

Investor Presentation Q3 FY2022-23

January' 2023



Bandhan
Bank

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Key Highlights



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Bank

Key Highlights

Bandhan Bank - Overview

- Housing Finance division has achieved its growth of 28% YoY
- Retail division grew 133% YoY, Commercial Banking division grew 87% YoY
- Loan portfolio (on book + off book + TLTRO + PTC) for Q3 FY 22-23 grew 11% Y-o-Y
- Deposits grew by 21% Y-o-Y in Q3 FY 22-23; Retail Deposit to Total Deposit at 69%
- Gross NPA is at 7.2% & Net NPA is at 1.9 % vs. 7.2% and 1.9% respectively in previous quarter
- Added 0.9 million Customer during the quarter with total customer base reaching to 28.6 million (EEB- 21.4 million, Non EEB – 7.2 million)
- Geographical diversification of EEB portfolio on track- West Bengal and Assam contribution is less than 45%, with West Bengal share at 36% and Assam share at 8% of EEB portfolio as on Q3 FY 2022-23

Snapshot of operations Q3 FY 2022-23

Total Deposits ₹ 1,022.8 bn


Total Loans and advances ₹ 977.9 bn¹

Net Interest Margin (NIM) 6.5%


CASA Ratio 36.4%

ROAA (%) 0.8%

ROAE (%) 6%



34
States & UTs



569
Districts



1,250
Branches



412
ATMs



4,473
Banking Units



66,114
Employees



28.6 mn
Customers

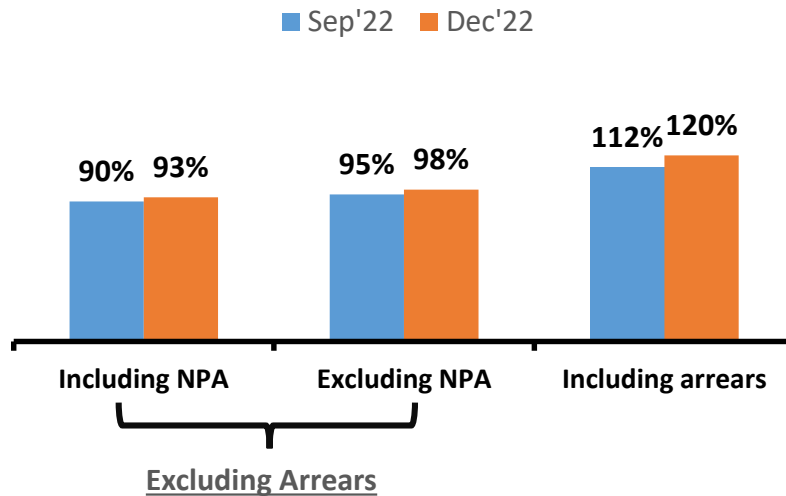


36.7%
EEB* Group based loans

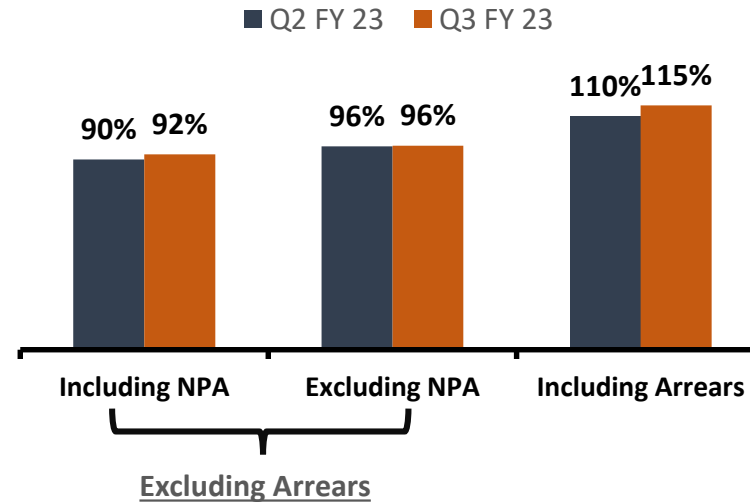
1. On book + Off Book (including TLTRO ₹ 1.6 bn and PTC of ₹ 2.8 bn)
*Emerging Entrepreneurs Business (Erstwhile Micro Banking Unit)

EEB Collection Efficiency

Collection Efficiency for the month



Collection Efficiency for the quarter



Collection Efficiency of top states

States	For the month of Sep'22	For the month of Dec'22	For Q2 FY 23	For Q3 FY 23
West Bengal	95%	98%	95%	96%
Assam	87%	96%	88%	90%
Rest of India	96%	98%	97%	97%
Total	95%	98%	96%	96%

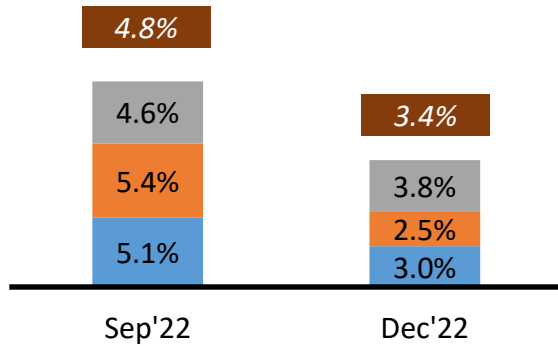
Customer Paying Profile

Category	For the month of Sep'22		For the month of Dec'22	
	Share of customers	Share of Receivables	Share of customers	Share of Receivables
Full Paying	88%	92%	92%	96%
Partial Paying	6%	6%	3%	3%
Non Paying	6%	2%	5%	1%
Total	100%	100%	100%	100%

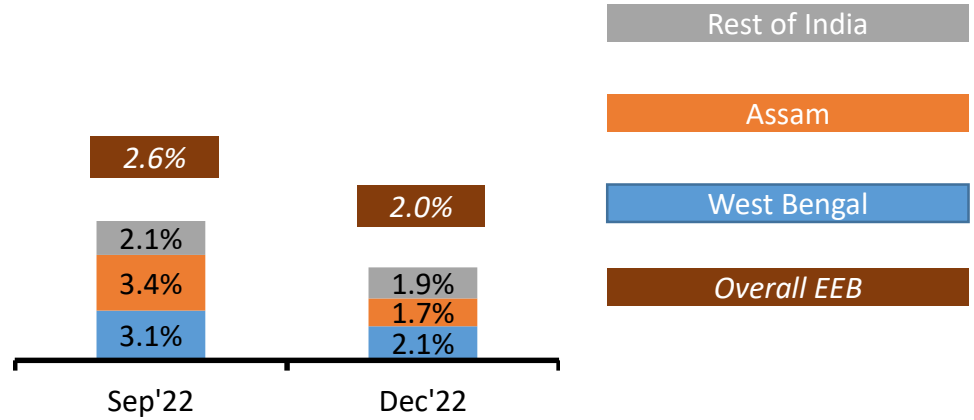
Collection Efficiency excl. NPA for the month of Dec'22 reached at pre-covid level

EEB DPD movement

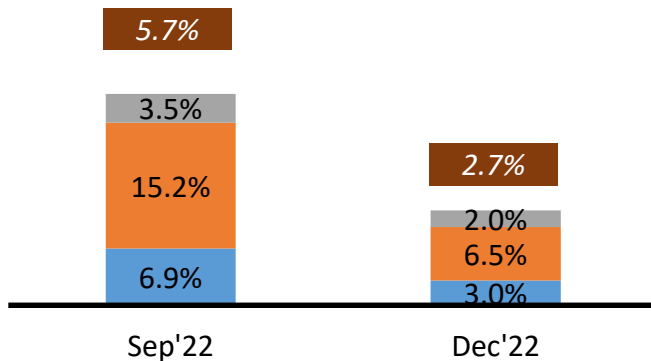
1-30 days



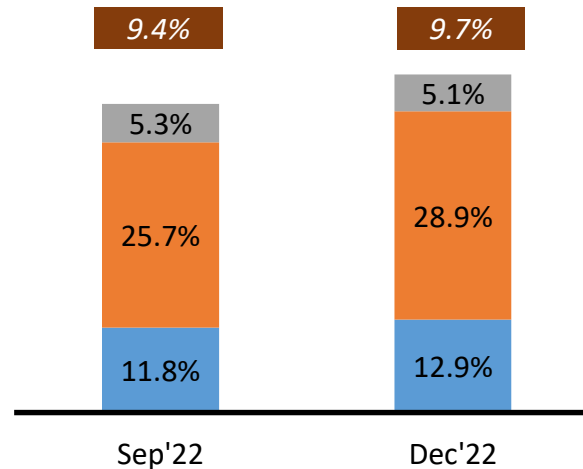
31-60 Days



61-90 Days



NPA



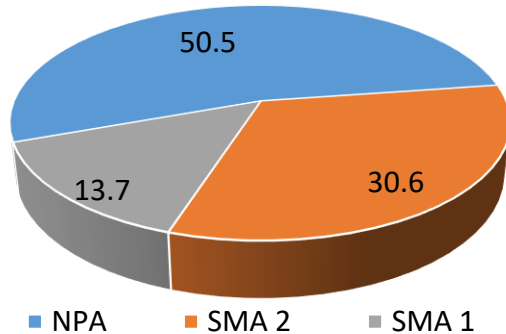
58% of NPA customer are paying, translating to 22% of demand in value terms

0+ dpd has declined by Rs 27 billion Q-o-Q to Rs 94 billion, pre technical write-offs adjustment the same declined by Rs 3 billion

EEB stress pool coverage analysis

All amount in ₹ Bn.

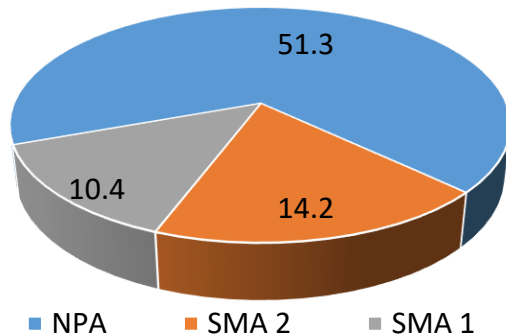
EEB Stress Pool - ₹ 95 Bn.



Sep'22

Coverage	Amount
Provision	53
Estimated recovery till 31 st Mar 2023	15
CGFMU recovery	25
Assam Relief Scheme*	xx
Total	93

EEB Stress Pool - ₹ 76 Bn.



Dec'22

Coverage	Amount
Provision	50
Estimated recovery till 30 th Jun 2023	10
CGFMU recovery#	17
Assam Relief Scheme*	Xx
Total	77

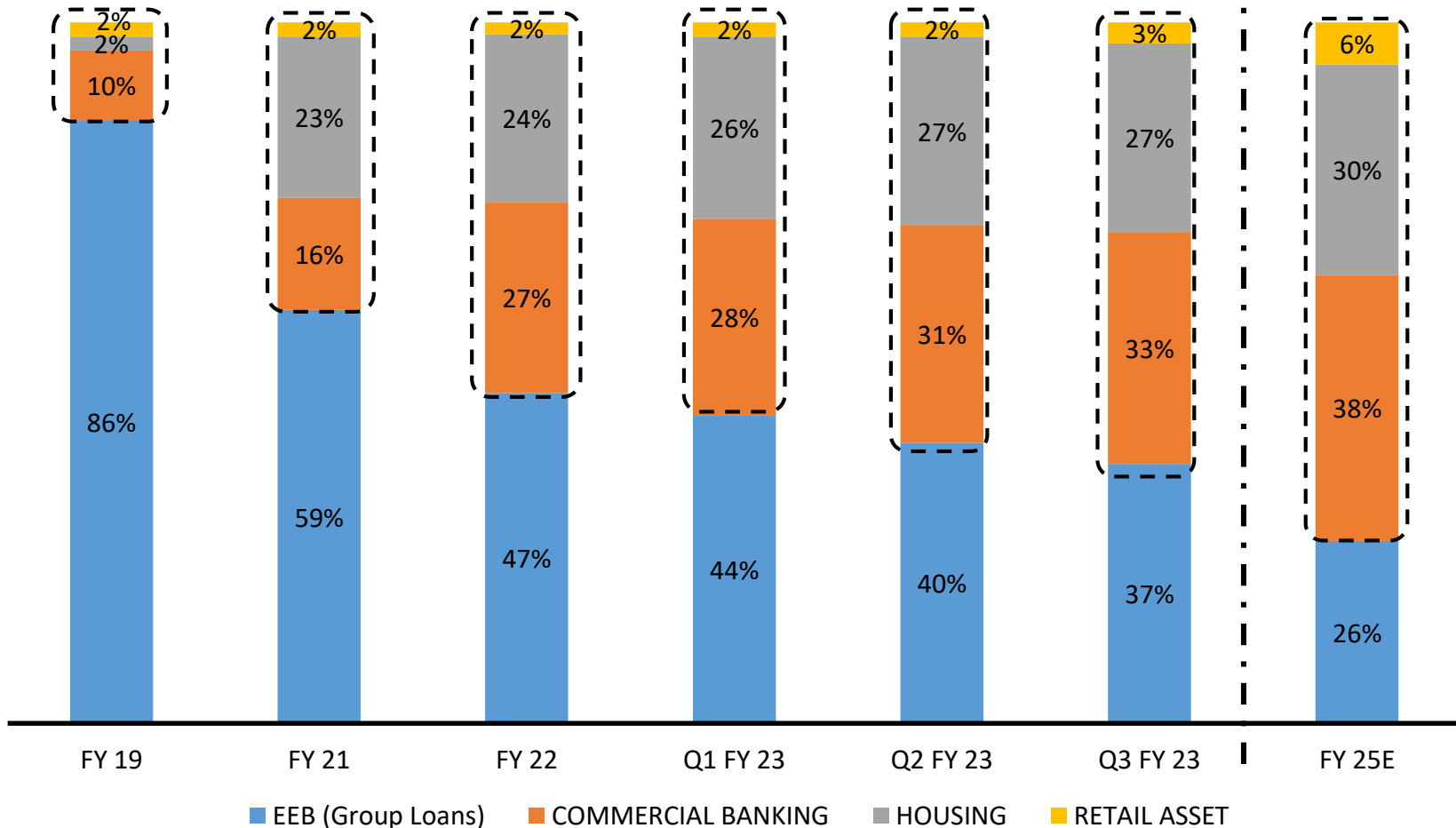
expected in FY24

* Amount can't be ascertained today

Provision coverage (incl. expected CGFMU recovery) on total stress pool has increased from 82% in Q2FY23 to 88% in Q3FY23
Provision coverage (incl. expected CGFMU recovery) on NPA pool is 131%

Bank on track to achieve the diversification goal as envisaged in the strategy plan for FY 25

Diversification Target as per strategy Plan



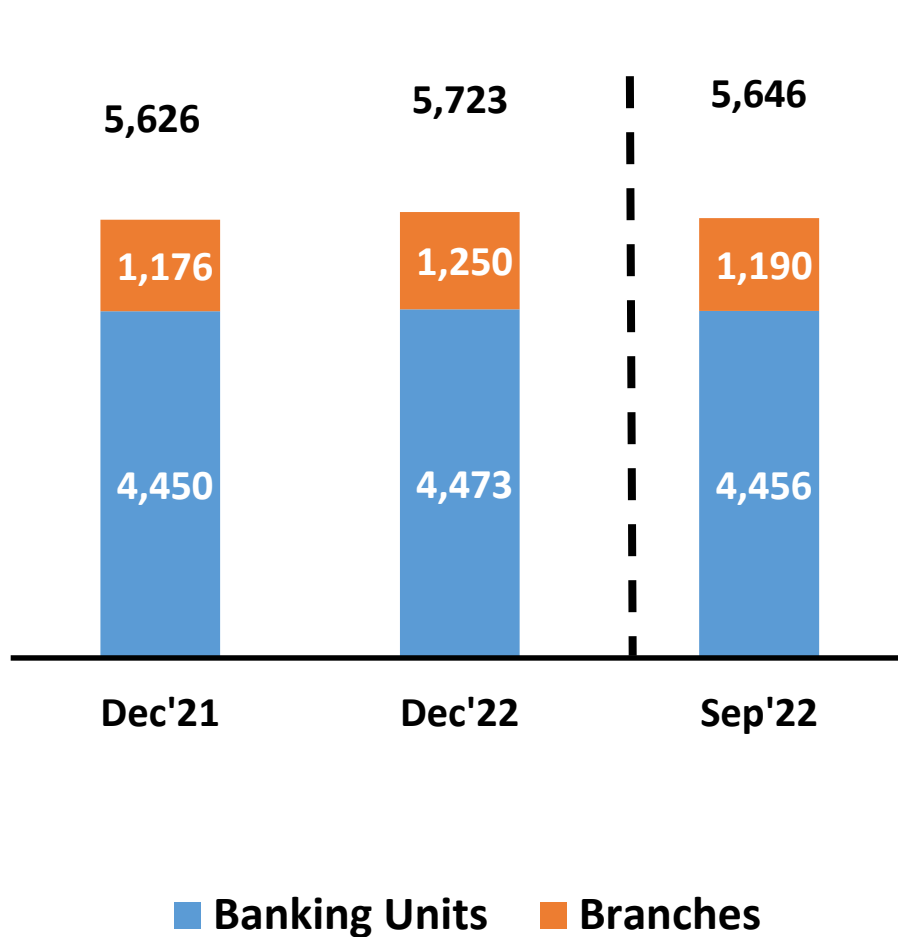
Business & Financial Overview



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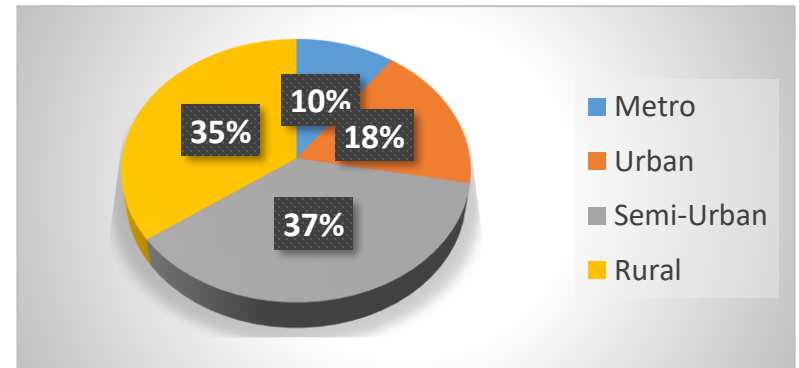
Geographical Distribution

Banking Outlets



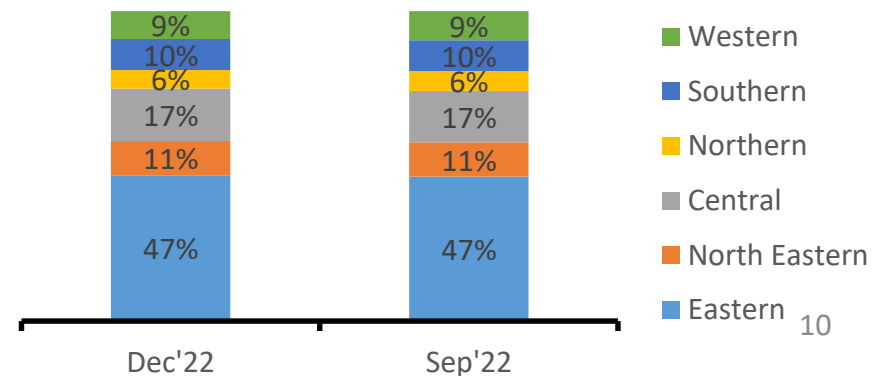
Focus on serving the rural & underbanked population

Banking Outlets as on 31st Dec 2022*



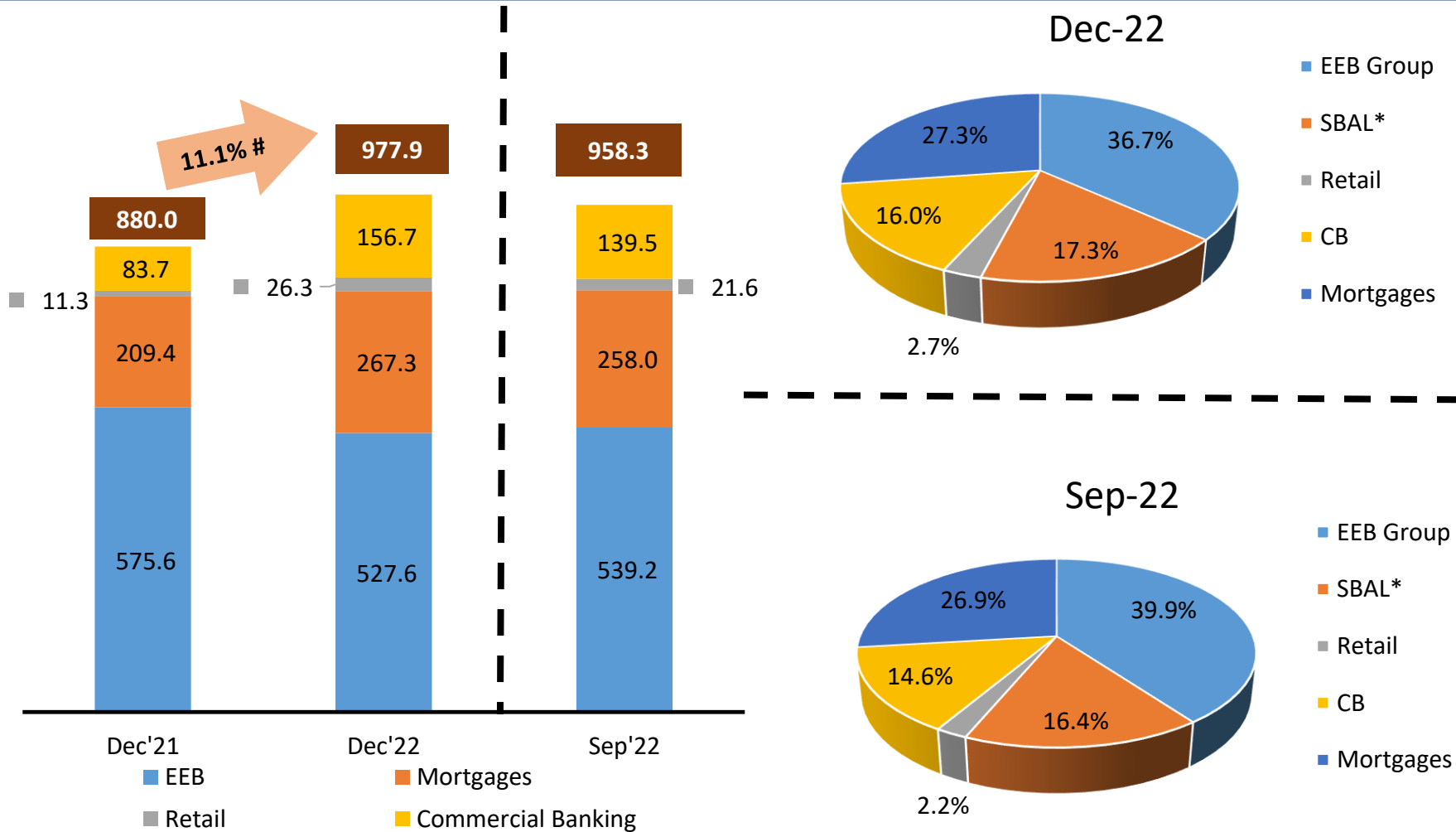
*Basis original classification at the time of opening

Diversifying presence with non-east increasing over 50% now



Asset Book Mix

Total Advances (₹ in Billion)

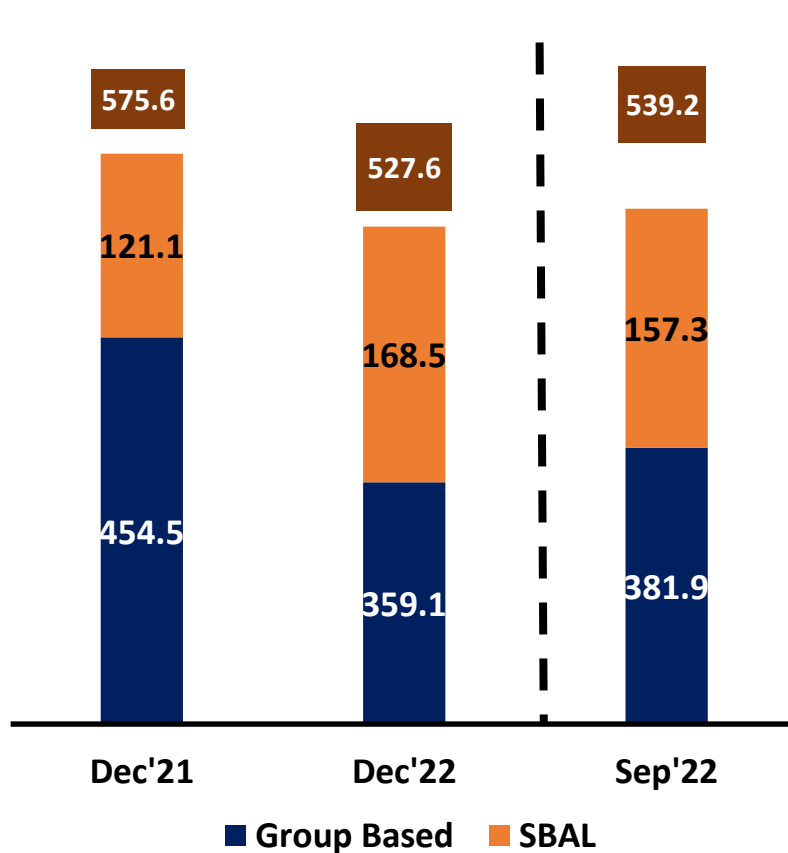


• *Small Business and Agri Loans (Individual)*

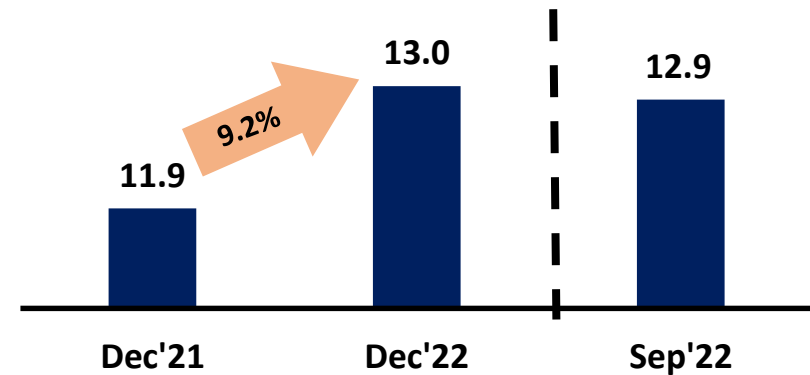
Adjusting for the technical write-offs done in Dec'22, growth would have been higher at 14%

Emerging Entrepreneurs Business

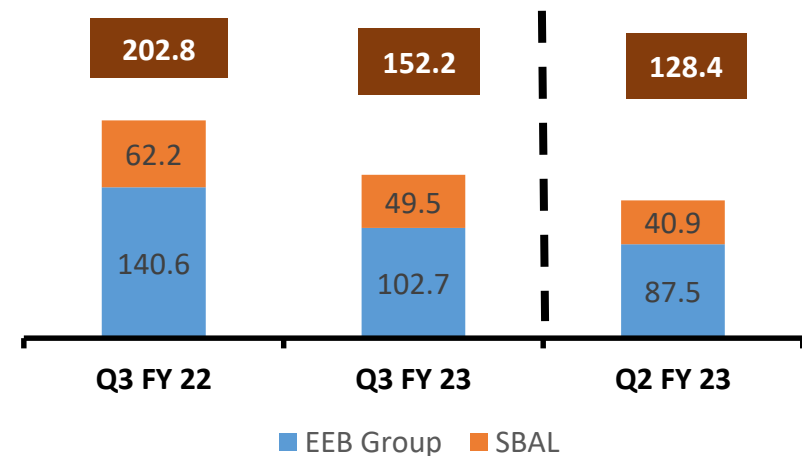
Emerging Entrepreneurs Asset Growth (₹ in Billion)



Number of Active Borrowers (Mn)

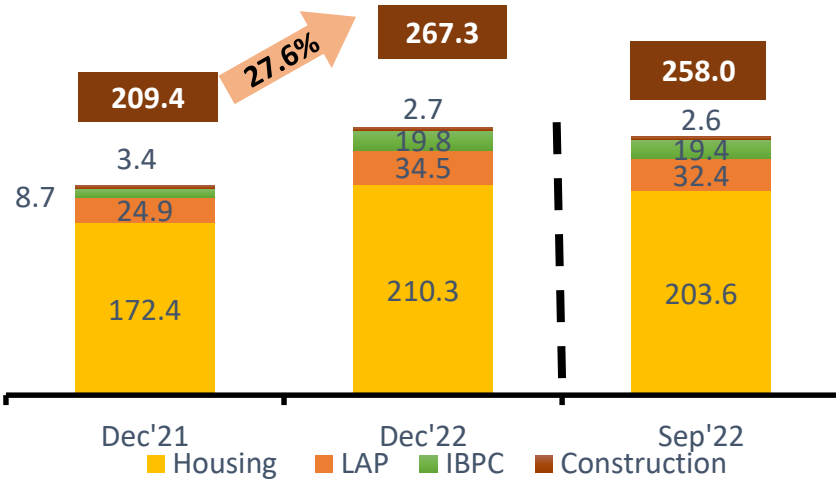


EEB Loan Disbursement (₹ in Billion)

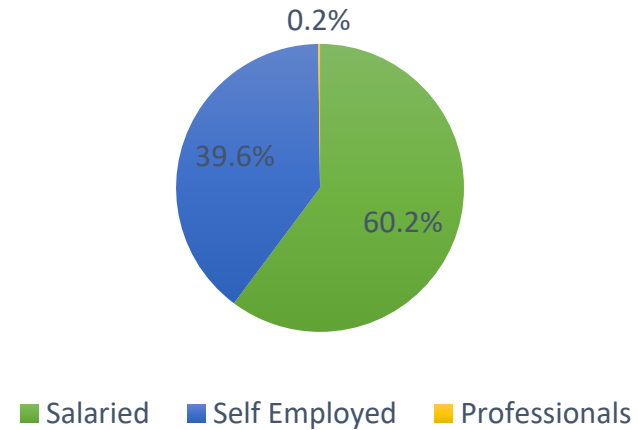


- Reduction in portfolio in Dec'22 is mainly on account of technical write-offs

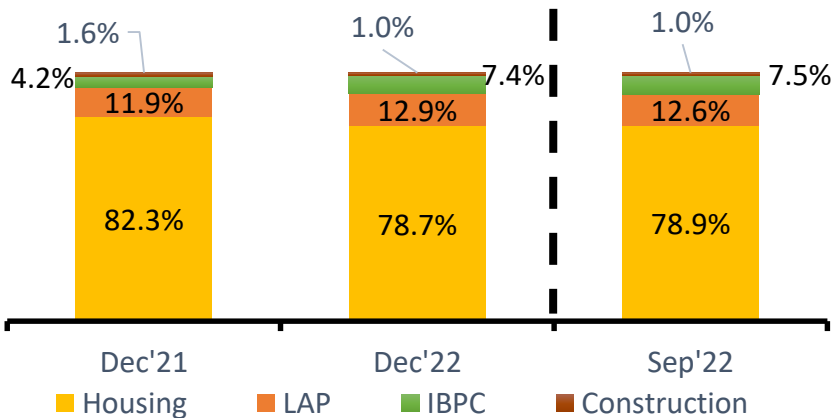
Housing Asset Bifurcation (₹ in Billion)



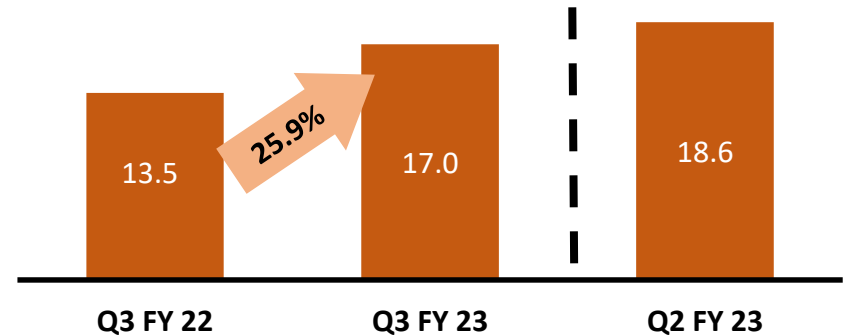
Borrowers Bifurcation – Dec'22



Housing Asset Segment wise (in %)



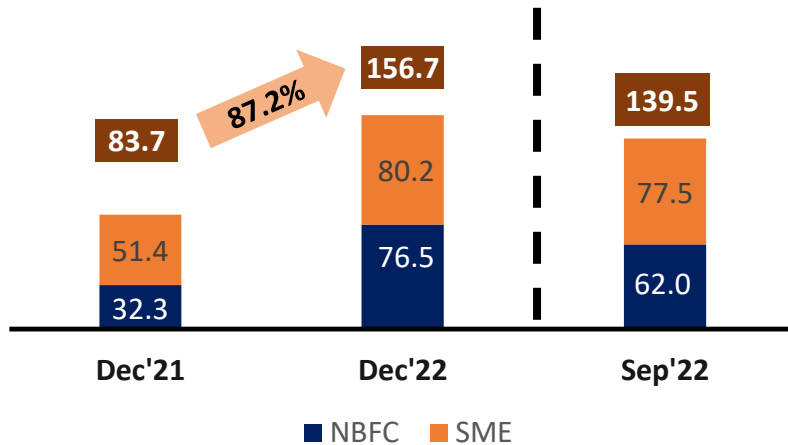
Housing Asset Disbursements (₹ in Billion)



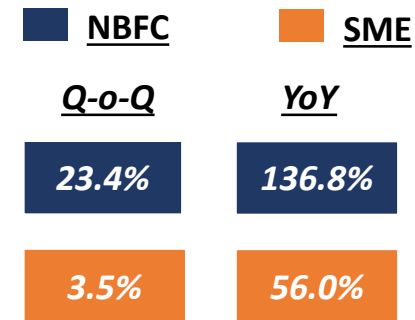
IBPC purchase is excluded from disbursement for all reported quarters

Commercial Banking (CB) & Retail Assets

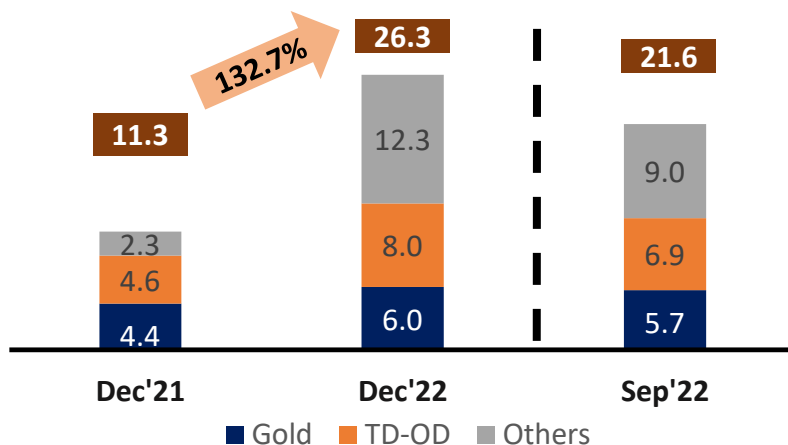
Product wise CB Assets (₹ in Billion)



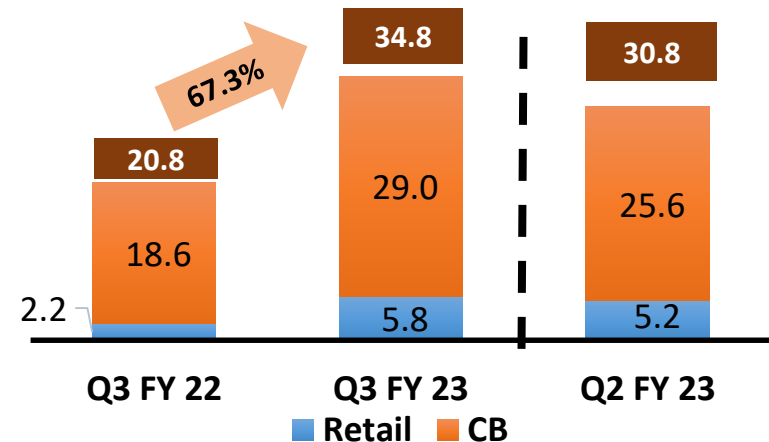
CB segment wise Growth



Product wise Retail Assets (₹ in Billion)



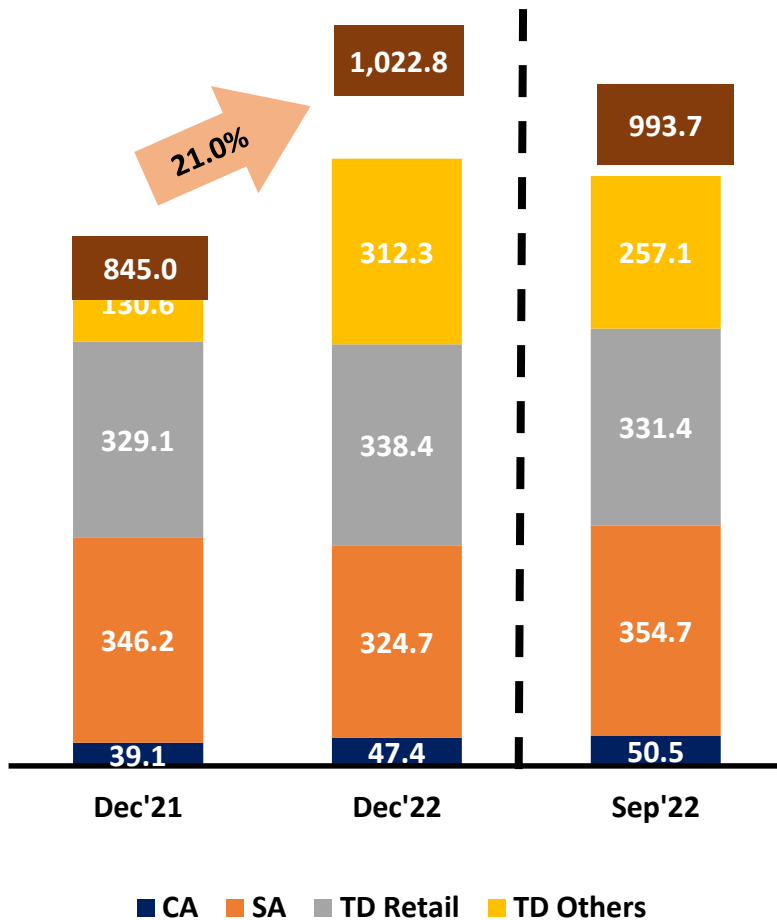
CB & Retail Disbursements# – (₹ in Billion)



Term Loan disbursements Only

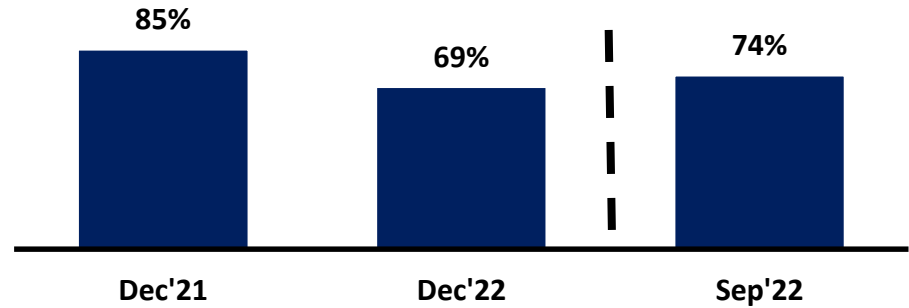
Liabilities Profile

Deposits Growth (₹ in Billion)

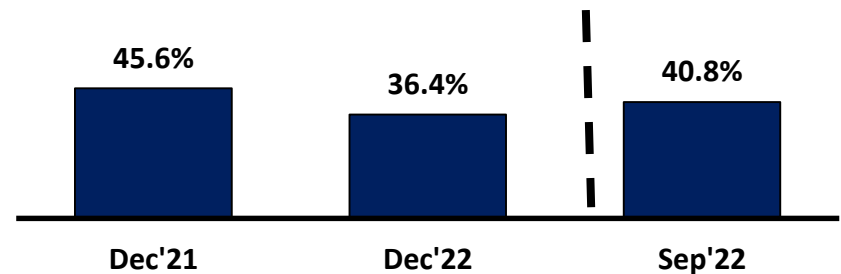


EEB deposits contribute to 4% of Total deposit as on Dec'22

Retail to Total Deposits (%)

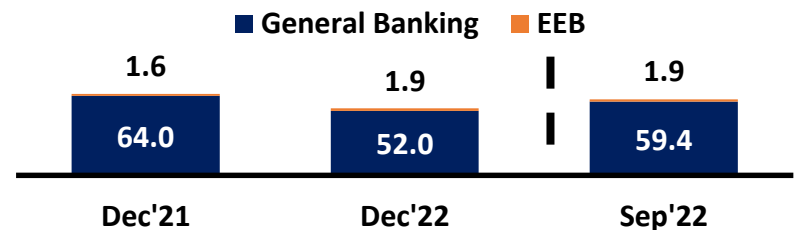


CASA (%)



CASA declined primarily on account of movement in customer maintaining savings balance above Rs 2 cr to term deposit

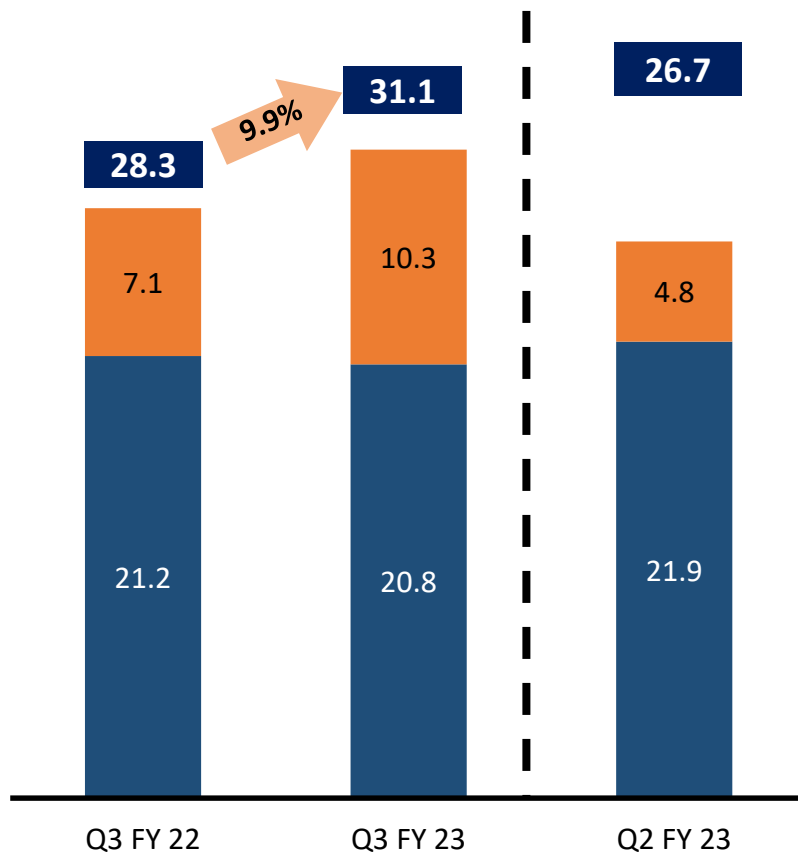
Average SA Balance Per Customer (₹ in 000')



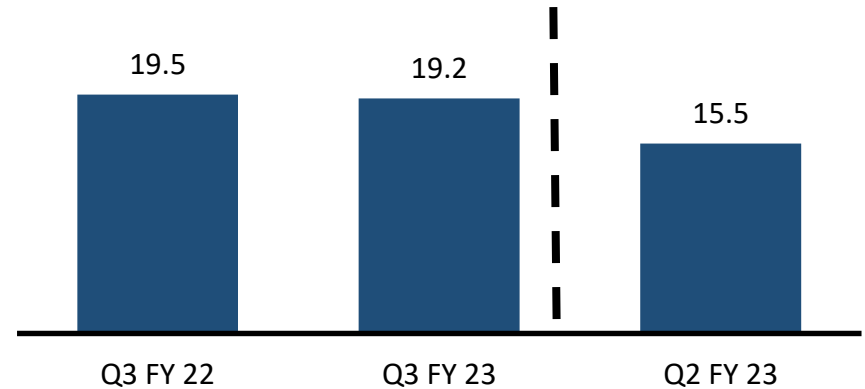
Financial Performance

Total income (₹ in Billion)

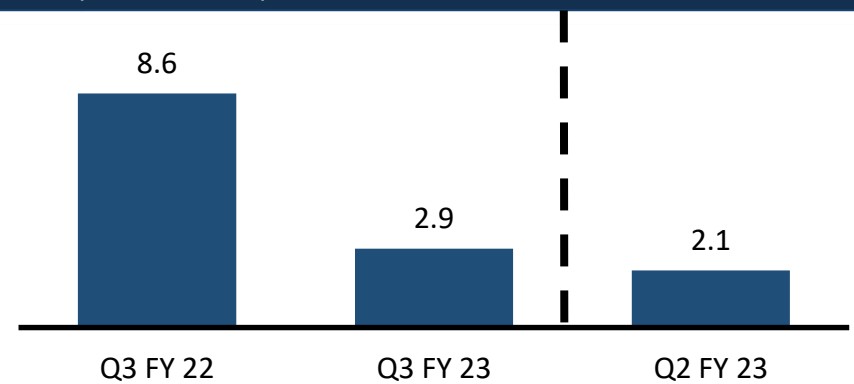
Net interest Income Other Income Total Income



Operating Profit (₹ in Billion)



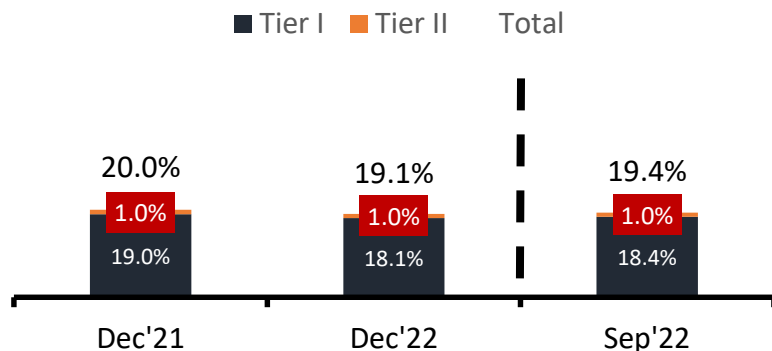
PAT (₹ in Billion)



NII was impacted in Q3 on account of interest reversals and increase in cost of funds

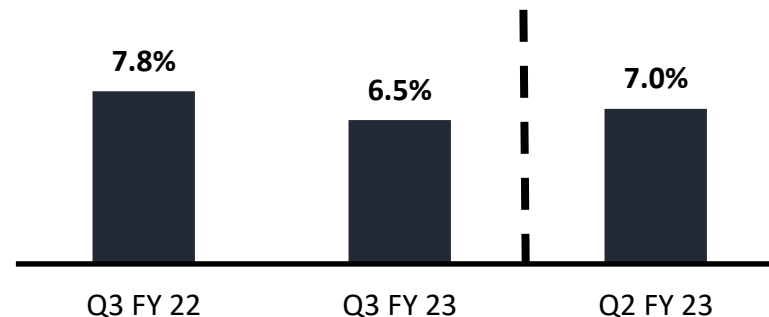
Financial Performance

Capital Adequacy Ratio (CRAR)



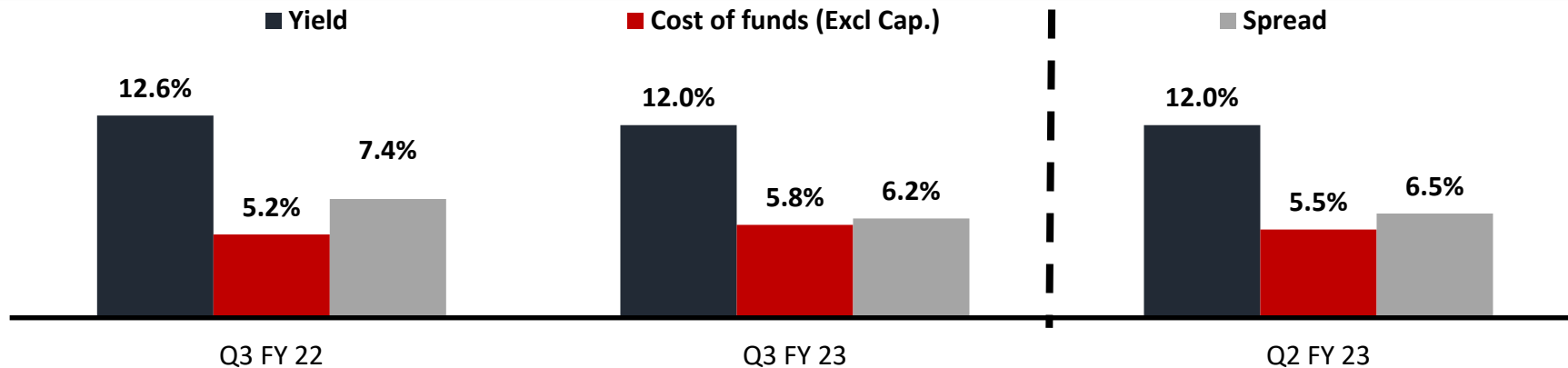
CRAR including Profits of Q3 FY 23 stands at 20.6% as at Dec'22 vs 20.5% as at Sep'22

NIM (Annualized)



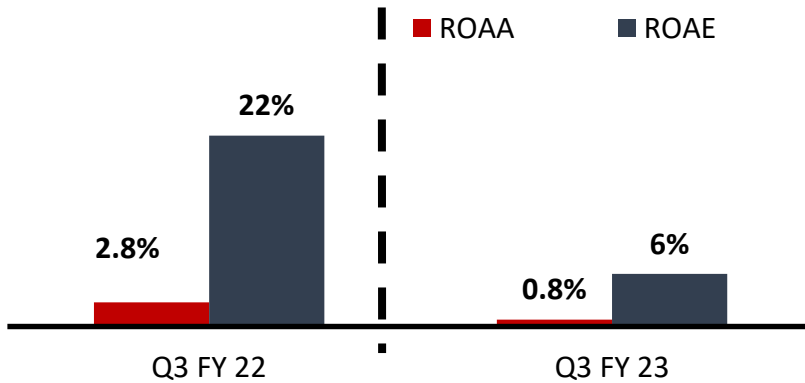
Impact on NIM in Q3FY23 is primarily on account of interest reversals due to elevated slippages in the month of Oct & Nov. With normalization of slippages, NIM for the month of Dec was 7.3%

Spread (Annualized)

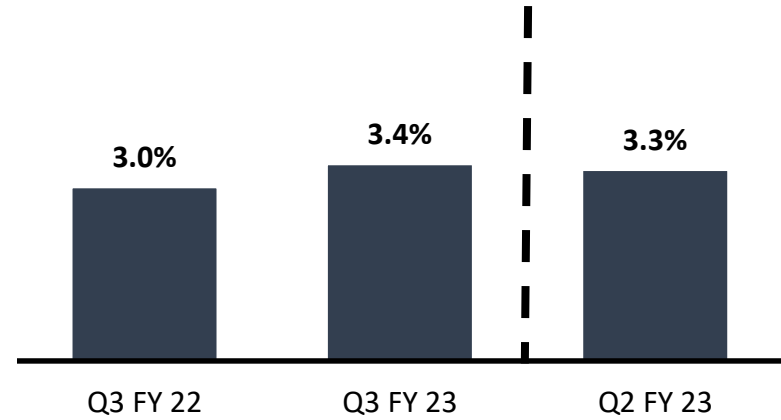


Financial Performance

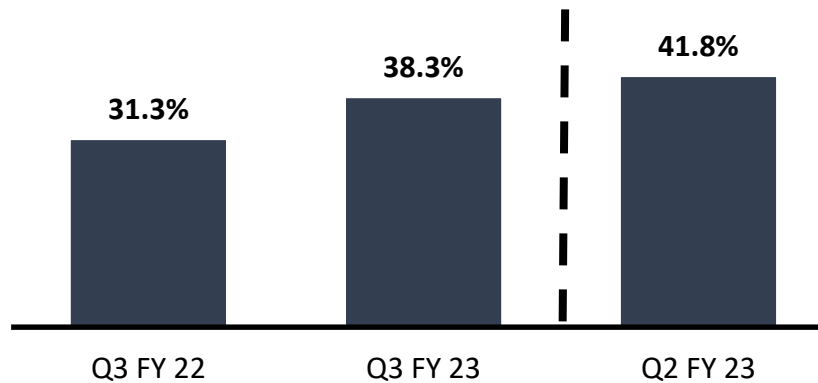
ROAA & ROAE (Annualized)



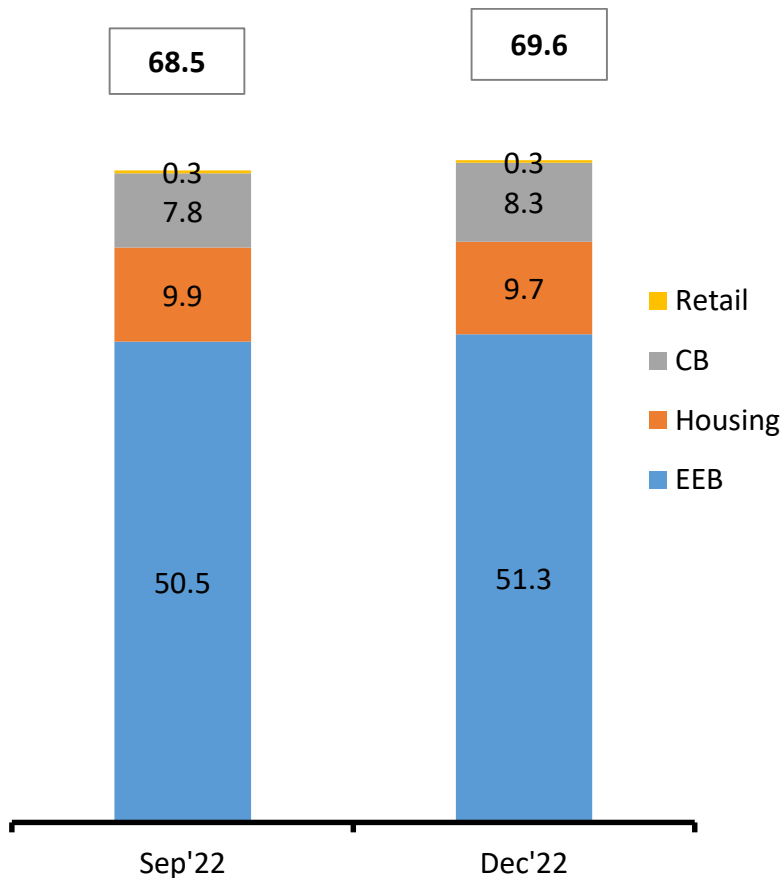
Operating expenses to Average Assets (Annualized)



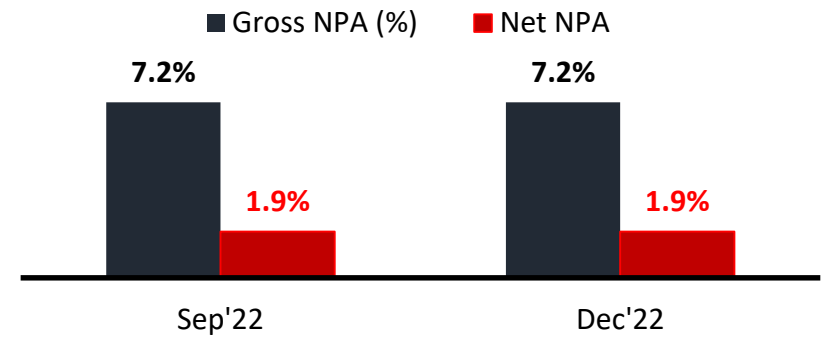
Cost to Income Ratio



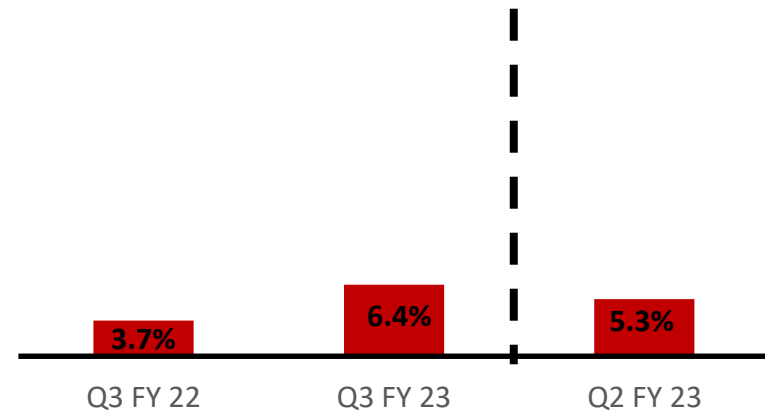
Segmental GNPA movement - (₹ in Billion)



Gross NPA and Net NPA



Credit Cost



Higher credit cost in Q3 FY 23 was on account of increase in stress pool provision coverage

Profit & Loss Statement (IN ₹ Bn.)

Particulars	Q3 FY 23	Q2FY 23	QoQ%	Q3 FY 22	YoY%
Interest Income	38.08	37.73	0.93%	34.09	11.71%
Interest expenses	17.27	15.80	9.30%	12.84	34.50%
Net Int. Income (NII)	20.81	21.93	-5.11%	21.25	-2.06%
Non Interest Income	10.33	4.76	117.02%	7.09	45.70%
Total Income	31.14	26.69	16.67%	28.34	9.89%
Operating Expenses	11.92	11.17	6.71%	8.84	34.89%
Operating Profit	19.22	15.52	23.84%	19.50	-1.44%
Provision (Std. + NPA)	15.42	12.80	20.47%	8.06	91.38%
Profit before tax	3.80	2.72	39.71%	11.44	-66.80%
Tax	0.89	0.63	41.27%	2.85	-68.82%
Profit after tax	2.91	2.09	39.23%	8.59	-66.12%

Balance Sheet (IN ₹Billion)

Particulars	As at	As at	% Change
	31st Dec 2022	31st Mar 2022	
Capital & Liabilities			
Capital	16.11	16.11	0.00%
Reserves & Surplus	171.65	157.70	8.85%
Shareholder Funds	187.76	173.81	8.03%
Deposits	1022.83	963.31	6.18%
Borrowings	184.26	199.21	-7.50%
Other liabilities and provisions	27.83	52.34	-46.83%
Total	1,422.68	1,388.67	2.45%
Assets			
Cash and balances with Reserve Bank of India	62.67	49.43	26.79%
Balance with Banks and Money at call and short notice	24.23	43.79	-44.67%
Investments	310.86	290.79	6.90%
Advances	920.91	939.75	-2.00%
Fixed Assets	7.78	5.88	32.31%
Other Assets	96.23	59.03	63.02%
Total	1,422.68	1,388.67	2.45%

Rating of Bank's Financial Securities			
Instrument	Rating	Rating Agency	Amount (₹ in Billion)
Non-Convertible Debenture #	[ICRA]AA (Negative)	ICRA	15.60**
	CRISIL AA/Negative	CRISIL	
Term Loans From Bank	[ICRA]AA (Negative)	ICRA	0.80
Certificate of Deposit	CRISIL A1+	CRISIL	60.00*
	[ICRA] A1+	ICRA	

*Rating of ICRA is for ₹ 30 bn only

**Rating of ICRA is for ₹ 1.96 bn only

#erstwhile GRUH Finance Limited transferred to Bandhan Bank Ltd.

Our Board & Management



Bandhan
Bank

Experienced and professional team...



Chandra Shekhar Ghosh
MD & CEO

- Founder of BFSL, has 30 years of experience in the field of microfinance and development
- Awarded 'Entrepreneur of the Year' by Forbes and ET in 2014



Santanu Banerjee
Head, HR

- 27+ years of experience in the field of banking and finance
- Previously worked as Head of HR Business Relationship at Axis bank



Sunil Samdani
Chief Financial Officer

- 23+ years of experience in financial industry
- Previously served as Head of Business Analytics and Strategy at Development Credit Bank and as CFO at Karvy



Shantanu Sengupta
Head – Retail Banking

- 27+ years of experience in the field of Consumer & Commercial Banking, Retail Broking, Wealth Management and Financial Sector.
- Previously served as MD & Head of Consumer Banking at DBS Bank



Biswajit Das
Chief Risk Officer

- 28+ years of experience in banking industry
- Previously served as Head-RBS and regulatory reporting at ICICI Bank



Siddhartha Sanyal
Chief Economist and Head Research

- 21+ years of experience in the field of Macro Economic
- Previously served as Director and Chief India Economist at Barclays Bank PLC.



Satyajit Ghosh
Incharge-Emerging Entrepreneurs Business

- 26+ years of experience in the field of microfinance industry.
- Previously served as Area Manager at V.W.S India.



Sudheer Reddy Govula
Chief Compliance Officer

- 26+ years experience in banking industry.
- Previously served as Senior Vice President – Compliance at HDFC Bank Ltd.



Suresh Srinivasan Iyer
Head-Housing Finance

- 23+ years experience in financial industry.
- Previously served as critical role in creating and managing the affordable housing portfolio at GRUH Finance Limited.



Sujoy Roy
Head - Branch Banking

- 22+ years experience in banking Industry.
- Previously worked as leadership roles in Retail Liabilities, Branch Banking and Channels at Axis Bank.

Experienced and professional team...



P Ramaswamy
Chief of Internal Vigilance

- 29+ years of experience in banking industry.
- Previously served as Head – Fraud Risk Management at Equitas Small Finance Bank.



Indranil Banerjee
Company Secretary

- 20+ years experience in financial industry
- Previously served as Company Secretary at Energy Development Company



Arvind Kanagasabai
Head, Treasury

- 30+ years of experience in a PSU Bank
- Previously served as CFO at SBI DFHI Limited, Mumbai



Ronti Kar
Chief Information Officer

- 27+ years of experience in IT Sector.
- Previously served as Project Manager at Cognizant Technology Solution



Nand Kumar Singh
Head - Banking Operations & Customer Service

- 26+ years of experience in banking industry
- Previously served as Retail Banking Head, Patna Circle, at Axis Bank.



Manoj Kumar Mauni
Chief Technology Officer

- 27+ years of experience in the field of Banking, Insurance, shipping and Financial Sector.
- Previously served as Executive Vice President – IT at Kotak Mahindra Bank.



Jagannadha Rao Suvvari
Head - Legal

- 25+ years of experience in financial industry
- Previously served as Vice President - 2 – Legal at IndusInd Bank Ltd.



Ravi Lahoti
Chief Audit Executive

- 17+ years of experience in banking industry.
- Previously worked as Principal Officer & Head of Anti Money Laundering at HDFC Bank



Subhash Balkrishna Samant
Head-High Value Housing Finance

- 25+ years of experience in the field of banking and financial industry.
- Previously worked as Zonal Head for Mortgages at ICICI Bank Ltd and CEO of Mannapuram Home Finance

... backed by a strong independent Board

Board of Directors



Dr. Anup Kumar Sinha

Non-executive (Independent) Chairman

- Economist with Ph.D from University of Southern California, served as Professor of Economics at IIM Calcutta for 25 years
- He has also served on the Board of NABARD.



Chandra Shekhar Ghosh

Managing Director & CEO

- Has more than 30 years of experience in microfinance & development terrain
- Awarded 'Outstanding Leadership Award' by Dhaka University



Dr. A S Ramasastry

Independent Director

- Former Director of Institute for Development & Research of Banking Technology (IDRBT);
- Prior to IDRBT, he was the CGM-in-charge of Department of IT at RBI



Dr. Aparajita Mitra

Independent Director

- Doctorate in Agriculture, having extensive experience and expertise of more than three decades in the field of agricultural sciences



Divya Krishnan

Non-Executive Non-Independent Director (Nominee of NOFHC)

- A finance and investment banking professional
- Former Chief Investment Officer and Head of Investment at SBI Mutual Fund.



Dr. Holger Dirk Michaelis

Nominee Director

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



N V P Tendulkar

Independent Director

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



Philip Mathew

Independent Director

- HR practitioner with almost 30 years of work experience, with career journey through the entire landscape of HR with significant depth
- Served as Chief People Officer of HDFC Bank till 2018



Santanu Mukherjee

Independent Director

- Significant experience in banking, finance, treasury operations, risk management, etc at various capacities in SBI Group
- Former MD of State Bank of Hyderabad



Subrata Dutta Gupta

Independent Director

- Significant experience in Asset-based Financing including mortgage finance in Asia
- Retired as the Principal Financial Officer from IFC



Suhail Chander

Independent Director

- A veteran banker with 37 years of rich experience in Banking Operations, Trade Finance, Retail and Wholesale Banking.
- Retired as the Head of Corporate and Institutional Banking at IndusInd Bank in 2020



Vijay N Bhatt

Independent Director

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

Awards and accolades



Businessworld Magna Awards 2019

At Magna Awards 2019 organised by Businessworld, Bandhan Bank won two awards.

1. **Best Bank**
2. **Fastest Growing Bank**

Mr. Ghosh also won the 'Banker of the Year' award



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.



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.



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.

Awards and accolades

Dun & Bradstreet Corporate Awards 2021

Dun & Bradstreet honoured the torchbearers among Indian corporates at its annual 'Corporate Awards 2021' held on July 16, 2021.

The awards were virtually presented across 30+ categories. Bandhan Bank was recognised in the category of **Best Growth Performance Bank -2021**.



Forbes Worlds Best Banks 2022

Bandhan Bank featured in Forbes World Best Bank's list for the year 2022. Market research was conducted by leading firm 'Statista'.



e4m Pride of India Brands 2022

Bandhan Bank received Pride of India Brands awards organized by Exchange for Media, the awards were recognised and celebrated for setting new standards of innovation and excellence in their products, processes and marketing practices.



FE Pillar of BFSI Industry

Mr. Chandra Shekhar Ghosh, Managing Director & Chief Executive Officer, was awarded with the prestigious title 'FE Pillar of the BFSI Industry' on June 17, 2022 at the first chapter of FE Modern BFSI Summit.

The award recognises his exemplary contribution made to the BFSI sector that has inspired many and helped ensure resilience across the industry.

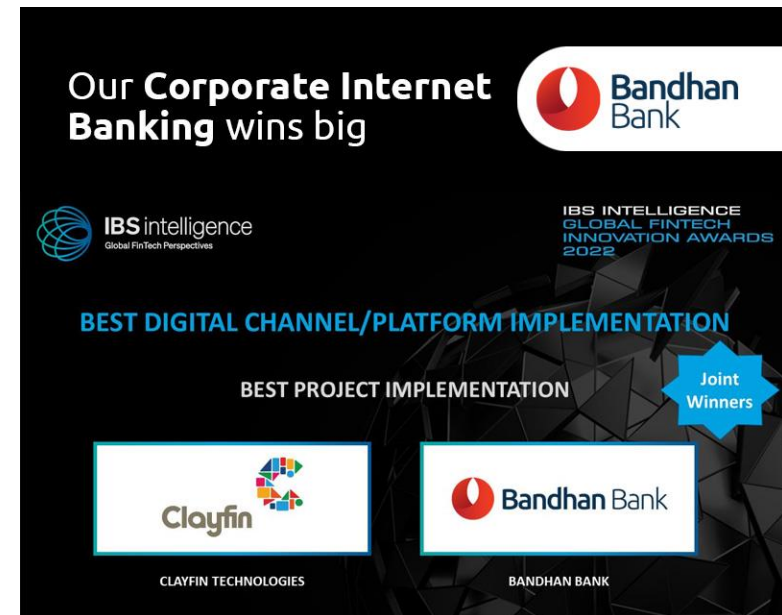


Awards and accolades

Bandhan Bank wins IBS intelligence Global Fintech Award

Bandhan Bank received the IBS intelligence Global Fintech Award for “Best Digital Channel/Platform Implementation: Best Project Implementation” for Corporate Internet Banking implementation on December 14, 2022.

The IBSi Global FinTech Innovation Awards 2022 seek to identify and honour banks, financial institutions and technology players for their excellence in driving impact through banking technology implementations and innovations using emerging technologies.



Thank You

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**Bandhan
Bank**