

# Investor Presentation Q1 FY2020-21

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July 2020



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# Key Highlights



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# Key Highlights

## Bandhan Bank - Overview

- Loan portfolio (on book + off book) for Q1 FY 20-21 grew 17.7% Y-o-Y
- Deposits grew by 35.3% Y-o-Y in Q1 FY 20-21
- Net NPA is at 0.48%
- Retail Deposit to Total Deposit at 77.7%
- Added 0.21 million Customer during the quarter with total customer base reaching to 20.31 million (Micro Banking- 15.46 million, Non Micro– 4.57 million and Housing – 0.28 million)
- During the quarter, the Bank has made an accelerated additional provision of ₹ 7.5 billion on standard advances against the potential impact of COVID-19 to further strengthen the balance sheet

## Snapshot of operations Q1 FY 2020-21

Total Deposits	₹ 606.10 bn
Total Loans and advances	₹ 743.31 bn <sup>1</sup>
Net Interest Margin (NIM)	8.15%*
CASA Ratio	37.08%
ROAA (%)	2.33%*#
ROAE (%)	14.12%*#



**34**  
States & UTs




**548**  
Cities



**1,018**  
Branches



**485**  
ATMs



**3,541**  
Banking Units



**41,563**  
Employees



**20.31 mn**  
Customers



**90%**  
Priority sector loans



**61%**  
Micro loans

1. On book + Off Book (including TLTRO ₹ 5 bn)  
\*Annualised  
# After taking additional provision of ₹ 7.5 billion

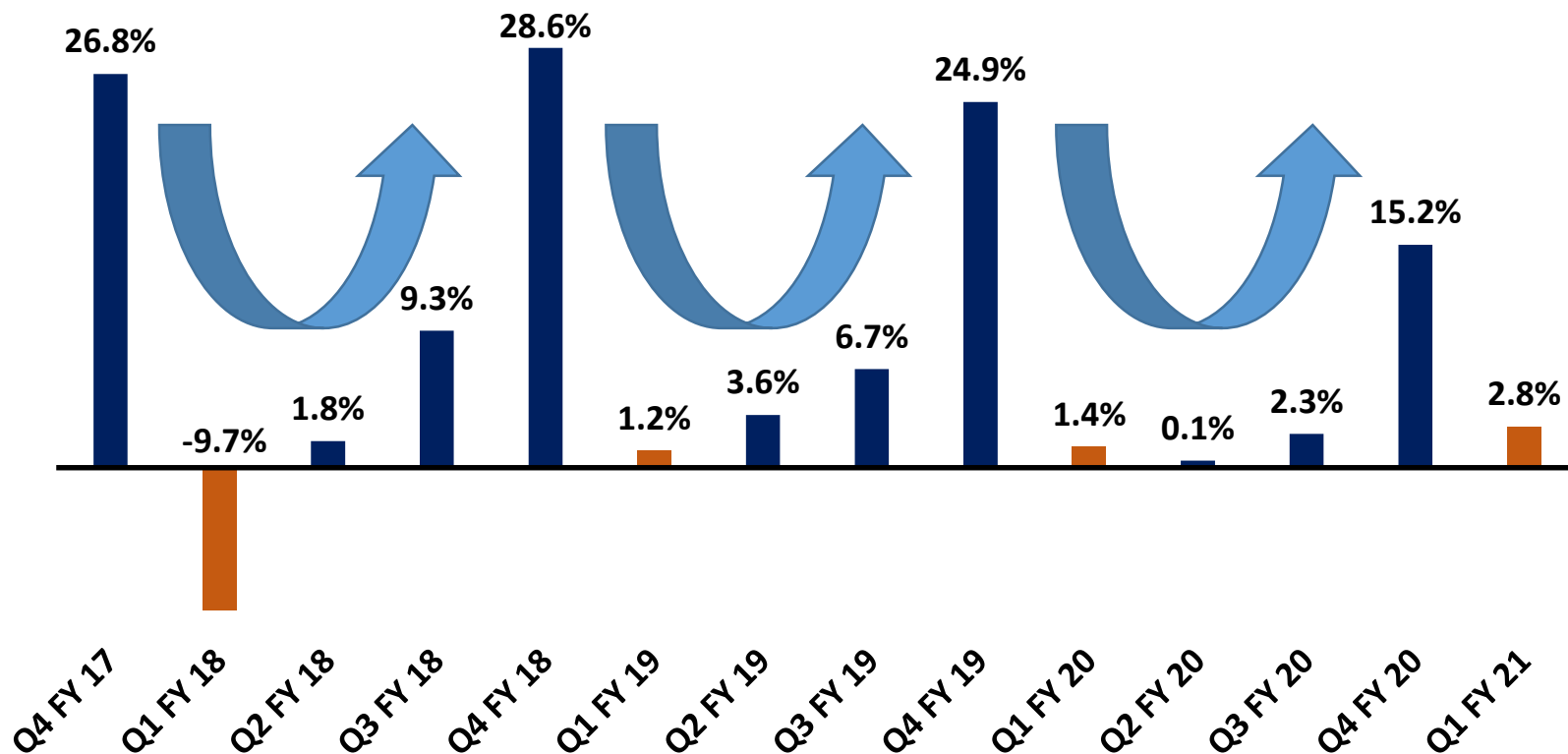
# Business Update



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Although Q1's tepid growth in each FY is seasonality induced ; this year witnessed a higher growth compared to the last FYs

### Quarterly growth comparison of Micro banking advances

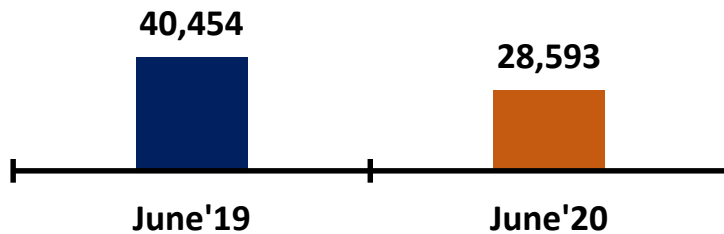


***In spite of Covid-19, growth in Q1 FY 21 is higher than that of Q1 FY 18, Q1 FY 19 and Q1 FY 20. This trend is likely to continue and improve further in H2 FY 21.***

# Disbursement for the month of June is fast approaching pre-covid levels

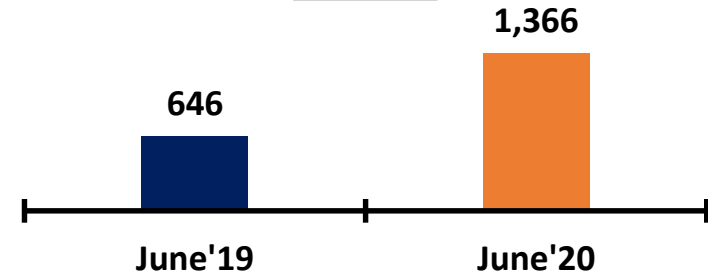
In ₹ Million

## Micro-Banking



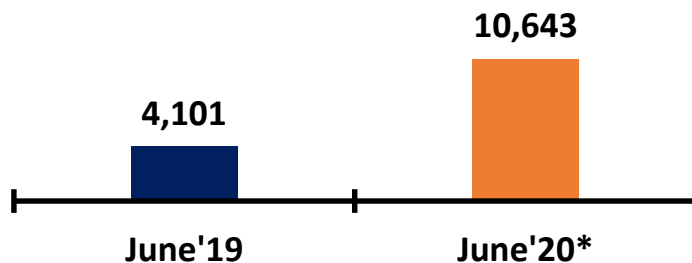
*A calibrated expansion of MB asset book with average ticket size of INR 46,305*

## MSME



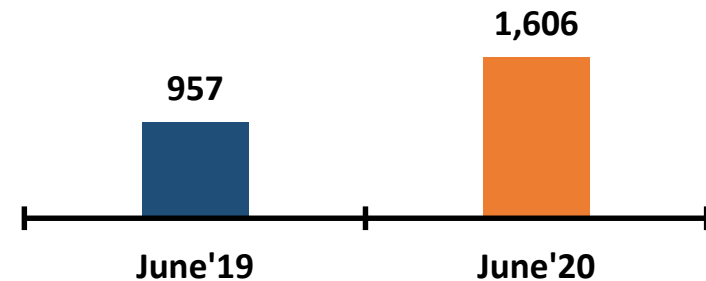
*Only term loans are considered for disbursement*

## Mortgage



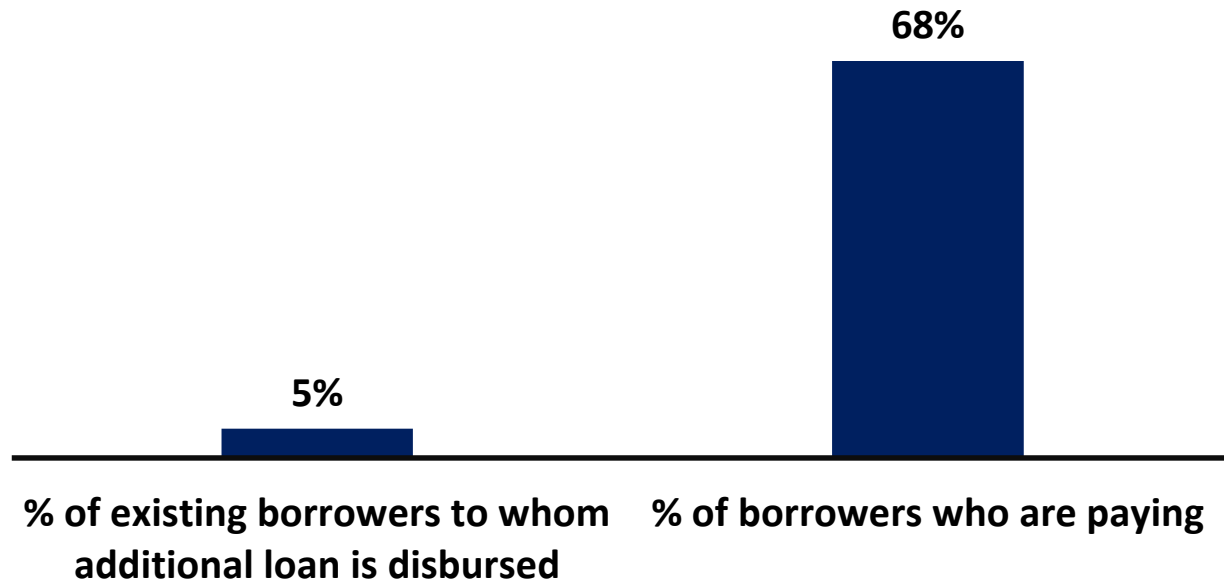
- More than 50% disbursements are to new customers*
- Includes portfolio purchased under IBPC amounting to INR 8,140 mn*

## Other Retail Loans



*Growth is largely contributed by Gold loans and loan against term deposits*

# Additional loan made available to Existing Micro Banking customers to support and grow their business

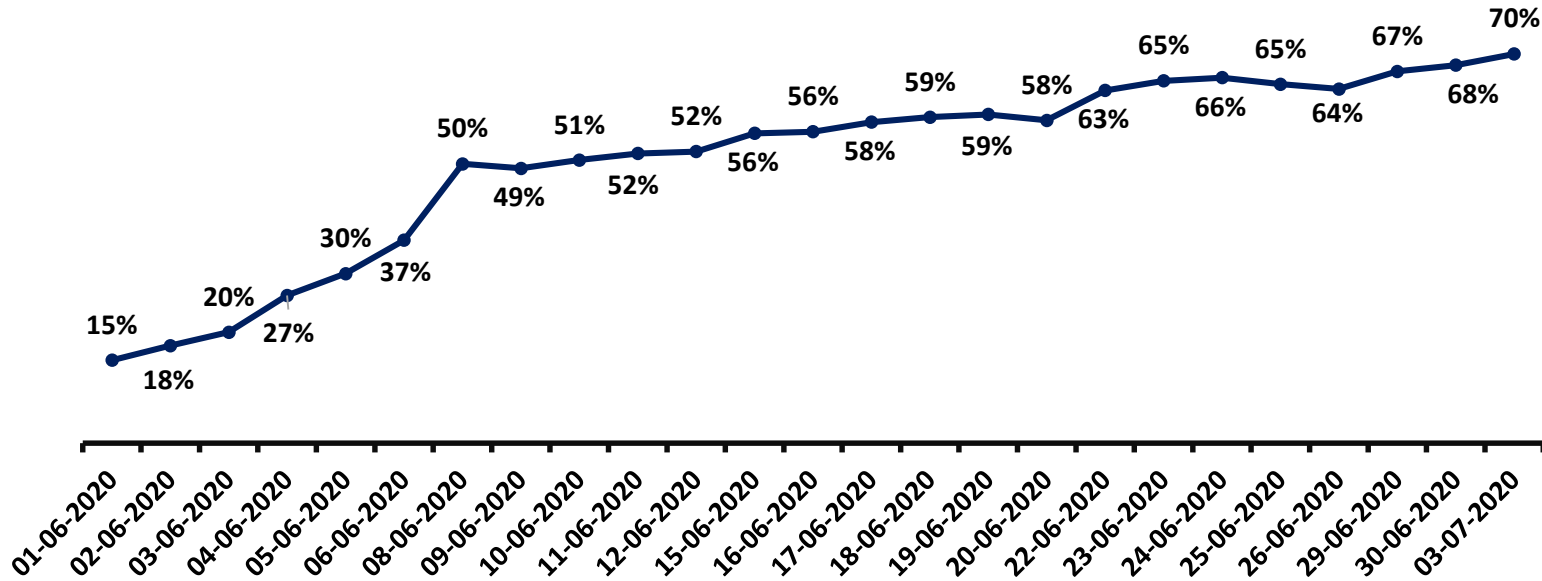


***Additional Loan is disbursed to only 5% of the existing borrowers whereas collection is coming from 68% of the borrowers***

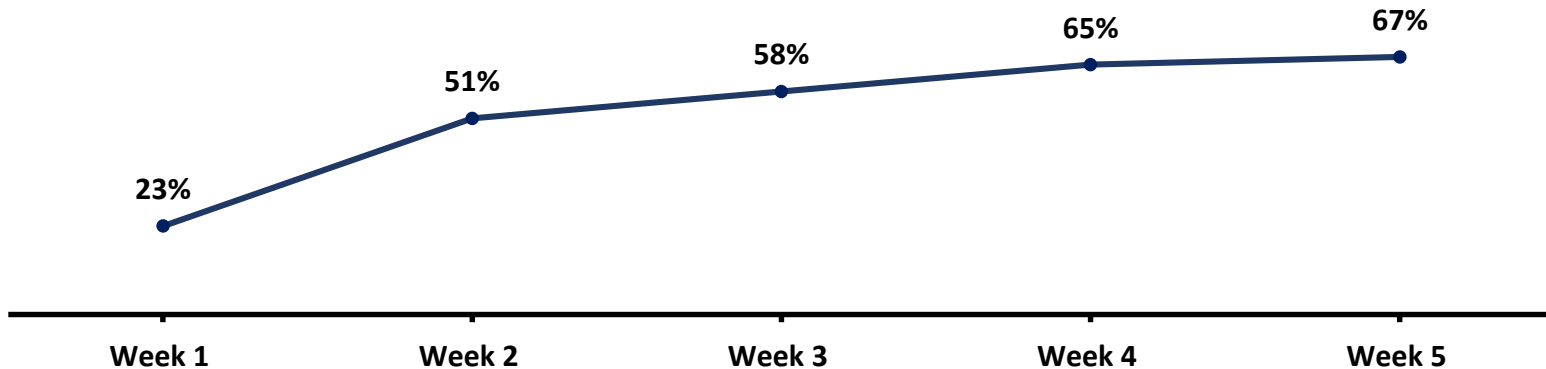


# Micro Banking collections witnessed improvement in the month of June'20

## Daily collection efficiency for June'20



## Weekly collection efficiency for June'20



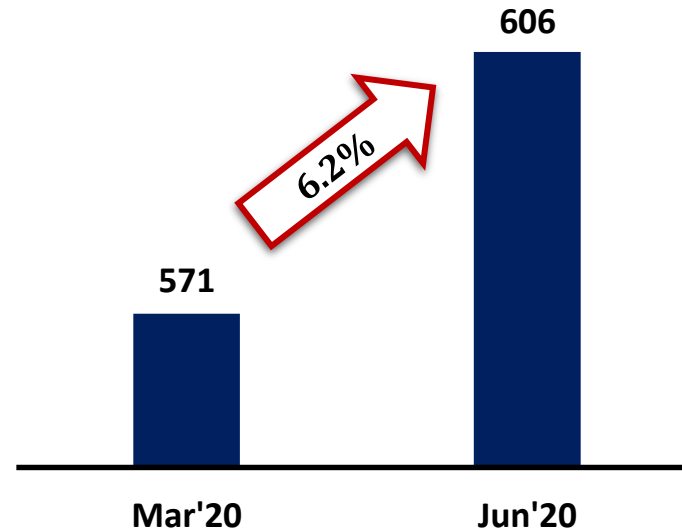
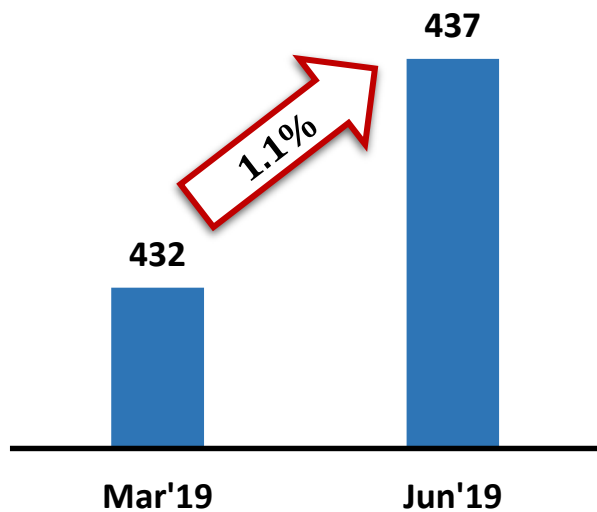
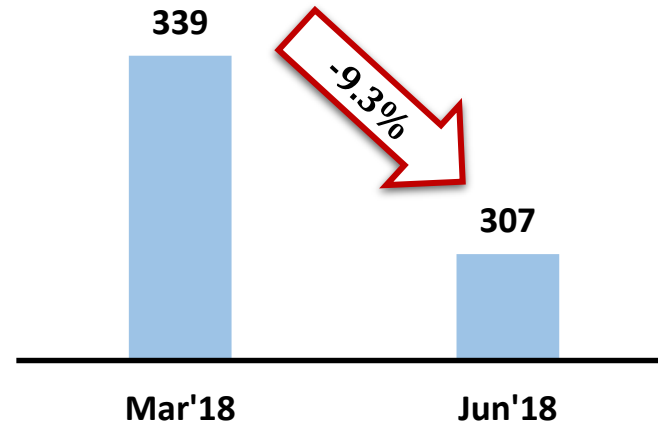
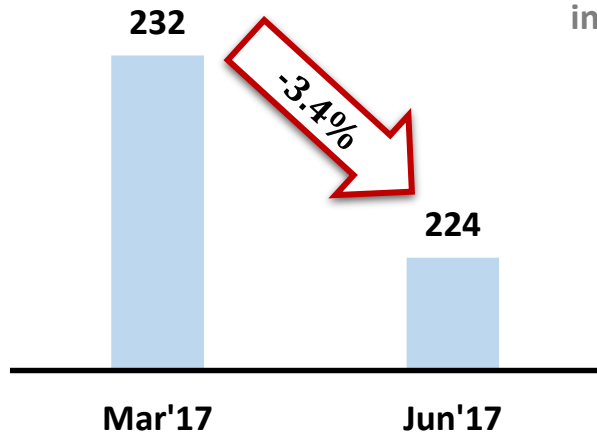
Note: Week 5 is partial week ending on 30<sup>th</sup> June 2020

# Collection Update

- 1** **Micro** → 68% collection in value by end June'20 & 70% as on 3<sup>rd</sup> July' 20 as against 0% in April
- 2** **Mortgage** → 85% Collection in value for June'20 as against 87% in April' 20
- 3** **SME** → 82% collection in value for June'20 against 65% in April' 20
- 4** **NBFC** → (a) NBFC Others-100% collection against 100% in April' 20  
(b) NBFC MFI 100% collection in value for June'20 against 51% in April' 20
- 5** **Overall Bank** → 76% Collection in value against 29% in April' 20

# Focus on retail deposits and new customer acquisition has helped growth in total deposit balance in Quarter ended June 2020

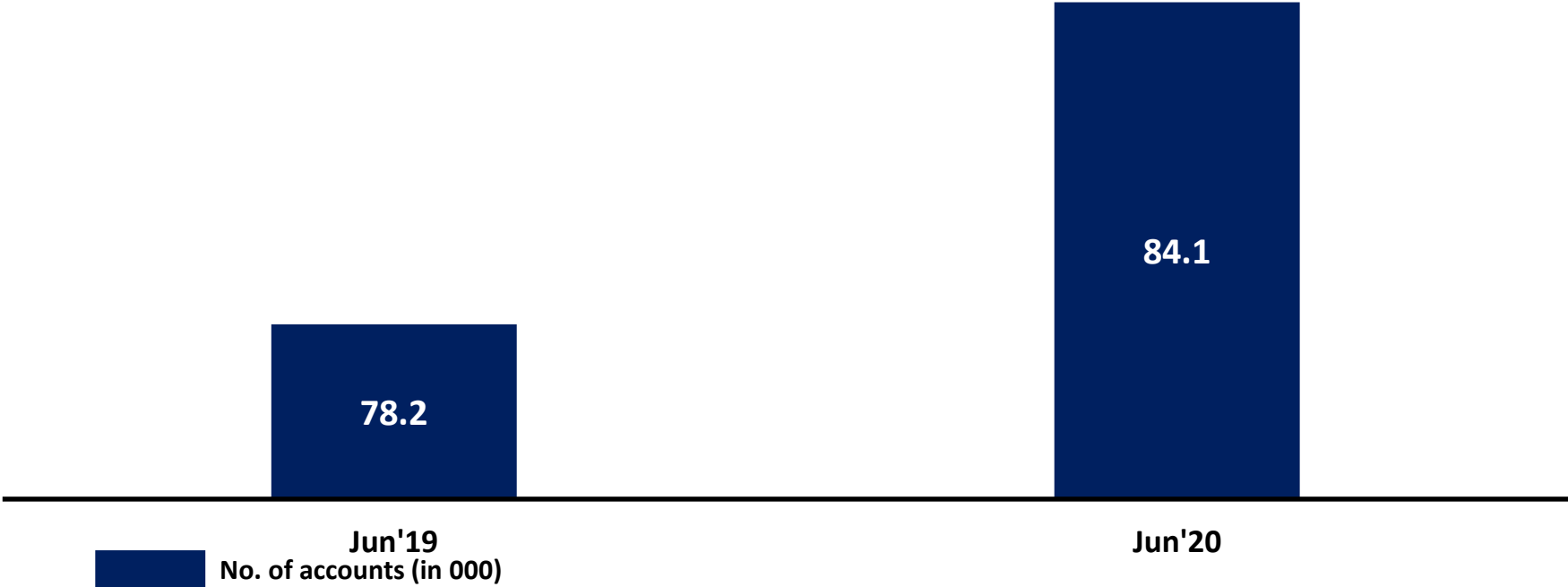
Total Deposits  
in ₹ Billion



# New CASA account sourcing has crossed the pre-covid levels in the month of June' 20



## CASA Sourcing\* in the month of June'20



\*Through Branch Banking (excluding micro-banking customers)

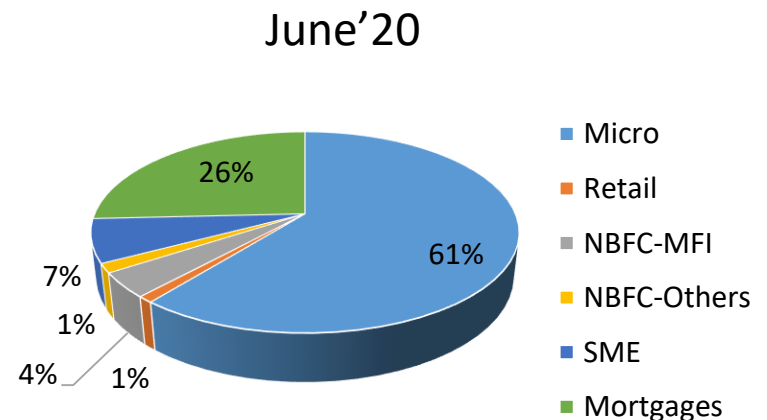
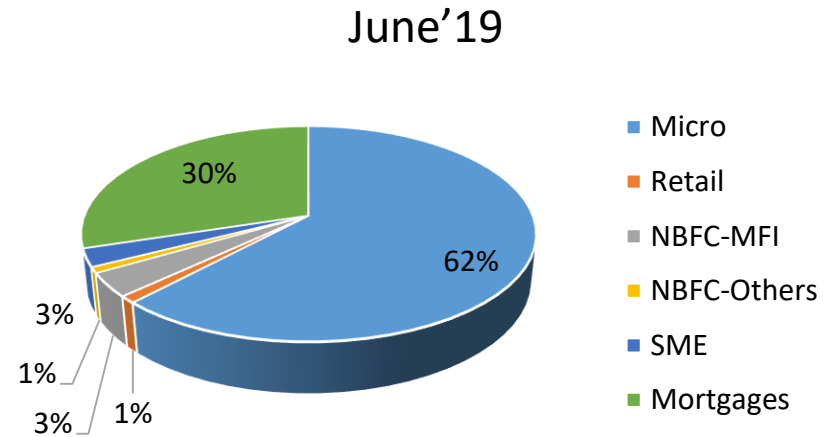
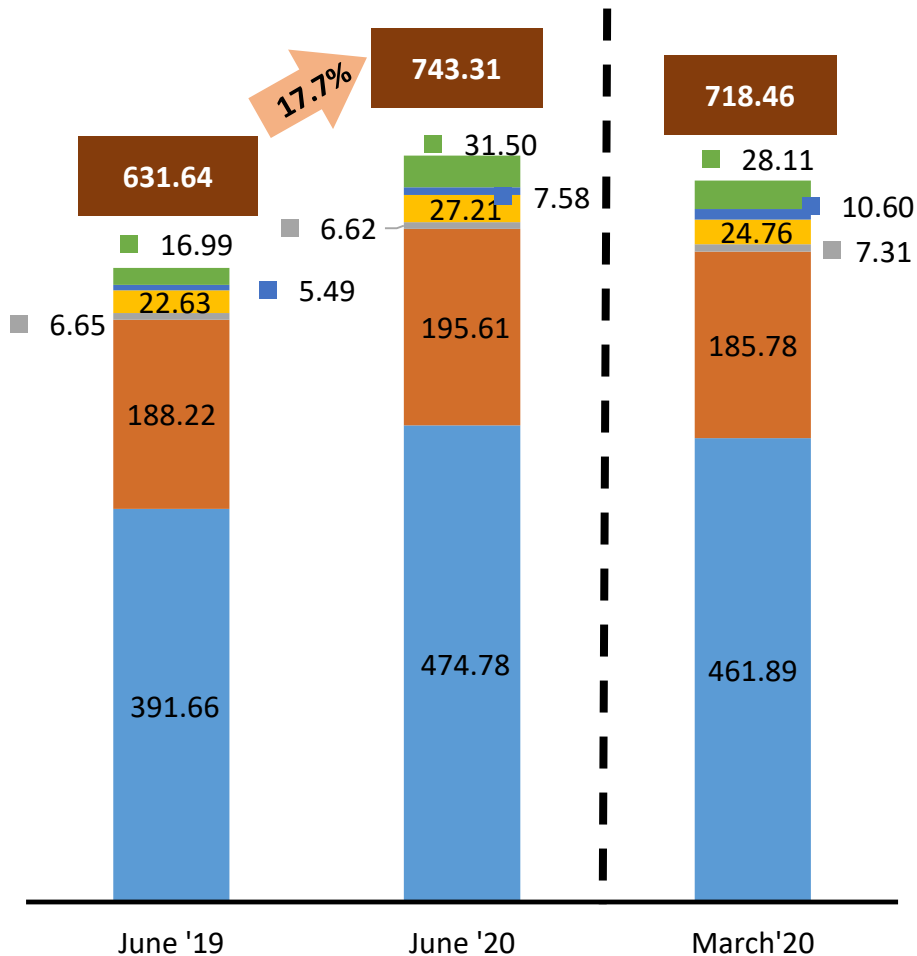
# Business & Financial Overview



**Bandhan**  
Bank

# Asset Book Mix

## Total Advances (₹ in Billion)

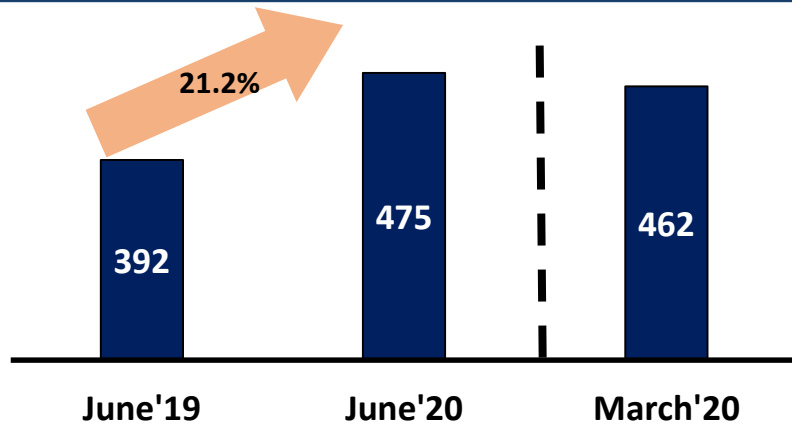


- Micro
- Retail
- NBFC-Others
- Mortgages
- NBFC-MFI
- SME

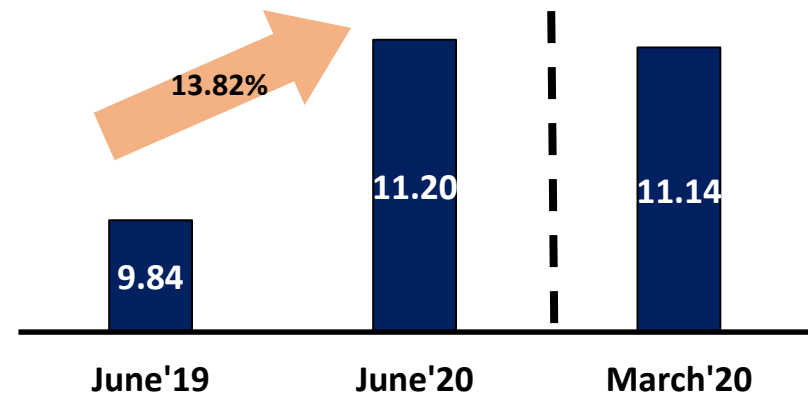
- Portfolio diversifying with micro finance group loan share in total advance at 61%
- Micro Banking book for June 20 includes Individual loan portfolio amounting to ₹ 22 bn

# Micro Banking Assets

### Micro Banking Asset Growth\* (₹ in Billion)

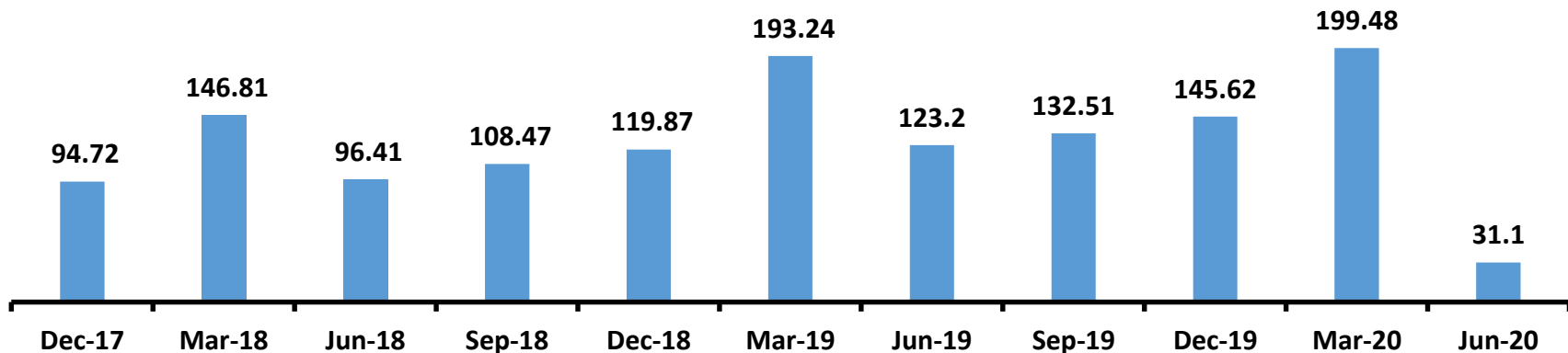


### Number of Active Micro Borrowers (Mn)



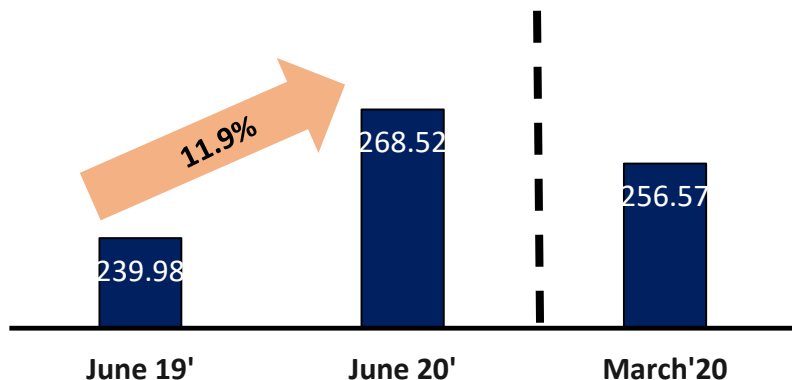
\*Micro Banking book for June 20 includes Individual loan portfolio amounting to ₹ 22 bn

### Micro Loan Disbursement (₹ in Billion)

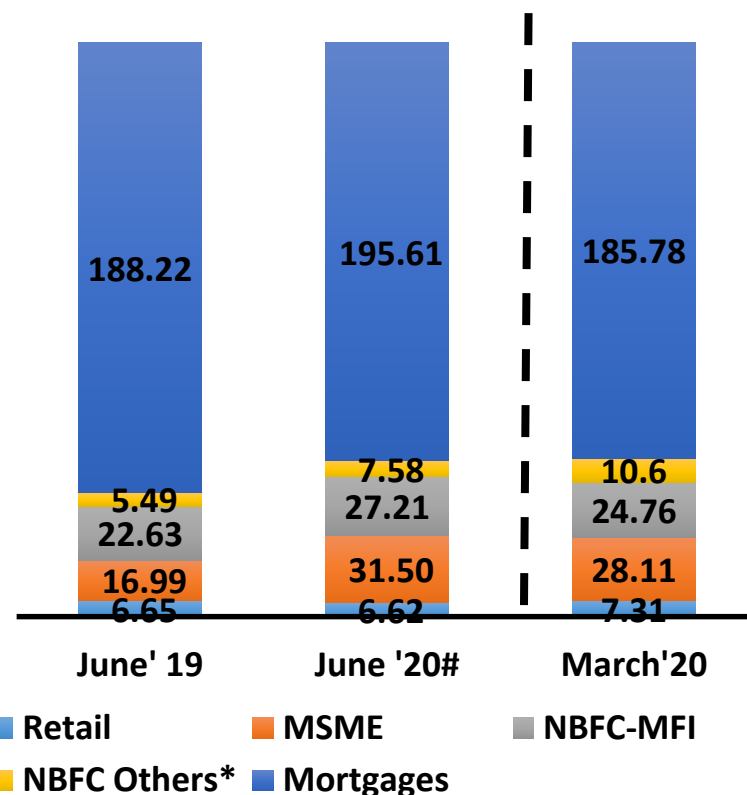


# Non Micro Assets

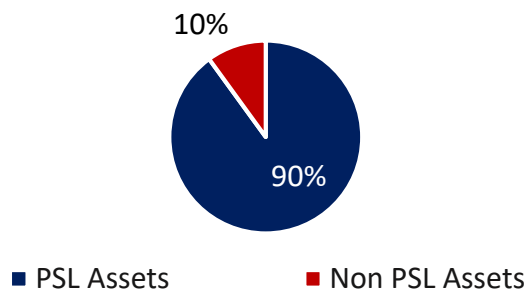
## Non Micro Banking Asset growth (₹ in Billion)



## Product wise Advances – Non Micro (₹ in Billion)



## Higher PSL Portfolio

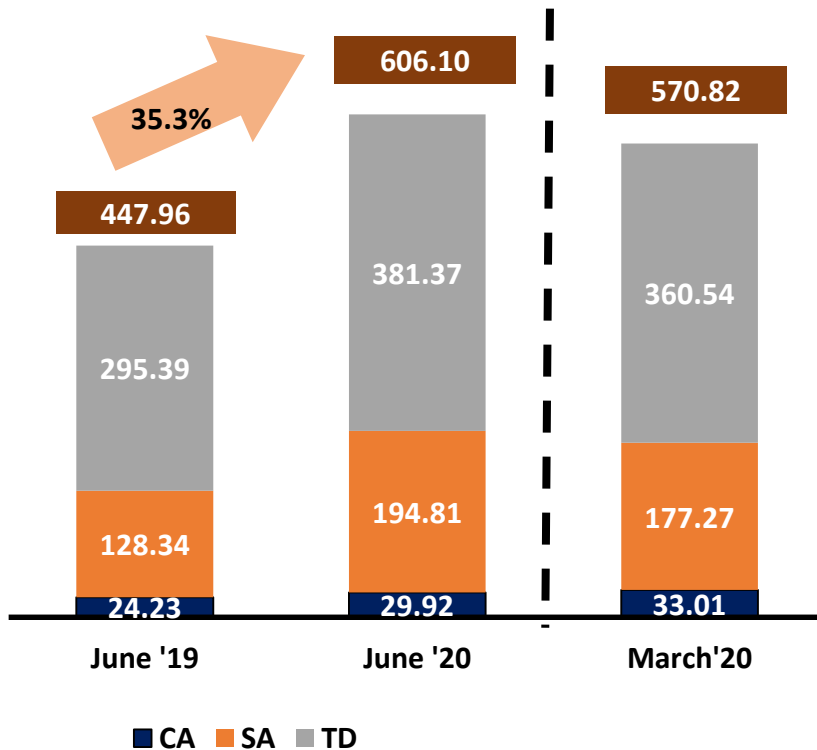


\*Includes ILF&S exposure of ₹ 3.85 billion which is fully provided  
 # Micro Banking book for June 20 includes Individual loan portfolio amounting to ₹ 22 bn



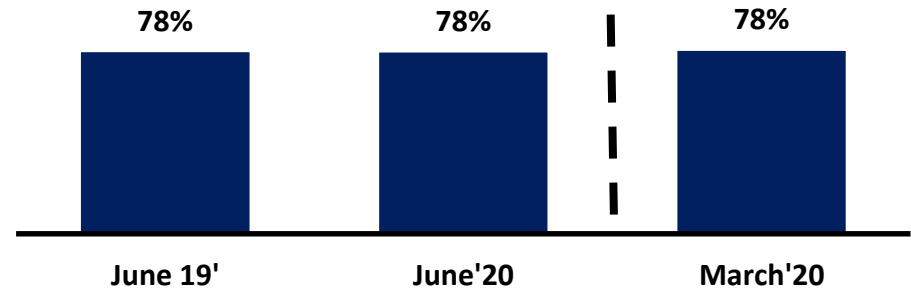
# Liabilities Profile

## Deposits Growth (₹ in Billion)

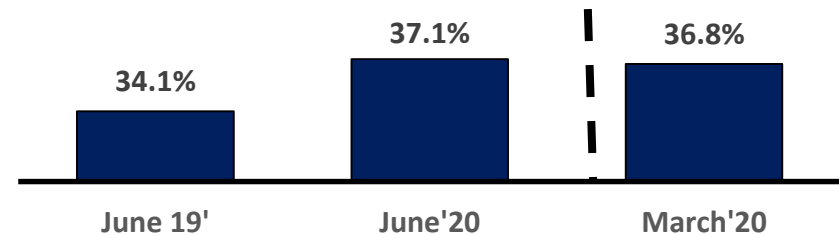


➤ Microbanking contributes 5% of total deposits

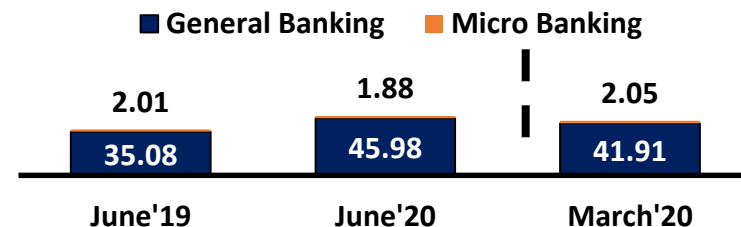
## Retail to Total Deposits (%)



## CASA (%)

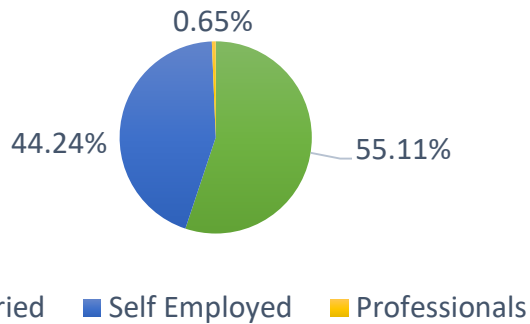


## Average SA Balance Per Customer (₹ in 000')

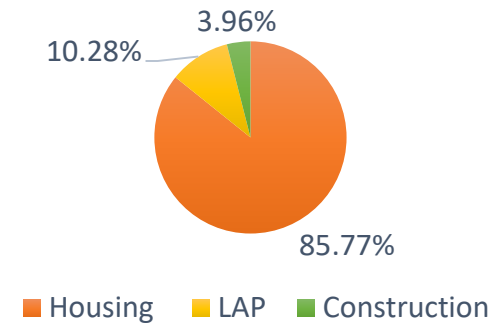


# Housing Loans

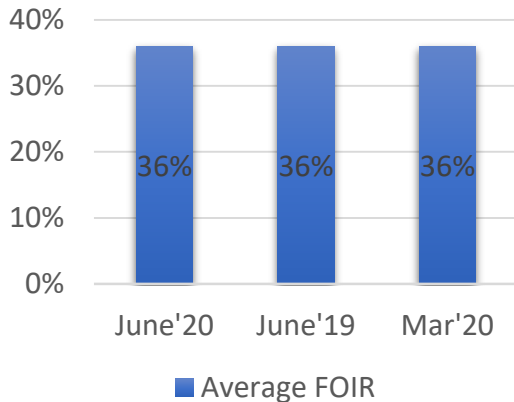
## Customers



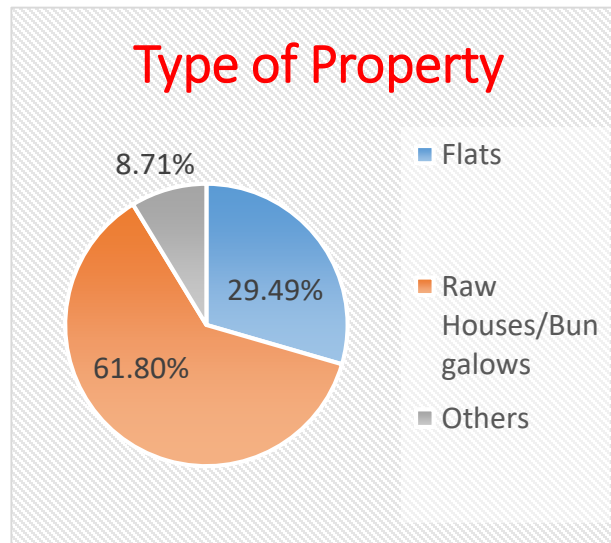
## Portfolio Outstanding



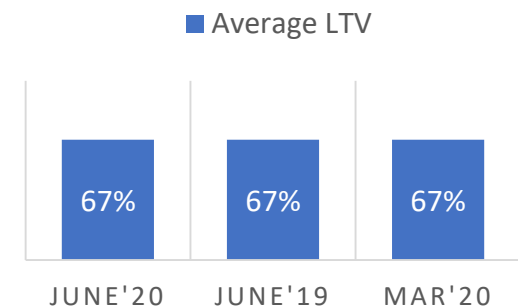
## Average FOIR\*



## Type of Property



## AVERAGE LOAN TO VALUE

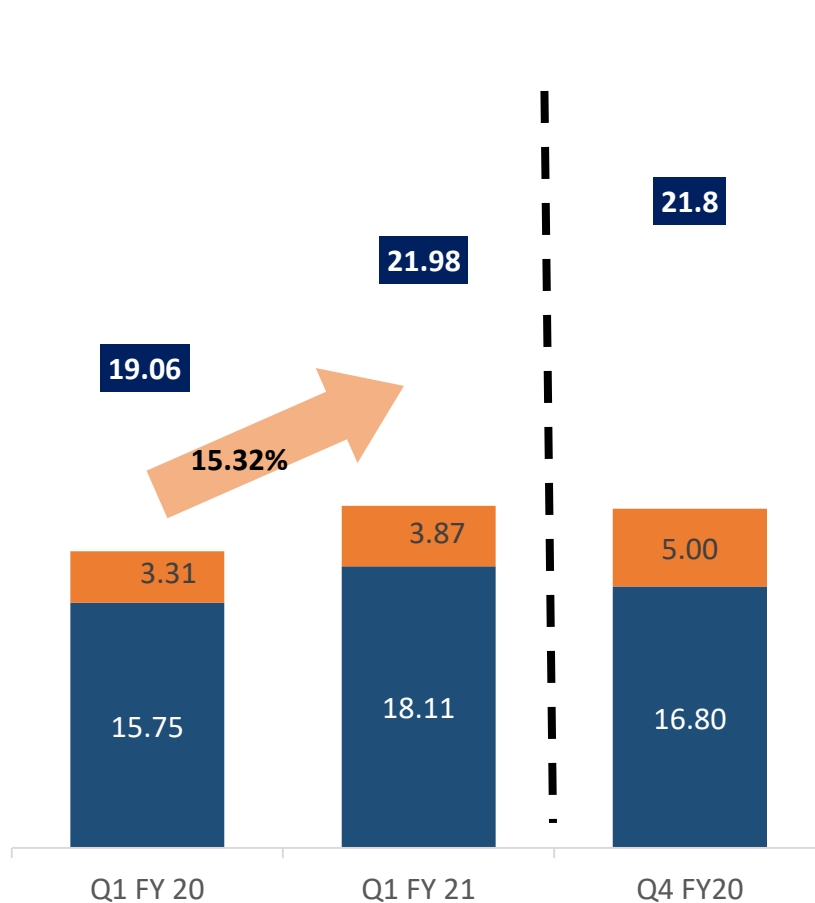


\*FOIR is Fixed Obligation to Income ratio

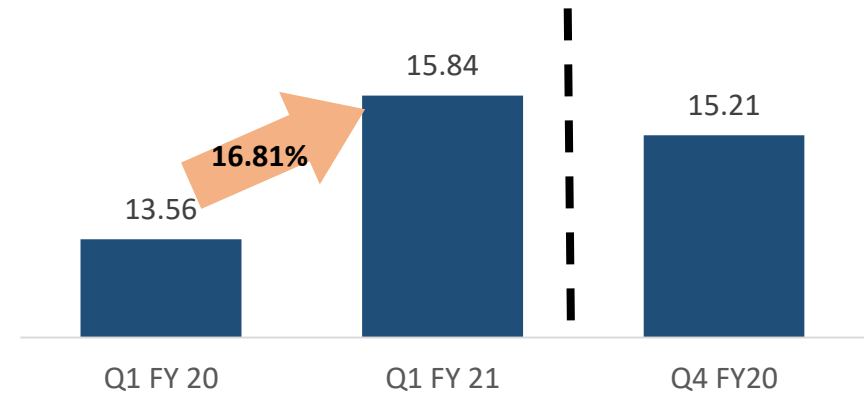
# Financial Performance

## Total income (₹ in Billion)

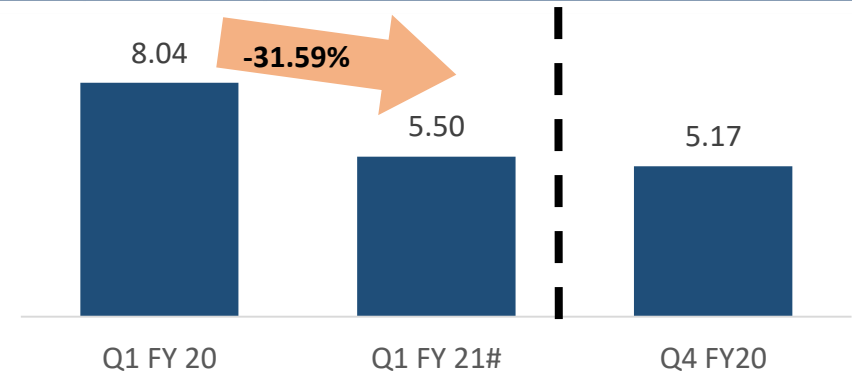
■ Net Interest Income ■ Other Income Total Income



## Operating Profit (₹ in Billion)



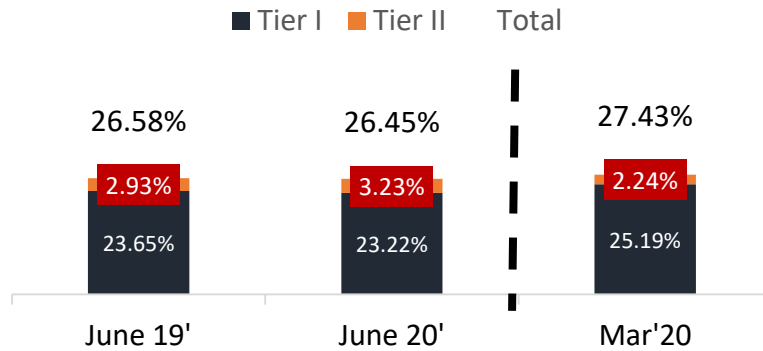
## PAT (₹ in Billion)#



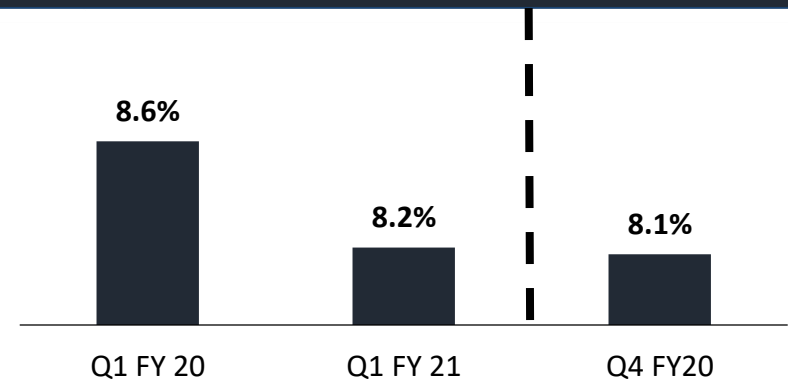
# PAT for June 20 lower after taking accelerated additional COVID 19 related provision on standard advances of ₹7.5 bn against ₹6.9 bn taken in Q4FY20

# Financial Performance

## Capital Adequacy Ratio (CRAR)

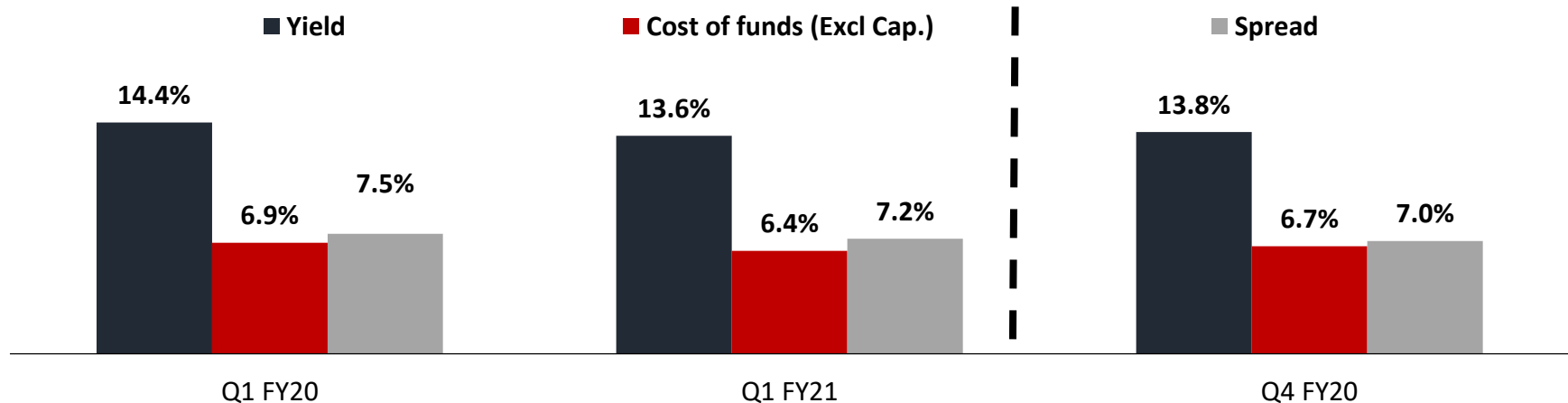


## NIM (Annualized)



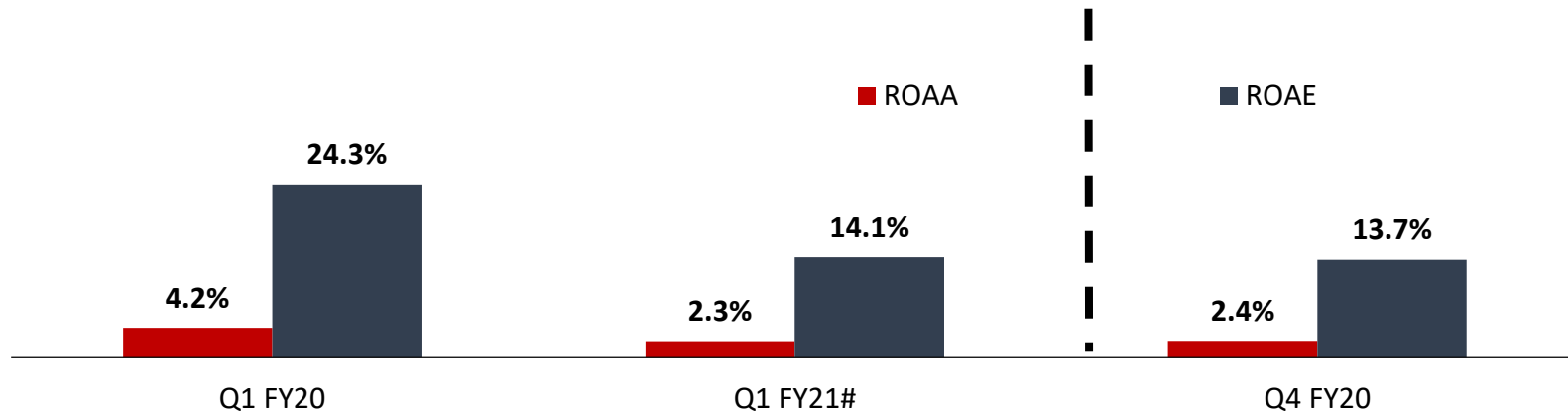
CRAR for June' 20 after considering Q1 FY21 Profits is 27.29%

## Spread (Annualized)

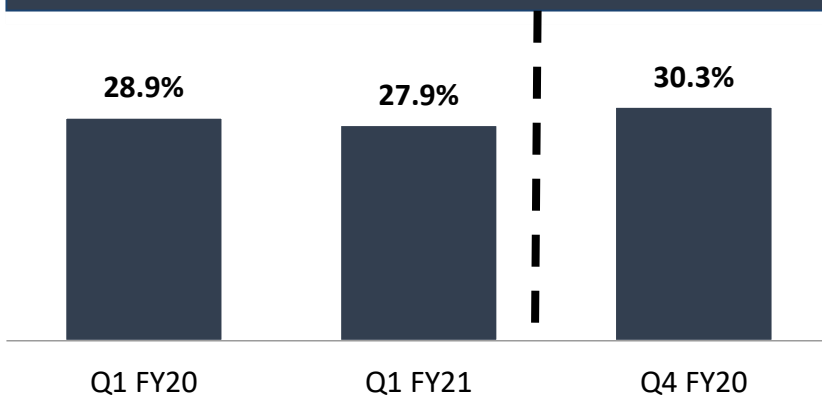


# Financial Performance

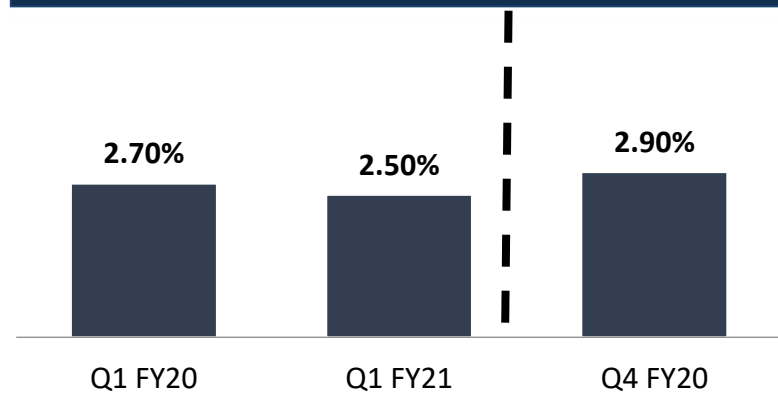
## ROAA & ROAE (Annualized)#



## Cost to Income Ratio



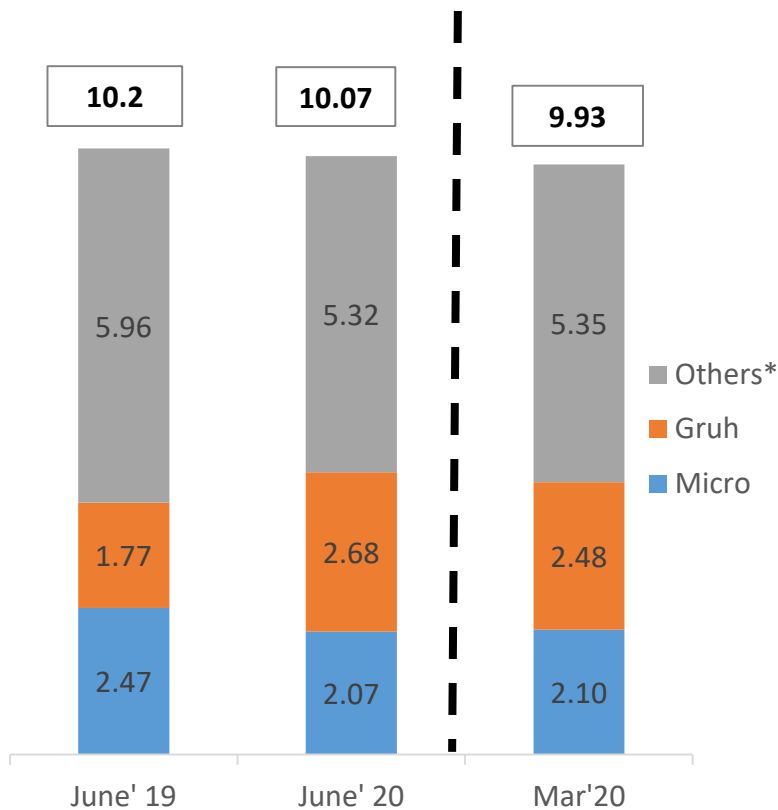
## Operating expenses to Average Assets (Annualized)



# ROAA & ROAE for June 20 lower after taking accelerated additional COVID 19 related provision on standard advances of ₹7.5 bn against ₹6.9 bn taken in Q4FY20

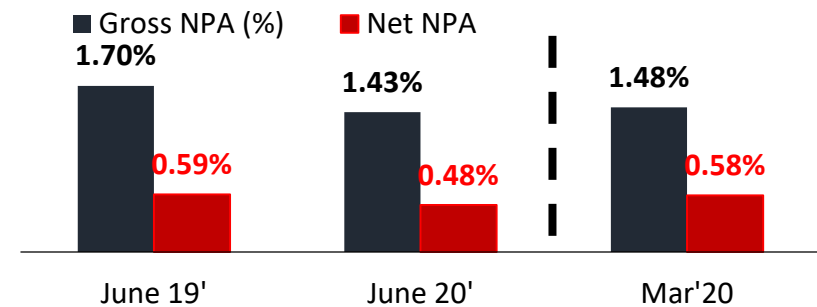
# Financial Performance

## Segmental GNPA movement - (₹ in Billion)

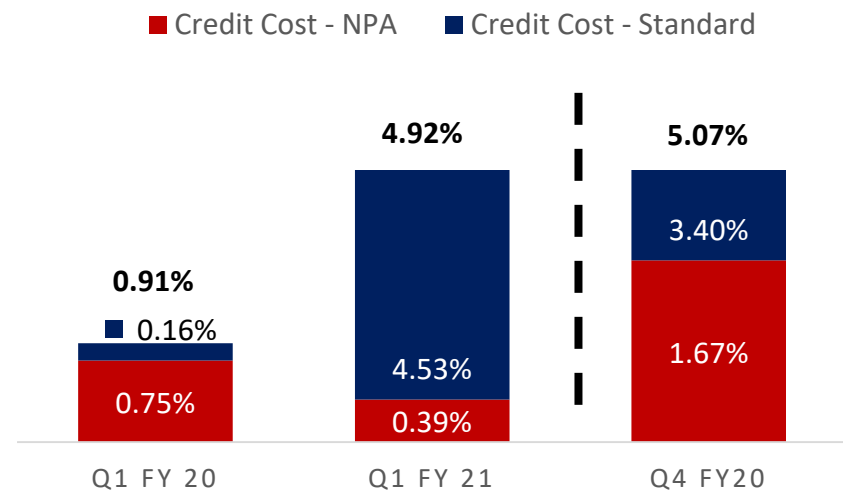


\*Others includes ₹ 3.85 bn of IL&FS

## Gross NPA and Net NPA

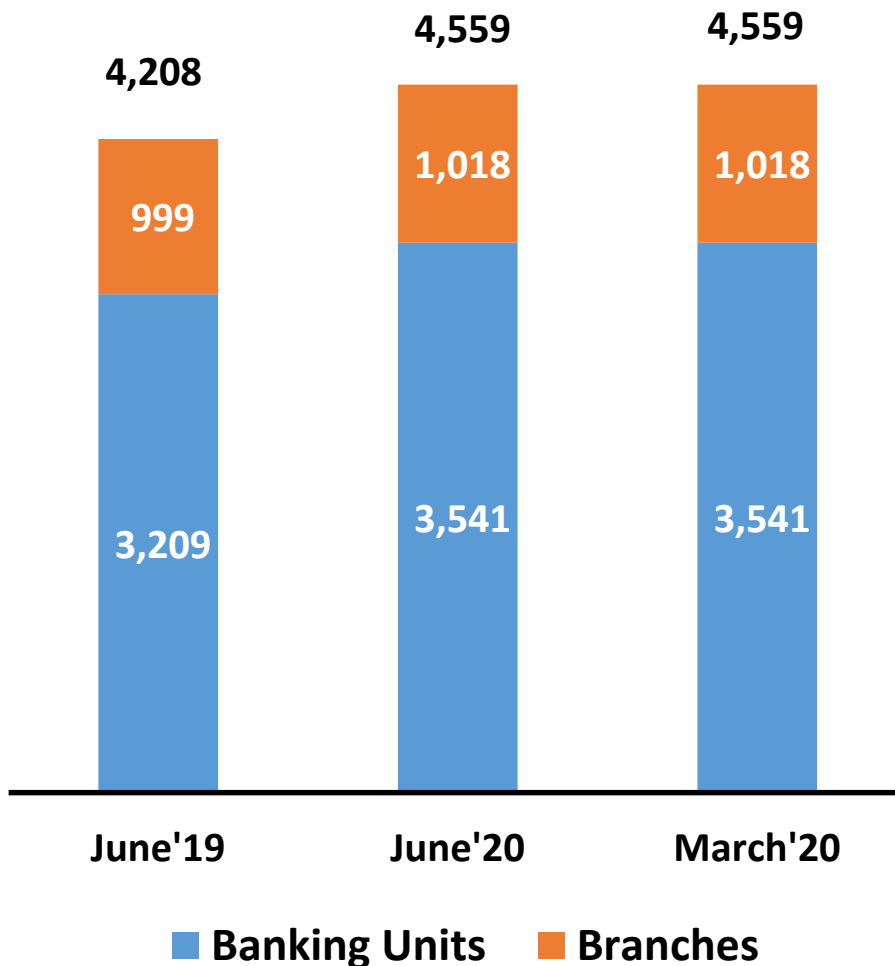


## Credit Cost (Annualized)



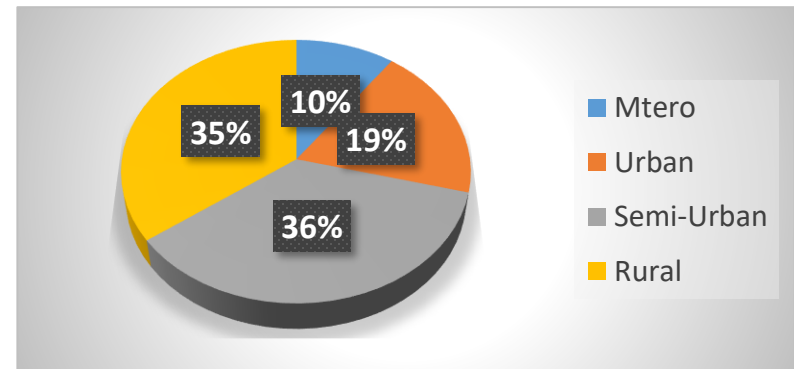
# Geographical Distribution

## Banking Outlets



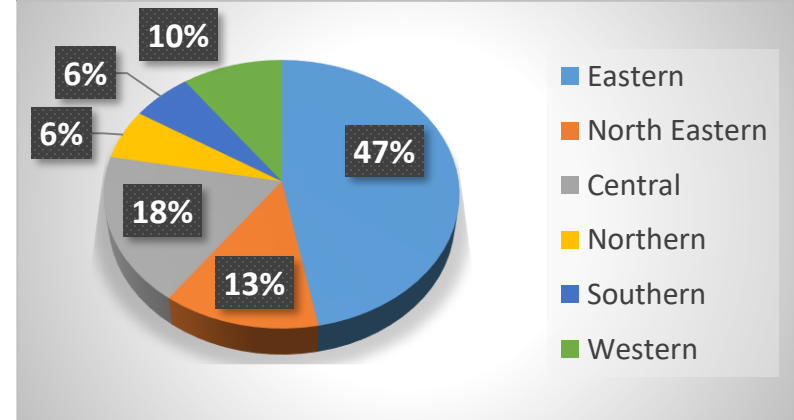
## *Focus on serving the rural & underbanked population*

Banking Outlets as on 30<sup>th</sup> June 2020\*



\*Basis original classification at the time of opening

## *Diversifying presence with non-east increasing over 50% now*



# Profit & Loss Statement (IN ₹ Bn)

Particulars	Q1 FY 21	Q4 FY 20	QoQ%	Q1 FY 20	YoY%	FY 20
	Merged	Merged	Merged	Merged	Merged	Merged
Interest Income	30.18	28.46	6.04%	26.31	14.71%	108.86
Interest expenses	12.07	11.66	3.52%	10.56	14.30%	45.62
<b>Net Int. Income (NII)</b>	<b>18.11</b>	<b>16.80</b>	<b>7.80%</b>	<b>15.75</b>	<b>14.98%</b>	<b>63.24</b>
Non Interest Income	3.87	5.00	-22.60%	3.31	16.92%	15.49
<b>Total Income</b>	<b>21.98</b>	<b>21.80</b>	<b>0.83%</b>	<b>19.06</b>	<b>15.32%</b>	<b>78.73</b>
Operating Expenses	6.14	6.59	-6.83%	5.50	11.64%	24.27
<b>Operating Profit</b>	<b>15.84</b>	<b>15.21</b>	<b>4.14%</b>	<b>13.56</b>	<b>16.81%</b>	<b>54.46</b>
<b>Provision (Std. + NPA)</b>	0.99	1.38	-28.26%	1.25	-20.80%	7.03
<b>COVID 19 Provision</b>	7.50	6.90	8.70%	-	-	6.90
<b>Profit before tax</b>	<b>7.35</b>	<b>6.93</b>	<b>6.06%</b>	<b>12.31</b>	<b>-40.29%</b>	<b>40.53</b>
Tax	1.85	1.76	5.11%	4.27	-56.67%	10.29
<b>Profit after tax</b>	<b>5.50</b>	<b>5.17</b>	<b>6.38%</b>	<b>8.04</b>	<b>-31.59%</b>	<b>30.24</b>



# Balance Sheet (IN ₹Billion)

Particulars	As at	As at	% Change
	30th June 2020	31 <sup>st</sup> Mar 2020	
	Merged	Merged	
<b>Capital &amp; Liabilities</b>			
Capital	16.10	16.10	0.00%
Reserves & Surplus	141.36	135.85	4.06%
<b>Shareholder Funds</b>	<b>157.46</b>	<b>151.95</b>	<b>3.63%</b>
Deposits	606.10	570.82	6.18%
Borrowings	165.45	163.79	1.01%
Other liabilities and provisions	42.16	30.62	37.69%
<b>Total</b>	<b>971.17</b>	<b>917.18</b>	<b>5.89%</b>
<b>Assets</b>			
Cash and balances with Reserve Bank of India	64.60	63.45	1.81%
Balance with Banks and Money at call and short notice	25.34	20.08	26.20%
Investments	161.82	153.52	5.41%
Advances	697.49	666.30	4.68%
Fixed Assets	3.71	3.69	0.54%
Other Assets	18.21	10.14	79.59%
<b>Total</b>	<b>971.17</b>	<b>917.18</b>	<b>5.89%</b>

# Credit Rating

Rating of Bank's Financial Securities			
Instrument	Rating	Rating Agency	Amount (₹ in Billion)
Subordinated Tier II Non - Convertible Debenture	CARE AA-; Stable	CARE Ratings	1.60
	[ICRA]AA; Stable	ICRA	
Non-Convertible Debenture #	[ICRA] AA; Stable	ICRA	50.75**
	CRISIL AA/Stable		
Term Loans From Bank	ICRA]AA Stable	ICRA	0.80
Certificate of Deposit	CRISIL A1+	CRISIL	60.00*
	[ICRA] A1+	ICRA	
Fixed Deposit Program #	CRISIL FAAA/Stable	CRISIL	1.60
Subordinated Debt #	CRISIL AA/Stable	CRISIL	0.35

\*Rating of ICRA is for ₹ 30 bn only

\*\*Rating of ICRA is for ₹ 15.76 bn only









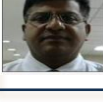


#erstwhile GRUH Finance Limited transferred to Bandhan Bank Ltd.

# Our Board & Management



**Bandhan**  
Bank

# Experienced and professional team...

 <p><b>Chandra Shekhar Ghosh</b> <i>MD &amp; CEO</i></p> <ul style="list-style-type: none"> <li>➤ Founder of BFSL, has 27 years of experience in the field of microfinance and development</li> <li>➤ Awarded 'Entrepreneur of the Year' by Forbes and ET in 2014</li> </ul>	 <p><b>Sudhin Bhagwandas Choksey</b> <i>Executive Director (Designate)</i></p> <ul style="list-style-type: none"> <li>➤ 35+ years experience in financial industry.</li> <li>➤ Previously served as Managing Director at GRUH Finance Limited.</li> </ul>
 <p><b>Deepankar Bose</b> <i>Head, Corporate Centre</i></p> <ul style="list-style-type: none"> <li>➤ 36+ years experience in banking industry</li> <li>➤ Previously served as Chief General Manager and Head Of Wealth Management business, at SBI</li> </ul>	 <p><b>Sanjeev Naryani</b> <i>Head - Business</i></p> <ul style="list-style-type: none"> <li>➤ 32+ years of experience in banking Industry</li> <li>➤ Previously worked as Chief General Manager and Head of Real Estate and Housing Business Unit at SBI</li> </ul>
 <p><b>Sunil Samdani</b> <i>Chief Financial Officer</i></p> <ul style="list-style-type: none"> <li>➤ 21+ years of experience in financial industry</li> <li>➤ Previously served as Head of Business Analytics and Strategy at Development Credit Bank and as CFO at Karvy</li> </ul>	 <p><b>Santanu Banerjee</b> <i>Head, HR</i></p> <ul style="list-style-type: none"> <li>➤ 27+ years of experience in the field of banking and finance</li> <li>➤ Previously worked as Head of HR Business Relationship at Axis bank</li> </ul>
 <p><b>Indranil Banerjee</b> <i>Company Secretary</i></p> <ul style="list-style-type: none"> <li>➤ 17+ years experience in financial industry</li> <li>➤ Previously served as Company Secretary at Energy Development Company</li> </ul>	 <p><b>Biswajit Das</b> <i>Chief Risk Officer</i></p> <ul style="list-style-type: none"> <li>➤ 28 years of experience in banking industry</li> <li>➤ Previously served as Head-RBS and regulatory reporting at ICICI Bank</li> </ul>
 <p><b>Siddhartha Sanyal</b> <i>Chief Economist and Head Research</i></p> <ul style="list-style-type: none"> <li>➤ 20+ years of experience in the field of Macro Economic</li> <li>➤ Previously served as Director and Chief India Economist at Barclays Bank PLC.</li> </ul>	 <p><b>Nand Kumar Singh</b> <i>Head, Banking Operations and Customer Services</i></p> <ul style="list-style-type: none"> <li>➤ 27+ years experience in banking industry</li> <li>➤ Previously served as Retail Banking Head, Patna Circle, at Axis Bank</li> </ul>
 <p><b>Ravi Lahoti</b> <i>Chief Audit Executive</i></p> <ul style="list-style-type: none"> <li>➤ 19+ years experience in Banking Industry.</li> <li>➤ Previously served as Principal Officer &amp; Head - AML at HDFC Bank</li> </ul>	 <p><b>Srinivasan Balachander</b> <i>Chief Compliance Officer</i></p> <ul style="list-style-type: none"> <li>➤ 21+ years experience in banking industry.</li> <li>➤ Previously served as Chief Compliance Officer at Axis Bank Ltd.</li> </ul>
 <p><b>Arvind Kanagasabai</b> <i>Head, Treasury</i></p> <ul style="list-style-type: none"> <li>➤ 30+ years of experience at a PSU Bank</li> <li>➤ Previously served as CFO at SBI DFHI Limited, Mumbai</li> </ul>	 <p><b>Saurabh Jain</b> <i>Head – Wholesale Banking</i></p> <ul style="list-style-type: none"> <li>➤ 17+ years of experience in banking industry</li> <li>➤ Previously served as Vice President &amp; Head – Business Banking Products, Private &amp; Commercial Clients at Deutsche Bank AG</li> </ul>
 <p><b>Ronendra Chowdhury</b> <i>Head, MB</i></p> <ul style="list-style-type: none"> <li>➤ 36+ years of experience in the field of Microfinance and Development</li> <li>➤ Previously served as GM – Operation at BFSL</li> </ul>	 <p><b>Sujoy Roy</b> <i>Head-Branch Banking</i></p> <ul style="list-style-type: none"> <li>➤ 20+ years of experience in banking industry</li> <li>➤ Previously served as Cluster Head at Axis Bank</li> </ul>

# ... backed by a strong independent Board



**Dr. Anup Kumar Sinha**  
**Non-executive Chairman**

- Economist with Ph.D from University of Southern California
- Served as Professor of Economics at IIM Calcutta for 25 years



**Chandra Shekhar Ghosh**  
**MD & CEO**

- Has significant experience in the field of microfinance
- Awarded 'Outstanding Leadership Award' by Dhaka University



**Bhaskar Sen**  
**Director**

- Retired as Chairman & MD of United Bank of India
- Previously, Executive Director of Dena Bank



**Chintaman Mahdeo Dixit \* (ceased with effect from July 08,2020 due to completion of second term)**

- Director**
- Significant experience in finance and accountancy sector
  - Previously, he has worked at LIC and Indian Bank



**Sisir Kumar Chakrabarti**  
**Director**

- Previously, Deputy Managing Director at Axis Bank
- Also worked with State Bank of Bikaner and Jaipur prior to joining Axis Bank



**Snehomoy Bhattacharya**  
**Director**

- Significant experience in public and private banking sector
- Previously worked as Executive Director – Corporate Affairs Axis Bank



**Ranodeb Roy**  
**Non-executive Director**

- Founder of RV Capital Management Private Limited, Singapore, he was earlier heading Fixed Income Asia Pacific in Morgan Stanley (Asia) Singapore



**T. S. Raji Gain**  
**Director**

- Significant experience in the field of agricultural and rural development, Previously, she has worked with NABARD
- Currently, Executive Director BIRD



**Dr. A S Ramasastry**  
**Director**

- Director, Institute for Development & Research of Banking Technology;
- Chairman of IFTAS; company promoted by IDRBT to provide technology services in Banking & financial sectors



**Santanu Mukherjee**  
**Director**

- Significant experience in public sector Banking in various capacities in SBI Group
- Former MD of State Bank of Hyderabad



**Dr. Holger Dirk Michaelis**  
**Nominee Director**

- Significant experience in private equity and as strategic advisor to financial services companies
- Currently, he is working at GIC



**Harun Rashid Khan**  
**Director**

- Retired as Deputy Governor of Reserve Bank of India
- Instrumental in formulation of Payments system Vision 2018 of RBI



**N V P Tendulkar**  
**Additional Director**

- Significant experience in finance, accounts and management
- Former Whole time Director – Finance of Hewlett Packard (India)



**Vijay N Bhatt**  
**Additional Director**

- Significant experience in accounting, audit and assurance
- Former Sr. Independent Director of BSR & Co., Chartered Accountants



## Businessworld Magna Awards 2019

Bandhan Bank won two awards in the small size bank category at the glittering ceremony of Magna Awards 2019 organised by Businessworld magazine in Mumbai.

1. Best Bank
2. Fastest Growing Bank

'Banker of the Year' award was conferred upon Mr. Chandra Shekhar Ghosh.

## Emerging Company of the Year by Economic Times

Bandhan Bank recognized as the Emerging Company of the Year by Economic Times Awards for Corporate Excellence, 2019.



Bandhan Bank recognised as the 'Best Small Bank' award by business today



# Awards and accolades

## Banker of the Year by Business Standard

Mr. Chandra Shekhar Ghosh, Managing Director and Chief Executive Officer was declared as the Business Standard 'Banker of the Year' for 2018-19 on November 14, 2019.

He received this award for the all-round performance of Bandhan Bank.



## Times Business Award 2020

Bandhan Bank has been declared as the 'Best Indian Banking & Financial Institution'.



## The Economic Times ET Bengal Corporate Awards.

Bandhan recognised as the 'Fastest Growing Company', and also received the award for 'Excellence in Business Performance' in the category of companies with turnover of Rs.3,000 crore.



Thank You

[investor.relations@bandhanbank.com](mailto:investor.relations@bandhanbank.com)



**Bandhan  
Bank**