Ujjivan Small Finance Bank Limited

August 30, 2019

Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating[1]	Rating Action
Non-Convertible Debentures-(NCD V)	-	-	Withdrawn

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the rating assigned to the NCD issue of Ujjivan Small Finance Bank Limited with immediate effect, as the company has repaid the aforementioned NCD issue and there is no amount outstanding under the issue as on date.

Analytical approach: Not Applicable.

Applicable Criteria

[Policy on Withdrawal of ratings]

About the Company

USFB, incorporated on July 04, 2016 is a wholly owned subsidiary of Ujjivan Financial Services Limited (UFSL). UFSL was a Bangalore based Microfinance Company registered as NBFC-MFI with RBI. It has been in microfinance lending since 2005 and has operated through joint liability group (JLG) model in urban and semi urban areas and target customers who are salaried as well as self-employed women. UFSL was one of the ten entities to be granted "in-principle" approval by Reserve Bank of India (RBI) on September 16, 2015 to set up a bank under the "Guidelines for Licensing of Small Finance Banks in the private sector" (Guidelines) issued by the RBI on November 27, 2014. Subsequently, on November 11, 2016 RBI granted the license to USFB to carry out the banking business in India. Accordingly, USFB formally commenced its operations on February 1, 2017 whereby in line with the terms with Business Transfer Agreement (BTA) effective from February 1, 2017 entered between UFSL and USBL, the entire assets/liabilities of UFSL had been transferred to USBL.

As on March 31, 2019, the bank has 474 branches (including 120 Unbanked Rural Centres). Further the bank has 385 biometric ATMs as on March 31, 2019. The bank has presence across 24 of the States and Union Territories of India, and with an overall portfolio of around Rs.11,049 crore as on March 31, 2019.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	1579	2038
PAT	7	199
Interest coverage (times)	1.53	1.43
Total Assets	9473	13742
Net NPA (%)	0.69	0.26
ROTA (%)	0.08	1.72

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History for last three years: Please refer Annexure-2

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Debentures-Non Convertible Debentures	July 30, 2013	10.95%	July 30, 2019	0.00	Withdrawn

[1]*Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications*

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Fund-based - LT-Term Loan	LT	72.75	CARE A+; Stable	1)CARE A+; Stable (03-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (06-Sep-17) 2)CARE A+; Stable (12-Apr-17)	-
2.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (06-Sep-17) 2)CARE A+; Stable (12-Apr-17)	-
3.	Debentures-Non Convertible Debentures	LT	-	-	1)CARE A+; Stable (03-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (06-Sep-17) 2)CARE A+; Stable (12-Apr-17)	-
4.	Debentures-Non Convertible Debentures	LT	-	-	-	-	1)Withdrawn (06-Sep-17) 2)CARE A+; Stable (12-Apr-17)	-
5.	Debentures-Non Convertible Debentures	LT	-	-	-	1)Withdrawn (19-Sep-18) 2)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (06-Sep-17) 2)CARE A+; Stable (12-Apr-17)	-
6.	Fund-based-Long Term	LT	1386.31	CARE A+; Stable	1)CARE A+; Stable (03-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (06-Sep-17) 2)CARE A+; Stable (12-Apr-17)	-
7.	Debentures-Non Convertible Debentures	LT	-	-	1)Withdrawn (03-Jul-19)	1)CARE A+; Stable (06-Jul-18)	1)CARE A+; Stable (06-Sep-17) 2)CARE A+; Stable (12-Apr-17)	-

Note on complexity levels of the rated instrument: *CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.*

Contact us

Media Contact
Mradul Mishra
Contact no. – +91-22-6837 4424
Email ID – mradul.mishra@careratings.com

Analyst Contact
Group Head Name – Himanshu Jain
Group Head Contact no.- 080-46625528
Group Head Email ID- himanshu.jain@careratings.com

Business Development Contact
Name: V Pradeep Kumar
Contact no. : 044-28497812/0811
Email ID : pradeep.kumar@careratings.com

About CARE Ratings:
CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**