

**PRESS RELEASE****Bandhan Bank Q3 FY20 net profit jumps 120.85% at ₹ 731 crore after taking additional provision on standard advances amounting to ₹ 200 crore  
Loan Portfolio increased by 88.87% to ₹ 65,456 crore****Mumbai, January 14, 2020:**

The Board of Directors of Bandhan Bank Ltd., at a meeting held in Mumbai today approved its Quarterly Financial Results for the Quarter ended December 31, 2019. The accounts have been subjected to a review by the statutory auditors of the bank. In view of the amalgamation with GRUH Finance, the figures for the current quarter are not comparable with the corresponding figures of previous year/period.

**Key Highlights :**

- **Deposit portfolio grew 58.51% YoY**
- **Loan portfolio (on book + off book) grew 83.87% YoY**
- **CASA grew 31.36% YoY**
- **CASA ratio at 34.31% (excluding GRUH deposits 35%) against 41.40% YoY and 32.90% QoQ.**
- **Added 7.3 lakh customers during the quarter with total customer base at 1.9 crore as on December 31, 2019**
- **GNPA as on December 31, 2019 at 1.9% against 2.4% as on December 31, 2018 (standalone)**
- **GNPA (excluding one large Infrastructure account) stood at 1.3% Vs 1.3% as on December 18 (standalone)**
- **Net NPAs as on December 31, 2019 at 0.8% against 0.6% September 30, 2019 (standalone) and 0.7% as on December 31, 2018 (standalone).**
- **Capital Adequacy Ratio (CRAR) at 24.69%; Tier I at 23.09% and CET 1 at 23.09% including profits for current year it would stand at 29.46%**
- **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.**

**Highlights for the Quarter ended December 31, 2019:**

- **Net Interest Income (NII) for the quarter grew by 37.10% to ₹ 1,541 crore as against ₹ 1,124 crore in the corresponding quarter of the previous year.**
- **Non-interest income grew by 52.99% to ₹ 358 crore for the quarter ended December 31, 2019 against ₹ 234 crore in the corresponding quarter of the previous year.**
- **Operating Profit for the quarter increased by 40.56% to ₹ 1,265 crore against ₹ 900 crore in the corresponding quarter of the previous year.**
- **Net Profit for the quarter grew by 120.85% to ₹ 731 crore against ₹ 331 crore in the corresponding quarter of the previous year.**
- **Net Interest Margin (annualised) for the quarter ending December 31, 2019 stood at 7.9% (merged) against 10.5% (standalone) in the corresponding quarter of the previous year.**

- CASA ratio at 34.31% of total deposit (excluding GRUH deposits at 35%), compared to 41.40% in the corresponding period last year and 32.90% previous quarter.
- Total Advances (on book + off book) grew by 83.87% to ₹ 65,456 crore as on December 31, 2019 against ₹ 35,599 crore as on December 31, 2018.
- Total Deposits increased by 58.51% to ₹ 54,908 crore as on December 31, 2019 as compared to ₹ 34,639 crore as on December 31, 2018.
- Gross NPAs as on December 31, 2019 is at 1.9% against 2.4% as on December 31, 2018 (standalone)
- Net NPAs as on December 31, 2019 is at 0.8% against 0.7% as on December 31, 2018 (standalone)

**Commenting on the performance, Mr. Chandra Shekhar Ghosh, Managing Director and CEO of Bandhan Bank said:** “Q3FY20 has been a satisfying quarter given the challenges faced during the quarter. 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. Last quarter has witnessed strong customer growth on advances and deposit growth has been highest over last four quarter. I am positive and confident on the business and growth going forward.”

Banking outlets as on December 31, 2019, stood at 4,288. The network consists of 1009 branches, 3,084 doorstep service centers, and 195 GRUH Centers as against 978 branches and 3,014 doorstep service centers as on December 31, 2018. Total number of ATMs stood at 485 as on December 31, 2019 against 480 as on December 31, 2018. During the year, the number of employees of the bank has gone up from 31,115 to 37,331.

#### **Highlights for the Quarter ended December 31, 2019:**

| Particulars (in ₹)           | Q3 FY20<br>(merged) | Q3 FY19<br>(standalone) | YoY%           |
|------------------------------|---------------------|-------------------------|----------------|
| Net Interest Income          | 1541                | 1124                    | 37.10%         |
| Non-Interest Income          | 358                 | 234                     | 52.99%         |
| <b>Total Income</b>          | <b>1899</b>         | <b>1358</b>             | <b>39.84%</b>  |
| Opex                         | 634                 | 458                     | 38.43%         |
| <b>Operating Profit</b>      | <b>1265</b>         | <b>900</b>              | <b>40.56%</b>  |
| Provision (Other than Taxes) | 294                 | 378                     | (22.22)%       |
| PBT                          | 971                 | 522                     | 85.87%         |
| <b>PAT</b>                   | <b>731</b>          | <b>331</b>              | <b>120.85%</b> |

**Key Ratios Highlights:**

| Particulars (in ₹)                                   | Q3 FY20 (merged) | Q3 FY19 (standalone) | Q2FY20 (merged) |
|--|------------------|----------------------|-----------------|
| CASA to Total Deposit                                | 34.3%            | 41.4%                | 32.9%           |
| Net Interest Margin (Annualised)                     | 7.9%             | 10.5%                | 8.2%            |
| Cost to Income Ratio                                 | 33.4%            | 33.7%                | 30.8%           |
| Return on Average Assets (Annualised)                | 3.5%             | 2.9%                 | 4.8%            |
| Return on Average Assets (excluding onetime)         | 4.2%             | 5.6%                 | 4.2%            |
| Return on Average Equity (Annualised)                | 20.0%            | 12.5%                | 28.3%           |
| Return on Average Equity Assets (excluding one time) | 24.0%            | 21.2%                | 24.8%           |
| Capital Adequacy Ratio (CAR)                         | 24.7%            | 32.8%                | 25.1%           |
| Gross NPA (%)  | 1.9%             | 2.4%                 | 1.8%            |
| Net NPA (%)  | 0.8%             | 0.7%                 | 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 4,288 banking outlets serving 1.9 crore customers, as on December 31, 2019. 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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