

# Retail Assets

---

Analyst Day Presentation

Dec 1, 2022 | Mumbai



**Bandhan**  
Bank

# Index



Retail Assets Journey



Book Growth



Organizational Structure



Sourcing Strategy



Risk Assessment & Controls

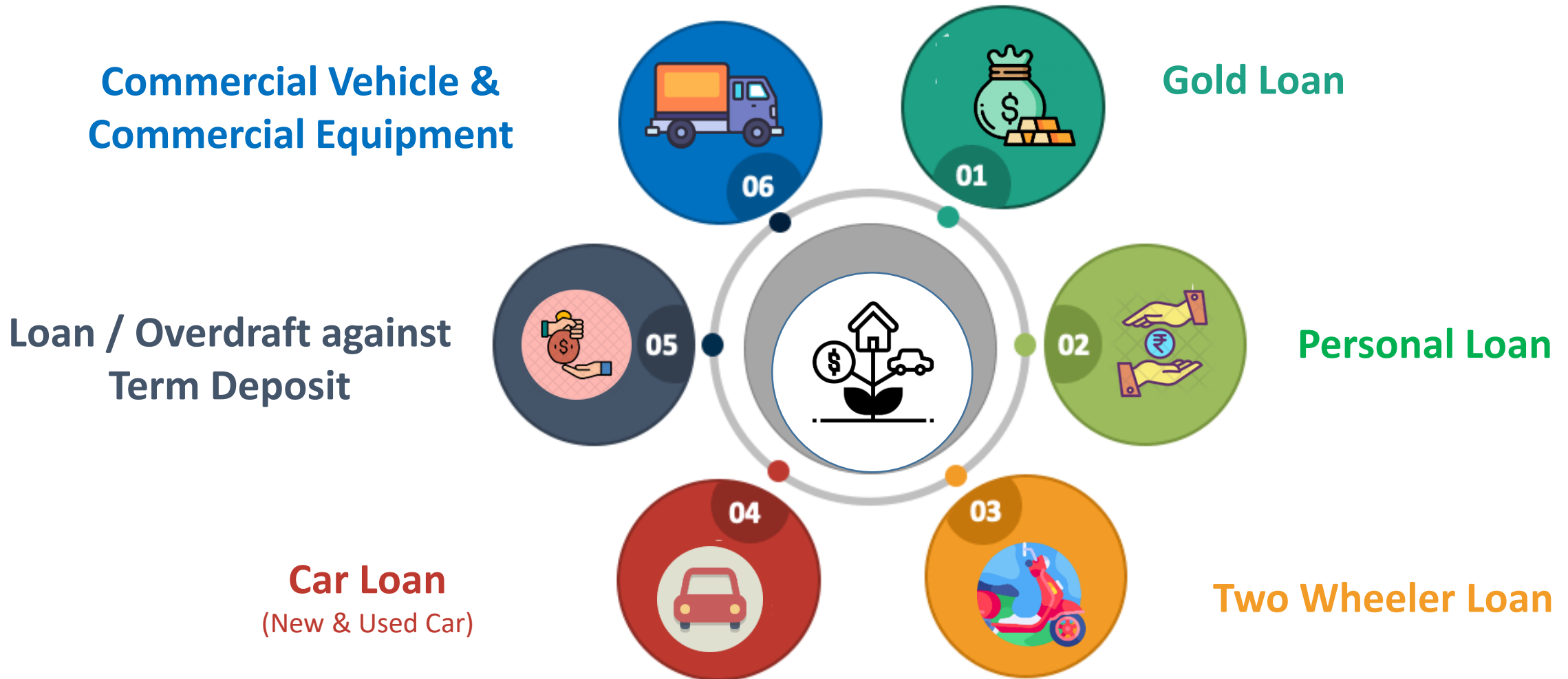


Risk Management Framework

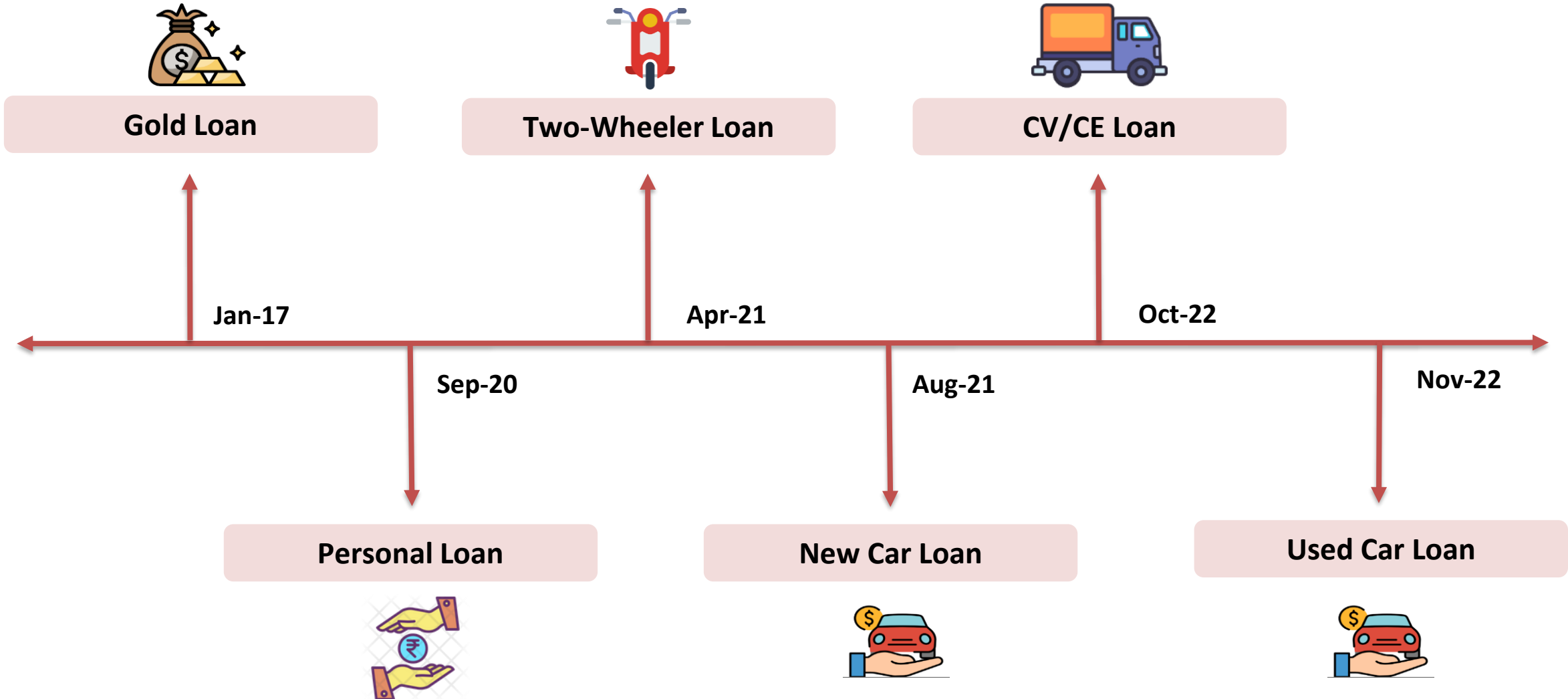


Collection Strategy

# Product Offerings



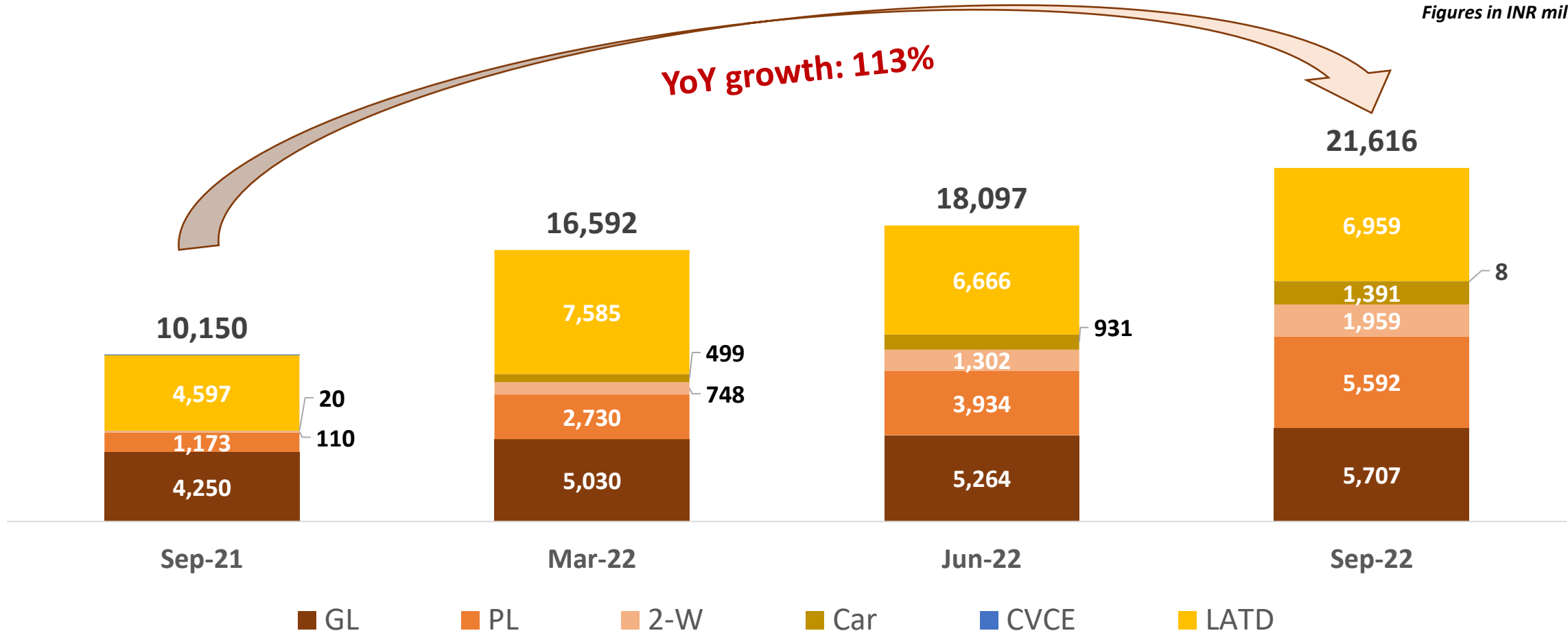
# Retail Assets Journey so far...



# Book Growth

Figures in INR million

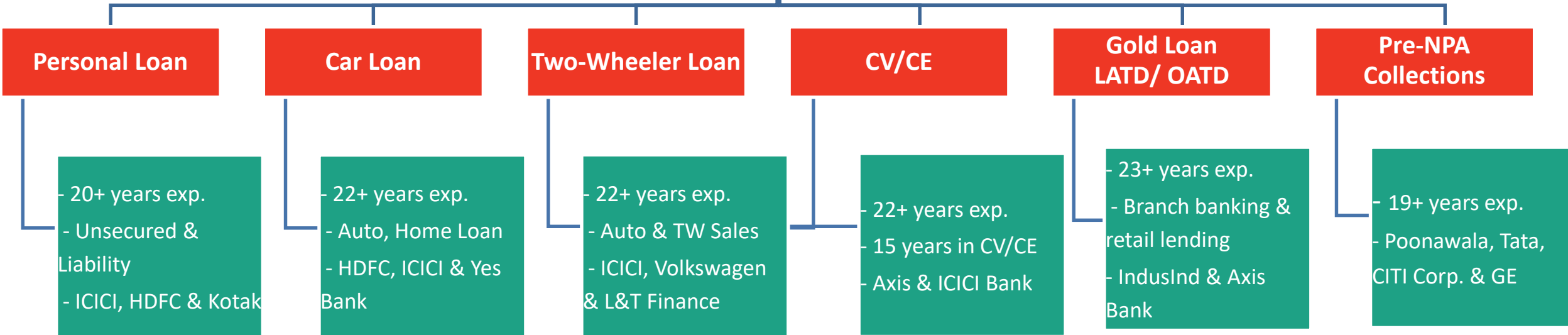
YoY growth: 113%



**Retail Assets currently contributes 2% of Bank's Total Advances; expected to contribute 6% by FY'25**

# Organizational Structure

**Head – Retail Assets**  
 - 25+ years experience in core Retail Asset, Liability & Branch Banking and SME  
 - Past experience in ICICI, HDFC & SCB Bank



# Sourcing Strategy

- ✓ Expanding footprint across the country; from 430 branches currently to 576 branches by Mar-23 and 1,550 branches by Mar-25
- ✓ Low Opex Model in Rural belt; ready infra available
- ✓ Alliances opportunity with Fintechs
- ✓ Co-lending opportunities

## Gold Loan



- ✓ 27.7mn existing customer base, Deeper penetration across 1,190 branches
- ✓ Digitize the customer journey with integrated scorecards, process, etc.
- ✓ Building strong franchisee of Channel Partners for New To Bank Customers
- ✓ Alliance with E-commerce & Fintechs

## Personal Loan



- ✓ Upscaling Channel tie-ups, Alliances with OEM's & Online aggregators
- ✓ OEM focused approach
- ✓ EV – additional programs to be offered
- ✓ Analytics driven inventory funding and trade advance limit setting with digital disbursements

## Two Wheeler



- ✓ Location expansion & opening of spoke locations in Tier 2 & 3 cities
- ✓ Balance between New Car and Used Car
- ✓ Channel partner and OEM tie-ups
- ✓ Scorecard based sourcing
- ✓ Riding into EV trend

## Car Loan

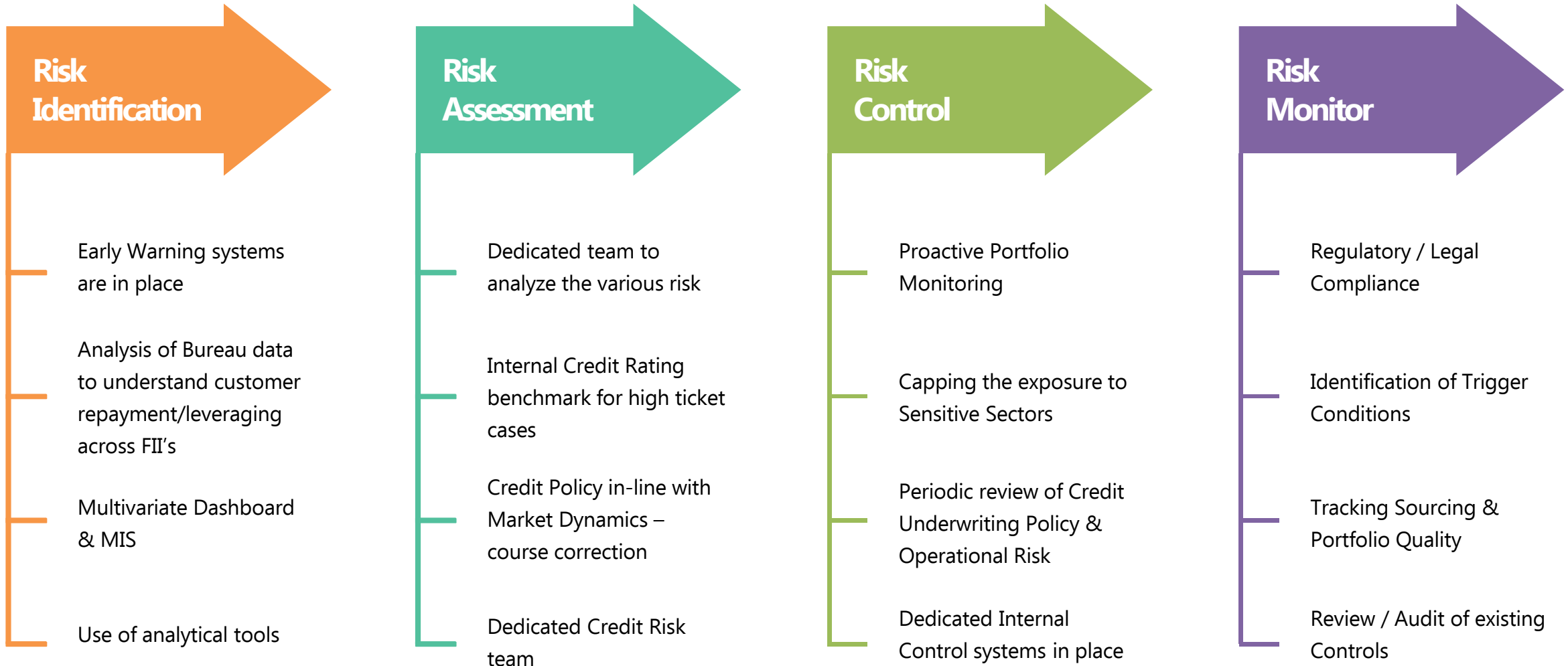


- ✓ Balanced approach for each asset segment i.e. M&HCV, LCV, SCV
- ✓ Target customer base includes FTU, SVO, Retail, Strategic, Captive and Non-Individuals
- ✓ Association with larger OEM's / Extensive Dealer & DSA network
- ✓ Relationship based sourcing

## CV/CE



# Risk Assessment & Controls





# Risk Management Framework

## Policy Controls

01



Maximum focus on affluent customer base like SEP and Cat A,B salaried for unsecured

02



Quality customer sourcing with higher bureau score and clean credit history

03



Enhanced due diligence for higher ticket sized loans

04



Restricted funding on Negative and cautious profiles and negative pincode

05



Risk based pricing based on income, CIBIL and employer type/ category / Profile

06



Income based customer profiling and designing eligibility programs based on it

## Digital Controls

1 Rule based BRE for decisioning and future tracking

3 Integrations for verification through PAN NSDL & UIDAI based AADHAR, etc.

2 Digitization of parallel processes like e-NACH, e-agreement, Video KYC with validations

4 Geo-tagging basis audit trails for all transactions

# Collection Strategy

Go Phy-gital! 



- **Identify *early warning signals* for effective pre delinquency management**
- **Focus on *Pre-Delinquency Management***



- ***In house collections team to drive Pre-NPA Collections***
- ***Automated collections engine for delinquency management***



- ***Automate dunning processes***
- ***Multiple offline & online payment options to make it easier for customers to repay***



- ***Multiple Partners for effective collections for higher buckets***
- ***Optimize asset recovery processes to minimize loss on sale***

**THANK YOU**



**Bandhan  
Bank**