

UJJIVAN/SE/2016-17/15

July 29, 2016

**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: Approval of Un-audited Financial Results for the Quarter ended June 30, 2016**

Please refer to our letter dated July 22, 2016, wherein we have intimated about the convening of the meeting of the Board of Directors on July 29, 2016 to approve inter alia the Un-audited Financial Results for the Quarter ended June 30, 2016.

In connection therewith, please note that the Board in its meeting held today July 29, 2016 (meeting commenced at 11:00 AM and concluded at 02:30 PM) has approved the Un-audited Financial Results (subjected to Limited Review by the Auditors) for the Quarter ended June 30, 2016.

A copy of the Un-audited Financial Results and Limited Review Report issued by the Statutory Auditors and the press release with regard to the above financial results are enclosed herewith.

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

Enclosure: as above



**Ujjivan Financial Services Limited**

**Registered Office:** Grape Garden, No. 27, 3<sup>rd</sup> 'A' Cross, 18th Main, 6th Block, Koramangala, Bengaluru 560 095  
Tel +91 80 4071 2121, Fax +91 80 4146 8700, CIN: U65999KA2004PLC035329, E-mail ID: [ujjivan.blr@ujjivan.com](mailto:ujjivan.blr@ujjivan.com)

[www.ujjivan.com](http://www.ujjivan.com)

**INDEPENDENT AUDITORS' REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS**

**TO THE BOARD OF DIRECTORS OF UJJIVAN FINANCIAL SERVICES LIMITED**  
**(Formerly Ujjivan Financial Services Private Limited)**

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **UJJIVAN FINANCIAL SERVICES LIMITED (Formerly Ujjivan Financial Services Private Limited)** ("the Company") for the Quarter ended June 30, 2016 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.
3. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**For DELOITTE HASKINS & SELLS**

Chartered Accountants  
(Firm's Registration No. 008072S)



**S. Sundaresan**  
Partner

(Membership No. 25776)

**BENGALURU, July 29, 2016**



**UJJIVAN FINANCIAL SERVICES LIMITED**  
(Formerly Ujjivan Financial Services Private Limited)

CIN No: U65999KA2004PLC035329

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

Website: www.ujjivan.com

Unaudited Financial Results for the quarter ended June 30, 2016

(Rs in Lakhs)

Sl No	Particulars	Quarter ended			Year ended
		June 30, 2016 Unaudited	June 30, 2015 Unaudited	March 31, 2016 Audited	March 31, 2016 Audited
1	<b>Income from Operations (a)+(b)+(c)</b>	<b>32,168.21</b>	<b>20,784.72</b>	<b>29,404.78</b>	<b>100,725.07</b>
(a)	Interest on loans	29,115.34	19,273.65	26,922.23	93,096.42
(b)	Loan processing fees	2,018.11	1,327.07	2,237.19	7,080.86
(c)	Other financial services	1,034.76	184.00	245.36	547.79
2	Other income	763.39	1,102.40	392.28	2,035.99
3	<b>Total Income (1+2)</b>	<b>32,931.60</b>	<b>21,887.12</b>	<b>29,797.06</b>	<b>102,761.06</b>
4	Finance cost	12,040.18	9,621.58	11,794.52	42,349.99
5	<b>Operating Expenses (i)+(ii)+(iii)</b>	<b>9,455.78</b>	<b>6,623.64</b>	<b>8,747.65</b>	<b>30,684.98</b>
(i)	Employee cost	5,987.37	4,450.02	5,379.33	19,665.07
(ii)	Depreciation/Amortisation	221.74	174.12	208.95	802.45
(iii)	Other operating expenses	3,246.67	1,999.50	3,159.37	10,217.46
6	<b>Total expenditure (4+5) excluding Provisions and Contingencies</b>	<b>21,495.96</b>	<b>16,245.22</b>	<b>20,542.17</b>	<b>73,034.97</b>
7	Operating Profit before provisions and contingencies (3-6)	11,435.64	5,641.90	9,254.89	29,726.09
8	Provisions (other than tax) and contingencies	624.81	351.06	824.27	2,527.23
9	Exceptional items	-	-	-	-
10	Profit from ordinary activities before tax (7-8-9)	10,810.83	5,290.84	8,430.62	27,198.86
11	Tax expense	3,674.17	1,766.76	2,939.36	9,476.98
12	<b>Net Profit from ordinary activities after tax (10-11)</b>	<b>7,136.66</b>	<b>3,524.08</b>	<b>5,491.26</b>	<b>17,721.88</b>
13	Extraordinary item (net of tax expense)	-	-	-	-
14	<b>Net Profit for the period (12-13)</b>	<b>7,136.66</b>	<b>3,524.08</b>	<b>5,491.26</b>	<b>17,721.88</b>
15	Paid-up equity share capital (Face value of the Share is Rs.10 each)	11,824.13	8,613.30	10,118.60	10,118.60
16	Reserve excluding Revaluation Reserves (as per Balance Sheet)				109,657.14
17	Earnings Per Share (EPS)				
	Basic (Rs)	6.39	5.23	6.23	20.12
	Diluted (Rs)	6.16	4.94	5.95	19.19

**Notes:**

- The unaudited financial results for the quarter ended June 30, 2016 have been reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on July 29, 2016 in accordance with Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- The Statutory Auditors have carried out the Limited review of the results for the quarter ended June 30, 2016.
- The Company is primarily engaged in the business of Microfinance. All the activities of the Company revolve around the main business, as such there are no separate reportable segments as per AS 17 on 'Segment Reporting'.
- EPS for the quarter is not annualised.

- The company has issued and allotted 17,055,277 shares at Rs.10 each at a premium of Rs.200 per share by way of Initial Public Offer (IPO) on May 6, 2016. The shares of the company have been listed in National Stock Exchange and Bombay Stock Exchange subsequent to the IPO on May 10, 2016.

**Utilisation of IPO proceeds**

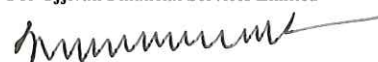
(Rs in Lakhs)

Particulars	Amount
Gross proceeds of IPO issue - A	35,816.08
Less: Public issue expenses* - B	2,068.48
Net proceeds from Public issue - C = (A-B)	33,747.60
Less: Amounts utilised for the purpose received - D	26,447.60
<b>Balance temporarily invested in Fixed Deposits with Banks - E = (C-D)</b>	<b>7,300.00</b>

\*As on June 30, 2016 an amount of Rs. 1,263.36 lakhs has been incurred

- In accordance with the Company's plan to establish a Small Finance Bank pursuant to the RBI approvals, the Company has formed a 100% subsidiary called Ujjivan Small Finance Bank Limited on July 4, 2016 having its registered office in Delhi.
- The figures of the quarter ended March 31, 2016 represents the difference between the audited figures in respect of the full financial year upto March 31, 2016 and year-to-date figures up to December 31, 2015.
- Figures for the previous periods have been regrouped/reclassified, wherever necessary to correspond with the current period classification/disclosure.

For Ujjivan Financial Services Limited



Samit Ghosh  
Managing Director

Place: Bengaluru

Date: 29/7/16



## **Ujjivan Financial Services Q1-FY17 Net Profit grows by 102.51 % (YoY)**

- 🌱 Long term bank rating upgraded by CARE & ICRA to A+ and short term rating upgraded by ICRA to A+
- 🌱 We are now the 3<sup>rd</sup> Best Place to Work in India as per the survey conducted by the Great Place to Work Institute in coordination with the Economic Times.

**Bengaluru, July 29, 2016: Ujjivan Financial Services Ltd.** [BSE: 539874; NSE: UJJIVAN], one of the leading providers of microfinance in India, today announced their financial performance for the quarter ended June 30, 2016.

### **Summary of Financial Performance:**

- 🌱 Net Profit at ₹71.37 crore; a jump of 102.51% over Q1-FY16 and 29.96% over Q4-FY16
- 🌱 Total Income at ₹329.32 crore, an increase of 50.46% over Q1-FY16 and 10.52% over Q4-FY16
- 🌱 Cost to Income ratio at 45.60% from 54.27% in Q1-FY16 and 48.77% Q4-FY16
- 🌱 Operating Expense ratio decreased to 7.22% from 7.98% in Q1-FY16 and 7.34% in Q4-FY16
- 🌱 EPS at ₹6.39; RoAA at 4.85% and RoAE at 20.27%

Commenting on the financial performance for the quarter ended June 30, 2016, **Mr. Samit Ghosh, Managing Director, Ujjivan Financial Services** said: *"We have been successful in improving the productivity and reducing the costs continuously. This has helped us in maintaining the growth momentum."*

He also mentioned - *"Our current focus is on the transition to an SFB. We have started with the implementation of multiple applications including core banking software, Finacle. We have on-boarded all the key senior level people and the hiring of other levels will be completed, soon. Training for the employees at various levels for the transition is in full swing."*

**Ms. Sudha Suresh, CFO** added, *"During the quarter, we maintained our focus on increasing our business in MSE and Housing segments. This has helped to increase the share of Individual Lending to 13.4% from 12.9% in Q4-FY16. We have maintained the weighted average borrowing rates at 11.6% during the quarter. With the further upgrade in credit ratings coupled with strong relations with banks/FIs, we look forward to further reduction in borrowing rates in the coming days"*



### Operating Highlights

- Gross Loan Book at ₹5,850.6 crore; growth of 66.5% over Q1-FY16 and 8.6% over Q4-FY16
- Managed Portfolio as on June 30, 2017 at ₹293.39 crore
- Net Loan Book at ₹5,557.48 crore, growth of 59.2% over Q1-FY16 and 9.73% over Q4-FY16
- Disbursement of ₹1,878.7 crore; an increase of 55.42% over Q1-FY16
- 2.28 lakh new borrowers added during the quarter; Total borrowers stands at 32.79 lakh
- NII at ₹172.05 crore, an increase of 76.93% over Q1-FY16 and 13.26% over Q4-FY16
- NIM at 12.96 % in Q1-FY17 increased from 11.59% in Q1-FY16 and 12.65% in Q4-FY16
- GNPA at 0.18% and NNPA at 0.04%

### About Ujjivan Financial Services Limited:

Ujjivan Financial Services, a leading microfinance institution (MFI), started operations in Bengaluru in 2005 and serves over 32.79 lakh active customers through 469 branches and 8,258 employees spread across 209 districts and 24 states in India. Ujjivan's Gross Loan Book stand at ₹5850.64 crore with a repayment rate of 99.78% as on June 30, 2016.

Ujjivan also runs a robust financial literacy program and community development & disaster relief programs for customers in collaboration with Parinaam Foundation which is a non-profit organization.

Web: [www.ujjivan.com](http://www.ujjivan.com) | Twitter: [UjjivanMFI](https://twitter.com/UjjivanMFI) | Facebook: [Ujjivanmicrofin](https://www.facebook.com/Ujjivanmicrofin)

### Safe Harbour:

*Some of the statements in this document that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.*

### For further information, please contact:

Ujjivan Financial Services	
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