

INVESTOR PRESENTATION – FY 2017-18

April 2018



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KEY HIGHLIGHTS & STRENGTHS

KEY HIGHLIGHTS

Bandhan Bank - Overview

- Successfully got listed on Bombay Stock Exchange (BSE) & National Stock Exchange (NSE)
- Loan portfolio (on book + off book) grew 37.4% Y-o-Y
- Deposits grew by 45.8% in FY 17-18
- Net NPA at 0.54%
- Building new capacity in Non micro segment which helped the share of non micro segment moving up to 14% of the total assets
- Initiated Third party distribution during Q4 FY-18 with Health & General Insurance and distribution of Mutual Funds.
- Added 2.6 million Customer during the year with total customer base reaching to 13.01 million (Micro Banking- 10.6 million and Non Micro- 2.4 million and)
- Income from PSLC at ₹1.51 Billion during FY 18
- RBI Dispensation for deferment of MTM losses of ₹212.7 Mn not availed

Snapshot of operations (31st March 2018)

Total Deposits	₹ 338.7 bn
Total loans and advances	₹ 323.4 bn ¹
Net interest margin (NIM)	9.7%
CASA ratio (%)	34.3%
ROAA (%)	4.1%
ROAE (%)	26.0%



34
States & UTs



458
Cities



936
Branches



460
ATMs



2,764
DSCs



28,159
Employees



13mm
Customers



94%¹
Priority sector loans

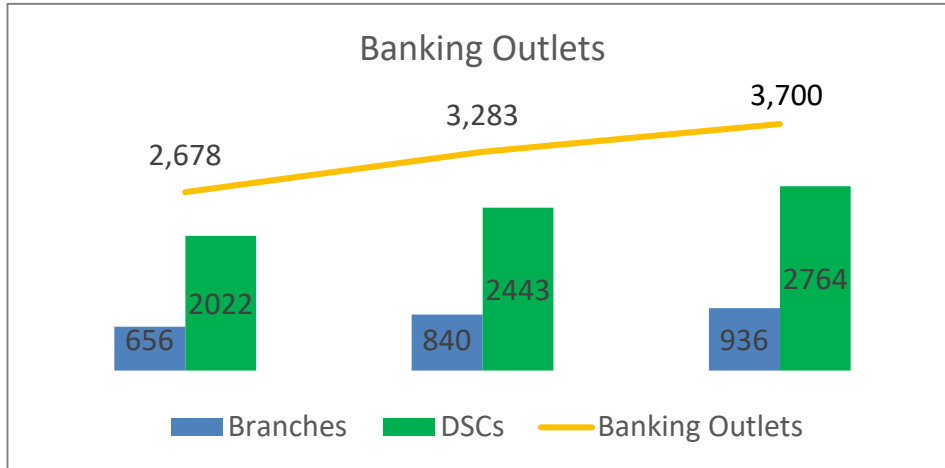


86%
Micro loans

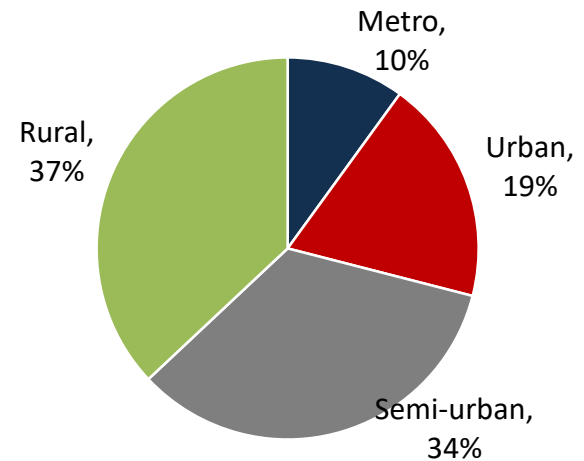
¹ Gross loan portfolio;

GEOGRAPHICAL DISTRIBUTION

GEOGRAPHICAL DISTRIBUTION



Focus on serving the rural & underbanked population



Multi channel distribution network with a mix of branches and digital

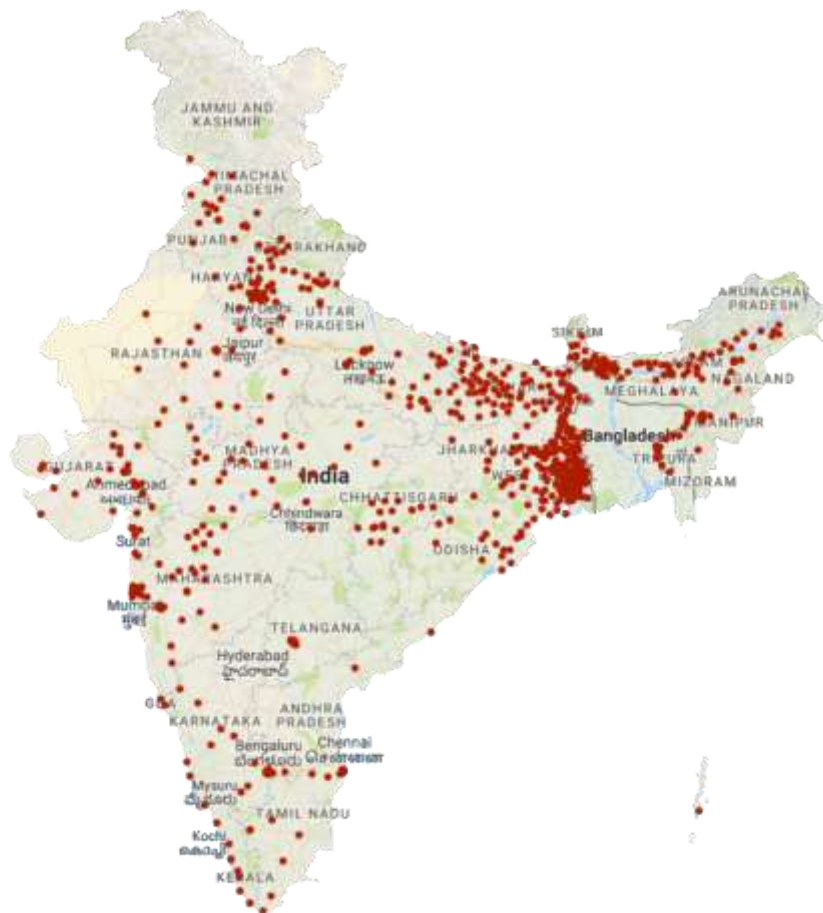


Bandhan Bank has 3rd highest distribution network amongst Private Banks in India in terms of Banking Outlets*

* Source RBI MOF database as on 10.04.2018

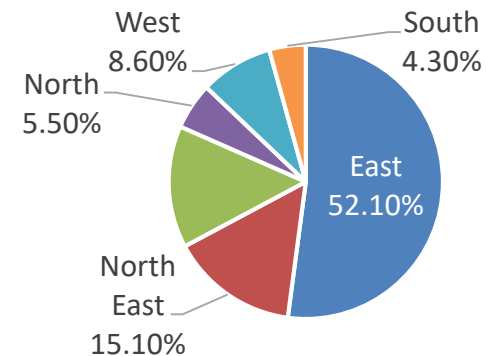
GEOGRAPHICAL DISTRIBUTION

Branch Mix- State Wise



Significant presence in under-penetrated East and North East India

Banking Outlets as on 31st March 2018



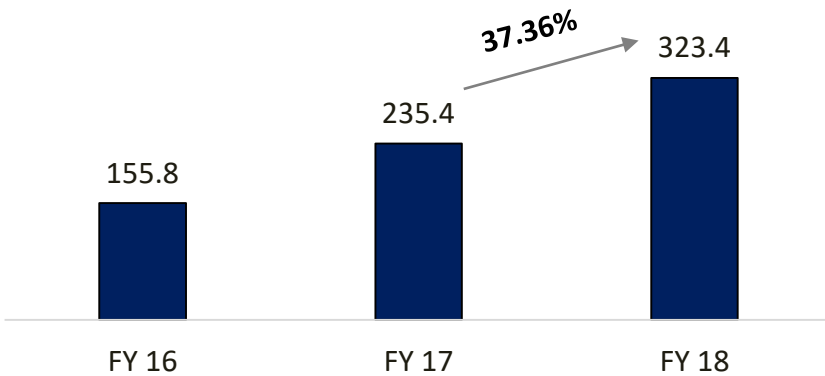
In East & North East Regions, Bandhan Bank has the highest distribution network amongst Private Banks and second highest distribution reach amongst all Banks in India, in terms of Banking Outlets *

* Source RBI MOF database as on 10.04.2018

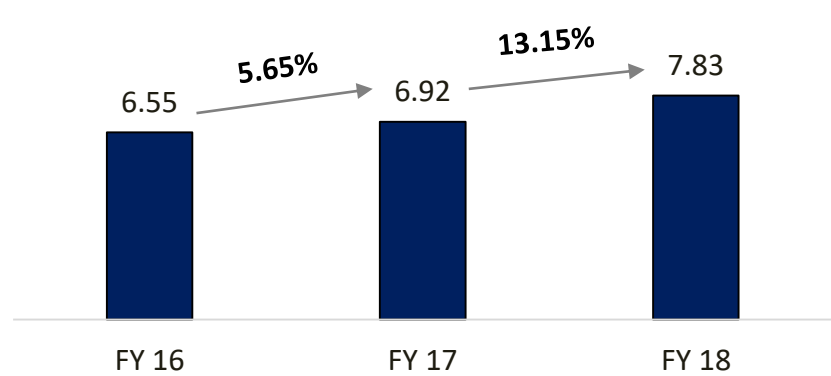
BUSINESS OVERVIEW

ASSET OVERVIEW

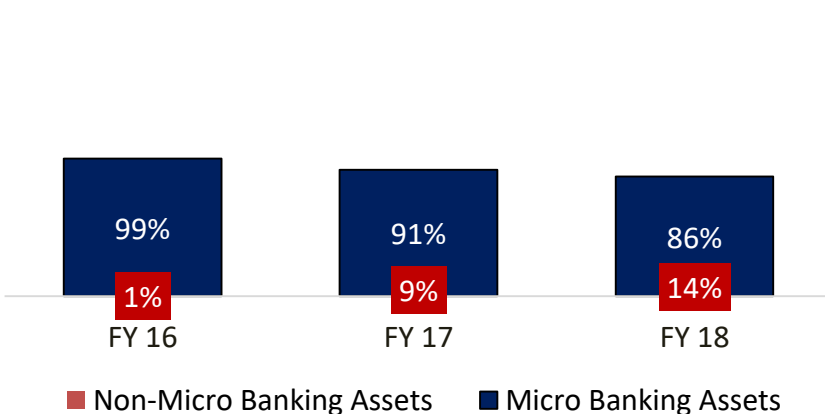
Advances Growth (₹ in Billion)



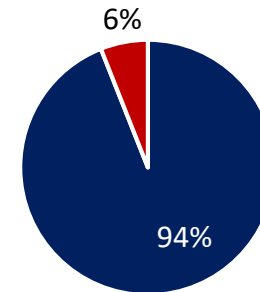
Number of Active Borrowers (in Million)



Composition of Advances (in %)



Higher PSL Portfolio

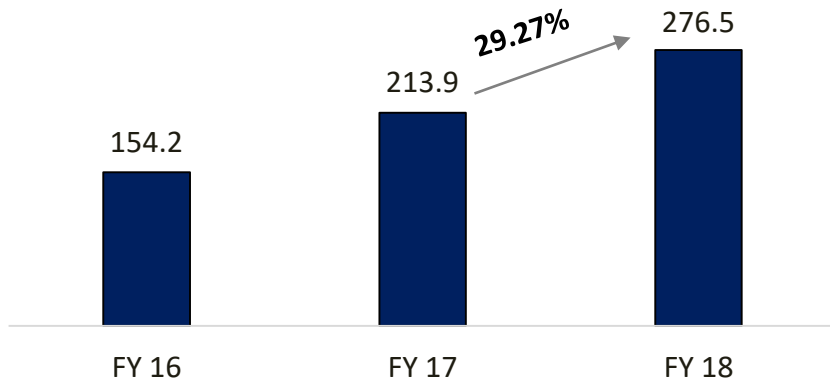


Priority sector advances (as a % of advances) - FY2018

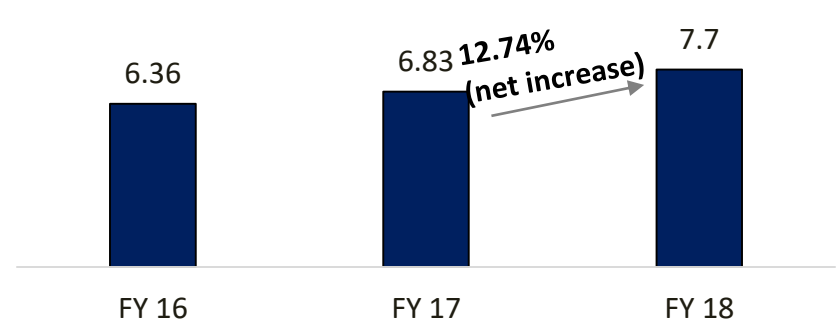
■ PSL Assets ■ Non PSL Assets

MICRO BANKING ASSETS

Micro Banking Asset Growth (₹ in Billion)

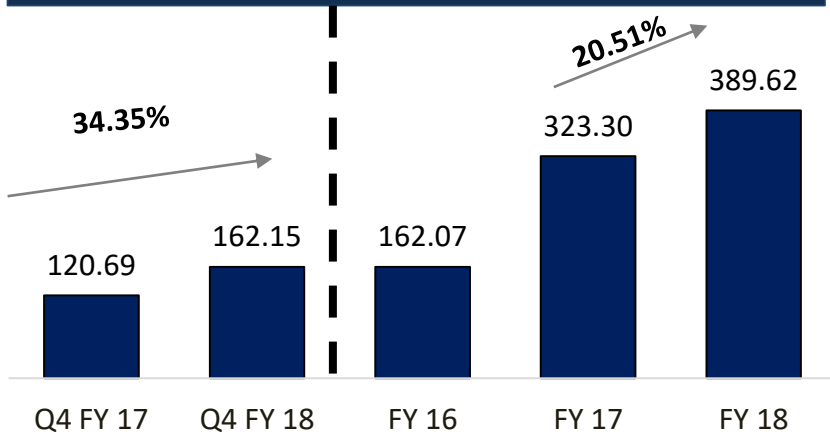


Number of Active Micro Borrowers (in Mn)

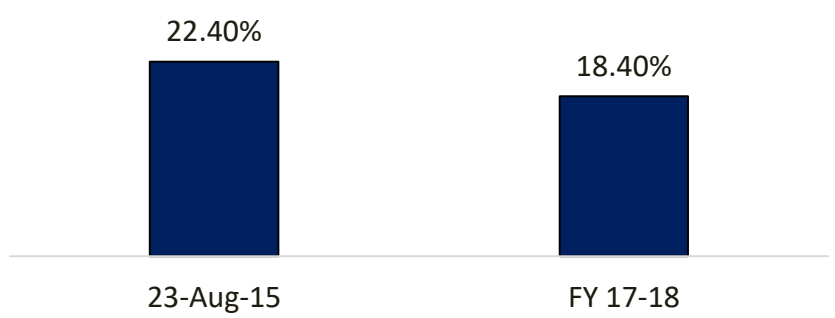


Gross increase in new borrowers for FY18 at 20.2%

Micro Loan Disbursements (₹ in Billion)



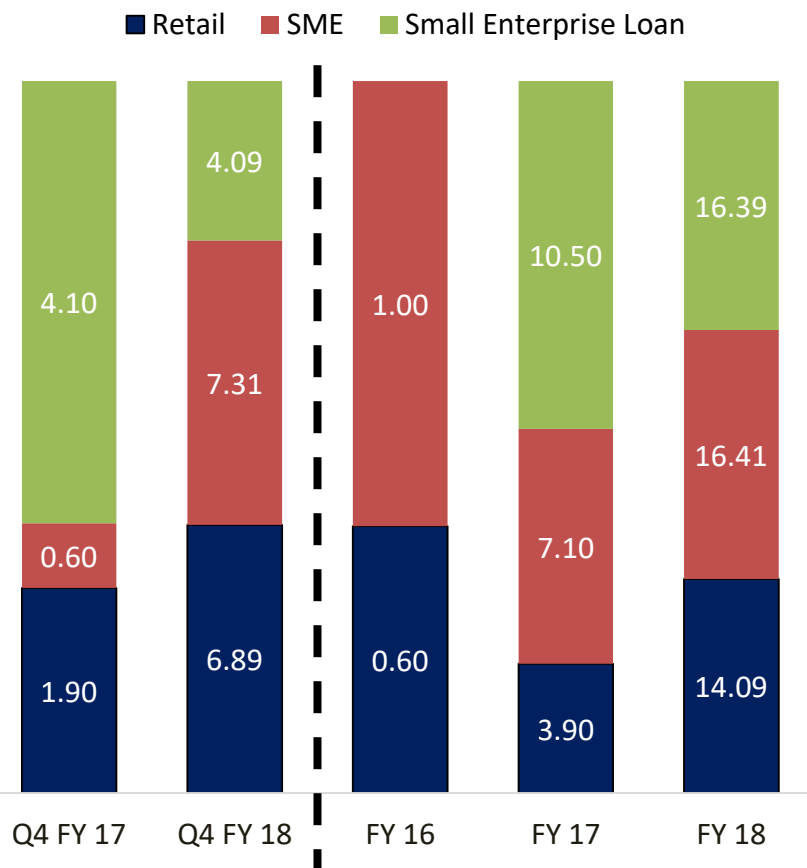
Lending Rates -Micro Banking



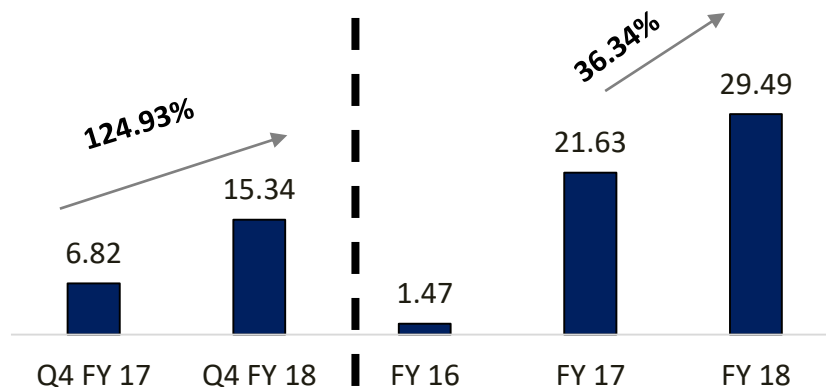
Lowest lending rate in Micro Finance Sector

NON-MICRO BANKING ASSETS

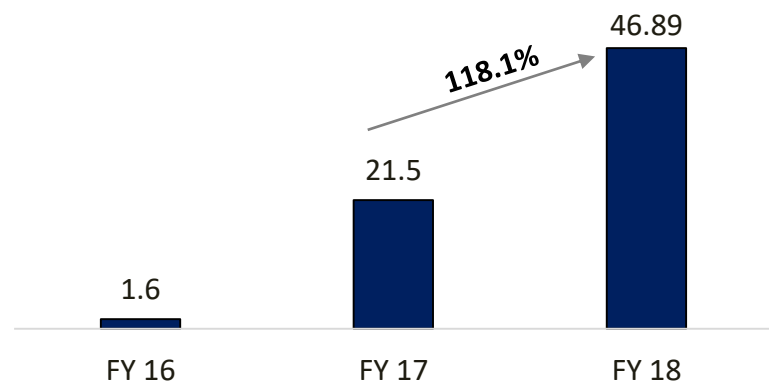
Product wise Disbursements – Non Micro Advances (₹ in Billion)



Total Disbursement - Non Micro Banking Asset (₹ in Billion)

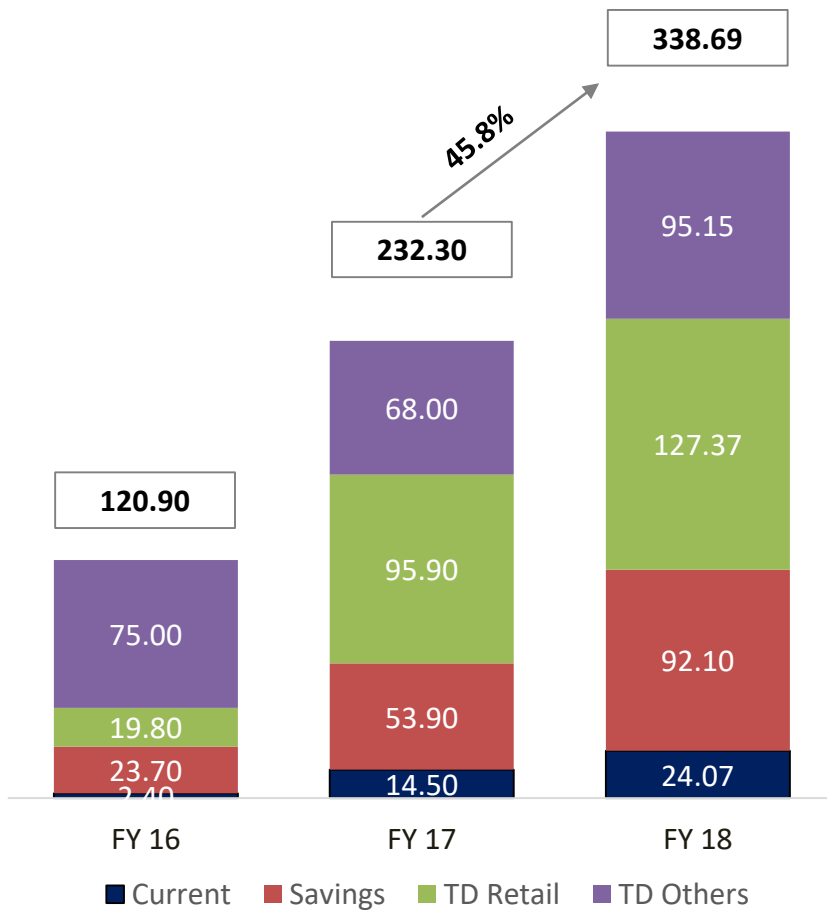


Non Micro Banking Portfolio growth (₹ in Billion)

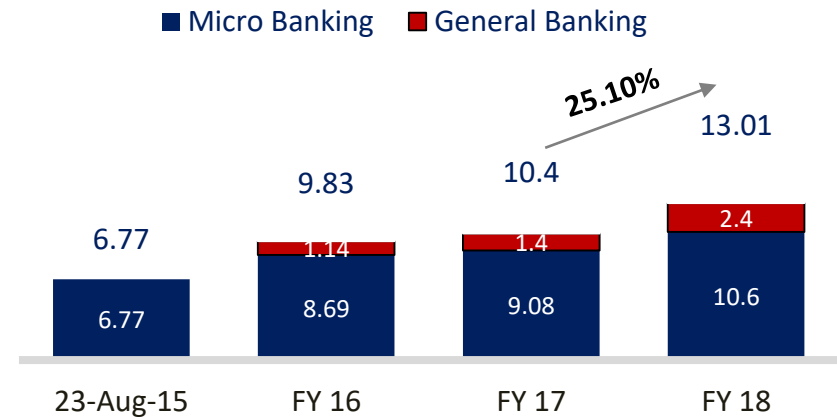


LIABILITIES PROFILE

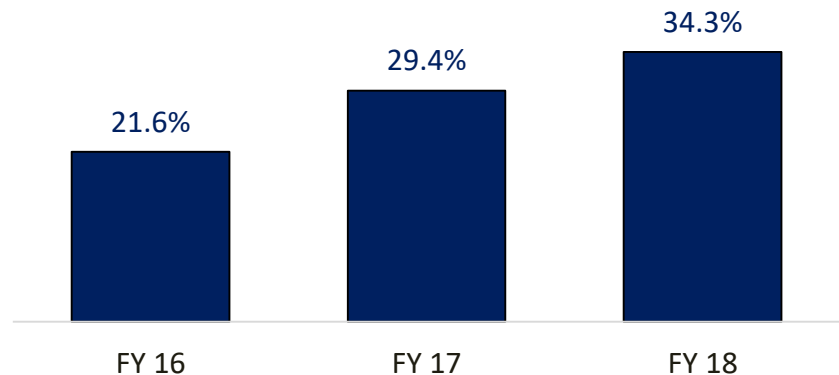
Deposits Growth (₹ in Billion)



Number of Customers (in Million)



CASA (%)



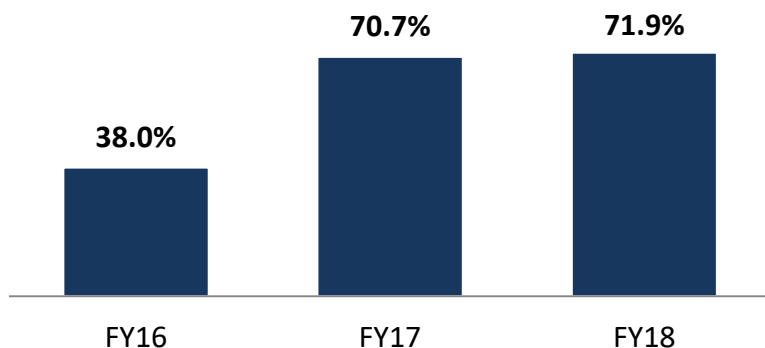
CREDIT RATING

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-(Double A Minus; Outlook: Positive)	ICRA	
Term Loans From Bank*	[ICRA]AA-(Double A Minus; Outlook: Positive)	ICRA	0.80
Certificate of Deposit	[ICRA] A1+	ICRA	15.00

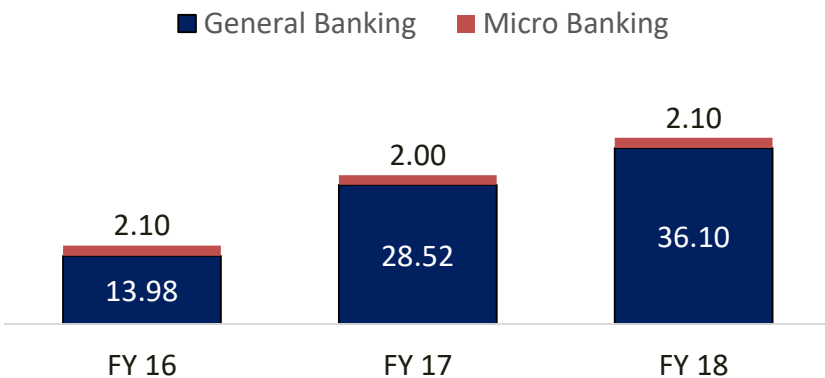
*In the month of April 2018 , ICRA has upgraded its long term rating to [ICRA]AA Stable (pronounced ICRA double A) to the Rs. 160 crore subordinated Tier-II non-convertible debenture programme and its Rs. 80 crore term loans.

LABILITIES PROFILE

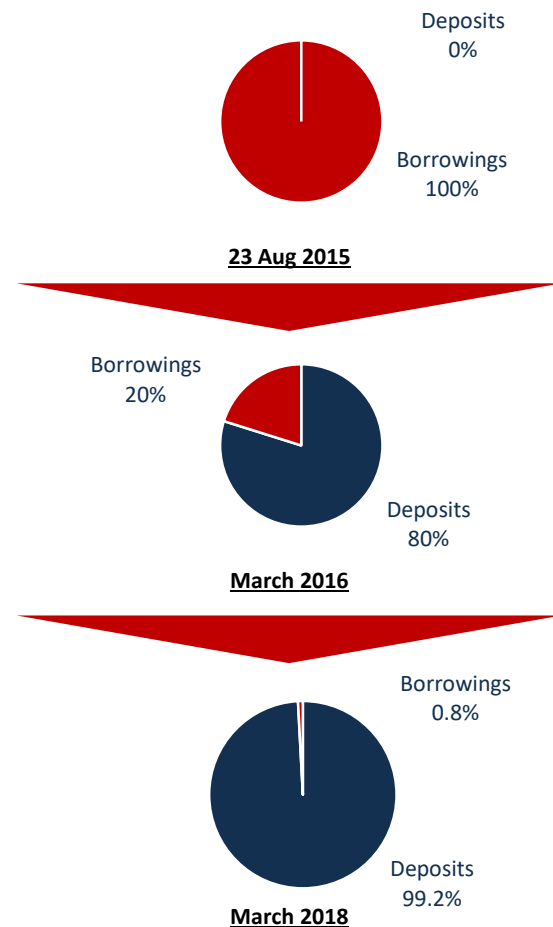
Retail to total Deposits (%)



Average SA Balance (₹ in 000')



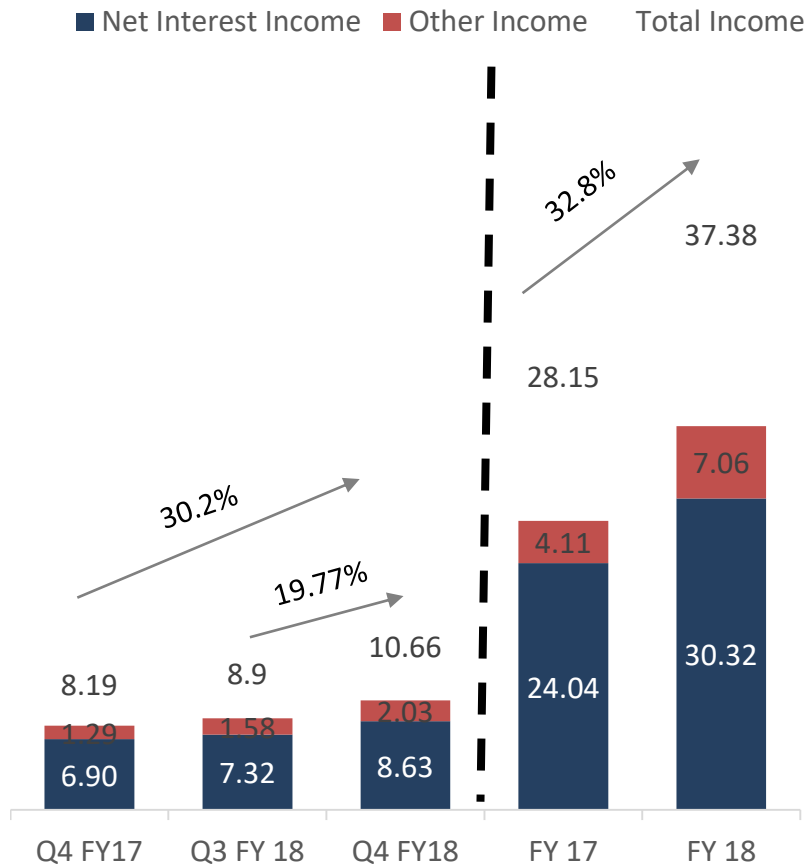
Moving towards a more stable and cheaper source of funding



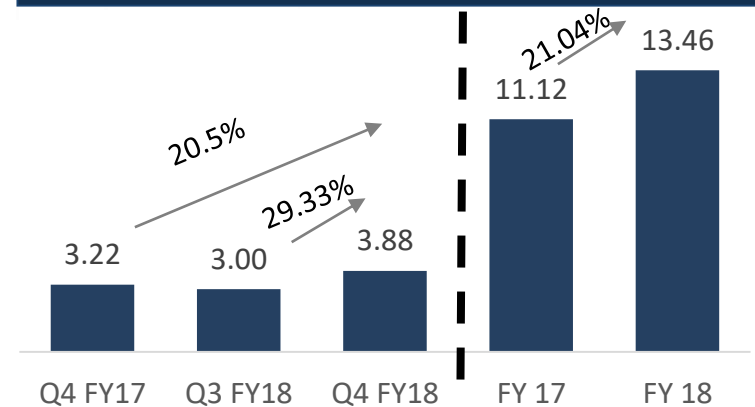
FINANCIAL OVERVIEW

FINANCIAL PERFORMANCE

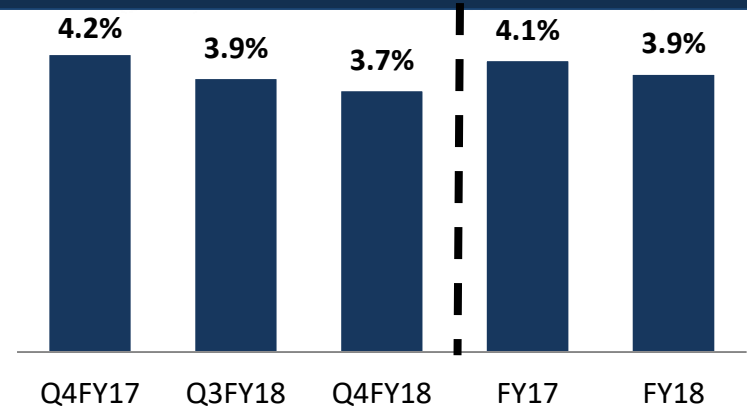
Total income (₹ in Billion)



PAT (₹ in Billion)

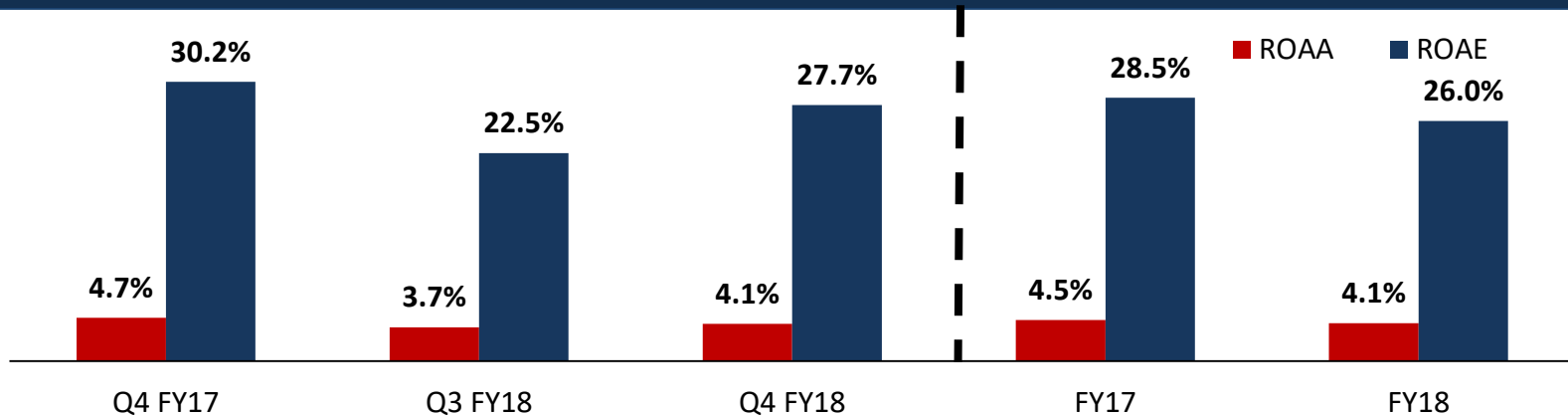


Operating expenses to Average Assets (%)

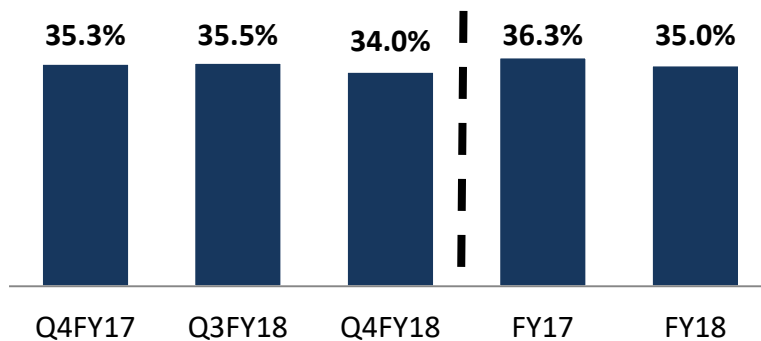


FINANCIAL PERFORMANCE

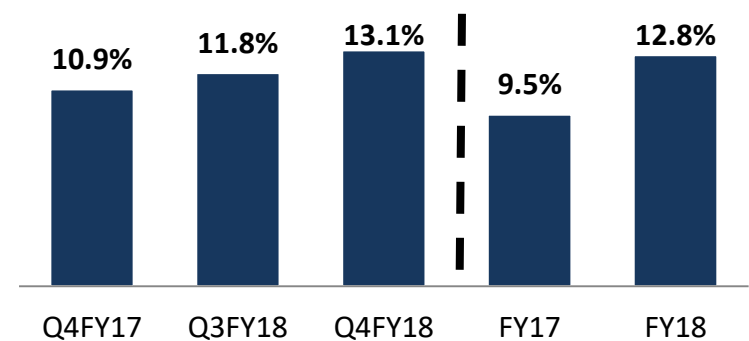
ROAA & ROAE



Cost to Income Ratio

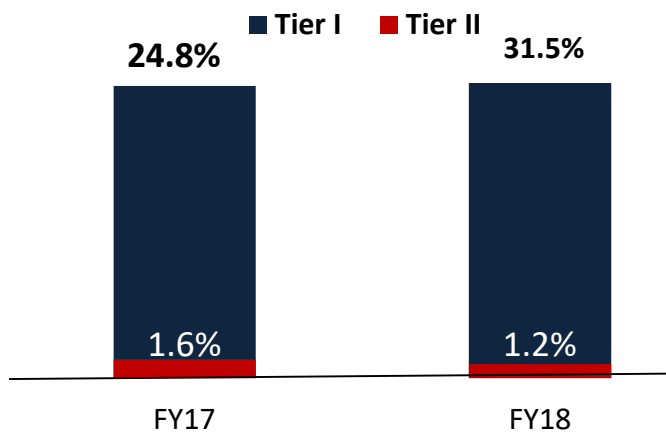


Fee Income to Total Income Ratio

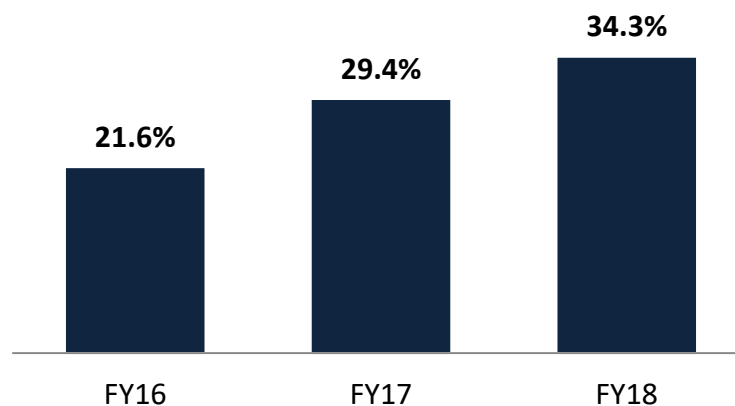


FINANCIAL PERFORMANCE

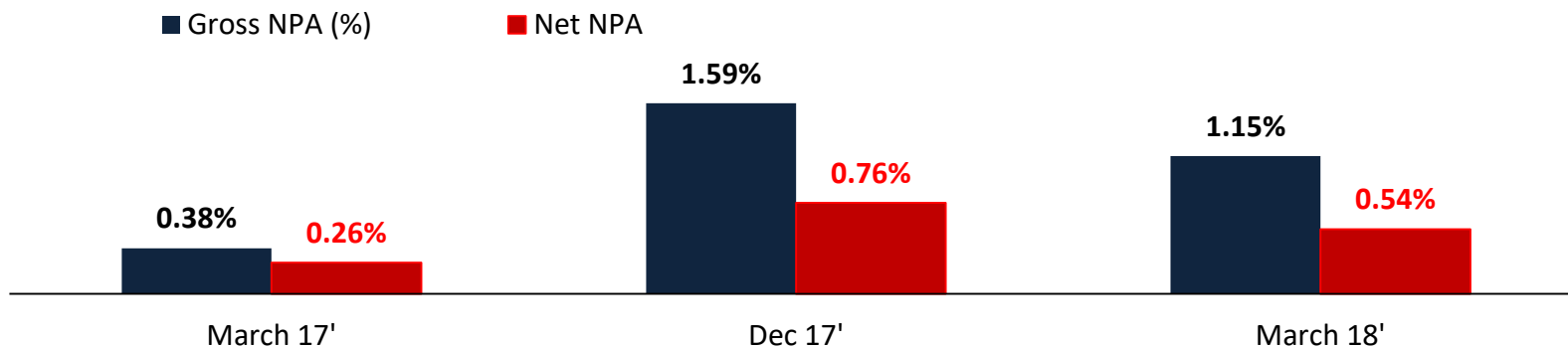
Capital Adequacy Ratio



CASA



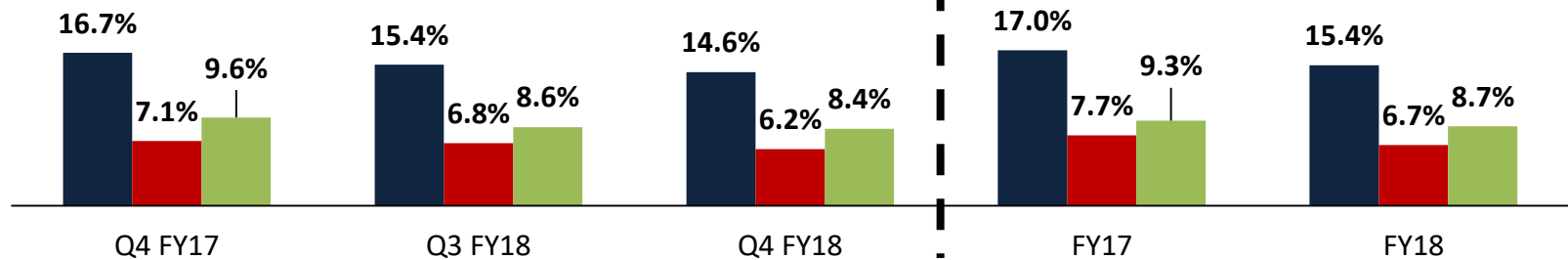
Gross NPA, Net NPA and Provisioning Coverage Ratio



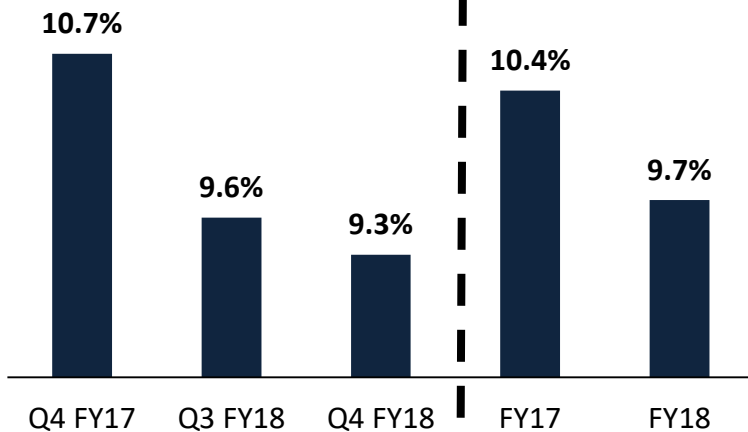
FINANCIAL PERFORMANCE

Spread %

■ Yield ■ Cost of funds (Excl Cap.) ■ Spread

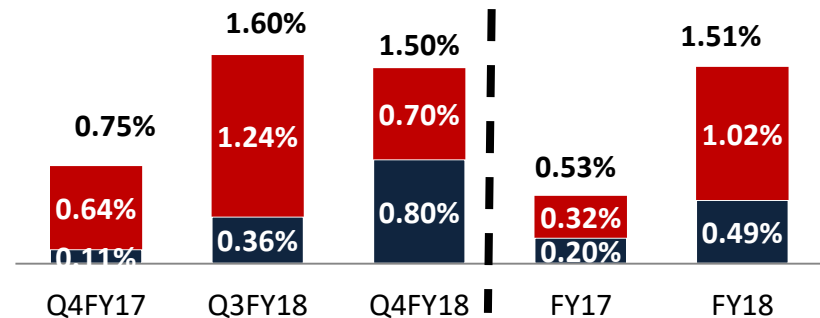


NIM



Credit Cost

■ Credit Cost - NPA ■ Credit Cost - Standard



PROFIT & LOSS STATEMENT (IN ₹ MILLION)

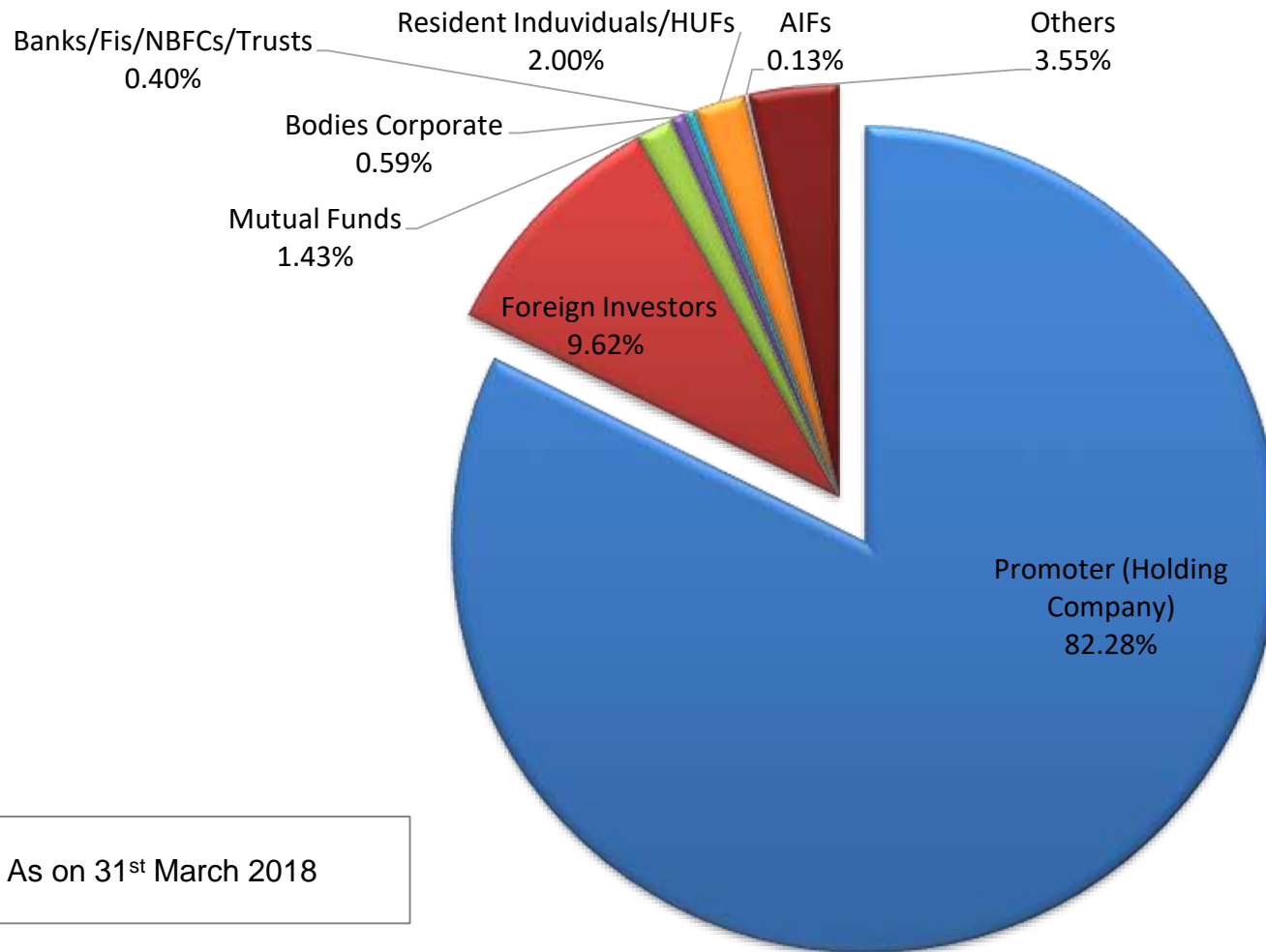
Particulars	Q4 FY 17	Q4 FY 18	YoY%	Q3 FY 18	QOQ%	FY 17	FY 18	YoY%
Interest Income	10,783	13,506	25.25%	11,780	14.69%	39,087	48,023	22.86%
Interest expenses	3,886	4,872	25.37%	4,460	9.19%	15,052	17,701	17.60%
Net Int. Income (NII)	6,897	8,634	25.18%	7,320	18.03%	24,035	30,322	26.16%
Non Interest Income	1,294	2,034	57.19%	1,580	28.48%	4,114	7,062	71.66%
Total Income	8,191	10,668	30.24%	8,900	19.87%	28,149	37,384	32.81%
Operating Expenses	2,891	3,630	25.56%	3,160	14.87%	10,220	13,083	28.01%
Operating Profit	5,300	7,038	32.79%	5,745	22.51%	17,929	24,301	35.54%
Provision (Std. + NPA+Writeoffs)	364	1,091	199.73%	1,225	-11.38%	884	3,742	323.30%
Profit before tax	4,936	5,947	20.48%	4,519	36.2%	17,045	20,559	20.62%
Tax	1,712	2,069	20.85%	1,519	29.27%	5,925	7,103	19.88%
Profit after tax	3,224	3,878	20.29%	3,000	29.33%	11,120	13,456	21.01%

BALANCE SHEET (IN ₹MILLION)

Particulars	As at 31 st March 2018	As at 31 March 2017
Capital & Liabilities		
Capital	11,928	10,951
Reserves & Surplus	81,891	33,513
Shareholder Funds	93,819	44,465
Deposits	338,690	232,287
Borrowings	2,850	10,289
Other liabilities and provisions	7,741	15,320
Total	443,101	346,825
Assets		
Cash and balances with Reserve Bank of India	28,371	60,121
Balance with Banks and Money at call and short notice	26,735	13,529
Investments	83,719	55,165
Advances	297,130	168,391
Fixed Assets	2,381	2,518
Other Assets	4,764	2,637
Total	443,101	346,825

SHAREHOLDING & MANAGEMENT

SHAREHOLDING PATTERN – BANDHAN BANK



As on 31st March 2018

EXPERIENCED AND PROFESSIONAL TEAM...

Management Team



Chandra Shekhar Ghosh
MD & CEO

- Founder of BFSL, has ~25 years of experience in the field of microfinance and development
- Awarded 'Entrepreneur of the Year' by Forbes and ET in 2014



Sunil Samdani
Chief Financial Officer

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



Biswajit Das
Chief Risk Officer

- 26 years of experience in banking industry
- Previously served as Head-RBS and regulatory reporting at ICICI Bank



Arvind Kanagasabai
Head, Treasury

- 28+ years of experience at a PSU Bank
- Previously served as CFO at SBI DFHHL, Mumbai



Sourav Kar
Chief Compliance Officer

- 25+ years of experience in banking industry
- Previously served as Regional Business Manager - Liability Sales at ING Vysya Bank



Indranil Banerjee
Company Secretary

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



Nicky Sharma
Chief Strategy Officer

- 10+ years of experience in the field of technology & Finance
- Previously served as Associate Director at PWC, Gurgaon



Rahul Johri
Head, Retail Banking

- 23+ years of experience across multinational banks
- Previously worked as Head of Consumer Banking and member of India Management committee at DBS Bank India



Mahendra Mohan Gupta
Head, Legal

- 32+ years experience in the legal, finance and banking industry
- Previously worked as DGM- Legal at ICICI Bank



Santanu Banerjee
Head, HR

- 25+ years of experience in the field of banking and finance
- Previously worked as Head of HR Business Relationship at Axis bank



Vijaykumar Ramakrishna
Chief Information Officer

- 20+ years of experience in the field of technology
- Previously worked as Group Manager of Intuit India and as Chief Technology Officer of Yes Bank



Subhro Kumar Gupta
Chief Audit Executive

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



Nand Kumar Singh
Head, Banking Operations and Customer Services

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



Deepankar Bose
Head, Corporate Centre

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

... BACKED BY A STRONG INDEPENDENT BOARD

Board of Directors

 <p>Chandra Shekhar Ghosh <i>MD & CEO</i></p> <ul style="list-style-type: none"> ➤ Has significant experience in the field of microfinance ➤ Awarded 'Outstanding Leadership Award' by Dhaka University 	 <p>Harun Rashid Khan <i>Director</i></p> <ul style="list-style-type: none"> ➤ Retired as Deputy Governor of Reserve Bank of India ➤ Instrumental in formulation of Payments system Vision 2018 of RBI
 <p>B. Sambamurthy <i>Director</i></p> <ul style="list-style-type: none"> ➤ Served as Chairman & MD of Corporation Bank previously ➤ Also served as a director for the Institute for Development and Research in Banking Technology 	 <p>Krishnamurthy Subramanian <i>Director</i></p> <ul style="list-style-type: none"> ➤ Significant experience in the field of finance services
 <p>Bhaskar Sen <i>Director</i></p> <ul style="list-style-type: none"> ➤ Board member of West Bengal Financial Corp., Calcutta Stock exchange ➤ Previously, worked as Chairman & MD of Union Bank of India 	 <p>Chintaman Dixit <i>Director</i></p> <ul style="list-style-type: none"> ➤ Significant experience in finance and accountancy sector ➤ Previously, he has worked at Life Insurance Corporation and Indian Bank
 <p>Sisir Kumar Chakrabarti <i>Director</i></p> <ul style="list-style-type: none"> ➤ Previously, worked at Axis Bank ➤ Also worked with State Bank of Bikaner and Jaipur prior to joining Axis Bank 	 <p>Snehomoy Bhattacharya <i>Director</i></p> <ul style="list-style-type: none"> ➤ Significant experience in public and private banking sector ➤ Previously worked at Axis Private Equity
 <p>Ranodeb Roy <i>Non-executive Director</i></p> <ul style="list-style-type: none"> ➤ Founder of RV Capital Management Private Limited, Singapore, he was earlier heading Fixed Income Asia Pacific in Morgan Stanley Asia Singapore 	 <p>T. S. Raji Gain <i>Director</i></p> <ul style="list-style-type: none"> ➤ Significant experience in the field of agricultural and rural development ➤ Previously, she has worked with NABARD
 <p>G.E. Baker <i>Nominee Director</i></p> <ul style="list-style-type: none"> ➤ Significant experience in the private equity sector ➤ Worked on IFC's investments in manufacturing and financial sector investments 	 <p>Dr. Holger Dirk Michaelis <i>Nominee Director</i></p> <ul style="list-style-type: none"> ➤ Significant experience in private equity and as strategic advisor to financial services companies ➤ Currently, he is working at GIC

AWARDS AND ACCOLADES



Mr. Ghosh received the Lifetime Achievement Samman by Friends of Kolkata in December 2017



'Best Private Sector Bank' in the category – Best Private Sector Bank – by Dun & Bradstreet Banking Awards in August 2017



Bandhan Bank bagged 'The Hindu Business Line Changemaker Award' in March 2018



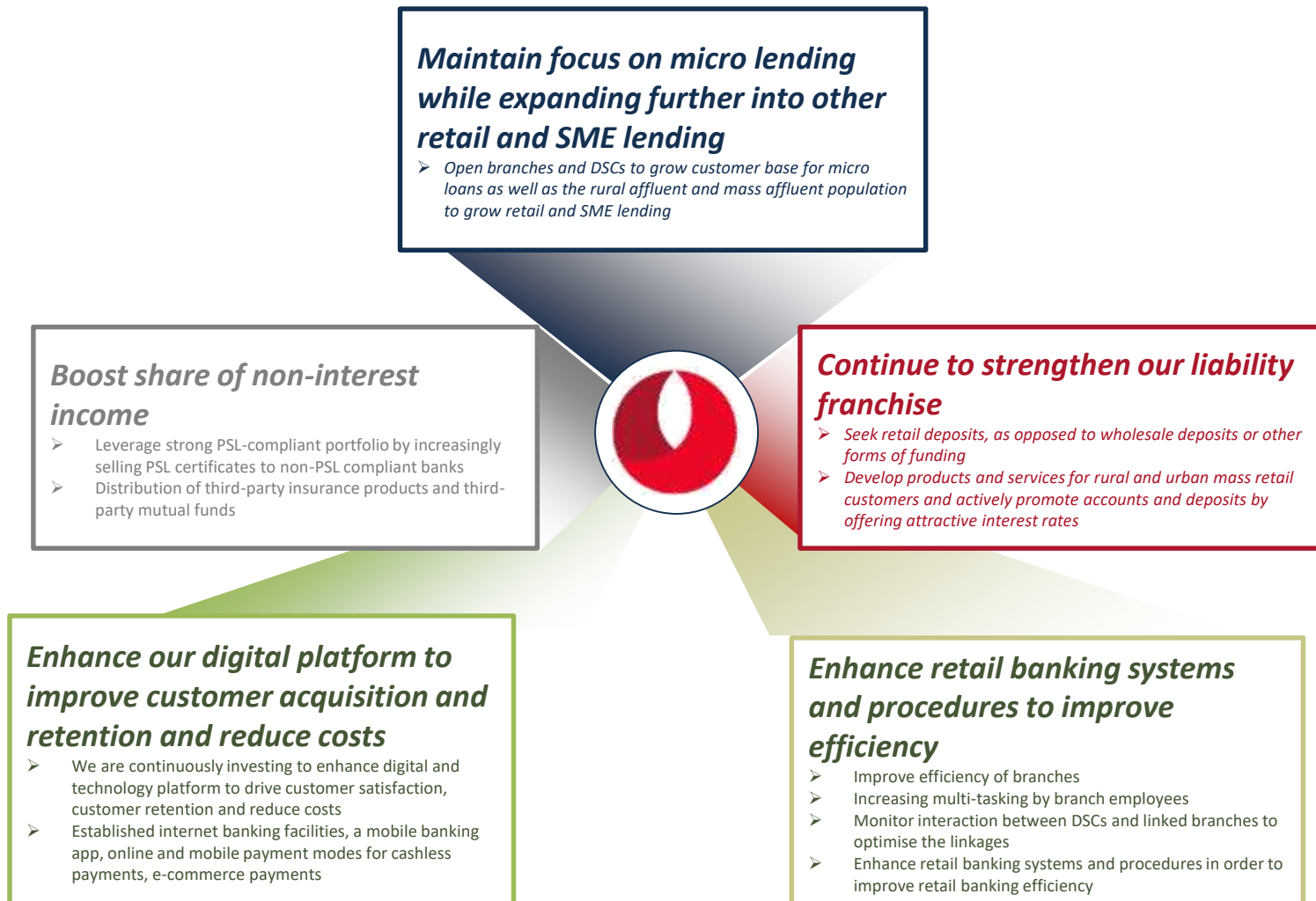
Mr. Ghosh received the prestigious C. Rangarajan Award for Excellence in Banking by Skoch group in June 2017



Mr. Ghosh was conferred with the 'Sera Bangalee' honor by North American Bengali Conference (NABC) on July 2017

STRATEGY FOR FUTURE GROWTH

STRATEGY FOR FUTURE GROWTH



THANK YOU

