

Ujjivan Small Finance Bank

Higher opex leads to earnings miss

Ujjivan SFB (Ujjivan) posted numbers for 3QFY24 which were in below our expectations. The PAT came in at Rs3,001mn, showing an increase of +2.3%/-8.4% YoY/QoQ vs. our expectations of Rs3,436mn. NII at Rs8.6bn, (+23% YoY /+4.4% QoQ) was exactly in line with our estimates. NIMs (calc) for the quarter came in at 10.7% a sequential dip of ~30bps. Therefore, Bank reported decent performance on NII front but higher opex (CTI for the quarter was sequentially higher at 56.2% vs. 52.2% in 2QFY24) led to disappointment. Resultantly, PPOP came at Rs4.6bn (+17.6% YoY/-5.4% QoQ). Credit cost came in sequentially at elevated levels (1.01% vs. 0.79% in 2QFY24). We marginally revise our earnings estimate downwards for FY24/FY25 to factor in above factors and maintain BUY with a revised TP of Rs64 (earlier TP of 65).

Higher opex and credit cost leads to sequential decline in earnings

NII came in at Rs8.6bn, (+23% YoY /4.4% QoQ) in line with our expectations inspite of marginal increase in CoF (calc +4bps QoQ). NIMs (calc) for the quarter came in at 10.7% a sequential dip of 32bps primarily due to lower yield on advances. CTI for the quarter was came in at 56.2%, showing an increase of +275bps/~400bps YoY/QoQ. PPOP came at Rs4.6bn (17.6% YoY /-5.4% QoQ) against our expectations of Rs3,436mn. Annualized gross slippages were 2.0% of AUM (+20bps sequentially) and bank had a write off Rs930mn during the quarter. Furthermore, Ujjivan has a written off pool of Rs800cr. As per the bank the bad debts recovery would be lower in FY25 vs. Rs135cr/Rs105cr in FY23 and 9MFY24.

Gross loan book (+27% YoY) and Deposits (~28% YoY) continue impressive march ahead

Gross loan book at Rs277.9bn up 27%/4.4% Y-o-Y/Q-o-Q with Non-MFI book forming 28.7% of the book. Disbursements were at Rs56.7bn/ Rs167.1bn in Q3FY24/9MFY24 +18%/+19% YoY. **Sequentially, the ATS in JLG exhibited a 4.6% increase, while the IL remained relatively stable at Rs56,534/Rs1,31,183, respectively.** Total Deposits stands at Rs297bn, growing by 27.9% YoY and 1.8% QoQ. Notably, retail TD grew ~45%/9% Y-o-Y/Q-o-Q in line with management guidance of deposits growth driven by granular retail deposits. CASA has grown sequentially during the quarter by 7.8% (unlike its peers) and stands at 25.47% vs. 24.06% in 2QFY24.

Reverse merger hearing date at NCLT on 30/01/24

The management has indicated that they are in the concluding phases of merging with the holding company, and they anticipate a favorable outcome during the hearing scheduled on January 30, 2024, before the NCLT. Furthermore, they project the merger to be finalized within the current fiscal year. **It is expected that the reverse merger will result in a one-time accretion to book value of approximately 2-3%.**

Reasonable valuations + Guidance maintained = BUY with TP of Rs64

We expect Ujjivan to report strong numbers in Advances/NII/PPoP with CAGR of 31%/25%/23% respectively, over FY23-26E. Resultantly, Ujjivan is well-positioned to deliver an average RoAA/RoAE of 3.0%/24%, over FY24-26E. Moreover, management has maintained their guidance for FY25 and beyond. **At current price, the stock is trading at 1.6x on APBV/1HFY26E basis which is attractive considering banks growth and return profile. We ascribe 1.8x APBV to 1HFY26E translating in a TP of Rs64, potential upside of 16%.**

Financial and valuation summary

YE Mar (Rs mn)	3QFY24A	3QFY23A	YoY (%)	2QFY24A	QoQ (%)	FY24E	FY25E	FY26E
NII	8,599	6,969	23.4	8,233	4.4	34,142	41,196	52,518
PPoP	4,573	3,889	17.6	4,834	(5.4)	18,945	21,227	27,679
Provisions	629	(2)	nm	469	34.1	2,036	3,601	5,301
Net profit	3,001	2,932	2.3	3,277	(8.4)	12,653	13,189	16,745
Loan growth (%)	31.2	27.2		39.5		30.0	30.0	30.0
NIM (%)	10.7	11.9		11.0		10.2	9.8	9.6
Cost/income (%)	56.2	53.5		52.2		54.6	57.5	56.4
GNPA (%)	2.2	3.6		2.3		2.0	2.3	2.6
RoA (%)	3.4	4.5		4.0		3.4	2.9	2.8
RoE (%)	26.2	34.8		30.7		26.5	22.3	23.0
P/ABV (x)						2.1	1.7	1.4

Source: Company, Centrum Broking

Please see Disclaimer for analyst certifications and all other important disclosures.

Result Update

India | BFSI
24 January, 2024

BUY

Price: Rs55
Target Price: Rs64
Forecast return: 16%

Institutional Research

Market Data

Bloomberg:	UJJIVANS IN
52 week H/L:	63/23
Market cap:	Rs108.3bn
Shares Outstanding:	1956.9mn
Free float:	26.4%
Avg. daily vol. 3mth:	1,32,63,140

Source: Bloomberg

Changes in the report

Rating:	BUY; Unchanged
Target price:	Rs64; (1.5%)
ABV:	FY25E; 32.1; Changed by (1.1%) FY26E; 39.2; Changed by (1.2%)

Source: Centrum Broking

Shareholding pattern

	Dec-23	Sep-23	Jun-23	Mar-23
Promoter	73.6	73.7	73.7	73.7
FIIs	3.7	3.5	3.9	2.0
DIIIs	4.0	4.2	7.1	8.4
Public/other	18.7	18.6	15.4	16.0

Source: BSE

Centrum estimates vs Actual results

YE Mar (Rs mn)	Centrum Q3FY24	Actual Q3FY24	Variance (%)
NII	8,639	8,599	(0.5)
PPOP	5,194	4,573	(12.0)
Provision	600	629	4.9
PAT	3,436	3,001	(12.7)

Source: Bloomberg, Centrum Broking



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Thesis Snapshot

Estimate revision

YE Mar (Rs mn)	FY24E New	FY24E Old	% chg	FY25E New	FY25E Old	% chg
NII	34,142	34,221	-0.20	41,196	40,957	0.6
PPoP	18,945	18,771	0.93	21,227	22,632	-6.2
PAT	12,653	12,614	0.31	13,189	13,645	-3.3

Source: Centrum Broking

Ujjivan Small Finance versus NIFTY Midcap 100

	1m	6m	1 year
UJJIVANS IN	(4.1)	29.8	97.0
NIFTY Midcap 100	5.2	29.1	52.2

Source: Bloomberg, NSE

Key assumptions

Y/E Mar	FY24E	FY25E	FY26E
AUM Growth	32.1%	30.0%	30.0%
NII growth	26.6%	20.7%	27.5%
Other Inc./Assets	2.1%	1.9%	1.8%
Opex/Assets	6.2%	6.2%	6.2%
Provision Cost	0.7%	1.0%	1.0%

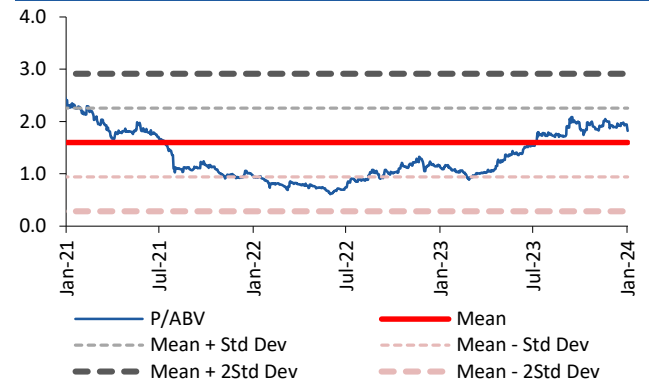
Source: Centrum Broking

Valuations

At current price, the stock is trading at 1.6x on APBV/1HFY26E basis which is attractive considering banks growth and return profile. We ascribe 1.8x APBV to 1HFY26E translating in a revised TP of Rs64, potential upside of 16%.

Valuations	Rs/share
ABV/share (FY1H26E)	35.6
Ascribed P/BV (x)	1.8
Target Price (Rs)	64
Upside to CMP	16%

P/ABV mean and standard deviation



Source: Bloomberg, Centrum Broking

Peer comparison

Company	EPS (Rs)				ABVPS (Rs)				RoAA (%)				RoAE (%)			
	FY23A	FY24E	FY25E	FY26E	FY23A	FY24E	FY25E	FY26E	FY23A	FY24E	FY25E	FY26E	FY23A	FY24E	FY25E	FY26E
AUBANK	21.4	24.7	32.8	46.0	159.7	182.3	213.2	255.3	1.8	1.7	1.8	1.9	15.5	14.1	16.2	19.0
EQSFB	5.2	7.1	9.2	12.2	43.6	48.9	56.2	66.2	1.9	2.0	2.0	2.1	12.2	14.5	16.3	18.4
SURYODAY	7.3	20.7	27.6	31.5	140.5	162.5	187.2	210.7	0.9	2.1	2.3	2.1	5.0	12.9	14.8	14.6
Average	11.3	17.5	23.2	29.9	114.6	131.2	152.2	177.4	1.5	1.9	2.0	2.1	10.9	13.8	15.8	17.4
UJJIVANS	5.6	6.5	6.7	8.6	21.5	27.0	32.0	39.2	3.9	3.4	2.9	2.8	31.4	26.5	22.3	23.0

Company	CMP (Rs)	Rating	TP (Rs)	Mcap (Rsmn)	CAGR (FY23-26E)				P/E (x)				P/BV (x)			
					AUM	NII	Opex	PPoP	FY23A	FY24E	FY25E	FY26E	FY23E	FY24E	FY25E	FY26E
AUBANK	737	Add	828.0	4,92,652.7	27.7	24.5	24.2	31.5	34.4	29.8	22.4	16.0	4.5	3.9	3.4	2.8
EQSFB	106	Buy	123.0	1,19,877.4	27.1	25.2	24.4	27.5	20.5	14.8	11.5	8.7	2.3	2.0	1.7	1.5
SURYODAY	165	Buy	249.0	17,463.9	28.6	26.0	28.7	26.2	22.5	7.9	6.0	5.2	1.1	1.0	0.8	0.7
Average					27.8	25.2	25.8	28.4	25.8	17.5	13.3	10.0	2.6	2.3	2.0	1.7
UJJIVANS	55	Buy	64.1	1,08,315	30.7	24.9	25.8	23.1	9.8	8.6	8.2	6.5	2.6	2.0	1.7	1.4

Source: Company, Centrum Broking

Earnings Concall KTAs

Summary

The bank maintains a positive outlook with AUM growth guidance of +25%. They aim for a CTI of around 50% and a RoE of +22% over FY24-26E. There was a significant surge in employee costs during the quarter, driven by three factors: 1) the hiring of additional staff for new branches, 2) mid-year increments for certain employees, and 3) the inclusion of yearly ESOPS costs in 3QFY24. The pending reverse merger is expected to conclude in FY24 with a one-time 2-3% accretion to book value of the bank.

Guidance – FY24-26

- AUM growth guidance is maintained (+25%) and CDR remains comfortable at 88%.
- CTI over next two years is targeted to inch towards 50%.
- RoE guidance of +22% over FY24-26E.

Advances and Deposits

- The trend of expanding financial inclusion, encompassing both new and existing customers, is expected to persist, indicating substantial growth opportunities.
- AHF, inclusive of micro LAP, maintains its robust momentum, exhibiting a noteworthy increase of 40% year-over-year and 9.4% quarter-over-quarter in the current quarter.
- MSME has started to pick up and the bank has tied up with two Fintech partners for supply chain finance.
- The journey of deposits growth remains on a granular path, with Retail TD and CASA combination reaching 68.7%, marking a quarterly improvement from 64.6% in 2QFY24.
- The outstanding deposits have undergone significant repricing, and there is a noticeable stability in the CoF in last couple of months.

Margins and Asset quality

- There was a significant surge in employee costs during the quarter, driven by three factors: 1) the hiring of additional staff for new branches, 2) mid-year increments for certain employees, and 3) the inclusion of yearly ESOPS costs in 3QFY24.
- Approximately 20% of the asset book sourced after March 23 and 17% of the asset book sourced post September 2022 are yet to undergo repricing by 50bps and 100bps, respectively. This repricing is anticipated to be completed in the next couple of quarters.
- Regarding Punjab and Haryana, there is a movement for loan waiver, but the bank is actively working to preserve asset quality. The impact is limited as the bank primarily operates in urban areas where the movement for loan waiver is not prevalent.

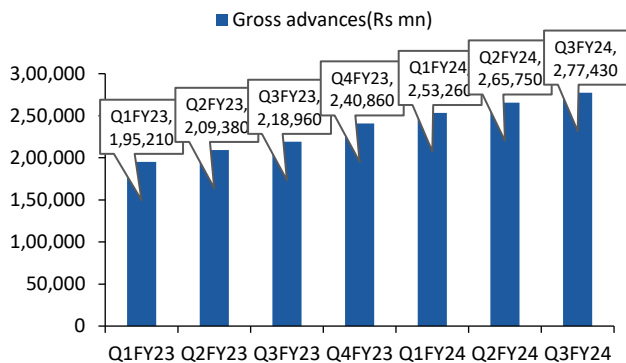
Reverse merger update

- The management has indicated that they are in the concluding phases of merging with the holding company, and they anticipate a favourable outcome during the hearing scheduled on January 30, 2024, before the NCLT.
- Furthermore, they project the merger to be finalized within the current fiscal year.
- It is expected that the reverse merger will result in a one-time accretion to book value of approximately 2-3%.

Other key points

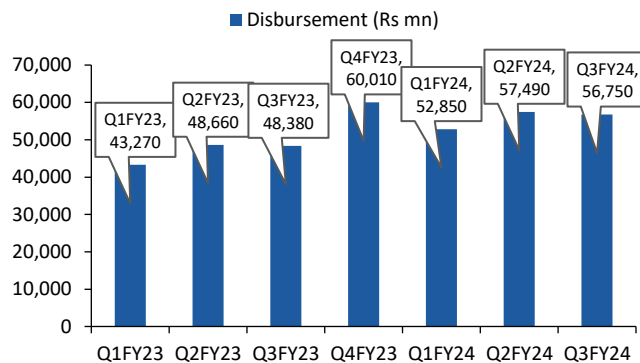
- Historically, fourth quarter is the strongest quarter and that trend would continue this time around as well.
- The board is working on the candidate for succession and smooth transition will be achieved by next FY.
- NTC customers in IL would be ~10% and NTB ~18%.
- Bank has a written off pool of Rs800cr and bad debts recovery would be lower in FY25 vs. Rs135cr/Rs105cr in FY23 and 9MFY24.

Exhibit 1: Advances trend



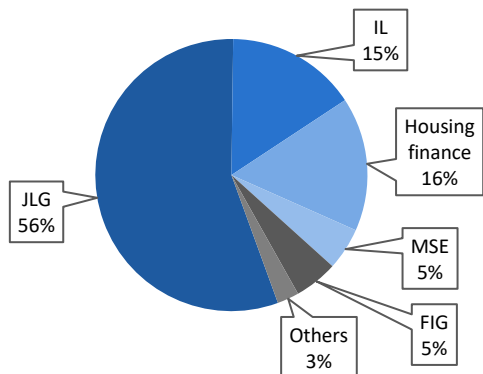
Source: Company Data, Centrum Broking

Exhibit 2: Disbursement trend



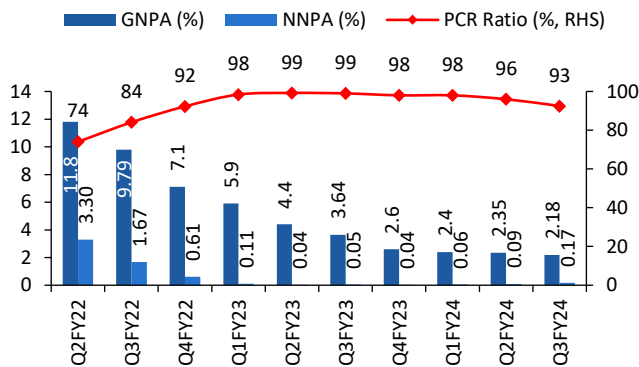
Source: Company Data, Centrum Broking

Exhibit 3: Segment wise Gross Loan mix



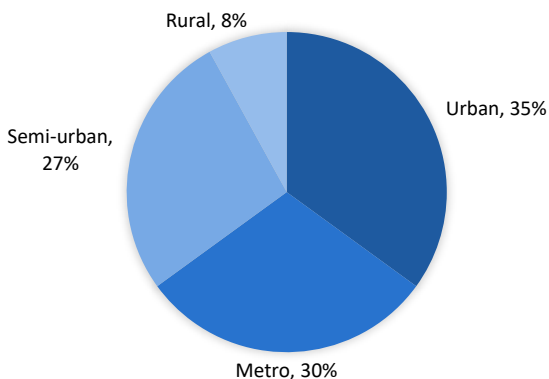
Source: Company Data, Centrum Broking

Exhibit 4: Consistent Asset quality improvement



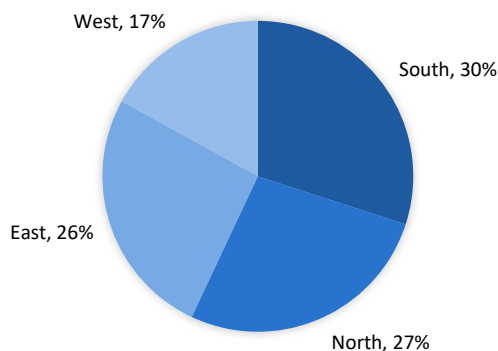
Source: Company Data, Centrum Broking

Exhibit 5: Branch wise Portfolio mix



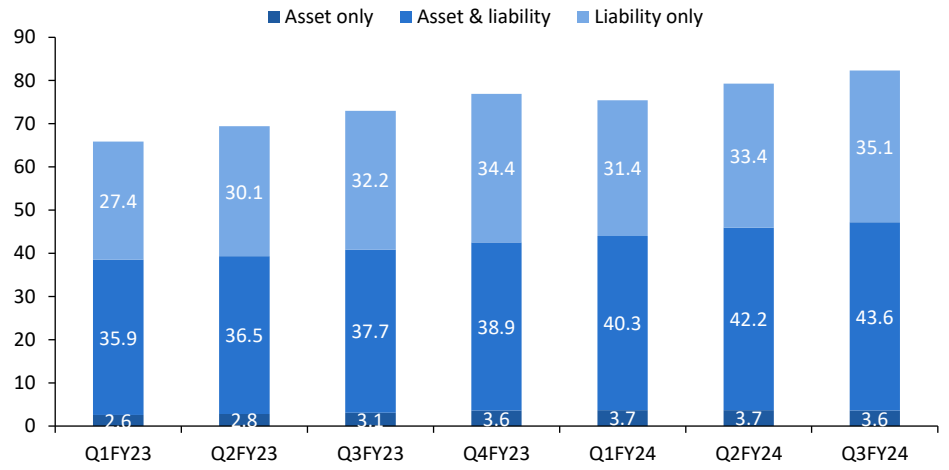
Source: Company Data, Centrum Broking

Exhibit 6: Region wise Portfolio mix



Source: Company Data, Centrum Broking

Exhibit 7: Customer base mix



Source: Company, Centrum Broking

Exhibit 8: Quarterly Financials Snapshot

Rs mn	Q2FY22	Q3FY22	Q4FY22	Q1FY23	Q2FY23	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Income statement										
Interest earned	6,450	7,079	8,182	9,054	9,932	10,816	11,848	12,869	13,911	14,706
Interest expended	2,537	2,540	2,743	3,057	3,299	3,847	4,468	4,942	5,678	6,107
Net Interest Income	3,913	4,539	5,440	5,997	6,632	6,969	7,380	7,927	8,233	8,599
Other income	550	1,030	1,270	1,260	1,450	1,390	1,791	1,772	1,886	1,848
Total Income	4,463	5,569	6,710	7,257	8,082	8,359	9,171	9,699	10,120	10,447
Operating Expenses										
Employees	1,998	2,210	2,269	2,210	2,204	2,255	2,532	2,684	2,734	3,140
Others	1,674	1,823	2,024	2,027	2,045	2,214	2,533	2,435	2,552	2,734
Operating profit	790	1,535	2,417	3,020	3,833	3,889	4,106	4,579	4,834	4,573
Provisions	4,447	2,000	688	299	-99	-2	-19	261	469	629
Profit before tax	-3,656	-465	1,729	2,721	3,933	3,891	4,125	4,318	4,364	3,944
Taxes	-921	-118	469	677	1,006	960	1,030	1,077	1,087	943
Net Profit	-2,736	-347	1,260	2,044	2,926	2,932	3,095	3,241	3,277	3,001
Balance sheet										
Shareholders funds	24,676	24,342	25,603	29,630	35,234	40,170	41,579	44,820	47,156	50,200
Borrowings	16,772	19,360	17,636	19,430	17,333	23,180	26,415	25,360	37,328	37,120
Deposits	1,40,895	1,55,630	1,82,922	1,84,490	2,03,962	2,32,030	2,55,377	2,66,600	2,91,393	2,96,690
Other liabilities	10,338	10,260	7,461	8,360	8,864	8,760	9,286	10,150	10,375	10,680
Total liabilities	1,95,082	2,11,992	2,36,045	2,42,350	2,67,851	3,04,610	3,33,169	3,47,500	3,86,802	3,95,320
Cash & bank	20,840	16,170	21,681	19,320	28,947	27,450	24,836	26,720	22,547	18,680
Advances	1,34,870	1,53,530	1,63,032	1,64,860	1,74,348	1,95,250	2,12,897	2,21,690	2,43,250	2,56,200
Investments	29,680	31,980	41,529	48,380	54,809	71,520	85,103	87,870	1,09,298	1,08,000
Fixed assets	2,640	2,570	2,494	2,600	2,603	2,700	2,829	3,280	3,573	3,950
Other assets	7,052	7,742	7,309	7,200	7,144	7,690	7,504	7,940	8,135	8,490
Total assets	1,95,082	2,11,992	2,36,045	2,42,360	2,67,851	3,04,610	3,33,169	3,47,500	3,86,802	3,95,320
Balance sheet (%)										
Loan growth	4.5	20.7	20.0	38.3	44.3	33.0	32.6	30.5	26.9	26.9
Deposit growth	31.2	34.0	39.3	34.9	44.8	49.1	39.6	44.5	42.9	27.9
Credit deposit Ratio	103.0	105.8	99.3	105.2	102.7	94.4	94.3	95.0	91.2	93.5
Loans / Deposits	95.7	98.7	89.1	89.4	85.5	84.1	83.4	83.2	83.5	86.4
Investment / Deposits	21.1	20.5	22.7	26.2	26.9	30.8	33.3	33.0	37.5	36.4
Capital Adequacy										
Tier-1	20.7	17.7	17.7	18.7	23.4	22.8	22.7	23.6	22.5	22.0
Tier-2	1.5	1.4	1.3	1.3	3.3	3.2	3.1	3.1	2.7	2.4
CRAR	22.2	19.1	19.0	20.0	26.7	26.0	25.8	26.7	25.2	24.4
Profitability (%)										
Yield on IEA	14.9	15.4	16.9	18.3	19.1	18.4	18.6	18.9	18.6	18.3
Cost of funds	6.7	6.3	6.0	6.8	7.0	7.2	7.4	8.0	8.3	8.3
NIM	9.0	9.9	11.2	12.1	12.8	11.9	11.6	11.6	11.0	10.7
Other income/assets	1.1	2.0	2.3	2.3	2.5	2.2	2.5	2.4	2.3	2.1
Cost / Income	82.3	72.4	64.0	58.4	52.6	53.5	55.2	52.8	52.2	56.2
Employees	44.8	39.7	33.8	30.5	27.3	27.0	27.6	27.7	27.0	30.1
Others	37.5	32.7	30.2	27.9	25.3	26.5	27.6	25.1	25.2	26.2
Cost / Assets	7.7	7.9	7.8	7.7	7.3	6.2	6.4	6.0	5.8	6.0
RoA	-5.7	-0.7	2.3	3.7	5.1	4.5	4.4	4.4	4.0	3.4
RoE	-39.2	-5.3	18.2	28.7	39.1	36.4	36.9	34.8	31.8	26.6
Asset quality (%)										
GNPA	11.8	9.8	7.1	5.9	4.4	3.6	2.6	2.4	2.4	2.2
NNPA	3.30	1.67	0.61	0.11	0.04	0.05	0.04	0.06	0.09	0.17
PCR	74.0	84.1	92.3	98.4	99.2	99.0	98.0	98.0	96.0	92.5
Credit Cost (Annualized, bps)	1252	532	165	71	-22	0	-4	47	79	101

Source: Company, Centrum Broking

Exhibit 9: ROAE Tree

	FY18	FY19	FY20	FY21	FY22	FY23	FY24E	FY25E	FY26E
Total Assets	94,732	1,37,422	1,84,113	2,03,805	2,36,045	3,33,169	4,04,726	5,19,592	6,82,516
Average total assets	89,544	1,16,077	1,60,768	1,93,959	2,19,925	2,84,607	3,68,947	4,62,159	6,01,054
Equity	16,469	18,196	31,898	32,192	28,026	42,091	53,300	65,023	80,303
Average Equity	16,435	17,333	25,047	32,045	30,109	35,059	47,696	59,162	72,663
Interest Income on term loans/ Average total assets	14.7%	14.9%	15.9%	13.4%	11.7%	13.0%	13.4%	13.4%	13.3%
Income on investments/money with RBI/other banks / Average total assets	1.1%	0.8%	0.9%	1.1%	1.1%	1.5%	1.7%	1.4%	1.4%
Non-Interest Income/ Average total assets	1.2%	1.8%	2.0%	1.6%	1.4%	2.1%	2.1%	1.9%	1.8%
Total Income/ Average total assets	17.0%	17.5%	18.8%	16.0%	14.2%	16.6%	17.1%	16.7%	16.5%
Interest on Deposits, borrowings and debt securities / Average total assets	6.8%	6.2%	6.7%	5.6%	4.7%	5.2%	6.3%	6.4%	6.4%
Net Interest Income / Average total assets	9.6%	9.5%	10.2%	8.9%	8.1%	9.5%	9.3%	8.9%	8.7%
Net Total Income/ Average total assets	10.9%	11.3%	12.2%	10.5%	9.5%	11.5%	11.3%	10.8%	10.6%
Operating Expenses / Average total assets	7.3%	8.6%	8.2%	6.3%	6.8%	6.3%	6.2%	6.2%	6.0%
PPOP/Average total assets	3.6%	2.7%	4.0%	4.1%	2.7%	5.2%	5.1%	4.6%	4.6%
Provision Cost / Average total assets	3.5%	0.3%	1.1%	4.1%	5.2%	0.1%	0.6%	0.8%	0.9%
Profit before tax / Average total assets	0.1%	2.3%	2.9%	0.1%	-2.5%	5.2%	4.6%	3.8%	3.7%
Tax expense/ Average total assets	0.0%	0.6%	0.7%	0.0%	-0.6%	1.3%	1.2%	1.0%	0.9%
One-time tax adjustment/Average Total Assets	0%	0%	0%	0%	0%	0%	0%	0%	0%
RoAA	0.1%	1.7%	2.2%	0.1%	-1.9%	3.9%	3.4%	2.9%	2.8%
Leverage (Average total assets/average Equity or average Net-worth)	5.45	6.70	6.42	6.05	7.30	8.12	7.74	7.81	8.27
RoAE	0.5%	11.6%	14.1%	0.3%	-13.7%	31.4%	26.5%	22.3%	23.0%

Source: Company, Centrum Broking

P&L					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Interest earned	28,145	41,650	57,431	70,861	91,281
Interest expended	10,392	14,671	23,289	29,665	38,763
Net Interest Income	17,753	26,979	34,142	41,196	52,518
Other income	3,132	5,892	7,565	8,732	11,027
Total Income	20,885	32,871	41,707	49,929	63,545
Operating Expenses	14,964	18,021	22,762	28,702	35,866
Employees	8,126	9,203	12,033	15,017	18,741
Others	6,838	8,818	10,729	13,685	17,125
PPoP	5,921	14,850	18,945	21,227	27,679
Provisions	11,417	178	2,036	3,601	5,301
Profit before tax	(5,496)	14,672	16,909	17,626	22,378
Taxes	(1,358)	3,673	4,256	4,436	5,633
Net Profit	(4,138)	10,999	12,653	13,189	16,745

Ratios					
YE Mar	FY22A	FY23A	FY24E	FY25E	FY26E
Growth (%)					
Loans	12.5	30.6	30.0	30.0	30.0
Deposits	39.3	39.6	27.5	33.1	34.9
RWA growth	12.8	27.0	36.1	30.7	31.4
NII	2.6	52.0	26.6	20.7	27.5
Other income	3.6	88.1	28.4	15.4	26.3
Opex	21.6	20.4	26.3	26.1	25.0
PPoP	(26.2)	150.8	27.6	12.0	30.4
Provisions	44.4	(98.4)	1,044.2	76.9	47.2
Net profit	nm	nm	15.0	4.2	27.0
Profitability (%)					
Yield on assets	13.6	15.8	17.2	16.9	16.7
Cost of funds	5.7	6.1	7.4	7.5	7.4
NIM	8.6	10.2	10.2	9.8	9.6
Other income / Total inc.	15.0	17.9	18.1	17.5	17.4
Other inc. / avg assets	1.4	2.1	2.1	1.9	1.8
Cost/Income	71.6	54.8	54.6	57.5	56.4
Employee	38.9	28.0	28.9	30.1	29.5
Other	32.7	26.8	25.7	27.4	26.9
Opex/ Avg assets	6.3	5.4	5.6	5.5	5.3
Provisioning cost	7.4	0.1	0.8	1.1	1.3
Tax rate	24.7	25.0	25.2	25.2	25.2
RoE	(13.7)	31.4	26.5	22.3	23.0
RoA	(1.9)	3.9	3.4	2.9	2.8
RoRWA	(3.4)	7.5	6.6	5.1	5.0
Du-pont (%)					
Interest income	12.8	14.6	15.6	15.3	15.2
Interest expenses	4.7	5.2	6.3	6.4	6.4
NII	8.1	9.5	9.3	8.9	8.7
Other income	1.4	2.1	2.1	1.9	1.8
Total income	9.5	11.5	11.3	10.8	10.6
Operating expenses	6.8	6.3	6.2	6.2	6.0
Employee	3.7	3.2	3.3	3.2	3.1
Other	3.1	3.1	2.9	3.0	2.8
PPOP	2.7	5.2	5.1	4.6	4.6
Provisions	5.2	0.1	0.6	0.8	0.9
PBT	(2.5)	5.2	4.6	3.8	3.7
Tax	(0.6)	1.3	1.2	1.0	0.9
RoA	(1.9)	3.9	3.4	2.9	2.8

Source: Company, Centrum Broking

Balance sheet					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Share capital	19,705	22,059	22,081	22,081	22,081
Reserves & surplus	8,321	20,032	31,219	42,942	58,221
Deposits	1,82,922	2,55,377	3,25,607	4,33,488	5,84,667
Borrowings	17,636	26,415	19,125	16,469	13,708
Other Liabilities	7,461	9,286	6,694	4,611	3,838
Total liabilities	2,36,045	3,33,169	4,04,726	5,19,592	6,82,516
Cash balances with RBI	16,822	23,053	24,420	30,344	40,927
Balances with banks	4,859	1,783	2,605	4,335	5,847
Investments	41,529	85,103	87,914	1,08,372	1,46,167
Advances	1,63,032	2,12,897	2,76,766	3,59,795	4,67,734
Fixed Assets	2,494	2,829	3,253	3,741	4,302
Other Assets	7,309	7,504	9,768	13,005	17,540
Total assets	2,36,045	3,33,169	4,04,726	5,19,592	6,82,516

Ratios					
YE Mar (Rs mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Balance Sheet (%)					
Loans / Deposits	89.1	83.4	85.0	83.0	80.0
Investments / Deposits	22.7	33.3	27.0	25.0	25.0
CASA	27.3	26.4	28.5	28.0	30.0
Assets/equity (x)	8.4	7.9	7.6	8.0	8.5
RWA / Total assets	54.6	49.1	55.0	56.0	56.0
Capital ratios (%)					
CET-1	17.7	22.7	21.7	20.6	19.7
Tier-1	17.7	22.7	21.7	20.6	19.7
Tier-2	1.3	3.1	0.7	7.1	1.4
CRAR	19.0	25.8	22.4	27.8	21.2
Asset quality ratios (%)					
GNPA (Rs mn)	12,841	6,304	6,264	9,517	13,791
NNPA (Rs mn)	996	90	555	2,376	3,641
GNPA	7.1	2.6	2.0	2.3	2.6
NNPA	0.5	0.0	0.2	0.6	0.7
PCR	92.2	98.6	91.1	75.0	73.6
Slippage	11.5	1.6	1.8	2.0	2.0
NNPA / Equity	3.6	0.2	1.0	3.7	4.5
Per share					
EPS	(2.4)	5.6	6.5	6.7	8.6
BVPS	16.2	21.5	27.2	33.2	41.0
ABVPS	15.6	21.5	27.0	32.0	39.2
Valuation (x)					
P/E	NM	9.8	8.6	8.2	6.5
P/BV	3.4	2.6	2.0	1.7	1.3
P/ABV	3.5	2.6	2.1	1.7	1.4

Source: Company, Centrum Broking

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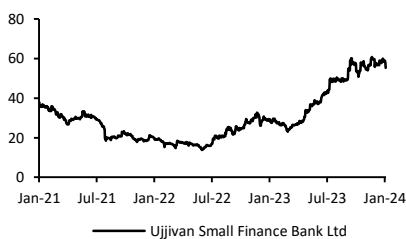
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Ujjivan Small Finance Bank



Source: Bloomberg

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