

Bandhan Bank's profit more than doubles



SUBRATA PANDA

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Bandhan Bank's net profit more than doubled in the third quarter of financial year 2019-20 (Q3FY20) to ₹731 crore, largely driven by interest income. This was higher than the net profit of ₹331 crore it reported in the year-ago period on a standalone basis.

Q3 PERFORMANCE (in ₹ crore)

Particulars	Q3 FY20*	Q3FY19**	Q2FY20*
PAT	731	331	972
NII	1,541	1,124	1,529
NIM (%)	7.9	10.5	8.2
Gross NPA (%)	1.9	2.4	1.8
Net NPA (%)	0.8	0.7	0.6

*merged, **standalone

Sequentially, net profit declined 24.79 per cent as it registered a profit of ₹972 crore in Q2. To be sure, the Q3 figures are not comparable with the corresponding figures of the previous year after the merger of Gruh Finance, which came into effect on October 17, 2019. The net interest income in Q3FY20 stood at ₹1,541 crore. In the same period last year, the net interest income of the bank

was ₹1,124 crore. Total income increased to ₹3,075.31 crore in the quarter under review as against ₹1,883.65 crore in the year-ago period, the bank said. The gross non-performing assets (GNPA) stood at 1.9 per cent in Q3 as opposed to 2.4 per cent in the same period last year. In Q2, GNPA stood at 1.8 per cent. The increase in GNPA quarter-on-quarter is partly because of increase in Gruh's housing loan portfolio thanks to change in recognition norms as applicable to bank from housing finance firm.

“Following the unrest in Assam, the collection efficiency of Assam was recorded at 93.64 per cent as opposed to a national average of 98.01 per cent. In Assam, the efficiency had gone down to 78 per cent for a span of three weeks in the quarter during the unrest but it soon recovered to 93 per cent,” Chandra Shekhar Ghosh, managing director and chief executive, said.