

Ref no: BBL/358/19-20

January 14, 2020

**BSE Limited**Dept of Corporate Services  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400001**BSE Scrip Code: 541153****The National Stock Exchange of India Limited**The Listing Department  
Exchange Plaza,  
Bandra Kurla Complex,  
Mumbai - 400051**NSE Symbol: BANDHANBNK**

Dear Sir/Madam,

**Sub: Investor Presentation on Q3 FY2019-20 - Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')**

This is in continuation to our letter ref no. BBL/357/19-20 submitting the Board approved Unaudited Financial Results of the Bank for the quarter and nine months ended December 31, 2019. In this regard, we hereby submit the Investor Presentation on the said Unaudited Financial Results of the Bank.

You are requested to take note of the above.

All the above mentioned documents will be simultaneously posted on the Bank's website at [www.bandhanbank.com](http://www.bandhanbank.com).

Thanking you,

Yours faithfully,  
for **Bandhan Bank Limited**  
**Indranil Banerjee**  
Company Secretary*Encl.: as above*

# Investor Presentation Q3 FY 2019-20

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January 2020



**Bandhan**  
Bank

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# Key Highlights



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Bank

# Key Highlights

## Bandhan Bank - Overview

- Loan portfolio (on book + off book) for Q3FY 19-20 grew 83.9% Y-o-Y (excl. GRUH 33%)
- Deposits grew by 58.5% Y-o-Y in Q3 FY 19-20 (excl. GRUH 54.4%)
- Net NPA is at 0.81% (after additional provision of ₹ 2 Billion )
- Retail Deposit to Total Deposit at 76.2%
- Added 0.73 million Customer during the quarter with total customer base reaching to 19.00 million (Micro Banking- 14.56 million, Non Micro– 4.17 million and GRUH Finance –0.27 million)
- Income from PSLC of ₹ 3.98 Billion to be recognised over 4 quarters, hence booked ₹1.06 Billion in Q3 FY19-20
- During the quarter, the Bank has made additional provision of ₹ 200 crore on standard advances in microfinance portfolio after evaluating risk observed in certain areas of a north eastern state, though having a dwindling effect.

## Snapshot of operations Q3 FY 2019-20

Total Deposits	₹ 549.08 bn
Total loans and advances	₹ 654.56 bn <sup>1</sup>
Net interest margin (NIM)	7.91%*
CASA ratio (%)	34.31% <sup>2</sup>
ROAA (%)	3.52%* <sup>3</sup>
ROAE (%)	20.0%* <sup>4</sup>



1. On book + Off Book
2. Excluding GRUH deposit 35%
3. Excluding additional provision of ₹ 2 Billion, is 4.23%
4. Excluding additional provision of ₹ 2 Billion is 24%

\* Annualised

Q3 FY 20 numbers are merged after amalgamation of Gruh Finance Ltd

# Microfinance Insights

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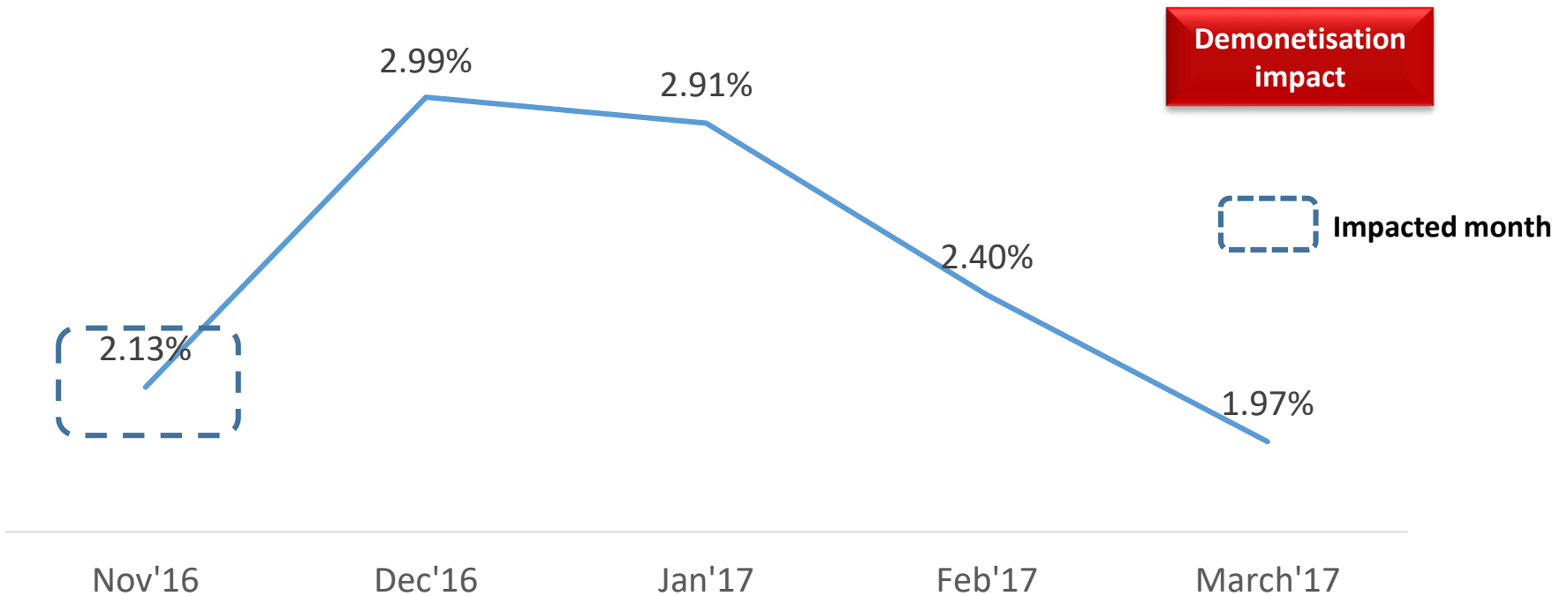
Q3FY20



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# Bank's earlier experience in handling external events impacting the delinquencies\*

2016-17

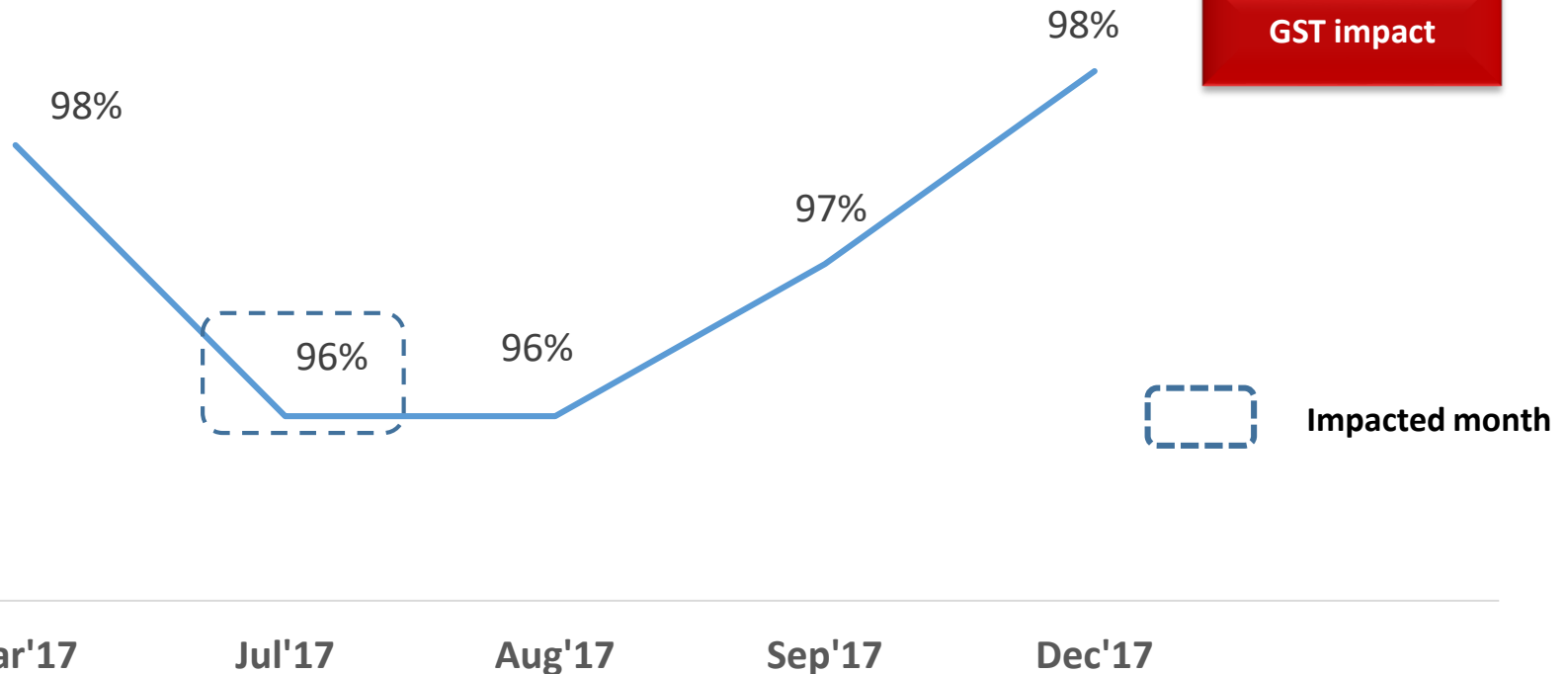


Demonetization impact – the Bank improved its delinquency numbers and came back to normalcy in the following 3 months

\*7 +days overdue

# Bank's earlier experience in handling external events impacting the OTR

2017



GST impact – the Bank restored its normal repayment rates in 3 months time

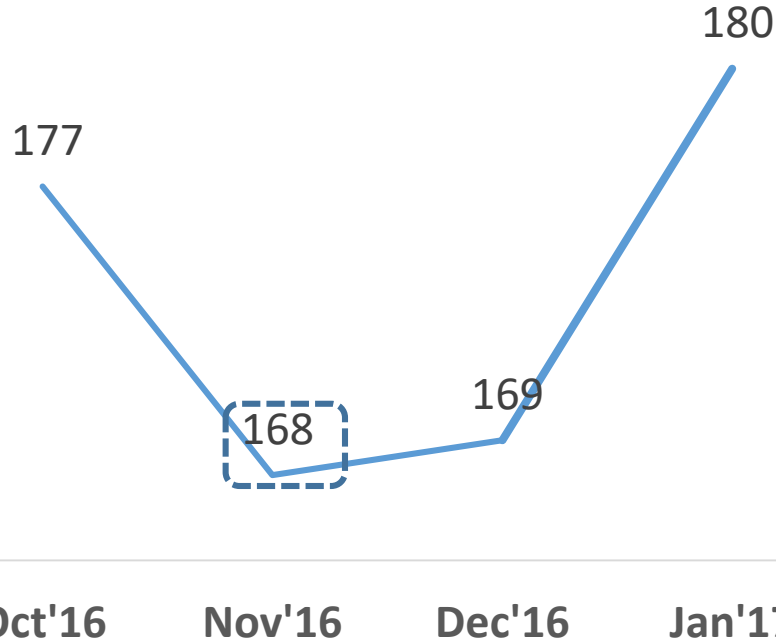
\*OTR – On Time Repayment rate



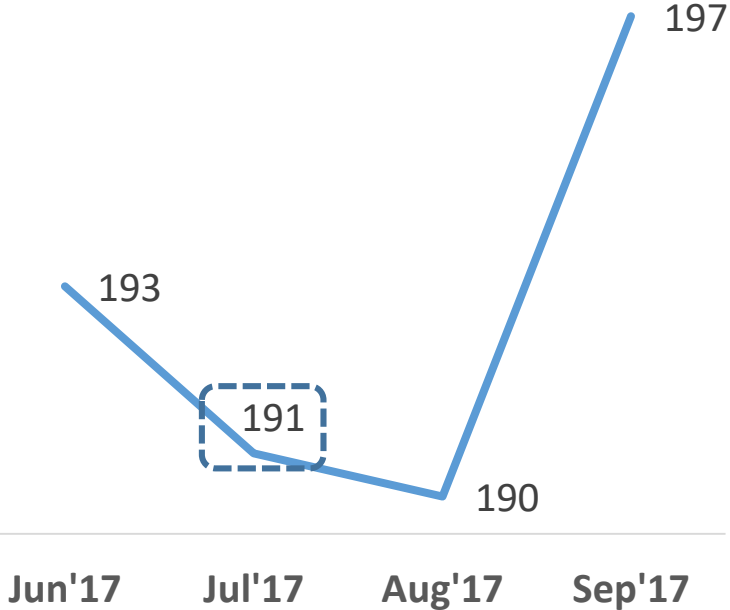
# Conservative approach demonstrated in past external exigencies followed by quick bounce back



Book size movement during Demonetisation



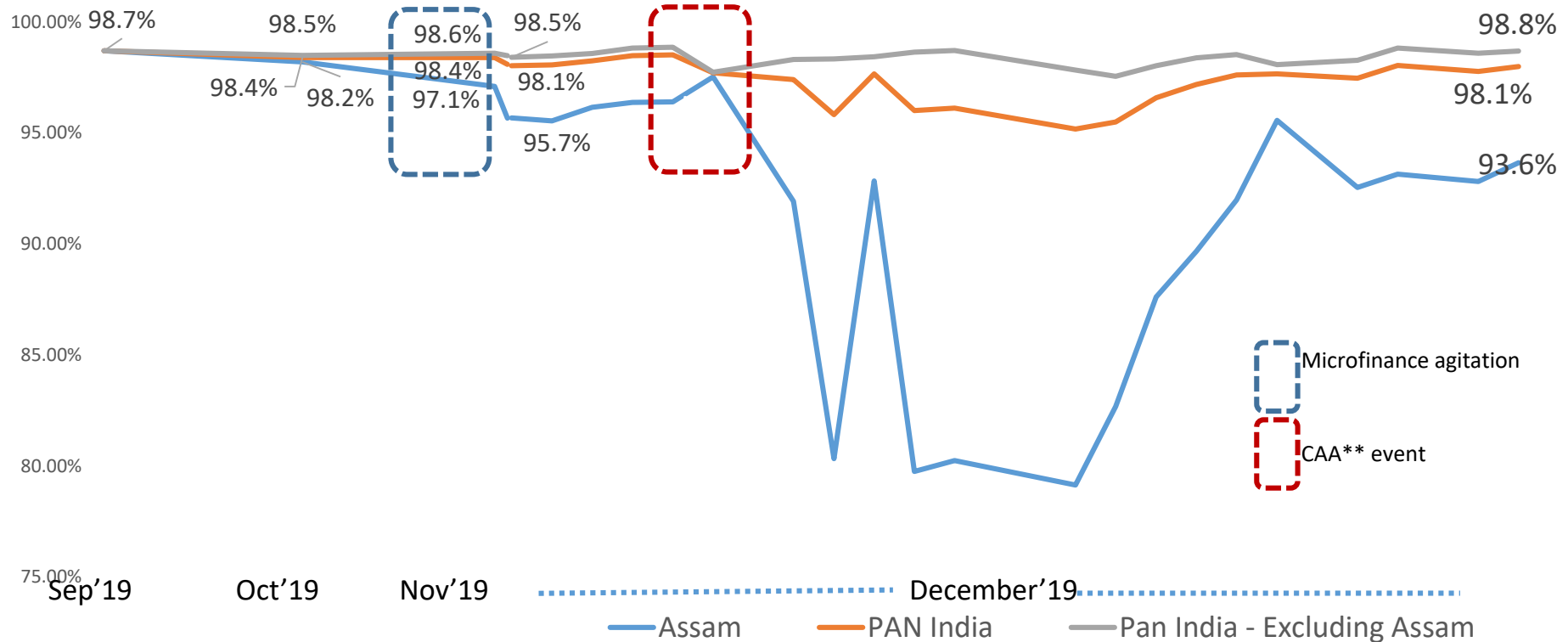
Book size movement during GST



 Impacted month

Figures are in ₹ Billion

# OTR\* movement for Q3FY20



- For the Month of Sep'19; Oct'19 and Nov'19 monthly OTR is shown while for Dec'19 day-wise OTR movement is given till week 4

- Negligible impact of CAA on OTR outside Assam
- Swift bounce back witnessed in Assam post initial fall in OTR due to CAA enactment in Dec'19

\*OTR – On Time Repayment rate; \*\*Citizenship Amendment Act

# Underlying demand and loan book growth rate continues to be stable



	Sep19 YOY	Dec19 YOY (excl. Assam)
Microfinance Growth Rate*	34.6%	33.4%

\* Excluding Direct Assignments

Microfinance Portfolio	Sep'19		Dec'19	
	Book Size (₹ bn)	Portfolio Share %	Book Size (₹ bn)	Portfolio Share %
Assam	68.55	17.5%	65.86	16.4%
West Bengal	179.18	45.7%	183.81	45.8%
Rest of India	144.24	36.8%	151.34	37.7%
<b>Total</b>	<b>391.97</b>	<b>100%</b>	<b>401.00</b>	<b>100%</b>

# Business & Financial Overview

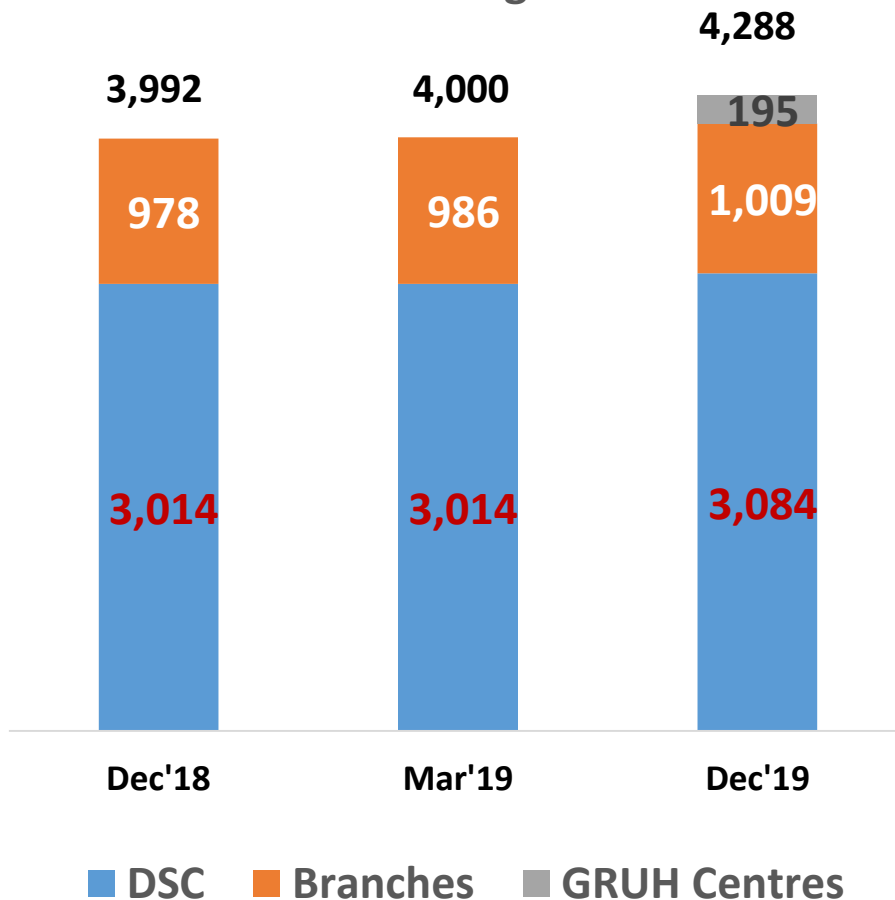


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# Geographical Distribution

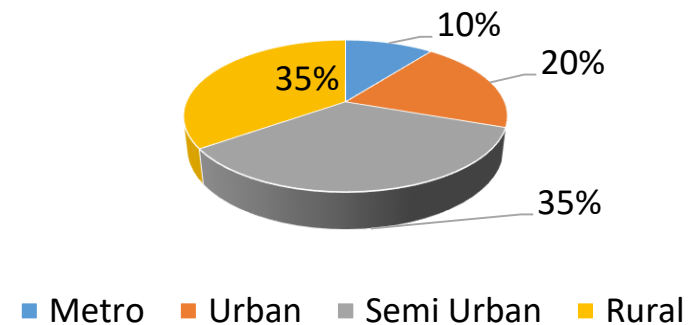
## Banking Outlets

No. of Banking Outlets



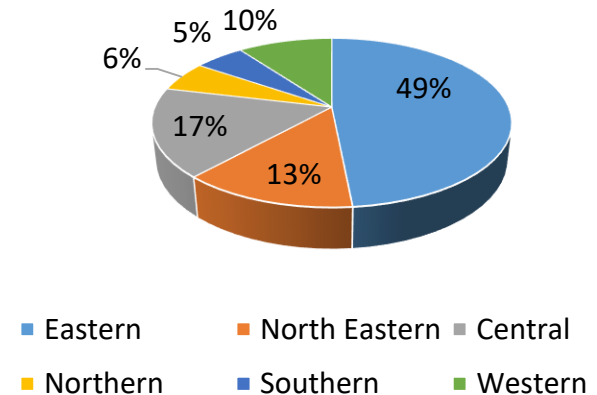
## Focus on serving the rural & underbanked population (Included Gruh)

Banking Outlets as on 30<sup>th</sup> September 2019\*



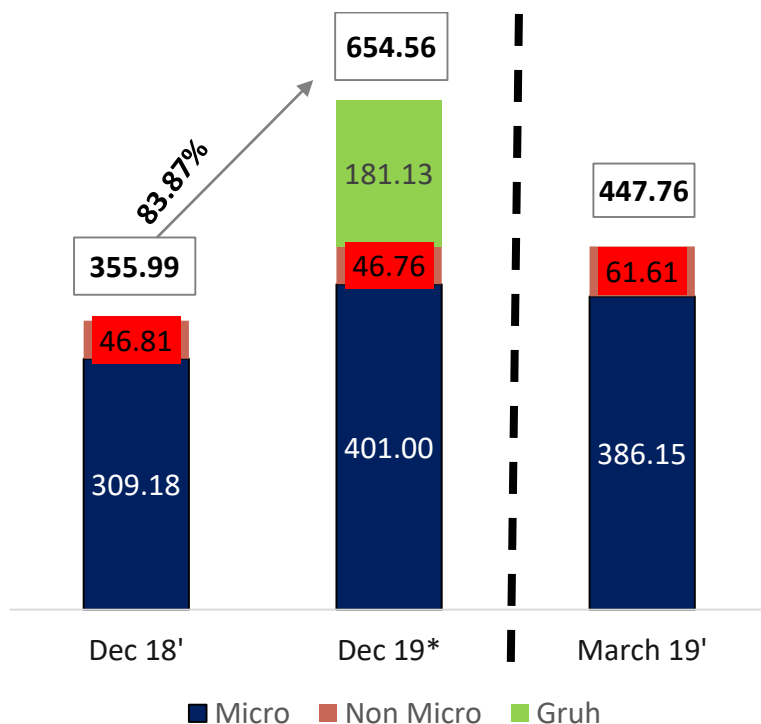
\*Basis original classification at the time of opening

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

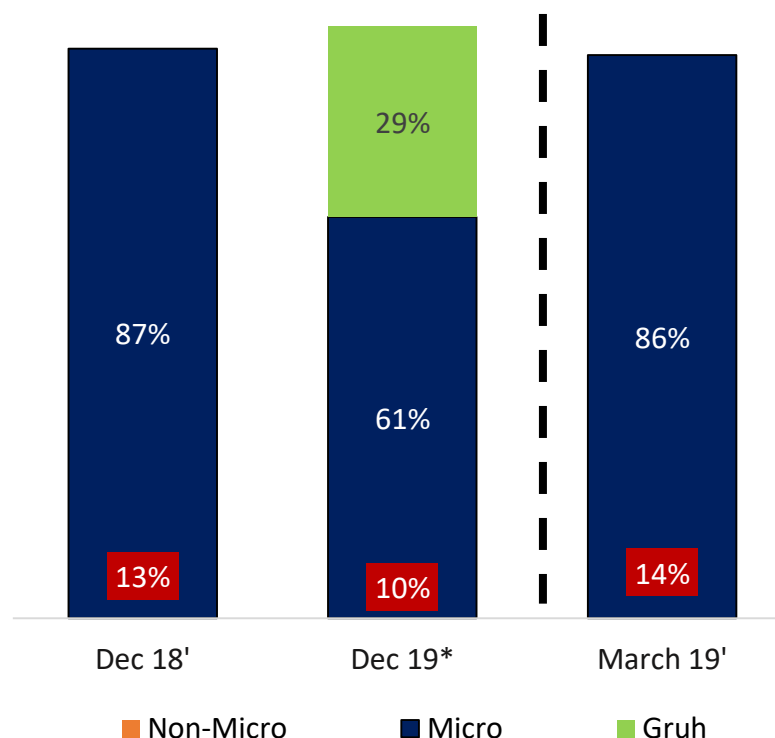


# Asset Overview

## Advances Growth (₹ in Billion)



## Composition of Advances (in %)

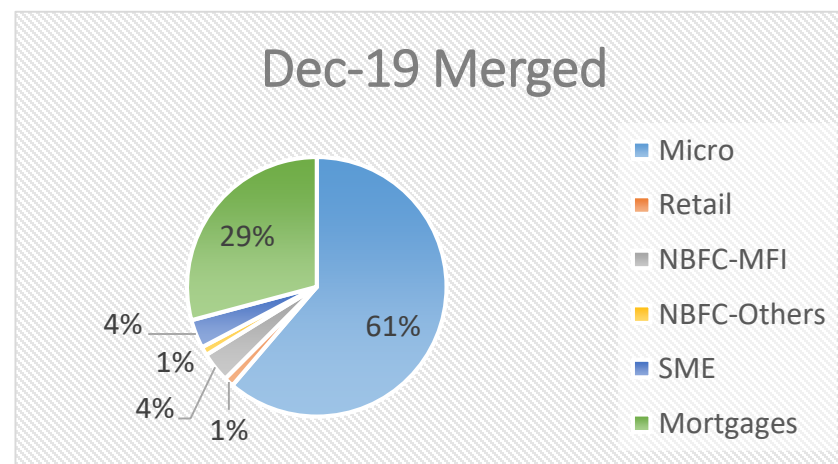
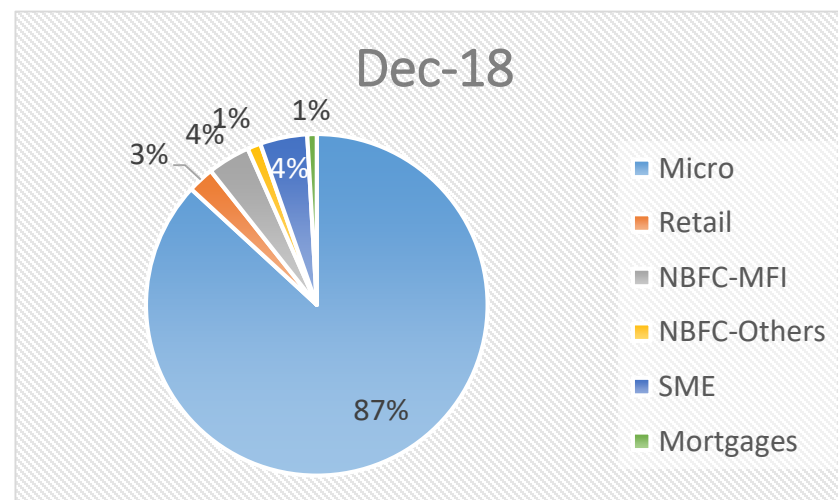
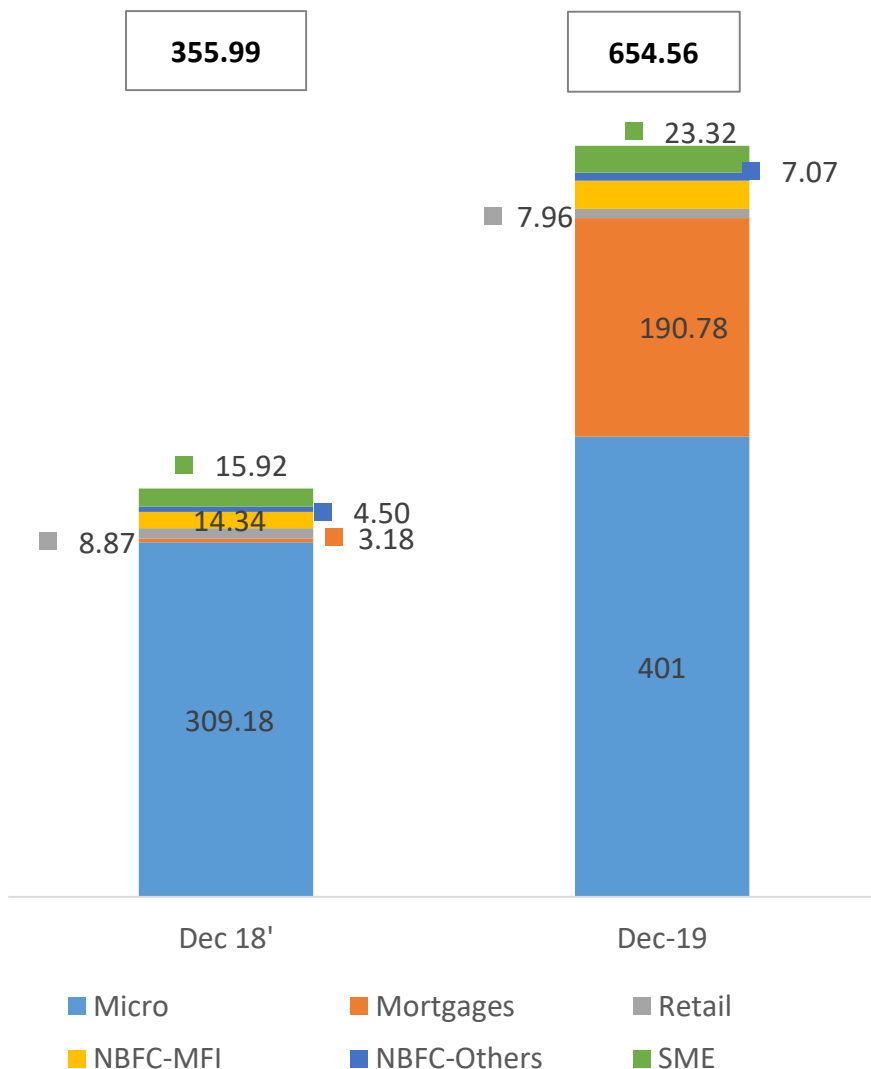


\* Dec-19 merged Advances including GRUH; excluding GRUH advance growth 33%

\* Portfolio diversifying with micro finance share in total advance reduced to 61%

# Asset Book Mix

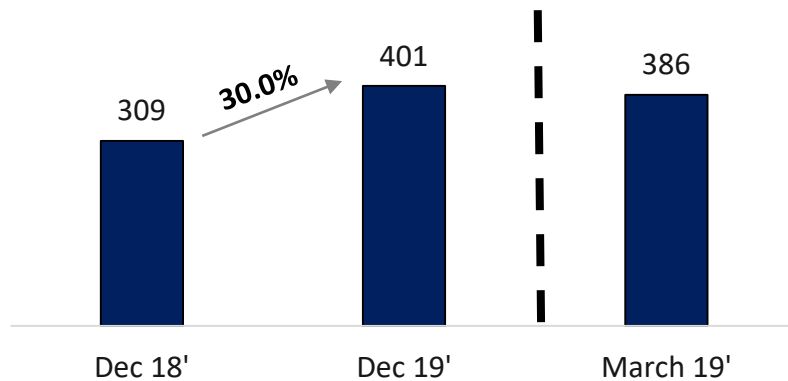
## Total Advances (₹ in Billion)



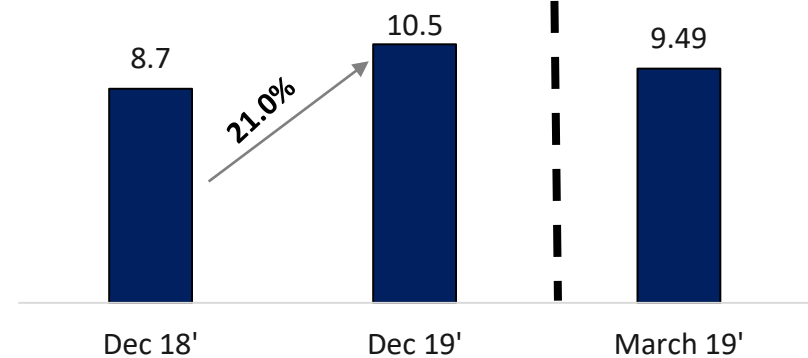
Dec 19 mortgages includes GRUH portfolio amounting to ₹ 181.13 bn 14

# Micro Banking Assets

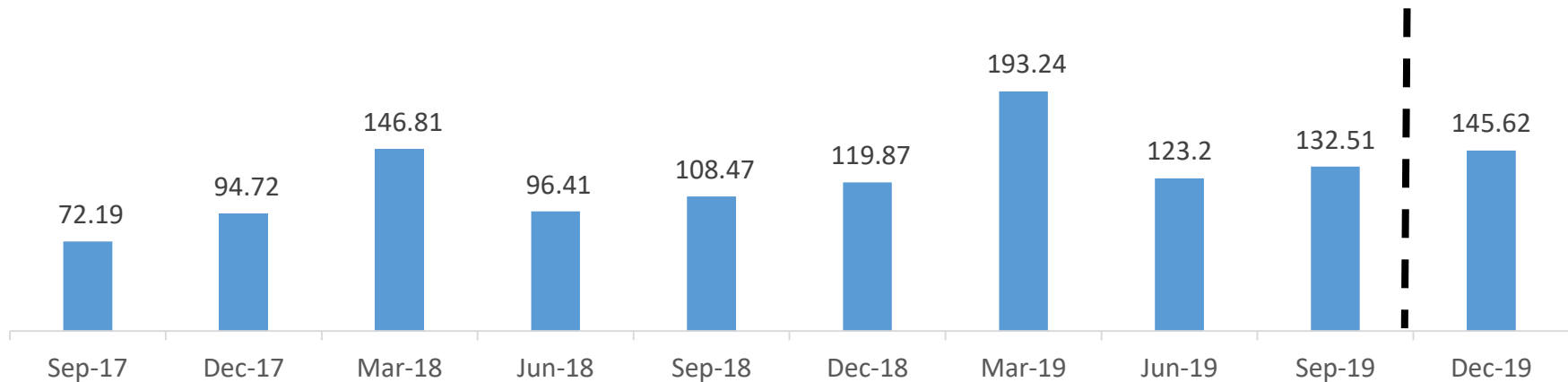
## Micro Banking Asset Growth (₹ in Billion)



## Number of Active Micro Borrowers (Mn)



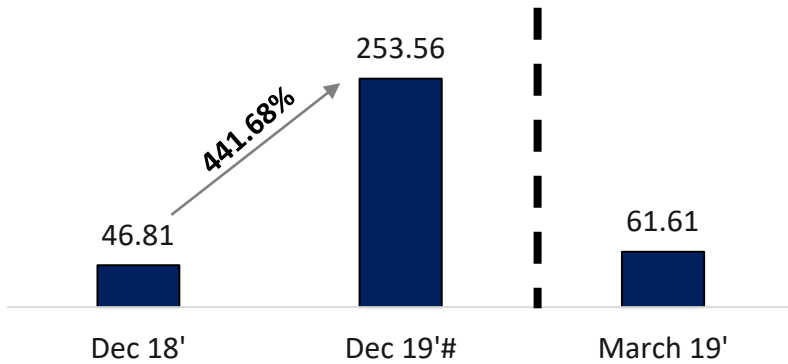
## Micro Loan Disbursement (₹ in Billion)





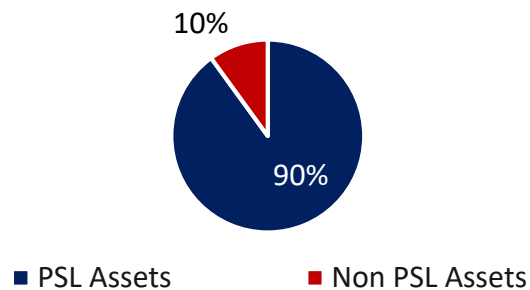
# Non Micro Assets

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

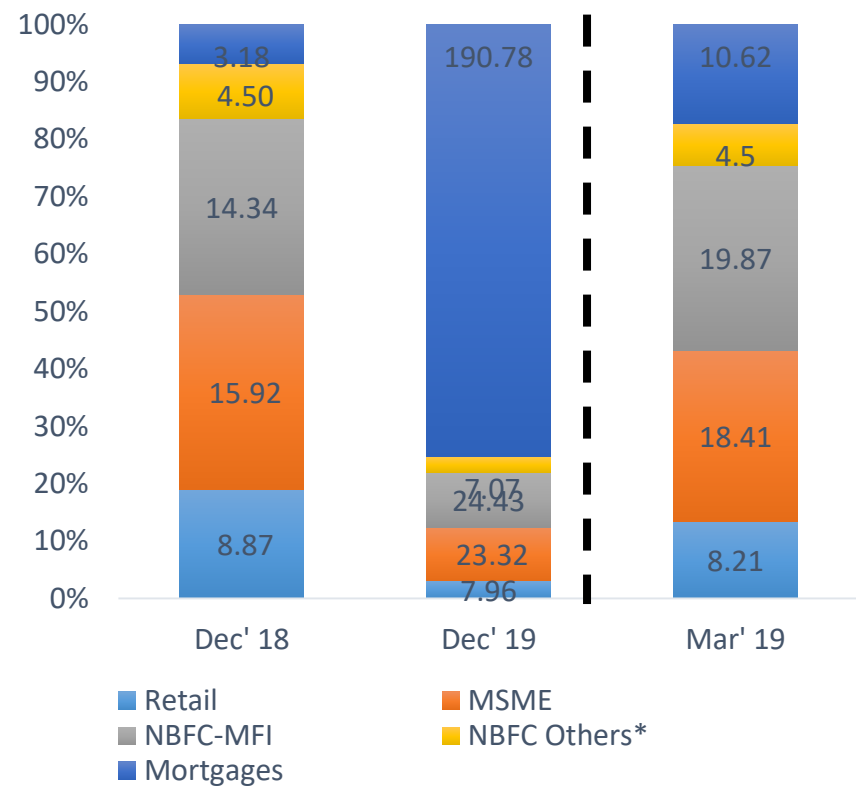


# Dec-19 merged non-micro advances including GRUH; excluding GRUH advance growth 54.73%

## Higher PSL Portfolio



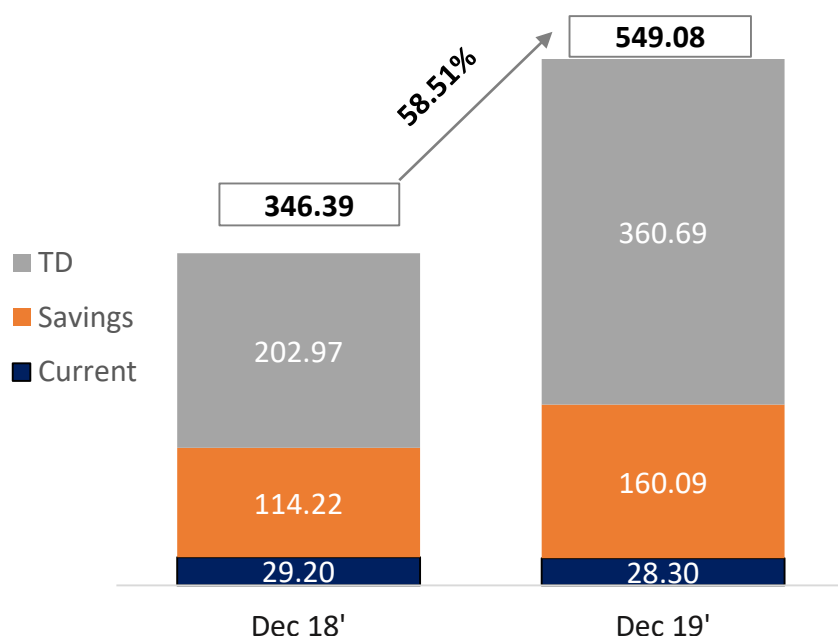
## Product wise Advances – Non Micro (₹ in Billion)



\*Includes ILF&S exposure of Rs 3.85 billion  
Dec 19 includes mortgages which includes GRUH portfolio Rs. 181.13 bn

# Liabilities Profile

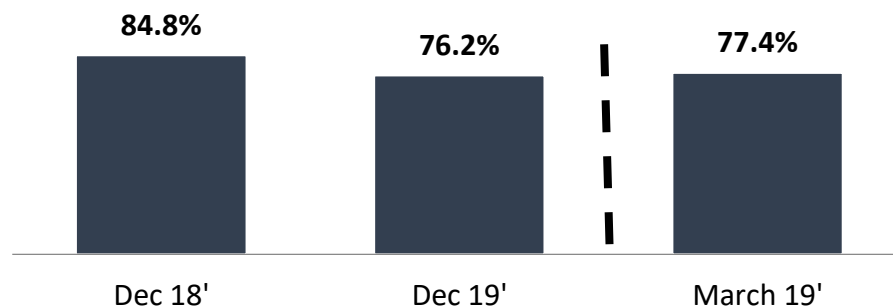
## Deposits Growth (₹ in Billion)



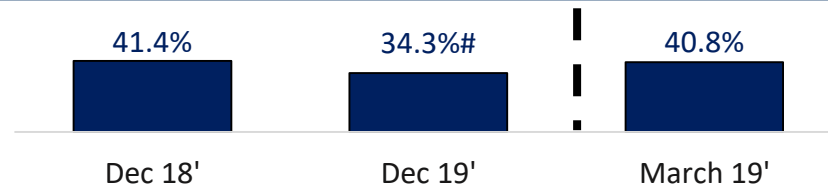
- Dec 19 includes GRUH deposits of Rs 14.45 bn; excluding GRUH Deposit growth at 54.34%
- Microbanking contributes 5.14% of total deposits

Dec 19 numbers are merged after amalgamation of GRUH Finance Ltd

## Retail to Total Deposits (%)

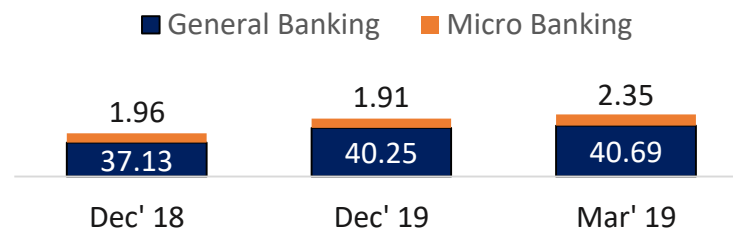


## CASA (%)



# Excluding GRUH Term Deposits; CASA 35.2%

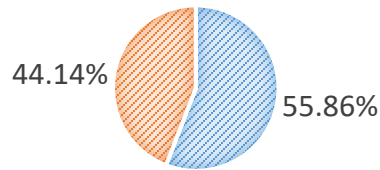
## Average SA Balance Per Customer (₹ in 000')



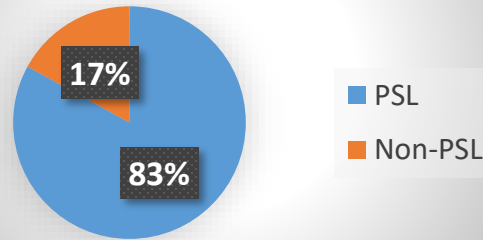
# Bandhan GRUH Loans

## CUSTOMERS

■ Salaried ■ Self Employed

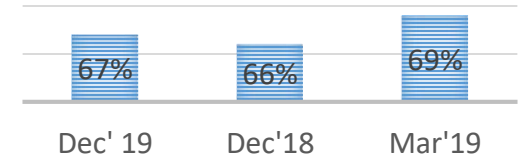


## PSL Porfolio

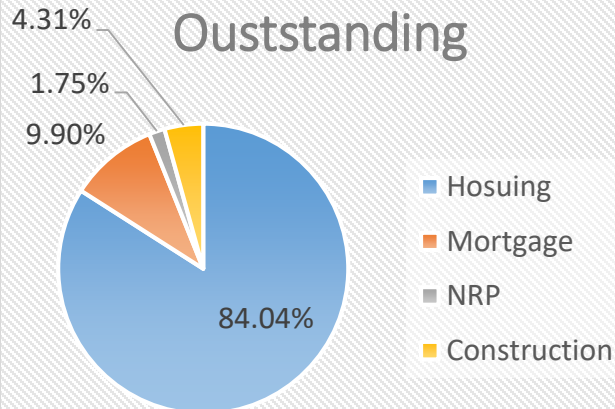


## Average loan to value

■ Average LTV

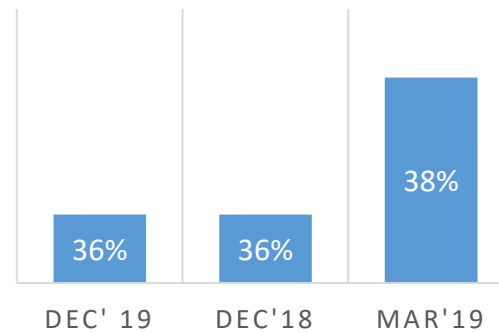


## Portfolio Outstanding

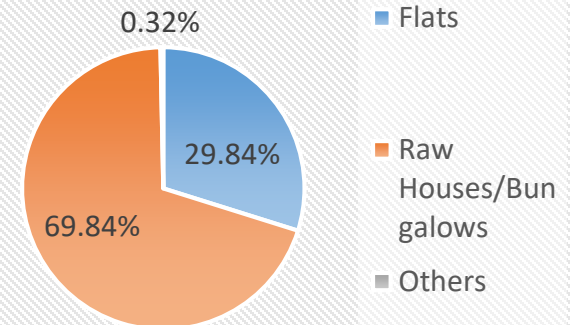


## AVERAGE FOIR\*

■ Average FOIR



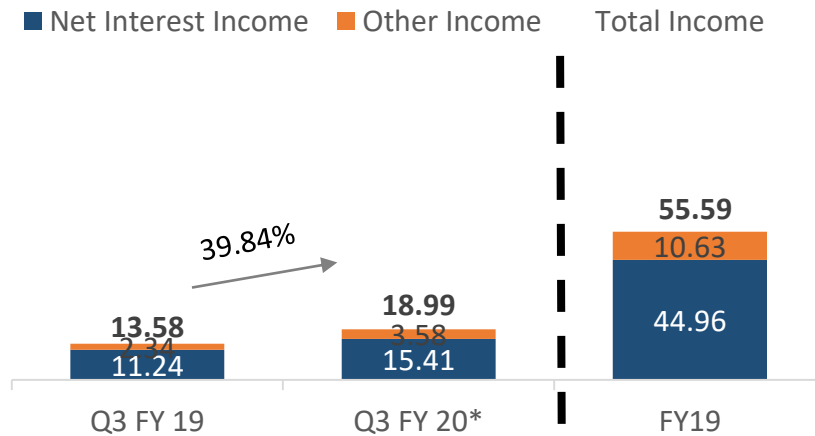
## Type of Property



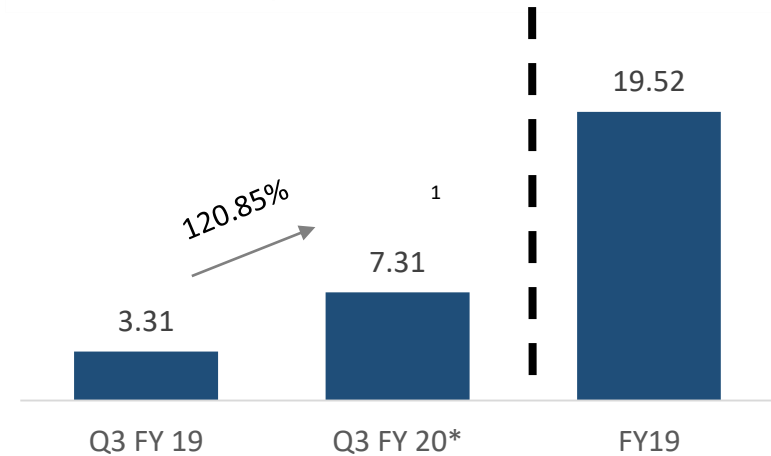
\*FOIR is Fixed Obligation to Income ratio

# Financial Performance

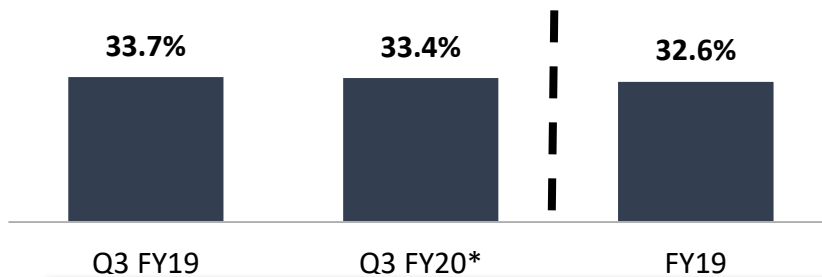
## Total income (₹ in Billion)



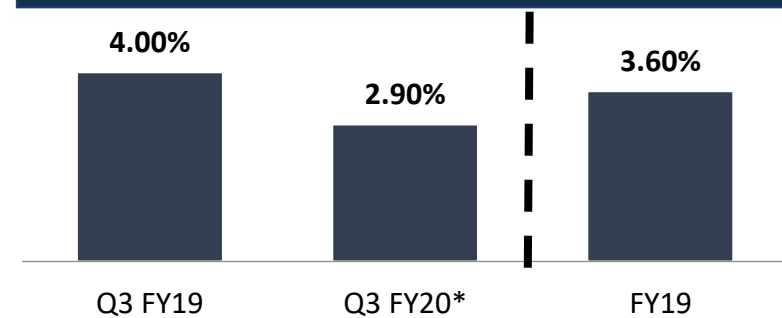
## PAT (₹ in Billion)



## Cost to Income Ratio



## Operating expenses to Average Assets (Annualized)

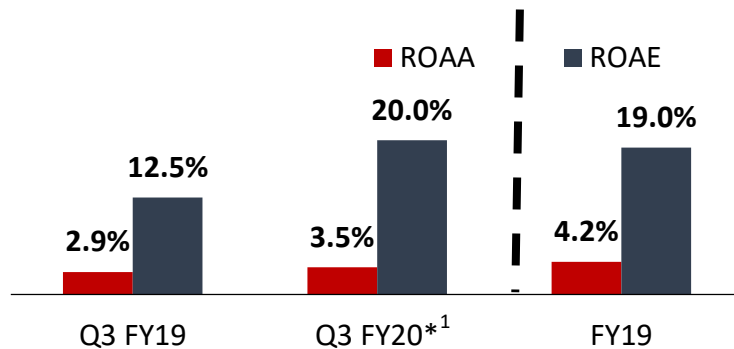


1. After taking additional provision of ₹ 2 Billion, Excluding additional provision PAT up 165.85 YOY %

\* Q3 FY 20 numbers are merged after amalgamation of Gruh Finance Ltd

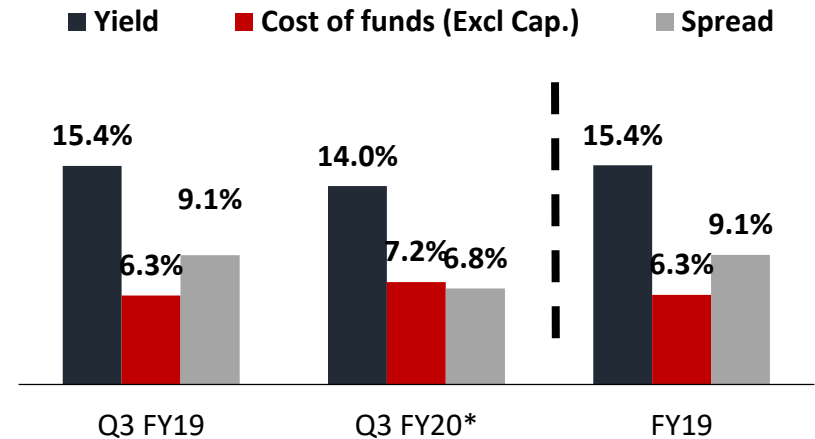
# Financial Performance

## ROAA & ROAE (Annualized)

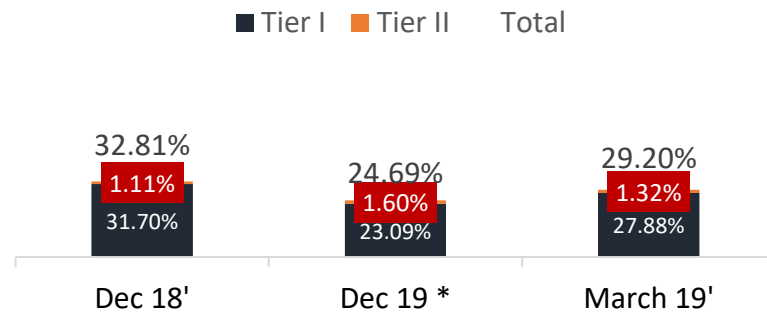


1. After taking additional provision of ₹ 2 Billion, Excluding additional provision ROA & ROE will be 4.23% & 24% respectively

## Spread (Annualized)

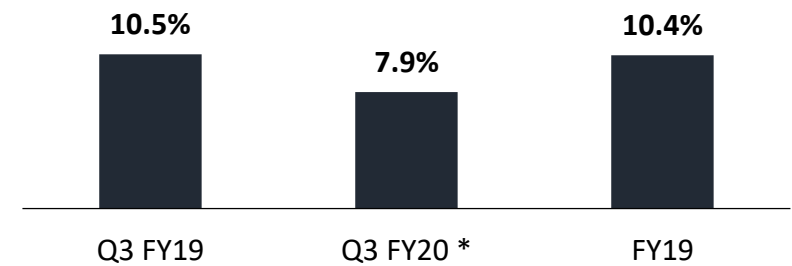


## Capital Adequacy Ratio



1- Excluding current year profits; with current year profits CAR would increase to 29.46%

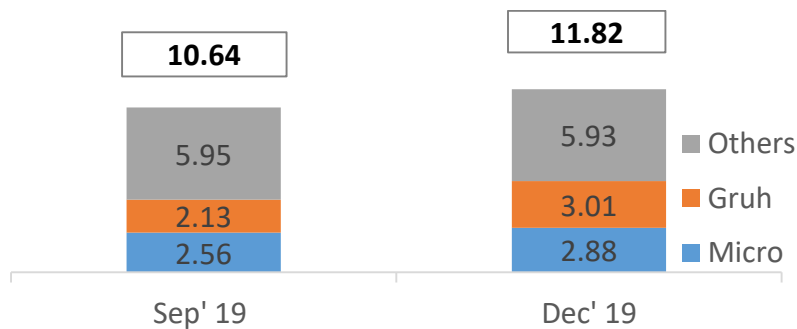
## NIM (Annualized)



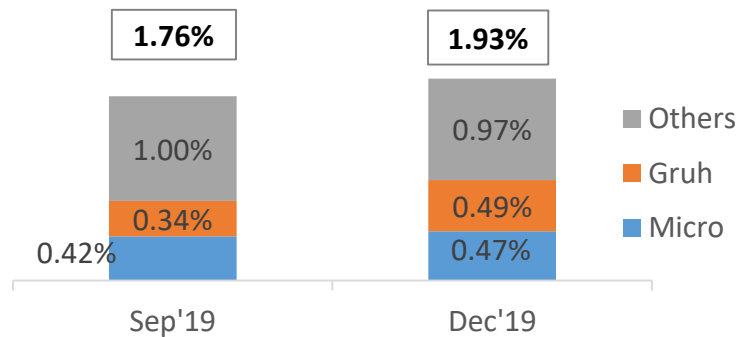
\* Q3 FY 20 numbers are merged after amalgamation of Gruh Finance Ltd

# Financial Performance

## Segmental GNPA movement - (₹ in Billion)

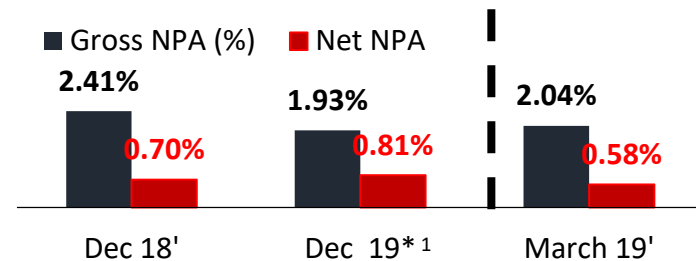


## Segmental GNPA movement - (%)

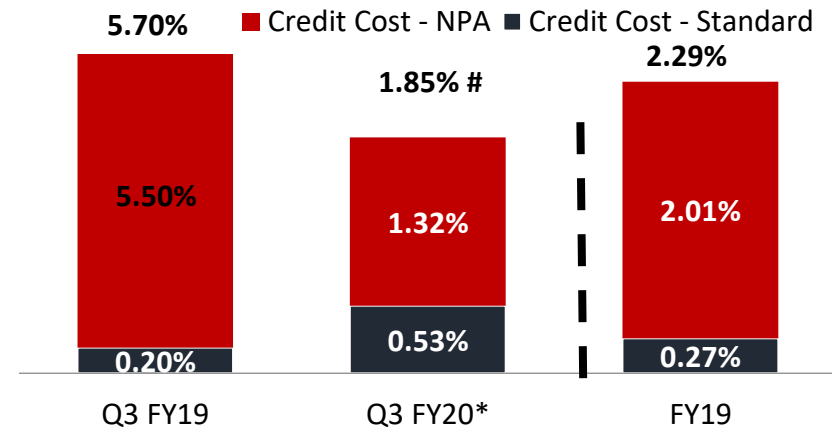


Increase in GNPA is partly due to increase in Gruh housing loan portfolio due to change in recognition norms as applicable to bank from HFC

## Gross NPA and Net NPA



## Credit Cost (Annualized)



1

1. After taking additional provision of ₹ 2 Billion, Excluding additional provision Credit cost will be 0.56 %

\* Q3 FY 20 numbers are merged after amalgamation of Gruh Finance Ltd

# Profit & Loss Statement (IN ₹ Billion)

Particulars	Q3 FY 20 (Merged)	Q3 FY 19 (Standalone)	YoY%	Q2 FY 20 (Merged)	QoQ%
Interest Income	27.18	16.50	64.77%	26.90	1.03%
Interest expenses	11.77	5.26	123.96%	11.61	1.38%
<b>Net Int. Income (NII)</b>	<b>15.41</b>	<b>11.24</b>	<b>37.10%</b>	<b>15.29</b>	<b>0.77%</b>
Non Interest Income	3.58	2.34	52.93%	3.61	-0.83%
<b>Total Income</b>	<b>18.99</b>	<b>13.58</b>	<b>39.83%</b>	<b>18.90</b>	<b>0.46%</b>
Operating Expenses	6.34	4.58	38.54%	5.82	8.86%
<b>Operating Profit</b>	<b>12.65</b>	<b>9.00</b>	<b>40.48%</b>	<b>13.08</b>	<b>-3.28%</b>
Provision (Std. + NPA)	2.92	4.74	-38.40%	1.46	100.00%
MTM Loss on Investments	0.02	-0.97	102.06%	-	
<b>Profit before tax</b>	<b>9.71</b>	<b>5.23</b>	<b>85.49%</b>	<b>11.62</b>	<b>-16.43%</b>
Tax	2.40	1.92	24.86%	1.90	26.39%
<b>Profit after tax</b>	<b>7.31</b>	<b>3.31</b>	<b>120.67%</b>	<b>9.72</b>	<b>-24.79%</b>

- Q3 FY 20 numbers are merged after amalgamation of GRUH Finance Ltd and hence YoY numbers are not comparable.
- Q3 FY20 includes additional provision of ₹ 2.0 bn.

# Balance Sheet (IN ₹Billion)

Particulars	As at 31st Dec 2019	As at 31 <sup>st</sup> March 2019	% Change
<b>Capital &amp; Liabilities</b>			
Capital	16.10	11.93	34.95%
Reserves & Surplus	131.08	100.09	30.96%
<b>Shareholder Funds</b>	<b>147.18</b>	<b>112.02</b>	<b>31.39%</b>
Deposits	549.08	432.32	27.01%
Borrowings	119.60	5.21	2195.59%
Other liabilities and provisions	32.05	14.87	115.53%
<b>Total</b>	<b>847.91</b>	<b>564.42</b>	<b>50.23%</b>
<b>Assets</b>			
Cash and balances with Reserve Bank of India	70.80	38.79	82.52%
Balance with Banks and Money at call and short notice	16.09	19.24	-16.37%
Investments	139.82	100.37	39.30%
Advances	606.01	396.43	52.87%
Fixed Assets	3.62	3.31	9.37%
Other Assets	11.57	6.28	84.24%
<b>Total</b>	<b>847.91</b>	<b>564.42</b>	<b>50.23%</b>

\* Dec 19 numbers are merged after amalgamation of GRUH Finance Ltd;



# Credit Rating

Rating of Bank's Financial Securities			
Instrument	Rating	Rating Agency	Amount (₹ in Billion)
Unsecured Subordinated Non - Convertible Debenture	CARE AA-; Stable (Double A Minus) Outlook: Stable)	CARE Ratings	1.60
	[ICRA]AA; Stable (Double A; Outlook: Stable)	ICRA	
Non-Convertible Debenture *	[ICRA] AA; Stable (Double A; Outlook : Stable)	ICRA	15.76
Term Loans From Bank	[ICRA]AA Stable (Double A; Outlook: Stable)	ICRA	0.80
Certificate of Deposit	CRISIL A1+	CRISIL	60.00
	[ICRA] A1+	ICRA	30.00

\*erstwhile GRUH Finance Limited transferred to Bandhan Bank Ltd.

# Our Board & Management



**Bandhan**  
Bank

# Experienced and professional team...

## Management Team



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

- Founder of BFSL, has 27 years of experience in the field of microfinance and development
- Awarded 'Entrepreneur of the Year' by Forbes and ET in 2014



**Sudhin Bhagwandas Choksey**  
**Executive Director (Designate)**

- 35+ years experience in financial industry.
- Previously served as Managing Director at GRUH Finance Limited.



**Deepankar Bose**  
**Head, Corporate Centre**

- 36+ years experience in banking industry
- Previously served as Chief General Manager and Head Of Wealth Management business, at SBI



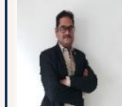
**Sanjeev Naryani**  
**Head - Business**

- 32+ years of experience in banking Industry
- Previously worked as Chief General Manager and Head of Real Estate and Housing Business Unit at SBI



**Sunil Samdani**  
**Chief Financial Officer**

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



**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



**Indranil Banerjee**  
**Company Secretary**

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



**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**

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



**Nand Kumar Singh**  
**Head, Banking Operations and Customer Services**

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



**Subhro Kumar Gupta**  
**Chief Audit Executive**

- 35+ years experience in Banking Industry.
- Previously served as Head Audit at ICICI Bank



**Srinivasan Balachander**  
**Chief Compliance Officer**

- 20+ years experience in banking industry.
- Previously served as Chief Compliance Officer at Axis Bank Ltd.



**Arvind Kanagasabai**  
**Head, Treasury**

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



**Dhruva Jyoti Chaudhuri**  
**Head - Corporate Services**

- 28+ years experience in Administration, Infrastructure & Facilities field.
- Previously served as Infrastructure Head at ICICI Bank Ltd.

# ... backed by a strong independent Board

## Board of Directors



**Dr. Anup Kumar Sinha**

**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**

**Director**

- Significant experience in finance and accountancy sector
- Previously, he has worked at Life Insurance Corporation 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

# Awards and accolades

## 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.

# 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.

Thank You

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



**Bandhan  
Bank**