Jana Small Finance Bank Limited

June 13, 2018

Summary of Rated Instrument

Trust Name	Instrument*	Initial Amount (Rs. crore[1])	Amount O/s after last surveillance (Rs. crore)	Amount O/s after Apr-18 Payout (Rs. crore)	Rating action
Michelangelo IFMR Capital 2016	PTC Series A1	67.13	38.67	0.00	[ICRA]A-(SO) Withdrawn
	PTC Series A2	3.51	3.51	0.00	[ICRA]BBB(SO) Withdrawn
Goldstein IFMR Capital 2016	PTC Series A1	76.17	1.20	0.00	[ICRA]D(SO) Withdrawn
Napoleon IFMR Capital 2016	PTC Series A1	263.49	3.16	0.00	[ICRA]D(SO) Withdrawn

**Instrument details are provided in Annexure I*

Rating Action

ICRA has withdrawn the ratings for PTCs issued under 3 micro loan securitisation transactions originated by Jana Small Finance Bank Limited, as tabulated above.

Rationale

As per conformation received from the trustee, all the payouts to the investors in the above-mentioned instruments have been made and no further payments are due to the investors.

Key rating drivers

Credit Strengths

- N.A.

Credit Weakness

- N.A.

Description of key rating drivers highlighted above:

N.A.

Key rating assumptions

N.A.

Analytical approach:

N.A.

[1] *100 lakh = 1 crore = 10 million*

Links to applicable Criteria

[ICRA's Policy on Withdrawal and Suspension of Credit Rating]

About the company:

Jana Small Finance Bank (Erstwhile Janalakshmi Financial Services Ltd (JFSL)) is a Bangalore-based NBFC-MFI catering to the financial needs of urban poor women through the Joint Liability Mechanism. The company was founded in 2006 by Mr. Ramesh Ramanathan as Janalakshmi Social Services (JSS), whose portfolio was taken over by JFSL in 2008. The promoter shareholding continues to be in JSS (now called Jana Urban Foundation or JUF); the corpus funds in JUF are used for social activities.

As on November 30, 2017, JFSL had a portfolio of about Rs. 9,158 crore. The company has a diversified presence across 18 states and 2 union territories in India with the share of the top 3 states of Tamil Nadu, Karnataka and Maharashtra comprising of about 49% of the overall portfolio as on November 30, 2017. JFSL registered a high compounded growth of 110% over the last four years ended FY2017. The company raised Rs. 1,030 crore equity during Apr-Nov 2017 from existing and new investors.

In FY2017, JFSL reported a net profit of Rs. 170.0 crore on a total managed asset base of Rs. 15,729.8 crore as against a net profit of Rs. 160.3 crore on a total managed assets base of Rs. 13,345 crore during FY2016. During H1FY2018, JFSL reported a loss of Rs.1,192 crore on a managed asset base of Rs. 10,332 crore.

Key financial indicators (audited)

	FY2016	FY2017	H1FY2018*
Total Income	1,785	2,978	816
PAT	160	170	-1,192
Net worth	1,228	2,397	1,747
Total Managed Portfolio	11,007	12,551	10,333
Total Managed Assets	13,345	15,730	14,452
Return on Managed Assets	1.7%	1.2%	N.A
Return on Net worth	13.9%	9.4%	-57.2%
Gearing	7.95	4.97	6.1
Gross NPA %	0.2%	0.7%	29.9%
Net NPA %	0.1%	0.5%	20.2%
CAR %	17.4%	23.9%	17.5%

Source: ICRA research and company

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

Table:

S.No	Name of Instrument	Current Rating				Chronology of Rating History for the past 3 years		
		Type	Initial Rated amount (Rs. Crores)	Amount outstanding (Rs. Crores)	Month-year & Rating	Month- year & Rating		
					June 2018	July 2017	February 2017	January 2017*
1	Michelangelo IFMR Capital 2016	PTC Series A1	67.13	Nil	[ICRA]A-(SO) Withdrawn	[ICRA]A-(SO)	[ICRA]A-(SO)	Provisional [ICRA]A-(SO)
		PTC Series A2	3.51	Nil	[ICRA]BBB(SO) Withdrawn	[ICRA]BBB (SO)	[ICRA]BBB (SO)	Provisional [ICRA]BBB (SO)

** Initial Rating assigned*

S. No	Name of Instrument	Current Rating				Chronology of Rating History for the past 3 years					
		Type	Initial Rated amount (Rs. Crores)	Amount outstanding (Rs. Crores)	Month-year & Rating	Month- year & Rating					
					June 2018	January 2018	October 2017	July 2017	March 2017	July 2016	June 2016*
2	Goldstein IFMR Capital 2016	PTC Series A1	76.17	Nil	[ICRA]D (SO) Withdrawn	[ICRA]D (SO)	[ICRA]C+ (SO)	[ICRA]BB (SO)	[ICRA]BBB (SO)	[ICRA]A (SO)	Provisional [ICRA]A (SO)

** Initial Rating assigned*

S. No	Name of Instrument	Current Rating				Chronology of Rating History for the past 3 years					
		Type	Initial Rated amount (Rs. Crores)	Amount outstanding (Rs. Crores)	Month-year & Rating	Month- year & Rating					
					June 2018	January 2018	October 2017	July 2017	March 2017	Sept 2016	July 2016*
3	Napoleon IFMR Capital 2016	PTC Series A1	263.49	Nil	[ICRA]D (SO) Withdrawn	[ICRA]D (SO)	[ICRA]C+ (SO)	[ICRA]BB+ (SO)	[ICRA]A-(SO)	[ICRA] A+(SO)	Provisional [ICRA]A+ (SO)

** Initial Rating assigned*

Complexity level of the rated instrument: Highly Complex

ICRA has classified various instruments based on their complexity as "Simple", "Complex" and "Highly Complex". The classification of instruments according to their complexity levels is available on the website www.icra.in

Annexure I
Details of Instruments

Sl.	Trust Name	Instrument	Date of Issuance	Coupon Rate (p.a.)	Scheduled Maturity Date	Rated Amount (Rs. crore[2])	Current Rating
1	Michelangelo IFMR Capital 2016	PTC Series A1	Dec-16	10.20%	Sep-18	Nil	[ICRA]A-(SO) Withdrawn
		PTC Series A2		14.00%		Nil	[ICRA]BBB(SO) Withdrawn
2	Goldstein IFMR Capital 2016	PTC Series A1	June-16	10.50%	Jan-18	Nil	[ICRA]D(SO) Withdrawn
3	Napoleon IFMR Capital 2016	PTC Series A1	July-16	9.60%	Jan-18	Nil	[ICRA]D(SO) Withdrawn

[2] *100 lakh = 1 crore = 10 million*

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About ICRA Limited:

ICRA Limited was set up in 1991 by leading financial/investment institutions, commercial banks and financial services companies as an independent and professional investment Information and Credit Rating Agency.

Today, ICRA and its subsidiaries together form the ICRA Group of Companies (Group ICRA). ICRA is a Public Limited Company, with its shares listed on the Bombay Stock Exchange and the National Stock Exchange. The international Credit Rating Agency Moody's Investors Service is ICRA's largest shareholder.

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