August 30, 2019

Ujjivan Small Finance Bank Limited: [ICRA]A+(Stable)/[ICRA]A1+ ratings withdrawn

Summary of rated instruments

Instrument*	Previously Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Non-Convertible Debentures	400.00	400.00	[ICRA]A+ (Stable) / Rating Withdrawn
Certificate of Deposits	1,000.00	1,000.00	[ICRA]A1+ / Rating Withdrawn
Short Term Fixed Deposits	1,000.00	1,000.00	[ICRA]A1+ / Rating Withdrawn
Total	**2,400.00**	**2,400.00**	

** Instrument details provided in Annexure-1*

Rationale

ICRA has withdrawn the [ICRA]A+ (Stable) rating on the Rs.400.00 crore non-convertible debenture programme of Ujjivan Small Finance Bank Limited (USFB) at the request of the bank as the same have been redeemed in full and there is no dues outstanding against the same. ICRA has also withdrawn the [ICRA]A1+ rating on the Rs.1,000.00 crore Certificate of Deposits and the Rs.1,000.00 crore Short Term Fixed Deposits programme of USFB at the request of the bank as the same have been redeemed in full and there is no dues outstanding against the rated instruments.

Key rating drivers

Key Rating drivers has not been captured as the rated instrument(s) are being withdrawn.

Analytical approach:

Analytical Approach	Comments
Applicable Rating Methodologies	ICRA Policy on Withdrawal and Suspension of Credit Ratings
Parent/Group Support	Not Applicable
Consolidation / Standalone	Not Applicable

About the company

Ujjivan Small Finance Bank Limited (USFB / the bank) commenced operations on February 01, 2017, post transfer of assets and liabilities from Ujjivan Financial Services Limited (Ujjivan). The assets transferred included a portfolio of about Rs.5,900 crore. Ujjivan which operated as an NBFC-MFI, is the holding company of USFB and is listed on the National Stock Exchange and Bombay Stock Exchange.

USFB is a 100% subsidiary of Ujjivan Financial Services Limited and is included in the Second Schedule of the Reserve Bank of India Act, 1934. As on June 30, 2019, USFB's 524 branches was spread across 221 districts in 24 states. The bank had a total gross loan portfolio of Rs.11,783 crore crore and a deposit base of over Rs.7,956 crore.

Key financial indicators (consolidated – Ujjivan Financial services Limited)

Fiscal	FY 2017 (audited)	FY2018 (audited)	FY2019 (audited)
Total Income	1,397.6	1,581.7	2,013.6
Profit after Tax	207.7	7.3	150.4
Net worth	1,755.8	1,761.6	1,877.7
Total Managed Portfolio	6,379.5	7,560.0	11,049.0
Total Managed Assets	8,986.9	9,813.9	14,180.1
Return on Average Managed Assets (%)	2.8%	0.1%	1.3%
Return on Average Net worth (%)	14.1%	0.4%	8.3%
Gross NPA (%)	0.3%	3.6%	0.9%
Net NPA (%)	0.0%	0.7%	0.3%
Net NPA / Net worth	0.1%	2.9%	1.5%
Managed Gearing (times)	4.0	4.4	6.4
CRAR^ (%)	18.3%	23.0%	18.9%

Status of non-cooperation with previous CRA: Not applicable

Any other information: None

Rating history for last three years:

	Instrument	Current Rating (FY2020)				Chronology of Rating History for the past 3 years		
		Type	Amount Rated (Rs. crore)	Amount Outstanding (Rs Crore)	FY2020	FY2019	FY2018	FY2017
					Aug 2019	Jul 2018	Apr 2017	-
1	Non-convertible debenture	LT	400.00	-	[ICRA]A+ (Stable) / Withdrawn	[ICRA]A+ (Stable)	[ICRA]A+ (Stable)	-
2	Certificate of Deposits	ST	1,000.00	-	[ICRA]A1+ / Withdrawn	[ICRA]A1+	[ICRA]A1+	-
3	Short-term Fixed Deposits	ST	1,000.00	-	[ICRA]A1+ / Withdrawn	[ICRA]A1+	[ICRA]A1+	-

Complexity level of the rated instrument:

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-1: Instrument Details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (Rs. crore)	Current Rating and Outlook
-	-	-	-	-	-	-

Source: USFB

Annexure - 2: List of entities considered for consolidated analysis

Company Name	Ownership	Consolidation Approach
NA	NA	NA

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