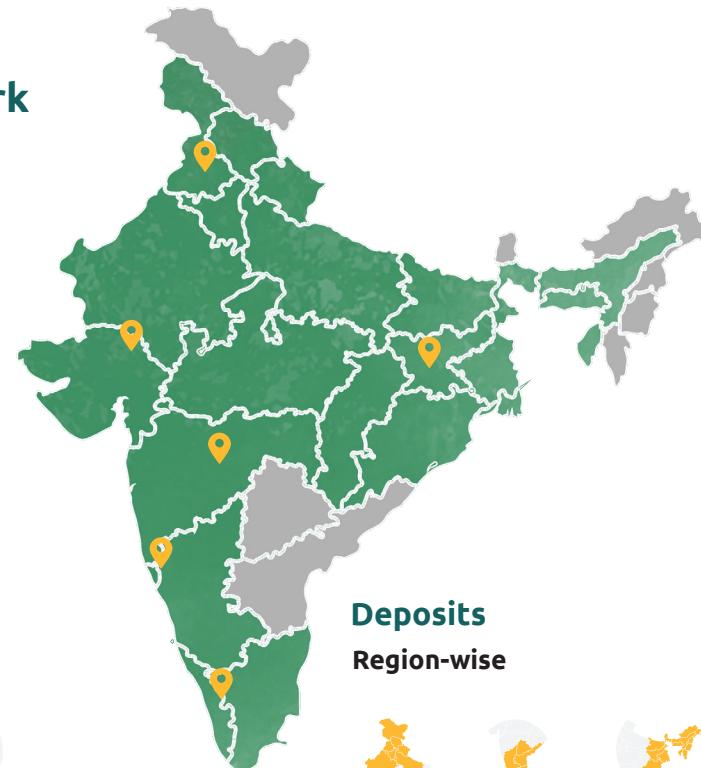
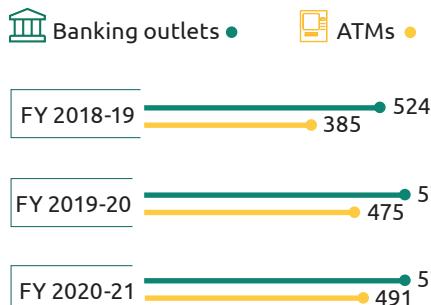
# Well-diversified pan-India presence

We have deepened and widened our reach across India with focus on digital means.

## Physical presence

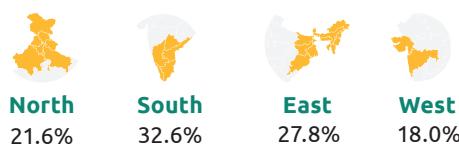


### Branch and ATM network

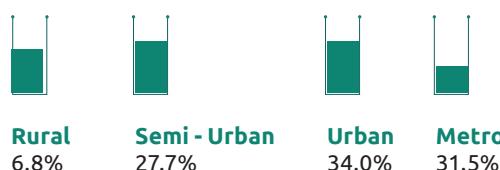


### Gross advance

#### Region-wise

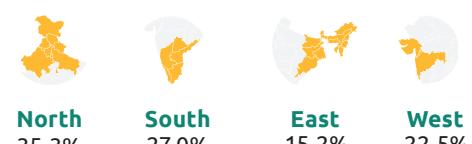


#### Branch-wise

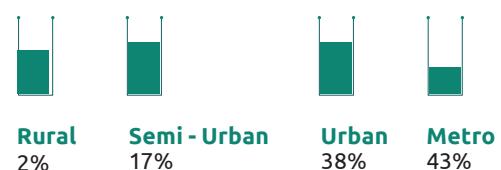


### Deposits

#### Region-wise



#### Branch-wise



## Digital presence



### PERSONAL AND BUSINESS INTERNET BANKING

- Web-based platform(s) that can be accessed from any system
- Offers high-volume bulk upload facility
- Facilitates customisable client-centric approval matrix

**80,028\***

Personal internet banking customers^

**2,108\***

Business internet banking customers^



### MOBILE BANKING APPLICATION

- Available on Android and iOS operating systems
- Available in nine languages – English, Hindi, Kannada, Tamil, Bengali, Marathi, Gujarati, Punjabi and Odia
- Working on voice- and video-enabled customer interfaces

**7.74 Lakhs**

Mobile banking application users^

**4.4/5\***

Rating on Google Playstore – Highest among SFBs



### PHONE BANKING

- 24x7 assisted banking services to customers
- Servicing customers in 9 languages in IVR (English, Hindi, Kannada, Tamil, Bengali, Malayalam, Marathi, Gujarati, and Punjabi) and additional 5 Languages through human interaction (Telugu, Odia, Assamese, Nepali, Bhojpuri)
- Service and Sales Campaign Management for business enhancements
- Introduction of straight through process
- Digitisation through IVR self-service option for customers

**24 x 7**

Customer service even during pandemic situation

**10.81 Lakhs**

Customer calls answered during FY 2020-21  
(13% increase compared to FY 2019-20)

**60%**

Increase in lead generation y-o-y



### WEB/TABLET/DIGITAL CHANNEL BASED ORIGINATION

- Liability customer acquisition from anywhere using our website
- Tablet-based customer acquisition for loan products
- Chatbot Aria to improve user experience
- Door-step service; faster, easier, better TAT

**~63%**

Retail customer liability accounts acquired on tablet and digital workflows in FY 2020-21

**100%**

MicroBanking customers and 17% retail banking customers acquired for loan on tablet and digital workflows in FY 2020-21

\*As of March 31, 2021 | ^ Inception till date

## Products and Services

# Dedicated to serve varied customer requirements

Our customers have diverse and evolving requirements, which need to be understood and addressed with speed. We have put in place a strong asset-liability franchise and offer third-party products across multiple delivery channels.



## Asset products



### MICRO BANKING

#### Products

- Group Loans
- Individual Loans
- Agri Group Loan
- Kisan Suvidha Loan
- Kisan Pragathi Card
- Gold Loan
- Street vendor Loan

**₹10,868 Cr**

Asset book

**49.27 Lakhs**

Customer base



### AFFORDABLE HOUSING

#### Products

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

**₹2,050 Cr**

Asset book

**24,080**

Customer base



### MICRO AND SMALL ENTERPRISES (MSE)

#### Products

- Business EDGE Loan and Overdraft Facility
- Secured Enterprise and Business Loan
- OD against property
- Loan against property
- Loan against Rent Receivables
- Overdraft with Fintech partnership

**₹1,286 Cr**

Asset book

**13,583**

Customer base



### VEHICLE LOANS

#### Products

- Two-wheeler loan
- Mini & Micro Commercial Vehicle (MMCV) Loan-Electric and ICE Engine
- Used Car loan

**₹73 Cr**

Asset book

**10,301**

Customer base



## PERSONAL LOAN

**Products**

- Loan to salaried customers
- Loans to self-employed professionals

**₹138 Cr**

Asset book

**8,332**

Customer base



## FINANCIAL INSTITUTIONS GROUP

**Products**

- Term loan to NBFCs and MFIs
- Working Capital Products (CC/OD/WCDL)

**₹648 Cr**

Asset book

**37**

Customer base



## Liability products



### RETAIL

**Products**

- Current Account
- Savings Account
- Term Deposit
- Goal Based Deposits
- Digital Savings and Fixed Deposits

**₹6,242 Cr**

Liabilities book

**55 Lakhs+**

Customer base



### INSTITUTIONAL

**Products**

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

**₹6,893 Cr**

Liabilities book

**600**

Customer base



## Third-party products



### LIFE INSURANCE

**Partners**

- Bajaj Allianz Life Insurance
- Aditya Birla Sun Life Insurance
- HDFC Life Insurance

**Offerings**

- Credit Life Insurance
- Term Insurance, Endowment and PAR Products
- POS and ULIP

**28 Lakhs+**

Lives insured



### GENERAL INSURANCE

**Partners**

- ICICI Lombard General Insurance
- Bajaj Allianz General Insurance

**Offerings**

- Motor, Property, Home Content
- Personal Accident

**83,524**

Asset/Life secured



### HEALTH INSURANCE

**Partners**

- ICICI Lombard General Insurance
- Bajaj Allianz General Insurance
- HDFC Ergo Health Insurance

**Offerings**

- Hospital Daily Cash
- Health Indemnity/ Family floater

**33,008**

Lives secured through health insurance

## Marketing Engagements

# Amplifying our brand visibility

**Despite pandemic-induced challenges, we decided to engage more with our customers, identify their pain points and address their concerns as a caring and compassionate brand.**

On these lines, we developed various audio and video content for creating awareness about the pandemic and how to safeguard ourselves against it. These pandemic messages were created in vernacular languages and released across Ujjivan Small Finance Bank branch catchments and social media handles. We further collaborated with local municipalities by co-branding their messages, to educate people on these precautionary measures and distributed safety kits to our customers.

### LAUNCHED FIRST PAN-INDIA SOCIAL MEDIA CAMPAIGN

As the lockdown stretched during the first quarter of the year, TV and OTT viewership and social media engagement surged. Amid this new normal, we unveiled our first-ever pan-India social media campaign on the occasion of Mother's Day, wherein we encouraged our customers to share their mothers' unique talent. The campaign generated 3,000+ entries in only five days.

*Based on the positive response, we also designed digital campaigns around World No Tobacco Day, World Earth Day and others, which received similar responses as well.*



### DUAL MEDIA CAMPAIGNS

With lockdown restrictions easing in August, 2020, we combined our ongoing digital activities with on-ground initiatives to create more brand visibility. During this phase, we acknowledged the critical role healthcare professionals have been playing during the pandemic. The programme was organised on Doctor's Day and our branch teams thanked all doctors and healthcare professionals in their catchment areas, felicitated them with certificates of appreciation and Doctor's Day greeting card.



### STRENGTHENING BRAND RECALL IN VEHICLE FINANCE SEGMENT

During the year, we forayed into vehicle finance with Raftaar Loans across our branches. We promoted the product on-ground by taking part in local events and fairs. We also collaborated with Indore Traffic Police to support the city's 32<sup>nd</sup> Road Safety Month, wherein we supported the event with various co-branded hoardings and auto-branding displays with road safety tips across the city.

*Our Indore branch team was felicitated with a 'Certificate of Appreciation' for this participation at an event hosted by Indore Traffic Police.*





## FESTIVE CAMPAIGNS

### Dussehra with Dasara Gombe

In this initiative, a special demo-van was rolled out with the Dussehra Dolls and Ujjivan Small Finance Bank branding. The van displayed figurines of birds, animals and mythological characters and went to various neighbourhoods in Karnataka. Wherever the van went, people gathered to get themselves photographed with the Dussehra van. We managed the entire campaign by adhering to appropriate COVID-19 norms.

### Mythology quiz on Durga Puja

Durga Puja is the most widely celebrated festival in eastern India. During Puja 2020, we launched a special mythological quiz that received a phenomenal response, generating 1,800+ entries within a week.

*We also initiated a series of festive campaigns—both digital and on-ground—to celebrate major festivals such as Navratri, Dussehra, Durga Puja, Diwali, Christmas, New Year and Makar Sankranti.*

## OUTLOOK

Although it may seem, that the pandemic has radically changed customer behaviour, but deep down their emotions remain unchanged. That is what we found out in these campaigns. We will continue to reach out to our target audiences through a judicious mix of new-age and traditional media, by adopting personalised and mass communications techniques.



### Diwali-special alliances

For Diwali, we entered into various alliances with the popular online retailers and service providers, offering our customers special solutions.



मरते रश्यां ही आकर्षणीय  
सुन्दरात करक,  
**जीरन सहज करि तोलका।**

उज्जीवन आपामानिक ग्राहक समूह द्वारा आपामानिक जीरन नम् आप अधिक सहज करविए। इसमा एक-एक विद्युत भास्कर आप देखते हैं तो उन उठाते हैं, आपात साथि परिचालित आप तो तो सज्ज तरीके जैसे।

आवार्ट एकाउंट	फ्रिडे एकाउंट	सिक्कात विपर्जित
ग्राहक ग्राहक, ग्राहक ग्राहक	5% व आकर्षणीय सुवृद्धि राशि	6.5% व जीरनीय सुवृद्धि राशि
ब्रैकिंग डिपोजिट	इनामकर्ता	30 दिन बाला, ग्राहक ग्राहक 270 डिपोजिट
6.5% व आकर्षणीय सुवृद्धि राशि	₹ 1000* उत्तम इन्स्प्रेक्टर तक जीरन वीमुख्यमात्रा,	30 दिन बाला, ग्राहक ग्राहक 270 डिपोजिट
1800 208 2121 <a href="http://www.ujjivansfb.in">www.ujjivansfb.in</a>		
24 घंटे बाजा आपके क्रेडिट/डेबिट बैंकोंके 575 टा तक वार्षिक 477 टा ATM**		

उज्जीवन आप फाइनेंस ब्रेक  
जीरन ग्राहक ग्राहक

## BANK GHAR AAYE, JEEVAN AASAAN BANAAYE CAMPAIGN

This campaign was launched specially in Assam, which faced terrible floods during the winters of 2020. The initiative continued from mid-November to the end of the Calendar Year and provided doorstep banking services in the state.

*The campaign was appreciated by our customers and associates in the state.*

## Customer Service

# Enriching our offerings

**At Ujjivan Small Finance Bank, providing exceptional services is important for us. In fact, it is among our key differentiators to remain a competitive player in the market and continue to attract and retain customers. We are constantly elevating our technology prowess and adding to the breadth and depth of our portfolio.**

### SUPERIOR CUSTOMER EXPERIENCE AND FEEDBACK MECHANISMS

We are improving our customer experience through a strong feedback mechanism whereby our Service Quality Department consistently engages with the customers to gather their opinion on how to improve customer services. We use programmes such as C-SAT surveys, NPS, depositors satisfaction survey, monthly customer service meeting (Let's Connect).

*These programmes help improve services and customer satisfaction by proactively identifying service gaps, root causes and providing prompt resolutions.*



#### LET'S CONNECT

Let's Connect is a unique customer engagement programme where ~6,000-8,000 customers are contacted every month to collect their feedback and concerns, if any. Apart from this, customers were also educated on various topics such as the importance of nomination, how to submit Form 15G/H through our digital channels and other services and benefits.

#### GRIEVANCE REDRESSAL MECHANISM

Complaint Management is one of the key aspects of a reliable customer service. Therefore, our service quality department has developed a comprehensive management process for handling end-to-end concerns. Grievance management addresses all customer complaints received through various channels, including email, social media posts, phone calls at our toll-free line or walk-in complaints at our branch, handles all presidential complaints received from the Banking Ombudsman or other authorities, and ensures the quality of complaints resolved through calls to customers for whom the grievances are addressed.

*Post resolution of complaints, over 60% complainants are called back to ensure completeness of resolution and seek feedback on grievance redressal mechanism.*

## DELIVERING LIFE EVENTS-BASED SERVICES

We launched Aajeevan—a life events-based services programme—that provides complete banking solutions for every stage of the customer's life, enabling them to navigate life with ease. The programme further helps us to support our customers in an efficient and meaningful way. It was launched on YouTube with a series of quizzes for our employees to enhance their understanding of the programme.

Post its introduction, there was an uptick in the number of service requests related to life events-based banking services with a reduced resolution turn-around-time. We also made high-quality awareness videos on the programme, which are made available in local languages. We expect Aajeevan to become a clear differentiator for us in the coming days.

## SPECIAL CARE FOR SENIOR CITIZEN CUSTOMERS

With the launch of celebration for 'Senior Citizen's Week' in September, 2020, we conducted special sessions for senior citizen customers at our branches to inform them about services such as doorstep services, nomination facility, adding/deleting a joint account holder, appointing a mandate holder, deceased claim settlement etc. The number of service requests related to life events has doubled between the pre- and post-campaign weeks, reflecting the impact of our campaign.

*We have set up dedicated desks for attending senior citizens for both financial and non-financial transactions.*



## LISTENING TO CUSTOMERS

We initiated a new customer-connect programme, listening to customers, under the guidance of Board Committee on customer service. Under this programme, we virtually communicate with customers and seek their feedback/suggestions on our products, process, service and delivery channels. We conducted our first session in March, 2020 for all regions. The first session was attended by 100+ customers and our senior management. Our customers appreciated the concept and our services; and their feedback and suggestions were evaluated for implementation. Going forward, we will conduct these sessions regularly across all customer segments.

## DEFINING SERVICE STANDARDS WITH QUALITY ASSURANCE

Our Quality Assurance team has defined service standards for each business segment based on customer expectations and industry standards. The improving trend of bank-level service index is an evidence of successful implementation of service indices across functions.

*The team sets new benchmarks every six months with highest level of service delivery expectations and ensures that it reaches most of the customer service parameters within predefined timelines.*

## OUTLOOK

Our Service Quality department has developed a roadmap to adopt digital platforms for seeking customer feedback across lifecycle, covering all products, services and delivery touchpoints.

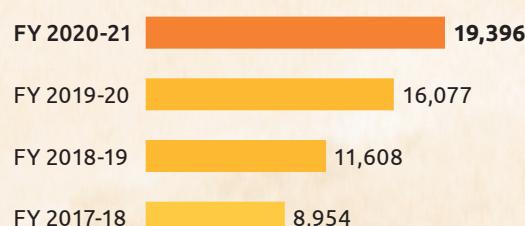
## Key Performance Indicators

# Fundamentally sound franchise

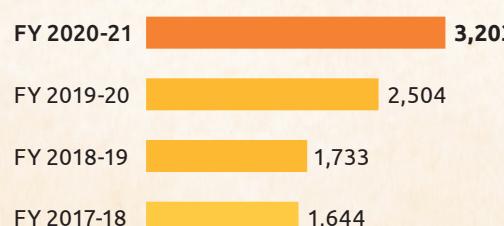


## Balance sheet parameters

### Average Total Assets (₹ in Cr)



### Average Net Worth (₹ in Cr)



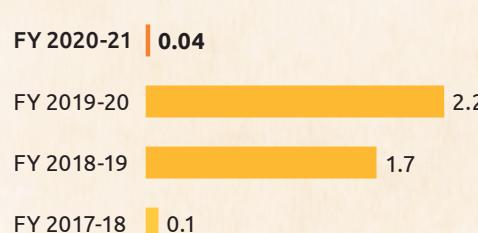
**21%**

y-o-y growth

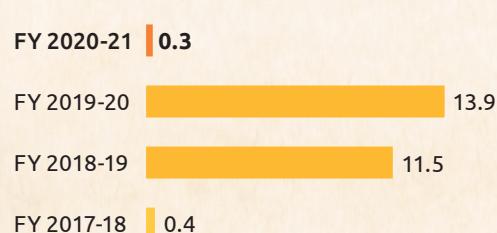
**28%**

y-o-y growth

### Return on Average Assets (ROA) (%)



### Return on Average Shareholder's Fund/Equity (ROE) (%)



**215 bps**

y-o-y de-growth

**1,360 bps**

y-o-y de-growth

**11%**

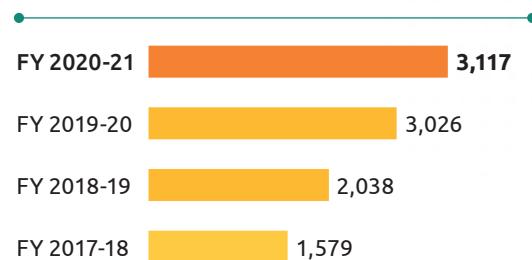
### Growth in Balance Sheet size

(Stood at ₹20,380 Crore as on March 31, 2021 vis à vis ₹18,411 Crore as on March 31, 2020)



## Profit and loss parameters

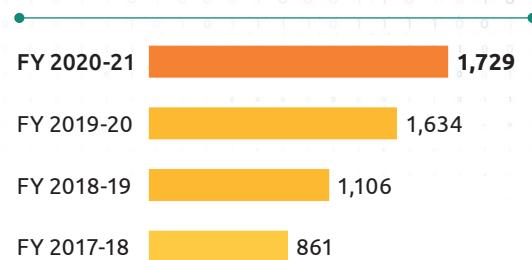
### Total Income (₹ in Cr)



**3%**

y-o-y growth

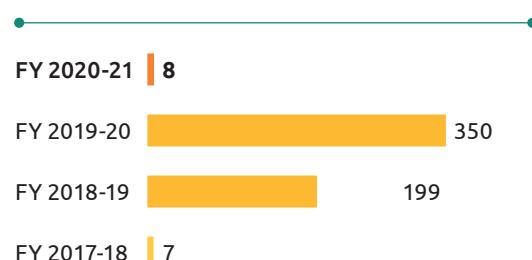
### Net Interest Income (NII) (₹ in Cr)



**6%**

y-o-y growth

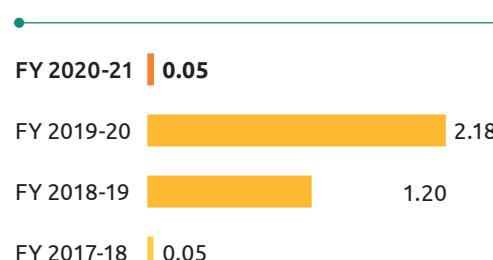
### Profit After Tax (PAT) (₹ in Cr)



**98%**

y-o-y de-growth

### Earnings Per Share (EPS) (₹)



**98%**

y-o-y de-growth

### Book Value Per Share (₹)



**1%**

Y-o-Y growth

**9.5%**

### Net Interest Margin (NIM)

in FY 2020-21 compared to 10.8%

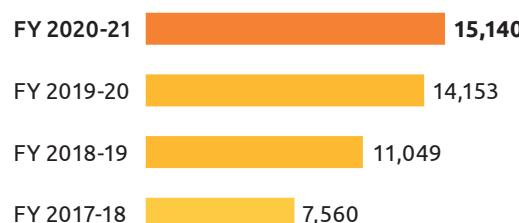
FY 2019-20

## Key Performance Indicators



### Business parameters

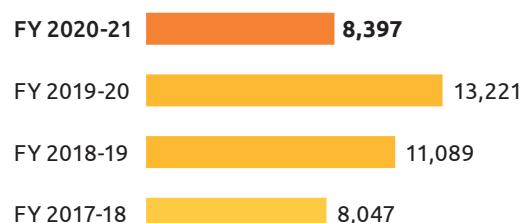
#### Assets Under Management (AUM) (₹ in Cr)



7%

y-o-y growth

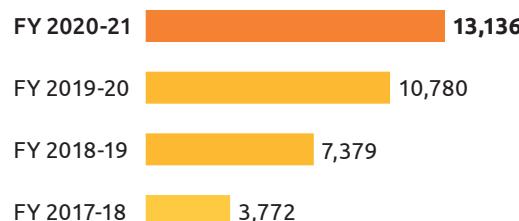
#### Disbursements (₹ in Cr)



36%

y-o-y de-growth

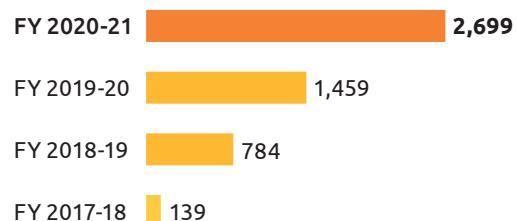
#### Deposits (₹ in Cr)



22%

y-o-y growth

#### Current Account and Savings Account (CASA) (₹ in Cr)



85%

y-o-y growth

**18.5%**

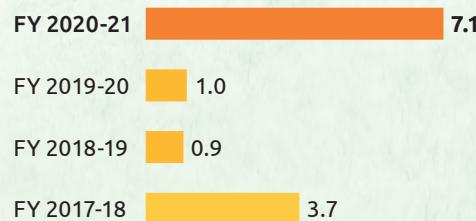
#### Asset Yields

in FY 2020-21 compared to 20.1% in  
FY 2019-20



## Operational parameters

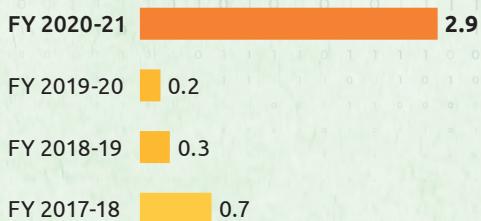
### Gross Non-Performing Assets (Gross NPAs) (%)



**610 bps**

y-o-y growth

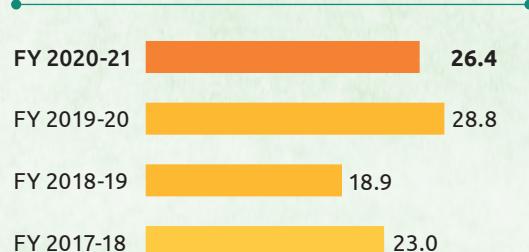
### Net Non-Performing Assets (Net NPAs) (%)



**270 bps**

y-o-y growth

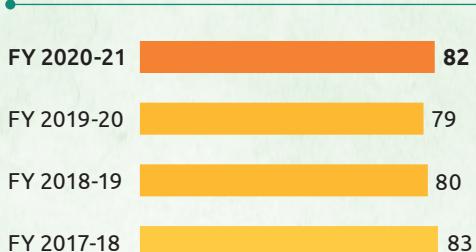
### Capital Adequacy Ratio (CAR) (%)



**240 bps**

y-o-y de-growth

### Staff Retention Ratio (%)



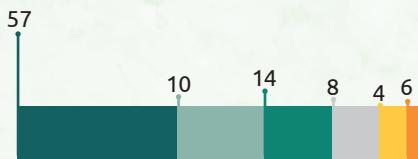
**300 bps**

y-o-y growth



## Business composition

### Gross Loan Book Mix (%)



Group loan

Micro individual loan

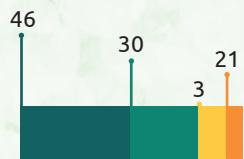
Affordable housing

Micro, medium & small enterprises

Rural

Others

### Deposits Mix (%)



Institutional term deposits

Retail term deposits

Certificate of deposits

CASA

### Customer Base Mix (%)



Asset and liability

Only asset

Only liability

**COVID-19 Quick Response Team**

# Resolve shines in testing times

**Protecting our people and their families was our priority as COVID-19 induced challenges continued to unfold. We put together a Quick Response Team (QRT) to monitor and handle the crisis.**

QRT played a pivotal role in dealing with the pandemic, ensuring a safe and secure working environment for our staff. The QRT ensured that our premises were operated with limited capacity, adhering to the directives of the local government bodies, following strict safety standards. QRT consists of the central

task force led by National Leadership Team members, REC heads of respective regions and regional single point of contacts (RSPOCs) for coordination. It further reviews the status of all COVID-19 infected cases in our Bank, including the family members of our people, along with the regional committees.

**~800**

**Employees received special grant as COVID-19 support**





QRT issued guidelines and insisted on following the three mantras at the workplace:

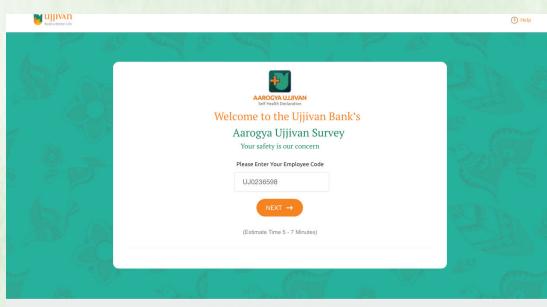
### THREE COVID-19 REPELLING MANTRAS BY UJJIVAN SMALL FINANCE BANK QRT

Health Mantra	Safety Mantra	Secure Mantra
Wash or sanitise hands frequently	Maintain social distancing	Wear a mask

### MONITORING THE EVOLVING SCENARIO

Based on government guidelines and evolving situation, QRT monitored the team strength at our offices. State-level Bankers' Committee at every State was consulted for branch-level guidelines as and when required.

#### AAROGYA UJJIVAN



We monitored the health of our people through an internally developed application 'Aarogya Ujjivan' every day. This platform allowed us to undertake daily surveys of our colleagues' health and advise them accordingly to work from home or simply rest and recover, based on their condition.

We also organised 'Doctor on call' and 'Doctor on site' facilities to solve their queries and organised AI-based chest x-ray analysis at the corporate office to identify early stages of infection, and any abnormality in the respiratory system. Additionally, we also distributed homeopathic medicine among our people to strengthen their immunity.

#### SUPPORTING TEAM UJJIVAN

At the initial stage of the pandemic, when there were various uncertainties regarding treatment and recovery, we provided financial support to the affected ~800 employees through grants.

#### OUTLOOK

With the second wave of the COVID-19 currently underway, we are trying to bolster our QRT efforts to ensure the safety of our people and their families.

## MD & CEO's Perspective

# Bolstering our preparedness



“

In the midst of such a huge humanitarian crisis, we at Ujjivan Small Finance Bank remained resilient, anchored by our core mission of serving our customers, and continued to ensure the welfare of our teams and business partners. Our business saw a rebound from the initial setback in the business observed in H1 FY21 due to COVID-19 lockdown and delivered a record high business volume in the Q4 FY21.

”

Nitin Chugh  
MD & CEO

## DEAR STAKEHOLDERS,

FY 2020-21 saw severe stress test on the entire financial ecosystem across the world in the wake of the pandemic. The global financial system has so far largely withstood the impact, even as the incidence and sheer scale of human misery and loss is enormous. Governments, central banks and financial regulators have mounted an extraordinary defence to mitigate the impact of the pandemic.

Overall, these policy responses have contained the severity of the pandemic's toll on financial markets and institutions and cushioned the shock to economic activity. After an unprecedented 24% contraction in the Q1 of the year, the country's GDP (aided by the fiscal and monetary support measures of the Government of India and the RBI) gradually moved into positive territory, recording 1.6% growth in the Q4 FY21.

In the midst of such a huge humanitarian crisis, we at Ujjivan Small Finance Bank remained resilient, anchored by our core mission of serving our customers, and continued to ensure the welfare of our teams and business partners. Our business saw a rebound from the initial setback in the business observed in H1 FY21 due to COVID-19 lockdown and delivered a record high business volume in the Q4 FY21. With the gradual opening up of markets from the Q2 FY21, volumes picked up across asset and deposit businesses, reaching pre-COVID-19 level by end of the Q3 FY21. The Bank closed FY 2020-21 on a very encouraging note, with Q4 FY21 seeing good growth across businesses.

In the first half of the year, the Bank took a cautious approach towards microfinance lending in select pockets and sharpened focus on

**"In the first half of the year, the Bank took a cautious approach towards microfinance lending in select pockets and sharpened focus on collections efficiency as lockdown measures were gradually eased in our core markets. After a muted first half, our assets business grew across product categories in the second half of the reporting year."**

collections efficiency as lockdown measures were gradually eased in our core markets. After a muted first half, our assets business grew across product categories in the second half of the reporting year.

After appropriate due diligence of the external environment, we took a conservative approach towards Micro and Small Enterprises (MSEs) lending in certain stressed segments and shifted our focus towards lending to semi-formal and formal segments for a greater balance in the portfolio. During the year, the Emergency Credit Line Guarantee Scheme (ECLGS) helped the MSE business ramp up their volumes after a disappointing Q1 FY21. In our institutional lending business, we focused on higher rated entities to avoid any adverse impact on our net interest margin.

In the Personal Loans segment we focused on low-cost acquisition channels, leveraging our diverse branch network and encouraging cross sell across our business verticals and limited our sourcing through fintech partnerships, DSA and digital acquisitions until Q4 FY21. Business volumes under the Housing vertical saw a steady ramp up with improved approval rates, despite restricted segments and

stringent credit policy. The Bank's Assets Under Management (AUM) registered a 7% y-o-y growth in FY 2020-21 over the previous year. Despite a slowdown in business activity in the first half on account of the pandemic, the Bank witnessed significant y-o-y growth in Housing (35%) and MSE (31%) portfolios, while the microfinance book stayed relatively flat. The new businesses of Personal Loan and Vehicle loans gradually scaled up in the year under review and now constitute 1.4% of the Bank's portfolio compared to 0.64% a year ago.

We continued our focus on building a granular and stable deposit base. During FY 2020-21, we focused on improved sales productivity through better lead generation-conversion and also quality of acquisition. In FY 2020-21, our deposit book recorded 22% y-o-y growth driven by new retail customers. A total of 6.6 Lakhs new retail deposit customers were on-boarded during the fiscal. We launched a few products with enhanced value proposition, further fortifying our product mix. Our cost of deposits continues to trend lower at 7.1% in FY 2020-21, compared to 7.9% in FY 2019-20 led by significant CASA growth.

## MD & CEO's Perspective

### NAVIGATING CHALLENGES TO EMERGE STRONGER

Despite a challenging operating environment, we demonstrated a resilient performance. Our claim is vindicated by our financials.

- Our total income grew marginally by 3% to ₹3,117 Crores in FY 2020-21, compared to ₹3,026 Crores in FY 2019-20. Although most parts of the year were impacted by the pandemic, we witnessed revival in business activities in the Q3 FY21.
- Our Net Interest Income (NII) increased by 6% to ₹1,729 Crores to FY 2020-21 as against ₹1,634 Crores in FY 2019-20.
- Our Net Interest Margin (NIM) stood at 9.5% in FY 2020-21 as against 10.8% in FY 2019-20, dipping mainly due to interest reversal on NPAs.
- Our pre-provision operating profit (PPoP) jumped 27% to ₹809 Crores in FY 2020-21 as against ₹637 Crores in FY 2019-20 owing to multiple efficiency-enhancing initiatives, primarily technology-led, and the launch of various digital platforms for faster and convenient execution.
- We undertook prudent provisioning of ₹172 crores. Hence, our Profit After Tax (PAT) dropped 98% to ₹8 Crores in FY 2020-21 compared to ₹350 Crores in FY 2019-20.
- Our gross advances grew by 7% to ₹15,140 Crores in March, 2021 from ₹14,153 Crores in March, 2020 driven by our core products and focus on key geographies.
- Our total deposit base grew by 22% to ₹13,136 Crores in March 31,

**"For a large part of the year, our collections remained subdued on account of the COVID-19 pandemic impacting debt servicing ability of our borrowers. Hence, our gross Non-performing Assets (NPAs) increased to 7.1% in March, 2021, compared to 1.0% in March, 2020. Moreover, our net NPA also grew to 2.9% in March, 2021 (0.2% in March, 2020). We have created a COVID-19 related provision of ₹172 Crores (1% of gross advances). Also, we maintained a provision coverage ratio (PCR) at 60%."**

2021 compared to ₹10,780 Crores in March 31, 2020. Retail deposits grew by 32% y-o-y and CASA by 85% y-o-y. (Retail deposits comprised 48% of total deposit).

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- We remained well-capitalised with high liquidity, our capital adequacy ratio stood at 26.4% with Tier-I capital ratio of 25.1% and liquidity coverage ratio (LCR) of 116% as of March 31, 2021.
- During the year under review, we launched a host of new products. Some of the key ones include, Women Savings Account (catering to bespoke financial

needs of women), gold loans, PM SVANidhi for street vendors; MMCV loans; Navnirman Loans (ECLGS) for customers, loan against rent receivables for the landlords of our bank branches and also started supply chain finance segment through our first Fintech partnership

### ASSESSING THE GROUND REALITY

During the year under review, we closely monitored the evolving situation. We reached out to our customers through calls and surveys to assess the pandemic's impact on their livelihoods. We offered moratorium commencing from March, 2020 to August, 2020 and also undertook restructuring as per the RBI's guidelines for eligible customers in Micro Banking, MSE and Housing segments. We engaged with our customers to explain how the moratorium policy would pan out for them.

We remained focused on portfolio management, deploying a multipronged strategy to strengthen our collection efforts. Our strong field force and collection

agents gave our customers alternative options to make their repayments. We deployed additional teams, started tele-calling, actively promoted adoption of digital and alternate collection channels through Airtel Payment Banks's points, PayTm, Instamojo, Bharat Bill Payment System and customised link through a payment gateway powered by CCAvenue.

There has been a continuous improvement in the collection efficiency post moratorium with the overall collection efficiency improving from 69% in August, 2020 to 94% in March, 2021. We implemented restructuring for 3.7 lakh accounts worth ₹852 Crores in the Micro Banking segment, 121 accounts worth ₹14 Crores in Housing and 78 accounts worth ₹13 Crores in the MSE segment. The restructured book witnessed improved collection efficiency of 74% against 49% pre-restructuring.

### POWER OF DIGITAL

During the year under review, we undertook several digital initiatives, enhancing business

processes and ensuring seamless experience to customers.

- We strengthened our application programming interface (API) banking platforms to 159 covering most of the banking transactions, customer on-boarding for liabilities and assets, service requests and all types of payment services. Our APIs were listed on the National Payments Corporation of India's (NPCI's) API aggregator portal (among the first two banks whose APIs are listed here).

- We entered into six fintech partnerships (three for loan repayments and three for digital lending to personal loan and MSE customers).
- We rolled out robotic process automation in 12 workflows across businesses leading to substantial savings.
- We enhanced customer life cycle value for existing to bank customers with automated customer engagement (ACE) platform for improved customer

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engagement and enriching customer lifetime value (CLTV).

- We deployed machine learning based customer segmentation models that have helped identify and communicate with potential customers for cross-sell and up-sell opportunities.
- We introduced our multi-lingual Bot on our website, powered by artificial intelligence for better lead generation and customer experience.

### REACHING THE LAST MILE

We introduced a new channel to make banking services accessible to customers in their neighbourhood. The channel - Money Mitra - will facilitate entrepreneurs running local businesses like kirana stores, medical stores and insurance agencies to offer retail banking solutions to the bank's customers exclusively. In these outlets, our customers can make a deposit, withdraw money, pay loan EMI and perform fund transfer without having to travel to branches. We established over 160 Money Mitra outlets across 16 states and plan to scale up further.

### TEAM SPIRIT PREVAILS AT UJJIVAN

Our resolve, readiness and resilience reflect in our team spirit. We are committed to building a culture that inspires people to perform, make a difference and reward people for their contribution. We are committed to providing opportunities for our people to fully realise their potential and develop a growth-driven career at our Bank. During FY 2020-21, we ranked 3<sup>rd</sup> among India's 'Best Companies to Work for 2020' and 'Best Workplaces Among Organisations with more

## MD & CEO's Perspective

than 10,000 Employees' by Great Place to Work® Institute.

We formed a Quick Response Team (QRT) to monitor the situation on ground and provide guidelines during the pandemic to all the employees of the Bank. We continue to maintain a strong connection with our customers and staff, especially during the pandemic.

As our teams kept serving our customer in the pandemic scenario, it was our duty to take utmost care of them. Many functions were shifted to work from home and remote working mode. We offered facilities such as doctor on call, doctor on premises and employee counselling support on telephone. We put in place city-level COVID-19 taskforce to assist our employees and their families with hospitalisation and medical emergencies. We also ran vaccination camps for staff and their families and shall be reimbursing vaccination expenses for our staff.

### COMPASSION FOR THE COMMUNITY

In FY 2020-21, most of our CSR efforts were directed towards COVID-19 relief, covering ~7,74,000+ citizens and 71,500+ frontline workers. We started a COVID-19

education programme, which was primarily designed to create awareness about the pandemic, safety and preventive measures to more than 3,57,000+ beneficiaries. Ujjivan partnered with GiveIndia Foundation to support five major hospitals in the city of Mumbai. Through the foundation, Ujjivan was able to procure and provide over 5,000 Personal Protective Equipment (PPE) to Nair Hospital, Holy Spirit, KEM Hospital and Sion Hospital. The project saw an expenditure of ₹45 Lakhs from the CSR fund allocation of the Bank and supported 5,000+ healthcare professionals in the city of Mumbai. We also supported in setting up four full-fledged Intensive Care Units (ICUs) in CMC Vellore hospital in Tamil Nadu to ramp up their COVID-19 care and treatment facilities.

Our CSR activities are focused on serving the unserved and underserved through healthcare/ preventive healthcare, sanitisation, cleanliness, disaster relief, education, safe drinking water projects and livelihood support. Our community development programme, Chote Kadam in partnership with Parinaam Foundation carried out 24 civil projects across India in FY 2020-21 for the benefit of the underprivileged communities.

**"In FY 2020-21 most of our CSR efforts were directed towards COVID-19 relief, covering ~7,74,000+ citizens and 71,500+ front line workers. We started a COVID-19 education programme, which was primarily designed to create awareness about the pandemic, safety and preventive measures to more than 3,57,000+ beneficiaries."**

### STAYING RESILIENT

India is now coming out of the grip of second wave of COVID-19, and we do believe that the economic impact of the second wave will not be as harsh as the first one. The key difference this time is that we are now better prepared to deal with the crisis. We are also hopeful about the positive impact of the vaccination drives and reducing caseloads across states after calibrated containment measures were undertaken. We will continue to drive our business with cautious optimism, encouragement and support of all our stakeholders.

### REGULATORY MEASURES

The Reserve Bank of India (RBI) had announced a slew of additional measures to boost liquidity and systemic stability in the banking system - to ensure adequate supply of credit to the health infrastructure that would help fight COVID-19 and offer relief through restructuring to the small businesses and self-employed individuals affected by COVID-19 stress.

We believe that these measures will go a long way in ensuring adequate credit flow to the healthcare sector, stabilise the financial ecosystem and accelerate economic revival. Ujjivan SFB has already embarked upon the implementation of these guidelines and we are very positive about the impact it will have on our customers. We participated in the first SLTRO auction and raised ₹50 Crores which has since been fully deployed and further raised ₹100 Crores in the third auction. We assessed the impact of the pandemic on livelihoods and drew up a pool of affected customers. In line with the Resolution Framework 2.0 of RBI, we expect to restructure 7-8% of our book by the end of September, 2021.

**"Ujjivan Small Finance Bank completes five years of operations on January 31, 2022 which falls in the current financial year. In reference to the Small Finance Banks Licensing Conditions, the Bank needs to dilute Promoter shareholding to 40% within a period of five years. As next steps, reverse merger of Holding Company with the Bank is the most favourable option for us adhering to the licensing condition of diluting promoter shareholding."**

The Bank is also in the final stages of launching a product targeted at COVID-19 healthcare facilities and will shortly begin working on building a COVID-19 loan book.

#### REVERSE MERGER

Ujjivan Small Finance Bank completes five years of operations on January 31, 2022 which falls in the current financial year. In reference to the Small Finance Banks Licensing Conditions, the Bank needs to dilute Promoter shareholding to 40% within a period of five years. As next steps, reverse merger of Holding Company with the Bank is the most favourable option for us adhering to the licensing condition of diluting promoter shareholding.

RBI's clarification dated July 9, 2021, allowing Small Finance Banks to apply for reverse merger, three months before completing the

five-year period is a very positive development for the Bank in achieving the dilution target. Bank has started working internally along with the Holding Company to initiate various steps\* for effecting the reverse merger.

#### LOOKING AHEAD

We are hopeful that the worst phase of the pandemic is over and with rapid progress in the mass immunisation programme, we will soon emerge stronger and more resilient going back to pre-COVID-19 times. Our digital initiatives that picked up momentum during the COVID-19 phase have already helped in streamlining our processes, offering a seamless and cost-effective service delivery to our customers. We acknowledge RBI's timely intervention and announcement of additional measures that will help repose

public confidence in financial systems and establish an optimistic environment that is conducive of a strong economic recovery. We expect FY 2021-22 to be a year of reasonable growth and stabilisation as we retain our sharp focus on improving our earnings, maintaining a healthy portfolio quality with emphasis on digitisation that would enhance our diverse product offerings. We are thankful to all our stakeholders – customers, employees and investors for being with us through the toughest phase of the crisis.

Warm regards,  
**Nitin Chugh**  
MD & CEO

\*These various steps may be elaborated (if required) like obtaining shareholders approvals of both Bank and Holding Company, approaching RBI, NCLT, SEBI for essential approvals etc.

Digital

## Digital readiness is our biggest competitive advantage

We have a dedicated team in place for driving our digital strategies. Our digital platforms leverage advanced technology, to enhance customer experience across all touchpoints, maximise returns on technology investments and reduce operational costs. We will continue to ramp up our digital investments to emerge as a new-age, tech-enabled bank.

**37%+**

Repayments came from digital and fintech repayments infrastructure by March, 2021





## Digital

We are building new cost-efficient sourcing and servicing channels powered by analytics as we aim to scale up customer acquisition and provide superlative services. During the year, we fast-tracked our digital initiatives through:

### API BANKING AND FINTECH ECOSYSTEM ENGAGEMENT

We are partnering the Indian fintech and start-up ecosystem to foster strong relationships and provide them with the right Application Programming Interface (API) infrastructure and a single-window clearance. We have developed 159 banking APIs ready for consumption by these fintechs, built over a robust API Gateway Platform, powered by IBM.

We are now among those select universal banks, which provide API Banking with six API Banking initiatives live across areas of Digital Lending (Nira, LoanTap and Progcap) and Loan Repayments (Airtel Payments Bank, PayNearby and Setu). We also enjoy healthy partnerships with 24 fintechs across areas such as loan repayments, digital onboarding, robotic process automation, marketing automation, digital lending and artificial intelligence.

### BUILDING A DIGITAL COLLECTIONS INFRASTRUCTURE FOR LOAN REPAYMENTS

COVID-19 impacted our collections efficiency, and the safety of our customers and teams had to be prioritised. As a result, we designed a new digital collections infrastructure that also enabled our technologically-challenged customers to make loan repayments with assistance.

We scaled up loan repayment touchpoints by collaborating with Airtel Payments Bank and PayNearby to provide a collection point within a 500-metre radius of each customer. We also added a digital self-service arm using popular payment apps and Ujjivan Bank Mobile Banking App for peer-to-peer money transfers and bill payments through UPI or debit cards. We further embraced the Bharat Bill Payment System (BBPS) platform with our partnership with Setu, enabling our customers to repay loan EMIs from anywhere.

#### Visible transformation

By March, 2021, repayments through online money transfer and fintech engagements overtook the repayments via cash at centre meetings.



### PARTNERING FOR YOUR CONVENIENCE.

Payment of Ujjivan Bank EMIs is now enabled through any of the Airtel Payment Bank outlets.



**24**  
Fintech partnerships



## ONBOARDING PROCESS DIGITALISATION AND INTERNAL PROCESS AUTOMATION

We have implemented a series of disbursal enablers such as digitalised ID verification, automated bank statement analysis, e-sign of loan agreements and e-mandate collection, during the year. This improved our TAT by 70–90%. We also introduced the Video KYC platform for video-based personal discussions before loan disbursals.

We converted the end-to-end onboarding journeys for affordable housing loans, MSME loans, vehicle loans and personal loans, besides being the first bank to integrate with digital onboarding platforms such as Saarathi from Decimal Technologies – a fintech as part of our overall fintech engagement programme.

We leveraged the robotic process automation to drive an extensive process automation journey and successfully automated 8 processes during the year. By March, 2021, we were processing over 1 Crore transactions/month. Going forward, we will automate 100+ processes, reducing costs and human resources expenditure significantly.

## INVESTING IN NEW-AGE TECHNOLOGIES

The new-age technologies play an important role in providing high-service standards at a large-scale and help us manage customer relationships better. We invested in several future-focused technologies such as an Artificial Intelligence Platform to help us digitalise our phone banking responses, enable customers to fulfil service requests and make basic transactions in their chosen language and through their chosen channel (such as WhatsApp, and so on)

We also invested in a Marketing Automation Tool by an emerging fintech, MoEngage through which we will integrate all digital and physical touchpoints to provide contextual and real-time communication, advice and offers. We are already using this tool to drive digital collections and cross-sell/up-sell initiatives to enhance the Customer Life Time Value (CLTV), thereby strengthening our bond with our customers.



**100+**  
Processes scheduled to be  
automated during FY 2021-22

## OUTLOOK

Going forward, we aim to strengthen our end-to-end process digitalisation efforts and use the power of digital as a new customer acquisition and service channel. Our focus for the next year will be on enhancing our payments and e-commerce presence. We will also leverage the power of analytics for actionable insights for data-driven decision-making. We will continue to leverage our full-stack API Banking platform to partner with the fintech ecosystem for faster time to market and innovative products and solutions for our customers.

## Business Segment: MicroBanking

# Serving people at the periphery of formal banking

**We now serve over 4 Million financially unserved and underserved households with bespoke offerings. We aim to build a granular deposit base in this segment and deliver a hassle-free banking experience.**

During the year, we focused on responsible collections practices, offering our customers a convenient alternative to centre meeting repayment such as 9,000+ outlets/touch points for repayment in the proximity of their locations that helped improve the repayment rate. We also supported our customers through loan moratoriums and restructuring.

### QUICK FACTS

**₹6,482 Cr**  
Disbursement

**41% y-o-y**

**₹10,868 Cr**  
Gross loan book (OSP)

**0.6% y-o-y**

**₹1,029 Cr**  
Total deposits  
(including deposit of ₹163 Crores from rural branches)

**27% y-o-y**

**49.3 Lakhs**  
Total MicroBanking asset and deposit customers

y-o-y growth

y-o-y de-growth

### HIGHLIGHTS OF FY 2020-21

- Continued our focus on Sampoorna Family Banking by serving customers with a holistic range of products such as group loans, individual loans, savings/deposit products, two-wheeler loans, insurance, payment solutions, remittances, and so on
- Launched gold loan, PM SVANIDHI loan and alternative service channels such as Money Mitra for proximity banking services
- Partnered with Airtel Payments Bank outlets and PayNearby for repayments
- Improved collections post lockdown and recorded over 99% collections efficiency in the non-overdue bucket
- Disbursed highest-ever loan amount of ₹1,240+ Crores with highest-ever individual loans of ₹200+ Crores in March, 2021 and pre-approved loans worth ₹87.9 Crores in March, 2021
- Created a deposit base of ₹1,029 Crores with a full range of services during the year
- Introduced secured Agri product and Loan Origination System (LOS) for Agri Group Loan product



## RURAL BANKING

During FY 2020-21, we added no new brick-and-mortar branches. Kisan Pragati Card (Secured)—that was launched towards the end of FY 2019-20—scaled up with average monthly disbursals of ₹1.5 Crores, closing with a portfolio worth ₹7.5 Crores with 100% collections.

This segment closed FY 2020-21 with a loan portfolio outstanding of ₹678.8 Crores with 15% y-o-y growth and a borrower base of ₹2.32 Lakhs, while the liability book stood at ₹162.8 Crores with 50% y-o-y growth.

**₹2.3 Lakhs**

**Rural customer base as on March 31, 2021**

## DIGITAL INITIATIVES UNDERTAKEN DURING FY 2020-21

- We actively promoted the use of digital channels such as SMS banking, mobile banking, phone banking, UPI and other digital repayment modes to ensure uninterrupted banking services to our customers.

Digital initiatives undertaken include:

- Opened additional CMS avenues for personnel to deposit cash collected in the field; a total of 37% of the EMI is routed through non-branch channels during FY 2020-21

- Increased digital penetration with 5.5 Lakhs MicroBanking customers now registered on mobile banking and UPI platforms

- Recorded steady adoption of UPI QR with monthly deposit inflow of ₹3.5 Crores

- Launched Money Mitra for providing neighbourhood banking services to customers staying away from the branch. Celebrated the Money Mitra network reaching 200 agents, serving 1+ Lakh customers across the country in Q4 FY21



### Going forward, we will also undertake the following digital initiatives

- Launch special mobile banking application for MicroBanking with focus on voice, video and vernacular features for instant services
- Expand UPI QR based payment solutions for merchants through UPI acquirer platform and our UPI PSP mobile app
- Grow Money Mitra's network for neighbourhood banking
- We plan to launch paperless Loan Process based on E-Signature for easier and quicker processing of the loans

## OUTLOOK

With the vaccination drive gaining momentum, the second COVID-19 wave is showing signs of tapering off. We are now geared to fast-track our assets and deposits segments, with special focus on individual loans for the asset business growth. We expect collections to normalise soon to the pre-COVID-19 level.

*We will further scale up our business segments such as gold loans, Kisan Pragati Card (in new geographies), Agri Group Loan and digital initiatives (such as cashless repayment and Ujjivan pay). In the coming year, we will also launch segment-specific new mobile banking application and M-LAP.*

**18%**

**Customers paid EMIs through cashless repayments during FY 2020-21**

## Business Segment: Micro and Small Enterprises (MSE)

# Fuelling the firepower of grassroots entrepreneurship

**India's Micro, Small and Medium Enterprises (MSME) segment has now emerged as one of the principal economy drivers, contributing to 30% of the national GDP. The Government of India now plans to enhance the contribution of GDP to approximately 40%. We are committed to partnering this vision - handhold entrepreneurial ambitions, and also help create large-scale employment in the country.**

During the year, we crossed ₹1,000 Crores Portfolio milestone and 13,000+ customers. We achieved this in only four years since the launch of this segment.

### QUICK FACTS

₹517 Cr  
Disbursement

15% y-o-y

₹1,286 Cr  
Outstanding principal (OSP)

31% y-o-y

13,000+  
Total borrower base  
6% decrease vs  
FY 2019-20

10% y-o-y

y-o-y growth

y-o-y de-growth

### HIGHLIGHTS OF FY 2020-21

- Achieved highest ever disbursement for the month and quarter ending in March, 2021
- Enhanced maximum funding limit to MSME to ₹10 Crores
- Provided customers best-in-class support in a challenging year
- Piloted new initiatives such as scan-based file disbursement and video-based customer discussion
- Implemented the HUB disbursement model in Gujarat and Tamil Nadu
- Reduced turnaround time (TAT) and improved the quality of services
- Digitalised loan documentation, further improving the customer experience for hassle-free services
- Launched our first fintech partnership to start new line of funding in the domain of supply chain finance





## FORAY INTO SUPPLY CHAIN FINANCE THROUGH FINTECH PARTNERSHIP

We entered into a collaboration with a fintech partner, Desiderata Impact Ventures Private Limited (Progcap) for end-to-end digitised invoice-based financing services and repayments for loan applications received from Micro, Small and Medium Enterprise (MSME) units seeking small tenor working capital for their businesses. With this partnership, Ujjivan SFB has ventured into a new avenue of lending namely Supply Chain Finance to fund dealers and sub-dealers against purchases made from recognised brands through short-term overdraft facility. The entire lending process, right from the lead generation, lead screening, loan sanctioning, document execution and customer on-boarding and repayments has been digitised through Progcap's data-driven tech platform.

## OUTLOOK

Our objective is to develop a robust and streamlined process through digital advancement. We also aim to start new lines of credit and focus on the formal segment with enhanced credit limit to meet working capital requirements of MSMEs. Fintech partnerships will also be targeted to offer diversified products and services for the Indian market.

## Business Segment: Affordable Housing

# Preferred by aspiring homeowners

As a trusted player in India's affordable home loans industry, we offer our customers three primary home loan products in a variety of ticket sizes and tenures. We primarily cater to the low-income households (EWS/ LIG & MIG) moving out of rented homes into owned places.

Our customers mostly include the middle-class/salaried-class people within the semi-formal/informal income segments buying their first home.

### QUICK FACTS

₹666 Cr  
Total disbursement

21% y-o-y

₹2,050 Cr  
Gross Loan Book (OSP)

35% y-o-y

24,000+  
Customers

26% y-o-y

2,100+  
Customers benefited  
from PMAY CLSS

y-o-y growth    y-o-y de-growth



## HIGHLIGHTS OF FY 2020-21

- Scaled monthly disbursals from ₹16 Crores in June, 2020 to ₹125+ Crores in March, 2021 with book OSP crossing 2,000 Crores+
- Recorded the highest-ever disbursement during Q4 FY21, with monthly disbursals touching 138% of pre-COVID-19 best monthly numbers
- Ujjivan Small Finance Bank AHL currently has 2,100+ PMAY (U) beneficiaries
- Launched online workflows for customer on-boarding, application processing, disbursal and collections to improve end-to-end turnaround time and ensure productivity in the new normal
- FY 2020-21 fresh disbursals were in line with the revised policy guidelines due to COVID-19, balancing risk and reward
- Training module went digital with online training, study material, test for both for business and credit on core product and cross-sell products, processes for skill enhancement
- Safeguarded customer and employee well-being by personally reaching out
- Maintained portfolio and exited moratorium smoothly with customer learning
- Ensured timely account restructuring to stay committed to our customer-first approach
- Utilised the lean period to revisit, realign and optimise processes for better customer and employee experience

## 5-DAY LOAN APPROVAL WITH DIGITAL PROCESSES

We are empowering home buyers with the in-principle loan approval in five working days to increase their bargaining power with builders, sellers and property dealers. The service is delivered through our digital workflow in the disbursement process. Being a completely online procedure, it enables us to issue online welcome letters, provide online orientation for customer service resolution and ensure timely disbursal, besides providing online repayment/part-payment options. We are working on a platform which will enable capacity processing, delivering aspired number.

**₹125 cr**  
Affordable home loans  
disbursed during March, 2021

## OUTLOOK

Going forward, we will continue to grow our retail business with deeper penetration in Tier-II and Tier-III markets. We aim to create a significant presence for the Affordable Housing segment in the Ujjivan universe, with above 75% reach across our branch network. We will sharpen our focus on leveraging our existing to bank (ETB) customer base with insights from in-house analytics.

We will also launch specific offerings targeted at rural borrowers in select markets, starting with South India, besides collaborating with government bodies to concentrate on ready-to-move-in builder projects in the semi-formal income space.

With the pandemic fuelling the demand for ready-to-move-in properties on the outskirts of major cities, and reverse migration pushing this demand in Tier-III and Tier-IV markets, we will have a healthy mix of semi-formal and informal customers. Among these customers, a significant majority belong to the salaried class and small business owners buying their first house in FY 2021-22.

Collections are showing an upward trend and will continue to get better. Usage of legal tools on collection will improve efficiency further as we grow our portfolio, reduce the Gross Non-Performing Asset (GNPA) and maximise the use of digital workflows.

## Business Segment: Personal Loan

# Revamped strategy for the new normal

**FY 2020-21 witnessed a paradigm shift in personal lending. We saw this change as an opportunity to refine our strategies and get future ready.**

With focus on reaching our customers at their doorsteps, we expanded our physical presence and strengthened our digital service apparatus, completing the shift from phygital to digital. Our personal loan is available in 568 branches, across Tier-II and Tier-III locations as well.

### • QUICK FACTS

**₹86 Cr**  
Total disbursement

**4% y-o-y**

**₹138 Cr**  
Gross Loan Book

**76% y-o-y**

**91%**  
Collection efficiency

y-o-y growth

**8,332**  
Customers

**56% y-o-y**

y-o-y de-growth



## HIGHLIGHTS OF FY 2020-21

- Launched personal loan for self-employed professionals – a significant add-on to our product portfolio that specifically caters to the non-salaried individuals
- Introduced our first fintech loan product in alliance with NIRA fintech; the alliance aims to leverage their expertise for sourcing short-term personal loans, along with the robust underwriting mechanism and opens up new avenues to serve the underserved customers digitally
- Partnered with digital lender LoanTap to provide personal loans to salaried professionals
- Launched a special personal loan that caters to the needs of doctors, homemakers and holidaymakers

## DIGITAL TECHNOLOGIES DELIVER GROWTH

During the year, we rebuilt our digital marketing strategy and strengthened our online presence with the launch of various campaigns on social media. These campaigns enabled us to enhance our customer outreach through analytics.

We further developed a fully automated loan process to ensure minimal touch points in the entire loan application to disbursal journey. The optimal use of advanced technology has led to process improvements that reduced our turnaround time and improved our efficiencies.

**76%**  
Growth in loan book  
during FY 2020-21

## COLLABORATIONS OFFER CUSTOMER CONVENIENCE

Apart from technology, which played a key role in our growth, strategic alliances helped us reinforce our customer segmentation, further enabling us to develop tailor-made, differentiated offerings. During the year, we further restructured our product policies and interest rates in line with the market, which helped us gain a competitive edge over many prominent players.

**Unprepared for a medical emergency?**  
Personal Loan for EMI as low as ₹ 2,198\*

Loans from home | with contactless documentation

₹50,000 - ₹10,00,000 | Easy Digital Process | Interest Rate of 11.49%\* p.a.  
For individuals with monthly salary above ₹30,000.

\*T&C apply  
\*EMI of ₹ 2,198 for ₹1 lakh as the loan amount, for a tenure of 60 months and at an interest rate of 11.49% p.a.

## OUTLOOK

Going forward, we will strengthen our fintech alliances and integrate best-in-class services in the industry by utilising our own API banking platform. The API banking platform will integrate processes and systems faster and make the system integrations completely foolproof, enabling seamless foray into instant credit decision and loan disbursals. We also look forward to launching pre-approved personal loan, balance transfer and overdraft facility to have a diverse product offering on the table.

## Business Segment: Vehicle Finance

# Ramping up vehicle financing

**Vehicle finance saw a good year in terms of higher business numbers and overall portfolio growth with 5x increase in our disbursals and portfolio.**

The first quarter of FY 2020-21 saw lockdowns and the vertical faced several challenges. We offered moratorium in line with the regulatory guidelines to all our customers of which ~1,400 customers availed the option. By the end of August, the portfolio was brought back to normal. Our vehicle loans segment grew rapidly in the last two quarters of the financial year with revival in credit demand and opening up of the economy.

### QUICK FACTS

**₹67 Cr**  
Total disbursement

**449% y-o-y**

**₹73 Cr**  
Outstanding principal (OSP)

**482% y-o-y**

**99%**  
Collection efficiency

**10,301**  
Customers

**461% y-o-y**

y-o-y growth

y-o-y de-growth

### HIGHLIGHTS OF FY 2020-21

- Revamped our existing processes to shift from manual to digital by leveraging systems and processes akin to the fintechs during Q1 FY21
- Launched Mini and Micro Commercial Cargo Vehicle Loans (Electric and ICE Engine) for both our existing and new customers to leverage the market opportunity of a demand upswing for commercial cargo vehicles
- Diversified sourcing channel mix by building internal and external pipelines, partnering with digital aggregators and signing Memoranda of Understanding with Original Equipment Manufacturers (OEMs) that have a good base, to deepen our customer reach and penetration
- Used digital marketing tools to generate leads and support our front-end sales team



### OUTLOOK

We will focus on strengthening our vehicle financing business - in rural and semi-urban India and build a stronger portfolio. The emphasis will be on Electric three-wheeler (E-3W) segment which is part of mini and micro commercial vehicle category and broaden our scope to include electric-two-wheeler (E-2W) category and used cars. We would be continuing our tie ups with OEM partners to better our offerings.

## Business Segment: Trust, Association, Society and Club (TASC)

# Offering innovative solutions for TASC customers

**TASC unit serves various institutional customers with innovative and cost-effective solutions that are supported by the latest banking industry technologies. With conformance to specific regulatory requirements as a key focus, we cater to non-governmental organisations (NGOs), societies, clubs, trusts, educational institutions, developmental authorities, municipal corporations, municipal committees by offering customised solutions.**

### QUICK FACTS

**₹1,437 Cr**  
TASC book

**21%** y-o-y 

**₹331 Cr**  
CASA\* book

**170%** y-o-y 

\*Current Account Savings Account

 y-o-y growth

 y-o-y de-growth



We customise our products and services to constantly fulfil the specific objectives of our clients, especially various government departments across all levels. During the year, we continued to cater to the requirements of our customers with new product launches. We also on-boarded esteemed clients such as developmental authorities, municipal committees and temple trusts.

Our seasoned team of highly experienced relationship managers source new leads and cater to this niche segment.

### NEW PRODUCTS LAUNCHED DURING FY 2020-21

- Differential saving account rates
- Point of Sale (PoS) machine
- Cash Management Services (CMS) solutions
- Online fee collection solutions
- QR code solution to cater to various customer requirement under the segment

### OUTLOOK

The pandemic has accelerated India's adoption of the digital economy, especially with the increasing prominence of online banking and other financial solutions. Keeping this digital evolution in mind, we are focusing on delivering more digital solutions, going forward. We have online fund disbursement and tracking systems for various state and central government projects in the queue, alongside online fee collections and customised online/offline tax collection channels (and other dues) for municipal corporations. We will also provide solutions to developmental authorities for convenient processing of housing schemes and offer customised card-based solutions for multiple functionalities.

## Business Segment: Third-Party Products

# Launching new offerings

We are steadily growing our business for third-party products. We launched several new initiatives to rapidly scale up the business.

During the year, we introduced new health insurance offerings for identified customer segments, scaled up employee IRDA certification efforts, improved our internal processes to remove various operational bottlenecks, adopted several end-to-end digital initiatives for customer on-boarding and servicing, and focused on quality customer acquisition across business verticals.

### QUICK FACTS

₹227.5 Cr

Gross premium collected

26% y-o-y 

₹19.9 Cr

Revenue

2% y-o-y 

 y-o-y growth

 y-o-y de-growth



## HIGHLIGHTS OF FY 2020-21

- 500%+ growth in IRDA certified team members; currently, strong force of 2,000+ competent colleagues
- 100%+ growth in number of retail insurance policies issued during FY 2020-21; crossed a milestone of 1 Lakh+ policies
- Launched digitally enabled IRDA certification process for all employees
- Broad-based third-party products business with launch in Vehicle Finance and Personal Loan business verticals
- Launched health insurance product proposition through end-to-end digital on-boarding and fulfilment
- Introduced a new life insurance savings PoS product from Aditya Birla Sun Life Insurance for Micro and Rural Banking customers
- Received mutual funds distribution licence from Association of Mutual Funds in India (AMFI) to kickstart investments business

**98%**  
growth in health insurance penetration among our customer base

**30%+**  
growth in overall retail cross-sell insurance business in terms of premium mobilisation

## CORPORATE AGENCY ARRANGEMENT

For insurance distribution, currently we have Corporate Agency arrangements for

### Life insurance

- Bajaj Allianz Life Insurance Co. Ltd.
- HDFC Life Insurance Co. Ltd.
- Aditya Birla Sun Life Insurance Co. Ltd.

### General insurance

- Bajaj Allianz General Insurance Co. Ltd.
- ICICI Lombard General Insurance Co. Ltd.

## OUTLOOK

We are planning to introduce a new line of business—Investment Services—for our customers. Concurrently, we are exploring likeminded partnerships with standalone health insurance companies to bring sharper focus on health insurance distribution landscape. We will be broad-basing our distribution touch points by launching insurance on tele-sales channel, alongside digital insurance distribution across branches in association with an InsurTech platform.

Our focus will also be on improving customer satisfaction by enabling end-to-end digital claims intimation and settlement solution for both asset and liability customers. Moreover, we will revamp our internal customer management system for this segment for the application of better data science-based workflows, thereby improving business productivities, and continue to focus on building IRDA- and NISM-certified teams across branches.

## Business Segment: Financial Institutions Group (FIG)

# Diversifying our presence

**During the year, the team forayed into the higher rated NBFC/HFC entities and engaged with new segments such as Housing Finance Companies (HFC) and Gold Loan Financing Companies on Assets side. The team strengthened deposits and CASA base from FIG segment. Also further deepened existing relationships with financial institutional segment clients.**

We cater to banks (PSU/Pvt/Foreign/Payment Banks/SFBs), co-operative banks, mutual funds, insurance companies, NBFCs, private equity firms, capital and commodity market entities and other financial institutional clients.

### QUICK FACTS

**₹467 Cr**  
Total disbursement

**14% y-o-y**

**₹648 Cr**  
Gross loan outstanding portfolio

**18% y-o-y**

**₹5,365 Cr**  
Deposit, current account

**13% y-o-y**

**₹122 cr**  
Current account EOP

**169% y-o-y**

y-o-y growth

y-o-y de-growth



FIG team manages liabilities business from various Financial Institutions Group (FIG) clients in the form of current account balances, fixed deposit receipts, term money and certificate of deposits. FIG act as an interface with all banks and mutual funds and arranges exposure limits, including lines of credit.

We further collaborate with refinance institutions such as National Bank for Agriculture and Rural Development (NABARD), Small Industries Development Bank of India (SIDBI), Micro Units Development and Refinance Agency Bank (MUDRA) and National Housing Bank (NHB) for arranging alternative funding options as back up. The team also lends to good quality NBFCs, MFIs and HFCs within acceptable credit parameters.

**98%-100%**  
Collection efficiency\*

\*on a month-to-month basis

## HIGHLIGHTS OF FY 2020-21

- On boarded 58 new financial institutions clients to initiate deposit relationships
- Total active FIG relationships stood at 217 on liabilities side and 37 on assets side
- Initiated current account relationships with different NBFCs/MFIs and co-operative banks during the financial year and achieved reasonable results in developing current account balances
- Achieved CA balance of ₹122 Crore (EOP) as on March 31, 2021
- Engaged with top-rated NBFC/HFC/MFI space to initiate lending relationship and the loan book grew by ~18% y-o-y
- Many initiatives on the lending front with first time lending to Housing Finance, Gold Finance, AA (Credit Rating bucket) entities
- Recorded 98%-100% collection efficiency for the entire year on a month-to-month basis
- Logged zero GNPA for Institutional Lending Book as on March 31, 2021
- Leveraged relationships with cooperative banks - for fee income opportunity, by engaging in call money transactions
- Initiated G Sec transactions in coordination with Treasury team with some new and existing clients to boost fee income
- Diversified liabilities portfolio across geographies and different client segments substantially reduced concentration risk
- Developed alternative funding sources such as refinance, lines of credit from banks for contingencies
- Raised wholesale funds in difficult market situation at competitive rates

## OUTLOOK

Going forward, FIG team will continue to focus on building current account (CA) balances from FIG segment clients and expand asset base by fostering new relations with higher rated spectrum of borrowers and deepen current relationships. With new product initiatives, the team aims to attract CA floats, fee income from FIG clients. The unit plans to increase its fee-based income with new products such as bank guarantee business and further enhance interbank limits, exposure limits from various mutual funds, insurance companies and cooperative banks. The team will continue to lend to NBFC/HFC/MFI clients with good portfolio quality within broad Institutional Lending policy framework. We shall also work towards building Mid-sized Corporate Banking Segment.

**ZERO**  
GNPA for Institutional  
Lending Book as on  
March 31, 2021

## Business Segment: Branch Banking

# Prioritising accessibility to banking services

**Branch banking allows us to serve customers across 24 states and Union Territories of India through our 575 banking outlets and enables us to grow our reach.**

During the year under review, we introduced new products targeted towards specific customer segments and collaborated with technology partners to create digital payment solutions for certain customer segments. These efforts resulted in excellent branch banking performance and expansion of our liabilities book.

### QUICK FACTS

Liabilities book of Branch Banking

**34% Y-o-Y** 

CASA\* book

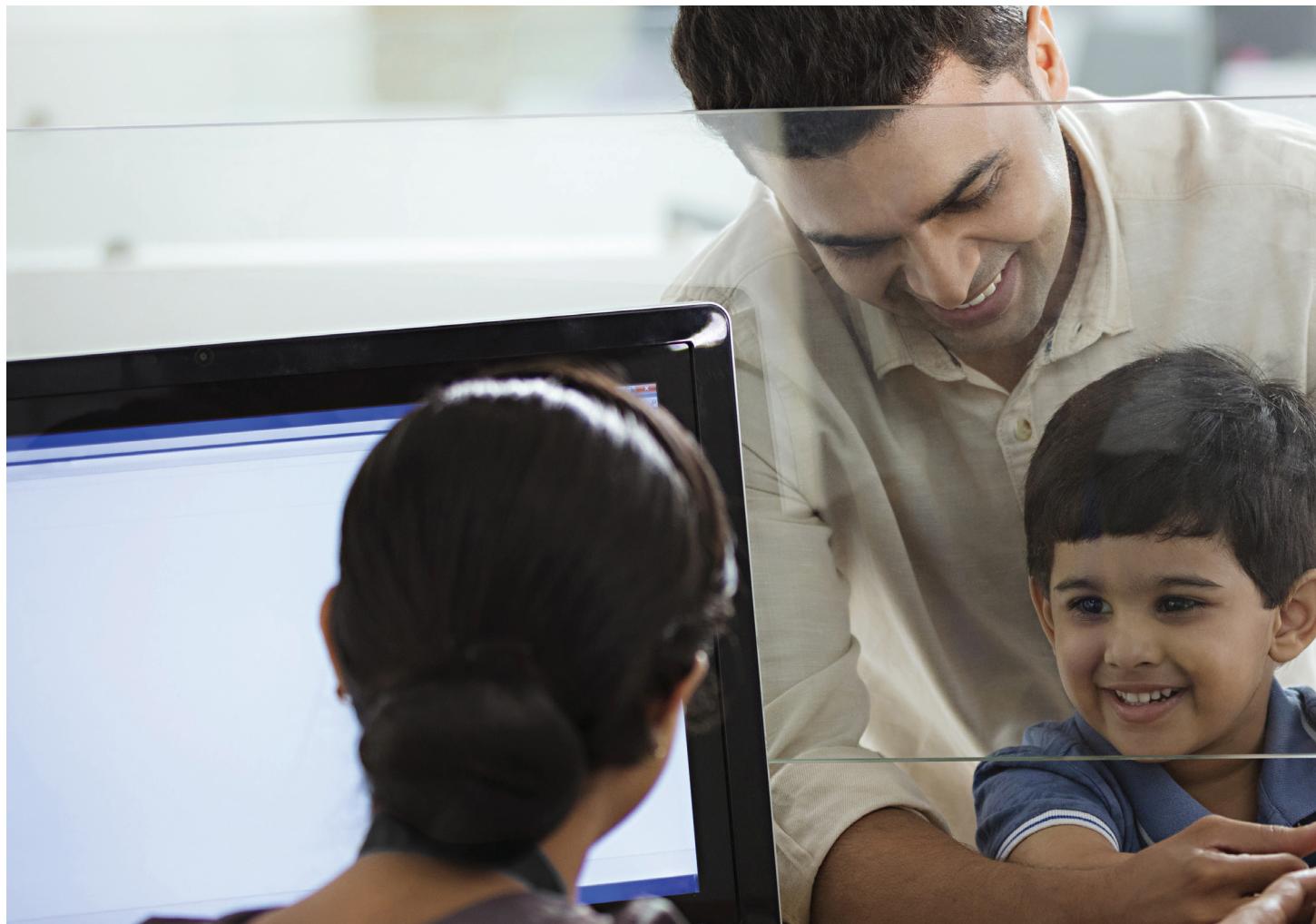
**100% Y-o-Y** 

\*Current Account Savings Account

**9 Lakhs+**  
Customers

**65% Y-o-Y** 

 y-o-y growth  
 y-o-y de-growth



**HIGHLIGHTS OF FY 2020-21**

- Launched Garima Savings Account on International Women's Day specifically catering to the banking requirements of the new-age women
- Improved the per person productivity of the branch banking team across profiles
- Created a well-diversified customer base through right sourcing mix of various customer segments and product categories
- Introduced complete UPI kit for merchants as a pilot in few branches after obtaining the UPI acquirer license



## Business Segment: Branch Banking

### LIABILITIES PRODUCT SUITE

#### Current Account

- Business Edge Current Account
- Premium Current Account
- Regular Current Account
- TASC Current Account

#### Advance Against Deposit

- Loan against Fixed Deposit
- Overdraft against Fixed Deposit

#### Debit Cards

- RuPay Platinum Debit Card
- RuPay Classic Debit Card

#### Savings Account

- Privilege Savings Account
- Garima Savings Account for Women
- Senior Citizen's Savings Account
- Regular Savings Account
- Minor Savings Account
- Salary Savings Account
- Digital savings Account
- Basic & Small Bank Deposit Account (BSBDA)

#### Term Deposit Account

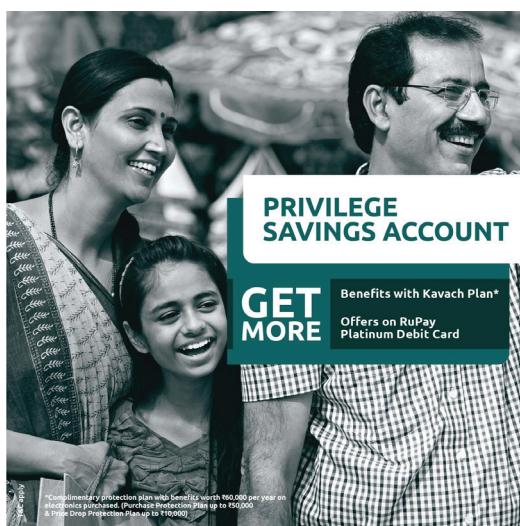
- Fixed Deposit Account
- Tax Saver Fixed Deposit Account
- Recurring Deposit Account
- Goal Based Deposit Account
- Digital Fixed Deposit Account

#### NRI Accounts

- NRE & NRO Savings Account
- NRE & NRO Fixed Deposit Account

### PRIVILEGE SAVINGS ACCOUNT

Targeted towards customers who have accumulated wealth and are looking for upgraded banking services and features including unlimited no-cost ATM transactions, higher transaction limits, and complimentary RuPay platinum debit card with lifestyle benefits. Privilege Savings book has grown to ₹395 Crores by the end of FY 2020-21 with a ticket size of ~₹97,000.



### WOMEN-SPECIAL SAVINGS ACCOUNT

Garima Savings Account is thoughtfully created for the economically active women of India. It offers customised and unique banking services such as specially designed Garima Debit Card (women-centric personalised Rupay Debit Card with several linked multiple benefits and personalised cheque book), higher cash deposit limit, unlimited free NEFT/RTGS transactions through mobile banking, complimentary subscription to Ujjivan Kavach plan to name a few. The account further offers other benefits such as purchase protection, one-call card blocking, along with offers on bill payments, entertainment and lifestyle.

New acquisition in Garima Savings Account has contributed ~₹12 Crores by the end of FY 2020-21 with a ticket size of ~₹27,000.



## OUTLOOK

Going forward, we will concentrate on improving our customer and product sourcing mix, with nearly 50% contribution from flagship offerings with higher Average Ticket Size (ATS) such as — Privilege Savings Account, Garima Savings Account, Senior Citizen Savings Account, NRI Savings Account and Business Edge Current Account. We are also planning to offer new products and services that will cater to the needs of our targeted customer segments of different strata. Further, we will expand our reach among small- and medium-size retailers with Point of Sale (POS) and QR led acquisition.

Given the large unexplored potential of the NRI segment, we plan to channelise the branch resources to acquire more NRI relationships. We are engaging the digital team for executing a framework for acquiring more NRI relationships through non-face to face offering to eliminate the geographical restriction and help low-cost acquisitions. Further,

we will be implementing digitally enabled banking solutions for government and institution business such as Public Funds Management System (PFMS) for various agencies for payment and collection of funds, payment gateway facility to government and TASC customers, customised POS and QR offering to the TASC segment.

Over the last 4 years of our banking operations, we have created a large and diversified customer base and we see a huge opportunity in terms of enhancing their wallet share by cross-selling, offering upgrades and engaging with them through different digital channels. Going forward, we will focus on continued engagement with the entire customer base, offering complete banking solution under one roof to increase their wallet share with our Bank.

## Human Resources

# Enhancing our resilience in a tough year

Although the year saw a huge impact on our business, we braced ourselves for the challenge collectively. Supported by a fundamentally strong business model, our teams took the extra effort to reach out to customers and engage with them regularly.

Our digital ecosystem also played a very important role in customer onboarding, engagement and retention.

**16,571**

Total workforce





## Human Resources

### PUTTING OUR PEOPLE FIRST

- Ranked No. 3 among India's Best Companies to Work For 2020
- One among 'The Laureates'- organisations that have ranked for 10 years or more in the Top 100
- Ranked 5<sup>th</sup> among the Best Large Workplaces in Asia, 2020
- Recognised among India's Best Workplaces in BFSI, 2020
- Best in Small Finance Bank
- Best among all organisations with 10,000+ employees
- India's 50 Best Workplaces for Women, 2020

### AN ENGAGING AND MOTIVATING WORK ENVIRONMENT

As a transparent organisation, we deeply engage with our teams and listen to their side of the story. During the year, a sophisticated platform was designed to conduct a survey and collect employee's feedback through an anonymous survey. Apart from the survey, various virtual forums were designed to help employees connect with national and regional leaders during the pandemic which helped in increasing employee morale.

Owing to the pandemic, we conducted low-key virtual events. Ujjivanites who completed 10 years and more were honoured with a personalised appreciation letter from the MD and CEO along with a gold coin.

These initiatives kept Ujjivan employees engaged and motivated amidst all the tough situations.





## DIGITAL PROCESSES ENSURE BETTER OUTCOMES

During the year, we ensured to undertake all our human resource processes virtually; hiring and inducting people online and stressing on self-paced learning. Extending our digital interventions to enhance efficiency, we further introduced a new and improved HRMS – HR Saathi and LMS- SWAYAM 2.0. Along with multiple integrations with various systems and downstream applications, these systems have become valuable solutions for our employees.



## PRIORITISING THE HEALTH OF OUR TEAMS

We carefully crafted enhanced benefits programmes focused on wellness and preventive care for our colleagues. We introduced Work from Home and provided remote desktops for employees.

We have a well-established Welfare and Relief Charitable Trust to strengthen our welfare contribution to our people. The trust supports beneficiaries affected by unforeseen exigencies including the COVID-19 outbreak. This year we extended financial support to our colleagues and their family members through the trust for treatment and expenses related to COVID-19.

- COVID-19 insurance coverage provided to customer facing employees in addition to their normal medical cover
- The group health Insurance policy was enhanced to provide adequate COVID-19 cover to employees
- 'Doctor on Site' services initiated, where in employees can consult a doctor in office
- 'Doctor on call' service set up for employees and their families for unlimited audio and video consultation
- Provided salaries in advance for medical exigencies
- Created special provision for COVID-19 related absence
- Launched a virtual branch visit format through which the MD & CEO and other leaders connected with all branches over video conferencing



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## Community Commitments

# Compassion and support for the disadvantaged

During the year, we concentrated on providing relief to the people affected by the pandemic and other natural calamities, besides supporting community and infrastructural development.

**₹5.53 Crore**

CSR expenditure





OUR COMMITMENT



# Community Commitments

## COVID-19 RELIEF WORK

We extensively worked towards supporting communities during the pandemic with over 26 projects across India being executed, also benefiting the frontline workers (doctors and paramedical staff, police personnel, corporation and municipality workers and transport workers).

We dedicated 52% of the CSR expenditure towards the cause and reached ~7,74,000+ public, 49,000+ police personnel, 10,500+ hospital staff, 12,100+ corporation/municipal/panchayat workers and 200 transport workers. We distributed materials such as masks, sanitisers, dry ration, sprayers and PPE kits, among many.

We also started a COVID-19 education programme, primarily designed to create awareness about the pandemic. It provided information on how to remain safe, RT-PCR testing and relevant government insurance schemes and clarified misconceptions. More than 3,57,000+ beneficiaries were trained across the country.

The COVID-19 relief work was also carried through partnerships with Give India Foundation. We distributed 5,000+ PPE kits to major COVID-19 hospitals in Mumbai during the early stages of the pandemic. We also supported in setting up four full-fledged Intensive Care Units (ICUs) in CMC Vellore hospital in Tamil Nadu to ramp up their COVID-19 care and treatment facilities.



## COMMUNITY DEVELOPMENT INITIATIVES

Community development has always been a key focus area for us. We focus our efforts across areas of education, healthcare, health awareness, sanitation, and more.

### Healthcare

We provided 5 digital information kiosks at St. John's Hospital in Bengaluru. These will benefit 1,000+ walk-in patients every day in accessing relevant healthcare and COVID-19 information.

We also collaborated with Sumanahalli Society, an organisation that provides shelter and care for people affected with leprosy and HIV aids. We sponsored food and daily needs for 75 inmates for six months.

### Education

We supported the education of 850+ girls in the government high school in Samrala, Punjab by providing them with notebooks and school bags.

We also partnered with e-Vidyaloka, an organisation that works towards providing quality education to school children. This ongoing programme will benefit 20,000+ students in FY 2021-22.



## SMALL STEPS TOWARDS A BIGGER IMPACT

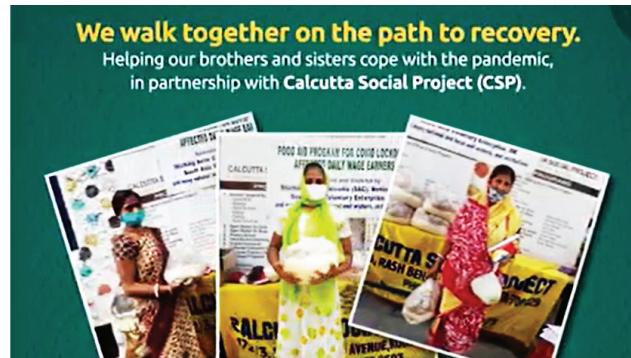
We conduct the Chote Kadam programme in partnership with Parinaam Foundation. Overall, 24 civil projects were completed across India for the benefit of the underprivileged communities. These projects include:

- Infrastructural support for ten educational institutions
- Renovation of seven healthcare facilities
- Construction of three community centres and bus stands
- Catering to safe drinking water needs of two communities
- Provision of sanitation in one community
- Provision of solar-powered street lighting for a community



## CALCUTTA SOCIAL PROJECT

We catered to the underserved communities of Kolkata with dry ration support for three months. Online education was provided to slum and street children, and vocational training to girls in the community. The initiative reached 1,200+ adults and children, who benefited from food aid, online education and vocational training programmes.



## Disaster relief

During FY 2020-21, India faced several regional challenges on top of the nationwide pandemic – in the form of floods and cyclones, among others. Therefore, disaster relief constituted a large part of our community responsibility efforts. After cyclone Amphan caused widespread devastations in West Bengal, damaging lives, livelihoods and properties, we worked to support the affected families with food and shelter. We distributed relief materials such as tarpaulin, dry ration, masks, and sanitisers, helping 20,000+ victims. We supported the victims of two separate fire breakouts in Kolkata in winter by distributing relief materials such as blankets and utensils.

Cyclones Nivar and Burevi clobbered the coastal regions of Tamil Nadu back-to-back. As part of relief work, 7,800 dry ration kits were provided aiding 31,000+ beneficiaries.

Winters across North India have always been harsh but during the year under review it was especially unforgiving, alongside the pandemic. It was particularly difficult for those families and people who lost their livelihood due to pandemic. We supported 24,000+ people by providing thick blankets at the night shelters.

## Vocational training

We focus on building skills and generating livelihood to enable our communities to build better lives. We support the Cheshire Disability Trust, which enables people with disabilities to avail of skill-building, residential training, helping them find suitable jobs.

## OUTLOOK

We are committed to enhancing our presence across urban areas and rural hinterlands. We will continue to support the healthcare systems and people affected by the pandemic.

## Risk Management

# Managing and mitigating uncertainties

**The Bank has a strong risk management framework in place to identify, mitigate and monitor material risks across all its functions. Directed by the Risk Management Committee of the Board (RMCB), the Bank has an adequately staffed risk management team led by its Chief Risk Officer (CRO), to implement the directions of the Board.**

There are dedicated teams to assess and monitor credit risks, operational risks, market and liquidity risks and information security risks.



The RMCB fulfils its roles and duties through various management level risk committees such as Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC) and Asset Liability and Market Risk Committee (ALCO and the Information Security and Business Continuity Management Committee). These committees are entrusted with the task to identify, measure, mitigate and monitor various risks.

The Bank's risk management framework is based on a clear understanding of its key material risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with international best practices. The Bank has an oversight on all the risks through regular monitoring of Key Risk Indicators (KRI).

### RISK MANAGEMENT DURING THE PANDEMIC

March, 2020 saw a disruption in the normal course of business on account of the nation-wide lockdown due to the COVID-19 pandemic. Except for some essential services and activities, the rest of India's \$2.9 Trillion economy remained shuttered during the lockdown period. As the economy was gradually reopened, the Bank had also modified its various risk management frameworks commensurate with risks in the external environment. With the onset of the pandemic, the Bank had undertaken a slew of measures to mitigate the risks in the areas of business continuity, health of customers and personnel, credit and information security areas.

Some of the key measures initiated by the Bank during the year were as follows:

Area	Key measures undertaken
<b>Credit Risk</b>	<ul style="list-style-type: none"> <li>Real time Early Warning Signals (EWS) monitoring through Bureau scrub</li> <li>Fortnightly collection monitoring of overdue and restructured accounts</li> <li>Regular stress testing of loan portfolio and estimation of associated credit costs</li> <li>Industry/Occupation risk categorisation reviews</li> <li>Tightening of credit norms, where applicable</li> </ul>
<b>Operational Risk</b>	<ul style="list-style-type: none"> <li>Revamped Business Continuity Management (BCM) policy, testing frequencies and implementation methods</li> <li>Process reviews with enhanced focus on digital banking</li> <li>Outsourcing reviews of all vendors and their BCP</li> </ul>
<b>Information Security</b>	<ul style="list-style-type: none"> <li>Increased Security Threat Surveillance</li> <li>User Awareness and dedicated training programs on remote working</li> <li>Implementation of guidelines, circulars, advisories and alerts</li> <li>Phishing simulation campaigns</li> </ul>
<b>Market Risk and ALM</b>	<ul style="list-style-type: none"> <li>Liquidity Stress Testing and funding gap assessment on regular basis</li> <li>Interest Rate Risk management</li> </ul>

In addition, the Bank had also undertaken the following measures to combat the pandemic:

- A Quick Response Team (QRT) was constituted for monitoring and supervising banking operations, and though the frequency of the meetings of this team had reduced by December, 2020, the frequencies of these QRT meetings were increased in light of the second wave by March, 2021. QRT remains the core group to initiate action in a contingency and also to provide updates to Top Management regularly.
- The Bank had implemented all the directions provided by RBI vide its circular dated March 27, 2020 and May 23, 2020. The Bank had put in place a Board approved policy on providing moratorium on loan repayments to its customers. Initially, the Bank had extended moratorium under all segments, deferring the repayments for ~99% of loan accounts. Subsequently, the Bank had extended the same (June 1, 2020 to August 31, 2020) on a need basis only post discussion with the borrower.
- On August 6, 2020, RBI had issued a directive on implementing a resolution framework for COVID-19 related stress. The guidelines provided a window under the prudential framework to enable banks/lending institutions to implement a resolution plan in respect of eligible loans, while classifying such exposures as standard, subject to specified conditions. Further, the lending institutions were mandated to ensure that the resolution under this facility is extended only to borrowers having stress on account of COVID-19. To this effect, the Bank had introduced an internal policy/process framework detailing the manner in which such evaluation may be done and the objective criteria that may be applied while considering the resolution plan in each case.
- On May 5, 2021, RBI has issued two guidelines with an objective of alleviating the potential stress to individual borrowers and small businesses in light of the second wave. The Bank is currently in the process of assessing the quantum and modalities of implementing the same during FY 2021-22.

<sup>1</sup>Refer COVID-19 – Regulatory Package issued vide RBI/2019-20/186 DOR.No.BP.BC.47/21.04.048/2019-20 dated March 27, 2020

<sup>2</sup>Refer COVID-19 – Regulatory Package issued vide RBI/2019-20/244 DOR.No.BP.BC.71/21.04.048/2019-20 dated May 23, 2020.

<sup>3</sup>Refer Resolution Framework for COVID-19-related Stress vide RBI/2020-21/16 DOR.No.BP.BC/3/21.04.048/2020-21 dated August 6, 2020

<sup>4</sup>Resolution Framework – 2.0: Resolution of COVID-19 related stress of Individuals and Small Businesses and Resolution Framework 2.0 – Resolution of COVID-19 related stress of Micro, Small and Medium Enterprises (MSMEs)

# Risk Management

## Credit Risk

Area	Treatment measures
<b>Early Warning Systems (EWS)</b>	Branch level scorecards were enhanced to assess the performance on various parameters such as Incremental Overdue, error rates, Non-starter cases, collection performance etc. The Bank has also incorporated external factors in addition to internal EWS parameters to have better early monitoring and to take proactive measures.
<b>Credit rating scorecards</b>	For all verticals, the Bank has subscribed to various bureau reports to provide real time data on changes in credit scores, change in residential and communication details and leverage etc, as part of monitoring activities. These insights are factored into the EWS framework which helps in categorising borrowers on the basis of inherent risks.
<b>Expected credit loss</b>	Designed and successfully launched risk rating scorecards for microfinance, MSE, housing loan and rural banking portfolios. These scorecards are designed to provide an objective and unbiased assessment on potential customers, duly factoring their personal income, repayment track records and collateral aspects (for secured loans). The Bank has also introduced an internal rating model for its institutional lending portfolio. The scorecards will be back-tested, validated and calibrated at regular intervals.  For other verticals, the Bank has commenced development of risk rating scorecards to increase objectivity in lending practices. These scorecards are expected to be in place in the ensuing financial year.
<b>Process gaps and enhancements</b>	The Bank has in place a detailed framework for computing Expected Credit Loss (ECL) as per the Ind-AS requirements and also for internal reporting purposes. Models are in place to compute key risk factors such as Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD). The Bank has also regularly incorporated additional management overlays in its PD and LGD computation models as and when necessary to make it forward looking and to reflect the inherent stress caused by pandemic.
<b>Industry insights and portfolio analysis</b>	Revamped various processes in credit appraisal w.r.t documentation management, loan deviations, exposure norms, and new policies or enhancements to name a few. Occupation mapping of borrowers is currently being enhanced to undertake meaningful industry/sector analysis and corroborate with external outcomes.
<b>Stress testing</b>	Continuous analysis of all loan portfolios to identify potential areas of stress on the basis of geography, ticket size, branch/clusters etc. Such analysis has helped the Bank to set mitigants in the form of limits and caps in exposure.
<b>Natural disasters</b>	Bank undertakes comprehensive stress testing of all loan portfolios using sensitivity and scenario analysis. The impact of adverse events on the PAR%, NPA%, provisions and capital adequacy are assessed at regular intervals.
	The Bank has undertaken various programmes for customer outreach and communication, social development programmes, changes in underwriting/credit policies and additional provisioning as risk mitigation measures in states affected by natural disasters.

## Operational Risk

Area	Treatment measures
<b>Product and process reviews</b>	All new products and processes (including enhancements) are subject to a mandatory comprehensive review. The Bank continuously reviews and enhances its key processes to adapt to industry best practices.
<b>User acceptance testing</b>	The Bank performs the User Acceptance Testing (UAT) to identify gaps in the actual deliverable versus that which was proposed in the Business Requirement Document (BRD). These gaps are further addressed and closed during the Functional Specification Document (FSD) stage before moving to production.
<b>Risk and control self-assessment</b>	The Bank has initiated RCSA for various business processes to identify inherent and residual risks. There is a time bound plan to close the open issues as observed during RCSA and an update is provided to ORMC and RMC-Board at regular intervals.
<b>Key risk indicators</b>	The Bank has defined 18 KRIs at an organisation level as part of the Operational Risk Management Framework. These KRIs are analysed on monthly basis and a comprehensive report is submitted to the Operational Risk Management Committee (ORMC) and Board at quarterly intervals with action plan for closure of open issues.
<b>Loss data management</b>	Loss Data Management is in place to record material incidents and to learn from errors and in strengthening existing controls. Incidents are recorded as operational loss and near miss events. This is followed by a Root Cause Analysis (RCA) for critical incidents. The Bank records instances along the Basel defined lines of Operational Risk events and process enhancements are tabled at various committees for further action.
<b>Operational risk scorecards</b>	An internal scoring mechanism is in place to capture all risk parameters at a granular level within the Bank i.e. branch level. The scorecard includes all facets of branch operations: Microbanking, Housing and MSE loans, liabilities and other branch related parameters. Branches are categorised as High, Medium or Low risk based on these assessments on monthly basis.
<b>Outsourcing risk</b>	Progressive risk assessment of key outsourced vendors was completed during the year to ensure that these vendors comply with the minimum requirements prescribed by RBI and also Business Continuity aspects as per internal norms. Detailed notes were recorded on the risk assessment done for each vendor through visits and were placed at various forums and committees for further action.
<b>Internal Financial Control (IFC) testing</b>	This is an annual exercise done by the Operational Risk team. The team, along with concerned stakeholders, prepares and enhances Risk & Control Matrices (RCMs). The financial and operational controls in these RCMs are then put to test by collecting samples from across the review period and from different regions, and are then evaluated for success or failure of the control effectiveness. The critical gaps observed during such testing are discussed with concerned functions for upgrading controls which may include automation of the controls.

# Risk Management

## Liquidity and Market Risk

Area	Treatment measures
<b>Behavioural analysis</b>	Enhanced behavioural analysis of cash flows, especially for CASA balances using Value at Risk (VaR) based approaches to identify potential mismatches. The behaviour-based outflows are now computed in parallel to regulatory requirements.
<b>Trading book management</b>	Duration based limits, Value at Risk based limits and open position limits etc. are introduced. These trading limits are monitored on a real time basis by the Middle Office. Any isolated instance of breach in limit is brought to the notice of stakeholders and remedial measures are taken.

The Bank has a structured management framework in the Internal Capital Adequacy Assessment Process (ICAAP) to identify, assess and manage all risks that may have a material adverse impact on its business/financial position/capital adequacy. The ICAAP framework is guided by the Bank's Board approved ICAAP Policy. The Bank has enhanced its initial framework for Enterprise

Risk Management (ERM) which sought to move away from silo-based risk approach to a comprehensive and holistic approach to risk management. The framework is designed around Risk Adjusted Return on Capital (RAROC) based decision making; a significant departure from the commonly used accounting-based performance review.

## Information Technology and Security Risk

On a regular basis, the Bank disseminates information for creating awareness among employees on the importance of data-security along with emphasis on the requirements to protect the customer's data. Awareness emails regarding the data loss prevention, smart phone security and how the assets given to employees are supposed to be safeguarded by them, are part of cyber security awareness creation.

We take cognisance of the increased importance of Data Security. With business continuity management being a critical aspect, the Bank has adhered to intelligence and best practices suggested from the various regulators, organisations like CERT-IN, DSCI and NIST among others to ensure data security. During the year, that Bank had focused on:

- Increased awareness of all stakeholders
- Adoption of zero trust solutions
- Enhanced logging and monitoring
- Automation of threat intelligence
- Coordinated incident response

We have also enhanced our incident management and cyber crisis management plan to deal with incidents and potential cyber crisis. There is also a policy governing the acceptable usage of information and system assets and policy to ensure continuity of business operations in the event of a disaster.

Given the dynamic nature of risks that we face, we periodically assess the risks and develops strategies to ensure that risks are mitigated to an acceptable level. Being technology-oriented, most of the risks are technological in nature and thus the Bank has invested heavily in security technologies. A 24x7 Cyber Security Operations Centre has been established to detect and contain security anomalies. This Cyber SOC is also responsible to actively monitor emerging threats based on intelligence gathering. The Bank has developed a comprehensive awareness program wherein employees are trained during on-boarding, periodic phishing simulations are carried out and awareness mailers are broadcast to both employees and customers. Recent awareness emails pertaining to frauds based on COVID-19 vaccination, spam COVID-19 calls were circulated intending to spread awareness among the

## OUR COMMITMENT

employees and keep them abreast of the pertinent COVID-19 frauds.

Phishing simulation pertaining to COVID-19 vaccination provision from the ministry of health was also conducted to check the employees' awareness about the contemporary frauds.

We have enhanced the monitoring capacity by creating use cases to have better alerting on the Security Information Event Management (SIEM) system and further action taken by the Security Operations Centre (SOC). This is intended to avoid any potential delays in detection and response to the cyber-attacks.



## Board of Directors



### NITIN CHUGH\*

Managing Director and CEO

**Qualification:** Bachelor's degree in Technology (Electrical Engineering) from National Institute of Technology, Kurukshetra and a Professional Diploma in Marketing Management from All India Management Association.

Nitin Chugh previously had successful stints with HDFC Bank Limited, Standard Chartered Bank, HCL Limited and Modi Xerox Limited.

\*His resignation is effective from close of business hours on September 30, 2021



### MONA KACHHWAWA\*

Non-Executive Director

**Qualification:** Post-graduate diploma in Business Management from XLRI Jamshedpur and has completed a private equity programme from Oxford University.

Mona Kachhwaha currently works with Unitus Capital Private Limited and was previously employed with Citibank N.A. and Caspian Impact Investment Adviser Private Limited.

\*Ceased to be a Director w.e.f. August 10, 2021 (close of business hours)



### UMANG BEDI

Independent Director

**Qualification:** Bachelor's degree in engineering from University of Pune, Maharashtra and has completed general management programme from Harvard Business School, Boston, Massachusetts.

Umang Bedi is a Co-Founder of VerSe Innovation, a company who powers the algorithms of Dailyhunt, India's largest local language content and news discovery platform across 14 Indian languages and Josh, India's leading short video app across 12 Indian languages. He was previously the Managing Director - India and South Asia with Facebook India Online Services Private Limited, ADOBE Systems India Private Limited and Intuit Inc.



### ITTIRA DAVIS\*

Additional Director (Non-Executive, Non-Independent)

**Qualification:** Graduate from the Indian Institute of Management, Ahmedabad.

Ittira Davis is an international banker with over 40 years of banking experience having worked extensively in the Middle East and Europe. He was with the Europe Arab Bank from July, 2008 to October, 2012 initially as the Managing Director – Corporate and Institutional Banking and then as an Executive Director. He has previously worked with Citibank in India and the Arab Bank Group in the Middle East. He joined Ujjivan in March, 2015 to manage the transition to a Small Finance Bank. Later, he was the Chief Operating Officer of our Bank until June, 2018. Ittira Davis was the MD & CEO of Ujjivan Financial Services Limited from July, 2018 until March, 2021.

\*Ceased to be the Director w.e.f. July 23, 2021 (end of business hours)



### RAJESH KUMAR JOGI

Additional Director (Independent)

**Qualification:** Bachelor of Arts degree in Economics and a Fellow member of the Institute of Chartered Accountants of India. He also attended the Advanced Management Program from the Harvard Business School in Boston.

Rajesh Jogi brings rich work experience of 27 years in the Banking Industry with a focus on risk management. He last worked with the Natwest Group (erstwhile RBS Group) where he led key strategic projects and transformation. He was the Chief Risk Officer, India of the Royal Bank of Scotland and subsequently the Country Head of Risk, India for the Group. He is also a Non-Executive Director on the Board of few other companies.

**CHITRA KARTIK ALAI**

Non-Executive Nominee Director

**Qualification:** Bachelor's degree in commerce from Osmania University and Master's diploma in business administration from Symbiosis Institute of Management Studies. She is a Certified Associate of the Indian Institute of Bankers.

Chitra Kartik Alai is currently General Manager at the Chennai Regional Office of SIDBI.

**PRABAL KUMAR SEN**

Independent Director

**Qualification:** Master's degree in Arts (Economics) with specialisation in Agricultural Economics from Calcutta University.

Prabal Kumar Sen was a Professor at XLRI, Jamshedpur, earlier Bank of Baroda Chair Professor at Institute of Rural Management Anand (IRMA) and Lecturer in PG Dept of Economics, at University of Burdwan. He had previously worked for United Bank of India in the Senior Management Grade and earlier worked as an Interpreting Officer in the Calcutta High Court.

**NANDLAL****LAXMINARAYAN SARDA\***

Independent Director

**Qualification:** Master of Technology degree in electrical engineering and Doctor of Philosophy degree from the Indian Institute of Technology, Bombay.

Nandlal Laxminarayan Sarda has previously served as a director on the boards of the Union Bank of India, Clearing Corporation of India and Andhra Bank. He was a professor in the department of computer science and engineering at Indian Institute of Technology, Bombay.

\*Retired on July 26, 2021 (end of business hours)

**RAJNI MISHRA**

Additional Director (Independent)

**Qualification:** Master's Degree in Commerce (Gold Medalist) from M S University, Vadodara.

Rajni Mishra has been a career banker for nearly four decades, with State Bank of India as well as its Associate Banks where she has handled varied assignments and diverse portfolios, gaining exposure in Branch Administration, Corporate Credit, Forex Treasury, Vigilance, Audit & Inspection etc. She is the Chairperson and Independent Director on the Board of M/s NCL Buildtek Limited, Hyderabad, a leading manufacturer of building materials and a Group Company of M/s NCL Industries (erstwhile Nagarjuna Cement Limited).

**UMESH BELLUR**

Additional Director (Independent)

**Qualification:** Doctor of Philosophy degree from Syracuse University, Syracuse, NY, USA.

Umesh Bellur is a professor and Department Head of Computer Science and Engineering at IIT Bombay. He has worked with various organisations including TCSI Corp, Oracle Corp, Covad Comm. Corp, Collation Inc. in California and was a member of Technology Advisory Board for the SEBI, SBI, Clearing Corporation of India and NSDL. He is currently serving as an Independent Director on the Board of Central Depository Services (India) Limited and National Payments Corporation of India.

**HARISH DEVARAJAN\***

Additional Director (Independent)

**Qualification:** Bachelor's degree in commerce from Madras University and PGDPM&IR from XLRI, Jamshedpur.

Harish Devarajan has gained rich experience working with TVS Sundram Fasteners Ltd. and Hindustan Unilever Ltd. (as Vice President HR). He was on the Board of Bank of India and has been a freelance Leadership Coach and Organisation Consultant since 2008.

\*Ceased to be a Director w.e.f.  
August 12, 2021 (close of business hours)

## Leadership Team



### NITIN CHUGH\*

Managing Director and CEO

**Qualification:**

Bachelor's degree in Technology (Electrical Engineering) from National Institute of Technology, Kurukshetra and a Professional Diploma in Marketing Management from All India Management Association.

*Nitin Chugh previously had successful stints with HDFC Bank Limited, Standard Chartered Bank, HCL Limited and Modi Xerox Limited.*

*\*His resignation is effective from close of business hours on September 30, 2021*



### UPMA GOEL\*

Chief Financial Officer

**Qualification:**

Chartered Accountant with the Institute of Chartered Accountants of India

*Upma Goel joined the Bank on February 1, 2017 and has previously worked with L&T Finance Holdings Ltd., Ujjivan Financial Services Ltd. and Escorts Securities Ltd.*

*\*Her resignation is effective from September 30, 2021 (end of business hours)*



### SANJAY KAO

Head of Human Resources

**Qualification:**

Bachelor's degree in Technology (Chemical Engineering) from the Banaras Hindu University and a post-graduate Diploma in Management from the Indian Institute of Management, Calcutta.

*Sanjay Kao joined Ujjivan Small Finance Bank on February 12, 2018 and has been appointed as the Head of Human Resources with effect from April 16, 2020. Before joining Ujjivan SFB, he has worked with Lipton India Limited, Dunia Finance LLC, Citibank, NA and ABN AMRO Bank, NV.*



### ARUNAVA BANERJEE

Chief Risk Officer

**Qualification:**

Master's degree in Arts (Economics) from Calcutta University and is an associate of the Indian Institute of Bankers

*Arunava Banerjee joined the Bank on February 1, 2017. He has previously worked with the State Bank of India, Standard Chartered Bank and Bahraini Saudi Bank. He was also the previous Chief Financial Officer of Remza Investment Company WLL.*



### VIBHAS CHANDRA

Business Head of MicroBanking and Rural Banking

**Qualification:**

Masters of Business Administration from Xavier Institute of Management- Bhubaneswar

*Vibhas Chandra is an experienced hand in Ujjivan with a career of 13 years in multiple roles, managing various geographies. During this time, He has lead Ujjivan's east region and was pivotal in transition from MFI to Bank. In his previous role, he was leading the Asset Products division for Microbanking and Rural Banking.*



### ASHISH GOEL

Chief Credit Officer

**Qualification:**

Bachelor of technology degree in Mechanical Engineering from Regional Engineering College, Kurukshetra and is a post-graduate in Marketing & Finance from Xavier Institute of Management, Bhubaneswar.

*Ashish Goel was previously employed at Godrej & Boyce, Marico Industries and ICICI Bank. He joined Ujjivan as Chief Credit Officer in February, 2021.*



### RAJEEV PAWAR

Head of Treasury

**Qualification:**

MBA from the Jamnalal Bajaj Institute of Management Studies, Mumbai and a Physics Major from the University of Mumbai.

*Rajeev Pawar joined as the Head of Treasury on January 20, 2020. He has previously worked with American Express Bank, Standard Chartered Bank, Kotak Mahindra Bank and Edelweiss Finance in India, Singapore and Dubai.*



### VENKAT KRISHNAN V

Chief Technology Officer

**Qualification:**

Bachelor's Degree in Science from SIES College, Mumbai University and has completed his Master of Computer Application from the Government College of Engineering in 1999.

*Venkat Krishnan joined as the Chief Technology Officer on June 11, 2020. Previously he has worked with, Utkarsh Small Finance Bank as Chief Technology Officer and was responsible for building and managing their core banking systems. His experience extends across working with organisations like ABK, ET Life, Yes Bank, Dhanalaxmi Bank, HSBC India, Reliance General Insurance, Satyam Computers, ICICI Bank and GTL Ltd.*



### SHRINIVAS MURTY

Head of Liabilities

**Qualification:**

Bachelor's and Master's degree in Science from Pt. Ravishankar Shukla University and a PGDBM from MDI, Gurugram.

*Shrinivas Murty joined as the Head of Liabilities on April 18, 2020. He is a Certified Associate of Indian Institute of Bankers. Before joining Ujjivan SFB, he was the Executive Vice President - Bandhan Bank, and managed the branch banking vertical. In the past, he has also worked with Bank of India, ICICI Bank and HDFC Bank. He brings with him vast business experience in strategies and models that spans across retail, SME, agri, micro-finance sales, operations, and compliance in the banking industry.*



### BRAJESH JOSEPH CHERIAN

Chief Compliance Officer

**Qualification:**

Bachelor's degree in Pharmacy from Dr MGR Medical University and a Master's degree in Business Administration from SMU. He is a Certified Associate of Indian institute of Bankers.

*Brajesh Joseph Cherian is a banking and financial services professional with over 20 years of experience in Compliance, Operational Risk, Corporate Banking, Retail Banking and Treasury. Starting his career with the South Indian Bank, he later on worked with Axis Bank in India and UAE where he handled various roles including Deputy CEO for Dubai Operations. Before joining Ujjivan in 2016, his last assignment was as Vice President - Compliance and Risk with Axis Bank, Mumbai.*



### CHANCHAL KUMAR

Company Secretary and Compliance Officer

**Qualification:**

Bachelor's degree in Commerce from Delhi University. He is a Chartered Accountant with the Institute of Chartered Accountants of India and a Company Secretary with the Institute of Company Secretaries of India. He is a Certified Associate of the Indian Institute of Banking and Finance.

*Chanchal Kumar joined the Bank on January 30, 2017 and was appointed as Company Secretary and Compliance Officer on March 24, 2018. He has previously worked with Yes Bank, GE Capital Services India, ICICI Bank Ltd and Anand Corporate Services Ltd.*

## Awards

# Recognition for inclusive banking

2021



Great Place To Work® Institute:  
Ranked 11<sup>th</sup> among 'India's Best  
Companies to Work For 2021'



Business Today - KPMG Best Bank  
and Fintech Jury Award 2020 in  
innovation, workforce and talent and  
enterprise resilience (qualitative) for  
Small Finance Bank category



Inclusive Finance India Awards 2020:  
Small Finance Bank for Achieving  
Financial Inclusion among SFBs

### Indian Bank Association – 16<sup>th</sup> Annual Banking Technology Award 2021 (Small Finance Bank Category)

**Winner:** Best Digital Financial  
Inclusion Initiatives

**First Runner Up:** Best Technology  
Bank of the Year

**First Runner Up:** Best IT Risk and  
Cyber Security Initiatives

### Resulticks BFSI Digital Stallion's – India Chapter Awards 2020

Best Brand

Excellence in the Digital Marketing

Best API banking Implementation

Best ROI based Digital Marketing Campaign

Best Use of Facebook

2020

'Best Companies to Work For 2020'  
by Great Place To Work® Institute

'India's Best Workplaces in Small  
Finance Banks 2020' by Great Place  
To Work® Institute

In the list of 'The Laureates for having  
ranked among the Top 100 companies for  
10 years' by Great Place To Work® Institute

'Best Workplaces Among Organisations  
with More than 10,000 Employees' by  
Great Place To Work® Institute

'Best Large Workplaces in Asia 2020'  
by Great Place To Work® Institute

'Best Microfinance Bank' at the Asia  
Money Best Bank Awards 2020

UiPath Automation Excellence  
Awards 2020 - India & South Asia

# Statutory and Financial Reports

**68 Management Discussion and Analysis**

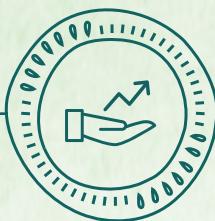
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## **Ujjivan Small Finance Bank Limited**

### **Registered Office**

Grape Garden, 3<sup>rd</sup> "A" Cross,  
18<sup>th</sup> Main, 6<sup>th</sup> Block,  
Koramangala,  
Bengaluru - 560 095

[www.ujjivansfb.in](http://www.ujjivansfb.in)

**Write to us at: [Ujjivan.blr@ujjivan.com](mailto:Ujjivan.blr@ujjivan.com)**