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## UNIVERSAL BANKING

The new bank will mark its footprint across 27 States through 501 branches on its launch day

# Bandhan set to rise in the eastern region

Indrani Dutta

**T**he eastern region, which has some of the most unbanked areas in the country, is readying itself to witness the birth of a new bank on August 23, 2015, after a gap of 72 years.

Bandhan Financial Services (BFS), which recently received its universal banking licence a year after getting a provisional licence from the Reserve Bank of India (RBI) last April, is all set to unfurl its banking operations on that day and trigger a wave of financial inclusion. The bank, which plans to open 600 branches initially, will mark its footprint across 27 States through 501 branches on its launch day. Over a third of these would be in un-banked areas.

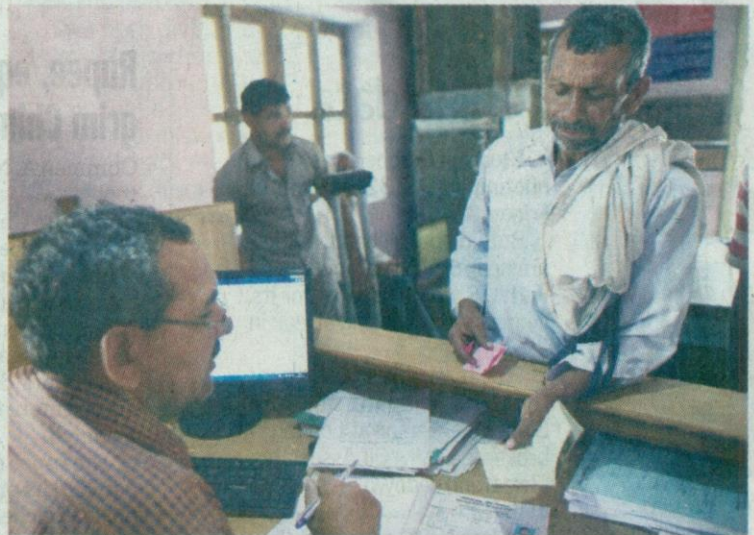
• BFS, a micro finance institution, started its journey in 2001

• It got IFC and SIDBI as equity investors as a micro finance institution

• As a bank, the list expanded to include a Singapore-based investment company

"We are planning to have 35 per cent of our branch network in places where banking facilities are absent," Chandra Sekhar Ghosh, the unassuming Managing Director of the new bank and the Founder of the Bandhan Financial Services said.

BFS, a micro finance institution (MFI), started its journey in 2001 when Mr. Ghosh quit his job to set up an institution through which he hoped to help the poor. He embarked with just three members from a small place called Bagnan, some 60 km from here in Howrah District. The model followed was individual lending through formation of self-help groups. In less than a decade and half, Bandhan branched out through a 2,022-strong



network in 22 States and Union Territories although the east and the north-east remained its focus areas.

On the way, it picked up awards and accolades and had as its lenders almost the entire Indian banking industry — public and private as well as some foreign banks.

"My aim was to not only help build livelihoods .. but help foster holistic development," says Mr. Ghosh. Thus, the organisation also set up an arm to run intervention programmes in health and education.

It got IFC and SIDBI as equity investors as an MFI. As a bank, that list expanded to include a Singapore-based investment company. It has a capital-base of Rs.3,200 crore now and a client base of 67 lakhs.

Bandhan, which along with IDFC, created ripples when it bagged the provisional banking licence from RBI pipping many corporate majors behind, got down to its job in right

**WE ARE PLANNING TO HAVE 35 PER CENT OF BRANCH NETWORK IN PLACES WHERE BANKING FACILITIES ARE ABSENT**

— CHANDRA SEKHAR GHOSH  
MD & CEO,  
Bandhan Financial Services



earnest to launch its banking services. It appointed Deloitte as its adviser, commenced hiring (and saw IIM graduates lining up to join the organisation) and appointed its technology partner. It has also begun training its existing staff, many of whom are likely to be recruited in the new bank. It will have two divisions — micro banking and general banking.