

UJJIVAN/SE/2020-21/10

May 27, 2020



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

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

Trading Symbol: UJJIVAN

SCRIP CODE: 539874

Dear Sir/Madam,

Subject: Outcome of the Board Meeting held on May 27, 2020 - Financial Results for the quarter and year ended March 31, 2020 and Recommendation of Dividend

Please refer to our letter dated May 15, 2020, wherein we have intimated about the convening of the meeting of the Board of Directors on May 27, 2020 to approve inter alia the Financial Results for the quarter and year ended March 31, 2020 and to recommend dividend, if any, on the equity shares of the Company for the financial year ending March 31, 2020.

In connection therewith, please note that the Board in its meeting held today May 27, 2020 (meeting commenced at 02:30 PM and concluded at 04:30 PM) has -

- 1) **Approved and taken on record the unaudited financial results of the Company (standalone and consolidated) for the Quarter ended March 31, 2020 and Audited financial results (standalone and consolidated) of the Company for the financial year ending March 31, 2020**

The Audited Financial Results alongwith the Auditor's Report are enclosed herewith.

We hereby declare and confirm that the Statutory Auditors of our Company M/s MSKA & Associates have issued the Audit Reports on the aforesaid Standalone and Consolidated financial results for the year ended March 31, 2020 with an unmodified opinion.

- 2) **Recommended a dividend at the rate of 8.0% i.e. Rs. 0.80 per equity share** which shall be paid after the ensuing 16th Annual General Meeting (AGM) of the Company subject to the approval of the shareholders.

Also, a separate note on COVID-19 pandemic and related developments is enclosed herewith in compliance with the SEBI circular dated May 20, 2020.

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

We request you to please take the above on record.

Thanking You,

Yours faithfully,

For Ujjivan Financial Services Limited


Sanjeev Barnwal
Company Secretary and Compliance Officer
Encl: as mentioned above



& Associates

Chartered Accountants

Floor 6, No. 5
Prestige Khoday Tower Raj
Bhavan Road Bengaluru
560001, INDIA Tel: +91 80
6815 0000

Independent Auditor's Report

To the Board of Directors of Ujjivan Financial Services Limited

Report on the Audit of Standalone Financial Results

Opinion

We have audited the accompanying standalone annual financial results of **Ujjivan Financial Services Limited** (hereinafter referred to as 'the Company') for the quarter and year ended March 31, 2020 ('the Statement'), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Statement:

- (i) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (ii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Company for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Results section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Emphasis of Matter

We draw attention to Note 12 to the standalone financial results, which describes the extent to which the SARS-Cov-2 virus responsible for the COVID-19 Pandemic will impact the subsidiary's financial results. Consequentially, the impact on the carrying value of Investment of subsidiary in the books of the Company will depend on the future developments which the Company is unable to assess currently.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Standalone Financial Results

This Statement have been prepared on the basis of the standalone annual financial statements. The Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The Board of Directors of the Company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Company, as aforesaid.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Statement.

Ujjivan Financial Services Limited
Independent Auditors' Report on Standalone Financial
Results For the quarter and year ended March 31, 2020
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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance of the Company of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

1. The standalone financial statements of the Company for the year ended March 31, 2019, were audited by another auditor whose report dated May 30, 2019 expressed an unmodified opinion on those statements.

Ujjivan Financial Services Limited
Independent Auditors' Report on Standalone Financial
Results For the quarter and year ended March 31, 2020
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2. The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

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

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W

Deepak
Kumar Rao

Digitally signed by Deepak Kumar Rao
DN: cn=Deepak Kumar Rao o=IN
or=Personal
Reason: I am the author of this
document
Location:
Date: 2020.05.27 16:06:06.30

Deepak Rao

Partner

Membership No.: 113292

UDIN: 20113292AAAAJT5720

Bangalore

May 27, 2020

UJJIVAN FINANCIAL SERVICES LIMITED
CIN No: L65999KA2004PLC035329
Regd Office : Grape Garden, No. 27, 3rd A Cross, 18th Main, Koramangala 6th Block, Bengaluru 560 095
Website: www.ujjivan.com

Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2020

(Rs. in lakhs, except per share data)

Sr. No.	Particulars	Quarter Ended			Year ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
		Audited (refer note 9 below)	Unaudited	Audited (refer note 9 below)	Audited	Audited
I	Revenue from operations:					
	- Preference dividend	-	-	1,100.00	1,100.00	2,200.00
II	Other Income	250.78	257.73	239.90	1,024.47	862.37
III	Total Income (I+II)	250.78	257.73	1,339.90	2,124.47	3,062.37
	Expenses					
	Employee benefits expenses	78.86	83.31	35.56	315.73	162.94
	Depreciation, amortization and impairment	0.57	0.58	0.51	2.25	1.99
	Other expenses	429.20	100.27	112.39	788.06	508.10
IV	Total Expenses	508.63	184.16	148.46	1,106.04	673.03
V	Profit before tax (III-IV)	(257.85)	73.57	1,191.44	1,018.43	2,389.34
	Tax Expense:					
	(i) Current tax	29.80	39.20	70.21	136.41	230.64
	(ii) Deferred tax charge / (credit)	(0.98)	(0.47)	(0.36)	(0.05)	0.40
VI	Total tax Expense	28.82	38.73	69.85	136.36	231.04
VII	Profit for the period / year (V-VI)	(286.67)	34.84	1,121.59	882.07	2,158.30
VIII	Other Comprehensive Income					
	(i) Items that will not be reclassified to profit or loss	(0.64)	(0.19)	0.73	(1.20)	(0.74)
	(ii) Income tax relating thereto	0.11	0.10	(0.26)	0.30	0.26
	Total other comprehensive loss for the period / year, net of tax	(0.53)	(0.09)	0.47	(0.90)	(0.48)
IX	Total Comprehensive Income for the period / year (VII+VIII)	(287.20)	34.75	1,122.06	881.17	2,157.82
X	Paid-up equity share capital (face value of Rs. 10 per share)	12,160.32	12,156.75	12,116.67	12,160.32	12,116.67
XI	Earnings per equity share*:					
	(1) Basic	(0.24)	0.03	0.93	0.73	1.78
	(2) Diluted	(0.24)	0.03	0.92	0.73	1.78
	*Earnings per share for the interim periods are not annualised					

Notes:

1. Statement of Audited Standalone Assets and Liabilities

Particulars	(Rs. in lakhs)	
	As at March 31, 2020	As at March 31, 2019
ASSETS		
Financial assets		
i. Cash and cash equivalents	96.48	121.05
ii. Bank balances other than (i) above	12,890.90	12,104.37
iii. Investments	1,67,630.98	1,66,618.46
Non - Financial assets		
i. Current tax assets (Net)	72.51	46.16
ii. Deferred tax assets (Net)	3.32	2.97
iii. Property, plant and equipment	3.41	4.96
iv. Other non-financial assets	36.92	23.75
Total assets	1,80,734.52	1,78,921.72
LIABILITIES AND EQUITY		
Liabilities		
Financial liabilities		
i. Payables		
Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	12.07	17.45
Non Financial liabilities		
i. Current tax liabilities (Net)	15.31	15.31
ii. Provisions	12.52	9.62
iii. Other non-financial liabilities	104.60	102.54
Total liabilities	144.50	144.92
Equity		
Equity Share Capital	12,160.32	12,116.67
Other equity	1,68,429.70	1,66,660.13
Total equity	1,80,590.02	1,78,776.80
Total Liabilities and Equity	1,80,734.52	1,78,921.72



UJJIVAN FINANCIAL SERVICES LIMITED
CIN No: L65999KA2004PLC035329
Regd Office : Grape Garden, No. 27, 3rd A Cross, 18th Main, Koramangala 6th Block, Bengaluru 560 095
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Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2020

2. Statement of Audited Standalone Cash Flow

Particulars	(Rs. in lakhs)	
	For the Year Ended	
	March 31, 2020	March 31, 2019
Cash Flows from Operating Activities		
Profit before tax	1,018.43	2,389.34
Adjustments for:		
Depreciation, amortization and impairment	2.25	1.99
Profit on Sale of Mutual funds	(0.07)	(68.90)
Share Based Payments	13.61	(41.99)
Investment written off	-	0.10
Interest on fixed deposits	(1,024.40)	(793.46)
Operating cash flows before Working capital changes	9.82	1,487.08
Changes in working capital:		
Financial Assets/ Liabilities		
(Increase) / Decrease in Other Financial assets	-	17.26
Increase / (Decrease) in Trade Payable	(5.38)	8.17
Non Financial Assets/ Liabilities		
(Increase) / Decrease in Other Assets	(13.17)	(9.68)
Increase / (Decrease) in Provisions	1.70	(1.08)
Increase / (Decrease) in Other Non Financial liabilities	2.06	(3.61)
Cash flow used in operations	(4.97)	1,498.14
Net Tax (paid) / Refunds received	(162.76)	(202.67)
Net Cash generated from / (used in) Operating activities (A)	(167.73)	1,295.47
Cash flows from Investing activities		
Purchase of Mutual fund units	-	(3,330.00)
Sale proceeds of Mutual fund units	0.07	3,398.90
Maturity proceeds from Fixed deposit	12,420.00	24,656.78
Placement of Fixed deposits	(12,955.00)	(36,676.81)
Purchase of Fixed Assets	(0.71)	(3.87)
Interest on Fixed deposits received	772.88	709.09
Net Cash (used in)/generated from Investing activities (B)	237.24	(11,245.91)
Cash flows from Financing activities		
Proceeds from share application money (net)	458.58	333.20
Dividend Paid	(546.22)	(1,634.78)
Dividend Tax Paid	(6.44)	(118.78)
Net Cash (used in)/ generated from Financing activities (C)	(94.08)	(1,420.36)
Net increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	(24.57)	(11,370.80)
Cash and cash equivalents at the beginning of the year	121.05	11,491.85
Cash & Cash equivalents at the end of the year (Closing)	96.48	121.05

Notes:

- Pursuant to compliance with the listing condition specified in the banking license issued by the Reserve Bank of India ("RBI"), during the year ended March 31, 2020, 'Ujjivan Small Finance Bank Limited' ("USFB"), the subsidiary of 'Ujjivan Financial Services Limited' ("UFSL") got listed. USFB has successfully raised equity capital of Rs. 995.94 crores through Initial Public Offer (IPO) by issuing 27,41,31,272 equity shares of Rs. 10 each including pre IPO private placement of Rs. 250 crores by issuing 7,14,28,570 equity shares of Rs. 10 each at premium ranging from Rs. 25 to Rs. 27. The equity shares of USFB got listed on December 12, 2019 on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). After the aforesaid equity raised by USFB, the shareholding of UFSL in USFB is diluted to 83.32% as on March 31, 2020.
- The above financial results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on May 27, 2020 in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The financial results for the quarter and year ended March 31, 2020 have been subjected to audit by the statutory auditors and the report thereon is unmodified.
- The Company has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2020 and March 31, 2019.
- Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM") of the Company. The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Managing Director and CEO of the Company. The Company being a NBFC-ND-SI-CIC (Core Investment Company) registered with the RBI under section 45-IA of the Reserve Bank of India Act, 1934, operates only in one Business Segment, accordingly it does not have any reportable Segments as per Indian Accounting Standard 108 "Operating Segments".
- The Company, during the year ended March 31, 2020, has allotted 436,529 equity shares of Rs 10 each, fully paid-up, on exercise of options by employees of its subsidiary, in accordance with the Company's employee stock option schemes.
- Effective April 01, 2019, the Company has assessed the applicability of the Ind-AS 116 "Leases" to its leasing arrangements, and concluded that the leasing arrangements are eligible for recognition exemptions granted therein which company taken. Hence, there is no impact on account of Ind AS 116 on the financial results for the year ended March 31, 2020.



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Statement of Audited Standalone Financial Results for the quarter and year ended March 31, 2020

- 9 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.
- 10 The Board of Directors has proposed a final dividend at the rate of ₹0.80 per share (8.00%) for the FY 2019-20. The final dividend will be subject to the approval by the members at the ensuing Annual General Meeting ("AGM").
- 11 The Company with approval of Board of Directors has appointed Mr. Samit Ghosh, the Ex-CEO & MD of the Company, as Non-Executive Director with effect from April 1, 2020. The Company has ensured all the regulatory and statutory compliance in this regard.
- 12 The SARS- CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 46 days up till May 31, 2020 across the country to contain the spread of the virus. The Company is a CIC-NBFC and has investment which comprises Investment made in subsidiary, Ujjivan Small Finance Bank Limited ("the Bank"). Numerous government and companies, including our subsidiary, have introduced a variety of measures to contain the spread of virus.
- Further, in accordance with the RBI guidelines relating to 'COVID-19 Regulatory Package' dated March 27, 2020 and April 17, 2020, the Bank has granted a moratorium of three months on the payment of all instalments and / or interest, as applicable, to all eligible borrowers. This will be further extended based on the latest RBI guidelines dated May 22, 2020.
- The extent to which the COVID-19 pandemic will impact the Bank's results will depend on future developments, which are incapable of assessment at this point in time, including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Bank.
- During this period of lockdown, the Company has implemented work from home in respect of all its employees in a secure IT environment and as complied with all statutory and regulatory reporting requirements.
- There is no material impact of COVID-19 on the Company other than the fall in the market value of its investment in Bank. The Company has adequate liquidity and resources to service its obligations in the near future.
- Consequently, the impact on the carrying value of Investment in subsidiary in the books of the Company will depend on the future developments which the Company is unable to assess currently.
- 13 Previous period / year figures have been reclassified / re-grouped, wherever necessary, to confirm with current period classification / grouping.

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

ITIRA POONOLLIL
DAVIS

Itira Davis
Managing Director & CEO
DIN:06442816

Place: Bengaluru
Date: May 27, 2020



Independent Auditor's Report

To the Board of Directors of Ujjivan Financial Services Limited

Report on the Audit of Consolidated Financial Results

Opinion

We have audited the accompanying consolidated annual financial results of **Ujjivan Financial Services Limited** (hereinafter referred to as the 'Holding Company') and its subsidiary (Holding Company and its subsidiary together referred to as "the Group") for the quarter and year ended March 31, 2020, ('the Statement') attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of report of other auditor on separate audited financial statements of the subsidiary the aforesaid Statement:

- (i) include the annual financial results of the following entity

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

- (ii) are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
- (iii) give a true and fair view in conformity with the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group for the year ended March 31, 2020.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Results section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics.

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

Ujjivan Financial Services Limited
Independent Auditors' Report on Consolidated
Financial Results For the quarter and year ended
March 31, 2020
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Emphasis of Matter

We draw attention to Note 12 to the consolidated financial results, which states the extent to which the SARS-Cov-2 virus responsible for the COVID-19 Pandemic will impact the subsidiary's financial results. Consequentially, the impact will depend on the future developments and which the subsidiary is unable to assess currently.

Our opinion is not modified in respect of this matter.

Board of Directors' Responsibilities for the Consolidated Financial Results

These Statement have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of this Statement that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group in accordance with the Indian Accounting Standards prescribed under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Statement that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Statement by the Directors of the Holding Company, as aforesaid.

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

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

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

Our objectives are to obtain reasonable assurance about whether the Statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this Statement.

Ujjivan Financial Services Limited
Independent Auditors' Report on Consolidated
Financial Results For the quarter and year ended
March 31, 2020
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As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
- Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Statement or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Statement, including the disclosures, and whether the Statement represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the Statement. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Statement of which we are the independent auditors. For the other entities included in the Statement, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the Statement of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



& Associates

Chartered Accountants

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Prestige Khoday Tower Raj
Bhavan Road Bengaluru
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6815 0000

Ujjivan Financial Services Limited
Independent Auditors' Report on Consolidated
Financial Results For the quarter and year ended
March 31, 2020
Page 4 of 4

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 as amended, to the extent applicable.

Other Matters

- a) The Statement include the audited Financial Results of one subsidiary whose financial information reflect Group's share of total assets of Rs. 18,70,896 lakhs as at March 31, 2020, Group's share of total revenue of Rs. 80,520 lakhs and Rs. 2,96,937 lakhs and Group's share of total net profit after tax of Rs. 8,029 lakhs and Rs. 30,084 lakhs for the quarter and year ended March 31, 2020 respectively, as considered in the Statement, which have been audited by their respective independent auditors. The independent auditors' reports on financial information of these entities have been furnished to us and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the report of such auditors and the procedures performed by us are as stated in paragraph above.

Our opinion on the Statement is not modified in respect of the above matter.

- b) The consolidated financial statements of the Group for the year ended March 31, 2019, were audited by another auditor whose report dated May 30, 2019 expressed an unmodified opinion on those statements.
- c) The Statement include the results for the quarter ended March 31, 2020 being the balancing figure between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

Our opinion on the Statement is not modified in respect of above matter stated in b and c above.

For MSKA & Associates

Chartered Accountants

ICAI Firm Registration No.105047W

Deepak
Kumar Rao

Digitally signed by Deepak Kumar Rao
DN: cn=Deepak Kumar Rao o=MSKA
Reason: I am the author of this document
Location:
Date: 2020-05-27 16:05+05:30

Deepak Rao

Partner

Membership No.: 113292

UDIN: 20113292AAAAJU1964

Bengaluru

May 27, 2020

UJJIVAN FINANCIAL SERVICES LIMITED
CIN No: L65999KA2004PLC035329
Regd Office : Grape Garden, No. 27, 3rd A Cross, 18th Main, Koramangala 6th Block, Bengaluru 560 095
Website: www.ujjivan.com

Statement of Audited Consolidated Financial Results for the quarter and year ended March 31, 2020

(Rs. in lakhs, except per share data)					
Sr. No.	Particulars	Quarter Ended		Year Ended	
		March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020
		Audited (refer note 11)	Unaudited	Audited (refer note 11)	Audited
I	Revenue from operations				
	Interest Income	77,327.60	73,433.57	55,904.21	2,81,363.99
	Fees and Commission Income (Includes Revenue from contracts with customers)	1,278.76	1,197.95	1,004.63	4,472.37
	Net gain on derecognition of financial instruments at amortised cost	42.39	21.06	2.20	139.92
		78,648.75	74,652.58	56,911.04	2,85,976.28
II	Other Income	1,871.73	1,818.81	2,090.40	10,961.47
III	Total Income (I+II)	80,520.48	76,471.39	59,001.44	2,96,937.75
	Expenses				
	Finance Costs	29,022.12	28,843.94	21,649.26	1,11,491.69
	Impairment on Financial Instruments	9,046.01	3,260.53	2,658.40	17,446.33
	Employee benefits Expenses	18,867.13	19,992.90	15,700.61	73,470.91
	Depreciation, amortization and impairment	5,864.77	3,674.54	1,670.39	16,599.34
	Other expenses	8,123.78	10,697.17	12,972.60	36,338.57
IV	Total expenses	70,923.81	66,469.08	54,651.26	2,55,346.84
V	Profit before tax (III-IV)	9,596.67	10,002.31	4,350.18	41,590.91
	Tax expense:				
	(i) Current tax	1,097.96	3,440.74	823.04	11,575.63
	(ii) Deferred tax charge / (credit)	756.18	(935.51)	(787.80)	149.41
VI	Total tax expense	1,854.14	2,505.23	35.24	11,725.04
VII	Profit for the period / year (V-VI)	7,742.53	7,497.08	4,314.94	29,865.87
VIII	Other Comprehensive Income				
	(i) Items that will not be reclassified to profit or loss	(24.70)	(116.90)	(11.41)	(375.76)
	(ii) Income tax relating thereto	6.22	29.42	3.98	94.57
	Total other comprehensive loss for the period / year, net of tax	(18.48)	(87.48)	(7.43)	(281.19)
IX	Total Comprehensive Income for the period / year (VII+VIII)	7,724.05	7,409.60	4,307.51	29,584.68
	Net Profit attributable to:				
	Owners	6,403.68	7,199.48	4,314.94	28,229.44
	Non-controlling interests	1,338.85	297.58	-	1,636.43
	Other Comprehensive Income attributable to:				
	Owners	(15.45)	(83.99)	(7.43)	(274.67)
	Non-controlling interests	(3.03)	(3.49)	-	(6.52)
	Total Comprehensive Income attributable to:				
	Owners	6,388.23	7,115.51	4,307.51	27,954.77
	Non-controlling interests	1,335.82	294.09	-	1,629.91
X	Paid-up equity share capital (face value of Rs. 10 per share)	12,160.32	12,156.75	12,116.67	12,160.32
XI	Earnings per equity share*:				
	(1) Basic	5.27	5.92	3.57	23.25
	(2) Diluted	5.26	5.92	3.55	23.21
*Earnings per share for the interim periods are not annualised					

Notes:

1. Statement of Audited Consolidated Assets and Liabilities

Particulars	(Rs. in lakhs)	
	March 31, 2020	March 31, 2019
ASSETS		
Financial Assets		
Cash and cash equivalents	1,33,985.82	1,07,883.37
Bank balances other than above	456.66	1,842.03
Loans	13,93,373.30	10,93,053.07
Investments	2,42,920.30	1,54,781.09
Other financial assets	3,068.80	2,461.88
Non Financial Assets		
Current tax assets (net)	352.01	614.42
Deferred tax assets (net)	8,920.54	7,589.59
Property, plant And equipment	20,247.28	20,714.66
Right of use asset	51,897.13	-
Capital work-in-progress	2,062.61	210.26
Other intangible assets	7,742.10	7,524.99
Other non financial assets	6,081.06	5,913.72
Total assets	18,71,107.61	14,02,589.08



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Liabilities And Equity		
Liabilities		
Financial Liabilities		
Derivative Financial Instruments		
Payables		
(a) Trade Payables		
- Total outstanding dues of micro enterprises and small enterprises	-	-
- Total outstanding dues of creditors other than micro enterprises and small enterprises	6,405.39	4,431.55
Debt Securities	-	10,000.00
Borrowings (Other than Debt Securities)	3,95,261.60	4,43,300.49
Deposits	10,65,558.82	7,25,918.15
Lease Liability	59,547.99	-
Subordinated Liabilities	-	5,000.00
Other Financial Liabilities	19,267.66	20,062.58
Non Financial Liabilities		
Current Tax Liabilities	15.31	15.31
Provisions	4,678.39	3,390.74
Other Non Financial Liabilities	3,290.29	2,702.04
Total Liabilities	15,54,025.45	12,14,820.86
Equity		
Equity Share Capital	12,160.32	12,116.67
Other equity	2,71,802.11	1,75,651.55
Total equity	2,83,962.43	1,87,768.22
Non-Controlling Interests	33,119.73	-
Total Liabilities and Equity	18,71,107.61	14,02,589.08

2. Statement of Audited Consolidated Cash Flow

Particulars	(Rs. in lakhs)	
	For the Year Ended	March 31, 2019
Cash Flow from Operating Activities		
Net Profit before tax	41,590.91	20,409.86
Adjustments for :		
Depreciation, amortization and impairment	16,599.34	6,061.76
Loss on sale of Fixed Asset	(128.04)	114.29
Profit on Sale of Mutual Funds	(0.07)	(68.90)
Fixed Assets Written off (including claims written off)	8.80	1.41
Investment written off	-	0.10
Share Based Payments	3,977.63	1,468.24
Provision for Advances & Investment	17,446.33	6,576.29
Interest income	-	(313.13)
Operating cash flows before Working Capital changes	79,494.90	34,249.92
Adjustments for :		
Financial Assets / Liabilities		
(Increase)/Decrease in Loans	(3,17,749.37)	(3,67,367.63)
(Increase)/Decrease in Other Bank Balances	1,385.37	1,850.22
(Increase)/Decrease in Other Financial Assets	(746.38)	(835.01)
Increase/ (Decrease) in Trade Payable	1,973.84	1,933.03
Increase/ (Decrease) in Other Financial Liabilities	(794.92)	10,782.47
Non Financial Assets / Liabilities		
(Increase)/Decrease in Other Assets	(167.34)	(2,637.15)
Increase/ (Decrease) in Provisions	911.89	861.93
Increase/ (Decrease) in Other Liabilities	588.25	500.19
Cash generated from / (used in) Operations	(2,35,103.76)	(3,20,662.03)
Net Tax (paid)/Refunds received	(11,313.22)	(4,088.33)
Net Cash generated from/(used) in Operating Activities (A)	(2,46,416.98)	(3,24,750.36)
Cash Flow from Investing Activities		
Purchase of Mutual funds	-	(3,330.00)
Sale proceeds of Mutual funds	-	3,398.90
Sale / (purchase) of Investments (Net)	(88,156.40)	(30,372.87)
Proceeds from sale of Fixed Assets	61.29	114.52
Purchase of Fixed Assets including WIP	(20,605.40)	(14,904.31)
Interest on fixed deposits received	-	313.13
Net Cash generated from / (used) in Investing Activities (B)	(1,08,700.51)	(44,780.63)
Cash Flow from Financing Activities		
Proceeds from share application money (Net)	458.58	333.21
Debt Securities Repaid during the year	(10,000.00)	(50,000.00)
Redemption of Subordinated Liabilities	(5,000.00)	-
Increase in Deposits (Net)	3,39,640.67	3,48,653.77
Consideration received on dilution of stake in subsidiary	1,00,192.34	-
Dividend Paid	(546.22)	(1,634.78)
Dividend Tax Paid	(232.55)	(571.00)
Payment of Lease Liability	4,746.01	-
Increase/(decrease) in Borrowings (Net)	(48,038.89)	1,23,015.99
Net Cash generated from/(used) in Financing Activities (C)	3,81,219.94	4,19,797.19
Net Increase/(decrease) in Cash and Cash Equivalents (A+B+C)	26,102.45	50,266.20
Cash and Cash Equivalents at the beginning of the year	1,07,883.37	57,617.17
Cash and Cash Equivalents at the end of the year	1,33,985.82	1,07,883.37



Notes:

- 3 Pursuant to compliance with the listing condition specified in the banking license issued by the Reserve Bank of India ("RBI"), during the year ended March 31, 2020, 'Ujjivan Small Finance Bank Limited' ("USFB"), the subsidiary of 'Ujjivan Financial Services Limited' ("UFSL") got listed. USFB has successfully raised equity capital of Rs. 995.94 crores through Initial Public Offer (IPO) by issuing 27,41,31,272 equity shares of Rs. 10 each including pre IPO private placement of Rs. 250 crores by issuing 7,14,28,570 equity shares of Rs. 10 each at premium ranging from Rs. 25 to Rs. 27. The equity shares of USFB got listed on December 12, 2019 on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE). After the aforesaid equity raised by USFB, the shareholding of UFSL in USFB is diluted to 83.32% as on March 31, 2020.
- 4 The aforesaid consolidated financial results have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on May 27, 2020 in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These financial results have been prepared in accordance with the recognition and measurement principles, prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other recognized accounting principles generally accepted in India. It has applied its significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2020 and March 31, 2019. The above results for the quarter and year ended March 31, 2020 have been subjected to an audit by the auditors of the Company.
- 5 The financial results of USFB, as published on May 19, 2020, were prepared in accordance with the Banking Regulation Act, 1949, generally accepted accounting principles in India, including Accounting Standards as prescribed under section 133 of the Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 and the guidelines issued by RBI. For the purpose of preparing the aforesaid audited consolidated financial results, these standalone results of USFB have been restated to comply with the recognition and measurement principles as referred to in paragraph 4 above.
- 6 Segment wise Revenue, Results and Capital employed for audited consolidated financial results under Regulation 33 of the Listing Regulations, 2015

Particulars	Quarter ended			Year ended	
	March 31, 2020	December 31, 2019	March 31, 2019	March 31, 2020	March 31, 2019
Segment Revenue					
a. Banking	80,520.48	76,471.39	59,001.44	2,96,937.75	2,00,980.41
b. Others*	-	-	-	-	382.04
Total Revenue	80,520.48	76,471.39	59,001.44	2,96,937.75	2,01,362.45
Segment Results					
a. Banking	10,105.30	10,186.46	4,498.64	42,696.88	20,118.87
b. Others*	(508.63)	(184.15)	(148.46)	(1,105.97)	290.99
Profit before tax	9,596.67	10,002.31	4,350.18	41,590.91	20,409.86
Segment Assets					
a. Banking	18,70,895.98	17,56,885.21	14,02,440.22	18,70,895.98	14,02,440.22
b. Others*	211.63	306.12	148.86	211.63	148.86
Total	18,71,107.61	17,57,191.33	14,02,589.08	18,71,107.61	14,02,589.08
Segment Liabilities					
a. Banking	15,53,880.95	14,47,249.43	12,14,675.94	15,53,880.95	12,14,675.94
b. Others*	144.50	133.20	144.92	144.50	144.92
Total	15,54,025.45	14,47,382.63	12,14,820.86	15,54,025.45	12,14,820.86
Capital Employed (Segment Assets less Segment Liabilities)					
a. Banking	3,17,015.03	3,09,635.78	1,87,764.28	3,17,015.03	1,87,764.28
b. Others*	67.13	172.92	3.94	67.13	3.94
Total	3,17,082.16	3,09,808.70	1,87,768.22	3,17,082.16	1,87,768.22

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

*Others include NBFC Operations of the Group.

- 7 The holding company, during the year ended March 31, 2020, has allotted 436,529 equity shares of Rs 10 each, fully paid-up, on exercise of options by employees of its subsidiary, in accordance with the Company's employee stock option schemes.
- 8 Effective April 01, 2019, the Group has adopted Ind AS 116 "Leases", applied to all lease contracts existing on April 01, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings, on the date of initial application. The transition to the new standard resulted in recognition of a Right-of-Use asset (ROU) of Rs. 49,244.86 lakhs, a Net investment in sub-lease of ROU asset of Rs. 50.91 lakhs and a lease liability of Rs. 54,801.98 lakhs. The cumulative effect of applying the standard resulted in Rs 4,120.41 lakhs being debited to retained earnings, net of taxes. For the year ended March 31, 2020, Rs. 1,529.75 lakhs, net of taxes has been debited to Profit and Loss as an impact of applied standard.
- 9 The Board of Directors has proposed a final dividend at the rate of ₹0.80 per share (8.00%) for the FY 2019-20. The final dividend will be subject to the approval by the members at the ensuing Annual General Meeting ("AGM").
- 10 The Company with approval of Board of Directors has appointed Mr. Samit Ghosh, the Ex-CEO & MD of the Company, as Non-Executive Director with effect from April 1, 2020. The Company has ensured all the regulatory and statutory compliance in this regard.
- 11 The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of the third quarter of the respective financial year.



UJJIVAN FINANCIAL SERVICES LIMITED

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- 12 The SARS- CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 46 days up till May 31, 2020 across the country to contain the spread of the virus. Numerous government and companies, including our subsidiary, Ujjivan Small Finance Bank Limited ('the Bank'), have introduced a variety of measures to contain the spread of virus.

Further, in accordance with the RBI guidelines relating to 'COVID-19 Regulatory Package' dated March 27, 2020 and April 17, 2020, the Bank has granted a moratorium of three months on the payment of all instalments and / or interest, as applicable, to all eligible borrowers. This will be further extended based on the latest RBI guidelines of May 22, 2020. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period (i.e., the number of days past-due shall exclude the moratorium period for the purposes of asset classification under the Income Recognition, Asset Classification and Provisioning Norms). The Bank's results were declared on May 19, 2020 and has made total provision of Rs. 7,000.00 lakhs for COVID-19 as on March 31, 2020 out of which Rs. 4,897.00 lakhs is in respect of accounts in default but standard against the potential impact of COVID-19. The provisions held by Bank are in excess of the RBI norms.

During this period of lockdown, the Company has implemented work from home in respect of all its employees in a secure IT environment and as complied with all statutory and regulatory reporting requirements.

The extent to which the COVID-19 pandemic will impact the subsidiary's results will depend on future developments and which the Group is unable to assess currently, including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the subsidiary.

- 13 Previous period / year figures have been reclassified / re-grouped, wherever necessary, to confirm with current period classification / grouping.

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

ITTIRA
POONOLLIL
DAVIS

Ittira Davis
Managing Director & CEO
DIN:06442816



Bengaluru
May 27, 2020

COVID-19 Pandemic and related developments - Update

The SARS- CoV-2 virus responsible for COVID-19 continues to spread across the globe and India, which has contributed to a significant decline and volatility in global and Indian financial markets and a significant decrease in global and local economic activities. On March 11, 2020, the COVID-19 outbreak was declared a global pandemic by the World Health Organization. On March 24, 2020, the Indian government announced a strict 21-day lockdown which was further extended by 46 days up till May 31, 2020 across the country. As a holding company characterised as a CIC-NBFC, our balance sheet is substantively the investment in our subsidiary the Ujjivan Small Finance bank ("USFB or the Bank). Numerous companies, including our subsidiary, have introduced a variety of measures to contain the spread of virus. More details are available in the documents that have been sent by USFB to NSE and BSE on May 19, 2020 and in the transcript of the Analysts & Investor Presentation held on May 19, 2020. These have also available on the USFB website.

The key developments/ measures taken in view of COVID-19 related situation include:

- As pre-lock down measures, the Bank proactively kicked off Business Continuity Plan well before nationwide lockdown begun and formed focused Quick Response Teams (QRT) to take critical areas like human resources, customer care, operations, IT & infrastructure, liquidity and cost management.
- During the lockdown period most of the Bank's branches are being run with skeleton staff. The work from home (WFH) policy at the Corporate and Regional offices has ensured availability of all critical infrastructure. IT security controls were augmented to curb any gaps and potential threats in the WFH arrangements.
- In accordance with the RBI guidelines relating to 'COVID-19 Regulatory Package' dated March 27, 2020 and April 17, 2020, the Bank has granted a moratorium of three months on the payment of all instalments and / or interest, as applicable, to all eligible borrowers. This will be further extended based on the RBI guidelines of May 22, 2020.
- The Bank has made a special COVID-19 related provision in the financials for the year ended March 31, 2020. The normal provisions held by the Bank are in excess of the RBI norms.
- On capital adequacy, the Bank has a comfortable CRAR of ~28% with a major proportion in the form of Tier I Capital.

Our expectation is for resumption of economic activity in phases as indicated by the authorities and a gradual return of normalcy over the next few months. Key observations are:

- (i) Even as the lockdown measures are eased, the Bank envisages restrictions being prescribed / warranted with respect movement of people and this may lead to the consumer sentiment taking a few months to adjust / fully recover;
- (ii) The Bank has resumed business based on location specific data and insights and continues to focus on providing the essential services through the branches operating with skeletal staff, maintaining social distancing norms and the necessary precautionary measures to contain the spread of the infection. As of the date of this report, the Bank has also resumed work from the Corporate and Regional offices with 33% of manpower capacity and the implementation of strict safety measures.
- (iii) The Bank is maintaining a liquidity buffer for unforeseen contingencies in the coming months. The surplus is being deployed in reverse repos, term lending and liquid funds. Surplus SLR is also being built to reduce the negative carry and ensure enough liquidity for repos and TLTRO transactions. The Bank is also exploring Securitization and IBPC transactions in addition to term loan facilities from banks and available lines of refinance from NABARD, SIDBI and NHB and medium term line of credit from these DFIs.



The extent to which the COVID-19 pandemic will impact the Bank's results will depend of future developments, which are incapable of assessment at this point in time, including among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Bank.

On the Holding Company there is no material impact of COVID-19 other than the fall in the market value of its investment in USFB. Although the distribution of dividend will be guided by the performance of the Bank and regulatory guidance as forthcoming to Banks from the Reserve bank of India, the Holding Company has adequate liquidity and resources to service its obligations in the near future. Considering the dynamic nature of the pandemic situation and its future developments, there will continue to be uncertainty on the carrying value of Investment of the Company in UFSB.

