

Investor Presentation Q2 FY2021-22

October 2021



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Key Highlights



Bandhan
Bank

Key Highlights

Bandhan Bank - Overview

- Loan portfolio (on book + off book + TLTRO + PTC) for Q2 FY 21-22 grew 6.6% Y-o-Y
- Deposits grew by 23.9% Y-o-Y in Q2 FY 21-22; Retail Deposit to Total Deposit at 84%
- Gross NPA is at 10.8% & Net NPA is at 3 %
- Added 0.8 million Customer during the quarter with total customer base reaching to 24.3 million (EEB- 19 million, Non EEB – 5.3 million)
- During Q2FY21-22, restructured EEB Portfolio worth of ₹ 34.9 bn and non-EEB portfolio worth of ₹ 2.68 bn totaling to ₹ 37.58 bn
- During the quarter, bank have made accelerated provision on NPA accounts of ₹ 15 bn resulting in PCR of 74% as against 62% in Q1FY22. In addition to this Bank has also provided additional standard assets provision amounting to ₹ 21 bn and provision on restructured assets amounting to ₹ 10.3bn amounting to total of ₹46.3 bn

Snapshot of operations Q2 FY 2021-22

Total Deposits	₹ 819 bn
Total Loans and advances	₹ 816.6 bn ¹
Net Interest Margin (NIM)	7.6%
CASA Ratio	44.6%
CRAR (%)	20.4%



34
States & UTs



548
Cities



1,168
Branches



487
ATMs



4,450
Banking Units



52,976
Employees



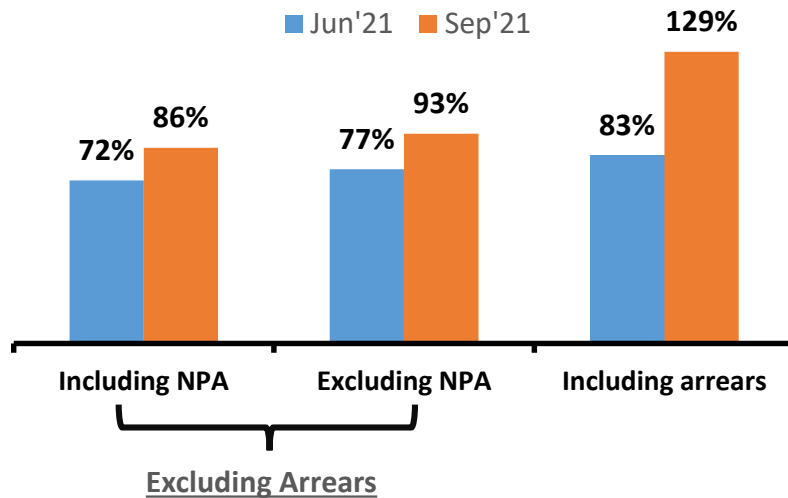
24.3mn
Customers



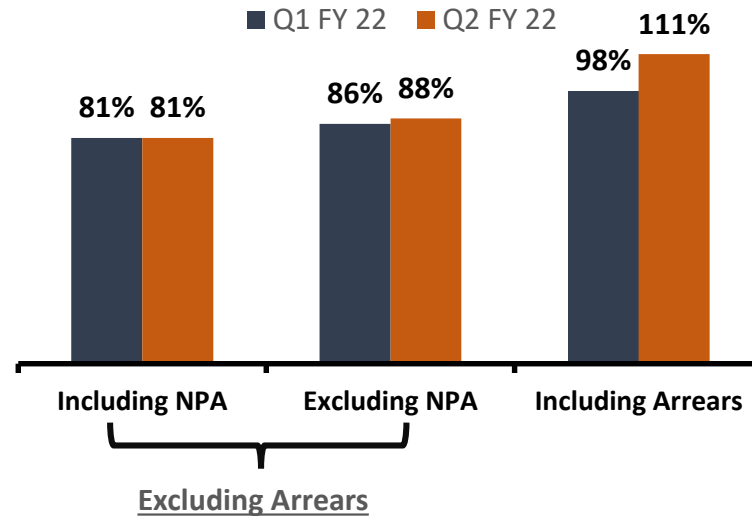
56.7%
EEB* Group based loans

EEB Collection Efficiency

Collection Efficiency for the month



Collection Efficiency for the quarter



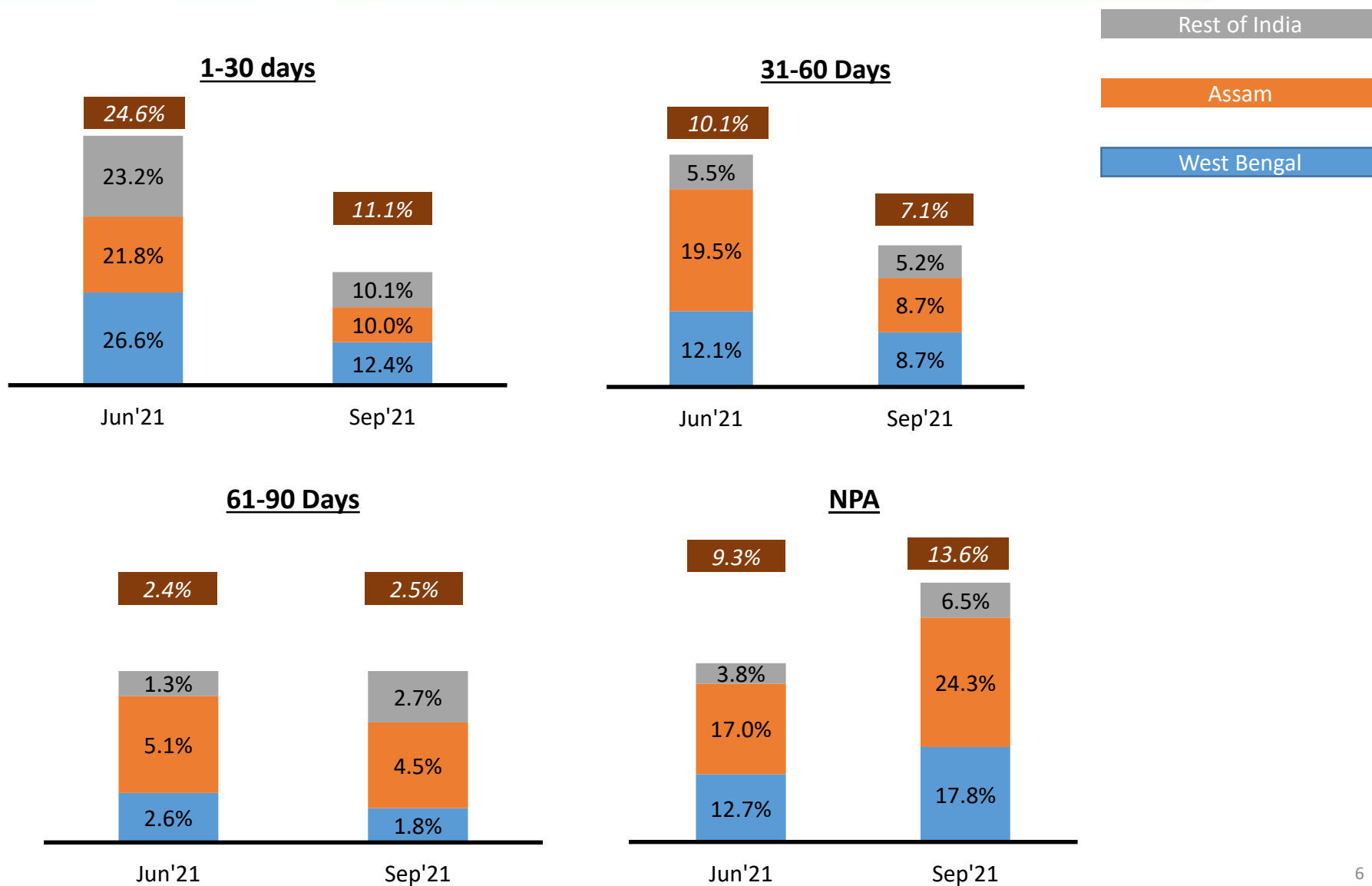
Collection Efficiency of top states

States	For the month of June'21	For the month of Sep'21	For Q1 FY 22	For Q2 FY 22
West Bengal	73%	92%	85%	86%
Assam	49%	82%	67%	67%
Rest of India	85%	94%	90%	93%
Total	77%	93%	86%	88%

Customer Paying Profile

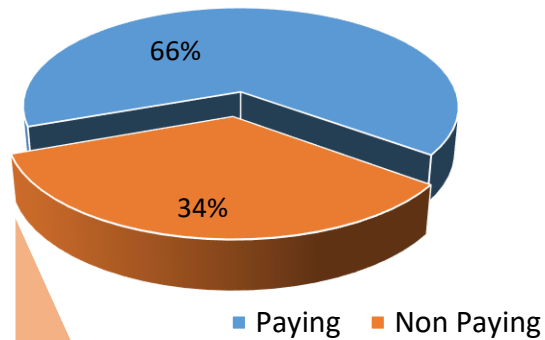
States	For the month of June'21	For the month of Sep'21
Full Paying	62%	79%
Partial Paying	29%	17%
Non Paying	9%	4%
Total	100%	100%

EEB DPD movement



EEB NPA and Restructured customer payment pattern analysis for Q2 FY 22

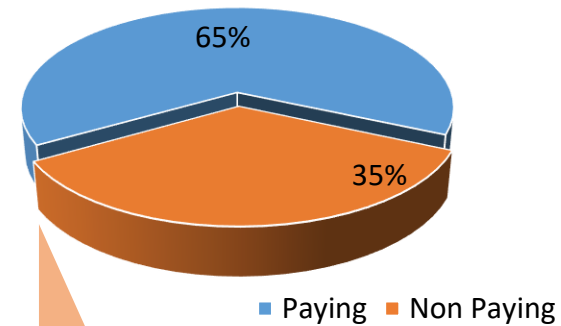
NPA customers payment pattern



States	Share of non paying customers
Assam	31%
Rest of India	69%
Total	100%

Large part of NPA is contributed by part paying customers

Restructured customers payment pattern



States	Share of non paying customers
Assam	29%
Rest of India	71%
Total	100%

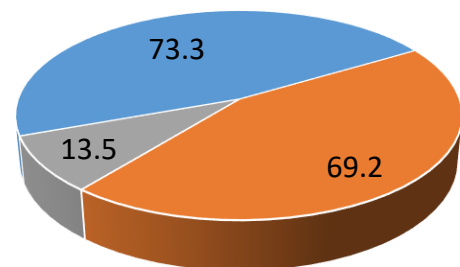
2/3rd of the total restructured customers as on 30th September 2021 continues to pay in spite of the moratorium

EEB stress pool coverage analysis

All amount in ₹ Bn.

Scenario 1

EEB Stress Pool (Excluding SMA 1)- ₹ 156 Bn

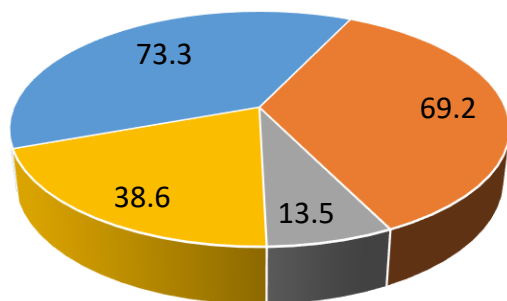


■ NPA ■ Restructured ■ SMA 2

Coverage/Estimated Recovery	Amount
Provision	95.2
Estimated recovery till 31 st March 2022 #	45
CGFMU recovery	25
Assam Relief Scheme*	xx
Total	165.2

Scenario 2

EEB Stress Pool (Including SMA 1)- ₹ 195 Bn.



■ NPA ■ Restructured ■ SMA 2 ■ SMA 1

Coverage/Estimated Recovery	Amount
Provision	95.2
Estimated recovery till 31 st March 2022 #	60
CGFMU recovery	30
Assam Relief Scheme*	xx
Total	185.2

• Amount cannot be ascertained today

The recovery estimate is basis the actual collection made from the stress pool in the month of October 2021 which has been extrapolated till 31st March 2022. We believe this is a conservative estimate as going forward the collections and recovery is expected to further improve assuming there is no further disruptions on account of Covid.

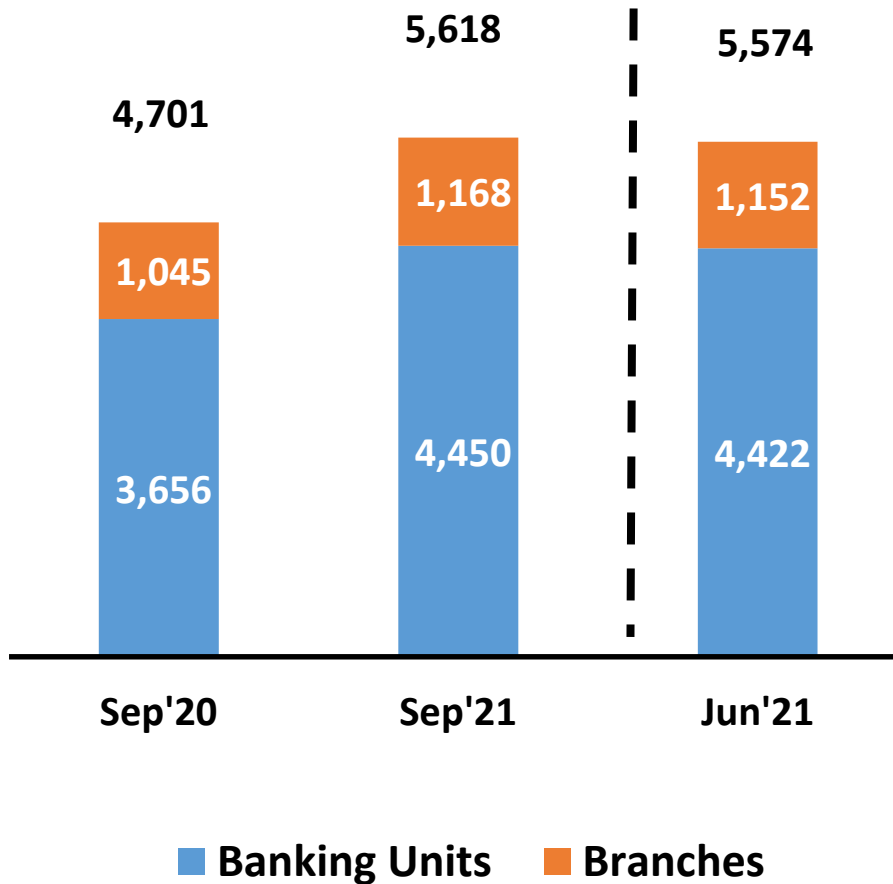
Business & Financial Overview



Bandhan
Bank

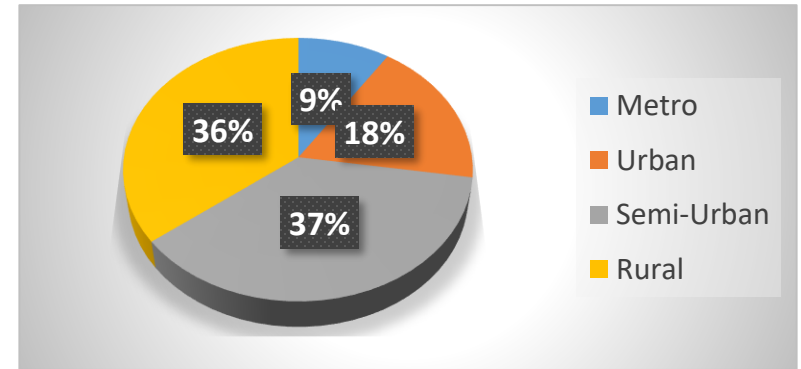
Geographical Distribution

Banking Outlets



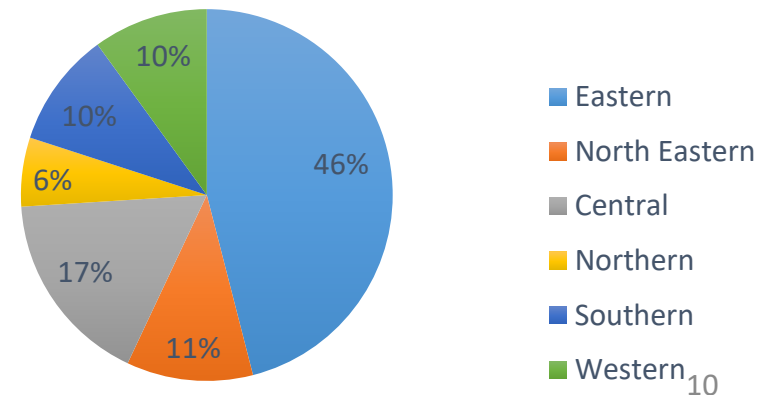
Focus on serving the rural & underbanked population

Banking Outlets as on 30th Sep 2021*



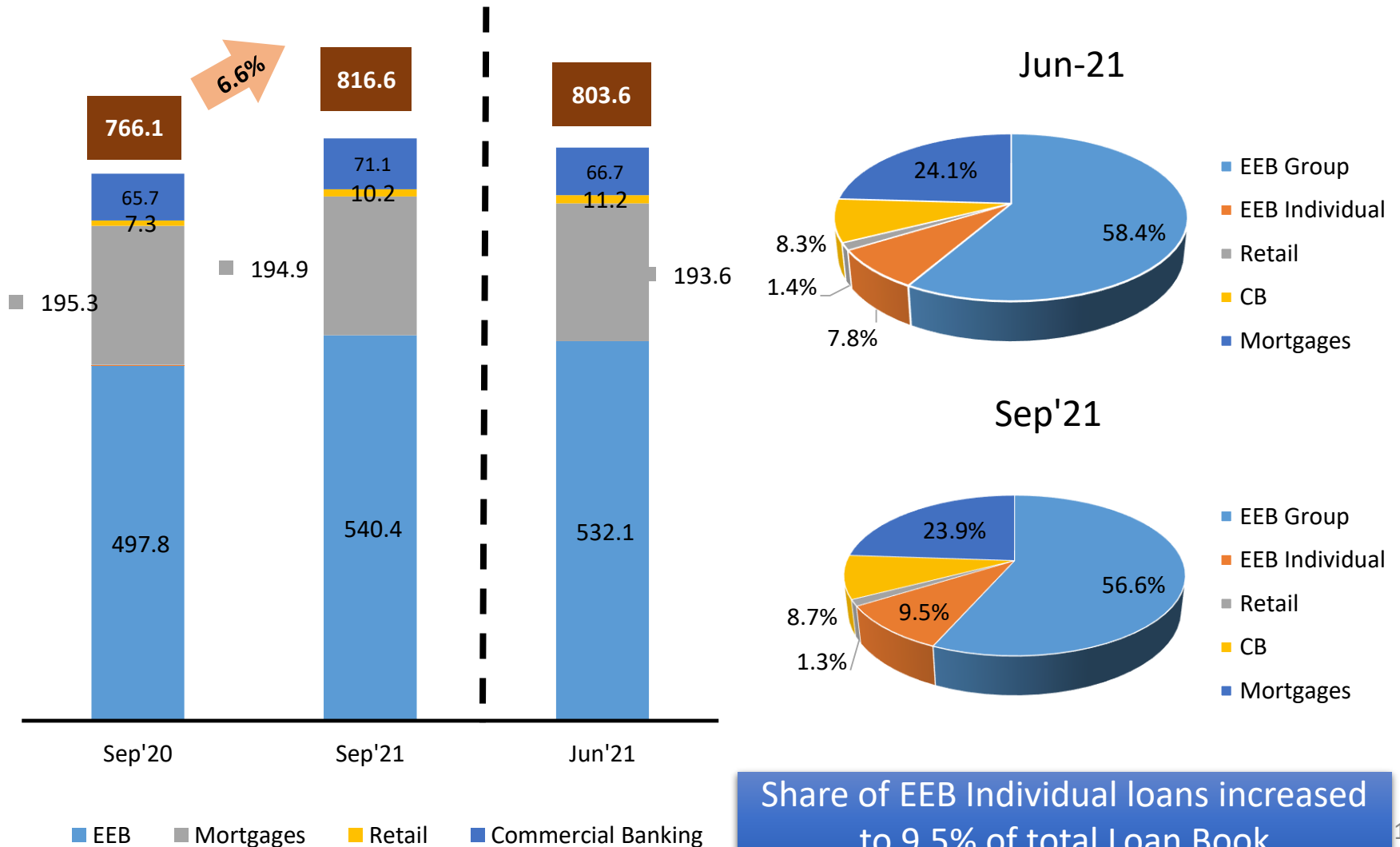
*Basis original classification at the time of opening

Geographic Distribution – Banking Outlets



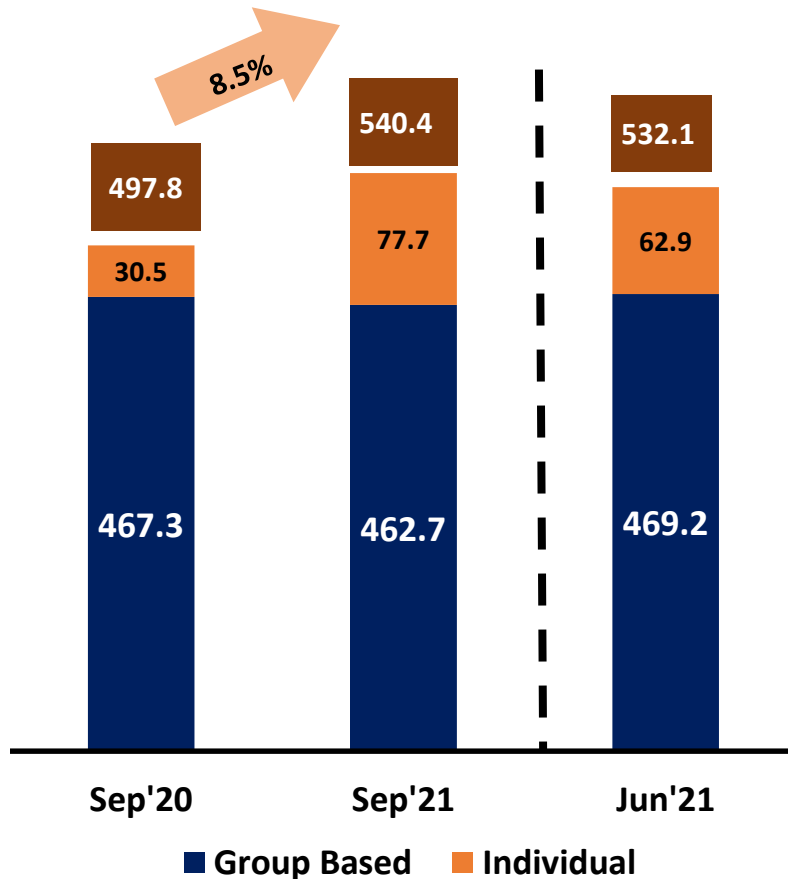
Asset Book Mix

Total Advances (₹ in Billion)

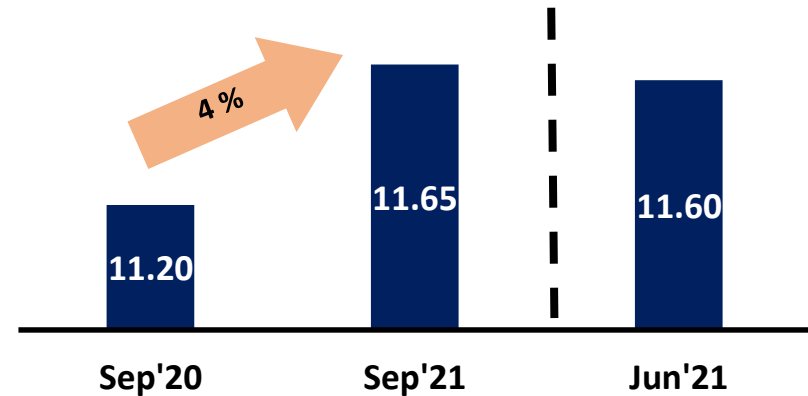


Emerging Entrepreneurs Business (EEB)

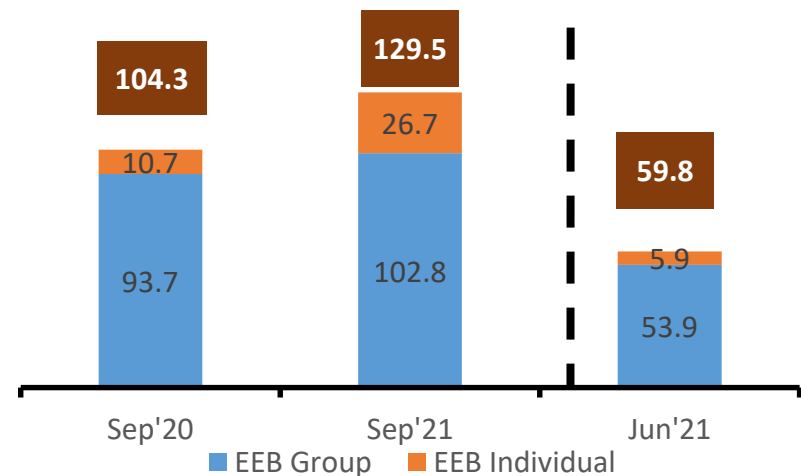
**Emerging Entrepreneurs Asset Growth
(₹ in Billion)**



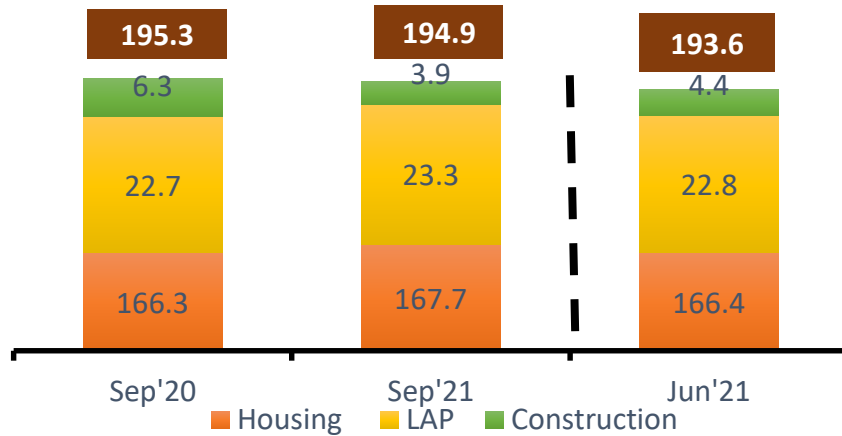
Number of Active Borrowers (Mn)



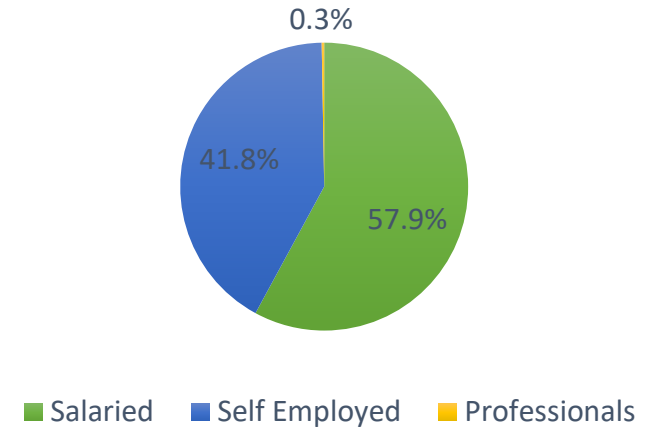
EEB Loan Disbursement (₹ in Billion)



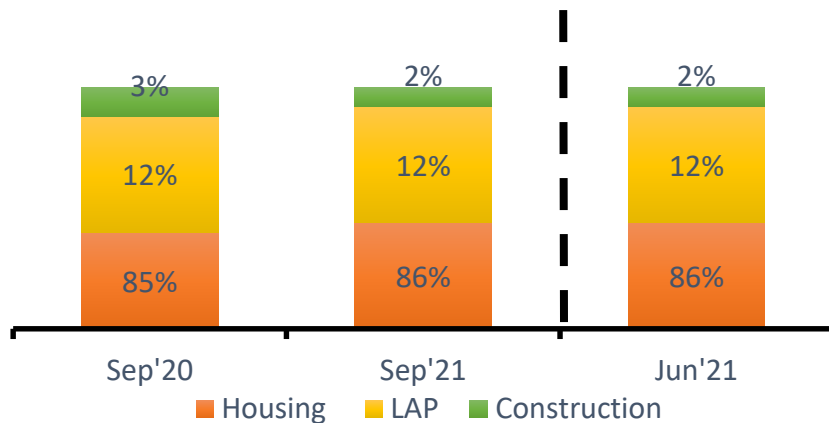
Housing Asset Bifurcation (₹ in Billion)



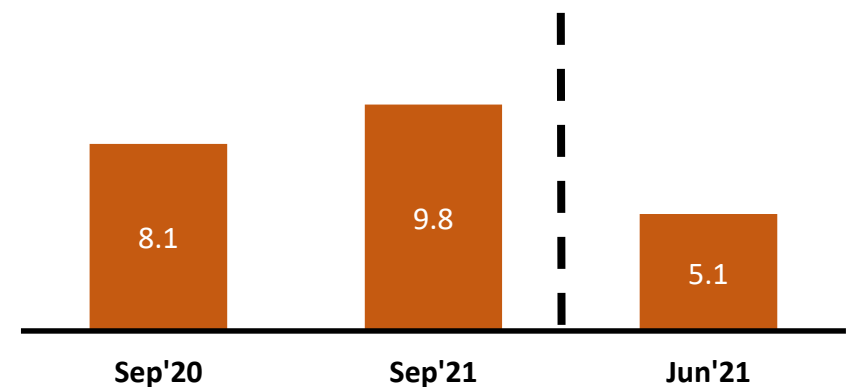
Customers Bifurcation – Sep'21



Housing Asset Segment wise (in %)

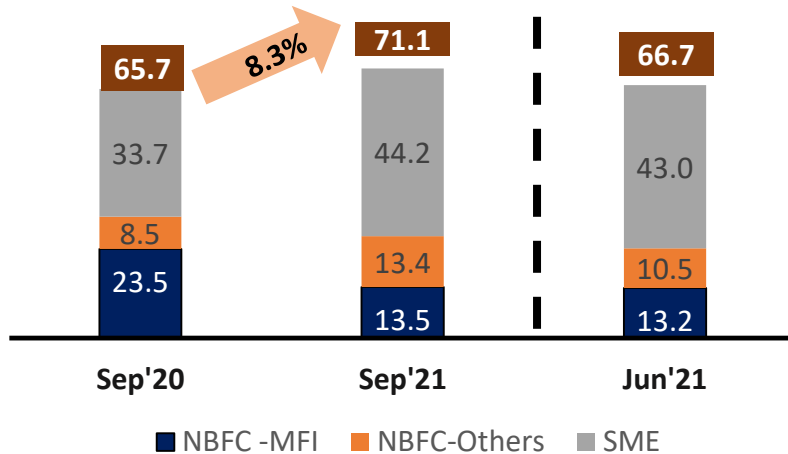


Housing Asset Disbursements (₹ in Billion)

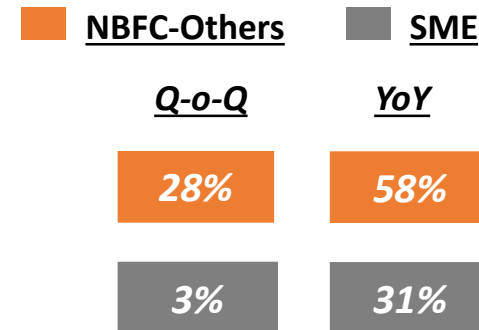


Commercial Banking (CB) & Retail Assets

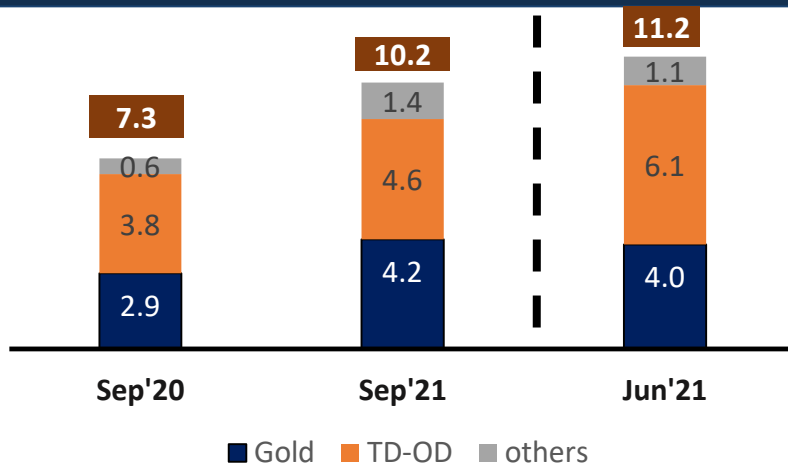
Product wise CB Assets (₹ in Billion)



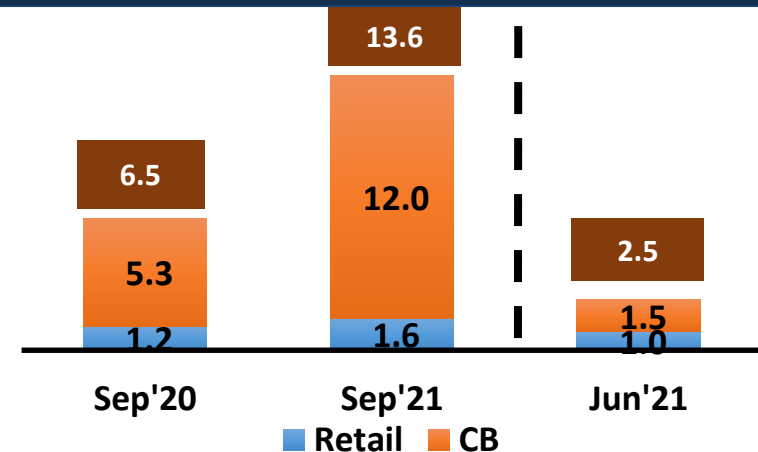
SME & NBFC Others Growth



Product wise Retail Assets (₹ in Billion)



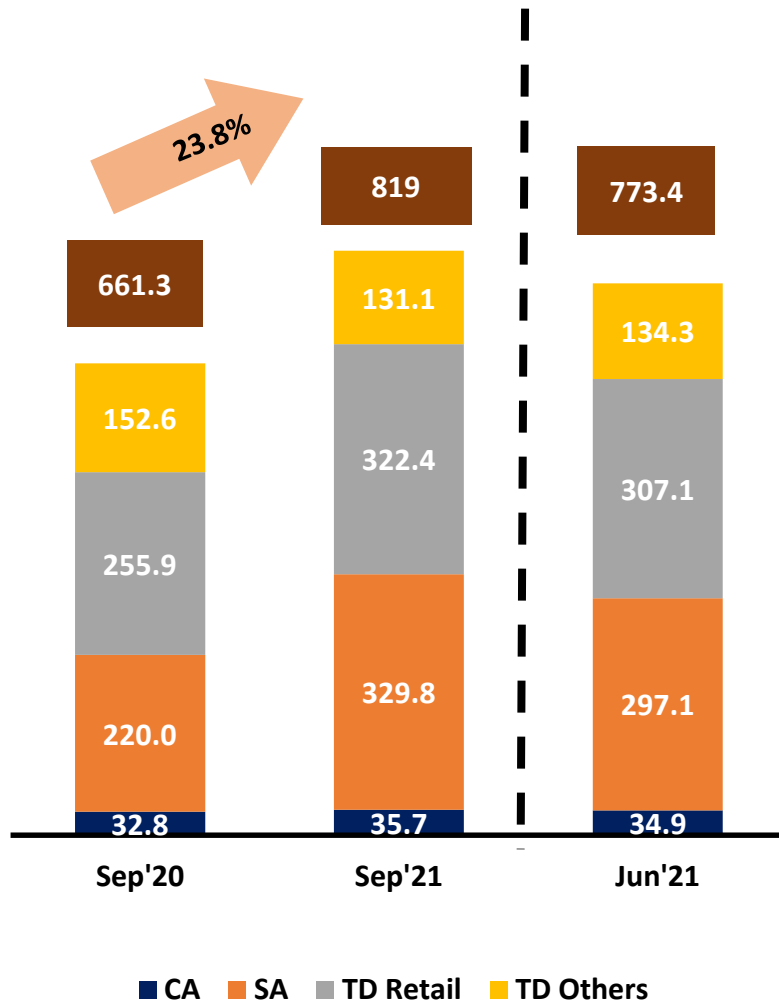
CB & Retail Disbursements# – (₹ in Billion)



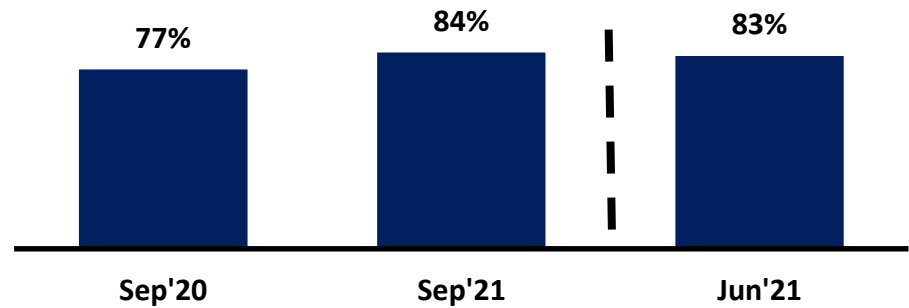
Term Loan disbursements Only

Liabilities Profile

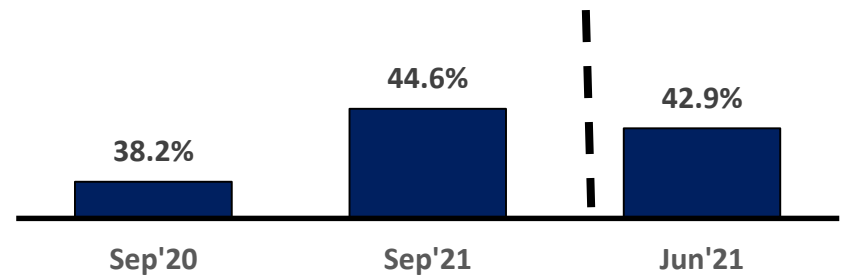
Deposits Growth (₹ in Billion)



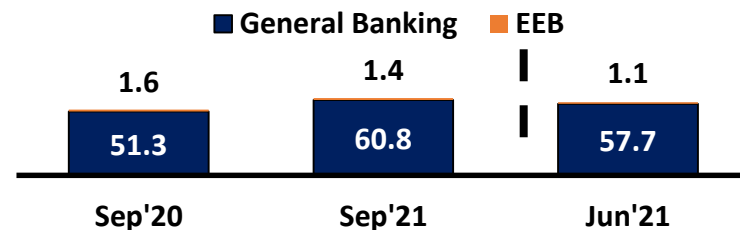
Retail to Total Deposits (%)



CASA (%)



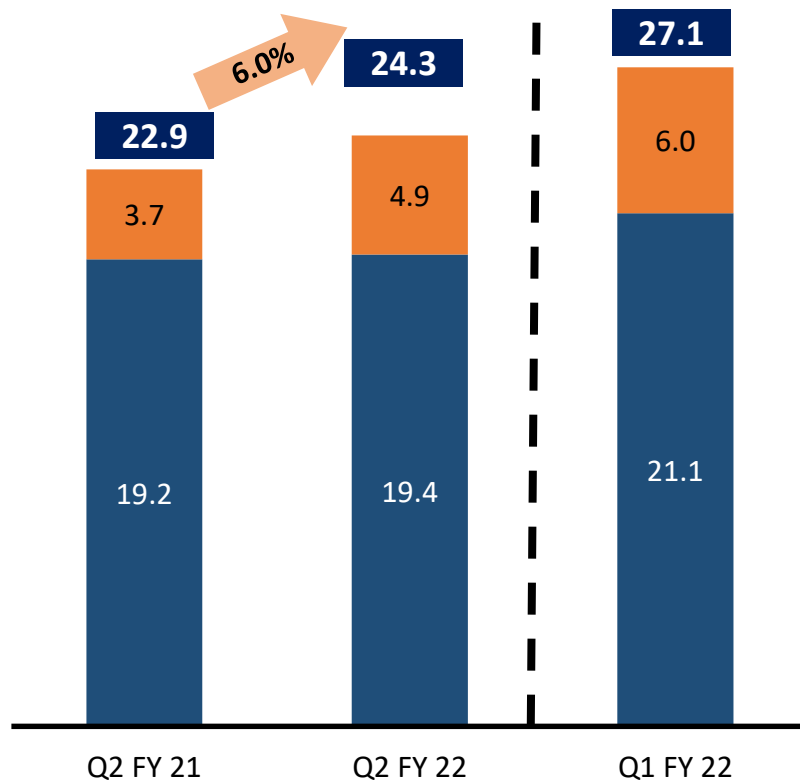
Average SA Balance Per Customer (₹ in 000')



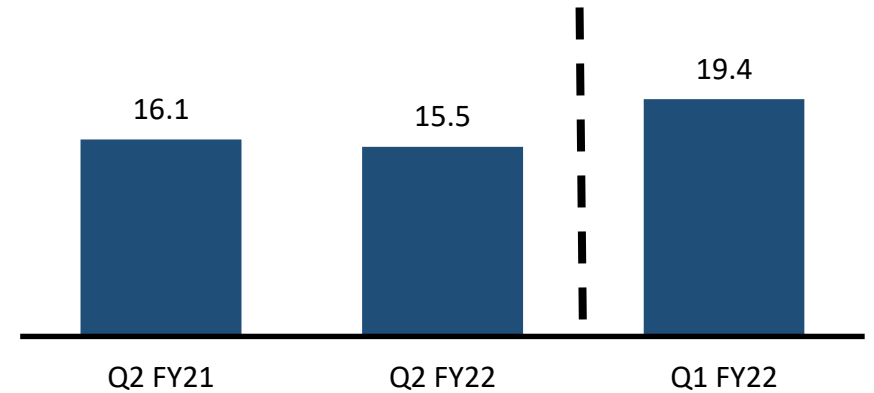
Financial Performance

Total income (₹ in Billion)

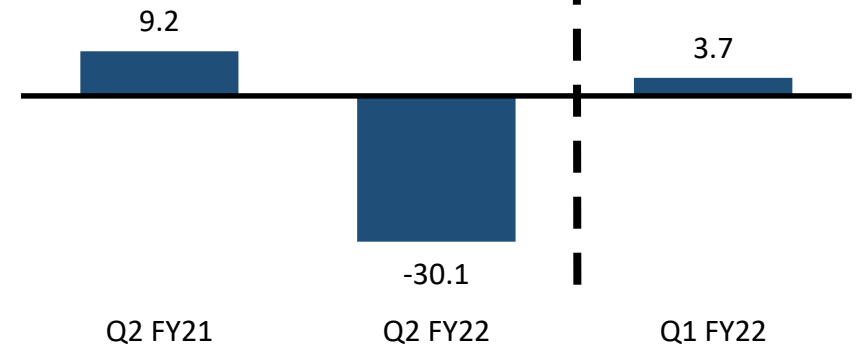
Net interest Income Other Income Total Income



Operating Profit (₹ in Billion)

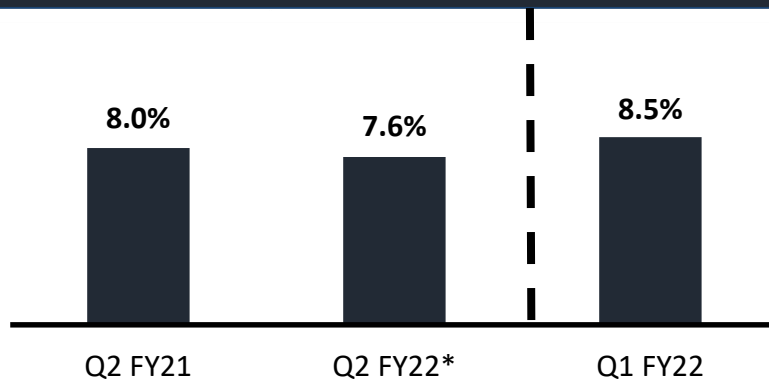


PAT (₹ in Billion)*



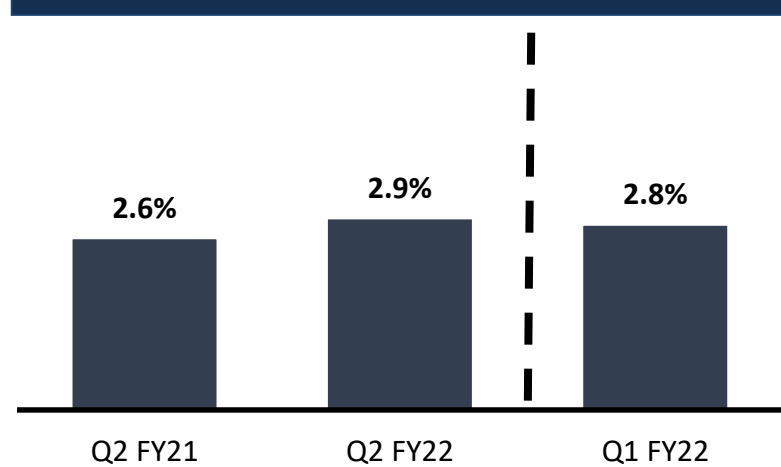
*During Includes accelerated provision on NPA accounts of ₹ 15 bn and provision on restructured assets ₹ 10.3 bn and additional standard asset provision of ₹ 21 bn amounting to a total of ₹46.3 bn

NIM (Annualized)

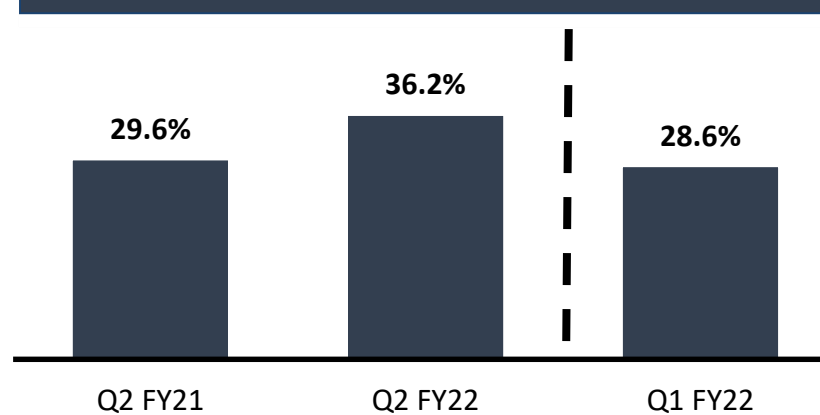


*NIM for Sep'21 impacted due to one time adjustment of interest reversal on NPA, access liquidity kept for disbursement going forward.

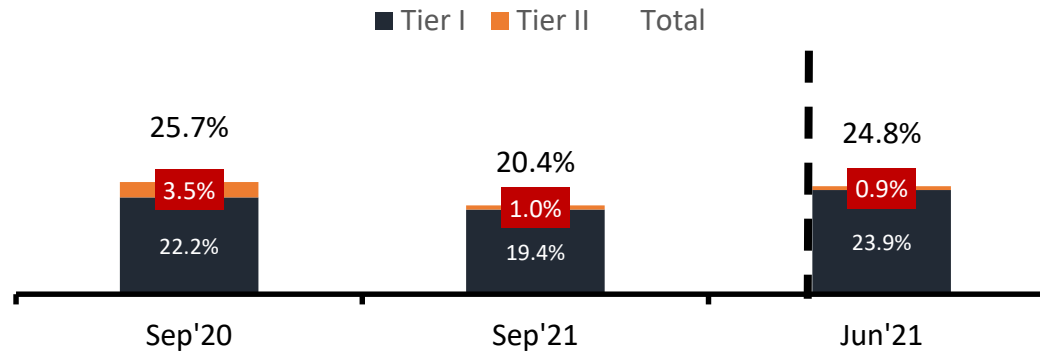
Operating expenses to Average Assets (Annualized)



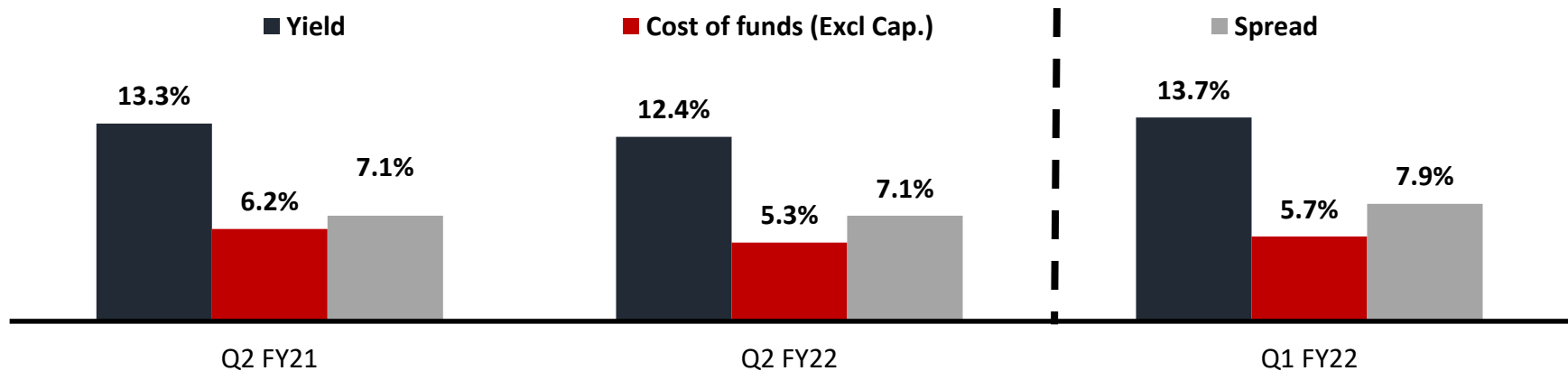
Cost to Income Ratio



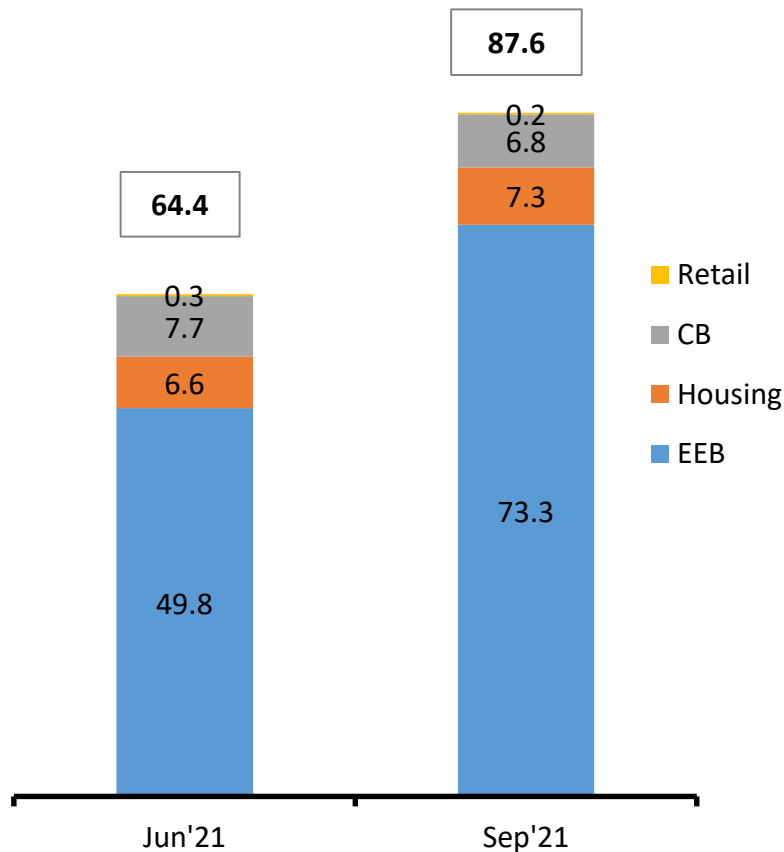
Capital Adequacy Ratio (CRAR)



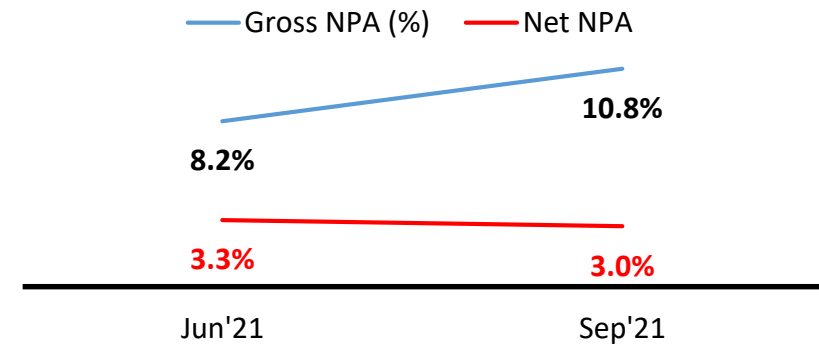
Spread (Annualized)



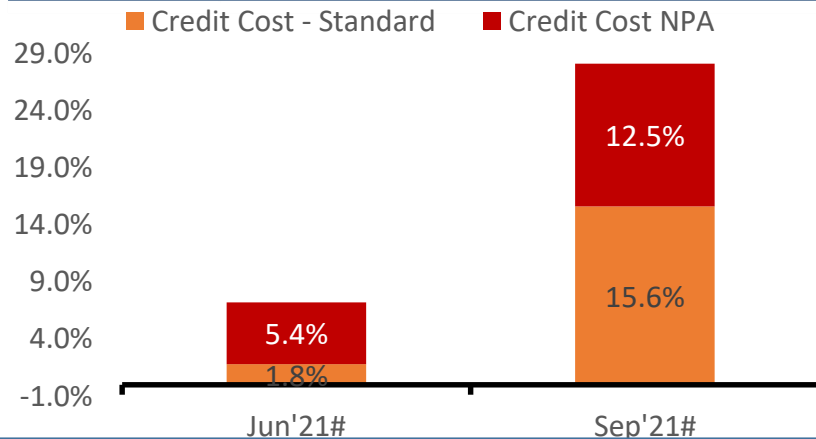
Segmental GNPA movement - (₹ in Billion)



Gross NPA and Net NPA



Credit Cost (Annualised)



#During Includes accelerated provision on NPA accounts of ₹ 15 bn and provision on restructured assets ₹ 10.3 bn and additional standard asset provision of ₹ 21 bn amounting to a total of ₹46.3 bn

Profit & Loss Statement (IN ₹ Bn)

Particulars	Q2 FY 22	Q1 FY 22	QoQ%	Q2 FY 21	YoY%
Interest Income	31.81	34.10	-6.72%	31.98	-0.53%
Interest expenses	12.46	12.96	-3.86%	12.75	-2.27%
Net Int. Income (NII)	19.35	21.14	-8.47%	19.23	0.62%
Non Interest Income	4.92	6.00	-18.00%	3.67	34.06%
Total Income	24.27	27.14	-10.57%	22.90	5.98%
Operating Expenses	8.78	7.76	13.14%	6.77	29.69%
Operating Profit	15.49	19.38	-20.07%	16.13	-3.97%
Provision (Std. + NPA)	55.78	14.42	286.82%	3.80	1367.87%
Profit before tax	-40.29	4.96	-912.28%	12.33	-426.76%
Tax	-10.20	1.23	-929.27%	3.13	-425.88%
Profit after tax	-30.09	3.73	-906.70%	9.20	-427.07%

Balance Sheet (IN ₹Billion)

Particulars	As at	As at	% Change
	30 th Sept 2021	31 st Mar 2021	
Capital & Liabilities			
Capital	16.11	16.11	0.00%
Reserves & Surplus	130.05	157.98	-17.68%
Shareholder Funds	146.16	174.09	-16.04%
Deposits	818.98	779.72	5.04%
Borrowings	139.05	169.60	-18.01%
Other liabilities and provisions	59.27	26.52	123.49%
Total	1,163.46	1,149.93	1.18%
Assets			
Cash and balances with Reserve Bank of India	104.20	52.35	99.04%
Balance with Banks and Money at call and short notice	24.24	9.58	153.03%
Investments	258.22	251.55	2.65%
Advances	744.87	816.13	-8.73%
Fixed Assets	5.15	4.87	5.75%
Other Assets	26.78	15.45	73.33%
Total	1,163.46	1,149.93	1.18%

Rating of Bank's Financial Securities			
Instrument	Rating	Rating Agency	Amount (₹ in Billion)
Subordinated Tier II Non - Convertible Debenture	[ICRA]AA; Stable	ICRA	1.60
Non-Convertible Debenture #	[ICRA] AA; Stable	ICRA	50.75**
	CRISIL AA/Negative	CRISIL	
Term Loans From Bank	ICRA]AA Stable	ICRA	0.80
Certificate of Deposit	CRISIL A1+	CRISIL	60.00*
	[ICRA] A1+	ICRA	
Fixed Deposit Program #	CRISIL FAAA/Negative	CRISIL	16.00
Subordinated Debt #	CRISIL AA/Negative	CRISIL	0.35

*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...

Management Team

 <p>Chandra Shekhar Ghosh <i>MD & CEO</i></p> <ul style="list-style-type: none"> ➤ 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 	 <p>Arvind Singla <i>Head-Operations & Technology</i></p> <ul style="list-style-type: none"> ➤ 26+ years experience in banking Industry and IT Sector . ➤ Previously worked as Director and Head, Consumer Operations for Citi Bank.
 <p>Sunil Samdani <i>Chief Financial Officer</i></p> <ul style="list-style-type: none"> ➤ 20+ years of experience in financial industry ➤ Previously served as Head of Business Analytics and Strategy at Development Credit Bank and as CFO at Karvy 	 <p>Sanjeev Naryani <i>Head , Business</i></p> <ul style="list-style-type: none"> ➤ 32+ years of experience in banking Industry ➤ Previously worked as Chief General Manager and Head of Real Estate and Housing Business Unit at SBI
 <p>Indranil Banerjee <i>Company Secretary</i></p> <ul style="list-style-type: none"> ➤ 20+ years experience in financial industry ➤ Previously served as Company Secretary at Energy Development Company 	 <p>Santanu Banerjee <i>Head, HR</i></p> <ul style="list-style-type: none"> ➤ 27+ years of experience in the field of banking and finance ➤ Previously worked as Head of HR Business Relationship at Axis bank
 <p>Siddhartha Sanyal <i>Chief Economist and Head Research</i></p> <ul style="list-style-type: none"> ➤ 20+ years of experience in the field of Macro Economic ➤ Previously served as Director and Chief India Economist at Barclays Bank PLC. 	 <p>Biswajit Das <i>Chief Risk Officer</i></p> <ul style="list-style-type: none"> ➤ 28 years of experience in banking industry ➤ Previously served as Head-RBS and regulatory reporting at ICICI Bank
 <p>Kumar Ashish <i>Head , Emerging Entrepreneurs Business</i></p> <ul style="list-style-type: none"> ➤ 26+ years experience in the field of Banking and Finance. ➤ Previously served as North Zone Head of ICICI Bank and as Group Director at Airtel Money. 	 <p>Kamal Batra <i>Head - Assets</i></p> <ul style="list-style-type: none"> ➤ 25+ years of experience at a banking industry ➤ Previously served as Executive Vice President and Head, Business Banking and Secured Assets at IndusInd Bank
 <p>Ronti Kar <i>Chief Information Officer</i></p> <ul style="list-style-type: none"> ➤ 27+ years of experience in IT Sector. ➤ Previously served as Project Manager at Cognizant Technology Solution 	 <p>Sudheer Reddy Govula <i>Chief Compliance Officer</i></p> <ul style="list-style-type: none"> ➤ 26+ years experience in banking industry. ➤ Previously served as Senior Vice President – Compliance at HDFC Bank Ltd.
 <p>Rahul Dhanesh Parikh <i>Chief Marketing & Digital Officer</i></p> <ul style="list-style-type: none"> ➤ 20+ years experience in Financial Industry. ➤ Previously served as Chief Executive Officer at Bajaj Capital Ltd. 	 <p>Suresh Srinivasan Iyer <i>Head-Housing Finance</i></p> <ul style="list-style-type: none"> ➤ 23+ years experience in financial industry. ➤ Previously served as critical role in creating and managing the affordable housing portfolio at GRUH Finance Limited.

	<p>Arvind Kanagasabai <i>Head, Treasury</i></p> <ul style="list-style-type: none"> ➤ 30+ years of experience at a PSU Bank ➤ Previously served as CFO at SBI DFHI Limited, Mumbai
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Board of Directors



Dr. Anup Kumar Sinha
Non-executive 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 more than 30 years of experience in microfinance & development terrain
- Awarded 'Outstanding Leadership Award' by Dhaka University



Dr. A S Ramasastry
Independent Director

- Previously, 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. 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 and management
- Former Whole time Director – Finance, Hewlett Packard (India)



Ranodeb Roy
Non-Executive Non-Independent Director

- Founder of RV Capital Management Private Limited, Singapore,
- Was earlier heading Fixed Income Asia Pacific in Morgan Stanley Asia) Singapore



Santanu Mukherjee
Independent Director

- Significant experience in Banking at various capacities in SBI Group
- Former MD of State Bank of Hyderabad



Snehomoy Bhattacharya
Independent Director

- Significant experience in public and private banking sector
- Previously worked as Executive Director – Corporate Affairs, Axis Bank



Subrata Dutta Gupta
Additional (Independent) Director

- Significant experience in Asset-based Financing including mortgage finance in Asia
- Recently retired as the Principal Financial Officer of IFC



Suhail Chander
Additional (Independent) Director

- He is a veteran banker
- Retired as the Head of Corporate and Institutional Banking at IndusInd Bank



T. S. Raji Gain
Independent Director

- Significant experience in the field of agricultural and rural development, Previously, she has worked with BIRD
- Currently, CCM & State in Charge – MP, NABARD



Vijay N Bhatt
Independent Director

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



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**.



Thank You

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Bandhan
Bank