USFB/CS/SE/2025-26/27

Date: June 03, 2025

To,

National Stock Exchange of India Limited
Listing Department
Exchange Plaza, C-1, Block G, Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

Symbol: UJJIVANSFB

BSE Limited
Listing Compliance
P.J. Tower,
Dalal Street, Fort,
Mumbai – 400 001

Scrip Code: 542904

Dear Sir/Madam,

Sub: Submission of Annual Report for the Financial Year 2024-25

This is to inform you that pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, we hereby submit the copy of the Annual Report for the Financial Year 2024-25 which inter alia includes the Notice of 9th Annual General Meeting of members of the Bank.

The copy of the aforesaid Annual Report shall be available on the website of the Bank at www.ujjivansfb.in.

This intimation shall also be available on the Bank's website at www.ujjivansfb.in.

We request you to take note of the above.

Thanking You,

Yours faithfully,
For UJJIVAN SMALL FINANCE BANK LIMITED

Sanjeev Barnwal Digitally signed by Sanjeev Barnwal
Date: 2025.06.03 19:09:04 +05'30'

Sanjeev Barnwal
Company Secretary and Head of Regulatory Framework

Encl: Annual Report for FY 2024-25

ujjivan
UJJIVAN SMALL FINANCE BANK

DRIVING **CHANGE** UNLOCKING **OPPORTUNITIES**

Annual Report 2024-25

Prelude

Driving Change, **Unlocking Opportunities.**

Bigger, Better, Bolder

In a major strategic shift, we have initiated a voluntary transition towards becoming a universal bank. This milestone in our journey, reflects our vision to grow as a comprehensive financial partner, thereby unlocking new opportunities through an integrated services approach. It enables us to broaden our product suite, strengthen deposit mobilisation and create lasting value for all stakeholders.

As we step into this next phase of evolution, we are further building confidently, on our strong foundation and resilient operating model. With a clear sense of purpose, we remain focused on expanding the reach of inclusive banking – creating tangible opportunities by **'Driving Change, Unlocking Opportunities'.**

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Disclaimer

"This Annual Report has been prepared in accordance with Applicable Laws, including applicable Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) regulations and may contain certain forward-looking statements which reflect Bank's current views and expectations based on available information. These are subject to risks, uncertainties and assumptions, and actual outcomes may differ significantly from those anticipated. The Bank does not undertake any obligation to revise or update any such forward looking statements, whether as a result of new information, future events or otherwise. The Annual Report is intended for general informational purposes only and should not be construed as financial, investment, legal or other professional advice and readers are advised to refer to official regulatory filings and consult professional advisors before making any decisions.

Chairman's Message

Steering Transformation, **Seizing Tomorrow.**

Dear Shareholders,

We are pleased to present our Annual Report for the Financial Year 2024-25.

In FY 2024-25, the global economy demonstrated resilience in the face of a variety of external pressures and challenges, ensuring that it remained stable. India's economic performance in the year FY 2024-25 reflects a phase of moderate, yet resilient growth- after having witnessed a robust expansion in the FY 2023-24. The GDP growth during the year was favourable at 6.5%, driven by tax cuts, which reduced Consumer Price Index (CPI) inflation to a six-year low of 4.6%. Private consumption during the year grew by 7.3% YoY in FY 2024-25, contributing 61.8% to GDP while investment grew by 6.4% YoY in FY 2024-25, reflecting steady investment trends.

Indian Banking Industry: Pillars of Economic Progress

India's banking sector stands as a pillar of the nation's economic progress, playing a vital role in mobilising capital, expanding credit access, and driving financial inclusion. While it continues to navigate challenges such as regulatory shifts, rising operational costs, and growing competition from fintech players, the sector is simultaneously embracing opportunities brought by digital innovation, structural reforms, and evolving customer needs. The Indian banking industry has been on an upward trajectory aided by strong economic growth, rising disposable incomes, increasing consumerism and easier access to credit.

Microfinance Regulatory Update and our shift towards Secured Book

During FY 2024-25, the persisting stress in the microfinance sector continued to weigh on the loan originations trends and asset quality. The contraction in growth arose on account of rising delinquencies, borrowers' over-leverage across lenders, collection difficulties, straining asset quality and thereby prompting cautious growth. While the Bank endorsed the need for the introduction of Karnataka Micro Loan and Small Loan (Prevention of Coercive Actions) Ordinance 2025, largely aimed at curbing unethical practices of usurious pricing and coercive means of recovery adopted by unregulated lenders, this is likely to impact the asset quality and growth trends for Regulated entities as well. While the preamble of the ordinance clarified that regulated MFI lenders would be excluded, the risk of misinterpretation by local governments to include even the regulated entities continues to exist. During the year, Self-Regulatory Organisations (SROs), especially Microfinance Institutions Network (MFIN), have taken early remedial actions through the introduction of necessary guardrails to lending practices which shall be applicable to all Microfinance entities. By January 1, 2025, the guardrails on loan amount capping at ₹ 2 Lakhs and minimum standards to delinquency status were made applicable. With effect from April 1, 2025, the three-lender capping has been made effective. While these corrective measures are expected to impact the sector in the short run, I am confident that these measures are a step in the right direction to improve the overall sector's resiliency. We observed some improvements/green shoots in the recent performance registered in the months of March-April 2025.

The shift in the Monetary Policy Committee (MPC) stance on interest rates from hawkish to dovish was a watershed moment in FY 2024-25. With inflation rates now under manageable levels, the rate-cut cycle commenced during the year, with further rate cuts anticipated in FY 2025-26. The Bank has adequately integrated the macro-economic shifts into its business strategy and profitability assessments. The reduction in risk weights by the Regulator for consumer credit lending in the MFI segment and Non-Banking Financial Company (NBFC) lending is expected to provide the necessary impetus for credit and macro-economic growth and in meeting the broader goals of financial inclusion.

The Bank performed well in building its diversified portfolio in both its deposits and advances and has reduced its reliance on micro-finance loans for its asset growth. Secured book has grown from ₹ 8,990 Crores in March 2024 to ₹ 13,988 Crores in March 2025; share of Microfinance has reduced to 56% by March 31, 2025. This is a conscious effort by the Bank to diversify its asset mix and minimise systemic risk in unsecured exposures. Correspondingly, the share of Affordable Housing including Micro Mortgages increased from 16.5% to 22.7% while the share of loans to Financial Institutions increased from 5.8% to 8.7% as of March 31, 2025. These two secured products have seen the maximum growth during this period.

The FY 2024-25 witnessed significant market liquidity crunch, leading to a slower deposit growth, particularly in Current Account and Savings Account (CASA) across the industry. The year also saw shift in customer behavior from deposits to other investment class like capital markets, real estate and gold. However, despite all the said challenges, our deposit franchise grew 20% YoY with CASA deposits increasing 15% Y0Y and Term Deposits 20% YoY. The Bank's overall CASA ratio stands at 25.6% with bulk deposit ratio at 28.32%. Our Third-Party Products (TPP) vertical also witnessed substantial growth during the year reaching ₹ 115.4 Crores, reflecting a YoY increase of 3.6%. Our focus remains on building a strong retail led low-cost deposit franchise.

Financial Inclusion and Customer Service

The Bank serves a diverse customer base, with a strong focus on financial inclusion, especially targeting under-served and un-banked segments including senior citizens, pensioners, minors, proprietors/MSME customers/Corporate entities/ Government entities and under-served/unsophisticated customers. Hence, providing best in class services to all our customers has always been a priority for the Bank. The Bank continued to serve larger number of customers in FY 2024-25, adding 9.1 Lakhs new customers, taking the total number of customers served to 95.1 Lakhs as of March 31, 2025. The usage of alternate channels (other than branches) by our customers for their various needs and services, including redressing their complaints and grievances, has significantly improved from 42% in FY 2023-24 to 49% in FY 2024-25 due to launch of new service channels, promotion and monitoring. The Bank in accordance with the licensing guidelines of SFBs, endeavoured to incorporate into its financial inclusion plan, the approach to funding of applicants under Government schemes. The Bank is financing under Pradhan Mantri Mudra Yojana (PMMY) as per the scheme guidelines. As on March 31, 2025, the Bank had a portfolio of ₹ 13,074 Crores under PMMY. Additionally, at the end of the year, 1,097,250 of the Bank's customers having Udyam registration were financed by us and classified under Priority Sector Lending. These loans will enable medium and small enterprises to avail loans for their business expenses. The Bank has also implemented Vanchit Ikai Samooh aur Vargon ki Aarthik Sahayata Yojana (VISVAS) scheme after signing MoU with National Backward classes Finance and Development Cooperation (NBCFDC) & National Schedule Caste Finance & Development Cooperation(NSFDC) which is helping our Micro-Banking Scheduled Castes (SC) & Other Backward Classes (OBS) clients getting quarterly interest subvention of 5%. Recently, the Bank has secured a credit guarantee for eligible microfinance loans under Credit Guarantee Fund for Micro Units (CGFMU) scheme, amounting to ₹ 582 Crores which is 32.3% of its eligible portfolio. This measure aims to help the Bank navigate sectoral challenges effectively.

Responsible Growth through Integrating ESG and Risk Management

At Ujjivan, we recognise the crucial role we play in fostering a sustainable future and our focus on Environmental, Social, and Governance (ESG) criteria has been instrumental in guiding our operations and decision-making processes, ensuring that we contribute positively to the communities we serve while maintaining our financial health. Our Business Responsibility and Sustainability Report for the FY 2024-25, not only highlights our achievements over the past year, but also provides insights into the strategies and initiatives we have undertaken to align with ESG principles. Further, the Bank has a well-defined governance structure in place to ensure fairness, transparency, and accountability in all aspects of employee management, supported by its Regional, Central, and Appellate committees that oversee the adherence to organisational policies and protocols.

Risk & Governance

Ujjivan's approach to risk management and governance is grounded in a robust and conservative framework that ensures the Bank's stability and resilience. Your Board strongly emphasises an independent oversight on risk management activities and in ensuring congruency of business operations to the Bank's Mission statements, RBI SFB guidelines and for sustainable growth on a long-term basis. Board level Risk Management Committee is chaired by an independent director and meets with the Chief Risk Officer on a one-on-one basis at pre-specified intervals without the presence of management personnel. This Committee reviews the various risk related policies of the Bank and provides its independent guidance/recommendations to the Board for adoption. As Ujjivan fulfils all the key requirements laid out by the RBI and aspires to transition from a Small Finance Bank to a Universal Bank, this transition will represent a natural progression for Ujjivan, that is built upon its foundational strengths in financial inclusion, customer centric innovation, and risk management. As a result, Ujjivan aims to diversify its product offerings, enhance operational capabilities, and expand its reach, contributing significantly to the broader financial ecosystem and national economic development. The Bank's focus on risk management and targeted enhancements, positions it well to address these challenges. Looking ahead into FY 2025-26, India's economy is expected to maintain a steady growth trajectory, with forecasts ranging between 6.3% and 6.7%. This will be primarily driven by robust domestic consumption, particularly in rural areas, increased investment, supportive fiscal and monetary policies including tax incentives and lower borrowing costs, leading to rising disposable income and digital transformation fueling growth across various sectors. However, external factors such as global trade dynamics and recent geopolitical developments could influence the anticipated growth trajectory.

Our Outlook and Road Ahead

As stated in my last letter, Mr. Sanjeev Nautiyal, a veteran banker took charge as the MD & CEO effective from July 01, 2024, and with the new CFO and Head of Retail Liabilities joining during the year, I am confident that the Bank is all set to scale new heights for years to come. Reflecting on the past financial year, it's essential to emphasise the ongoing dedication of the Bank, all its employees, customers, the Board of the Bank, the collaborative efforts and guidance received from all esteemed regulatory bodies including RBI, SEBI, MCA, Stock Exchanges, Depositories, and continuous trust and support of our 11 Lakhs+ shareholders.

Yours Truly,

B. A. Prabhakar

Chairman

Message from the Managing Director & CEO

Guiding Growth, **Unlocking Potential.**

Dear Stakeholders,

I am pleased to share that FY 2024-25 marked a milestone year in Ujjivan's journey of persistent progress. This year reflected our firm conviction to deliver enduring value, as seen in our balanced performance across all key business areas. Disbursements reached an all-time high, driving substantial growth in our loan portfolio. As of March 2025, our gross loan book expanded to ₹ 32,122 Crores, with the secured loan book demonstrating an upward trajectory, reaching a share of 44%. We continued to strengthen our mass market positioning by serving over 95 Lakh customers through a network of 753 branches across 26 states and Union Territories. Our concerted efforts culminated in a Net Profit of ₹ 726 Crores, delivering a Return on Assets (RoA) and Return on Equity (RoE) of 1.6% and 12.4%, respectively. As we look ahead, we remain focused on strategically positioning Ujjivan for sustained success and unlocking new avenues for growth. In line with this vision, we submitted our application for a Universal Banking License to the Reserve Bank of India in February 2025, and now await decision.

Performance Demonstrates Sustained Progress

In FY 2024-25, we continued to sharpen our focus on quality-led growth across portfolios, driving momentum in secured loan expansion and diversification. Building on the strategic direction established last fiscal, we continued to record strong growth in our Affordable Housing segment, which remained a key driver for the year. The MSME vertical, recalibrated in FY 2023-24, also began to deliver meaningful results, by expanding its product suite to Working Capital, Supply Chain Finance and Non-Fund Based offerings while simultaneously growing its geographic footprint, and reaffirmed its potential as a scalable engine for future growth. FIG continued its growth journey reaching ₹ 2,785 Crores this FY 2024-25. Additionally, new product lines such as Agri Loans, Gold Loans, and Vehicle Loans gained significant traction, further deepening our product suite and enhancing our customer offerings.

On the deposit side, we reported total deposits of ₹ 37,630 Crores, marking a significant growth of 20% from ₹ 31,462 Crores as of March 31, 2024. CASA deposits grew to ₹ 9,619 Crores in March 2025 from ₹ 8,335 Crores in March 2024, clocking an increase of 15%, while the CASA ratio remained steady at 25.6%. This consistent growth in deposits demonstrates our continued success in fortifying the funding base through retail deposits and low-cost CASA accounts. Despite strong competition for deposits and persistent liquidity pressures across the banking system, the Bank remained committed to prudent and agile balance sheet management. We consistently maintained a stable Credit-to-Deposit (CD) ratio, which improved to around 85%, while our Liquidity Coverage Ratio (LCR) remained strong at 137.7% for FY 2024-25. Retail term deposits maintained strong momentum, growing 21% and outpacing bulk term deposits, demonstrating the increasing trust of our retail customer base.

Key Updates:

- Application submitted to RBI for transition to Universal Banking in Q4 FY 2024-25
- Received the Authorised Dealer (AD)-1 license from RBI, which would help Ujjivan to increase the forex offerings both on deposits and assets side
- Continued to scale up the Secured businesses
- Enhanced the Digital Customer Experience: Seamless digital deposit journey for customers and acquisition of customers beyond branch network
  - Our vernacular mobile Application 'Hello Ujjivan' crossed 10 Lakhs+ downloads
- Maintained long-term rating of AA- (Stable) from CARE Ratings Ltd.
- Successfully steered through sectoral headwinds in MicroBanking and navigated through tight market liquidity conditions

Environment, Social and Governance (ESG)

Our approach to sustainability is anchored in a well-planned strategy designed to achieve meaningful and measurable goals. As we continue to scale responsibly, our ESG commitment is guided by a clear intention to generate long-term value while addressing the needs of under-served communities. We place a strong emphasis on empowering women, particularly in marginalised segments, recognising that this can transform families, strengthen communities, and help break the cycle of poverty. Our financial products and literacy programmes for women, such as Diksha Pro+, are driving financial inclusion and enhancing community resilience.

On the environmental front, we are making steady progress by installing solar panels at select locations, furthering our vision for sustainable infrastructure. At the same time, governance remains the cornerstone of our institutional ethos. We have established a robust framework of policies, a comprehensive code of conduct, and clear guidelines to embed ESG principles and responsible banking practices across the organisation.

Building Human Capital

Ujjivan is committed to comprehensive people development and organisational capability building, fostering a culture where every employee feels valued and supported. This people-centric approach has enabled us to consistently earn recognition from the Great Places to Work Institute, being certified for 15 consecutive years and ranked among the Top 25 BFSI companies for the third time in FY 2024-25. We have further elevated employee well-being by expanding health benefits and introducing holistic wellness programmes that go beyond convention such as Doctor on call, mental health program etc. We are also committed to supporting women in re-entering the workforce after extended career breaks through initiatives like Unpause. On the learning front, extensive training modules have enhanced all-round skills, resulting in a steady rise in average learning hours per employee. To support ongoing career growth and capability building, we continue to invest in world-class learning platforms such as LinkedIn Learning and the Harvard Business Publishing programme, driving continuous professional development. Together, these initiatives underscore our commitment to creating a workplace where growth is meaningful and employees are genuinely engaged in the organisation's journey.

Enhancing Digital Offerings

Ujjivan remains dedicated to leveraging digital solutions to expand its reach and serve a wider array of customers. Over the past year, we enhanced our digital offerings, including Digital Fixed Deposits, Digital Savings Accounts, and Digital Current Accounts, incorporated with multi-layer API, that are built over Cloud, to provide customers with seamless banking experiences at their fingertips resulting in higher customer engagement and better experience. We launched a new business mobile app with more than 90 features, strengthening business net banking and extending our digital reach to semi-urban and rural customers.

We also rolled out Robotic Process Automation across 51 processes, equivalent to saving 7.08 Lakh man-hours in FY 2024-25. We also incorporated scorecards & business rule engines for faster underwriting, digital lending and credit decisioning. Our UPI Autopay solution empowers customers to easily manage recurring payments for EMIs, credit cards, subscriptions, investments, and utility bills. The credibility of our app has been widely recognised through prestigious awards, including the IBA Technology Conference 2024 (Best Digital Sales, Payments & Engagement - Special Mention) and the IBEX BFSI Technology Award (Outstanding Use of Emerging Technology for Enhanced Customer Service Experience).

In a rapidly evolving financial landscape, Ujjivan has embraced data-driven decision making through investments in operation and process automation, advanced analytics, robust data infrastructure and eco system integration. Multi-layer data mart is being created for storing and analysing more than 90 Lakh customers' data for better risk analysis, upsell/cross sell and underwriting. Besides these investments we have also improved our data quality and risk management resulting in measurable gains in business growth and efficiency. Strengthening our analytics team and developing a comprehensive data lake has created a strong foundation for sharing insights across the organisation. Leveraging AI and machine learning, we enhanced operations and optimised customer engagement, ensuring our digital momentum continues to unlock new opportunities for growth.

Strengthening Portfolio Quality and Driving Diversification

Ujjivan adeptly navigated challenges within the Micro Banking segment, upholding one of the industry's highest standards for portfolio quality. Our strategic emphasis on asset diversification, particularly the growth of secured loans, yielded strong results. Secured loans now constitute 44% of our total portfolio, up from 30% last year, surpassing our FY 2025-26 target ahead of schedule. The secured book crossed ₹ 13,988 Crores, registering a 56% year-on-year increase and underscoring the success of our asset diversification strategy.

Our gross loan book grew by 8% year-on-year, supported by disbursements of ₹ 23,464 Crores. Asset quality remained a top priority, reflected in a steady Gross NPA ratio of 2.2% and a consistently low Net NPA of 0.5% as of March 31, 2025. Our dedicated collections team achieved a collection efficiency of approximately 99%, helping to maintain a credit cost of 2.45%. We continue to maintain a floating provision of ₹ 181 Crores, resulting in a Provision Coverage Ratio of 78%. For FY 2024-25, our Net Interest Margin (NIM) stood at 8.8%, reaffirming the strength of our financial position and strategic direction.

Governance & Risk Management

Compliance to laws and regulations is embedded in the Bank's Mission statements and our aspiration to cater to the under-served and un-served segments underscores the commitment in meeting the expectations laid in the SFB licensing guidelines. The Bank provides differentiated offerings, in that, more emphasis is laid towards financial inclusion and targeted towards customers with little/no banking channels across all services. The Bank's Risk Management Framework is robust and stands as a validation for resiliency, having been subject to various adverse business cycles over the years. Also, the Bank is well capitalised and operates over and above the Regulatory minimum. The Bank is also proactive in managing emerging risks such as cyber security, data privacy risks and climate risks. The Bank's long term strategic plan is designed to ensure that business models are sustainable in the long run.

Outlook

As we look ahead to FY 2025-26, Ujjivan remains committed to pursuing strategies that support long-term growth. Our focus will remain on product diversification, with particular emphasis on increasing the share of secured loans within our portfolio while optimising yield too. We will continue to invest in technological advancements to further strengthen our digital capabilities. At the same time, we remain positive and optimistic about our application to RBI for our Universal Banking License, which has the potential to further expand our scope and horizon. Together, these efforts are set to drive sustainable change and unlock greater opportunities for all stakeholders.

Yours Truly,

Mr. Sanjeev Nautiyal

Managing Director & CEO

Key Performance Highlights for FY 2024-25

Delivering Growth, **Defining Success.**

Profit and Loss Parameter

Total Income (₹ in Crores)

FY 2024-25	7,201
FY 2023-24	6,464
FY 2022-23	4,754
FY 2021-22	3,173
FY 2020-21	3,108

11% YoY

Net Interest Income (NII) (₹ in Crores)

FY 2024-25	3,636
FY 2023-24	3,409
FY 2022-23	2,698
FY 2021-22	1,774
FY 2020-21	1,729

7% YoY

Profit After Tax (₹ in Crores)

FY 2024-25	726
FY 2023-24	1,281
FY 2022-23	1,100
FY 2021-22	(415)
FY 2020-21	8

43% YoY

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

FY 2024-25	12.4
FY 2023-24	26.1
FY 2022-23	31.4
FY 2021-22	(13.8)
FY 2020-21	0.3

Return on Average Assets (ROA) (%)

FY 2024-25	1.7
FY 2023-24	3.5
FY 2022-23	3.9
FY 2021-22	(1.9)
FY 2020-21	0.04

Pre-Provision Operating Profit (PPOP) (₹ in Crores)

FY 2024-25	1,689
FY 2023-24	1,917
FY 2022-23	1,485
FY 2021-22	637
FY 2020-21	809

12% YoY

Value Creation Parameter

Shareholders' Fund (₹ in Crores)

FY 2024-25	6,083
FY 2023-24	5,613
FY 2022-23	4,209
FY 2021-22	2,803
FY 2020-21	3,219

8% YoY

Book Value per Share (₹)

FY 2024-25	31.4
FY 2023-24	29.1
FY 2022-23	20.5
FY 2021-22	15.1
FY 2020-21	17.5

8% YoY

Earnings per Share (₹)

FY 2024-25	3.75
FY 2023-24	6.6
FY 2022-23	5.8
FY 2021-22	2.4
FY 2020-21	0.05

44% YoY

Balance Sheet Parameters

Balance Sheet Size (₹ in Crores)

FY 2024-25	47,689
FY 2023-24	40,422
FY 2022-23	33,317
FY 2021-22	23,612
FY 2020-21	20,380

18% YoY

Average Total Assets (₹ in Crores)

FY 2024-25	44,056
FY 2023-24	36,870
FY 2022-23	28,465
FY 2021-22	21,992
FY 2020-21	19,396

19% YoY

Average Net Worth (₹ in Crores)

FY 2024-25	5,848
FY 2023-24	4,911
FY 2022-23	3,506
FY 2021-22	3,011
FY 2020-21	3,203

19% YoY

Business Parameter

Gross Loan Book

(₹ in Crores)

FY 2024-25	32,122
FY 2023-24	29,780
FY 2022-23	24,085
FY 2021-22	18,162
FY 2020-21	15,140

8% YoY

Disbursements

(₹ in Crores)

FY 2024-25	23,464
FY 2023-24	23,389
FY 2022-23	20,037
FY 2021-22	14,113
FY 2020-21	8,397

Deposits

(₹ in Crores)

FY 2024-25	37,630
FY 2023-24	31,462
FY 2022-23	25,538
FY 2021-22	18,292
FY 2020-21	13,136

20% YoY

Current Account and Savings Account

(₹ in Crores)

FY 2024-25	9,619
FY 2023-24	8,335
FY 2022-23	6,744
FY 2021-22	4,993
FY 2020-21	2,699

15% YoY

Asset Quality

Gross Non-Performing Asset (Gross NPA)

(%)

FY 2024-25	2.2
FY 2023-24	2.1
FY 2022-23	2.6
FY 2021-22	7.1
FY 2020-21	7.1

Net Non-Performing Asset (Net NPA)

(%)

FY 2024-25	0.5
FY 2023-24	0.3
FY 2022-23	0.04
FY 2021-22	0.6
FY 2020-21	2.9

20 bps YoY

Operational Parameter

Capital Adequacy Ratio (CAR)

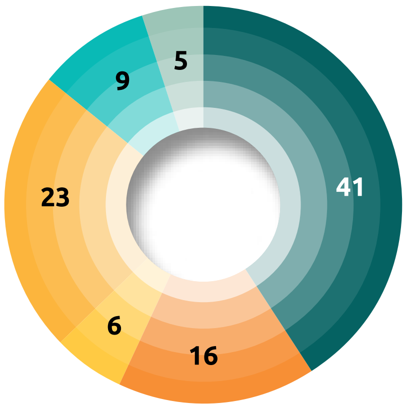
(%)

FY 2024-25	23.1
FY 2023-24	24.7
FY 2022-23	25.8
FY 2021-22	19.0
FY 2020-21	26.4

159 bps YoY

Business Composition

(% Gross Loan Book)



- Micro Group Loans
- Individual Loans
- MSME
- Housing
- FIGB Lending
- Others

Financial Scorecard

Fostering Progress, **Sustaining Momentum.**

Profit and Loss Parameters

₹ **7,201** Crores
Total Income
11% YoY (growth)

₹ **1,689** Crores
Pre-Provision Operating Profit
12% YoY (de-growth)

₹ **726** Crores
PAT
43% YoY (de-growth)

₹ **3.75**
Earnings Per Share

Balance Sheet Parameters

₹ **47,689** Crores
Balance Sheet Size
18% YoY (growth)

₹ **23,464** Crores
Disbursements
0.3% YoY (growth)

₹ **32,122** Crores
Gross Loan Book
8% YoY (growth)

₹ **37,630** Crores
Total Deposits
20% YoY (growth)

₹ **17,057** Crores
Retail Term Deposit
24% YoY (growth)

₹ **3,636** Crores
Net Interest Income
7% YoY (growth)

Key Ratios

1.7%
Return on Assets

12.4%
Return on Equity

8.8%
Net Interest Margin

62%
Cost Income Ratio

78%
Provision Coverage Ratio

23.1%
Capital Adequacy Ratio

Asset Quality and Stability

2.2%
Gross NPA
5.4 bps (de-growth)

0.5%
Net NPA
20.1 bps (growth)

2.5%
Credit Cost

(YoY in Crores, ↑ Growth in FY 2024-25 over FY 2023-24, ↓ De-growth in FY 2024-25 over FY 2023-24)

Operational Metrics

Driving Efficiency, **Delivering Results.**

Operational Metrics

96%
Collection Efficiency (Upto 1 EMI)

9.1 Lakhs
New Customers Added

12,700
Leads Generated per Month (Phone Banking)

₹ **37,630** Crores
Remarkable Milestone in our Deposits

1
New Branch Added in our Network during FY 2024-25

Environmental Metrics

8%
Savings in Electricity (across regional & corporate offices)

6.8%
Reduction in Absolute Emissions (Scope 1 + Scope 2)

Maiden Disclosure
of Scope 3 (Cat 1,2,3,5,6,15)

People Metrics

Top **25**
'India's Best Workplaces™' in BFSI Industry 2024

1,933
New Women Employees Hired out of which **22** Women were under 'Unpause Initiative'

370
Differently Abled Empowered

Community Metrics

₹ **17.5** Crores
CSR Expenditure

1,215,494 +
Total Beneficiaries

662
Women Empowered of Scope 3 (Cat 1,2,3,5,6,15)

Best of our Governance Metrics

40+ Years
Average Experience of the Board Members

ISO 27001:2022
Certification on Information Security Management System

55%
Board Diversity (5 out of 9 Members are females)

Corporate Identity

Powering Progress, **Creating Possibilities.**

At Ujjivan Small Finance Bank (referred to as 'Ujjivan'), we are deeply committed to empowering India's un-served and the under-served communities. As a leading Small Finance Bank, our mission is to promote inclusive growth through accessible, need-based financial solutions.

Our core philosophy is straight forward, which is to transform lives via access to simple financial solutions. With this in mind, we offer a comprehensive suite of financial products and digital banking services, that are designed to meet the evolving needs of our customers. Our multilingual, user-friendly digital ecosystem ensures seamless banking experiences through Mobile & Internet banking, WhatsApp & Chatbot banking, and round-the-clock customer support.

As of March 31, 2025, we have built a robust network of 753 branches and 611 ATMs across the country, enabling secure, convenient and personalised banking. We harness the power of data-driven insights to design solutions that align with our customers' financial goals.

In our endeavour to make a lasting impact, we extend our efforts beyond banking services and propel our stakeholders towards transformation. We do this by promoting financial literacy initiatives, strategic partnerships and community engagements, where we help individuals make informed financial decisions and unlock opportunities for a brighter future. We will continue to redefine conventional banking system—championing resilience, advancing financial inclusion and positively impacting lives across India.

Mission

To provide financial services to the un-served and the under-served customers as a responsible mass market bank, focused on building a sustainable tomorrow

Values

- Customer's choice of 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

Journey of Ujjivan

Empowering Growth, **Sustaining Value Creation.**

Ujjivan was founded to serve the un-served and uplift the under-served, guided by the belief that financial dignity is a fundamental right.

In a country where many lacked access to banking, Ujjivan supported economically marginalised groups – especially women who were excluded from traditional financial systems. Ujjivan's Microloan offering, helped empower households and further nurtured aspirations.

As Ujjivan expanded, the need for 'inclusive banking' became clear. Operating as an NBFC, limited its offerings. To create a lasting impact, structural changes of Ujjivan, was the need of the hour.

In 2016, that aspiration took shape. We were granted the `Small Finance Bank' licence by the Reserve Bank of India. Years of grit, purpose and trust culminated into this milestone, showcasing an inspiring journey that stemmed from the Ujjivan way of doing things. This achievement aligned with our mission to offer a broader range of financial services and creating a deeper impact within the society.

Year 1

A Star Is Born

In 2016, Ujjivan received an 'in-principle' license to set up a Small Finance Bank. Launched in 2017, we aimed to provide savings and credit services to the un-served and the under-served communities. Transitioning to a Bank from an NBFC empowered us to become trusted custodians of our customers' earnings. Thereby, lowering our cost of funds and allowing us to offer credit at more affordable rates.

Year 2

Transformation Amidst Challenges

FY 2017-18 was the first full year of banking operations. Ujjivan upgraded 450 branches, expanded digital channels, and improved access through ATMs and mobile banking, despite challenges like demonetisation.

Year 3

Building a Mass-Market Bank

In FY 2018-19, Ujjivan scaled existing products, launched new customer segments, partnered for third-party offerings, and grew both digital and physical reach—furthering its goal of inclusive financial access for all.

Year 4

Taking Responsible Steps

FY 2019-20 was pivotal, marked by a highly successful IPO and the onset of COVID-19. Ujjivan responded with resilience, activating the Business Continuity Plan to ensure stability and manage risk.

Year 5

Strengthening Trust

Despite pandemic challenges in FY 2020-21, Ujjivan safeguarded its employees, stayed connected with customers and accelerated digital engagement, ensuring uninterrupted services with renewed agility.

Year 6

Transforming for a Better Tomorrow

In FY 2021-22, two structured '100-day recovery plans' were launched to rebuild volumes, improve asset quality and attract talent—while continuing to simplify banking and enhance accessibility.

Year 7

Advancing with Purpose

In FY 2022-23, we focused on our core strengths—investing in people, refining products, expanding our digital and physical reach. We also formed strategic partnerships with fintech companies to drive sustained growth.

Year 8

Growing with Intent

In FY 2023-24, Ujjivan leveraged digital innovations and adopted strategic campaigns that elevated customer engagement. While our Environmental, Social and Governance (ESG) focus, steered us towards an inclusive, responsible and future-ready Bank.

A Future Ready Bank

In February 2025, we took a significant step by applying for a 'Universal Banking Licence' with the Reserve Bank of India. Our consistent performance and adherence to financial discipline, placed us in a strong position to meet eligibility norms. With a net worth exceeding ₹ 1,000 Crores, listed entity status and a Non-Performing Asset (NPA) ratio consistently under 1% for the past two years, we are poised to chart the next phase of growth.

Transitioning to a Universal Bank will allow us to expand our portfolio, reduce regulatory constraints and serve our customers with even greater depth and flexibility. As we await approval, our commitment to boosting our digital infrastructure and fortifying our operational excellence remains firm. Above all, we remain true to our purpose – delivering inclusive and responsible banking that empowers every aspiring Indian.

Business Model

Creating Value, Scaling Impact.

OUR RESOURCES

Financial Capital

We maintain a prudent mix of deposits, equity, loans, and investments, which facilitates sustained growth and delivers returns to our shareholders.

- Total Deposits: ₹ **37,630 Crores**
- Advances: ₹ **32,122 Crores**
- Shareholders' Fund: ₹ **6,083 Crores**
- Investments: ₹ **11,730 Crores**
- CASA Ratio: **25.56%**

Manufacturing Capital

We combine top-tier technology infrastructure with our widespread network of branches, ATMs, and digital channels to maintain a smooth and seamless delivery of services to our valued customers.

- Creating a unified service experience through a blend of physical and digital channels
- Utilising ATMs, corporate offices, and other touchpoints
- Implementing responsive and scalable core and supporting IT systems
- No. of branches: **753**

Intellectual Capital

We build on our ability to innovate and develop products and services that offer superior experiences, setting us apart within the industry.

- Introducing cutting-edge digital initiatives and systems
- Strengthening brand reputation
- Formulating progressive internal policies
- Establishing a robust risk management framework
- Streamlining processes through automation

Social and Relationship Capital

We prioritise social empowerment and foster a financial ecosystem that is accessible to all.

- CSR Expenditure: ₹ **17.56 Crores**
- Aligned towards ESG

Human Capital

We immensely value our skilled and diverse workforce, whose invaluable experience and proficiency are integral to our success.

- Employee Base: **24,374**
- Women Employees: **4,896**
- Average Training Hours: **38.9 per Employee**
- Employee Engagement Score: **86**
- Employee Attrition Rate: **<20%**

Natural Capital

We focus on minimising our environmental footprint by adopting responsible operation and sustainable business practices

- Total Energy Consumed: **73,826.7 GJ**
- Water Intensity per Crores Turnover: **21.6 GJ**
- 100% of the offices are replaced with energy efficient lighting systems

- **Sensor-based Taps** are fitted into newly developed infrastructure
- **10.1 MT** of electronic devices was responsibly disposed of through authorised recyclers
- **Waste segregation** is done at source, along with systematic measurement and responsible disposal of dry and wet waste across corporate and all the regional offices

VALUE CREATION

Our Differentiators

- Growing reach
- Diversified product mix
- Robust digital backbone
- Well-equipped and energised team
- Strong positioning as a bank that positively impacts society
- Sound risk management
- Experienced leadership team
- Good governance

OUTPUTS	OUTCOMES	UN SDGS*
	Net Interest Income: ₹ 3,636 Crores Net Interest Margin: 8.8% Net Profit after Tax: ₹ 726 Crores Return on Assets: 1.7% Return on Equity: 12.4% EPS: ₹ 3.75 per share Capital Adequacy Ratio: 23.1% Gross NPA: 2.2% Net NPA: 0.5%	8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure
95.1 + Lakhs **Total Customers**	Total Banking Outlets: 753 Retail asset centres: 23 ATM + Cash Withdrawal/Deposit Machines: 613 Districts Covered: 326	8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure
92.40% **Share of Digital Transactions in Total Transactions**	New Customers on-boarded onto Digital Channels: 8.69 Lakhs	8 Decent Work and Economic Growth 9 Industry, Innovation and Infrastructure
₹ 7,201 Crores **Total Income**	CSR Beneficiaries: 1,215,494+ PwDs Empowered: 662+ Infrastructure Development projects (Chote Kadam): 64+ Hours of Employee Volunteering: 14,560+	1 No Poverty 2 Zero Hunger 4 Quality Education 5 Gender Equality
₹ 1.5 **Dividend per Share**	New Hires: 8,065 Women in Workforce: 20% Employee Happiness Index: 4.3 (Out of 5)	3 Good Health and Well-Being 8 Decent Work and Economic Growth 10 Reduced Inequalities
51,003 **Vehicles Financed**	Scope 1 Emissions: 600.5 MT of CO_2 Equivalent Scope 2 Emissions: 13,270 MT of CO_2 Equivalent Scope 3 Emissions: 17,908 MT of CO_2 Equivalent (Cat 1,2,3,5,6,15) Solar Energy Generated: 51.09 GJ	6 Clean Water and Sanitation 7 Affordable and Clean Energy 11 Sustainable Cities and Communities 12 Responsible Consumption and Production 13 Climate Action 15 Life on Land

* United Nations Sustainable Development Goals

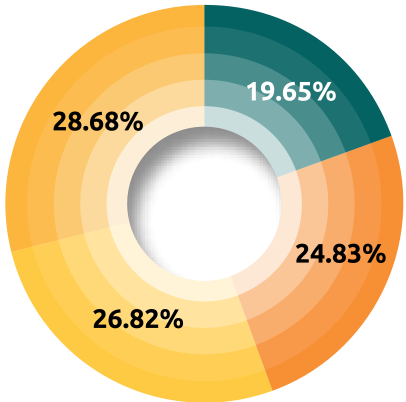
Geographical Presence

Expanding Horizons, **Unlocking Markets.**

State	Ujjivan SFB Outlet
ANDHRA PRADESH	3
ASSAM	17
BIHAR	53
CHANDIGARH	2
CHHATTISGARH	4
GOA	2
GUJARAT	59
HARYANA	39
HIMACHAL PRADESH	2
JHARKHAND	21
KARNATAKA	94
KERALA	20
MADHYA PRADESH	13
MAHARASHTRA	54
MEGHALAYA	1
NCT OF DELHI	14
ODISHA	25
PONDICHERRY	1
PUNJAB	19
RAJASTHAN	39
TAMIL NADU	95
TELANGANA	5
TRIPURA	8
UTTAR PRADESH	60
UTTARAKHAND	6
WEST BENGAL	97

Touchpoint Break-Up

Outlet Break-up



Metropolitan
Semi-Urban
Rural
Urban

753
Banking Outlets
(1 New Outlets in FY 2024-25)

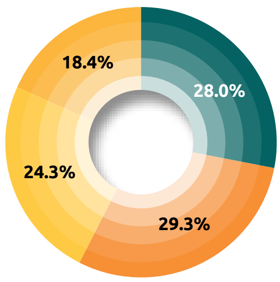
613
ATMs
(17 New ATMs in FY 2024-25)

326
District Presence

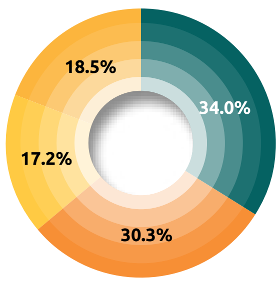
26
States and UTs

Region-Wise Share of Deposits and Gross Advances

Gross Advances



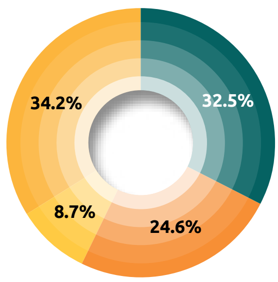
Deposit



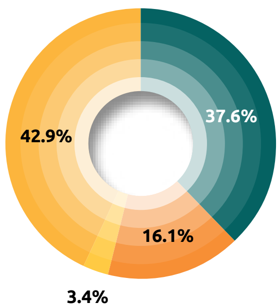
Region Wise
North
East
South
West

Branch-Wise Share of Deposits and Gross Advances

Gross Advances



Deposit



Branch Wise
Urban
Rural
Semi - Urban
Metro

Product and Services

Transforming Needs, **Creating Solutions.**

Asset Portfolio

MicroBanking
₹ **18,272** Crores
Asset Book

4,630,532
Customer Base

Micro, Small and Medium Enterprise
₹ **2,047** Crores
Asset Book

7,229+
Customer Base

Affordable Housing
₹ **7,308** Crores
Asset Book

68,695
Customer Base

Vehicle Loans
₹ **468** Crores
Asset Book

73,543
Customer Base

Financial Institutions and Government Banking Group
₹ **2,785** Crores
Asset Book

59
Asset Customer Base

₹ **10,323** Crores
Liabilities Book

512
Liabilities Customer Base

Agricultural and Rural Banking
3,400+
Customer Base

Gold Loan
₹ **196** Crores
Asset Book

16,400
Customer Base

Liability Portfolio

Retail & Institutional
₹ **37,630** Crores
Total Deposits

₹ **9,619** Crores
CASA

₹ **17,057** Crores
Retail TD

₹ **10,655** Crores
Bulk TD

17.6 Lakhs+
Total Customer Base

Third-Party Portfolio

Life Insurance
~37.8 Lakhs
Lives Insured

General Insurance
~12,500
Assets/Lives Secured

Health Insurance
~1.02 Lakhs
Lives Secured

Digital Future

Revolutionising Banking, **Enhancing Possibilities.**

Since inception, we prioritised providing efficient, accessible, and hassle-free financial services. In sync with this objective, digital banking emerged as a strategic pillar in our growth journey.

Our Channels and Products

- Mobile Banking Application - Retail
- Net Banking Platform - Retail
- Hello Ujjivan Application - Specially for MicroBanking segment of customers
- Business Net Banking Platform - for Business segment
- Business Mobile Banking Application - for Business segment
- SMS Banking - Rural & Semi Urban Based Customers using feature phones
- Missed Call Banking - Rural & Semi Urban Based Customers using feature phones
- DIY - Digital Savings Account - Digital Acquisition Channel
- DIY - Digital Current Account (Individual) - Digital Acquisition Channel
- DIY - Digital Fixed Deposit - Digital Acquisition Channel
- Video Banking
- WhatsApp and Chatbot Banking
- UPI Payment Services (As an Issuer) - Digital Payments
- Merchant UPI QR Codes - Digital Payments
- Aadhaar-enabled Payment System (AePS) for semi-urban and rural segment customers to Bank using Aadhaar number and Biometric Authentication
- Bharat Bill Payment System (BBPS) Services as Biller Operating Unit

Key Digital Initiatives in FY 2024-25

DIY Digital Current Account:
Expanded digital acquisition suite with a new DIY platform for individuals to open current accounts with minimal branch intervention. By March 2025, a total of 263 accounts were opened through this channel.

Business Mobile App:
Launched a new mobile app with 90+ features to complement the existing business net banking. The idea was to extend our digital reach to semi-urban and rural business customers.

Merchant Sound Box:
Enabled real-time UPI transaction confirmations via sound boxes, enhancing payment experience and transparency.

Direct Tax Payments:
Partnered with ICICI Bank to provide direct tax payment facility, becoming the second Indian Small Finance Bank to do so. This initiative is aimed at simplifying corporate banking and improving user efficiency.

Digital Individual Loan Journey:
Introduced a complete digital loan journey for micro-banking repeat customers, covering the full spectrum - from application to disbursement. Unveiled via the Hello Ujjivan app, this intervention promotes credit access and inclusion.

Robotic Process Automation:
Automated 51 processes, saving workload equivalent to 89 Full Time Employees (FTEs) or 7.08 Lakhs man-hours annually in FY 2024-25. This Initiative resulted in operational savings of ₹ 14.13 Crores.

Bharat Bill Payment System (BBPS):
Became a direct member to offer Biller Operating Unit (BOU) services to offer digital loan repayment facility over BBPS enabled apps for our customers.

Cybersecurity Upgrade:
Implemented Protectt.ai security solutions in the `Ujjivan Mobile Banking app', `Hello Ujjivan ' and `Business Mobile Banking' app (Android & iOS) to strengthen malware protection.

UPI Autopay:
Enables our customers to effortlessly manage recurring payments such as EMIs, Credit Card bills, subscriptions, investments and utility bills etc.

Partnership with RBiH on ULI platform:
Has partnered with Reserve Bank Innovation Hub (RBiH) to integrate with the Unified Lending Interface (ULI) platform. This collaboration aims to enhance and streamline the loan journey across key products including Housing loans, Micro-Mortages, Gold Loans, Vehicle Finance and Agri Loans, enabling faster, more seamless access to credit for customers.

Unique Digital Customer Base

4.1 Million
Unique Digital Customers
23% YoY

46%
Penetration Achieved vs. Total Current Account and Savings Account (CASA)
4% YoY

Top Small Finance Bank (SFB) In UPI

2nd among SFBs
In UPI Payments and Lower Technical Declines

530 Million
UPI Outward Transactions Volume
43% YoY

3.06 Million
Total Registered UPI Users
21% YoY

Internet Banking and Mobile Banking (IBMB) Adoption

27.8 Lakhs
Mobile Banking User Base (Including Hello Ujjivan App)
28% YoY
Under Registration, with 2.8 Lakhs+ Average Monthly Active Users (MAU)

1.7 Lakhs
Internet Banking Registrations (Including Business Net Banking), with 19K+ Average Monthly Active Users (MAU)
19% YoY under registration

Digital Campaigns and Awareness

In FY 2024–25, we launched a targeted marketing campaign to spotlight Ujjivan's digital innovations and reinforce our commitment to customer-centric banking. A key pillar of this effort was the **'Digi Sampark'** initiative aimed at empowering branch staff with the knowledge and tools to champion our digital offerings, ensuring better customer engagement and experience.

Phone Banking: Every Call Matters

We transformed our Phone Banking service from a basic Interactive Voice Response (IVR)-assisted module to a powerful, multilingual platform that seamlessly blends human support with self-service functionality. This strategic shift was aimed at enhancing accessibility and ensuring a more intuitive customer experience. The service, which began as an assisted channel, gradually integrated key customer-centric features, including debit card hotlisting, balance enquiry, last five transaction details, language preference registration and card-based authentication.

In response to the growing customer preference for digital convenience, our Phone Banking services continues to evolve. With self-service IVR options and a dedicated 'DigiMitra' team, it now plays a vital role in our broader digital ecosystem. As the team handles queries/requests/complaints on digital channels i.e. Internet Banking, Mobile Banking, Quick Response (QR) code and Hello Ujjivan – our Voice and Visual assisted vernacular banking app. In addition, our DigiMitras handhold customers facing digital challenges, resolve queries and complaints and ensures timely follow-through, reinforcing trust and accelerating the adoption of digital channels.

A key differentiator of our Phone Banking functionality is its availability – 24x7x365 – and support in 9 languages via IVR and 13 via human interaction. The operations are managed through dual hubs located in Bengaluru and Pune, ensuring unhindered services. The platform currently handles over 500 types of service requests, including dedicated VRM channel to manage segment of customers with service-related aspects and also to cater to their financial needs. Furthermore customers can now open Accounts digitally through Video KYC journey and also are being serviced through Video banking team in locations where physical branches are not operational, providing ease of access.

Phone banking also has enabled dedicated help lines to Non-Resident (NR) and to MicroBanking customer segments.

To further enhance speed, personalisation and efficiency, we deployed interval-wise volume forecasting, Erlang-based staffing, simplified IVRs and dedicated desks like Authoriser, Verifier, Escalation and Anti-Money Laundering (AML). These steps go a long way in optimising responses and ensuring high-quality interactions tailored to customer profiles.

Going ahead, we aim to further transform the Phone Banking platform with the integration of virtual assistants, voice tech, WhatsApp and automated self-service options. A centralised complaint management system, powered by integrated Customer Relationship Management (CRM) and contact centre tech, is in the offering, thus paving the way for a unified, seamless experience across all customer touchpoints.

Strategic Initiatives in Pipeline

Digital Servicing Channels

Digital Payment

Retail Internet & Mobile Banking Upgrade

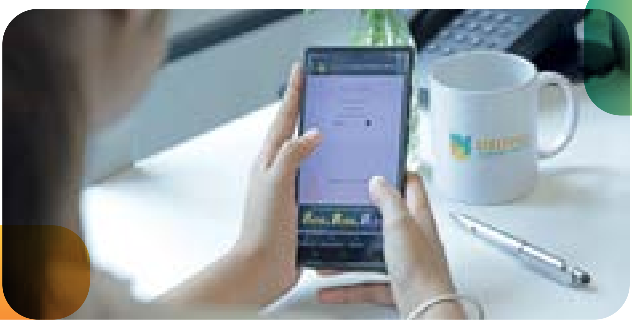
We are undertaking a major overhaul in this direction, by transitioning to a microservices-based architecture to support a future-ready super app. The upgraded platform is set to expand beyond retail liabilities to include Assets, Mutual Funds and Insurance. Key integrations include our UPI Payment Service Provider App, real-time performance monitoring Software Development Kits (SDKs) and sophisticated marketing automation tools for better customer engagement.

Business Net Banking Enhancement

The Business Net Banking platform will be continuously added with new features to enhance Business Customer's banking experience

Digital Enablers to Drive Current Account Growth

- **Digital Current Account (Non-Individual, Assisted Model):** Offering fully digital onboarding journey for businesses and enterprises
- **UPI Merchant Solutions:** Enabling secure, scalable digital payments for merchants
- **Bharat Bill Payment System (BBPS):** Biller Onboarding Facilitating easy biller onboarding and payment management on the BBPS platform
- **UPI Autopay (Acquirer):** Enabling our business customers to effortlessly collect recurring payments from their end customers



Cashless Loan Repayment

18.2 Million

Loan Repayment Transactions Completed Digitally through Bharat Bill Payment System (BBPS) and Hello Ujjivan Amounted to

₹ 6,625 Crores during FY 2024-25

56% YoY

34%

Of Total Collections Repaid Digitally

8.88 Lakhs Transactions

As a Direct Member and Biller Operating Unit (BOU), Transactions Worth Over ₹ 332 Crores were Conducted through the Bharat Connect Platform During the Year

Digital Transactions

92.4%

Of Total Bank Transactions were Conducted Digitally

4% YoY

53 Crores+

Digital Transactions (Debit Only) were Completed During the Year

43% YoY

Retail Deposits via Digital Channels

₹ 3,421 Crores

Of Deposits were Booked through Digital Channels, Including Mobile Banking, Internet Banking, Business Net Banking, and the Hello Ujjivan App During the Year

113% YoY

13%

Of Total Retail Bank Deposits

5% YoY

Merchant QR

56K+

Merchant UPI QR Codes were Issued, Bringing the Cumulative Total to **5.17** Lakhs

Digital Acquisition Platforms

10,749
Digital Fixed Deposits (FDs) were Opened, Contributing Over ₹ **143** Crores in Deposits

13,457
Digital Savings Accounts (SAs) were Opened, with a Closing Balance of More Than ₹ **33.4** Crores

263
Customers Opened Digital Current Accounts (CAs), with a Closing Balance of ₹ **85.9** Lakhs

Reserve Bank Innovation Hub (RBiH) Partnership

Top SFB
For Using Services from Unified Lending Interface (ULI) Platform of RBiH

Member
Of the First Standing Advisory Committee

PAN validation services
Live for Housing Loan, Micro-Mortages, Vehicle Finance, Gold Loan and Agri loans processed through Loan Origination System (LOS)

Enhancing Operational Efficiency through Robotic Process Automation (RPA)

21
New Processes and **6** Enhancements

Automated Processes
Saved **88,566** Man-days, Equivalent to **7.08** Lakh Man-Hours Annually, with **179** Crores Transactions Processed

89
Full-Time Employees Cost Saved

Debit Card

Ujjivan remains at the forefront of debit card penetration and transaction volumes across the SFB segment, as demonstrated by the following metrics.

- Ranked among the leading SFBs in terms of ATM usage, with ATM card transactions growing by 4.6% in FY 2024-25, despite the industry experiencing a decline of 14.7%
- Maintained stature as one of the largest debit card issuer amongst our peers, with a total card base of 71,40,412 (7.14 Million) users
- 2nd position in Point-of-Sale (POS) transactions within the Small Finance Bank (SFB) space, further widening the footprint in retail payment touchpoints
- Generated over 39.78 Million transactions through debit cards in FY 2024-25 alone, reflecting their widespread usage and sustained customer trust in it
- Recorded a significant growth rate of debit card issuance

ATM & Auto Cash Recyclers (ACRs)

Ujjivan continues to expand physical and digital banking infrastructure to increase accessibility, operational convenience and customer engagement as reflected in the following indicators:

- Enhanced our network with 551 ATMs and 62 ACRs
- Cemented position as the top-performing SFB in terms of ATM transaction volume, backed by a strong ATM uptime of ~99%
- Deployed state of the art touch screen ATMs, featuring multilingual user interfaces and braille-enabled keypads, bolstering inclusivity and customer experience
- Recorded approximately 34% share of total ATM transactions among its peer SFBs

Money Mitra: Partner-Assisted Touchpoints

The Money Mitra initiative serves as a vital enabler, bridging the last-mile gap by bringing banking services closer to the under-served communities through a network of Business Correspondent agents.

Savings of

~₹ 14 Crores

Were Achieved through Robotic Process Automation (RPA) Initiatives, Including Reconciliation and Full-Time Employee (FTE) Optimisation

These touchpoints offer multiple benefits as listed below:

- Facilitate assisted banking services using secure digital authentication and mobile-enabled platforms
- Leverage face-to-face interaction through Money Mitras to enhance brand visibility, support cross-selling opportunities and drive transaction growth in local markets
- Support 103 branches through 179 active Money Mitra agents, contributing significantly to Ujjivan's financial outreach
- Empower Money Mitras to play a key role in enabling cashless repayments, accounting for 27.57% of total repayments, further highlighting our efforts towards enabling a digital-first ecosystem

Marketing and Branding Initiatives

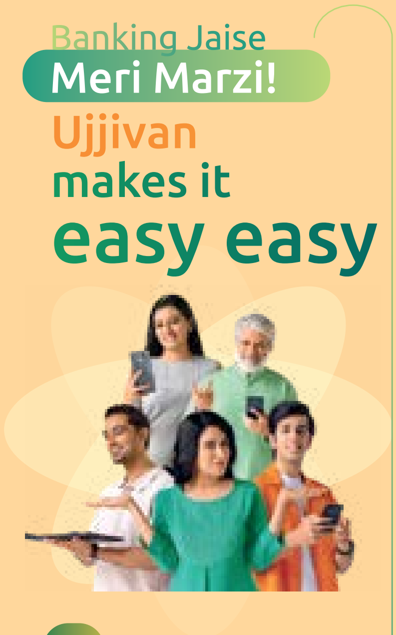
Amplifying Presence, **Strengthening Identity.**

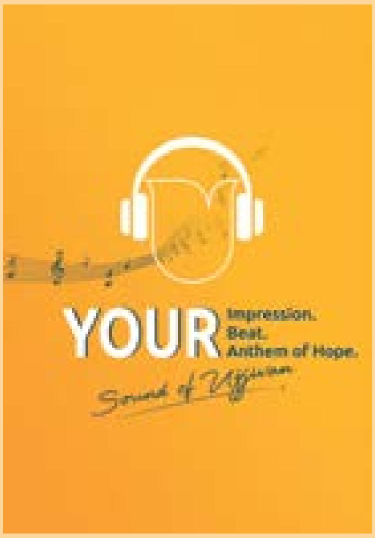
The marketing strategy is guided by the objective of boosting brand visibility and engagement through purposeful and impactful communication. These efforts particularly resonated with aspiring Indians, emphasising our ability to deliver human-centric solutions aligned with their evolving financial requirements.

Simple Banking, Powerful Recall

We launched the '**Banking Jaise Meri Marzi! Ujjivan makes it easy easy**' a campaign — The Easy Banking Experience, a fully digital-first narrative crafted to establish Ujjivan as the preferred partner for seamless and user-friendly banking.

Further, to deepen today's multisensory world, we unveiled the '**Sound of Ujjivan**' an effort to enhance the brand identity. A unique sonic logo that touches an emotional chord complementing the visual recognition.





Banking that Belongs

We continued to strengthen our physical presence by transforming our branches into community anchors – spaces where financial conversations are trust-led, relatable and personal.

- From '**Colours of the Home - A Dream in Every Child's Hands**', where children painted their dreams homes, creating emotional experiences for parents and emphasising the value of financial planning, to Captain Savings, a school-based financial literacy iniative with a superhero comic twist. Promoting smart spending, we nurtured financial awareness from homes to classrooms
- Through **'Nammura Wi-Fi'**, a grassroots initiative, we addressed the digital divide in the under-served rural areas, offering free internet access and fostering digital literacy. The impact was amplified through a creative, localised marketing strategy.

Colours of the Home - A Dream in Every Child's Hands

We celebrated India's cultural richness, community spirit and regional diversity through engaging on-ground campaigns that combined tradition with innovation:

Rath Yatra

Brought to life via virtual reality (VR) experiences in mobile vans, integrating spirituality with a message on sustainability.

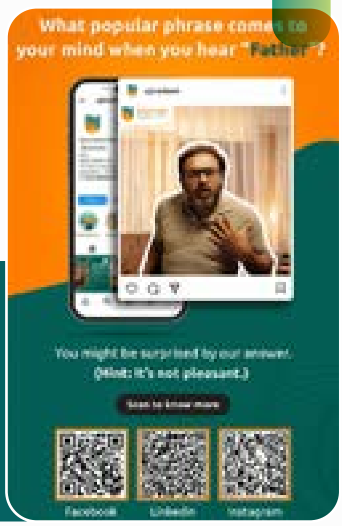
Amra Durga – "Humme Hai Durga"

A 5-day cultural movement empowering over 30,000 women with confidence and self-defence, layered over traditional Dhanuchi dance.

Social Buzz

Father's Day #baapkoshikha

The creative blends humour and heart, portraying fathers learning digital banking from their children, making it relatable and endearing. Social media content addressed older generations' hesitation and younger users' tech comfort. The campaign used humorous videos, static posts, and relatable callouts to engage audiences across platforms.



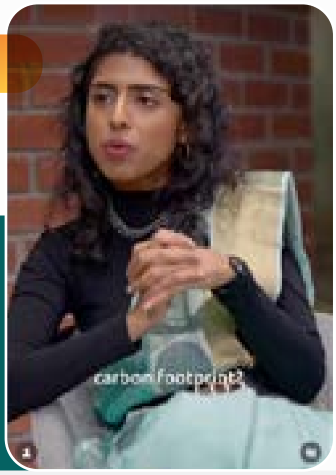
Impact Created

Instagram
- **3.7** Million accounts reached
- **5.1** Million plays

YouTube
- **137,000** views
- **17,000** Engagement
- **8,899** Interactions

Women's Day Campaign #MakeWay

In collaboration with The Hub Bengaluru, this campaign highlights that progress requires making way, not overcoming obstacles. Featuring a quirky mock-interview with Ujjivan's women leaders, it showcases their confident responses to absurd questions, celebrating women's skill, resilience, and leadership.



Impact Created

Instagram
- **229,000** views
- **591** Interactions

Facebook
- **3,500** views
- **17** Interactions

Purpose-Led Progress

World No Tobacco Day

"Invest in Life's Pleasures" - a bold campaign launched on World No Tobacco Day – encouraged smokers across 30 metro cities to rethink their choices and redirect their spending from cigarettes to meaningful life experiences. By shifting the narrative from addiction to aspiration, the campaign sparked widespread conversations and garnered significant attention from leading media platforms like *Afaqs* and *Campaign India*.

International Coffee Day

Embracing South India's deep-rooted coffee culture, we launched a unique brand activation on International Coffee Day across 25+ cafés in Bengaluru, Chennai, Coimbatore, Pondicherry, and Salem. With the tagline "Need a kick?", we positioned Digital FD as a financial boost—much like a bold cup of coffee. This hyperlocal, experience-led campaign drove strong conversions, showcasing the power of culturally relevant marketing.

Sign Language Day

We highlighted how financial concepts like savings are universally understood yet differently expressed. By using sign language as a bridge, Ujjivan empowered the hearing-impaired community, advancing the cause of truly inclusive banking.

Valentine's Day – #JointForLife

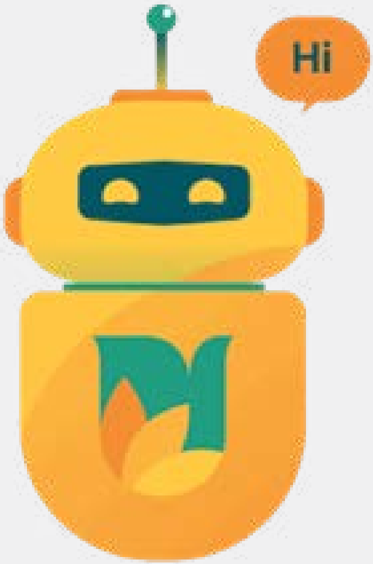
A playful take on Gen Z's fear of commitment, transforming joint savings into a relationship milestone through film, influencers and pop culture buzz.

Smarter Customer Conversations

Banking made more real-time, intuitive and personalised through:

WhatsApp & Chatbot Banking

Turning interactions into instant, human-like conversations



Organic Blog Growth

Engaging customers through value–driven content

AI-Led Performance Marketing

Enhancing lead quality and optimising reach

Marketing Automation

Elevating customer journeys with personalised, efficient touchpoints

Road Ahead

This year, our marketing endeavours were driven by a strategic blend of bold storytelling, cultural relevance and digital agility which enabled us to deliver differentiated, high-impact initiatives. Forging stronger connections and deepening brand engagement, we turned every touchpoint into an experience. As we grow with our customers, our focus remains firm on embracing opportunities and making banking more accessible, more personalised and truly empowering for every aspiring Indian.

Ujjivan in News

Ujjivan in the **Spotlight**

Ujjivan Preparing to be Universal Bank, will Apply to RBI by March

Monday Musings

SANJEEV NAUTIYAL

The Economic Times - New Delhi

SECOND SMALL BANK TO SEEK TRANSITION

Ujjivan SFB Applies for Universal Bank Licence

Our Bureau

Kolkata: Ujjivan Small Finance Bank on Tuesday said it has applied for a universal banking licence.

The Bengaluru-based Ujjivan Small Finan-

Economic Times

Ujjivan Small Finance Bank's MD on why gender inclusivity is a business imperative

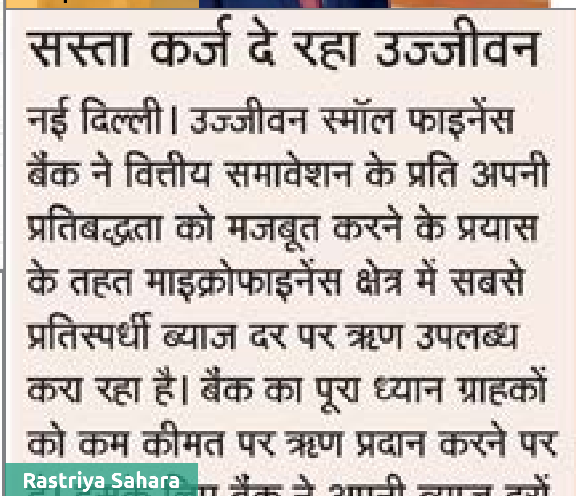
Recognising gender imbalance in the BFSI sector, Ujjivan Small Finance Bank has taken proactive steps to foster gender inclusivity, empower women leaders, and create a workplace that champions diversity.

People Matters

ભાસ્કર ખાસ

દેશમાં ટુ-વ્હીલર સેગમેન્ટમાં હાઇ ડબલ ડિજિટ ગ્રોથ ટીયર 2-3ને આભારી, ધિરાણથી મજબૂત ગ્રોથનો આશાવાદ

Divya Bhaskar



सस्ता कर्ज दे रहा उज्जीवन

नई दिल्ली। उज्जीवन स्मॉल फाइनेंस बैंक ने वित्तीय समावेशन के प्रति अपनी प्रतिबद्धता को मजबूत करने के प्रयास के तहत माइक्रोफाइनेंस क्षेत्र में सबसे प्रतिस्पर्धी ब्याज दर पर ऋण उपलब्ध करा रहा है। बैंक का पूरा ध्यान ग्राहकों को कम कीमत पर ऋण प्रदान करने पर

Rastriya Sahara

How are Banks Paving the way for 'Affordable housing' for all

By Pradeep B, Business head – Home Loan and Micro Mortgages, Ujjivan SFB

India's housing sector has experienced a remarkable transformation in recent years, with a significant focus on affordable housing. As the country grapples with rapid urbanisation and growing population, affordable housing has become one of the most urgent priorities for both the government and private sector. Among the key players driving the expansion of affordable housing, banks have emerged as the critical enablers. Their financial products and services are essential to address the housing needs of millions of low- and middle-income Indians. Thus, providing them with the means to own a home in a country where homeownership remains a distant dream for many.

The Affordable Housing Crisis in India: A Growing Challenge

India's urban population is expected to exceed 600 million by 2031, according to the Ministry of Housing and Urban Affairs. This rapid urbanisation has led to an overwhelming demand for affordable housing. As of 2023, estimates suggest that India requires around 11 crore (110 million) housing units, with the majority of

The Meghalaya Guardian - Guwahati

Ujjivan SFB has submitted the application for the licence to the Reserve Bank of India.

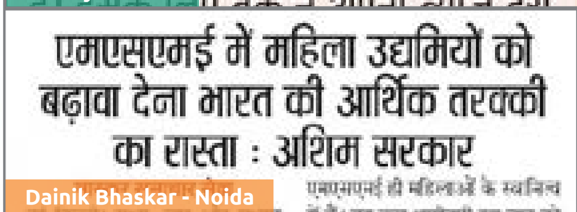
Ujjivan SFB applies for universal licence

Ujjivan Small Finance Bank on Tuesday announced the submission of the application for universal banking licence to the Reserve Bank of India (RBI).

This step aligns with the bank's long-term vision to strengthen its offerings and position in the sector, Ujjivan Small Finance Bank said.

...ank has consistently demonstrated

MINT



एमएसएमई में महिला उद्यमियों को बढ़ावा देना भारत की आर्थिक तरक्की का रास्ता : अशिम सरकार

Dainik Bhaskar - Noida

The Economic Times Markets

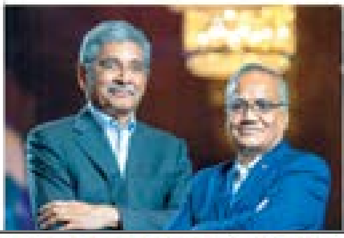
ETPrime

Improved loan book gives much credibility to Ujjivan Small Finance Bank

ET Prime

NEW BRANCHES PUSH LOAN GROWTH AT UJJIVAN

The small finance bank pushed niche products such as microfinance to emerge a winner



Fortune India

Ujjivan Small Finance Bank Sets Sights on Secured Loan Market, Targets 50% Growth in FY'25

Business Minute - Coimbatore

UJJIVAN SFB APPLIES FOR UNIVERSAL BANKING LICENCE

Ujjivan Small Finance Bank (SFB) on Tuesday said it had submitted an application to the Reserve Bank of India (RBI) seeking a universal banking licence to strengthen its offerings and its position in the sector. The Bengaluru-based lender is the second SFB after AU SFB to apply for a universal banking licence under the voluntary transition route. "The Bank has consistently demonstrated strong financial performance and a commitment to financial inclusion, serving a diverse customer base across the country. Securing the universal banking licence, if approved, will strengthen Ujjivan's efforts to provide holistic financial services to its customers and empower all aspiring Indians with a wider range of banking solutions," said Sanjeev Nautiyal, MD & CEO, Ujjivan SFB. Ujjivan SFB, which started operations in February 2017, has about 9.3 million customers through its 753 branches spread across 26 states and union territories in the country.

BS REPORTER

Business Standard

The Evolution of Gold Loans in India: Transforming Traditional Assets into Financial Opportunities

Tripura Times

LITTLE MASTER

Business Today

ಉಜ್ಜೀವನ್ ಸ್ಮಾಲ್ ಫೈನಾನ್ಸ್ ಬ್ಯಾಂಕ್ : ತೆರಿಗೆ ಉಳಿತಾಯದ ಸ್ಥಿರ ಠೇವಣಿ ಉಳಿತಾಯ ಹೆಚ್ಚಿಸಿಕೊಳ್ಳಿ

Vismayavani

Micro Banking

Bridging Gaps, **Empowering Lives.**

We remain anchored on the principles of inclusion and agility, striding confidently through the dynamic and evolving economic landscape of India. The MicroBanking segment, a core pillar of our business, is undergoing a calibrated transformation to suit the changing requirements of an aspiring population. By embracing secured lending, advancing digital empowerment and adopting customer-centric operating models, we are reshaping this segment into a resilient, future-ready portfolio – one that persistently serves as a catalyst for sustainable financial inclusion and growth.

The MicroBanking segment of Ujjivan remains a vital gateway to financial access for the under-served and low-income communities. We continue to prioritise portfolio quality, inclusive growth and risk diversification in recent years for better strategic realignment of the segment. A structural shift is underway, transitioning from traditional group-based loans to more individualised and secured lending products. With improving credit histories and financial progress among our customers, there is a noticeable shift towards Loan Against Property (LAP), Micro, Small and Medium Enterprises (MSME) loans and Home Improvement Loans. These tailored solutions are designed to meet the evolving needs of micro-entrepreneurs, enabling them to access larger credit pool. This shift is supported by a strong digital backbone and data-driven credit assessment tools, allowing us to better evaluate borrower profiles, particularly New-to-Credit (NTC) customers. At the same time, we are re-calibrating the pace of growth for the Group Loan segment, to prudently manage associated risks. This facilitates a natural shift from long-term group borrowers towards Individual Loans. Ujjivan's ability to maintain better-than-peer repayment performance amidst economic uncertainty reflects the merit of our disciplined risk approach, high-touch customer engagement and focus on responsible lending.

Performance Dashboard

₹ 18,272 Crores
Gross Loan Book
12.2% YoY

₹ 14,047 Crores
Disbursements
20.6% YoY

₹ 2,312 Crores
Deposits
3.4% YoY

4,630,532
Customer Base

96.6%
Collection Efficiency (1 EMI+OD)

(De-growth in FY 2024-25 over FY 2023-24)

Highlights of FY 2024-25

- Initiated a strategic push to grow the secured individual loan portfolio (currently 5%) through Loan Against Property (LAP), Micro, Small and Medium Enterprises (MSME) loans and Home Improvement products
- Enhanced credit decisioning for NTC customers using Business Rules Engine (BRE-based intelligence) and affordability assessments
- Rolled out self-service loan applications via Hello Ujjivan, scaled WhatsApp banking and integrated AI models for faster, smarter loan disbursals
- Enabled seamless progression for long-term Group Loan customers to higher-ticket Individual Loans, fostering deeper financial inclusion
- Expanded digital repayment modes and deployed hyperlocal task forces in high-risk areas to preserve asset quality

Opportunity Landscape

India's microfinance sector plays a pivotal role in driving financial inclusion, particularly for women, rural households and micro-entrepreneurs – segments that remain under-served by traditional banking systems.

Key trends shaping the opportunity landscape include:

- Rising demand for customised, unsecured and secured business loans among Micro and Small Enterprises (MSE)
- Increasing digital adoption, facilitating efficient customer onboarding, servicing and collections
- Prevailing government support for rural credit expansion and formalisation of the informal sector through platforms like Open Network for Digital Commerce (ONDC)
- Growing emphasis on credit inclusion for New-To-Credit (NTC) segments and under-served geographies

With these dynamics in play, the microfinance ecosystem presents a compelling growth opportunity for institutions like Ujjivan to offer differentiated financial solutions backed by technology, accessibility and trust.

Outlook

Looking ahead, Ujjivan's MicroBanking strategy is firmly aligned with the trajectory of delivering profitable, inclusive and sustainable growth. We aim to deepen the focus on secured lending by significantly increasing the share of secured individual loans, while expanding our reach beyond traditional group loans. A sustained push will be in place to bolster risk-based lending frameworks and affordability assessments to maintain asset quality while scaling volumes. Digital growth will be central to this transformation, with enhancements planned across self-service digital journeys, AI-led credit decisioning and customer service via mobile platforms and vernacular chatbots. Simultaneously, we aim to widen our geographic footprint in under-penetrated rural and semi-urban regions through targeted branch rollouts and strategic Business Correspondent (BC) partnerships. A new suite of customised loan products for micro and small enterprises – supported by loyalty rewards and flexible repayment mechanisms, will be introduced to better serve the financial needs of this segment. Backed by a strong foundation of technology, strategic partnerships and an in-depth understanding of customer base, we remain committed to promote financial inclusion and unlock opportunities at grassroot level, while building a future-ready MicroBanking portfolio.

Agriculture Banking

Harvesting Growth, **Cultivating Prosperity.**

At Ujjivan, we understand that agriculture forms the foundation of India's economy and supports a significant portion of the population. Our commitment lies in providing farmers with timely, affordable and relevant financial solutions. These include working capital for crop cultivation, credit for farm maintenance and development, support for allied agricultural activities and funds to manage essential household needs and unforeseen farming exigencies. Through simplified processes, doorstep service and digitally enabled platforms, we ensure year-round access to credit. By doing so, we aim to foster financial inclusion, strengthen rural livelihoods and contribute meaningfully to India's agrarian economy.

We provide loans to farmers, covering crop cultivation and allied activities like dairy, poultry and fisheries. With a strong presence across rural and semi-urban markets, Ujjivan ensures easy access to credit through digital loan processing, doorstep banking and risk-based pricing models.

The entire banking suite is taken to customer doorstep, thereby ensuring all banking needs of the farmer is met, with slew of products catering to each segment of the farming community and rural household, Ujjivan endeavours to be the Bank of choice in each location served.

Performance Dashboard

3,400+
Customer Base
126 % YoY

₹ 322.5 Crores
Secured Agri Loan Portfolio
275 % YoY

(Growth in FY 2024-25 in Comparison of FY 2023-24)

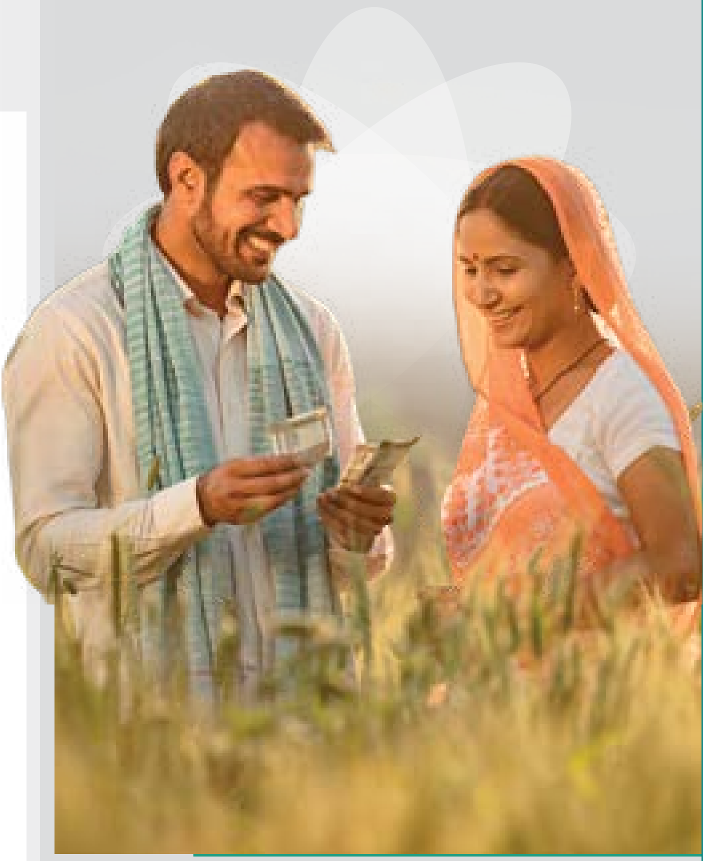
Highlights of FY 2024-25

- Crossed ₹ 300 Crores in Outstanding Principle (OSP), reflecting a steady growth in the loan book
- Implemented an end-to-end digital loan journey, enhancing efficiency and reducing turnaround time for loan approvals
- Expanded geographic presence, entering new markets such as Uttarakhand, Bihar, and Uttar Pradesh, strengthening our rural outreach
- Launched Nammura Ujjivan Free Wi-Fi in Karnataka, bridging the digital divide and enhancing financial literacy in rural areas
- Introduced Risk-Based Pricing (RBP) for Agriculture loans, ensuring fair and customised interest rates for farmers based on individual risk profiles
- Expanded credit solutions for allied activities, introducing specialised products such as Kisan Pragati Card – Poultry and Kisan Pragati Card – Pisciculture to support niche farming needs

Opportunity Landscape

The agricultural financing sector in India is evolving, driven by policy reforms, digital advancements and a growing demand for structured financial products. Key opportunities include:

- **Expansion of Agri-tech collaborations:** The rise of Agri-tech startups presents opportunities for banks to offer data-driven credit solutions, improve loan monitoring and enhance risk assessment mechanisms
- **Diversification beyond traditional crop loans:** Increasing focus on agri-business financing, farm mechanisation loans and sustainable farming presents growth avenues for financial institutions
- **Government initiatives and subsidies:** Schemes announced in the current Finance Bill focussing on pulses, seeds, fishery and crop diversification is bound to increase investment in these sectors, thereby requiring capital support; this presents a huge opportunity to Banks to partner with agriprenuers and aspirational farming community
- **Rural digital banking penetration:** The growing acceptance of mobile banking and digital payment solutions enhances access to credit, reducing dependency on physical bank branches; the digital documentation and digital land title verification will contribute in quicker servicing, lower carbon footprint and in lowering turn arounds



Outlook

In the coming fiscal, we aim to introduce agri-based enterprise loans for agri-businesses, including dairy-focused credit products, supporting farmers with infrastructure and livestock financing. With innovation, inclusion, deep geo and customer focus at the core, we will continue to position ourselves as a key enabler of rural economic empowerment and responsible agricultural banking in India.

MSME

Supporting Growth, **Scaling Dreams.**

We commend the pivotal role of Micro, Small and Medium Enterprises (MSMEs) as the backbone of Indian economy, generating employment opportunities, driving innovation and propelling GDP growth. Despite their significance, MSMEs continue to encounter persistent barriers in accessing formal credit and financial services. Ujjivan, as a dependable financial ally to the segment, addresses these very challenges by supporting the MSMEs with personalised banking solutions. By enabling access to appropriate financial products, we aim to ensure business continuity for MSMEs, while fostering enterprise expansion and catalysing inclusive and broad-based economic development.

The Micro, Small, and Medium Enterprises (MSMEs) Banking segment of Ujjivan focuses on serving two distinct customer cohorts: semi-formal businesses transitioning towards digital enablement and Goods and Services Tax (GST) compliance, and fully formal enterprises with established financial footprints. Through a comprehensive product suite, including Loan Against Property (LAP), Working Capital (WC) finance and Supply Chain Finance (SCF), we empower MSMEs to access timely, structured and scalable credit solutions. These offerings are further enhanced by strong risk frameworks, process automation and seamless integration with fintech ecosystems. By leveraging the dual strength of technology-led platforms and on-ground relationship management, Ujjivan is actively bridging the gap between ambition and access, supporting MSMEs across the value chain with financial solutions, that fuels a sustained growth.

Performance Dashboard

7,229+
Customer Base

₹ 1,224 Crores
Disbursements

₹ 2,047 Crores
Outstanding Principle

₹ 107.7 Crores
Liability Book

Highlights of FY 2024-25

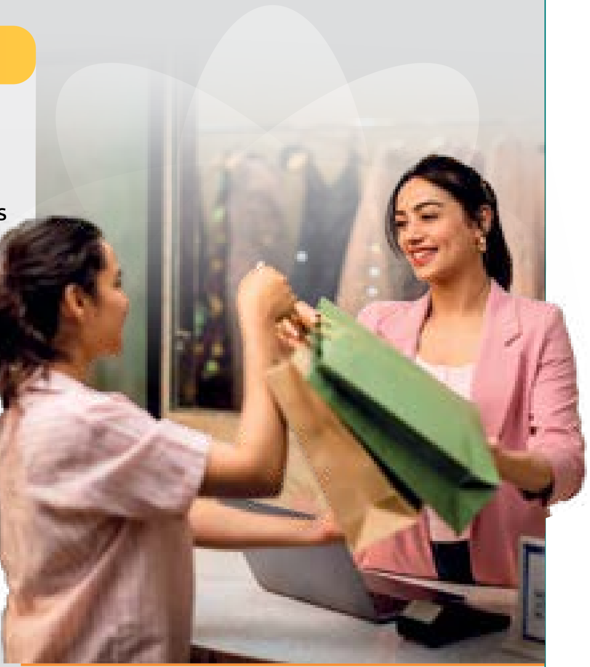
- Registered 43% growth in MSME loan book, rising from ₹ 1,414 Crores in FY 2023-24 to ₹ 2,047 Crores in FY 2024-25
- Expanded the footprint of working capital business to key hubs like Ahmedabad, Surat, Indore, Jaipur, Kolkata and Coimbatore
- Launched non-fund-based offerings, including Bank Guarantees, leading to strategic diversification of revenue streams
- Undertook self-sourcing of corporate anchors under Supply Chain Finance (SCF) vertical, boosting scalability and long-term partnerships
- Demonstrated significant improvement in portfolio health, with Portfolio at Risk (PAR)% declining from 16.3% in April 2024 to 9.1% in March 2025 and Non-Performing Asset (NPA) % reducing from 8.4% to 5.5% over the same period
- Implemented technology upgrades across Loan Origination System (LOS) & Loan Management System (LMS), integrated with Application Programming Interface (API) stacks for faster processing, due diligence and monitoring

Opportunity Landscape

The MSME sector in India is undergoing a transformative shift, fuelled by increased formalisation through Goods and Services Tax (GST) compliance, accelerated digital adoption and government-backed credit guarantee schemes. Despite these strong tailwinds, a large section of MSMEs remains under-served by the formal financial ecosystem.

Key opportunities include:

- Growing demand for working capital (WC) solutions among trade-centric businesses
- Rising appetite for non-fund based products like bank guarantees for project and vendor tie-ups
- Increasing acceptance of digital-first banking among MSMEs
- Expanding role of SFBs in addressing the funding needs of creditworthy yet under-served enterprises



Outlook

With the MSME sector increasingly emerging as the pivotal force behind India's economic resurgence, we are strongly positioned to pursue a multi-pronged strategy to scale our impact. In the year ahead, we aim to focus on deepening our penetration across both semi-formal and formal MSME segments, while expanding our secured lending portfolio through customer-centric LAP and WC products. The product suite will be further diversified through an increased focus on fee-generating, non-fund-based products such as bank guarantees, addressing the changing needs of enterprise customers. Additionally, investment in digital capabilities will remain a key priority, with planned upgrades across onboarding, credit underwriting and real-time monitoring expected to drive efficiency and scalability. Simultaneously, we will strengthen our focus on customer lifecycle management, relationship-led engagement and financial literacy initiatives to enhance our value proposition. Harnessing this integrated approach, Ujjivan is well-positioned to serve as a reliable financial partner and an enabler of enterprise resilience that supports India's next generation of entrepreneurs with tailored solutions.

Housing and Micro-mortgages

Enabling Dreams, **Building Futures.**

At Ujjivan, we recognise that access to affordable housing finance is essential to advancing financial inclusion, particularly for the under-served households in semi-urban and rural areas. Our housing finance solutions are designed to serve the Economically Weaker Section (EWS), Low-Income Group (LIG), and Middle-Income Group (MIG) in Tier 2, 3, and 4 cities, thus enabling homeownership for families traditionally excluded from formal credit channels. We specialise in supporting first-time homeowners, often transitioning from MicroBanking, by leveraging our strength in informal income assessment and decentralised legal and technical due diligence. Through this approach, we are bridging the housing finance gap and supporting aspirations for secure and stable living.

We leverage alternative credit assessments, localised legal and technical expertise, along with digital innovations to boost access to housing finance. In alignment with government initiatives such as Pradhan Mantri Awas Yojana (PMAY) Interest Subsidy Scheme (ISS), we enable eligible first-time homebuyers to benefit from targeted subsidy support. Through our One Bank, One Ujjivan approach, we create integrated customer journeys that extend beyond lending—enhancing cross-selling potential and fostering long-term, value-driven relationships.

Performance Dashboard

₹ 3,147 Crores
Disbursements
37.8% YoY

₹ 7,307.9 Crores
Book Size
48.4% YoY

68,695
Customer Base
40.3% YoY

Live Customers as on March 31, 2025

14,000+
In Micro-mortgages

61,000+
In Housing

(Growth in FY 2024-25 in comparison to FY 2023-24)

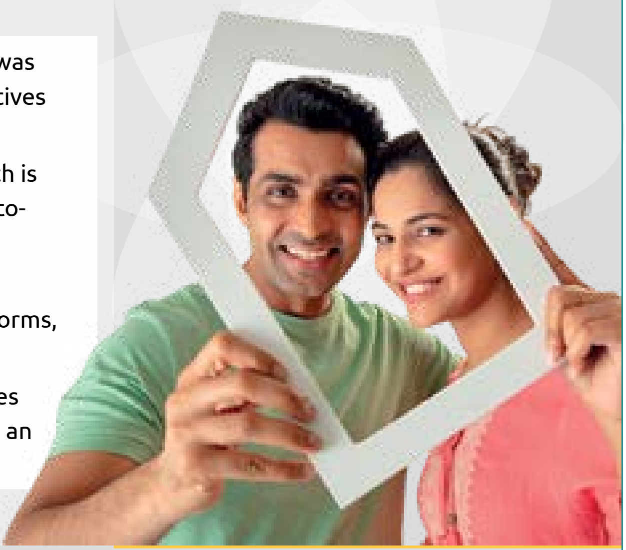
Highlights of FY 2024-25

- Focused on Tier 2 and 3 cities, enhancing customer retention and yield quality
- Introduced a paperless customer onboarding system, reducing turn-around time and boosting team productivity
- Expanded to 16 Retail Asset Centres (RACs) for efficient customer servicing, with plans to establish 9 more by FY 2025-26
- Revamped the customer retention model, we retained 1,100+ clients with an Outstanding Principal (OSP) of ₹ 164 Crores in FY 2024-25, a 100% increase over the previous year
- Productivity of the sales force improved to ₹ 26 Lakhs from ₹ 22 Lakhs in FY 2022-23, positioning the vertical among the top players in the affordable housing finance segment
- Made a strategic shift to self-employed profiles, mitigating risks associated with cash-salary and daily-wage segments
- Established a structured framework for handling Pradhan Mantri Awas Yojana (PMAY) Urban 2.0 interest subsidy applications, supported by an Memorandum of Understanding (MoU) with the National Housing Bank (NHB)
- Added two new micro-mortgage products, expanding the vertical's presence in Eastern India
- Micro Mortgages play an important role in boosting the yield of the vertical
- Micro Mortgages being 3-year-old business, exhibits exceptional portfolio quality

Opportunity Landscape

The affordable housing finance sector in India presents significant growth potential, driven by:

- **Increased government support:** Policies like Pradhan Mantri Awas Yojana (PMAY) Urban 2.0 and infrastructure development incentives are creating a strong demand for affordable housing finance
- **Rising demand in Tier 2 and 3 cities:** Affordable housing growth is accelerating beyond metros, offering better yields, lower Loan-to-Value (LTV) ratios and higher retention rates
- **Digital transformation in lending:** Adoption of paperless loan origination, digital underwriting and customer self-service platforms, is enhancing efficiency and accessibility
- **Diverse housing finance needs:** Expansion into micro-mortgages and housing for self-employed and daily wage earners, presents an opportunity for customised financial solutions



Outlook

Moving ahead, we aim to prioritise profitability and portfolio quality by expanding our product suite and deepening our presence in high-yield Tier 2 and 3 markets. The adoption of an assisted digital model is set to enhance both loan processing and customer service, supported by Retail Asset Centres (RACs), vendor management tools and integrated service platforms that will improve operational efficiency.

Cross-sell opportunities will be strengthened through customised offerings across banking, insurance and deposit products—enabling deeper and more meaningful customer engagement. We will also continue facilitating government initiatives such as Pradhan Mantri Awas Yojana (PMAY) and the Interest Subsidy Scheme (ISS), making housing finance more accessible for first-time buyers. Backed by a customer-centric, digitally enabled and market-aligned strategy, we remain committed to strengthening our leadership in affordable housing finance while advancing financial inclusion and supporting homeownership for under-served communities.

Vehicle Finance

Steering Success, **Enabling Mobility.**

At Ujjivan, vehicle finance plays a critical role in enabling economic mobility for under-served customers. We offer two-wheeler and electric three-wheeler loans tailored to individuals with limited or informal credit histories, particularly in semi-urban and rural areas. Our approach combines alternative credit assessments, doorstep servicing and digital onboarding to ensure quick, seamless disbursals. With competitive interest rates and flexible repayment options, the vehicle finance portfolio supports income generation and access to essential mobility. This vertical remains a key part of our financial inclusion strategy and contributes to portfolio diversification and quality asset growth.

Our two-wheeler financing portfolio is anchored in speed, accessibility and affordability which are the key enablers for our target customer segments. Recognising that two-wheeler ownership is a significant milestone for many, we offer risk-based pricing with interest rates ranging from 17.5% to 23.5% Internal Rate of Return (IRR), ensuring broad affordability and financial inclusion.

To drive operational efficiency and customer convenience, we implemented a full-scale Loan Origination System (LOS), available on the Google Play Store. Deployed in record time, this end-to-end digital platform has streamlined the loan journey – from application to disbursement – enabling near-instant approvals and significantly reduced turnaround time. This technology-led approach has strengthened our delivery capabilities and improved the overall customer experience.

Vehicle Finance

₹ **436.2** Crores	**73,543**
Disbursements	Customer Base

Highlights of FY 2024-25

- Around 45% of cases, now pass directly through the 'Straight Through Processing' (STP) format, minimising manual intervention and accelerating disbursals
- Implemented a risk-based pricing model, offering competitive interest rates and maximum Loan-to-Value (LTV), ensuring fair pricing based on customer creditworthiness
- Strengthened presence in Uttar Pradesh with new operations in Lucknow, Bulandshahr, Varanasi, Gorakhpur and Meerut, which are regions that are known for a high two-wheeler demand
- Expanded into Salem, Tamil Nadu, tapping into a market with rising vehicle sales and financing potential
- Introduced financing for mid-premium bikes (350cc-500cc), offering loans up to ₹ 5 Lakhs with Internal Rate of Return (IRR) ranging from 14.49% to 18.49%
- Mid-premium biking, provided up to 85% LTV
- Strengthened dealership collaborations to accelerate disbursals and enhance customer experience
- We achieved a total disbursement of ₹ 118.4 Crores during the festive season which resulted in 13,873 financed units
- Rolled out special festival schemes and exclusive financing offers, boosting customer acquisition
- Leveraged branch networks, existing customer base and pre-qualified data to reduce dependence on traditional acquisition channels
- Achieved 8% contribution from alternate channels like referral and pre-qualified leads, enhancing portfolio diversity
- Introduced the 'GST Surrogate-Based Trade Advance', providing dealers with quick and easy access to smaller trade amounts, ensuring seamless liquidity and faster business growth

Opportunity Landscape

The two-wheeler industry in India continues to witness robust growth, driven by increasing urbanisation, rising disposable income and changing lifestyle preferences. Key industry trends shaping growth include:

- **Mid-Premium Segment Surge:** The 350-500cc motorcycle category is experiencing remarkable expansion, fuelled by growing demand from young professionals, travel enthusiasts and Tier 1 and 2 city motorcycle riders
- **Festival Season Boom:** The festive season continues to be a major driver of two-wheeler sales, with customers seeking new beginnings during festivals such as Durga Puja, Dussehra, Diwali and Chhath Puja
- **Digital Transformation:** With increasing customer preference for digital lending solutions, financial institutions that offer seamless, paperless processes are gaining a competitive edge
- **Geographic Potential:** High two-wheeler sales in regions like Uttar Pradesh and Tamil Nadu, present significant financing opportunities, making these key markets for expansion

Outlook

In FY 2025-26, Ujjivan aims to expand its two-wheeler financing footprint by strengthening OEM partnerships, increasing dealership tie-ups and venturing into new high-potential markets. We will continue to enhance digital capabilities through our Loan Origination System (LOS). Thus, ensuring faster approvals and a seamless customer experience. With a focus on alternate acquisition models and risk-based pricing, we are committed to making two-wheeler ownership more accessible and affordable. By driving operational efficiency and customer-centric solutions, we are poised for sustained growth in this segment.

Gold Loan

Leveraging Liquidity, **Securing Future.**

We acknowledge the role of gold loans as a time-tested and preferred secured credit avenue, particularly suited for individuals seeking prompt liquidity without relinquishing asset ownership. In line with our broader objective of advancing financial inclusion, Ujjivan's Gold Loan segment continues to serve as a catalyst, delivering accessible, efficient and responsible financial solutions. Moreover, the transparency and flexibility offered by this product makes it simple, easy and convenient to, effectively address the dynamic credit needs of a diverse customer base.

Ujjivan offers a secured Gold Loan product which is a short- to medium-term credit solution offered against gold ornaments and coins. Designed to meet urgent liquidity needs, the product is characterised by flexible repayment terms, competitive interest rates, minimal documentation and expedited disbursal, making it high-yielding and operationally efficient. The addressable customer segment spans individuals, aged between 18 to 75 years, including salaried professionals, self-employed individuals, housewives and small business owners, many of whom may lack traditional income proof, but hold eligible gold assets.

To accelerate growth in this segment, we adopt customer-centric strategies, including simplified onboarding, targeted marketing, dynamic pricing models and enhanced digital platforms. The segment plays a crucial role in promoting financial inclusion by providing low-income groups and under-served communities with viable lending alternatives to informal credit channels.

Performance Dashboard

₹ **251** Crores
Disbursments

16,400
Customer Base

Highlights of FY 2024-25

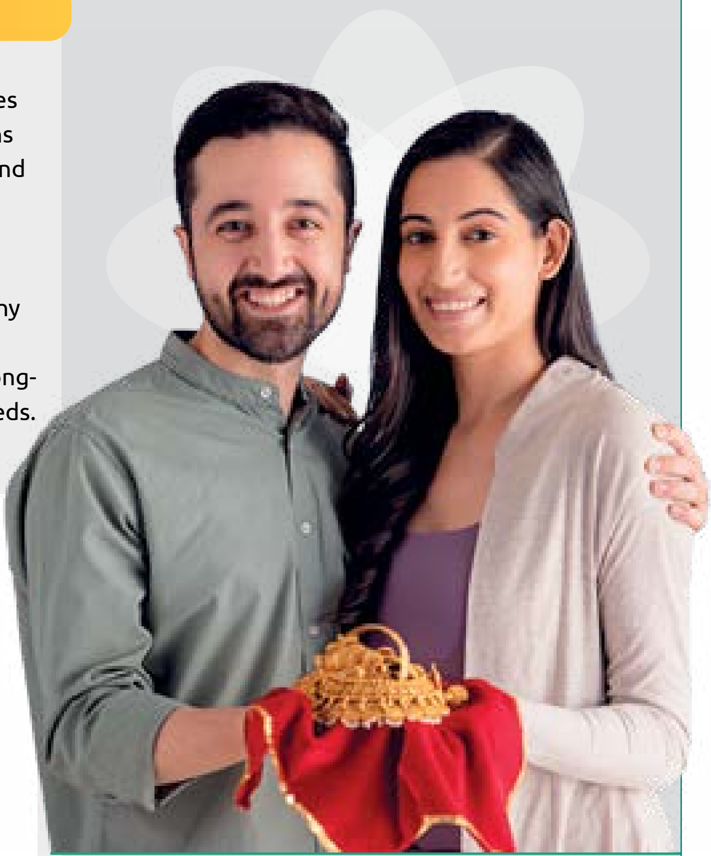
- Achieved 100% system-driven loan processing via FinPower Loan Origination System (LOS), ensuring faster turnaround time and operational transparency
- Strengthened dedicated Gold Loan desks across branches with experienced Assets Desk Officer (ADO) staff for personalised service
- Introduced high-tenure Gold Loan Elite product, which is well-received across key markets
- Ensured adherence to conservative Loan-to-Value (LTV) ratios in line with RBI norms for asset quality protection
- Expanded portfolio in under-served markets, particularly targeting women, farmers and micro-entrepreneurs
- Conducted regular Loan Utilisation Certificate (LUC) checks and gold revaluation for robust risk management
- Implemented Center for Research in International Finance (CRIF) high mark-based credit scoring and CIBIL tracking for responsible lending
- Maintained competitive interest rates, low processing fees and flexible repayment tenures from 6 to 39 months

Opportunity Landscape

Post-pandemic, changes in consumer behaviour heightened liquidity requirement, and sustained appreciation in gold prices collectively strengthened the demand trajectory for gold loans in India. For SFBs, especially those with a stronghold in rural and semi-urban areas, this segment presents compelling growth prospect. Their strategic opportunity lies in capturing market share from informal lending channels by delivering superior service, offering transparent pricing and upholding trustworthy practices. Moreover, the evolving market landscape offers avenues to expand into untapped geographies and develop long-tenure, high-value products catering to dynamic borrower needs.

Ujjivan is leveraging these industry tailwinds by:

- Expanding outreach in rural and semi-urban markets
- Launching the Gold Loan Elite scheme to serve premium clientele
- Promoting financial literacy through programmes like DIKSHA
- Focusing on Existing to Bank (ETB) customers for cross-selling secured offerings



Outlook

As we look ahead, Ujjivan is committed to unlock the full potential of the Gold Loan segment with a sharp focus on efficiency, risk control and deeper market penetration. By strengthening digital loan origination platforms, upgrading analytics-led risk management and expanding rural footprint, we aim to drive sustainable growth in this high-potential, low-risk asset class. By staying true to our pillars of affordability, transparency and inclusion, we envision the gold loan segment as a powerful enabler of financial dignity, supporting customers in their journey towards empowerment, while contributing significantly to our secured lending portfolio mix.

Third-Party Products

Enabling Access, **Empowering Growth.**

We view third-party products as an integral pillar of Ujjivan's strategy to deliver holistic, customer-focused financial solutions. Aligned with our broader mission to drive financial inclusion and empower vulnerable segments, the Third-Party Products (TPPs) vertical augments, the overall value proposition that we offer to our customers. By offering tailored insurance and investment solutions, we support customers in building long-term financial security, while also diversifying our fee-based income streams. This approach allows us to maintain sustainability and resilience in our business model, while enabling our customers to strengthen relationship through stronger engagement.

Our TPP portfolio encompasses a comprehensive suite, spanning Life, Health and General Insurance, Demat & Trading Account, Atal Pension Yojana and the National Pension System (NPS). These solutions are seamlessly distributed through an extensive network of branches, assisted digital channels and on-ground teams.

We are driven by our commitment to offer the right product, to the right customer at the right time. Leveraging cutting-edge data analytics, lifecycle mapping and digital tools, we are creating more personalised, relevant and timely offerings. More than just a revenue stream, TPPs serve as a catalyst for stronger customer connect, expanding financial resilience at the grassroot level. Moreover, robust compliance and governance frameworks, ensure every offering aligns with customer needs and regulatory standards – reaffirming our focus on transparency and customer centricity.

Performance Dashboard

₹ **566.02** Crores
Gross Premium Collected

₹ **115.8** Crores
Revenue

Highlights of FY 2024-25

- Introduced new insurance variants, bolstered retirement solutions offerings and curated bundled solutions for different customer profiles
- Implemented seamless assisted journeys through video Know Your Customer (KYC) and One-Time Password (OTP)-based consent which enabled improved mobile interfaces for TPP transactions
- Fortified coordination between branch banking and TPP teams, resulting in better cross-sell performance
- Leveraged analytics to drive personalised engagement and better product suitability
- Conducted large-scale staff training and reinforced protocols related to sales, compliance, and customer protection

Opportunity Landscape

India's TPP market is experiencing rapid growth, backed by rising financial literacy, accelerating digital adoption and increasing demand for financial protection and planning. Government and regulatory initiatives, including the introduction of simplified insurance products and liberalised distribution frameworks are creating more room for expansion.

The real opportunity, however, lies in unlocking the untapped potential in semi-urban and rural areas. With micro-insurance and digital investment solutions gaining traction, the landscape is ripe for banking institutions like Ujjivan which have a strong last-mile presence to catalyse inclusive growth.

Outlook

The trajectory for TPPs is one of robust growth and strategic relevance. We are committed to expand our product suite with simplified, accessible offerings such as micro-investments, embedded insurance and goal-oriented solutions.

With greater digital adoption, stronger analytics and seamless customer experiences, we aim to deliver greater value at every touchpoint. Simultaneously, we continue to solidify our leadership in the evolving financial services landscape.

Financial Institutions & Government Banking Group (FIGB)

Empowering Institutions, **Driving Development.**

We have steadily developed the Financial Institutions & Government Banking (FIGB) vertical at Ujjivan into a vital enabler of our wholesale business, emphasising its strategic relevance since our inception. Established with the initial objective of cultivating relationships with financial institutions for liability mobilisation and setting counterparty limits, the vertical has since widened its scope of operations substantially. Over time, it gained meaningful traction across both asset and liability portfolio, reaffirming its position as a crucial contributor to Ujjivan's institutional banking platform.

Our FIGB segment commenced its operations in 2017 with a focus on deposit mobilisation from banks and financial institutions. Over time, it gained early-mover advantage as we emerged as one of the first SFBs to issue Certificates of Deposit (CDs), raising funds from banks and mutual funds. Keeping the momentum going, the vertical entered the wholesale lending space in FY 2018-19, catering to Non Bank Finance Companies (NBFC), Microfinance Institutions (MFI) and Housing Finance Companies (HFC). As of FY 2024-25, FIGB stands as one of our core business segments with Assets under Management (AUM) of ₹ 2,787.5 Crores and liabilities exceeding ₹ 10,000 Crores. The vertical also manages a wide array of borrowing programmes including refinance, term loans, Inter Bank Participation Certificate (IBPC), Overdraft (OD) and securitisation under the guidance of Asset Liability Committee (ALCO) and the Board.

The FIGB segment proficiently tackles the diverse requirements of institutional clients, including Non Bank Finance Companies (NBFC), Microfinance Institutions (MFI), government departments, Public Sector Undertaking (PSU), large corporates and mutual funds. On the asset side, it supports the working capital and onward lending requirements of the clients. While on the liabilities front, it offers transactional banking solutions, bulk deposits and margin fixed deposits, among others. Driven by an experienced team, sound risk management practices and strong compliance framework, the FIGB vertical maintains exemplary portfolio quality with well controlled credit costs since inception and no major audit observations.

Performance Dashboard

₹ 2,646 Crores
Disbursements
68% YoY

₹ 2,787.5 Crores
Gross Loan Outstanding Portfolio
54% YoY

₹ 10,042 Crores
Deposit, Current Account and Term Money
28% YoY

₹ 254 Crores
Current Account EOP
48% YoY

100%
Month-to-Month Collection Efficiency

Active Client Relationships

512
Liabilities

59
Assets

(↑ Growth in FY 2024-25 in Comparison of FY 2023-24)

Highlights of FY 2024-25

- Scaled asset portfolio to ₹ 2,787.5 Crores in FY 2024-25, registering a 61% YoY growth; disbursed ₹ 2,646 crores during the year, driven by strategic lending to reputed A, AA and AAA rated NBFCs
- Crossed ₹ 10,000 Crores in liabilities book, with an increase of ₹ 2,199 Crores from the previous year. Added over 80 new liability relationships, including successful empanelment with the Haryana State Government
- Launched Working Capital Demand Loan (WCDL) product in October 2024, now contributing to over 20% of the FIG asset book. Unveiled escrow and modified OD/FD programmes in collaboration with Mid, Small and Micro Enterprises (MSME) and Branch Banking (BB) teams
- Strengthened digital capabilities for government and institutional clients by enabling widespread adoption of Public Financial Management System (PFMS), Business Net Banking and Collection solutions including e-collections via UPI/QR, NACH etc
- Onboarded 16 new FIGB asset clients and significantly broadened the liability base through strategic relationship-building

Opportunity Landscape

The institutional banking landscape continues to offer wide-spread opportunities, particularly in extending credit to well-rated Non-Bank Finance Companies (NBFC) and promoting financial inclusion through targeted support to Microfinance Institutions (MFI). With the accelerating digital transformation within government and public sector ecosystem, banks with advanced digital infrastructure, including PFMS integration, business net banking and Application Programming Interface (API)-based solutions, are well-positioned to gain traction. Furthermore, the growing need for diversified funding sources among institutional entities is elevating the importance of specialised offerings like Working Capital Demand Loan (WCDL), escrow programmes and customised digital solutions. These bespoke offerings are fast becoming the critical differentiators in forging long-term institutional partnerships.

Outlook

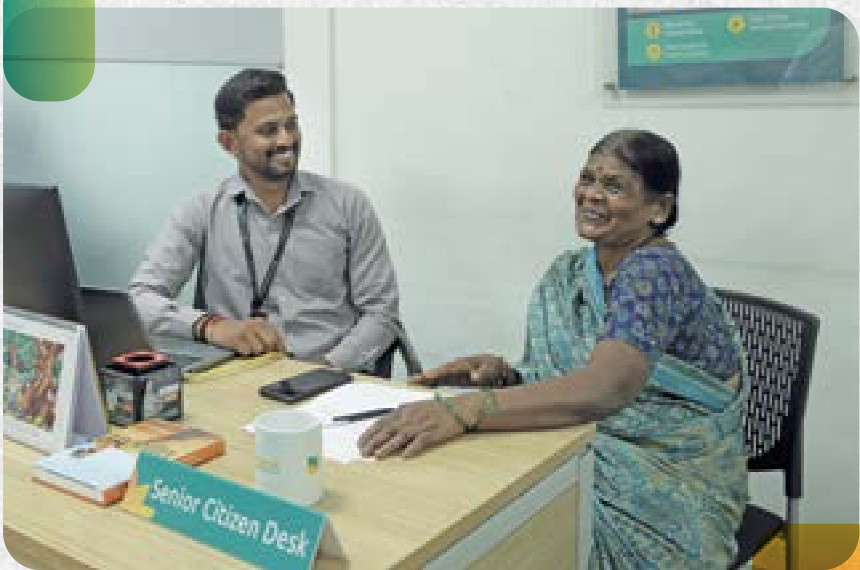
The FIGB segment is poised to sustain its upward momentum in FY 2025-26, continuing to play a dual role of balance sheet diversification and revenue generation. As we enhance our engagement with government and institutional clients, further traction in liability mobilisation is anticipated. The rollout of flexible credit products, robust digital payment solutions and expanding geographic outreach, FIGB is expected to capitalise on evolving institutional needs. Going forward, we will focus on maintaining portfolio quality, enhancing customer experience and strengthening our reputation as a trusted institutional banking partner.

Retail Liabilities (Branch Banking & TASC)

Banking Closer, **Serving Better.**

Retail Liabilities is the key pillar of our strategy for promoting financial inclusion, driving customer centricity, and strengthening liability franchise. Leveraging its strong presence across diverse geographies and deep-rooted customer relationships, Retail Liabilities serves as a vital enabler in bridging the physical and digital divide. This vertical continues to evolve and assume more responsibilities as compared to the traditional notion of a simple distribution channel, effectively fusing human interaction with a core that is digitally driven.

The Branch Banking and TASC segment plays a strategic role in strengthening our retail liability base, which is driven by a dual focus on acquiring new customers and enhancing existing relationships.



We make our presence felt through an expansive network that includes 753 banking touchpoints across 26 states and Union Territories, comprising of 563 branches, 186 unbanked centres, 4 Business Correspondent (BCs), and 23 asset centres. A calibrated expansion strategy is underway to scale the footprint in metros and urban locations, having high-liability potential. The vertical caters to the key customer segments that include individuals, such as senior citizens, women, Non-Resident Indian (NRI) customers, and High Net-Worth Individuals (HNIs), in addition to non-individuals under the Trust, Associations, Societies, and Clubs (TASC) and retail enterprise categories. Blending assisted services with digital-led engagement, the branch banking segment excels in its hybrid approach, reinforcing its role as a critical interface for delivering inclusive and accessible financial services.

Performance Dashboard

₹ 24,179 Crores
Liabilities Book of Branch Banking and TASC
18% YoY

₹ 7,817 Crores
CASA Book
17% YoY

(Growth in FY 2024-25 in comparison to FY 2023-24)

Highlights of FY 2024-25

- Launched a series of innovative products and services including:
  - Non-Resident (NR) Maxima Savings Account
  - Navratna Family Account
  - QR Soundbox for real-time payment confirmation
  - Minor Savings Account via handheld devices
  - Court Deposit
  - Millionaire Recurring Deposit
  - Individual Current Account opening via Handheld Device (HHD)
  - Direct tax payment through Business Net Banking (BNB) for current account holders
  - Educational segment programme for Trusts, Associations, Societies, and Clubs (TASC)
- Enhanced operational efficiency through the 'Service Quality Friday School' and the 'Aajeevan' life-event-based service model
- Achieved the milestone of surpassing ₹ 1,500 Crores in value for the Maxima Variant
- Attained significant uplift in customer onboarding speed, grievance redressal rate (96% within TAT), and service standardisation

Opportunity Landscape

The Small Finance Bank (SFB) sector in India has a vast potential to grow, stimulated by a large un-served and under-served population that is backed by growing digital literacy, and government-led financial inclusion programmes. As the push towards convenience and personalisation continues to rise in step with evolving customer preferences, branch banking models that integrate digital and human touchpoints remains strategically critical. Through its differentiated customer portfolio, expanding physical reach, and sustained investments in digital onboarding and servicing, we believe we are at the forefront of tapping the enhanced opportunities to create a stronger momentum.

Outlook

Going forward, retail liabilities channel is set to accelerate strategic growth through a concerted strategy that incorporates deeper penetration in high-potential regions, augmented innovation in customer-centric products, and a more aggressive push towards digital onboarding and servicing. With our objective to position Ujjivan as a digitally-forward yet customer centric bank, we remain focused on scaling premium solutions, boosting customer connect, and upgrading cost effectiveness. With inclusive banking at the core of our tactical endeavours, we stay committed to widen the footprint of branch banking and TASC into the under-served parts of the country and bolster its presence as a trusted banking partner across India.

Treasury

Optimising Funds, **Maximising Returns.**

Ujjivan's Treasury operations form a critical pillar of balance sheet management, ensuring optimal liquidity, prudent deployment of surplus funds, and strict adherence to regulatory norms. We operate through a fully equipped, multi-asset class dealing room in Mumbai, supported by a dedicated Business Continuity Planning (BCP) facility in Bengaluru. This infrastructure ensures uninterrupted treasury functionality, enabling efficient cash flow management, yield optimisation, and risk mitigation across all market conditions.

The Treasury's core function includes Balance Management and Asset-Liability Management (ALM), which focus on statutory reserve compliance and liquidity management. The trading function covers Statutory Liquidity Ratio (SLR) and non-SLR securities, interest rate derivatives, and equities. The forex segment has been further strengthened by the recent AD1 license approval, enabling us to offer a full suite of foreign exchange services. The Treasury operates on advanced platforms such as Negotiated Dealing System - Order Matching (NDS-OM), Tri Party Repo Dealing System (TREPS), e-Kuber portal by RBI (e-Kuber), and Clearing Corporation of India Limited (CCIL), supported by a robust risk management framework. With a growing presence across fixed income, equity and FX markets, the Treasury remains central to driving Ujjivan's financial stability and growth.

Performance Dashboard

₹ 14,825 Crores

Investment Portfolio

21% YoY

Highlights of FY 2024-25

- Received the 'Treasury Strategy of the Year' award at the India Treasury Summit & Awards, recognising our strategic excellence
- Established a Non-SLR desk dealing in Certificate of Deposit (CDs), Commercial Papers (CPs), Corporate Bonds, and Equities
- Obtained the AD1 license from the RBI, enabling us to offer a wide range of foreign exchange services

Opportunity Landscape

India's evolving financial landscape offers immense growth potential for mid-sized banks in the treasury segment. The rising demand for forex services, coupled with increasing participation in interest rate derivatives and secondary equity markets, presents significant opportunities for product diversification. At the same time, the deepening corporate bond market offers additional levers for yield optimisation and revenue expansion.

Outlook

In FY 2025-26, we aim to scale our operations to match the capabilities of universal banks. We plan to launch a full-service forex desk, introduce a derivatives platform for interest rate risk management, and expand into secondary equity market investments. Backed by team expansion, technology upgrades, and product diversification, these initiatives are designed to enhance efficiency, optimise returns, and capture emerging opportunities in the capital markets.

Environment, Social and Governance (ESG) Dashboard & Strategies

Driving Responsibility, **Creating Value.**

Environment, Social and Governance (ESG) demonstrated meaningful progress in just two years into its journey, embedding sustainability across operations and culture. What began as a focused intent, soon transitioned into a bank-wide movement redefining the mission and leading to broader and systemic integration of ESG considerations into strategic decision-making. The path forward is on prioritising long-term value creation, towards cementing our position as a purpose-driven institution committed to responsible growth.

In alignment, we undertook initiatives that reflect both intent and accountability. The 'Social Services' division was rebranded as 'Sustainable Banking', with a dedicated governance structure, showcasing a strategic shift towards integrated sustainability. The Corporate Social Responsibility (CSR) Committee evolved into Corporate Social Responsibility & Sustainability Committee at the Board and Management level, with the Chief Risk Officer joining as a member. Board members actively contributed to thought leadership and participation of a Board member in a webinar on 'ESG & Net Zero Imperatives' by the Institute of Directors showcases our commitment to Sustainability. Additionally, an implementation group consisting of key representatives from various departments has been formed, with each member responsible for successfully executing new initiatives. The bank has been proactive in conducting maturity assessments, addressing gaps, and advancing on the ESG ladder.

Sustainable Banking at Ujjivan

We champion financial inclusion by serving the un-served and the under-served communities, including low-income individuals, women, rural populations, and marginalised groups. Through our holistic approach, we go beyond the delivery of financial products to include financial literacy, empowering these communities to manage their finances and build a resilient, sustainable future. A strong emphasis is placed on women's financial empowerment, recognising their pivotal role in breaking the cycle of poverty. Initiatives like 'Diksha Pro+' exemplify our commitment to this cause.

As a mass-market bank with a deep-rooted social purpose, we ensure that our offerings align with SEBI, RBI, and the United Nations Sustainable Development Goals (UNSDGs). Currently, we integrate 14 of the 17 UNSDGs into our business practices and service delivery. Through our CSR initiatives, we play a catalytic role for inclusive development and continue to deliver tangible outcomes, positively impacting millions of lives.

ESG Dashboard

Environmental

65,712.33 GJ*
Total Electricity Consumption

8,063.25 GJ*
Total Fuel Consumption

51.09 GJ*
Energy Consumption Through Renewable Sources

600.5 $MTCO_2e$**
Scope 1 Emissions

13,270 $MTCO_2e$**
Scope 2 Emissions

17,908 $MTCO_2e$**
Scope 3 Emissions (Cat 1,2,3,5,6,15)

1.9
Total Emission Intensity (Scope 1 & 2) per Rupee Turnover

21.6
Water Intensity

0.00860
Waste Intensity per Rupee Turnover

10.1 MT***
E-waste Sent to Authorised Recyclers

* Gigajoule
** Metric Tonnes of Carbon Dioxide Equivalent
*** Metric Tonnes

Social

138+
No. of CSR Projects

1,215,494+
Total No. of CSR Beneficiaries

169,704+
Beneficiaries Through FLP

20%
Gender Diversity

14,560+
Volunteering Engagement Hours

38.9
Average Training Hours

Governance

Renaming Social Services Department to
Sustainable Banking with Exclusive
CSR & Sustainability Committee

ISO 27001:2022 Certified
Information Security Management System

55%
Board Diversity (5 out of 9 are Women)

99%
Of the Contracts Executed Digitally

Environment

Protecting Planet, **Powering Progress.**

We recognise environmental stewardship as a critical pillar of sustainable banking and are committed to minimise our environmental footprint, while fostering a culture of conscious resource usage. Our sustainability goals are guided by structural interventions in energy conservation, green energy, waste management, and water conservation. These collective efforts support our efforts towards becoming a more responsible institution – one that balance operational growth with long-term environmental resilience.

Energy Conservation

Sustainable Infrastructure

We are committed to reducing power consumption by 20% by 2030. In line with this objective, we relaunched the **Sanchaya Programme** in corporate and regional offices to optimise energy usage. With the implementation of this initiative, we recorded a **8%** reduction in energy expenditure across Q3 and Q4 of FY 2024-25 compared to the previous year. Additionally, we upgraded our corporate headquarters with sustainability-focused renovations, including energy-efficient systems and responsible resource usage.

Green Energy

We installed solar panels at feasible locations, at three of our branches with a capacity of 3 Kilovolt-Amperes (KVA) at Krishnapura, 5 KVA at Adanoor & Shyagale currently benefitting from this initiative. Taking a step further, our Sudarshan More branch in the East operates primarily on solar power with a capacity of 11 KVA between 9:00 am to 4:00 pm on all working days, switching to the grid thereafter. Building on this momentum, we plan to expand solar adoption across suitable office locations, furthering our commitment to green energy and reducing our carbon footprint.

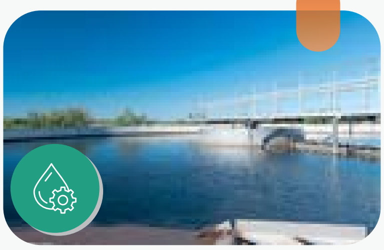
Waste Management

We implemented a structured waste management system across regional and corporate offices, ensuring effective segregation of dry, wet, and sanitary waste at source. As part of this initiative, waste is weighed, recorded, and handed over to municipal units for responsible disposal through authorised vendors. During the year, a total of **51,799 kg (51.8 MT) of waste was managed sustainably.**

Our Valapad branch was recognised by the Grampanchayat Ritha Karma Sena for its disciplined waste disposal, earning the distinction of a 'Model Branch' and inspiring others to follow.

E-Waste Management:

We ensure all e-waste generated across our operations are disposed of through the Pollution Control Board-authorised recyclers. In FY 2024-25, we safely disposed off 10,129 kg of e-waste through the recyclers. The sustainable banking and IT infrastructure teams visited a Bengaluru-based recycler to verify compliance and maintain adherence to responsible disposal practices.



Water Management

We prioritise responsible water usage across our facilities by installing water aerators in most of our locations, while newly established and renovated spaces feature sensor-based taps to minimise consumption. Awareness posters are prominently displayed to reinforce the importance of water conservation among employees.

Social: People

Nurturing Talent, **Creating Opportunities.**

We see our people as the catalysts of our progress and transformation. Our focus on productive workplace enables us to build a workplace culture that celebrates diversity, inclusivity, continuous learning, and holistic well-being. Through dynamic policies and forward-looking programmes, we nurture an ecosystem where individuals are empowered to lead and are equipped to grow with purpose. By investing in our people, we are creating a future-ready, value-driven organisation – one that contributes meaningfully to a more inclusive and resilient society.

People Dashboard

24,374
Total Employees

4,896
Total Women Employees

23
Women Onboarded through Unpause Initiative

48
Courses Launched on Learning Management System (LMS)

99%
Active LMS Users

GPTW
Certified for the 15th year in a Row and Ranked Among the Top 25 BFSI for the 3rd time.

25,534 Hours
Supervisory Skill Development

38.9 Hours/Employee
Average Learning Hours

33,669 Hours
Technical Skill Development

*Not unique employees

We have proudly maintained its position in the Best Companies to Work for in India, as certified by the Great Place to Work Institute, for the 15th consecutive year. Additionally, it has been recognised as one of the Top 25 BFSI Best Places to Work 2025 for 3 years in a row. (*UFSL rankings included from 2009-16).

Diversity, Equity & Inclusion (DEI)

We foster diversity across gender, age, ethnicity, disability, and socio-economic backgrounds. Our board gender diversity of 55% bears the hallmark of our commitment to balanced and inclusive leadership. At the organisational level, our workforce gender diversity stands at 20%, with a clear target of scaling it to 30% by 2030. Through initiatives like Unpause, we actively support women in resuming their professional journeys after extended career breaks. In FY 2024-25, we recruited **1,934** women, of which **23** were part of the Unpause initiative.

We leveraged structured Human Rights Policy to uphold fair treatment and equal opportunities for employees and stakeholders. A dedicated committee is in place at both regional and corporate levels to oversee grievance redressal through a well-defined escalation mechanism. Reflecting our inclusive ethos, our workplaces have undergone renovations to incorporate access ramps and PwD-friendly (persons with disabilities) restrooms, ensuring accessibility for all. As of March 31, 2025, we have 19 PwDs as part of our workforce.

Our focus on DEI extends beyond our workplace to support the community, demonstrating our belief in collective progress. Through our CSR Livelihood Development programmes, we provided wheelchairs, motorised tricycles, Neomotion vehicles, and employability training to **370** differently abled individuals. Furthermore, we conducted financial literacy and orientation sessions to guide beneficiaries on career opportunities in the banking sector, fostering greater social integration.

Learning & Development

FY 2024-25 marked a strategic shift in how Ujjivan approached employee development. Moving beyond organisation-mandated programmes, the focus shifted to employee-driven learning empowering individuals to shape their own growth journeys. The year's learning philosophy revolved around personalised development through Individual Learning Plans, aligned with career aspirations and business needs.

Enabling future-ready skills:

Learning initiatives focused on upskilling for transformation cross-selling, Generative AI, productivity mindset, and more. Platforms like Harvard Business Publishing and LinkedIn Learning were actively leveraged, with mid to senior management completing over 4,800 hours of high-impact learning.

A total of 42,120+ employees were trained during the year, with 64% of training efforts centred on functional expertise, behavioural competencies, and technical skills. AI was introduced to personalise learning paths, recommend content, and enhance change management.

Supervisory and leadership development:

Ujjivan invested over 25,500 hours in building supervisory capabilities across middle management and first-time managers, extending its leadership journey that began with senior leaders in FY 2023-24. Partnerships with top-tier institutes like Harvard and IIMs continued to shape the leadership bench strength. Programmes such as Women's Initiative For Success and Empowerment (WISE), Leaders Inspired for Tomorrow (LIFT), and UPLIFT (an advance version of the LIFT) impacted 575 unique participants, while the Learning Grant supported 61 employees in pursuing individual development goals. Additionally, 41 external leadership programmes were conducted to broaden management capabilities.

Technical and hands-on capability building:

Our Technical Training Programme supported 5,038 learners with practical skill development across tools and systems.

Nurturing talent from within:

Internal Job Postings, structured career progression programmes, and a focused Succession Planning framework were strengthened to ensure continuity and growth. High-potential programmes were launched for middle management, alongside women-specific initiatives to accelerate female career advancement.

Building for tomorrow:

We strengthened mentorship programmes, promoted internal mobility, and expanded career development opportunities—resulting in a marked rise in internal promotions. Our Performance Advancement and Corrective Measures (PACE) initiative further enhanced performance through structured feedback and development planning.

Wellness and Care

In FY 2024-25, we strengthened our health insurance programme to offer enhanced benefits across maternity, pre-natal and post-natal care, and In Vitro Fertilisation (IVF) treatments. These upgrades ensure comprehensive coverage tailored to different life stages. Additional term-life coverage was introduced for employee families, with a special focus on frontline roles.

Our wellness efforts extended to physical and emotional well-being, with 24/7 counselling support through a dedicated emotional wellness hotline. Throughout the year, we conducted targeted awareness campaigns on road safety, women's health, emotional wellness, and financial health reinforcing a proactive and preventive approach to employee care.

Employee Experience

We have made significant progress in improving operational efficiency and employee convenience through digital transformation. The launch of the 'Staff Personal Loan' platform via CRMNxt enabled instant eligibility checks and reduced disbursal time to just 3 working days. Over 25 automated Human Resource Management System (HRMS) workflows were introduced, streamlining key processes like Staff Re-KYC (now completed in a single day) and simplifying talent mobility. Employee feedback remained central to our approach, supported by real-time digital engagement surveys that helped us listen, respond and adapt swiftly.

Our compensation and benefits programme are designed for transparency, fairness, and market competitiveness. Pay bands are benchmarked externally and equitably applied across roles, ensuring no bias by gender or designation. Annual increment and bonus announcements are communicated transparently to foster trust and clarity. Best-in-class variable pay programmes are rolled out for sales and collections teams, aligned with industry standards. Our Human Resource Management System (HRMS) helpdesk ensures swift redressal of employee queries, with 99% of cases resolved within defined turnaround times in FY 2024-25—reinforcing responsiveness as a key Human Resource pillar.

Engaging with Our People

We are consistently recognised as a workplace that fosters pride and trust, driven by transparency and inclusivity. Employees at all levels are empowered through regular platforms like Branch Representative Meetings, Townhalls, and Human Resource Business Partner (HRBP) visits that promote open dialogue and leadership access. Our AI chatbot, Amber, supports proactive retention by identifying and engaging disengaged employees. A strong culture of recognition further fuels motivation, with awards such as Annual Awards, Corporate Excellence, Summit Awards, and regional initiatives like Pratistha and South Spotlight celebrating outstanding performance.

Engagement in FY 2024-25

65
Branch Representative Meetings

86
Employee Engagement Score

3,104
Human Resource Business Partner (HRBP) Branch Visits

51
Townhalls Conducted Pan India

1,954
Employees Flagged by AI Chatbot (Amber) and Engaged

Human Rights & Health & Safety

We are committed to responsible business practices that prioritise fairness, dignity, and employee well-being. Our board-approved Human Rights policy ensures fair wages, safe working conditions, and zero tolerance for child and forced labour. Through our Occupational Health & Safety framework, we focus on risk prevention and aim for zero workplace accidents by 2023. We also ensure that human rights considerations are integrated into our vendor practices to promote ethical standards across our value chain.

Social: Communities

Supporting People, **Strengthening Communities.**

We commenced operations as a Non-Banking Financial Company (NBFC) in 2007, and from the outset, social responsibility remained integral to our mission. We began by allocating budgets for branch-level social initiatives, including painting the school premises and providing stationery to government schools. Over time, we scaled our impact through Corporate Social Responsibility (CSR)-driven efforts, spearheading large-scale community projects, including bridging the digital divide and rejuvenating lakes. These initiatives reflect our deep, organisation-wide commitment to community welfare and our resolve to create lasting, meaningful impact.

Guided by our clearly defined thematic areas, our CSR initiatives continue to uplift marginalised communities. As part of our ESG journey, we embedded sustainability into all aspects of our work, including CSR. Last fiscal year, we introduced 'Environment' as a focused thematic area for resource conservation projects.

Actively engaging our employees and stakeholders, we established a robust governance framework to oversee and guide our CSR programmes.

Community Dashboard

1,215,494
Lives Impacted

138+
Projects

24 States/2 UTs &
230 Districts

20%
Aspirational districts like Ranchi, Barwani, Ramgarh, Banka, Giridih, Gaya etc.

14,560
Volunteering engagement hours and 7,250 Volunteers

13/17
UNSDG alignment

Our CSR Projects & Impact - FY 2024-25

CSR Projects (Thematic Area wise)	No. of Persons Benefited from CSR Projects FY 2024-25
Infrastructure Development Programmes (Chote Kadam & Others)	854,614
Livelihood Enhancement	662
Disaster Relief	21,353
Education and Sports	9,547
Environment and Animal Welfare	242,334
Healthcare	86,984

CSR Outreach

Ujjivan Small Finance Bank

Community Development Programme

Chote Kadam

64
No. of Projects

854,614
No. of Beneficiaries Impacted

In partnership with Parinaam Foundation, our flagship programme 'Chote Kadam' emerged as a powerful enabler of grassroot level transformation. During the last fiscal, the programme executed over 280+ projects across India. These initiatives focus on renovating schools, healthcare centres, 'Anganwadis', restrooms, playgrounds, in addition to accessibility to safe drinking water. Notably, 13% of the projects executed this year are in aspirational districts, reflecting our focus on under-served regions.

Some of the significant projects executed this year are:

Project Description	District/State	No. of Beneficiaries
Provision of a garbage truck to the municipality	Maddur	50,000 residents
Public Park renovation (cleaning, gym equipment, and toilet)	Ramanathapuram	15,000 residents
Lactation room and waiting area at public health centre	Kalyan	5,000/month
First public park with walking trail & play area	Khadana, Gujarat	2,500/month (children)
Shelter for cows at Goshala	Ghogharian	2,500 cows
Renovation of 48 rooms in an old-age home	Agra	350 residents
Dormitory construction for residential school children	Vadodara	150 children

Livelihood Development Programmes

7
No. of Projects

662
No. of Beneficiaries Impacted

We believe in the philosophy, "Give a man a fish, and you feed him for a day. Teach a man to fish, and you feed him for a lifetime". Guided by this ethos, our CSR livelihood programmes empower first-generation learners and marginalised communities, including individuals with physical and cognitive disabilities, women, and unemployed youth from Below Poverty Line (BPL)/Above Poverty Level (APL) backgrounds. Continuing to widen our reach each year, we introduced these programmes in Varanasi, Ranchi, and Hazaribagh last year, along with innovative self-employment models for severely orthopedically challenged Persons with Disabilities (PwDs).

Cheshire Disability Trust (CDT)

We maintain strategic partnerships with high impact implementing agencies (IAs) that align with our values, enabling us to pursue sustainable and inclusive development objective. In the livelihood space, we collaborated with Cheshire Disability Trust (CDT), Divya Nur Foundation, and ProVision Asia for over three years.

Through our partnership with Cheshire Disability Trust, we focus on livelihood development for PwDs. In FY 2024-25, we have trained about 300 individuals, equipping them with skills in communication and basic computer literacy, among other programmes. We imparted training with orthopaedic and auditory impairments across Jamshedpur, Hazaribagh, Ranchi, and Varanasi. After successful completion, they were placed in retail, banking, and Information Technology Enabled Services (ITeS) sectors with an average monthly salary of ₹ 9,000. The placement drive was supported by a diverse group of employers, including TATA Motors, Amazon and other reputed organisations.

We also launched a targeted self-employment programme for orthopaedically challenged individuals in collaboration with CDT, Neomotion, and Zomato. Under this initiative, 10 beneficiaries, facing severe mobility challenges were equipped with digital literacy, taught English communication and soft skills. They were provided Neomotion vehicles and employed as Zomato delivery partners, earning an average of ₹ 12,000 per month with flexible work hours to accommodate their needs. These endeavours continue to empower individuals with disabilities, fostering financial independence and sustainable livelihoods.

Testimonial from the Neomotion beneficiary

"Living with a 75% locomotor disability, I struggled to find work until Ujjivan, along with Cheshire Disability Trust, supported me with a NeoMotion vehicle and training. I now earn over ₹ 45,000 a month as a Zomato delivery partner and care for my elderly mother independently. Ujjivan helped turn my challenges into strength and gave me the means to live with dignity."

- Lakshmi Devi V

Testimonial from the Neomotion beneficiary

"For years, I was unemployed and immobile. With support from Ujjivan and Cheshire Disability Trust, I received mobility training, digital literacy, and the tools to work as a Zomato delivery partner. Today, I earn ₹35,000 a month, support my daughters' education, and share the financial load with my husband. Ujjivan helped me regain my dignity and build a better future for my family."

- Chithra Devi B

Divya Nur Foundation

We partnered with Divya Nur Foundation to implement a livelihood enhancement programme aimed at equipping youth from marginalised communities with essential employability skills. The training curriculum encompassed communication skills, behavioural skills, and computer literacy, among other job-readiness modules. Post-training, the participants were placed in the retail, banking, Information Technology enabled Services (ITeS) sectors with an average monthly salary of ₹ 10,000 this year, we trained nearly 200+ beneficiaries and placed about 72% of them.

ProVision Asia

We have been associated with ProVision Asia to support orthopaedically challenged individuals by providing wheelchairs to enhance mobility and promote independence. Under this initiative, we distributed 50 wheelchairs to Persons with Disabilities (PwDs) from underprivileged backgrounds. Additionally, 10 specialty sports wheelchairs were provided to athletes excelling at the state and national levels in tennis, basketball etc.

Testimonial from the ProVision Asia beneficiary

"Wheelchair tennis gave me strength, but I was held back by limited equipment. With Ujjivan's support through proVISION ASIA, I received a professional sports wheelchair that transformed my performance and confidence. I've since won three state-level medals and now have the chance to compete nationally and internationally. Ujjivan helped me break barriers and believe in a bigger future."

-Malayatri

Testimonial from the ProVision Asia beneficiary

"I was introduced to Wheelchair Tennis, a sport I never imagined I could play. From barely knowing the rules to winning 12 medals nationally and internationally, this journey has transformed my confidence and my life. With a proper sports wheelchair and ongoing training support from Ujjivan and proVISION ASIA, I now play with freedom, pride and purpose."

- Mubina, Tennis Player

As part of our community development initiatives, we facilitated improved and safe mobility for intellectually challenged children/youth associated with Maithree by providing a dedicated van. We also offer academic scholarships to underprivileged students pursuing vocational courses through the Calcutta Social Project, helping them gain employable skills. Additionally, we support the Earth Care Foundation's Udaan 2.0 project, which provides coaching for the marginalised preparing for competitive exams, empowering them with better career opportunities.

Healthcare Programmes

23
No. of Projects

86,984
No. of Beneficiaries Impacted

Advancing our social interventions under 'Chote Kadam', we renovated 13 public healthcare centres and directly supported healthcare projects by providing critical medical equipment for ICUs, ophthalmology departments and pathology labs.

Pink Bus – Patna Smart City Initiative

A defunct bus was converted into a solar-powered mobile toilet with four restrooms, a nursing room and a coffee vending machine to address the need for secure and hygienic sanitation for women in marketplaces lacking toilet facilities in Patna. The bus serves 300 women daily, increasing to 1,500+ during festivals and events.

Provision of Ambulances

We donated ambulances to improve emergency healthcare access at:

Barasat Cancer Research & Welfare Centre, Kolkata: Transporting underprivileged cancer patients from rural Bengal, Bihar and Odisha

Govt. Hospital, Modi Nagar: Serving 35 neighbouring villages

Taki Municipality, N. 24 Parganas: Supporting over 20 villages, aiding socio-economically disadvantaged patients

Guwahati Municipal Corporation: Catering to more than 2,000 patients per month

Indira Gandhi Govt. Hospital, Bhiwandi: Enhancing emergency response services

Ophthalmology Equipment for Tribal Hospitals

We provided a complete ophthalmology testing set to the Civil Hospital, Barnala, and Mandar Hospital, Ranchi, both of which lacked adequate testing facilities for increased patient volumes. Encompassing Auto-Refractor cum Keratometer, Tonometer, and Lens/Auto Refraction set, the testing kit empowered the hospitals to improve diagnostic capabilities for tribal communities.

Education and Sports Programmes

17
No. of Projects

9,547
No. of Beneficiaries Impacted

Digital Empowerment with the Pi Jam Foundation

We are in our second year of partnership with the Pi Jam Foundation, where we continue to train teachers and develop model educators, effectively bridging the digital divide in government and zilla panchayat schools across Satara and Sangli, Maharashtra. This year, we expanded Pi Labs to Khurja, Bulandshahr and Hapur, Uttar Pradesh, equipping students with digital literacy and teaching skills to the teachers of the Govt./Zilla panchayat schools.

Testimonial

"With Ujjivan's support, we've empowered over 1,000 teachers in Maharashtra and Uttar Pradesh with essential digital and teaching skills. This has transformed classrooms into hubs of innovation and curiosity. Our 100 model teachers now lead the way in redefining education, and with Ujjivan, we've built a strong community that's reshaping how students learn and thrive."

- Shoaib Dar, Founder

Behavioural Skill Development with the Flying Disc Development Foundation

We collaborated with the Flying Disc Development Foundation to use the game of 'Frisbee' as a medium of inculcating teamwork, empathy, resilience, discipline, and gender respect among children from urban slum communities, in Delhi NCR. Training sessions held three times a week benefited 150 children, fostering essential life skills through sports.

Environment/Animal Welfare Programmes

12
No. of Projects

242,334
No. of Beneficiaries Impacted

We established an exclusive Environment and Animal Welfare thematic area to drive resource conservation and animal well-being projects. As part of this effort, we partnered with United Way of Bengaluru to rejuvenate Kanekallu Lake in Hoskote, which is currently affected by pollution. This two-year project is progressing as per plan and is scheduled for completion by FY 2025-26. Additionally, in collaboration with Kovai Kulangal Pudhipippu Amaippu, we are revitalising a pond in Arisipalayam, Tamil Nadu, and a lake in Bavda, Satara, Maharashtra.

Under animal welfare initiatives, we constructed solar-powered animal shelters in Coimbatore and construction of cattle shed in Gogphariyan, benefiting 300 cattle. We also conducted tree plantation drives on significant occasions like Kargil Diwas, encouraging school students to participate in environmental conservation.

Furthermore, in partnership with Desai Foundation, we raised awareness in rural schools of Tamil Nadu and Karnataka on the importance of responsible sanitary pad disposal, complemented by the installation of incinerators in school premises.

Disaster Relief

12
No. of Projects

21,353
No. of Beneficiaries Impacted

We remain firm in our commitment to support those in crisis, consistently increasing our fund allocation to relief efforts each year. To expand our impact, we have redefined disaster relief in our CSR policy to address diverse climate change effects, including summer heat waves and fire incidents. This agile approach augments our ability to respond more effectively to emerging environmental challenges and extend support to a greater number of relief projects.

Some of the high impact projects executed under Disaster Relief during FY 2024-25 include:

Project Details	No. of Beneficiaries Impacted
Fengal Cyclone - Panruti, Cuddalore	10,000
Winter Relief - Distribution of blankets	2,295
Disaster Relief - MFIN - Health camp	2,231
Fengal Cyclone - Mahadevagollahalli	2,000
Winter Relief - Distribution of blankets & woollen caps	1,200
Gujarat Flood Relief	1,000
Disaster-relief - Panskura & Bagnan flood relief	1,000

Project Swachh Neighbourhood

We executed Project Swachh Neighbourhood in FY 2024-25 across our 250 branches pan-India, engaging employees in cleaning office surroundings and planting saplings where possible. Over 6,000 employees participated in this initiative, contributing to the planting of over 6,000 saplings.

Data Management Tool – Ujjivan CSRConnect

We developed Ujjivan CSRConnect, an in-house tool designed exclusively for CSR project management. This tool addresses the need for a centralised data management system and features a detailed dashboard, customisable reports, and an approval workflow with defined turnaround times. Implementation of this mechanism aids in improving efficiency, execution speed and data accuracy.

Volunteering Engagement – Ujjivan SevaMitra

We engaged over 7,280 employees across various CSR projects through Ujjivan Sevamitra, our volunteering programme, fostering a sense of purpose and fulfilment. To recognise and motivate volunteers, we introduced initiatives like e-certificates for participation and special recognition for repeat volunteers at executive committee meetings.

Inclusive Finance - Financial Literacy

	Diksha+ Pro	Diksha IL	Pragati	MSME	Non-Ujjivan	FLC	Total
No. of beneficiaries	118,653	8,180	5,684	399	2,413	34,375	169,704
No. of training hours	25,820	1,080	386	87	124	2,122	29,619
% of beneficiaries who gained access to one or more financial products	32%	20%	36%	0%	0%	0%	25%
% of Women Beneficiaries	100%	94%	69%	11%	70%	73%	93%

Diksha Pro +

We dedicatedly serve the un-served and the under-served communities by offering tailored financial tools that ensure accessibility and ease. We believe empowering these communities, especially women in marginalised sectors, with financial literacy is vital. Since 2011, financial literacy remains a key focus area, benefiting over 1.4 Million individuals across India. In FY 2024-25, we imparted training to 118,653 beneficiaries on a broad spectrum of financial competencies. As a result, 22% of them adopted digital repayment options like Hello Ujjivan and UPI, highlighting the social and economic relevance of our intervention.

Pragati

We derive a significant portion of our MicroBanking and Rural customer base from the under-served communities, that traditionally lack access to formal banking services. In regions such as Assam, in the aftermath of the financial crisis, we unveiled a specialised financial literacy programme aimed at educating nano-entrepreneurs on effective financial management. This included guidance on diligent planning, budgeting, responsible borrowing, the importance of timely repayment, understanding credit scores, exploring digital banking options, and navigating various products and services. Additionally, beneficiaries were sensitised to prevailing fraudulent activities and the necessary preventive measures to safeguard their financial well-being.

Testimonial from the Pragati beneficiary

"Ujjivan has been part of my life for 15 years, offering more than just financial support. Through their Pragati Training, I learned to manage my money better and gained the confidence to take control of my finances. That knowledge changed my life, and I proudly encouraged others to join too. Ujjivan has truly been a partner in my progress."

- Sabya Barman

IL Diksha

We regularly extend our 'Individual Loan' products to address the immediate financial needs of marginalised communities. As these customers transition from group loans to individual credit, they face higher stakes, requiring greater accountability and repayment discipline. Recognising the need for product-specific financial literacy, we partnered with Parinaam Foundation to conduct financial literacy programmes across India, incorporating the following aspects:

- Basics of Financial Management
- Digital Banking & Financial Products
- Digital Fraud Prevention
- Business Development & Loan Management
- Entrepreneurship & Business Expansion

In FY 2024-25, 8,180 customers received training under the IL Diksha programme, with 94% being women. As a result of this initiative, 39% customers ensured timely loan repayments.

Financial Literacy to MSME Customers (Ujjivan Entrepreneurship Development Programme (UEDP))

We launched a dedicated financial literacy programme for MSME customers in alignment with the mandate of the Reserve Bank of India (RBI). Piloted in FY 2022-23 and formalised in FY 2023-24, this initiative was aimed at supporting the evolving needs of the sector.

Partnering with Haqdarshak, India's first social enterprise to digitalise welfare programmes, we cover critical domains such as business financing options, central registrations, and government welfare schemes. Adopting a 'Train the Trainer' model, Haqdarshak imparts training to our internal trainers, who then cascade the knowledge to our MSME customers. In FY 2024-25, 399 participants attended the programme, where 11% were women attendees.

Financial Literacy Camps

We organise financial literacy camps at our Unbanked Rural Centres (URCs) as part of our financial inclusion initiatives. During FY 2024-25, camps were held across 177 URCs, following the curriculum and training materials provided by the RBI. These camps trained 34,375 beneficiaries, of which 73% were women.

Testimonial from the ASHA Worker

"Ujjivan's training session was an eye-opener. We learned the basics of banking, saving, financial planning, and how to protect ourselves from cyber fraud. For the first time, many of us became aware of government schemes we are eligible for. Thanks to Ujjivan, we now feel empowered to make better financial decisions for our families."

- Vandhana Bhadange

Social: Customer

Enhancing Experiences, **Strengthening Relationships.**

Our customer centric approach has enabled us consistently to upgrade our digital infrastructure, boost delivery channels, and deliver frictionless frontline engagement. By adopting a structured, data-driven approach, we have refined our people capabilities, operational processes and technology platforms to effectively anticipate and respond to changing customer needs. This strategic focus, has helped us to deliver accessible and reliable services across touchpoints, solidifying our lead as a trusted and responsive financial partner.

Promoting Customer Centricity and Protection

We are committed to delivering exceptional customer service by continuously sharpening our service edge. Through digital innovation, expanded delivery platforms, and a strong feedback-driven approach, we have elevated service standards and enhanced customer convenience. A dedicated Service Quality team anchors this agenda driving experience improvements, addressing grievances swiftly, and ensuring compliance with service benchmarks. By refining our people, processes, and technology, we remain firmly positioned as a leading customer-centric institution.

A Unique Service Index Programme

To consistently exceed customer expectations, we have institutionalised the Service Index programme over the past seven years. This innovative programme tracks our service standards through predefined ~160 parameters and benchmarks, enabling us to identify areas of improvement and drive ongoing enrichment. The Service Index is embedded in our performance evaluation framework from the MD & CEO to frontline staff ensuring service excellence is a shared responsibility.

Service Index Score: Improved to 93 (March, 2025) from 89 (March, 2024) and 85 (March 2023)

Service Recovery Programme

We prioritise service excellence and proactively address service lapses through a dedicated Service Recovery and Incident Management programme. By identifying issues early, conducting root cause analysis, and ensuring swift resolution, we prevent escalation and reinforce customer trust and loyalty.

Promoting Service Excellence by Building a "Service First" Culture

In line with our commitment to customer service and protection, we emphasise equipping all customer-facing staff with the right knowledge and skills to consistently deliver exceptional experiences.

Custom-designed training for secured asset servicing

As we expand our secured asset portfolio, a need was identified to strengthen frontline staff capabilities in this area. While staff were adept at handling liability products, servicing secured assets required focused training. A comprehensive programme was rolled out covering loan application flows, account servicing, and digital tools. This has led to faster query resolution, improved customer satisfaction, reduced errors, and enhanced staff confidence and productivity.

SQ Friday School

We believe exceptional customer service stems from continuous learning. The SQ Friday School initiative was launched to build frontline service capabilities through weekly, branch-level training. Every Friday, short training modules curated by the Service Quality team are shared with branch staff and delivered by Branch Managers for immediate learning application.

These modules focus on core service areas such as complaint handling, life-event services, and real-life case studies. Topics are selected based on customer feedback, service observations, and staff knowledge gaps ensuring relevance and impact. The initiative has significantly improved service precision and customer satisfaction, while reinforcing a culture of continuous improvement. All modules are archived on our intranet and LMS platform Swayam for easy access.

Key highlights:

- Modules delivered in FY24-25: 49
- Modules delivered in FY23-24: 25

Aajeevan Services – A Compassionate Approach to Life Events-Based Banking Services

We understand that during life's key moments—whether joyful or challenging—customers need empathy, support, and assurance. Aajeevan is our unique, life events-based **banking** service programme designed to help customers navigate such moments with care and ease.

Introduced at Ujjivan inception, the programme offers services such as nomination facilities, joint accounts, claims settlement for deceased account holders, insurance claim support, and doorstep banking for senior citizens and differently abled customers. With empathy and efficiency at its core, *Aajeevan* simplifies processes and ensures staff are trained to respond with sensitivity. A dedicated one-day workshop was conducted for 934 frontline and sales staff across 46 batches during the year to strengthen delivery.

Key highlights:

- Aajeevan request resolution rate: 99% in FY 2024-25 and FY 2023-24 (up from 94% in FY 2022-23)
- Deposits with nomination: 96% in FY 2024-25 (vs. 94% in FY 2023-24 and 92% in FY 2022-23)
- Deceased claims settlement: 100% within standard TAT

Rewarding services that inspires

Recognising and Celebrating Service Excellence

We have institutionalised multiple recognition platforms that celebrate employees who go above and beyond to deliver exceptional customer experiences.

Social Media Appreciation Broadcasts

Employees who go the extra mile are acknowledged by customers, and their stories are featured on our official social media platforms—building pride and inspiring others.

Executive Committee Recognition

To champion service excellence from the highest level, staff receiving customer appreciation are recognised by the Executive Committee on the first Monday of every month. These commendations are also shared on social media, showcasing our service heroes and amplifying their impact.

Aajeevan Service Champions

Under the *Aajeevan* life-event-based banking programme, 145 Customer Care Representatives were recognised for their outstanding contributions in delivering compassionate, high-impact service.

Service Excellence Annual Award

Launched in 2024 based on the Board's recommendation, this prestigious award honours individuals who consistently deliver superior customer or internal service over a two-year period. Eligible contributions include:

- Consistent field-level excellence in customer service
- Implementation of process or system innovations that improve efficiency and enhance experience

Each year, up to six employees are awarded with a cash prize, trophy, and certificate signed by the Managing Director (MD). The awards are presented during the Annual Summit by the Board of Directors. Success stories of winners are widely shared across the organisation to reinforce the spirit of service excellence.

Customer Service Committee Meetings – "Let's Connect"

Aligned with RBI guidelines and our service commitment, every branch conducts a **monthly Customer Service Committee Meeting** on the first Saturday. Branded as "Let's Connect – Aapki Baat Bank ke Saath," the initiative empowers customers to voice feedback, raise concerns, and co-create better service experiences. These sessions also serve as a platform for customer education, with the Service Quality team sharing a new topic each month to raise awareness about banking services.

Key highlights:

- Meetings conducted across branches: Monthly
- Total participants: 78,358 customers
- Outcome: Enhanced transparency, issue resolution, and customer trust

Special Care for Senior Citizens and Differently Abled Customers

We believe banking should be inclusive and accessible for all. To support customers with mobility challenges, we offer free doorstep banking for senior citizens and differently abled individuals. With a simple call to customer care, eligible customers can avail up to four free services per month—including cash withdrawal/deposit, cheque pickup, DD delivery, and KYC updates—from the comfort of their homes. In addition, priority service counters are available at every branch, ensuring zero wait time for senior citizens and differently abled customers.

Reliable Mechanism for Resolution of Customer Grievances

Customer care and timely problem resolution remain key priorities for Ujjivan. We have implemented a robust grievance redressal mechanism designed not only to resolve complaints within defined timelines but also to identify root causes and implement corrective actions to reduce recurrence. Despite significant growth in customer acquisition and digital transaction volumes over the years, **the number of customer complaints has consistently declined over the last five years**, reflecting our commitment to service quality and continuous improvement.

Year On Year	FY 2024-25	FY 2023-24	FY 2022-23	FY 2021-22	FY 2020-21	FY 2019-20
Count of Customer Complaints	15,553	19,610	22,740	22,812	26,985	36,560
Reducing Trend (%)	(21%)	(14%)	(0.32%)	(15%)	(26%)	-

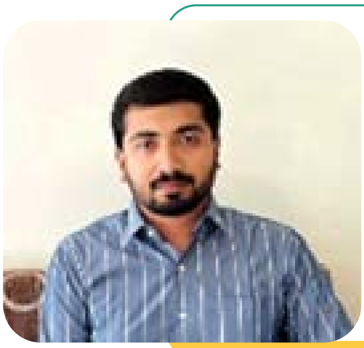
Resolution of customer service requests within standard turn-around-time has improved to 95% in FY 2024-25 from 94% in FY 2023-24 and 90% in FY 2022-23.

The resolution of customer complaints within standard turn-around time has improved to 99% in FY 2024-25 from 98% in FY 2023-24 and 96% in FY 2022-23.

Customer Testimonials

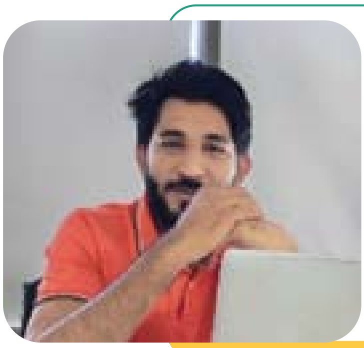
"Ujjivan has been my trusted financial partner since 2019. From starting my tailoring business to funding my son's education and research, their support, especially through the Gold Loan, has been seamless, quick and truly life-changing. Heartfelt thanks to the team."

-A. B. Parikh, *Gold Loan customer*



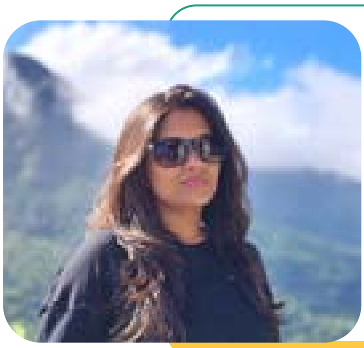
"Ujjivan has made banking simple and stress-free for me. The staff is friendly, the mobile app is easy to use, and managing my savings has never been more convenient. I'm truly happy with my experience over the past year."

-Sumit Mansulchbhai Sorathiya, *Maxima Savings Account customer*



"As a small business owner, Ujjivan has been the perfect banking partner. Their prompt service and helpful account features make managing my business finances easy and efficient. In just 6 months, it's already become a relationship I truly value."

-Sohel Rajpura, *Current Account customer*



"Ujjivan made my home loan journey smooth and stress-free. Their team was efficient, supportive and proactive, ensuring timely disbursal and seamless documentation. I'm truly grateful for their dedication and customer-first service at every step."

-Anuradha Singh, *Home Loan customer*

Governance

Governing with **Purpose & Prudence**

We view good governance as the stepping stone for sustainable growth and long-term success. By upholding the highest standards of ethics, transparency and accountability, we continue to foster trust and confidence among all our stakeholders. Our governance framework is designed to ensure strong vigilance and advance our commitment to responsible, principled business practices, crafting an upward trajectory for enduring value creation.

Governance Framework

We anchor our governance practices in regulatory guidelines and global best practices, particularly those outlined by the Basel Committee. We follow a clear and effective lines of defence model:

What are the Control Functions in Lines of Defence?

Second Line of Defence

Includes members from the risk, compliance, and vigilance teams, who operate independently and free from business targets. These functions report directly to the Board Committees, ensuring unbiased opinions

Third Line of Defence

Internal Audit acts as an independent assurance function, evaluating the effectiveness of risk management and internal controls. It reports directly to the Audit Committee of the Board

A Diverse and Experienced Board

We are governed by a robust and diverse Board, which includes a majority of Independent Directors with expertise across key areas spanning banking, finance, law, IT, risk management and financial inclusion. The Board plays a central role in steering our strategic direction and ensuring effective oversight - laying the foundation for sustained success.

The Board is supported by all mandatory committees as per the Companies Act, Securities and Exchange Board of India (SEBI) Listing Obligations and Disclosure Requirements (LODR), and Reserve Bank of India RBI guidelines:

- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Customer Service Committee
- Shareholders Relationship Committee
- Corporate Social Responsibility Committee
- Fraud Monitoring Committee
- Committee of Directors

Policies that Promote Ethical Conduct

We deploy a wide array of governance-related policies to institutionalise ethical practices and strengthen internal accountability, including:

- Code of Conduct for Employees and Directors
- Insider Trading Policy
- Corporate Governance Code
- Board Diversity Policy
- Whistle Blower Policy
- Board Performance Evaluation Framework

Risk and Compliance Safeguards

We leverage a comprehensive set of policies to bolster our risk governance architecture, including:

- Compliance Policy
- Internal Audit Policy
- Fraud Management Framework
- Anti-Bribery and Anti-Corruption Policy
- Environmental & Social Management Systems

Adhering to Statutory Obligations

We diligently comply with statutory obligations through structured policies on:

- Related Party Transactions
- Dividend Distribution
- Determination of Materiality
- Archival Policy
- Nomination and Remuneration
- Prevention of Sexual Harassment

Customer Centric Governance

We formulate customer-facing policies to promote fairness, transparency and trust in every interaction:

- Fair Practices Code
- Customer Rights Policy
- Customer Grievance Redressal Policy
- Customer Compensation Policy
- Deceased Claims Settlement Policy

Our **New Product Approval** and **Service Charge Policies** ensure customers receive timely notice and complete clarity on changes, prioritising transparency and accountability in our offerings.

People Centric Policies and Culture

We are committed to cultivate an ethical, inclusive and growth-oriented internal ecosystem. Encompassing care, opportunity and long-term value, our employee policies include:

- Holidays & Leave Policy
- Staff Loan Policy
- Learning & Development Programmes
- Employee Grant Scheme
- Performance-based ESOPs

These initiatives help build a motivated, future-ready workforce, ensuring alignment with our strategic goals and accountability in our offerings.

Governance that Builds Long-Term Value

Our governance framework, pivots around the objectives of serving with integrity, growing with accountability and leading with transparency. By persistently pursuing prudent financing, open disclosures and fair customer practices, we remain firm in our commitment to doing what's right in all our endeavours.

Risk Management

Safeguarding Growth, **Mitigating Risks.**

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

Ujjivan has dedicated teams established to assess and monitor enterprise and strategic risks, credit risks, operational risks, market and liquidity risks, and information security risks and emerging risks like AI, Climate Risk and ESG. Our risk management team is primarily based out of our corporate office, with a presence in each of our regional offices to aid in cascading the operational risk framework at a granular level. our Risk Management function is its independence from business sourcing units, with convergence only at the Board level, which is in line with prudential risk management practices.

The RMCB fulfils its roles and duties through various management-level risk committees such as the Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC), Asset Liability and Market Risk Committee (ALCO), Information Security Risk Management Committee, and Business Continuity Management Committee. We also have an Enterprise Risk Management Committee (ERMC) to oversee strategic and emerging risks while maintaining general oversight on audit and compliance matters. These committees are responsible for identifying, measuring, mitigating, and monitoring specific risks, and they direct enhancements and new policy advocacies wherever applicable.

Our Risk Management Framework is based on a clear understanding of our key material risks, disciplined and well-defined risk assessment and measurement procedures, and continuous monitoring. The policies and procedures we establish are continuously benchmarked against best practices. We have oversight on all our material risks through regular monitoring of risk indicators, policy advocacy, and testing of controls for design and effectiveness. Breaches and gaps identified are thoroughly analysed to determine the associated root causes for initiating corrective actions.

Key Developments and Action Taken During the Year

During FY 2024-25, persisting stress in the microfinance sector continued to impact loan origination trends and asset quality. The contraction in growth was primarily due to rising delinquencies, borrower over-leverage across lenders, collection inefficiencies, and weakening asset quality, all of which led to a more cautious approach to growth.

During the year, Self-Regulatory Organisations (SROs), particularly MFIN, took early corrective actions by introducing necessary guardrails for lending practices, applicable to all entities. By January 1, 2025, guardrails on loan amount capping at ₹ 2 Lakhs and minimum standards for delinquency status came into effect. By April 1, 2025, a three-lender capping will also be implemented. While these corrective measures are expected to affect the sector in the short term, we remain confident that these initiatives will strengthen the sector's resilience. Green shoots have been observed from the recent performance in March-April 2025. To manage these risks, we updated our credit policies in line with the SRO's mandate and customised credit lending norms at a state level, considering the inherent and anticipated risks. Additionally, we identified key risk metrics, categorising branches/operating areas based on risk posture. Our collection strategies have been revamped to integrate a data-driven approach for infrastructure allocation, while business development strategies were recalibrated with a risk-based focus. The creation of floating provisions in Q1 FY 2020-21, anticipating future risks and business cyclicality, now validates the foresight envisioned by the Board.

The Karnataka micro loan and small loan (prevention of coercive action) ordinance, 2025 was notified which was aimed at curbing unethical practices such as usurious pricing and coercive recovery methods used by unregulated MFIs, its potential impact on asset quality and growth trends for regulated entities remains a concern. Although the ordinance explicitly excludes regulated MFI lenders, the risk of misinterpretation by local governments, potentially including regulated entities, still exists.

The shift in the Monetary Policy Committee's (MPC) stance from hawkish to accommodative marked a significant turning point in FY 2024-25. With inflation rates now under control, the rate-cut cycle commenced during the year, with further cuts anticipated in FY 2025-26. We have incorporated these macroeconomic shifts into our business strategy and profitability assessments, including redrawing deposit mobilisation plans and interest rates to optimise our cost of funds and Net Interest Margin.

Lastly, the reduction in risk weights for consumer credit lending in the MFI segment and NBFC lending by the regulator is expected to drive macroeconomic and credit growth, contributing to the broader goals of financial inclusion. The RBI's reversal of the action will enable players to develop customised products for the consumer credit segment, specifically targeting under-served and un-served customers. We believe this relaxation in risk weights for MFI consumer credit and NBFC lending will release the necessary capital, channel credit flow to the required segment, and fully align with our mission to serve the un-served and under-served, as well as the nation's vision of Viksit Bharat by CY 2047.

Risk Management Framework and Implementation

The establishment of best practices in Risk Management, aligned with our nature, size, and complexity, has been an ongoing process since our inception. Some of the field-level policies and processes, particularly the due diligence adopted as an erstwhile NBFC-MFI in identifying locations before starting business and branch-level credit policies, ensured that our geographic expansion strategy incorporated a critical principle to avoid disturbed areas of operations. We believe that risks can only be managed, not eliminated, and therefore prevent excessive risk build-up in connection with our businesses by adhering to the following principles that underpin the risk culture within our organisation:

1

Every risk taken must be approved and fall within our established risk management framework. The emphasis is on practical risk management, distinct from theoretical models, making the framework more effective.

2

Ownership of risk lies with the first line, with our Risk Department maintaining independent oversight. Employees at all levels within our organisation are responsible for managing and escalating risks.

3

Risk is taken within a defined risk appetite/ limit framework.

4

Risk should be continuously monitored and managed.

Post the receipt and commencement of banking operations, our journey has been a challenging one. The strength and character of our Risk Management practices have been validated, evidenced by a strong governance and oversight mechanism that helped us navigate the worst effects of two black-swan events demonetisation and the pandemic during our short history of eight years. Our Risk Management practices have evolved over time, with our Board playing a pivotal role in shaping the overall framework. As the operating environment has evolved, the scope, breadth, and depth of deliberation on risk-related matters have expanded.

Initially managing only credit, operational, and liquidity risks during our NBFC days, today, our coverage extends to encompass a broad spectrum of risks, including emerging risks in the industry.

For managing these risks, we follow the 'three lines of defence' model: business functions and support verticals form the first line, while the Risk Management unit and Compliance unit form the second line. Internal Audit forms the third line of defence. The evolution of these control functions has reached a significant level of maturity, driven by enhancements based on Board directions and feedback from the Regulator through thematic audits and Annual Financial Inspections. Furthermore, there has been substantial progress in recent years in devolving risk ownership to our major front-line operations, with a robust Risk and Control Self-Assessment (RCSA) process contributing to this progress.

Credit Risk Management Framework

Our credit risk management framework encompasses the identification, measurement, monitoring, and control of credit risk exposures. Product programmes and supporting credit policies are the foundational documents that govern credit risk management. These policies enable us to clearly delineate and define target markets, risk acceptance criteria, documentation norms, pricing, expected profitability, and income assessment methods. Our credit policies outline the credit risk strategy, including the credit risk appetite, maximum permissible tenors, and loan limits.

Supporting credit policies define our willingness and eligibility norms for granting loans, considering factors such as target markets (e.g., New Credit Applications, New to Bank, Repeat loans), demographic, economic, and geographical considerations, and income assessment methods. Customised product programmes and product-specific credit policies allow us to capture the idiosyncratic risks inherent in each product or product group. For instance, a key eligibility norm for sanctioning a Microfinance/Group Loan ensures that our proposed credit exposure is within the cap on the number of lenders and the borrower's indebtedness limit. Income assessment is undertaken at the household level, differing from the common practice of assessing income at the applicant and co-applicant levels, as is the norm for retail loans.

For housing loans, property proposed for mortgage is a key criterion in determining credit eligibility, though the cash flow assessment remains the determining factor for credit approval. We have similarly customised risk management principles for two-wheeler loans, gold loans, MSME business loans, and corporate lending.

Our Credit Risk unit is independent and is not involved in decision-making nor subject to profit targets. This unit reviews the portfolio quality, credit appraisal standards, and standard operating procedures, providing its findings to senior management. The unit employs a variety of techniques, including Early Warning Systems (EWS), Red Flagging (RFA), file reviews, credit rating systems, collection trackers, industry benchmarking, concentration risks, and credit provisioning models, to assess and report on risk posture and severity trends. Additionally, the unit provides independent feedback and recommendations to enhance policies and processes to mitigate identified risks, and it maintains oversight on NPA management.

In FY 2024-25, we negotiated two NPA asset sales through the Asset Reconstruction Company route in compliance with RBI guidelines, amounting to ₹ 270 Crores and ₹ 364 Crores. These sales helped optimise our incremental provisioning requirements by approximately ₹ 65 Crores. In accordance with statutory auditor requirements and market practices, we fully provided for the Security Receipts (SR) portion held by us.

Operational Risk Management Framework

Our Operational Risk Management framework is structured around four key themes: 1) Branch/unit-level, 2) Corporate Operational Risk Management and Assessment of Risk Postures, 3) Outsourcing Risk Management, and 4) Technology Risk Management. At the branch/unit level, we use a scorecard-based matrix complemented by regular visits from regional teams. These visits provide key triggers for field-level risks arising from non-adherence to processes and policies. The index also informs our Internal Audit team, helping them focus on critical areas during branch audits.

At the corporate level, the ORMU (Operational Risk Management Unit) manages risks proactively through tools such as the Risk and Control Matrix (RCM), Risk and Control Self-assessment (RCSA), Incident Management tracking, Business Continuity Risk Assessment, Root Cause Analysis (RCA), and exception handling mechanisms. These tools help identify deficiencies in Standard Operating Procedures (SOPs) and provide recommendations to the first line for improvements.

A key initiative this year was evaluating the risk postures of each operating unit, expanding beyond the conventional RCSA approach. This exercise included an end-to-end assessment of operating processes, credit discipline, and regulatory compliance.

We have a well-defined Outsourcing Policy and SOP to manage risks arising from third-party dependencies. All material vendors undergo a pre-onboarding risk assessment, conducted jointly with the Information Security Unit. Additionally, a review is mandatory for all material vendors on an annual basis.

For Technology Risk Management, ORMU independently reviews Business Requirement Documents (BRD) for technology/application changes and automation projects. A formal sign-off/acceptance from ORMU is required on any BRD, ensuring that we replicate learnings from other application change management areas. ORMU also participates in the testing phase, performing independent User Acceptance Testing (UAT) to identify gaps in the deliverables versus the proposed changes in the BRD.

Lastly, in terms of Business Continuity, our Business Continuity Management Policy (BCMP) ensures that contingency plans are in place to restore normal business functions if applications are disrupted during any disaster or crisis. Our Disaster Recovery (DR) drills for IT applications are rigorous, conducted for each application under various scenarios, ensuring the continuous delivery of key products and services to our customers.

We are guided by the provisions laid out in our Fraud Risk Management Policy, which is designed to provide efficient internal oversight on frauds and establish a framework for Fraud Risk Management. The primary objective of this policy is to foster and sustain an anti-fraud culture across our organisation. The policy emphasises the importance of pre-empting fraud occurrences and detecting irregular, suspicious, and fraudulent practices proactively. This is achieved through the monitoring of transactions and activities at appropriate levels across our operations and branches. Some of the current fraud detection mechanisms available within our organisation are outlined below:

We have also put in place a Staff Accountability Policy, to be read in conjunction with our SOPs on disciplinary proceedings, code of conduct, whistleblower policy, Prevention of Sexual Harassment (POSH), and Occupational Health and Safety policy. The Staff Accountability Policy provides a legitimate mechanism to cultivate a strong risk culture within our organisation.

For liquidity risk management, we compute and monitor key ratios such as the Liquidity Coverage Ratio, Net Stable Funding Ratio, Structural Liquidity Statement (SLS), stock liquidity ratio, CRR and SLR maintenance, call/ notice borrowing limits, counterparty limits, and cash/ funding gap analysis, among others. These thresholds are monitored daily or fortnightly, as applicable, and any breaches are escalated as per our internal policy norms for corrective actions. We are at an advanced stage in automating the preparation of SLS reports and will progressively automate the computation of key liquidity ratios like Liquidity Coverage Ratio and Net Stable Funding Ratio. The current manual computation process is periodically audited, and there are necessary controls in place to ensure full compliance in preparing these key regulatory ratios. We have also established specific frameworks for behavioral analysis on core and volatile deposits, prematurity and rollover trends, revolving credit facilities, and SMA collections. Stress testing, interest rate risk management, and treasury risk management are specific areas managed by the ALM team within the risk unit.

While the management of Pillar I risks and other traditional risks, such as credit, market, operational, liquidity, concentration, outsourcing, and technology risk, is broadly managed at the silo level, the Enterprise Risk Management (ERM) unit provides oversight on Pillar II risks with active involvement from the first line. We maintain independent oversight into the strategic plan, drawing independent inferences on capital budgeting and planning to sustain the business plan. Additionally, we assess Risk-Adjusted Return on Capital (RAROC) to track strategic shifts, monitor our Performance Index and Risk Appetite Framework, and develop a capital allocation framework that links pricing, profitability, and shareholder value creation. We continuously benchmark our balance sheet and provide integrated risk reporting. The management of emerging risks, such as model risk and climate-induced financial risks, has also been initiated under the ERM framework.

A key area where the ERM unit is actively involved is in propagating our risk culture. Detailed surveys and Focus Group Discussions (FGDs) are held with respondents to understand and evaluate the prevailing risk culture, identify areas requiring improvement in policy or processes, and pinpoint knowledge gaps and people-specific risks. Based on this feedback, we have identified areas where our Learning and Development (L&D) initiatives need to be strengthened. In FY 2024-25, we conducted our first formal risk culture survey with top management personnel. Going forward, we plan to conduct bank-wide surveys and subject-specific surveys on an ongoing basis.

A significant addition to our Risk Management Framework in FY 2024-25 was the creation of a dedicated unit for Risk Analytics & Monitoring (RAM), reporting directly to the Chief Risk Officer (CRO). This unit was specifically created to address the growing need for data/analytics-led decision-making in risk-related matters. Positioned and operated as a second line of defense, the RAM unit avoids conflicts of interest and strengthens independent oversight. The Terms of Reference (ToR) for the RAM unit are to standardise and report Risk Intelligence dashboards and undertake predictive analytics in the Credit Risk (statistical scorecards, credit KRI dashboards, etc.) and Market Risk (Value at Risk models) areas. The outputs and findings of the RAM unit are integrated into the silo-level risk management units such as Credit Risk, Asset Liability Management, Market Risk Management, and Operational Risk and thus contribute to creating a robust risk management lifecycle within our organisation.

Information Security

With the ever-increasing global threat landscape, we recognise the significance of a robust information security structure and have therefore implemented advanced technologies to safeguard our customers' interests. We have orchestrated tools in such a way that actions by malicious intruders are quickly identified and do not go undetected. Our security strategy revolves around adhering to global governance standards, implementing advanced cybersecurity frameworks, adopting proactive threat detection measures, and ensuring a strong data protection mechanism on an ongoing basis.

Our Information Security programme is aligned with RBI guidelines on cyber/information security and is ISO 27001 certified. With the Information Security Committee overseeing the programme, the following aspects are regularly reviewed:

Regulatory Compliance: We strictly adhere to RBI's cybersecurity framework and emerging data protection laws. Our robust information security policies and procedures mandate operations in a secure manner, applicable to every personnel working in the organisation.

Third-Party Risk Management: Vendors and third-party entities undergo rigorous security assessments prior to onboarding to minimise supply chain risks. We monitor their attack surface scores using customised tools and periodically alert them to improve these scores.

Regular Audits & Assessments: Internal and external audits validate our security controls, ensuring compliance with regulatory and operational security requirements. We conduct regular risk assessments to identify and mitigate potential vulnerabilities and threats to Ujjivan.

A comprehensive risk management framework enables us to proactively address security threats across our IT infrastructure. Our risk and infrastructure security team focuses on:

Vulnerability assessments to identify and mitigate system weaknesses.

Cloud security measures to protect data hosted in hybrid cloud environments.

Secure configuration reviews of critical applications, databases, and network infrastructure.

Attack surface management to monitor external threats targeting our digital presence.

Our Security Operations Center (SOC) also known as the Blue Team, operates 24/7 to detect, analyse and respond to cybersecurity threats. The Blue Team leverages on the following approaches:

- MITRE ATT&CK Framework for mapping adversarial tactics and improving detection mechanisms.
- Threat Hunting to proactively identify hidden threats within the network.

To assess the effectiveness of our security controls, our Red Team conducts real-world attack simulations. These ethical hacking exercises help us uncover vulnerabilities and enhance our resilience against sophisticated cyber threats. Their key areas of oversight include adversary emulation and threat modeling to mimic the tactics of real-world attackers, as well as application and network penetration testing to identify security gaps in our banking platforms.

Data Protection and Privacy

With the implementation of DPDP act 2023, we have appointed a Data Protection Officer (DPO) to have an active oversight on:

- Privacy impact assessments and gap assessments for all systems handling personal data
- Privacy impact assessments and gap assessments for all systems handling personal data
- Data classification and automation implementation

Security Awareness and Training

Security awareness is prioritised across all levels of our organisation. Our training programmes are designed to equip employees, partners, and vendors with the knowledge to identify and mitigate cybersecurity risks. Employees are required to complete information security courses and assessments through internal learning tools on a mandatory basis. We regularly conduct phishing simulations to test and evaluate employee vigilance against fraudulent emails. Third-party security awareness is also consistently circulated to ensure compliance with banking security policies. Additionally, we conduct cyber hygiene emails, data privacy workshops, and social media campaigns to promote best practices in cybersecurity and handling sensitive data.

Recognition and Accolades

We have won several awards and accolades during the financial year, including:

- **Best Security Team of the Year 2024**: CISO Conclave & Awards
- **Cybersecurity Excellence Award**: BankTechX Factor
- **Champion for Ethical Data Fiduciary**: DPO Club
- **Best Zero Trust Security Team**: Alpha Sec
- **Quantic**: 4th Edition Cybersecurity Excellence Awards 2025 - Best Team Project in Cloud Security Implementation
- **Best IT Risk Managemen**t: IBA

Board of Directors

Driving Strategy, **Delivering Results.**

Mr. Banavar Anantharamaiah Prabhakar
Part-Time Chairman and Independent Director

Mr. Banavar Anantharamaiah Prabhakar is the Part-Time Chairman and Independent Director of our Bank. He possesses about four decades of rich experience in serving various banks including Bank of India, Andhra Bank and Bank of Baroda. He retired as the Chairman and Managing Director of Andhra Bank in August, 2013 and has also served as the Executive Director of Bank of India. He was on the Board of Karnataka Bank Ltd. as an Independent Director for five years and on the Board of Canara HSBC OBC Life Insurance Co. Ltd, for 6 years from 2015 to 2021. He holds a Bachelor's degree in Commerce from the University of Mysore and is a Chartered Accountant with the Institute of Chartered Accountants of India. He also holds directorship in other body corporates viz. Infomerics Valuation and Rating Private Limited and Arhatech Machinery Private Limited.

Mr. Sanjeev Nautiyal
Managing Director & Chief Executive Officer

Mr. Sanjeev Nautiyal is the MD & CEO of our Bank. He is a banker with over three decades of extensive strategic domain expertise in Retail, SME, Financial Inclusion, Operations, HR, International Banking, and Treasury. He earlier held significant roles as Deputy Managing Director, Financial Inclusion & Micro Markets, SBI and MD & CEO, SBI Life Insurance. He served as an Independent Director of Life Insurance Corporation and as an advisor in various organisations. Mr. Nautiyal holds a Bachelor’s degree in Arts and a Master’s degree in Business Administration. He is also a Certified Associate of the Indian Institute of Bankers. This office is liable to retirement by rotation.

Ms. Carol Furtado
Whole-time Executive Director

Ms. Carol Furtado is a Whole-Time Executive Director of our Bank. Earlier, she was designated as the Chief Business Officer of our Bank. Ms. Carol Furtado has three decades of banking experience in Retail Banking and NBFC domains with expertise in leading Business, Banking operations, Credit, People functions and Service Quality. Ms. Carol is a key member of the leadership team that laid the foundation and built Ujjivan. She was instrumental in the recognition of Ujjivan as a certified great place to work. She has previously worked with the ANZ group, Bank Muscat and Centurion Bank Ltd. In 2009, Ms. Carol was the recipient of the Financial Women’s Association award by Women’s World Banking in recognition of her demonstrated professional commitment. She is a post graduate from Mount Carmel Institute of Management, Bangalore, and has been part of strategic leadership programmes conducted by Indian Institute of Management, Ahmedabad and Harvard Business School, Boston. This office is liable to retirement by rotation.

Ms. Sudha Suresh
Independent Director

Ms. Sudha Suresh is an Independent Director of our Bank. She is a finance professional with a rich experience of more than two decades in private and public companies and a decade as a practicing-chartered accountant. She is the founding partner of S. Rao & Associates, Chartered Accountants, Bangalore. She is also the founder of Mani Capital. She was the Managing Director and CEO (2017-2018) and Chief Financial Officer (2008-2017) of Ujjivan Financial Services Limited. Prior to this, she served as the CFO/ Finance Head for many companies. She is serving as an Independent Director on the Board of Royal Sundaram General Insurance Co. Limited. She is a qualified Chartered Accountant with the Institute of Chartered Accountants of India and a Company Secretary with the Institute of Company Secretaries of India. She is also a Grad ICWA from the Institute of Cost & Work Accountants of India.

Mr. Rajesh Jogi
Independent Director

Mr. Rajesh Jogi joins the Bank as an Independent Director. He brings rich work experience of almost three decades 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 a few other companies. Mr. Rajesh Jogi holds a Bachelor of Arts degree in Economics and is a Fellow member of the Institute of Chartered Accountants of India. He also attended the Advanced Management Programme from the Harvard Business School in Boston. He also holds directorship in other body corporates viz. NIXA Fincap Private Limited (formerly known as Xander Finance Private Limited), Wealthfusion Limited (UK), Noida Towers Private Limited, Futura Techpark Private Limited, Eleanor Realty Holdings India Private Limited, NV Projects Private Limited, Food Space Technology Private Limited, Gateway Office Parks Private Limited, TSI Business Parks (Hyderabad) Private Limited and Citicorp Finance (India) Limited.

Ms. Rajni Mishra
Independent Director

Ms. Rajni Mishra is an Independent Director of our Bank. She 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 holds Master's Degree in Commerce (Gold Medallist) from M S University, Vadodara. She is also serving as an Independent Director on the Board of Cupid Limited, Aspinwall and Company Limited and Toyota Financial Services India Limited and also holds directorship in other body corporates viz. Indo MIM Limited and Suprajit Engineering Limited.

Mr. Ravichandran Venkataraman
Independent Director

Mr. Ravichandran Venkataraman is an Independent Director of our Bank. He has a rich track record spanning more than three decades of having worked in India, London and Bahrain and brings a strong business background and has worked with top Business Leaders in over 100 countries. He is the Chairperson of eVidyaloka Trust. Earlier in his role as Senior Vice President of HP's Global Business Services, he was responsible for developing the Company's shared services strategy and its global operating model. He joined Hewlett Packard from ANZ Bank's global back office where he was the Managing Director, responsible for managing a team of over 5,000 in technology and operations. Prior to that, he was Vice-President – Corporate and Investment Banking at Bank Muscat and was part of the leadership group that set up the Bank in India. He has passed FCCA and ACMA from the United Kingdom. He has also completed a programme for CFOs with Wharton Business School, USA. He also holds directorship in other body corporates viz. Smrti Academy Pvt Ltd, Floretz Academy Pvt Ltd, and Outpost Visual Effects Pvt Ltd.

Ms. Anita Ramachandran
Independent Director

Ms. Anita Ramachandran is an Independent Director of our Bank. She is a well-known HR expert in the country and has over four decades of experience as a management consultant. She began her career in the Management Consultancy division of AF Ferguson & Co (the KPMG network company in India then) in Mumbai in 1976 as the first woman consultant in the firm. She founded Cerebrus Consultants in 1995 to focus on HR advisory services. She is known as an authority in Reward management in the country and has worked on HR transformation initiatives across sectors. She also works with several PE firms and start-ups to mentor them through their growth journey. She also supports many organisations in the social sector through pro bono professional work and remains deeply committed to working with women. She has completed her MBA from the Jamnalal Bajaj Institute, Mumbai. She also holds directorship in several other body corporates viz. Cerebrus Consultants Private Limited, FSN Ecommerce Ventures Limited, Godrej & Boyce Manufacturing Company Limited, Happiest Minds Technologies Ltd, Grasim Industries Limited, NYKAA Foundation, Aragen Life Sciences Private Limited, Blue Star Limited, UltraTech Cement Limited and Aditya Birla Sun Life AMC Limited.

Ms. Mona Kachhwaha
Independent Director

Ms. Mona Kachhwaha has over 30 years of experience in banking and impact investing. She is a Partner at UC Impower, an early-growth stage equity fund, incubated by Unitus Capital (2020-Present). UC Impower invests in financial inclusion and climate solutions and has a gender-lens on investments. Previously, at Caspian Impact Investment Adviser (2007-2019), she managed the India Financial Inclusion Fund, a growth equity fund focused on inclusive finance; she was on the credit and investment committees of subsequent funds launched by Caspian. As the nominee on the board of early as well as growth stage companies, and subsequently as an independent director on some boards, she has played an active role in their governance and shaping their strategies. She started her career at Citibank (1994- 2007), where she worked across various retail asset businesses and led the bank's foray into Inclusive Finance in 2005. Mona graduated in Mathematics (Hons.) from Delhi University (1992) and holds an MBA from XLRI, Jamshedpur (1994). She completed an executive programme in Private Equity from Said Business School, Oxford University, in 2010. She also holds directorship in other body corporates viz. Parinaam Foundation, Aptus Value Housing Finance India Limited, GROWXCD Finance Private Limited and RMBS Development Company Limited and is a designated partner at UC Investment Management LLP.

Leadership Team

Driving Change, **Creating Impact.**

Mr. Sanjeev Nautiyal
Managing Director & Chief Executive Officer

Qualification: Mr. Nautiyal holds a Bachelor's degree in Arts and a Master's degree in Business Administration.

With over 30 years of extensive experience in the banking sector, Mr. Nautiyal brings a wealth of strategic expertise in Retail, SME, Financial Inclusion, Operations, HR, International Banking, and Treasury.

Throughout his illustrious career, Mr. Nautiyal has held prominent leadership positions, including Deputy Managing Director, Financial Inclusion & Micro Markets at SBI and MD & CEO at SBI Life Insurance. His contributions have significantly shaped the landscape of financial services. In addition to his banking roles, he has served as an Independent Director of the Life Insurance Corporation and has provided valuable insights as an advisor to various organisations.

Ms. Carol Kripanayana Furtado
Whole-time Executive Director

Qualification: She is a postgraduate from Mount Carmel Institute of Management, Bangalore, and has been part of strategic leadership programmes conducted by Indian Institute of Management, Ahmedabad and Harvard Business School, Boston.

Ms. Carol Furtado brings nearly 30 years of experience in Retail Banking and the NBFC sector, with a strong track record across business leadership, banking operations, credit management, people strategy and service excellence. As a core member of the Ujjivan Small Finance Bank's founding leadership team, she played a pivotal role in establishing the bank's foundation and culture. Her efforts were instrumental in the Bank being recognised as a certified Great Place to Work. Her previous experience includes key roles with the ANZ Group, Bank Muscat and Centurion Bank Ltd. In 2009, she was a recipient of the Financial Women's Association award by Women's World Banking for her exemplary professional commitment.

Mr. Sadananda Balakrishna Kamath
Chief Financial Officer

Qualification: Mr. Sadananda is a qualified Chartered Accountant (ACA) and Company Secretary (ACS), holds a Bachelor of Commerce (B.Com) degree.

With over 32 years of extensive experience in the Banking, Financial Services, and Insurance (BFSI), Hospitality, and Fast-Moving Consumer Goods (FMCG) sectors, he has made significant contributions to leading organisations across diverse industries. His key areas of expertise include Corporate Finance and Corporate Governance. He has an impressive background, having worked for 27 years with the Tata Group in notable roles within Tata Consumer Products (12 years), Indian Hotels Ltd (7 years), and Tata Capital Housing Finance Ltd (7 years). He also spent 5 years at Credit Access Grameen Ltd, recognised as the largest Non-Banking Financial Company (NBFC) Microfinance Institution (MFI).

Throughout his career, Sadananda has achieved notable recognition, including the prestigious "CFO of the Year" award in the NBFC sector from Assocham in 2024. He is also an All India Rank holder in CA, underscoring his commitment to excellence and professionalism in the finance domain.

Mr. Ashish Goel
Chief Credit Officer

Qualifications: He holds a Bachelor of Technology degree in Mechanical Engineering from the Regional Engineering College, Kurukshetra, and a postgraduate degree in Marketing and Finance from the Xavier Institute of Management, Bhubaneswar.

Mr. Ashish Goel brings with him valuable experience from his previous roles at esteemed organisations such as Godrej & Boyce, Marico Ltd, and ICICI Bank Ltd. In February 2021, he joined Ujjivan as the Chief Credit Officer, bringing his extensive expertise to the organisation.

Mr. Martin Pampilly S
Chief Operating Officer

Qualification: He holds a graduate degree in Computer Science, COO Certified from IIM Lucknow. Additionally, he is certified in the Strategic Leadership Development programme from Harvard University.

Mr. Martin brings over 28 years of experience in Retail Banking Operations, Customer Experience, Sustainable Banking and Micro-finance. Instrumental in automation of back office functions by harnessing technology to drive operational efficiency and enhance customer experience. After early stints with ANZ Grindlays Bank and Bank Muscat, he gained extensive experience in Operations and Customer Service at Centurion Bank of Punjab and Centillion Solutions & Services. In 2009, he joined Ujjivan Financial Services Limited as the Head of Operations, a role he held until January 2017. He then became the Head of Operations at Ujjivan Small Finance Bank in February 2017, where he utilised his extensive expertise to establish the bank's back-office operations. Currently, as Chief Operating Officer, he oversees Operations, Centralised Process Management, Service Quality, Digital Banking, Business Solutions Group, Data Analytics, Social Services, Alliances and Electronic Banking department.

Mr. Rajaneesh Hosakoppa Rudresha
Chief Compliance Officer

Qualification: Mr. Rajaneesh holds an MA in English from the University of Mysore.

He is a seasoned banker with over 28 years of experience, having worked for some of India's leading multinational and private sector banks before joining Ujjivan SFB. Throughout his career, he has taken on a diversified role, including positions in credit cards, collections, retail branch banking, retail operations, trade finance, operational risk management, audit, process re-engineering, and operations control, as well as training. He joined Ujjivan Financial Services Limited in July 2016 and moved to Ujjivan SFB in February 2017, initially serving as Regional Manager for Branch Operations and later as National Manager for Regional Processing Units, Head of Operations, before assuming the critical role of Chief Compliance Officer. Prior to his tenure at Ujjivan SFB, he worked with prominent banks in India, including ANZ Grindlays Bank, ICICI Bank, Deutsche Bank, ING Vysya Bank, and Kotak Mahindra Bank.

Mr. Brajesh Joseph Cherian
Chief Risk Officer

Qualifications: Mr. Brajesh earned his Bachelor's degree in Pharmacy from Dr. MGR Medical University and a Master's degree in Business Administration from Sikkim Manipal University. Furthermore, he is a Certified Associate of the Indian Institute of Bankers and has completed a strategic leadership programme at Wharton Business School, USA.

He is a highly experienced professional in the banking and financial services industry, with over 24 years of specialisation in Risk Management, Regulatory Compliance, Corporate Banking, Retail Banking, SME Credit, Trade Finance, and Treasury. He began his career with South Indian Bank and subsequently worked at Axis Bank in India and the UAE, where he took on various positions, including Deputy CEO of Dubai Operations. His career reflects a transition from traditional compliance to a progressive, data-driven perspective on risk management. At Ujjivan, he has been a strong advocate for utilising risk analytics, statistical models, and scorecards, integrating these tools into the bank's risk framework. Before joining Ujjivan in 2016, he held the position of Vice President of Compliance and Risk at Axis Bank in Mumbai, where he effectively merged compliance measures with broader risk initiatives, solidifying his reputation as a key leader in promoting a culture of risk awareness and governance in dynamic financial settings

Ms. Chandralekha Chaudhuri
Head of Human Resources

Qualifications: Ms. Chandralekha holds a Law degree from Symbiosis School of Law and a Postgraduate Certificate in Human Resources from XLRI, Jamshedpur.

She joined Ujjivan in April 2008 as part of the organisation's inaugural batch of management trainees. Over the years, she has played a crucial role in establishing and managing various functions within the organisation. Notably, she was responsible for setting up the Credit function in the Eastern region. Subsequently, she served as the Regional Credit Manager for the Credit MicroBanking team in the Western region before transitioning to the role of Regional HR Manager for the same area. She has worked as the National Manager for Talent Acquisition and Integration in HR. In 2022, she assumed the position of Head of Human Resources.

Mr. Mangesh Mahale
Chief Technology Officer

Qualification: Mangesh completed his Bachelor of Engineering in Computer Technology from VJTI, Mumbai.

With 28 years of experience in Strategic and Operational IT Planning, IT Infrastructure Management, Data Center Management, Application Development, Stakeholder Management, Digital Transformations, IT Service Delivery Management, and Technology Leadership, he brings a wealth of expertise to the role. Prior to this, he was the Chief Information Security Officer at the National Stock Exchange Clearing Limited, where he oversaw the Cyber and Information Security programme.

Mangesh has also worked with prominent institutions such as Union Bank of India, Oriental Bank of Commerce, State Bank of India, and Rolta India Limited, where he led initiatives across Digital Channels, Payment Systems Management, IT Infrastructure Management, IT Security Operations, IT Projects Migration, and IT Amalgamation.

Mr. Rajeev Padmanabh Pawar
Head of Treasury

Qualifications: MBA from Jamnalal Bajaj Institute of Management Studies, Mumbai; Bachelor's Degree in Science (Physics) from the University of Mumbai.

Mr. Rajeev Pawar serves as the Head of Treasury at the Bank, bringing over 30 years of international banking and treasury expertise. He has established and managed treasury operations in Singapore, Dubai, and India. His notable positions include Head of Fixed Income at Kotak Mahindra International Ltd. in Singapore, Director of Rates and Credit Trading at Standard Chartered Bank in Dubai, and Director and Head of Trading at American Express Bank in India. Additionally, Mr. Pawar is an active writer and commentator on financial markets, and he serves as a member of the Board of Studies for colleges affiliated with the University of Mumbai.

Mr. Hitendra Jha
Head of Retail Liabilities, TASC and TPP

Qualification: Hitendra Jha holds an impressive educational background, featuring a B.Sc.(H) and an LLB from Saurashtra University, as well as advanced qualifications from leading institutions, including the Senior Management Programme at IIM Ahmedabad and the Quantum Leadership Programme at ISB Hyderabad.

With 29 years of extensive experience in the banking and custodial services sectors, he has developed deep expertise in areas such as branch banking, direct sales, and wealth management. He has made significant contributions by transforming struggling divisions into profitable entities. He has played a vital role in establishing branches for Kotak and ICICI Bank across Gujarat, East, UP, and Central India, successfully turning loss-making regions into profitable operations. His outstanding track record is recognised nationally, highlighted by numerous awards, including the Excellence Award from the Rural Marketing Association of India in 2024, showcasing his commitment to excellence in every aspect of his work.

Mr. Vibhas Chandra
Head - MicroBanking & Gold Loans

Qualification: Mr. Vibhas holds an MBA (PGDM-RM) from the Xavier Institute of Management Bhubaneswar (XIMB).

With 17 years of diverse experience at Ujjivan, Mr. Vibhas Chandra has held various roles and managed operations across different regions of the country. He began his career as part of Ujjivan's inaugural Management Trainee batch, where he was tasked with launching Ujjivan's micro-finance initiatives in several states during its formative years. Subsequently, he was selected to spearhead the establishment of their individual lending programme, successfully developing a substantial portfolio. As the leader of Ujjivan SFB's East region, he played a vital role in the bank's transition to a Small Finance Bank. Prior to his current role as Head of MicroBanking, he focused on developing the asset product suite for MicroBanking, Rural Banking, and Gold Loans.

Mr. Pradeep B

Business Head - Housing Loans & Micro Mortgages

Qualification: Pradeep possesses Strategic Leadership Certification from Harvard Business School; Business Leadership Certification from IIMC; and a Master's in Social Work from SDM Institute, Mangalore University.

With over 19 years of diverse experience in the BFSI sector, Mr. Pradeep has climbed the ranks at Ujjivan, progressing from Branch Head to Head of Housing & Micro-Mortgages. His expertise is in establishing new business lines for the Bank and driving profitability through the development of a strong team. He has successfully expanded the Bank's Asset Businesses into various new regions across the country. Notably, he played a key role in launching the micro-financing segment in the southern region of India. Throughout his career, he has adeptly navigated multiple roles and verticals within the Bank, including Individual Lending, Rural Banking, Micro-Mortgages, and Affordable Housing. This journey has sharpened his skills in strategising, leading teams, and implementing impactful initiatives that enhance both the organisation and the communities we serve.

He has also led the Regional Leadership Team for the South, guiding teams through various crisis situations. Additionally, he has served on the Board of the Kerala Association of Micro Finance Institutions and is currently a Board Member of the Association of Karnataka Micro Finance Institutions.

Mr. Parag Kumar Srivastava

Head - Financial Institutions & Government Banking Group (FIGB)

Qualification: Mr. Srivastava holds an MBA with a specialisation in Marketing and Finance from MONIRBA (Motilal Nehru Institute of Research & Business Administration) at the University of Allahabad.

With 32 years of extensive experience in Wholesale Banking, Financial Institutions, and Government Banking sectors, he has adeptly managed various roles, including overseeing profitable business verticals and critical support functions such as product development, portfolio quality, credit, and risk management.

Prior to joining Ujjivan, he spent 11 years at Kotak Mahindra Bank, where he served as Senior Vice President and National Manager. In this role, he led the Capital Market and NBFC business segments within the Banking and Financial Institutions Group, forging strong industry relationships. Additionally, during his tenure as Associate Vice President at MCX Ltd, he was responsible for business development across Maharashtra, Uttar Pradesh, and Bihar. Mr. Srivastava also worked with SHCIL (Stock Holding Corporation of India Ltd) for 12 years, where he held various positions focused on business and product development tailored for institutions and capital market players, managing aspects of custody business, exchange clearing and settlement functions, and depository business.

Mr. Ashim Sarkar

Business Head - Micro, Small, & Medium Enterprise (MSME)

Qualification: Mr. Ashim holds an MBA in General Management from the Indian Institute of Management, Ahmedabad, and a B.Tech in Manufacturing Engineering from the Indian Institute of Technology, Kharagpur.

He joined Ujjivan SFB in 2018 as the National Product Manager for MSME and has played a crucial role in establishing this vertical from its inception, leading to his subsequent promotion to a Business Leadership role. During his tenure, Ujjivan SFB expanded its MSME offerings beyond Term Loans, which significantly strengthened its working capital franchise through both internal channels and strategic partnerships with esteemed fintech firms.

Prior to joining Ujjivan SFB, he spent over five years at Kotak Mahindra Bank, where he worked within the MSME Product function. Additionally, he was a key member of the strategic integration team formed for the merger between Kotak Mahindra Bank and ING Vysya Bank in 2014-15.

Mr. Premkumar Govindappa
Business Head - Vehicle Finance

Qualification: Mr. Premkumar holds a degree in Commerce and is a member of the International Facility Management Association (IFMA). He currently leads the Vehicle Finance business vertical.

With over 27 years of diverse experience encompassing law, clinical research, and banking, Premkumar joined Ujjivan in 2006, initially heading the administration department. He played a crucial role in establishing the Vigilance department, emphasising preventive vigilance. He also briefly served as the Head of Human Resources during Ujjivan's transition from a Non-Banking Financial Company (NBFC) to a Small Finance Bank (SFB). Before taking on his current role, Premkumar was appointed as Head of Administration, Infrastructure, and Social Services.

Mr. Murali Chari
Business Head - Agriculture Banking

Qualification: Mr. Murali holds a Post Graduate Diploma in Business Administration (PG DBA) from Symbiosis, along with a CAIIB qualification and a Bachelor of Commerce (B.Com) degree.

He is an experienced banker with over 28 years in sales and product management, specialising in rural banking, agriculture, rural SMEs, and vehicle finance.

He spent 17 years at HDFC Bank, where his last role was as Regional Head for South Retail Agri Lending, also overseeing the Unsecured Supply Chain Finance product. His various responsibilities included scaling up the rural lending business and generating liability and asset business through business correspondents in unbanked regions, as well as managing retail assets. He began his career at Sundaram Finance, where he advanced to manage a branch location as a profit centre, focusing on commercial vehicles, auto loans, equipment loans, and generating Fixed Deposits.

Mr. Ayan Sarkar
Head of Operations

Qualification: Mr. Ayan holds a B. Com and a Post Graduate Diploma in Computer Application, equipping him with a solid educational foundation that complements his extensive industry experience.

With 23 years in the banking sector, Ayan has honed his skills in Customer Service, Retail Banking Operations, and Process Management. He is recognised for his expertise in process standardisation, client engagement, and risk management, consistently demonstrating a commitment to operational excellence.

Throughout his career, Ayan has played pivotal roles in renowned financial institutions such as Standard Chartered Bank, ICICI Bank, HSBC, Indusind Bank, and Bandhan Bank. Noteworthy accomplishments include being a certified trainer on Aadhaar compliance in banking, participating in the core team for implementing Core Banking at Indusind Bank, and contributing to the foundational setup of banking operations at Bandhan Bank. His achievements in process management and client engagement have garnered him recognition and accolades, particularly at ICICI Bank and Indusind Bank.

Mr. Srikumar Vadaka Varieth
Chief Legal Officer

Qualification: Mr. Srikumar possesses a B.Sc. degree in Physics, an LLB degree, and a certification in Web-Centric Computing from NIIT Mumbai.

He brings over 30 years of experience in legal matters. He has practiced as an Advocate in Civil and Criminal Courts as well as the High Court, gaining substantial legal expertise prior to starting his career in banking. In his 17 years at Bank of Baroda, he made significant contributions in various roles, including, being instrumental in establishing the first Debt Recovery Tribunal and serving as a Committee Member with the RBI for amending the RDDB Act.

At ING Vysya Bank, he played a crucial role in successfully completing the legal integration between ING Vysya Bank and Kotak Mahindra Bank. Following this, he took on the position of Head of Legal at Bandhan Bank, where he was actively engaged in completing the legal formalities/framework for transforming Bandhan Financial Services into a full-fledged bank.

He has comprehensive experience in documentation related to Wholesale, Retail, SME, and Infrastructure Projects, as well as litigation aspects, and has negotiated contracts with major conglomerates. He joined Ujjivan Small Finance Bank in 2016 and has made significant contributions to its transformation into a full-fledged Bank.

At Ujjivan SFB, he has successfully built an effective legal team at both the Corporate and Regional Offices from the ground up, providing robust support across all business and functional areas.

Mr. Lakshman Velayutham
Chief Marketing Officer

Qualification: Mr. Lakshman is a postgraduate in Management from IMDR, Pune.

He brings over 29 years of professional experience, with the last 15 years focused on the banking sector. In June 2022, he was recognised as one of the Top 90 Marketing Professionals by StartupLanes. His efforts at Ujjivan SFB contributed to winning a Gold Lion at the Cannes International Festival of Creativity in the Creative Commerce category in 2022, as well as four Effie Awards in 2023.

Throughout his career, he has taken on various marketing roles in Banking, Retail, Telecom, and Logistics. He spent more than a decade at ICICI Bank, where he was responsible for marketing strategy and communication related to Liabilities, Insurance, NRI clients, Wealth, Rural initiatives, and Salary Corporates. His previous roles included significant contributions at Tata Communications, Shoppers Stop, DHL, Arvind Brands, and BPL Mobile, where he played a key role in developing customer acquisition and retention loyalty programmes.

Mr. Nitin Kumar
Chief Analytics Officer

Qualification: Mr. Nitin holds a Bachelor of Technology in Electronics and Communication Engineering, which serves as a strong foundation for his analytical and technical capabilities.

With a robust career spanning 17 years in the banking and finance sector, Nitin brings a wealth of experience and expertise to our organisation. He is recognised for his dynamic leadership style and exceptional ability to build high-performing analytics teams from the ground up. Throughout his career, he has held pivotal roles at major institutions, including Bajaj Finance, Standard Chartered Bank, and Citibank, where he has driven significant advancements in data-driven decision-making and operational efficiency.

Mr. Ratan Jyoti
Chief Information Security Officer

Qualification - Mr. Ratan Jyoti, a seasoned expert in information security, holds a Master's degree in Computer Applications and several key certifications including CISA, CISSP, and CDPSE.

With over two decades of strategic and operational expertise in information security, cybersecurity governance, and risk management, Mr. Jyoti has been pivotal in driving secure digital transformation initiatives within the banking sector. He has provided a clear vision and strategic roadmap for enterprise security at Ujjivan, leading the implementation of Security Operations Centers (SOCs), advanced SIEM systems, and cyber resilience frameworks that adhere to regulatory and industry standards. Under his guidance, the Bank has earned numerous accolades for excellence in cyber governance, including being recognised as the Best Bank in IT Risk Management by the Indian Bank's Association for the eighth consecutive year.

Mr. Jyoti's previous roles include CISO and Assistant General Manager at Vijaya Bank, Manager at Corporation Bank, and IT Officer at Oriental Bank of Commerce. His contributions to the field of information security have been widely acknowledged, earning him prestigious awards such as the Cybersecurity Executive Award, CISO of the Year, and the CISO Leadership Award.

Mr. John Christy A
Chief Vigilance Officer

Qualification: Bachelor's degree in Arts from CVR University and a certification in Microfinance from the Indian Institute of Banking & Finance (IIBF).

Mr. John Christy joined Ujjivan Bank on November 2, 2005. He has over 24 years of experience and before his time at Ujjivan, he worked with Bank of Muscat and Centurion Bank Ltd. Over his 18-19 years at Ujjivan SFB, he has successfully led and managed various teams in business, operations, human resources and collections before taking on his current role as Chief Vigilance Officer.

Mr. Sanjeev Barnwal
Company Secretary & Head of Regulatory Framework

Qualifications: Mr. Barnwal is a qualified Company Secretary and an Associate Member of the Institute of Company Secretaries of India. He holds a bachelor's degree in law and a diploma in Business Management, along with the NSE's Certification in Financial Markets (NCFM) for the Compliance Officer (Corporate) Module.

With over 21 years of corporate experience, he previously worked at Ujjivan Financial Services Limited, where he served as CEO & Company Secretary.

During his tenure at Ujjivan, Mr. Barnwal played a pivotal role in several significant milestones, including raising private equity, managing the IPO and listing processes, applying for and obtaining a banking license, forming the Bank, overseeing a restructuring via slump sale, executing the Bank's listing, conducting a Qualified Institutional Placement, and successfully completing the reverse merger of the Holding Company with the Bank. His previous experience also includes positions at SMC Capitals Limited, CMC Ltd., and SBEC Sugar Ltd.

Mr. Vijayesh Kumar Pandey
Head of Administration and Infrastructure

Qualification: Mr. Vijayesh holds an MBA (PGDM-RM) from the Xavier Institute of Management, Bhubaneswar (XIMB). He joined Ujjivan in April 2008 as a member of the inaugural batch of Management Trainees.

With 17 years of experience, he has steadily advanced through various roles within the organisation. He played a pivotal part in launching business operations in Jharkhand, Delhi and Uttar Pradesh and successfully managed the Regional Operations Profile in the Northern region. Previously, as the National Manager for the Admin & Infrastructure department, he was key in overseeing the rollout of new branches and led the implementation of over 700 infrastructure projects nationwide. Currently, he serves as the Head of Administration and Infrastructure, where he continues to promote excellence and innovation.

Mr. Suresha C
Head of Customer Experience

Qualification: Mr. Suresha holds a Master's Degree in Economics.

With over 23 years of experience, including more than 17 years in the NBFC and banking sectors, he began his career in the health and social development arena as a Research Officer at the National Institute of Mental Health and Neurosciences (NIMHANS). In 2007, he joined Ujjivan Financial Services Limited as a Branch Head and subsequently held various sales roles in the South Zone. He played a pivotal role in establishing the Service Quality department, where he designed and implemented programmes focused on enhancing customer experience, customer care, grievance redressal mechanisms, and client protection. Additionally, he previously led Corporate Social Responsibility (CSR) and Financial Literacy initiatives at Ujjivan SFB. In 2022, he assumed the added responsibility of leading Phone Banking and was instrumental in launching Video Banking services.

Mr. Arnabjeet Banerjee
Head - Alliances and Electronic Payments

Qualification: Mr. Arnabjeet Banerjee holds a Post Graduate Diploma in Marketing from IIMT and a postgraduate degree in Human Resources from Pondicherry University.

He is a seasoned banking professional with over 24 years of experience in the service industry. He has taken on various leadership roles, concentrating on optimising alternative banking platforms through technological advancements. Arnabjeet began his career in the Consumer Electronics sector before transitioning to tackle challenges in the burgeoning field of Financial Inclusion with Drishtee and FINO.

Before joining Ujjivan Small Finance Bank, Arnabjeet served as the Chief Operating Officer at Integra Micro System, where he drove the company's expansion and sales initiatives. During his time at Ujjivan SFB, he has effectively set up multiple banking channels, including ATMs, debit cards, business correspondence, and digital payments. Notably, he was instrumental in the Bank's transformation from a Non-Banking Financial Company (NBFC) to a Small Finance Bank (SFB).

Under his guidance, the Bank has significantly strengthened its ATM and card network across the nation, providing exceptional banking services within the SFB sector. Currently, he oversees vendor management alongside the ATM, card, and Delivery unit operations at the Bank. Outside of work, Arnabjeet is a cricket enthusiast who is always on the lookout for new challenges.

Mr. Barun Agarwal
Deputy Chief Financial Officer

Qualification: Barun Agarwal is a Chartered Accountant from the Institute of Chartered Accountants of India, having successfully completed his CA in May 2008.

With over 17 years of extensive experience in finance, audit and assurance, compliance, and more, he possesses a strong expertise in a variety of financial functions, including Financial Planning & Analysis, Accounts & Payments, Investor Relations, Taxation, Regulatory Reporting, Procurement, Fund Raising, and Mergers and Acquisitions, as well as Project Automation.

Throughout his career, Barun has played a pivotal role in numerous significant transactions, including the merger of the holding company with the bank, the preparation of the Universal Banking license application, portfolio restructuring with Asset Reconstruction Companies (ARCs), and fund raising through subordinate debentures and securitisation initiatives.

Before joining Ujjivan, Barun spent a decade as a Senior Manager at EY, overseeing end-to-end client management and conducting audits for a diverse range of listed and unlisted companies across various sectors, including healthcare, retail, logistics, IT services, and manufacturing. His comprehensive background and commitment to excellence make him a distinguished leader in the field.

Mr. Abdul Hameed Chaman
Deputy Chief Technology Officer

Qualification: Abdul Hameed Chaman, a qualified professional with a Diploma in Electronics and Communication.

Under his leadership, Ujjivan has transformed its technology landscape, implementing 18 software solutions including CRM and core banking systems within just six months. His strategic thinking and strong commercial acumen have been pivotal in maximising ROI from technology investments and ensuring operational excellence in Greenfield projects. Abdul thrives on finding innovative, simple solutions to complex challenges, leveraging technology to enhance customer satisfaction and business outcomes.

An advocate for team growth, he excels at building high-performing teams diverse in skill sets, critical for sustaining organisational capabilities. His vision for technology governance and performance management has set a strong foundation for Ujjivan's technological advancements.

As a key member of the IT team during Ujjivan's banking transformation, Abdul has played an instrumental role in designing and implementing the bank's datacentre, further reinforcing his dedication to delivering maximum shareholder value and ensuring stability and availability across the organisation.

Awards and Accolades

Honouring Excellence, **Celebrating Success.**

Banking Excellence & Customer Experience

- ETBFSI Excellence Awards 2024 for Best Digital Onboarding Experience by The Economic Times BFSI
- Ambition Box Employee Choice Awards 2024 for #2 in Banking (Large Category) by ABECA
- National Feather Awards for Most Trusted Small Finance Bank of the Year by Feather Touch
- National Feather Awards for Best Small Finance Bank in Financial Inclusion by Feather Touch
- India Digital Awards 2024 for Best Digital Banking Experience by IAMAI
- The Asian Banking & Finance Retail Banking Awards 2024 for Digital Banking Initiative of the Year – India
- The Asian Banking & Finance Retail Banking Awards 2024 for Financial Inclusion Initiative of the Year – India
- World BFSI Congress & Awards 2024 for Excellence in Customer Experience by World BFSI Congress
- 2nd Edition BFSI Leadership Awards 2024 for Most Promising Small Finance Bank by Kamikaze B2B Media

Human Resources & Workplace Culture

- 54th Rank – Great Place to Work, 2024 for India's Best Companies to Work for by The Economic Times
- HR Trailblazer Awards – Southern Region for Employee Engagement Excellence Award by ASSOCHAM
- 11th Edition Future of Learning & Development Summit & Awards for Best L&D Strategy of the Year by UBS Forums
- HR Leadership & Innovation Awards 2024 for Learning & Development Excellence by ObserveNow Media
- BW People HR Awards for Best L&D Strategy by BW People
- Best Place to Work for Women 2024 by JobsForHer
- Great Manager Awards 2024 for Creating People Managers by People Business
- Human Capital Awards 2024 for Best Employer Branding Strategy by Transformance Business Media
- Transform Awards Asia for Best Employer Brand Development by Transform

Technology & Innovation

- Finacle Innovation Awards, 2024 for Process Innovation Platinum by Infosys
- BFSI Technology Awards for Robotic Process Automation (RPA) by Express Computer
- Technology Excellence Awards 3.0 for Innovative Application of AI (Banking) by Quantic India
- 4th Edition, CX Excellence Awards, 2024 for Excellence in Vernacular Language Support in Mobile Banking by Quantic India
- BankTech X Factor Awards, 2024 for Cybersecurity Excellence Award by B2B Market Media | Founder Media
- SKOCH Fintech Award for Mobile Banking Solution by SKOCH Fintech Forum
- 9th Edition CISO Conclave & Awards 2024 for Best Zero Trust Security Team by UBS Forums
- India Digital Awards 2024 for Best Vernacular Experience in Digital Banking by IAMAI
- Banking Frontiers Technoviti Awards 2024 for Innovative Digital Lending Platform by Banking Frontiers

Marketing & Branding

ASSOCHAM Branding & Marketing Conclave cum Excellence Awards for Retail Marketing Campaign, Best Use of Experiential Marketing/ Best ONGround Activation and Omnichannel Marketing Campaign of the Year

Transform Awards Asia 2024 for Best use of Audio Branding (Sound of Ujjivan bagged Gold)

ETBFSI Exceller Award for Best Marketing Initiative of the Year (Ganesh Mahotsav) by BFSI Exceller

Pitch BFSI Marketing Awards for Most Effective Holiday, Seasonal & Festival Marketing by exchange4media

Elets India Digital Marketing Awards-2024 for Best Use of AR/VR by Elets India CX Summit

Elets India Digital Marketing Awards-2024 for Best Experiential Marketing Campaign by Elets India CX Summit

Flame Awards Asia for Experiential Marketing Campaign of the Year by RMAI

Flame Awards Asia for Best Use of Technology in Consumer Engagement & Expansion by RMAI

Best Experiential Marketing Award 2024 for Best Festive Marketing Campaign by Elets India Brand Awards

World BFSI Congress & Awards 2024 for Best Digital Marketing Campaign by World BFSI Congress

BW Retail Reboot Awards 2024 for Best Use of Festive Marketing by Business World

CSR & Financial Inclusion

9th CSR Summit and Awards 2024 for CSR Project of the Year – Education by UBS Forums

9th CSR Summit and Awards 2024 for CSR Leader of the Year – Banking by UBS Forums

4th Edition CPO Innovation Conference & Awards for Most Impactful CSR Campaign by CPO Innovation

4th Edition CPO Innovation Conference & Awards for Best CSR Leader by CPO Innovation

CSR Journal Excellence Awards 2024 for Education & Skill Development by The CSR Journal

Global CSR & ESG Awards 2024 for Community Engagement & Development by UBS Forums

Flame Awards Asia for Innovative Campaign of the Year – Financial Literacy Campaign by RMAI

Flame Awards Asia for Best Use of Digital Tools in Rural Marketing by RMAI

National CSR Award 2024 for CSR Campaign in Financial Literacy by National CSR Leadership Congress

National CSR Award 2024 for Community Development Programme by National CSR Leadership Congress

MANAGEMENT DISCUSSION AND ANALYSIS

MACROECONOMIC INDICATORS

In FY 2024-25, the global economy demonstrated resilience in the face of a variety of external pressures and challenges, ensuring that it remained stable. The projected growth for FY 2024-25 and FY 2025-26 is 3.2% and 3.3%, respectively, which is one of the lowest medium-term forecasts in decades. Although advanced economies experienced a modest acceleration (1.7% - 1.8%), emerging markets were confronted with structural challenges and China's decline. 58% of corporate executives identified escalating trade tensions, protectionist policies, and geopolitical instability as the most significant global risk of the year. Despite some progress in disinflation, central banks were compelled to maintain high interest rates for an extended period as a result of the persistent services inflation that impeded monetary normalisation. India remains a relative bright point, with an estimated 6.5% growth in GDP for FY 2024-25. The economy experienced a 6.2% expansion in Q3 FY 2024-25, despite the challenges it faced, as a result of the government's investment and increased consumer expenditure.

The inflation trajectory of India has considerably improved, with the Consumer Price Index (CPI) projected to be 4.6% in FY 2024-25 (Reserve Bank India estimate) compared to 5.4% in FY 2023-24. In Q2 FY 2024-25, the current account deficit decreased to 1.2% of GDP (USD 11.2 Billion), which was facilitated by robust service exports. However, the FY 2024-25 merchandise trade deficit, which reached USD 78.4 Billion from April to December, was further exacerbated by global tariff conflicts. Structural reforms and income tax relief measures contributed to the increase in consumption (65% of GDP), while the rural demand was stabilised by the 3.2% agricultural growth that resulted from the rabi crop recovery. In H1 FY 2024-25, capital expenditure experienced an 18% year-over-year increase, with a particular emphasis on housing and infrastructure. The rupee experienced pressure (-4.3% against the USD FYTD), despite the fact that forex reserves remained robust at USD 612 Billion (March 2025), contingent upon the monsoon performance and global trade.

INDIAN BANKING INDUSTRY SCENARIO

The Reserve Bank of India (RBI) substantially altered India's monetary policy by reducing the repo rate by 25 Basis Points (bps) in the Monetary Policy Committee (MPC) held in February 2025 from 6.50% to 6.25%. This marked the first-rate reduction since May 20. This action was indicative of the Reserve Bank of India's commitment to fostering economic expansion in the face of inflation, which is anticipated to decrease from 4.8% in FY 2024-25 to 4.2% in FY 2025-26. During the same period, it is anticipated that Gross Domestic Product (GDP) growth will increase from 6.5% to 6.8%. This rate reduction lowered borrowing costs, which in turn supported credit demand in sectors such as personal loans and services, which experienced resilient growth despite global uncertainties. However, the lending capacity was initially constrained by the withdrawal of ₹ 2,000 banknotes in FY 2023-24 and a widening credit deposit growth disparity in early FY 2024-25, which in turn resulted in liquidity pressures.

Gross bank credit growth is anticipated to moderate to 14% in FY 2024-25. The decline is influenced by a high base effect, regulatory changes, and expectations of slower GDP growth. In FY 2024-25, it is anticipated that non-food bank credit will decrease from 16% (as of February 2024) to 12% year-over-year, primarily due to a high base effect. With an anticipated disbursement of approximately ₹ 27.5 Lakh Crores, agricultural credit growth is anticipated to surpass 13. It is anticipated that credit to significant industries will expand at a rate of 7%, which is consistent with the pace of growth in FY 2023-24. It is anticipated that credit to medium and small industries will be approximately 13% in FY 2024-25 and 15% in FY 2023-24. The credit growth rate for metal and metal products may also stabilise at approximately 14%, which is indicative of the consistent industrial demand. The credit to the services sector experienced a 13% year-over-year increase. The credit to trade and real estate is anticipated to conform to the general credit trend, which is expected to moderate from the high growth levels observed in FY 2023-24 as a result of stricter regulatory measures and a high base effect. The credit growth rate for auto loans is anticipated to be 13.3%.

Outlook

The economic prognosis for India for FY 2025-26 is expected to remain stable, with Gross Domestic Product (GDP) growth estimated at 6.5%. This growth is primarily driven by stronger domestic consumption, increased investment, and lower borrowing costs as a result of repo rate cuts in February 2025. Tax incentives and lower borrowing costs are also contributing factors. Liquidity has been enhanced, and private sector credit has been stimulated by these measures. It is anticipated that disposable income will increase in FY 2025-26, as inflation is anticipated to be moderate. In FY 2024-25, the Net Interest Margin (NIM) was bolstered by stable interest rates and lower inflation, which in turn supported investment and consumption. It is anticipated that the credit growth will be sustained in FY 2025-26 as a result of the continuance of accommodative monetary policy, which includes repo rate cuts.

OUR STRATEGY

Ujjivan is making strategic strides towards becoming the primary bank of choice for the aspirant middle class. Our objective is to accomplish this by offering a comprehensive array of financial products and services that are accessible both in person and online. Our goal is to be a customer-centric organisation that is adept at adapting to the changing requirements of our diverse clientele, with a focus on digital technology. Ujjivan is dedicated to providing comprehensive banking solutions in light of India's dynamic demographic and economic landscape. We capitalise on this opportunity to promote growth and socio-economic development in the Indian market by targeting under-served and underpenetrated segments. We actively pursue strategic growth opportunities, acknowledging that banking inherently entails expansion. Our product line is intended to meet a wide range of financial requirements, thereby guaranteeing our clients' convenience and accessibility. We are committed to the development of a robust platform that facilitates sustainable growth and convenience for our customers. The introduction of mutual funds and the improvement of foreign exchange services capabilities will be done to expand the liability portfolio. Ujjivan is expressing its commitment to expanding its secure product line and providing comprehensive service to all customer demographics by pursuing universal banking status through voluntary transition.

Diversified Bouquet of Products

Ujjivan differentiates itself by creating tailored experiences for each consumer, transcending conventional product offerings. Consistent performance over the years has cultivated trust among a varied clientele across both asset and liability portfolios. Ujjivan is committed to a customer-centric approach, emphasising the development of need-based products suited to the specific requirements of each distinct sector. This product seeks to accommodate a diverse user base by providing a consolidated platform for UPI payments and integrating several bank accounts. Moreover, the implementation of UPI ATM and Insta Banking services illustrates our dedication to offering new and user-centric solutions for cash withdrawals and fund transfers, thus addressing the changing requirements of a digitally orientated clientele. Ujjivan prioritises the utilisation of digital solutions to improve client acquisition and accessibility in terms of liability. A crucial element of this plan entails enhancing fintech collaborations to broaden our service avenues. Initiatives such as the establishment of minor savings accounts via handheld devices and QR sound boxes have facilitated the bank's advancement towards a digitally sophisticated framework. We strategically introduced value-added liability products during the year, specifically targeting the high-net-worth category. This was supplemented by the implementation of initiatives such as Non-Resident (NR) Maxima Saving Accounts and the Navratna Family program. Ujjivan is concurrently dedicated to the striving middle-class demographic, persistently augmenting its value-added product offerings to bolster its mass-market position.

Building Capabilities through Data and Analytics

In a swiftly changing financial environment, Ujjivan has transitioned from conventional reporting to informed decision-making facilitated by Business Intelligence (BI), Machine Learning (ML), Artificial Intelligence (AI) and advanced analytics. FY 2024-25 initiated the groundwork for this transformation, wherein initial investments in automation, predictive modelling, and data infrastructure produced quantifiable benefits of approximately ₹ 100+ Crores in incremental business and around ₹ 4 Crores in cost reductions. To capitalise on this momentum, Ujjivan has enhanced its analytics team and commenced the creation of a comprehensive data lake—establishing the necessary infrastructure to disseminate insights throughout the organisation.

As FY 2025-26 commences, Ujjivan intends to enhance this momentum through high-impact initiatives: increasing product penetration utilising customer lifecycle analytics, converting phone banking into a growth channel, and initiating focused regional advertising. Additional priorities encompass augmenting branch profitability through micro-market analysis, mitigating portfolio losses through refined underwriting and recovery procedures, and establishing early warning systems for credit risk management. Moreover, frontline personnel would be equipped with real-time data to enhance decision-making.

A primary objective is to utilise ML/AI to enhance Anti-Money Laundering (AML) compliance through the identification of money mules and fraudulent activities. Ujjivan aims to derive around 3% of its budgeted business from analytics-driven growth, consistent with its objective of transforming data into a sustainable competitive advantage—generating value in the present while ensuring future resilience.

Increased Customer Penetration through Multi Channel Approach

Ujjivan expanded its customer reach through a well-structured multi-channel strategy, combining digital scale with assisted service support. This hybrid model improved access in semi-urban and rural areas while ensuring consistency and convenience across all service points.

The digital ecosystem includes mobile and internet banking for both retail and business users, self-service onboarding for savings, individual current and fixed deposit accounts, chatbot and WhatsApp banking, Unified Payments Interface (UPI) solutions, video banking, and the Hello Ujjivan application. In Financial Year 2024-25, key additions included a business mobile application with over 90 features, self-service digital individual current accounts, UPI-enabled merchant sound boxes, UPI Autopay, Bharat Bill Payment System (BBPS), and direct tax payment through business net banking.

Phone Banking serves customers around the clock 24x7x365. customer can choose their preferred language through IVR which caters in 9 Languages. Customers are also served through 13 Languages through human interactions. The phone banking team now manages over 500 plus services.

Robotic Process Automation improved 51 backend processes, saving over 708,527 man-hours. Cybersecurity systems were also upgraded to safeguard digital transactions.

Going forward, the retail digital platform is being transformed into a comprehensive application that will offer banking, mutual funds, insurance, and loan services. To digitise Current Account opening journey for Non-Individual customers and set up a complete UPI merchant stack for offline and online merchants, additional functionalities are being integrated. These initiatives, along with enhanced UPI features, will be introduced in Ujjivan's upgraded Mobile Banking app, which is set to further strengthen customer adoption and digital penetration.

Strengthening Liability Franchise, and Increasing Our Retail Base

Our principal focus remains on establishing a robust and durable foundation of retail deposits to facilitate development. Ujjivan has exhibited sustained progress in its retail deposit performance, encompassing CASA (Current Account and Savings Account) and retail Fixed Deposits. Ujjivan, with a robust presence among several customer segments—including senior citizens, high net worth individuals, corporations, and institutional clients Trusts, Associations, Societies, and Clubs (TASC) continues to prioritise the expansion of its reach. Utilising digital platforms and a multi-channel approach, we are actively acquiring contemporary customers, including young professionals, technologically adept entrepreneurs, and investors. Our focus on exceptional customer service, bolstered by advanced technology and proficient frontline personnel, guarantees superior service delivery and sustained client loyalty. Our strategy focusses on improving the diversity of consumer segments, fostering greater interaction, and assuring consistent deposit growth. Concurrently, we seek to enhance account utilisation by fostering digital adoption and tailored service via specialised customer assistance.

DIVERSIFY REVENUE STREAMS AND CONTROL COSTS

Ujjivan's primary objective is to diversify its revenue streams by broadening its selection of financial solutions, which includes both fee-based and non-fund-based avenues. Ujjivan aims to elevate its fee-and commission-based business to new heights by capitalising on its vast customer base, diversified product and service portfolio, digital channels, and extensive banking outlet network. The treasury staff of Ujjivan is adept at managing and trading funds, as well as leveraging lucrative market opportunities. The expansion of fee income will be further stimulated by the introduction of new products for institutional clients. Ujjivan is persistent in its pursuit of opportunities to increase the penetration of insurance products in order to generate non-interest income through commissions. Trading priority sector lending certificates is also a substantial source of fee income.

GROWING CUSTOMER BASE

In FY 2024-25, we maintained its commitment to serving a greater number of customers by welcoming 9.1 Lakhs customers, bringing the total number of customers served to 95.1 Lakhs as of March 31, 2025. This figure represents an 11% increase from the 86 Lakhs consumer base that was served as of March 31, 2025. This surge in numbers was fuelled by the robust growth in the liability sector, where customer addition has been increasing at a compound annual growth rate (CAGR) of 13% over last 5 years. This is being propelled by the robust branch network of 753 banking outlets, as well as the improved digital offerings of the Savings Account, Current Account, and Fixed Deposits.

FINANCIAL AND OPERATIONAL PERFORMANCE

In FY 2024-25, we adeptly manoeuvred through the tough business landscape in the Micro Banking sector, sustaining one of the industry's highest portfolio quality standards. The strategic initiative to diversify and enhance the secured loan portfolio has made substantial progress, now comprising 44% of the total loan portfolio, an increase from 30% last year. Despite ongoing issues in banking system liquidity, it was effectively managed, with the Credit to Deposit ratio rising to approximately 85% and the Liquidity Coverage Ratio maintained comfortably around 137.7% for FY 2024-25.

The financial year sustained the trend established in prior years, with growth in both asset and deposit sectors. We achieved a notable milestone by attaining an asset book size of ₹ 32,122 Crores, surpassing the ₹ 30,000 Crores threshold for the first time. The secured loan portfolio expanded by 56% compared to the prior year. Disbursements for the year rose slightly by 0.3% relative to the preceding fiscal year. The disbursement contribution from the secured firms has regularly exceeded 45% for the last two quarters of the year.

Affordable Housing and Micro Mortgages, representing 23% of the loan portfolio, exhibit consistent growth, establishing a significant presence in the Affordable Housing sector. In FY 2024-25, disbursements surpassed ₹ 3,146 Crores, bringing the total to ₹ 7,308 Crores as of March 2025, demonstrating a robust 38% year-over-year increase. The Affordable Housing book, our largest volume contributing secured business, has expanded to a magnitude of ₹ 6,585 Crores, reflecting a 39% year-over-year growth. Micro Mortgages, a high-yield secured segment, has demonstrated impressive growth, attaining ₹ 723 Crores, an increase of 258% year-over-year. This comprises a favourable blend of clients who have transitioned from Individual Loans and the Open Market.

Our restructured strategy for Micro, Small, and Medium Enterprises (MSME) business is driving momentum, increasing by 45% year-over-year to achieve ₹ 2,047 Crores. Growth has been derived from all products, namely Loan Against Property (LAP), Working Capital, and Supply Chain Finance. Disbursements exceeded ₹ 1,211 Crores in FY 2024-25. The Financial Institutions Group (FIG) book continues to expand, reaching ₹ 2,785 Crores as of March 2025, contributing 9% to the overall loan portfolio. The Vehicle Finance sector had significant growth, achieving a book size of ₹ 468 Crores and now accounts for over 1.5% of our asset portfolio, reflecting a year-on-year increase of 166%. The Gold Loan sector has undergone substantial growth, with its presence rising from 63 branches in March 2024 to 200 branches in March 2025. This book is valued at ₹ 196 Crores as of March 2025. Crucial facilitators for this enterprise include geographical expansion in the northern and eastern regions of the country, as well as a mobility solution that facilitates on-site customer onboarding. These are the outcomes of the recent investments.

The emphasis on enhancing the granular deposit base persisted throughout the year, with retail time deposits and current account savings account constituting approximately 71% as of March 2025. In accordance with its liability management strategy, we adjusted its exposure to Inter-Bank Participation Certificate (IBPC)/securitisation, which was ₹ 189 Crores as of March 31, 2025, a decrease from

₹ 2,360 Crores the prior year. These actions, along with substantial deposit growth, enabled Ujjivan to establish itself for sustained resilience and competitive advantage in the changing banking environment. We experienced significant growth in CASA, with balances increasing by 15% to ₹ 9,619 Crores as of March 31, 2025, up from ₹ 8,335 Crores the previous year, while the CASA ratio was 25.6%. Enhancing initiatives on the liability side with a robust focus on digital sourcing, digital current accounts, and digital savings accounts, which are increasingly contributing to overall sourcing. The Current Account surpassed a significant milestone of ₹ 1,000 Crores for the first time, attaining ₹ 1,118 Crores as of March 2025, reflecting an exceptional growth of 46% compared to the previous year.

This year commenced with instability in the Micro Banking sector, prompting the self-regulatory group Microfinance Institutions Network (MFIN) to implement Guardrails aimed at regulating asset quality across the industry. The initial set of guardrails was applied in August 2024 and fully executed by April 1, 2025. The outcome resulted in difficulties in collections for the section. We adeptly managed the situation and achieved one of the highest collection efficiencies in the industry for the segment. The year concluded with a collection efficiency of 99.5% for Micro Banking Bucket X in March 2025. The branch and customer-specific actions were crucial in managing the portfolio. The current plan to digitise repayments in the Micro Banking segment is yielding positive outcomes, with digital collections reaching 40% for Q4 FY25. The asset quality for the year remained consistent, with the Gross Non-Performing Assets (GNPA) at 2.2% and the Net Non-Performing Assets (NNPA) at 0.5% as of March 2025. Ujjivan upholds a robust Provision Coverage Ratio (PCR) of 78%. Facilitated by expedited allocation of ₹ 46 Crores as of March 2025. The Gross Non-Performing Assets (GNPA) in housing decreased year-over-year to 1.1% as of March 2025, down from 1.5%. MSME experienced significant enhancement, with GNPA declining to 5.5% as of March 2025 from 8.4% as of March 2024. The 24 MoB MSME book exhibits a GNPA of merely 0.1%. We executed two ARC transactions for a portfolio of ₹ 635 Crores in November 2024 and February 2025. In compliance with RBI standards, the bank utilised a floating provision of ₹ 69 Crores, concluding the year with a floating provision totalling ₹ 181 Crores.

Total income increased by 11% to ₹ 7,201 Crores, bolstered by an 8% year-on-year growth in the gross credit portfolio. Interest income from advances were the principal revenue source, accounting for a substantial amount of total income, despite a moderation in the net interest margin over the year, which reflected alterations in the product mix and an increased ratio of secured loans. Interest income from Advances totalled ₹ 5,526 Crores, constituting 77% of total revenue. Income from statutory and other investments increased by 19% to 816 Crores, representing 11% of total revenue. Fees and additional income amounted to ₹ 301 Crores, consisting of processing fees. Priority Sector Lending Certificates (PSLC) Sales profit increased to ₹ 48 Crores, reflecting a 19% rise compared to the previous year. The commission on third-party goods distribution increased to ₹ 115 Crores. The treasury income for the year has risen by 88% to ₹ 45 Crores, attributed to heightened treasury trading activities. Net Interest Income (NII) for the year was ₹ 3,636 Crores, and although the Net Interest Margin (NIM) decreased to 8.8%, overall profitability remained robust. The return ratios are 1.6% for Return on Assets (RoA) and 12.4% for Return on Equity (RoE).

In a year characterised by a challenging banking liquidity environment, we sustained a credit to deposit ratio of 84.9% (excluding IBPC/ Securitisation) and 85.4% (including IBPC/Securitisation) as of the end of March 2025. The Cost of Funds remained between 7.5% and 7.6% for the entire year, concluding at 7.6% as of March 2025. The annual credit cost totalled ₹ 748 Crores, or 2.45% of the Average Gross Loan Book. Ujjivan's staff expanded to 24,374 personnel as of March 2025, reflecting an 8% increase, which led to a rise in operational expenditure to ₹ 2,793 Crores. Ujjivan is investing to enhance technical capabilities for secured enterprises, collection teams managing the micro banking segment, and the foreign exchange industry. We obtained the AD-1 business licence from the RBI this year.

Income Statement

Ujjivan continued to show consistent performance and reported a Profit After Tax (PAT) of ₹ 726 Crores. The pre provision operating profit for the year stood at ₹ 1,689 Crores. The balance sheet size increased to ₹ 47,689 Crores, marking a robust 18% increase from ₹ 40,422 Crores at the end of the previous year. Our net worth increased from ₹ 5,613 Crores to ₹ 6,083 Crores during the same period up 8%. Ujjivan's deposit base closed at ₹ 37,630 Crores, growing 20% YoY, it was largely driven by healthy growth in granular deposit base which was up 21% from previous year at ₹ 26,676 Crores. The loan book closed at ₹ 32,122 Crores, registering an 8% growth over the preceding year led by the secured businesses. The Capital to Risk Weighted Asset Ratio (CRAR) stood at 23.1%, ensuring a continued stable financial position.

DIGITAL INITIATIVES

In FY 2024-25, Ujjivan reinforced its digital-first strategy by advancing customer convenience, operational efficiency, and inclusive access. The year's focus revolved around scaling intelligent automation, expanding self-service platforms, and deepening digital engagement by strengthening Ujjivan's position as a modern, agile financial institution.

Expanding Access through Self-Service Platforms

The launch of the Do-It-Yourself (DIY) Digital Current Account (DCA) marked a pivotal step in onboarding individual customers with minimal branch intervention. This initiative enabled faster processing, improved customer reach, and lowered acquisition costs especially beneficial in underbanked geographies.

Digitising Credit Delivery with the Hello Ujjivan App

The full digitisation of the Individual Loan Journey through the Hello Ujjivan App facilitated seamless credit access for micro-banking customers, reducing turnaround time and promoting formal credit inclusion for under-served and rural segments.

Enabling Merchant Adoption with UPI Soundboxes

Ujjivan implemented voice-enabled UPI Soundboxes at merchant outlets, enhancing real-time transaction confirmations. This improved merchant trust and accelerated the adoption of digital payments among small business owners.

Boosting Operational Efficiency via Robotic Process Automation

RPA continued to play a critical role in driving cost and process efficiencies. In FY 2024-25 alone, 51 automated processes delivered productivity gains equivalent to **88,566 man-days,** saving ₹14 Crores+, and freeing up **89 full-time employee equivalents**. This reflects a 70%+ YoY improvement in both effort saved and cost rationalisation.

INTERNAL CONTROL SYSTEMS AND ADEQUACY RISK MANAGEMENT

Ujjivan has a strong risk management framework in place to identify, mitigate, and monitor material risks across all its functions. Guided by the Risk Management Committee of the Board (RMCB), the Bank has a well-staffed Risk Management team led by the Chief Risk Officer (CRO), tasked with implementing the Board's directives. The team is primarily based at our corporate office, with a presence in each regional office to facilitate the deployment of the operational risk framework at a granular level. A key hallmark of the Risk Management function is its independence from business sourcing units, converging only at the Board level.

Through continuous monitoring and enhancement, Ujjivan has established a distinct risk architecture with detailed policies and procedures for managing credit risk. In this regard, key areas in risk identification (portfolio reviews, risk posture reviews, risk scorecards, etc.), risk measurement (key Risk Indicators, accelerated provisioning, capital adequacy), risk mitigation (exposure limits, control testing), and risk monitoring (independent monitoring for large-ticket loans, High-Risk Branch analyser, collection productivity trackers, Risk and Control Self-Assessment (RCSA), etc.) were significantly overhauled and strengthened.

The Credit Risk Management Committee (CRMC) meets at least once a month to review the performance of the credit portfolio and oversee credit risk, credit policy reviews, and process management. The CRMC is also supported by a Health Council which is a specialised forum comprising senior management that reviews the performance of emerging asset verticals and initiates early corrective actions.

Market risk primarily arises from the Bank's statutory reserve management and trading activities in the interest rate market. These risks are managed through real-time monitoring by the Treasury Mid Office, which operates within a well-defined Limit Management Framework that imposes caps on risk exposures through various limits and triggers. Risk measures include sensitivity limits such as PV01, Modified Duration of Held for Trading (HFT)/Held to Maturity (HTM) portfolios, Value-at-Risk (VaR) limits, and Stop Loss Trigger Levels (SLTL), among others.

Ujjivan has also established various limits for liquidity risk management to address funding mismatches and interest rate risks. Caps on maturity bucket mismatches and stock ratio limits help manage liquidity risk, while sensitivity analyses of Net Interest Income (NII) and Market Value of Equity (MVE) assist in mitigating interest rate risks. The Bank consistently maintained a Liquidity Coverage Ratio (LCR) comfortably above regulatory requirements during the year. Liquidity VaR (LVaR), IRR VaR (IRRVaR), and SLS-based stress testing models further support analysis of liquidity and interest rate risks under adverse scenarios, including contingency funding planning. Ujjivan also conducts internal assessments to study depositor behaviour regarding premature withdrawals, utilisation, and deposit tenure. Internally defined tolerance levels are incorporated into the Liquidity Risk Management Framework.

The Asset Liability and Market Risk Committee (ALCO) meets monthly or more frequently, as needed, to assess Ujjivan's liquidity position.

Operational risk management at Ujjivan is driven top-down through robust policies, procedures, and a strong internal control culture, supported by clear reporting and contingency protocols. Operational risk manuals, derived from policies, are documented for key activities such as Risk and Control Self-Assessment (RCSA), Key Risk Indicators (KRI), and Loss Data Management. Ujjivan adopts both qualitative and quantitative approaches to manage operational risk. This includes rigorous product and process reviews, enterprise-level risk posture evaluations, thorough User Acceptance Testing (UAT), thematic reviews, risk scorecards, outsourcing risk assessments, Internal Financial Control (IFC) testing, and Business Continuity Planning/Management (BCP/M).

To ensure effective operational risk governance, Ujjivan has constituted an Operational Risk Management Committee (ORMC), chaired by the MD & CEO and convened by the CRO. This committee meets at least once every two months to review key operational risk matters, with a summary reported to the RMCB. Additionally, a dedicated Business Continuity Management Committee (BCMC) provides oversight on Business Continuity Plan (BCP) management and data centre/disaster recovery (DC/DR) drills.

Recognising the growing global threat landscape, the Bank has implemented a robust information security structure to manage cyber and information security risks. It has adopted a layered defence strategy to safeguard customer data and prevent undetected intrusions. Key functions within the Bank's cybersecurity operations include policy development, regular awareness and training programmes, a dedicated red team for real-world attack simulation and ethical hacking, a blue team (Security Operations Centre) for incident detection and response, and a Governance, Risk and Compliance (GRC) unit to manage regulatory risks and operational controls. Ujjivan acknowledges that information security is a continuous process requiring constant improvement and adaptation.

Ujjivan actively participates in cyber drills conducted by the Institute for Development and Research in Banking Technology (IDRBT) and regularly conducts Disaster Recovery Drills for its technology infrastructure to ensure uninterrupted service during crises. Ujjivan follows a proactive rather than reactive approach to cybersecurity.

To ensure integration and forward-looking risk governance, Ujjivan has established an Enterprise Risk Management (ERM) unit under the oversight of the Enterprise Risk Management Committee (ERMC). This Committee evaluates strategic and emerging risks and regularly reviews macroeconomic and operational developments. The ERM unit also undertakes comprehensive reviews of material risks to determine capital requirements for unexpected losses. The ERMC meets bimonthly to assess capital adequacy, Pillar II risks, compliance risk, and central process oversight.

In FY 2024-25, the Bank added a dedicated Risk Analytics & Monitoring (RAM) unit, reporting directly to the CRO. Established as a second line of defence, the RAM unit ensures independent, data-driven decision-making in risk management without conflicts of interest. Its mandate includes standardising and reporting Risk Intelligence dashboards and undertaking predictive analytics for Credit Risk (e.g., statistical scorecards, KRI dashboards) and Market Risk (e.g., Value-at-Risk models).

LEGAL

The Legal Department continues to be a strategic enabler, offering timely legal support across due diligence, documentation, contracts, intellectual property, litigation, debt recovery, and other allied functions. It serves all business verticals including Administration, Infrastructure, Operations, Procurement, Information Technology, Human Resources, and Collections.

The department has actively supported Ujjivan's digital transformation by digitising legal processes to enhance efficiency and support sustainability goals. In April 2024, we implemented Legistify, a litigation management platform that enables real-time tracking of cases, automated updates, court order monitoring, and proactive risk mitigation. The platform currently tracks over 13,172 cases filed by and against Ujjivan in courts across India and allows monitoring even before summons are issued.

Another key initiative was the full digitisation of contract lifecycle management through Spotdraft, implemented in October 2023. This platform streamlined stakeholder collaboration, automated approvals, and digitalised contract drafting, execution, and storage. Since its rollout, 2,234 contracts have been processed digitally, including 1,870 in Financial Year 2024-25.

The department surpassed recovery targets for the year. The 100-day initiative Sampurna Samvada focused on customer engagement for amicable settlements in Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest cases, Potential Non-Performing Asset accounts, and Vehicle Loan accounts. It helped recover ₹ 2.46 Crores across 3,803 accounts and is now part of Ujjivan's standard operating procedure for litigation.

Additionally, the Legal Department concluded two major transactions involving the sale of Non-Performing Asset accounts to Asset Reconstruction Companies, covering principal outstanding of ₹ 630 Crores. All documentation including Offer Document, Trust Deed, Assignment Deed, and Agency Agreement was managed in-house.

Process simplification was another focus, with the creation of standardised disbursement documentation tailored to business segments such as Micro, Small and Medium Enterprises, Affordable Housing, Vehicle Finance, Financial Institutions Group, and Gold Loans.

Looking ahead, the Legal Department remains committed to providing comprehensive legal guidance, ensuring regulatory compliance, and swiftly addressing emerging legal challenges to support Ujjivan's business objectives.

COMPLIANCE

Ujjivan remains fully committed to the Reserve Bank of India's (RBI) mission of financial inclusion. Ujjivan adheres to the Small Finance Bank Licensing Guidelines issued on November 27, 2014, by ensuring that at least 75% of its Adjusted Net Bank Credit is directed toward priority sectors. Additionally, over 50% of its loan portfolio comprises loans and advances of up to ₹ 25 Lakhs. Ujjivan also ensures that at least 25% of its branches are located in Unbanked Rural Centres.

Ujjivan complies with RBI's exposure norms, limiting loans and investments to a single obligor to 10% and to a group obligor to 15% of its capital funds.

Ujjivan's strong compliance and Corporate Governance framework is embedded across all levels, from field staff to senior management. Ujjivan follows a zero-tolerance policy toward regulatory breaches. Risk assessments, certifications, and regular monitoring and testing reinforce the compliance structure.

The compliance department conducts periodic compliance risk assessments across all business, support, and control functions, ensuring consistent evaluation through a robust monitoring and testing process. We fully adhere to Know Your Customer (KYC) regulations and operates an automated Anti-Money Laundering (AML) monitoring system supported by a rigorous transaction review framework.

Ujjivan also maintains timely regulatory reporting, meeting all Risk-Based Supervision requirements and has complied with the listing norms within the stipulated three-year timeframe since the start of operations.

INTERNAL AUDIT

The Internal Audit Department's (IAD) primary goal is to provide the Board of Directors and senior management with independent assurance regarding the quality and effectiveness of internal control, risk management, and governance framework. IAD is led by Head of Internal Audit who reports to Audit Committee of the Board (ACB) and administratively reports to MD & CEO.

The Internal Audit Department is adequately manned with competent and qualified personnel and comprises five audit verticals: Central Functions, Information Security (IS) Audit, Credit Audit, Concurrent Audit & Analytics, and Branch Audit. A risk-based approach is employed to develop an annual audit plan that encompasses all audit areas. Audit Committee of the Board approves the annual plan. IAD provides quarterly update to ACB on the status of Audits conducted during the quarter and all significant observations along with management action plan for the observations reported. The ACB evaluates the internal audit function's efficacy and adequacy, which encompasses the internal audit department's structure, the annual audit plan's progress, and staffing. It guarantees the implementation of independent and effective review procedures.

VIGILANCE

Ujjivan has institutionalised a robust Fraud Risk Management Framework and internal vigilance system to strengthen fraud prevention and maintain operational integrity. In Financial Year 2024-25, both the number of fraud cases and the total amount involved declined significantly compared to the previous year, reflecting the success of our risk mitigation measures.

The core vigilance team played a key role in investigating incidents, facilitating recoveries, and strengthening operational safeguards. A notable achievement was the partial recovery in a high-value credit fraud case reported earlier. The team also promoted preventive vigilance by driving awareness and encouraging ethical conduct across the organisation.

Vigilance Awareness Week was observed to reinforce the importance of fraud prevention and customer protection, supported by an internal communication campaign. Select employees were recognised with the 'Vigilance Warriors Awards' for their proactive role in identifying and preventing fraud within their functions.

As part of its preventive approach, the department issued advisories highlighting process gaps and recommending corrective measures. Targeted training programs further reinforced best practices and vigilance awareness.

In compliance with Reserve Bank of India guidelines, fraud reporting was transitioned from the eXtensible Business Reporting Language platform to the Centralised Information Management System. Mystery shopping exercises were also conducted to assess frontline adherence to customer engagement protocols.

Operational audits, including branch and centre visits, were carried out to identify potential fraud vulnerabilities. With the expansion of the gold loan portfolio, we also strengthened product-specific oversight through regular gold inspections at branch level.

The following table summarises the fraud cases reported during the financial year under review:

Particulars	As on March 31, 2025	As on March 31, 2024
Number of frauds reported - Borrowal & Non borrowal accounts	315	401
Number of digital payment related frauds where credentials have been compromised by the customers themselves & no loss has been caused to the Bank	766	2,312
Total	**1,081**	**2,713**
Amount involved in fraud including digital payment related frauds (₹ in Crores)	9.16	24.16
Amount of provision made for such frauds* (₹ in Crores)	3.22	10.81
Amount of Unamortised provision debited from 'other reserves' as at the end of the year	-	-

* Note: The provision amount is net of recovery and write off's as at the end of the year.

CREDIT

Ujjivan's credit and collection operation remained essential in maintaining quality underwriting, effective policy administration, disciplined lending processes, prudent risk management, and continued customer engagement. The emphasis was on constructing a diversified portfolio, refining credit underwriting standards, and augmenting operational efficiency via digitisation and analytics.

The year offered a diverse mix of challenges and opportunities amid sectoral stress in the Micro finance industry, evolving regulations and competitive landscape

Total gross advances increased by 8% year-over-year, amounting to ₹ 32,122 Crores as of March 31, 2025, driven by substantial growth in housing and micro mortgages (48%), MSME (45%), and FIG lending (61%). The micro banking book has contracted by 12% due to sectoral cautious approach.

Macroeconomic Outlook

The fiscal year 2024-25 was characterised by a multifaceted macroeconomic landscape shaped by both international and domestic factors. The global recovery persisted unevenly due to geopolitical uncertainty, high commodity prices, and sustained stringent monetary policies in developed economies.

The Indian banking system experienced robust credit growth of 15.3% YoY, particularly in the retail, agriculture, and MSME sectors, which correspond with the primary emphasis areas of Small Finance Banks.

The Reserve Bank of India (RBI) maintained a calibrated approach by maintaining stable rates for the majority of the year to mitigate inflation. The repo rates were sustained at 6.5% for almost 10 months in the previous fiscal year, with rate reductions commencing in February and March 2025, totalling a 50 basis points decrease, indicative of an accommodative stance to enhance economic stability.

Indian banking sector remained stable, Credit offtake was broad-based, with growth in personal loans, real estate, NBFCs, and services sectors. Asset quality showed sustained improvement with lower slippages.

Portfolio Quality and Risk Management

Ujjivan's credit quality well sustained despite adverse market conditions, supported by robust recovery efforts, disciplined underwriting, and strong monitoring practices.

- Gross Non-Performing Asset (NPA) stands at 2.18% (0.12%↑) and Net NPA is at 0.49% (0.22%↑) as of March 31, 2025
- Provision Coverage Ratio (PCR) is at 78%, reflecting prudent provisioning
- Sectoral exposures remained well-diversified, with concentration risk within board-approved limits
- Stressed assets resolution was accelerated through robust collection strategies and one-time settlements, sale of stressed assets to ARCs

MicroBanking

The microfinance sector, long regarded as a vital catalyst for financial inclusion, witnessed headwinds during FY 2024-25. Due to a combination of borrower-specific stress and external factors, lenders have encountered increased operational and asset quality challenges. Crif Highmark data indicates that the percentage of borrowers with loans from four or more lenders increased to 5.8% in September 2024, up from 3.6% in 2021, raising worries about repayment capacity. The industry, which experienced a 28% expansion in assets under management (AUM) in FY 2023-24, witnessed a decline into negative growth in FY 2024-25, as lenders curtailed disbursements due to a cautious tightening of credit standards.

In response to widespread stress within the industry and increased regulatory oversight, Microfinance Institutions Network (MFIN), the self-regulatory organisation for the microfinance sector, has mandated member institutions to adhere to industry guardrails in phases beginning July 2024. The implementation of tougher regulations for overleveraged consumers has resulted in increased delinquencies from August 2024.

We demonstrated resilience during these hard times, achieving industry-leading performance through effective credit policies and timely implementation of guardrails. As of December 2024, the bank has reported 31 to 180 PAR of 3.5% while the industry has reported 6.75% PAR as per CRIF report. We have adopted a calibrated disbursement approach based on portfolio performance of the branches, focusing on existing borrowers with strong repayment history with tightened credit policy norms.

Karnataka, which largely remained stable over the first three quarters, has had a dramatic increase in delinquencies following the implementation of the Microfinance Ordinance by the Government of Karnataka in the fourth quarter.

During the year, Ujjivan has optimised internal process to standardise end-use check monitoring and implemented risk-based pricing for microfinance loans. Guardrails 1.0 was implemented in July 2024, followed by the implementation of Guardrails 2.0 in January 2025. We have instituted rigorous credit policy standards in addition to the existing guardrails to ensure high-quality client acquisition, with credit policies tailored at the branch level in line with branch's collection efficiency.

While stress levels remain elevated, the swift and coordinated actions by the regulator, industry associations, and lending institutions have laid the groundwork for more disciplined, transparent, and responsible lending.

Affordable Housing & Micro Mortgages

The housing vertical continued to be a core driver of our credit portfolio. This business constituted 23% of our total advances, with a nationwide presence over 565 branches, 23 states, and 16 retail asset centres. The product line is well diversified, encompassing Home Loans, Home Equity, and micro mortgages with an average ticket size of ₹ 12 Lakhs. The borrower segmentation consists of self-employed individuals accounting for 47%, while the salaried category comprises 53% of the total portfolio. Within the Housing vertical, Micro Mortgages is the new product variant with an average ticket size of ₹ 5 Lakhs. This product is designed to meet the elevated credit needs of seasoned borrowers from Micro banking vertical and new to bank customers from similar economic backgrounds. During the year, Ujjivan has implemented risk-based pricing for borrowers, which is associated with credit score, collateral type, borrower group, and assessment methodology. The vertical has completely transitioned to a new loan origination system, which has improved process efficiency. Following are the highlights of key initiatives during the year

- Centralised underwriting team for same day decisioning of salaried cases
- Strengthened specialised in-house technical team for collateral assessment and technical vendor management
- Regular review of state wise collateral policy to adapt to the evolving requirements of new products and geographies
- Process digitisation: Use of Account aggregator for banking, e-sign for loan documentation & Nupay for customer repayment & security cheques

Housing book portfolio quality is at par with the industry. We closely monitor the portfolio month-on-month by various portfolio analytics tools & dashboards. Ujjivan has dedicated collection and legal team which focuses on secured book portfolio. The GNPA of the housing book as of March 31, 2025, stands at 1.1% and the PAR at 3.5%, compared to 1.5% and 3.9% respectively last year. The NNPA is at 0.51% as of March 31, 2025.

The Micro Mortgages product has grown to ₹ 723 Crores as of March 31, 2025. YoY growth of 258% during FY 2024-25 with an average ticket size of ₹ 5.3 Lakhs. The new book exhibited excellent performance with GNPA at 0.2%. The sourcing borrower mix includes 56% new to bank and 44% sourced from existing micro banking base.

MSME

During the year, we continued to focus on the Micro, Small, and Medium Enterprises (MSME) sector. This year witnessed substantial progress in our MSME financing, which now comprises of three product variants. a) Loan Against Property (LAP) – with a combination of semi-formal and formal MSMEs, b) Working Capital (WC) – New business line for formal MSMEs, and c) Supply Chain Finance (SCF) – New business line for formal MSMEs featuring short-term anchor-led dealer and vendor financing.

Ujjivan has made significant strides in enhancing technology enabled credit underwriting and monitoring processes for MSME loans. A dedicated loan origination system was implemented for LAP and WC businesses, with an automated credit appraisal memo (CAM) that includes automated retrieval of GST, banking, and ITR data. These steps were aimed at ensuring robust risk management while providing timely and adequate credit to the segment. To enhance monitoring, we have implemented early warning signals (EWS) to detect initial indicators of distress and prevent prospective losses. Dedicated resources are deployed in credit team to improve monitoring aspects.

The MSME portfolio performance improved, with a significantly low delinquency rates in the new book. This positive trend underscores the robust credit policy framework and stringent underwritings norms. As of March 31, 2025, the Gross Non-Performing Assets (GNPA) is at 5.5%, the Portfolio at Risk (PAR) is at 9.1%, and the Net Non-Performing Assets (NNPA) is at 1.9%.

Financial Institutions Group (FIGB)

FIGB's lending to diverse segments of Non-Banking Financial Company (NBFC) clientele persisted. No individual segment contributes more than 38% to the FIGB loan portfolio. Portfolio is built basis Board approved credit policy which is refined from time to time. The FIGB portfolio is meticulously evaluated on a quarterly and semi-annual basis across all categories. Special emphasis was provided to low rated customers & market development in the sector. No fresh NPA in the portfolio in last couple of years.

New Product

The new products, vehicle finance, agricultural loans, and gold loans, now account for 3% of the total portfolio, with a combined book size of ₹ 1,040 Crores. Ujjivan is poised for substantial expansion in these new products to cater to the increasing consumer demands, by utilising extensive geographical reach, technology-enabled underwriting for quick approvals, strategic partnerships, and client-focused solutions. These products are not only prepared for expansion but also positioned to become crucial catalysts for Ujjivan in the forthcoming years.

Collections

The specialised collections department at Ujjivan continued to play a pivotal role in strengthening the Bank's credit resilience and overall portfolio health in FY 2024-25. With a focus on early resolution, digitised field operations, and predictive risk management, we effectively mitigated credit losses and enhanced recovery timelines across many product groups. We enhanced our customised, technology-driven collections strategy by utilising real-time data and intelligent segmentation to implement dynamic recovery methods. Empowered by data-driven tools, frontline teams operated with greater speed and precision, ensuring timely and effective resolutions. These initiatives resulted in a significant decrease in forward flows and enhanced recoveries, further bolstered by reinforced legal measures and a targeted resolution mechanism. The strategy continually harmonised operational flexibility with borrower compassion, enhancing asset quality while preserving customer trust.

The culmination of consistent portfolio monitoring and a customer-centric proactive approach demonstrates the enduring efficacy of Ujjivan's strategy, yielding sustained outcomes across critical metrics: a stable GNPA of 2.2%, diminished slippages, and enhanced efficiency.

FY 2024-25 demonstrated our resilience, adaptability, and steadfast commitment to inclusive growth, driven by prudent lending practices, customer-centric innovation, and regulatory foresight. Given the strengthened market conditions, scalable technology stack, and adept underwriting capabilities, Ujjivan is strategically positioned to spearhead the next phase of expansion within the Small Finance Bank sector.

INFORMATION TECHNOLOGY

Ujjivan continued to position technology as a key driver of financial inclusion, anchored in digital innovation, customer-centricity, and operational excellence. In Financial Year 2024-25, we successfully executed over 500 technology projects, covering regulatory compliance, product development, revenue generation, and cost optimisation.

A significant milestone was the expansion of our digital banking ecosystem. Phase 2 of WhatsApp Banking introduced over 40 customer services including balance checks, loan tracking, and Equated Monthly Instalment monitoring. Smart Statement features offered interactive summaries and supported cross-selling. We also launched Digital Current Accounts, alongside existing digital savings and fixed deposit products. New services such as Aadhaar-enabled Unified Payments Interface Personal Identification Number reset and UPI Autopay improved ease and security. For merchants, the Ujjivan Soundbox provided instant payment confirmations, enhancing trust in digital transactions.

In lending, a next-generation Loan Origination System was introduced for Micro, Small and Medium Enterprises Supply Chain Finance, with risk-based pricing integrated in line with Reserve Bank of India guidelines. A partnership with an Account Aggregator laid the foundation for future transaction-based lending. Our elevation as a Bharat Bill Payment System Operating Unit further strengthened our service delivery network.

Operational efficiency was improved through Robotic Process Automation across functions such as end-of-day cash audits, Cheque Truncation System clearing, Income Recognition and Asset Classification reporting, and Anti-Money Laundering data validation. Real-time document verification was extended to driving licenses, voter IDs, Legal Entity Identifiers, Income Tax Returns, Goods and Services Tax filings, and Udyam registrations, reducing processing time. Upgrades to data warehouses enhanced performance, and the adoption of eMudhra enabled paperless digital signing and stamping.

Under infrastructure modernisation, Software-Defined Wide Area Network was implemented across branches to improve network performance and cost efficiency. A new backup solution strengthened Business Continuity Planning, and Disaster Recovery drills ensured resilience. A central command centre was set up for real-time system monitoring and issue resolution. The Application Programming Interface gateway was also upgraded for enhanced security and performance.

Cybersecurity was a major focus. We implemented advanced security frameworks, real-time fraud detection, and enforced Multi-Factor Authentication across critical systems. Mobile Device Management and proxy services were moved to the cloud for better scalability. These initiatives led to Ujjivan earning the ISO/IEC 27001:2022 certification for information security management.

Looking ahead, Ujjivan plans to adopt cloud-native platforms and microservices-based architecture. Upcoming initiatives include revamped internet and mobile banking platforms, Artificial Intelligence-driven personalisation, and advanced data analytics. Foreign exchange services will also be introduced. Cybersecurity will remain a priority with deeper integration of threat intelligence. With innovation, security, and customer focus at the core, Ujjivan is poised to advance its digital transformation and reinforce its leadership in inclusive banking.

SERVICE QUALITY

Our top priority is the provision of exceptional customer service and an unwavering dedication to providing exceptional experiences. We endeavour to be a customer-centric organisation by consistently adapting to the evolving requirements of our consumers. This is accomplished by utilising technology, refining our processes, and nurturing our employees, all of which are informed by market insights and customer feedback. We have established a Service Quality department to operationalise this commitment. This team is essential in the enhancement of the customer experience across all business verticals, the expeditious resolution of customer grievances, the maintenance of rigorous service standards, and the adherence to regulatory guidelines regarding customer service and protection. This department plays a critical role in the implementation of our customer-centric vision, guaranteeing that each interaction with Ujjivan is both seamless and enjoyable.

Improved Customer Service Standards

We have achieved a high level of quality and consistency in all of our offerings as a result of which we delivered superior service standards. A comprehensive Service Index program that incorporates both internal and external customer service has been developed and refined to drive this commitment. This program is applicable to all business verticals and critical support functions, and it includes critical parameters that influence customer service delivery and satisfaction.

Our Service Index program has developed into a distinctive industry best practice over the past seven years. Our commitment to customer service is bolstered by a strong governance framework, which establishes explicit objectives for enhancing service index scores at both the functional and bank-wide levels.

The MD & CEO, business/function heads, frontline managers, sales and service staff, and key performance metrics are all linked to these objectives, which are essential to our performance management framework. Accountability is guaranteed and continuous development in customer service is fostered throughout the organisation through this structured approach.

Ujjivan's Bank level Customer Service Index has experienced significant improvements, reaching its highest-ever score of 93 points (out of 100) in March 2025, after having reached 89 points in March 2024 and 85 points in March 2023, as a result of the numerous cross-functional initiatives at the technology, process, and people levels.

- The number of complaints in FY 2024-25 had decreased by 21% compared to FY 2023-24, by 14% compared to FY 2022-23 and marginally reduced by 0.32% compared to FY 2021-22
- Resolution of customer service requests within standard turn-around-time has improved to 95% in FY 2024-25 from 94% in FY 2023-24 and 90% in FY 2022-23
- The resolution of customer complaints within standard turn-around time has improved to 99% in FY 2024-25 from 98% in FY 2023-24 and 96% in FY 2022-23

Aajeevan Services – A Life Events-Based Banking Services with Empathy

We comprehend that life events, regardless of whether they are joyous or sombre, necessitate empathy, encouragement, and assurance. In response to this requirement, we have implemented "Aajeevan," a distinctive program based on life event-based banking services. This program offers personalised services to assist customers in navigating the milestones of life with ease.

Aajeevan provides a variety of services, such as: Nomination facilities, joint accounts, settlement of claims for deceased account holders, settlement of insurance claims, priority and doorstep services for senior citizens and differently abled customers, and special services such as adding mandate holders or power of attorney.

The objective of this program is to cultivate long-term relationships with our consumers and to provide financial well-being through the application of empathy and compassion. We have also prioritised the simplification of procedures and the training of our personnel to ensure that they provide empathetic and efficient service.

In order to guarantee successful implementation, we have annually conducted a one-day workshop on Aajeevan services that is specifically designed for the Financial Year 2024-25. This workshop has been divided into 46 batches and has been attended by 934 customer-facing and sales staff. Our staff is able to offer exceptional support to our customers during life's significant occasions as a result of the training's emphasis on efficiency and empathy.

Over the years, the promotion of Aajeevan Services has significantly improved the resolution of Aajeevan Service requests to 99% in FY 2024-25 and FY 2023-24 from 94% in FY 2022-23.

HUMAN RESOURCES

Ujjivan is committed to fostering an environment that enables each individual to achieve their maximum potential. Our personnel strategy prioritises a holistic employee experience that elevates satisfaction and promotes performance through robust support and significant engagement. We acknowledge that our personnel are fundamental to our success, propelling innovation and growth. We want to foster a culture in which every team member feels appreciated and motivated to excel, thereby contributing substantial value to the organisation. Ujjivan is honoured to be acknowledged as one of the Best Companies to Work for in India, as certified by the Great Place to Work Institute, for the 15th consecutive year, with prior rankings from UFSL spanning from 2009 to 2016. We have regularly ranked among the Top 25 BFSI Best Places to Work for three consecutive years as of 2025.

We guarantee employee satisfaction and retention by utilising numerous mechanisms, including competitive remuneration, superior benefits, possibilities for skill enhancement, and the ability to effectuate substantial contributions. The commendation of employees for this comprehensive experience has enabled Ujjivan to attain one of the lowest attrition rates in the past four years (<20% for FY 2024-25), demonstrating one of the most favourable performance metrics in the banking sector. This year, our emphasis on mentoring and assisting new employees in acclimating has substantially decreased early turnover (those departing within six months) to below 5%. Furthermore, we have made progress in enhancing gender diversity, employing 1,934 female professionals in FY 2024-25, who now constitute over 20% of our staff.

In FY 2024-25, Ujjivan concentrated on establishing an ecosystem that fosters individualised employee development, transitioning from organisation-mandated programs to those directed by the organisation, and ultimately to employee-driven initiatives. This year's topic focused on empowering employees through choices, resulting in the establishment of Individual Learning Plans that correspond with professional ambitions and enhance skills in areas such as cross-selling, generative AI, and productivity mindset. We employed premium learning platforms such as Harvard Business Publication and LinkedIn Learning, culminating in a remarkable 4,814 hours of educational engagement for mid- to senior-management personnel. A thorough training program included more than 42,120 staff, focussing on functional expertise, behavioural skills, and technological proficiency. Furthermore, over 25,500 hours were allocated to the enhancement of supervisory competencies, specifically targeting middle management and novice supervisors.

Ujjivan is dedicated to improving talent management and professional advancement for its workforce. We launched high-potential programs and initiatives tailored for women to expedite career advancement. Ujjivan enhances internal promotions, job posting procedures, and career advancement initiatives to secure the appropriate people for fostering corporate success. Emphasis on mentorship and specialised development opportunities fosters internal career advancement and succession planning, crucial for organisational stability. Programs such as PACE aim to optimise resource utilisation and improve operational efficiency. Ujjivan is committed to utilising data-driven talent analytics and enhancing its employee value proposition, solidifying its status as a leading employer in the Banking, Financial Services, and Insurance (BFSI) sector while promoting a friendly and equitable work environment.

In accordance with our dedication to employee health, we have revised our health insurance policy to enhance benefits for maternity, prenatal/postnatal care, and In Vitro Fertilisation (IVF) services. The health program provides crucial coverage for employees at all life phases, guaranteeing that their families obtain supplementary benefits, especially in comparatively enhanced term-life plans for front-end positions. Our proactive wellness strategy encompasses several activities, including comprehensive counselling sessions on road safety, women's health, mental well-being, and financial wellbeing, as well as a 24/7 hotline for instant emotional assistance.

Ujjivan is distinguished as a workplace of esteem and reliability, attributable to our culture of active listening and transparency. We have created many venues for employees at all levels to access organisational information, engage with leadership, and voice their concerns. These encompass Branch Representative Meetings, Townhalls, and regional leadership update events. The employee experience culminates in a comprehensive rewards and recognition program that honours outstanding accomplishments. Initiatives such as the Annual Awards, Corporate Excellence Awards, Summit Awards, and regional programs like Pratistha and South Spotlight foster a culture of gratitude, guaranteeing that our premier talents are acknowledged and recognised for their achievements. With an 86% engagement score in FY 2024-25 and proactive talent management strategies, we are dedicated to cultivating a flourishing environment for everyone.

PILLAR III DISCLOSURE

Pillar III Disclosures for year ended March 31, 2025 | FY 2024-25

[Ujjivan Small Finance Bank (hereinafter called "the Bank") is primarily subject to the BASEL II {New Capital Adequacy Framework (NCAF)} framework with some elements of Basel III regulations made applicable and has prepared this disclosure document in compliance with the directions of Reserve Bank of India (hereinafter referred to as "the Regulator" or "RBI") vide its circular RBI/2015-16/58; DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015. The document provides a review of key observations pertaining to the Bank's capital adequacy, credit quality, key business highlights and a review of its key risks as at March 31, 2025.]

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2. LIST OF KEY ABBREVIATIONS

Abbreviation	Full form
ACR	Automated Cash Recycler
AFS	Available For Sale
ALCO	Asset Liability Committee
ANBC	Adjusted Net Bank Credit
ATM	Automated Teller Machine
AIF	Alternate Investment Fund
BC	Business Correspondent
BIA	Basic Indicator Approach
BRACO	Business Risk and Compliance Officer
BSE	Bombay Stock Exchange
BV	Book Value
CC	Cash Credit
CASA	Current Account Savings Account
CBDR	Common But Differentiated Responsibilities (CBDR) and respective capabilities
CERSAI	Central Registry of Securitisation Asset Reconstruction and Security Interest of India
CET1	Common Equity Tier 1 Capital
CFO	Chief Financial Officer
CFP	Contingency Funding Plan
CIC	Core Investment Company
CRAR	Capital to Risk-weighted Assets Ratio
CRMC	Credit Risk Management Committee
CRO	Chief Risk Officer
DPD	Days Past Due
DSA	Direct Selling Agent
DSCB	Domestic Scheduled Commercial Bank
ECL	Expected Credit Loss
ECLGS	Emergency Credit Line and Guarantee Scheme
ECRA	External Credit Rating Agency
ESG	Environment, Social and Governance
EMDE	Emerging Market & Developing Economies
EWS	Early Warning Signal
FIG	Financial Institutions Group
FOIR	Fixed Obligation to Income Ratio
FLOD	First line of Defence
FP	Floating provision
FPI	Foreign Portfolio Investor
GDP	Gross Domestic Product
GA	Gross Advances
GLB	Gross Loan Book
GLC	General Ledger Code
GNPA	Gross Non-Performing Asset
GVA	Gross Value Added
HFT	Held for Trading
HHI	Household Income
HTM	Held to Maturity
HQLA	High Quality Liquid Assets
HUF	Hindu Undivided Family
IBPC	Inter Bank Participation Certificate
ICAAP	Internal Capital Adequacy Assessment Process
ICAI	Institute of Chartered Accountants of India
ICE	Internal Combustion Engine
IFSC	Indian Financial System Code
IGAAP	Indian Generally Accepted Accounting Principles
IMPS	Immediate Payment Service
IPDI	Innovative Perpetual Debt Instrument
IPO	Initial Public Offer
IRAC	Income Recognition and Asset Classification
IRRBB	Interest Rate Risk in Banking Book
IWG	Internal Working Group
KRI	Key Risk Indicator
LAP-SENP-SEP	Loan Against Property- Self Employed Nonprofessional- Self Employed Professional
LCR	Liquidity Coverage Ratio
LGD	Loss Given Default
LMS	Loan Management System
LR	Leverage Ratio
LWE	Left Wing Extremism
MB	Micro banking
MCA	Ministry of Corporate Affairs
MD	Modified Duration
MD & CEO	Managing Director and Chief Executive Officer
MDG	Modified Duration Gap
MSE	Micro and Small Enterprises
MVE	Market value of Equity
MV	Market Value
NBFC-ND-SI-CIC	Non-Banking Financial Company-Non-Deposit-taking-Systemically Important- Core Investment Company
NE	Northeastern
NEFT	National Electronic Funds Transfer
NGFS	Network for Greening the Financial System
NPA	Non-Performing Asset
NNPA	Net Non-Performing Asset
NPI	Non-Performing Investment
NSE	National Stock Exchange
NSFR	Net Stable Funding Ratio
Non-URC	Non-Unbanked Rural Centre
OD	Overdraft
ORMC	Operational Risk Management Committee
OSP	Outstanding Principal
PAT	Profit After Tax

Abbreviation	Full form
PAR	Portfolio at Risk
PB	Payments Bank
PD	Probability of Default
PNCPS	Perpetual Non-Cumulative Preference Shares
PPOP	Pre – provision operating profit
PSL	Priority Sector Lending
QIP	Qualified Institutional Placement
QRT	Quick Response Team
RB	Rural Banking
RBI	Reserve Bank of India
RCA	Root Cause Analysis
RCSA	Risk Control and Self-Assessment
RMCB	Risk Management Committee of the Board
ROA	Return on Asset
ROE	Return on Equity
RSA	Risk Sensitive Assets
RSL	Risk Sensitive Liabilities

Abbreviation	Full form
RWA	Risk Weighted Assets
SA	Standardised Approach
SDA	Standardised Duration Approach
SEBI	Securities and Exchange Board of India
SEL	Secured Enterprise Loan
SFB	Small Finance Bank
SLOD	Second Line of Defence
SLR	Statutory Liquidity Ratio
SMA	Special Mention Accounts
TVR	Tele verification report
UAT	User Acceptance Testing
UFSL	Ujjivan Financial Services Limited
UPI	Unified Payments Interface
URC	Unbanked Rural Centre
USD	United States Dollar
VaR	Value at Risk
WEO	World Economic Outlook
YTD	Year till Date

3. KEY PERFORMANCE HIGHLIGHTS OF THE BANK

Ujjivan Small Finance Bank (hereinafter referred to as “the Bank”) is required to publish disclosures under the Pillar III framework as required in terms of RBI guidelines on New Capital Adequacy Framework issued vide RBI/2015-16/58; DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015. This document provides a review of key observations pertaining to the Bank’s capital adequacy, credit quality, key business highlights and a review of its key risks as at March 31, 2025. All exposure related figures quoted in the document are ‘₹ in Lakhs’, unless otherwise specifically stated.

A. Branch network and distribution reach

The branch position of the Bank as at March 31, 2025, is as follows:

Particulars	Count
Total Banking outlets, of which	753
Banking outlets[1] (non-URC)	563
Banking outlets (URC)[2], of which	190
i Qualifying URC Branches (Branches situated in tier 3-6 locations in NE[3] states and LWE[4] districts)	43
ii Business Correspondents (BC)	4
Total ATMs	613
Of which, ACR (Automatic Cash Recycler)	62

The Bank had opened no new branches in Q4 FY 2025. With 25.23% of Banking outlets in URC, the Bank is fully compliant with RBI guidelines in this regard. The physical reach continues to be supplemented by a strong and focused investment in digital platforms to aid in business development, on both asset and the liabilities side.

[1] A ‘Banking Outlet’ for a Small Finance Bank (SFB) is a fixed-point service delivery unit, manned by either bank’s staff or its Business Correspondent where services of acceptance of deposits, encashment of cheques/cash withdrawal or lending of money are provided for a minimum of 4 hours per day for at least 5 days a week. It carries uniform signage with name of the bank and authorisation from it, contact details of the controlling authorities and complaint escalation mechanism. The bank should have a regular off-site and on-site monitoring of the ‘Banking Outlet’ to ensure proper supervision, ‘uninterrupted service’ except temporary interruptions due to telecom connectivity, etc. and timely addressing of customer grievances. The working hours/days need to be displayed prominently.

[2] An unbanked rural centre (URC) is defined as a rural (Tier 5 and 6) centre that does not have a CBS-enabled ‘Banking Outlet’ of a Scheduled Commercial Bank, a Payment Banks or an SFB or a Regional Rural Bank nor a branch of a Local Area Bank or licensed Co-operative Bank for carrying out customer-based banking transactions.

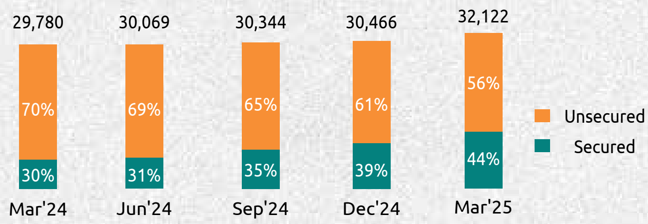
[3] Northeastern states

[4] Districts with active Left-Wing Extremism (LWE)

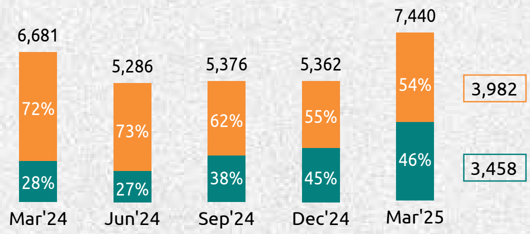
B. Financial highlights for Q4 FY 2024-25

Some of the key achievements for the period ended March 31, 2025, were as follows:

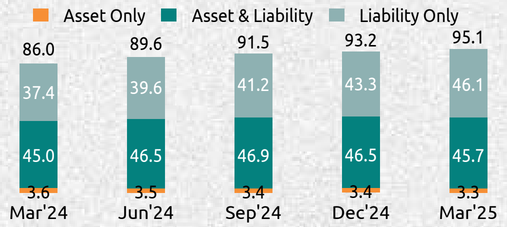
Gross Loan Book (₹ in Crores)



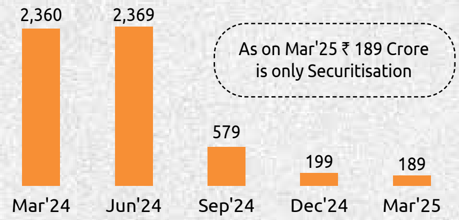
Secured Book Contribution in Disbursement (₹ in Crores)



Growing Customer Base (Nos. in Lakhs)



IBPC/ Securitisation (₹ in Crores)



Customer base	• Total customer outreach was 95.1 Lakhs customer through 753 branches as at March 31, 2025 (86 Lakhs as at March 31, 2024; 77 Lakhs as at March 31, 2023)
Loan Portfolio	• Gross Loan Book (GLB) (without netting off IBPC/Securitisation/Direct Assignment): ₹ 3,212,206 Lakhs as at March 31, 2025 (₹ 2,977,954 Lakhs as at March 31, 2024, ₹ 2,408,512 Lakhs as at March 31, 2023). • Gross Advances (GA) (after netting off IBPC/Securitisation/Direct Assignment): ₹ 3,193,346[5] Lakhs as at March 31, 2025, (₹ 2,741,915[6] Lakhs as at March 31, 2024, ₹ 2,191,123 Lakhs as at March 31, 2023). • Non-Microfinance book was 41.73% as at March 31, 2025 (31.49% as at March 31, 2024, 29.16% as at March 31, 2023).
Deposit Portfolio	• Total Deposits (Retail plus Institutional): ₹ 3,763,048 Lakhs as at March 31, 2025. (₹ 3,146,216 Lakhs as at March 31, 2024, ₹ 2,553,768 Lakhs as at March 31, 2023). • CASA: 25.6% as at March 31, 2025 (26.7% as at March 31, 2024; 26.4% as at March 31, 2023).
Asset Quality	• Gross Non-Performing Assets (GNPA): 2.18[7]% as of March 31, 2025 (2.23[8]% as at March 31, 2024; 2.88% as at March 31, 2023) • Net Non-Performing Assets (NNPA): 0.49% as at March 31, 2025[9], (0.28% as at March 31, 2024, 0.04% as at March 31, 2023)
Capital Adequacy	• CRAR ratio of the Bank as at March 2025 was 23.10% (March 31, 2024 was 24.69%, 25.81% as at March 31, 2023)
Employee strength	• 24,374 as at March 31, 2025 (22,566 as at March 31, 2024; 17,870 as at March 31, 2023)
Provisions and Credit costs	• Total provisions including Floating Provision as at March 31, 2025 was ₹ 70,614 Lakhs (₹ 67,637 Lakhs as at March 31, 2024; ₹ 73,530 Lakhs as at March 31, 2023) • Total NPA provision (excluding floating provision) held was ₹ 41,346 as at March 2025 (₹ 41,623 Lakhs as at March 31, 2024, ₹ 50,157 Lakhs as at March 31,2023). • Total NPA provision reduced by ₹ 277 Lakhs during year ended March 31, 2025 as compared to March 31, 2024.

[5] Outstanding balance in IBPC/Securitisation/ Direct Assignment as on March 31, 2025 is ₹ 18,860 Lakhs

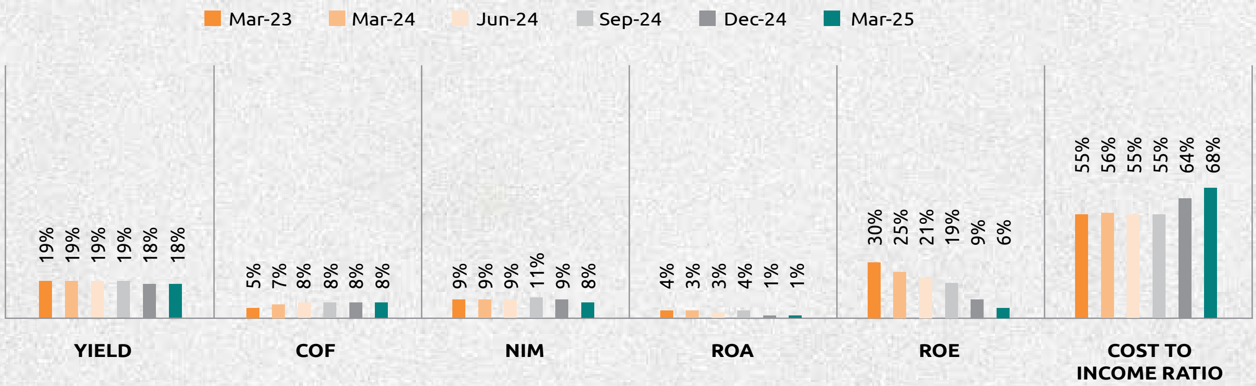
[6] Outstanding balance in IBPC/Securitisation/ Direct Assignment as on March 31, 2024, was ₹ 2,36,039 Lakhs

[7] Computed as a percentage to Gross advances. GNPA% on GLB basis as at March 31, 2025 is 2.18%

[8] Computed as a percentage to Gross advances. GNPA% on GLB basis as at March 31, 2024 was 2.07%

[9] Computed as a percentage to Net advances. NNPA% as a ratio to Net GLB was 0.49

The key performance ratios (quarterly positions) of the Bank were as follows:



A persistent high-cost borrowing environment, coupled with continuing industry level stress in the Bank's flagship business (Microfinance sector) resulted in a marginal reduction in disbursements and profitability in Q4 FY 2025. A summary of the key highlights of the Bank as at March 31, 2025 is given below:

- Pre-Provision Operating Profit for Q4 FY 2024-25 was ₹ 36,000 Lakhs down by 31% Y-o-Y;
- Disbursements were at ₹ 744,000 Lakhs in Q4 FY 2024-25 up by 11%/39% on YoY/QoQ basis.
- Deposits at ₹ 3,763,048 Lakhs as at March 2025 up by 20%/9% YoY/QoQ, CASA at ₹ 961,875 Lakhs up 15% YoY; CASA ratio at 25.6% as of March 2025. Retail TD (Retail TDs are TDs less than ₹ 3 Crores) increased 21%/6% YoY/QoQ.
- Other Key performance metrics: Continued traction on collections with ~96% efficiency in March 2025; NDA collection at ~99%. Portfolio at risk was at 4.52% as at March 2025. GNPA on GLB basis at 2.20% as of March 2025; NNPA continued to be negligible at 0.49% as at March 2025. A total of ₹ 11,027 Lakhs was written off in Q4 FY25; Provision Coverage Ratio (PCR) as at March 2025 was 78%.

C. Macro-Economic Outlook

As per International Monetary Fund (IMF) assessment, the global macro-economic outlook for the current year reflects modest growth amid persistent trade tensions, geopolitical uncertainties reducing the earlier global GDP growth[10] forecast of 3.3% to 2.8% for CY 2025 and 3% for CY 2026. However, India is projected to grow at 6.7%; driven by robust domestic demand and capital expenditure while still facing challenges from global uncertainties and trade tensions. In similar lines, RBI also estimates the GDP growth[11] for India at 6.5% for FY 2025-26, with growth projections estimated at 6.5%, 6.7%, 6.6% and 6.3% in Q1, Q2, Q3 and Q4 respectively.

Growth in advanced economies is expected to edge down in 2025 and 2026 to 1.4% and 1.5% from 1.8% in 2024 on account of greater policy uncertainty, trade tensions and softer demand momentum, while Emerging Market and Developing Economies (EMDE) are expected to grow at 2.7% and 3.9% in CY 2025 and CY 2026 respectively from 4.3% in 2024 with significant downgrades for countries affected most by recent trade measures, especially China.

Global headline inflation is expected to decline at a pace that is slightly slower than what was expected in January, reaching 4.3% in 2025 and 3.6% in 2026, with notable upward revisions for advanced economies and slight downward revisions for emerging market and developing economies in 2025.

On the domestic front, RBI has projected Consumer Price Index (CPI) to ease to 4.8% for FY 2025-26 due to easing food prices and moderate monsoon. RBI adopted "accommodative" stance reducing the Repo Rate to 6%, a decrease in 50 bps over the last 1 year. Further, the rates are anticipated to further reduce to 5.75% in the upcoming financial year, providing more disposable income to the population, thereby giving scope for better GDP growth.

Key macroeconomic risks/imperatives for the Bank:

- A persistent high cost borrowing environment, coupled with continuing stress in the Bank's flagship business and RBI reducing the Repo Rate can impact Net Interest Margins (NIMs) forecast for FY 2025-26. The Bank took cognisance of the prevailing interest rate outlook and after reviewing its liquidity position, had optimised its deposit interest rates during the quarter. Given that there are expectations on further policy rate cuts, the Bank has also suitably factored the economic expectations in its internal budgeting and strategy setting for the ensuing year.

[10] International Monetary Fund April 2025 update

[11] RBI 54th MPC

- Guardrail 1.0 and 2.0 (effective April 1, 2025, at industry level) relating to microfinance business were implemented in the Bank during the financial year. The implementation of lender caps and quantum of credit is likely to extend the stress up to September 2025, post which, normalisation can be expected in credit and portfolio performance.
- During the year, RBI had directed to cease and desist business operations in two MFIs on account of usurious interest rates charged until corrective actions were implemented. Further, the alleged malpractices adopted by unregulated entities received media attention leading to government interventions through passage of ordinances. While the Karnataka ordinance overtly exempts Regulated Entities (REs), the Bank runs the risk of potential misinterpretation at implementation level. The presence of floating provisions in the Bank, however, provides comfort in reporting lower Net NPAs during the year.
- During the year, the Bank has comprehensively reviewed the portfolio performance in its flagship segment. While there is some comfort that the Bank's internal performance is better than industry trends, the Bank undertook comprehensive reviews of its state wise credit policies after incorporating the idiosyncratic risk factors prevalent in each state.
- Natural disasters, election cycles, local events etc. continue to be key macro-economic risks for the Bank.

D. Transition to Universal Banking regime:

In FY 2024-25, the Bank officially filed its application with RBI to transition to a Universal Bank. Based on the Board approval dated January 23, 2025, the Bank had submitted the formal application to the Reserve Bank of India ("RBI") for obtaining the Universal Banking License as per the RBI Guidelines for 'on tap' Licensing of Universal Banks in the Private Sector dated August 01, 2016 read with RBI circular on Voluntary transition of Small Finance Banks to Universal Banks dated April 26, 2024.

4. TABLE DF- 1: SCOPE OF APPLICATION & CAPITAL ADEQUACY

4.1 Qualitative Disclosures

Parent Organisation/Holding Company: NIL

The disclosures in this document pertain to the Bank as a stand-alone and independent entity. The Bank neither has any subsidiary nor has any interest in any insurance entity.

4.1.1 List of group entities considered for consolidation: NA

4.1.2 List of group entities not considered for consolidation both under the accounting and regulatory scope of consolidation: NA

4.2 Quantitative Disclosures

4.2.1 List of group entities considered for consolidation

Name of the entity / country of incorporation	Principal activity of the entity	Total balance sheet equity	Total balance sheet assets
NIL	NIL	NIL	NIL

4.2.2 Aggregate amount of capital deficiencies in all subsidiaries which are not included in the regulatory scope of consolidation

Name of the subsidiaries/ country of incorporation	Principal activity of the entity	Total balance sheet equity	% of the Bank's holding in the total equity	Capital deficiencies
NIL	NIL	NIL	NIL	NIL

4.2.3 Aggregate amounts (e.g. current book value) of the Bank's total interests in insurance entities, which are risk-weighted

Name of the insurance entities/ country of incorporation	Principal activity of the entity	Total balance sheet equity	% of the Bank's holding in the total equity / proportion of voting power	Quantitative impact of regulatory capital using risk weighting methods versus using the full deduction method
NIL	NIL	NIL	NIL	NIL

4.2.4 Any restrictions or impediments on transfer of funds or regulatory capital within the banking group: NA

5. TABLE DF-2: CAPITAL ADEQUACY

5.1 Qualitative Disclosures

Since inception, the Bank is well capitalised and aided by the internal capital generated through the profits earned from operations helping the Bank to maintain minimum capital requirements set by the Regulator.

As per RBI Operating Guidelines for Small Finance Banks (SFBs), the Bank is required to follow BASEL II standardised approach for Credit Risk (external rating-based risk weight for rated exposure and regulatory retail approach for small retail loans). While SFBs are required to comply with Basel II norms for Capital Adequacy calculation purposes, the structure and nature of capital instruments such as Common Equity, Additional Tier 1 instruments are required to be compliant with the Basel III guidelines. In essence therefore, in the case of SFBs, the Regulator has adopted a hybrid model.

Though SFBs are not required to have a separate capital charge for Market Risk and Operational Risk for the time being in terms of an RBI communication dated November 8, 2017 (DBR. NBD. No. 4502/16.13.218/2017-18), as a good governance practice, and as directed by its Board, and in anticipation of an eventual transition to a Universal Commercial Bank, the Bank separately computes capital charge for all the Pillar 1 risks viz. Credit, Market and Operational Risk using Standardised Approach (SA), Standardised Duration Approach (SDA) and the New Standardised Approach (NSA) respectively. Besides this, the Bank also computes and maintains LCR at above 100%, NSFR at above 100% and Leverage Ratio above 4.5%.

During the year, the Bank has also procured and rolled out an external application to automate CRAR generation on a continuous basis. The Bank has commenced a parallel run to analyse variances in outputs between manual and system generated reports. The full transition to system generated CRAR is targeted by September 2025.

Since the preparation of financials under IFRS9 is deferred by RBI, all disclosures by the Bank are as per GAAP principles. Hence, the comparison of capital adequacy under both regimes will be made part of disclosures once the same is made applicable to banks. There are indications that the Regulator may consider adopting a dynamic loan loss provisioning under IFRS9/Ind-AS framework. To this effect, a Discussion Paper was released by the Regulator on January 16, 2023 and formal guidelines in the matter are awaited. From the readiness standpoint, the Bank has put in place the necessary processes to compute Expected Credit Loss (ECL) and Ind-AS compliant financial statements. While this was a mandatory exercise when the Bank had a holding company which was registered as an NBFC-ND-SI-CIC, following the reverse merger with the holding company during the financial year, the Bank continues to prepare proforma IND AS statements and ECL also is a key parameter in the composition of the Bank's risk based pricing.

The Bank has a comprehensive Internal Capital Adequacy Assessment Process ('ICAAP'). The ICAAP covers the capital management policy of the Bank, sets the process for assessment of the adequacy of capital to support current and future activities / risks and a report on the capital projections. The Bank has a structured ICAAP framework for the identification and evaluation of the material risks that it faces, which may have a bearing on its business and financial position.

The Bank has implemented a Board approved Stress Testing policy and framework which forms an integral part of the Bank's ICAAP. Stress Testing involves the use of various techniques to assess the Bank's potential vulnerability to extreme but plausible stressed business conditions. The changes in the levels of credit risk, market risk, liquidity risk, IRRBB, operational risk and reputational risk are assessed under assumed "stress" scenarios and sensitivity factors. Typically, these relate, inter alia, to the impact on the Bank's profitability and capital adequacy. The stress test findings are reported to the Risk Management Committee of the Board (RMCB), for their review and guidance. The Bank periodically assesses and refines its stress tests to ensure that the stress scenarios capture material risks as well as reflect possible extreme market moves that could arise as a result of business environment conditions. The stress tests are used in conjunction with the Bank's business plans for the purpose of capital planning in the ICAAP.

5.2 Quantitative Disclosures

5.2.1 Capital Requirements for Credit Risk

Portfolios subject to Standardised Approach

The detailed break up of Credit RWA is as follows:

₹ in Lakhs

Asset Description	RWA
Cash and Balances with Reserve Bank of India	0.00
Balances with Banks and Money at Call and Short Notice	492
Investments	1,493
Advances	2,497,643
Fixed Assets	30,434
Other Assets	71,101
Off Balance Sheet	22,844
Total Credit RWA	2,624,007
Capital Requirement @ 15%	393,601
Capital position of the Bank	606,175

Securitisation Exposure

₹ in Lakhs

Description	Capital Requirement
Securitisation (Full Sale)	2,021
Securitisation (Risk Sharing)	125

5.2.2 Capital Requirements for Market Risk

The computation of the Market risk RWA is performed in compliance to Basel III capital regulations dated April 1, 2024. As at March 31, 2025, the AFS book comprised Government of India Securities and Treasury Bills for which no market risk capital charge is applicable since AFS book is classified as Banking Book as per said revised guidelines. HFT book consisted of Government Securities, Commercial Paper, Treasury Bills, Certificates of Deposit, Non-Convertible Debentures, unlisted equity and PTC investments. The Market Risk capital charge has been computed for HFT portfolio both for specific charge and general market risk charge:

₹ in Lakhs

Capital Requirement for Market Risk	Amount
Interest Rate Risk	5,113
Equity Position Risk	17
Foreign Exchange Risk	-
Total	**5,130**
Total Market Risk RWA	**64,123**

5.2.3 Capital Requirements for Operational Risk

The Regulator has issued Master Directions on Minimum Capital Requirements for Operational Risk under the New Standardised Approach (NSA) which will be applicable with effect from April 1, 2023 for Universal Banks. While the Regulator is yet to take a decision on its applicability for SFBs, the Bank has already commenced computation of Operational RWA under this new approach for internal reporting purposes.

₹ in Lakhs

	Disclosure on the BI	Amount
1	Business indicator component (BIC)	22,481
2	Internal loss multiplier (ILM)	0.62
3	Minimum required operational risk capital (ORC)	22,481
4	Operational risk RWA	281,012

5.2.4 Common Equity Tier1, Tier1 and Total Capital Ratios

The break-up of Basel II capital funds as at March 31, 2025 is as follows:

₹ in Lakhs

	Description	Amount
	Core Equity Tier 1 Capital - Instruments and Reserves	
	Directly issued qualifying common share capital plus related stock surplus (share premium)	193,500
	Retained earnings	406,963
A	CET1 capital before regulatory adjustments	600,463
	Core Equity Tier 1 Capital - Regulatory Adjustments	
	Deferred tax assets arising from temporary differences	22,123
	Intangibles (Prepaid Expenses & Computer Software)	15,258
	Credit Enhancements	2,021
	Regulatory Adjustments applied to CET1 Capital due to insufficient funds in Tier 2 to cover deductions	32
B	Total regulatory adjustments to CET1 Capital	39,434
C	**CET1 capital (A-B)**	561,029
	Additional Tier 1 Capital - Instruments and Reserves	
	Preference Shares	-
E	AT1 capital before regulatory adjustments	-
	Additional Tier 1 Capital - Regulatory Adjustments	
F	Total regulatory adjustments to AT1 Capital	-
G	AT1 Capital	-
H	**Tier 1 Capital (C + G)**	561,029
	Tier 2 Capital - Instruments and Provisions	
	Sub - debt eligible as Tier 2 capital	18,000
	General Provisions on Std. Assets admissible as Tier 2	19,268

	Description	Amount
	Investment Fluctuation Reserve	7,877
	Investment Reserve Account	-
I	Tier 2 Capital before regulatory adjustments	45,145
	Tier 2 Capital - Regulatory Adjustments	
J	Total Regulatory Adjustments to Tier 2 Capital	-
K	**Tier 2 Capital (I - J)**	45,145
L	**Total Regulatory Capital (H + K)**	606,175

₹ in Lakhs

Particulars	RBI thresholds	Amount/Ratio
Tier I Capital	--	561,029
Tier II Capital	--	45,145
Total Capital	--	**606,175**
Credit RWA	--	2,624,007
CET Ratio	Minimum 6%	21.38% (Complied)
Tier I Ratio	Minimum 7.50%	21.38% (Complied)
Tier II Ratio	Maximum cap at 7.50% of CRWA	1.72% (Complied)
CRAR- as per SFB guidelines	Minimum 15%	23.10% (Complied)
Total RWA	**--**	**2,969,142**
CRAR (all Pillar I risks)	Minimum 13%, post conversion to Universal Bank for first 3 years of operation	20.42%

It is evident from the above CRAR calculation that even after inclusion of other two Pillar 1 risks i.e., Market and Operational risk, the CRAR of the Bank is 20.42%, which continues to be above the regulatory prescribed regulatory requirement of 15% (only for credit risk)/13%, for first 3 years of operations, post conversion to Universal Bank. This reflects the Bank's preparedness towards the alignment with Universal Bank regulatory requirements (though Regulator is yet to notify the same) and can conclude that Bank is well capitalised against any unforeseen capital requirements in the future and to support business growth.

6. TABLE DF-3: CREDIT RISK: GENERAL DISCLOSURES FOR ALL BANKS

6.1 Qualitative disclosures

The Bank has implemented an extensive credit risk management architecture. The Board of Directors of the Bank endorses the credit risk strategy and approves the credit risk policies taking into consideration the Bank's risk appetite, derived from perceived risks in the business and balanced by the targeted profitability level for the risks taken up. The Board oversees the credit risk management functions of the Bank. The Risk Management Committee of the Board (RMCB) is entrusted with the development of policies, procedures and systems for managing credit risk and towards implementing a robust credit risk strategy of the Bank. The RMCB reviews the credit risk profile and keeps an eye on both internal and external contexts, their impact on the Bank's portfolio and endorse management strategies accordingly. The RMCB regularly reviews the Bank's portfolio composition and the status of impaired assets.

The Bank's Risk Management department drives credit risk management centrally. It is primarily responsible for implementing the risk strategy approved by the Board, developing procedures and systems for managing risk, carrying out an independent assessment of various risks, providing guidance in individual credit exposures for accepting deviations and monitoring portfolio composition and quality, but not business targets. With regard to the Institutional Lending business, the Bank's Risk Management functions are centralised. In respect to the Bank's retail assets business, while the various functions relating to policy, portfolio management and analytics are centralised, the underwriting function is distributed across various geographies within the country.

The Credit Risk Management Committee (CRMC) is responsible for overseeing implementation of the credit risk management framework across the Bank and providing recommendations to the RMCB. CRMC ensures monitoring of credit risks on Bank wide basis and in ensuring compliance with the Board approved risk parameters/prudential limits and monitor risk concentrations. It also reviews the status of portfolio management, loan review mechanism, risk monitoring and evaluation, regulatory/legal compliance, adequacy of provision, risk concentrations, industry reviews, and suggests corrective measures and activity reviews for credit management. It reviews and approves the use of credit scorecards for business and risk management purposes, evaluates its performance and effectiveness and places recommendations before the RMCB.

The Bank's Credit Policy, Credit Risk Management Policy, Credit Manuals, Product Programs, NPA Management Policy, Collateral Management Policy & Interest Rate Policy, form the core set of internal guidelines for management of credit risk in various activities and products.

Credit concentration risk arises mainly on account of concentration of exposures under various categories including industry, products, geography, underlying collateral nature and single/group borrower exposures. To ensure adequate diversification of risk, concentration ceilings have been set up by the Bank on different risk dimensions, in terms of borrower/business group, geographic state, unsecured lending ratio and risk grading (for institutional lending).

The Board sets concentration ceilings which are monitored by the respective credit verticals and by the independent credit risk department. The Risk Management department reviews the exposure level under each dimension and ensures that the portfolio profile meets the approved concentration limits. Any breaches to these limits are periodically reported to CRMC and the RMCB. The regulatory prudential norms with respect to ceilings on credit exposure to individual borrowers or group of borrowers also ensure that the Bank avoids concentration of exposure.

A significant addition to our Risk Management Framework was the creation of a dedicated unit for Risk Analytics & Monitoring (RAM), reporting directly to the Chief Risk Officer (CRO). This unit was specifically created to address the growing need for data/analytics-led decision-making in risk-related matters. Positioned and operated as a second line of defense, the RAM unit avoids conflicts of interest and strengthens independent oversight.

Definitions of past due and impaired loans

An asset, including a leased asset, becomes non-performing when it ceases to generate income for the bank. A Non-Performing Asset (NPA), as defined by the RBI, shall be a loan or an advance where-

- Interest and/or instalment remains overdue for a period of more than 90 days in respect of a Term Loan;
- The account remains out of order with respect to CC/OD for 90 days on continuous basis;
- The bill remains overdue for a period of more than 90 days in the case of bills purchased and discounted;
- In case of advances granted for Agricultural purposes, the instalment/interest there on remains overdue for;
    - 2 crop seasons for short duration crops;
    - 1 crop season for long duration crops;
- The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitisation transaction undertaken in terms of the Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021; and
- In respect of derivative transactions, the overdue receivables representing positive mark to- market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment. The Bank had no derivative transaction on its books.

The Bank is guided by the provisions laid down in its NPA Management policy, which is in turn compliant to Master Circular - Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances dated April 1, 2025 as amended from time to time.

Provisioning and Regulatory norms applicable to the Bank

1) The Board reviews the provisioning norms of the Bank at regular intervals to determine if any enhanced provisioning is required based on credit performance. Despite a history of lower Portfolio at Risk (PAR) and delinquencies compared to Industry, the microfinance portfolio of the Bank (the Bank's flagship offering) is unsecured where adverse and acute events (such as demonetisation and the Pandemic) can impact the portfolio quality. To enhance the coverage on MB-RB portfolio, the Bank continuously identifies incipient stress in specific accounts & geographies where accelerated provisions may be required on an on-going basis.
2) The Bank's follows stringent provisioning norms & provide higher than prescribed RBI provision for all business verticals. Considering the recent stress in Micro Lending book due to broader industry level stress and implementation of MFIN guardrails, on the directions of the Board, the Bank has adopted an accelerated provisioning regime during FY 2025. The Bank's Risk Management Department undertakes a proactive assessment of the likely GNPAs, NNPA, Provision Coverage Ratio (PCR) and incremental credit/provisioning costs by studying historical delinquency trends and external developments which can have a bearing on the asset quality and credit costs.
3) In FY 2024-25, the Bank negotiated two NPA asset sales through the ARC route amounting to ₹ 27,035 Lakhs and ₹ 36,451 Lakhs respectively, in compliance with RBI guidelines. During the year, the Bank utilised ₹ 6,933 Lakhs from floating provisions towards meeting the shortfall on transfer of stressed loans to Asset Reconstruction Company (ARC).
4) Post Utilisation, total Floating Provision stood at ₹ 18,066.90 Lakhs. Out of the same, ₹ 3,000 Lakhs utilised towards Tier II capital, ₹ 13,000 Lakhs towards adjustment of GNPA & PCR calculation and ₹ 2066.90 Lakhs kept as idle provisions at March 31, 2025.

Credit Risk Portfolio review and Monitoring:

Micro finance Portfolio *(Excluding IBPC/ Securitisation/DA transactions):*

A comprehensive review of the MBRB Portfolio is given below:

₹ in Lakhs

MBRB	Mar-24	Jun-24	Sep-24	Dec-24	MAR-25
Gross Advances*	1,878,573	1,870,883	1,967,283	1,882,621	1,860,682
GNPA (Value)	40,707	48,308	52,906	60,799	48,651
GNPA%	2.17%	2.58%	2.69%	3.23%	2.61%

The Bank undertakes portfolio monitoring on a periodic basis with specific focus on key portfolio triggers. Continuous review of portfolio enables the Bank to identify incipient stress at cluster/region/state/branch level. Breach in the internal thresholds for default is the starting point for identifying risk in the portfolio. Risk indicators such as PAR30+, PAR90+, early delinquencies, quick mortality, non-starters, On Time Repayment Rates (OTRR), Collection Efficiency (CoE), stressed assets percentage and lagged PAR estimates provide useful insights in risk identification/monitoring.

The Bank monitors collection trends at a bucket level on a daily basis and findings are reported to top management. Collection monitoring is aided by a strong and dedicated collection team at ground level with extensive use of analytics and digital tools. Digital collection continues to scale up through existing and new channels like Fintech (for loan repayments), Payment Banks, Money Mitra outlets (BC outlets) and the Hello Ujjivan Mobile application.

The composite collection efficiency (CE%) had reached 96.4% in the month of March 2025. The efforts of enhanced monitoring and collections enabled the Bank to arrest fresh slippages (incremental overdues) and increase the recovery rates in delinquency buckets. In FY 2024-25, at an industry level, the Microfinance portfolio faced higher delinquency levels in large parts of the country due to over indebtedness/overleveraging. The Bank's book was also affected with GNPA increasingly consistently on a Q-o-Q basis. However, the MFIN (Microfinance Institutions Network India) has released guardrails for lending to the microfinance sector. The Bank has adopted the guardrails laid down by MFIN and adopted restrictive credit policies in pockets that are worst affected and in branches where the portfolio is under stress.

Given that the microfinance portfolio is subject to adverse event risks, the Bank also monitors area specific communal issues, protests, sub-lending/ringleader issues, snatching attempts and others. In addition to the above, industry level information is also collected from the credit bureaus to compare the performance in states or districts.

Affordable Housing Loans (including M-LAP)

A comprehensive review of the Housing Portfolio is given below:

₹ in Lakhs

Housing Loans	Mar-24	Jun-24	Sep-24	Dec-24	MAR-25
Gross Advances*	469,357	497,953	557,541	619,410	711,949
GNPA (Value)	6,889	7,109	7,390	6,855	7,630
GNPA%	1.47%	1.43%	1.33%	1.11%	1.07%

*Excluding IBPC/ Securitisation/DA transactions

Credit risk monitoring of Secured Housing loans is broadly done at two levels – account level and portfolio level. While regular portfolio reviews are undertaken to assess the health of the portfolio, the Bank also assesses inter-linkages of risks especially legal risk induced credit risk. Collateral related processes and procedures are reviewed to ascertain various gaps in the process. The Bank has designed monitoring mechanisms at process level encompassing credit deviations, collateral management, documentation etc. Regular reports are placed to the CRMC for further direction and action. During FY 2024-25, the vertical registered 52% Y-o-Y and 15% Q-o-Q growth on Gross Loan Book.

MSME (Micro and Small and Medium Enterprise) Excluding IBPC/Securitisation/DA transactions

A comprehensive review of the MSME Portfolio given below:

₹ in Lakhs

MSME	Mar-24	Jun-24	Sep-24	Dec-24	MAR-25
Gross Advances*	141,413	141,507	151,416	169,382	204,662
GNPA (Value)	11,838	12,518	12,983	11,658	11,358
GNPA%	8.37%	8.85%	8.57%	6.88%	5.55%

Post reorganisation in FY 2024-25, the MSME business now focuses on providing Loan Against Property (LAP) with semi-formal and formal customers as the target segment. In addition to LAP, the MSME vertical has also commenced to offer tailored products on working capital facilities, supply chain financing and fintech sourced loans. The Bank had launched semiformal LAP in Q1, which is now scaling up. This vertical also intends to leverage digital analytics for MIS/reporting automation. During the year, the vertical registered growth of 45% Y-o-Y and 21% Q-o-Q. Much of the GNPA has arisen from what was booked previously. The repackaged semi formal LAP product that has now run for a period marginally in excess of 12 months, continues to perform well with no apparent signs of stress. However, cognisant of the fact that stress tends to build up as the portfolio ages, the Bank now has an independent monitoring unit within the MSME unit, which leverages on the EWS triggers to take proactive corrective action at the first sign of stress.

Institutional Lending

A comprehensive review of the Housing Portfolio is given below:

₹ in Lakhs

FIG	Mar-24	Jun-24	Sep-24	Dec-24	MAR-25
Gross Advances	173,054	179,974	204,234	225,732	278,521
GNPA (Value)	442	442	442	442	442
GNPA%	0.26%	0.25%	0.22%	0.20%	0.16%

As on March 31, 2025, FIG vertical has increased by 23% in the OSB Q-o-Q and 61% growth Y-o-Y. As part of monitoring, the Bank regularly reviews compliance to financial covenants (CAR, GNPA, NNPA, Debt/Equity ratio as stipulated in sanction letter), collection of CA certified receivables statement and potential Early Warning System (EWS) alerts.

Vehicle Loans

A comprehensive review of the Vehicle loan Portfolio given below:

₹ in Lakhs

VF	Mar-24	Jun-24	Sep-24	Dec-24	MAR-25
Gross Advances*	19,590	23,945	28,540	40,097	49,521
GNPA (Value)	643	630	628	719	858
GNPA%	3.28%	2.63%	2.20%	1.79%	1.73%

*Excluding IBPC/ Securitisation/DA transactions

As on March 31, 2025, the vertical has registered a portfolio growth of 25% on Q-o-Q and 166% on Y-o-Y basis. Functionality to collect repayments through third party payment aggregators and other online portals was also enabled to provide ease of transaction. The vertical also propelled new dealerships for Two-wheeler financing. The business model is focused on sourcing new loans through tie-ups with direct dealerships. The Bank has also developed a trade advance facility to dealers which is now active.

Gold Loans and Micro LAP

With an objective to diversify away from Microfinance which is largely unsecured and reduce concentration risk, the Bank has placed top priority on venturing into new business lines which are secured by underlying collateral. The Bank intends on leveraging the synergy in the target customer segment and has identified Gold loans and Micro- LAP loans as key enablers to meet the dual target of secured loans ratio and profitability targets. Gold loan has registered an 71% growth in OSP compared to the previous quarter.

The Gold Loan product is now being offered in 200 branches covering 16 states with a plan to expand to 400 branches in the ensuing financial year.

Micro LAP as a product offering, was launched within the Housing unit to cater to the financing needs of customers with a collateral. The product has been launched majorly in Tamilnadu, Karnataka and also in Maharashtra, Gujarat. The disbursement trends (in value) of the Product are given below:

₹ in Lakhs

Particulars	Q4FY24	Q1FY25	Q2FY25	Q3FY25	Q4FY25
Disbursement-MLAP	7,965	7,762	12,902	15,033	22,041

Credit Risk Monitoring Unit (CRMU)

Some of the key activities undertaken by CRMU are as follows:

- Conduct monthly Health Councils meets with CRO, ED and CCrO as council members. The idea of these health councils is to provide an insight into ongoing concerns in the MSME portfolio and get case specific feedback directly from the field which includes Regional Credit Managers, Business as well Collection Team
- Quarterly Quick Mortality analysis is being done by the CRMU and a report on the findings is placed at CRMC.
- File review of new products like Elite LAP and Woking capital loans on sample basis.

Other Credit Risk management initiatives:

In a continuous endeavour to improve risk management practices, the Bank has, over time, transitioned from being reactive to proactive. In the post pandemic period, the Bank has put in place tools and techniques to transition to a proactive approach. The key initiatives taken up by the Bank during the year is as mentioned below:

- Analysing the policy gap in various verticals by Credit Risk team.
- A control testing framework (POC- proof of concept) was approved at the RMCB and the Credit Risk Unit (Policy and CRMU) will test the framework against the process / activities identified and the commencement of testing of some parameters will begin from Q4 FY 2024-25. The Control testing framework will be open to incorporate any additional activities as and when they deem fit.
- Collection productivity analysis for Micro-banking was developed during the year to analyse the performance of the In-house Collections officers, Off roll collections officers and Agencies.

- The Bank performed PDD and OTC documents analysis for retail verticals on a timely basis.
- The Bank performed deviation analysis for Housing and MSME verticals, developed an Early Warning System framework (EWS) at account level to detect and monitor account level behaviour patterns, which helps in identifying early signs of stress in loan accounts.
- The Bank has onboarded a vendor to put in place a system to capture feedback and enable on going monitoring which is under production environment. Further, the Board approved the Quick Mortality framework for all the loans during the year.
- With the availability of credit and loan performance data in the post pandemic period, the Bank has restarted its risk analytics journey for development of statistical application scorecards. Application scorecards are being redeveloped with post pandemic data for microfinance, vehicle and housing loans. Leveraging on the EWS outputs, the Bank also intends on developing behavioural scorecards, the outputs of which will be used in advanced capital charge calculation frameworks (FIRB approach).
- The credit risk models are intended to aid banks in quantifying, aggregating and managing risk across geographical and product lines and play an important role in banks' risk management and performance measurement processes, customer profitability analysis, risk-based pricing, active portfolio management and capital structure decisions. It also has the potential to be used in the supervisory oversight of banking operations. IL and VF scorecard are directly used in pricing models warranting regular review. The Bank has revamped scorecard of IL which is in final stages of implementation. As part of ECL preparedness, Bank has developed PD and LGD models using historical data and statistical techniques. There is also a Board approved policy to govern Model development, validation and ongoing monitoring. The Credit risk model validation process has oversight on both qualitative and quantitative components.
- RBI guidelines on loan pricing mandates delineation of spread components and assignment of benchmarks (MCLR or EBLR) to loan pricing. The Bank undertook an internal exercise to evaluate the reasonableness and effectiveness in pricing of loans to meet strategic imperatives. The Bank developed customised pricing models using internal data estimates and external benchmarking, wherever applicable. Further, these pricing models were carefully evaluated for alignment to business strategy, budgets, system feasibility, adherence to prudential risk management norms and ensure compliance to RBI guidelines on interest rate management on advances. A salient feature in these pricing models includes adoption of a differential pricing matrix, in that, pricing of loans to borrowers would be risk adjusted to reflect the borrower's creditworthiness. The Bank believes that the introduction of Risk Based Pricing (RBP) will aide in encouraging and incentivising borrowers to maintain a long-term relationship.

6.2. Quantitative Disclosures

The overall distribution of Gross advances and Gross Loan Book is as under:

₹ in Lakhs

Vertical	Gross Advances	%	Gross Loan Book	%
MB&RB	1,860,682	58.27%	1,860,682	57.93%
FIG Lending	278,521	8.72%	278,521	8.67%
Housing	711,949	22.30%	730,790	22.75%
MSE	204,662	6.41%	204,662	6.37%
Personal Loans	2,944	0.09%	2,944	0.09%
Staff Loan	23,619	0.74%	23,638	0.74%
Vehicle Finance	49,521	1.55%	49,521	1.54%
Loan/OD Against Deposit/Gold loan	61,448	1.92%	61,448	1.91%
Total	**3,193,346**	**100.00%**	**3,212,206**	**100.00%**

Exposure summary: Facility type

Exposure Type	Domestic (₹ in Lakhs)	Overseas
Fund- Based exposure[12]	4,729,514	--
Non- Fund Based Exposure*	77,309	--
LESS: CRM DEDUCTIONS (GNPA Provisions held)	(41,346)	
Total	**4,765,477**	--

*Non-fund-based exposure for purpose of computation of CRAR includes undrawn limits of MSME Overdrafts and KPC, yet to be disbursed portion of Secured Housing, MSME and FIG customers and Contingent liabilities.

[12] Fund Based exposure is computed as per Basel II guidelines

Geographic Distribution of advances (State-wise)[13]

(₹ in Lakhs)

States	Advances	% Share
Tamil Nadu	454,676	14.15%
Karnataka	412,695	12.85%
West Bengal	374,849	11.67%
Maharashtra	320,333	9.97%
Gujarat	270,438	8.42%
Uttar Pradesh	220,592	6.87%
New Delhi	206,432	6.43%
Bihar	196,932	6.13%
Haryana	165,631	5.16%
Rajasthan	145,341	4.52%
Jharkhand	73,167	2.28%
Punjab	68,507	2.13%
Odisha	58,199	1.81%
Madhya Pradesh	52,874	1.65%
Kerala	48,847	1.52%
Tripura	40,705	1.27%
Assam	33,996	1.06%
Uttarakhand	16,372	0.51%
Chhattisgarh	13,408	0.42%
Telangana	12,623	0.39%
Pondicherry	11,610	0.36%
Chandigarh(UT)	5,730	0.18%
Himachal Pradesh	3,681	0.11%
Meghalaya	3,573	0.11%
Goa	985	0.03%
Andhra Pradesh	13	0.00%
Total	**3,212,206**	**100%**

Maturity pattern of assets and liabilities

₹ in Lakhs

BUCKETS	Net Advances	Investments	Deposits	Borrowings
Day - 1	2,511	201,194	9,803	-
2-7 Days	30,040	145,885	98,370	132,649
8-14 Days	55,235	16,839	81,250	-
15-30 Days	78,238	28,298	135,617	-
31 Days and up to 2 months	151,174	60,897	125,183	-
Over 2 months and up to 3 months	158,879	56,171	210,070	9,050
Over 3 Months and up to 6 months	495,256	184,584	1,031,734	6,151
Over 6 Months and up to 1 year	671,265	278,214	1,005,008	12,300
Over 1 Year and up to 3 years	763,025	184,724	1,046,762	43,196
Over 3 Year and up to 5 years	149,345	14,046	18,055	55,685
Over 5 years	584,032	2,147	1,196	25,506
Total	**3,139,000**	**1,172,999**	**3,763,048**	**284,536**

[13]Geography wise loans and advances is Including IBPC, Securitisation and DA

Gross Non-performing assets (NPA)

₹ in Lakhs

Category of Gross NPA	Mar -24	June-24	Sept-24	Dec-24	MAR-25
Sub-standard	37,994	47,781	58,677	70,945	58,385
Doubtful	21,852	20,757	15,151	9193	10,161
Loss	1,407	1,187	1,168	985	1,042
Total	**61,252**	**69,725**	**74,996**	**81,123**	**69,589**

₹ in Lakhs

NNPA	Mar-24	June-24	Sept-24	Dec-24	MAR-25
Net NPA	19,629	23,124	28,408	33,494	28,243
NNPA after factoring Floating Provisions	7,629	11,124	16,408	16,494	15,243

₹ in Lakhs

NPA Ratios	Mar-24	June-24	Sept-24	Dec-24	MAR-25
Gross NPA to Gross Advances (excluding IBPC/ Securitisation/DA)[14]	2.23%	2.52%	2.52%	2.68%	2.18%
Net NPA to Net Advances (excluding IBPC/ Securitisation/ DA)[15]	0.17%	0.41%	0.56%	0.56%	0.49%

Movement of Net NPAs (Quarterly basis)

₹ in Lakhs

Particulars	Mar-24	June-24	Sept-24	Dec-24	MAR-25
Year Opening Balance	904	7,629	7,629	7,629	7,629
Additions during the period	25,846	13,358	23,906	39,088	67,803
Reductions during the period	19,120	9863	15,127	25,223	59,190
Closing Balance	**7,629**	**11,124**	**16,408**	**16,494**	**15,243**

Movement of Provisions for NPAs (excluding provisions on standard assets)

₹ in Lakhs

Particulars	Mar-24	June-24	Sept-24	Dec-24	MAR-25
Opening Balance	50,157	41,623	41,623	41,623	41,623
Provisions made during the period	25,578	12,449	26,301	41,399	47,558
Write back of excess provisions	34,112	7,473	21,336	35,394	47,836
Closing Balance	**41,623**	**46,600**	**46,588**	**47,629**	**41,346**

Provision Coverage Ratio (PCR)

₹ in Lakhs

Category	Gross Advances*	GNPA on gross advances	GNPA Provisions on gross advances	Floating Provisions Considered for NNPA	PCR% on gross advances	PCR% on gross Loan Book
MB-RB	1,860,682	48,651	28,196	13,000	84.68%	84.68%
FIG Lending	278,521	442	442	0	100.00%	100.00%
Housing	711,949	7,630	4,093	0	53.65%	53.91%
MSME	204,662	11,358	7,425	0	65.37%	65.37%
Personal Loans	2,944	492	383	0	77.82%	77.82%
Staff Loan	23,619	29	25	0	86.02%	86.02%
Vehicle Finance	49,521	858	703	0	81.89%	81.89%
Loan/OD Against Deposit	61,448	128	80	0	62.35%	62.35%
Grand Total	3,193,346	69,589	41,346	**13,000**	**78.10%**	**77.95%**

***after netting off IBPC, Securitisation & Direct Assignment**

[14]Gross NPA to Gross Loan Book (including IBPC/Securitisation/Direct Assignment) was 2.18% as on March 31, 2025

[15]Net NPA to Net Loan Book (including IBPC/Securitisation/Direct Assignment) was 0.49% as at March 31, 2025

Write off:[16]

₹ in Lakhs

Particulars	Total Write off undertaken
Q1 FY 2024-25	5,887
Q2 FY 2024-25	14,017
Q3 FY 2024-25	4,167
Q4 FY 2024-25	12,224
FY 2024-25	**36,297**

Non-performing Investments (NPI)

Amount of non-performing investments	**NIL**
Amount of provision held for non-performing investments	NIL

Movement of provisions for depreciation on investments

Particulars	Amount
Opening Balance	--
Provisions made during the period	--
Write-off	--
Write- Back of excess provisions	--
Closing Balance	--

7. TABLE DF-4: CREDIT RISK: DISCLOSURES FOR PORTFOLIOS SUBJECT TO THE STANDARDISED APPROACH

7.1 Qualitative Disclosures

- The Bank has adopted Standardised Approach for computation of capital charge under Credit Risk as per RBI guidelines. These guidelines envisage different risk weights for different asset classes, which have been duly applied.
- The loan book of the Bank predominantly comprises retail category loans. Therefore, the risk weights as applicable to Regulatory Retail, claims under Residential Mortgage and staff loans are applied. For consumer loans within its microfinance portfolio, the applicable risk weight is applied.
- Institutional lending is risk-weighted as per ratings assigned by Eligible Credit Rating Agencies (ECRA) including Brickwork Ratings, as prescribed by RBI duly factoring the total exposure from the banking industry for externally unrated and withdrawn borrowers.
- Claims secured by residential property falling under the category of individual housing loans is risk weighted based on the size of loan, date of sanction as well as LTV Ratio based on the BASEL III master circular issued by RBI.

7.2 Qualitative Disclosures

Amount of the Bank's Exposures (rated & unrated) in major risk buckets – under Standardised Approach, after factoring Risk Mitigants (i.e. Provisions)

Details of Gross Credit Risk Exposure (Fund based and Non-fund based) based on Risk Weight – Position as on March 31, 2025

Sl. No.	Risk Weight	₹ in Lakhs
1	Below 100% Risk Weight	3,469,439
2	100% Risk Weight	765,804
3	More than 100% Risk Weight	571,580
4	Deductions (GNPA PROVISION)	(41,346)
5	**Total**	**4,765,477**

[16] Write off includes actual write off and technical write off

8. TABLE DF-5: CREDIT RISK MITIGATION: DISCLOSURES FOR STANDARDISED APPROACH

8.1 Qualitative Disclosures

The Bank has a Board Approved Credit Risk Management Policy which lists the range of acceptable collaterals. These collaterals help the Bank in mitigating the risk and optimise the RWA of the Bank.

The Group Loan and Individual Loan portfolio falls under unsecured category. Loans to the Affordable Housing (AHL) segment are collateralised by a mortgage over the property financed. There are primarily secured product variants under MSME loans. Loans to Financial Institutions are secured by a charge over book debts which are registered with CERSAI. Vehicle loans are collateralised vide hypothecation of the vehicle financed. Additionally, Gold loans, Agri and MLAP also fall under secured category.

The Bank accepts Eligible Financial Collateral[17] in few instances for risk mitigation under secured Institutional lending and MSME loans. These financial collaterals are netted off for its collateralised transactions under comprehensive approach[18] while computing its Risk Weighted Assets (RWA). The Bank regularly reviews the health of the portfolio/ borrowers and works on mitigation of any risk associated with the portfolio or borrower, through a combination of limits and restrictions.

The Bank has in place the following risk mitigation techniques for its loan portfolio which are as follows:

- Life insurance cover is voluntary for all the borrowers availing Bank's microfinance loans. Housing, 2-wheeler, and gold loans are provided with an option to avail a life insurance cover, though this is not a bundled offering along with the loan products.
- The Bank works with 4 Credit Information Companies (CICs) to ensure 100% application screening through the bureaus using their comprehensive credit reports.
- The Bank also undertakes independent surveys and analysis to identify negative areas/No- go areas based on historical events. These surveys enable the Bank to discourage increasing business from these areas as identified above.
- The Bank has also set borrower wise limits in compliance to RBI mandated exposure norms and mitigate any concentration risks building in the portfolio.
- A negative list/negative area profile is maintained at a branch level to avoid exposure to those categories.

8.2 Quantitative Disclosures

8.2.1 Micro Banking:

For the portfolio under Micro Banking, Gold Loan product has risk mitigant which can be considered as eligible financial collateral in computing Risk Weight. Details are as follows:

₹ in Lakhs

Description	Outstanding Balance	Mitigant	Risk Weight
Loan against Gold Ornaments	19,560.63	19,559.52	1.39

8.2.2 MSME Loans:

For the portfolio under MSME, FD backed overdraft is having eligible financial collateral. Details are as follows:

₹ in Lakhs

Description	Outstanding Balance	Mitigant	Risk Weight
Loan against FD	41,759.82	41,759.82	0

9. TABLE DF-6: SECURITISATION: DISCLOSURE FOR STANDARDISED APPROACH

9.1 Qualitative Disclosure

9.1.1 Securitisation Objectives

The Bank undertakes Securitisation transactions to increase the efficiency of capital and enhance the return on capital employed by diversifying sources of funds, managing liquidity and maximising yield on asset opportunities. The Bank has put in place appropriate policies for undertaking securitisation transactions based on Master Directions – RBI (Securitisation of Standard Assets) Directions dt. September 24, 2021.(updated on December 5, 2022)

The overall framework for the Securitisation of Standard Assets for the Bank is specified in the Board approved policy on Securitisation of Standard Assets.

[17] Refer section 7.3.5 of Master Circular - Prudential Guidelines on Capital Adequacy and Market Discipline New Capital Adequacy Framework (NCAF) dated July 1, 2015

[18] Refer section 7.3 of Master Circular - Prudential Guidelines on Capital Adequacy and Market Discipline New Capital Adequacy Framework (NCAF) dated July 1, 2015

9.1.2 The major risks inherent in Securitisation of Standard Assets and Transfer of Loans:

Credit Risk: In case of Securitisation transactions, where credit enhancement (CE) is provided by the originator or any third party as permitted under the revised guidelines, the investor bears the loss in case the shortfall in collections exceeds the credit enhancement provided. If CE is provided in the form of a corporate guarantee, the investor bears the loss that could arise due to default by the guarantor which is also reflected in the rating downgrade of the corporate guarantor.

Market Risk:

- **Liquidity Risk:** Risk arising on account of absence of a secondary market, which provides exit options to the investor/participant.
- **Interest Rate Risk:** This is the mark-to-market risk arising on account of interest rate fluctuations.

Regulatory and Legal Risk: These risks may arise when transactions are not compliant with applicable laws which may result in the transaction being rendered invalid. Conflict between the provisions of the transaction documents and those of the underlying financial facility agreement.

Operational Risk

- **Co-mingling risk:** Risk arising on account of co-mingling of funds belonging to investor(s) with that of the originator and /or collection and processing servicer, when there exists a time lag between collecting amount due from the obligors and payment made to the investors.

Reputational Risk:

- This risk may arise due to rating downgrade of a securitised instrument due to unsatisfactory performance of the underlying asset pool.
- Inappropriate practices followed by the collection and processing agents

Prepayment Risk: Risk arising on account of prepayment of dues by obligors/borrowers in the securitised pool.

In addition to above, originators are exposed to pipeline and warehousing risks which refers to the event where originating banks are unable to off-load assets, which were originated with an intention of selling thus potentially exposing them to losses arising on declining values of these assets. The Bank does not follow the “originator to distribute” model and hence is not exposed to the pipelining and warehousing risks.

The Bank has established appropriate risk management processes to monitor the risks on Securitisation of Standard Assets which include:

Monitoring credit risk: The Bank, in the capacity of collection and processing agent prepares monthly performance reports which are circulated to investors/rating agencies. The securitised pools are continuously monitored and those requiring attention are subjected to specific interventions (e.g. focused collection efforts in affected geographies) to improve their performance. The pool is also monitored by the rating agencies based on amortisation level, collection efficiency, credit enhancement utilisation levels and credit cover available for balance deal tenor.

Monitoring market risk: The Bank ascertains market value of the securitisation exposures based on extant norms, which is compared with their book value to assess the marked to market impact of these exposures monthly.

9.1.3 Roles Played by the Bank

Originator / Seller: The Bank originates assets in its book and subsequently sells down through the securitisation or assignment route.

Servicer: For sold assets, the Bank undertakes the activity of collections and other servicing activities including preparation of monthly pay out reports.

Provider of Liquidity Facilities: The Bank may provide liquidity facility to address temporary mismatches on account of the timing differences between the receipt of cash flows from the underlying performing assets and the fulfilment of obligations to the beneficiaries.

Credit Enhancement provider: The Bank provides credit enhancement on Securitisation ‘sale’ transactions undertaken by the Bank for meeting shortfalls arising on account of delinquencies and prepayment losses in the underlying pool sold.

9.1.4 Significant Accounting Policy for Securitisation and Direct Assignment of Standard Assets

The Bank as originator sells assets to a special purpose entity only on cash basis. Standard Assets transferred through securitisation are de-recognised in the Balance Sheet when they are sold (true sale criteria being fully met with) and consideration is received. Sales/ transfers that do not meet true sale criteria are accounted for as borrowings. Standard assets transferred through direct assignment are de-recognised in the Balance Sheet of the Bank to the extent a portion of the rights, title and interest of the Bank in the underlying loans has been assigned. The Bank follows the accounting treatment specified in the revised securitisation guidelines and transfer of loan exposure guidelines for any realised and unrealised gain arising from the securitisation transactions.

The Bank transfers advances through inter-bank participation with risk. In the case of participation with risk, the aggregate amount of the participation issued by the Bank is reduced from advances.

9.1.5 Rating of Securitisation Transaction

The Bank used the ratings provided by CARE Ratings limited for the securitisation of retail pools and there has been no change to this rating since origination.

9.2 Quantitative Disclosures

Details of Securitisation exposures in the Banking Book

Details of Securitisation exposures in the Banking Book

₹ in Lakhs

Total Exposures Securitised by the Bank*	-

*Represents total exposure of loans securitised & sell-downs via Direct Assignment during Q4 FY 2024-25

For exposures securitised, losses recognised by the Bank during the current period broken by the exposure type

₹ in Lakhs

Exposure type	Losses
Pass Through Certificate (underlying assets being Loan against property)	-

*PTC- Pass Through Certificate

Assets to be securitised within a year as on March 31, 2025

₹ in Lakhs

Exposure type	Amount
Amount of assets intended to be securitised within a year	-
Of which amount of assets originated within a year before Securitisation	-

Total outstanding exposures securitised by the Bank and the related unrecognised gains/(losses)

₹ in Lakhs

Exposure Type	Amount*	Unrecognised gains/(losses)
PTC (underlying assets being Loan against property)	12,764	-
Direct Assignment	6,097	
Total	18,861	-

*The total outstanding for Securitisation and Direct Assignment as on March 31, 2025.

Securitisation exposures retained or purchased

₹ in Lakhs

Exposure Type	On Balance Sheet*	Off Balance Sheet	Total
Equity Tranche	1,263	-	1,263
Overcollateralisation	758	-	758
Direct Assignment	677	-	677
Total	**2,698**	**-**	**2,698**

* Represents total principal amount of investment in Equity Tranche, Overcollateralisation and Direct Assignment outstanding under risk sharing as at March 31, 2025.

Risk weight (RW) bands break-up of securitisation exposures retained or purchased

₹ in Lakhs

Exposure Type	50% RW	75% RW	114% RW*	125% RW	Total
Equity Tranche (underlying assets being Loan against property)			1,263		1,263
Total			1,263		1,263

* Calculated as per formula prescribed in Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2022

Securitisation exposures deducted from capital –

Exposure Type	Exposure deducted entirely from Tier-1 capital	Credit enhancing interest-only strips deducted from total capital	Other exposures deducted from total capital
Overcollateralisation	758	-	-
First Loss Credit Enhancement	1,263	-	-
Total	2,021	-	-

Details of Securitisation Exposures in the Trading Book: NIL

10. TABLE DF-7: MARKET RISK IN TRADING BOOK

10.1 Qualitative Disclosures

10.1.1 Overview of Market Risk Management

The Bank defines Market Risk as the risk of loss in on-balance sheet and off-balance sheet positions arising from movements in market process, in particular, changes in interest rates, exchange rates and equity and commodity prices. The Bank has adopted the Standardised Duration Approach (SDA) for Market Risk capital charge computation. While this is not a regulatory requirement as per SFB guidelines, the Bank has considered it prudent to undertake capital adequacy assessment for all Pillar I risk i.e., Credit, Market and Operational Risk from a governance perspective.

The Bank has a well-defined Investment and Market Risk Management Policy. This policy covers all important areas of market risk identification, monitoring and measurement. The policies set various prudential exposure limits and risk limits for ensuring that the investment and trading operations are in line with the Bank's expectations of return and risk appetite.

The Treasury Department of the Bank comprises 3 independent units i.e., Front Office, Middle Office and Back office. The Front Office is responsible for trading, investment and fund management activity. Front Office is headed by Head of Treasury and is guided by Board approved Investment Policy. Middle Office is responsible for limit monitoring, valuation, regulatory/internal reporting and risk evaluation. Treasury Middle Office (TMO) reports to Chief Risk Officer. Back office is responsible for settlement and reconciliation activities which reports to Head of Operations.

Investments: The Bank has a Board approved policy to make investments in both SLR and Non SLR securities. The Bank had investments in the following instruments: Government of India Securities (G Sec), Treasury Bills (T Bills), State Development Loans (SDL), Certificate of Deposits (CD), Commercial Papers (CP), Debt Mutual Funds (MF), Non-Convertible Debentures (NCD), Equity IPO's and one legacy investment in an unquoted equity. The Bank had also made a token investment in a New Umbrella Entity (NUE) in association with National Payment Corporation of India (NPCI) and investment of ₹ 1,263 Lakhs as Pass through Certificates (PTCs) as part of the Securitisation deal executed during FY 2022. During the year the Bank also secured necessary approvals to commence investments in select IPO's as a way to deploy short term surpluses and generate the alpha. This aspect of the investment business is at a nascent stage and limited investments were made during the period.

The investment holdings in various SLR and Non SLR instruments were as under:

₹ in Lakhs

Instruments*	AFS		HFT		HTM		FVTPL	
	BV	MV	BV	MV	BV	MV	BV	MV
SLR								
G Sec	2,058	2,058	12,217	12,217	514,012	516,442	0.00	0.00
SDL	0.00	0.00	463	463	265,124	269,530	0.00	0.00
T Bill	103,157	103,157	4,872	4,872	0.00	0.00	0.00	0.00
Total SLR	105,215	105,215	17,552	17,552	779,136	785,972	0.00	0.00
Non-SLR								
PTC	0.00	0.00	0.00	0.00	0.00	0.00	1,263	1,411
Equity	0.00	0.00	0.00	0.00	0.00	0.00	42	42
CP	0.00	0.00	55,139	55,139	0.00	0.00	0.00	0.00
CD	0.00	0.00	166,996	166,996	0.00	0.00	0.00	0.00
NCD	0.00	0.00	47,656	47,656	0.00	0.00	0.00	0.00
Total Non-SLR	**0.00**	**0.00**	**269,790**	**269,790**	**0.00**	**0.00**	**1,305**	**1,453**
Total	**105,215**	**105,215**	**287,343**	**287,343**	**779,136**	**785,972**	**1,305**	**1,453**

* In the above table, Security Receipts amounting to ₹ 3,731 Lakh arising from two ARC transactions undertaken in the year ended 31st March 2025 which have been fully provided for in the books have not been shown separately.

During the quarter, the Bank had added ~ ₹ 160,251 lakh of securities in its HTM portfolio. As at March 31, 2025, there was positive MTM of ~ ₹ 165.94 lakh from positions held in HFT and AFS. The Bank started purchasing securities of slightly higher Yield in HTM portfolio in order to capture the benefit of reduction in interest rate during Q4 of FY 2025. The HTM duration stood at 4.55 years. The Bank monitors the market signals and yield curve for any investment opportunity which can maximise yield. The current investment mix of the HTM portfolio is well poised to generate a positive MTM in the event of interest rate reduction. From risk management standpoint, the duration mix of the investment portfolio is also strategically maintained in a manner to limit incremental negative MTM in the event of recommencement of rate hikes. The Bank participated in OMO announced by RBI depending on the duration alignment and yield optimisation in HTM portfolio.

The investment into SLR securities is undertaken for the purpose of regulatory compliance i.e. SLR maintenance and for Asset Liability Management (ALM). Investment in SLR securities is held as both HTM and AFS; majority of investments in AFS is in the form of Treasury Bills with small part of the AFS portfolio held in Central Government securities. The mandatory requirement for maintenance of SLR as stipulated by RBI is 18.00% of Net Demand and Time Liabilities (NDTL). The Bank has complied with the regulatory SLR requirement and has maintained SLR much above the requirement. During the quarter, the average SLR requirement and maintenance was as below:

₹ in Lakhs

Month	Average SLR requirement	Average SLR maintenance	Average SLR requirement maintained as a % of NDTL
Jan-25	5,914	7,063	21.50%
Feb-25	5,958	7,567	22.87%
Mar-25	6,106	8,233	24.25%

The maintenance of SLR was higher than the minimum requirement which is in line with its Board directive. The Bank maintains a higher SLR on account of two reasons viz. 1) risk management, in that, to ensure a cushion in case of a contingency, to keep a healthy Liquidity Coverage Ratio (LCR) at all times and also to ensure that the regulatory thresholds for the Structural Liquidity Statement (SLS) limits are not breached and 2) availability of liquid assets for non-SLR investments as an avenue to optimise the yield on investment portfolio.

Trading: The Bank is actively trading in G-sec market on an intraday basis and carries overnight position in HFT portfolio, the trading positions are governed by stop loss limits to minimise the loss should there be a volatility in the market. The trading limits in the form of duration limits, PV01 limits, trading book limit, exposure limits and Value at Risk (VaR) are monitored regularly by the Middle Office. Any instance of breach in limits is brought to the notice of stakeholders and remedial measures taken.

The Bank resumed non SLR investments from June 2023 onwards and has made investments in CD, CP, NCD and debt and liquid mutual funds. The investment is undertaken with an objective of diversifying the investment portfolio and maximising the yield on the investment portfolio by deploying surplus liquidity. The transactions in non SLR investments were within the Board approved policies and regulatory thresholds. The Bank had made selective investments in equity IPO during first nine month of FY 2025 and the investments were within the Board approved policies and thresholds.

1.1.1 Liquidity and Liquidity Risk Management:

Treasury Department is primarily responsible for the day-to-day liquidity and fund management with an oversight by the ALM desk. The day-to-day fund excess or shortfall is arrived at based on a daily liquidity statement prepared by Front Office in co-ordination with Finance department. Based on the daily shortage or excess funds, Front Office undertakes money market borrowing and lending activity. The source of borrowing and lending amongst Call money, Repo, TREPS and CROMS is decided based on the most favourable rate. The regulatory limit on Call/Notice money borrowing and lending is monitored on a daily basis by Middle office and reported to all stakeholders.

Market Risk team keeps the senior management/Board apprised of the Liquidity situation of the Bank through regular updates to the ALCO and RMCB respectively. As a part of the update, a detailed analysis on cash flow projections, recommendations, constraints (if any), scenario analysis on various regulatory ratios and ALM position of the Bank are being placed at regular intervals.

Liquidity Risk Management is governed as per the provisions of the ALM policy. The ALM position for the Bank was well managed and regulatory thresholds complied during the quarter. The Bank has various avenues to leverage upon in mitigating any future liquidity shortfalls. Some of the measures include securitization, Direct Assignment, IBPC transactions, refinance and term loan facilities from Bank. The Bank is prioritizing long-term funding through deposit mobilization and refinance borrowings.

10.2 Quantitative Disclosures

Liquidity Coverage Ratio (LCR) Q4 FY 2025

The objective of the LCR is to promote the short-term resilience of a bank's liquidity risk profile, ensuring that it has adequate stock of unencumbered high-quality liquid assets that can easily be converted into cash to meet its liquidity needs in an acute stress scenario lasting for 30 days.

₹ in Lakhs

	Q4 Quarterly Average	Amount	Adjusted Amount
A	**High Quality Liquid Assets**		
	Level 1 Assets	764,566	764,566
B	Total Stock of HQLAs	-	764,566
C	Cash Outflows	2,934,863	728,073
D	Cash Inflows	215,248	129,142
E	Net Cash flow	2,719,615	598,931
F	25% of Total Cash Outflow	733,716	182,018
G	Higher of E or F	-	598,931
	Liquidity Coverage Ratio	**127.66%**	

Net Stable Funding Ratio (NSFR): NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. "Available Stable Funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required Stable Funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet (OBS) exposures. The Bank's NSFR as at March 31, 2025 was 133.60% as against RBI minimum requirement of 100%.

₹ in Lakhs

NSFR	Weighted Amount
Total Available Stable Funding (ASF)	3,091,214
Total Required Stable Funding (RSF)	2,313,821
NSFR	**133.60%**

11. TABLE DF – 8: OPERATIONAL RISK

11.1 Qualitative Disclosures

11.1.1 Operational Risk Management Policy and Governance Structure

For effective management of Operational Risk, the Bank has constituted an Operational Risk Management Committee (ORMC) chaired by MD & CEO. This Committee, which is convened by Chief Risk Officer meets every quarter to provide an oversight on key operational risk issues, the summary of which is presented to the Risk Management Committee of the Board (RMCB). The Bank has in place a Board approved Operational Risk Management policy updated to include the latest guidance note on Operational Risk Management and Operational Resilience published by RBI issued on April 30, 2024.

Operational Risk is one of the major risks that the Bank faced in its day-to-day activities. This emanates primarily from its microfinance business, where the operating processes, especially collections/repayment remain people driven. The Bank has been progressively digitizing some of the processes, but these bring with it attendant challenges in Operational Risk and Information Security risk challenges. Over a period, the Bank has developed a framework for oversight of this critical activity. Aside from operational risk challenges seen in microfinance business, the Bank also is exposed to Operational risk in its other areas of activities including activities that are localised in the Corporate Office.

Three of the initiatives taken during the year were the following:

1. Enhanced State Level Heatmaps to record operational risk originating from the Bank's business in each of the states. Historically, the Bank has had a process of granular operational risk management through a scorecard matrix introduced at inception. Since the Bank has a repository of historical data from this exercise, the Bank is now leveraging outputs from an internal Data Science and Decision Management (DSDM) to provide granular insights on key operational risk triggers that affect the performance in each state. This analysis is presented on a M-o-M basis for corrective action, especially in states or branches where the risk triggers are recurring.
2. The Bank has developed Risk postures for all its critical business activities. This is an enhancement of the conventional RCSA process and includes, at a design level, an end-to-end capture of the transaction journey, including also regulatory implications, at each stage, if applicable. At a design level, this has been completed for all the business verticals, and the Bank is now in the process of testing the operating effectiveness of the controls that are in place. Historically, the Operational Risk team has been conducting the IFC exercise annually, in addition to having an oversight on the RCSA activity being led by the first line of defence. As such they have a repository of test samples that can be used to test the operating effectiveness.
3. Outsourcing activities and Business Continuity received additional focus during the financial year. While the Bank has an Outsourcing Framework in place, the focus hitherto has been more silo based. The transition during the year was to apprise a comprehensive risk posture of the Bank's outsourcing portfolio at an organisation level. This exercise has resulted in identifying vendors that are critical to the Bank's operation, and which require greater attention from a Risk Management perspective.
4. Likewise, during the year, the Bank commenced reassessing its business impact analysis preparatory to a repeat of the comprehensive business continuity exercise. In the process, newer business such as Gold Loans, Micro LAP and others. which now form an important activity for the Bank, have been assessed. The Bank has also enhanced its business continuity policy and reviews the effectiveness of the framework at regular meetings of the BCM committee.

While the above mentioned were the key initiatives taken during the year, the Operational Risk Unit continued with its Business-as-Usual activities which included process reviews, UAT testing including review of BRD and FSD documents, oversight of RCSA, monitoring of Key Risk Indicators both at an organisational level and at select functional level. Significantly, as required by regulation, the Bank has developed Key Risk Indicators for its Digital payment activity, the results of which are monitored at ORMC.

The Operation Risk unit was also tasked with preparation of an Operational Risk Index (ORI), following the two major fraud incidents arising from violation of field process in Micro Banking. This Index which includes Operational Risk Parameters that can affect the Micro Banking business at a branch, is compiled at monthly intervals and the data is shared with Internal Audit Team and provides leading indicators for the Internal Audit business.

Loss Data Management is in place to record material incidents and learnings from errors and 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 process which used to be manual is in the final stages of automation, with the incident reporting module having moved to UAT by the year end.

The Bank has created a separate General Ledger Code (GLC) to record losses (separate for fraud and non-fraud) on account of these incidents, and these are reported to the ORMC & Board at regular intervals.

The incident reporting process enables creation of loss database as per Basel definitions. The activities broadly include the following:

- Reconciliation of General Ledgers (GL) to operational loss as recorded by ORMD
- Root Cause Analysis (RCA) of critical events
- Quarterly loss data submission to ORMC

Loss Dashboard for YTD FY 2024-25 (as on Mar'25)[19] :

Event Type	Count of Incidents		Loss in Lakhs			
	YTD Mar'24	YTD Mar'25	YTD Mar'25			YTD Mar'24
	Total	Total	Gross	Net	Ops Loss	Ops Loss
Business Disruption and Systems Failures	379	248	₹ 10.10	₹ 4.81	₹ 3.73	**₹ 20.27**
Clients, Products, and Business Practice	13	4	₹ 2.39	₹ 0.91	₹ 0.74	**₹ 0.03**
Damage to Physical Assets	35	8	₹ 0.00	₹ 0.00	₹ 0.00	**₹ 0.00**
Employment Practices and Workplace Safety	22	14	₹ 0.08	₹ 0.08	₹ 0.08	**₹ 0.00**
Execution, Delivery, and Process Management	2,024	2,115	₹ 132.98	₹ 54.84	₹ 42.69	₹ 57.00
External Fraud	287	295	₹ 210.21	₹ 99.70	₹ 39.98	**₹ 319.33**
Internal Fraud	492	267	₹ 467.99	₹ 236.82	₹ 161.97	**₹ 0.13**
Total	**2,991**	**3,212**	**₹ 823.74**	**₹ 390.16**	**₹ 249.17**	**₹ 396.76**

[19] >Gross loss refers to total amount involved in the reported incidents, Net loss refers to loss which got netted off post recoveries and Operational loss refer to the actual loss booked in Operational loss GL (Fraud & Non-fraud) in case of unsuccessful recovery efforts.

> Out of the 3,212 incidents reported in YTD Mar'25, 1,651 (~50%) were from "Cash Excess" and "Cash Shortage", owing to inclusion of all incidents reported, irrespective of amount.

The Ops Loss Recovery done as on date (31st Mar'25) pertaining to Operational Losses booked in previous financial years is ₹ 60.03 Lakhs.

User Access reviews are conducted for critical applications to ensure that access and role matrix are well defined, and that access is commensurate with the responsibility assigned. In FY 2024-25, user access review was performed for Critical applications which are used by the Bank as a part of Semi-annual review and findings & recommendations were shared with respective stake holders for initiating corrective action.

Exceptions Handling Mechanism is an initiative, which was initiated which commenced from July 2020. In Q1 FY'25, the existing list of exception reports was revamped with a change in frequency of monitoring from Quarterly to Daily/Monthly which will help to act on a priority basis. Observations identified in exception reports during the monitoring activity till the month of March 2025 have been taken up with respective stakeholders for discussing the gaps observed to undertake appropriate corrective actions.

Internal Financial Control (IFC) testing: This is an annual exercise and carried out by ORM Unit as required under Companies Act. During the year, IFC testing was completed for 25 identified departments including ELC(Entity level Controls) and the results of this evaluation were presented to ORMC, RMCB to update them on effectiveness of the internal controls of the Bank and take guidance. These results are also shared with the Bank's statutory auditor to provide insight on adequacy and effectiveness of the controls in the Bank.

Information Security Risk:

The Information Security Management Committee is tasked with managing and monitoring Key Risks Indicators and Key Performance Indicators, Third Party Risk Assessments (TPA), Security Project Management, managing and monitoring the vulnerability assessment and penetration testing program of the Bank, managing the Bank's ISMS (Information Systems Management Standard), regulatory and statutory compliances, formulating policies, processes and procedures relating to information security, risk assessments etc. The Security Operations – (as known as Blue team) is tasked with managing the Security Operations Centre (SOC). The key activities of SOC include and are not limited to log monitoring, threat intelligence, incident management, evaluating the effectiveness of security devices, etc.

The Red Team – comprised of ethical hackers whose primary responsibility is to simulate and mount attacks similar to what a malicious attacker would do in a real-world scenario, which serves two purposes:

- Assess the effectiveness of and strengthen the Blue team.
- Evaluate the security of the infrastructure from an attacker's viewpoint; and
- Identify these vulnerabilities and plug in gaps before the same can be taken advantage of.

12. TABLE DF-9: INTEREST RATE RISK IN THE BANKING BOOK (IRRBB)

12.1 Qualitative Disclosures

Interest Rate Risk in Banking Book (IRRBB) refers to the risk of loss in earnings and economic value of a bank's banking book as a consequence of movement in interest rates. For banking book, interest rate risk arises through mismatches in re-pricing of interest rate sensitive assets (RSA), rate sensitive liabilities (RSL). The Bank has identified the risks associated with changing interest rates on its exposures in the banking book from both a short-term and long-term perspective.

The interest rate risk is measured and monitored through two approaches:

- Earnings at risk (Traditional Gap Analysis): The impact of change in interest rates on net interest income is analysed under this approach and calculated under yield curve approach. Under this approach a parallel shift of 200 bps is assumed both in assets and liabilities.
- Economic Value of Equity (Duration Gap Approach): Modified duration of assets and liabilities is computed separately to arrive at modified duration gap. A parallel shift in yield curve by 200 bps is assumed for calculating the impact on economic value of equity. Additionally, the Bank has also performed steepening of yield curve wherein a change in 100 bps was considered linearly between 15-day and over 25-year maturities and using an inversion of the yield curve wherein 1-year rates were increased by 250 bps and 10-year rates were decreased by 100 bps. Such shocks are monitored regularly to assess the impact of interest risk on the Bank's book and its potential impact on the Bank's business projections. These scenarios are as per the RBI guidelines on stress testing dated 02 Dec 2013.
- The Bank has also undertaken various simulations to understand the impact of reduction in the valuation of Housing portfolio on account of rate hikes.
- As a risk measurement tool, the Bank has developed an IRRVaR model to aid in applying a Pillar II capital charge under ICAAP under pre-specified breaches to internal limits.

12.2. Qualitative Disclosures

12.2.1 Earnings at Risk (Earnings Perspective)

Interest Rate Risk in the Banking Book (IRRBB)

₹ in Lakhs

Sl. No.	Country	Interest Rate Shock	
		+200 bps shock	(200) bps shock
1	India	(3,764)	3,764
2	Overseas	-	-
	Total	**(3,764)**	**3,764**

12.2.2 Economic Value Perspective (MDG Approach)

₹ in Lakhs

Category	Items	Amount
A	Computation of Aggregate RSA	4,452,940
B	Computation of Aggregate RSL	4,047,585
C	Weighted Avg. MD of RSL across all currencies	0.8200
D	Weighted Avg. MD of RSA across all currencies	1.5600
E	Modified Duration Gap (MDG)	0.8146
F	Change in MVE as % of equity for 200 bps change in interest rate	12.84%
G	**Change in MVE in absolute terms**	**72,562**

12.2.3. Economic Value Perspective (Steeping of Yield Curve)

The Bank calculated the change in MVE using steepening of yield curve wherein a change of 100 basis points was considered linearly between 15-day and over 25-year maturities. Change in MVE under this scenario was (₹ 28,231 Lakhs).

12.2.4. Economic Value Perspective (Inversion of Yield Curve)

The Bank calculated the change in MVE using Inversion of yield curve wherein one -year rate was increased by 250 basis points, and 10-year rate was decreased by 100 basis points. Change in MVE under this scenario was (₹ 8,764 Lakhs).

13. TABLE DF-10: GENERAL DISCLOSURE FOR EXPOSURES RELATED TO COUNTERPARTY CREDIT RISK: NA

14. TABLE DF-11: COMPOSITION OF CAPITAL

Basel III common disclosure template to be used from March 31, 2017

Common Equity Tier 1 capital: instruments and reserves

(₹ in Million)

Sr. No.	Particulars		Ref No
1	Directly issued qualifying common share capital plus related stock surplus (share premium)	19,350	
2	Retained Earnings	40,696	
3	Accumulated other comprehensive income (and other reserves)	-	
4	Directly issued capital subject to phase out from CET1 (only applicable to non-joint stock companies[1])	-	
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET1)	-	
6	**Common Equity Tier 1 capital before regulatory adjustments**	**60,046**	
	Common Equity Tier 1 capital: regulatory adjustments		
7	Prudential Value Adjustments		
8	Goodwill (net of related tax liability)		
9	Intangibles (net of related tax liability)	1,526	
10	Deferred Tax Assets		
11	Cash-flow hedge reserve		
12	Shortfall of provisions to expected losses		
13	Securitisation gain on sale		
14	Gain and losses due to change in own credit risk on fair value liabilities		
15	Defined-benefit pension fund net assets		
16	**Investments in own shares (if not already netted off paid-up capital on reported balance sheet)**		
17	Reciprocal cross holdings in common equity		
18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)		
20	Mortgage servicing rights (amount above 10% threshold)		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	2,212	
22	Amount exceeding the 15% threshold		
23	of which: significant investments in the common stock of financial entities		
24	of which: mortgage servicing rights		
25	of which: deferred tax assets arising from temporary differences		
26	National specific regulatory adjustments (26a+26b+26c+26d)		
26a	of which: Investments in the equity capital of unconsolidated insurance subsidiaries		
26b	of which: Investments in the equity capital of unconsolidated non-financial subsidiaries261		
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank262		
26d	of which: Unrealised profits arising because of transfer of loans		
26e	of which: deductions applicable on account of SRs guaranteed by the Government of India		
26f	of which: Intra-group exposures beyond permissible limits		
26g	of which: Net unrealised gains arising on fair valuation of Level 3 financial instruments recognised in the Profit and Loss Account or in the AFS-Reserve		
27	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	3	
28	**Total regulatory adjustments to Common equity Tier 1**		
29	**Common Equity Tier 1 capital (CET1)**		
	Additional Tier 1 capital: instruments		
30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (share premium) (31+32)		
31	of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares)		
32	of which: classified as liabilities under applicable accounting standards (Perpetual debt Instruments)		
33	Directly issued capital instruments subject to phase out from Additional Tier 1		
34	Additional Tier 1 instruments (and CET1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)		
35	of which: instruments issued by subsidiaries subject to phase out		

Sr. No.	Particulars		Ref No
36	**Additional Tier 1 capital before regulatory adjustments**		
	Additional Tier 1 capital: regulatory adjustments		
37	Investments in own Additional Tier 1 instruments		
38	Reciprocal crossholdings in Additional Tier 1 instruments		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
41	National specific regulatory adjustments (41a+41b)		
41a	of which: Investments in the Additional Tier 1 capital of unconsolidated insurance subsidiaries		
41b	of which: Shortfall in the Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions		
43	Total regulatory adjustments to Additional Tier 1 capital		
44	Additional Tier1 Capital (AT1)		
45	Tier 1 Capital (T1 = CET1 + AT1) (29 + 44)		
	Tier 2 capital: instruments and provisions		
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	1,800	
47	Directly issued capital instruments subject to phase out from Tier 2		
48	Tier 2 instruments (and CET1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)		
49	of which: instruments issued by subsidiaries subject to phase out		
50	Provisions	2,715	
51	**Tier 2 capital before regulatory adjustments**	**4,515**	
	Tier 2 capital: regulatory adjustments		
52	Investment in own Tier 2 instruments		
53	Reciprocal crossholdings in Tier 2 instruments		
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)		
55	Significant investments265 in the capital banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)		
56	National specific regulatory adjustments (56a+56b)		
56a	of which: Investments in the Tier 2 capital of unconsolidated insurance subsidiaries		
56b	of which: Shortfall in the Tier 2 capital of majority owned financial entities which have not been consolidated with the bank		
57	**Total regulatory adjustments to Tier 2 capital**		
58	**Tier 2 Capital (T2)**	**4,515**	
59	**Total Capital (TC = T1 + T2) (45 + 58)**	**60,617**	
60	**Total Risk Weight Assets (60a + 60b + 60c))**	**262,401**	
60a	of which: total credit risk weighted assets	262,401	
60b	of which: total market risk weighted assets		
60c	of which: total operational risk weighted assets		
	Capital ratios and buffers		
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	21.38	
62	Tier 1 (as a percentage of risk weighted assets)	21.38	
63	Total capital (as a percentage of risk weighted assets)	23.10	
64	Institution specific buffer requirement (minimum CET1 requirement plus capital conservation plus countercyclical buffer requirements plus higher of G-SIB buffer requirement and D-SIB buffer requirement, expressed as a percentage of risk weighted assets)		
65	of which: capital conservation buffer requirement		
66	of which: bank specific countercyclical buffer requirement		
67	of which: higher of G-SIB and D-SIB buffer requirement		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)		
	National minima (if different from Basel III)		
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	6	
70	National Tier 1 minimum ratio (if different from Basel III minimum)	7.50	
71	National total capital minimum ratio (if different from Basel III minimum)	15	
	Amounts below the thresholds for deduction (before risk weighting)		
72	Non-significant investments in the capital of other financial entities		
73	Significant investments in the common stock of financial entities		
74	Mortgage servicing rights (net of related tax liability)		
75	Deferred tax assets arising from temporary differences (net of related tax liability)		

Sr. No.	Particulars		Ref No
	Applicable caps on the inclusion of provisions in Tier 2		
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)		
77	Cap on inclusion of provisions in Tier 2 under standardised approach		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)		
79	Cap for inclusion of provisions in Tier 2 under internal ratings – based approach		

15. TABLE DF-12: COMPOSITION OF CAPITAL - RECONCILIATION REQUIREMENTS:

NA

16. TABLE DF-13: MAIN FEATURES OF REGULATORY CAPITAL INSTRUMENTS

16.1 Tier I capital

The Bank has an authorised capital of ₹ 262,500 Lakhs in the form of Common Equity qualifying as Tier I capital. As at March 31, 2025, the Bank had an issued, subscribed and paid-up equity capital of ₹ 193,500 Lakhs, having 1,935,003,643 shares of face value ₹10 each.

The licensing guidelines for SFBs permit the aggregate foreign investment in a private sector bank from all sources up to a maximum of 74% of the paid-up capital (automatic up to 49% and approval route beyond 49% to 74%). As foreign shareholding in the Bank was 25.11% comprising of (a) Foreign Portfolio investors (FPI), (b) Non-Residential Indians (NRI) and (c) Foreign Direct Investments (FDI) as at March 31, 2025, the Bank was compliant with RBI guidelines on SFBs.

Promoter contribution[20] :

The Bank is a 100% publicly held entity with no identified Promoter as at reporting date. The shareholding pattern of the Bank as at March 31, 2025, is as under:

Category of the Shareholder	No. of shares held	% shareholding
Mutual Funds	91,464,010	4.73
Alternate Investment Funds (AIF)	50,810,955	2.63
Foreign Portfolio Investors (FPIs)	277,218,941	14.33
Foreign Direct Investments (FDIs)	100,256,456	5.18
Resident Individual/Hindu Undivided Family (HUF)	1,140,682,589	58.95
Others*	274,570,692	14.18
Total	**1,935,003,643**	**100**

*Since Directors and Key Managerial Personnel are other categories, the same are included in Others and not in Resident Individuals.

The Capital Structure of the Bank under Basel II norms is provided below:

Sl. No.	Instrument	Whether Tier I or II	Amount (₹ in Lakhs)
1	Equity[21]	Common Equity Tier 1 (CET 1)	193,500
2	Subordinated Debt Instruments	Tier II	30,000
	Total		**223,500**

Tier II Capital: Subordinated Debt Instrument

As per specific directions received from the Regulator[22], the Bank can issue Tier II capital instruments in compliance to either NCAF or Basel III guidelines of RBI. As on March 31, 2025, following are the Tier II Instruments raised by the Bank.

Capital	Description of the Security	Issue Amount (₹ in Lakhs)	Issue date	Date of Redemption	Contractual Dividend rate (on a fixed rate basis)
Tier II – Subordinated Debt	rated, unlisted, unsecured, transferable, redeemable, fully paid up, NCDs	22,500	August 26, 2022	April 26, 2028	11.95% p.a.
		7,500	September 09, 2022[23]	April 26, 2028	11.95% p.a.
Total		30,000	-	-	-

[20] Refer RBI on Guidelines for Licensing of "Small Finance Banks" in the Private Sector dated 27 November, 2014.
[21] Issued and Paid-up equity capital
[22] RBI communication to the Bank vide email dated December 13,2017
[23] Deemed Allotment Date: August 26, 2022

DIVIDEND POLICY

The Bank has formulated the Dividend Distribution Policy in compliance with the provisions of Banking Regulation Act, 1949 and Guidelines/ circulars issued by RBI and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"). The objective of the Policy is to appropriately reward shareholders through dividends for reposing their confidence in Bank while retaining the capital required for supporting future growth. The payment of dividend is also subject to conditions as prescribed by RBI issued vide RBI/2004-05/451 DBOD.NO.BP.BC. 88 / 21.02.067 / 2004-05 dated May 4, 2005.

Disclosure template for main features of regulatory capital instruments

Sr. No.	Particulars	Equity Shares	NCD
1	Issuer	Ujjivan Small Finance Bank Limited	Ujjivan Small Finance Bank Limited
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	ISIN: INE551W01018	INE551W08013
3	Governing law(s) of the instrument	Applicable Indian Statutes and regulatory requirements	Applicable Indian Statutes & Regulatory requirements RBI's "Master Circular - Prudential Guidelines on Capital Adequacy and Market Discipline- New Capital Adequacy Framework (NCAF)" dated July 1, 2015
	Regulatory treatment		
4	Transitional Basel III rules	Common equity Tier 1	Tier II Capital
5	Post-transitional Basel III rules	Common equity Tier 1	Tier II Capital
6	Eligible at solo/group/ group & solo	Solo	Solo
7	Instrument type	Common Shares	Subordinated, rated, unlisted, unsecured, transferable, redeemable, fully paid up, non-convertible debentures
8	Amount recognised in regulatory capital	₹ 193,500.36 Lakhs	₹ 30,000 Lakhs
9	Par value of instrument	₹ 10/-	₹ 100,000/-
10	Accounting classification	Capital	Capital
11	Original date of issuance	• Varied[24]	• August 26, 2022- ₹ 22,500 Lakhs • September 09, 2022 – ₹ 7,500 Lakhs
12	Perpetual or dated	Perpetual	dated
13	Original maturity date	No Maturity date	April 26, 2028
14	Issuer call subject to prior supervisory approval	No	-
15	Optional call date, contingent call dates and redemption amount	NA	-
16	Subsequent call dates, if applicable	NA	-
	Coupons / dividends	Dividend	Coupons
17	Fixed or floating dividend/coupon	NA	Fixed
18	Coupon rate and any related index	NA	11.95%
19	Existence of a dividend stopper	NA	NA
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary	NA
21	Existence of step up or other incentive to redeem	No	NA
22	Noncumulative or cumulative	Non-Cumulative	NA
23	Convertible or non-convertible	NA	NA
24	If convertible, conversion trigger(s)	NA	NA
25	If convertible, fully or partially	NA	NA
26	If convertible, conversion rate	NA	NA
27	If convertible, mandatory or optional conversion	NA	NA
28	If convertible, specify instrument type convertible into	NA	NA
29	If convertible, specify issuer of instrument it converts into	NA	NA
30	Write-down feature	No	NA
31	If write-down, write-down trigger(s)	NA	NA
32	If write-down, full or partial	NA	NA
34	If temporary write-down, description of write-up mechanism	NA	NA

[24] For FY 2024-25, 33,56,195 shares are issued under ESOP category

Sr. No.	Particulars	Equity Shares	NCD
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Subordinate to the claims of all depositors, general creditors, borrowings and all capital instruments qualifying Tier II Capital instruments, perpetual debt instruments and Perpetual non-cumulative preference shares	The Debentures shall be: (a) senior to the claims of the investors in instruments eligible for inclusion in Tier I capital and Upper Tier II Capital of the Bank; and (b) subject to paragraph (a) above, subordinated to the claims of the other creditors of the Bank but shall rank pari-passu with the other Lower Tier II instruments of the Bank (whether present or future).
36	Non-compliant transitioned features	No	No
37	If yes, specify non-compliant features	NA	NA

17. TABLE DF-14: FULL TERMS AND CONDITIONS OF REGULATORY CAPITAL INSTRUMENTS

Full Terms and Conditions of Equity Shares of the Bank

Sr. No.	Particulars	Full Terms and Conditions
1	Voting shares	Equity Shares of the Bank are Voting Shares
2	Limits on Voting Shares	Limits on Voting rights are applicable as per provisions of the Banking Regulation Act, 1949. One share has one voting right
3	Position in Subordination hierarchy	Represent the most Subordinated claim on liquidation of the Bank. It is not secured or guaranteed by issuer or related entity nor subject to any other arrangement that legally or economically enhances the seniority of the claim
4	Perpetuity	Principal is perpetual and never repaid outside of liquidation (Except discretionary repurchases/buy backs or other means of effectively reducing capital in a discretionary manner that is allowable under relevant law as well as guidelines, if any issued by RBI in the matter)
5	Accounting Classification	The paid-up amount is classified as Equity Capital in Banks Balance Sheet.
6	Distributions	Distributions are paid out of Distributable items (retained earnings included). There are no circumstances under which distributions are obligatory. Non-Payment is therefore not an event of default
7	Approval for Issuance	Issue of further shares requires requisite approval from the Board (includes duly authorised Board Committee) and the Shareholders of the Bank

Subordinated Debt Instruments:

Terms and Conditions of NCDs of the Bank

Sr. No.	Particulars	Full Terms and Conditions
1	Type of Instrument	Non-Convertible Debentures (Subordinated debt)
2	Seniority	The Bond shall be: • senior to the claims of the investors in instruments eligible for inclusion in Tier I capital and Upper Tier II Capital of the Bank; and • subject to paragraph (a) above, subordinated to the claims of the other creditors of the Bank but shall rank pari passu with the other Lower Tier II instruments of the Bank (whether present or future).
3	Maturity	April 26, 2028. Bullet redemption at par, at maturity
4	Listing	Unlisted
5	Accounting Classification	The paid-up amount is classified as Borrowings in Bank's Balance Sheet.
6	Approval for Issuance	Once the shareholders' approval is received for issue of capital, NCDs are issued only with approval given by Board of Directors/ Board Approved Committee
7	Coupon Type	Fixed
8	Coupon Rate	11.95% p.a.
9	Coupon Payment Frequency	Monthly with final Coupon Payment Date being the Maturity Date

18. Table DF – 15: Disclosure Requirements for Remuneration

18.1 Qualitative Disclosures

18.1.1 Information relating to the bodies that oversee remuneration.

Name: Nomination and Remuneration Committee (NRC)

Composition of Nomination and Remuneration Committee as on March 31, 2025:

Sr. No.	Particulars	Full Terms and Conditions
1.	Ms. Anita Ramachandran	Chairperson -Independent Director
2.	Mr. Banavar Anantharamaiah Prabhakar	Member-Independent Director
3.	Mr. Ravichandran Venkataraman	Member -Independent Director
4.	Mr. Rajesh Kumar Jogi	Member - Independent Director

Following are the main terms of reference of the Committee:

- Formulating the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board of directors a policy, relating to the remuneration of the directors, key managerial personnel and other employees.

  The NRC, while formulating the above policy, ensures that:

  a. The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate talented directors required to run the Bank successfully.

  b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and

  c. Remuneration to directors, Key Management Personnel (KMP) and senior management involving a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Bank and its goals.
- Formulating criteria for evaluation of performance of independent directors and the Board of Directors.
- To ensure 'fit and proper' status of proposed/existing Directors.
- Devising a policy on diversity of Board of Directors
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of directors their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the NRC or by an independent external agency and review its implementation and compliance.
- Make appropriate disclosures of the remuneration policy and the evaluation criteria in the annual report.
- Analysing, monitoring and reviewing various human resource and compensation matters.
- Determining the Bank's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors.
- Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market-related, usually consisting of a fixed and variable component.
- Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
- Recommending to the Board, all remuneration, in whatever form, payable to senior management.
- Administering, monitoring and formulating detailed terms and conditions of the Employees' Stock Option Scheme (ESOP) of the Bank, inter-alia, including the following:

  a. Determining the eligibility of employees

  b. The quantum of option to be granted under the Employees' Stock Option Scheme per Employee and in aggregate.

  c. The exercise price of the option granted.

  d. The conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct.

  e. The exercise period within which the employee should exercise the option, and that option would lapse on failure to exercise the option within the exercise period.

  f. The specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee.

g. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period.

h. Re-pricing of the options which are not exercised, whether they have been vested if stock option rendered unattractive due to fall in the Market Price of the Shares

i. Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Compensation Committee

j. The number and the price of stock option shall be adjusted in a manner such that total value of the Option to the Employee remains the same after the Corporate Action

k. For this purpose, global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered.

l. The Vesting Period and the life of the option shall be left unaltered as far as possible to protect the rights of the Employee who is granted such option.

m. The grant, vest and exercise of option in case of Employees who are on long leave.

n. Allow exercise of unvested options on such terms and conditions as it may deem fit.

o. The procedure for cashless exercise of options

p. Forfeiture/ cancellation of options granted.

q. Framing of suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, by the ESOP trust, the Bank and its employees, as applicable.

r. All other issues incidental to the implementation of Employees' Stock Option Scheme

s. Construing and interpreting the Plan and any agreements defining the rights and obligations of the Bank and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan

t. Administering, monitoring and formulating detailed terms and conditions of the Employee Stock Purchase Scheme of the Bank

- Conducting due diligence as to the credentials of any director before his or her appointment/ re-appointment, and making appropriate recommendations to the Board, in consonance with the Dr. Ganguly Committee recommendations and the requirements of RBI.
- To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Bank subject to the provision of the law and their service contract.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To develop a succession plan for the Board and to regularly review the plan.
- To approve Job descriptions and Key Responsibility Areas (KRAs) of Senior Managers and Business Line Managers on an annual basis.
- To review Performance of the senior/business line managers by NRC on an annual basis.
- Overseeing the framing, review and implementation of the Bank's Compensation Policy for Whole Time Directors/ Chief Executive Officers / Risk Takers and Control function staff for ensuring effective alignment between remuneration and risks.
- To recommend to the board, all remuneration, in whatever form, payable to senior management.
- Framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003.
- Carrying out any other function as is mandated by the Board from time to time and / or enforced/mandated by any statutory notification, amendment or modification, as may be applicable.
- Review regularly and approve the Bank's program for executive and employee development.
- Review and implement the various HR policies and manual of the Bank.
- Develop, review and approve the principles guiding the Bank's executive compensation philosophies.
- Assure that the bonus plan is administered in a manner consistent with Bank's compensation principles and strategies including Bank's policies relating to executive management succession and executive organisation development.
- Performing such other functions as may be necessary or appropriate for the performance of its duties.

18.1.2 External consultants whose advice has been sought, the body by which they were commissioned, and in what areas of the remuneration process: NA.

18.1.3 A description of the scope of the Bank's remuneration policy (e.g.: by regions, business lines), including the extent to which it is applicable to foreign subsidiaries and branches.

The purpose of the Compensation Policy is to ensure statutory compliance as well as alignment with the Bank's business policies and practices. The Compensation & Benefits (C & B) Policy document is based upon the principle that a fair and competitive salary is paid for acceptable levels of performance on the job. The compensation policy document is designed to align long-term interest of the employee and the organisation.

The policy document covers all employees and Board of Directors of the Bank. This document provides guidance on:

- Compensation Philosophy
- Compensation Structure
- Grades
- Pay Review Process
- Variable Pay Plans
- Salary Pay-out

A. Description of the type of employees covered and number of such employees.

- All employees of the Bank are governed by the Compensation Policy. The total number of permanent employees in the Bank as on March 31, 2025, was 24,374.

B. Information relating to the design and structure of remuneration processes:

- An overview of the key features and objectives of remuneration policy.

  The Compensation Policy and Nomination & Remuneration Policy has been laid out keeping the following perspectives into considerations.
- Compensation principles support the Bank in achieving its mission of providing a full range of financial services to the economically active poor who are not adequately served (unserved and underserved) by financial institutions. This policy also supports the Bank to attract and retain talent and skills required to consolidate the organisation's purpose and ideology.
- The pay structure and amounts always conform to applicable Income Tax and other similar statutes.
- All practices of the Bank comply with applicable labour laws.
- The pay structure should be standardised for a level of employees.
- Elements eligible for tax exemption may be introduced at appropriate levels to enable employees take applicable tax breaks. Amounts related to certain benefits may undergo change due to change in grade/ roles/ function/ state/ region in the organisation.
- The compensation structure shall be easy to understand for all levels of employees.
- The compensation policy is designed to promote meritocracy in the organisation i.e. other things being equal, performers in a given role are expected to earn more than his/her peer group.
- The Bank pays the Independent Directors remuneration by way of sitting fees for attending meetings of the Board and its Committees as may be decided by the Board and, if required, approved by the Shareholders from time to time.
- Whether the remuneration committee reviewed the firm's remuneration policy during the past year, and if so, an overview of any changes that were made.

  The following were the changes made to the remuneration policy.

Variable Pay

- Instead of a separate Bonus Scheme, the key principles shall be embedded into the compensation policy:
- The Bank shall announce the payment of bonus, as suitable. Payment of variable pay is not guaranteed.
- The pay-out will be made as a lump-sum amount and not deferred over 3 years for all employees, except the employees identified as Material Risk Takers who will be paid 1/3rd in each year over 3 years.
- **Management Discretion** - If there are significant developments in the year of payment (internal or external), management shall have leeway to announce a decision about bonus payment.

A discussion of how the Bank ensures that risk and compliance employees are remunerated independently of the businesses they oversee.

The Bank periodically benchmarks its remuneration practices against the market. Compensation ranges are in alignment to market pay which are derived and reviewed periodically. Remuneration payable for each function is independent of amounts payable to other function as is the market practice. Further, performance metrics for the Risk and Compliance function are completely unrelated to deliverables of any other business function. The deliverables of the risk function are periodically reviewed by the Risk Management Committee of the Board (RMCB) ensuring due independence. A similar process is adopted for compliance unit employees, with oversight at Audit Committee of the Board.

18.1.4 Description of the ways in which current and future risks are considered in the remuneration processes.

Structurally, the Control functions such as Compliance, Risk and Vigilance are independent of business functions and each other, thereby ensuring independent oversight from various aspects on the business functions. The Bank ensures that staff engaged in financial & risk control are independent, have appropriate authority, and are compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the firm.

18.1.5 Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration.

- A discussion of how amounts of individual remuneration are linked to the Bank wide and individual performance.
- The compensation policy is designed to promote meritocracy within the Bank i.e. other things being equal, performers in each role are expected to earn more than his/her peer group.
  - The Bank shall, from time to time benchmark its compensation practices against identified market participants to define its pay structure and pay levels.
  - The merit and increments are finalised and approved by the Nomination and Remuneration Committee (NRC) at annual intervals, basis organisation's budgets and accomplishments as well as market reality.
  - The Bank believes in paying its employees in an equitable and fair manner basis the incumbent's Role, Personal Profile (Education/Experience etc.) as well as Performance on the Job.

  Employees rated "Below Expectations" shall not be provided any increments, unless statutorily required.

18.1.6 A discussion of the measures the Bank will, in general implement to adjust remuneration in the event that performance metrics are weak. This should include the bank's criteria for determining 'weak' performance metrics.

The Bank reviews metrics of all business units on a periodic basis and makes necessary changes to metrics to ensure satisfaction with the defined metrics and performance business outcomes across the stakeholder spectrum including investors, customers, regulator and employees. The Bank, particularly at Corporate and senior levels takes a balanced approach to performance management. High performance of an individual/ department is dependant not only on delivery of business metrics but also achievements of control functions.

For e.g.: over-achievement of business targets would not translate into a high-performance rating if there are significant issues with portfolio quality. Cost of acquisition, both in short and long term are typically evaluated to ensure healthy bottom-line.

18.1.7 A discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and (if permitted by national law)

The Bank shall announce payment of cash variable pay as suitable. Discretion is typically applied related to staggered pay-out in case large pay-outs, particularly for functions like Credit and Risk. Payment is prorated for employees who have worked for part of the year at the Bank. If there are significant developments in the year of payment (internal or external), management shall have leeway to announce a decision about pay-outs.

The Bank believes in the philosophy of collective ownership by its employees. Thus, ESOPs of the Bank are distributed amongst employee's, basis their criticality and performance from time to time, at the discretion of the management. Stock option schemes at the Bank vests in a staggered manner. Besides the statutory requirement of grant and 1-year vesting, the total set of options vest in various tranches for up to a period of 4 years.

Malus/ Clawback: In the event of negative contributions of the individual towards the achievements of the Banks objectives in any year, the deferred compensation should be subjected to Malus/Clawback arrangements. Similar provisions shall apply in case the individual is found guilty of any major non-compliance or misconduct issues.

Directors, if appointed/ Material Risk Takers/ other employees, as planned by the Bank/ or the relevant line of business, towards achievements of the Banks objectives in any year, the deferred compensation shall be subjected to Malus/Clawback arrangements.

18.1.8 Description of the different forms of variable remuneration that the bank utilises and the rationale for using the same.

Variable Compensation at the Bank has the following distinct forms:

Cash Variable Pay

- Statutory Bonus
- Performance Pay – Performance Bonus and Monthly **Variable Pay**
- **Rewards & Recognition**

  The policy has been laid out keeping the following perspectives into considerations:

- The Variable pay structure, and amounts shall always conform to applicable Income Tax statutes, Labour Laws, Regulatory Requirements, any other applicable statutes and prevalent market practice.
- It is designed to promote meritocracy in the organisation i.e. other things being equal, performers in a given role are expected to earn more than his/her peer group.

Statutory Bonus: Statutory Bonus in India is paid as per Payment of Bonus Act, 1965.

Monthly Variable Pay: Employees in the Sales function, directly responsible for revenue generation shall be covered under the Monthly Variable Pay, if meeting the criteria of the respective scheme. Typically, some of the entry level roles and up to two or three levels of supervision thereof shall be covered.

Performance Bonus: All employees who are not a part of any Monthly Variable Pay but part of the year end performance review will be covered under the Performance Bonus Plan the Bank. However, the actual pay-out of performance bonus shall be paid only to employees who have met the set criteria. The Bank shall announce the payment of bonus, as suitable year on year. If there are significant developments in the year of payment (internal or external), management shall have leeway to announce a decision about bonus payment.

Rewards & Recognition: The Bank shall design schemes and practices from time to time to celebrate employees / departmental / organisational success. These celebrations may include offering tokens of appreciation to employees as defined in specific schemes. Fairness of application and transparency of communication shall be the hallmark of all such schemes. These will be subject to income tax laws, as applicable. Examples of such schemes may include Long Service Awards (currently at one, three, five, seven and ten yrs. of completion of service with the Bank), Functional R&R Schemes; Organisational Rewards Schemes such as: Service Champion; Process Excellence; Customer Connect Awards; Above and Beyond; etc. The EDGE (Executive Development for Growth and Excellence) programme is aimed at identifying high performers and assessing their potential for future leadership roles at Ujjivan. A mix of behavioural assessments, blended training & development journey and IDPs are deployed to make the identified individuals (EDGE selects) ready for future leadership roles.

Non-cash Variable Pay

The Bank believes in the philosophy of collective ownership by its employees. Thus, ESOPs of the Bank are distributed amongst employee's basis their criticality and performance from time to time, at the discretion of the management. Stock options are granted based on a combination of parameters such as tenure and/or employees' performance. CSARs (Cash-settled Stock Appreciation Rights) issued as part of non-cash variable pay.

18.2 Quantitative Disclosures

Sl. No	Quantitative Disclosures (Covers only Whole Time Directors/ CEO/ Other Risk Takers[25])	Numbers
1	Number of meetings held by the Nomination and Remuneration Committee during the second quarter and remuneration paid to its members.	Total Meetings Held till Q4 FY 2024-25: 6 Total sitting fee paid: ₹ 2,800,000
2	Number of employees having received a variable remuneration award during the year.	Managing Director & CEO, Executive Director, Business Head-Micro Banking, Chief Financial Officer, Chief Credit Officer, Chief Operating Officer. No. of Employees-6 Nos.
3	Number and total amount of sign-on awards made during the financial year.	25,000,000 worth of ESOP issued as Sign on award. 2,872,400 Lakhs shares allocated for this.
4	Details of guaranteed bonus, if any, paid as joining / sign on bonus.	NIL
5	Details of severance pay, in addition to accrued benefits, if any.	₹ 65,000 amount paid as severance pay
6	Total amount of outstanding **deferred remuneration**, split into cash, shares and share-linked instruments and other forms.	Cash: ₹ 9,913,000 Non-Cash: Nil MD&CEO, Executive Director, Business Head-Micro Banking, Chief Operating Officer, Chief Credit Officer, Chief Financial Officer
7	Total amount of deferred remuneration paid out in the financial year.	Cash: ₹ 9,913,000 Non-Cash: ₹ 17,894,000 ESOP grants: 1,099,211 Shares
8	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	Fixed gross: ₹ 82,662,000 * Variable deferred Cash: ₹ 9,913,000 **Variable noncash (ESOP): ₹ 17,894,000 (ESOP No. of Shares 1,099,211 granted) ***CSAR executed for ₹ 20,100,000 (2,309,415 option considered for the same) MD&CEO, Executive Director, Business Head-Micro Banking, Chief Operating Officer, Chief Credit Officer, Chief Financial Officer

[25] Key material risk takers are internally defined as mentioned in row 2 of the above table.

Sl. No	Quantitative Disclosures (Covers only Whole Time Directors/ CEO/ Other Risk Takers[25])	Numbers
9	Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and / or implicit adjustments.	Provisioned- Cash: 31,095,000 Non-Cash: 38,214,000 ESOP grants: 4,390,591 shares (Approx.)
10	Total amount of reductions during the financial year due to ex- post explicit adjustments.	NIL
11	Total amount of reductions during the financial year due to ex- post implicit adjustments.	NIL

19. TABLE DF–16: EQUITIES – DISCLOSURE FOR BANKING BOOK POSITIONS

19.1 Qualitative Disclosures

Differentiation between holdings on which capital gains are expected and those taken under other objectives including for relationship and strategic reasons;	The Bank had made certain investments in equity IPO for listing gains; however, the Bank does not have any strategic equity investments.
Discussion of important policies covering the valuation and accounting of equity holdings in the banking book. This includes the accounting techniques and valuation methodologies used, including key assumptions and practices affecting valuation as well as significant changes in these practices	The Bank does not have any equity investments in banking book throughout FY 2025. All the equity IPO investments made during the year was in Held for Trading portfolio (HFT) and were exited on the day of listing.

19.2 Qualitative Disclosures

Particulars	Status
Value disclosed in the balance sheet of investments, as well as the fair value of those investments; for quoted securities, a comparison to publicly quoted share values where the share price is materially different from fair value.	The Bank has unquoted equity of ₹ 42 Lakhs under FVTPL book as on March 31, 2025. There are no other listed equity investments held by the Bank.
The types and nature of investments, including the amount that can be classified as: • Publicly traded • Privately held	There were no Publicly traded/listed equity IPO investments held as of March 31, 2025.
The cumulative realised gains (losses) arising from sales and liquidations in the reporting period.	The Bank has booked the gain of ₹ 810 Lakhs in equity IPO investments.
Total unrealised gains (losses)	There is a notional gain of ₹ 32 Lakhs
Total latent revaluation gains	Nil
Any amounts of the above included in Tier 1 and/or Tier 2 capital.	Nil
Capital requirements broken down by appropriate equity groupings, consistent with the bank's methodology, as well as the aggregate amounts and the type of equity investments subject to any supervisory transition or grandfathering provisions regarding regulatory capital requirements	The capital charge on market risk including equity is not applicable for small finance bank as of reporting period. Hence, the same has not been quantified.

20. TABLE DF-17: SUMMARY COMPARISON OF ACCOUNTING ASSETS VS. LEVERAGE RATIO EXPOSURE MEASURE

Summary comparison of accounting assets versus leverage ratio exposure measure

₹ in Lakhs

	Item	Amount
1	Total consolidated assets as per published financial statements	4,768,915
2	Adjustment for investments in banking, financial, insurance or commercial entities that are consolidated for accounting purposes but outside the scope of regulatory consolidation	-
3	Adjustment for fiduciary assets recognised on the balance sheet pursuant to the operative accounting framework but excluded from the leverage ratio exposure measure	-
4	Adjustments for derivative financial instruments	-
5	Adjustment for securities financing transactions (i.e. repos and similar secured lending)	-
6	Adjustment for off-balance sheet items (i.e. conversion to credit equivalent amounts of off- balance sheet exposures)	35,462
7	Other Adjustments	(3,584,694)
8	**Leverage ratio exposure**	4,764,943

21. TABLE DF-18: LEVERAGE RATIO COMMON DISCLOSURE TEMPLATE

Table DF-18: Leverage ratio common disclosure template

₹ in Lakhs

	Item	Amount
	On-balance sheet exposures	
1	On-balance sheet items (excluding derivatives and SFTs, but including collateral)	4,768,915
	Domestic Sovereign	901,738
	Banks in India	2,380
	Corporates	279,931
	Exposure to default fund contribution of CCPs	172
	Other Exposure to CCPs	
	Others	3,584,694
2	(Asset amounts deducted in determining Basel III Tier 1 capital)	(39,434)
3	**Total on-balance sheet exposures (excluding derivatives and SFTs) (sum of lines 1 and 2)**	**4,729,481**
	Derivative exposures	-
4	Replacement cost associated with all derivatives transactions (i.e. net of eligible cash variation margin)	-
5	Add-on amounts for PFE associated with all derivatives transactions	-
6	Gross-up for derivatives collateral provided where deducted from the balance sheet assets pursuant to the operative accounting framework	-
7	(Deductions of receivables assets for cash variation margin provided in derivatives transactions)	-
8	(Exempted CCP leg of client-cleared trade exposures)	-
9	Adjusted effective notional amount of written credit derivatives	-
10	(Adjusted effective notional offsets and add-on deductions for written credit derivatives)	-
11	**Total derivative exposures (sum of lines 4 to 10)**	-
	Securities financing transaction exposures	-
12	Gross SFT assets (with no recognition of netting), after adjusting for sale accounting transactions	-
13	(Netted amounts of cash payables and cash receivables of gross SFT assets)	-
14	CCR exposure for SFT assets	-
15	Agent transaction exposures	-
16	**Total securities financing transaction exposures (sum of lines 12 to 15)**	-
	Other off-balance sheet exposures	
17	Off-balance sheet exposure at gross notional amount	77,309
18	(Adjustments for conversion to credit equivalent amounts)	41,847
19	**Off-balance sheet items (sum of lines 17 and 18)**	35,462
	Capital and total exposures	
20	**Tier 1 capital**	561,029
21	**Total exposures (sum of lines 3, 11, 16 and 19)**	4,764,943
	Leverage ratio	
22	**Basel III leverage ratio**	11.77%

Presently the contribution of Tier I capital to Total Basel II capital is 92.55%. The business model of the Bank is relatively simple with a significant portion as fund-based assets. The Leverage ratio is well above the benchmark of 4.5%.

DIRECTORS' REPORT

Dear Stakeholders,

On behalf of the Board of Directors (the "Board") of Ujjivan Small Finance Bank Limited (the "Bank or Ujjivan"), it is our immense pleasure to present the 9th Annual Report of the Bank along with the Audited Financial Statements and Auditor's Report thereon for the FY 2024-25.

OVERVIEW AND STATE OF AFFAIRS OF THE BANK

The Bank has emerged as a transformative financial institution, firmly committed to its objective of advancing financial inclusion and serving the unserved and underserved with a primary focus on semi-urban and urban areas. Since its inception, Ujjivan has envisioned a future driven by inclusive and equitable financial system and has built a solid foundation in inclusive banking where financial inclusion is universal. To continue with its mission, the Bank aspires to evolve into a Universal Bank to broaden its impact, diversify its offerings, and align its capabilities with the evolving needs of the communities it has served and India's growing financial ecosystem.

The FY 2024-25 has been a difficult year for entities that had a higher share of micro loans due to implementation of MFIN Guardrails 1 (Jul'24) that triggered immediate stress in the MFI Portfolio. However, Ujjivan performed exceptionally well when compared to the industry and its peers.

Further, Provision Coverage Ratio of the Bank remains well above Regulatory minimum at 78%.

Highlights of achievements during FY 2024-25 were:

i. Disbursement: ₹ 23,464 Crores; growth of 0.3% Y-o-Y with highest ever disbursement in a quarter achieved in Q4 ₹ 7,440 Crores with 11% YoY growth.

ii. OSP has grown from ₹ 29,779 Crores in FY24 to ₹ 32,122 Crores in FY25, growing 8% Y-o-Y

iii. Secured book grown from ₹ 8,990 Crores to ₹ 13,988 Crores i.e. share of secured book in gross loan book has increased from 30% to 44%

iv. Deposits: Total deposits at ₹ 37,630 Crores is up 20% Y-o-Y; Total deposit accretion during the year was at ₹ 6,168 Crores.

v. CASA reached ₹ 9,612 Crores, up 15% Y-oY; CASA% stands at 25.5% as at end of FY25.

vi. CD Ratio is at 85.4% (including IBPC/Securitisation).

vii. Asset Quality: GNPA/NNPA at 2.2% / 0.5% as on Mar'25; PCR at 78% as on Mar'25

viii. Capital adequacy comfortable at 23.1% with Tier I at 21.38%

ix. Microbanking cashless collections: reached 40% in Q4; among the best in industry.

x. Net profit for the FY 2024-25 is ₹ 726 Crores, showing resilience during a year which was largely impacted by uncertainties in microfinance business and tight banking liquidity environment.

Additionally, the Bank applied for voluntary transition to Universal Bank in February 2025. Further, Bank received AD-1 licence approval from RBI in October 24 and is in process of setting up the products and requisite technology upgrades, SWIFT membership is underway, opening of Nostro Accounts are being carried out and system are being upgraded.

Technology and Digital Platforms:

- Hello Ujjivan launched in FY 2022-23 is India's 1st Voice-Visual-Vernacular App available for MicroBanking Customers and is available in 11 Languages (including English) with Chatbot facility that helps conduct basic financial & non-financial banking transactions and enables digital loan acknowledgement for Repeat customers
- DigiMitra launched in FY 2023-24, is a dedicated support service aimed at helping customers navigate any technical issues they may encounter while accessing digital products and services.
- CRM and Customer Deduplication systems have been upgraded, resulting in refined user interfaces and data reliability. A pilot for the CRM mobile application has been deployed enabling mobile user engagement
- In digital banking front, Bank has introduced several customer-centric innovations such as digital Fixed Deposit & Savings, which have been highly appreciated for their convenience and accessibility.
- On data analytics, the Bank has adopted state of the art "BI tool" (Both Web and Mobility channels) with interactive dashboards to empower its employees at every level to adopt data driven proactive decision and boost their productivity.

Human Capital:

- Increase in staff count field staff 15,827 from 15,857; others 8,547 from 6,709
- Extensive training programmes being conducted to enhance knowledge and productivity

Major Awards & Accolades:

- Dun and Bradstreet Awards - India's Leading Small Finance Bank
- BT Best Bank Awards - India's Best Small Finance Bank - 2nd time in a Row
- IBA Technology Conference 2024 - Best IT Risk Management

The Bank's Board comprised of 9 directors as at the end of FY 2024-25, with the Managing Director & CEO and Whole time Director being the Executive Director, 7 Independent Directors including 4 Women Independent Directors.

FINANCIAL PERFORMANCE

Summary of Financial Performance

(₹ In Crores)

Particulars	FY 2023-24	FY 2024-25
Revenue from Operations	3,409.45	3,636.27
Other Income	786.75	846.2
Less: Operational Expenses	997.63	1,159.03
Personnel Expenses	1,183.18	1,499.49
Profit/loss before Depreciation, Finance Costs, Exceptional items, Provisions and Tax Expense	**2,015.39**	**1,823.95**
Less: Depreciation/ Amortisation/ Impairment	98.28	134.72
Profit /loss before Finance Costs, Exceptional items, Provisions and Tax Expense	**1,917.11**	**1,689.23**
Less: Finance Costs	214.95	747.7
Profit /loss before Provisions, Exceptional items and Tax Expense	**1,702.16**	**941.53**
Less: Provisions & Contingencies	(0.01)	(0.04)
Add/(less): Exceptional items	0	0
Profit /loss before Tax Expense	**1,702.17**	**941.57**
Less: Tax Expense (Current & Deferred)	420.67	215.47
Profit /loss for the year (1)	**1,281.50**	**726.10**
Total Comprehensive Income/loss (2)	0	0
Total (1+2)	**1,281.50**	**726.10**
Balance of profit /loss for earlier years	**947.00**	**1818.40**
Less: Transfer to Debenture Redemption Reserve	0	0
Less: Transfer to Statutory Reserves	320.38	181.53
Less: Transfer to investment Fluctuation Reserve	4.38	7.10
Less: Transfer to Capital Reserves	0	12.10
Less: Dividend paid on Equity Shares	68.34	290.07
Less: Dividend paid on Preference Shares	0	0
Less: Dividend Distribution Tax	0	0
Less: Investment Reserve Account	0	0
Less: Transfer to Special Reserve U/S 36 (1)(viii) Income tax Act 1961	17.00	21.00
Balance carried forward	**1,818.40**	**2,032.70**

Key Ratios: (Comparative ratios are annualised)

Particulars	FY 2023-24	FY 2024-25
Interest income as a percentage to working funds	15.38%	14.65%
Non-interest income as a percentage to working funds	2.13%	1.95%
Operating profit as a percentage to working funds	5.20%	3.89%
Business (deposits plus gross advances) per employee (₹ in thousands)	25,989	24,275
Profit per employee (₹ in thousands)	633.82	309.37
EPS (Basic) (₹)	6.65	6.65
EPS (Diluted) (₹)	6.54	6.54

TRANSFER TO RESERVES

A. Statutory Reserve

The Bank has made an appropriation of ₹ 181.53 Crores to the statutory reserve for the year ended March 31, 2025 out of profits, pursuant to the requirements of section 17 of the Banking Regulation Act, 1949 and RBI guidelines dated September 23, 2000.

Investment Fluctuation Reserve ("IFR")

During the year ended March 31, 2025, the Bank has made an appropriation of ₹ 7.10 Crores to IFR from the profit and loss account so as to reach the figure of 2% of its HFT and AFS Investment portfolio.

DIVIDEND

The Bank has formulated and implemented a Dividend Distribution Policy pursuant to Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and RBI Requirements with an objective to appropriately reward shareholders through dividends for reposing their confidence in the Bank while retaining the capital required for supporting future business growth. The said Policy is available on the website of the Bank at www.ujjivansfb.in/corporate-governance-policies.

To conserve capital for future growth, the Directors have not recommended any dividend for the FY 2024-25. Dividend for the FY 2023-24 of ₹ 290.07 Crores (before TDS) was paid out to the equity shareholders in August 2024.

CHANGE IN THE NATURE OF BUSINESS

There was no change in the nature of business of the Bank during FY 2024-25.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments have occurred after the closure of the FY 2024-25 till the date of this report, which might have affected the financial position of the Bank.

REVISION OF FINANCIAL STATEMENT OR THE DIRECTORS' REPORT

The Bank has not revised its financial statements or the directors' report in respect of any of the three preceding financial years either voluntarily or pursuant to the order of any judicial authority.

GENERAL INFORMATION

Detailed overview of the banking industry and important changes therein, external environment and economic outlook have been elaborated in the Management and Discussion Analysis Report which forms part of the Annual Report of the Bank for the FY 2024-25.

CAPITAL AND DEBT STRUCTURE

A. CHANGES IN CAPITAL STRUCTURE

With the Scheme of Amalgamation between Ujjivan Financial Services Limited (UFSL) and Ujjivan Small Finance Bank Limited (USFB/Bank) being effective from the appointed date being April 01, 2023, the authorised share capital of the Bank increased as a result of transfer of ₹ 1,250,000,000 authorised capital from UFSL to the Bank. Further the authorised preference share capital ₹ 2,000,000,000 of the Bank has also been added to the authorised equity share capital, accordingly as on date the authorised share capital of the Bank is ₹ 26,250,000,000 divided into 2,625,000,000 equity shares of ₹ 10/- each.

Following are details of increase in the paid-up capital during the FY 2024-25:

Sr	Particulars	Amount (in ₹)
1	Paid-up Capital at the beginning of the Financial Year (post merger)*	19,314,285,090
3	Equity Shares allotted under the ESOP Scheme 2019 during the FY 2024-25	35,751,340
4	Paid-up Capital at the end of the Financial Year	19,350,036,430

Note: Pursuant to the effect of the Scheme of amalgamation, 1,440,036,800 equity shares and 200,000,000 preference shares of the Bank held by UFSL are extinguished. Consequent to the aforesaid, the paid-up equity capital of the Bank is revised to ₹ 19,314,285,090.

B. ISSUE OF EQUITY SHARES OR OTHER CONVERTIBLE SECURITIES

During the FY 2024-25, following equity shares were issued and allotted:

Sr	Particulars of Equity Shares allotted under the ESOP Scheme 2019 allotted on following dates:	No. of shares	Total Nominal Price (in ₹)	Total Issue Price including premium (in ₹)
1	April 04, 2024	366,608	3,666,080.00	9,732,337.75
2	June 11, 2024	773,567	7,735,670.00	21,649,024.95
3	July 09, 2024	1,266,134	12,661,340.00	39,754,382.40
4	August 08, 2024	154,454	1,544,540.00	3,986,078.75
5	September 09, 2024	194,971	1,949,710.00	5,430,521.72
6	October 09, 2024	277,670	2,776,700.00	7,627,718.45
7	November 06, 2024	63,899	638,990.00	1,892,311.60
8	December 12, 2024	17,893	178,930.00	400,800.65
9	January 08, 2025	21,297	212,970.00	507,660.40
10	February 08, 2025	219,702	2,197,020.00	4,681,166.65
11	March 12, 2025	218,939	2,189,390.00	5,324,394.10
TOTAL		***3,575,134***	***35,751,340***	***100,986,397.42***

C. ISSUE OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS AND/OR SWEAT EQUITY SHARES

During the FY 2024-25, the Bank has neither issued any equity shares with differential rights nor any sweat equity shares.

D. EMPLOYEE STOCK OPTIONS/ SHARE BASED EMPLOYEE BENEFIT SCHEMES

The Bank has formulated and implemented ESOP 2019 Scheme and ESPS 2019 Scheme to reward the employees of the Bank, and employees of its present or future subsidiary(ies) and/or holding company(ies), for their association and performance as well as to motivate them to contribute to the growth and profitability of the Bank.

ESOP 2019 Scheme:

The Bank, pursuant to the resolutions passed by the Board on January 22, 2019 and by the Members on March 29, 2019, adopted the ESOP 2019 Scheme. The Bank in its 4th Annual General Meeting held on September 02, 2020 has ratified the ESOP 2019 Scheme as required under the SEBI (Share Based Employee Benefits) Regulations, 2014. The Bank may grant an aggregate number of up to 144,000,000 stock options under the ESOP 2019 Scheme. Upon exercise and payment of the exercise price, the option holder will be entitled for allotment of one equity share per stock option. Accordingly, the number of equity shares that may be issued under the ESOP 2019 Scheme shall not exceed 144,000,000 equity shares of face value ₹10 each.

The ESOP 2019 Scheme is effective from March 29, 2019. The objectives of ESOP 2019 Scheme are, among others, to attract and retain employees with stock options as a compensation tool. Through ESOP 2019 Scheme, the Bank offers an opportunity of sharing the value created with those employees who have contributed or are expected to contribute to the growth and development of the Bank.

The ESOP 2019 Scheme has been framed and implemented in compliance with provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014, now SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, Companies Act, 2013 and rules made thereunder and relevant guidance notes and accounting standards.

During the year, the NRC revised the ESOP Scheme 2019 of the Bank in accordance with Regulation 7(2) of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, that permits a Company to vary the terms of the schemes to meet any regulatory requirement without seeking shareholders' approval by special resolution. The below para in the ESOP Scheme 2019 under clause 8.2(b) Table Sr. 3 was added to ensure ESOP Scheme 2019 is in line with the RBI guidelines:

"However, in case of options granted to MRTs, the options will get vested to the MRTs as per the vesting schedule without any acceleration in case of their retirement to ensure the compliance of all applicable RBI guidelines."

 # MRTs: Material Risk Takers

During the FY 2024-25, following grants have been made to the eligible employees with the approval of the Nomination and Remuneration Committee of the Bank:

Sr. No	Date of grant	Number of options	Price (₹)
1.	May 13, 2024	2,848,007*	33.20
2.	May 13, 2024	69,742	51.80
3.	August 16, 2024	66,375	41.92
4.	August 23, 2024	1,099,211	43.78
5.	March 24, 2025	3,040,164	34.30
Total		**7,123,499**	**-**

**As stated in the Scheme of Amalgamation of Ujjivan Financial Services Limited (Transferor Company) and the Bank (Transferee Company), with respect to the stock options granted to eligible employees by the Transferor Company under its ESOP scheme which remains unexercised upon coming into effect of this Scheme, the Bank has granted 2,848,007 stock options to such eligible employees of Transferor Company taking into account the share exchange ratio and on the same terms and conditions.*

As on March 31, 2025, 156,133,275 stock options have been granted by the Bank under ESOP 2019 Scheme to eligible employees of the Bank. Following are the details of ESOP 2019 as on March 31, 2025:

Particulars	Details
Options granted and valid at the beginning of the year (A)	102,648,472
Options granted during the year (B)	7,123,499
Options vested during the year	16,860,977
Options exercised during the year (C)	3,272,353
The total number of shares arising as a result of exercise of options	3,575,134
Options forfeited / lapsed during the year (D)	9,937,213

Particulars	Details
Variation in terms of options	None
Money realised by exercise of options (₹)	100,986,397
Total number of options in force = (A) + (B) – (C) – (D)	96,562,405
Details of options granted during the year to:	
Key Managerial Personnel	Mr. Sadananda Balakrishna Kamath, CFO was granted 2,872,400 options at a price of ₹ 34.33 per option
Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Nil
Identified employees who were granted options during any one year equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Bank at the time of grant	Nil

**3,66,608 options exercised in the month of March 2024 was allotted on April 04, 2024.*

62,304 options exercised in the month of March 2025 was allotted on April 17, 2025.

The disclosures as required under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by SEBI are available on the website of the Bank at www.ujjivansfb.in.

ESPS 2019 Scheme:

The Bank, pursuant to the resolutions passed by the Board on July 30, 2019 and by the Members on August 03, 2019, adopted the ESPS 2019 Scheme. The ESPS 2019 Scheme has been framed and implemented in compliance with provisions of the SEBI (Share Based Employee Benefits) Regulations, 2014 now, SEBI (Share Based Employee Benefits & Sweat Equity) Regulations 2021, Companies Act, 2013 and rules made thereunder and relevant guidance notes and accounting standards.

The objective of the ESPS 2019 Scheme is inter-alia to reward the eligible employees of the Bank and its Holding Company for their association and performance as well as to motivate them to contribute to the growth and profitability of the Bank.

Pursuant to the ESPS 2019 Scheme, the Board is authorised to issue up to 72,001,840 fully paid up equity shares of the face value of ₹ 10 each with pari-passu voting rights, to the eligible employees (as defined under the ESPS 2019 Scheme), in accordance with the terms and conditions as may be decided by the Nomination and Remuneration Committee of the Bank.

The Nomination and Remuneration Committee has been entrusted with the responsibility of administering the ESPS 2019 Scheme. No ESPS was granted or exercised during the FY 2024-25.

The disclosures as required under Regulation 14 of the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 read with Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 issued by the SEBI are available on the website of the Bank at www.ujjivansfb.in.

Further as per Regulation 13 of the SEBI (Share Based Employee Benefit and Sweat Equity) Regulations, 2021, the Board of Directors have obtained the certificate from the Secretarial Auditor of the Bank, K Jayachandran, certifying that the schemes have been implemented in accordance with these regulations and in accordance with the resolution of the Bank in the general meeting. The same has been enclosed as **"Annexure - 1"** to this report.

E. ISSUE OF DEBENTURES, BONDS OR ANY NON-CONVERTIBLE SECURITIES OR WARRANTS

During the FY 2024-25, the Bank has not issued any debentures, bonds or any non-convertible securities or warrants. However, the Bank has duly carried out monthly interest payments on the Non-Convertible Debentures (NCDs) having a face value of ₹ 100,000 (Indian Rupees One Lakh) aggregating to ₹ 3,000,000,000, issued during the FY 2022-23 as per the terms of the said issue.

DILUTION OF PROMOTER'S SHAREHOLDING AND REVERSE MERGER

The Hon'ble NCLT, Bengaluru Bench vide its order dated April 19, 2024 had sanctioned the Scheme of Amalgamation ("Scheme") between Ujjivan Financial Services Limited (erstwhile Promoter of the Bank) and the Bank and their respective shareholders and creditors under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder.

As per the instructions of the NCLT, the NCLT order copy was filed with the ROC office, Bengaluru, by both the parties on April 30, 2024 and the promoter entity was dissolved without winding up from the even date and the promoter entity was dissolved without winding up. Further all the eligible Shareholders of the Promoter entity was allotted 1,412,702,033 equity shares of the Bank as per the Share Exchange Ratio of 10:116 as stated in the Scheme and the Bank was in receipt of the final listing and trading approval from NSE & BSE on May 17 and 19, 2024 respectively. Also, the Bank through its Trustee i.e., M/s. Catalyst Trusteeship Limited disposed the fractional entitlements of shares of the eligible shareholders of the Promoter entity at the price given below on June 10, 2024 and the net sale proceeds was distributed after applicable deductions to the eligible shareholders of Promoter entity in proportion to their fractional entitlements on June 15, 2024.

Number of Shares sold	Aggregate Share Price (in ₹)	Gross proceeds (in ₹)	Deductions (in ₹)	Net Proceeds (in ₹)
17,945	50	897,250	2,142.84	895,107.16

APPLICATION TO RBI FOR UNIVERSAL BANKING LICENSE

Based on the Board approval dated January 23, 2025, the Bank had submitted the formal application to the Reserve Bank of India ("RBI") for obtaining the Universal Banking License as per the RBI Guidelines for 'on tap' Licensing of Universal Banks in the Private Sector dated August 01, 2016 read with RBI circular on Voluntary transition of Small Finance Banks to Universal Banks dated April 26, 2024.

CAPITAL ADEQUACY

The Bank is subject to the Basel II Capital Adequacy guidelines (NCAF) as stipulated by RBI. The Capital to Risk Assets Ratio (CRAR) of the Bank is calculated as per the Standardised Approach (SA) for Credit Risk.

CRAR of the Bank is calculated on the basis of RBI NCAF guidelines. The CRAR of the Bank as at March 31, 2025 using Risk Weighted Assets for credit risk related exposures only, as required under the operating guidelines of RBI for Small Finance Banks, was 23.10% against a minimum requirement of 15% and Tier I capital ratio was 21,38% against the minimum requirement of 7.5%.

CREDIT RATING

Credit ratings assigned to Long Term Bank Facilities, Subordinated Non-Convertible Debentures and Certificate of Deposit Programme of the Bank as on March 31, 2025 with details of changes as on date:

Instrument Name	Name of Credit Rating Agency	Amount (₹ In Crores)	Rating	Date of Credit Rating	Revision in the Credit Rating during the FY 2024-25
Certificate of Deposit Programme	CRISIL Ratings Limited	2,500.00	CRISIL A1+	16-02-2023	None; last reaffirmed on February 16, 2023
Long Term Bank Facilities	CARE Ratings Limited	500.00	CARE AA-; Stable	26-03-2025	Rating reaffirmed on March 26, 2025
Subordinated Non-Convertible Debentures	CARE Ratings Limited	500.00	CARE AA-; Stable	26-03-2025	Rating reaffirmed on March 26, 2025
Fixed Deposit	CARE Ratings Limited	10,000.00	CARE AA-; Stable	26-03-2025	Rating reaffirmed on March 26, 2025

TRANSFER OF UNPAID AND UNCLAIMED AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

In terms of Section 124 & 125 of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the dividend that remains unpaid or unclaimed for a period of seven consecutive years from the date of transfer, are required to be transferred to the Investor Education and Protection Fund (IEPF).

As on March 31, 2025, the unclaimed dividend declared by Ujjivan Financial Services Limited (merged with Ujjivan Small Finance Bank Limited) and Bank for the below years are as under:

Sr.	Financial Year	Dividend Type	Unclaimed Dividend (in ₹)
1	FY 2017-18	Final (UFSL)	143,090.00
2	FY 2018-19	Interim (UFSL)	221,734.10
3	FY 2018-19	Final (UFSL)	71,163.45
4	FY 2019-20	Final (UFSL)	149,829.30
5	FY 2022-23	Interim (UFSL)	421,608.00
6	FY 2022-23	Interim (Bank)	632,974.35
7	FY 2022-23	Final (Bank)	424,850.57
8	FY 2023-24	Interim (UFSL)	324,474.50
9	FY 2023-24	Final (Bank)	3,080,286.00

During the FY 2024-25, unclaimed dividend of ₹ 156,920 for the FY 2016-17 for UFSL and 400 equity shares of UFSL that remained unclaimed were transferred to Investor Education and Protection Fund (IEPF).

BOARD AND KEY MANAGERIAL PERSONNEL

Following changes took place in the Board Composition during the FY 2024-25:

Sr.	Name of the Director	Type of change	Effective Date	Remarks
1.	Ms. Carol Kripanayana Furtado (DIN: 07587305)	Appointment	May 01, 2024	Appointment as the Whole-Time Director of the Bank.
2.	Ms. Mona Kachhwaha (DIN: 01856801)	Appointment	May 18, 2024	Appointment as an Independent Director of the Bank for the term of 5 (five) years.
3.	Mr. Ittira Davis (DIN: 06442816)	Early Retirement	June 30, 2024	Early retirement from the position of Managing Director & Chief Executive Officer of the Bank.
4.	Mr. Sanjeev Nautiyal (DIN: 08075972)	Appointment	July 01, 2024	Appointment as the Managing Director & Chief Executive Officer of the Bank.
5.	Mr. Banavar Anantharamaiah Prabhakar (DIN: 02101808)	Re-appointment	August 20, 2024	Re-appointment as an Independent Director of the Bank for the second term of maximum 5 (five) years.
6.	Mr. Ravichandran Venkataraman (DIN: 02064557)	Re-appointment	August 20, 2024	Re-appointment as an Independent Director of the Bank for the second term of 5 (five) years.
7.	Mr. Samit Kumar Ghosh (DIN: 00185369)	Retirement	November 30, 2024	Retirement on attaining age of 75 years from the position of Non-Executive, Non-Independent Director of the Bank.

The brief profiles of the Directors are available on the website of the Bank at https://www.ujjivansfb.in/board-of-director.

KEY MANAGERIAL PERSONNEL

As on March 31, 2025, pursuant to Section 203 of the Companies Act, 2013, Mr. Sanjeev Nautiyal, Managing Director and CEO, Ms. Carol Furtado, Whole-Time Director, Mr. SB Kamath, Chief Financial Officer and Mr. Sanjeev Barnwal, Company Secretary and Compliance Officer are the Key Managerial Personnel ("KMP") of the Bank.

Following were the changes in the Key Managerial Personnel during the FY 2024-25:

Sr	Name	Position	Effective Date	Remarks
1.	Ms. Carol Kripanayana Furtado	WTD	May 01, 2024	Appointment as the WTD and KMP of the Bank
2.	Mr. Ittira Davis	MD & CEO	June 30, 2024	Early retirement from the position of MD & CEO and KMP of the Bank.
3.	Mr. Sanjeev Nautiyal	MD & CEO	July 01, 2024	Appointment as the MD & CEO and KMP of the Bank.
4.	Mr. MD Ramesh Murthy	CFO	October 07, 2024	Early retirement from the position of CFO of the Bank.
5.	Mr. SB Kamath	CFO	December 05, 2024	Appointment as the CFO of the Bank.

The brief profiles of the Key Managerial Personnel are available on the website of the Bank at https://www.ujjivansfb.in/management-team.

DECLARATION BY INDEPENDENT DIRECTORS AND STATEMENT ON COMPLIANCE OF CODE OF CONDUCT

The Bank has received declarations from all its Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI Listing Regulations and that they have complied with the code of conduct for independent directors as prescribed under Schedule IV of the Companies Act, 2013.

Further, pursuant to Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors of the Bank have also confirmed that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, to impair or impact their ability to discharge their duties with an objective of independent judgment and without any external influence.

In the opinion of the Board, all the Independent Directors meet the criteria with regards to integrity, expertise and experience (including proficiency*) as required under applicable laws.

**All Independent Directors of the Bank have registered themselves in the data bank as specified under Section 150 of the Companies Act, 2013 read with Rule 6 of Companies (Appointment and Qualifications of Directors) Rules, 2014. Few Independent Directors have qualified the prescribed proficiency test. The Independent Directors (not exempted under the Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2020 as notified on December 18, 2020) are committed to qualify the online proficiency self-assessment as required under aforesaid Rule within the prescribed timeline.*

The Bank has also received from its directors, a statement that they have complied with the Code of Conduct for Directors and Senior Management of the Bank.

DIRECTOR E-KYC

MCA vide its amendments to the Companies (Appointment and Qualification of Directors) Rules, 2014, had mandated registration of KYC of all Directors. All the Directors of the Bank have complied with said requirement in FY 2024-25.

DIRECTORS AND OFFICERS LIABILITY INSURANCE POLICY

The Bank has a Directors and Officers Liability Insurance Policy which protects Directors and Officers of the Bank for any breach of fiduciary duty.

NUMBER OF MEETINGS OF THE BOARD

The Board met 10 (Ten) times during the FY 2024-25. The meetings of the Board of Directors were convened in accordance with applicable laws and standards and the intervening gap between the said meetings was not exceeding 120 days. The details of Board Meetings are available in the Corporate Governance Report which forms part of the Annual Report of the Bank for the FY 2024-25.

BOARD COMMITTEES

The Bank believes that the Board Committees are pillars of good corporate governance. In pursuit of the highest standard of corporate governance and to comply with the provisions of the Companies Act, 2013, SEBI Listing Regulations and RBI guidelines, the Bank has constituted various statutory and regulatory Board Level Committees. Further, in order to improve the Board effectiveness, efficiency and faster decision making, the Bank has also constituted a few non-statutory and non-regulatory Board Level Committees for better governance and supervision.

As on March 31, 2025, the Bank had 11 (Eleven) Board Committees and their applicability under below mentioned statutes are as follows:

Sr. No.	Board Committee	Companies Act, 2013	SEBI Listing Regulations	RBI Requirements
1.	Audit Committee	Yes	Yes	Yes
2.	Risk Management Committee	No	Yes	Yes
3.	Nomination and Remuneration Committee	Yes	Yes	Yes
4.	Stakeholders Relationship Committee	Yes	Yes	No
5.	IT Strategy Committee	No	No	Yes
6.	Customer Service Committee	No	No	Yes
7.	Fraud Committee (Special Committee of Board for Monitoring High Value Frauds)	No	No	Yes
8.	Review Committee of Willful defaulters	No	No	Yes
9.	Corporate Social Responsibility & Sustainability Committee	Yes	No	No
10.	Committee of Directors*	No	No	No
11.	Business Strategy Committee	No	No	No

**The Board has changed nomenclature of Committee of Directors to Credit Committee of Board w.e.f. April 01, 2025.*

The details of composition, number of meetings held and date thereof and terms of reference of the above Committees are available in the Corporate Governance Report which forms part of the Annual Report of the Bank for the FY 2024-25.

RECOMMENDATIONS OF AUDIT COMMITTEE

During the FY 2024-25, there was no incidence, where the Board has not accepted any recommendations of the Audit Committee.

BOARD EVALUATION

The Board has carried out an annual evaluation of its own performance, the performance of Board Committees and Individual Directors pursuant to the provisions of Section 178 read with Schedule IV of Companies Act, 2013, Regulation 19 of the SEBI Listing Regulations and applicable RBI guidelines.

The performance evaluation was carried out by the Nomination and Remuneration Committee and by the Board in their meetings held on March 24, 2025.

The approved evaluation formats and criteria are in line with the SEBI Guidance Note on Evaluation dated January 05, 2017.

The Nomination and Remuneration Committee has laid down comprehensive parameters for evaluation, a few of which are listed below:

I. **The Board:** Composition, structure, meetings, functions, management and professional development, ethics and compliance among others.

II. **The Committees:** Mandate & Composition, effectiveness, structure, meetings, independence of the committee, contribution to decision making of the Board, among others.

III. **Individual directors (including Chairperson, Independent Directors and Non-Independent Directors):** Leadership, Commitment, Contribution, Experience, Expertise, Independence, Integrity, Attendance, Responsibility, Flow of Information among others.

The performance of the Board and Board Committees was evaluated after seeking inputs from all the directors.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of the approved criteria for evaluation. In addition, the Chairman and Managing Director & CEO were also evaluated on the key aspects of their roles.

Performance evaluation of Directors was done by the Nomination and Remuneration Committee and entire Board, excluding the Director being evaluated. The Committee evaluated the performance of Directors and noted that:

i. The Directors had requisite competency, qualification, commitment and integrity.

ii. The Directors had long term vision, industry knowledge and expertise and were wholly committed and provided ethical leadership to the Bank.

iii. The Directors had the ability to function as a team.

iv. Further, the Directors were regular in attending meetings and contributed effectively during the discussions.

v. There was no apparent conflict of interest and that they expressed their opinion freely.

Further, performance of Non-Independent Directors, the performance of the Board as a whole, the performance of the Chairman and quality, quantity and timeliness of the flow of information between the Bank's Management and its Board were also evaluated.

REMUNERATION OF DIRECTORS AND EMPLOYEES

The remuneration being paid to the MD & CEO and Whole Time Director are in conformity with the RBI approval.

The remuneration of Non-Executive Directors was paid only by way of sitting fees which is within the limit prescribed under Section 197(5) of the Companies Act, 2013 and RBI Guidelines on Review of Fixed Remuneration granted to Non-Executive Directors (NEDs) dated February 09, 2024.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1), (2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this Report as **Annexure-2.** In terms of Section 136(1) of the Companies Act, 2013, the annual report and the financial statements are being sent to the Members excluding the disclosures in terms of Rule 5(2) and (3) as mentioned above. The same is available for inspection and any Member interested in obtaining a copy of the Annexure may write to the Company Secretary of the Bank at corporatesecretarial@ujjivan.com

REMUNERATION RECEIVED BY THE MANAGING DIRECTOR/WHOLE-TIME DIRECTOR FROM HOLDING OR SUBSIDIARY COMPANY

During the FY 2024-25, the MD & CEO has not received any remuneration or commission from the erstwhile Promoter i.e., Ujjivan Financial Services Limited.

The Bank had no subsidiary company during the FY 2024-25.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

Complying with Regulation 25(7) of SEBI Listing Regulations and RBI guidelines, no introductory familiarisation programmes were conducted during the FY 2024-25 as there were no new Independent Directors appointed on the Board during this period. However, the Bank has conducted various training programmes for its Directors including the Independent Directors during the FY 2024-25.

The details of such programmes are available on the website of the Bank at https://www.ujjivansfb.in/corporate-governance-policies

DIRECTORS' RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls established and maintained by the Bank, work performed by the internal, statutory and secretarial auditors, reviews performed by the Management and the relevant Board Committees, the Board, in concurrence with the Audit Committee, is of the opinion that the Bank's internal financial controls were adequate and effective as on March 31, 2025.

Pursuant to Section 134 (5) of the Companies Act, 2013, the Board, to the best of its knowledge, hereby confirms and states that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit and loss of the Bank for that period;

(c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;

(d) they have prepared the annual accounts on a going concern basis;

(e) they have laid down internal financial controls to be followed by the Bank and that such internal financial controls are adequate and were operating effectively; and

(f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

NOMINATION AND REMUNERATION POLICY

The Bank pursuant to the provisions of Section 178(3) of the Companies Act, 2013, Regulation 19 of SEBI Listing Regulations and RBI Requirements has formulated and adopted a Nomination and Remuneration Policy on directors' appointment and remuneration and the criteria for determining qualification, positive attributes and independence of directors, which is available on the website of the Bank at www.ujjivansfb.in/corporate-governance-policies.

Leadership Development and Succession Planning:

Alongside the ongoing Leadership Development Programme EDGE that aims to identify high performers and assess their potential and suitability for leadership roles at Ujjivan, the Bank is also building a robust leadership pipeline through high-potential talent identification, succession planning at both management and Board level, and experiential learning opportunities. As part of this initiative, the Bank continues to undertake an extensive exercise to identify gaps in successors for critical positions and actively addresses the gaps by leveraging market mapping and targeted talent acquisition to ensure readiness for future transitions under the direct guidance of the Nomination and Remuneration Committee of the Bank.

RISK MANAGEMENT

The Risk Management Committee ("RMC") of the Board comprises of experienced directors from diverse backgrounds who bring in the best risk management practices to the Bank. The RMC presently comprises of 7 (seven) directors out of which 5 (five) are Independent Directors.

The RMC fulfils its roles and duties through various management level risk committees. Risk-specific management level committees have also been constituted such as the Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC), Asset Liability and Market Risk Committee (ALCO), Enterprise Risk Management Committee (ERMC), Information Security Committee and Business Continuity Management Committee. These committees are entrusted with the task to identify, measure, mitigate and monitor various risks on a day-to-day basis. There is also a National Controls and Compliance Committee (NCCC) comprising of control function heads which meets at regular intervals to deliberate on common risks identified across the Bank.

The frequency, members and the quorum required for these management level committees are furnished in the respective risk policies and the charter. These committees meet at regular intervals to assess and monitor the levels of risk pertaining to market, credit and operations. In the last FY, the number of meetings, both at Board committee level and at Management level, far exceeded the required minimum, to review and address issues and risks that emerged in a changing environment.

The Bank has identified the following risks as Pillar I risks, in line with the RBI NCAF guidelines:

- Credit Risk
- Operational Risk
- Market Risk

In addition to the above-mentioned Pillar-I risks, the Bank also monitors the following second order or derived risks (Pillar II Risks) using specialised methodologies. The Bank has onboarded specialised personnel for monitoring the same and a comprehensive analysis is undertaken under its Internal Capital Adequacy and Assessment Process (ICAAP).

- Liquidity Risk
- Interest Rate Risk in Banking Book
- Concentration Risk
- Outsourcing Risk
- Strategic Risk
- Reputational Risk
- Underestimation of credit risk
- Compliance risk
- People Risk
- IT and Information Security risks
- Emerging Risks such as Climate Risk, ESG risk, Model risk and Fintech risks.

The Bank's Risk Management Framework is based on a clear understanding of the above risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with international best practises. The Bank has oversight on all the risks through regular monitoring of Key Risk Indicators and benchmarks/ tolerance/appetite against each type of risk.

Further, the Board reviews the Risk Management Framework of the Bank and verifies adherence to various risk parameters and compliances at least at quarterly intervals or more frequently if the situation so warrants. The RMC provides a recommendation to approve risk-related policies, including the quarterly/half-yearly/annual review reports of major risks.

From a governance perspective, the Bank has in place an effective risk management policy(s) which is duly approved by the Board, that highlights the functions, implementation and role of the Risk Management Committee of the Board and the Board of Directors.

In compliance to the Pillar-III requirements, the Bank has in place a Board approved policy on Disclosures that addresses its approach for determining what disclosures it will make and the internal controls over the disclosure process.

WHISTLE BLOWER POLICY / VIGIL MECHANISM

The Bank's Whistle Blower Policy allows employees, directors, other stakeholders of the Bank such as customers, NGOs, the Group (if any), Joint Ventures (if any), Suppliers, Contractors, NGOs and members of the public to report matters such as genuine grievances, corruption, fraud, misconduct, and instances of leakage of unpublished price sensitive information, misappropriation of assets and non-compliance of code of conduct of the Bank or any other unethical practises.

Utmost protection has been accorded to the whistle blowers and their identities are kept confidential.

The Policy also further provides an adequate safeguard against victimisation to the Whistle Blower and enables them to raise concerns and also provides an option of direct access to the Chairperson of the Audit Committee.

Name and Address of the Whistle and Ethics Officer

Ms. Chandralekha Chaudhuri

Ujjivan Small Finance Bank Ltd.

Grape Garden, No. 27, 3rd A Cross, 18th Main, 6th Block, Bangalore – 560095, Karnataka

Email- chandralekha.chaudhuri@ujjivan.com

Protected disclosures against the Whistle and Ethics Officer need to be addressed to the Managing Director and CEO of the Bank and the protected disclosure against the Managing Director and CEO of the Bank are required to be addressed to the Chairperson of the Audit Committee.

Name and Address of MD & CEO of the Bank

Mr. Sanjeev Nautiyal

Ujjivan Small Finance Bank Limited

Grape Garden, No. 27, 3rd "A" Cross, 18th Main,

6th Block, Koramangala, Bengaluru – 560095,

Karnataka

Email: sanjeev.nautiyal@ujjivan.com

Name and Address of the Chairperson of the Audit Committee

Ms. Sudha Suresh,

C1, Farvella Apartments, 92/1 Lavelle Road 3rd Cross, Bangalore – 560001

Email: sudha.suresh@ujjivan.com

During the FY 2024-25, no one has been denied access to the Chairperson of the Audit Committee.

The Whistle Blower Policy is available on the website of the Bank at www.ujjivansfb.in/corporate-governance-policies

The confidentiality of those reporting violations is strictly maintained and they are not subjected to any discriminatory practice.

The status of the whistle blower complaints received and resolved by the Bank:

Particulars for FY 2024-25	Number of Complaints
Number of Whistle Blower Complaint at the beginning	0
Number of Whistle Blower Complaint received during the year	22
Number of Whistle Blower Complaint resolved during the year	20
Number of Whistle Blower Complaint at the end	2*

** The investigation got completed in the two cases during April'2025.*

ADEQUACY OF INTERNAL FINANCIAL CONTROL

The Bank has laid down certain guidelines, policies, processes and structures to enable the implementation of appropriate internal financial controls across the Bank. These control processes enable and ensure orderly and efficient conduct of the Bank's business, including the safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and timely preparation of reliable financial information. There are control assessments for both the Bank's critical operating processes and IT applications, including ERP applications, wherein the transactions are approved and recorded. These controls are both manual and automated. Review and control mechanisms are built in to ensure that such control systems are adequate and operating effectively.

Because of the inherent limitations of internal financial controls, including the possibility of collusion or improper management override of controls, material mis-statements in financial reporting due to error or fraud may occur and may not be detected. Also, evaluation of the internal financial controls is subject to the risk that the internal financial control may become inadequate because of changes in conditions or that the compliance with the policies or procedures may deteriorate.

The Bank has, in all material respects, an adequate internal financial controls system which was considerably enhanced during the FY 2024-25 and such internal financial controls were operating effectively based on the internal control criteria established by the Bank considering the essential components of internal control stated in the guidance note on audit of internal control over financial reporting issued by the Institute of Chartered Accountants of India.

NO FRAUDS REPORTED BY THE AUDITORS

During the FY 2024-25, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee/Board or Central Government any instances of material fraud in the Bank by its officers or employees under Section 143(12) of the Companies Act, 2013.

DISCLOSURES RELATING TO SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

A. REPORT ON PERFORMANCE AND FINANCIAL POSITION OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

There were no Subsidiary Company, Associate Company and Joint Venture of the Bank during the FY 2024-25.

B. COMPANIES WHICH HAVE BECOME OR CEASED TO BE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

No company became or ceased to be Subsidiary Company, Associate Company and Joint Venture of the Bank during FY 2024-25.

DEPOSITS

The Chapter V of the Companies Act, 2013 does not apply to the Bank. During the FY 2024-25, the Bank has accepted deposits from the public in the ordinary course of its banking business. The details of the deposits are enumerated in the Financial Statement for the FY 2024-25.

Being a banking company, the disclosures required as per Rule 8(5)(v) & (vi) of the Companies (Accounts) Rules, 2014, read with Section 73 and 74 of the Companies Act, 2013 are not applicable to the Bank.

PARTICULARS OF LOANS, GUARANTEES AND/OR INVESTMENTS

The provisions of Section 186 of Companies Act, 2013 except sub-section (1) do not apply to a loan made, guarantee given or security provided by a banking company in the ordinary course of business.

RELATED PARTY TRANSACTIONS AND CONTRACTS/ARRANGEMENTS

There was no materially significant related party transaction entered between the Bank and its related parties, except for those disclosed in the financial statement.

All the contracts/arrangements/transactions entered by the Bank with the related parties during the FY 2024-25 were on arm's length basis; accordingly, the disclosure of particulars of contracts/ arrangements entered into by the Bank with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 in Form AOC-2 is not applicable.

The Bank has formulated a Policy on 'Materiality of Related Party Transactions' which forms part of the Policy on dealing with 'Related Party Transactions' is available on the website of the Bank at www.ujjivansfb.in/corporate-governance-policies.

CORPORATE SOCIAL RESPONSIBILITY ("CSR")

The Bank has a duly constituted CSR Committee with 5 (Five) Directors out of which 4 (Four) are Independent Directors. The details of the changes in the composition of the CSR Committee during the FY 2024-25 have been provided in the Corporate Governance Report which forms part of the Annual Report for the FY 2024-25.

The Bank has formulated its CSR policy pursuant to Section 135(4) of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended, in accordance with the approach and direction given by the Board of the Bank, taking into account the recommendations of its CSR Committee, and including guiding principles for selection, implementation and monitoring of activities as well as formulation of the annual action plan.

The said Policy is available on the website of the Bank at www.ujjivansfb.in/corporate-governance-policies.

The detailed Annual Report on the CSR activities for the FY 2024-25 is annexed to this Report as **Annexure-3**.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

A. CONSERVATION OF ENERGY

Ujjivan has been actively pursuing various initiatives aimed at achieving its goal of reducing power consumption by 20% by 2030. The Sanchaya Programme, a sincere effort towards Energy conservation has been relaunched in Q3 FY 2024-25 at corporate and regional offices to reduce energy usage. Through this initiative, the Bank has saved 7% of electricity in Q3 from that of the previous year's consumption in units. In addition, the Bank closely monitors the usage of desktops and laptops, ensuring that they are switched off when not in use. The use of LED lighting continues as part of our ongoing efforts to improve energy efficiency. During the FY 2024-25, the Bank also renovated its corporate main building, diligently incorporating sustainability practises throughout the process. Through installation of energy efficient appliances like Sensor-based lighting, VRV AC systems, HVAC Timing & temperature control systems etc, close monitoring of the usage and imparting consistent awareness on mindful consumption among employees and staff members have enabled us to save about 30% in our renovated corporate Main block from that of last FY.

B. TECHNOLOGY ABSORPTION

In FY 2024-25, Ujjivan Small Finance Bank scaled up its RPA efforts significantly, achieving a 40% increase in the number of new processes automated (from 15 to 21) compared to the previous year. The Bank also enhanced 6 existing RPA processes, maintaining its momentum in process optimisation.

These initiatives resulted in a 72.5% rise in man-hours saved, with over 88,000 hours freed up during the year, and a 70.7% increase in cost savings, crossing the ₹14 Crores mark. Departments such as Operations, Micro Banking, Vigilance, Finance, Credit, IT, Risk, and HR continued to leverage RPA to drive scale and efficiency.

Current year we have focused on driving projects under three KPIs

- **Operational Efficiency**

  Processes involving high volumes and repetitive actions were automated to improve turnaround time and reduce manual dependencies. This includes automation of user ID generation across critical applications, and backend reconciliation work for a fintech partner—leading to faster execution and significant reduction in staff effort.

- **Compliance & Control**

  Regulatory-focused processes were automated to ensure timely, consistent execution and adherence to guidelines. A daily compliance task in Treasury—mandated by RBI—was fully automated, improving accuracy and audit readiness. Additionally, cheque clearing operations were automated with increased frequency, aligning with regulatory expectations and reducing the risk of delay or error.

- **Accuracy & Reliability**

  Manual, error-prone reporting and communication tasks were digitised to ensure consistency. Training compliance reports, previously created manually by L&D, are now generated automatically with mapped data inputs. Email reminders for performance appraisals and goal-setting activities were also automated to ensure timely action and higher process completion rates.

These achievements underscore the Bank's strategic focus on digital transformation through intelligent automation, delivering tangible business value year over year.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

During the FY 2024-25, 682 transactions (Inward & Outward) were processed adding up to USD 58.23 Lakh during the period. It resulted in an exchange income of ₹ 61.06 Lakhs for the Bank. Total Foreign Exchange Outward was USD 54.37 Lakh during the FY 2024-25.

SIGNIFICANT AND MATERIAL ORDERS BY THE REGULATORS OR COURTS OR TRIBUNALS

During the FY 2024-25, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Bank and its operations in future.

However, basis the receipt of the Shareholders approval of the Bank and Ujjivan Financial Services Limited (erstwhile Promoter) on the Scheme of Amalgamation between the erstwhile Promoter and Bank, a second motion petition was filed with the Hon'ble NCLT, Bengaluru Bench for final sanction of the Scheme. Further, the Hon'ble NCLT, Bengaluru Bench granted its final sanction vide its order dated April 19, 2024 sanctioning the Scheme of Amalgamation between the erstwhile Promoter and the Bank.

AUDITORS

A. STATUTORY AUDITORS

Pursuant to the receipt of the RBI approval vide its letter dated April 15, 2024, the Members of the Bank, in the 8th Annual General Meeting held on July 26, 2024, appointed M/s. Deloitte Haskins & Sells, Chartered Accountants (FRN 117365W) and M/s Abarna & Ananthan, Chartered Accountants (FRN 000003S) as the Joint Statutory Auditors of the Bank for a period of 3 (three) consecutive financial years until the conclusion of 11th (Eleventh) AGM of the Bank to be held in the Financial Year 2027-28, subject to approval of the RBI on an annual basis, pursuant to the RBI Guidelines for Appointment of Statutory Central Auditors (SCAs)/ Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs).

The policy of the Bank on "Appointment of Statutory Auditors" is available on the website of the Bank at www.ujjivansfb.in/corporate-governance-policies

Report of the Statutory Auditors

The Statutory Audit of the Bank for the FY 2024-25 was conducted jointly by M/s Deloitte Haskins & Sells, Chartered Accountants (FRN 117365W) and M/s Abarna & Ananthan, Chartered Accountants (FRN 000003S).

The Auditor's Report on the financial Statements of the Bank for the FY 2024-25 does not contain any qualification, reservation or adverse remark. The Auditor's Report, enclosed with the financial statement, forms part of the Annual Report for the FY 2024-25.

SECRETARIAL AUDITOR

Mr. K. Jayachandran, Practicing Company Secretary (ACS No.: 11309 and Certificate of Practise No.: 4031) was appointed as the Secretarial Auditor of the Bank in the meeting of the Board held on July 25, 2024 to conduct Secretarial Audit of the Bank for the FY 2024-25 as required under Section 204 of the Companies Act, 2013 and the rules made thereunder and Regulation 24A of SEBI Listing Regulations. The Bank provided all assistance and facilities to the Secretarial Auditor for conducting the audit.

The Secretarial Audit Report is annexed to this Report as **Annexure - 4**.

ANNUAL RETURN

In accordance with Section 134(3) and Section 92(3) of the Companies Act, 2013 and pursuant to Companies (Amendment) Act, 2017, a copy of the Annual Return for the FY 2024-25 is available on the Bank's website at www.ujjivansfb.in/annual-return

DESPATCH OF ANNUAL REPORT

Pursuant to the latest applicable circulars issued by the MCA and SEBI, in relation to 'Relaxation from compliance with certain provisions of the SEBI Listing Regulations' relaxing the requirement of dispatching physical copies of the Annual Report and the Notice convening the AGM to Shareholders. Members who wish to have physical copy may write to the Company Secretary of the Bank at corporatesecretarial@ujjivan.com or submit a written request to the Registered Office of the Bank. In accordance with the aforesaid circulars, the weblink of the Annual Report and the Notice convening the AGM of the Bank is being sent in electronic mode only to members whose e-mail address is registered with the Bank or the Depository Participant(s). Those members, whose email address is not registered with the Bank or with their respective Depository Participant(s) and who wish to receive the Notice of the AGM and the Annual Report for the financial year ended March 31, 2025, can get their email address registered by following the steps as detailed in the Notice convening the AGM. The Annual Report of your Bank shall be available on the Bank's website viz., https://www.ujjivansfb.in/annual-report

COMPLIANCE WITH SECRETARIAL STANDARDS

The Bank has complied with the provisions of Secretarial Standards specified by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs under Section 118(10) of the Companies Act, 2013. The Bank has also complied with the provisions of Secretarial Standard-4 on voluntary basis.

HUMAN RESOURCES

The Bank prioritises service mantra both internally and externally. While technology plays a pivotal role in the effort, its employees are the catalyst of change and progress at the Bank. People practises are derived from the Bank's core values; integrity, responsible, fairness, respect, professionalism and teamwork. The Bank is driven to build better lives both for its customers and employees. This drive has bestowed many accolades to the Bank.

Ujjivan SFB has been recognised as one of India's TOP 25 best places to work in the BFSI sector for 2025 as per the study conducted by Great Place To Work® Institute

In FY 2024-25, the Ujjivan SFB marked significant progress across key HR and employee engagement initiatives. A Trust Index score of 92 was achieved under the GPTW aspiration rankings, voluntary attrition rates improved with an overall reduction of 3.72% compared to

FY 2023-24 (FY-19.42%) and voluntary Infant attrition control rate was reduced from 6.26% from FY 2023-24 to 4.22% for the FY 2024-25. Staffing was efficiently managed, closing the year at 95% of the budgeted headcount. Employee satisfaction remained strong, with a score of 86 on the Amber and HR processing salaries and benefits with 99.99% accuracy and 100% on-time and operational efficiency was further enhanced by reducing the FFS TAT time by 1.24 days from (FY-10.62 days).

A total of 53 HR digitisation projects were successfully implemented, collectively saving 7,960 man-hours. Learning and development initiatives reached new industry benchmarks, with employees averaging 38.9 learning hours the highest in the industry with 42,120 employees receiving training.

Talent development saw a career growth with 9% of the employee in the organisation through the Internal Job Posting (IJP) route and non IJP growth and 107 high-potential employees were identified under the EDGE programme. Additionally, physical engagement efforts such as branch visits and town halls were reduced in the frequency of branch representative meetings from quarterly to semi-annual, with Advent of the Amber feedback mechanism.

CORPORATE GOVERNANCE AND BUSINESS RESPONSIBILITY REPORT

The Bank recognises its role as a corporate citizen and endeavours to adopt the best practises and the highest standards of Corporate Governance through transparency in business, ethics and accountability to its shareholders, customers, government, regulators and all other stakeholders. The Bank's activities are carried out following good corporate practises and the Bank is constantly striving to make them better and adopt the best practises.

The Bank believes that timely reporting, transparent accounting policies and a strong Independent Board go a long way in preserving shareholders' trust and maximising long-term corporate value.

In pursuing the mission "to provide financial services to the unserved and underserved customers as a responsible mass market bank focused on building a sustainable tomorrow", the Bank has been balancing its dual objectives of "social" and "financial goals since its inception. "Responsible financing", "ethical values" and "transparency" in all its dealings with its customers, lenders, investors and employees have been the cornerstone of its operations. Transparency in the decision-making process has been providing comfort to all stakeholders, particularly the customers, lenders and investors.

The Report on Corporate Governance for FY 2024-25 as per Regulation 34(3) read with Schedule V of the SEBI Listing Regulations forms part of the Annual Report for FY 2024-25. The disclosure as required under Section II of Part II of Schedule V of the Companies Act, 2013 have been provided under the heading of Remuneration of Directors in the aforesaid Corporate Governance Report.

A Business Responsibility and Sustainability Report containing the requisite details as per Regulation 34 (2) of the SEBI Listing Regulations forms part of the Annual Report for the FY 2024-25 and is also disclosed on the Bank's website at www.ujjivansfb.in.

Further, as a responsible bank, Ujjivan believes in creating a sustainable environment and making a positive social impact. The Bank understands the importance of integrating environmental, social, and governance (ESG) factors into its operations and decision-making processes. Thus, the Bank disclosed its maiden voluntary report to disclose its sustainability performance which is a testament to transparency and accountability for FY 2022-23. The report for the FY 2024-25 will be published shortly and the same will be made available at the website of the Bank at https://www.ujjivansfb.in/sustainability-initiatives.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

As required under Regulation 34 and Schedule V of SEBI Listing Regulations, the Management Discussion and Analysis Report forms part of the Annual Report for the FY 2024-25.

DISCLOSURE UNDER SECTION 22 OF THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Bank has a strict Prevention of Sexual Harassment ("POSH") Policy in accordance with the statutory requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. This Policy applies to all categories of employees of the Organisation, including permanent employees, permanent management, workmen, temporary employees, trainees (interns), consultants, advisers, ad hoc employees, daily wage earners, probationers, apprentices, contract employees, etc., at its workplace or visits to partner organisations. This Policy recognises the right of privacy of every individual and will strive to protect the privacy of the individuals involved and ensure that the complainant and the respondent are treated fairly. The Policy ensures that the career interest of the parties involved in any proceedings under this Policy will not be adversely affected merely on account of the complaint made to the Internal Committee or any evidence provided in connection with any enquiry; however strict action will be taken against the Respondent if proven guilty post the enquiry process.

The status on the complaints received and resolved by Internal Committee during the FY 2024-25:

Number of Complaints	Number of Complaints Resolved	Number of Complaints Pending for Resolution
16	12	4

Composition of Internal Committees

The Bank has constituted Internal Committees (IC) in each of the regions for all administrative units/branches/regional offices of the Bank. All complaints of Sexual Harassment at the Workplace are enquired into by the IC having jurisdiction over the establishment where the Respondent is posted. The IC forwards a report of its findings to the Employer for action. Each Regional IC consists of the following members:

- Presiding Officer: who shall be a woman employed at a senior level in the region.
- Secretary: who shall be the Regional HR Manager.
- 2 Members: From amongst Employees in the region, preferably committed to the cause of women/having legal knowledge/ experience in social work.
- 1 Independent Member: Nominated from amongst NGOs/associations committed to the cause of women or a person familiar with the issues relating to Sexual Harassment.

Other Members: Additional members may be co-opted, if required, from amongst Employees working in senior positions in the region, especially from business, operations and control functions

Functions of IC

The Committee is expected to conduct a fair, prompt and impartial process of investigating all the complaints it receives. During a redressal process, the Complaints Committee/s are required to assure confidentiality, non-retaliation and recommend interim measures as needed to conduct a fair enquiry.

POLICIES

To ensure better corporate governance, adherence to various laws and regulations as applicable to the Bank and better management of the organisation as a whole, the Bank has formulated various policies including the policies mentioned below. These policies are available on the Bank's website at www.ujjivansfb.in/corporate-governance-policies.

A brief description of below mentioned policies/code have been given in **Annexure-5** of this Report.

1. Policy for Determination of Materiality of Event/Information for Disclosures
2. Code of Conduct for Prevention of Insider Trading and Code of Fair Disclosure and Conduct
3. Corporate Social Responsibility Policy
4. Nomination and Remuneration Policy
5. Policy on Board Diversity
6. Policy on Code of Conduct
7. Related Party Transactions Policy
8. Dividend Distribution Policy
9. Familiarisation Programme
10. Policy on Archival of Documents
11. Record Retention Policy
12. Whistle Blower Policy
13. Terms and Conditions of Appointment of Independent Directors
14. Policy on Appointment of Statutory Auditors

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

The Bank has obtained a certificate from K. Jayachandran, Practicing Company Secretary, certifying that the Bank has complied with the conditions of the Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46 (2) and other applicable regulations of Chapter IV pertaining to Corporate Governance and paragraphs C, D and E of Schedule V of the SEBI Listing Regulations for the FY 2024-25.

The certificate is annexed to this Report as **Annexure-6.**

KEY INITIATIVES WITH RESPECT TO STAKEHOLDER RELATIONSHIP, CUSTOMER RELATIONSHIP, ENVIRONMENT, SUSTAINABILITY, HEALTH AND SAFETY

While key initiatives on customer relationship and health and safety have been detailed below. Information on initiatives concerning stakeholders' relationship, environment and sustainability, have been elaborated in the Business Responsibility and Sustainability Report of the Bank which forms part of the Annual Report for the FY 2024-25.

We prioritise exceptional customer service and unwavering commitment to deliver outstanding experiences. We strive to be a customer-centric organisation by continuously evolving to meet the changing needs of our customers. This is achieved by nurturing our people, refining our processes, and leveraging technology, all guided by customer feedback and market insights. To operationalise this commitment, we've established a dedicated Service Quality department. This team plays a vital role in enhancing customer experience across business verticals, maintaining rigorous service standards, efficiently addressing customer grievances and ensuring compliance with regulatory guidelines on customer service and protection. This department is instrumental in driving our customer-centric vision, ensuring that every interaction with our bank is seamless and satisfying.

To provide seamless and convenient banking experience, the Bank has launched new alternate/digital channels for customer servicing. These include launch of WhatsApp Banking, Chat Banking, Video Banking in addition to existing channels such as Phone Banking, Internet and Mobile Banking. Since alternate and digital channels provide convenience to customers as they can avail service at their comfort 24/7 without visiting our branches, the Bank has promoted alternate/digital channels through various customer awareness initiatives and marketing. As a result, usage of alternate/digital channels for fulfilment of service request, queries, complaints and feedback has improved to 49% in FY 2024-25 compared to 44% in FY 2023-24.

Continuous Improvements in Customer Service Standards: Our relentless focus on delivering superior service standards has enabled us to maintain high levels of quality and consistency across all our offerings. To drive this commitment, we've established and refined a comprehensive Service Index programme that encompasses both external and internal customer service. This programme applies to each business vertical and key support functions, incorporating key parameters that impact customer service delivery and satisfaction.

Over the past 7 years, our Service Index programme has evolved to become a unique best practise in the industry. A robust governance structure supports our customer service commitment, with clear targets for improving service index scores at both functional and bank-wide levels. These targets are integral to our performance management framework, with key performance metrics tied to the MD & CEO, business/function heads, frontline managers, sales and service staff. This structured approach ensures accountability and drives continuous improvement in customer service across the organisation.

The various cross-functional initiatives at people, process and technology level have helped in achieving substantial improvements in Bank Level Service Index to highest ever score of 93 points (out of 100) in March 2025 from 89 in March 2024 and 85 in March 2023.

The number of complaints in FY 2024-25 had decreased by 21% compared to FY 2023-24 and 14% compared to FY 2022-23.

Resolution of customer service requests within standard turn-around-time has improved to 95% in FY 2024-25 from 94% in FY 2023-24 and 90% in FY 2022-23.

The resolution of customer complaints within standard turn-around time has improved to 99% in FY 2024-25 from 98% in FY 2023-24 and 96% in FY 2022-23.

Aajeevan Services – An Approach to Life Events Based Banking Services

We understand that life events, whether joyful or saddening, require empathy, support, and assurance. To address this need, we've implemented "Aajeevan," a unique life-events-based banking programme that provides personalised services to help customers navigate life's milestones with ease.

Aajeevan offers a range of services, including: nomination facilities, joint accounts, settlement of claims for deceased account holders, settlement of insurance claims, priority and doorstep services for senior citizens and specially abled customers, special services like adding mandate holders or power of attorney.

This programme is built on empathy and compassion, aiming to provide financial well-being while fostering long-term relationships with our customers. We've also focused on simplifying processes and training our staff to deliver efficient and empathetic service.

To ensure successful implementation, we've conducted a specially designed one-day workshop on Aajeevan services year on year. For FY 2024-25, we have conducted training for 934 customer-facing and sales staffs in 46 batches. This training emphasises empathy and efficiency, enabling our staff to provide exceptional support to our customers during life's significant events.

Over the years, the promotion of Aajeevan services has helped in improvement of resolution of Aajeevan service requests to 99% in FY 2024-25 and FY 2023-24 from 94% in FY 2022-23.

New initiatives undertaken to provide seamless customer service and safety of digital transactions:

The customers can make PFMS (Public Financial Fund Management System) payments from BNB platform for transacting of the funds received through subsidy.

Additional security has been added to BNB through Captcha Login to protect the customers from spam & password decryption.

One stop solution for corporate clients has been provided by enabling the service of Direct Tax payment in Business Net Banking platform.

Development of Pre-filled Service Request Form for Policy Refunds in Finacle Application to reduce the errors at branches while filling the Premium refund form.

The trainings on Secured Assets Servicing were completed for the shortlisted branch staffs, successfully covered 236 employees in 14 batches.

Customer Connect and Awareness:

- As an ongoing customer awareness programmes, the Bank has launched various customer awareness campaigns such as;
    - Installation of antivirus software
    - Avoid unsecured network
    - Verify if the message is official
- A significant increase in spam calls were reported across the country for updating KYC through fraudulent APK files from unknown source. To address this concern and ensure our customers are aware of such incidents, a customer awareness campaign was conducted through SMS and emailers on safety measures while using digital channels including not to share banking credentials over suspicious links.

Bank has been conducting a monthly customer service committee as "Let's Connect" which provide a vital platform for customers to share feedback, voice grievances and suggest improvements in banking services. 78,358 customers from various product segment had participated in these meetings across our branches in FY 2024-25. Feedbacks received during these meetings were reviewed and implemented as necessary. During these meetings, the customers were also educated on key customer service aspects such as reporting and awareness on unauthorised transcations, awareness on Aadhar Enabled Payment Services (AePS), Positive Pay System (PPS), Form 15G/H, Key features of WhatsApp and Video Banking.

Facilitating accessibility to digital payment systems for Customers with Disabilities

The Bank provides doorstep banking services for differently abled customers, including the visually impaired, and senior citizens, covering both financial and non-financial services. Financial services include cash delivery, cash pick up, DD delivery and cheque pick up, while non-financial services include mobile/e-mail update, KYC update, e-mail statement registration, Form 15G/H submission and also customers can avail upto four doorstep banking services per month. Priority services are also offered at branches for these customers and information regarding the availability of priority services is displayed at branches.

Health and Safety

The Bank considers Health and Safety of its employees very important and various initiatives have been taken with this objection over the years. Following are a few highlights of the same:

- Fire extinguishers are in place as per the defined protocols in all the offices & branches across PAN India with half yearly fire drill conducted only in RO and HO. The same is carried out only in regional offices and the awareness is created among the branch employees. To ascertain adequacy and quality of the safety measures, an audit has been conducted by third party every quarter.
- Towards providing better work environment to the employees and customers, all the URCs are installed with Air conditioners & preventive maintenance of all the electric equipment's across branches conducted periodically – 95% of the URCs are equipped with ACs.
- For the specially-abled customers & employees, 29 ramps have been constructed across PAN India branches. – 125 ramps are available across the country.
- Deep cleaning & Pest control services were rendered at the branches that were older than 5 years. – Deep cleaning & Pest control services are being done once in a quarter.

Considering the health of the employees, 20+ branches in the North have been installed with RO water purifiers for drinking water – It is 30+ branches.

Cash-settled Stock Appreciation Rights Agreement (CSARs)

During the year, with the prior approval of the RBI, the NRC of the Bank through its resolution passed on January 13, 2025 granted 23,09,415 CSARs to Mr. Ittira Davis, former MD & CEO of the Ujjivan bank towards the non-cash portion of the approved variable pay for the FY 2023-24; details of the CSAR granted are given below:

Sr No.	Particulars	Details
1	Non-Cash Variable Pay	₹ 20,100,000
2	No. of CSARs	2,309,415
3	Base Price per CSAR	₹ 35.49 (FMV as on Jan 10, 2025)
4	Appreciation to be settled in cash	Market Price as on date of Vesting less Base Price
5	Payout Period	90 days from the date of Vesting of CSARs

CSAR Vesting schedule

Dates of Vesting	Percentage of Vesting	No. of CSARs to be vested
Jan 10, 2026	20% of CSARs granted	461,883
Jan 10, 2027	20% of CSARs granted	461,883
Jan 10, 2028	30% of CSARs granted	692,825
Jan 10, 2029	30% of CSARs granted	692,824

Employees Safety Measures

As an employee first organisation, Ujjivan conducts annual health check-up for all its employees once in two years. This annual health check-up is followed up by the Partner by providing free consultation on the reports and also advising employees with high-risk reports.

To support its employees, Ujjivan also has a facility of 24x7 "Doctor on Call" teleconsultation This facility has been made available for employees and their dependents to consult doctors during emergencies. While the services were available for physical ailments.

Apart from that the QRT (Quick Response Team) which was activated during the start of the pandemic still monitors the environment & health related concerns across regions and issues guidelines to employees as and when required.

OTHER DISCLOSURES

A. The Bank is not required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013.

B. Disclosure as required under Rule 8(5)(xi) and 8(5)(xii) of the Companies (Accounts) Rules, 2014 does not apply to the Bank for FY 2024-25.

C. None of the directors of the Bank are disqualified as per provisions of Section 164(2) of the Companies Act, 2013. The directors have made necessary disclosures, as required under various provisions of the Companies Act, 2013, SEBI Listing Regulations and RBI guidelines.

ACKNOWLEDGEMENT

We place on record our gratitude to our employees at all levels who have contributed to the growth and sustained success of the Bank through their dedication, hard work, cooperation and support.

We would like to thank all our customers, vendors, bankers, investors, auditors, media and other business associates for their continued support and encouragement during the year.

We also thank the Government of India; the Government of Karnataka; the Ministry of Commerce and Industry; the Ministry of Finance, Ministry of Corporate Affairs; the Securities and Exchange Board of India, the Stock Exchanges, the Central Board of Indirect Taxes and Customs; the RBI; the Central Board of Direct Taxes and all other government agencies for their support during the FY 2024-25 and look forward to their continued support in future.

For and on behalf of the Board of Directors

Sd/-
B A Prabhakar
Part-Time Chairman and Independent Director
DIN: 02101808

Sd/-
Sanjeev Nautiyal
MD & CEO
DIN: 08075972

Date: April 30, 2025
Place: Bengaluru

Annexure-1

To
The Board of Directors,
UJJIVAN SMALL FINANCE BANK LIMITED
CIN: L65110KA2016PLC142162
Grape Garden, No.27, 3rd 'A' Cross,
18th Main 6th Block, Koramangala
Bangalore – 560095.

Certificate as per Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.

Based on my examination and according to the information and explanations given to me, I certify that the Bank has implemented the Scheme **called "Ujjivan Small Finance Bank - Employee Stock Purchase Scheme, 2019 ("ESPS 2019 Scheme") and Ujjivan Small Finance Bank – Employee Stock Option Plan, 2019 ("ESOP 2019 Scheme")** in accordance and compliance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, (now Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021) and the Companies Act, 2013 with the Regulations and accordance with the resolutions passed by the Members of the Bank at a general meeting.

This Certificate is addressed and provided to the Board of Directors of the Bank pursuant to Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 solely for the purpose of placing it before the Board of Directors at their meeting and should not be used by any other person or for any other purpose. As prescribed under the SEBI Regulations, this report will also available for inspection by Shareholders of the Company during Annual General Meeting.

Date: April 28, 2025
Place: Bengaluru

Sd/-
K. Jayachandran
Company Secretary
ACS No.: 11309/CP No.: 4031
Peer Review No: PR No: 6411/2025
UDIN: A011309G000212147

Annexure-2

Information in terms of Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Remuneration details of Directors, KMPs, employees

<table>
<tr><th>Sr. No.</th><th>Particulars</th><th>Disclosures</th></tr>
<tr><td>1.</td><td>The ratio of the remuneration of each director to the median remuneration of the employees of the Bank for the FY 2024-25</td><td>
<table>
<tr><th>Director</th><th>Remuneration (₹)</th><th>Ratio</th></tr>
<tr><td>Mr. B A Prabhakar</td><td>4,325,000</td><td>12.0x</td></tr>
<tr><td>Mr. Sanjeev Nautiyal*
(June 01, 2024 onwards)</td><td>15,655,873</td><td>43.4x</td></tr>
<tr><td>Ms. Carol Furtado</td><td>16,368,131</td><td>45.3x</td></tr>
<tr><td>Mr. Rajesh Kumar Jogi</td><td>3,950,000</td><td>10.9x</td></tr>
<tr><td>Ms. Rajni Mishra</td><td>3,650,000</td><td>10.1x</td></tr>
<tr><td>Mr. Samit Kumar Ghosh</td><td>2,475,000</td><td>6.9x</td></tr>
<tr><td>Ms. Sudha Suresh</td><td>2,600,000</td><td>7.2x</td></tr>
<tr><td>Mr. Ravichandran Venkataraman</td><td>3,925,000</td><td>10.9x</td></tr>
<tr><td>Ms. Mona Kachhwaha</td><td>2,150,000</td><td>6.0x</td></tr>
<tr><td>Ms. Anita Ramachandran</td><td>2,125,000</td><td>5.9x</td></tr>
</table>
*Only Fixed Pay for Mr. Sanjeev Nautiyal are considered for the aforesaid computation since the variable pay for FY24-25 will be paid based on NRC recommendation and after receipt of RBI approval.
</td></tr>
<tr><td>2.</td><td>The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the FY 2024-25</td><td>
<table>
<tr><th>KMP</th><th>% increase in remuneration</th></tr>
<tr><td>MD & CEO</td><td>- Mr. Ittira Davis (MD & CEO till June 30, 2024): 13.64%
- Mr. Sanjeev Nautiyal (MD & CEO from July 01, 2024): since he joined during the year, no instance of any increase in remuneration</td></tr>
<tr><td>Whole Time Director (WTD)</td><td>Ms. Carol Furtado: 12.5%</td></tr>
<tr><td>CFO</td><td>- Mr. Ramesh Murthy (CFO till Oct 7, 2024): 3.64%
- Mr. Balakrishna Kamath (CFO from Dec 5, 2024): since he joined during the year, no instance of any increase in remuneration</td></tr>
<tr><td>CS</td><td>Mr. Sanjeev Barnwal: 5.41%</td></tr>
</table>
Note: remuneration for both MD & CEO and WTD were approved by the RBI.
Please refer to Note 1 below for details of change in remuneration, in form of sitting fees paid to Non-Executive Directors.
</td></tr>
<tr><td>3.</td><td>The percentage increase in the median remuneration of employees in the FY 2024-25</td><td>6.02%</td></tr>
<tr><td>4.</td><td>The number of permanent employees on the rolls of Bank as on March 31, 2025</td><td>24,374</td></tr>
<tr><td>5.</td><td>Average percentile salary increase of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration</td><td>For employees other than Key Managerial Personnel, the average increase was 9.49%
Average increase for Key Managerial Personnel was 5.51%</td></tr>
<tr><td>6.</td><td>Affirmation that the remuneration is as per the remuneration policy of the Bank</td><td>Yes</td></tr>
</table>

Note 1: Comparison of sitting fees paid to Non-Executive Directors during the FY 2024-25 with FY 2023-24:

Sr. No.	Name of Director	A. FY 2023-24	B. FY 2024-25	B-A = Difference	Difference %
1.	Mr. Rajesh Kumar Jogi	4,350,000	3,950,000	(400,000)	(9.20)
2.	Mrs. Rajni Mishra	3,275,000	3,650,000	375,000	11.45
3.	Mr. Samit Ghosh	4,050,000	2,475,000	(1,575,000)	(38.89)
4.	Ms. Sudha Suresh	2,975,000	2,600,000	(375,000)	(12.61)
5.	Mr. B A Prabhakar	4,500,000	4,325,000	(175,000)	(3.89)
6.	Mr. Ravichandran Venkataraman	4,025,000	3,925,000	(100,000)	(2.48)
7.	Mr. Satyaki Rastogi	100,000	-	-	-
8.	Ms. Anita Ramachandran	2,150,000	2,125,000	(25,000)	(1.16)
9.	Ms. Mona Kachhwaha	-	2,150,000	-	-
		25,425,000	**25,200,000**	**(2,275,000)**	**(1.74)**

** Mr. Samit Kumar Ghosh ceased to be a director w.e.f. November 30, 2024*

For and on behalf of the Board of Directors

Sd/-
B A Prabhakar
Part-Time Chairman and Independent Director
DIN: 02101808

Sd/-
Sanjeev Nautiyal
MD & CEO
DIN: 08075972

Date: April 30, 2025
Place: Bengaluru

Annexure-3

The Annual Report on CSR Activities for FY 2024-25

1. **Brief outline on CSR Policy of the Company:**

The CSR policy of the Bank is focused towards enabling a better life for the unserved and underserved sections of the society. Bank's CSR activities are based on the principles of sustainability, accountability, promotion of human rights and respects interest of all stakeholders, especially the disadvantaged, vulnerable and marginalised and promotes environment protection, inclusive growth and equitable development. The Bank has constituted a CSR Committee pursuant to Section 135 of the Companies Act, 2013 and Rules made thereunder to ensure Bank's efforts are channelised towards initiatives that drive maximum benefit to the end beneficiaries.

The Bank strongly believes that business cannot be successful when the society around it fails. The Bank constantly strives to ensure strong corporate culture which emphasises on integrating CSR values with business objectives. The Corporate Social Responsibility Policy ("CSR Policy") of the Bank sets out the broad framework for guiding Bank's CSR activities. It outlines the governance structure, operating framework, monitoring mechanism, and CSR activities that would be undertaken. The CSR Committee is the governing body that articulates the scope of CSR activities and ensures compliance with the CSR Policy. The Bank's CSR activities are largely focused in the areas of eradicating hunger, poverty, promoting preventive health care and making available safe drinking water, promoting education, including special education, employment enhancing vocational skill training for women, promoting gender equality, programmes for empowering women, projects for environmental protection, disaster relief and any other projects/ programmes as it deems fit from time to time.

2. **Composition of CSR Committee:**

Sr. No.	Name of Director	Designation/Category	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Rajesh Kumar Jogi	Chairperson	2	2
2.	Ms. Sudha Suresh	Member	2	2
3.	Ms. Rajni Mishra	Member	2	2
4.	Ms. Anita Ramachandran	Member	2	2
5.	Ms. Carol Furtado*	Member	2	1
6	Mr. Ittira Davis**	Member	2	1

** Ms. Carol Furtado was appointed as a Member of the Committee effective from July 09, 2024.*

*** Mr. Ittira Davis ceased to be a Member of the Committee effective from June 30, 2024.*

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company.**

www.ujjivansfb.in

4. **Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
1.	FY 2024-25	-	₹ 9,853,683
	Total	**-**	**₹ 9,853,683**

6. **Average net profit of the Company as per section 135(5) –**

7. (a) **Two % of average net profit of the Company as per section 135(5) –** ₹ 174,600,000/-**

(b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years –** Nil

(c) **Amount required to be set off for the financial year, if any –** Nil

(d) **Total CSR obligation for the financial year (7a+7b-7c) –** ₹174,600,000/-

***Figure rounded off to the nearest Lakh*

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of Transfer	Name of Fund	Amount	Date of Transfer
₹ 140,037,436	₹ 35,183,396	A/C opened	NIL		

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project.		Project Duration	Amount allocated for the project (in ₹)	Amount spent for the project (in ₹)	Amount Transferred to the unspent CSR Account for the project as per Section 135(6)	Mode of implementation - Direct (Yes/ No)	Mode of implementation - Through implementing agency.	
				State	District						Name	CSR registration number
1	Chote Kadam – Infrastructure development	Strengthening local communities, contributing to quality education, providing sustainable livelihood	Yes	PAN India	-	Aug 24 -Jul 2025	₹ 60,000,000	₹ 53,063,787	₹ 6,936,213	No	Parinaam Foundation	CSR00000807
2	Digital Literacy - Capacity Building of the Govt./ Zilla panchayat school teachers of Maharashtra & UP & setting up of Coding labs at the identified schools	Education	Yes	Maharashtra & Uttar Pradesh	Satara, Sangli (MH) &	Sep 24-Sep 26	₹ 13,430,235	₹ 6,386,745	₹ 7,043,490	No	Pi Jam Foundation	CSR00002401
3	Kanekallu Lake Rejuvenation	Environment	Yes	Bangalore	-	Aug 24 - Mar 2026	₹ 15,941,100	₹ 9,596,300	₹ 6,344,800	No	United Way of Bengaluru	CSR00000324
4	Development of Fruit Orchard	Environment	Yes	West Bengal	Medinipur	Jan 2025 - March 2026	₹ 875,000	₹ 700,000	₹ 175,000	No	Tagore Society	CSR00009859
5	Livelihood Education Scholarship & training	Promotion of education, disabled community and vocational training	Yes	West Bengal	Kolkata	Dec 2024-July 2025	₹ 674,431	₹ 635,931	₹ 38,500	No	Calcutta Social Project	CSR00007812
6	Digital Clinics	Promotion of Healthcare	Yes	Madhya Pradesh	Barwani	Jan 2025-Dec 2026	₹ 9,837,744	₹ 1,159,200	₹ 8,678,544	No	Karma Healthcare	CSR00005849
7	Sponsorship for the boxing athletes	Education (Promotion of Sports)	Yes	Manipur	Imphal	Jan 2025-Dec 2025	₹ 3,608,000	₹ 1,100,000	₹ 2,508,000	Yes	Mary Kom Foundation	CSR00013707)
8	Rejuvenation of lake	Environment	Yes	Maharashtra	Satara	Feb 2025-Aug 2025	₹ 2,589,549	₹ 2,000,000	₹ 589,549	No	NAB Foundation	CSR00004589)
9	Strengthening education ecosystem in Villages	Education	Yes	Madhya Pradesh	Ujjain	Feb 2025-July 2025	₹ 2,450,000	₹ 892,500	₹ 1,557,500	No	The Zariya Welfare Foundation (Mere Gaon Meri Dhuniya)	CSR00008220)
10	Agricultural education to School students	Education	Yes	Maharashtra	Nagpur, Ghondiya, Dhule	Jan 2025-May 2025	₹ 1,967,438	₹ 1,617,438	₹ 350,000	No	Association for Future Agriculture Leaders of India	CSR00051053
11	Livelihood training - Sewing machines and training along with raw materials	Promotion of education, disabled community and vocational training	Yes	West Bengal	Puruliya	Mar 2025-Nov 2025	₹ 961,800	₹ 0	₹ 961,800	No	Manbhum Anana Ashram Nityananda Trust (MANT)	CSR00000046
Total							₹112,335,297	₹77,151,901	₹35,183,396			

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1	Livelihood Training cum placement assistance to differently abled youths	Promotion of education, disabled community and vocational training	Yes	Jharkhand, UP	Jamshedpur, Ranchi, Hazaribagh, Varanasi	₹ 5,100,000	No	Cheshire Disability Trust	CSR00004844
2	Livelihood Support to unemployed youths	Promotion of education, disabled community and vocational training	Yes	Odisha & Rajasthan	Bhubaneswar & Jaipur	₹ 2,800,000	No	Divya Nur Foundation	CSR00003825
3	Distribution of Neo Motion Vehicles to the orthopedically challeneged individuals & placement in Zomato	Promotion of education, disabled community and vocational training	Yes	Karnataka	Bengaluru	₹ 1,363,440	No	Cheshire Disability Trust	CSR00004844
4	Distribution of wheel chairs & Sports Wheel Chairs to the differently-abled	Promotion of education, disabled community and vocational training	Yes	Karnataka	Bengaluru,	₹ 1,487,353	No	pro VISION Asia	CSR00009130
5	Distribution of Ambulance - Barasat	Healthcare	Yes	West Bengal	Kolkatta	₹ 1,643,591	No	Direct Implementation	CSR00018286
6	Education through sports	Education	Yes	Delhi	Delhi	₹ 2,266,000	No	Flying Disc Development Foundation	CSR00001577
7	Animal Welfare	Animal Welfare	Yes	Tamilnadu	Coimbatore	₹ 1,916,908	No	Dhyan Foundation	CSR00003498
8	Supporting the special children in commute - Maithree	Promotion of education, disabled community and vocational training	Yes	Tamilnadu	Chennai	₹ 2,468,190	No	Maithree	CSR00007663
9	Distribution of sanitary napkins and education to girl children on menstrual hygiene	Healthcare	Yes	Karnataka, TamilNadu	Haveri, Salem	₹ 518,070	Yes	Desai Foundation	CSR00006306
10	Pond Rejuvenation Activity - Arisipalayam	Environment	Yes	Tamilnadu	Coimbatore	₹ 565,339	Yes	Kovai Kulangal Pathukaapu Amaippu	CSR00005077
11	Skill development support for the unemployed youths	Livelihood	Yes	Jharkhand	Ranchi	₹ 2,000,000	Yes	Pan IIT Alumni Association	CSR00000005
12	Virtual Livelihood Training - Online tutor	Livelihood	Yes	NCT of Delhi	South Delhi	₹ 300,000	Yes	Earth Care Foundation	CSR4046423
13	Support to transgenders education - Buddy4Study	Education/Sports	Yes	PAN India	-	₹ 79,655	Yes	Buddy 4 Studay	CSR00000121
14	Pink Bus - Patna Smart city	Healthcare	Yes	Bihar	Patna	₹ 2,354,838	Yes	NA	NA
15	Army Mela	Community Development	Yes	Chattisgarh	Raipur	₹ 200,000	Yes	NA	NA
16	Public waiting shed at Rajagopal Nagar police station	Community Development	Yes	Karnataka	Bengaluru Urban	₹ 191,986	Yes	NA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
17	Donation of Sleeping Cots, Mattress, Pillow & Cupboard to Devika Mahila Mandal an Old Age Home	Community Development	Yes	Pune	Maharashtra	₹ 472,000	Yes	NA	NA
18	Summer Relief Kit Distribution	Disaster Relief	Yes	Chandigarh, Delhi, Haryana, Uttar Pradesh	Chandigarh, Delhi, Sonipat, Faridabad, Gurugram, Meerut, Barielly, Hapur, Gautam Buddha Nagar	₹ 428,130	Yes	NA	NA
19	Winter Kit Relief Distribution	Disaster Relief	Yes	NCT of Delhi, Haryana, Rajasthan, Delhi, Uttar Pradesh, Himachal Pradesh, Punjab, Uttarakhand	South West Delhi, North West Delhi, GURUGRAM, Rewari, Alwar, Kotputli-Behror, Jaipur, Aligarh, Bulandshahr, Meerut, Ambala, Jind, Panchkula, Kaithal, SHIMLA, Sri Ganganagar, Bharatpur, Bareilly, Gorakhpur, Kanpur Nagar, Sirsa, Hissar, Bathinda, Muktsar, Fazilka, Kapurthala, Haridwar	₹ 1,120,843	Yes	NA	NA
20	Health camp - Lalpur	Disaster Relief	Yes	Jharkand	Ranchi	₹ 11,212	Yes	NA	NA
21	MFIN - Health camps	Disaster Relief	Yes	West Bengal	Nadia, North 24 Parganas, Darjeeling, Howrah, Kolkata, South 24 Parganas, Hooghly, Dakshin Dinajpur, Birbhum, Paschim Bardhaman, Paschim Medinipur,	₹ 232,366	Yes	NA	NA
22	Disaster Relief - Agartala	Disaster Relief	Yes	Jharkand	Dhanbad	₹ 384,479	Yes	NA	NA
23	Disaster Relief - Tripura	Disaster Relief	Yes	Tripura	Gomati, Sepahijata	₹ 292,250	Yes	NA	NA
24	Disaster Relief - Panskura & Bagnan	Disaster Relief	Yes	West Bengal	Howrah, Purba Medinipur	₹ 736,800	Yes	NA	NA
25	Fengal Cyclone - Disaster Relief - Mahadevagollahalli	Disaster Relief	Yes	TamilNadu	Krishnagiri	₹ 210,820	Yes	NA	NA
26	Fengal Cyclone - Disaster Relief - Panruti & Cuddalore	Disaster Relief	Yes	TamilNadu	Cuddalore	₹ 1,095,579	Yes	NA	NA
27	Gujarat Flood Relief	Disaster Relief	Yes	Gujarat	Anand, Kheda	₹ 1,150,000	Yes	NA	NA
28	PCMC flood relief	Disaster Relief	Yes	Maharashtra	Pune	₹ 999,499	Yes	NA	NA

(1) S. No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project		(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
29	Winter Kit Relief Distribution	Disaster Relief	Yes	Gujarat, Maharashtra	Ahmedabad, Botad, Bhavnagar, Rajkot, Jamnagar, Morbi, Kachchh, Mehsana, Sabarkanth, Arvalli, Patan, Vadodara, Anand, Kheda, Panch Mahal, Nagpur, Chandrapur	₹ 807,840	Yes	NA	NA
30	Satyabharathi Shishi Tirtha Primary School - Barasat	Education/Sports	Yes	West Bengal	North 24 Paragans	₹ 38,900	Yes	NA	NA
31	Installation of DG Set	Education/Sports	Yes	Jharkand	Ranchi	₹ 472,891	Yes	NA	NA
32	SMARTCLASSROOMS IN 2 GOVERNMENT SCHOOLS	Education/Sports	Yes	Uttar Pradesh	Gorakhpur	₹ 918,040	Yes	NA	NA
33	Installation of water purifier at a Govt School	Education/Sports	Yes	Karnataka	Raichur	₹ 100,099	Yes	NA	NA
34	Teachers Day Volunteering Activity	Education/Sports	Yes	Maharashtra, Gujarat	Kohlapur, Surat	₹ 33,236	Yes	NA	NA
35	Sports Kit Donation to Sarvoday Kelvani Mandal	Education/Sports	Yes	Gujarat	Surat	₹ 50,038	Yes	NA	NA
36	Smart Education Kits - Ashwamedh	Education/Sports	Yes	Maharashtra	Palghar	₹ 1,432,576	Yes	NA	NA
37	Supply of lab equipment to an ITI institute - Lokpanchayat Rural Technical Institute	Education/Sports	Yes	Maharashtra	Ahmednagar	₹ 1,628,696	Yes	NA	NA
38	Smart Interactive Digital Panels to Vidya Mandir (Govt. ZP School) Kolhapur	Education/Sports	Yes	Maharashtra	Kohlapur	₹ 484,999	Yes	NA	NA
39	Project Swachh Neighborhood - East	Environment	Yes	Odisha, West Bengal, Bihar, Jharkand, Assam, Tripura	72 branches across the mentioned states	₹ 624,262	Yes	NA	NA
40	Project Swachh Neighborhood - North	Environment	Yes	NCT of Delhi, Delhi, Uttar Pradesh, Rajasthan, Uttarakhand, Haryana, Punjab, Himachal Pradesh, Madhya Pradesh, Chattisgarh	63 branches across the mentioned states	₹ 578,051	Yes	NA	NA
41	Project Swachh Neighborhood - South	Environment	Yes	Andhra Pradesh, Telengana, Goa, Tamil Nadu, Karnataka, Kerala	75 branches across the mentioned states	₹ 748,626	Yes	NA	NA
42	Project Swachh Neighborhood - West	Environment	Yes	Gujarat, Maharashtra	40 branches across the mentioned states	₹ 392,365	Yes	NA	NA

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
S. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
43	KARGIL VIJAY DIWAS-TREE PLANTATION ACTIVITY	Environment	Yes	NCT of Delhi	West Delhi & North West Delhi	₹ 120,207	Yes	NA	NA
44	Support to MCD for effective waste management	Environment	Yes	NCT of Delhi	West Delhi	₹ 392,940	Yes	NA	NA
45	Support to Komarapalay-am Municipal Corporation with EV vehicle to collect garbage	Environment	Yes	TamilNadu	Namakkal	₹ 480,375	Yes	NA	NA
46	Plantation Drive	Environment	Yes	Maharashtra	Pune	₹ 55,000	Yes	NA	NA
47	Ambajogai Municipal Council – Waste Collection Tipper	Environment	Yes	Maharashtra	Beed	₹ 1,660,280	Yes	NA	NA
48	Medical equip-ments to VIRA	Healthcare	Yes	Jharkhand	Ranchi	₹ 1,435,280	Yes	NA	NA
49	Distribution of Ambulance - Taki	Healthcare	Yes	West Bengal	North 24 Parganas	₹ 1,387,075	Yes	NA	NA
50	Distribution of Ambulance - Guwahati	Healthcare	Yes	Assam	Kamrup Met-ropolitan	₹ 791,405	Yes	NA	NA
51	CSR SUPPORT TO GOVERN-MENT HOSPI-TAL ,BARNALA	Healthcare	Yes	Punjab	Barnala	₹ 1,581,145	Yes	NA	NA
52	CSR SUPPORT TO MGM HOS-PITAL,HANU-MANGARH	Healthcare	Yes	Rajasthan	Hanumangarh	₹ 190,900	Yes	NA	NA
53	CSR Support to Govt Hospital, Nada Chouraha	Healthcare	Yes	Uttar Pradesh	Aligarh	₹ 154,285	Yes	NA	NA
54	Distribution of Ambulance - Modi Nagar	Healthcare	Yes	Uttar Pradesh	Ghaziabad	₹ 994,978	Yes	NA	NA
55	CSR Support to Govt Hospital, Hissar	Healthcare	Yes	Haryana	Hissar	₹ 160,067	Yes	NA	NA
56	Support to Coimbatore Municipal Corporation Workers with Safety Kits & Bins	Healthcare	Yes	TamilNadu	Coimbatore	₹ 476,882	Yes	NA	NA
57	Distribution of Somno HD PSG machine with camera - CMC, Vellore	Healthcare	Yes	TamilNadu	Vellore	₹ 3,074,400	Yes	NA	NA
58	Distribution of infant incubator to Nijalingappa Medical College	Healthcare	Yes	Karnataka	Bagalkote	₹ 672,000	Yes	NA	NA
59	Kolhapur Med-ical Equipment Donation Drive	Healthcare	Yes	Maharashtra	Kohlapur	₹ 519,240	Yes	NA	NA
60	Healthcare Equipment Donation Anand General Hospital	Healthcare	Yes	Gujarat	Anand	₹ 1,964,576	Yes	NA	NA

(1) S. No	(2) Name of the Project	(3) Item from the list of activities in schedule VII to the Act	(4) Local area (Yes/ No)	(5) Location of the project - State	District	(6) Amount spent for the project (in ₹)	(7) Mode of implementation - Direct (Yes/No)	(8) Mode of implementation - Through implementing agency - Name	CSR registration number
61	Health Equipment donation to DWTI, Surat	Healthcare	Yes	Surat	Udhana	₹ 343,940	Yes	NA	NA
62	Supply of diode laser equipment to Diode Laser Device - Nanded Ayurvedic Hospital	Healthcare	Yes	Maharashtra	Nanded	₹ 1,680,000	Yes	NA	NA
63	Support to sub-district hospital, Dakor	Healthcare	Yes	Gujarat	Kheda	₹ 378,200	Yes	NA	NA
64	Distribution of Ambulance - Bhiwandi	Healthcare	Yes	Maharashtra	Thane	₹ 2,688,591	Yes	NA	NA
65	CSR Data Management Tool	Administrative Expenses	Yes	Pan India	Pan India	₹ 1,327,500	Yes	NA	NA
Total						₹ 63,229,233			

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year: ₹ 63,229,233

(d) Amount spent in Administrative Overheads – ₹ 1,327,500

(e) Amount spent on Impact Assessment, if applicable – NA

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 175,564,530

(g) Excess amount for set off, if any –

Sr. No.	Particular	Amount (in ₹)
(i)	Two % of average net profit of the Company as per section 135(5)	₹ 174,600,000
(ii)	Total amount spent for the Financial Year	₹ 175,564,530
(iii)	Excess amount spent for the financial year [(ii)-(i)]	₹ 964,530
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	0
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	₹ 964,530

* The amount includes funds transferred to the Unspent CSR Account

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sr. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any - Name of the Fund	Amount (in ₹)	Date of transfer	Amount remaining to be spent in succeeding financial years (in ₹)
Nil	FY 2023-24	₹ 9,853,683	₹ 9,853,683	Nil	Nil	Nil	Nil

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

(1) Sr. No.	(2) Project ID.	(3) Name of the Project	(4) Financial Year in which the project was commenced	(5) Project duration	(6) Total amount allocated for the project (in ₹)	(7) Amount spent on the project in the reporting Financial Year (in ₹)	(8) Cumulative amount spent at the end of reporting Financial Year (in ₹)	(9) Status of the project - Completed / Ongoing
Nil	Nil	Chote Kadam – Infrastructure development	FY 2023-24	1 year	₹ 25,000,000	₹ 1,433,334	₹ 23,566,666	Completed
		Educational scholarship to transgenders	FY 2023-24	1 year	₹ 1,500,000	₹ 1,381,000	₹ 119,000	Completed
		Education of the intellectually disabled students	FY 2023-24	1 year	₹ 1,452,732	₹ 1,089,549	₹ 363,183	Completed
		Setting up digital clinics in rural locations	FY 2023-24	1 year	₹ 2,314,410	₹ 2,314,410	0	Completed

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sr. No.	**Project ID.**	**Name of the Project**	**Financial Year in which the project was commenced**	**Project duration**	**Total amount allocated for the project (in ₹)**	**Amount spent on the project in the reporting Financial Year (in ₹)**	**Cumulative amount spent at the end of reporting Financial Year (in ₹)**	**Status of the project - Completed / Ongoing**
		Sponsoring the underprivileged Athletes	FY 2023-24	1 year	₹ 3,635,390	₹ 3,635,390	0	Completed

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year – (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s). – NA

(b) Amount of CSR spent for creation or acquisition of capital asset - NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. – NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): NA

11. Specify the reason(s), if the Company has failed to spend two % of the average net profit as per section 135(5). – Not Applicable

For **UJJIVAN SMALL FINANCE BANK LIMITED**

Sd/-
Sanjeev Nautiyal
Managing Director and CEO
DIN: 08075972

Sd/-
Rajesh Jogi
Chairperson-CSR Committee
DIN: 03341036

Annexure–4

Form No. MR-3

SECRETARIAL AUDIT REPORT
for the Financial Year ended March 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
UJJIVAN SMALL FINANCE BANK LIMITED
Grape Garden, No. 27, 3rd "A" Cross, 18th Main,
6th Block, Koramangala, Bengaluru – 560095, Karnataka.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practises by UJJIVAN SMALL FINANCE BANK LIMITED having CIN: L65110KA2016PLC142162 (hereinafter called "the Bank"/ "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts, statutory compliances and expressing my opinion thereon.

Based on my verification of the Bank's Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Bank and also the information provided by the Bank, its Officers, Agents and Authorised Representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Bank has, during the Audit Period covering the Financial Year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Bank has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Bank for the Financial Year ended on March 31, 2025 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the Rules made there under;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(iv) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment. (There was no Overseas Direct Investment and External Commercial Borrowings by the Bank during the period under review);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

  (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

  (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

  (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;

  (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (g) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Bank during the review period);

  (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 (Not applicable to the Bank during the review period); and

  (i) The Securities and Exchange Board of India (Buyback of Securities), Regulations, 2018 (Not applicable to the Bank during the review period).

(vi) Following Specific Laws, the Rules, Regulations, Norms, Guidelines, circulars, and Directions as applicable specifically to Small Finance Banks in the Private Sector (SFB):

(a) The Reserve Bank of India Act, 1934 read with rules, regulations, directions, guidelines, notifications and circulars issued by the Reserve Bank of India from time to time;

(b) The Banking Regulation Act, 1949, read with all applicable rules, regulations, directions, guidelines, notifications, and circulars issued thereunder, as amended from time to time;

(c) The Guidelines for Licensing of Small Finance Banks in the Private Sector;

(d) Operating Guidelines and for Small Finance Banks;

(e) The Rules, Regulations, Directions, Guidelines, Licenses and Circulars issued by RBI for compliance by Small Finance Bank;

(f) The Payment and Settlement Systems Act, 2007;

(g) The Credit Information Companies (Regulation) Act, 2005;

(h) The Deposit Insurance and Credit Guarantee Corporation Act, 1961;

(i) Prevention of Money-Laundering Act, 2002 and The Prevention of Money-Laundering (Maintenance of Records of the Nature and Value of Transactions) Rules, 2005;

(j) Negotiable Instruments Act, 1881;

(k) The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002; and

(l) Insurance Regulatory and Development Authority of India Act, 1999 read with the Rules, Regulations and notifications thereon.

I have also examined compliance with the applicable clauses of the following:

(i) The Listing Agreements entered into by the Bank with BSE Limited and National Stock Exchange of India Limited; and

(ii) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India;

During the period under review, the Bank has complied with the applicable provisions of the Act, Rules, Laws, Regulations, Guidelines, and Standards mentioned above except for the following:

1. With respect to compliance of labour laws, there were few instances of delay in remittance of Provident Fund and Professional Tax in few cases due to UAN error and pending of KYC linking and technical challenges related to online registration.

2. The Company had submitted an intimation (disclosure of event) on June 11, 2024, regarding the schedule of an Investors/Analysts meet to be held on June 13, 2024. As per Regulation 30 read with sub-para 15(a) of Para A of Part A of Schedule III of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the schedule of such meeting is required to be disclosed at least two working days in advance (excluding the date of intimation and the date of the meeting) to the stock exchange(s). In this instance, the Company did not comply with the prescribed timeline for submission of the intimation. As confirmed by the management, this meeting was scheduled at a shorter notice and the same was intimated immediately on finalisation.

I further report that:

Based on the information provided by the Bank, its officers and authorised representatives, during the conduct of the audit and also on the review of the Details, Records, Documents and Papers provided, in my opinion, adequate systems and processes and control mechanism exist in the Bank to monitor and to ensure compliance with applicable general laws like Labour Laws, Competition Law and Environmental Law including the filing of returns with the Reserve Bank of India.

The compliance of applicable financial laws, like direct and indirect tax laws, have not been reviewed in this Audit since the same are subject to review by statutory financial auditors and other designated professionals.

The Board of Directors of the Bank is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors including Women Directors based on the approval from the Reserve Bank of India, wherever applicable.

The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act read with Rules made there under, Banking Regulation Act 1949, the Guidelines for Licensing of Small Finance Banks in the Private Sector and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Adequate notices were given to all directors to schedule the Board Meetings, Agenda and detailed Notes on Agenda were sent at least seven days in advance and Independent Director was present wherein the Board meetings were held at a shorter notice to transact urgent matters and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions were carried out with requisite majority and the dissenting members' views are captured and recorded as part of the minutes.

There were adequate systems and processes in the Bank which is commensurate with the size and operations of the Bank to monitor and ensure compliance with applicable Laws, Rules, Regulations and Guidelines.

I further report that during the audit period:

1. The Hon'ble National Company Law Tribunal ("NCLT"), Bengaluru Bench, sanctioned the Scheme of Amalgamation between Ujjivan Financial Services Limited (UFSL) (CIN: L65999KA2004PLC035329) ("Holding Company" / "Transferor Company") and Ujjivan Small Finance Bank Limited ("Transferee Company" / "Bank") vide its order "C.P. (CAA) No. 44/BB/2023" ("Order") dated April 19, 2024, under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. The Scheme became effective from the Appointed Date, i.e., April 01, 2023, as defined in the Scheme.
2. Pursuant to the Scheme of Amalgamation sanctioned by the Hon'ble NCLT, Bengaluru Bench, between Ujjivan Financial Services Limited ("UFSL") and Ujjivan Small Finance Bank Limited ("the Bank"), the Merger & Placement Committee of the Bank, at its meeting held on May 06, 2024, approved the allotment of **1,412,702,033 (One Hundred and Forty One Crore Twenty Seven Lakh Two Thousand Thirty Three) Equity Shares** of the Bank to the shareholders of UFSL as on the record date (May 03, 2024), in the share exchange ratio of **116:10** (116 Equity shares of the Bank for every 10 Equity shares of UFSL).
3. The Bank has issued and allotted 3,575,134 (Thirty Five Lakh Seventy Five Thousand One Hundred and Thirty Four) Equity Shares under its ESOP Schemes.
4. The Bank has entered into related party transactions with its related parties at arm's length basis and in the ordinary course of business. Necessary approvals from the Audit Committee and the Board of Directors, wherever applicable, have been duly obtained in compliance with the relevant provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Date: April 30, 2025
Place: Bengaluru

Sd/-
K. Jayachandran
Company Secretary
ACS No.: 11309/CP No.: 4031
UDIN: A011309G000235161
Peer Review No: PR No: 6411/2025

Annexure A

To,
The Members,
UJJIVAN SMALL FINANCE BANK LIMITED
CIN: L65110KA2016PLC142162
Grape Garden, No. 27, 3rd "A" Cross, 18th Main,
6th Block, Koramangala, Bengaluru – 560095, Karnataka.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practises and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practises, we followed, provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.

Date: April 30, 2025
Place: Bengaluru

Sd/-
K. Jayachandran
Company Secretary
ACS No.: 11309/CP No.: 4031
UDIN: A011309G000235161
Peer Review No: PR No: 6411/2025

Annexure-5

Brief description of Policies/Code

Sr. No.	Policy Name	Brief Description
1.	Policy for determination of materiality of events / information for disclosures	1. The Bank in compliance with Regulation 30 of SEBI Listing Regulations, has implemented the Policy for determination of materiality of events / information for disclosures. 2. Objective of the Policy is a. To ensure that the Bank complies with the Listing Regulations b. To ensure that the information disclosed by the Bank is timely and transparent. c. To ensure that corporate documents and public statements are accurate and do not contain any misrepresentation. d. To protect the confidentiality of Material / Price sensitive information within the framework of the Bank's disclosure obligations. e. To provide a charter that supports and fosters confidence in the quality and integrity of information released by the Bank. f. To ensure uniformity in the Bank's approach to disclosures, raise awareness and reduce the risk of selective disclosures.
2.	Code of Conduct for Prevention of Insider Trading and Code of Fair Disclosure and Conduct	The Bank pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, has formulated and implemented the Code to elucidate and inform all the Designated Persons of the Bank that they have a responsibility and duty to preserve the confidentiality of all unpublished price sensitive information obtained in the ordinary course of business and in association with the Bank. No Designated Person shall use his or her position to gain personal benefit or to provide benefit to any third party.
3.	CSR Policy	1. Bank has framed this Policy as per Section 135 of the Companies Act, 2013 and Companies (CSR Policy) Rules, 2014. 2. The following are the objectives of the Policy: a. To comply with the statutory and regulatory requirements pertaining to CSR. b. To define what CSR means to the Bank and the approach for the same c. To lay down the guidelines & mechanism to carry out CSR programme/project & to report the work in reporting format as prescribed by the Rules in the Act. d. To constitute review mechanism of monitoring the progress of CSR projects/ programmes and implementation of CSR policy by CSR Committee e. To ensure that the surplus arising of CSR projects/ programmes/ activities shall not form part of the business profit of the Bank
4.	Dividend Distribution Policy	1. The Bank has formulated this Policy in compliance with the provisions of Companies Act, 2013 ("Act") and Rules made thereunder, provisions of Banking Regulation Act, 1949 and Guidelines/circulars issued by Reserve Bank of India ("RBI") and Regulation 43A of the SEBI Listing Regulations and RBI Requirements. 2. The objective of the Policy is to appropriately reward shareholders through dividends for reposing their confidence in Bank while retaining the capital required for supporting future growth. The Bank shall consider and comply with the Policy while declaring any dividend on equity shares or preference shares issued by the Bank. In the event of a conflict between the Policy and the Regulatory guidelines, the Regulatory guidelines will prevail. The Bank shall pay dividend on equity shares or preference shares only after ensuring compliance with the Companies Act, 2013, Banking Regulation Act, 1949 and Guidelines/circulars issued by RBI, SEBI Listing Regulations and Secretarial Standard-3 issued by the Institute of Company Secretaries of India.

Sr. No.	Policy Name	Brief Description
5.	Familiarisation Programme For Independent Director	1. The Programme aims to provide insights into the Bank to enable the independent directors to understand their roles, rights, responsibilities in the Bank and get updated on the business and operations of the Bank that would facilitate the directors tocontribute significantly to the Bank. The Bank has formulated this familiarisation programme for the Independent Director with the objective of giving insight into: a. Nature of Business of the Bank and business environment in which it operates b. Business model of the Bank c. Organisation structure d. Structure of Board and Board Committees e. Role and responsibilities of the Board Committees and Senior Management f. Delegation of powers to various authorities by the Board g. Regulatory Framework applicable to the Bank h. Strategic Plan including Vision, Mission and Values of the Bank i. Cyber-safe environment and awareness about fine nuances of the cyber threats j. Financial and other controls and systems and k. Economic features of the market and competitive environment
6.	Nomination and Remuneration Policy	1. The Bank recognises its role as a corporate citizen and endeavors to adopt the best practises and the highest standards of Corporate Governance through transparency in business ethics, accountability to its customers, government and other shareholders. The Bank's activities are carried out in accordance with good corporate practises and the Bank is constantly striving to better them and adopt the best practises. This policy seeks to document the practises and procedures to be followed by the Bank for appointment of directors and their remuneration. 2. The key objectives of this Policy are as under: a. Ensure compliance with applicable laws, rules and regulations as well as 'Fit and Proper criteria' of directors before their appointment b. Institutionalise a mechanism for the appointment/ removal/ dismissal of directors and lay down selection criteria for appointment of director c. Formulate criteria for determining qualifications, positive attributes and independence of directors d. Retain, motivate and promote talent and to ensure long term sustainability of talented KMP e. Devise a policy on Board diversity f. Develop and regularly review succession plan for the Board and senior management g. Formulate the criteria for evaluation of performance of all the Directors on the Board h. Establish standards on compensation/ remuneration including fixed and variable, which are in alignment with the applicable rules and regulations and is based on the trends and practises of remuneration prevailing in the industry i. Define internal guidelines for payment of perquisites to the directors and KMP
7.	Policy on Archival of Documents	1. The purpose and objective of the Policy is to comply with Regulation 30(8) of SEBI Listing Regulations. 2. The Bank shall ensure that all the information shall be hosted under **"Disclosures to Stock Exchanges"** section of the website of the Bank for a period of 5 (Five) years and thereafter will be archived for a period of 1 (One) year and shall be hosted under **"past event/information"** section of the website of the Bank.

Sr. No.	Policy Name	Brief Description
8.	Policy on Board Diversity	1. The Bank believes that Board diversity plays very important role in the transparency in the decision making process in the Boardroom. 2. The purpose and objective of this Policy is to comply with the SEBI Listing Regulations and ensure the diversity of thought, experience, knowledge, perspective and gender in the Board. 3. The Bank promotes social diversity and professional diversity in the Boardroom. The primary objective of this Policy is to provide a framework and set standards for having a diversified Board with ability to base its decisions after evaluating multiple options as compared to homogeneous Boards and help improve the performance of the Bank significantly.
9.	Policy on Code of Conduct	1. Bank expects all its employees, directors (including independent directors) and senior management 'to act in accordance with high professional and ethical standards'. 2. The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 also requires listed entities to adopt a formal code of conduct for directors on the Board and senior management. 3. This Code of Conduct attempts to set forth the guiding principles and values on which the Bank's employees shall operate and conduct business with various stakeholders of the Bank, government and regulatory agencies, media, and anyone else with whom the Bank is connected. 4. The Bank recognises that maintaining the trust and confidence of all its stakeholders is crucial to its continued growth and success. 5. The Code sets the standards to be adopted by all employees and outlines the duties of the directors of the Board and also described guidelines of professional conduct, role and functions and duties of the Independent Directors.
10.	Record Retention and Maintenance Policy	1. Record retention and maintenance is concerned with the selection, classification, storage, retrieval and timely destruction of information. This requires a structured approach in order to comply with the applicable laws and regulations and to meet business needs. 2. This Policy governs the obligations and responsibilities of all staff at the Bank in relation to the management of official records. Under this policy, each department has an obligation to maintain official records and keep them in good order and condition. This obligation applies not only to the capture, storage, maintenance and disposal of physical records, but also to records in electronic form. Proper retention practises shall enable compliance with regulatory and statutory requirement and contribute to more efficient business processes. 3. The purpose of this Policy is to ensure that all necessary records and documents of the Bank are adequately protected and maintained and to ensure that the records that are no longer required or are of no value are discarded at the proper time.
11.	Related Party Transaction Policy	1. The Bank has framed and implemented the Policy pursuant to the requirement of Regulation 23 (1) of the SEBI Listing Regulations. 2. The Board, on the recommendation of the Audit Committee, has adopted this Policy along with associated procedures for regulating Related Party Transactions, in line with the requirements of the Companies Act and Listing Regulations. 3. The Policy seeks to define a mechanism to handle Related Party Transactions ("RPT") in order to ensure the transparency, substantive and procedural fairness of such transactions and that the RPT is being entered in accordance with provisions of applicable laws. 4. The Policy also seeks to provide guidance on identification of related parties and basis on which materiality of RPT will be determined and the proper conduct and documentation of all RPT. This Policy is intended to ensure that proper review, approval, monitoring, reporting and disclosure processes are in place for all transactions between the Bank and its Related Parties. 5. The Policy specifically provides the review and approval mechanism of Related Party Transactions keeping in mind the potential or actual conflict of interest that may arise as a result of such transactions.

Sr. No.	Policy Name	Brief Description
12.	Whistle Blower Policy	1. The Bank in compliance with Section 177 of Companies Act, 2013 and Regulation 22 of SEBI Listing Regulations, has established vigil mechanism by way of whistle blower policy for its directors and employee to report instance of unethical practises, illegal activities and/or actual or suspected fraud or violation of the Bank's code of conduct or ethics policy. 2. The vigil mechanism provide for adequate safeguard against victimisation of persons who avail the mechanism and also provide for direct access to the chairperson of Audit Committee in appropriate cases.
13.	Terms and Conditions of Appointment of Independent Directors	1. The Bank has formulated the Terms and Conditions of Appointment of Independent Directors pursuant to the provisions of Schedule IV to the Companies Act, 2013. 2. It prescribes Terms of Appointment, Role, Duties and Responsibilities, Remuneration and Training & Development among other things.
14.	Policy on Appointment of Statutory Auditors	1. The Bank has formulated the Policy on Appointment of Statutory Auditors ("Policy") pursuant to the requirement of the Circular bearing reference no. RBI/2021-22/25 Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021-22 dated April 27, 2021 issued by the Reserve Bank of India ("RBI"). 2. Apart from conforming to all relevant statutory/regulatory requirements in addition to the instructions mentioned in aforesaid RBI Circular, this Policy affords necessary transparency and objectivity for most key aspects of Statutory Audit and assurance function.

For and on behalf of the Board of Directors

Sd/-
B A Prabhakar
Part-Time Chairman and Independent Director
DIN: 02101808

Sd/-
Sanjeev Nautiyal
MD & CEO
DIN: 08075972

Date: April 30, 2025
Place: Bengaluru

Annexure-6

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

[Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

Corporate Identity No.: L65110KA2016PLC142162
Nominal Capital: ₹ 26,250,000,000/-

To,
The Members of UJJIVAN SMALL FINANCE BANK LIMITED
Grape Garden, No. 27, 3rd "A" Cross, 18th Main,
6th Block, Koramangala, Bengaluru – 560095, Karnataka.

I have examined all the relevant records of “UJJIVAN SMALL FINANCE BANK LIMITED” (“the Bank”) for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) for the financial year ended **March 31, 2025**. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Bank for ensuring the compliance of the conditions of the Corporate Governance.

This Certificate is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Bank has complied with all the mandatory conditions of Corporate Governance as stipulated in the aforesaid Listing Regulations during the period under review.

As regards Discretionary Requirements specified in Part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has complied with items C, D, E, F and G.

Date: April 30, 2025
Place: Bengaluru

Sd/-
K. Jayachandran
Company Secretary
ACS No.: 11309/CP. No.: 4031
UDIN: A011309G000235225
Peer Review No: PR No: 6411/2025

CORPORATE GOVERNANCE REPORT

BANK'S PHILOSOPHY ON CORPORATE GOVERNANCE

Ujjivan Small Finance Bank Limited ("Bank") recognises its role as a corporate citizen and endeavors to adopt the best practices and the highest standards of Corporate Governance through transparency in business, ethics and accountability to its shareholders, customers, government and other stakeholders. Bank's activities are carried out in accordance with good corporate practices and the Bank is constantly striving to make them better and adopt the best practices.

The Bank believes that timely reporting, transparent accounting policies and a strong Independent Board goes a long way in preserving shareholders' trust and maximizing long-term corporate value.

In pursuing the mission of "The best institution to provide financial services to the unserved and underserved customers and transform to a bank serving the mass market", the Bank has been balancing its dual objectives of "social" and "financial" goals since its inception. "Responsible financing", "ethical values" and "transparency in all its dealings with its customers, lenders, investors and employees" have been the cornerstone of its operations. Transparency in the decision-making process has been providing comfort to all stakeholders, particularly to the lenders, customers and investors.

The detailed report on Corporate Governance for the FY 2024-25, as per Regulation 34(3) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("**SEBI Listing Regulations**"), is set out below:

1. The Board of Directors ("Board")

The Board plays a crucial role in guiding and overseeing how the management serves the interests of all its stakeholders. The Bank believes that timely reporting, transparent accounting policies, adequate disclosures and a strong and Independent Board go a long way in preserving shareholders' trust and maximizing long-term corporate value. The Bank continuously reviews its governance practices and benchmarks itself to best practices in the industry. In pursuing its mission, the Bank has been balancing its dual objectives of "social" and "financial" goals since its inception. "Responsible financing", "ethical values", and "transparency in all its dealings with its customers, lenders, investors and employees" have been the cornerstone of its operations. Transparency in the decision-making process has comforted all stakeholders, particularly the lenders, customers and investors.

The Board along with its committees, provide leadership and guidance to the Bank's management and direct, supervise and control the performance of the Bank. The composition of Board is in conformity with SEBI Listing Regulations, Banking Regulation Act, 1949 and Companies Act, 2013 ("Act"). The Bank has an experienced, diverse and a well-informed Board. The composition of Board as on March 31, 2025 includes 7 (Seven) Independent Directors and 2 (Two) Executive Directors. The Board has a strong gender diversity ratio with 4 out of the 7 independent directors being women.

Composition of the Board as on March 31, 2025:

The brief profile of directors is available on Bank's website at www.ujjivansfb.in

a. The name and category of the directors on the Board, their attendance at the Board Meetings held during the FY 2024-25 and at the last Annual General Meeting ("AGM") are given below.

Name of the Director	Category	No. of Board Meetings during the FY 2024-25 was 10		Whether attended last AGM	Remarks
		Entitled to attend	Attended		
Mr. B A Prabhakar	Part-Time Chairman and Independent Director	10	10	Yes	-
Mr. Sanjeev Nautiyal	Managing Director and CEO	7	7	Yes	*Appointed as the MD & CEO w.e.f. July 01, 2024*
Mr. Ittira Davis	Managing Director & CEO	3	3	No	*Retired on June 30, 2024 from the position of MD & CEO*
Ms. Rajni Mishra	Independent Director	10	10	Yes	-
Mr. Rajesh Kumar Jogi	Independent Director	10	10	Yes	-
Mr. Ravichandran Venkataraman	Independent Director	10	10	Yes	-
Ms. Sudha Suresh	Independent Director	10	10	Yes	-
Mr. Samit Kumar Ghosh	Non-Executive, Non Independent Director	6	6	Yes	*Retired on November 30, 2024 on attaining the age of 75 years*
Ms. Anita Ramachandran	Independent Director	10	10	Yes	-
Ms. Carol Furtado	Whole-Time Director	8	8	Yes	*Appointed as a Whole-Time Director on Bank's Board w.e.f. May 01, 2024*
Ms. Mona Kachhwaha	Independent Director	7	6	Yes	*Appointed as an Independent Director on Bank's Board w.e.f. May 18, 2024*

Name of the Director	No. of directorships in other Public Companies		No. of Committee positions held in other Public Companies*	
	Chairperson	Director	Chairperson	Member
Mr. B A Prabhakar	-	-	-	-
Ms. Rajni Mishra	-	5	3	6
Mr. Rajesh Kumar Jogi	-	1	-	-
Mr. Ravichandran Venkataraman	-	-	-	-
Ms. Sudha Suresh	-	1	1	1
Ms. Anita Ramachandran	-	9	2	7
Mr. Sanjeev Nautiyal	-	-	-	-
Ms. Carol Furtado	-	-	-	-
Ms. Mona Kachhwaha	-	2	-	1

**To compute the number of Committee positions, only Audit Committee and Stakeholders Relationship Committee are considered*

b. Name of the listed entities where the following directors of the Bank are director and their category of directorship as on March 31, 2025:

Name of the Director	Category of directorship	Name of the listed entity
Ms. Anita Ramachandran	Independent Director	1. Grasim Industries Ltd. 2. Blue Star Limited 3. FSN E-Commerce Ventures Limited 4. Happiest Minds Technologies Limited 5. Ultratech Cement Limited 6. Aditya Birla Sun Life AMC Limited
Ms. Rajni Mishra	Independent Director	1. Cupid Limited 2. Aspinwall and Company Limited
Ms. Mona Kachhwaha	Independent Director	Aptus Value Housing Finance India Limited

c. During the FY 2024-25, 10 (Ten) meetings of the Board were held on the following dates:

Sr. No.	Date of Board meeting	Total number of directors eligible to attend	Number of directors present
1	April 02, 2024	8	8
2	April 27, 2024	8	8
3	May 18, 2024	9	9
4	July 08, 2024	10	10
5	July 25, 2024	10	10
6	October 24, 2024	10	10
7	January 23, 2025	9	9
8	February 15, 2025	9	9
9	March 05, 2025	9	8
10	March 24, 2025	9	9

There has not been a time gap of more than 120 (One Hundred and Twenty) days between any two consecutive Board meetings.

d. None of the directors are related to each other.

e. Ms. Carol Furtado (Whole-Time Director) held 1,285,143 shares, Mr. B A Prabhakar (Independent Director and Part-time Chairman) held 11,600 shares and Ms. Sudha Suresh (Independent Director) held 233,020 shares as of March 31, 2025.

f. To ensure compliance with Regulation 25(7) of SEBI Listing Regulations and RBI guidelines, Familiarisation Programmes were conducted during the FY 2024-25 to give an overview and introduction to the Independent Directors about the Bank's business and operations.

The details of such programmes are available on the website of the Bank at www.ujjivansfb.in.

g. In compliance with Section 10A and other applicable provisions of the Banking Regulation Act, 1949 and other laws applicable to the Bank, as on March 31, 2025, the Bank has a well-diversified Board having requisite skills, expertise and competencies.

The Board has identified core skills/expertise/competencies in the area of Banking and Finance, Human Resource Management, Accountancy and Taxation, Information Technology, Micro Finance, Agriculture, Small Scale Industry and Rural Economy which are required in the context of the Bank's business to function effectively.

h. The Bank has an enriched Board with the following skills, expertise and competencies:

Sr.	Name of the Director	Core Skills/Expertise/Competencies
1.	Mr. B A Prabhakar	Banking, Accountancy, Finance, Agriculture and Rural economy, Small Scale Industry, Risk Management, Human Resources, Business Management, Credit Recovery & Treasury Management
2.	Mr. Sanjeev Nautiyal	Banking, Financial Inclusion, Human Resources, International Banking, Treasury, Strategic Planning
3.	Ms. Rajni Mishra	Banking, accountancy, finance, agriculture and rural economy, small scale industry, risk management, human resources, business management, Credit Recovery & Treasury Management
4.	Mr. Rajesh Kumar Jogi	Accountancy, Finance, Economics, Risk Management, Taxation Laws, Corporate Laws, SEBI related Laws/Regulations and RBI Regulations
5.	Mr. Ravichandran Venkataraman	Banking, Information Technology, Finance, Accountancy and Business Management.
6.	Ms. Sudha Suresh	Accountancy, Taxation and Finance, Corporate Governance, Taxation Laws, Corporate Laws, SEBI related Laws/Regulations/RBI Regulations & Treasury Management
7.	Ms. Anita Ramachandran	Human Resources, Talent sourcing and Reward Management Management and Business Leadership
8.	Ms. Carol Furtado	Banking, Micro-finance, operations, credit, customer service, human resources
9.	Ms. Mona Kachhwaha	Micro Finance, Housing Finance, MSME Finance, Private Equity, Banking

Note: Mr. Samit Ghosh retired on Nov 30, 2024.

i. In the opinion of the Board, all the independent directors of the Bank meet the criteria of independence laid down under the Act and SEBI Listing Regulations and are independent of the Bank's Management Team. At the time of appointment and at the beginning of each financial year and whenever any change occurs which may affect their independence, the independent directors submit a self-declaration confirming their independence and compliance with various eligibility criteria, among other disclosures. All such declarations are placed before the Board for its information, review and noting.

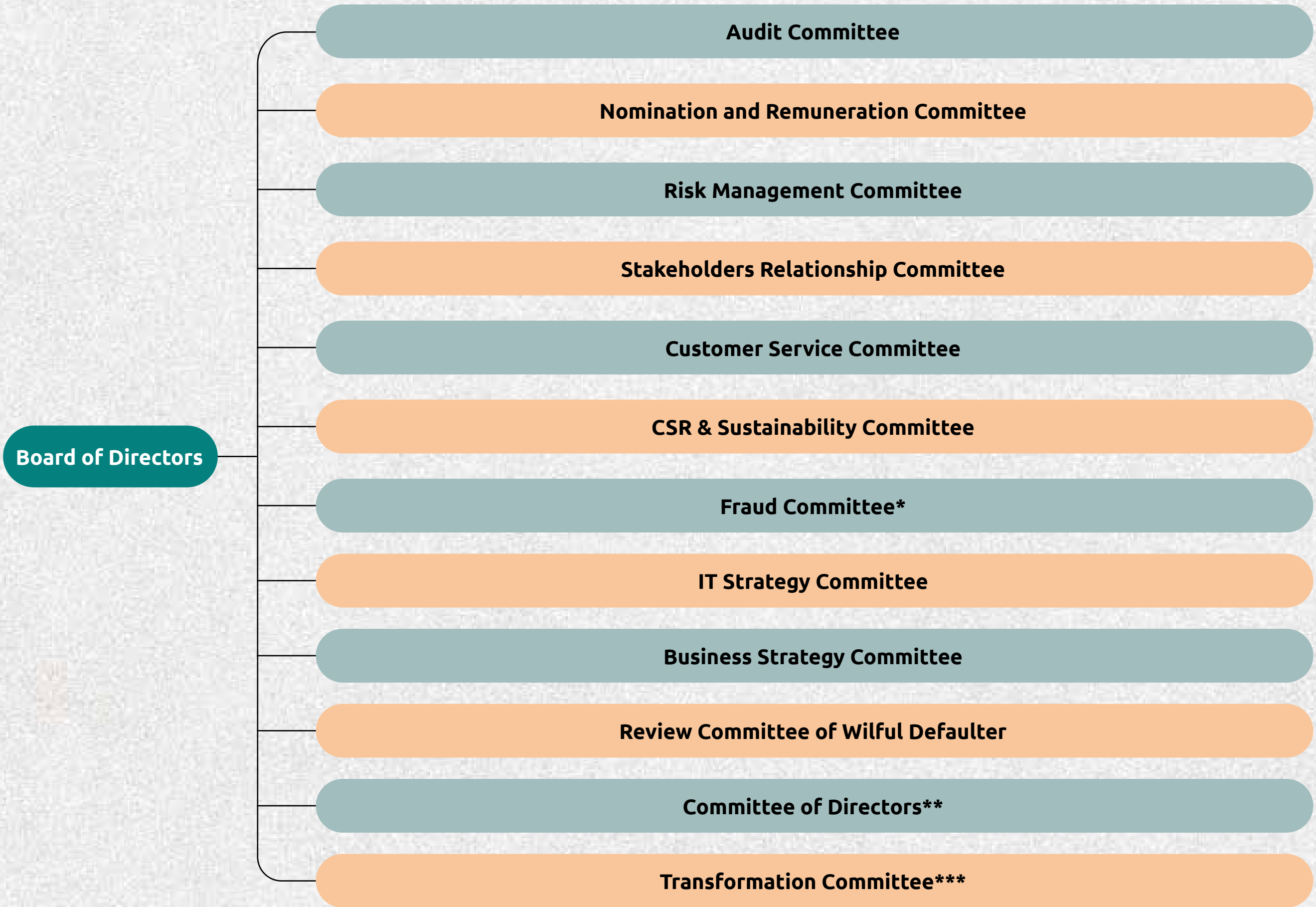
j. No independent director of the Bank has resigned before the expiry of his/her tenure during the FY 2024-25.

k. Every director has duly informed the Bank about the committee positions he/she occupies in other companies.

l. None of the directors of the Bank are members of more than 10 (Ten) committees or chairpersons of more than 5 (Five) committees (Audit Committee and Stakeholders Relationship Committee) across all public limited companies in which they are director.

m. None of the directors of the Bank are director in more than 7 (Seven) listed entities.

1. BOARD COMMITTEES AS ON MARCH 31, 2025



** Special Committee of Board for Monitoring and Follow-up of cases of Frauds*

***Change in the nomenclature from Committee of Directors to Credit Committee of Board effective from April 01, 2025*

****Constituted with effect from April 01, 2025*

AUDIT COMMITTEE

a. The Bank has constituted the Audit Committee in line with the provisions of Section 177 of the Act, applicable RBI Guidelines and Regulation 18 of the SEBI Listing Regulations.

As on March 31, 2025, the Audit Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Ms. Sudha Suresh	06480567	Independent	Chairperson
2.	Mr. Rajesh Kumar Jogi	03341036	Independent	Member
3.	Mr. Ravichandran Venkataraman	02064557	Independent	Member
4.	Ms. Rajni Mishra	08386001	Independent	Member
5.	Ms. Mona Kachhwaha	01856801	Independent	Member

b. The composition of the Audit Committee during the year (together with changes) and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Ms. Sudha Suresh	5	5
2.	Mr. Rajesh Kumar Jogi	5	5
3.	Ms. Rajni Mishra	5	5
4.	Mr. Ravichandran Venkataraman	5	5
5.	Ms. Mona Kachhwaha*	4	3

**Appointed as member of the Committee effective from July 09, 2024.*

The members of the Audit Committee are financially literate and have expertise in finance and have knowledge of accounting and financial management.

c. During the FY 2024-25, 5 (Five) meetings of the Audit Committee were held on the following dates:

Sr.	Date of the Audit Committee Meeting	Total number of members	Number of members present
1.	May 17, 2024	4	4
2.	July 24, 2024	5	5
3.	October 22, 2024	5	5
5.	January 22, 2025	5	5
6.	March 20, 2025	5	4

d. The terms of reference of the Audit Committee are in accordance with the Act, applicable RBI Guidelines and SEBI Listing Regulations. The following are the key terms of reference of the Audit Committee:

1) Items relating to Finance & Accounts:

a) Oversight of the Bank's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

b) Reviewing, with the management, the annual financial statement and auditor's report thereon before submission to the Board for approval, with particular reference to:

- Matters required to be included in the Director's Responsibility Statement of the Annual Board's report, in terms of the Companies Act, 2013;
- Changes, if any, in accounting policies and practices and reasons for the same;
- Major accounting entries involving estimates based on the exercise of judgement by management;
- Significant adjustments made in the financial statements arising out of audit findings;
- Compliance with listing and other legal requirements relating to financial statement;
- Disclosure of any related party transactions; and
- Qualifications and modified opinion(s) in the draft audit report.

c) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;

d) Examination of the financial statement and auditors' report thereon;

e) Review of financial results for the quarter;

f) Laying down the criteria for granting omnibus approval in accordance with the Bank's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;

g) Granting omnibus approval w.r.t. proposed related party transactions for the upcoming financial year.

h) Approval or any subsequent modification of transactions of the Bank with related parties provided that the Audit Committee may make omnibus approval for related party transactions proposed to be entered into by the Bank subject to such conditions as may be prescribed;

i) Review of transactions with related parties;

j) Review of housekeeping – particularly balancing and reconciliation of long outstanding entries Suspense/Sundries/Drafts payable/paid/Funds in Transit/Clearing/SGL/CSGL accounts

k) Review of changes in accounting policy and practices which may have significant bearing on financial statements. A confirmation that accounting policies are in compliance with accounting standards and RBI guidelines;

l) Review of accounting policies/systems of the Bank with a view to ensuring greater transparency in the bank's accounts and adequacy of accounting standards;

m) Review of report on Revenue leakage detected by Internal/External Auditors and status of recovery thereof – reasons for undercharges and steps taken to prevent revenue leakage

n) Review of Annual Tax Audit statement and auditors report hereon;

o) Review of management discussion and analysis of financial condition and results of operations;

p) Review of the Bank's financial policies coming under the purview of the Committee;

q) Evaluation of internal financial controls and risk management systems;

r) Approval of appointment of chief financial officer (i.e. the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

s) Review of Financial Inclusion Plan of the Bank

2) Items relating to Capital and Funds:

a) Monitoring the end use of funds raised through public offers and related matters;

b) Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the issue document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;

c) Review of quarterly statement of deviation(s)including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation32(1) of SEBI Listing Regulations.

d) Review of annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/ notice in terms of SEBI Listing Regulations.

e) Scrutiny of inter-corporate loans and investments;

f) Valuation of undertakings or assets of the Bank, wherever it is necessary;

g) To review the exposure to sensitive sectors i.e. capital market & real estate;

h) Review of the total fund based and non-fund based capital market exposure of bank, ensure that the guidelines issued by the Reserve Bank are complied with and adequate risk management and internal control systems are in place. With respect to investment in shares, the surveillance and monitoring shall be done by the ACB.

i) The ACB shall keep the Board informed about the overall exposure to capital market, the compliance with the Reserve Bank and Board guidelines, adequacy of risk management and internal control systems.

j) Review of information in respect of equity shareholdings in borrower companies more than 30% of their paid-up capital;

k) To look into the reasons for substantial defaults in the payment to the depositors, debenture-holders, shareholders (in case of non-payment of declared dividends) and creditors;

l) Reviewing the utilisation of loan and/or advances from investment by the holding company in the subsidiary exceeding ₹100 Crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments.

m) Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

3) Items relating to Audits:

a) Recommendation for appointment, replacement, reappointment, remuneration and terms of appointment of auditors of the Bank;

b) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;

c) Review and monitor the auditor's independence and performance, and effectiveness of audit process;

d) Review of management letters/letters of internal control weaknesses issued by the statutory auditors;

e) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

f) Approval of the appointment, removal and terms of remuneration of the internal auditor;

g) ACB should provide direction as also oversee the operation of the total audit function in the bank. Total audit function will imply the organisation, operationalisation and quality control of internal audit and inspection within the bank and follow up on the statutory/external audit of the bank and inspections of the RBI.

h) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

i) As regards internal audit, ACB should review the internal inspection/audit function in the bank - the system, its quality and effectiveness in terms of follow-up. It should review the inspection reports of specialised and extra-large branches and all branches with unsatisfactory ratings. It should also specially focus on the follow up on :

- inter-branch adjustment accounts,
- unreconciled long outstanding entries in inter-bank accounts and nostro accounts.
- arrears in balancing of books at various branches,
- frauds, and
- all other major areas of house-keeping.

j) Discussion with internal auditors of any significant findings and follow up there on;

k) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;

l) Discussion with statutory auditors, internal auditors, and secretarial auditors about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

m) Review of quarterly updates on Internal Audit;

n) Review of internal audit reports relating to internal control weaknesses;

o) To ensure that an Information System Audit of the internal systems and processes is conducted at least once in two years to assess operational risks faced by the Bank;

p) Review of Audit plan and status of achievement thereof;

q) Quarterly status update on rotation of critical staff and to grant exceptions, on a case to case basis

r) Review of IS Audit Policy;

s) Review of significant Audit Findings of the following audits along with the compliance thereof, if applicable –

- Long Form Audit Report
- Concurrent Audit
- Internal Inspection
- I.S. Audit of Data Centre
- Treasury and Derivatives
- Management Audit at Controlling Offices/Head Offices
- Audit of Service Branches
- Currency Chest
- FEMA Audit of branches authorised to deal in foreign exchange, etc.;

4) Items relating to Compliance and legal:

a) Review of Periodic inspection report submitted to the RBI and certificates/returns/reports to the RBI pertaining to the Audit Committee function;

b) KYC/AML Guidelines - (i) Review of implementation (ii) Review of compliance of concurrent audit reports with respect to adherence to KYC/AML guidelines at branches;

c) Review of compliance in respect of the Annual Financial Inspection conducted by RBI (Audit Committee shall review this on ongoing basis till the Bank furnishes full compliance. It should closely monitor persisting deficiencies pointed out in RBI Inspection Reports);

d) Review of Compliance report on directives issued by the Audit Committee/Board/RBI;

e) Annual review of the Compliance Risk Assessment of the Bank and Aggregation of Compliance Risk

f) Carrying out any other function as may be required/mandated as per the provisions of the Companies Act, 2013, SEBI Listing Regulations and/or any other applicable laws;

g) Report on compliance of regulatory requirement of Regulators in Host Countries in respect of overseas branches;

h) Review of information on violations by various functionaries in the exercise of discretionary powers;

i) Review of penalties imposed/penal action taken against bank under various laws and statutes and action taken for corrective measures;

j) Review of quarterly Reporting of Status of Litigation and Legal Audit.

k) Annual critical review of performance of the Bank's panel advocates

l) To conduct quarterly one on one sessions with the Chief Financial Officer, Chief Compliance Officer, Chief Vigilance Officer and Head of Internal Audit

m) Framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and
- The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market)Regulations, 2003.

5) Items relating to Vigilance:

a) To establish a vigil mechanism for directors and employees to report their genuine concerns or grievances;

b) To review the functioning of the whistle-blower mechanism;

c) Review of Frauds (frauds of ₹1 Crore and above to be reviewed as and when reported);

d) Detailed report on fraudulent transactions relating to Internet Banking through phishing attacks pointing out in particular the deficiencies in the existing systems and steps taken by the IT department to prevent such cases;

e) To review the systemic failure of controls or absence of key controls or severe weaknesses in existing controls which facilitate exceptionally large value frauds and sharp rises in frauds in specific business segments leading to large losses for the bank.

6) Others

a) The ACB shall review critical issues highlighted related to IT/information security/cyber security and provide appropriate direction and guidance to the RE's Management, if any.

NOMINATION AND REMUNERATION COMMITTEE

a. The Bank has constituted a Nomination and Remuneration Committee as per the requirements of Section 178 of the Act, Regulation 19 of SEBI Listing Regulations and applicable RBI guidelines.

The Nomination and Remuneration Committee has power of formulating the criteria for determining qualifications, positive attributes and independence of a director and recommending a policy relating to the remuneration and appointment of the directors, key managerial personnel and senior management.

As on March 31, 2025, the Nomination and Remuneration Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Ms. Anita Ramachandran	00118188	Independent	Chairperson
2.	Mr. Ravichandran Venkataraman	02064557	Independent	Member
3.	Mr. B A Prabhakar	02101808	Independent	Member
4.	Mr. Rajesh Kumar Jogi	03341036	Independent	Member

b. The composition of the Nomination and Remuneration Committee during the year (together with changes) and the details of meetings attended by its members are given below:

Sr.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Ms. Anita Ramachandran	6	6
2.	Mr. Rajesh Kumar Jogi	6	6
3.	Mr. Ravichandran Venkataraman	6	6
4.	Mr. B A Prabhakar	6	6
5.	Mr. Samit Kumar Ghosh*	4	4

** Ceased to be a member on Nov 30, 2024 due to retirement.*

c. All the members of the Nomination and Remuneration Committee are Non-Executive, Independent Directors as on March 31, 2025.

d. The Chairperson of the Nomination and Remuneration Committee is an Independent Director.

e. During the FY 2024-25, 6 (Six) meetings of the Nomination and Remuneration Committee were held on the following dates:

Sr. No.	Date of the Committee Meeting	Total number of members	Number of members present
1.	May 13, 2024	5	5
2.	June 24, 2024	5	5
3.	August 16, 2024	5	5
4.	September 05, 2024	5	5
5.	March 05, 2025	4	4
6.	March 24, 2025	4	4

f. The following are the key terms of reference of the Nomination Committee:

1) Items relating to Board of Directors:

a. Formulating the criteria for determining qualifications, skills, positive attributes and independence for appointment of Directors (including Independent Directors) on the Board of the Bank.

b. Identifying persons who are qualified to become directors in accordance with the criteria laid down, and recommend their appointment and removal to the Board.

c. Conducting due diligence as to the credentials of any director before his or her appointment/re-appointment, and making appropriate recommendations to the Board, in consonance the requirements of applicable laws.

d. To carry out initial due diligence of directors in regard to their suitability for the post by way of qualifications, technical expertise, track record, integrity, etc. additionally, check for the compliance with the provisions of Sections 10A, 16 and 20 of the Banking Regulations Act, 1949.

e. For every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director.

The Committee shall ensure that person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Committee may:

1) uses the services of an external agencies, if required;

2) considers candidates from a wide range of backgrounds, having due regard to diversity; and

3) considers the time commitments of the candidates

f. Forming and reviewing and recommending to the Board, the Nomination & Remuneration Policy which shall inter alia comprise of details on remuneration to Directors Key Managerial Personnel and other employees of the Bank with due regards to the following factors:

1) the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Bank successfully;

2) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

3) remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Bank and its goals;

g. Formulating criteria for evaluation of performance of all the directors, the complete Board and various Board Committees. The Bank shall disclose the remuneration policy and the evaluation criteria in its annual report

h. To ensure 'fit and proper' status of proposed/existing directors;

i. Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

j. To make recommendations to the Board concerning any matters relating to the continuation in office of any Director at anytime including the suspension or termination of service of an Executive Director as an employee of the Bank subject to the provision of the law and their service contract.

2) Items relating to Human Resource:

a. Analysing, monitoring and reviewing various human resource and compensation matters;

b. Determining the Bank's policy on specific remuneration packages for executive directors including pension rights and any compensation payment, and determining remuneration packages of such directors;

c. Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), which shall be market related, usually consisting of a fixed and variable component;

d. The Committee on an annual basis may review the job description/key performance indicators/Key result areas of Senior Management of the Bank on an annual basis which should align with Banks long term strategy, KPI of the MD &CEO would include performance against budget, financial performance and on various parameters which includes managing risk, compliance and governance.

e. Recommending to the Board, all remuneration, in whatever form, payable to senior management;

f. Reviewing the Organisation Structure

g. Reviewing and finalizing the list of Material Risk Takers (MRTs), their KRIs and KPIs. To review and decide on the compensation of Whole Time Directors/Chief Executive Officers/MRTs and Control Function based on the RBI guidelines dated Nov 4, 2019, as amended.

h. Should work in close coordination with Risk Management Committee of the Bank, to achieve effective alignment between compensation and risks.

i. Administering, monitoring and formulating detailed terms and conditions of the Employee Stock Option Plan of the Bank, *inter-alia*, including the following:

1) Determining the eligibility of employees;

2) the quantum of option to be granted under the said Plan per employee and in aggregate;

3) the exercise price of the option granted and valuation to be done basis the SEBI (Share based Employee Benefits) Regulations, 2021 and Indian Accounting Standard for Share based payments prescribed calculation of the fair value of options using the Black-Scholes options pricing model or any other binomial model, or any method as prescribed by the law from time to time;

4) the conditions under which option may vest in employee and may lapse in case of termination of employment for misconduct;

5) the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

6) the specified time period within which the employee shall exercise the vested option in the event of termination or resignation of an employee;

7) the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

8) Re-pricing of the options which are not exercised, whether or not they have been vested if stock option rendered unattractive due to fall in the Market Price of the Shares;

9) Formulating and implementing the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard following shall be taken into consideration by the Nomination Committee:

- the number and the price of stock option shall be adjusted in a manner such that total value of the option to the employee remains the same after the Corporate Action;
- for this purpose global best practices in this area including the procedures followed by the derivative markets in India and abroad may be considered;
- the Vesting Period and the life of the option shall be left unaltered as far as possible to protect the rights of the employee who is granted such option;

10) the grant, vest and exercise of option in case of employees who are on long leave;

11) allow exercise of unvested options on such terms and conditions as it may deem fit;

12) the procedure for cashless exercise of options;

13) Forfeiture/cancellation of options granted;

14) Framing of suitable policies and procedures to ensure that there is no violation of securities laws, as amended from time to time, by the ESOP trust, the Bank and its employees, as applicable;

15) All other issues incidental to the implementation of the Plan; and

16) Construing and interpreting the Plan and any agreements defining the rights and obligations of the Bank and eligible employees under the Plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan.

j. Administering, monitoring and formulating detailed terms and conditions of the Employee Stock Purchase Scheme of the Bank;

k. Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks;

l. To develop a succession plan and to regularly review the plan;

m. Overseeing the framing, review and implementation of the Bank's Compensation Policy for Whole Time Directors/Chief Executive Officers/Risk Takers and Control function staff or ensuring effective alignment between remuneration and risks;

n. Framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:

- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations,2015; and
- The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003

o. Carrying out any other function as is mandated by the Board from time to time and/or enforced/mandated by any statutory notification amendment or modification, as may be applicable;

p. Review regularly and approve the Bank's Programme for executive and employee development;

q. Review and implement the various HR policies and manual of the Bank;

r. Develop, review and approve the principles guiding the Bank's executive compensation philosophies;

s. Assure that the bonus plan is administered in a manner consistent with Bank's compensation principles and strategies including Bank's policies relating to executive management succession and executive organisation development; and

t. Performing such other functions as may be necessary or appropriate for the performance of its duties.

u. Overseeing and guiding the Bank on various Learning and Development initiatives for employees at all levels.

STAKEHOLDERS RELATIONSHIP COMMITTEE

a. For redressing the grievances of the shareholders among other matters, the Bank has constituted a Stakeholders Relationship Committee as per the requirements of Section 178 of the Act and Regulation 20 of SEBI Listing Regulations.

As on March 31, 2025, the Stakeholders Relationship Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Mr. B A Prabhakar	02101808	Independent	Chairperson
2.	Ms. Sudha Suresh	06480567	Independent	Member
3.	Mr. Ravichandran Venkataraman	02064557	Independent	Member
4.	Ms. Anita Ramachandran	00118188	Independent	Member
5.	Mr. Sanjeev Nautiyal	08075972	MD & CEO	Member

b. The composition of the Stakeholders Relationship Committee during the year (together with the changes) and the details of meetings attended by its members are given below:

Sr.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Mr. B A Prabhakar	1	1
2.	Ms. Sudha Suresh	1	1
3.	Mr. Ravichandran Venkataraman	1	1
4.	Mr. Samit Kumar Ghosh*	0	0
5.	Mr. Ittira Davis**	0	0
6.	Ms. Anita Ramachandran***	1	1
7.	Mr. Sanjeev Nautiyal***	1	1

**Ceased to be a member effective from July 09, 2025*

*** Ceased to be a member due to early retirement w.e.f. June 30, 2024*

****Appointed as members effective from July 09, 2025*

c. The Chairperson of the Stakeholders Relationship Committee is an Independent Director of the Bank.

d. The Stakeholders Relationship Committee has met once on March 20, 2025, during the FY 2024-25 and all members were present at the meeting.

e. The following are the key terms of reference of the Committee:

1. To resolve the grievances of the security holders of the Bank including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate;
2. To review of measures taken for effective exercise of voting rights by shareholders;
3. To review of adherence to the service standards adopted by the Bank in respect of various services being rendered by the Registrar & Share Transfer Agent;
4. To place on record, the internal evaluation of the performance of the RTA in rendering its services to the Bank
5. To review the various measures and initiatives taken by the Bank for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Bank;
6. Formulation of procedures in line with the statutory guidelines to ensure speedy disposal of various requests received from shareholders from time to time;
7. To redress shareholders' and investors' complaints/grievances such as transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.
8. To approve, register, refuse to register transfer or transmission of shares and other securities;
9. To sub-divide, consolidate and or replace any share or other securities certificate(s) of the Bank;
10. Allotment and listing of shares, approval of transfer or transmission of shares, debentures or any other securities;
11. To issue duplicate share or other security(ies) certificate(s) in lieu of the original share/security(ies) certificate(s) of the Bank after split/consolidation/rematerialisation and in Replacement of those which are defaced, mutilated, torn or old, decrepit, worn out or where the pages on reverse for recording transfers have been utilised;
12. To approve the transmission of shares or other securities arising as a result of death of the sole/any joint shareholder;
13. To dematerialise or re-materialise the issued shares;
14. To authorise to sign and endorse the Share Transfers on behalf of the Bank;
15. To ensure proper and timely attendance and redressal of investor queries and grievances;

16. To carry out any other functions contained in the SEBI Listing Regulations, and the Act as and when amended from time to time;
17. To further delegate all or any of the power to any other employee(s), officer(s), representative(s),consultant(s), professional(s), or agent(s); and
18. To perform such other functions as and when authorised by the Board.

f. Complaints of stakeholders received during the FY 2024-25.

Particulars	Number
Number of Complaints at the beginning of the FY 2024-25	0
Number of shareholders' complaints received during the FY 2024-25	19
Number of complaints disposed-off during the FY 2024-25	19
Number of pending complaints at the end of the FY 2024-25	0

The Company Secretary of the Bank has been designated as the Compliance Officer of the Bank as per Regulation 6 of SEBI Listing Regulations.

CSR & SUSTAINABILITY COMMITTEE

a. The Bank has constituted a CSR Committee in accordance with the provisions of Section 135 of the Act and the rules made thereunder and to oversee the social programmes to be undertaken by the Bank and monitor its economic and social impact on society at large. Further to enhance the supervision of the Committee over the ESG and sustainability related initiatives of the Bank, the Committee was renamed as the CSR & Sustainability Committee w.e.f. April 01, 2024.

As on March 31, 2025, the CSR & Sustainability Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Mr. Rajesh Kumar Jogi	03341036	Independent	Chairperson
2.	Ms. Sudha Suresh	06480567	Independent	Member
3.	Ms. Rajni Mishra	08386001	Independent	Member
4.	Ms. Anita Ramachandran	00118188	Independent	Member
5.	Ms. Carol Furtado	07587305	Whole-Time Director	Member

b. The composition of the CSR & Sustainability Committee during the year (together with changes) and the details of meetings attended by its members are given below:

Sr.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Mr. Rajesh Kumar Jogi	2	2
2.	Ms. Sudha Suresh	2	2
3.	Ms. Rajni Mishra	2	2
4.	Ms. Anita Ramachandran	2	2
5.	Ms. Carol Furtado*	1	1
6.	Mr. Ittira Davis**	1	1

**Appointed as member with effect from July 09, 2024.*

***Ceased to be member due to early retirement with effect from June 30, 2024.*

c. During the FY 2024-25, CSR & Sustainability Committee met twice on May 23, 2024 and March 20, 2025 and all the members were present in the meetings.

d. The following are the key terms of reference of the CSR & Sustainability Committee:

1) The CSR & Sustainability Committee shall formulate and recommend to the Board an annual action plan in pursuance of CSR Policy of the Bank which shall include the following, namely:
   a. the list of CSR projects or programmes that are approved to be undertaken in areas or subjects specified in Schedule VII of the Act;
   b. the manner of execution of such projects or programmes as specified in Companies (Corporate Social Responsibility Policy) Rules, 2014.
   c. the modalities of utilisation of funds and implementation schedules for the projects or programmes;
   d. monitoring and reporting mechanism for the projects or programmes; and
   e. details of need and impact assessment, if any, for the projects undertaken by the Bank.
2) The CSR & Sustainability Committee shall approve and recommend to the Board, the activities can either be undertaken by the Bank itself or through any registered public trust/society/section 8 company or any entity established under an Act of Parliament or a State legislature as detailed in CSR Rules, for undertaking the CSR activities.

3) To do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws.

4) With a view to bring the ESG related initiatives of the Bank and reporting relating to the same under the purview of the Board, following additions has been made in TOR of the CSR & Sustainability Committee:

   a) To define specific commitments, goals and targets to be set by the Bank in terms of ESG parameters along-with performance assessment parameters for the same.

   b) To approve and oversee the implementation of the Bank level policy on the ESG parameters.

   c) To ensure that the business of the Bank is being carried out in concurrence to the applicable principles of the 'National Guidelines on Responsible Business Conduct'(NGBRCs), as follows:

      1) Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

      2) Businesses should provide goods and services in a manner that is sustainable and safe.

      3) Businesses should respect and promote the well-being of all employees, including those in their value chains.

      4) Businesses should respect the interests of and be responsive to all its stakeholders.

      5) Businesses should respect and promote human rights.

      6) Businesses should respect and make efforts to protect and restore the environment.

      7) Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

      8) Businesses should promote inclusive growth and equitable development.

      9) Businesses should engage with and provide value to their consumers in a responsible manner.

RISK MANAGEMENT COMMITTEE

a. The Bank has constituted a Risk Management Committee in accordance with RBI guidelines and Regulation 21 of SEBI Listing Regulations.

As on March 31, 2025, the Risk Management Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Mr. Rajesh Kumar Jogi	03341036	Independent	Chairperson
2.	Mr. B A Prabhakar	02101808	Independent	Member
3.	Ms. Rajni Mishra	08386001	Independent	Member
4.	Ms. Sudha Suresh	06480567	Independent	Member
5.	Ms. Mona Kachhwaha	01856801	Independent	Member
6.	Mr. Sanjeev Nautiyal	08075972	MD & CEO	Member
7.	Ms. Carol Furtado	07587305	Whole-Time Director	Member

b. The composition of the Risk Management Committee and the details of meetings attended by its members are given below:

Sr.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Mr. Rajesh Kumar Jogi#	6	6
2.	Mr. B A Prabhakar	6	6
3.	Ms. Rajni Mishra##	6	6
4.	Mr. Samit Kumar Ghosh*	5	5
5.	Ms. Sudha Suresh	6	5
6.	Mr. Ittira Davis**	2	2
7.	Ms. Mona Kachhwaha***	4	3
8.	Mr. Sanjeev Nautiyal****	4	4
9.	Ms. Carol Furtado****	4	4

#Ceased to be member and appointed as Chairperson effective from December 12, 2024

##Ceased to be Chairperson and became member effective from December 12, 2024

**Ceased to be member due to retirement on attaining age of 75 years effective from November 30, 2024.*

***Ceased to be member due to early retirement effective from June 30, 2024.*

****Appointed as member effective from July 09, 2024.*

*****Appointed as member effective from July 09, 2024.*

c. During the FY 2024-25, 6 (Six) meetings of the Risk Management Committee were held on the following dates:

Sr.	Date of the Risk Management Committee Meeting	Total number of members	Number of members present
1.	May 16, 2024	6	6
2.	June 18, 2024	6	5
3.	July 22, 2024	8	7
4.	October 21, 2024	8	8
5.	November 14, 2024	8	8
6.	January 21, 2025	7	7

d. The following are the key terms of reference of the Risk Management Committee:

1) Ensure that all the current and future material risk exposures of the Bank are assessed, identified, quantified, appropriately mitigated and managed;
2) Establish a framework for the risk management process and to ensure its implementation in the Bank;
3) Ensure that the Bank is taking appropriate measures to achieve prudent balance between risk and reward in both ongoing and new business activities;
4) Review and take note of the compliance to the Bank's stated Risk Appetite Framework as specified in respective policies.
5) Quarterly review of the detailed risk management framework covering all types of risks, controls, status, reports and plans pertaining to the said risks
6) To recommend the approval of ICAAP document and its associated policies to the Board for onward submission to RBI.
7) Quarterly review of following aspects of Non-SLR investments:
   a. Total business (investment and divestment) during the reporting period.
   b. Compliance with the prudential limits prescribed by the Board for non-SLR investments.
   c. Compliance with the prudential guidelines issued by the Reserve Bank on non-SLR investments.
   d. Rating migration of the issuers/issues held in the bank's books and consequent diminution in the portfolio quality.
   e. Adequacy of the systems and procedures prescribed under bank's investment policy for investment in privately placed instruments.
   f. Extent of non-performing investments in the non-SLR category.
8) Review and recommend changes, from time to time, to the Risk Management plan and/or associated frameworks, processes and practices of the Bank;
9) Enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices;
10) Perform other activities related to this charter as requested by the Board or to address issues related to any significant subject within its term of reference;
11) Evaluate overall risks faced by the Bank and determining the level of risks which will be in the best interest of the Bank;
12) Identify, monitor and measure the risk profile of the Bank;
13) Develop policies and procedures, verify the models that are used for pricing complex products, review the risk models as development takes place in the markets and also identify new risks;
14) Design stress scenarios to measure the impact of unusual market conditions and monitor variance between the actual volatility of portfolio value and that predicted by the risk measures;
15) Monitor compliance of various risk parameters by operating departments;
16) Review of the Pillar 3 disclosures on a quarterly basis which information on the Capital Adequacy.
17) Review the outsourcing functions of the Bank;
18) Review of risk management practices, procedures and systems to ensure that same are adequate to limit all potential risks, faced by the bank to prudent levels (Annually). (Risk Management Framework to be reviewed for adequacy);
19) Limit Management Framework to be defined by outlining of the tolerance limits. Any exceptions and breaches to be reported on a quarterly basis; and
20) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity
21) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
22) Overview the functions and performance of the Risk Management Committee of the management.
23) The Risk Management Committee also oversees the following functions:

a) Outsourcing Function

- Approving a framework to evaluate the risk sand materiality of all existing and prospective outsourcing and the policies that apply to such arrangements;
- Laying down appropriate approval authorities for outsourcing depending on risks and materiality;
- Undertaking regular review of outsourcing strategies and arrangements for their continued relevance, and safety and soundness; and
- Deciding on business activities of a material nature to be outsourced, and approving such arrangements.

b) Supervisory Function

Monitoring of the exposures (both credit and investment) by the Bank, review of the adequacy of the risk management process and up gradation thereof, internal control systems and ensuring compliance with the statutory/regulatory framework.

24) To monitor the climate related business risks and guide the Bank in this and ancillary matters accordingly.

CUSTOMER SERVICE COMMITTEE

a. The Bank has constituted a Customer Service Committee in accordance with RBI Master Circular on Customer Service in banks. The function of the Customer Service Committee is to monitor the quality of customer service extended by the Bank and to attend to the needs of customers. The Committee furthers the efforts of financial inclusion for the customers of the Bank.

As on March 31, 2025, the Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Ms. Rajni Mishra	08386001	Independent	Chairperson
2.	Mr. B A Prabhakar	02101808	Independent	Member
3.	Ms. Anita Ramachandran	00118188	Independent	Member
4.	Ms. Carol Furtado	07587305	Whole-Time Director	Member

b. The composition of the Customer Service Committee and the details of the meetings attended by its members are given below:

Sr.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Ms. Rajni Mishra#	3	3
2.	Mr. B A Prabhakar##	4	4
3.	Mr. Samit Kumar Ghosh*	3	3
4.	Mr. Ittira Davis**	1	1
5.	Ms. Anita Ramachandran	4	4
6.	Ms. Carol Furtado***	3	3

#Appointed as member effective from July 09, 2024, and became Chairperson of the Committee effective from December 12, 2024

##Ceased to be Chairperson and became member effective from December 12, 2024

**Ceased to be member due to retirement on attaining age of 75 years effective from November 30, 2024*

***Ceased to be member due to early retirement effective from June 30, 2024*

****Appointed as member effective from July 09, 2024*

c. During the FY 2024-25, 4 (Four) meetings of the Customer Service Committee were held on the following dates:

Date of the Customer Service Committee Meeting	Total number of members	Number of members present
June 12, 2024	4	4
September 03, 2024	5	5
November 14, 2024	5	5
February 15, 2025	4	4

d. The following are the key terms of reference of the Committee:

1) To review the controls related to managing and protecting the interests of unsophisticated/illiterate customers on an annual basis;
2) To review the performance of the Standing Committee of the Customer Service;
3) To formulate a Comprehensive Deposit Policy, incorporating the issues such as the treatment of death of a depositor for operations of his account;
4) Review audit findings of the services rendered to the customers of the bank
5) Review consolidated feedback from branch level customer service committee meetings, ongoing customer feedback survey results, including the aspects of mis-selling

6) To formulate a product approval process;
7) To take an annual survey of depositor satisfaction and the triennial audit of such services;
8) Review and approve the amendments in customer service policies, if any
9) Review updates on business correspondents
10) Annual review of the compliance with the fair practices code (FPC) for lenders and the functioning of the grievance redressal mechanism
11) Review and approve detailed memorandum for the half year on the customer service/customer care aspects and corrective actions taken wherever needed
12) Review services/strategy and changes made in the products, processes and systems/service charges including penal charges introduced & modified
13) The Committee to address the formulation of a Comprehensive Deposit Policy, incorporating the issues such as the treatment of death of a depositor for operations of his account, the product approval process, the annual survey of depositor satisfaction and the tri-enniel audit of such services.
14) The Committee, if required also to examine any other issues having a bearing on the quality of customer service rendered.
15) To examine any other issues having a bearing on the quality of customer service rendered
16) To monitor the implementation of Awards under the Banking Ombudsman Scheme:
    a. To review all the awards on quarterly basis and to address issues of systemic deficiencies existing in banks, if any, brought out by the awards;
    b. To review the status of all the awards remaining unimplemented for more than three months with the reasons and report to the Board such delays in implementation without valid reasons and for initiating necessary remedial action; and
    c. To review the delay, if any, in the implementation of Banking Ombudsman award on quarterly basis;

IT STRATEGY COMMITTEE

a. The Bank has constituted an IT Strategy Committee in accordance with RBI guidelines.

As on March 31, 2025, the IT Strategy Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Mr. Ravichandran Venkataraman	02064557	Independent	Chairperson
2.	Mr. Rajesh Kumar Jogi	03341036	Independent	Member
3.	Mr. B A Prabhakar	02101808	Independent	Member
4.	Ms. Sudha Suresh	06480567	Independent	Member
5.	Mr. Sanjeev Nautiyal	08075972	MD & CEO	Member
6.	Ms. Carol Furtado	07587305	Whole-Time Director	Member

b. The composition of the IT Strategy Committee during the year (together with changes) and the details of the meetings attended by its members is given below:

Sr.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Mr. Ravichandran Venkataraman	4	4
2.	Mr. Samit Kumar Ghosh	2	2
3.	Mr. Rajesh Kumar Jogi	4	4
4.	Mr. Ittira Davis	1	1
5.	Mr. B A Prabhakar	4	4
6.	Ms. Sudha Suresh*	3	3
7.	Mr. Sanjeev Nautiyal*	3	3
8.	Ms. Carol Furtado*	3	3

**Appointed as members effective from July 09, 2024*

c. During the FY 2024-25, 4 (Four) meetings of the IT Strategy Committee were held on the following dates:

Date of the IT Strategy Committee Meeting	Total number of members	Number of members present
June 12, 2024	5	5
September 03, 2024	7	7
December 04, 2024	6	6
March 11, 2025	6	6

d. The following are the key terms of reference of the Committee:

i. Information Technology related items:

a. Approving IT strategy and policy documents
b. Supervising the overall IT landscape and IT governance structure of the Bank
c. Reviewing progress on projects related to applications, technology & security and service delivery
d. Reviewing the performance of IT verticals and major IT related contracts including outsourcing activities
e. Ensuring that the management has put an effective strategic planning process in place
f. Ratifying that the business strategy is indeed aligned with IT strategy
g. Ensuring that the IT organisational structure complements the business model and its direction
h. Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business
i. Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable
j. Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources
k. Ensuring proper balance of IT investments for sustaining bank's growth
l. Becoming aware about exposure towards IT risks and controls and evaluating effectiveness of management's monitoring of IT risks
m. Assessing Senior Management's performance in implementing IT strategies
n. Issuing high-level policy guidance (e.g. related to risk, funding, or sourcing tasks)
o. Confirming whether IT or business architecture is to be designed, so as to derive the maximum business value from IT
p. Overseeing the aggregate funding of IT at a bank-level, and ascertaining if the management has resources to ensure the proper management of IT risks
q. Reviewing IT performance measurement and contribution of IT to businesses (i.e. delivering the promised value).

ii. Information Security related items:

a. Reviewing the progress in the gap assessment to RBI circular.
b. Reviewing the Cyber security maturity and quantification
c. Reviewing the brand monitoring and major observations of incidents of security operation centre
d. Reviewing the data breach alerts and threat landscape
e. Reviewing the Cyber security KPIs and KRIs
f. Reviewing the Status of BCP & DR drill
g. Reviewing the red team activities/major findings
h. Reviewing the compliance to security review, vulnerability assessment of our network and infrastructure, application security review and penetration testing
i. Reviewing the gaps in Information Security related regulatory returns
j. Reviewing the user awareness activities carried out
k. Reviewing the internet banking and mobile banking downtimes and incident reporting due to outage of critical IT systems
l. Reviewing the VA/PT matrix and related observations
m. Reviewing adequacy and effectiveness of the Business Continuity Planning and Disaster Recovery Management
n. To consider and approve policies and amendments to policies, if any

iii. The Committee shall also oversee the Digital Banking functions and initiatives of the Bank

REVIEW COMMITTEE OF WILFUL DEFAULTERS

a. The Bank has constituted a Review Committee of Willful Defaulters in accordance with RBI guidelines to review decisions taken by the Identification Committee (for identification of Willful defaulters/borrowers).

As on March 31, 2025, the Review Committee of Wilful Defaulters comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Mr. Sanjeev Nautiyal	08075972	Independent	Chairperson
2.	Mr. B. A. Prabhakar	02101808	Independent	Member
3.	Ms. Sudha Suresh	06480567	Independent	Member
4.	Mr. Rajesh Kumar Jogi	03341036	Independent	Member

b. The Review Committee of Wilful Defaulters meets as and when the instance pertaining to wilful defaulters occurs and hence, no meeting was held during the year.

FRAUD COMMITTEE (SPECIAL COMMITTEE OF BOARD FOR MONITORING HIGH VALUE FRAUDS)

a. The Bank has constituted a Fraud Committee in accordance with RBI guidelines to monitor and follow up cases of frauds involving amounts in excess of ₹1 (One) Crore and to review a report on the RFA accounts and follow-up of Frauds (SCBF) providing, inter alia, a synopsis of the remedial action taken together with their current status. Further, to review the systemic failure of controls or absence of key controls or severe weaknesses in existing controls which facilitate exceptionally large value frauds and sharp rises in frauds in specific business segments leading to large losses for the Bank, if required

As on March 31, 2025, the Fraud Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Mr. Ravichandran Venkataraman	02064557	Independent	Chairperson
2.	Mr. B. A. Prabhakar	02101808	Independent	Member
3.	Mr. Rajesh Kumar Jogi	03341036	Independent	Member
4.	Ms. Sudha Suresh	06480567	Independent	Member
5.	Mr. Sanjeev Nautiyal	08075972	MD & CEO	Member

c. The composition of the Fraud Committee during the year (together with changes) and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Mr. Ravichandran Venkataraman	1	1
2.	Mr. Banavar Anantharamaiah Prabhakar	1	1
3.	Mr. Rajesh Kumar Jogi	1	1
4.	Mr. Ittira Davis*	0	0
5.	Ms. Rajni Mishra**	0	0
6.	Ms. Sudha Suresh**	1	1
7.	Mr. Sanjeev Nautiyal***	1	1

**Ceased to be member due to retirement with effect from June 30, 2024*

***Replaced by Ms. Sudha Suresh with effect from July 09, 2024*

****Appointed as member with effect from July 09, 2024*

b. The Fraud Committee met on below date during the FY 2024-25:

Date of the Fraud Committee Meeting	Total number of members	Number of members present
March 19, 2025	5	5

COMMITTEE OF DIRECTORS (RENAMED AS CREDIT COMMITTEE OF BOARD W.E.F. APRIL 01, 2025)

a. The Bank has in place a Committee of Directors to facilitate faster decision making to borrow monies, issuing or arranging bank guarantees for Bank's own requirements; and offering security deposit, margin money, etc. for such and other transactions, to open Bank accounts, addition/deletion/change of signatories in Bank accounts, to apply for internet banking facilities and addition/deletion/change in inputter/authorisers, any other bank related matters, to enter into IBPC transactions, to enter into securitisation transactions, to avail refinance facilities from Financial Institutions, to raise monies through certificate of Deposits and to open DAD Accounts, Clearing Accounts and resolutions relating to any other statutory compliances/regulatory matters.

b. Following is Delegation of Authority matrix in terms of the Committee of Directors

Particulars	Limits - Board	Limit - Amount (₹)
	All	
To borrow monies from Banks and Financial Institutions.	Up to ₹ 10,000 Crores exceeding the aggregate of the paid-up capital and free reserves, that is to say, reserves not set part for any specific purpose	2,000 Crores
Issuing or arranging bank guarantees for Bank's own requirements; and offering security deposit, margin money, etc. for such and other transactions.		Depending upon transaction. Max 50 Crores.
To open Bank accounts, addition/deletion/change of signatories in Bank accounts, to apply for internet banking facilities and addition/deletion/change in inputter/authorisers and any other banking related matters.		No Change.
To enter into IBPC transactions.		2,500 Crores
To enter into securitisation transactions.		2,000 Crores
To avail refinance facilities from Financial Institutions.		2,500 Crores
To raise monies through Certificate of Deposits.		2,000 Crores
To open DAD Accounts, Clearing Accounts and authorisation/transaction and resolutions relating to any other statutory compliances/regulatory matters		No Change
Approval for all FIG loan proposals		In excess of 70 Crores

c. The Committee is also empowered to approve major deviations for MSE and Housing loans but within the capped limit.

As on March 31, 2025, the Committee of Directors comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Ms. Rajni Mishra	08386001	Independent	Chairperson
2.	Mr. B. A. Prabhakar	02101808	Independent	Member
3.	Mr. Ravichandran Venkataraman	02064557	Independent	Member
4.	Mr. Rajesh Kumar Jogi	03341036	Independent	Member
5.	Ms. Mona Kachhwaha	01856801	Independent	Member

d. The composition of the Committee of Directors during the year (together with changes) and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Mr. Samit Kumar Ghosh*	2	2
2.	Ms. Mona Kachhwaha*	7	6
3.	Mr. Rajesh Kumar Jogi**	7	7
4.	Ms. Rajni Mishra***	9	9
5.	Mr. Ravichandran Venkataraman	9	9
6.	Mr. B. A. Prabhakar	9	9

**Ms. Mona Kachhwaha replaced Mr. Samit Ghosh and became chairperson of the Committee with effect from July 09, 2024*

***Appointed as member of the Committee with effect from July 09, 2024*

****Appointed as Chairperson of the Committee and Ms. Mona became member of the Committee with effect from December 12, 2024*

e. During the FY 2024-25, 09 (Nine) meetings of the Committee of Directors were held on the following dates:

Date of Committee of Directors Meeting	Total number of members	Number of members present
May 27, 2024	4	4
June 26, 2024	4	4
July 26, 2024	5	5
September 18, 2024	5	5
November 15, 2024	5	5
December 18, 2024	5	5
December 24, 2024	5	4
January 17, 2025	5	5
February 24, 2025	5	5

BUSINESS STRATEGY COMMITTEE

a. The Bank has constituted a Business Strategy Committee to review and provide inputs to the business plans of each line of business with a specific focus on growth, strategy and productivity.

b. To review the business performance of various business verticals and overall business of the Bank.

c. To approve any new products, projects or initiatives pertaining to the business that require Board level approval

d. To review the long-term strategy of the Bank

As on March 31, 2025, the Business Strategy Committee comprises of the following members of the Board:

Sr.	Name of Director	DIN	Category	Designation
1.	Ms. Mona Kachhwaha	01856801	Independent	Chairperson
2.	Mr. B. A. Prabhakar	02101808	Independent	Member
3.	Mr. Ravichandran Venkataraman	02064557	Independent	Member
4.	Ms. Rajni Mishra	08386001	Independent	Member
5.	Mr. Sanjeev Nautiyal	08075972	MD & CEO	Member
6.	Ms. Carol Furtado	07587305	Whole-Time Director	Member

e. The composition of the Business Strategy Committee during the year (together with changes) and the details of meetings attended by its members are given below:

Sr. No.	Name of Director	Number of meetings during the FY 2024-25	
		Held during their tenure	Attended
1.	Ms. Mona Kachhwaha*	5	5
2.	Mr. B. A. Prabhakar	6	6
3.	Ms. Rajni Mishra**	5	5
4.	Mr. Ravichandran Venkataraman	6	6
5.	Ms. Sudha Suresh***	1	0
6.	Mr. Rajesh Jogi***	1	1
7.	Mr. Sanjeev Nautiyal**	5	5
8.	Ms. Carol Furtado**	5	5
9.	Mr. Samit Kumar Ghosh****	4	4
10.	Mr. Ittira Davis****	1	1

**Ms. Mona Kachhwaha was appointed as the member with effect from July 09, 2024, and became a chairperson with effect from December 12, 2024*

***Ms. Rajni Mishra, Mr. Sanjeev Nautiyal and Ms. Carol Furtado were appointed as members of the Committee with effect from July 09, 2024*

****Mr. Rajesh Jogi and Ms. Sudha Suresh ceased to be members with effect from July 09, 2024*

*****Mr. Samit Kumar Ghosh ceased to be chairperson of the Committee with effect from November 30, 2024 and Mr. Ittira Davis ceased to be member with effect from June 30, 2024, due to retirement.*

f. During the FY 2024-25, 6 (Six) meetings of the Business Strategy Committee were held on the following dates:

Date of the Business Strategy Committee Meeting	Total number of members	Number of members present
June 06, 2024	6	5
August 14, 2024	7	7
October 16, 2024	7	7
November 29, 2024	7	7
January 09, 2025	6	6
March 24, 2025	6	6

1. INDEPENDENT DIRECTORS

a. The independent directors are given a formal letter of appointment containing the terms of appointment, roles and responsibilities, duties and code of conduct, among other items. As required under Regulation 46 of the SEBI Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the website of the Bank at www.ujjivansfb.in/corporate-governance-policies.

b. Schedule IV of the Act and Regulation 25(3) of the SEBI Listing Regulations mandate that the independent directors of the Bank shall hold at least one meeting in a financial year, without the attendance of Non-Independent Directors and members of Management.

c. Accordingly, the Meeting of Independent Directors of the Bank was held on March 24, 2025 with the presence of all the Independent Directors to;

   i. review the performance of non-independent directors and the board of directors as a whole;

   ii. review the performance of the chairperson of the listed entity, taking into account the view of executive directors and non-executive directors; and

   iii. assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

2. REMUNERATION OF DIRECTORS

a. The details of the remuneration paid by way of sitting fees to the non-executive directors including independent directors have been disclosed in the **Annexure-1** of this Report. No stock options haves been granted to any Non-Executive Directors of the Bank.

   The detailed criteria of making payments to non-executive directors forms part of Nomination and Remuneration Policy of the Bank which is available on website of the Bank at www.ujjivansfb.in/corporate-governance-policies

3. GENERAL MEETINGS OF MEMBERS

a. Details of the last three Annual General Meetings are as follows:

Sr. No.	Financial Year	Date and Time	Location	Special Resolution Passed
1.	FY 2021-22	September 02, 2022 at 03:00 PM	It was convened through Video Conferencing/Other Audio-Visual Means and Registered Office was deemed venue of the Meeting	None
2.	FY 2022-23	July 28, 2023 at 03:00 PM	It was convened through Video Conferencing/Other Audio-Visual Means and Registered Office was deemed venue of the Meeting	1. To re-appoint Ms. Rajni Mishra (DIN: 08386001) as an Independent Director of the Bank 2. To re-appoint Mr. Rajesh Kumar Jogi (DIN: 03341036) as an Independent Director of the Bank.

Sr. No.	Financial Year	Date and Time	Location	Special Resolution Passed
3.	FY 2023-24	July 26, 2024 at 3:00 PM	It was convened through Video Conferencing/Other Audio-Visual Means and Registered Office was deemed venue of the Meeting	a. To approve the appointment of Mr. Sanjeev Nautiyal (DIN:08075972) as a Director (Executive) of the Bank b. To approve the appointment and remuneration of Mr. Sanjeev Nautiyal (DIN: 08075972) as the Managing Director and Chief Executive Officer of the Bank for a period of 3 years w.e.f. July 01, 2024. c. To approve the appointment of Ms. Carol Furtado (DIN: 07587305) as a Director (Executive) of the Bank d. To approve the appointment of Ms. Carol Kripanayana Furtado (DIN: 07587305) as the Whole-Time Director (WTD) of the Bank e. To approve the reappointment of Mr. Banavar Anantharamaiah Prabhakar (DIN: 02101808) as an Independent Director and Part-Time Chairperson of the Bank f. To approve the reappointment of Mr. Ravichandran Venkataraman (DIN: 02064557) as an Independent Director of the Bank g. To approve the appointment of Ms. Mona Kachhwaha (DIN: 01856801) as an Independent Director of the Bank h. To approve the alteration to the Articles of Association of the Bank in order to delete the reference of promoter therefrom and to make other suitable revisions pursuant to the scheme of amalgamation being effective

b. During the FY 2024-25, one Extra-Ordinary General Meeting was held to pass the below resolutions:

Sr. No.	Financial Year	Date and Time	Location	Special Resolution Passed
1.	FY 2024-25	March 28, 2025 at 03:00 PM	It was convened through Video Conferencing/Other Audio-Visual Means and Registered Office was deemed venue of the Meeting	a. To approve the reappointment of Ms. Sudha Suresh (DIN: 06480567) as an Independent Director of the Bank b. To approve the reappointment of Ms. Anita Ramachandran (DIN: 00118188) as an Independent Director of the Bank

c. No resolution was passed through Postal Ballot during the FY 2024-25.

4. MEANS OF COMMUNICATION

The Board has been approving the quarterly financial results within 45 days of the end of respective quarter and the audited annual financial results for the quarter and financial year ended within 60 days from the end of the financial year. The results are promptly forwarded to the stock exchanges and are published in one English and one in Kannada newspaper. The results as well as other press releases and presentations made to Institutional Investors or to the Analysts are simultaneously displayed on the Bank's website at www.ujjivansfb.in

5. GENERAL SHAREHOLDER INFORMATION

Particulars	Details
Annual General Meeting	Date: June 27, 2025 Time: 03:30 PM Venue: Grape Garden No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru-560095, Karnataka
Financial Year	April 01, 2024 to March 31, 2025
Dividend Declaration/Payment	During the FY 2024-25, no dividend was declared by the Bank.

<table>
<tr><th>Particulars</th><th>Details</th></tr>
<tr><td>The name and address of each Stock Exchanges at which the Bank's securities are listed and a confirmation about payment of annual listing fee to each of such Stock Exchanges</td><td>The Equity Shares of the Bank are listed on below mentioned Stock Exchanges:
A. National Stock Exchange of India Limited ("NSE")
Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051
B. BSE Limited ("BSE")
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai-400001
The Bank has paid annual listing fee as applicable to the Bank for the FY 2024-25.</td></tr>
<tr><td>Stock Code</td><td>NSE Symbol: UJJIVANSFB
BSE Code: 542904</td></tr>
<tr><td>Registrar to an Issue and Share Transfer Agents</td><td>Name: KFin Technologies Limited
Address: Selenium Building, Tower-B, Plot No- 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana, India, 500032
E-mail: einward.ris@kfintech.com
Website: www.kfintech.com
Toll Free No.: 18003094001</td></tr>
<tr><td>Share Transfer System</td><td>KFin Technologies Limited, Registrar and Transfer Agent of the Bank, handles and provides investor related services such as transfer, demat, remat and such other services in coordination with the Bank.</td></tr>
<tr><td>Dematerialisation of Shares and liquidity</td><td>The equity shares of the Bank are available for trading in the dematerialised form under both the depositories in India - National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). Trading in Bank's equity shares can be done only in the dematerialised form.
Position of Equity shares as on March 31, 2025
<table>
<tr><th>Sr. No.</th><th>Description</th><th>Number of Equity Shares</th><th>% To Equity Share Capital</th></tr>
<tr><td>1.</td><td>Physical</td><td>160</td><td>0</td></tr>
<tr><td>2.</td><td>NSDL</td><td>1,159,147,441</td><td>59.9</td></tr>
<tr><td>3.</td><td>CDSL</td><td>775,856,042</td><td>40.1</td></tr>
<tr><td></td><td>Total</td><td>1,935,003,643</td><td>100</td></tr>
</table>
The International Securities Identification Number of the Bank is INE551W01018.</td></tr>
<tr><td>Outstanding Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments, conversion date and likely impact on equity</td><td>The Bank does not have any outstanding Global Depository Receipts or American Depository Receipts or warrants or instrument other than Stock options granted under Ujjivan Small Finance Bank-Employee Stock Option Plan 2019 ("ESOP 2019 Scheme").
As on March 31, 2025, 156,133,275 options have been granted by the Bank under ESOP 2019 Scheme to eligible employees of the Bank</td></tr>
<tr><td>Commodity price risk or foreign exchange risk and hedging activities;</td><td>NA</td></tr>
<tr><td>Plant locations</td><td>The Bank is engaged in the business of providing banking and other financial related services and it does not have any plant.
The Bank has 753 banking outlets across 26 (Twenty Six) states and union territories of India.</td></tr>
<tr><td>Address for correspondence</td><td>The Company Secretary and Compliance Officer
Ujjivan Small Finance Bank Limited
Grape Garden, 3rd "A" Cross, 18th Main,
6th Block, Koramangala, Bengaluru - 560 095.
Email: investorrelations@ujjivan.com
Tel. No: +91 8040712121</td></tr>
</table>

Performance in comparison to broad-based indices such as BSE Sensex and NSE Nifty Index

Securities of the Bank were not suspended from trading on stock exchanges during the FY 24-25.

Market price data- high, low during each month of FY 2024-25.

Market Price data						
Month	BSE			NSE		
	High Price	Low Price	Volume (No. of Shares Traded)	High Price	Low Price	Volume (No. of Share Traded)
April, 2024	56.73	45.07	20,517,465	56.70	45.15	231,585,885
May, 2024	56.10	48.00	19,221,114	56.15	48.00	163,119,552
June, 2024	51.75	40.00	77,482,592	52.00	40.00	477,531,949
July, 2024	46.24	42.86	52,311,705	46.23	42.90	372,992,361
August, 2024	45.70	41.00	46,963,839	45.70	41.00	275,874,659
September, 2024	44.90	39.87	26,819,018	44.90	39.90	227,533,772
October, 2024	41.65	34.45	25,569,576	41.65	34.45	246,757,794
November, 2024	40.01	32.01	28,097,862	40.10	32.01	237,545,898
December, 2024	37.00	33.34	22,715,188	37.00	33.33	176,491,383
January, 2025	36.56	30.85	30,568,304	36.57	30.88	207,047,233
February, 2025	40.99	31.06	30,117,447	41.00	31.06	261,710,795
March, 2025	36.88	30.90	22,899,471	36.89	30.90	235,860,008

6. CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER CERTIFICATION (CEO AND CFO CERTIFICATION)

As required under Regulation 17 and 33(2) (a) read with Part B of Schedule II of the SEBI Listing Regulations, the CEO and CFO certification on the Financial Statements, the Cash Flow Statements and the Internal Controls for Financial Reporting has been obtained from Mr. Sanjeev Nautiyal, Managing Director and CEO and Mr. S Balakrishna Kamath, Chief Financial Officer. The said certificate forms part of the Annual Report.

7. SUCCESSION PLANNING

The Bank has formulated a succession planning policy for the national leadership team and Board of the Bank for quick fulfillment of vacancies in key senior positions through evaluation of qualified, motivated people and a process to identify and groom them.

8. BOARD DIVERSITY

The Bank believes that Board diversity plays a very important role in the transparency and in the decision- making process in the Boardroom.

The Bank also believes that diversity in the composition of the Board of Directors is essential in view of the expansion of business, greater social responsibility, increasing emphasis on Corporate Governance, need for addressing concerns of diverse stakeholders and the necessity for managing risks in the business effectively. A Board composed of appropriately qualified and skilled people, with a broad range of experience relevant to the business, is important for effective corporate governance and sustained commercial success of the Bank.

Led by Mr. B. A. Prabhakar, Chairman and Independent Director, 77% of the Bank's board comprises of independent directors, each bringing diverse expertise from various areas of banking, while also maintaining a well-balanced gender representation, with women being 56% of its members. This composition helps ensure strong governance, promotes diversity of thought, and supports the Bank's commitment to inclusive and effective decision-making processes.

The Bank has formulated and implemented Board Diversity Policy to comply with the SEBI Listing Regulations and to ensure the diversity of thought, experience, knowledge, perspective and gender in the Board. The Bank promotes social diversity and professional diversity in the Boardroom. The primary objective of this Policy is to provide a framework and set standards for having a diversified Board with ability to base its decisions after evaluating multiple options as compared to homogeneous Boards and help improve the performance of the organisation significantly. The Board Diversity Policy is available on the website of the Bank at www.ujjivansfb.in.

9. DETAILS OF SHARES TRANSFERRED TO DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT DURING THE FY 2024-25.

During the FY24-25, pursuant to the Scheme of Amalgamation, 30,551 equity shares of the Bank were transferred to the IEPF in lieu of 2,634 equity shares of UFSL.

Further 70,246 equity shares (cases rejected during merger allotment) and 33,034 shares belonging to physical shareholders of UFSL were transferred to DEMAT Suspense/Escrow Account of the Bank.

10. OTHER DISCLOSURES

a. Related Party Transactions (RPT)

The Bank has a RPT policy to ensure the transparency, substantive and procedural fairness of such transactions. The definition of the related parties, the list of transactions as per the statutory regulations which shall qualify as RPT, and the process to be followed by the functional departmental head for seeking the Audit Committee/Board approval on the proposed RPTs are defined in the RPT Policy of the Bank. The transactions with the related parties are on an arms' length basis and in the ordinary course of business. The RPT policy is reviewed by the Audit Committee on an annual basis. Any transactions entered with the related parties are monitored and reviewed by the ACB and Board every quarter.

In compliance with the statutory regulations and for the transactions which are repetitive in nature and ordinary course of business, omnibus approval with the limits set for executing such transactions with the Related Parties is sought from the ACB, and these are monitored and reviewed by the ACB and Board every quarter. The validity of such omnibus approval accorded is limited to one year; fresh approval is obtained every year. All the RPTs entered are also reported to the Stock Exchanges on a half-yearly basis immediately after publishing their financial results.

The Bank entered into related party transactions during the FY 2024-25 and these were approved by the Audit Committee and the Board. The Policy on 'Materiality of Related Party Transactions' which forms part of the Policy on dealing with 'Related Party Transactions' which is available on the website of the Bank at www.ujjivansfb.in.

There were no materially significant related party transactions during the FY 2024-25 that may have potential conflict with the interest of the Bank at large.

b. The Bank does not have a subsidiary company as on date; hence the Bank is not required to formulate a specific policy on dealing with material subsidiaries.

c. There was one non-compliance was observed during the year where, the Bank had submitted an intimation (Disclosure of event) on June 11, 2024, regarding the schedule of an Investors/Analysts meet proposed to be held on June 13, 2024. However, in this instance, the Bank did not adhere to the prescribed timeline as per the SEBI (LODR) Regulations, which mandate that such intimation be submitted at least two working days in advance, excluding the date of intimation and the date of the meeting. This resulted in a non-compliance with the timeline stipulated under Regulation 30 read with sub-para 15(a) of Para A of Part A of Schedule III of the SEBI LODR Regulations and cautionary letter was received from stock exchanges directing the Bank to exercise due caution in adhering the timelines for disclosure. However, the non-compliance was inadvertent and unintentional since this meeting was scheduled at a shorter notice and the same was intimated immediately on finalisation. The Company has taken note of the cautionary letter issued by NSE and BSE and has implemented internal controls to ensure timely disclosure of such events in accordance with SEBI LODR requirements.

d. The Bank in compliance with Section 177 of the Act and Regulation 22 of SEBI Listing Regulations has established a Whistle Blower policy/Vigil Mechanism for the directors and employees to report genuine concerns or grievances about unethical behavior, actual or suspected fraud or violation of the Bank's Code of Conduct or Code of Conduct for Prevention of Insider Trading and Code of Fair Disclosures and Conduct.

No person has been denied access to the Chairperson of the Audit Committee. The Whistle Blower policy is available on the website of the Bank at www.ujjivansfb.in.

Particulars of Whistle Blower Complaints	No. of Complaints
No. of complaints at beginning of FY 2024-25	0
No. of complaints received during the FY 2024-25	22
No. of complaints resolved during the FY 2024-25	20
No. of complaints at end of FY 2024-25*	2

**The investigation got completed in the two cases during April'2025.*

e. List of all credit ratings as on March 31, 2025 obtained by the Bank:

Instrument Name	Name of Credit Rating Agency	Rating	Date	Remarks
Certificate of Deposit Programme	CRISIL Ratings Limited	CRISIL A1+	February 16, 2023	Rating reaffirmed
Long-term bank facilities	Care Ratings Ltd.	CARE AA-; Stable	March 26, 2025	Rating reaffirmed
Subordinated non-convertible debentures	Care Ratings Ltd.	CARE AA-; Stable	March 26, 2025	Rating reaffirmed
Fixed Deposit	Care Ratings Ltd.	CARE AA-; Stable	March 26, 2025	Rating reaffirmed

f. The Bank has complied all the mandatory requirements and adopted the following non-mandatory requirements:

a) Bank has appointed separate persons for the position of Chairman and Chief Executive Officer

b) Head of Internal Audit of the Bank directly report to the Audit Committee of the Bank

g. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

Particulars	Number of Complaints
Number of complaints received during the FY 2024-25	16
Number of complaints disposed of during the FY 2024-25	12
Number of complaints pending as on end of the FY 2024-25	4

h. The Bank has paid a total-fees of ₹ 17,119,075 for all services of Statutory Auditors during the FY 2024-25.

i. The Bank has complied with all the mandatory requirements of the Corporate Governance as specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the SEBI Listing Regulations.

j. There were no recommendations of the Board Committees which was turned down by the Board during the FY 2024-25.

k. The Bank has obtained a certificate from Mr. K. Jayachandran (ACS No.: 11309, CP No.: 4031), Practicing Company Secretary that none of the directors on the Board of the Bank have been debarred or disqualified from being appointed or continuing as director of the Bank by the SEBI/Ministry of Corporate Affairs or any such statutory authority and same is annexed as **Annexure-2** to this Report.

l. The Bank has obtained Compliance certificate from Mr. K. Jayachandran (ACS No.: 11309, CP No.: 4031), Practicing Company Secretary regarding compliance of conditions of corporate governance and same is annexed as **Annexure-6** to the Directors' Report of the Bank.

m. A declaration signed by the Chief Executive Officer stating that the members of Board and Senior Management Personnel have affirmed compliance with the code of conduct of the Bank forms part of the CEO and CFO certification.

For and on behalf of the Board of Directors

Sd/-
B.A. Prabhakar
Part-Time Chairman and Independent Director
DIN: 02101808

Sd/-
Sanjeev Nautiyal
MD& CEO
DIN: 08075972

Date: April 30, 2025
Place: Bengaluru

ANNEXURE-1

Details of Sitting Fee paid during the FY 2024-25

Sr. No.	Name of Director	Total Sitting Fee Paid
1.	Mr. Rajesh Kumar Jogi	3,950,000
2.	Mrs. Rajni Mishra	3,650,000
3.	Mr. Samit Ghosh	2,475,000
4.	Ms. Sudha Suresh	2,600,000
5.	Mr. B A Prabhakar	4,325,000
6.	Mr. Ravichandran Venkataraman	3,925,000
7.	Ms. Anita Ramachandran	2,125,000
8.	Ms. Mona Kachhwaha	2,150,000
Total		**25,200,000**

For and on behalf of the Board of Directors

Sd/-
B.A. Prabhakar
Part-Time Chairman and Independent Director
DIN: 02101808

Sd/-
Sanjeev Nautiyal
MD& CEO
DIN: 08075972

Date: April 30, 2025
Place: Bengaluru

ANNEXURE-2

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
UJJIVAN SMALL FINANCE BANK LIMITED
Grape Garden, No. 27, 3rd "A" Cross, 18th Main,
6th Block, Koramangala, Bengaluru – 560095, Karnataka.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **UJJIVAN SMALL FINANCE BANK LIMITED** having CIN **L65110KA2016PLC142162** and having Registered Office at **Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru – 560095, Karnataka** (hereinafter referred to as "the Bank"), produced before me by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Bank and its officers, I hereby certify that none of the Directors on the Board of the Bank as stated below for the Financial Year ending on **March 31, 2025** have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr.	Name of Director	DIN (Director Identification Number)	Date of appointment in Bank
1.	Mr. Banavar Anantharamaiah Prabhakar	02101808	20/08/2021
2.	Mr. Sanjeev Nautiyal	08075972	01/07/2024
3.	Mr. Ravichandran Venkataraman	02064557	20/08/2021
4.	Mr. Rajesh Kumar Jogi	03341036	13/03/2021
5.	Ms. Sudha Suresh	06480567	20/08/2021
6.	Ms. Rajni Anil Mishra	08386001	16/12/2020
7.	Ms. Anita Ramachandran	00118188	01/07/2022
8.	Ms. Carol Kripanayana Furtado	07587305	01/05/2024
9.	Ms. Mona Kachhwaha	01856801	18/05/2024

Ensuring the eligibility of, for the appointment/continuity of every Director on the Board is the responsibility of the management of the Bank. My responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

Date: 30/04/2025
Place: Bengaluru

Sd/-
K. Jayachandran
Company Secretary
ACS No.: 11309/CP. No.: 4031
UDIN: A011309G000235269
PR No: 6411/2025

ANNEXURE-3

CEO AND CFO CERTIFICATION

To,
The Board of Directors
Ujjivan Small Finance Bank Limited
Grape Garden, No. 27, 3rd "A" Cross,
18th Main, 6th Block, Koramangala,
Bengaluru-560095

Subject: Compliance Certificate as required under Regulation 17(8) read with Regulation 33 (2) (a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

We hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the quarter and financial year ended March 31, 2025 and that to the best of our knowledge and belief:

(1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(2) these statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Bank during the quarter and financial year ended March 31, 2025 which are fraudulent, illegal or violative of the Bank's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Bank pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, that there were no deficiencies in the design or operation of such internal controls of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated to the auditors and the Audit Committee:

(1) that there were no significant changes in internal control over financial reporting during the quarter and financial year ended March 31, 2025;

(2) that there were no significant changes in accounting policies during the quarter and financial year ended March 31, 2025; and

(3) that there were no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Bank's internal control system over financial reporting.

E. We further declare that all members of Board of Directors and Senior Management Personnel have affirmed compliance with the code of conduct of the Bank.

For UJJIVAN SMALL FINANCE BANK LIMITED

Sd/-
Sanjeev Nautiyal
Managing Director and CEO
DIN: 08075972

Sd/-
S Balakrishna Kamath
Chief Financial Officer

Date: April 30, 2025
Place: Bengaluru

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

1.	Corporate Identity Number (CIN) of the Listed Entity	L65110KA2016PLC142162
2.	Name of the Listed Entity	Ujjivan Small Finance Bank Limited
3.	Year of incorporation	2016
4.	Registered office address	Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru-560095, Karnataka
5.	Corporate address	Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala, Bengaluru-560095, Karnataka
6.	E-mail	investorrelations@ujjivan.com
7.	Telephone	1800 208 2121
8.	Website	www.ujjivansfb.in
9.	Financial year for which reporting is being done	FY 2024-25
10.	Name of the Stock Exchange(s) where shares are listed	National Stock Exchange of India Limited (NSE) and BSE Limited (BSE)
11.	Paid-up Capital	₹19,350,036,430
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Sanjeev Barnwal Email – Sanjeev.barnwal@ujjivan.com Phone: 1800 208 2121
13.	Reporting boundary Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	Standalone basis
14.	Name of assessment or assurance provider	-
15.	Type of assessment of assurance obtained	-

II. Products/services

16. Details of business activities (accounting for 90% of the turnover):

S. No.	Description of main activity	Description of business activity	% of turnover of the entity (FY 2024-25)
1	Banking	Banking activities by Central, Commercial and Saving banks	100

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total turnover contributed
1	Banking Activity by commercial Banks	65191	100

III. Operations

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	0	753 (Banking Outlets) + 43 (Other Offices*)	753 (Banking Outlets) + 43 (Other Offices*)
International	Nil	Nil	Nil

** Other offices Includes Corporate Office, Regional Offices, Central Processing Centres (CPCs), Area Offices, Phone Banking Units, Retail Asset Centres and Training Centre.*

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States/UTs)	26 (PAN India)
International (No. of Countries)	Nil

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil

c. A brief on types of customers

The bank serves a diverse customer base, with a strong focus on financial inclusion, especially targeting underserved and unbanked segments including Senior citizens, Minors, Proprietors/ MSME customers/Corporate entities/ Government entities, visually impaired / Handicapped customers, and underserved/ unsophisticated customers.

IV. Employees

20. Details as at the end of Financial Year:

a. Employees and Workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	24,374	19,478	80%	4,896	20%
2.	Other than Permanent (E)	3,704	3,308	89%	396	11%
3.	**Total employees (D + E)**	**28,078**	**22,786**	**81%**	**5,292**	**19%**
	WORKERS					
4.	Permanent (F)	Not Applicable				
5.	Other than Permanent (G)					
6.	**Total workers (F + G)**					

b. Differently abled Employees and Workers

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	19	13	68%	6	32%
2.	Other than Permanent (E)	0	0	0	0	0
3.	**Total differently abled employees (D + E)**	**19**	**13**	**68%**	**6**	**32%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	**Total differently abled workers (F + G)**					

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	9	5	55.50%
Key Management Personnel	4	1	25%

22. Turnover rate for permanent employees and workers

	FY 2024-25*			FY 2023-24			FY 2022-23		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees (%)	31.16	31.12	31.15	23.16	23.06	23.14	27.41	25.86	27.12

*The turnover data for FY 2024-25 includes both voluntary and involuntary separations, whereas previous years indicate only attrition rate of the organisation.

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed Entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	Nil			

VI. CSR Details

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) – Yes

(ii) Turnover – ₹ 72,005,870,179

(iii) Net worth – ₹ 60,834,069,772

VII. Transparency and Disclosures Compliances

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance redressal mechanism in place (Yes/No)	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Investors (other than shareholders)	Yes	0	0	Holders of Unlisted Non-Convertible Debentures	1	0	Holders of Unlisted Non-Convertible Debentures
Communities	Yes	0	0	NA	0	0	NA
Shareholders#	Yes	19	0		183	0	-
Employees and workers	Yes	16	4	Complaints reported under Sexual Harassment of Women at Workplace	14	2	Complaints reported under Sexual Harassment of Women at Workplace
Customers	Yes	15,553	174	Complaints related to phishing, Vishing, Smishing by Fraudsters, Delivery of essential Services and mis-selling	19,610	303	Complaints related to phishing, Vishing, Smishing by Fraudsters, Delivery of essential Services and mis-selling
Value chain partner	Yes	0	0	NA	0	0	NA

 # The number of investor grievances are as per the quarterly investor grievance report submitted to the Stock Exchanges pursuant to regulation 13 of the SEBI (LODR) Regulations, 2015. The same also include queries and request regarding receipt of dividend payment, demat of shares, non-deduction of tax on dividend etc. amongst others.

26. **Overview of the entity's material responsible business conduct issues**

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying. the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Responsible Finance	Opportunity	Ability to capitalise on ever increasing opportunities related to green finance	-	Positive
2	Decarbonisation Strategy	Opportunity	Transitioning to low carbon operations by enhancing renewable energy share, further optimising resource consumption through various operational measures and by leveraging on technology	-	Positive
3	Human Capital Development	Opportunity	Focusing on ability to attract, retain, and develop a highly skilled workforce	-	Positive
4	Employee wellbeing	Opportunity	Focus on physical and mental wellbeing of the employees leading to personal and professional growth and offering recognition and rewards for employees	-	Positive
5	Cyber Security & Data Privacy	Risk	Customer data breach, data loss, cyber-attacks could lead to exposure of sensitive data to the unauthorised individuals. It can also lead to financial losses, legal penalties, and reputational damage	Adequate policy, procedure and governance is established for safeguarding the risk. IT Strategy committee supervises the overall IT landscape. The Bank has successfully obtained ISO 27001:2022 certification from BSI.	Negative
6	Consumer Financial Protection	Risk	Risks arising due to unethical lending practices or misspelling financial products. Failure to comply with regulations or unfair treatment of customers can lead to penalties, legal consequences, and loss of customer trust	Risk assessment and evaluation of business operations, transparency in lending practices, financial literacy for the consumers	Negative
7	Corporate Citizenship & Philanthropy	Opportunity	Promoting social welfare, extend the need-based projects for the communities thereby building trust and relationship with communities	-	Positive
8	Customer relationship management	Opportunity	Focuses on improving customer satisfaction by providing seamless banking experience, doorstep service, benefits, financial literacy etc.	-	Positive
9	Access to Finance	Opportunity	Focus of Ujjivan SFB is mass market segment. The products are designed to serve mass market with a purpose of financial inclusion and lending to underserved	-	Positive

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying. the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
10	Governance and Ethics	Opportunity	Robust Governance structure influences the performance thereby attracting attention of investors and other stakeholders. It focuses on building a strong market reputation and relationship with the customers	-	Positive
		Risk	The structure, behavior, culture, and performance of an organisation is shaped by internal Governance. Risks include ethical and legal risks, information disclosure, regulatory & reputational risks	Stringent policies and processes for banking operations and managing risks. Setting and monitoring operational goals by senior management. Internal audits to assess the implementation of process. Providing accurate and reliable reporting	Negative
11	Compliance	Risk	Failure to comply with the regulations and industry standards, policies, privacy breaches etc. may lead to legal implications, financial loss, reputation loss, penalties etc.	Compliance risk management by the risk committee to identify any noncompliance's and addressing the same, internal audits and reporting, build a culture of ethics and compliance	Negative
12	Digital Transformation	Opportunity	Strategic focus on digital technology levers enhancing customer experience and establishing agile end to end banking operations	-	Positive
13	Transparency & disclosures	Opportunity	Transparent communications is critical to reinforce trust and desired behaviors, ultimately driving sustainable value realisation	-	Positive
		Risk	Misleading disclosures or inadequate reporting impacts the performance, reputation, and governance of the organisation.	Transparent governance policies and procedures. Adequate reporting and disclosures in alignment with global frameworks like GRI/ TCFD/IIRC	Negative
14	Stakeholder engagement	Opportunity	Understanding the needs and requirements of different stakeholder groups. Planning and designing the products and services to meet the requirements	-	Positive
15	Risk & Crisis Management	Risk	To better understand business/ ESG-related shifts, impacts and dependencies that may affect a business's ability to achieve its strategy or objectives	Comprehensive ERM framework along with environment and social risks integrated in risk assessment process. Protocols and governance mechanisms established across the identified risks	Negative

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
c. Web Link of the Policies, if available	**The below web links provides all the relevant policies:** 1. Sustainability policies 2. Banking Policies								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	No	Yes	Yes
4. Name of the national and international codes/ certifications/labels/standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) mapped to each principle.	ISO 27001:2022 Certification on Information Security Management System mapped to NGRBC Principle no. 9.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Ujjivan SFB is focused on achieving its goals and targets as defined under ESG Strategy 2030. The sustainability framework includes following goals: **1. Sustainable Operations** • 20% reduction in power consumption • 10% of total office area (Ujjivan SFB offices) to achieve Green Building certification **2. Empowering Communities** • Disclose the social value through Social Return on Investment study **3. Human Capital** • 34 hours per employee training • Achieve gender diversity up to 30% • Zero Accidents - Ujjivan SFB office locations **4. Effective Governance** • Robust Governance Structure, beyond compliance • Zero Data Security Breaches • Zero fines/penalties • Achieve transformative stage in the risk maturity ladder **5. Customer Centricity** • Top quartile in Customer Satisfaction Survey Score **6. Responsible Finance** • Exploring the green finance opportunities specific to MSME sector and Electric Vehicle (EV) financing • Expanding reach & impact **7. Aspects Cutting Across** • Aspire to reach top quartile on S&P Global CSA (DJSI) • 100% digital invoices from suppliers with spend of ₹ 1 Crore or higher • Bringing 1 Crore customers into digital banking space and achieve digital transactions (volume) of 100 Crores								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	**Energy Efficiency:** • Successfully rolled out Sanchaya Programme across Regional & Corporate offices in October 2024 and achieved a savings of 8% from that of FY 2023-24 (Q3 & Q4) in energy consumption • Installed solar panels of capacity 5KW at Adanoor, Shyagale & 11KW at Sudarshan Moore Branches in this reporting year. Around 14,192 KWh (0.078%) of renewable energy has been used from solar panels in FY 2024-25 • Guidelines on Green Buildings formulated **Environment Protection** • 128% increase in the sapling plantation from that of FY 2023-24 **Waste Management** • Waste Management processes streamlined at all the Regional & Corporate offices and guidelines have been formulated. **Community Empowerment:** • 16% of CSR projects were implemented in economically weaker geographies • A total of 7,280 employees participated in volunteering programmes, which represents a 12% increase from that of FY 2023-24 • 3 lake rejuvenation projects undertaken under CSR – Kanekallu Lake rejuvenation at Hoskote, Bangalore, Arisipalayam Pond Rejuvenation at Coimbatore and Bavada Village Pond Rejuvenation – Bavda, Satara, Maharashtra **Human Capital Development:** • Achieved 38.91 Avg. hours of training per employee • Launched Global Learning platforms like LinkedIn, Harvard Business school etc. with the login rate of 99 & 100% respectively with about 830 learners completing about 3,194 courses • Human rights due diligence was initiated for 57% of the human resource contract vendors as part of the quarterly assessment • Human Rights training module formulated and rolled out for all the employees in Jan 2025 and 32% of the employees have completed the same • Awareness programmes were conducted to prevent road accidents • Achieved 55% board gender diversity with 5 women representatives out of total 9 directors **Governance & Risk Management:** • Successfully completed the sustenance Audit from BSI and have received the confirmation of continuation of ISO 27001:2022 certification for 2nd year • Engagement with 74 investors & 37 sell-side analysts during the FY 2024-25 **Customer Centricity:** • There was a 4-point improvement in the bank's service index levels, rising from 89 to 93 • 111 number of End-to-end processes offered through Phone & Video Banking **Transparency & Digital Transformation:** • 57% of the internal administrative processes automated with an estimated savings of 3,747,896 papers annually • 99% of the contracts (approx. 1,870 contracts) were digitally executed, saving 18,700 number of papers • Achieved a digital customer base of 42.86 Lakhs (IB/MB/UPI), exceeding the target of 40 Lakhs, marking a 23% YoY growth • Exceeded the target with 53 Crores digital transactions, representing 92.40% of total bank transactions through phone banking • Successfully automated 51 internal operations processes, improving operational efficiency and reducing manual intervention translating into operational savings of ₹ 14 Crores									
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)	At Ujjivan Small Finance Bank (Ujjivan SFB), we recognize the crucial role that we can play in fostering a sustainable future. Our focus on Environmental, Social, and Governance (ESG) criteria has been instrumental in guiding our operations and decision-making processes, ensuring that we contribute positively to the communities we serve while maintaining our financial health. Our Business Responsibility and Sustainability Report (BRSR) of FY 2024-25, not only highlights our achievements over the past year but also provides insights into the strategies and initiatives we have undertaken to align with Environmental, Social, and Governance (ESG) principles.									

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
	Throughout the year, we have implemented a range of initiatives aimed at enhancing our environmental footprint and promoting social equity. Our energy efficiency programs such as the Sanchaya Program, which was rolled out in Q3 FY 2025 across our regional and corporate offices, have resulted in an impressive 8% reduction in energy consumption compared to that of the previous fiscal year, while our investments in renewable energy through solar panel installations demonstrate our commitment to reducing carbon emissions. Additionally, our community empowerment efforts, including CSR projects in underserved regions and employee volunteering programs, reflect our dedication to uplifting marginalized communities. As a strategic approach, we decentralize initiatives to ensure coverage across all our operational areas, rather than limiting them to select locations thereby maximizing our impact nationwide. During this financial year, our programs reached across 24 states, 2 UTs and 230 districts, including 12% of them covering aspirational districts. We reinforced our commitment to disability inclusion by facilitating Sustainable livelihood opportunities for 662 differently-abled through targeted & impactful programs. As we continue to innovate and adapt, we remain steadfast in our commitment to responsible banking, ensuring that our growth is sustainable and inclusive, ultimately contributing to a brighter future for all stakeholders. By sharing our ESG performance, we aim to not only inform our stakeholders about our ongoing efforts but also inspire confidence in our dedication to responsible banking practices. Our commitment to ESG principles is not just a regulatory requirement; it is an integral part of our corporate ethos & strategy, guiding us in our mission to create a positive impact on society and the environment while driving sustainable growth for our organization.								
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy/policies	Board of Directors: Mr. Sanjeev Nautiyal, MD, and CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, in order to merge the synergy of Bank's ESG initiatives with the CSR initiatives, w.e.f. April 1, 2024, the Board level CSR & Sustainability Committee oversees the ESG functions of the Bank. This Committee provides strategic oversight and direction, ensuring that the Bank's ESG efforts align with its core values and long-term vision. Furthermore, Risk Management Committee is responsible for overseeing the Climate related risks.								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Y	Y	Y	Y	Y	Y	NA	Y	Y	Annually								
Compliance with statutory requirements of relevance to the principles, and rectification of any non-compliances	Compliance with statutory requirements is carried out annually by the bank. All the statutory Policies requiring Board/ Board Committee approval are placed for review at least annually																	

11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.

P1	P2	P3	P4	P5	P6	P7	P8	P9

Yes,

Remarks - The Bank undergoes various audits such as the System Audit, ISO Audit Statutory Audit, Secretarial Audit etc. In such audits the policies are inter alia reviewed by the external auditor.

1. Statutory Auditors - Deloitte Haskins & Sells And Abarna and Ananthan Chartered Accountants
2. Secretarial Auditor - K Jayachandran
3. System/ IS Audit - ISO 27001 certification surveillance audit completed

12. If answer to question (1) above is "No" i.e., not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the principles material to its business (Yes/No)	Not applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorised as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

Principle 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentages of persons in respective category covered by the awareness programmes
Board of Directors (BoD)	5	• Cyber security trends workshop for Board Of Directors • Programme on Developments in Financial Market trends and challenges – 1 Member • Program for Non-Executive Chairman, Directors on Board of Banks, FIs and NBFCs – 1 Member • Webinar on ESG & Zero Net Imperatives for Boardrooms – 1 non-executive Member • Governance and Assurance for Directors on Board of Banks, FIs and NBFCs- 1 Executive member attended	100%
Key Managerial Personnel (KMPs)	14	• Business Strategy Workshop • Personalised Induction • Interviewing Skills • How AI is Transforming Leadership Roles & Managing the New Risks in Digital Banking • Virtual Conference of CFOs: Emerging Roles and Dimensions • Programme for Non-Executive Chairman Directors on Boards of Banks, FIs and NBFCs • Conference of CROs and Heads of Risk Management – Risk Leaders in VUCA World • Conference of Chief Compliance Officers – Expectations in the Emerging Compliance Landscape • Programme on Emerging Trends in Cyber Attacks, Response Management & Digital Forensics • Certified AI Security Practitioner (CAISP) • Strengthening Cybersecurity Shield: A Blueprint for Effective Governance in BFSI • Programme on Compliance for Officers of Banks, Financial Institutions and NBFCs • AWS Programme • Virtual Programme (VP) on Developments in Financial Market Trends & Challenges	100%

Segment	Total number of training and awareness programmes held	Topics / principles covered under the training and its impact	Percentages of persons in respective category covered by the awareness programmes
Employees other than BoD and KMPs	361 Unique programs (Including E-Leaning)	• Aajeevan training • Capacity building training for sustainable banking • Digital Adaptation for Housing • Fundamentals of ESG/BRSR and Sustainability • Invitation for the Banking Conference on "Responsible Banking - Climate Change in Banking" • Live Online Programme in Information Systems Audit • Live Online Programme on ESG-led Opportunities for Banks • Climate-related Financial Risks and Disclosures for Financial Institutions: Tackling Challenges, Exploring Solutions • Programme on Cyber Risk Management & IT Security for Banks & FIs • 9th Third Party Risk Management India Summit • Campus Training Programme on Risk Management under Basel Regime (For first time Risk Managers) • Certification Programme in IT & Cyber Security for Senior Management • ESG Risk Analysis • Integrated Cybersecurity Training for Bank Officers: A Hands-On Approach to Cyber Threat Mitigation • Certified Lead Implementer Course on Information Security Management System according to ISO/IEC 27001:2022 • Digital Transformation in Banking & Marketing for Customer Service Excellence • HR & Behavioural Trainings • Leadership & Management • Posh Training for EE And L&D Team • Workshop on Skill Development and Livelihood Promotion for Financial Inclusion • Programme on Climate Risk and Sustainable Agriculture • Training Programme on Business Ethics & Corporate Governance for Banks/FI's • Course on human rights	97%
Workers	0	NA	NA

2. **Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):**

Monetary					
	NGRBC Principle	**Name of the regulatory/ Enforcement agencies/ judicial institutions**	**Amount (In ₹)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
a. Monetary					
Penalty/Fine	-	RBI	6,70,000	During the FY 2024-25, RBI vide an order dated February 14, 2025, imposed a monetary penalty of ₹ 6.70 Lakhs on the Bank for non-compliance with certain directions issued by RBI on 'Loans and Advances - Statutory and Other Restrictions'. This penalty was imposed in exercise of powers conferred on RBI under the provisions of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949.	No

	NGRBC Principle	Name of the regulatory/ Enforcement agencies/ judicial institutions	Monetary Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Settlement			Nil		
Compounding fee			Nil		

b. non-monetary

	NGRBC Principle	Name of the regulatory/ enforcement agencies/Judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment		NIL		
Punishment				

3. **Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Nil	

4. **Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.**

Yes, Ujjivan Small Finance Bank has a robust Anti-Bribery and Anti-Corruption (ABAC) Policy in place which is closely aligned with Bank's Code of Conduct, internal policies, and applicable laws and regulations, including prevailing anti-bribery and anti-corruption legislation in India. It reflects the Bank's unwavering commitment to upholding the highest standards of ethics and integrity in all its operations. The policy underscores Bank's dedication to conducting business in a transparent, fair, and responsible manner, in line with best practices in corporate governance, thereby safeguarding and enhancing its reputation across all levels of engagement.

The policy can be found at: https://www.ujjivansfb.in/sites/default/files/2024-06/Vigilance-Anti_Bribery_and_Anti_Corruption_Policy.pdf

5. **Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption.**

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Directors	0	0
KMPs	0	0
Employees	0	0

6. **Details of complaints with regard to conflict of interest:**

	FY 2024-25 Current Financial Year		FY 2023-24 Previous Financial Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	0	Nil	0	Nil
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	0	Nil	0	Nil

7. **Provide details of any corrective action taken or underway on issues related to fines / penalties /action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.**

There were no reported cases of corruption or conflicts of interest during the reporting year. However, the Bank has a Disciplinary Policy in place which defines the punitive actions for violation of any of the provisions of the Ujjivan Values. Violation of any of the provisions of the Disciplinary Standard Operating Procedure or the Code of Conduct shall be deemed to be "Misconduct". While awarding punishment, the Disciplinary Committees would take into account the gravity of the misconduct, previous record of the employee and any other extenuating or aggravating circumstances that may exist. The disciplinary action/punishment order shall be communicated in writing to the employee concerned in accordance with the provision of this policy and can be classified as minor or major penalty. Minor penalty may also include with-holding variable pay for a specified period with cumulative effect. Major penalty may include Termination, Demotion/Reduction to a lower grade or position, withholding of promotion, with cumulative effect. An employee receiving any written warning letter from the organisation will not be paid their variable pay for one quarter.

8. **Number of days of accounts payables (Accounts payable *365)/Cost of goods/services procured) in the following format:**

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Number of days of accounts payables	0.92	7.33

Note: The variance in figures is attributed to the streamlined processes, supported by a dedicated team that ensures invoices are cleared within the stipulated turnaround time (TAT) of eight days.

9. **Open-ness of business**

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format

Parameter	Metrics	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not applicable	Not applicable
	b. Number of trading houses where purchases are made from	Not applicable	Not applicable
	c. Purchases from top 10 trading houses as % of total purchases from trading houses	Not applicable	Not applicable
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	Not applicable	Not applicable
	b. Number of dealers / distributors to whom sales are made	Not applicable	Not applicable
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributor	Not applicable	Not applicable
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	Not applicable	Not applicable
	b. Sales (Sales to related parties / Total Sales)	Not applicable	Not applicable
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Not applicable	Not applicable
	d. Investments (Investments in related parties / Total Investments made)	Not applicable	Not applicable

Leadership Indicators

1. **Awareness programmes conducted for value chain partners on any of the Principles during the financial year:**

Total number of awareness programmes held	Topics/principles covered under the training	% age of value chain partners covered (by value of business done with such partners) under the awareness programmes
NIL		

2. **Does the entity have processes in place to avoid/manage conflict of interests involving members of the Board? (Yes/No) If yes, provide details of the same.**

Yes, the Bank has robust processes in place to prevent conflicts of interest involving members of the Board. A comprehensive Code of Conduct outlines the core values and guiding principles that govern the behavior of the Bank's employees in their interactions with stakeholders, including customers, regulatory bodies, government authorities, the media, and others associated with the Bank.

Additionally, the Bank has established a Related Party Transactions (RPT) Policy, which provides a structured framework to evaluate and manage such transactions. This policy ensures that all RPTs are conducted transparently, fairly, and in compliance with applicable legal and regulatory requirements.

The Nomination and Remuneration Committee (NRC), along with the Board, plays an active role in overseeing and mitigating potential conflicts of interest involving Directors. This oversight is exercised both at the time of appointment and through regular annual assessments.

Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year	Details of improvements in environmental and social impacts
R&D	Not applicable	Not applicable	Not applicable
Capex	Not applicable	Not applicable	Not applicable

2. a. **Does the entity have procedures in place for sustainable sourcing? (Yes/No)**

Yes. All procurement is carried out in strict compliance with the Bank's Code of Conduct, supported by rigorous due diligence processes. Ujjivan SFB has implemented a comprehensive Vendor Code of Conduct, which serves as a foundational framework to ensure full compliance with applicable laws and regulations across its operational jurisdictions. A significant enhancement to this framework is the integration of environmental accountability into the vendor onboarding process, wherein the Bank assesses suppliers based on their Environmental, Social, and Governance (ESG) commitments and practices.

In addition, Ujjivan SFB promotes responsible and sustainable business practices, especially in its procurement choices-favoring energy-efficient appliances and eco-friendly building materials for its offices, branches, and ATMs across the country.

b. **If yes, what percentage of inputs were sourced sustainably?**

Ujjivan SFB follows a centralized procurement process and enforces a Vendor Code of Conduct (CoC) requiring compliance with environmental, labour, and ethical standards. ESG credentials of vendors with high value purchase (more than 1 Crore purchase) are assessed, and preference is given to those demonstrating sustainable practices.

As of FY 2024-25, 47% of the company's total procurement spend on goods and services was directed toward vendors adhering to sustainable practices. Moreover, vendors undergo risk assessments, SLA-based performance reviews, and periodic audits to ensure alignment with Ujjivan's sustainability goals.

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.**

- Not applicable

4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

- Not applicable

Leadership Indicators

1. **Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?**

NIC Code	Name of Product/ Service	% of total Turnover Contributed	Boundary for which the Life Cycle Perspective / Assessment was conducted	Whether conducted by independent external agency. (Yes/No)	Results communicated in public domain (Yes/No)	If yes, provide the web link
Not applicable						

2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.**

Name of Product / Service	Description of the risk / concern	Action Taken
Not applicable		

3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Recycled Lead by weight	Not applicable	
Recycled Plastics		
Recycled Pallets		

4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed of.**

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable					
E-waste						
Hazardous waste						
Other waste						

5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Not applicable	

Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.

Essential Indicators

1. a. **Details of measures for the well-being of employees.**

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/ A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/ A)	No. (F)	% (F/ A)
	Permanent employees*										
Male	19,478	19,478	100%	19,478	100%	0	0%	19,478	100%	989	5%
Female	4,896	4,896	100%	4,896	100%	4,896	100%	0	0%	482	10%
Total	**24,374**	**24,374**	**100%**	**24,374**	**100%**	**4,896**	**20%**	**19,478**	**80%**	**1,471**	**6%**
	Other than Permanent employees										
Male	3,308	2,507	76%	2,507	76%	0	0	0	0	0	0%
Female	396	267	67%	267	67%	267	67%	0	0	0	0%
Total	**3,704**	**2,774**	**75%**	**2,774**	**75%**	**267**	**7%**	**0**	**0**	**0**	**0%**

b. **Details of measures for the well-being of workers:**

Category	Total (A)	% of workers covered by									
		Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
	Permanent workers										
Male	Not applicable										
Female											
Total											
	Other than Permanent workers										
Male	Not applicable										
Female											
Total											

c. **Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format**

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Cost incurred on wellbeing measures as a % of total revenue of the Company	1.21% (₹ 86.99 Crores spent)	1.10% (₹ 71.04 Crores spent)

2. **Details of retirement benefits.**

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers Covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	Not applicable	Y	100%	Not applicable	Y
Gratuity	100%	Not applicable	NA	100%	Not applicable	NA
ESI	NA	Not applicable	NA	NA	Not applicable	NA
Other - Leave Encashment	100%	Not applicable	NA	100%	Not applicable	NA

3. **Accessibility of workplaces**

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Yes, Ujjivan Small Finance Bank is committed to creating an inclusive work environment and is actively working towards making all its premises, including offices and branches, accessible to employees with disabilities. The Bank is continuously enhancing its infrastructure in line with the provisions of the Rights of Persons with Disabilities Act, 2016. The accessibility of ramps has been enhanced in 129 branches, 4 regional offices, Corporate office, Learning & Development Centre & Phone Banking Unit of Ujjivan Small Finance Bank.

4. **Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.**

Yes, Ujjivan SFB is an equal opportunity employer, committed to treating all individuals fairly and equitably across all aspects of employment-including recruitment, job assignments, compensation, promotions, disciplinary actions, and access to benefits and training.

The Bank's Human Rights Policy upholds the principles of Equal Opportunity and Non-Discrimination, ensuring a workplace that respects and protects the dignity of every individual. The policy can be accessed at: Human-Rights-Policy.pdf (ujjivansfb.in).

In alignment with this, the Bank's Recruitment & Selection Policy explicitly outlines the provisions and guidelines that promote equal opportunity in hiring and career advancement.

5. **Return to work and Retention rates of permanent employees and workers that took parental leave.**

	Permanent employees		Permanent workers	
Gender	**Return to work rate**	**Retention rate**	**Return to work rate**	**Retention rate**
Male	97%	81%	0	0
Female	98%	75%	0	0
Total	**97%**	**79%**	**0**	**0**

6. **Is there a mechanism available to receive and redress grievances for the following categories of employees and workers? If yes, give details of the mechanism in brief.**

	Yes/No	(If Yes, then give details of the mechanism in brief)
Permanent Workers	NA	Not applicable
Other than Permanent Workers	NA	
Permanent Employees	Yes	The Whistle Blower policy has been formulated as part of corporate governance and transparency norms where the employees, directors, customers, stakeholders or NGOs are encouraged to refer any complaints which have not been resolved or satisfactorily resolved within the usual applicable protocols. The employees may refer any complaints covering areas such as; corruption, misuse of office, criminal offences, suspected/actual fraud, failure to comply with existing rules and regulations and acts resulting in financial loss/operational risk, loss of reputation etc. detrimental to depositors'/public interest. The policy is aimed at ensuring adherence to the highest standards of ethical, moral and legal conduct of business operations; promoting clean business transactions, professionalism, productivity, promptness and transparent practices and ensures putting in place systems and procedures to curb opportunities for corruption. It institutionalises a mechanism for protection of employees, directors from reprisals or victimisation, for Whistle blowing in good faith as the Bank strictly follows No Retaliation Policy. It ensures Ujjivan SFB treats violations/breaches/noncompliance at various levels of the Bank with vigour and due care and accordingly realign processes and take corrective actions as part of its Corporate Governance. The Bank has a mechanism enabling all stakeholders to freely communicate their concerns about illegal or unethical practices. This includes the Audit Committee, Disciplinary Committees of the Bank. The whistleblower can submit a protected disclosure in a closed and secured envelope or through an email or SMS to the Head of HR, or, MD & CEO, or, the Chairperson of the Audit Committee. The Bank shall entertain anonymous/pseudonymous disclosures on merit. The identity of the whistle blower shall be kept confidential unless, required in terms of an order by a Court of Law or unless agreed to by the whistle blower.
Other than Permanent Employees	No	

7. **Membership of employees and worker in association(s) or Unions recognised by the listed entity:**

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	Not applicable			Not applicable		
Male						
Female						
Total Permanent Workers						
Male						
Female						

8. Details of training given to employees and workers:

Category	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Permanent Employees										
Male	19,478	8,470	44%	18,937	97%	18,156	8,317	46%	16,329	90%
Female	4,896	2,239	46%	4,742	97%	4,410	2,125	48%	3,968	90%
Total	**24,374**	**10,709**	**44%**	**23,679**	**97%**	**22,566**	**10,442**	**46%**	**20,297**	**90%**
Permanent Workers										
Male	Not Applicable									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. (B)**	% (B/A)	Total (C)	No. (D)	% (D/C)
Permanent Employees						
Male	19,478	18,173	93%	18,156	16,267	89.60%
Female	4,896	4,501	92%	4,410	3,941	89.37%
Total	**24,374**	**22,674**	**93%**	**22,566**	**20,208**	**89.55%**
Permanent Workers						
Male	**Not Applicable**					
Female						
Total						

*** As the performance review process for the reporting year is underway, the data presented here is as per the bell curve process which is the previous step to the completion stage while the previous year data pertains to actual completion as per the HR Management system.*

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, what is the coverage of such a system?

Yes, Ujjivan SFB has a comprehensive Occupational Health and Safety (OHS) Policy in place, aimed at fostering a culture of safety across the organisation. The Bank is committed to maintaining a safe and healthy work environment by proactively implementing measures to prevent workplace incidents and ensure the well-being of all stakeholders.

The OHS Policy clearly defines the roles and responsibilities of the Bank, its employees, and customers in promoting safety. It encompasses all critical aspects of health and safety management, including employee training, emergency preparedness, hazard identification, risk assessment, incident reporting and management, as well as compliance with applicable legal and regulatory requirements.

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

Recognising the nature of Bank's sales work that requires extensive travel and inherently carries a higher risk of road accidents, Ujjivan SFB is proactively organising sessions and conducting communication campaigns to raise awareness about the importance of being vigilant and cautious while riding or driving. The organisation's goal is to ensure that the team members are well-informed about road safety measures and best practices to promote a culture of safety throughout the organisation.

Ujjivan SFB strategically arranges safety awareness sessions and communication by closely analysing insurance claim trends. This data-driven approach allows the Bank to tailor its educational content to address the most prevalent risks and to anticipate potential hazards for the upcoming year.

c. **Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks.**

Ujjivan SFB's Occupational Health & Safety policy defines the procedure for reporting the OHS incidents involving an employee. In case of any incident, employee shall report to their supervisor and HR representative in the region immediately and seek support; - HR representative and Supervisor should also seek support from Admin or any other resources in the Bank to provide all kind of help required to the employee; - Regional HR representative will report such matter to the National Manager – Sustainable Banking (ESG) who shall monitor all such incidents and report to Executive committee of the Bank on Half-yearly basis. The incidents shall be reported to Operational Risk Department for analysis and record purposes.

d. **Do the employees/ workers of the entity have access to non-occupational medical and healthcare services?**

Yes, the bank's employees have access to non-occupational medical and healthcare services. The Bank has launched wellness app for employees which is further extended to their family members. This enables employee to track their own individual wellbeing (incl medical records, counselling, subsidised checkup etc.). In addition to the above, to promote safety and well-being, the bank conducts quarterly awareness sessions on road safety and circulates communication flyers regarding road safety rules every two weeks. Furthermore, monthly sessions are organised to inform employees about general and women's health issues. It organises annual health checkup applicable to all employees and their family members as well. In addition to the dental & vision camps for the employees' benefit, the Bank also facilitates women's self-defense sessions.

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	2.00	0.93
	Workers	Not applicable	Not applicable
*Total recordable work-related injuries	Employees	120	60
	Workers	Not applicable	Not applicable
No. of fatalities	Employees	4	2
	Workers	Not applicable	Not applicable
**High consequence work-related injury or ill-health (excluding fatalities)	Employees	51	10
	Workers	Not applicable	Not applicable

**The total recordable work-related injuries mentioned above are related to road safety incidents happened during on field work who didn't return to work within 48 hours as per Factories Act.*

***Represents number of incidents that required hospitalization.*

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Ujjivan Small Finance Bank conducts quarterly fire drills to ensure employee preparedness and safety. All facilities are equipped with essential safety infrastructure, including fire extinguishers, designated emergency exits, first aid kits, clean drinking water, and proper ventilation. The Bank is committed to providing a comfortable and hygienic work environment, supported by quality office furniture and regular housekeeping services.

As part of its accessibility initiatives, 129 branches, four regional offices, the Corporate Office, Learning & Development Centre, and Central Processing Centre (CPC) are equipped with ramps to facilitate access for differently-abled individuals.

To further support employee health and well-being, the Bank regularly conducts road safety awareness programs, monthly health sessions, and annual medical check-ups for employees and their families. It also organizes women's self-defense training sessions and hosts dental and vision camps, reinforcing its commitment to a safe, inclusive, and supportive workplace.

13. Number of complaints on the following made by employees and workers

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	NA	0	0	NA
Health & Safety	0	0	NA	0	0	NA

14. Assessments for the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the Ujjivan SFB offices were internally assessed, and based on the findings, several improvements were made to enhance ergonomics. Approximately 1,360 chairs were replaced with models featuring backrests, and 747 old chairs were replaced with new chairs. Additionally, specific air-conditioning units across 61 branch locations were replaced to improve operational efficiency.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

To promote safety and well-being, the Ujjivan SFB has implemented various proactive measures. Road safety awareness programmes have been conducted to educate employees on accident prevention. Following an internal assessment, the bank replaced chairs and air conditioners across offices to enhance comfort and ergonomics. Additionally, monthly health sessions are organised for employees to ensure their overall health. The bank also conducts quarterly fire drills, ensuring employees are well-prepared and safety protocols are consistently practiced. Furthermore, Bank creates awareness through videos of the victim who underwent the treatment post-accident and list of safety measures which they are adhering now. This creates impact among others on the importance of safety measures.

Furthermore, the Bank has a comprehensive Business Continuity and Disaster Management Plan in place that outlines its preparedness to effectively respond to and manage emergency situations, ensuring the continuity of operations and minimising disruptions.

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes, the bank provides benefits of life insurance to its employees with coverage ranging from ₹ 15 Lakhs to ₹ 1 Crores.

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

The bank engages vendors who provide third party employees as contract staff, to render certain incidental and ancillary services. These include, amongst others, security personnel, housekeeping staff, collection staff, specialists in IT and in other functions. Engagement of off-role staff is governed by contracts between the Bank and the respective vendors. There is a due diligence process for on boarding of these vendors and the engagement of off-role staff.

The agreements entered with each vendor lists the responsibilities of the vendors in these engagements, most importantly in the matter of payment of statutory dues including GST, duties, and other labour related dues relating to each of the contract staff. Hence while the Bank pays the vendors in terms of the contract, it is incumbent upon the vendor to ensure that payment of salaries and other benefits of staff as contracted, and all statutory and regulatory payments are made on time.

Additionally, Ujjivan SFB has established a comprehensive supplier assessment framework as a strategic initiative to enhance risk management and quality assurance across its operations.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Employees	55	60*	51	57
Workers	NA		NA	

**The total recordable work-related injuries mentioned above are related to road safety incidents happened during on field work.*

As part of rehabilitation services for high-consequence injuries i.e. 55 cases reported in FY 24-25, following benefits were offered, depending on the specific case, need, or request:

- Job Security – Provision of extended leave & no job termination for such cases as per the policy
- Accident benefits (Insurance for medical exp coverage)
- Additional support through welfare trust (1 employee's family has been supported with an additional 10L over and above the guaranteed benefits)
- For fatality incidents, compensation benefits appropriate to the grade ranging from ₹ 20 Lakhs – 1 Crores.

4. Does the entity provide transition assistance programmes to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No)

No, Ujjivan SFB provides transition assistance programmes only for internal employees and new joiners.

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety conditions	No assessment carried out
Working conditions	

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

NIL

Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

At Ujjivan Small Finance Bank, key stakeholder groups are identified through a structured internal process involving department heads, feedback analysis, strategic priorities, and compliance requirements. Stakeholders are classified based on their influence, interest, and impact on the operations and people practices, meeting Ujjivan values and mission. Regular reviews and audits, employee feedback surveys, customer satisfaction data, and external market research further help refine stakeholder mapping.

The Bank engages with multiple stakeholders through formal and informal channels of communication. The Stakeholders Relationship Committee of Ujjivan SFB meet once a year to discuss on the various aspects of stakeholder engagement.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalised Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Email, SMS, WhatsApp and Notice Board	1. Email: Weekly 2. SMS and WhatsApp: Daily/Weekly 3. Notice Board: Quarterly	Sharing of information and updates about ongoing activities in the bank, updates on policies and achievements of the banks and sustainability initiatives
Investors	No	Email, Phone Contacts	Quarterly	Understanding investors perspective with current market requirements and bank's performance. Sharing ESG performance, digital initiatives etc.
Customers	No	Email, SMS, Advertisements, website	Weekly	Engagement through new schemes, loan, transactions, financial literacy programmes to raise awareness
Suppliers	No	Email, SMS	Quarterly	Discussion on efficient and sustainable supply chain, supplier assessments
Communities	Yes	Newspaper, Community Meetings	Need basis	Development of projects and new schemes for community welfare, need based assessment projects

Leadership Indicators

1. **Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.**

   Although there is no direct consultation between stakeholders and the Board on economic, environmental, and social topics, the Board has dedicated Board Committees such as the Stakeholders Relationship Committee, Customer Service Committee, Nomination and Remuneration Committee, CSR & Sustainability Committee that regularly review the reports which inter alia include feedback, concerns, or complaints if any from the stakeholders such as Investors, Customers, Employees etc. Further, the Bank being an entity engaged in Micro Finance with majority of its customers belonging to the unserved/ underserved community, has always been on its toes with regards to social initiatives. The concerns of investors on economic aspects, if any are attended to in the investor calls held by the Bank.

2. **Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.**

   Yes, stakeholder consultation is used to support the identification and management of environmental and social topics. Ujjivan SFB actively incorporates feedback from stakeholders, including investors, into its environmental and social initiatives. By engaging with investors and providing them with updates on sustainability-related initiatives and regulatory information, the Bank ensures that stakeholder inputs are considered in initiatives, ESG reporting, policies and activities. The Bank initiated disclosing sustainability performance through sustainability report beginning from FY 2022-23 to showcase its commitment towards sustainable operations and stakeholder interests.

3. **Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalised stakeholder groups.**

   The Bank engages with the various, identified vulnerable and marginalised sections of the society through its products and services, as well as community engagement initiatives. The Bank has specific products and services that especially cater to the economically backward sections of the society in rural, urban, and semi urban India, such as microfinance, digital payments, agriculture banking, MSME Loans and loans towards affordable housing.

Principle 5: Businesses should respect and promote human rights

Essential Indicators

1. **Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:**

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	24,374	24,182	99%	22,566	22,133	98%
Other than permanent	3,704	0	0	3,328	0	0
Total employees	**28,078**	**24,182**	**86%**	**25,894**	**22,133**	**85.50%**
Workers						
Permanent	NA					
Other than permanent						
Total Workers						

2. **Details of minimum wages paid to employees and workers, in the following format**

	FY 2024-25 Current Financial Year					FY 2023-24 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent	**24,374**	**124**	**1%**	**24,250**	**99%**	22,566	340	1.15%	22,226	98.49%
Male	19,478	74	0.38%	19,404	99.62%	18,156	263	1.45%	17,893	98.55%
Female	4,896	50	1.00%	4,846	99%	4,410	77	1.75%	4,333	98.25%
Other than Permanent	**3,704**	**1365**	**37%**	**2,339**	**63%**	-	-	-	-	-
Male	3,308	1,190	36%	2,118	64%	-	-	-	-	-
Female	396	175	44%	221	56%	-	-	-	-	-
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										

3. **Details of remuneration/salary/wages, in the following format*:**

a. **Median remuneration / wages:**

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category (₹) in INR	Number	Median remuneration/ salary/ wages of respective category (₹) in INR
Board of Directors (BoD)	4* (Excludes MD & CEO)	14,675,000**	4 (Excludes ED)	10,525,000#
Key Managerial Personnel	3	17,474,472	1	15,000,000
Employees other than BoD and KMP	19,478	368,010	4,896	343,560
Workers	NA	NA	NA	NA

**Includes Mr. Samit Ghosh who retired on November 30, 2024*

***Sitting Fees paid to Non-Executive Directors (Male)*

#Sitting Fees paid to Non-Executive Directors (Female)

b. **Gross wages paid to females as % of total wages paid by the entity, in the following format:**

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Gross wages paid to females as % of total wages	16.28%	16.10%

4. **Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)**

Ujjivan Small Finance Bank has established a structured governance framework to oversee the management of human rights within the organisation. To ensure effective monitoring and accountability, the Bank has multiple committees in place —Regional, Central, and Appellate—tasked with overseeing the implementation of human rights-related protocols and disciplinary procedures.

Each committee operates on a defined schedule: Regional Committees convene once or twice weekly, while the Central Committee meets monthly to review actions taken and assess the support required. These committees are also responsible for evaluating existing processes and communication channels, and for integrating any additional requirements to strengthen the Bank's human rights management system.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Ujjivan has robust grievance mechanism designed to receive, analyse, and respond to complaints or inquiries received from any stakeholder. Employees can raise their grievances through the following channels:

- HR Helpdesk
- Whistleblower Policy
- Central Disciplinary Committee – if an employee wishes to appeal against the actions or decisions of the regional disciplinary committee
- Appellate Committee – if an employee wishes to appeal against the actions or decisions of the central disciplinary committee

The council or committee will review and address the complaints. The complainant will be informed of the corrective and preventive actions taken.

6. Number of Complaints on the following made by employees and workers:

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending Resolution at the end of year	Remarks	Filed during the year	Pending Resolution at the end of year	Remarks
Sexual Harassment*	16	4	NA	14	2	NA
Discrimination at workplace	0	0	NA	0	0	NA
Child Labour	0	0	NA	0	0	NA
Forced Labour/Involuntary Labour	0	0	NA	0	0	NA
Wages	0	0	NA	0	0	NA
Other human rights related issues	0	0	NA	0	0	NA

**The increased awareness has resulted in a significant improvement in the filing of complaints.*

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	16	14
Complaints on POSH as a % of female employees / workers	0.3%	0.3%
Complaints on POSH upheld	16	14

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Ujjivan Small Finance Bank is firmly committed to providing a safe, respectful, and inclusive work environment, free from any form of harassment. This commitment extends to protecting employees from harassment by supervisors, colleagues, customers, vendors, consultants, contract staff, or any external parties with whom the Bank maintains a business or professional relationship.

At Ujjivan SFB, sexual harassment in the workplace is strictly regarded as misconduct. The Bank has a clearly defined Human Rights Policy that enforces a zero-tolerance approach to all forms of harassment—physical, verbal, or psychological. Any behavior or conduct that constitutes sexual harassment by an employee will lead to disciplinary action in accordance with the Bank's internal policy and applicable laws. Ujjivan SFB encourages open communication, enabling employees to express concerns or grievances freely.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

No, however the Bank has vendor code of conduct in place which addresses the basic human rights requirements. Suppliers are required to adhere to all laws, specifically provisions of labor, tax laws and regulations that are applicable in the jurisdictions in which they operate and document the same for verification purposes. All such applicable documentation shall be provided by the Supplier to the Bank as and when requested by the Bank for due diligence and compliance perspective. This shall also include all but not limited to laws and rules related to corruption and bribery as well as those concerning human rights, data privacy, fair competition, environment etc. Further, Ujjivan SFB has strengthened its contracts by incorporating the right to audit, enabling the Bank to directly assess vendor practices and verify compliance with the CoC.

10. Assessments of the year

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	100%
Forced/involuntary labour	NA
Sexual harassment	100%
Discrimination at workplace	100%
Wages	100%

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

There were no significant risks or concerns arising from the assessments conducted on Ujjivan SFB premises. However, the prohibition of child labour, fair wage administration, and compliance with relevant regulations are strictly enforced.

The Internal Compliance team is dedicated to preventing sexual harassment and ensuring workplace safety. Concurrent Auditors, in partnership with Payroll and Compliance vendors, validate these practices. Disciplinary committees at both Regional and Corporate offices oversee and enforce disciplinary measures.

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.

Ujjivan SFB has increased awareness on raising grievances about Workplace, Salary, Benefits, POSH etc. through various modes viz., Helpdesk, Amber and Mail to foster a transparent and supportive work environment. This has resulted in the increased reporting of the grievances under different categories which got resolved by the individual SPOC / Committees based on the severity of the concern.

The Bank has also modified the process for resolution of POSH complaints. Earlier corporate POSH complaints were handled by South regional Inquiry Committee (IC). However, based on the recent trend to address the concern on a faster pace, Inquiry Committee has been formed for corporate and also modified the existing composition of regional IC committees across Ujjivan to showcase the rotations in the committee.

2. Details of the scope and coverage of any Human rights due diligence conducted

The human rights due diligence undertaken within the organisation is multifaceted. Employees have various avenues to address their grievances, including the HR Helpdesk on the HRMS, the Amber digital platform for employee assistance, the Whistleblower Policy, and disciplinary committees. These platforms are regularly reviewed by the Regional/Corporate HR/Disciplinary team, the Employee Engagement team, and various HR stakeholders to ensure timely resolution of all the concerns raised. Through these initiatives, the Bank is committed to conduct comprehensive human rights due diligence to safeguard the rights and dignity of all individuals within our organisation.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Yes, majority of the premises/offices of the bank are accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016. The accessibility of ramps has been enhanced in 129 branches, 4 regional offices, Corporate office, Learning & Development Centre & Phone Banking Unit of Ujjivan Small Finance Bank. For the branches without ramps, other means of accessibility is provided to the customers such as doorstep services etc.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual harassment Discrimination at workplace Child labour Forced/involuntary labour Wages Others – please specify	As part of its ongoing commitment to human rights, Ujjivan SFB has initiated human rights due diligence for vendors as part of the quarterly vendor assessments for human resources. Vendors are required to submit a self-declaration based on specific assessment criteria, which will be validated through documentary evidence provided during the annual onboarding process. The bank has established key questions to assess vendor compliance. These include whether the vendor adheres to labor laws, fair wages, and workplace safety regulations, and whether they have policies in place for human rights, Prevention of Sexual Harassment (POSH), and Occupational Health & Safety (OHS). Additionally, the bank evaluates whether the vendor or its subcontractors employ children under the age of 18 or use forced labor. The due diligence process also checks if the vendor has a grievance redressal mechanism to address issues related to human rights, POSH, and OHS. Lastly, the bank ensures that vendors provide training to their employees on human rights, POSH, and OHS matters to promote awareness and compliance.

5. **Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Nil

Principle 6: Businesses should respect and make efforts to protect and restore the environment.

Essential Indicators

1. **Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format*:**

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
From renewable sources		
Total electricity consumption (A)	0	0
Total fuel consumption (B)	0	0
Energy consumption through other sources (C) (Solar Power Panels with total capacity of 24kw at 4 locations)	51.09 GJ	9.58 GJ
Total energy consumed from renewable sources (A+B+C)	51.09 GJ	9.58 GJ
From non-renewable sources		
Total electricity consumption (D)**	65,712.33 GJ	60,924.62 GJ
Total fuel consumption*** (E)	8063.25 GJ	12,181.29 GJ
Energy consumption through other sources (F)	0	0
Total energy consumed from non-renewable sources (D+E+F)	73,775.58 GJ	73,105.91 GJ
Total energy consumed (A+B+C+D+E+F)	73,826.67 GJ	73,115.49 GJ
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations in Crores)	10.25	11.31
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)	Not applicable	Not applicable
Energy intensity in terms of physical output	Not applicable	Not applicable
Energy intensity (optional) – the relevant metric may be selected by the entity	Not applicable	Not applicable

**Total energy consumption includes all Ujjivan SFB offices and branches.*

***For few branches located in the remote areas, electricity consumption has been calculated based on approximation due to varying billing cycles.*

****Fuel consumption is with respect to diesel consumption for diesel generators used during power cuts in offices and company owned vehicles for corporate and regional offices.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.**

NA

3. **Provide details of the following disclosures related to water, in the following format: NA**

Parameter			FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water withdrawal by source (in kilolitres)				
4	(i)	Surface water	Not applicable	Not applicable
	(ii)	Groundwater		
	(iii)	Third party water (Municipal water supplies)		
	(iv)	Seawater / desalinated water		
	(v)	Others (Rainwater storage)		
Total volume of water withdrawal (in kiloliters) (i + ii + iii + iv + v)				
Total volume of water consumption* (in kiloliters)			155,682	166,060

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water intensity per Crores of turnover (Total water consumption / Revenue from operations)	21.62	25.69
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	Not applicable	Not applicable
Water intensity in terms of physical output	Not applicable	Not applicable
Water intensity (optional) – the relevant metric may be selected by the entity	Not applicable	Not applicable

**Consumption quantity mentioned above is the water consumed for drinking and domestic purposes and calculated based on the amount spent towards purchase of drinking water and domestic consumption is calculated based on NBC norms i.e. 20 litres per employee per day.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No

4. **Provide the following details related to water discharged:**

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water discharge by destination and level of treatment (in kilo litres)		
(i) To Surface water		
- No treatment		
- With treatment – please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment – please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment – please specify level of treatment	Not Applicable	Not Applicable
(iv) Sent to third parties		
- No treatment (Water sent for treatment to Central Effluent Treatment Plant) *		
- With treatment – please specify level of treatment		
(v) Others		
- No treatment		
- With treatment – Tertiary treatment		
Total water discharged (in kilo litres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency – No

5. **Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.**

Not Applicable, The water requirement for the bank is only for domestic and drinking purposes. So, there is no Zero Liquid Discharge implementation.

6. **Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:**

Parameter	Please specify unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
NOx	Kg	At the premise of Ujjivan SFB, the type of DG sets provided by the vendor has been approved by ARAI for noise and pollution norms. The capacity of the DG varies based on the area of the premise.	
SOx	Kg		
Particulate matter (PM2.5)	Kg		
Particulate matter (PM10)	Kg		
Persistent organic pollutants (POP)	Kg		
Volatile organic compounds (VOC)	Kg		
Hazardous air pollutants (HAP)	Kg		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

7. **Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:**

Parameter	Unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
***Total Scope 1 emissions** (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	*Metric tonnes of CO_2 equivalent*	600.52	887.73
***Total Scope 2 emissions** (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF3, if available)	*Metric tonnes of CO_2 equivalent*	13,270.24	13,995.74
Total Scope 1 and Scope 2 emissions	*Metric tonnes of CO_2 equivalent*	13,870.76	14,883.47
Total Scope 1 and Scope 2 emission intensity per Crores of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	*Metric tonnes of CO_2 equivalent/ turnover in Crores*	1.93	2.30
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		Not applicable	Not applicable
Total Scope 1 and Scope 2 emission intensity in terms of physical output		Not applicable	Not applicable
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		Not applicable	Not applicable

**Scope 1 covers the emissions generated through the usage of diesel in diesel generators used during power cuts in offices and company owned vehicles for corporate and regional offices and Scope 2 covers the emissions generated from Purchased Electricity.*

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.- No

8. **Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details.**

Yes, the entity has a project related to reducing Greenhouse Gas (GHG) emissions. Ujjivan SFB has installed Solar Panels of Capacity 5 Kw at Adanoor, Shyagale & 11 Kw at Sudarshan Moore Branches. The Company has also formulated guidelines on Green Buildings which will serve as the foundation for establishing a model green branch. Additionally, Ujjivan Small Finance Bank has diligently analysed and accounted for all Scope 1 and Scope 2 emissions using the Greenhouse Gas (GHG) protocol, with factors derived from The Intergovernmental Panel on Climate Change (IPCC). The bank is currently expanding its emissions accounting to include Scope 3 emissions to establish a more comprehensive GHG inventory.

9. **Provide details related to waste management by the entity, in the following format:**

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	0	0
E-waste ***(B)***	10.13	17.85
Bio-medical waste ***(C)***	0	0
Construction and demolition waste ***(D)***	0	0
Battery waste ***(E)***	0	0
Radioactive waste ***(F)***	0	0
Other Hazardous waste. Haz. Waste from process + Haz. Waste from pollution control equipment's, + Filter bed sand+ Filter bags etc. ***(G)***	0	0
Other Non-hazardous waste generated ***(H)***. (Wet + Dry waste from regional & corporate offices only)	51.80	9.1
Total (A+B + C + D + E + F + G + H)	61.93	26.9
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	0.00860	0.00417

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)	Not applicable	Not applicable
Waste intensity in terms of physical output	Not applicable	Not applicable
Waste intensity (optional) – the relevant metric may be selected by the entity	Not applicable	Not applicable
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	10.13	16.69
(ii) Re-used	-	1.16
(iii) Other recovery operations	Not applicable	Not applicable
Total	10.13	17.85
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	Not applicable	Not applicable
(ii) Landfilling	Not applicable	Not applicable
(iii) Other disposal operations (handed over to municipal waste collection entities)	51.80	9.1
Total	51.80	9.1

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your Company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

The Bank's operations primarily generate paper waste and electronic waste (E-waste). Paper waste is securely disposed off through authorized vendors, while E-waste is managed by certified recyclers in compliance with environmental regulations. Additionally, dry and wet waste segregation at source has been implemented across all regional & corporate offices to promote responsible waste management.

Furthermore, partnering with a third party vendor, Ujjivan SFB has introduced a structured Cigarette Waste Management program at its Head Office, where collected cigarette waste is recycled into artistic by-products, supporting creative reuse and providing livelihood opportunities for workers involved in the process. The vendor responsible for handling the cigarette waste is implementing all necessary health and safety measures and is ISO 9000, ISO 14001 and ISO 45001 certified.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval/ clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not applicable					

13. **Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:**

Yes, the entity is compliant with the applicable environmental laws/regulations/guidelines in India.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any

Leadership Indicators

1. **Water withdrawal, consumption and discharge in areas of water stress (in kilo litres):**

For each facility / plant located in areas of water stress, provide the following information:

(i) Name of the area:

(ii) Nature of operations:

(iii) Water withdrawal, consumption, and discharge in the following format:

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water	Not applicable	Not applicable
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover *(Water consumed / turnover)*		
Water intensity *(optional)* – the relevant metric may be selected by the entity	Not applicable	Not applicable
Water discharge by destination and level of treatment (in kilolitres)*		
(i) Into Surface water	Not applicable	Not applicable
- No treatment		
- With treatment – please specify level of treatment		
(ii) Into Groundwater	Not applicable	Not applicable
- No treatment		
- With treatment – please specify level of treatment		
(iii) Into Seawater	Not applicable	Not applicable
- No treatment		
- With treatment – please specify level of treatment		
(iv) Sent to third parties	Not applicable	Not applicable
- No treatment		
- With treatment – please specify level of treatment		
(v) Others	Not applicable	Not applicable
- No treatment		
- With treatment – please specify level of treatment		
Total water discharged (in kilolitres)	Not applicable	Not applicable

2. **Please provide details of total Scope 3 emissions & its intensity, in the following format:**

Parameter	Unit	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Scope 3 emissions* (Break-up of the GHG into CO_2, CH_4, N_2O, HFCs, PFCs, SF_6, NF_3, if available)	Metric tonnes of CO_2 equivalent	17,907.95	-
Total Scope 3 emissions per Crores of turnover	Metric tonnes of CO_2 equivalent/ turnover in Crores	2.5	-
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity		Not applicable	-

*In this reporting year, Ujjivan SFB is monitoring Category 1 (Purchased goods and services), Category 2 (Capital goods), Category 3 (Fuel & Energy related activity), Category 5 (Waste generated in operations), Category 6 (Business travel - air travel only) & Category 15 (Investments – Motor Vehicle Loans only) under Scope 3 emissions as per GHG Protocol and PCAF standard for deriving the financed emissions.

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. - No

3. **With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.**

   The bank does not operate in any ecologically sensitive areas.

4. **If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:**

S. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1.	Energy efficiency programme to reduce power consumption	Successfully rolled out Sanchaya Programme across Regional & Corporate offices in Oct 2024.	Achieved a savings of 8% from that of FY 2023-24(Q3 & Q4) in energy consumption.
2.	Sustainable infrastructure	Installed Light fixtures equipped with occupancy sensors, adoption of Variable Refrigerant Volume (VRV) AC systems in new and renovated facilities.	Electricity usage was approximately 25,646 units per month. Post renovation, the consumption has reduced to 16,142 units per month.
3.	Digitalisation	57% of the internal administrative processes of Admin & Infrastructure digitized.	Estimated paper saving is 3,747,896 annually

5. **Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.**

   Yes, the entity has a Business Continuity and Disaster Management Plan. The BCM (Business Continuity Management) plan highlights the preparedness of the bank to deal with disaster situations. The purpose of this policy is to define the need to establish a management framework necessary to ensure emergency response, resumption and recovery, restoration, and permanent recovery of Ujjivan during business interruption events while maintaining compliance requirements. This applies to all the business processes, departments, infrastructures and facilities in head office, regional offices, and branches of Ujjivan. The Policy statements include the BCMS organisation structure, components of BCM framework, procedural aspect of BCP, HR aspects of BCP, Infrastructure aspects of BCP, Technology aspects of BCP, Access control aspects of BCP etc. Business continuity management governance is also in place which has the BCM committee and Crisis management committee.

6. **Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard?**

   Being a banking sector, there is no significant direct impact to the environment from the value chain partners.

7. **Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.**

   No value chain partners were assessed for environmental impacts. However, the Bank procures goods and services from licensed and certified vendors and suppliers. The Bank has a policy on Code of Conduct which attempts to set forth the guiding principles and values on which the Bank's employees shall operate and conduct business with various stakeholders of the Bank, government and regulatory agencies, media, and anyone else with whom the Bank is connected.

8. **How many Green Credits have been generated or procured:** No green credits have been generated or procured by the Bank.

   a. By the listed entity - Nil

   b. By the top ten (in terms of value of purchases and sales, respectively) value chain partners - Data not available

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. **Number of affiliations with and industry chambers/ associations.**

   The bank is a member of 10 trade and industry chambers/associations.

   b. **List the top 10 trade and industry chambers/ associations (determined based on the total members of such a body) the entity is a member of/ affiliated to.**

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	AKMI – Association of Karnataka Micro Finance institution.	State
2	IBA – Indian Banks' Association	National

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
3	ASFBI – Association of Small Finance Banks of India	National
4	FIMMDA – Fixed Income Money Market & Derivatives Association of India	National
5	MFIN - Micro Finance Institutions Network	National
6	ALPHA- Microfinance consultants private limited.	National
7	Sa-dhan (Association of Community Development Finance Institutions)	State
8	DLCC- District Level Consultative Committee	State
9	SLBC- State Level Banker's Committee	State
10	DSCI- Data Security Council of India	National

2. Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

None

Leadership Indicators

1. Details of public policy positions advocated by the entity:

S. No.	Public policy advocated	Method resorted for such advocacy	Whether information available in the public domain? (Yes/No)	Frequency of Review by Board (Annually/ Half yearly/ Quarterly / Others – please specify)	Web Link, if available
Nil					

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development.

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web Link
Not applicable as there were no projects undertaken that required an SIA in the current financial year.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
Not applicable						

3. Describe the mechanisms to receive and redress grievances of the community.

A dedicated email ID is available on the CSR webpage of Ujjivan SFB, allowing community members to easily register their complaints. Additionally, the bank is in the process of developing a detailed Standard Operating Procedure (SoP) to manage and resolve grievances efficiently, ensuring a structured and transparent approach to addressing community concerns.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Parameter	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Directly sourced from MSMEs/ small producers	12.85%	10.3%
Sourced directly from within India	100%	100%

Note: All the materials required by the bank are procured locally irrespective of its location

5. **Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost:**

Location	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Rural	0.90%	1.30%
Semi-urban	2.50%	2.80%
Urban	4.70%	4.20%
Metropolitan	7.60%	11.50%

(Place to be categorised as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

1. **Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):**

Details of negative social impact identified	Corrective action taken
Not Applicable	

2. **Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:**

Project details	State	District	Amount spent
Cheshire Disability Trust	Jharkhand	Ranchi	₹ 1,851,200
Cheshire Disability Trust	Jharkhand	Hazaribagh	₹ 1,548,800
Vision Ranchi, Mandar Hospital	Jharkhand	Ranchi	₹ 1,358,390
Institution of Digital Healthcare centers	Madhyapradesh	Barwani	₹ 1,159,200
Project Swachh Neighborhood	Andhra Pradesh	Visakhapatnam	₹ 6,650
Project Swachh Neighborhood	Bihar	Gaya	₹ 8,000
Project Swachh Neighborhood	Jharkhand	Giridih	₹ 7,590
Project Swachh Neighborhood	Jharkhand	Garhwa	₹ 4,985
Project Swachh Neighborhood	Gujarat	Morbi	₹ 5,420
Chote Kadam-Educational Institute - Renovation of Girls' toilet	Jarkhand	Saheed Chowk, Ranchi	₹ 494,833
Chote Kadam-Educational Institute renovation	West Bengal	Bilwagram, Nadia	₹ 560,854
Chote Kadam-Healthcare Renovation	Bihar	Banka	₹ 762,324
Chote Kadam-Education Institute Renovation	West Bengal	Chakdaha, Nadia	₹ 637,625
Chote Kadam-Educational Institute Renovation	Gujarat	Rajpipala, Narmada	₹ 706,210
Chote Kadam-Park Renovation	Tamilnadu	Ramanathapuram	₹ 526,247
Chote Kadam-Construction of New kitchen & dining hall for Govt. school	Bihar	Kalambaugh, Mussafarpur	₹ 891,903
Chote Kadam-Construction of 4 washrooms	Jarkhand	Giridih	₹ 575,368
Chote Kadam - Educational Institute Renovation	Tamil Nadu	Virudhunagar	₹ 528,050
Chote Kadam - Educational Institute Renovation	Tamil Nadu	Sivakasi, Virudhunagar	₹ 576,509
TOTAL			₹ 12,210,158

3. (a) **Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalised /vulnerable groups? (Yes/No)**

   No

   (b) **From which marginalised /vulnerable groups do you procure?**

   Not applicable

   (c) **What percentage of total procurement (by value) does it constitute?**

   Not applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge:

S. No.	Intellectual Property based on traditional knowledge	Owned/Acquired (Yes/No)	Benefit shared (Yes / No)	Basis of calculating benefit share
Not applicable				

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of the Case	Corrective action taken
Not applicable		

6. Details of beneficiaries of CSR Projects:

S. No.	CSR Projects	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
1.	**Infrastructure Development Programmes (Chote Kadam & Others) –** • Initiatives include renovation of educational institutions, healthcare Centres, Anganwadis, restrooms, community playgrounds, and the provision of safe drinking water across India • Some of the significant projects of the FY 2024-25 include: Construction of Lactation room & Waiting area shed @ Public Health centre, Construction of Dormitory for children @ Trust run residential primary school who were sleeping in the classrooms, Construction of the first Public Park (Walking trail, children play area) at Khadana Village, Renovation of 48 rooms at the old age home at Agra etc.	854,614	100%
2.	**Livelihood Enhancement –** • This programme serves diverse communities like PwDs, Underprivileged youth, Women etc. • Programmes in association with Cheshire Disability trust catered to training the PwDs on communication skills, basic computer literacy etc., coupled with placement in retail, banking, ITeS sectors and the like with an avg. monthly income of ₹ 9,000/- • Similarly, with Divya Nur Foundation, 200 BPL/APL youths were trained and 72% of them placed successfully • Additionally, 10 Neomotion vehicles were provided to Orthopedically challenged individuals and their placement with Zomato has enabled them to earn about 10-15K(avg.) per month • 10 Sports wheelchairs were provided to the PwD athletes	662	100%
3.	**Disaster Relief –** • The Bank has redefined disaster relief in its CSR policy to cater to diverse climate change effects like summer heat waves, fire etc. • Some of the significant projects executed under Disaster Relief during FY 2024-25 being: Summer Relief kit distribution in the Delhi, UP, Relief distribution during floods at Gujarat, Pune, Agartala, Tripura etc., besides supporting about 12K+ beneficiaries victims during Fengal cyclone at Mahadevagollahalli & Cuddalore	21,353	100%
4.	**Education and sports –** • Capacity building of teachers from the Govt. & Zilla panchayat schools on Digital literacy at Maharashtra & UP, establishment of coding labs at these schools, Imparting behavioural skills to 150 underprivileged children through frisbee game through Flying disc development foundation. • Scholarship support for the aspiring boxing athletes in association with the Mary Kom Boxing foundation etc.	9,547	100%

S. No.	CSR Projects	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalised groups
5.	**Environment and Animal Welfare –** • With United Way of Bengaluru, the bank is in the process of rejuvenating the Kanekallu lake at Hoskote. The project being an ongoing one spread across 2 FYs, the work is in progress and is estimated to be completed by end of FY 2025-26 • Additionally, together with Kovai Kulangal Pudhipippu Amaippu, the Bank has rejuvenated a pond in Arisipalayam in Tamilnadu & a Lake at Bavda, Satara, Maharashtra • Through Project Swach Neighborhood, the bank has conducted cleanliness drive around 250 of its branches with 5000+ employees volunteering. • Under Animal welfare, animal shelters coupled with solar power electrification have been constructed at Coimbatore and Goghariyan benefitting about 300 Cattle	242,334 (including 300 cattle)	-
6.	**Healthcare –** The Bank has renovated about 13 public healthcare centres through its Chote Kadam programme. Furthermore, the Bank has been undertaking CSR projects under healthcare directly by supporting them with critical medical equipment needed for the ICU, Ophthalmology department, Pathology lab etc. Some of the significant projects executed under healthcare thematic area are: (i) Mobile Pink Bus benefitting about 300 women on normal days and 1500+ women on the festival and days of any significant events (ii) Provision of Ambulance to Barasat Cancer Research & Welfare centre, Govt. Hospital, Modi nagar, Guwahati Municipal corporation, Indira Gandhi Hospital at Bhiwandi etc. (iii) Ophthalmology equipment to Mandar hospital, Ranchi & Civil Hospital of Barnala etc.	86,984	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. **Describe the mechanisms in place to receive and respond to consumer complaints and feedback.**

The bank has a comprehensive customer grievance redressal mechanism for handling customer complaints and feedback received through various channels. The customers can register the complaint through multiple channels which includes:

(A) Primary channels such as Branch Manager, Complaint register and complaint box available at the branches, complaint calls to Branch office or 24/7 Customer Care Helpline Number, email complaints to customer care and complaint form available on website. Customers can also submit their complaints during monthly customer service committee held at branches.

(B) If customers are not satisfied with the resolution given by primary channels or if they don't receive a response, they can escalate to Regional Nodal Officer as a secondary escalation contact point. The Bank has appointed 4 Regional Nodal Officers, one each for North, South, East and West.

(C) Customer can escalate to Principal Nodal Officer as a final escalation contact point of the Bank. In addition, contact details of the Heads of each business verticals are provided in the Bank's website, so that customers can escalate to business heads if they wish to seek their intervention.

(D) Also, any complaints that are partially / wholly rejected by the Bank is auto escalated to the Bank's Internal Ombudsman who is an independent authority, who will be reviewing all such complaints and shall give his independent decision against each complaints rejected by the bank.

Customers can escalate their complaints against Bank to banking ombudsman in case of no response from the bank within 30 days or they are not happy with the resolution provided by the bank.

The complaints received through other external channels such as social media/ central government's consumer helpline & CPGRMS are also being handled for resolution. The customer is acknowledged for the complaints received either through SMS, Email or acknowledgement slip as applicable. Turn Around Time for resolution of complaints are defined based on nature of complaints criticality and effort required for resolution. These TATs are added in software tool which the Bank is using for documenting, tracking and resolution of complaints. All the complaints received from different channels are captured in CRM software solution which automatically assigns complaint ticket to respective internal departments for resolution. The bank has setup a dedicated Service Quality department which monitors complaint resolution framework end to end. The data on pending complaints is being monitored and reviewed by Service Quality team and necessary internal escalation process is followed for closure of pending complaints. Complaint resolution TAT is one of the key Service Index which is being closely monitored by the bank.

The usage of alternate channels (other than branches) by customers for fulfilment of Queries, Service Requests, Complaints and Feedback (QRCF) has significantly improved from 44% in FY 2023-24 to 49% in FY 2024-25.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

Parameter	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)			FY 2023-24 (Previous Financial Year)		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	0	0	NA	0	0	NA
Advertising	0	0	-	0	0	-
Cyber-security (Phishing, Vishing and Smishing by Fraudsters)	1,528	43	-	972	12	-
Delivery of essential Services#	13,892	130	-	18,499	287	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Other (Mis-selling)*	133	1	-	139	4	-

 # Delivery of essential service includes staff - Related, Alleged Transaction, Deliverables Related, Lending Related, Charges Related, Technology Related, Transaction Related etc. and other category of Cyber security cases such as Fake Job / Loan Advertisement, Card / Mobile lost and transaction done etc.

**Complaints related to mis-selling are those where a customer claims that he was promised a certain return/feature in a product/service and has not received the same.*

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Not Applicable	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes, the bank has a framework/ policy on data privacy. https://www.ujjivansfb.in/privacy-policy

Ujjivan Small Finance Bank believes in privacy of data provided by its customers/users and is committed to protect it. The bank takes all necessary and reasonable measures to protect the customer information and its transmission through the online channels. The privacy policy is applicable to customers/users that visit, use or interact with the bank through the online channels listed below.

i. Website

ii. Mobile Application

iii. Internet Banking Page

iv. Electronic communications (E-mailers / SMS) from the bank

v. Digital Advertising Campaigns

vi. Products and Services through online lead forms and questionnaires

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Based on customer complaints related to cyber fraud (such as phishing, vishing, smishing, etc.), the bank has implemented corrective actions to reduce such incidents. To enhance customer protection, the bank actively raises awareness through push notifications, SMS, email, and social media, and also recommends the following precautionary measures to help secure customers' devices:

a) **Be Cautious with Third-Party Apps:** Never download APK files from unknown sources, especially if prompted by an unsolicited call or message. Always use trusted and official app stores to install applications.

b) **Install Antivirus Software:** Use reliable antivirus software to detect and block malicious files, and ensure it is regularly updated to guard against emerging threats. Many antivirus applications also offer the ability to scan APK files before installation for added security.

c) **Avoid Unsecured Networks:** Do not use unsecured Wi-Fi or public networks for sensitive transactions or downloads. Hackers often exploit these networks to intercept data.

d) **Reset the Phone:** If suspected that a malicious file has been installed, reset the phone to factory settings immediately. This will remove any malicious apps and restore the device to a clean state.

e) **Reboot Regularly:** Restarting the phone can disrupt ongoing malware processes and reduce the risk of prolonged infection. It is a simple yet effective way to maintain the device's health.

f) **Report Suspicious Activity:** Immediately report any unauthorised transactions or suspicious activity. Additionally, the same can be reported to cybercrime to the National Cyber Crime Reporting Portal at cybercrime.gov.in or call on the helpline number 1930.

g) **Verify if the message is official:** Be extra careful on receipt of any messages or calls claiming to be from the bank's WhatsApp number. Verify the message by contacting the bank directly using the official contact details.

Apart from the ongoing customer awareness programs, the Micro Banking department has launched various customer awareness campaigns which were released in social media (YouTube platform) & Branch TV such as:

- Dos and Don'ts in UPI transactions
- ATM etiquettes for safe and secure transactions in 6 languages
- Dos and Don'ts for safe Mobile Banking
- Dos and Don'ts while applying for loan
- Dos and Don'ts for loan repayment

In response to other complaints received by the bank, a regular analysis is conducted to identify the top five nature of complaints, followed by a detailed Root Cause Analysis (RCA). Based on the findings, appropriate corrective actions are implemented to minimise future complaints.

Additionally, in light of escalations and complaints related to servicing Secured Asset Loan customers, the Management Committee had suggested to train the branch staffs on facilitating Secured Asset Services. The training covered Housing, MSME, and Vehicle loan products. Service Quality (SQ) department, in collaboration with the Products and Operations teams, developed a four-hour training module, which was successfully delivered with logistical support from the HR Learning & Development (L&D) team. The topics covered under Secured Asset training were:

- **Secured Loan Application Process Flow –** Housing, MSME & Vehicle (Lead, Application, Verification, Appraisal, Documentation, Disbursement, Welcome Kit, OTC & PDD)
- **Account Servicing** (pre & post disbursement, DD handover, forms, Service Guide, Service charges, Foreclosures, release of collaterals)
- Update on **System & Tools enabled** for the branches to ensure seamless customer experience at the frontend

The training programme successfully covered 255 staff members from 70 branches across the region and was conducted in 15 batches.

7. Provide the following information relating to data breaches:

a. Number of instances of data breaches - NIL (Achieved through a resilient data security framework and continuous oversight by the Security Operations Center(SOC))

b. Percentage of data breaches involving personally identifiable information of customers- NIL

c. Impact, if any, of the data breaches- NIL

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

The information on products and services of Ujjivan SFB is available on website https://www.ujjivansfb.in/ and is managed by Digital Marketing team.

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

Ujjivan SFB utilises a variety of brand channels, including social media posts, reels, YouTube videos, mailers, SMS, BTL marketing, WhatsApp tiles, and more, to disseminate important information about safe banking and cybersecurity practices. Additionally, sessions on digital and cyber frauds are conducted as part of the bank's financial literacy programme to educate customers on how to protect themselves from online threats and enhance their understanding of secure banking practices.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

In case of any disruption/discontinuation of essential services, the communication with customer is handled directly by respective business units only, which is initiated in the form of SMS or E-mails.

For other situations, a ticker is activated or enabled on IB/MB applications. Further, the marketing team supports the business teams in arranging for any such communication whenever necessary.

4. Does the entity display product information on the product over & above what Is mandated as per local laws? (Yes/No/Not Applicable) If yes, provide details in brief? Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

The bank regularly conducts customer feedback surveys to assess the quality of complaints and service request resolutions. In FY 2024-25, the Service Quality team reached out to 11% of customers. As part of its ongoing digital transformation, the bank has shortlisted a software solution for the digitisation of the C-SAT and NPS surveys, with plans to onboard the solution in Q1 of FY 2025-26.

This new tool will help the bank to:

- Automate and scale NPS, gather and analyse qualitative data, and reduce lag time.
- Enable Ujjivan SFB to quickly identify and address customer pain points in real-time, turning satisfied customers into enthusiastic brand advocates.
- Study the impact of interconnected experiences on overall brand perception and foster insight-driven growth across stakeholders.
- Gauge customer sentiment across various touchpoints, derive real-time actionable insights, and drive continuous improvements.

As a result of these efforts, the bank's service index score has improved from 89 points in FY 2023-24 to approximately 93 points in FY 2024-25.

Financial Statements

INDEPENDENT AUDITORS' REPORT

ON AUDIT OF ANNUAL FINANCIAL RESULTS AND REVIEW OF QUARTERLY FINANCIAL RESULTS

To the Members of Ujjivan Small Finance Bank Limited

Report on the Audit of the Financial Statements

OPINION

We have audited the accompanying financial statements of Ujjivan Small Finance Bank Limited (the "Bank"), which comprise the Balance Sheet as at March 31, 2025, Profit and Loss account and the Cash Flow Statement for the year ended on that date, and notes to the financial statements, a summary of significant accounting policies and other explanatory information ("financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Banking Regulation Act, 1949 and the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act ("Accounting Standards") as applicable to bank and other accounting principles generally accepted in India, of the state of affairs of the Bank as at March 31, 2025, and its profit, its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit of the financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

Sl. No.	Key Audit Matter	Auditor's Response
1	**Identification of Non-Performing Advances and Provisioning for Advances** (Refer Schedule 9 read with Note 18.4 to the financial statements) Advances constitute a significant portion of the Bank's assets, and the quality of these advances is measured in terms of ratio of Non-Performing Advances ("NPA") to the gross advances of the Bank. The Bank has gross advances amounting to ₹ 3,193,346 Lakhs (Previous Year ₹ 2,741,915 Lakhs) and the gross NPA ratio of Bank is 2.18% (Previous Year 2.23%) as at March 31, 2025. The Reserve Bank of India's ('RBI') guidelines on income recognition, asset classification and provisioning ('IRAC norms') and other RBI guidelines (herein after referred as "RBI guidelines") prescribes the norms for identification and classification of NPAs and the minimum provision required for such assets. The Bank is also required to apply its judgement to determine the identification and provisioning for NPAs by applying quantitative as well as qualitative factors. Since the identification of NPAs and provisioning for advances is significant to the overall audit, we have ascertained this as a key audit matter.	Our audit approach in relation to the key audit matter, included testing the design, operating effectiveness of internal controls and substantive audit procedures in respect of income recognition, asset classification and provisioning pertaining to advances. In particular: • We have evaluated the Bank's policies and internal control system in adhering to the relevant RBI guidelines and understood the provisioning as per Bank's policy; • We have analysed and understood key IT systems/ applications used and tested the design and implementation as well as operational effectiveness of relevant controls, including manual process and controls in relation to income recognition, asset classification, viz., standard, sub-standard, doubtful and loss with reference to relevant RBI guidelines and provisioning pertaining to advances; • We have performed walkthrough of the NPA automation process and tested the core functionality for selected sample and tested the identification of NPA and computation of provisions. • We test checked advances to examine the validity and accuracy of the recorded amounts with the underlying documents, impairment provision for NPAs, and compliance with IRAC norms and other RBI Guidelines.

Sl. No.	Key Audit Matter	Auditor's Response
2	**Key Information technology (IT) systems used in financial reporting process** As a Scheduled Commercial Bank that operates on core banking solutions ("CBS") and other applications across its branches, the reliability and security of IT systems plays a key role in the business operations. Since large volume of transactions are processed daily, the IT controls are required to ensure that applications process data as expected and that changes are made in an appropriate manner. The IT infrastructure is critical for smooth functioning of the Bank's business operations as well as for timely and accurate financial accounting and reporting. Due to the pervasive nature and complexity of the IT environment we have ascertained Key Information technology ("IT") systems used in financial reporting process as a key audit matter.	We involved our IT specialists to obtain an understanding of the Bank's IT related control environment. Furthermore, we conducted an assessment and identified key IT applications, databases and operating systems that are relevant for our audit. For the key IT systems used to prepare accounting and financial information, our areas of audit focus included access security (including controls over privileged access), program change controls, database management and network operations. In particular, our procedures include: • We obtained an understanding of the Bank's IT control environment and key changes during the audit period that may be relevant to the audit; • We tested the design, implementation and operating effectiveness of the Bank's General IT controls over the key IT systems that are critical to financial reporting. This included evaluation of Bank's controls to evaluate segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit; • We also tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit; including testing of compensating controls or performed alternate procedures.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

- The Bank's Board of Directors is responsible for the other information. The other information comprises the Director's Report including annexures to the Director's report and the Basel ll Disclosures under New Capital Adequacy Framework (Basel ll Disclosures) included in the Annual report but does not include the financial statements and our auditor's report thereon.
- Our opinion on the financial statements does not cover the other information and Basel ll Disclosures available in the website of the Bank and we do not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND BOARD OF DIRECTORS FOR THE FINANCIAL STATEMENTS

The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including Accounting Standards specified under section 133 of the Act and provisions of the Banking Regulation Act, 1949 and the circulars, guidelines and directions issued by the Reserve Bank of India from time to time ("RBI Guidelines") as applicable to the Bank. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act and RBI Guidelines for safeguarding the assets of the Bank 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 design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Bank's ability 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 intend to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

The Bank's Board of Directors is also responsible for overseeing the Bank's financial reporting process.

AUDITOR'S RESPONSIBILITY FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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 financial statements, 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 financial controls 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 Bank 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 management.
- Conclude on the appropriateness of management's 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 Bank's ability 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 financial statements 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 Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal financial controls 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORTING ON COMPARATIVES IN CASE THE PREVIOUS YEAR WAS AUDITED BY THE PREDECESSOR AUDITOR

The financial statements of the Bank for the year ended March 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on May 18, 2024.

Our opinion on the financial statements is not modified in respect of this matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by Section 143(3) of the Act and Section 30(3) of the Banking regulation Act, 1949, based on our audit, we report that:
    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
    b) In our opinion, the transactions of the Bank which have come to our notice have been within the powers of the bank.
    c) As explained in the paragraph 2 below, the financial accounting system of the Bank are centralised and, therefore, accounting returns are not required to be submitted by branches.
    d) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books, except for not complying with requirement of audit trail as stated in (k)(vi) below.
    e) The Balance Sheet, Profit and Loss account, the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
    f) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act as applicable to the Banks.
    g) On the basis of the written representations received from the directors taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.
    h) The modification relating to the maintenance of accounts and other matters connected therewith, is as stated in paragraph (d) above.

i) With respect to the adequacy of the internal financial controls with reference to financial statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Bank's internal financial controls with reference to financial statements.

j) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the entity being a Banking company, section 197 of the Act related to the managerial remuneration is not applicable by virtue of Section 35B(2A) of the Banking Regulation Act, 1949.

k) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Bank has disclosed the impact of pending litigations, as at March 31, 2025 on its financial position in its financial statements - Refer Schedule 12 to the financial statements;

ii. The Bank did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank.

iv. (a) The Management has represented that, to the best of its knowledge and belief, other than as disclosed in the note 18(31) to the financial statements no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Bank ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(b) The Management has represented, that, to the best of its knowledge and belief, other than as disclosed in the note 18(31) to the financial statements, no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

v. The final dividend proposed in the previous year, declared and paid by the Bank during the year is in accordance with section 123 of the Act, as applicable.

vi. Based on our examination, which included test checks, the Bank has used accounting software systems for maintaining its books of account for the year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software (Refer note 18(26.11) of the financial statements) except that the audit trail feature was not enabled for certain master records in one application system relating to accounts payable, fixed assets, chart of accounts for the period April 1, 2024 till February 24, 2025. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with and the audit trail has been preserved by the Bank as per the statutory requirements for record retention.

2. We report that during the course of our audit we have visited and performed select relevant procedures at 33 branches. Since the Bank considers its key operations to be automated, with the key applications largely integrated to the Core Banking System, it does not require its branches to submit any financial returns. Accordingly, our audit is carried out centrally at Head Office based on the records and data required for the purpose of Audit being made available to us.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No. 117365W)

G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 25109839BMOFUX1486

Place: Mumbai
Date: 30 April 2025

For **Abarna & Ananthan**
Chartered Accountants
(Firm Registration No. 000003S)

Mohan Rao G
Partner
Membership No. 203737
UDIN: 25203737BMKSIQ1298

Place: Bengaluru
Date: 30 April 2025

ANNEXURE "A"

TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (THE "ACT")

We have audited the internal financial controls with reference to financial statements of Ujjivan Small Finance Bank Limited (the "Bank") as at March 31, 2025 in conjunction with our audit of the financial statements of the Bank for the year ended on that date.

MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITIES FOR INTERNAL FINANCIAL CONTROLS

The Bank's management and Board of Directors are responsible for establishing and maintaining internal financial controls with reference to financial statements based on "the internal control with reference to financial statements criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013, the Banking Regulation Act, 1949 and the guidelines issued by the Reserve Bank of India.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Bank's internal financial controls with reference to financial statements of the Bank based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained, is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Bank's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorisations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, to the best of our information and according to the explanations given to us, the Bank has, in all material respects, an adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**
Chartered Accountants
(Firm Registration No. 117365W)

G. K. Subramaniam
Partner
Membership No. 109839
UDIN: 25109839BMOFUX1486

Place: Mumbai
Date: 30 April 2025

For **Abarna & Ananthan**
Chartered Accountants
(Firm Registration No. 000003S)

Mohan Rao G
Partner
Membership No. 203737
UDIN: 25203737BMKSIQ1298

Place: Bengaluru
Date: 30 April 2025

BALANCE SHEET
as on March 31, 2025

(₹ in 000's)

Particulars	Schedule	As on March 31, 2025	As on March 31, 2024
CAPITAL AND LIABILITIES			
Capital	1	19,350,036	19,314,285
Employees Stock Options Outstanding	18(27)	896,386	723,238
Reserves and Surplus	2	40,587,647	36,097,398
Deposits	3	376,304,842	314,621,598
Borrowings	4	28,453,630	21,708,153
Other Liabilities and Provisions	5	11,298,974	11,757,490
TOTAL		**476,891,515**	**404,222,162**
ASSETS			
Cash and Balances with Reserve Bank of India	6	31,333,703	25,183,148
Balances with Banks and Money at Call and Short Notice	7	364,250	184,768
Investments	8	117,299,902	97,660,182
Advances	9	313,900,040	268,829,191
Fixed Assets	10	4,569,131	4,266,643
Other Assets	11	9,424,489	8,098,230
TOTAL		**476,891,515**	**404,222,162**
Contingent Liabilities	12	730,868	1,449,074
Bills for collection		-	-
Significant Accounting Policies	17		
Notes forming part of the financial statements	18		

The schedules referred to above form an integral part of the Balance sheet

As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants
FRN: 117365W

G. K. Subramaniam
Partner
Membership No. 109839

For Abarna & Ananthan
Chartered Accountants
FRN:000003S

Mohan Rao G
Partner
Membership No. 203737

For and on behalf of Board of Directors of
Ujjivan Small Finance Bank Limited

Sanjeev Nautiyal
DIN: 08075972
Managing Director & CEO

B A Prabhakar
DIN: 02101808
Independent Director

Sudha Suresh
DIN: 06480567
Independent Director

S Balakrishna Kamath
Chief Financial Officer

Sanjeev Barnwal
Company Secretary

Bengaluru
April 30, 2025

PROFIT AND LOSS ACCOUNT

for the year ended March 31, 2025

(₹ in 000's)

Particulars	Schedule	For the year ended March 31, 2025	For the year ended March 31, 2024
I. INCOME			
Interest Earned	13	63,543,896	56,771,541
Other Income	14	8,461,974	7,867,519
Total		**72,005,870**	**64,639,060**
II. EXPENDITURE			
Interest Expended	15	27,181,225	22,677,039
Operating Expenses	16	27,932,379	22,790,991
Provisions and Contingencies	18(14)(e)	9,631,235	6,356,123
Total		**64,744,839**	**51,824,153**
III. PROFIT			
Net profit for the year		7,261,031	12,814,907
Profit brought forward		18,184,000	5,068,695
Total		**25,445,031**	**17,883,602**
IV. APPROPRIATIONS			
I) Additions - Pursuant to scheme of amalgamation (refer note 18(30))		-	4,401,272
II) Transfer to			
a) Statutory Reserves		1,815,258	3,203,727
b) Capital Reserve		120,961	-
c) Equity dividend		2,900,752	683,410
d) Investment Fluctuation Reserve		71,006	43,737
e) Transfer to Special Reserve U/S 36 (1)(viii) Income tax Act 1961		210,000	170,000
Balance Carried over to Balance Sheet		20,327,054	18,184,000
Total		**25,445,031**	**22,284,874**
V. Earnings per Equity Share (Face value of ₹ 10 per share)			
Basic (₹)		3.75	6.65
Diluted (₹)		3.71	6.54
Significant Accounting Policies	17		
Notes forming part of the financial statements	18		

The schedules referred to above form an integral part of the Profit and Loss Account.

As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants
FRN: 117365W

G. K. Subramaniam
Partner
Membership No. 109839

For Abarna & Ananthan
Chartered Accountants
FRN:000003S

Mohan Rao G
Partner
Membership No. 203737

For and on behalf of Board of Directors of
Ujjivan Small Finance Bank Limited

Sanjeev Nautiyal
DIN: 08075972
Managing Director & CEO

B A Prabhakar
DIN: 02101808
Independent Director

Sudha Suresh
DIN: 06480567
Independent Director

S Balakrishna Kamath
Chief Financial Officer

Sanjeev Barnwal
Company Secretary

Bengaluru
April 30, 2025

CASH FLOW STATEMENT

for the year ended March 31, 2025

(₹ in 000's)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit/(Loss) After taxation		7,261,031	12,814,907
Tax adjustment		2,154,638	4,206,748
Net Profit/(Loss) before taxation		**9,415,669**	**17,021,655**
Adjustments for :			
Depreciation on Bank's Property		1,347,239	982,896
Loss on sale of Land, Building & Other assets (net)		4,849	14,722
Expense on employee stock option		173,148	116,216
Provision for Non Performing Assets		7,251,614	1,885,324
Provision for Standard Assets		225,407	264,125
Profit/ (Loss) on Revaluation of Investments (net)		354,792	-
(Profit)/loss on sale of securities other than HTM securities		(131,319)	(117,063)
Amortisation of premium on investments		220,336	241,464
Preference dividend to eUFSL adjusted pursuant to the scheme of amalgamation		-	110,000
Operating Profit/(Loss) before Working Capital changes		**18,861,735**	**20,519,339**
Adjustments for :			
(Increase) /Decrease in Advances		(52,322,463)	(57,817,904)
(Increase)/Decrease in Investments in other than HTM securities		(3,775,698)	(4,900,637)
(Increase)/Decrease in Other Assets		(897,271)	(4,396,509)
Increase/ (Decrease) in Deposits		61,683,244	60,958,136
Increase/ (Decrease) in Other Liabilities		(683,923)	2,058,921
Cash generated from Operations		**22,865,625**	**16,421,346**
Income Taxes paid		(2,583,627)	(492,930)
Net Cash Flow generated from Operating Activities	**(A)**	**20,281,998**	**15,928,416**
B. CASH FLOW FROM INVESTING ACTIVITIES			
Proceeds from sale of Fixed Assets		17,502	21,612
Investment in HTM securities (Net)		(16,279,820)	(7,780,871)
Deposits (created)/encashed with Banks and financial institutions (Net)		-	1,570,687
Purchase of Fixed Assets including WIP		(1,672,079)	(2,456,818)
Net Cash Flow used in Investing Activities	**(B)**	**(17,934,397)**	**(8,645,390)**

Cash Flow Statement
for the year ended March 31, 2025 (Contd.)

(₹ in 000's)

Particulars			For the year ended March 31, 2025	For the year ended March 31, 2024
C.	CASH FLOW FROM FINANCING ACTIVITIES			
	Proceeds from issue of equity shares (net of issue expenses)		137,711	202,635
	Increase/(Decrease) in Borrowings (Net)		6,745,477	(4,706,487)
	Equity dividend paid during the year		(2,900,752)	(683,410)
	Net Cash Flow generated from/ (used in) Financing Activities	**(C)**	**3,982,436**	**(5,187,262)**
	Net Increase in Cash and Cash Equivalents	**(A+B+C)**	**6,330,037**	**2,095,764**
	Cash and Cash Equivalents at the beginning of the year		25,239,622	23,136,947
	Cash and Cash Equivalents acquired pursuant to scheme of amalgamation (refer note 18(30))		-	6,911
	Cash and Cash Equivalents at the end of the year		**31,569,659**	**25,239,622**
	Notes to Cash Flow Statement:			
1	Cash and Cash equivalents includes the following:			
	Cash and Bank Balances with Reserve Bank (Schedule 6)		**31,333,703**	**25,183,148**
	Balance with Bank and Money at Call & Short Notice (Schedule 7)		**364,250**	**184,768**
			31,697,953	**25,367,916**
	Balances not considered as part of Cash and Cash equivalents			
	Less: Fixed Deposits with original maturity more than 3 months or Bank Deposits under lien		(128,294)	(128,294)
	Cash and Cash Equivalents at the end of the year		**31,569,659**	**25,239,622**

As per our report of even date

For Deloitte Haskins & Sells
Chartered Accountants
FRN: 117365W

G. K. Subramaniam
Partner
Membership No. 109839

For Abarna & Ananthan
Chartered Accountants
FRN:000003S

Mohan Rao G
Partner
Membership No. 203737

For and on behalf of Board of Directors of
Ujjivan Small Finance Bank Limited

Sanjeev Nautiyal
DIN: 08075972
Managing Director & CEO

B A Prabhakar
DIN: 02101808
Independent Director

Sudha Suresh
DIN: 06480567
Independent Director

S Balakrishna Kamath
Chief Financial Officer

Sanjeev Barnwal
Company Secretary

Bengaluru
April 30, 2025

SCHEDULES FORMING PART OF THE BALANCE SHEET

for the year ended March 31, 2025

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE -1 CAPITAL		
Authorised Capital		
2,625,000,000 Equity Shares of ₹ 10 each (Previous Year: 2,625,000,000 Equity Shares of ₹ 10 each)	26,250,000	26,250,000
Issued, Subscribed and Called up Capital		
1,935,003,643 Equity Shares of ₹ 10 each (Previous Year: 1,958,763,276 Equity Shares of ₹ 10 each)	19,350,036	19,587,633
Less: Current Year: Nil (Previous Year: Cancellation of 1,440,036,800 Equity shares of ₹ 10 each held by the holding Company due to amalgamation (refer note 18(30)))	-	14,400,368
	19,350,036	**5,187,265**
Current Year: Nil (Previous Year: 200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of ₹ 10 each)	-	2,000,000
Less: Current Year: Nil (Previous Year: Cancellation of 200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of ₹ 10 each held by the holding company due to amalgamation (refer note 18(30)))	-	2,000,000
	-	-
Share Capital pending Allotment		
Current Year: Nil (Previous Year: 1,412,702,033 equity shares of ₹ 10 each to be issued to share holders of UFSL (Ujjivan Financial Services Limited) on amalgamation (refer note 18(30)))	-	14,127,020
	-	14,127,020
	19,350,036	**19,314,285**
Paid up Capital		
518,726,476 Equity Shares of ₹ 10 each (Previous Year: 1,954,706,625 Equity Shares of ₹ 10 each)	5,187,265	19,547,066
Less: Current Year: Nil (Previous Year: Cancellation of 1,440,036,800 Equity shares of ₹ 10 each held by the holding Company due to amalgamation (refer note 18(30)))	-	14,400,368
Add: 3,575,134 Equity Shares of ₹ 10 each (Previous Year: 4,056,651 Equity Shares of ₹ 10 each in pursuant to exercise of employee stock option)	35,751	40,567
Add: 1,412,702,033 Equity Shares of ₹ 10 each (Previous Year: Nil) in pursuant to amalgamation (refer note 18(30)))	14,127,020	-
	19,350,036	**5,187,265**
Current Year: Nil (Previous Year: 200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of ₹ 10 each)	-	2,000,000
Less: Current Year: Nil (Previous Year: Cancellation of 200,000,000 11% Preference Shares (Perpetual Non-Cumulative Non-Convertible) of ₹ 10 each held by the holding company due to amalgamation (refer note 18(30)))	-	2,000,000
	-	-
Share Capital pending Allotment		
Current Year: Nil (Previous Year: 1,412,702,033 equity shares of ₹ 10 each to be issued to share holders of eUFSL (Ujjivan Financial Services Limited) on amalgamation (refer note 18(30)))	-	14,127,020
	-	**14,127,020**
TOTAL	**19,350,036**	**19,314,285**

Schedules forming part of the Balance Sheet
for the year ended March 31, 2025 (Contd.)

(₹ in 000's)

Particulars			As on March 31, 2025	As on March 31, 2024
SCHEDULE -2 RESERVES AND SURPLUS				
I.	**Statutory Reserves**			
	Opening balance		8,797,188	4,160,630
	Additions during the year		1,815,258	3,203,727
	Additions - Pursuant to scheme of amalgamation (refer note 18(30))		-	1,432,831
	Closing balance		**10,612,446**	**8,797,188**
II.	**i)**	**Capital Reserve**		
		Opening balance	207,127	207,127
		Additions during the year	120,961	-
		Less: Deductions during the year	-	-
			328,088	**207,127**
	ii)	**General Reserve**		
		Opening balance	-	-
		Additions during the year (Refer schedule 18(3)(b))	30,232	-
		Less: Deductions during the year	-	-
			30,232	-
		Closing balance	**358,320**	**207,127**
III.	**Share Premium**			
	Opening balance		7,718,959	9,618,960
	Additions during the year		101,960	177,119
	Deductions - Pursuant to scheme of amalgamation (refer note 18(30)) Net		**-**	1,827,120
	Deductions - Share issue expenses. (refer note 18(30))		-	250,000
	Closing balance		**7,820,919**	**7,718,959**
IV.	**Special Reserve u/s 36(i)(viii) of Income Tax Act 1961**			
	Opening balance		470,000	300,000
	Additions during the year		210,000	170,000
	Less: Deductions during the year		**-**	**-**
	Closing balance		**680,000**	**470,000**
V.	**Revenue and Other Reserves**			
	i.	**Investment Reserve Account**		
		Opening balance	3,404	3,404
		Additions during the year	-	-
		Deductions during the year *	3,404	-
		Closing balance	**-**	**3,404**
	ii.	**Investment Fluctuation Reserve**		
		Opening balance	716,720	672,983
		Additions during the year	71,006	43,737
		Closing balance	**787,726**	**716,720**
	iii.	**Available For Sale (AFS)-Reserve (Net of Taxes)**		
		Opening balance	-	-
		Additions during the year	1,182	-
		Deductions during the year	-	-
		Closing balance	**1,182**	**-**
			788,908	**720,124**
VI.	**Balance of Profit and Loss Account**		20,327,054	18,184,000
			20,327,054	**18,184,000**
TOTAL (I + II + III + IV +V +VI)			**40,587,647**	**36,097,398**

* As per the RBI guidelines the balance from IRA transferred to General Reserve (HTM/ FVTPL)

Schedules forming part of the Balance Sheet
for the year ended March 31, 2025 (Contd.)

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE -3 DEPOSITS		
A. I. Demand Deposits		
(i) From banks	321,504	731,028
(ii) From others	10,925,099	7,609,621
II. Savings Bank Deposits	84,940,932	75,662,415
III. Term Deposits		
(i) From banks	81,275,844	62,633,090
(ii) From others	198,841,463	167,985,444
TOTAL (I + II + III)	**376,304,842**	**314,621,598**
B. Deposits of branches		
I. In India	376,304,842	314,621,598
II. Outside India	-	-
TOTAL (I + II)	**376,304,842**	**314,621,598**

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE -4 BORROWINGS		
I. Borrowings in India		
(a) Reserve Bank of India	9,900,000	6,500,000
(b) Other banks	-	1,500,000
(c) Other institutions and agencies	18,553,630	13,708,153
TOTAL	**28,453,630**	**21,708,153**
II. Borrowings Outside India	**-**	**-**
TOTAL (I + II)	**28,453,630**	**21,708,153**
Secured borrowings included in I and II above	**25,453,630**	**17,208,153**

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE -5 OTHER LIABILITIES AND PROVISIONS		
(i) Bills payable	2,602,635	2,771,593
(ii) Inter-office adjustments (net)	-	-
(iii) Interest accrued	2,475,174	2,361,114
(iv) Standard asset provisions (Refer schedule 18(4)(j))	1,626,788	1,401,381
(v) Others (including provisions)*	4,594,377	5,223,402
TOTAL	**11,298,974**	**11,757,490**

*includes floating provision (Refer schedule 18(4)(a))

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE - 6 CASH AND BALANCES WITH RESERVE BANK OF INDIA		
I. Cash in Hand	1,951,300	1,947,989
II. Balances with Reserve Bank of India		
(a) In Current Account	15,412,403	11,445,159
(b) In Other Accounts	13,970,000	11,790,000
TOTAL (I + II)	**31,333,703**	**25,183,148**

Schedules forming part of the Balance Sheet
for the year ended March 31, 2025 (Contd.)

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE -7 BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE		
I. In India		
(i) Balances with Banks		
(a) in Current Accounts	235,956	56,474
(b) in Other Deposit Accounts*	128,294	128,294
(ii) Money at Call and Short Notice		
(a) with Banks	-	-
(b) with Other Institutions	-	-
TOTAL (i + ii)	**364,250**	**184,768**
II. Outside India		
(i) In Current Accounts		
(ii) In Other Deposits Accounts	-	-
(iii) Money at Call and Short Notice	-	-
TOTAL (I + ii + iii)	-	-
TOTAL (I+II)	**364,250**	**184,768**

* Includes Fixed Deposits of held under lien Current Year: ₹ 1,28,294/- (Previous Year: ₹ 1,28,294/-)

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE -8 INVESTMENTS		
I. Investments in India in (Refer schedule 18(3)(b)) (net of provisions)		
(i) Government Securities	90,190,321	86,426,836
(ii) Other approved Securities	-	-
(iii) Shares	4,247	1,002
(iv) Debentures and Bonds	4,765,550	-
(v) Subsidiaries and/or Joint Ventures	-	-
(vi) Others [Certificate of Deposits (CD), Commercial Paper (CP), Pass Through Certificates (PTC), Security Receipts (SR)]	22,339,784	11,232,344
TOTAL	**117,299,902**	**97,660,182**
II. Investments Outside India in (net of provisions)		
(i) Government Securities (Including local authorities)	-	-
(ii) Subsidiaries and/or Joint Ventures abroad	-	-
(iii) Other Investments	-	-
TOTAL	**-**	**-**
TOTAL (I+II)	**117,299,902**	**97,660,182**
III. Gross Value of Investments	**117,672,955**	**97,660,182**
Less: Provision for depreciation (Refer schedule 18(4)(f)(ii))	373,053	-
Net value of investments	**117,299,902**	**97,660,182**

Schedules forming part of the Balance Sheet
for the year ended March 31, 2025 (Contd.)

(₹ in 000's)

Particulars				As on March 31, 2025	As on March 31, 2024
SCHEDULE -9 ADVANCES (NET OF PROVISIONS)					
A	(i)	Bills Purchased and Discounted		-	-
	(ii)	Cash Credits, Overdrafts and Loans repayable on demand		29,604,328	12,635,273
	(iii)	Term Loans		284,295,712	256,193,918
TOTAL				**313,900,040**	**268,829,191**
B	(i)	Secured by Tangible Assets (Including Own Fixed Deposits and Book Debts)		133,324,714	62,235,748
	(ii)	Covered by Bank/Government Guarantees		446,109	624,211
	(iii)	Unsecured (Refer schedule 18(5)(d))		180,129,217	205,969,232
TOTAL				**313,900,040**	**268,829,191**
C	**I.**	**Advances in India**			
		(i)	Priority Sectors	215,473,126	209,942,007
		(ii)	Public Sector	-	-
		(iii)	Banks	-	-
		(iv)	Others	98,426,914	58,887,184
TOTAL				**313,900,040**	**268,829,191**
	II.	**Advances Outside India**		-	-
		(i)	Due from Banks	-	-
		(ii)	Due from Others	-	-
			a) Bills purchased and discounted	-	-
			b) Syndicated loans	-	-
			c) Others	-	-
TOTAL				-	-
TOTAL (I+II)				**313,900,040**	**268,829,191**

(₹ in 000's)

Particulars		As on March 31, 2025	As on March 31, 2024
SCHEDULE -10 FIXED ASSETS			
I.	**Premises**	-	-
	At cost as on 31st March of the preceding year	-	-
	Additions during the year	-	-
	Deductions during the year	-	-
	Depreciation to date	-	-
II.	**Other Fixed Assets (Including Furniture and Fixtures) (Refer Schedule 18(26.2) &18(26.3))**		
	At cost as on 31st March of the preceding year	8,774,745	6,877,992
	Additions during the year	1,858,453	2,315,077
	Deductions during the year	(248,322)	(418,324)
	Depreciation to date	(5,947,474)	(4,826,204)
TOTAL		**4,437,402**	**3,948,541**
III.	**Capital Work In Progress (Including Capital Advances)***	131,729	318,102
	*Includes intangible asset for the current year ₹ 1,31,729 (for previous year ₹ 3,14,940) ₹ in'000		
TOTAL (I+II+III)		**4,569,131**	**4,266,643**

Schedules forming part of the Balance Sheet
for the year ended March 31, 2025 (Contd.)

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE -11 OTHER ASSETS		
I. Inter Office Adjustment (net)	-	-
II. Interest Accrued	4,654,545	4,064,554
III. Tax paid in Advance / Tax Deducted at Source (Net of provision for tax).	750,738	-
IV. Stationery and Stamps	-	-
V. Nonbanking assets acquired in satisfaction of claims	-	-
VI. Deferred Tax Assets	2,212,306	2,274,763
VII. Others	1,806,900	1,758,913
TOTAL	**9,424,489**	**8,098,230**

(₹ in 000's)

Particulars	As on March 31, 2025	As on March 31, 2024
SCHEDULE - 12 CONTINGENT LIABILITIES (REFER SCHEDULE 18(26.4))		
I. Claims against the Bank not acknowledged as debts	221,072	66,684
II. Liability for partly paid Investments	-	-
III. Liability on account of Outstanding Forward Exchange Contracts	-	-
IV. Guarantees given on behalf of Constituents		
(a) In India	10,976	304,367
(b) Outside India	-	-
V. Acceptances, Endorsements and Other Obligations	-	-
VI. Other items for which the Bank is contingently liable - Capital commitments not provided/Others	498,820	1,078,023
TOTAL	**730,868**	**1,449,074**

(₹ in 000's)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
SCHEDULE -13 INTEREST EARNED		
I. Interest /Discount on Advance/bills	55,257,043	49,730,129
II. Income on Investments	8,058,277	6,786,154
III. Interest on Balances with Reserve Bank of India and Other inter-bank funds	109,584	105,565
IV. Others*	118,992	149,693
*includes income from securitisation.		
TOTAL	**63,543,896**	**56,771,541**

(₹ in 000's)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
SCHEDULE- 14 OTHER INCOME		
I. Commission, Exchange and Brokerage	5,886,256	5,076,858
II. Profit on Sale of Investments (net)	429,314	240,294
III. Profit/ (Loss) on Revaluation of Investments (net)	(354,792)	-
IV. Profit/ (Loss) on sale of Land, Building and Other Assets (net)	(4,849)	(14,722)
V. Profit/ (Loss) on Exchange Transactions (net)	-	-
VI. Income earned by way of Dividends etc. from subsidiaries/companies and/or joint ventures abroad/in India	2,500	-
VII. Miscellaneous Income (Refer note 18(26.6))	2,503,545	2,565,089
Total	**8,461,974**	**7,867,519**

Schedules forming part of the Balance Sheet
for the year ended March 31, 2025 (Contd.)

(₹ in 000's)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
SCHEDULE- 15 INTEREST EXPENDED			
I.	Interest on Deposits	24,988,943	20,307,057
II.	Interest on Reserve Bank of India/ Inter-Bank Borrowings	837,543	885,691
III.	Others	1,354,739	1,484,291
TOTAL		**27,181,225**	**22,677,039**

(₹ in 000's)

Particulars		For the year ended March 31, 2025	For the year ended March 31, 2024
SCHEDULE -16 OPERATING EXPENSES			
I.	Payments to and Provision for Employees	14,994,926	11,831,824
II.	Rent, Taxes and Lighting (including operating lease rentals)	2,103,054	1,783,063
III.	Printing and Stationery	305,872	328,408
IV.	Advertisement and Publicity	269,094	585,103
V.	Depreciation on Banks Property	1,347,239	982,896
VI.	Director's Fees, Allowances and Expenses *	31,893	37,989
VII.	Auditors' Fees and Expenses (Refer Note 18(19))	18,653	19,589
VIII.	Law Charges	152,852	91,185
IX.	Postages, Telegrams, Telephones etc.	664,717	539,460
X.	Repairs and Maintenance	564,799	493,372
XI.	Insurance	374,579	296,125
XII.	Other Expenditure (Refer note 18(26.6))	7,104,701	5,801,977
TOTAL		**27,932,379**	**22,790,991**

* Sitting fees for current year paid to eUFSL Directors - ₹ 2,154 (previous year - ₹ 8,378)

SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS

for the year ended March 31, 2025

Schedule 17

1 CORPORATE INFORMATION

Ujjivan Financial Services Limited (UFSL), was established as a non banking financial services company in the year 2005 with the mission to provide a full range of financial services to the 'economically poor' who were not adequately served by financial institutions. In 2015, the Reserve Bank of India (RBI) licenced the formation of small finance banks - a new category of specialised banks to serve the financially unserved and underserved population, especially the micro-enterprises, workers, small and marginal farmers.

On November 11, 2016, UFSL received a banking licence from RBI to carry out small finance bank business in India. Ujjivan Small Finance Bank Limited (USFB or the Bank) (CIN-L65110KA2016PLC142162) took over the business of UFSL and started its operations on February 01, 2017. The Bank is governed by the Banking Regulation Act, 1949, Operating guidelines issued by the RBI on Small Finance Bank 2016, and the Companies Act, 2013 (the Act). A scheduled bank status was accorded by Reserve Bank of India vide Notification: DBR.PSBD.No. 467/16.02.006/2017-2018 published in the Gazette of India on August 25, 2017. The Bank has its registered and corporate office in Bengaluru and regional offices in Noida, Kolkata, Bengaluru and Pune. The Bank operates in India and branches only in India.

USFB is a mass market focused bank in India, catering to financially unserved and underserved segments and committed to building financial inclusion in the country. USFB has a diversified portfolio with branches spread across 22 states and two union territories. Apart from the network of branches, ATMs and automated cash recyclers, USFB has phone banking unit that serves customers in nine languages, a mobile banking application that is accessible in five languages as well as internet banking facility for individual and corporate customers. USFB also has a portfolio of loans to financial institutions.

The shares of the Bank are listed on BSE Limited ("BSE") and National Stock Exchange of India Limited ("NSE")."

2 BASIS OF PREPARATION

The accompanying financial statements have been prepared under the historical cost convention and on accrual basis except where otherwise stated, and in compliance with the Generally Accepted Accounting Principles ("GAAP") in India and in accordance with statutory requirements prescribed under the Third Schedule of the Banking Regulation Act 1949, the Master Direction on Financial Statements - Presentation and Disclosures issued by Reserve Bank of India dated on August 30, 2021 , as amended from time to time and various other orders/circulars/directions issued by the RBI and applicable accounting standards referred to in Section 133 of the Act. The financial statements are presented in Indian Rupees rounded off to the nearest thousands unless otherwise stated. These standalone financial statements have been prepared on a going concern basis. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year other than the change in accounting policy relating to investments (Refer Note 3.3)

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities (including contingent liability) and the reported income and expenses during the period. The management believes that the estimates used in preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Any revision in the accounting estimates is recognised prospectively in the future periods.

3.2 ADVANCES

Advances are classified as Performing Advances (Standard) and Non- Performing Advances (NPAs) in accordance with the RBI guidelines on Income Recognition and Asset Classification (IRAC). Further, NPAs are classified into sub-standard, doubtful and loss assets. Advances are stated net of specific loan loss provision and Inter Bank Participating Certificates (IBPC) with risk sharing issued. The Bank transfers advances through Inter- Bank Participation arrangements with and without risk, which are accounted for in accordance with the RBI guidelines, as follows:

a) In the case of participation with risk, the aggregate amount of participation transferred out of the Bank is reduced from Advances; and participations transferred in to the Bank are classified under Advances.

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2025 (Contd.)

b) In the case of participation without risk, the aggregate amount of participation issued by the Bank is classified under borrowings; and where the Bank is participating , the aggregate amount of participation is reported as due from banks under Advances.

The Bank transfers advances through securitisation arrangements to special purpose vehicles setup for this purpose. Upon due execution/delivery of the requisite transaction documents and payment of purchase consideration, the value of amounts transferred is reduced from advances reported in Schedule 9 to financial statements if the criteria for transfer of receivables in terms of the master directions of the Reserve Bank of India on "Reserve Bank of India (Securitisation of standard assets) Directions, 2021" are satisfied, based on appropriate legal advice regarding compliance with true sale criteria stipulated in the said directions. In case these criteria are not fulfilled, the amount received is reported as borrowings.

In accordance with RBI guidelines on sale of non-performing advances, if the sale is at a price below the net book value (i.e., book value less provisions held), the shortfall is charged to the Profit and Loss Account and if the sale is for a value higher than the net book value, the excess provision is credited to the Profit and Loss Account in the year the amounts are received.

Provisioning:

Specific provisions for Non- Performing Advances and floating provisions are made in conformity with the RBI guidelines or the policy of the Bank , whichever is higher. While framing this policy, the Bank has stipulated accelerated provisioning based on past experience, value/stature of securities and other related factors.

Specific loan loss provision in respect of non-performing advances are charged to the Profit and Loss Account. Any recoveries made by the Bank in case of NPAs written off are recognised in the Profit and Loss Account.

Loans reported as fraud are classified appropriately as per relevant RBI guidelines and fully provided for immediately without considering the value of security.

A general provision on standard assets is made in accordance with RBI guidelines or the policy of the Bank whichever is higher. Provision made for standard assets is included in 'Other Liabilities and Provisions'.

Floating Provisions:

Provisions made in excess of the Bank's policy for specific loan loss provisions for non-performing assets and regulatory general provisions are categorised as floating provisions. Creation of floating provisions is considered by the Bank up to the level approved by the Board of Directors. In accordance with the RBI guidelines, floating provisions are used up to a level approved by the Board only for contingencies under extraordinary circumstances and for making specific provisions as permitted. Based on the approval of the Board of Directors, Floating provisions considered towards calculation of Net NPA and PCR are netted off against advances. If considered as tier-II capital or if unallocated, the same is disclosed under Other Liabilities.

Restructured assets

The Bank considers a restructured account as one where the Bank, for economic or legal reasons relating to the borrower's financial difficulty, grants to the borrower concessions that the Bank would not otherwise consider. Restructuring would normally involve modification of terms of the advances / securities, which would generally include, among others, alteration of repayment period / repayable amount / the amount of instalments / rate of interest (due to reasons other than competitive reasons). Restructured accounts are classified as such by the Bank only upon approval and implementation of the restructuring package. Necessary provision for diminution in the fair value of a restructured account is made and classification thereof is as per the extant RBI guidelines.

An adjustment to the quantum of provisions based on the current status of the assets is made from provisions and contingencies reported in the profit and loss account.

Priority Sector Lending Certificates (PSLCs):

The Bank enters into transactions for the sale of Priority Sector Lending Certificates (PSLCs). In the case of a sale transaction, the Bank sells the priority sector assets . There is no transfer of risks or loan assets. The fee received from the sale of PSLCs is recognised at the inception and recorded as 'Miscellaneous Income'.

3.3 INVESTMENTS

Classification and Valuation of the Bank's Investments are carried out in accordance with RBI Master Direction on Classification, Valuation and Operations of Investment Portfolio of Commercial Banks, 2023 dated September 12, 2023 and updated from time to time ("Master Directions") , Fixed Income Money Market and Derivatives Association ('FIMMDA') and Financial Benchmark India Private Limited ('FBIL') guidelines prescribed in this regard from time to time as follows:

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2025 (Contd.)

Categorisation of Investments:

Based on the intent or duration for which investments shall be held as well as the ability to hold the securities, the Bank classifies its Investment Portfolio(except investments in their own subsidiaries, joint ventures and associates) into 'Held to Maturity' (HTM), Fair Value through Profit and Loss (FVTPL) and 'Available for Sale' (AFS). Held for Trading (HFT) will be a subcategory within FVTPL.

Classification of Investments:

For the purpose of disclosure in the Balance Sheet, Investments in India are classified under six groups viz., (i) Government Securities, (ii) Other Approved Securities, (iii) Shares, (iv) Debentures and Bonds, (v) Investments in Subsidiaries and Joint Ventures and (vi) Other Investments.

Investments outside India are classified under three groups viz., (i) Government Securities (Including local authorities), (ii) Subsidiaries and/or Joint Ventures abroad and (iii) Other Investments

Purchase and sale transactions in securities are recorded under 'Settlement Date' accounting, except in the case of equity shares where 'Trade Date' accounting is followed.

Acquisition cost and profit/loss on disposal:

(i) Broken period interest on debt instruments is treated as a receivable at the time of acquisition and post acquisition broken period interest treated as a revenue item

(ii) Brokerage, commission, etc. pertaining to Investments, paid at the time of acquisition is charged to the Profit and Loss Account.

(iii) Profit or loss arising on disposal of investments are computed based on the weighted average cost method.

Classification and Valuation of Investments:

(1) Held to Maturity (HTM) –

i) The security is acquired with the intention and objective of holding it to maturity, i.e., the financial assets are held with an objective to collect the contractual cash flows, that are Solely Payments of Principal and Interest (SPPI) on principal outstanding on specified dates.

ii) Securities held in HTM shall be carried at cost and are not be marked to market (MTM) after initial recognition. However, they are subject to income recognition, asset classification and provisioning norms as specified in the Master Directions.

iii) Any discount or premium on the securities under HTM are amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8:'Investments'."

(2) Available for Sale (AFS) –

a) Securities that meet the following conditions are classified under AFS:

i) The security is acquired with an objective that is achieved by both collecting contractual cash flows and selling securities; and

ii) The contractual terms of the security meet the 'SPPI criterion' that are Solely Payments of Principal and Interest (SPPI) on principal outstanding on specified dates. Provided that on initial recognition, a bank may make an irrevocable election to classify an equity instrument that is not held with the objective of trading under AFS.

iii) AFS securities shall inter-alia include debt securities held for asset liability management (ALM) purposes that meet the SPPI criterion where the Bank's intent is flexible with respect to holding to maturity or selling before maturity.

b) Any discount or premium on the acquisition of debt securities under AFS are amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2025 (Contd.)

c) The valuation gains and losses across all performing investments, irrespective of classification (i.e., Government securities, Other approved securities, Bonds and Debentures, etc.), held under AFS are aggregated. The net appreciation or depreciation is directly credited or debited to a reserve named AFS Reserve without routing through the Profit & Loss Account.

d) Securities under AFS are subject to income recognition, asset classification and provisioning norms as specified in Master Directions.

e) The AFS-Reserve is reckoned as Common Equity Tier (CET) 1 However, net unrealised gains on Level 3 investments (as defined in Master directions) recognised in the Profit and Loss Account or in the AFS-Reserve will be deducted from CET 1 Capital . The unrealised gains transferred to AFS-Reserve will not be available for any distribution such as dividend and coupon on Additional Tier 1.

f) Upon sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS-Reserve is transferred from the AFS Reserve and recognised in the Profit and Loss Account under item II 'Profit on sale of investments' under Schedule 14-Other Income.

In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments is not transferred from AFS-Reserve to the Profit and Loss Account. Instead, such gain or loss is transferred from AFS-Reserve to the Capital Reserve.

(3) Fair Value through Profit and Loss (FVTPL) –

Securities that do not qualify for inclusion in HTM or AFS are classified under FVTPL. These shall inter-alia include:

i) Equity shares, other than (a) equity shares of subsidiaries, associates or joint ventures and (b) equity shares where, at initial recognition, the irrevocable option to classify at AFS has been exercised

ii) Investments in Mutual Funds

iii) Alternative Investment Funds, Real Estate Investment Trusts, Infrastructure Investment Trusts (currently not allowed

iv) Investment in securitisation notes which represent the equity tranche of a securitisation transaction.

v) Bonds, debentures, etc. where the payment is linked to the movement in a particular index such as an equity index rather than an interest rate benchmark.

vi) Instruments with compulsorily, optionally or contingently convertible features.

vii) Instruments with contractual loss absorbency features such as those qualifying for Additional Tier 1 and Tier 2 under Basel III Capital Regulations.

viii) Instruments whose coupons are not in the nature of interest as defined in Master Direction

ix) Preference shares and Equity shares.

x) The securities held in FVTPL shall be fair valued and the net gain or loss arising on such valuation shall be directly credited or debited to the Profit and Loss Account. Securities that are classified under the HFT sub-category within FVTPL are fair valued on a daily basis, whereas other securities in FVTPL are fair valued on fortnightly basis.

xi) Any discount or premium on the acquisition of debt securities under FVTPL is amortised over the remaining life of the instrument. The amortised amount will be reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8:' Investments'.

xii) Securities under FVTPL are subject to income recognition, asset classification and provisioning norms as specified in Master Directions.

(4) Held for Trading/FVTPL HFT –

Held for Trading (HFT), which is a sub-category of Fair Value through Profit and Loss (FVTPL) shall consist of all instruments that meet the specifications for HFT instruments set out in the investment policy of the Bank.

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2025 (Contd.)

Reclassification between categories:

As per RBI circular RBI/DOR/2023-24/104 DOR.MRG.36/21.04.141/2023-24 dated 12th September 2023, bank shall not reclassify investments between categories (viz. HTM, AFS and FVTPL) without the approval of the Board of Directors, the ALCO or IC shall recommend the proposal for approval. Further, reclassification shall also require the prior approval of the Department of Supervision (DoS), RBI. The reclassification should be applied prospectively from reclassification date. As and when such shifting is initiated by the Bank, accounting entries will be made in line with Master directions.

(5) Market value of government securities (excluding treasury bills) is determined based on the prices / YTM declared by Financial Benchmarks India Pvt Limited(FBIL)

(6) Treasury bills are valued at carrying cost, which includes discount amortised over the period to maturity.

(7) Provision for non-performing Investments is made in conformity with RBI guidelines.

(8) **Equity Shares-**

Equity shares for which current quotations are not available i.e., which are classified as illiquid or which are not listed on a recognised exchange, the fair value for the purposes of these directions shall be the break-up value (without considering 'revaluation reserves', if any) which is to be ascertained from the Company's latest audited balance sheet. The date as on which the latest balance sheet is drawn up shall not precede the date of valuation by more than 18 months. In case the latest audited balance sheet is not available or is more than 18 months old, the shares shall be valued at ₹ 1 per company.

(9) **Mutual Funds Units (MF Units)-**

i. Investment in un-quoted MF units shall be valued on the basis of the latest repurchase price declared by the MF in respect of each scheme.

ii. In case of funds with a lock-in period or any other Mutual Fund, where repurchase price/ market quote is not available, units are valued at Net Asset Value (NAV) of the scheme. If NAV is not available, these are valued at cost, till the end of the lock-in period.

(10) In accordance with the RBI guidelines, repurchase and reverse repurchase transactions in government securities and corporate debt securities are reflected as borrowing and lending transactions respectively. Borrowing cost on repo transactions is accounted for as interest expense and revenue on reverse repo transactions is accounted for as interest income

(11) Security Receipts shall be marked to marked on half yearly basis as per NAV shared by the trust/ARC

(12) **Sale of investments from HTM:**

Any profit or loss on the sale of investments in HTM shall be recognised in the Profit and Loss Account under Item II of Schedule 14:'Other Income'. The profit on sale of an investments in HTM is appropriated(Net of taxes and the amount required to be transferred to Statutory Reserve) below the line from the Profit and Loss Account to the 'Capital Reserve Account'. The amount so appropriated shall be net of taxes and the amount required to be transferred to Statutory Reserve.

Investment Fluctuation Reserve:

As per the RBI circular RBI/2017-18/147 DBR.No.BP.BC.102/21.04.048/2017-18 dated April 2, 2018, to build up adequate reserves to protect against increase in yields in future, the Bank has created an Investment Fluctuation Reserve (IFR) to the extent of the lower of following:

a) net profit on sale of investments during the year;

b) net profit for the year less mandatory appropriations.

This reserve will be created until the amount of IFR is at least 2 % of the HFT and AFS portfolio, on a continuing basis and where feasible, this should be achieved within a period of three years.

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2025 (Contd.)

3.4 REVENUE RECOGNITION

1) Interest income on performing assets and deposits with banks and other institutions are recognised in the Profit and Loss Account on accrual basis. Interest Income on Non- Performing Assets is recognised upon realisation as per the prudential norms of the RBI.

Any income recognised and remaining unrealised, before the asset became non-performing or before disposal is reversed in the profit and loss account. Overdue interest is recognised on realisation basis.

2) Interest on advances transferred under securitisation arrangements meeting the criteria stipulated in para 3.2 above are not recognised in Profit and Loss Account. The Bank's share of the securitisation income is recognised on receipt basis. Profit / premium arising at the time of securitisation / assignment of loan portfolio is amortised over the life of the underlying loan portfolio / securities and any loss arising therefrom is recognised immediately. Income from interest strip (excess interest spread) is recognised in the profit and loss account net of any losses when redeemed in cash. Interest retained under assignment of loan receivables is recognised on realisation basis over the life of the underlying loan portfolio.

3) Revenues from loan documentation charges and processing fees are recognised at the inception of the loan , except in cases where the Bank is uncertain of its ultimate collection.

4) For Micro Finance Loans recoveries are appropriated towards instalment(s) outstanding and on partial collection appropriation will be in the sequence of first Interest component of oldest EMI followed by Principal component of oldest EMI, and so on both for standard and NPA accounts

5) For other than Micro Finance Loans and Relationship Management based products, recoveries in respect of all EMI based performing assets is appropriated towards interest, principal of each EMI followed by penal interest and then charges. For Non-performing assets, appropriation is made towards principal, interest of each EMI followed by oldest penal interest due and then oldest charges for the product defined.

6) Interest on Government securities, debentures and other fixed income securities is recognised on a period proportion basis. Income on discounted instruments is recognised over the tenor of the instrument on a constant Yield to Maturity method.

7) Dividend on equity shares, preference shares and on mutual fund units is recognised as income when the right to receive the dividend is established.

8) Income from distribution of third party products is recognised on the accrual basis.

9) Recoveries in respect of purchase of Direct Assignment pools are to be appropriated as per appropriation methodology followed by the originators

10) Charges such as penal charges, EMI bounce charges, Cheque return charges, Legal charges, Seizing charges etc. are recognised on realisation basis. These charges are treated to accrue on realisation, due to the uncertainty of their realisation; and

11) All other fees are accounted for as and when they become due and when service is rendered.

3.5 EMPLOYEE BENEFITS

Provident Fund: Contribution towards provident fund of employees is made to the regulatory authorities, where the Bank has no further obligations. Such benefits are classified as defined contribution schemes and are charged as an expense as they fall due based on the amount of contribution required to be made when the services are rendered by the employees. The Bank does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity: Every employee is entitled to a benefit equivalent to 15 days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Bank or retirement, whichever is earlier.

The Gratuity scheme of the Bank is a defined benefit scheme and the expense for the period is recognised based on actuarial valuation at the Balance Sheet date. The present value of the of the defined benefit obligation at the balance sheet date less the fair value of plan assets is determined based on independent actuarial valuation using the Projected Unit Credit Method which recognises each period of service, give rise to an additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. Actuarial losses/ gains are recognised in the Profit and Loss Account in the year in which they arise. Payment obligations under the Group Gratuity scheme are managed through purchase of appropriate policies from insurers.

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2025 (Contd.)

Short term Employee benefits:

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Long term Employee benefits:

The Bank accrues the liability for compensated absences based on the actuarial valuation as on the Balance Sheet date conducted by an independent actuary which includes assumptions about demographics, early retirement, salary increases, interest rates and leave utilisation. The net present value of the Banks' obligation is determined using the Projected Unit Credit Method as on the Balance Sheet date. Actuarial gains / losses are recognised in the Profit and Loss Account in the period in which they arise.

Employee Stock Option Plan (ESOP)

The Employee Stock Option Schemes (ESOSs) of the Bank are in accordance with Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. The Schemes provide for grant of options on equity shares to employees of the Bank to acquire the equity shares of the Bank that vest in a cliff vesting or in a graded manner and that are to be exercised within a specified period. In accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Guidance Note on Accounting for Employee Share-based Payments, issued by The Institute of Chartered Accountants of India, the cost of equity-settled transactions is measured using the fair value method. Equity-settled share-based payments to employees and others providing similar services are measured at the fair value of the equity instruments at the grant date. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in Note 18 (27). The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity. The impact of the revision of the original estimates, if any, is recognised in profit or loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity -settled employee benefits reserve.

In accordance with the RBI circular RBI/2021-22/95 DOR.GOV.REC.44/29.67.001/2021-22 "Guidelines on Compensation of Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff – Clarification" dated August 30, 2021, Share-linked instruments granted to Whole Time Directors/ Chief Executive Officers/ Material Risk Takers and Control Function staff after the accounting period ended March 31, 2021, is fair valued on the date of grant using Black-Scholes model.

The options that do not vest because of failure to satisfy vesting condition are reversed by a credit to employee compensation expense, equal to the amortised portion of value of lapsed portion. In respect of the options which expire unexercised the balance standing to the credit of Employee's Stock Option (Grant) Outstanding accounts is transferred to Profit & Loss Account.

Employee Stock Purchase Scheme (ESPS)

ESPS is a contractual promise that permits an employee to acquire an employer's stock at a future date under the terms and conditions established on the grant date. The fair value of the entire purchase discount represents employee compensation. The compensation expense will be the difference between the value of the stock on the date of shareholder approval and the purchase/Exercise price for that offering.

Cash-settled Stock Appreciation Rights (SARs)

The cost of cash-settled transactions, stock appreciation rights (SARs) is measured on fair value basis.

The fair value is amortised on a straight-line basis over the vesting period with a recognition of corresponding liability. This liability is remeasured at each balance sheet date up to and including the vesting date with changes in fair value recognised in the profit and loss account in 'Payments to and provision for employees'.

The SARs that do not vest because of failure to satisfy vesting conditions are reversed by a credit to employee compensation expense, equal to the amortised cost in respect of the lapsed portion.

3.6 FIXED ASSETS AND DEPRECIATION

Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment if any. The cost of an asset comprises its purchase price and any cost directly attributable to bringing the asset to its working condition and location for its intended use. Subsequent expenditure on Fixed Asset after its purchase is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2025 (Contd.)

When significant parts of the plant and equipment are required to be replaced at intervals, the Bank depreciates them separately based on its specific useful lives.Tangible fixed assets under construction and tangible fixed assets acquired but not ready for their intended use will be disclosed as capital work-in-progress.

Depreciable amount for Fixed Asset is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on Fixed asset has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Act. Leasehold improvements are amortised over the primary lease period. 'Point of Sale' terminals are fully depreciated in the year of purchase.

The useful life being followed by the Bank as prescribed in Schedule II to the Act is as under:

Asset	Estimated Useful Life as specified under Schedule II of the Act (years)
Computer	3
Furniture and Fittings	10
Office Equipment	5
Motor Vehicle	8
Server	6

Fixed Asset purchased/sold during the year are depreciated on a pro-rata basis.

Fixed Asset costing less than ₹ 5,000/- each are fully depreciated in the year of purchase.

The salvage value considered for computing depreciation is as per Schedule II of the Act (i.e. 5% of Cost) except for Software and Lease hold assets.

Gains or losses arising from disposal or retirement of Fixed Asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, under "Other Income" as Profit/(Loss) on sale of Fixed Asset, as the case maybe, in the Profit and Loss Account in the year of disposal or retirement.

Fixed Asset held for sale is valued at lower of their carrying amount and net realisable value, any write-down is recognised in the Profit and Loss Account. If the management's estimate of the useful life of a fixed asset at the time of acquisition of the asset or of the remaining useful life on a subsequent review is shorter, then the depreciation is provided at a higher rate based on management's estimate of the useful life/remaining useful life.

3.7 INTANGIBLE ASSETS

Intangible Assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises of its purchase price , trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use following initial recognition. Subsequent to initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates to.

Intangible assets are amortised on a straight line basis over the estimated useful economic life. The Bank uses a rebuttable assumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. Software with perpetual license and system development expenditure, if any, is amortised over an estimated economic useful life of 6 years or license period, whichever is lower.

The amortisation period and the amortisation method are reviewed at each Balance Sheet date. For assets purchased/ sold during the year, amortisation is being provided on pro rata basis by the Bank. If the expected useful life of the asset significantly differs from previous estimates, the amortisation period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortisation method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS 5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.

3.8 IMPAIRMENT OF ASSETS

The carrying values of assets / cash generating units at the Balance Sheet date are reviewed for indications of impairment, if any. If the carrying amount of the assets exceed the estimated recoverable amount, an impairment is recognised for such excess amount. The impairment loss is recognised as an expense in the Profit and Loss Account, unless the asset is carried at revalued amount, in which case, any impairment loss of the revalued asset is treated as a revaluation decrease to the extent a revaluation reserve is available for that asset.

The recoverable amount is the greater of the net selling price and the value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Profit and Loss Account, to the extent the amount was previously charged to the Profit and Loss Account.

3.9 LEASES

Lease arrangements where risk and rewards incidental to ownership of an assets substantially vest with the lessor are recognised as operating leases.

Lease rentals under operating lease are charged to the Profit and Loss Account on straight line basis over the lease term in accordance with AS-19, Leases.

3.10 SEGMENT REPORTING

In accordance with guidelines issued by RBI vide DBOD.No.BP.BC.81/21.01.018/2006-07 dated April 18, 2007 and Accounting Standard 17 on "Segment Reporting", the Bank's business has been segregated into Treasury, Retail Banking and Corporate/ Wholesale Segments.

Segment revenues consist of earnings from external customers and inter-segment revenues based on a transfer pricing mechanism. Segment expenses consist of interest expenses including allocated operating expenses, inter segment costs based on a transfer pricing mechanism and provisions. Segment results are net of segment revenues and segment expenses.

Segment assets include assets related to segments and exclude tax related assets. Segment liabilities include liabilities related to the segment excluding net worth, dividend and tax related liability, if any.

Since the business operations of the Bank are primarily concentrated in India, the Bank is considered to operate only in the domestic segment.

3.11 EARNINGS PER SHARE

Basic and diluted earnings per share is computed in accordance with Accounting Standard-20 – Earnings per share. Basic earnings per share is calculated by dividing the net profit or loss after tax for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the period. For the purpose of calculating diluted earnings per share, the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares, except when its results are anti-dilutive.

3.12 TAXES ON INCOME

Income tax

Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised directly in equity is recognised in equity and not in Profit and Loss Account.

Deferred tax

Deferred income-tax relating to items recognised directly in equity is recognised in equity and not in the Profit and Loss Account

Deferred tax liabilities are recognised for all taxable timing differences. Deferred tax assets are recognised for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situations where the Bank has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

The carrying cost of the deferred tax assets are reviewed at each balance sheet date. The Bank writes down the carrying amount of a deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

Current tax and deferred tax assets and liabilities are off-set when they relate to income taxes levied by the same taxation authority, when the Bank has a legal right to off-set and when the Bank intends to settle on a net basis.

Significant Accounting Policies forming part of the Financial Statements
for the year ended March 31, 2025 (Contd.)

3.13 PROVISIONS AND CONTINGENCIES

A provision is recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure of contingent liability is made when there is:

i) a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non-occurrence of one or more uncertain future events not within the control of the Bank; or

ii) a present obligation arising from a past event which is not recognised as it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

A contingent liability also arises where there is a liability that cannot be recognised because it cannot be measured reliably. The Bank does not recognise a contingent liability but discloses its existence in the financial statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

3.14 CASH AND CASH EQUIVALENTS

Cash and Cash Equivalents includes cash in hand (including balance in ATM), balances with RBI, balances with other Banks and money at call and short notice. Cash and Cash Equivalents for the purpose of Cash Flow Statement comprises of Cash at Bank and in hand and short term Investments with an original maturity of less than three months.

3.15 CASH FLOW STATEMENTS

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Bank are segregated.

3.16 PROPOSED DIVIDEND

Dividend proposed/declared after the balance sheet date is accounted in the books of the Bank in the year in which the dividend is declared.

As per revised Accounting Standard 4 'Contingencies and Events occurring after the Balance sheet date' as notified by the Ministry of Corporate Affairs through amendments to Companies (Accounting Standards) Amendment Rules, 2016, dated March 30, 2016 the Bank will not appropriate the proposed dividend from the Profit and Loss account and the same will be recognised in the year of actual payment post shareholder's approval.

3.17 TRANSACTIONS INVOLVING FOREIGN EXCHANGE

All transactions in foreign currency are recognised at the exchange rate prevailing on the date of the transaction.

Initial recognition

Transactions in foreign currencies entered into by the Bank are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement at the Balance Sheet date

Foreign currency monetary items, if any, of the Bank, outstanding at the balance sheet date are restated at the rates prevailing at the year-end as notified by Foreign Exchange Dealers Association of India('FEDAI'). Non-monetary items of the Bank are carried at historical cost.

Contingent liabilities on account of foreign exchange contracts, currency future contracts, guarantees, letters of credit, acceptances and endorsements are reported at closing rates of exchange notified by FEDAI as at the Balance Sheet date.

Treatment of Exchange differences

Exchange differences arising on settlement/restatement of foreign currency monetary assets and liabilities of the Bank are recognised as income or expense in the Profit and Loss Account.

3.18 CORPORATE SOCIAL RESPONSIBILTY

Expenditure towards CSR, in accordance with section 135 of the Act are recognised in the profit and loss account.

3.19 SHARE ISSUE EXPENSES

Share issue expenses are adjusted from Securities Premium Account as permitted by Section 52 of the Act.

NOTES TO FINANCIAL STATEMENTS

for the year ended March 31, 2025

(All amounts are in Indian Rupees in Crores unless otherwise stated)

SCHEDULE 18

1 CAPITAL

1.1 Capital Infusion

During the year ended March 31, 2025, the Bank allotted 3,575,134 equity shares pursuant to the exercise of stock options under the approved Employee Stock Option Plan (ESOP) 2019. Further, the Bank has granted 4,275,492 fresh stock options to its eligible employees. Refer note 18(27) for further details.

During the year ended March 31, 2024, the eUFSL allotted 106,564 equity shares pursuant to the exercise of stock options under the approved Employee Stock Option Plan (ESOP) 2015 which are equivalent to 1,236,142 shares of Ujjivan Small Finance Bank having nominal value of ₹ 10 per share.

1.2 Capital Adequacy Ratio

The Bank computes its Capital Adequacy Ratio as per New Capital Adequacy Framework- BASEL-II and Operating Guidelines for Small Finance Banks (issued by RBI on October 06, 2016) and Basel III Capital regulations.

Under the New Capital Adequacy Framework and Operating Guidelines for Small Finance Banks issued on October 06, 2016, the Bank has to maintain a Minimum Total Capital of 15% of the Credit Risk Weighted Assets (Credit RWA) on an on-going basis. Out of the Minimum Total Capital, at least 7.5% shall be from Minimum Tier I Capital of which Common Equity Tier I capital shall be 6% and 1.50% from additional Tier I capital and remaining Tier II Capital shall be 7.5%. Further as per RBI's directions given in the circular DBR.NBD.No. 4502/16.13.218/2017-18, dated November 08, 2017, no separate risk charge has been calculated for Market Risk and Operational Risk for capital ratios.

The capital adequacy ratio of the Bank is set out below:

(₹ in Crores)

Particulars		As on March 31, 2025	As on March 31, 2024
i)	Common Equity Tier 1 capital (A)	5,610.29	5,155.05
ii)	Additional Tier 1 capital (B)	-	-
iii)	Tier 1 capital (A+B) (Refer note (a) below)	5,610.29	5,155.05
iv)	Tier 2 capital	451.45	482.15
v)	Total capital (Tier 1+ Tier 2)	6,061.75	5,637.20
vi)	Total Risk weighted assets (RWA) (Refer note (b) below)	26,240.07	22,828.49
vii)	Common Equity Tier I Capital Ratio (as a percentage of Credit RWA)	21.38%	22.58%
viii)	Tier I Capital Ratio (as a percentage of Credit RWA)	21.38%	22.58%
ix)	Tier II Capital Ratio (as a percentage of Credit RWA)	1.72%	2.11%
x)	Total Capital to Risk weighted asset Ratio (CRAR) (as a percentage of Credit RWA)*	23.10%	24.69%
xi)	Leverage Ratio	11.77%	12.75%
xii)	Percentage of shareholding a) Government of India b) State Government c) Sponsor Bank	Nil	Nil
xiii)	Amount of paid up equity capital raised during the year	3.58	4.06
xiv)	Amount of non-equity Tier -I Capital raised during the year; of which		
	Perpetual Non Cumulative Preference Shares (PNCPS)	-	-
xv)	Amount of Tier II Capital raised during the year; of which	-	-
	Debt Capital Instrument	-	-

Note:

(a) The Tier 1 capital for the previous year includes Share Capital pending allotment as detailed in Note 18(30).

(b) The RWA for the previous year includes the risk weighted assets taken over from eUFSL vide scheme of amalgamation as detailed in Note 18(30).

1.3 Reserves and Surplus

Statutory Reserve

The Bank has made an appropriation of ₹ 181.53 (Previous Year: ₹ 320.37) to the statutory reserve for the year ended March 31, 2025 out of profits, to the Statutory Reserve, pursuant to the requirements of Section 17 of the Banking Regulation Act, 1949 and RBI guidelines dated September 23,2000.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Capital Reserve

The Bank made an appropriation of ₹ 12.10 (Previous Year: Nil) from the Profit and Loss Account to the Capital Reserve during the year ended March 31, 2025 on account of profit on sale of HTM.

General Reserve

The Bank has created a reserve of ₹ 3.93/3.02 (net of taxes) on transition to the new framework on Classification, valuation and operation of Investment Portfolio of Commercial Banks as per the RBI Master Direction DOR/2023-24/104 DOR.MRG.36/21.04.141/2023-24 dated September 12, 2023 (Previous Year- ₹ Nil).

Investment Fluctuation Reserve (IFR)

In accordance with RBI guidelines, Banks are required to create an IFR equivalent to 2% of their HFT and AFS Investment portfolios, within a period of three years starting fiscal 2019. Accordingly, during the year ended March 31, 2025, the Bank has made an appropriation of ₹ 7.10 (Previous year- ₹ 4.37) to IFR from the profit and loss account so as to reach to the figure of 2% of its HFT and AFS Investment portfolio.

Investment Reserve Account (IRA)

In accordance with RBI Master Direction DOR/2023-24/104 DOR.MRG.36/21.04.141/2023-24 dated September 12, 2023 on Classification, valuation and operation of Investment Portfolio of Commercial Banks, the Bank has transferred ₹ 0.34 of IRA to General Reserve, after meeting the minimum regulatory requirement of IFR.

Share Premium

During the FY 2024-25 there was an addition of ₹ 10.20 in the share premium (Previous year- ₹ 17.71). During the previous year, the Bank has taken over the securities premium account pertaining to UFSL(erstwhile holding company) amounting to ₹ 1,108.21 and adjusted ₹ 1,290.92 from the share premium during the year ended March 31, 2024 in terms of the said Scheme as detailed in Note 18(30) of financial statements. The same has resulted in net deduction from share premium of ₹ 182.71. Further, the Bank based on a legal opinion, adjusted the stamp duty payable amounting to ₹ 25.00 in the said share premium account as per the relevant provisions of the Companies Act, 2013.

Drawdown from Reserves

The Bank has not made a drawdown from the share premium during the year ended March 31, 2025 and March 31, 2024, other than the adjustment made pursuant to the merger (Refer note 18(30)).

2 ASSET LIABILITY MANAGEMENT (ALM)

a) Maturity Pattern of certain items of Assets and Liabilities

Specified Assets and Liabilities As on March 31, 2025:

(₹ in Crores)

Maturity Buckets	Advances	Investments	Deposits	Borrowings
1 day	25.11	2,011.94	98.03	-
2 days to 7 days	300.40	1,458.85	983.70	1,326.49
8 days to 14 days	552.35	168.39	812.50	-
15 days to 30 days	782.38	282.98	1,356.17	-
31 days to 2 months	1,511.74	608.97	1,251.83	-
Over 2 months up to 3 months	1,588.79	561.71	2,100.70	90.50
Over 3 months up to 6 months	4,952.56	1,845.84	10,317.34	61.51
Over 6 months up to 12 months	6,712.65	2,782.14	10,050.08	123.00
Over 1 year up to 3 years	7,630.25	1,847.24	10,467.62	431.96
Over 3 years up to 5 years	1,493.45	140.46	180.55	556.85
Over 5 years	5,840.32	21.47	11.96	255.05
Total	**31,390.00**	**11,729.99**	**37,630.48**	**2,845.36**

Note:

1) There are no Foreign Currency Assets or Liabilities with the Bank as at March 31, 2025.

2) Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Specified Assets and Liabilities as on March 31, 2024

(₹ in Crores)

Maturity Buckets	Advances	Investments	Deposits	Borrowings
1 day	15.10	3,259.56	129.36	-
2 days to 7 days	238.63	481.66	719.48	553.86
8 days to 14 days	463.23	89.67	666.47	-
15 days to 30 days	576.95	432.14	620.32	-
31 days to 2 months	1,195.69	380.41	1,621.56	87.50
Over 2 months up to 3 months	1,337.98	458.46	2,584.35	90.50
Over 3 months up to 6 months	3,693.70	1,503.00	6,437.24	335.70
Over 6 months up to 12 months	6,477.76	1,609.29	8,015.29	271.40
Over 1 year up to 3 years	8,001.91	1,448.04	10,406.55	348.10
Over 3 years up to 5 years	932.92	84.86	251.62	413.60
Over 5 years	3,949.04	18.94	9.91	70.16
Total	**26,882.92**	**9,766.02**	**31,462.16**	**2,170.82**

Note:

1) There are no Foreign Currency Assets or Liabilities with the Bank as at March 31, 2024.

2) Classification of assets and liabilities under the different maturity buckets is based on the same estimates and assumptions as used by the Bank for compiling the return submitted to the RBI.

b) Liquidity Coverage Ratio (LCR)

The Bank adheres to RBI guidelines on Liquidity Coverage Ratio given in "Basel III Framework on Liquidity Standards - Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and the LCR Disclosure Standards" and "Operating Guidelines for Small Finance Banks".

(A) Qualitative disclosure around LCR

LCR is the ratio of unencumbered High Quality Liquid Assets (HQLA) to Net Cash Outflows over the next 30 calendar days. The liquidity management is centralised with treasury with active interactions between the Bank's Business Units. LCR measures the Bank’s ability to manage and survive under combined idiosyncratic and market-wide liquidity stress condition that would result in accelerated withdrawal of deposits from retail as well wholesale depositors, partial loss of secured funding, increase in collateral requirements, unscheduled draw down of unused credit lines, etc. These stress conditions are captured as a part of the Net Cash Outflows. HQLA of the Bank consist of cash, unencumbered excess SLR, a portion of statutory SLR as allowed under the guidelines and cash balance with RBI in excess of statutory cash reserve requirements.

The Board of Directors has the overall responsibility for management of liquidity risk. The Board at overall level decides the liquidity risk tolerance/limits and accordingly decides the strategy, policies and procedures of the Bank for managing liquidity risk. The Board has constituted Risk Management Committee (RMC), which reports to the Board, and consisting of MD & CEO, Chairman of the Board and other independent directors. The Committee is responsible for evaluating the overall risks faced by the Bank including liquidity risk. The potential interaction of liquidity risk with other risks is included in the risks addressed by the Risk Management Committee.

Asset Liability Committee (ALCO) of the Bank is the primary governing body for Liquidity Risk Management. Treasury is entrusted with the responsibility of liquidity management within the Bank under the guidance of the ALCO. ALM Risk unit independently measures, monitors & reports Liquidity Risk as per the Regulatory and internal guidelines.

LCR aims to ensure that the Bank has an adequate stock of unencumbered HQLA to meet its liquidity needs for a 30 calendar day liquidity stress scenario. As mentioned in the "Operating Guidelines for Small Finance Banks", the Bank has to maintain the prescribed level of LCR of 100% effective from January 01, 2021.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(B) Quantitative disclosure around LCR

(₹ in Crores)

Particulars	Quarter ended March 31, 2025		Quarter ended December 31, 2024		Quarter ended September 30, 2024		Quarter ended June 30, 2024	
	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA)	-	7,645.66	-	7,637.55	-	7,684.10	-	8,695.10
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	19,079.07	1,848.20	18,353.34	1,780.60	17,857.67	1,727.80	16,971.35	1,632.48
(i) Stable deposits	1,194.20	59.71	1,094.72	54.74	1,159.29	57.96	1,293.09	64.65
(ii) Less stable deposits	17,884.87	1,788.49	17,258.62	1,725.86	16,698.38	1,669.84	15,678.26	1,567.83
3. Unsecured wholesale funding, of which:	6,673.20	4,731.50	6,703.57	4,741.79	7,036.77	5,232.04	6,289.64	4,607.93
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii) Non-operational deposits (all counterparties)	1,421.00	140.86	1,310.24	129.99	1,297.14	128.65	1,195.73	118.42
(iii) Unsecured debt	5,252.21	4,590.64	5,393.33	4,611.81	5,739.63	5,103.39	5,093.92	4,489.51
4. Secured wholesale funding	1,761.06	43.74	1,416.08	44.16	1,294.39	44.90	495.16	37.50
5. Additional requirements, of which	1,413.75	242.59	1,155.77	196.05	1,079.21	151.99	1,013.03	133.79
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	1,413.75	242.59	1,155.77	196.05	1,079.21	151.99	1,013.03	133.79

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Particulars	Quarter ended March 31, 2025		Quarter ended December 31, 2024		Quarter ended September 30, 2024		Quarter ended June 30, 2024	
	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
6. Other contractual funding obligations	414.49	414.49	356.81	356.81	375.25	375.25	416.95	416.95
7. Other contingent funding obligations	7.06	0.21	23.45	0.70	30.36	0.91	30.44	0.91
8. Total Cash Outflows	**29,348.63**	**7,280.73**	**28,009.02**	**7,120.11**	**27,673.65**	**7,532.89**	**25,216.57**	**6,829.56**
Cash Inflows	0	0	0	0	0	0	0	0
9. Secured lending (e.g. reverse repos)	0.45	-	1.39	-	6.06	-	9.23	-
10. Inflows from fully performing exposures	2,102.02	1,291.42	2,133.96	1,338.52	2,426.64	1,609.74	2,350.86	1,524.26
11. Other cash inflows	50.00	-	50.00	-	50.00	-	50.00	-
12. Total Cash Inflows	**2,152.47**	**1,291.42**	**2,185.35**	**1,338.52**	**2,482.70**	**1,609.74**	**2,410.09**	**1,524.26**
13. Total HQLA	**-**	**7,645.66**	**-**	**7,637.55**	**-**	**7,684.10**	**-**	**8,695.10**
14. Total Net Cash Outflows	**-**	**5,989.31**	**-**	**5,781.60**	**-**	**5,923.16**	**-**	**5,305.32**
15. Liquidity Coverage Ratio (%)		**127.66%**		**132.10%**		**129.73%**		**163.89%**

*Average weighted and unweighted amounts are calculated taking simple daily average for all quarters.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

QUANTITATIVE DISCLOSURE AROUND LCR

The table sets out Quantitative Information for all four quarters of the financial year ended March 31, 2024 as follows:

(₹ in Crores)

Particulars	Quarter ended March 31, 2024		Quarter ended December 31, 2023		Quarter ended September 30, 2023		Quarter ended June 30, 2023	
	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
High Quality Liquid Assets								
1. Total High Quality Liquid Assets (HQLA)	0	7,078.94	-	7,795.20	-	8,813.50	-	8,310.87
Cash Outflows								
2. Retail deposits and deposits from small business customers, of which:	16,498.39	1,298.17	15,575.30	1,180.24	14,304.78	1,076.63	13,430.53	1,007.35
(i) Stable deposits	7,033.40	351.67	7,545.83	377.29	7,076.90	353.84	6,714.01	335.70
(ii) Less stable deposits	9,464.99	946.50	8,029.47	802.95	7,227.89	722.79	6,716.52	671.65
3. Unsecured wholesale funding, of which:	6,226.97	4,473.68	5,506.41	3,892.20	6,068.56	4,636.27	5,054.80	3,654.85
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(ii) Non-operational deposits (all counterparties)	980.80	91.93	856.09	78.89	753.57	69.00	695.75	63.70
(iii) Unsecured debt	5,246.17	4,381.75	4,650.32	3,813.32	5,315.00	4,567.28	4,359.05	3,591.15
4. Secured wholesale funding	1,708.05	71.06	1,583.67	58.37	325.34	39.04	284.97	20.32
5. Additional requirements, of which	1,001.91	142.07	1,002.02	136.22	1,175.50	144.40	638.54	31.93
(i) Outflows related to derivative exposures and other collateral requirements	-	-	-	-	-	-	-	-

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Particulars	Quarter ended March 31, 2024		Quarter ended December 31, 2023		Quarter ended September 30, 2023		Quarter ended June 30, 2023	
	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*	Total Unweighted Value (average)*	Total Weighted Value (average)*
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	1,001.91	142.07	1,002.02	136.22	1,175.50	144.40	638.54	31.93
6. Other contractual funding obligations	488.75	488.75	262.48	262.48	197.52	197.52	192.19	192.19
7. Other contingent funding obligations	23.59	0.71	20.00	0.60	6.67	0.20	462.09	184.84
8. Total Cash Outflows	25,947.66	6,474.44	23,949.88	5,530.11	22,078.37	6,094.07	20,076.46	5,091.87
Cash Inflows								
9. Secured lending (e.g. reverse repos)	1.00	-	1.86	-	4.63	-	1.33	-
10. Inflows from fully performing exposures	2,099.97	1,298.04	1,831.75	1,027.18	2,100.39	1,347.11	1,665.96	984.01
11. Other cash inflows	50.00	-	50.00	-	50.00	-	50.00	-
12. Total Cash Inflows	**2,150.97**	**1,298.04**	**1,883.61**	**1,027.18**	**2,155.02**	**1,347.11**	**1,717.29**	**984.01**
13. Total HQLA	**-**	**7,078.94**	**-**	**7,795.20**	**-**	**8,813.50**	**-**	**8,310.87**
14. Total Net Cash Outflows	**-**	**5,176.40**	**-**	**4,502.93**	**-**	**4,746.95**	**-**	**4,107.87**
15. Liquidity Coverage Ratio (%)		**136.75%**		**173.11%**		**185.67%**		**202.32%**

*Average weighted and unweighted amounts are calculated taking simple daily average for all quarters.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(c) Net Stable Funding Ratio as on March 31, 2025

i) Qualitative Disclosure

Ujjivan Small Finance Bank, as per the RBI guideline on Net Stable Funding Ratio (NSFR) dated May 17, 2018, is required to maintain the NSFR on an ongoing basis. The minimum NSFR requirement set out in the RBI guideline is 100%.

NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. "Available Stable Funding" (ASF) is defined as the portion of capital and liabilities expected to be reliable over the time horizon considered by the NSFR, which extends to one year. The amount of stable funding required ("Required Stable Funding") (RSF) of a specific institution is a function of the liquidity characteristics and residual maturities of the various assets held by that institution as well as those of its off-balance sheet (OBS) exposures.

Available Stable Funding -

An increase in available stable funding will impact the NSFR positively. The Bank shall aim for higher available stable funding, which in the form of deposits, and will increase the long-term funding of the Bank. The Bank has been focusing on retail deposits albeit reducing reliance on bulk deposits.

Required Stable Funding-

An increase in required stable funding will impact the NSFR negatively. The required stable funding of the Bank is increasing as it is building loan portfolio between unsecured and secured loans across various products.

ii) Quantitative Disclosure

(₹ in Crores)

	Particulars	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
	ASF Item					
1	Capital: (2+3)	6,383.41	-	-	-	6,383.41
2	Regulatory capital	6,083.41	-	-	-	6,083.41
3	Other capital instruments	300.00	-	-	-	300.00
4	Retail deposits and deposits from small business customers: (5+6)	9,616.23	12,702.64	61.26	14.17	20,221.83
5	Stable deposits	1,081.27	229.65	-	-	1,245.37
6	Less stable deposits	8,534.96	12,472.99	61.26	14.17	18,976.46
7	Wholesale funding: (8+9)	-	1,010.75	4,727.97	1,437.54	4,306.90
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	1,010.75	4,727.97	1,437.54	4,306.90
10	Other liabilities: (11+12)	1,570.52	10,047.10	106.90	10.67	-
11	NSFR derivative liabilities	-	-	-	-	-
12	All other liabilities and equity not included in the above categories	1,570.52	10,047.10	106.90	10.67	-
13	**Total ASF (1+4+7+10)**	-	-	-	-	**30,912.14**
	RSF Item	-	-	-	-	-
14	Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	382.09
15	Deposits held at other financial institutions for operational purposes	-	-	-	-	-
16	Performing loans and securities: (17+18+19+21+23)	-	9,257.13	10,021.02	14,775.78	20,318.17
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	1,766.91	506.98	506.91	1,025.43
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	7,331.11	9,329.24	7,114.57	14,377.56

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

	Particulars	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	74.65	134.54	518.88	441.87
21	Performing residential mortgages, of which:	-	159.11	184.80	6,689.63	4,520.21
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	-	-
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	464.67	394.97
24	Other assets: (sum of rows 25 to 29)	456.46	24.34	0.87	1,650.29	1,913.81
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	1,377.20	1,170.62
27	NSFR derivative assets	-	-	-	-	-
28	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-
29	All other assets not included in the above categories	456.46	24.34	0.87	273.09	743.19
30	Off-balance sheet items	-	1,147.40	497.38	1.10	82.27
31	**Total RSF (14+15+16+20+24+30)**	**-**	**-**	**-**	**-**	**23,138.21**
32	**Net Stable Funding Ratio (%)**					**133.60%**

Net Stable Funding Ratio as on March 31, 2024

(₹ in Crores)

	Particulars	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
	ASF Item					
1	Capital: (2+3)	5,913.49	-	-	-	5,913.49
2	Regulatory capital	5,613.49	-	-	-	5,613.49
3	Other capital instruments	300.00	-	-	-	300.00
4	Retail deposits and deposits from small business customers: (5+6)	19,383.47	-	-	-	17,519.69
5	Stable deposits	1,491.39	-	-	-	1,416.82
6	Less stable deposits	17,892.08	-	-	-	16,102.87
7	Wholesale funding: (8+9)	-	837.98	2,922.48	788.88	2,669.11
8	Operational deposits	-	-	-	-	-
9	Other wholesale funding	-	837.98	2,922.48	788.88	2,669.11
10	Other liabilities: (11+12)	939.64	9,542.27	67.09	26.93	-
11	NSFR derivative liabilities	-	-	-	-	-
12	All other liabilities and equity not included in the above categories	939.64	9,542.27	67.09	26.93	-
13	**Total ASF (1+4+7+10)**	-	**-**	**-**	**-**	**26,102.29**
	RSF Item	-	-	-	-	-
14	Total NSFR high-quality liquid assets (HQLA)	-	-	-	-	388.96
15	Deposits held at other financial institutions for operational purposes	-	5.60	-	0.05	2.82
16	Performing loans and securities: (17+18+19+21+23)	-	7,250.68	8,414.91	8,184.08	17,735.95

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

	Particulars	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
17	Performing loans to financial institutions secured by Level 1 HQLA	-	-	-	-	-
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	-	525.81	632.59	567.72	962.89
19	Performing loans to non-financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks, and PSEs, of which:	-	6,724.87	7,782.33	7,603.63	13,716.68
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	23.19	18.68	165.71	128.65
21	Performing residential mortgages, of which:	-	92.78	108.68	4,530.50	3,045.56
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	-	-	-	-	-
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	-	-	-	12.73	10.82
24	Other assets: (sum of rows 25 to 29)	426.66	-	-	903.14	1,200.29
25	Physical traded commodities, including gold	-	-	-	-	-
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	-	-	-	863.46	733.95
27	NSFR derivative assets	-	-	-	-	-
28	NSFR derivative liabilities before deduction of variation margin posted	-	-	-	-	-
29	All other assets not included in the above categories	426.66	-	-	39.68	466.34
30	Off-balance sheet items	-	687.66	297.95	30.44	50.19
31	**Total RSF (14+15+16+24+30)**	-	-	-	-	**19,506.87**
32	**Net Stable Funding Ratio (%)**					**133.81%**

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

3. INVESTMENTS

a) Composition of Investment Portfolio as on March 31, 2025

(₹ in Crores)

	Investments in India							Investments outside India				Total Investments
	Government securities	Other approved securities	Shares	Debentures and bonds	Subsidiaries and /or Joint Ventures	Others -Security receipts, pass through certificates, certificate of deposit etc.*	Total Investments in India(including local authorities)	Government securities	Subsidiaries and /or Joint Ventures	Others -Security receipts, pass through certificates, certificate of deposit etc.*	Total Investments outside India	
Held to Maturity												
Gross	7,791.36	-	-	-	-	-	7,791.36	-	-	-	-	7,791.36
Add/(Less): Provision for NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	**7,791.36**	**-**	**-**	**-**	**-**	**-**	**7,791.36**	**-**	**-**	**-**	**-**	**7,791.36**
Available For Sale	-	-	-	-	-	-	-	-	-	-	-	-
Gross	1,051.99	-	-	-	-	-	1,051.99	-	-	-	-	1,051.99
Add/(Less): Provision for Depreciation (Net Off) *	0.16	-	-	-	-	-	0.16	-	-	-	-	0.16
Net	**1,052.15**	**-**	**-**	**-**	**-**	**-**	**1,052.15**	**-**	**-**	**-**	**-**	**1,052.15**
Held for Trading												
Gross	175.07	-	-	475.50	-	2,221.35	2,871.92	-	-	-	-	2,871.92
Add/(Less): Provision for Depreciation (Net Off) *	0.45	-	-	1.05	-	0.00	1.50	-	-	-	-	1.50
Net	**175.52**	**-**	**-**	**476.56**	**-**	**2,221.35**	**2,873.43**	**-**	**-**	**-**	**-**	**2,873.43**
FVTPL												
Gross	-	-	0.10	-	-	49.93	50.03	-	-	-	-	50.03
Add/(Less): Provision for Depreciation (Net Off) *	-	-	0.32	-	-	(37.30)	(36.98)	-	-	-	-	(36.98)
Net	**-**	**-**	**0.42**	**-**	**-**	**12.63**	**13.05**	**-**	**-**	**-**	**-**	**13.05**
Total Investments												
Gross	9,018.43	-	0.10	475.50	-	2,271.28	11,765.31	-	-	-	-	11,765.31
Add/(Less): Provision for NPI	-	-	-	-	-	-	-	-	-	-	-	-
Add/(Less): Provision for Depreciation (Net Off) *	0.61	-	0.32	1.05	-	(37.30)	(35.32)	-	-	-	-	(35.32)
Net	**9,019.04**	**-**	**0.42**	**476.55**	**-**	**2,233.98**	**11,729.99**	**-**	**-**	**-**	**-**	**11,729.99**

* Security Receipts arising from two ARC transactions undertaken during the year have been fully provided for in the books

Please refer to Note under 18(3)(b) with reference to changes effected post the RBI's Master direction dated 12, September 2023.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Composition of Investment Portfolio as on March 31, 2024

(₹ in Crores)

	Investments in India							Investments outside India				Total Investments
	Government Securities	Other approved securities	Shares	Debentures and bonds	Subsidiaries and /or Joint Ventures	Others -Security receipts, pass through certificates, certificate of deposit etc.	Total Investments in India	Government securities (including local authorities)	Subsidiaries and /or Joint Ventures	Others -Security receipts, pass through certificates, certificate of deposit etc.	Total Investments outside India	
Held to Maturity	-	-	-	-	-	-	-	-	-	-	-	-
Gross	6,182.42	-	-	-	-	-	6,182.42	-	-	-	-	6,182.42
Less: Provision for non-performing Investments(NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Net	**6,182.42**	**-**	**-**	**-**	**-**	**-**	**6,182.42**	**-**	**-**	**-**	**-**	**6,182.42**
Available For Sale	-	-	-	-	-	-	-	-	-	-	-	-
Gross	2,412.36	-	0.10	-	-	1,123.23	3,535.69	-	-	-	-	3,535.69
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	**2,412.36**	**-**	**0.10**	**-**	**-**	**1,123.23**	**3,535.69**	**-**	**-**	**-**	**-**	**3,535.69**
Held for Trading	-	-	-	-	-	-	-	-	-	-	-	-
Gross	47.91	-	-	-	-	-	47.91	-	-	-	-	47.91
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	**47.91**	**-**	**-**	**-**	**-**	**-**	**47.91**	**-**	**-**	**-**	**-**	**47.91**
Total Investments	-	-	-	-	-	-	-	-	-	-	-	-
Gross	8,642.68	-	0.10	-	-	1,123.23	9,766.02	-	-	-	-	9,766.02
Less: Provision for non-performing Investments(NPI)	-	-	-	-	-	-	-	-	-	-	-	-
Less: Provision for depreciation and NPI	-	-	-	-	-	-	-	-	-	-	-	-
Net	**8,642.68**	**-**	**0.10**	**-**	**-**	**1,123.23**	**9,766.02**	**-**	**-**	**-**	**-**	**9,766.02**

Note: Please refer to Note under 18(3)(b) with reference to changes effected post the RBI's Master direction dated September 12, 2023.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

b) Details of Investments

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Value of Investments		
(i) Gross Value of Investments		
(a) In India	11,765.31	9,766.02
(b) Outside India	-	-
(ii) Provisions for Depreciation		
(a) In India	37.31	-
(b) Outside India	-	-
(iii) Appreciation made		
(a) In India	1.98	-
(b) Outside India	-	-
(iv) Net Value of Investments		
(a) In India	11,729.99	9,766.02
(b) Outside India	-	-
Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provisions made during the year	37.30	-
(iii) Less : Write-off / (write-back) of excess provisions during the year	-	-
(iv) Closing balance	37.30	-
Movement of Investment Fluctuation Reserve		
a) Opening balance	71.67	67.30
b) Add: Amount transferred during the year	7.10	4.37
c) Less: Drawdown	-	-
d) Closing balance	78.77	71.67
Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/Current category	**2.00%**	**2.00%**

The RBI, vide its Master Direction dated September 12, 2023 issued revised norms for the classification, valuation and operation of the investment portfolio of banks, which became applicable from April 01, 2024. While hitherto the investment portfolio was classified under the Held To Maturity (HTM) , Available For Sale (AFS) and Held For Trading (HFT) categories, the revised norms bring in a principle-based classification of investment portfolio and a symmetric treatment of fair value gains and losses. In accordance with the revised norms and the Bank's Board approved policy, the Bank has classified its investment portfolio as on April 01, 2024, under the categories of Held To Maturity (HTM) , Available For Sale (AFS), Fair Value Through Profit and Loss (FVTPL) and Held For Trading (HFT) as a sub category of FVTPL, and from that date, measures and values the investment portfolio under the revised framework. On transition to the framework on April 01, 2024, the Bank has recognised a net gain of ₹ 3.59 (₹ 2.68 - net of tax) as General Reserve in accordance with the said norms. The impact of the revised framework for the previous period (FY 2023-24) is not ascertainable and as such the profit or loss from the investments, included in other income for the year ended March 31, 2025 is not comparable with that of the previous period/s. Any circular/ direction issued by RBI is implemented prospectively when it becomes applicable, unless specifically required otherwise/ for retrospective application under those circulars / directions.

c) Sale and transfer of securities to/ from HTM Category

During the current and previous year, the value of sales, with the approval of Board of Directors permitted to be undertaken by banks at the beginning of the accounting year, has not exceeded 5% of the book value of investments held in HTM category at the beginning of the year. In line with RBI guidelines, specific disclosure on book value/market value and provisions if any, relating to such transfer is not required to be made.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

d) Non-SLR Investment Portfolio

i) The Bank does not have any Non-Performing Non-SLR Investments as at March 31, 2025 and March 31, 2024.

ii) Issuer Composition of Non-SLR Investments

Issuer Composition of Non-SLR Investments as at March 31, 2025 are as follows:

(₹ in Crores)

Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted securities'
1	2	3	4	5	6
i) Public Sector Undertakings	100.08	-	-	-	-
ii) Financial Institutions	1,143.42	-	-	-	-
iii) Banks	1,454.40	-	-	-	-
iv) Private Corporates	0.42	-	-	-	0.42
v) Subsidiaries/Joint ventures	-	-	-	-	-
vi) Others	49.93	12.63	-	37.30	37.30
vii) Provision held towards depreciation	(37.30)	-	-	(37.30)	(37.30)
Total	**2,710.95**	**12.63**	**-**	**-**	**0.42**

Note:

1. Amounts reported under columns 3,4,5 and 6 above are not mutually exclusive
2. Amount reported under above columns include Mark to Market appreciation/ depreciation as per RBI Master Direction dated September 12, 2023.

Issuer Composition of Non-SLR Investments as at March 31, 2024 are as follows:

(₹ in Crores)

Issuer	Amount	Extent of private placement	Extent of 'below investment grade' securities	Extent of 'unrated' securities	Extent of 'unlisted securities'
1	2	3	4	5	6
i) Public Sector Undertakings	-	-	-	-	-
ii) Financial Institutions	-	-	-	-	-
iii) Banks	943.84	-	-	-	-
iv) Private Corporates	0.10	-	-	-	0.10
v) Subsidiaries/Joint ventures	-	-	-	-	-
vi) Others*	179.40	12.63	-	-	-
vii) Provision held towards depreciation	-	-	-	-	-
Total	**1,123.33**	**12.63**	**-**	**-**	**0.10**

Note: Amounts reported under columns 3,4,5 and 6 above are not mutually exclusive

e) Details of Repos/Reverse Repos including Liquidity Adjustment Facility (LAF) transactions (in face value terms) as at March 31, 2025:

(₹ in Crores)

Particulars	Minimum outstanding during the Year	Maximum outstanding during the Year	Daily average outstanding during the Year*	Outstanding As on March 31, 2025(in Face value terms)	Outstanding As on March 31, 2025(in Market value terms)
Securities sold under repo					
i) Government Securities	2.00	1,140.00	328.04	1,025.00	1,035.84
ii) Corporate debt securities	-	-	-	-	-
iii) Any other securities	-	-	-	-	-
Security purchased under reverse repo					
i) Government Securities	5.00	200.00	6.41	-	-
ii) Corporate debt securities	-	-	-	-	-
iii) Any other securities	-	-	-	-	-

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Details of Repos/Reverse Repos including Liquidity Adjustment Facility (LAF) transactions (in face value terms) as at March 31, 2024:

(₹ in Crores)

Particulars		Minimum outstanding during the Year	Maximum outstanding during the Year	Daily average outstanding during the Year	Outstanding as on March 31, 2024
Securities sold under repo					
i)	Government Securities	250.00	997.87	20.89	400.00
ii)	Corporate debt securities	-	-	-	-
iii)	Any other securities				
Security purchased under reverse repo		5.00	52.00	2.10	-
i)	Government Securities				
ii)	Corporate debt securities	-	-	-	-
iii)	Any other securities	-	-	-	-

*Daily average outstanding balance during the year has been computed on deal basis excluding LTRO deal of ₹250.00

f) **Government Security Lending (GSL) Transactions (in market value terms)**- There are no trades done through GSL product during the current year as well as previous year.

4 ASSET QUALITY

a) **Classification of advances and provisions held :**

As at March 31, 2025

(₹ in Crores)

Particulars		Standard	Non-Performing				Total
		Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-performing Advances	
Gross Standard Advances and NPAs							
Opening Balance		26,806.63	379.94	218.51	14.07	612.52	27,419.15
Add: Additions during the year		-	-	-	-	1,128.83	-
Less: Reductions during the year*		-	-	-	-	1,045.47	-
Closing balance		31,237.58	583.85	101.61	10.42	695.88	31,933.46
*Reductions in Gross NPAs dure to:		-	-	-	-	-	-
(i)	Upgradations	-	-	-	-	64.54	-
(ii)	Recoveries (excluding recoveries made from upgraded accounts)	-	-	-	-	115.50	-
(iii)	Technical/ Prudential Write-offs (only principal amount)	-	-	-	-	325.10	-
(iv)	Write-offs other than those under (iii) above1	-	-	-	-	540.34	-
Provisions (excluding Floating Provisions)							
Opening balance of provisions held		140.14	191.89	210.27	14.07	416.23	-
Add: Fresh provisions made during the year		-	--	-	-	475.58	-
Less: Excess provision reversed/ Write-off loans2		-	-	-	-	478.36	-
Closing balance of provisions held		162.68	312.95	90.09	10.42	413.46	576.14
		-	-	-	-	413.46	-
Net NPAs		-	-	-	-	-	-
Opening balance		-	188.05	8.24	-	76.29	
Add: Additions during the year		-	-	-	-	678.03	-
Less: Reductions during the year		-	-	-	-	591.90	-
Less: Floating provision made/(reversed) during the year(not considered as part of Tier -II capital)*		-	-	-	-	130.00	-

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Particulars	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-performing Advances	
Closing balance	-	270.91	11.52	-	152.43	-
Floating Provisions						
Opening Balance	-	-	-	-	-	250.00
Add: Additional provisions made during the year	-	-	-	-	-	-
Less: Amount draw down during the year	-	-	-	-	-	69.33
Closing balance of floating provisions3	-	-	-	-	-	180.67
Technical write-offs and the recovery made thereon						
Opening balance of technical / prudential write-offs accounts	-	-	-	-	-	1,162.79
Add: Technical/Prudential write offs during the Year	-	-	-	-	-	325.10
Less: Recoveries made from previously technically / prudentially written-off accounts during the Year 4	-	-	-	-	-	218.51
Closing balance of technical / prudential write-offs accounts	-	-	-	-	-	1,269.38

1 Includes ₹ 502.49 pertaining to the NPA accounts sold to ARC during the year.

2 Includes ₹ 364.97 pertaining to the NPA accounts sold to ARC during the year.

3 During the Financial Year, the Bank utilised ₹ 69 out of the ₹ 250 floating provision to write off the additional credit cost on transfer of stressed loan to ARC and the Bank carries a floating provision of ₹ 181 as on March 31, 2025 (Previous Year ₹ 250). Of which, ₹ 130 (Previous Year ₹ 120) is used for calculation of net NPA and provision coverage ratio and remaining ₹ 51 is disclosed under other liabilities and provisions. Out of ₹51, ₹ 30 is used for calculation of Tier II capital and ₹ 21 is unutilised, which can be utilised in future for calculation of net NPA and provision coverage ratio. The Bank has informed RBI about the same.

4 Includes balance of technically / prudentially written-off accounts sold to ARC during the Year ₹132.37.

As at March 31, 2024

(₹ in Crores)

Particulars	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-performing Advances	
Gross Standard Advances and NPAs						
Opening Balance	21,280.62	236.04	392.40	2.17	630.61	21,911.23
Add: Additions during the year	-	-	-	-	479.78	-
Less: Reductions during the year*	-	-	-	-	497.86	-
Closing balance	26,806.63	379.94	218.52	14.07	612.52	27,419.15
*Reductions in Gross NPAs dure to:	-	-	-	-	-	-
(i) Upgradations	-	-	-	-	63.42	-
(ii) Recoveries (excluding recoveries made from upgraded accounts)	-	-	-	-	160.57	-
(iii) Technical/ Prudential Write-offs (only principal amount)	-	-	-	-	238.54	-
(iv) Write-offs other than those under (iii) above	-	-	-	-	35.33	-
Provisions (excluding Floating Provisions)	-	-	-	-	-	-
Opening balance of provisions held	113.73	119.71	379.69	2.17	501.57	615.30
Add: Fresh provisions made during the year	-	-	-	-	255.78	-
Less: Excess provision reversed/ Write-off loans	-	-	-	-	341.12	-

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Particulars	Standard	Non-Performing				Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-performing Advances	
Closing balance of provisions held	140.14	191.89	210.27	14.07	416.23	556.37
Net NPAs	-	-	-	-	-	-
Opening balance	-	116.33	12.71	-	9.04	-
Add: Additions during the year	-	-	-	-	258.46	-
Less: Reductions during the year	-	-	-	-	191.20	-
Less: Floating provision made/(reversed) during the year(not considered as part of Tier -II capital)	-	-	-	-	-	-
Closing balance	-	188.05	8.24	-	76.29	-
Floating Provisions						
Opening Balance	-	-	-	-	-	250.00
Add: Additional provisions made during the year	-	-	-	-	-	-
Less: Amount draw down during the year	-	-	-	-	-	-
Closing balance of floating provisions[1]	-	-	-	-	-	250.00
Technical write-offs and the recovery made thereon	-	-	-	-	-	
Opening balance of technical / prudential write-offs accounts	-	-	-	-	-	1,040.17
Add: Technical/Prudential write offs during the Year	-	-	-	-	-	238.54
Less: Recoveries made from previously technically / prudentially written-off accounts during the Year	-	-	-	-	-	115.93
Closing balance of technical / prudential write-offs accounts	-	-	-	-	-	1,162.79

1 As per RBI guidelines, as at March 31, 2024, the Bank carries a floating provision of ₹ 250. Of which, ₹ 120 (Previous Year ₹ 250) is used for calculation of net NPA and provision coverage ratio and remaining ₹ 130 is disclosed as other liabilities. Out of ₹130, ₹ 30 is used for calculation of Tier II capital and ₹ 100 is unutilised, which can be utilised in future for calculation of net NPA and provision coverage ratio. The Bank has informed RBI about the same.

Ratios :

Particulars	As on March 31, 2025	As on March 31, 2024
Gross NPA to Gross Advances	2.18%	2.23%
Net NPA to Net Advances	0.49%	0.28%
Provision Coverage Ratio *	78.10%	87.28%

* includes floating provision of ₹ 130 for current year (previous year- ₹ 120)

b) Sector-wise Advances and Gross NPAs:

As on March 31, 2025

(₹ in Crores)

Sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
<u>Priority sector:</u>			
Agriculture and allied activities	6,312.20	176.40	2.79%
Advances to industries eligible as priority sector lending	1,308.23	48.44	3.70%
Services	4,282.31	119.11	2.78%
Personal loans	10,092.73	210.94	2.09%
-of which Housing Loans	6,248.06	92.05	1.47%
Sub-Total (A)*	**21,995.47**	**554.89**	**2.52%**

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
Non-Priority sector:	-	-	-
Agriculture and Allied activities	-	-	-
Industry	-	-	-
Services	2,787.50	4.42	0.16%
-of which NBFC Loans	2,787.50	4.42	0.16%
Personal loans	7,150.49	136.58	1.91%
-of which Housing Loans	4,245.69	39.53	0.93%
Sub-Total (B)	**9,937.99**	**141.00**	**1.42%**
Total (A) + (B)	**31,933.46**	**695.89**	**2.18%**

* The above mentioned Priority Sector includes PSLC amounting to ₹3,300.00

As on March 31, 2024

(₹ in Crores)

Sector	Outstanding Total Advances	Gross NPAs	% of Gross NPAs to Total Advances in that sector
Priority sector:			
Agriculture and allied activities	5,641.98	137.33	2.43%
Advances to industries eligible as priority sector lending	969.92	258.62	26.66%
Services	3,283.95	42.89	1.31%
Personal loans	11,453.27	86.99	0.76%
-of which Housing Loans	5,700.15	86.44	1.52%
Sub-Total (A)*	**21,349.13**	**525.83**	**2.46%**
Non-Priority sector:	-	-	
Agriculture and Allied activities	-	-	
Services	1,732.34	4.42	0.25%
-of which NBFC Loans	1,732.34	4.42	0.25%
Personal loans	4,337.69	86.04	1.98%
-of which Housing Loans	2,771.34	29.57	1.07%
Sub-Total (B)	**6,070.02**	**90.45**	**1.49%**
Total (A) + (B)	**27,419.15**	**616.29**	**2.25%**

* The above mentioned Priority Sector includes PSLC amounting to ₹3,625.00

c) Overseas Assets, NPAs and Revenue

The Bank does not have any overseas branches and hence the disclosure regarding overseas assets, NPAs and revenue is not applicable.

d) Disclosures Resolution of Stressed Assets

There were no accounts that have been restructured under prudential framework on resolution of stressed assets as per the circular no. RBI/2018-19/203 DBR.No.BP.BC.45/21.04.048/2018-19 dated June 07, 2019 during the year ended March 31, 2025 (Previous year: Nil).

e) Divergence in Asset Classification and Provisioning for NPAs

"RBI vide its circular DBR.BP.BC.No.63/21.04.018/2016-17 dated April 18, 2017, Notification dated April 01, 2019 and notification dated October 11, 2022 has directed banks shall make suitable disclosures, if either or both of the following conditions are satisfied:

a) the additional provisioning for NPAs assessed by RBI exceeds 5% of the reported profit before provisions and contingencies for the reference period, and

b) the additional Gross NPAs identified by RBI exceed 5% of the published incremental Gross NPAs for the reference period."

As part of Supervisory process through the mode of Annual Financial Inspection and consequent RBI AFI Report (Position as on March 2023), there is no qualified financial divergence reported (based on the defined threshold as per Master Direction on Financial Statements - Presentation and Disclosures dated August 30, 2021 (updated as on April 01, 2025) – Annex III Para 4 e)

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

f) Transfer of loan exposure

i) Disclosure of transfer of loan not in default

The Bank has not transferred any loans under securitisation during the year. The details of loans transferred during the previous years as given under;

Disclosure of transfer of loan exposures as on March 31, 2025

(₹ in Crores)

	Securitisation	DA
No: of accounts	2,090	867
Total amount of loans transferred	127.52	67.67
weighted average residual maturity (in years)	8.40	9.27
weighted average holding period (in years)	13.25	13.61
Retention of beneficial economic interest	NA	10%
Tangible security coverage	NA	NA

Disclosure of transfer of loan exposures as on March 31, 2024

(₹ in Crores)

	IBPC	Securitisation	DA
No: of accounts	1,179,793	2,411	992
Total amount of loans transferred	4,699.80	156.46	83.31
weighted average residual maturity (in years)	1.26	9.48	10.42
weighted average holding period (in years)	2.14	13.37	13.75
Retention of beneficial economic interest	NA	NA	10%
Tangible security coverage	NA	NA	NA

ii) Disclosure of transfer of stressed asset

The Bank has transferred stressed asset to other entities during the year ended March 31, 2025. (March 31, 2024- Nil)

(₹ in Crores)

Particulars	PARAS	ARCIL
Number of Accounts	102,476	119,478
Aggregate principal outstanding of loans transferred (on the date of transfer)*	270.35	364.51
Weighted average residual tenor of the loans transferred (years)	0.15	0.50
Net book value of the loans transferred (at the time of transfer)	38.90	98.62
Aggregate consideration	40.56	34.26
Additional consideration realised in respect of accounts transferred in earlier years	NA	NA

* including advances which had been technically written off and fully provided thereof

Pursuant to the sale, the shortfall between the aggregate consideration and the net book value of the NPA loans transferred, amounting to ₹ 69.33 has been debited to the profit and loss account. Pursuant to the RBI Master Direction on Transfer of Loan Exposures dated September 24, 2021, the Bank has utilised an equivalent amount of shortfall from the floating provision during the current year (Refer- Schedule 18(4)(a)). Cash consideration received pursuant to the transfer of technically written off loans amounting to ₹ 6.63 has been recognised under other income.

The Bank has received Security Receipts (SRs) as part of the consideration for transfer of stressed loans to other entities. Investments in SR's as at March 31, 2025 amounting to ₹ 37 are valued at Nil/fully provided for in the books of account on a prudent basis and the same has been debited to other income in the profit and loss account.

The determination of the recovery rating for the security receipts is in progress as at March 31, 2025 and will be completed within the prescribed regulatory timelines.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

g) Fraud Accounts

Provision pertaining to fraud accounts reported during the year :

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Number of frauds reported - Borrowal & Non borrowal accounts	315	401
Number of digital payment related frauds where credentials have been compromised by the customers themselves & no loss has been caused to the Bank	766	2,312
Total	**1,081**	**2,713**
Amount involved in fraud including digital payment related frauds	9.16	24.16
Amount of provision made for such frauds *	3.22	10.81
Amount of Unamortised provision debited from 'other reserves' as at the end of the year	-	-

* Note: The provision amount is net of recovery and write off's as at the end of the year.

h) Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circulars dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) is given below:

(₹ in Crores)

	(A)	(B)	(C)	(D)	(E)
Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan– Position as at the end of the previous half-year i.e., September 30, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half-year ended March 31, 2025	Of (A) amount written off during the half-year ended March 31, 2025	Of (A) amount paid by the borrowers during the half- year ended March 31, 2025	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e., March 31, 2025
Personal Loans	18.58	0.65	2.91	1.45	14.21
Corporate persons*	-	-	-	-	-
Of which, MSMEs	-	-	-	-	-
Others	15.24	0.31	5.53	1.85	7.87
Total	**33.82**	**0.96**	**8.44**	**3.30**	**22.08**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

i) Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by the Bank:

During the current and previous year there are no instances of SBL/GBL limit exceeding the sanctioned limit or outstanding whichever is higher.

j) Provisions on Standard Assets:

Bank has followed the prudential norms on income recognition, asset classification and provisions. The excess provisions over and above the same is as per the Board approved policy.

The provision on standard assets is included in 'Other Liabilities and Provisions – (iv) Standard asset-General Provisions' in Schedule 5, and is not netted off from Advances.

There is no provision written back in respect of standard assets during the current year and previous year.

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Provisions towards Standard Assets	162.68	140.14

k) Details of Financial Assets sold to Securitisation Company (SC) / Reconstruction Company (RC) for Asset Reconstruction

The details of Securitisation to a special purpose vehicle is furnished in Schedule 18(8).

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

l) Details of Book Value of Investment in Security Receipts

During the current year the Bank has made investment in Security Receipts of ₹ 37.30 as part of the ARC deal (Previous Year - Nil).

m) Details of NPA Purchase/Sold

During the current year the Bank has sold NPA to Asset Reconstruction Company (ARC) as mentioned in note 18 (4)(f)(ii) (Previous Year - Nil).

5 EXPOSURE

a) Exposure to Real Estate Sector:

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
A) Direct Exposure	-	-
i) Residential Mortgages	9,353.66	6,245.96
(of which housing loans eligible for Inclusion in priority sector Advances)	3,243.19	3,442.03
ii) Commercial Real Estate	117.96	126.25
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures:	-	-
- Residential	-	-
- Commercial Real Estate	-	-
Total (A)	**9,471.62**	**6,372.21**
B) Indirect Exposure	-	-
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	128.14	76.91
Total (B)	**128.14**	**76.91**
Total Real Estate Exposure (A+B)	**9,599.76**	**6,449.12**

b) Exposure to Capital Market:

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
1 Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	476.98	0.10
2 Advances against shares / bonds / debentures or other securities or on clean basis to individuals for Investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
3 Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
4 Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the Advances;	-	-
5 Secured and Unsecured Advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	30.00
6 Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
7 Bridge loans to companies against expected equity flows / issues;	-	-
8 Underwriting commitments taken up by the Banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	-	-
9 Financing to stockbrokers for margin trading;	-	-
10 All exposures to Venture Capital Funds (both registered and unregistered);	-	-
Total Exposure to Capital Market	**476.98**	**30.10**

Note: During the Year, Bank has not converted any debt to equity as a part of strategic debt restructuring which is exempt from Capital Market Exposure limit.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

c) Country wise risk exposure

The Bank does not have any country wise Risk Exposure as at March 31, 2025 and as at March 31, 2024.

d) Unsecured advances

The Bank has not extended any project advances where the collateral is an intangible asset such as a charge over rights, licenses, authorisations, etc. The Advances as at March 31, 2025 of ₹ 18,012.92 (PY. ₹ 20,596.92) disclosed in Schedule 9B (iii) are without any primary or collateral security.

e) Details of factoring exposure

The Bank does not have any factoring exposure of the Bank as at March 31, 2025 and as at March 31, 2024.

f) Intra-Group Exposure

The Bank does not have any Intra Group Exposure during the current and previous year.

g) Unhedged foreign currency exposure

The Bank does not have any unhedged foreign country exposure as at March 31, 2025 and as at March 31, 2024.

6 CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES & NPAS

a) Concentration of Deposits

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Total Deposits of the twenty largest Depositors	6,456.00	5,220.86
Percentage of Deposits of twenty largest Depositors to Total Deposits of the Bank	17.16%	16.59%

b) Concentration of Advances*

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Total Advances to the twenty largest Borrowers	3,016.00	1,313.08
Percentage of Advances of twenty largest Borrowers to Total Advances of the Bank	6.14%	4.79%

*Advances are computed as per the definition of Credit Exposure including derivatives as prescribed in Master Circular on Exposure Norms DBR.No. Dir.BC.12/13.03.00/2015-16 dated July 1, 2015. Total advances is the aggregate advances of the Bank before subtracting provisions for NPA and Floating provision

c) Concentration of Exposures*

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Total Exposure to the twenty largest Borrowers/Customers	3,016.00	1,313.08
Percentage of Exposures of twenty largest Borrowers/Customers to Total Exposure of the Bank on borrowers/customers	6.14%	4.79%

*Exposures are computed based on Credit and Investment Exposure as prescribed in the Master Circular on Exposure Norms DBR. No.Dir.BC.12/13.03.00/2015-16 dated July 1, 2015.

d) Concentration of NPAs

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Total Exposure to the top twenty NPA accounts	26.90	20.61
Percentage of Exposures to the twenty largest NPA exposure to total Gross NPAs	3.87%	3.34%

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

7 DERIVATIVES

a) Derivatives/ Exchange Traded Interest Derivatives/Forward rate agreement/Interest rate swap/ Risk Exposure In Derivatives

The Bank has not entered into any derivative instruments for trading /Forward rate agreement/Interest rate swap/ speculative purposes either in Foreign Exchange or domestic treasury operations. The Bank does not have any Forward Rate Agreement or Interest rate swaps.

b) Credit default Swaps

The Bank has not entered into any credit default swap transactions during the current and previous year.

8 SECURITISATION TRANSACTION

The details of Securitisation deals outstanding as at March 31, 2025 and as at March 31, 2024 as below.

(₹ in Crores)

Particulars				As on March 31, 2025	As on March 31, 2024
1	No. of SPEs holding assets for securitisation transactions originated by the originator (only SPV relating to outstanding securitisation exposure to be reported here)			2	2
2	Total amount of securitised assets as per books of the SPEs as on the date of Balance sheet			127.63	156.47
3	Total amount of exposures retained by the Bank to comply with MRR as on the date of balance sheet			-	-
		Off balance sheet exposures		-	-
	a)	First loss		-	-
		Others		-	-
		On-balance sheet exposures		-	-
	b)	First loss (Fixed Deposit)		12.63	12.63
		Others(Investments in Equity Tranche)		12.63	12.63
4	Amount of exposures to securitisation transactions other than MRR				
		Off balance sheet exposures			
			Exposure to own securitisations		
		i)	First loss		
	a)		Loss		
			Exposure to third party securitisations		
		ii)	First loss		
			Others		
		On balance sheet exposures		-	-
			Exposure to own securitisations	-	-
		i)	First loss	7.58	7.58
	b)		Others	-	-
			Exposure to third party securitisations	-	-
		ii)	First loss	-	-
			Others	-	-
5	Sale Consideration received for the securitised assets and gain/loss on sale on account of securitisation			245.01	245.01
6	Form and quantum (outstanding value) of services provided by way of credit enhancement, liquidity support, post-securitisation asset servicing, etc			-	-
	Services Provided	**Form of Facility**		-	-
	Liquidity support	Fixed Deposits		12.63	12.63
				-	-
	Post-securitisation asset servicing	Servicing Agent		127.63	156.47
				-	-

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Particulars			As on March 31, 2025	As on March 31, 2024
7	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.		-	-
	As a Liquidity Support		-	-
	a)	Amount paid	12.63	12.63
	b)	Repayment received (Inclusive of Principle and interest)	-	-
	c)	Outstanding amount	12.63	12.63
	As a Credit Enhancement		-	-
	a)	Amount paid	7.58	7.58
	b)	Repayment received (Inclusive of Principle and interest)	-	-
	c)	Outstanding amount	7.58	7.58
8	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e., Housing Loans.		3.16%	1.91%
9	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. Housing Loans. **For Housing Loans-**			
	Amount of top up loans		3.21	3.10
	No.of loans		52	61
10	Investor complaints		NIL	NIL
	(a)	Directly/Indirectly received and;		
	(b)	Complaints outstanding		

9 INTER- BANK PARTICIPATION WITH RISK SHARING

The aggregate amount of participation issued by the Bank and reduced from advances as per regulatory guidelines as at March 31, 2025 ₹ : Nil Previous Year ₹ : 2,129.00)

10 DISCLOSURE RELATING TO DEPOSITOR EDUCATION AND AWARENESS FUND (DEAF):

The details of amount transferred to Depositor Education and Awareness Fund during the current and previous year.

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Opening balance of amounts transferred to DEAF	1.31	1.25
Add: Amounts transferred to DEAF during the year	0.01	0.07
Less: Amounts reimbursed by DEAF towards claims	-	0.00
Closing balance of amounts transferred to DEAF	**1.32**	**1.31**

As per RBI circular DBR. No. DEA Fund Cell. BC. 67/30.01.002/2014-15 dated February 02, 2015, the details of unclaimed Security Deposits has been displayed on our website with respect to amount transferred to DEAF.

The closing balance of the amount transferred to DEA Fund, as disclosed above, are also included under 'Schedule 12 - Contingent Liabilities-Other items for which the Bank is contingently liable'

11 DISCLOSURE OF COMPLAINTS

a) Summary information on complaints received by the Bank from customers and from the Offices of Banking Ombudsman (OBOs)

(₹ in Crores)

Sl. No	Particular	Current Year FY 2024 - 2025	Previous Year FY 2023 - 2024
Customer complaints received by the Bank from its customers			
1	Number of complaints pending at beginning of the year	303	292
2	Number of complaints received during the year	15,553	19,610
3	Number of complaints disposed during the year	15,682	19,599
3.1	Of which, number of complaints rejected by the Bank	1,601	874
4	Number of complaints pending at the end of the year	174	303

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Sl. No	Particular	Current Year FY 2024 - 2025	Previous Year FY 2023 - 2024
Maintainable complaints received by the Bank from OBOs			
5	Number of maintainable complaints received by the Bank from OBOs	222	201
5.1	Of 5, number of complaints resolved in favour of the Bank by BOs	101	97
5.2	Of 5, number of complaints resolved through conciliation/mediation/ advisories issued by BOs	121	104
5.3	Of 5, number of complaints resolved after passing of Awards by BOs against the Bank	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the scheme.

b) Top five grounds of complaints received by the Bank from customers:

For the year ended March 31, 2025

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
ATM/Debit Cards	108	6,499	-29%	74	16
Internet/Mobile/Electronic Banking	86	2,287	-33%	7	
Account opening/difficulty in operation of accounts	2	1,932	-5%	4	
Others*	62	3,040	-3%	67	
Loans and advances	8	718	28%	10	
Miscellaneous Items**	37	1,077	-13%	12	
Total	**303**	**15,553**		**174**	**16**

For the year ended March 31, 2024

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
(1)	(2)	(3)	(4)	(5)	(6)
ATM/Debit Cards	175	9,217	-17%	108	14
Internet/Mobile/Electronic Banking	25	3,413	-27%	86	6
Account opening/difficulty in operation of accounts	2	2,039	-18%	2	-
Others*	73	3,137	33%	62	-
Loans and advances	10	561	-16%	8	-
Miscellaneous Items**	7	1,243	-15%	37	-
Total	**292**	**19,610**		**303**	**20**

*Others Include complaints related to Deposit such as 'Delay in Closure of FD, FD Interest clarification, TDS Clarification,' etc

** Miscellaneous items include following category of complaint It includes levy of charges without prior notice/excessive charges/ foreclosure charges, Mis-selling/ Para-banking, Staff behavior, Non-observance of Fair Practices Code, Cheques/drafts/bills, Exchange of coins and issuance/acceptance of small denomination notes and coins.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

12 DISCLOSURE OF PENALTIES IMPOSED BY RBI

Year ended March 31, 2025

During the FY 24-25, RBI vide an order dated February 14, 2025 imposed a monetary penalty of ₹ 0.07 on the Bank for non-compliance with certain directions issued by RBI on 'Loans and Advances - Statutory and Other Restrictions'. This penalty was imposed in exercise of powers conferred on RBI under the provisions of Section 47A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949.

There was no other regulatory/operational penalty levied by RBI under the provisions of the (i) Banking Regulations Act 1949, (ii) Payment and Settlement Act, 2007 and (iii) Government Securities Act, 2006 (for bouncing of SGL) as per the Master Direction on Financial Statements - Presentation and Disclosures dated August 30, 2021

Year ended March 31, 2024

During the FY 23-24, RBI has not levied any penalty under the provisions of the (i) Banking Regulations Act 1949, (ii) Payment and Settlement Act, 2007 and (iii) Government Securities Act, 2006 (for bouncing of SGL) as per the Master Direction on Financial Statements - Presentation and Disclosures dated August 30, 2021.

During the FY 23-24, RBI levied an operational penalty of ₹ 0.02 for downtime in ATMs for more than 10 hours in a month, due to cash-out in such ATMs.

13 DISCLOSURES ON REMUNERATION:

13.1 Qualitative Disclosures

(A) Information relating to the composition and mandate of the Remuneration Committee.

Bank has constituted a Nomination and Remuneration Committee (NRC). The NRC comprises of five members where four are Independent Directors and one Non-Executive, Non-Independent Director. Mandate of the Nomination and Remuneration Committee is to oversee the framing, review and implementation of the Bank's Compensation Policy and Nomination & Remuneration Policy for Whole Time Director/Chief Executive Officer/ Material Risk Takers and Control Function staff for ensuring effective alignment between remuneration and risks. The Committee also ensures that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks. The Nomination and Remuneration Committee reviews Compensation policy and Nomination & Remuneration Policy of the Bank with a view to attract, retain and motivate employees.

(B) Information relating to the design and structure of remuneration processes and the key features and objectives of Compensation Policy and Nomination & Remuneration Policy

The Compensation Policy and Nomination & Remuneration Policy has been laid out keeping the following perspectives into considerations:

(a) Our Compensation principles should support us in achieving our mission of providing a full range of financial services to the economically active poor of India who are not adequately served (unserved and underserved) by financial institutions. Therein, this policy should support us to attract and retain talent and skills required to further the organisations purpose and ideology.

(b) The pay structure and amounts confirms and shall always conform to applicable Income Tax and other similar statutes.

(c) All practices of the Bank shall comply with applicable labour laws.

(d) The pay structure should be standardised for a level of employees.

(e) Elements eligible for tax exemption may be introduced at appropriate levels to enable employees take applicable tax breaks. Amounts related to certain benefits may undergo change due to change in grade/ roles/ function/ state/ region in the organisation.

(f) The compensation structure shall be easy to understand for all levels of employees.

(g) The compensation policy is designed to promote meritocracy in the organisation i.e. other things being equal, performers in a given role are expected to earn more than his/her peer group.

(h) The directors are paid sitting fees as approved by the Board for attending the Board and Board Committee Meetings.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(C) Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.

(a) Structurally, the Control functions such as Credit, Risk and Vigilance are independent of the business functions and each other, thereby ensuring independent oversight from various aspects on the business functions.

(b) The Bank is in the process of comprehensively measuring and reviewing material risks to which Bank is exposed to under IGAAP. The Bank also complies with Basel II requirements.

(D) Description of the ways in which the Bank seeks to link performance during a performance measurement period with levels of remuneration.

(a) The compensation policy is designed to promote meritocracy in the organisation i.e. other things being equal, performers in a given role are expected to earn more than his/her peer group.

(b) The Bank shall, from time to time, benchmark its compensation against identified market participants to define its pay structure and pay levels.

(c) The merit increments will be finalised and approved by the NHRC year on year, basis organisation's budgets and accomplishments as well as market reality.

(d) The Bank believes in paying its employees in an equitable and fair manner basis the incumbent's Role, Personal Profile (Education/Experience etc.) as well as Performance on the Job.

(e) Employees rated "Below Expectations" shall not be provided any increments, unless statutorily required.

(E) A discussion of the Bank's policy on deferral and vesting of variable remuneration and a discussion of the Bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.

The performance bonus pay-out shall be Annual. Discretion is typically applied related to staggered pay-out in case large pay-outs, particularly for functions like Credit and Risk. Bonus is to be prorated for employees who have worked for part of the year at the Bank.

The Bank believes in the philosophy of collective ownership by its employees. Thus, Employee Stock Options of the eUFSL are distributed amongst employees basis their criticality and performance.

Typically, all Stock option schemes at the Bank vest in a staggered manner. Besides the statutory requirement of grant and 1 year vesting, the total set of options vest in various tranches for up to a period of 3 years.

Malus/ Clawback: In the event of negative contributions of the individual towards the achievements of the Banks objectives in any year, the deferred compensation should be subjected to Malus/Clawback arrangements. Similar provisions shall apply in case the individual is found guilty of any major non-compliance or misconduct issues.

(F) Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the Bank utilises and the rationale for using these different forms.

Variable Compensation at the Bank has the following distinct forms:

1. Statutory Bonus
2. Performance Pay:
   a. Performance Bonus
   b. Monthly Variable Pay
3. Rewards & Recognition

The policy has been laid out keeping the following perspectives into considerations:

The Variable pay structure and amounts shall always conform to applicable Income Tax statutes, Labour Laws, Regulatory Requirements, any other applicable statutes and prevalent market practice.

It is designed to promote meritocracy in the organisation i.e. other things being equal, performers in a given role are expected to earn more than his/her peer group.

Statutory Bonus: Statutory Bonus in India is paid as per Payment of Bonus Act, 1965.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Performance Bonus: All employees who are not a part of any Monthly Variable Pay but part of the year end performance review will be covered under the Performance Bonus Plan of the Bank. However, the actual pay-out of performance bonus shall be paid only to employees who have met our performance criteria.

Sales Awards: Employees in the Sales function, directly responsible for revenue generation shall be covered under the Sales Award Scheme if meeting the criteria of the respective scheme. Typically some of the entry level roles and up to two levels of supervision thereof shall be covered by sales awards.

Rewards & Recognition: The Bank shall design schemes and practices from time to time to celebrate employees / departmental/ organisational success. These celebrations may include offering tokens of appreciation to employees as defined in specific schemes. Fairness of application and transparency of communication shall be the hallmark of all such schemes. These will be subject to income tax laws, as applicable. Examples of such schemes may include: Long Service Awards (currently at one, three, five, ten and Fifteen yrs. of completion of service with the Bank), Portfolio Improvement Reward Scheme; Functional R&R Schemes; Organisational Rewards Schemes such as: Service Champion; Process Excellence; Customer Connect Awards; Above and Beyond; Recognition programme for Liabilities Branches for Retail Deposits; Recognition programme for Asset growth in Branches. The EDGE (Executive Development for Growth and Excellence) programme is aimed at identifying high performers and assessing their potential for future leadership roles at the Bank. A mix of behavioural assessments, blended training & development journey and IDPs are deployed to make the identified individuals (EDGE selects) ready for future leadership roles.

13.2 Quantitative Disclosures

The quantitative disclosures cover the Bank's Whole Time Director (WTD) and Material Risk Takers (MRT). The Bank's MRT includes Managing Director and Chief Executive Officer (MD & CEO), Executive Director, Business Head-Micro Banking, Chief Operating Officer, Chief Credit Officer & Chief Financial Officer

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Number of meetings held by Nomination & Remuneration Committee (NRC) and remuneration paid to its members	6 meetings of Nomination & Remuneration Committee (NRC) were held during April 01, 2024 to March 31, 2025. NRC members were paid total sitting fees of ₹ 0.28 for six meetings.	8 meetings of Nomination & Remuneration Committee (NRC) were held during April 01, 2023 to March 31, 2024. NRC members were paid total sitting fees of ₹ 0.40 for eight meetings.
Number of employees having received a variable remuneration award.	Chief Executive Officer & Managing Director, Executive Director, Business Head-Micro Banking, Chief Financial Officer, Chief Credit Officer, Chief Operating Officer. No. of Employees-6 Nos.	Chief Executive Officer & Managing Director, Business Head-Micro Banking, Chief Operating Officer, Chief Credit Officer, Chief Business Officer. No. of Employees-5 Nos.
Number and total amount of 'sign on' awards	₹ 2.5 worth of ESOP issued as Sign on award. 2,872,400 Lakhs shares allocated for this.	NIL
Details of guaranteed bonus if any paid as sign on bonus.	NIL	NIL
Details of severance pay in addition to the accrued benefits.	₹ 0.01 amount paid as severance pay	NIL
Total amount of outstanding deferred remuneration split into cash, shares and share linked instruments and other forms.	Cash : ₹ 0.99 Non Cash: Nil Chief Executive Officer & Managing Director, Executive Director, Business Head-Micro Banking, Chief Operating Officer, Chief Credit Officer, Chief Financial Officer	Cash : ₹ 0.35 Non Cash: Nil Chief Executive Officer & Managing Director, Business Head-Micro Banking, Chief Operating Officer, Chief Credit Officer, Chief Business Officer.
Total amount of deferred remuneration paid.	Cash : ₹0.99 Non Cash: ₹1.79 ESOP grants : 1,099,211 Shares	Cash : ₹ 0.78 Non Cash: ₹2.9 ESOP grants : 1,490,021 Shares

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Breakdown of amount of remuneration awards for the financial Period to show fixed and variable, deferred and non-deferred	Fixed gross : ₹ 8.27 * Variable deferred Cash : ₹ 0.99 **Variable non cash(ESOP) : ₹ 1.79 (ESOP No. of Shares 1,099,211 granted) ***CSAR executed for ₹ 2.01(2,309,415 option considered for the same) Chief Executive Officer&Managing Director, Executive Director, Business Head-Micro Banking, Chief Operating Officer, Chief Credit Officer, Chief Financial Officer	Fixed gross : ₹ 6.80 * Variable deferred Cash : ₹ 0.78 **Variable non cash(ESOP) : ₹ 2.86 (ESOP No. of Shares 1,490,021 granted) Chief Executive Officer&Managing Director, Business Head-Micro Banking, Chief Operating Officer, Chief Credit Officer, Chief Business Officer.
Total amount of outstanding deferred remuneration and retained remuneration exposed to ex-post explicit and implicit adjustments.	Provisioned- Cash : ₹ 3.11 Non Cash: ₹ 3.82 ESOP grants : 4,390,591 Shares(Approx.)	Provisioned- Cash : 3.25 Non Cash: 5.84 ESOP grants : 3,128,288 Shares(Approx.)
Total amount of reductions during the FY due to ex – post explicit adjustments	Nil	Nil
Total amount of reductions during the FY due to ex – post implicit adjustments	Nil	Nil
Number of Material Risk Takers (MRT) identified	6	5
Number of cases where malus has been exercised[3]	Nil	Nil
Number of cases where clawback has been exercised[3]	Nil	Nil
Number of cases where both malus and clawback have been exercised[3]	Nil	Nil
General Quantitative Disclosure[3]		
The mean pay for the Bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay.	₹ 0.06 (excluding MD & CEO/ ED) MD & CEO: 36.27 X ED: 27.20 X	₹ 0.05 (excluding MD & CEO) 34.94 X

Note:

* ESOPs of Active MRT's and sign-on grant included. ESOPs are granted not exercised.

** Annual Performance Bonus included as Variable deferred.

*** CSAR executed for Ex-MD, the same has not exercised yet.

1. Current year disclosure is for WTD and MRTs. Previous year disclosure is for WTD and Key Risk Takers (KRTs).
2. For cash component - payment to be made as per guidance and approval of regulatory authority.
3. As per RBI circular 2019-20/89 DOR.Appt.BC.No.23/29.67.001/2019-20 dated November 04, 2019, new disclosure have been presented for current year only.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

14 OTHER DISCLOSURES

a) Business Ratios:

Particulars	As on March 31, 2025	As on March 31, 2024
Interest income as a percentage to working funds[1]	14.65%	15.38%
Non-interest income as a percentage to working funds[1]	1.95%	2.13%
Cost of Deposits	7.54%	7.36%
Net interest Margin	8.67%	9.06%
Operating profit as a percentage to working funds[1,4]	3.89%	5.20%
Return on assets[2]	1.67%	3.47%
Business (deposits plus gross advances) per employee[3]	24,275	25,989
Profit/(Loss) per employee	309.37	633.82

Notes:

1) Working funds represent average of total assets as reported to RBI in Form X under Section 27 of the Banking Regulation Act, 1949 during the Year. Working funds for the previous year includes assets of eUFSL.
2) Returns on assets are computed with reference to average working funds.
3) Business is defined as total of average of gross advances and deposits (net of inter-bank deposits and Deposits from Bank -Certificate of Deposits).
4) Operating profit is net profit for the Year before provisions and contingencies and profit / (loss) on sale of building and other assets (net).

b) Bancassurance Business

Commission, Exchange and Brokerage in Schedule 14 include the following fees earned on Bancassurance business:

(₹ in Crores)

Nature of Income	As on March 31, 2025	As on March 31, 2024
Towards selling of life insurance policies	108.86	104.06
Towards selling of non life insurance policies	6.54	7.31
Towards selling of mutual fund and other products*	0.47	0.25

*Includes income earned from Atal Pension yojana (APY) of ₹ 0.29 (Previous Year: ₹0.06) and National pension scheme (NPS) of ₹0.001 (Previous Year: ₹ Nil)

c) Marketing and distribution

There are no fees/remuneration received in respect of the marketing and distribution function(excluding bancassurance business) undertaken by the Bank for current year and previous year.

d) Priority Sector Lending Certificates (PSLC)

(₹ in Crores)

Particulars	For the year ended March 31, 2025		For the year ended March 31, 2024	
	PSLC Sold	PSLC Purchased	PSLC Sold	PSLC Purchased
1) PSLC Agriculture	-	-	-	-
2) PSLC Small Farmers / Marginal Farmers	2,800.00	-	3,625.00	
3) PSLC Micro Enterprises	500.00	-	-	
4) PSLC General	-	-	-	-
Total	**3,300.00**	**-**	**3,625.00**	**-**

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

e) Provisions and Contingencies

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Provision for NPA (including bad debts written off)	725.16	188.53
Provision for Standard Assets	22.54	26.41
Provision for Income tax (Net of deferred tax liability/(asset) of ₹ 1,45,657 (PY-₹ 752,455) refer schedule 18 (26.1)	215.46	420.67
Other Provisions and Contingencies	(0.04)	(0.01)
Total	**963.12**	**635.61**

f) Implementation of IFRS converged Indian Accounting Standards (IND AS)

Reserve Bank of India (RBI) through press release RBI/2018-2019/146 DBR.BP.BC.No.29/21.07.001/2018-19, dated March 22, 2019, updated all Scheduled Commercial Banks that legislative amendments recommended by the RBI are under consideration of the Government of India. Accordingly, RBI had decided to defer the implementation of Ind AS till further notice. Bank is gearing itself to bring the necessary systems in place to facilitate the Proforma submission to RBI. With respect to various instructions from Ministry of Corporate Affairs and Reserve Bank of India (RBI), the actions taken by the Bank are as follows:

1. Bank is in the process of Implementing changes required in existing IT architecture and other processes to enable smooth transition to Ind AS.
2. As directed by RBI, the Bank is submitting half yearly Proforma Ind AS financial statements to RBI within the stipulated timelines.
3. Training to the employees is imparted in phased manner
4. The Bank will continue its preparedness towards adoption of Ind AS as per the regulatory requirement, and liaise with RBI and Industry Bodies on various aspects pertaining to Ind AS implementation.

g) Payment of DICGC Insurance premium

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Payment of DICGC Insurance premium	32.00	25.53
Arrears in Payment of Insurance premium	-	-

h) Disclosure of Letters of Comfort issued by the Bank:

The Bank has not issued any Letter of Comfort during the current and previous year.

15 DISCLOSURE ON REMUNERATION TO NON-EXECUTIVE DIRECTORS:

The Non-Executive Directors are paid Sitting Fees for attending meetings of the Board and its Committees. As per the board resolution dated June 8, 2022 , the sitting fee per director per meeting is as given as below. During the year the Bank has paid sitting fee (inclusive of GST) of ₹2.75 (PY. ₹2.77).

Meeting	Revised Sitting Fees per director per meeting
Board	₹ 100,000
1. Audit Committee 2. Risk Management Committee 3. Nomination and Remuneration Committee 4. IT Strategy Committee 5. Business Strategy Committee	₹ 100,000
1. CSR Committee 2. Stakeholders Relationship Committee 3. Customer Service Committee 4. Special Committee of Board for Monitoring and Follow-up of cases of Frauds 5. Review Committee of Wilful defaulters 6. Other Committees	₹ 75,000

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Name of Directors	Year ended March 31, 2025	Year ended March 31, 2024
Ms. Rajni Mishra	0.40	0.36
Mr. Rajesh Kumar Jogi	0.43	0.47
Mr. Banavar Anantharamaiah Prabhakar	0.47	0.49
Mr. Ravichandran Venkataraman	0.43	0.44
Mr. Samit Kumar Ghosh**	0.27	0.44
Ms. Sudha Suresh	0.28	0.32
Mr. Satyaki Rastogi (SIDBI)*	-	0.01
Ms. Anita Ramchandran	0.23	0.23
Ms. Mona Kachhwaha***	0.23	-
Total	**2.75**	**2.77**

* Mr. Satyaki Rastogi ceased to be the Director on the Bank's Board w.e.f. July 17, 2023.

** Mr. Samit Kumar Ghosh ceased to be the Director on the Bank's Board w.e.f. November 30, 2024.

***Ms. Mona Kachhwaha was appointed as an Independent Director on the Bank's Board w.e.f. May 18, 2024.

16 Under the Micro, Small and Medium Enterprises Development Act, 2006 which came into force from October 2, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. There have been no reported cases of delays in payments to micro and small enterprises or of interest payments due to delays in such payments.

17 CORPORATE SOCIAL RESPONSIBILITY

(₹ in Crores)

Particulars		Year ended March 31, 2025	Year ended March 31, 2024
Gross amount required to be spent including deficit of previous year	(a)	18.54	6.32
Amount spent during the year			
Construction/acquisition of any asset		-	-
Other projects		15.02	5.34
Total amount spent #	(b)	15.02	5.34
Unspent as at the year end	(c =(a - b))	3.52	0.98
Previous year short fall		-	-
Reason for short fall / unspent balance		Project under implementation	Project under implementation
Nature of CSR activities		As given below	As given below

The shortfall of ₹ 0.98 Crores as at March 31, 2024 was spent during the year ending March 31, 2025.

As per Bank's CSR Policy upto 2% of the average net profit of the last 3 preceeding 3 years is allocated for CSR activities. During the year the Bank has set aside 2% as CSR funds. (March 31, 2024 : 2%)

Nature of CSR activities :-

Children education, Sustainable village development, waste management, liveable city projects, community school infrastructure, Skill training for rural youth, flood rehabilitation, sustainable development initiatives, Health care support.

Pursuant to Section 135(5) & 135(6) of Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014(Amended), Bank has transferred ₹ 3.52 Crores to the “Unspent CSR Account” as on March 31, 2025 (March 31, 2024 : ₹ 0.98 Crores) towards the Ongoing projects approved by the CSR Committee.

Refer note 18(23) for the related parties involved in activities relating to Corporate Social Responsibility.

18 PORTFOLIO-LEVEL INFORMATION ON THE USE OF FUNDS RAISED FROM GREEN DEPOSITS

In reference to the RBI Notification No: DOR.SFG.REC.10/30.01.021/2023-24 dated April 11, 2023 with respect to the disclosure related to acceptance of green deposits, the Bank has not raised any funds from green deposits in the current year.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

19 PAYMENTS TO AUDITOR'S (SCHEDULE -16 AUDITOR'S FEES AND EXPENSES)

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Audit Fees*	1.66	1.55
Tax Audit Fees	-	0.06
Certification and other attest services	-	0.02
Out-of Pocket Expenses*	0.21	0.32
Total	**1.87**	**1.96**

*Audit Fees and Out of pocket expenses for the Previous year of ₹0.12 paid by erstwhile Ujjivan Financials services Limited ,merged with the Bank pursuant to the scheme of Amalgamation as detailed in the note. 18(30).

20 DEFERRED TAX

In accordance with Accounting Standard -22 "Accounting for Taxes on Income", the Company has recognised deferred tax (asset)/ Liability as detailed below:

As at March 31, 2025

(₹ in Crores)

Particulars	Deferred Tax (Assets) / Liabilities as at April 01, 2024 of USFB	Previous years (credit) / charge	Current year (credit) / charge	Deferred Tax (Assets) / Liabilities As at March 31, 2025
Deferred Tax Liability	-	-	-	-
Difference between book and tax depreciation	6.37	(0.99)	2.68	8.06
Special reserve u/s 36(1)(viii)	11.70	-	5.29	16.99
AFS Reserve	-	-	0.04	0.04
Deferred Tax Asset	-	-	-	-
Provision for Employee benefits recognised in the financial statements, but to be allowed on payment	(32.69)	(4.31)	(6.62)	(43.62)
Provision for non performing advances/ standard advances recognised in financial statements, but to be allowed on write off	(199.53)	(1.20)	12.47	(188.26)
On account of unobserved losses and allowance	-	-	-	-
Others	(13.33)	0.02	(1.13)	(14.44)
Net Deferred Tax (Asset) / Liability	**(227.48)**	**(6.48)**	**12.73**	**(221.23)**

As at March 31, 2024

(₹ in Crores)

Particulars	Deferred Tax (Assets) / Liabilities as at April 01, 2023 of USFB	Deferred Tax (Assets) / Liabilities as at April 01, 2023 of USFL **	Previous years (credit) / charge	Current year (credit) / charge	Deferred Tax (Assets) / Liabilities As at March 31, 2024
Deferred Tax Liability					
Difference between book and tax depreciation	2.72	(0.00)	-	3.65	6.37
Special reserve u/s 36(1)(viii)	7.55	-	-	4.15	11.70
Deferred Tax Asset	-	-	-	-	-

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Particulars	Deferred Tax (Assets) / Liabilities as at April 01, 2023 of USFB	Deferred Tax (Assets) / Liabilities as at April 01, 2023 of USFL **	Previous years (credit) / charge	Current year (credit) / charge	Deferred Tax (Assets) / Liabilities As at March 31, 2024
Provision for Employee benefits recognised in the financial statements, but to be allowed on payment	(67.68)	(0.01)	38.75	(3.75)	(32.69)
Provision for non performing advances/ standard advances recognised in financial statements, but to be allowed on write off	(201.82)	-	(12.54)	14.83	(199.53)
On account of unobserved losses and allowance	-	-	-	-	-
Others	(10.44)	-	-	(2.89)	(13.33)
Net Deferred Tax (Asset) / Liability	**(269.68)**	**(0.01)**	**26.22**	**15.99**	**(227.48)**

**The opening balance of Deferred Tax (Assets) of ₹ 0.01 pertaining to eUFSL is in pursuance with the scheme of amalgamation as detailed in Note 18(30).

21 EMPLOYEE BENEFITS (AS-15) REVISED

21.1 Gratuity:

Gratuity is a defined benefits plan. The Bank has obtained qualifying insurance policies from an Insurance Company. The following table summarises the components of net expenses recognised in the Profit and Loss Account and funded status and amounts recognised in the Balance Sheet on the basis of actuarial Valuation. Actuarial losses/ gains are recognised in the Profit and Loss Account in the year in which they arise.

Details of defined benefit plan of gratuity are given below:

(₹ in Crores)

Changes in the present value of the obligation	As on March 31, 2025	As on March 31, 2024
Opening balance of Present Value of Obligation	80.05	67.91
Interest Cost	5.47	4.65
Current Service Cost	15.31	13.90
Benefits Paid	(7.42)	(7.13)
Actuarial loss / (gain) on Obligation	3.48	0.71
Acquisitions/Divestures/Transfers	-	-
Closing balance of Present Value of Obligation	96.89	80.05
Reconciliation of opening and closing balance of the fair value of the Plan Assets		
Opening balance of Fair value of Plan Assets	63.66	56.54
Adjustment to Opening Balance	-	-
Transfer In/Acquisitions	-	-
Expected Return on Plan assets	4.88	4.24
Contributions	16.40	11.38
Other charges (Service tax, FMC, Mortality charges, etc)	-	-
Benefits Paid	(7.42)	(7.13)
Actuarial Gain/(loss) Return on Plan Assets	2.05	(1.37)
Closing balance of Fair Value of Plan Assets	79.57	63.66
Actual Return on Plan Assets	6.93	2.87

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

(₹ in Crores)

Profit and Loss – Expenses	Year ended March 31, 2025	Year ended March 31, 2024
Current Service Cost	15.31	13.90
Interest Cost	5.47	4.65
Expected Return on Plan assets	(4.88)	(4.24)
Net Actuarial loss/(gain) recognised in the year	1.05	2.09
Add: Expenses of erstwhile Ujjivan Financial Services Limited, merged pursuant to the scheme of amalgamation detailed in Note 18(30)	-	0.00
Expenses recognised in the Profit and Loss Account	16.95	16.40

Funded status (100% Insurance managed funds)	As on March 31, 2025	As on March 31, 2024
Actuarial Assumptions		
Discount Rate	6.71%	7.16%
Expected Rate of Return on Plan Assets	7.16%	7.23%
Expected Rate of Salary Increase	9.00%	9.00%
Employee Attrition Rate	25.15%	26.26%

Experience Adjustments

Particulars	As on March 31, 2025	As on March 31, 2024	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
Plan Assets	79.56	63.66	56.54	48.77	45.94
Defined benefit obligation	96.89	80.05	67.91	60.18	56.15
Surplus/ (Deficit)	(17.33)	(16.40)	(11.38)	(11.41)	(10.21)
Actuarial (Gain)/ Losses due to Experience on Defined Benefit Obligation	(1.18)	1.39	0.09	(0.06)	(0.87)

The expected rate of return on assets is determined based on the assessment made at the beginning of the year on the return expected on its existing portfolio, along with the estimated increment to the plan assets and expected yield on the respective assets in the portfolio during the year.

Category of Plan Assets	As on March 31, 2025	As on March 31, 2024
Assets Under Insurance Schemes	100%	100%

(a) The estimates of future salary increases, considered in actuarial valuation, takes into account, inflation, seniority, promotions and other relevant factors, such as demand and supply in the employment market.

(b) During the current and previous year the Bank does not have unamortised gratuity and pension liability.

(c) Discount rate is based on the prevailing market yields of Indian Government Bonds as on the Balance Sheet date for the estimated term of the obligation.

(d) The Code on Wages, 2019 ("Code") and other connected legislations enacted by the Government of India envisages payment of wages (as defined) which is not less than 50% of all monthly remuneration paid to employees (as defined). The effective date of these legislations and the rules relevant thereto have not yet been notified by the Government of India. The current wages as a percentage to the remuneration for certain employees as per Company's salary structure is less than that envisaged in these legislations. As and when the legislations are notified, there may be an increase in the accrued gratuity liability of the employees of the Company. This possible additional liability has currently not been quantified.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

21.2 Compensated Absences

The Actuarial liability of compensated absences of accumulated privileged leaves of the employees is given below:

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Privileged Leave Actuarial Liability as per actuarial report	(66.24)	56.74
Add: Liability of erstwhile Ujjivan Financial Services Limited, merged pursuant to the scheme of amalgamation detailed in Note 18(30)	-	0.02
Privileged Leave Actuarial Liability	(66.24)	56.76
Assumptions		
Discount Rate	6.71%	7.16%
Salary Escalation Rate	9.00%	9.00%

21.3 Defined Contribution Plans

(₹ in Crores)

Amount recognised in the Statement of Profit and Loss		As on March 31, 2025	As on March 31, 2024
(i)	Provident fund Contributed to the Authorities	40.33	31.50
(ii)	Pension fund Contributed to the Authorities	29.13	26.74
(iii)	Fund contributed to authorities by erstwhile Ujjivan Financial Services Limited, merged pursuant to the scheme of amalgamation detailed in Note 18(30)	-	0.02
(iii)	National pension scheme Contributed to Authorities	3.24	2.32

22 SEGMENT REPORTING

In accordance with the guidelines issued by RBI & AS-17, the Bank has adopted Segment Reporting as under:

A) Treasury :

The Treasury Segment primarily consists of net interest earnings from the Bank's Investment portfolio, money market borrowing and lending, gains or losses on Investment operations and income from sale of PSLC.

B) Retail Banking:

The Retail Banking Segment serves retail customers through a branch network and other delivery channels. Retail Banking includes lending to and deposits from retail customers and identified earnings and expenses of the segment. This segment raises deposits from customers and provides loans and other services to customers. Revenues of the retail banking segment are derived from interest earned on retail loans, processing fees earned and other related incomes. Expenses of this segment primarily comprise interest expense on deposits & Borrowings, infrastructure and premises expenses for operating the branch network and other delivery channels, personnel costs, other direct overheads and allocated expenses.

As per the RBI Circular DOR.AUT.REC.12/22.01.001/2022-23 dated April 07, 2022, for the purpose of disclosure under Accounting Standard 17, Segment reporting, 'Digital Banking' has been identified as a sub-segment under Retail Banking by Reserve Bank of India (RBI). However, as the proposed Digital Banking Unit (DBU) of the Bank has not yet commenced operations and having regard to the discussions of the DBU Working Group formed by Indian Banks' Association (IBA) (which included representatives of banks and RBI), held on July 14, 2022, reporting of Digital Banking as a separate sub-segment of Retail Banking Segment will be implemented by the Bank based on the decision of the DBU Working Group.

C) Corporate/ Whole Sale Banking:

The Wholesale Banking Segment provides loans to Corporates and Financial Institutions. Revenues of the wholesale banking segment consist of interest earned on loans made to customers. The principal expenses of the segment consist of interest expense on funds borrowed from external sources and other internal segments, premises expenses, personnel costs, other direct overheads and allocated expenses of delivery channels, specialist product groups, processing units and support groups.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

As on March 31, 2025

(₹ in Crores)

	Part A: Business segments				
	Business Segments →	**Treasury**	**Retail Banking**	**Corporate/ Wholesale Banking**	**Total**
	Particulars ↓	**March 31, 2025**	**March 31, 2025**	**March 31, 2025**	**March 31, 2025**
1	Revenue	863.93	6,140.56	196.10	7,200.59
2	Unallocated Revenue	-	-	-	-
3	(less) Inter Segment Revenue	-	-	-	-
4	**Total Income (1+2-3)**	**863.93**	**6,140.56**	**196.10**	**7,200.59**
5	**Segment Result**	73.95	844.37	79.13	**997.45**
6	Unallocated Expenses	-	-	-	55.88
7	Operating Profit	-	-	-	941.57
8	Tax Expenses (including deferred tax)	-	-	-	215.47
9	Extraordinary Profit/ Loss	-	-	-	-
10	**Net Profit (5-6-8-9)**	-	-	-	**726.10**
	Other Information:	-	-	-	-
11	Segment Assets	14,825.46	29,799.42	2,767.97	47,392.85
12	Unallocated Assets	-	-	-	296.30
13	**Total Assets**	-	-	-	**47,689.15**
14	Segment Liabilities	12,934.27	25,998.09	2,414.88	41,347.24
15	Unallocated Liabilities	-	-	-	258.50
16	Capital Employed	1,891.19	3,801.33	353.09	6,045.61
17	Unallocated Capital Employed	-	-	-	37.80
18	**Total Liability**	-	-	-	**47,689.15**

Tax paid in advance / tax deducted at source (net of provisions), Deferred Tax Assets and others which cannot be allocated to any segments, have been classified as unallocated assets.

Part B: Geographic Segment

The Bank operations are predominantly confirmed within one geographical segment (India) and accordingly, this is considered as the only secondary segment.

As on March 31, 2024

(₹ in Crores)

	Part A: Business segments				
	Business Segments →	**Treasury**	**Retail Banking**	**Corporate/ Wholesale Banking**	**Total**
	Particulars ↓	**March 31, 2024**	**March 31, 2024**	**March 31, 2024**	**March 31, 2024**
1	Revenue	715.23	5,617.76	130.92	6,463.91
2	Unallocated Revenue	-	-	-	-
3	***(less) Inter Segment Revenue***	-	-	-	-
4	**Total Income (1+2-3)**	**715.23**	**5,617.76**	**130.92**	**6,463.91**
5	**Segment Result**	93.04	1,604.58	54.45	1,752.07
6	Unallocated Expenses	-	-	-	49.90
7	Operating Profit	-	-	-	1,702.17
8	Tax Expenses (including deferred tax)	-	-	-	420.67
9	Extraordinary Profit/ Loss	-	-	-	-
10	**Net Profit (5-6-8-9)**	-	-	-	**1,281.50**
	Other Information:	-	-	-	-
11	Segment Assets	12,213.17	26,268.88	1,712.69	40,194.74
12	Unallocated Assets	-	-	-	227.48
13	**Total Assets**	-	-	-	**40,422.22**
14	Segment Liabilities	10,517.11	22,620.88	1,474.85	34,612.84
15	Unallocated Liabilities	-	-	-	195.89
16	Capital Employed	1,696.06	3,648.00	237.84	5,581.90
17	Unallocated Capital Employed	-	-	-	31.59
18	**Total Liability**	-	-	-	**40,422.22**

Tax paid in advance / tax deducted at source (net of provisions), Deferred Tax Assets and others which cannot be allocated to any segments, have been classified as unallocated assets.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Part B: Geographic Segment

The Bank operations are predominantly confirmed within one geographical segment (India) and accordingly, this is considered as the only secondary segment.

23 RELATED PARTY DISCLOSURES (AS-18)

As per AS 18 Related Party Disclosures notified under Section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rule 2014 and Companies (Accounting Standards) Amendment Rules 2016, the Banks' related parties during the year ended March 31, 2025 are disclosed below:

Key Management Personnel (KMP):

Mr. Ittira Davis (Managing Director and CEO)*

Mr. Sanjeev Nautiyal (Managing Director and CEO)**

Mr. M.D. Ramesh Murthy (Chief Financial Officer)***

Mr. Sadananda Balakrishna Kamath (Chief Financial Officer)****

Mr. Sanjeev Barnwal (Company Secretary)

Ms. Carol Furtado (Whole Time Director)

Relatives of Key Management Personnel (KMP):

Anna Ittira Davis*

Neeraja Murthy Mocherla***

Priyanka Barnwal

Padma Balakrishna Kamath ****

Directors (other than Executive Directors listed under KMP):

Mr. Banavar Anantharamaiah Prabhakar (Part time Chairman & Independent Director)

Mrs. Rajni Anil Mishra (Independent Director)

Mr. Rajesh Kumar Jogi (Independent Director)

Mr. Ravichandran Venkataraman (Independent Director)

Mr. Samit Kumar Ghosh (Non-Executive Director)#

Ms. Sudha Suresh (Independent Director)

Ms. Anita Ramachandran (Independent Director)

Ms. Mona Kachhwaha (Independent Director)

* Mr. Ittira Davis ceased to be Managing Director & CEO with effect from June 30, 2024.

** Mr. Sanjeev Nautiyal is appointed as Managing Director and CEO with effect from July 01, 2024.

*** Mr. M.D. Ramesh Murthy ceased to be a Chief Financial Officer with effect from October 07, 2024.

**** Mr. Sadananda Balakrishna Kamath appointed as a Chief Financial Officer with effect from December 05, 2024.

#Mr. Samith Kumar Ghosh ceased to be Director on the Board of the Bank with effect from November , 2024.

Enterprise in which Director/KMP are Directors :

Parinaam Foundation

Enterprise in which KMP are trustees :

Ujjivan Welfare and Relief Trust

USFB Employee's Gratuity Trust

In accordance with paragraph 5 of AS - 18, the Bank has not disclosed certain transactions with relatives of Key Management Personnel that are in the nature of banker-customer relationship. In like manner, breakup of deposits accepted during the year, deposits outstanding at the end of the year and interest on deposits has not been furnished party wise in respect of Directors and KMP and enterprises in which relatives of KMP are members since they are in the nature of bank and customer transactions.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Transactions with Related Parties for the year ended March 31, 2025

(₹ in Crores)

Items/Related Party	KMP	Relatives of KMP	Directors	Enterprise in which Director/ KMP are Directors	Enterprise in which KMP are members	Total
Deposit*	(4.40)	(1.03)	(4.08)	(10.46)	(1.26)	**(21.23)**
	3.04	0.90	2.52	10.46	1.26	**18.18**
Deposit accepted during the year	1.57	0.79	2.16	9.60	0.45	**14.57**
Deposit repaid during the year	1.19	0.08	2.62	9.03	0.28	**13.20**
Inter Company Transfer - Amount Paid	-	-	-	-	0.21	**0.21**
Reimbursement of expenses - Amount Paid	-	-	0.02	-	-	**0.02**
Bank Contribution to Related parties under CSR/Donation	-	-	-	6.00	0.21	**6.21**
Sitting Fees paid	-	-	2.75	-	-	**2.75**
Interest on Deposits	0.31	0.07	0.15	0.61	0.09	**1.23**
Payment of Remuneration **	6.83	-	-	-	-	**6.83**
Equity dividend	0.24	-	0.63	-	-	**0.87**
Receiving of services	-	-	-	0.74	-	**0.74**

*Figures in bracket indicate maximum balance outstanding during the year based on comparison of the total outstanding balances at each quarter-end.

**The above Remuneration excludes accrued gratuity and compensated absence provision, since the same is assessed for the Bank as a whole.

Transactions with Related Parties for the year ended March 31, 2024

(₹ in Crores)

Items/Related Party	KMP	Relatives of KMP	Directors	Enterprise in which relatives of KMP/Directors are members	Enterprise in which KMP are members	Total
Deposit*	(2.06)	(0.64)	(4.28)	(10.59)	(0.91)	**(18.47)**
	1.72	0.13	4.09	9.67	0.89	**16.48**
Deposit accepted during the year	1.09	0.10	0.83	5.09	0.70	**7.82**
Deposit repaid during the year	1.09	0.01	0.23	-	0.25	**1.57**
Inter Company Transfer - Amount Paid	-	-	-	-	0.17	**0.17**
Inter Company Transfer - Amount Received	-	-	-	-	-	**-**
Reimbursement of expenses - Amount Received	-	-	-	-	-	**-**
Reimbursement of expenses - Amount Paid	-	-	0.00	-	-	**0.00**
Bank Contribution to Related parties under CSR/Donation	-	-	-	2.50	0.17	**2.67**
Sitting Fees paid	-	-	2.77	-	-	**2.77**
Interest on Deposits	0.15	0.03	0.24	0.63	0.04	**1.09**
Payment of Remuneration **	4.74	-	-	-	-	**4.74**
Preference dividend	-	-	-	-	-	**-**
Equity dividend	0.01	-	0.18	-	-	**0.19**
Receiving of services	-	-	-	0.66	-	**0.66**

*Figures in bracket indicate maximum balance outstanding during the year based on comparison of the total outstanding balances at each quarter-end.

**The above Remuneration excludes accrued gratuity and compensated absence provision, since the same is assessed for the Bank as a whole.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Balances with Related Parties for the year

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Enterprise in which KMP are members		
Ujjivan Welfare and Relief Trust	(1.19)	(0.91)
	1.19	0.91
USFB Employee's gratuity Trust	(0.13)	(0.44)
	0.12	0.13
Outstanding Balance with enterprise in which relative of Key Management Personnel are Members		
Parinaam Foundation	(10.88)	(10.59)
	10.88	10.59
KMP	(4.63)	(2.06)
	3.23	1.74
Relatives of KMP	(1.07)	(0.64)
	0.95	0.13
Directors	(4.12)	(4.28)
	2.62	4.28

Figures in bracket indicates maximum balance outstanding during the year based on comparison of the total outstanding balances at each quarter end.

24 OPERATING LEASES (AS-19)

The Bank has taken premises and certain equipments on operating lease for a period of time. There are no provisions relating to contingent rent.

The future minimum lease payments under non-cancellable operating leases are as follows:

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
i) Not later than one year	12.68	108.95
ii) Later than one year but not later than five years	167.73	299.59
iii) Later than five years	276.33	91.28

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
The total of minimum lease payments recognised in the Profit and Loss Account for the year	130.33	112.52

25 EARNINGS PER SHARE

The Bank reports basic and diluted earnings per Equity share in accordance with Accounting Standard-20 Earnings Per Share.

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Profit available to equity share holders - (A)	726.10	1,281.49
Weighted average shares outstanding – Basic (Nos. in Crores) - (B)*	193.38	192.78
Weighted average shares outstanding – Diluted (Nos. in Crores) - (C)*	195.62	196.06
Nominal Value of Equity Shares (₹)	10	10
Earnings per share – Basic (₹) - (A/B)	3.75	6.65
Earnings per share – Diluted (₹)	3.71	6.54

*Previous year includes eUFSL shares pending allotment pursuant to merger as detailed in Note 18(30).

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

26 MISCELLANEOUS

26.1 Provisions for taxation during the year:

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Income Tax	217.25	404.68
Deferred tax Liability/ (Asset) - (refer note 18(20))*	12.69	-
Tax for earlier years		
Income Tax - Prior Period	(7.99)	-
Deferred Tax	(6.48)	15.99
Total	**215.47**	**420.67**

* Excluding DTL of ₹ 0.04 created in AFS reserve in terms of RBI Master Direction on Classification , Valuation and Operation of Investment Portfolio of Commercial Bank (Directions) 2023 dated 12/09/2023 on Measurement of AFS Securities.

26.2 Fixed Assets

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Fixed Assets excluding Computer Software		
Opening balance (cost)	577.51	425.05
Additions during the year	112.93	194.29
Deduction during the year	(24.83)	(41.83)
Depreciation to date	(360.92)	(289.90)
Balance at the end of the year	**304.69**	**287.61**

The Bank has tested for the impairment during the year and there is no requirement for impairment provision for any asset.

26.3 Computer Software

The movement in fixed assets capitalised as computer software is given below:

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
Opening balance (cost)	299.97	262.75
Additions during the year	72.91	37.22
Deduction during the year	(0.00)	-
Depreciation to date	(233.83)	(192.73)
Balance at the end of the year	**139.05**	**107.24**

26.4 Description of Contingent Liabilities:

(₹ in Crores)

Particulars	As on March 31, 2025	As on March 31, 2024
i) Claims against the Bank not acknowledged as debt		
- Taxation	19.90	6.40
- Other Legal cases	2.20	0.26
ii) Guarantees given on behalf of Constituents	1.10	30.44
iii) Other items for which the Bank is contingently liable	-	-
- Capital commitments not provided/ others	48.56	106.49
- Amount transferred to Depositor Education and Awareness Fund (DEAF)	1.33	1.31
Total	**73.09**	**144.91**

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Contingent liability	Brief description
Claims against the Bank not acknowledged as debts - Other legal cases	The Bank is a party to various legal proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows.
Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial banking activities, the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the Bank's customers. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfil its financial or performance obligations.
Other items for which the Bank is contingently liable	These include: a) Capital commitments; b) Amount transferred to the RBI under the Depositor Education and Awareness Fund (DEAF)

26.5 Investor education and protection fund

During the year the Bank has transferred ₹ 0.02 to Investor Education and Protection Fund (Previous year ₹ 0.004).

26.6 Other Income/Expenditure:

Other Income:

Other income includes processing fees, profit/(loss) on sale of investments, profit/(loss) on revaluation of FVTPL/HFT investments, non-fund based income such as commission earned from guarantees, selling of third party products, recovery from loans written off, income from dealing in PSLC, etc.

Details of item under Miscellaneous income head exceeds one per cent of the total income.

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Bad Debts Recovery	112.66	140.58

Expenditure:

Details of item under Other expenditure head exceeds one per cent of the total income

(₹ in Crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Manpower Cost*	88.00	67.82
IT related expenses**	157.04	123.25

*Manpower cost includes outsourcing cost and collection agency cost.

**IT related expenses includes Maintenance cost of computer equipment, AMC-Hardware, AMC-Software, Managed IT services and cost for technology and subscription.

26.7 Other Asset:

There are no item of Others under Other Assets head exceeds one per cent of the total asset during the year ended March 31, 2025 and March 31, 2024.

26.8 Other Liabilities and provision:

There are no item of Others including provisions under Other Liabilities and Provisions head exceeds one per cent of the total assets during the year ended March 31, 2025 and March 31, 2024.

26.9 Provision for Long term contracts

The Bank has a process whereby periodically all long term contract are assessed for material foreseeable losses. At the year end, the Bank has reviewed and ensured that no provision is required under any law / accounting standards on such long term contracts as on March 31, 2025 and March 31, 2024.

26.10 Credit card and debit card reward points

The Bank does not have credit card products, hence reward points are not applicable. Also, the Bank does not provide any reward points on debit card.

26.11 Audit Trail

The Bank has used accounting software systems for maintaining its books of account for the financial year ended March 31, 2025 which have the feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature was not enabled for certain master records in one application relating to accounts payable, fixed assets, chart of accounts for the period April 1, 2024 till February 24, 2025 . The Bank has established and maintained an adequate internal financial controls over financial reporting and based on its assessment, has concluded that the internal controls for the year ended 31 March 2025 were effective.

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

27 Share-based payments

27(A) Employee Share Option Plan (ESOP)

27(A)(1) Details of the employee share option plan of the Bank

The Bank has share option scheme for employees (which includes the employees of the Holding Company) , being ESOP 2019.

Employee Stock Options (ESOPs): The ESOP 2019 is the scheme under which the Bank has issued options to the employees. The Bank has approved its ESOP Plan, 2019 in the Shareholders meeting held on March 29, 2019. During the year ended March 31, 2025, the Bank has granted 71,23,499 options under the ESOP 2019 to eligible employees. Also, as on March 31, 2025, 79,60,192 options has been exercised and 5,16,10,678 options has been lapsed/cancelled. As on March 31, 2025 there are exercisable options of 4,21,58,476 which are vested and 5,44,03,929 options are yet to be vested. The lapsed / cancelled options are added back to the ESOP pool 2019 for future grants. In addition, the Bank has also granted 23,09,415 cash settled Stock Appreciation Rights to earstwhile MD & CEO, during the year.

The vesting period for the options granted under ESOP 2019 is as under:

Particulars	Options Granted	Year 1	Year 2	Year 3	Year 4	Year 5
ESOP 2019 - Original	37,000,403	20%	20%	20%	20%	20%
ESOP 2019 - Additional	3,798,697	52%	48%	-	-	-
ESOP 2019 - Senior Hire	304,549	20%	20%	20%	20%	20%
ESOP 2019 (Senior Hire) Additional	199,949	20%	20%	20%	20%	20%
ESOP 2019 Additional Grant	30,157,303	15%	20%	25%	40%	
ESOP 2019 (Senior Hire) Additional Grant-2	166,842	20%	20%	20%	20%	20%
ESOP 2019 (Senior Hire) Additional Grant-3	115,025	20%	20%	20%	20%	20%
ESOP 2019 additional Grant 4	80,685	15%	20%	25%	40%	-
ESOP 2019 Senior Hire_6	280,511	25%	25%	25%	25%	-
ESOP 2019 _MD_2	221,970	33%	33%	33%	-	-
ESOP 2019_Additional Grant Jan 2023	47,393,431	20%	20%	30%	30%	-
ESOP 2019 Senior Hire_&-2023	252,496	20%	20%	30%	30%	-
ESOP 2019_Additional Grant Oct 2023	27,951,816	20%	20%	30%	30%	-
ESOP 2019_Senior Grant Oct 2023	61,348	20%	20%	30%	30%	-
ESOP 2019_MD Grant Oct 2023	1,024,751	33%	33%	33%		-
ESOP 2019_Senior Grant May 2024	69,742	20%	20%	30%	30%	-
UFSL - Special Grant May 2024	2,848,007	33%	33%	33%		-
ESOP_2019_Senior Hire_Aug 2024	66,375	20%	20%	30%	30%	-
ESOP_2019_MRT_Aug 2024	1,099,211	20%	20%	30%	30%	-
CSAR for Ex-MD	2,309,415	20%	20%	30%	30%	-
ESOP 2019_Senior Hire Mar 2025	3,040,164	20%	20%	30%	30%	-
Total	**158,442,690**	**-**	**-**	**-**	**-**	**-**

The following share-based payment arrangements were in existence during the current year:

Options Series	Number	Grant Date	Date of Vesting	Expiry Date	Exercise Price	Fair value at Grant Date
ESOP 2019 - Original	37,000,403	August 08, 2019	August 08, 2020	August 08, 2025	35.00	17.25
		August 08, 2019	August 08, 2021	August 08, 2026	35.00	19.31
		August 08, 2019	August 08, 2022	August 08, 2027	35.00	21.13
		August 08, 2019	August 08, 2023	August 08, 2028	35.00	22.77
		August 08, 2019	August 08, 2024	August 08, 2029	35.00	24.24
ESOP 2019 - Additional	3,798,697	December 4, 2019	December 12, 2020	December 12, 2025	35.00	17.25
		December 4, 2019	December 12, 2021	December 12, 2026	35.00	19.31
ESOP 2019 - Senior Hire	304,549	November 02, 2020	November 02, 2021	November 01, 2026	30.75	11.78
		November 02, 2020	November 02, 2022	November 01, 2027	30.75	13.08
		November 02, 2020	November 02, 2023	November 01, 2028	30.75	14.81
		November 02, 2020	November 02, 2024	November 01, 2029	30.75	16.03
		November 02, 2020	November 02, 2025	November 01, 2030	30.75	16.83
ESOP 2019 (Senior Hire) Additional	199,949	August 23, 2021	August 23, 2022	August 23, 2027	19.7	7.81
		August 23, 2021	August 23, 2023	August 23, 2028	19.7	8.52
		August 23, 2021	August 23, 2024	August 23, 2029	19.7	9.71
		August 23, 2021	August 23, 2025	August 23, 2030	19.7	10.26
		August 23, 2021	August 23, 2026	August 23, 2031	19.7	10.91

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Options Series	Number	Grant Date	Date of Vesting	Expiry Date	Exercise Price	Fair value at Grant Date
ESOP 2019 Additional Grant	30,157,303	January 08, 2022	January 08, 2023	January 08, 2028	19.95	5.26
		January 08, 2022	January 08, 2024	January 08, 2029	19.95	7.20
		January 08, 2022	January 08, 2025	January 08, 2030	19.95	8.90
		January 08, 2022	January 08, 2026	January 08, 2031	19.95	9.77
ESOP 2019 (Senior Hire) Additional Grant-2	166,842	January 05, 2022	January 04, 2023	March 23, 2028	19.05	7.65
		January 05, 2022	January 04, 2024	March 23, 2029	19.05	8.29
		January 05, 2022	January 04, 2025	March 23, 2030	19.05	8.92
		January 05, 2022	January 04, 2026	March 23, 2031	19.05	9.93
		January 05, 2022	January 04, 2027	March 23, 2032	19.05	10.50
ESOP 2019 (Senior Hire) Additional Grant-3	115,025	March 23, 2022	March 23, 2024	March 23, 2029	16.6	7.65
		March 23, 2022	March 23, 2025	March 23, 2030	16.6	8.29
		March 23, 2022	March 23, 2026	March 23, 2031	16.6	8.92
		March 23, 2022	March 23, 2027	March 23, 2032	16.6	9.93
		March 23, 2022	March 23, 2028	March 23, 2033	16.6	10.5
ESOP 2019 additional Grant 4	80,685	June 08, 2022	June 08, 2023	June 08, 2028	16.7	7.65
		June 08, 2022	June 08, 2024	June 08, 2029	16.7	8.29
		June 08, 2022	June 08, 2025	June 08, 2030	16.7	8.92
		June 08, 2022	June 08, 2026	June 08, 2031	16.7	9.93
ESOP 2019 Senior Hire_6	280,511	November 18, 2022	November 18, 2023	November 18, 2028	26.39	5.78
		November 18, 2022	November 18, 2024	November 18, 2029	26.39	6.49
		November 18, 2022	November 18, 2025	November 18, 2030	26.39	7.29
		November 18, 2022	November 18, 2026	November 18, 2031	26.39	7.62
ESOP 2019 _MD_2	221,970	November 18, 2022	November 18, 2023	November 18, 2028	26.39	5.78
		November 18, 2022	November 18, 2024	November 18, 2029	26.39	6.49
		November 18, 2022	November 18, 2025	November 18, 2030	26.39	7.29
ESOP 2019_ Additional Grant Jan 2023	47,393,431	January 27, 2023	January 27, 2024	January 27, 2029	27.5	4.91
		January 27, 2023	January 27, 2025	January 27, 2030	27.5	6.06
		January 27, 2023	January 27, 2026	January 27, 2031	27.5	6.72
		January 27, 2023	January 27, 2027	January 27, 2032	27.5	7.37
ESOP 2019 Senior Hire_&-2023	252,496	February 17, 2023	February 17, 2024	February 17, 2029	27.5	4.91
		February 17, 2023	February 17, 2025	February 17, 2030	27.5	6.06
		February 17, 2023	February 17, 2026	February 17, 2031	27.5	6.72
		February 17, 2023	February 17, 2027	February 17, 2032	27.5	7.37
ESOP 2019_ Additional Grant Oct 2023	27,951,816	October 9, 2023	October 9, 2024	October 9, 2029	48.5	17.36
		October 9, 2023	October 9, 2025	October 9, 2030	48.5	19.03
		October 9, 2023	October 9, 2026	October 9, 2031	48.5	19.15
		October 9, 2023	October 9, 2027	October 9, 2032	48.5	19.13
ESOP 2019_Senior Grant Oct 2023	61,348	October 9, 2023	October 9, 2024	October 9, 2029	48.5	17.36
		October 9, 2023	October 9, 2025	October 9, 2030	48.5	19.03
		October 9, 2023	October 9, 2026	October 9, 2031	48.5	19.15
		October 9, 2023	October 9, 2027	October 9, 2032	48.5	19.13
ESOP 2019_MD Grant Oct 2023	1,024,751	October 27, 2023	October 27, 2024	October 27, 2029	51.46	11.63
		October 27, 2023	October 27, 2025	October 27, 2030	51.46	13.79
		October 27, 2023	October 27, 2026	October 27, 2031	51.46	14.03
ESOP 2019_Senior Grant May 2024	69,742	May 13, 2024	May 13, 2025	May 13, 2030	34.94	10.56
		May 13, 2024	May 13, 2026	May 13, 2031	34.94	14.67
		May 13, 2024	May 13, 2027	May 13, 2032	34.94	17.08
		May 13, 2024	May 13, 2028	May 13, 2033	34.94	20.15
UFSL - Special Grant May 2024	2,848,007	May 13, 2024	May 13, 2024	June 27, 2024	33.2	13.15
ESOP_2019_Senior Hire_Aug 2024	66,375	August 16, 2024	August 16, 2025	August 16, 2030	41.92	10.56
		August 16, 2024	August 16, 2026	August 16, 2031	41.92	14.67
		August 16, 2024	August 16, 2027	August 16, 2032	41.92	17.08
		August 16, 2024	August 16, 2028	August 16, 2033	41.92	20.15

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Options Series	Number	Grant Date	Date of Vesting	Expiry Date	Exercise Price	Fair value at Grant Date
ESOP_2019_MRT_ Aug 2024	1,099,211	August 23, 2024	August 23, 2025	August 23, 2030	43.78	10.56
		August 23, 2024	August 23, 2026	August 23, 2031	43.78	14.67
		August 23, 2024	August 23, 2027	August 23, 2032	43.78	17.08
		August 23, 2024	August 23, 2028	August 23, 2033	43.78	20.15
CSAR for Ex-MD	2,309,415	January 10,2025	January 10,2026	April 10,2026	35.49	5.64
		January 10,2025	January 10,2027	April 10,2027	35.49	7.71
		January 10,2025	January 10,2028	April 9,2028	35.49	9.45
		January 10,2025	January 10,2029	April 10,2029	35.49	10.66
ESOP 2019_Senior Hire Mar 2025	3,040,164	March 24, 2025	March 24, 2026	March 24, 2031	34.3	10.56
		March 24, 2025	March 24, 2027	March 24, 2032	34.3	14.67
		March 24, 2025	March 24, 2028	March 24, 2033	34.3	17.08
		March 24, 2025	March 24, 2029	March 24, 2034	34.3	20.15
Total	**158,442,690**					

27(A)(2) Fair value of share options granted in the year

The weighted average fair value of the share options granted during the FY 2024-25 is ₹13.13 per option (Previous Year - ₹18.56 per option). Options were calculated using Black and Scholes Model. Vested ESOPs can be exercised within five years from their corresponding dates of vesting. ESOPs vested can be exercised between date of vesting and on or before option expiry date. The term of the option is assumed to be the sum of a) duration till vesting; and b) the midpoint of the remaining exercise period from date of vesting, in absence of historical exercise pattern. Volatility of comparable Banks have been considered for the purposes of valuation.

Inputs considered for calculating options fair value are as follows:

Particulars	ESOP 2019				
	Vesting 1	Vesting 2	Vesting 3	Vesting 4	Vesting 5
Grant date share price (₹)	40.76	40.76	40.76	40.76	40.76
Exercise price (₹)	35	35	35	35	35
Expected volatility	40.08%	40.08%	40.08%	40.08%	40.08%
Option life (years)	3.5	4.5	5.5	6.5	7.5
Risk-free interest rate	5.75%	5.90%	6.03%	6.13%	6.22%

Particulars	ESOP 2019 - Senior Hire				
	Vesting 1	Vesting 2	Vesting 3	Vesting 4	Vesting 5
Grant date share price (₹)	30.75	30.75	30.75	30.75	30.75
Exercise price (₹)	30.75	30.75	30.75	30.75	30.75
Expected volatility	43.50%	41.93%	43.29%	43.12%	41.66%
Option life (years)	3.5	4.5	5.5	6.5	7.5
Risk-free interest rate	5.30%	5.30%	5.40%	5.40%	5.40%

Particulars	ESOP 2019 (Senior Hire) Additional				
	Vesting 1	Vesting 2	Vesting 3	Vesting 4	Vesting 5
Grant date share price (₹)	18.45	18.45	18.45	18.45	18.45
Exercise price (₹)	19.7	19.7	19.7	19.7	19.7
Expected volatility	45.64%	43.01%	44.95%	43.07%	42.58%
Option life (years)	3.54	4.54	5.54	6.54	7.54
Risk-free interest rate	5.30%	5.30%	5.40%	5.40%	5.40%

Particulars	ESOP 2019 Additional Grant			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	29	29	29	29
Exercise price (₹)	19.95	19.95	19.95	19.95
Expected volatility	42.48%	44.97%	47.17%	44.18%
Option life (years)	1.34	2.34	3.34	4.34
Risk-free interest rate	4.35%	4.95%	5.41%	5.78%

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Particulars	ESOP 2019 (Senior Hire) Additional Grant-2				
	Vesting 1	Vesting 2	Vesting 3	Vesting 4	Vesting 5
Grant date share price (₹)	18.95	18.95	18.95	18.95	18.95
Exercise price (₹)	19.05	19.05	19.05	19.05	19.05
Expected volatility	46.95%	43.90%	41.83%	43.58%	42.73%
Option life (years)	3.56	4.56	5.56	6.56	7.56
Risk-free interest rate	5.30%	5.30%	5.40%	5.40%	5.40%

Particulars	ESOP 2019 (Senior Hire) Additional Grant-3				
	Vesting 1	Vesting 2	Vesting 3	Vesting 4	Vesting 5
Grant date share price (₹)	16.55	16.55	16.55	16.55	16.55
Exercise price (₹)	16.6	16.6	16.6	16.6	16.6
Expected volatility	46.95%	43.90%	41.83%	43.58%	42.73%
Option life (years)	3.56	4.56	5.56	6.56	7.56
Risk-free interest rate	5.30%	5.30%	5.30%	5.30%	5.30%

Particulars	ESOP 2019 additional Grant 4			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	16.7	16.7	16.7	16.7
Exercise price (₹)	16.6	16.6	16.6	16.6
Expected volatility	46.95%	43.90%	41.83%	43.58%
Option life (years)	3.56	4.56	5.56	6.56
Risk-free interest rate	5.30%	5.30%	5.30%	5.30%

Particulars	ESOP 2019 Senior Hire_6			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	27.75	27.75	27.75	27.75
Exercise price (₹)	26.39	26.39	26.39	26.39
Expected volatility	46.58%	43.53%	44.95%	44.98%
Option life (years)	1.34	2.34	3.34	4.34
Risk-free interest rate	6.61%	6.87%	7.03%	7.13%

Particulars	ESOP 2019 _MD_2		
	Vesting 1	Vesting 2	Vesting 3
Grant date share price (₹)	27.75	27.75	27.75
Exercise price (₹)	26.39	26.39	26.39
Expected volatility	46.58%	43.53%	44.95%
Option life (years)	1.34	2.34	3.34
Risk-free interest rate	6.61%	6.87%	7.03%

Particulars	ESOP 2019_Additional Grant Jan 2023			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	27.5	27.5	27.5	27.5
Exercise price (₹)	27.5	27.5	27.5	27.5
Expected volatility	43.70%	44.05%	44.13%	46.06%
Option life (years)	1.34	2.34	3.34	4.34
Risk-free interest rate	6.76%	6.98%	7.11%	7.20%

Particulars	ESOP 2019 Senior Hire_&-2023			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	27.5	27.5	27.5	27.5
Exercise price (₹)	27.5	27.5	27.5	27.5
Expected volatility	43.70%	44.05%	44.13%	46.06%
Option life (years)	1.34	2.34	3.34	4.34
Risk-free interest rate	6.76%	6.98%	7.11%	7.20%

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Particulars	ESOP 2019_Additional Grant Oct 2023			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	60.1	60.1	60.1	60.1
Exercise price (₹)	48.5	48.5	48.5	48.5
Expected volatility	29.63%	34.14%	33.36%	32.41%
Option life (years)	3.5	4	4.5	5
Risk-free interest rate	7.24%	7.26%	7.28%	7.29%

Particulars	ESOP 2019_Senior Grant Oct 2023			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	60.1	60.1	60.1	60.1
Exercise price (₹)	48.5	48.5	48.5	48.5
Expected volatility	29.63%	34.14%	33.36%	32.41%
Option life (years)	3.5	4	4.5	5
Risk-free interest rate	7.24%	7.26%	7.28%	7.29%

Particulars	ESOP 2019_MD Grant Oct 2023		
	Vesting 1	Vesting 2	Vesting 3
Grant date share price (₹)	53.3	53.3	53.3
Exercise price (₹)	51.46	51.46	51.46
Expected volatility	26.68%	34.11%	33.36%
Option life (years)	3.5	4	4.5
Risk-free interest rate	7.27%	7.28%	7.29%

Particulars	ESOP 2019_Senior Grant May 2024			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	53.05	53.05	53.05	53.05
Exercise price (₹)	51.8	51.8	51.8	51.8
Expected volatility	37.68%	41.44%	41.45%	45.39%
Option life (years)	1.34	2.34	3.34	4.34
Risk-free interest rate	6.95%	6.97%	6.98%	6.99%

Particulars	UFSL - Special Grant May 2024
	Vesting 1
Grant date share price (₹)	53.05
Exercise price (₹)	33.2
Expected volatility	37.68%
Option life (years)	1.34
Risk-free interest rate	6.95%

Particulars	ESOP_2019_Senior Hire_Aug 2024			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	53.05	53.05	53.05	53.05
Exercise price (₹)	41.92	41.92	41.92	41.92
Expected volatility	37.68%	41.44%	41.45%	45.39%
Option life (years)	1.34	2.34	3.34	4.34
Risk-free interest rate	6.95%	6.97%	6.98%	6.99%

Particulars	ESOP_2019_MRT_Aug 2024			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	53.05	53.05	53.05	53.05
Exercise price (₹)	43.78	43.78	43.78	43.78
Expected volatility	37.68%	41.44%	41.45%	45.39%
Option life (years)	1.34	2.34	3.34	4.34
Risk-free interest rate	6.95%	6.97%	6.98%	6.99%

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Particulars	CSAR for Ex-MD			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	35.49	35.49	35.49	35.49
Exercise price (₹)	35.49	35.49	35.49	35.49
Expected volatility	35.03%	36.88%	39.35%	40.64%
Option life (years)	1.25	2.25	3.25	4.25
Risk-free interest rate	6.56%	6.58%	6.60%	6.62%

Particulars	ESOP 2019_Senior Hire Mar 2025			
	Vesting 1	Vesting 2	Vesting 3	Vesting 4
Grant date share price (₹)	35.49	35.49	35.49	35.49
Exercise price (₹)	34.3	34.3	34.3	34.3
Expected volatility	35.03%	36.88%	39.35%	40.64%
Option life (years)	1.25	2.25	3.25	4.25
Risk-free interest rate	6.56%	6.58%	6.60%	6.62%

27(A)(3) Movements in share options issued

During the year ended March 31, 2025

Particulars (Nos.)	Options granted and outstanding as at beginning of year	Granted during the year	Exercised during the year	Forfeited/Expired during the year	Option exercisable at the end of the year
ESOP 2019	16,273,535	-	474,718	984,315	14,814,502
ESOP 2019 - Senior Hire	65,166	-			65,166
ESOP 2019 (Senior Hire) Additional	150,456	-		22,842	127,614
ESOP 2019 Additional Grant	16,447,752	-	870,146	1,303,418	14,274,188
ESOP 2019 (Senior Hire) Additional Grant-2	-	-	-	-	-
ESOP 2019 (Senior Hire) Additional Grant-3	22,872	-	-	-	22,872
ESOP 2019 additional Grant 4	-	-	-	-	-
ESOP 2019 Senior Hire_6	147,639	-	14,763	-	132,876
ESOP 2019 _MD_2	148,078	-	-	-	148,078
ESOP 2019 Senior Hire_&-2023	180,933	-	13,502	22,685	144,746
ESOP 2019_Additional Grant Jan 2023	41,258,035	-	879,804	3,319,725	37,058,506
ESOP 2019_Additional Grant Oct 2023	26,867,907	-	-	2,394,293	24,473,614
ESOP 2019_Senior Grant Oct 2023	61,348	-	-	61,348	-
ESOP 2019_MD Grant Oct 2023	1,024,751	-	-	-	1,024,751
ESOP 2019_Senior Grant May 2024	-	69,742	-	-	69,742
UFSL - Special Grant May 2024	-	2,848,007	1,019,420	1,828,587	-
ESOP_2019_Senior Hire_Aug 2024	-	66,375	-	-	66,375
ESOP_2019_MRT_Aug 2024	-	1,099,211	-	-	1,099,211
CSAR for Ex-MD	-	2,309,415	-	-	2,309,415
ESOP 2019_Senior Hire Mar 2025	-	3,040,164	-	-	3,040,164
Total	102,648,472	9,432,914	3,272,353	9,937,213	98,871,820
Weighted average exercise price	33.17	35.42	28.32	33.44	33.52

During the year ended March 31, 2024

Particulars (Nos.)	Options granted and outstanding as at beginning of year	Granted during the year	Exercised during the year	Forfeited/Expired during the year	Option exercisable at the end of the year
ESOP 2019	19,806,482	-	1,887,883	1,645,064	16,273,535
ESOP 2019 - Senior Hire	65,166	-			65,166
ESOP 2019 (Senior Hire) Additional	165,685	-	15,229		150,456
ESOP 2019 Additional Grant	20,319,089	-	1,587,793	2,283,544	16,447,752

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

Particulars (Nos.)	Options granted and outstanding as at beginning of year	Granted during the year	Exercised during the year	Forfeited/Expired during the year	Option exercisable at the end of the year
ESOP 2019 (Senior Hire) Additional Grant-2	37,787	-	7,559	30,228	-
ESOP 2019 (Senior Hire) Additional Grant-3	115,025	-	15,247	76,906	22,872
ESOP 2019 additional Grant 4	80,685	-	12,103	68,582	-
ESOP 2019 Senior Hire_6	280,511	-	55,361	77,511	147,639
ESOP 2019 _MD_2	221,970	-	73,892		148,078
ESOP 2019 Senior Hire_&-2023	252,496	-		71,563	180,933
ESOP 2019_Additional Grant Jan 2023	47,348,062	-	768,861	5,321,166	41,258,035
ESOP 2019_Additional Grant Oct 2023	-	27,951,816	-	1,083,909	26,867,907
ESOP 2019_Senior Grant Oct 2023	-	61,348	-	-	61,348
ESOP 2019_MD Grant Oct 2023	-	1,024,751	-	-	1,024,751
Total	88,692,958	29,037,915	4,423,928	10,658,473	102,648,472
Weighted average exercise price	27.35	48.60	27.83	28.95	33.17

27(A)(4) Share options exercised during the year

Out of the ESOP granted till FY March 31, 2025, options has been exercised during the year 3,272,353 (Previous Year- 4,423,928)

27(A)(5) Share options outstanding at the end of the year

The share options outstanding at the end of the year had a weighted average exercise price of ₹33.52 per option (Previous Year - ₹ 33.17 per option) for ESOP 2019 scheme and a weighted average remaining contractual life of 4.36 Years (Previous Year 5.47 Years).

27(A)(6) Expense arising from share based payment transaction recognised in Statement of profit or loss as employee benefit expense are as follows:

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Employee benefit expense	20.99	16.44

28 The Bank received a notice on March 16, 2021, regarding non-remittance of statutory Provident Fund (PF) dues on the applicable wage components from February 2017 until March 2019 amounting to ₹ 22.70. Bank has filed the initial responses to the PF Commissioner and contented that said notice does not have a stand based on definition of basic wages under EPF Act, 1952 and various case laws. However, due to COVID 19 pandemic, the hearing has been adjourned until further notice.

The Bank has made a provision during the FY 2021-22 for an amount of ₹ 22.70 as a matter of prudence, which was treated as contingent liability for the FY 2020-21.

The Regional Provident Fund Commissioner (RPFC)-II, Bengaluru, in an inquiry held against the Bank under Section 7A of the Employees' Provident Fund and Miscellaneous Provisions Act, 1952, passed an Order dated 09-08-2021 against the Bank, directing the Bank to remit provident fund contribution of ₹ 22.70 on various allowances paid by the Bank to its employees during the period between February 2017 and March 2019. Against the said Order of the RPFC-II, the Bank preferred an appeal before the Central Government Industrial Tribunal (CGIT) in Appeal No. 43/2021. Since position of Presiding Officer in the CGIT was vacant, the Bank filed a writ petition before the Hon'ble High Court of Karnataka in W.P. No. 16635/2021. The Hon'ble High Court has disposed of the matter on 13/07/2022 holding that there would be stay on depositing the award amount (i.e., 22.70) till finality of the appeal pending before CGIT. This case is pending before CGIT Bengaluru; the last date of hearing was 10 March 2025 and the next date of hearing is fixed on 17 June 2025 for "Arguments on main Appeal".

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

29 DIVIDEND:

(₹ in Crores)

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Interim/ Final* Equity Dividend Paid	290.08	68.34

*The amount equity dividend paid for the previous year includes ₹ 42.60 paid by erstwhile Ujjivan Financial Services Limited, merged pursuant to the scheme of Amalgamation as detailed in Note.18(30).

30 The Board of Directors of the Bank and erstwhile Ujjivan Financial Services Limited (UFSL) in their respective meetings held on October 14, 2022, had approved a scheme of amalgamation of UFSL with the Bank in terms of Sections 230 to 232 of the Companies Act, 2013 and other applicable laws including rules and regulations (Scheme). The Scheme was approved by the shareholders at the National Company Law Tribunal("NCLT") convened meeting of the equity shareholders of the Bank held on November 03, 2023. The NCLT, in accordance with Section 230 to 232 of the Companies Act, 2013 and rules thereunder, vide its order dated April 19, 2024, sanctioned the Scheme. Upon receipt of all approvals, the Bank filed form INC 28 (Intimation to ROC) with ROC on April 30, 2024 and accordingly, in terms of provisions of the Scheme, the 'Effective Date' of the Scheme was April 30, 2024. The Appointed Date under the said Scheme as approved by the NCLT was April 01, 2023.

The amalgamation was accounted under the "pooling of interest" method as prescribed in AS-14 "Accounting for Amalgamation". The outstanding balance between the UFSL and the Bank were eliminated as on April 1, 2023. All assets and liabilities of UFSL were recognised by the Bank at the carrying amounts as on that date except for the adjustments to bring about the uniformity in accounting policies as required under AS-14. The relevant Committee of the Board of the Bank vide its resolution dated May 06, 2024, approved the allotment of 1,412,702,033 fully paid equity shares of ₹10/- each of Bank to the eligible shareholders of the erstwhile UFSL, who were holding equity shares of UFSL as on the Record date i.e., May 03, 2024, as per the share exchange ratio determined in the aforesaid Scheme i.e. 116 equity shares of the face value of ₹ 10/- each of Bank for every 10 equity shares of UFSL. The difference between fresh equity shares to be allotted as aforementioned and share capital of UFSL was adjusted in the Share Premium Account, as per the terms of the Scheme.

Summarised values of assets and liabilities taken over in accordance with the terms of the Scheme as detailed below:

Particulars	(₹ in Crores)
Balances with banks and money at call and short notice	170.64
Investments	1,679.83
Fixed assets	0.03
Other assets	3.85
Total assets (A)	**1,854.35**
Reserves and Surplus	1,731.50
Other liabilities and provisions	1.17
Total Liabilities, Reserves and surplus (B)	**1,732.67**
Net Assets (C=A-B)	**121.68**
ESOP options exercised during the year	0.11
Fresh equity share capital to be issued to the shareholders of the UFSL (D)	1,411.47
Difference adjusted to Share Premium Account (E= D-C)	**1,289.79**

Pursuant to the effect of the Scheme, the Committee had also taken on record the extinguishment of 1,440,036,800 equity shares and 200,000,000 preference shares of the Bank held by eUFSL.

Consequent to the aforesaid extinguishment of UFSL shares in the Bank and issue of equity shares to the shareholders of UFSL, the paid-up equity capital of the Bank was revised from ₹1,959.13 to ₹ 1931.80 as on the record date. Further, since the preference capital of ₹ 200.00 stands extinguished, the issued capital of the Bank was reduced from ₹ 2,159.13 to ₹ 1,931.80. Furthermore, the authorised share capital of the Bank was ₹ 2,625 divided into 2,625,000,000 equity shares of ₹ 10/- each as per terms of the Scheme. As of March 31, 2024, 1,412,702,033 shares was pending allotment. The allotment of the said shares to the entitled shareholders

Notes to financial statements for the year ended March 31, 2025 (Contd.)

SCHEDULE 18

of eUFSL was approved by the Merger & Placement Committee of the Board of the Bank vide its resolution dated May 06, 2024, and the same was intimated to the Exchange on the same day. The allotment was intimated to the Registrar of Companies on May 15, 2024, by submission of PAS 3 return. The corporate action regarding crediting shares to Demat account of shareholders of eUFSL was completed.

Accordingly, effect of amalgamation as at appointed date is as follows:

Particulars	**(₹ in Crores)**
Addition to share premium account	(182.71)
Addition to Balance of Profit and Loss Account	440.13
Addition to Statutory Reserves	143.28
Addition to Employees Stock Options and Purchase Outstanding	11.09

31 The Bank, as part of its normal banking business, grants loans and advances, makes investments, provides guarantees, to and accepts deposits and borrowings from its customers and borrowing from entities. These transactions are part of Bank's normal banking business, which is conducted ensuring adherence to all regulatory requirements and banks internal policies as applicable.

Other than the transactions described above, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Bank to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Bank (Ultimate Beneficiaries). The Bank has not received any fund from any parties (Funding Party) with the understanding that the Bank shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

32 COMPARATIVE FIGURES

Figures of the previous year have been regrouped/ reclassified wherever necessary to confirm to the current year's presentation.

Signature to Notes on Accounts

For and on behalf of Board of Directors of
Ujjivan Small Finance Bank Limited

Sanjeev Nautiyal
DIN: 08075972
Managing Director & CEO

B A Prabhakar
DIN: 02101808
Independent Director

Sudha Suresh
DIN: 06480567
Independent Director

Sanjeev Barnwal
Company Secretary

S Balakrishna Kamath
Chief Financial Officer

Bengaluru
April 30, 2025

NOTICE

UJJIVAN SMALL FINANCE BANK LIMITED
CIN: L65110KA2016PLC142162
Registered Office: Grape Garden, No. 27, 3rd "A" Cross, 18th Main, 6th Block, Koramangala,
Bengaluru – 560 095, Karnataka, India
Email: corporatesecretarial@ujjivan.com **Ph. No.:** 080 – 40712121
Website: www.ujjivansfb.in

NOTICE FOR CONVENING 9TH ANNUAL GENERAL MEETING

Notice is hereby given that the 9th Annual General Meeting ("AGM or Meeting") of Ujjivan Small Finance Bank Limited ("Bank") shall be held on Friday, June 27, 2025 at 03:30 PM, IST through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

ITEM NO. 1

TO RECEIVE, CONSIDER AND ADOPT THE AUDITED FINANCIAL STATEMENTS OF THE BANK FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025 AND THE REPORTS OF THE BOARD OF DIRECTORS AND AUDITORS THEREON

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** the Audited Financial Statements of the Bank for the Financial Year ended March 31, 2025 and the Reports of the Board of Directors and the Auditors thereon as circulated, be and are hereby received, considered and adopted."

ITEM NO. 2

TO REAPPOINT MS. CAROL KRIPANAYANA FURTADO (DIN: 07587305), WHO RETIRES BY ROTATION AS A WHOLE-TIME DIRECTOR AND, BEING ELIGIBLE, SEEKS RE-APPOINTMENT

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder, Ms. Carol Kripanayana Furtado (DIN: 07587305), who retires by rotation at this Meeting, be and is hereby reappointed as a Whole-Time Director (WTD) and Key Managerial Personnel of the Bank."

ITEM NO. 3

TO APPOINT Mr. K. JAYACHANDRAN, COMPANY SECRETARY IN PRACTICE (CP No: 4031) AS SECRETARIAL AUDITOR OF THE BANK AND TO FIX HIS REMUNERATION

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 204 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and further to the recommendation of the Board of Directors ("Board"), Mr. K. Jayachandran, Company Secretary in Practice (Membership Number - 11309 and Certificate of Practice Number - 4031), having a valid Peer Review Certificate (Peer Review No: 6411/2025) issued by the Institute of Company Secretaries of India, and who have proposed himself for appointment and has confirmed his eligibility to be appointed as the Secretarial Auditor, be and is hereby appointed as Secretarial Auditor of the Bank for conducting the Secretarial Audit for a term of five consecutive financial years starting with FY 2025-26 and until the FY 2029-30, at such remuneration as may be determined by the Board of the Bank from time to time."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and finalise/ modify the terms and conditions of appointment and/or remuneration of the Secretarial Auditor from time to time in accordance with the applicable laws."

"**RESOLVED FURTHER THAT** the Company Secretary of the Bank be and is hereby authorised to do all such acts, matters and deeds as may be required in giving effect to the aforesaid resolution including filing of relevant forms with the Registrar of Companies."

By Order of the Board of Directors
For UJJIVAN SMALL FINANCE BANK LIMITED

Sd/-
Sanjeev Barnwal
Company Secretary and Head of Regulatory Framework

Place: Bengaluru
Date: April 30, 2025

NOTES:

1. Pursuant to the latest applicable circulars issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold Annual General Meeting ("AGM or Meeting) through Video Conferencing ("VC)/Other Audio-Visual Means ("OAVM"), without the physical presence of members at a common venue. Hence, in compliance with the applicable provisions of the Companies Act, 2013 and rules made thereunder read with the Circulars, the AGM of the Bank is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Bank.
2. As per Section 105 of the Companies Act, 2013, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on a poll in the meeting instead of himself/herself. However, since the AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with and accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence, the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Participation of members through VC/OAVM will be reckoned for the purpose of quorum for the AGM as per Section 103 of the Companies Act, 2013.
4. Institutional / Corporate Shareholders (i.e. other than individuals / HUF/ NRI etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc. authorizing its representative along with attested specimen signature of such representative, to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorisation shall be sent to the Scrutiniser by email through its registered email address to cs.skannan@gmail.com /kannans@kannancs.in with a copy marked to corporatesecretarial@ujjivan.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'USFB _EVENT No'.
5. The Secretarial Auditor's Certificate under Regulation 13 of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and all the applicable registers and other documents referred to in the Notice shall be made available for electronic inspection without any fee to the members from the date of circulation of this Notice up to the date of AGM, i.e. June 27, 2025. Members who wish to inspect such documents are requested to send an email to corporatesecretarial@ujjivan.com mentioning their name, folio no./client ID and DP ID, and the documents they wish to inspect with a self-attested copy of their PAN card attached to the email.
6. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-voting.
7. In compliance with the Circulars, the Annual Report for the FY 2024-25, the Notice of this Meeting are being sent only through electronic mode to those members whose email addresses are registered with the depository participant(s). Members may also note that the Notice of this Meeting and the Annual Report for the FY 2024-25 will also be available on the Bank's website at www.ujjivansfb.in, website of the Stock Exchanges, i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and on the website of e-voting agency KFin Technologies Limited ("KFin Tech or RTA") at evoting.kfintech.com.
8. Pursuant to Regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, any request for affecting transfer of securities shall not be processed unless the securities are held in electronic form with a depository except in case of transmission or transposition of securities.
9. Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participant(s).
10. For any queries relating to financial statement you can write to the Bank at investorrelations@ujjivan.com at least seven days before the date of the Meeting i.e. June 20, 2025.
11. Members can avail of the nomination facility in respect of shares held by them in physical form by filing Form SH-13, as prescribed under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, with the RTA of the Bank and members holding shares in electronic form may contact their Depository Participant for availing this facility.
12. Members who are entitled to claim for their unclaimed dividends declared by Ujjivan Financial Services Limited (now merged with Ujjivan Small Finance Bank Limited) or by the Bank are requested to correspond with the Company Secretary of the Bank by writing at corporatesecretarial@ujjivan.com. Members are requested to note that dividends which are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per the provisions of Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), be transferred to the Investor Education and Protection Fund.
13. Members of the Bank under the category of 'Institutional Investors' are encouraged to attend and vote at the AGM.
14. An Explanatory Statement for agenda Item no. 2 & 3 of this Notice pursuant to Section 102(1) of the Companies Act, 2013, Regulation 36 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 on General Meetings, specified by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs under Section 118(10) of the Companies Act, 2013 is annexed herewith and forms part of this Notice.

15. The resolutions as set out in this Notice are being conducted through e-voting, the said resolutions will not be decided by a show of hands at the AGM.
16. Since the AGM will be held through VC/OAVM, the route map is not attached to this Notice.
17. Those members who have not yet registered their email addresses are requested to get their email addresses registered with their Depository Participant. Please contact your Depository Participant for further assistance in this matter.
18. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in dematerialised form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/exchange of securities certificate; etc. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Bank's website at https://www.ujjivansfb.in/investor-contacts. It may be noted that any service request can be processed only after the folio is KYC Compliant.
19. **Voting through electronic means**

    1. **Remote e-voting and e-voting during the AGM:**

        a. Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Bank is providing to its members, facility to exercise their right to vote on resolutions proposed to be passed at the AGM by electronic means. Members may cast their votes remotely, using an electronic voting system on the dates mentioned herein below ("remote e-voting"). The members also have the option to cast their votes during the AGM (e-voting), if not cast earlier through remote e-voting. The Bank has engaged the services of KFin Tech as the agency to provide e-voting facility. The manner of voting remotely by members holding shares in dematerialised mode, physical mode and for members who have not registered their email addresses is provided in the instructions given below.

        b. The remote e-voting facility will be available during the following voting period:

           Commencement of remote e-voting: 09:00 AM, Monday, June 23, 2025 and **End of remote e-voting** will be 05:00 PM, Thursday, June 26, 2025. The remote e-voting will not be allowed beyond the aforesaid date and time and the remote e-voting module shall be forthwith disabled by KFin Tech upon expiry of the aforesaid period.

        c. Any person, whose name is recorded in the Register of Members or in the Register of beneficial owners (in case of electronic shareholding) maintained by the depositories as on Friday, June 20, 2025 only shall be entitled to avail the facility of remote e-voting. The remote e-voting module shall be disabled by Kfin Tech for voting thereafter. Once the vote on a resolution is cast by the shareholder, he/she/it shall not be allowed to change it subsequently.

        d. Voting rights of a member / beneficial owner (in case of electronic shareholding) shall be in proportion to their share in the paid-up equity share capital as on the cut-off date, i.e. Friday, June 20, 2025.

        e. In order to increase the efficiency of the voting process, and pursuant to the SEBI Circular No. SEBI/HO/CFD/ CMD/ CIR/P/2020/242 dated December 09 2020, the demat account holders, are provided a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders will now be able to cast their vote without having to register again with the E-voting Service Providers ("ESPs"), thereby facilitating seamless authentication and convenience of participating in e-voting process.

        f. The Board of the Bank has appointed Mr. S Kannan (FCS: 6261; CoP: 13016) of M/s. S Kannan and Associates, Company Secretaries, Firm No. S2017KR473100, as Scrutiniser to scrutinise the remote e-voting and e-voting process during the AGM in a fair and transparent manner and he has communicated his eligibility and willingness to be appointed as Scrutiniser and given his consent for the same and will be available for the said purpose.

        g. The result of remote e-voting and e-voting shall be declared within 2 (Two) working days from conclusion of the AGM and subject to receipt of requisite number of votes, the resolutions proposed in the Notice shall be deemed to be passed on the date of this AGM, i.e., June 27, 2025.

        h. The result of voting declared along with Scrutiniser's Report will be published on the website of the Bank at www.ujjivansfb.in and on Service Provider's website at https://evoting.kfintech.com within 2 (Two) working days from the conclusion of the AGM and the same shall also be simultaneously communicated to the BSE Limited and the National Stock Exchange of India Limited.

    2. **Information and instructions relating to remote e-voting and e-voting:**

        a. The members can join the AGM through VC/OAVM mode 30 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned herein. The facility to join the Meeting shall be kept open throughout the proceedings of the AGM. The facility of participation at the AGM through VC/OAVM will be made available for 1,000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairperson of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

b. The members who have cast their vote(s) by remote e-voting may also attend the Meeting but shall not be entitled to cast their vote(s) again at the Meeting. Once the vote on a resolution is cast by a Member, whether partially or otherwise, the Member shall not be allowed to change it subsequently or cast the vote again.

c. A member can opt for only single mode of voting per EVEN, i.e., through remote e-voting or e-voting during the Meeting. If a member casts vote(s) by both modes, then voting done through remote e-voting shall prevail and vote(s) cast at the Meeting shall be treated as "INVALID".

d. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date i.e. June 20, 2025 only shall be entitled to avail the facility of remote e-voting or e-voting. A person who is not a member as on the cut-off date should treat the Notice for information purpose only.

e. Any person who becomes member of the Bank after dispatch of the Notice of the Meeting and holding shares as on the cut-off date may obtain the User ID and password from KFin Tech.

f. The Bank has opted to provide the same electronic voting system during the Meeting, as used during remote e-voting and the said facility shall be operational till all the resolutions proposed in the Notice are considered and voted upon at the Meeting and may be used for voting only by the members holding shares as on the cut-off date who are attending the Meeting and who have not already cast their vote(s) through remote e-voting.

g. While all efforts would be made to make the VC/ OAVM meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

3. Procedure for Registration of email and Mobile: securities in physical mode

Shareholders holding physical shares are hereby notified that based on SEBI Circular number: SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, dated March 16, 2023, all holders of physical securities in listed companies shall register the postal address with PIN for their corresponding folio numbers. It shall be mandatory for the security holders to provide mobile number. We hereby request all such shareholders to furnish their PAN, Nomination, Contact details, Bank A/c details and Specimen signature for their corresponding folio numbers.

Moreover, to avail online services, the security holders can register e-mail ID. Holder can register/update the contact details through submitting the requisite ISR 1 form along with the supporting documents.

ISR 1 Form can be obtained by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx

ISR Form(s) and the supporting documents can be provided by any one of the following modes.

a) Through 'In Person Verification' (IPV): the authorised person of the RTA shall verify the original documents furnished by the investor and retain copy(ies) with IPV stamping with date and initials; or

b) Through hard copies which are self-attested, which can be shared on the address below; or

Name	KFIN Technologies Limited
Address	Selenium Building, Tower-B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddy, Telangana India - 500 032.

c) Through electronic mode with e-sign by following the link: https://ris.kfintech.com/clientservices/isc/default.aspx#

Detailed FAQ can be found on the link: https://ris.kfintech.com/faq.html

For more information on updating the email and Mobile details for securities held in electronic mode, please reach out to the respective DP(s), where the DEMAT a/c is being held.

4. Login method for remote e-voting for shareholders other than individual shareholders holding securities in demat mode and shareholders holding securities in physical mode:

Shareholders other than individual shareholders holding securities in demat mode and shareholders who are holding equity shares of the Bank in physical form, are requested to follow the below instructions for remote e-voting:

i. Launch internet browser and type the URL: https://evoting.kfintech.com in the address bar.

ii. Enter the login credentials as mentioned below:

For Members holding shares in Demat Form:

a) For NSDL: 8 Character DP ID followed by 8 Digits Client ID

b) For CDSL: 16 digits beneficiary ID

For Members holding shares in Physical Form:

a) Event no. i.e., 8821, followed by Folio Number registered with the Company.

b) Password: If you are already registered for e-Voting, then you can use your existing password to login and cast your vote. If you are using Kfin's e-Voting system for the first time, you will need to retrieve the 'initial password' communicated to you by e-mail. Shareholders who have not registered their email addresses can follow the steps provided at serial no xiii below to obtain the User ID and password.

c) Captcha: Enter the Verification code i.e., please enter the alphabets and numbers in the exact way as they are displayed for security reasons.

iii. After entering the correct details, click on LOGIN.

iv. In case you are retrieving and using your 'initial password', you need to enter the 'initial password' and the system will force you to change your password. Once you reach the Password change menu you will be required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character. The system will prompt you to change your password and update any contact details like mobile, e-mail etc. on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

v. You need to login again with the new credentials.

vi. On successful login, the system will prompt you to select the EVENT i.e. "Ujjivan Small Finance Bank."

vii. Any person who becomes a member of the Bank after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e., June 20, 2025, may obtain the User ID and password in the manner as mentioned below:

If the mobile number of the member is registered against Folio No. / DP ID Client ID, the member may:

a) Send SMS: MYEPWD <space>

E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

b) On the home page of https://evoting. kfintech.com, click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password

viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN', in which case, the shares held will not be counted under either head.

ix. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.

x. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

xi. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutiniser through email at cs.skannan@gmail.com/kannans@kannancs.in and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'BFL_EVENT No.'

xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of https://evoting.kfintech.com or contact KFin Technologies Ltd. at 1800 309 4001 (toll free). It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

5. Procedure for Login for E-voting and Attending AGM through VC/OAVM for Individual Shareholders holding securities in Demat mode

In terms of SEBI circular dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in Demat mode is given below:

Individual shareholders holding securities in Demat mode with National Securities Depository Limited ("NSDL")	**A. User already registered for IDeAS facility:** 1. Open https://eservices.nsdl.com 2. Click on the "Beneficial Owner" icon under 'IDeAS' section. 3. On the new page, enter User ID and Password. Post successful authentication, click on "Access to e-Voting" 4. Click on Bank Name or e-Voting service provider and you will be re-directed to e-voting service provider website for casting your vote during the remote e-Voting period. **B. User not registered for IDeAS e-Services:** 1. To register, open https://eservices.nsdl.com either on a Personal Computer or on a mobile. 2. Select "Register Online for IDeAS "Portal or click on https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp. 3. Proceed with completing the required fields **C. By visiting the e-Voting website of NSDL:** 1. Open https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. 2. Click on the icon "Login" which is available under 'Shareholder/Member' section 3. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit Demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. 4. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. 5. Click on Bank name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.
Individual Shareholders holding securities in Demat mode with Central Depository Services (India) Limited ("CDSL")	**A. Existing user who have opted for Easi/Easiest** 1. Click at https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com 2. Click on New System Myeasi. 3. Login with user ID and Password 4. After successful login of Easi / Easiest, Option will be made available to reach e-voting page 5. Click on e-voting service provider name to cast your vote **B. User not registered for Easi/Easiest** 1. Option to register is available at https://web.cdslindia.com/myeasi./Registration/EasiRegistration. 2. Proceed with completing the required fields. **C. By visiting the e-Voting website of CDSL** 1. Visit at www.cdslindia.com 2. Provide Demat Account Number and PAN No. 3. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the Demat Account. 4. After successful authentication, user will be provided links for the respective e-voting service provider where the e-voting is in progress.
Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your Demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Bank Name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 22-23058542-43.

6. Instructions and Process for participation through VC/OAVM

i. Members will be able to attend the e-AGM through VC/OAVM or view the live webcast of e-AGM provided by KFin at https://emeetings.kfintech.com by using their remote e-voting login credentials and by clicking on the tab "video conference". The link for e-AGM will be available in members login, where the EVENT and the name of the Bank can be selected.

ii. Members are encouraged to join the meeting through devices (Laptops, Desktops, Mobile devices) with Google Chrome for seamless experience.

iii. Further, members registered as speakers will be required to allow camera during e-AGM and hence are requested to use internet with a good speed to avoid any disturbance during the meeting.

iv. Members may join the meeting using headphones for better sound clarity.

v. While all efforts would be made to make the meeting smooth, participants connecting through mobile devices, tablets, laptops, etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

vi. Members, who would like to express their views or ask questions during the e-AGM will have to register themselves as a speaker by visiting the URL https://emeetings.kfintech.com/ and clicking on the tab 'Speaker Registration' during the period starting from Tuesday, June 24, 2025, 09:00 AM up to Thursday, June 26, 2025, 05:00 PM. Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the e-AGM. The Bank reserves the right to restrict the number of speakers depending on the availability of time for the e-AGM. Only questions of the members holding shares as on the cut-off date will be considered.

vii. A video guide assisting the members attending e-AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com/, under the "How It Works" tab placed on top of the page.

viii. Members who need technical assistance before or during the e-AGM can contact KFin at emeetings@kfintech.com or Helpline: 1800 309 4001.

7. RTA investor support centre

As an ongoing endeavour to enhance Investor experience and leverage new technology, our registrar and transfer agents , KFIN Technologies Limited have been continuously developing new applications. Here is a list of applications that has been developed for our investors.

- **Investor Support Centre:** A webpage accessible via any browser enabled system. Investors can use a host of services like Post a Query, Raise a service request , Track the status of their DEMAT and REMAT request , Dividend status , Interest and Redemption status , Upload exemption forms (TDS) , Download all ISR and other related forms. URL: https://ris.kfintech.com/clientservices/isc
- **eSign Facility:** Common and simplified norms for processing investor's service requests by RTAs and norms for furnishing PAN, KYC details and Nomination requires that eSign option be provided to Investors for raising service requests. KFIN is the first RTA which has enabled the option and can be accessed via the link below. URL: https://ris.kfintech.com/clientservices/isr

- **KYC Status:** Shareholders can access the KYC status of their folio. The webpage has been created to ensure that shareholders have the requisite information regarding their folios. URL: https://ris.kfintech.com/clientservices/isc/kycqry.aspx
- **KPRISM:** A mobile application as well as a webpage which allows users to access Folio details, Interest and Dividend status, FAQs, ISR Forms and full suite of other investor services. URL: https://kprism.kfintech.com/signin.aspx
- **WhatsApp:** Modern technology has made it easier to communicate with shareholder across multiple levels. WhatsApp has a wider reach today with majority having a know-how of the application. In order to facilitate the shareholders KFIN has now a dedicated WhatsApp number that can be used for a bouquet of services. WhatsApp Number: (91) 910 009 4099.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND SECRETARIAL STANDARD-2 ISSUED BY THE INSTITUTE OF COMPANY SECRETARIES OF INDIA ('ICSI') AND REGULTION 36 OF SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ("SEBI LISTING REGULATIONS")

ITEM NO. 2

REAPPOINTMENT OF MS. CAROL KRIPANAYANA FURTADO

Background

The term of office of Ms. Carol Kripanayana Furtado, the Whole-Time Director of the Bank is liable to retire by rotation and she being eligible has offered herself for re-appointment.

Eligibility and Disclosures

Ms. Carol Kripanayana Furtado is not disqualified from being appointed/reappointed as a Director in terms of Section 164 of Companies Act, 2013. Further, she is not debarred from holding the office as a director by virtue of any SEBI order or any other such authority.

Detailed Profile

Pursuant to Secretarial Standard-2 specified by the ICSI and Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a brief profile of Ms. Carol Kripanayana Furtado and other information pertaining to her reappointment are given below:

Name of the Director	Carol Kripanayana Furtado
DIN	07587305
Date of Birth and age	July 28, 1971 53 years
Date of First Appointment on the Board	May 01, 2024
Brief resume including experience and Expertise in specific functional areas	Ms. Carol Furtado was earlier designated as the Chief Business Officer of Ujjivan Small Finance Bank. She comes with three decades of banking experience in Retail Banking and NBFC domains with expertise in leading Business, Banking operations, Credit, People functions and Service Quality. Ms. Carol is a key member of the leadership team that laid the foundation and built Ujjivan. She was instrumental in the recognition of Ujjivan as a certified great place to work. She has previously worked with the ANZ group, Bank Muscat and Centurion Bank Ltd. In 2009, Ms. Carol was the recipient of the Financial Women's Association award by Women's World Banking in recognition of her demonstrated professional commitment. She is a post graduate from Mount Carmel Institute of Management, Bangalore, and has been part of strategic leadership programs conducted by Indian Institute of Management, Ahmedabad and Harvard Business School, Boston. Her areas of expertise are Banking, Micro-finance, operations, credit, customer service, human resources.
No. of Board Meetings attended during the financial year ended March 31, 2025 as a Director	Eligible to attend: 8 Attended: 8
Directorships held in Listed Companies	NIL
Listed entities (other than the Bank) in which she holds Committee Membership/ Chairmanship	NIL
Remuneration last drawn during the financial year ended March 31, 2025	₹ 16,368,131
Remuneration sought to be paid	Her present remuneration and other benefits shall remain unchanged unless any increment or increased pay is recommended by the NRC and approved by the Board subject to the prior approval of the RBI
Shareholding in the Bank	Holds 12,85,143 equity shares of the Bank
Relationship with other Directors and Key Managerial Personnel of the Bank	NIL

Recommendation and Interest of Directors/KMPs

Except Ms. Carol Kripanayana Furtado, none of the Directors or Key Managerial Personnel of the Bank or their relatives are concerned or interested in the proposed resolution.

The Board of Directors of the Bank recommends the passing of the Resolution at Item No. 2 as an Ordinary Resolution.

ITEM NO. 3

APPOINTMENT OF SECRETARIAL AUDITOR

SEBI vide its notification dated December 12, 2024 introduced significant amendments to the SEBI Listing Regulations. These amendments aim to improve the corporate governance, streamline compliance processes and enhance transparency for listed entities. Further, SEBI has amended Regulation 24A of the SEBI LODR Regulations, 2015 which governs the "Secretarial Audit and Secretarial Compliance Report" and mandates that every listed entity shall undertake Secretarial Audit conducted by a Peer Reviewed Company Secretary.

In accordance with the aforesaid SEBI amended regulations, the Board of Directors of the Bank in its Board Meeting held on April 30, 2025 has approved and further recommended to the Shareholders for the appointment of Mr. K. Jayachandran, Company Secretaries in Practice (Peer Reviewed - CP No:4031) as Secretarial Auditor of the Bank for a term of five consecutive financial years starting with FY 2025-26 and concluding with FY 2029-30, at such remuneration as may be determined by the Board of the Bank from time to time.

The Bank has received all the necessary eligibility declarations from Mr. K. Jayachandran and he is holding valid Peer Review Certificate issued by the Institute of Company Secretaries of India and has not incurred any of the disqualifications as specified by SEBI. Mr. K. Jayachandran have also conveyed his consent to act as Secretarial Auditor of the Bank.

Profile

Mr. K. Jayachandran

K. Jayachandran is a Practicing Company Secretary based in Bangalore with over 37 years of extensive experience in the field of corporate law—comprising 23 years of independent practice and 14 years of corporate tenure. He offers strategic and practical legal counsel with a sharp focus on corporate governance, regulatory compliance, and legal advisory, guiding companies through complex regulatory landscapes.

He has expertise in Company Law, Secretarial Audits, FEMA, SEBI Regulations, Due Diligence, and NCLT Matters, and had the privilege of advising broad clientele—ranging from multinational companies and listed entities to private and closely-held companies. He is supported by qualified team of professionals, enabling seamless execution and timely delivery of regulatory services.

Terms of Appointment

Term of five consecutive financial years starting with FY 2025-26 and concluding with FY 2029-30. The Board has approved the payment of a secretarial audit fee of Rs. 5,00,000 per annum exclusive of applicable taxes and out of pocket expenses for the Financial Year 2025-26. The Board is authorised to determine his scope of work, remuneration and other terms and condition of appointment and to avail such other services as may be required from Secretarial Auditor from time to time in accordance with the applicable laws.

Interest of Directors/KMPs

The Board recommends the passing of the Resolution at Item No. 3 as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Bank or their relatives are concerned or interested in the proposed resolution.

NOTE

NOTE


INTEGRATED NOTICE BOARD
UJJIVAN SMALL FINANCE BAN


vedaearth Lounge
SPA | SALON | WELLNESS
UJJIVAN



UJJIVAN

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Ujjivan Small Finance Bank

Registered Office
Grape Garden, 3rd "A" Cross,
18th Main, 6th Block,
Koramangala,
Bengaluru - 560 095

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