

PRESS RELEASE

Bandhan Bank Q1FY21 PPOp grows 16.81% (YoY) to ₹1,584 crore
Deposit increased by 35.30% (YoY) to ₹60,610 crore
Accelerated additional provision on standard advances amounting to ₹750 crore
taken for COVID-19 to further strengthen the balance sheet

Kolkata, July 15, 2020:

The Board of Directors of Bandhan Bank Ltd., at a meeting held in Kolkata today approved its Financial Results for the Quarter ended June 30, 2020. The accounts have been subjected to review by the statutory auditors of the bank.

Key Highlights :

- Deposits grew 35.30% YoY and 6.18% QoQ.
- Loan portfolio (on book + off book+ TLTRO) grew 17.68% YoY
- CASA grew 47.30% YoY
- CASA ratio at 37.08% (excluding GRUH deposits 37.83%) against 36.84% QoQ.
- Added 2.13 lakh customers during the quarter with total customer base at 2.03 crore as on June 30, 2020.
- GNPA as on June 30, 2020 at 1.43% against 1.70% as on June 30, 2019 and 1.48% on March 31, 2020.
- Net NPAs as on June 30, 2020 at 0.48% against 0.58% as on March 31, 2020 and 0.59% as on June 30, 2019.
- Capital Adequacy Ratio (CRAR) at 26.45%; Tier I at 23.22% and after taking Q1 FY profits, it stands 27.29%.
- During the quarter the Bank has taken accelerated additional provision on standard advances amounting to ₹750 crore. With this provision and additional Standard Assets provision that Bank is carrying in Micro banking portfolio total additional provision in books stands at ₹1,769 crore.

Highlights for the Quarter ended June 30, 2020:

- Net Interest Income (NII) for the quarter grew by 14.98% to ₹1,811 crore as against ₹1,575 crore in the corresponding quarter of the previous year.
- Non-interest income grew by 16.92% to ₹387 crore for the quarter ended June 30, 2020 against ₹331 crore in the corresponding quarter of the previous year.
- Operating Profit for the quarter increased by 16.81% to ₹1,584 crore against ₹1,356 crore in the corresponding quarter of the previous year.
- Net Profit for the quarter shrink by 31.59% to ₹550 crore against ₹ 804 crore in the corresponding quarter of the previous year. However, net profit for the quarter increased by 6.38% against the previous quarter. In Q1 FY 21, The Bank has taken accelerated additional provision on standard assets amounting to Rs 750 crore for COVID-19.

- Net Interest Margin (annualised) for the quarter ending June 30, 2020 stood at 8.15% against 8.13% in March 31, 2020.
- Total Advances (on book + off book+TLTRO) grew by 17.68% to ₹74,331 crore as on June 30, 2020 against ₹63,164 crore as on June 30, 2019 and 3.46% QoQ against ₹71,846 crore as on March 31, 2020.
- Total Deposits increased by 35.30% to ₹60,610 crore as on June 30, 2020 as compared to ₹44,796 crore as on June 30, 2019 and 6.18% QoQ against ₹57,082 crore as on March 31, 2020.
- Gross NPAs as on June 30, 2020 is at ₹1007 crore (1.43%) against ₹1020 crore (1.70%) as on June 30, 2019.
- Net NPAs as on June 30, 2020 stood at ₹336 crore (0.48%) against ₹348 crore (0.59%) as on June 30, 2019.

Commenting on the performance, Mr. Chandra Shekhar Ghosh, Managing Director and CEO of Bandhan Bank said: “During the quarter, we have started collections post unlocking announced by the government. Overall Bank collections improved to 76% by end of June’20 compared to 29% in April’20. We continued to showcase the strengths of our retail deposit franchise with strong growth of 35% during this difficult time, especially CASA growing by over 47%. During the quarter the Bank has taken accelerated additional provision on standard advances amounting to ₹750 crore taking the total additional provision in books to ₹1,769 crore.”

Banking outlets as on June 30, 2020, stood at 4,559. The network consists of 1018 branches, 3,541 banking units as against 999 branches and 3,209 banking units as on June 30, 2019. Total number of ATMs stood at 485 as on June 30, 2020 against 481 as on June 30, 2019. During the quarter, the number of employees of the bank has gone up from 39,750 to 41,563.

Highlights for the Quarter ended June 30, 2020:

Particulars (in ₹ crore)	Quarter				
	Q1 FY21 (Merged)	Q4 FY20 (Merged)	QoQ%	Q1 FY20 (Merged)	YoY%
Net Interest Income	1,811	1,680	7.80%	1,575	14.98%
Non-Interest Income	387	500	-22.60%	331	16.92%
Total Income (Net)	2,198	2,180	0.83%	1,906	15.32%
Opex	614	659	-6.83%	550	11.64%
Operating Profit	1,584	1,521	4.14%	1,356	16.81%
Provision (Other than Taxes)	99	138	-28.26%	125	-20.80%
Additional Provision	750	690	8.70%	-	-
PBT	735	693	6.06%	1,231	-40.29%
PAT	550	517	6.38%	804	-31.59%

Key Ratios Highlights:

Particulars	Quarter		
	Q1 FY21	Q4 FY20	Q1 FY20
CASA to Total Deposit	37.1%	36.8%	34.1%
Net Interest Margin (Annualised)	8.2%	8.1%	8.6%
Cost to Income Ratio	27.9%	30.3%	28.9%
Return on Average Assets (Annualised)	2.3%	2.4%	4.2%
Return on Average Equity (Annualised)	14.1%	13.7%	24.3%
Return on Average Assets (If no COVID 19 provisions)	4.7%	4.1%	4.2%
Return on Average Equity Assets (If no COVID 19 provisions)	28.5%	24.0%	24.3%
Capital Adequacy Ratio (CAR)	26.5%	27.4%	26.6%
Capital Adequacy Ratio (CAR) including Q1FY21 profit	27.29%	27.4%	26.6%
Gross NPA (%)	1.4%	1.5%	1.7%
Net NPA (%)	0.5%	0.6%	0.6%

About Bandhan Bank

Bandhan started in 2001 as a not-for-profit enterprise that stood for financial inclusion and women empowerment through sustainable livelihood creation. It turned into an NBFC a few years later but the core objective remained financial inclusion. When Bandhan Bank started operations on August 23, 2015, it was the first instance of a microfinance entity transforming into a universal bank in India. On the day of launch itself, Bandhan Bank started with 2,523 banking outlets. Bandhan Bank is driven by a constant desire to serve better. It offers world-class banking products and services to urban, semi-urban and rural customers alike. In the last few years of operations, Bandhan Bank has spread its presence to 34 of the 36 states and union territories in India with 4,559 banking outlets serving 2.03 crore customers, as on June 30, 2020. With its experienced management, diversified team and well entrenched distribution, Bandhan Bank is well poised to meet the aspirations of its customers and stakeholders.

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