

Investor Presentation

Q3FY24

February' 2024



Bandhan
Bank

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Key Highlights



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Key Highlights

- NII for the quarter grew at 21% YoY
- Retail loans (excl. housing) grew ~70% YoY, Commercial Banking division grew ~60% YoY
- Loan portfolio (on book + off book + TLTRO + PTC) for Q3FY24 grew 7.7% QoQ and 18.6% YoY
- CASA ratio stands healthy at 36.1% in Q3FY24
- Deposits grew by 4.8% QoQ and 14.8% YoY in Q3FY24
- Retail Deposit to Total Deposit at 71% in Q3FY24
- NIM remained largely stable QoQ at 7.2% in Q3FY24
- Gross NPA is at 7.0% & Net NPA is at 2.2% vs. 7.3% and 2.3% respectively in previous quarter
- Added 0.9 mn customer during the quarter with total customer base reaching to 32.6 mn (EEB – 24.4 mn, Non EEB – 8.2 mn)
- Geographical diversification of EEB portfolio on track - West Bengal and Assam contribution is less than 45%

Total Deposits

₹1174.2bn

Total Loans and Advances¹

₹ 1159.4bn

Net Interest Margin (NIM)

7.2%

CASA Ratio


36.1%


ROAA


1.9%

ROAE


14%

 35 states and UTs

 613 districts


 4,598 banking units

 1,647 branches

 438 ATMs

 75,072 employees

 32.6 mn customer

 33.4% EEB* group based loans

¹On book + Off Book (including PTC of ₹ 0.7 bn)

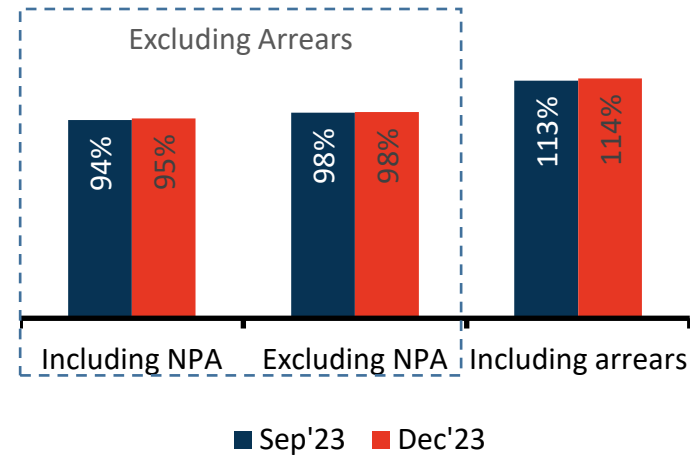
*Emerging Entrepreneurs Business (Erstwhile Micro Banking Unit)

EEB Collection Efficiency

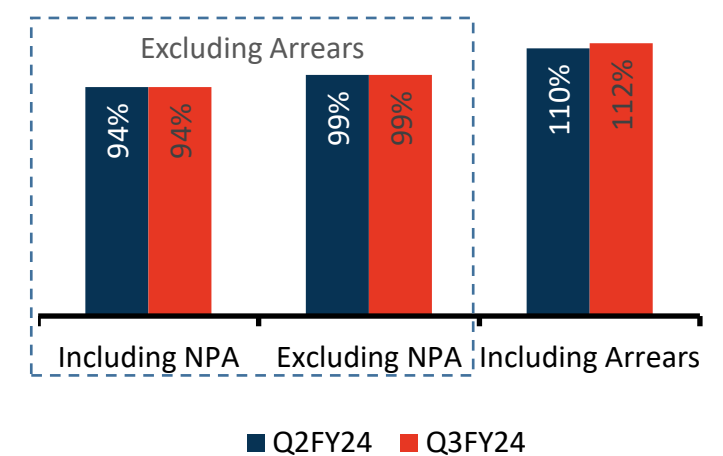
Top states

States	For Sep'23	For Dec'23	For Q2 FY24	For Q3 FY24
West Bengal	99%	99%	99%	99%
Assam	99%	99%	99%	99%
Rest of India	97%	98%	98%	99%
Total	98%	98%	99%	99%

Collection Efficiency for the month



Collection Efficiency for the quarter



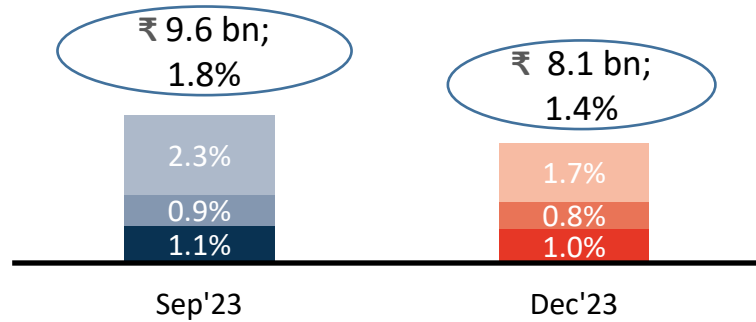
Customer Paying Profile

Category	For the month of Sep'23		For the month of Dec'23	
	Share of customers	Share of receivables	Share of customers	Share of receivables
Full Paying	96%	96%	96%	96%
Partial Paying	3%	3%	3%	3%
Non Paying	1%	1%	1%	1%
Total	100%	100%	100%	100%

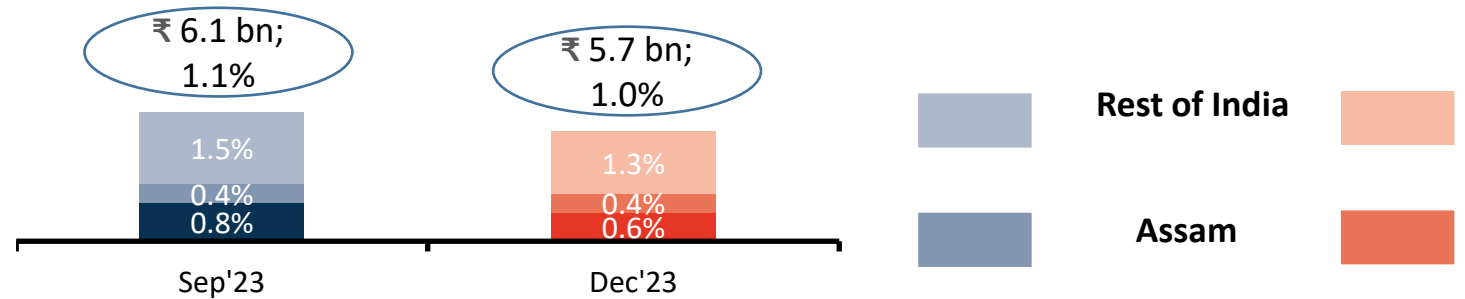
* Top States and Paying profile excludes NPA

EEB DPD movement

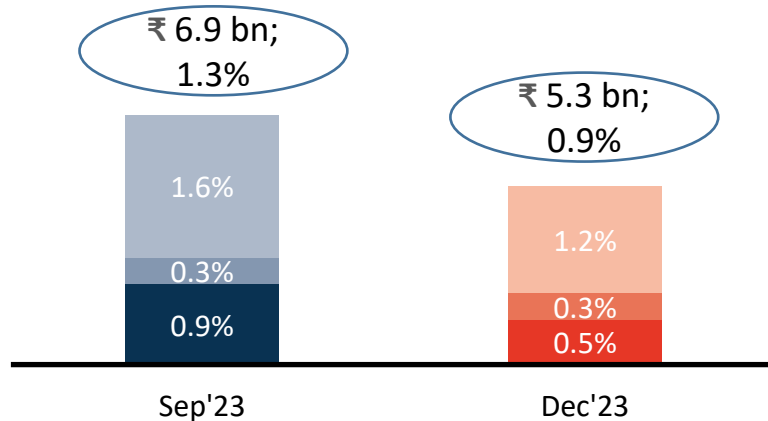
1-30 days



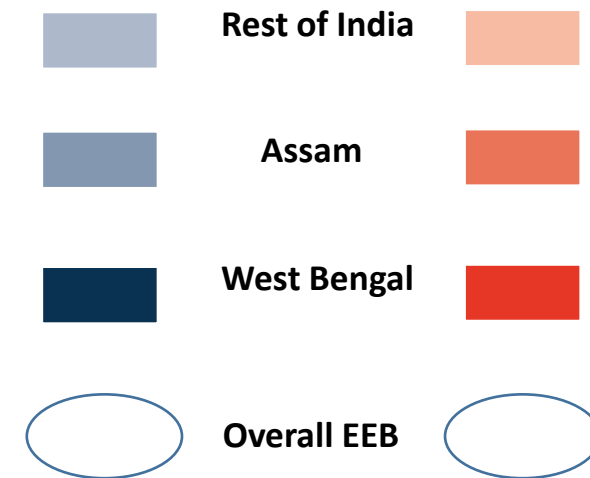
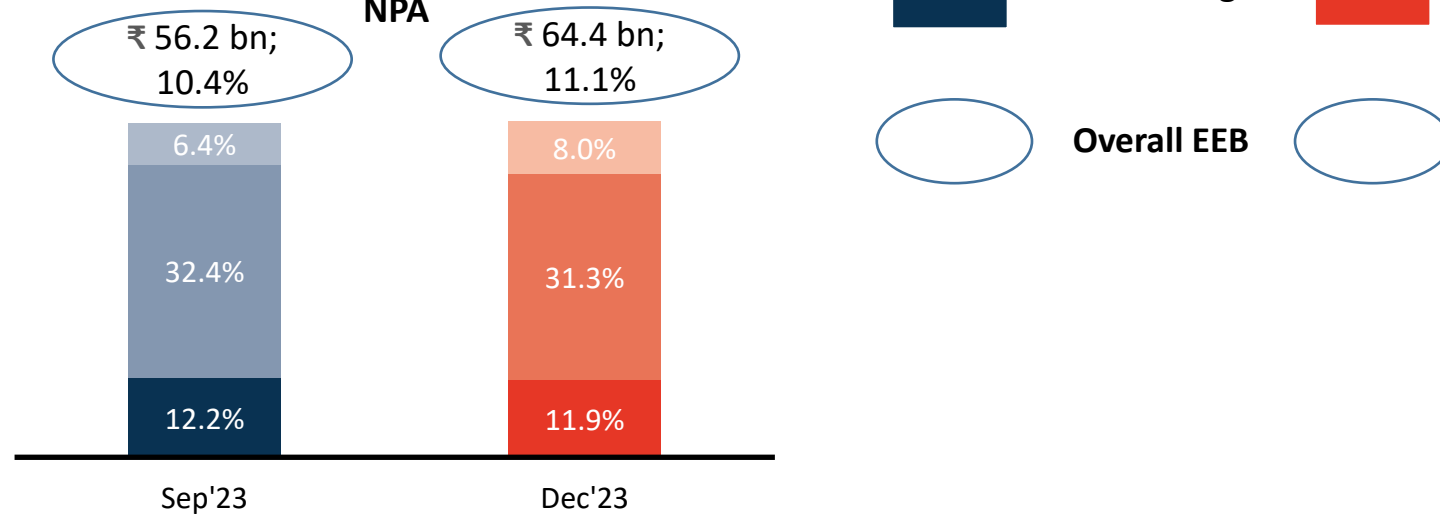
31-60 Days



61-90 Days



NPA



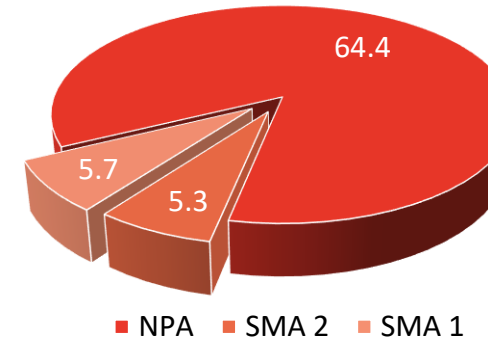
Stress Pool and NPA Analysis

All amount in ₹ Bn.

EEB Stress Pool Coverage Analysis – Dec'23

Coverage	Amount
Provision	53
CGFMU recovery	16
ECLGS Guarantee	4
Assam Relief Scheme	xx
Total	73

EEB Stress Pool - ₹ 75 Bn.



Month wise Pan Bank Slippage Trend

Month	Slippage
Jul'23	4.2
Aug'23	4.4
Sept'23	4.6
Oct'23	6.3
Nov'23	3.9
Dec'23	3.7

EEB Book - Vintage Analysis

* % of Disbursement

Qtr	Disbursement	SMA1*	SMA2*	NPA*
Q1FY23	82.2	0.4%	0.4%	2.8%
Q2FY23	128.4	0.5%	0.5%	3.2%
Q3FY23	152.2	0.8%	0.8%	3.4%
Q4FY23	211.7	1.0%	0.9%	2.5%
Q1FY24	80.2	0.5%	0.3%	0.3%
Q2FY24	169.9	0.3%	0.1%	0.0%
Q3FY24	174.8	0.0%	0.0%	0.0%

NPA movement

All amount in ₹ Bn.

Particulars	Q3FY23	Q4FY23	Q1FY24	Q2FY24	Q3FY24
Opening GNPA (A)	68.5	69.6	53.0	69.6	78.7
Fresh Slippages (B)	32.7	11.2	13.6	13.2	13.9
Reductions (C) :					
- Recoveries & Upgrades	6.2	4.7	2.8	4.1	4.1
- Write offs	25.3	-	-	-	-
NPA Sale to ARC (D)	-	23.2	-	-	7.2
ECLGS guaranteed advances classified as NPA (E)	-	-	5.8	-	-
Closing Gross NPA (F = A + B – C –D + E)	69.6	53.0	69.6	78.7	81.4
Net Increase in GNPA (excl. write off, ARC & one time ECLGS downgrade)	26.4	6.5	10.8	9.1	2.7
Provisions	52.5	40.7	48.2	55.1	57.0
Net NPA	17.1	12.3	21.4	23.6	24.4
Reported GNPA Ratio	7.2%	4.9%	6.8%	7.3%	7.0%
Reported NNPA Ratio	1.9%	1.2%	2.2%	2.3%	2.2%
Reported PCR	75.4%	76.8%	69.2%	70.0%	70.0%

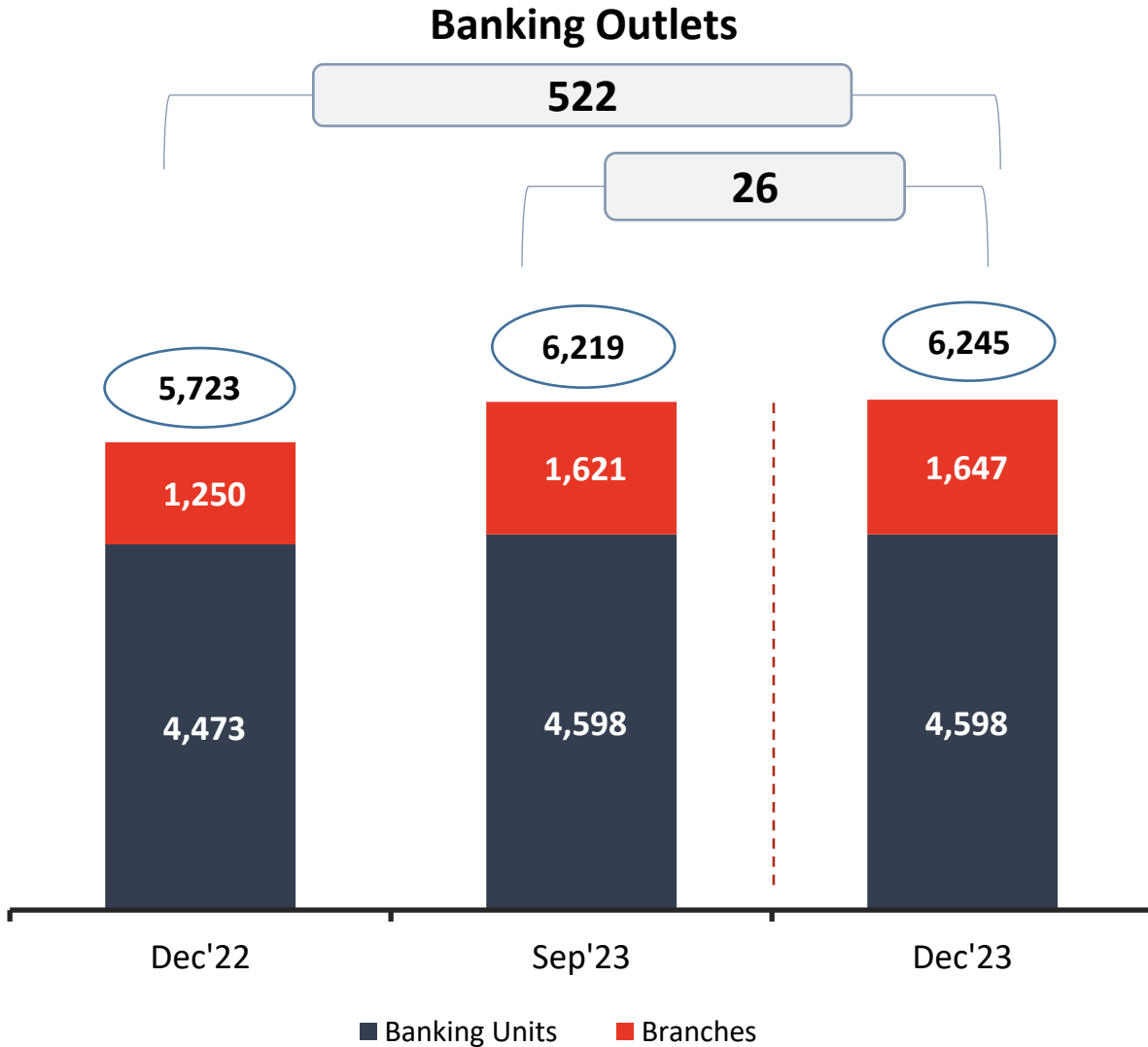
Note: During the quarter, out of total slippages of ₹ 13.9 bn, ~45% came in Oct'23 on account of system migration followed by the festive season

Business & Financial Overview



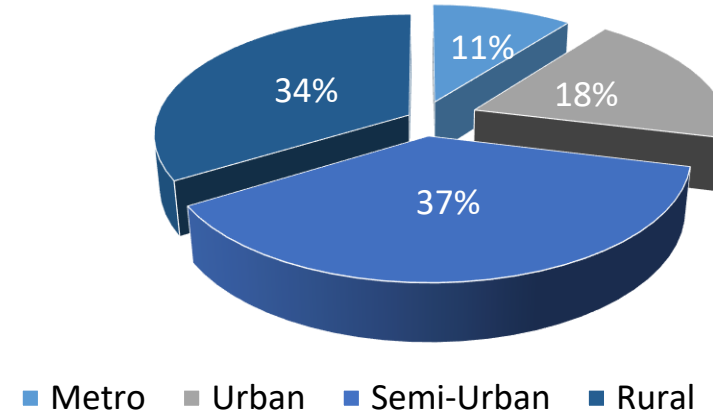
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Geographical Distribution

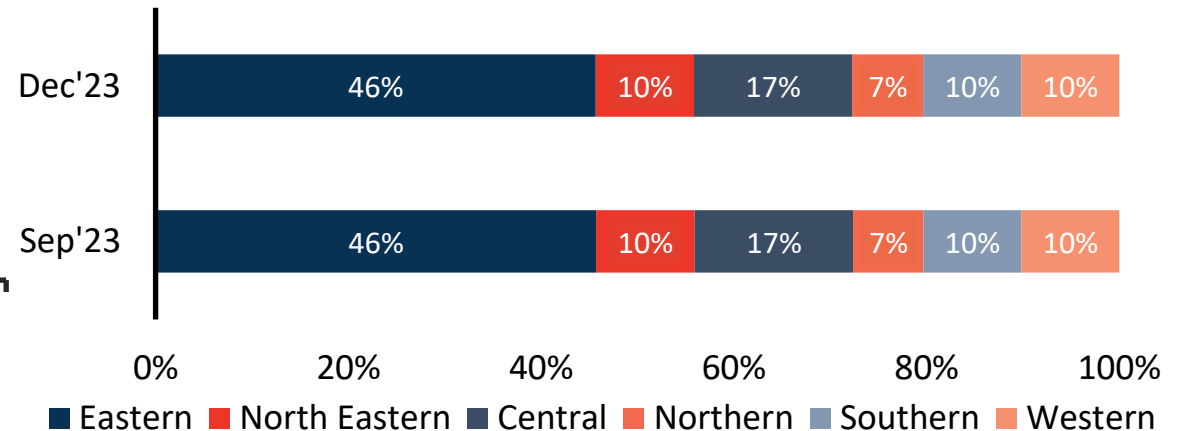


Focus on serving the rural & underbanked population

Banking Outlets as on 31st Dec 2023

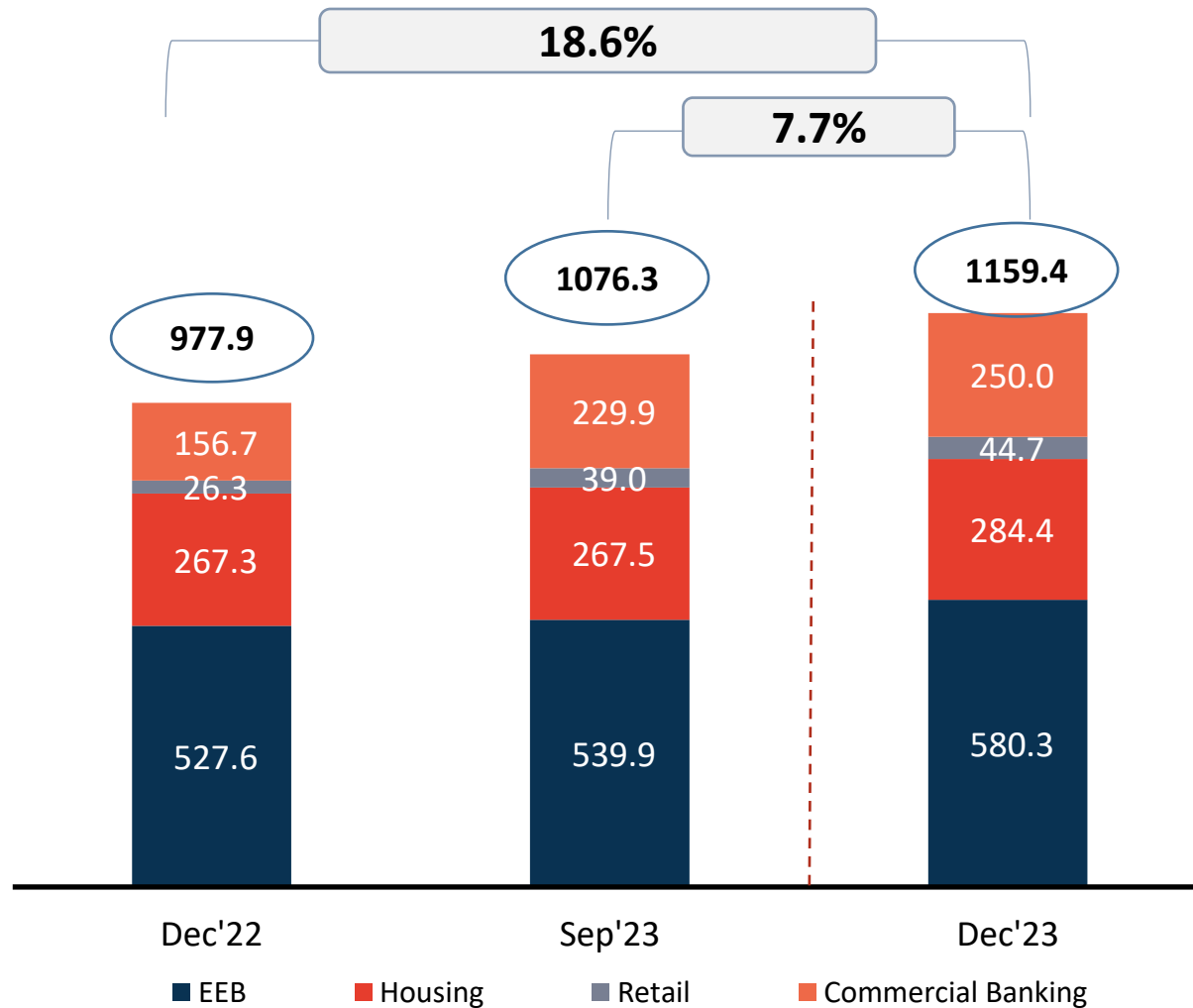


Diversifying presence...



Asset Book Mix

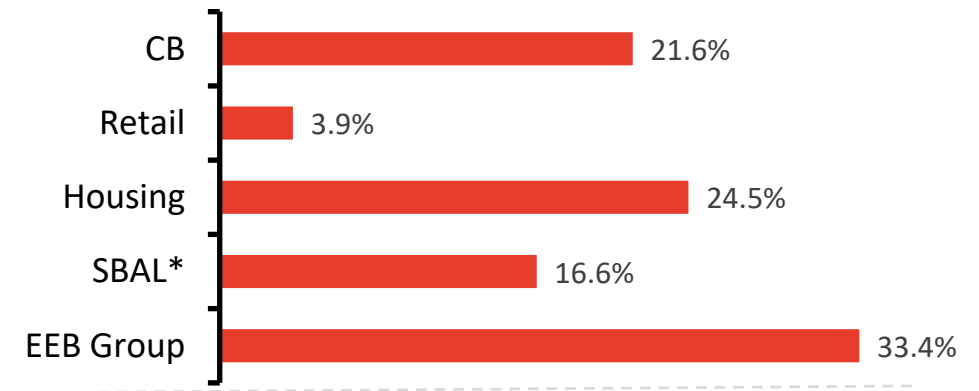
All amount in ₹ Bn.



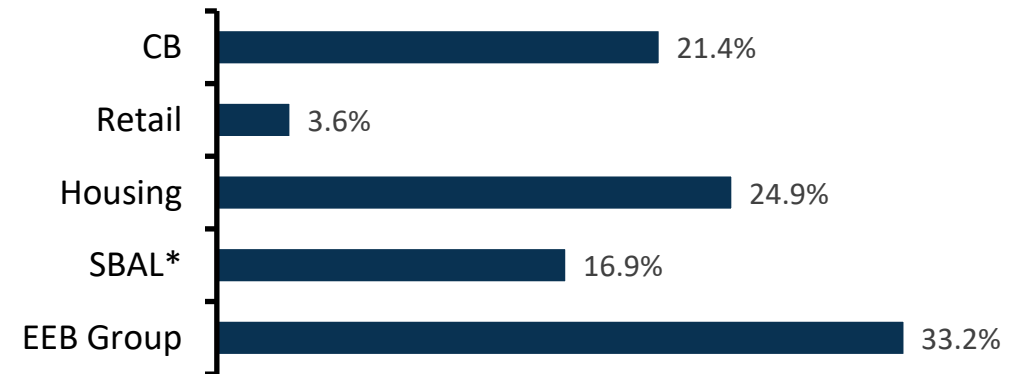
• *Small Business and Agri Loans (Individual)*

Share of Loan Book

Dec-23

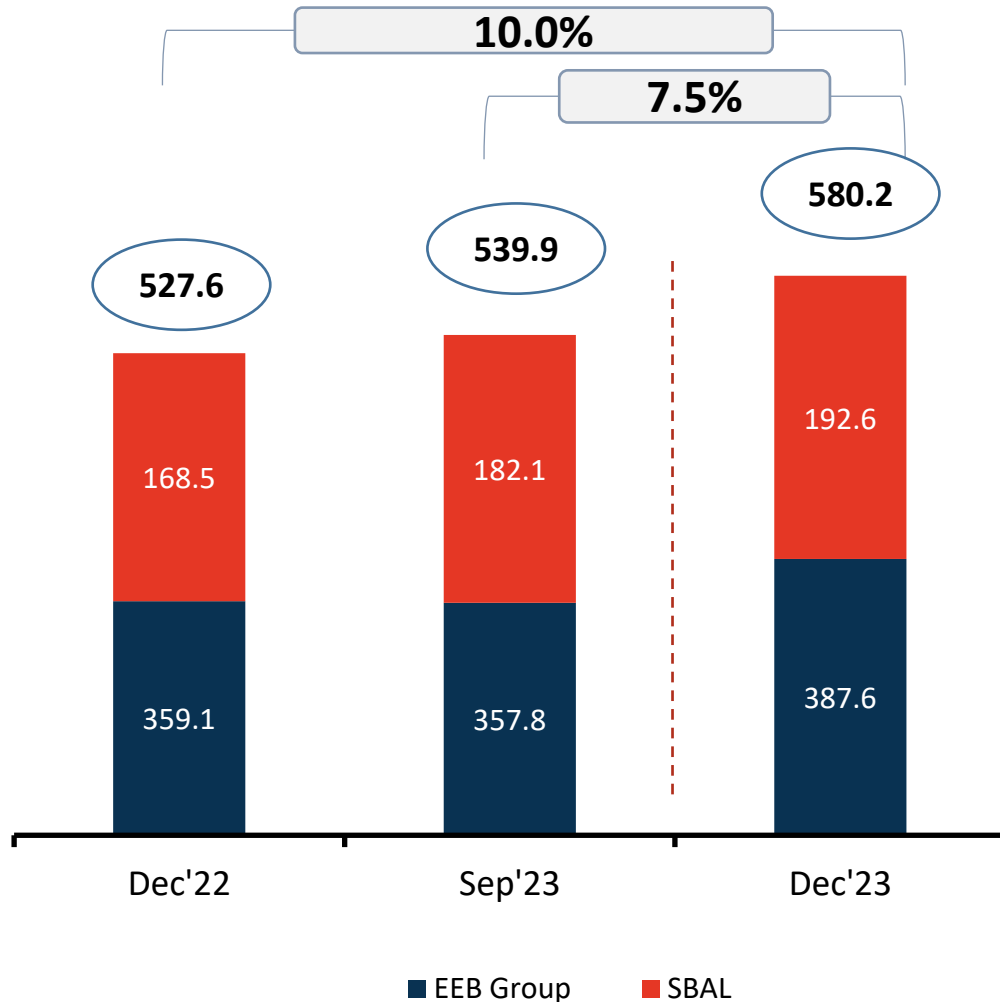


Sep-23

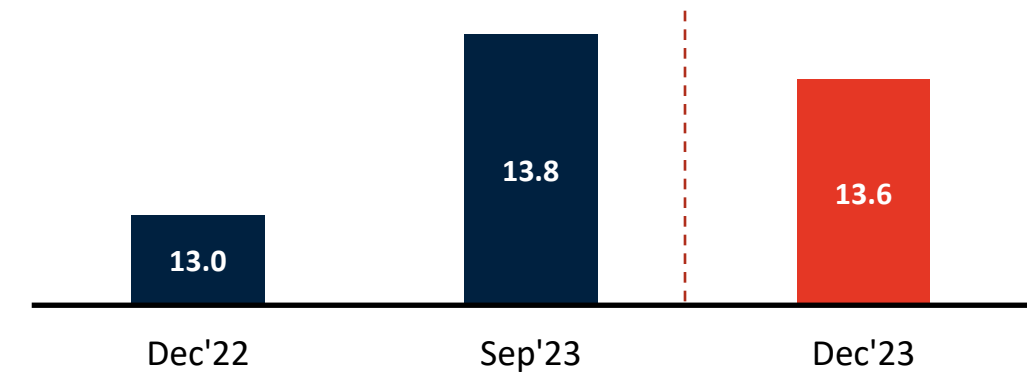


Emerging Entrepreneurs Business

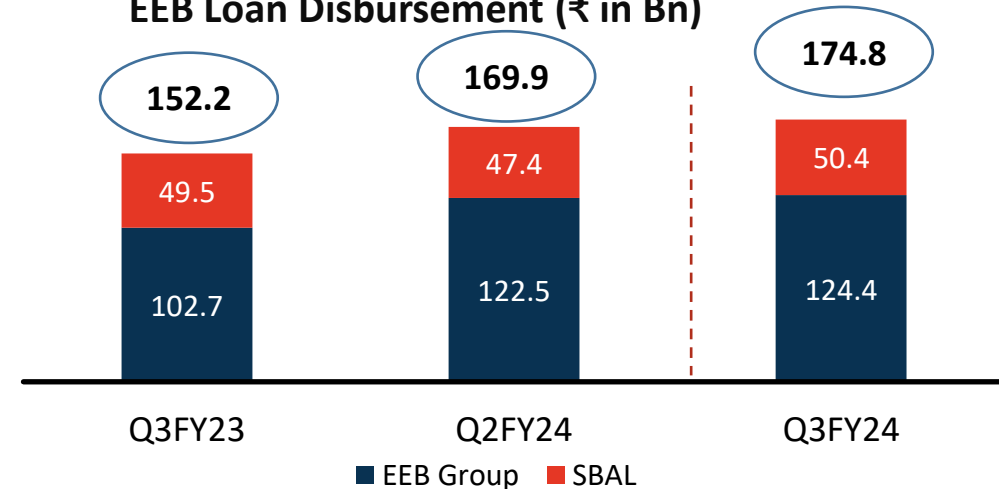
Emerging Entrepreneurs Asset Growth (₹ in Bn)



Number of Active Borrowers (Mn)

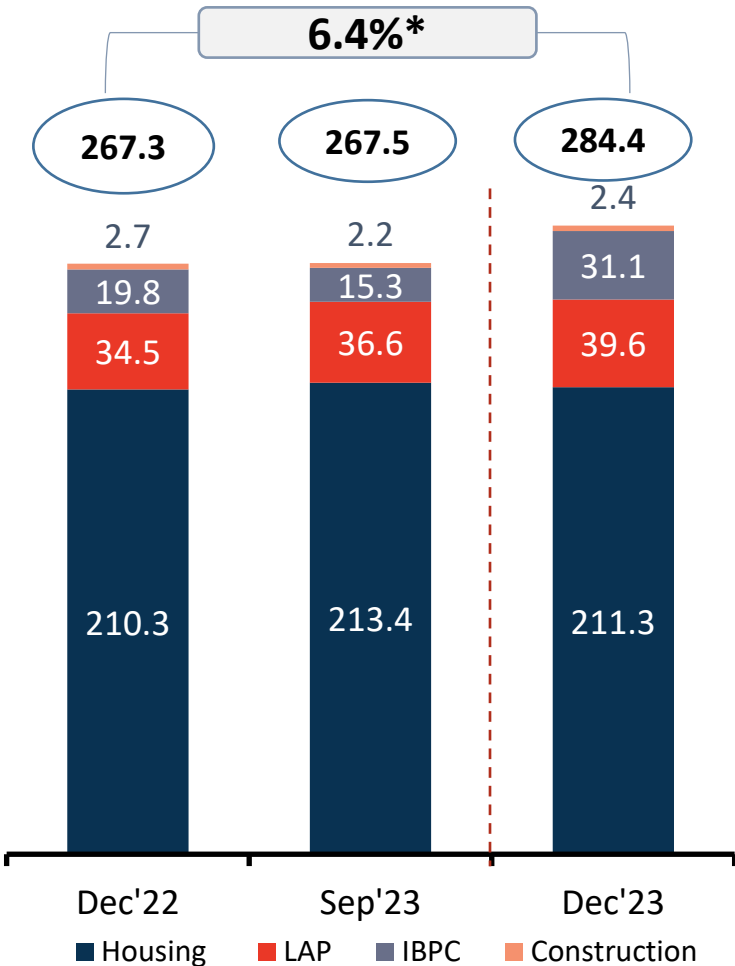


EEB Loan Disbursement (₹ in Bn)

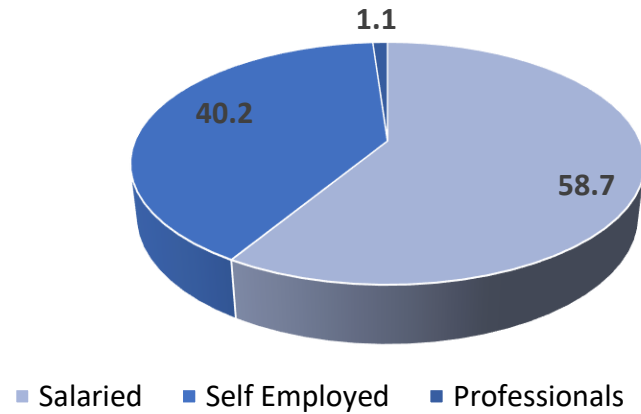


Housing Finance

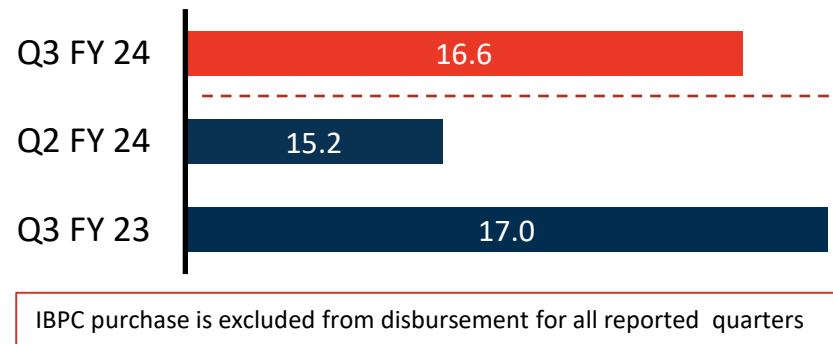
Housing Asset Bifurcation (₹ in Bn)



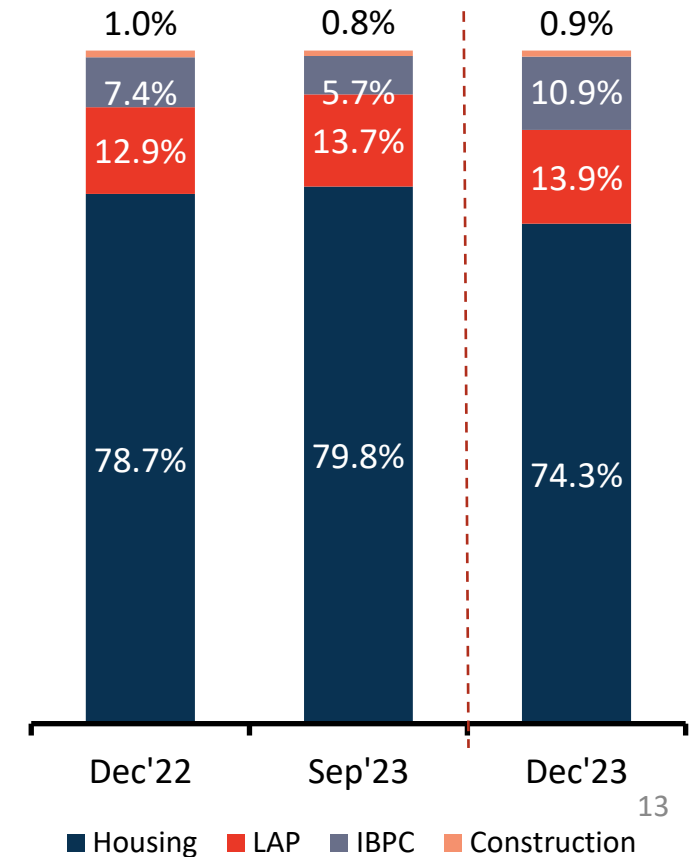
Borrowers Bifurcation – Dec'23



Housing Asset Disbursements (₹ in Bn)



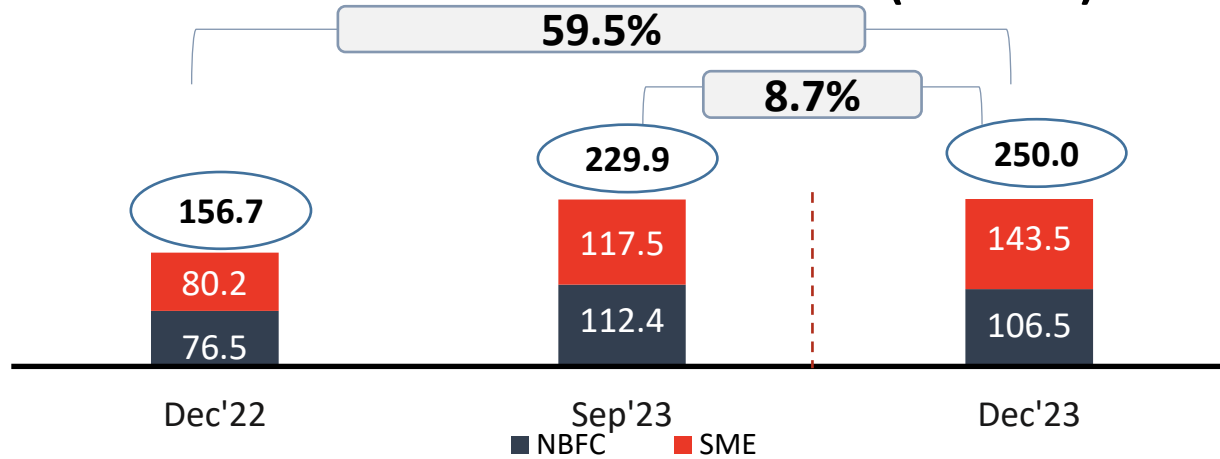
Housing Asset Segment wise (in %)



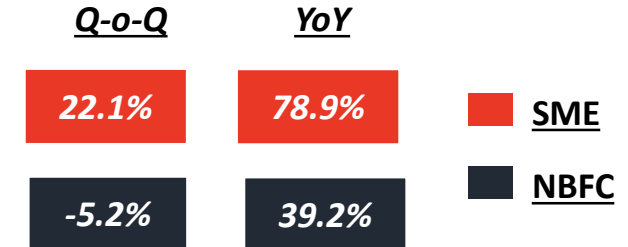
* Adjusting for the sale to ARC (₹ 7.2 Bn) growth would have been 9.1% YoY

Commercial Banking (CB) & Retail Assets

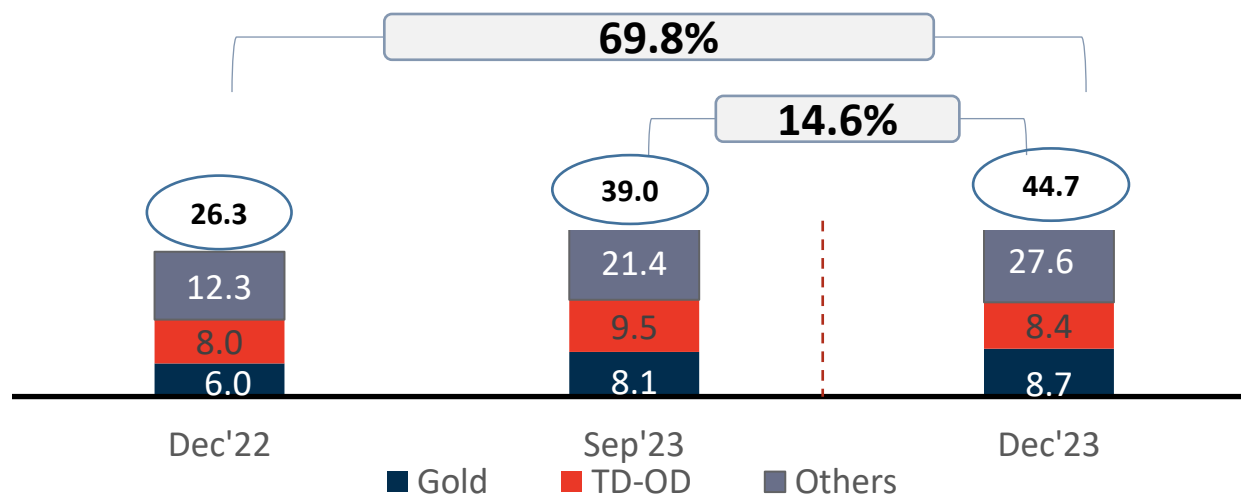
Product wise CB Assets (₹ in Bn)



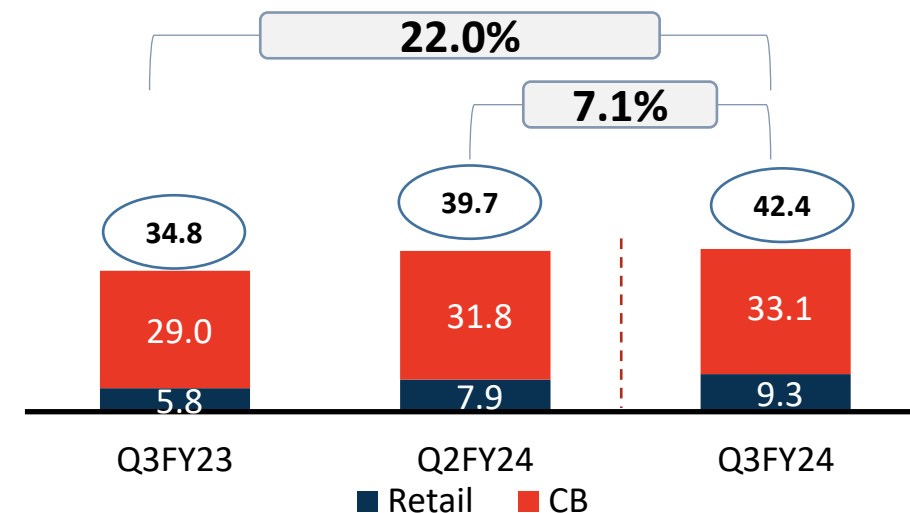
CB segment wise Growth



Product wise Retail Assets (₹ in Bn)



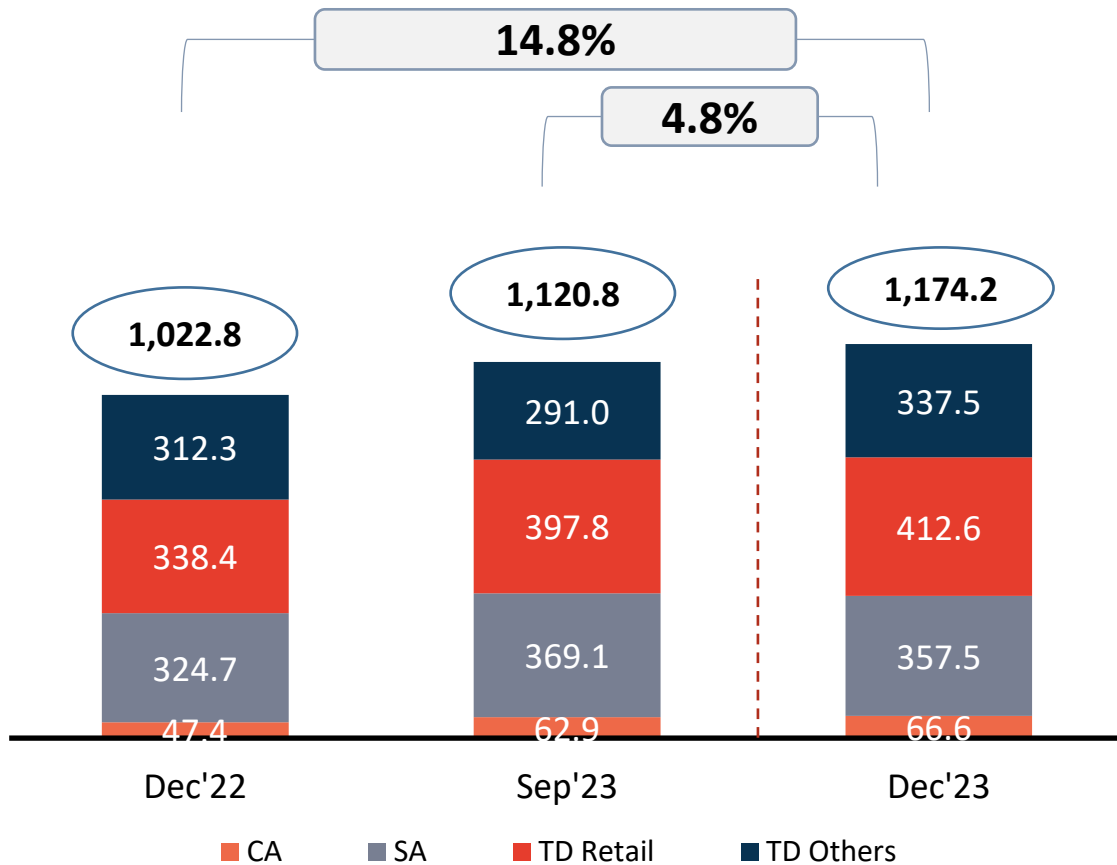
CB & Retail Disbursements (₹ in Bn)



Term Loan disbursements Only

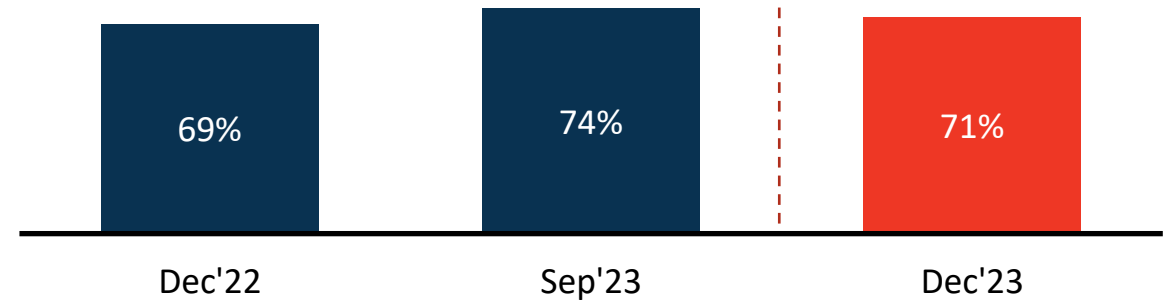
Liabilities Profile

Deposits Growth (₹ in Bn)

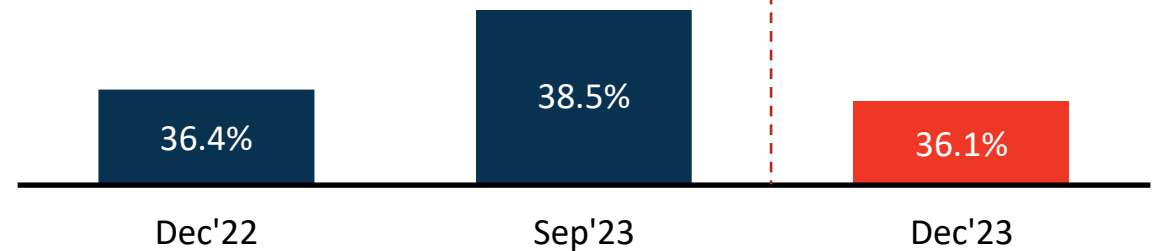


EEB deposits contribute to 4% of Total deposit as on Dec'23

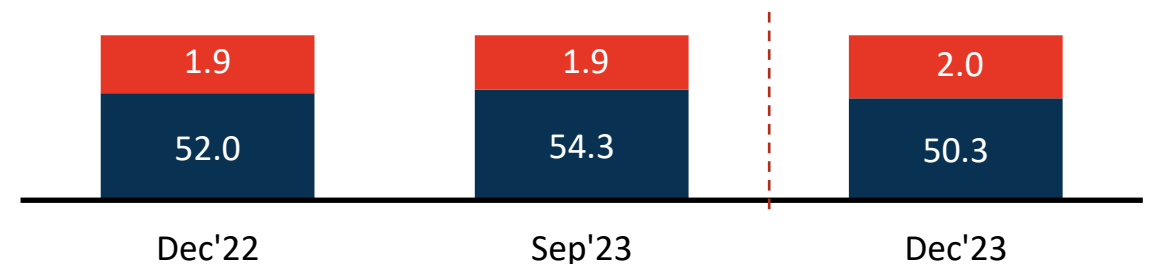
Retail to Total Deposits (%)



CASA (%)

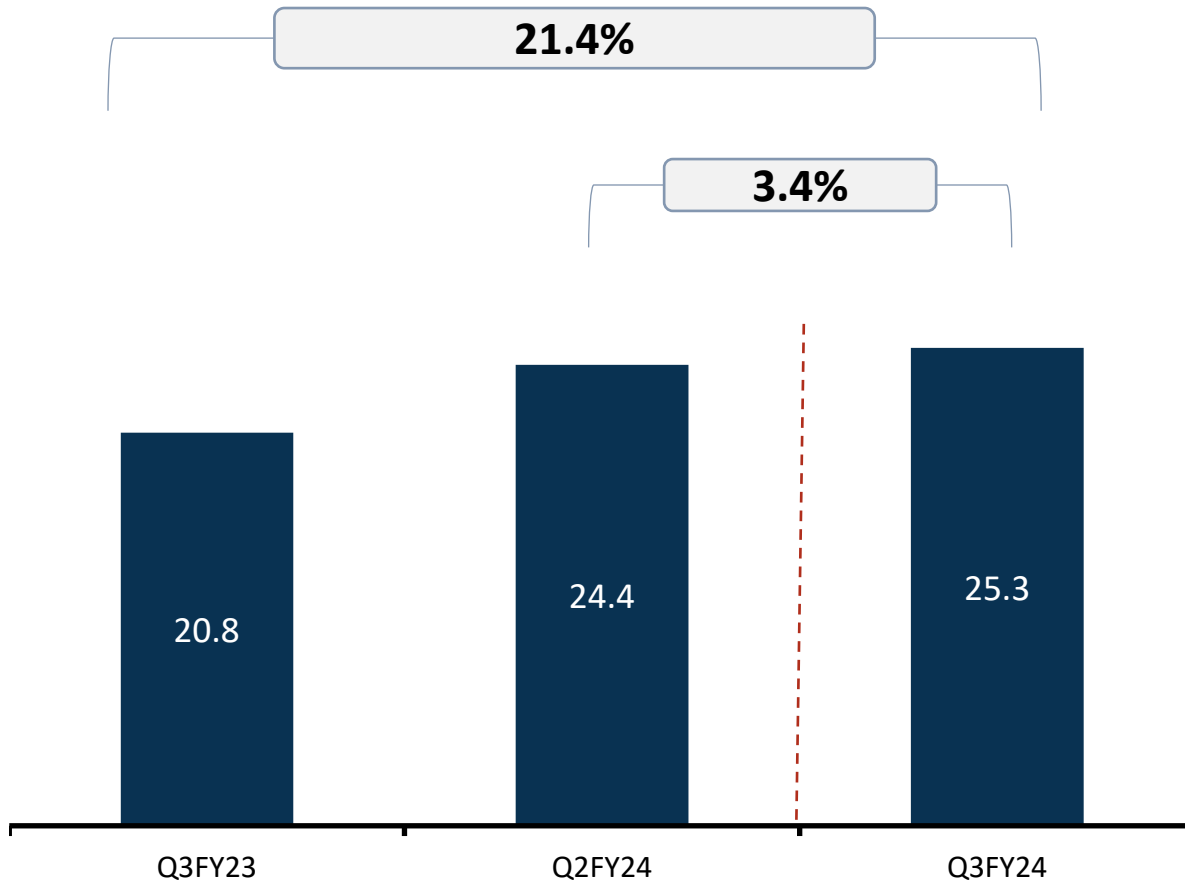


Average SA Balance Per Customer (₹ in 000')

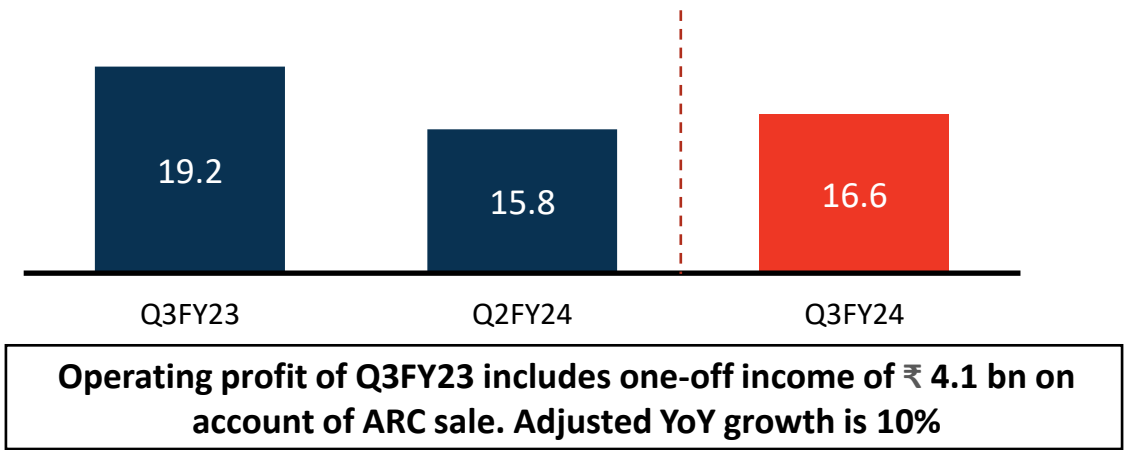


Financial Performance

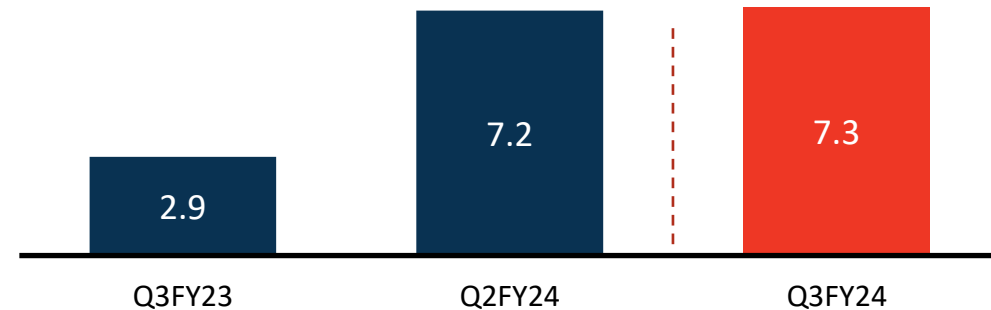
Net Interest Income (₹ in Bn)



Operating Profit (₹ in Bn)



PAT (₹ in Bn)



Break up of Other Income

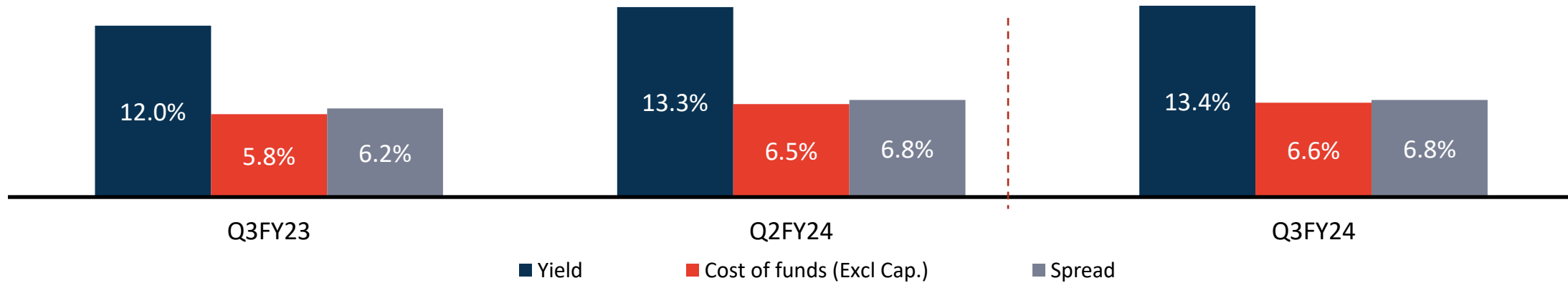
All amount in ₹ Mn.

Details of other Income	Q3FY23	Q2FY24	Q3FY24	YoY	QoQ
Processing Charges	2,123	2,445	2,504	17.9%	2.4%
Third Party Income	905	749	606	-33.0%	-19.2%
Collection fees from ARC	120	372	233	94.4%	-37.2%
Profit on sale of Investment	410	356	98	-76.1%	-72.5%
Card Charges	190	171	251	31.8%	46.9%
Others	6,586*	1,311	1,761	-73.3%	34.3%
Total	10,333*	5,403	5,452	-47.2%	0.9%

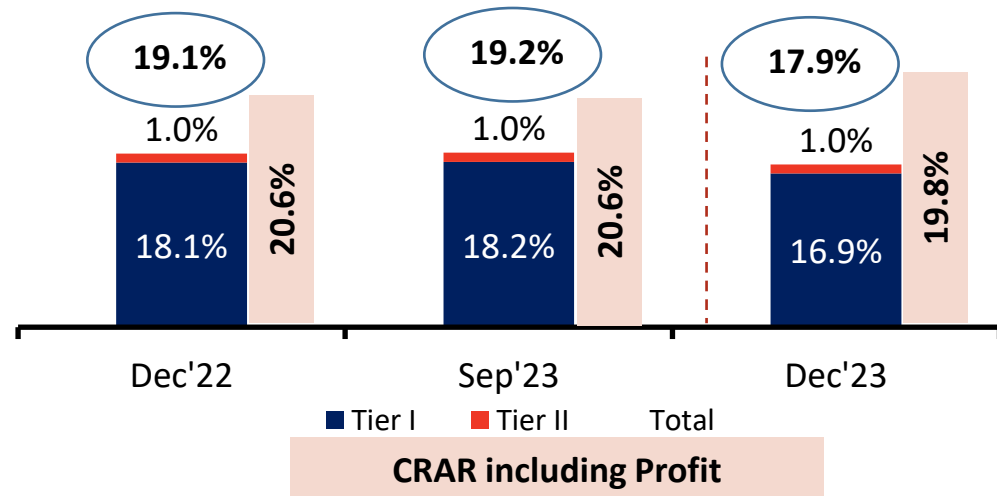
*Includes one-off income of ₹ 4,140 mn on account of ARC sale.

Financial Performance (1/3)

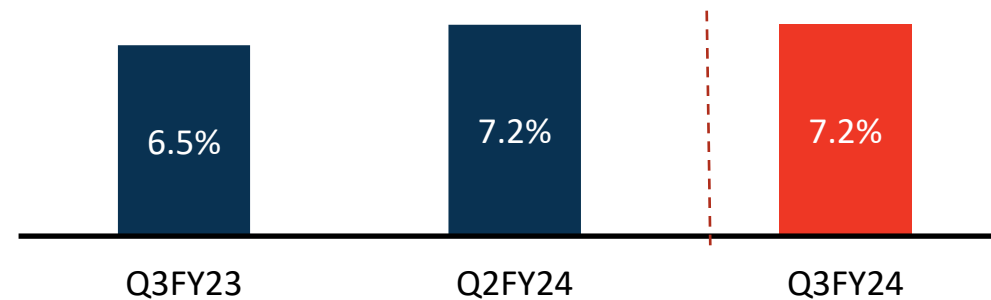
Spread (Annualized)



Capital Adequacy Ratio (CRAR)

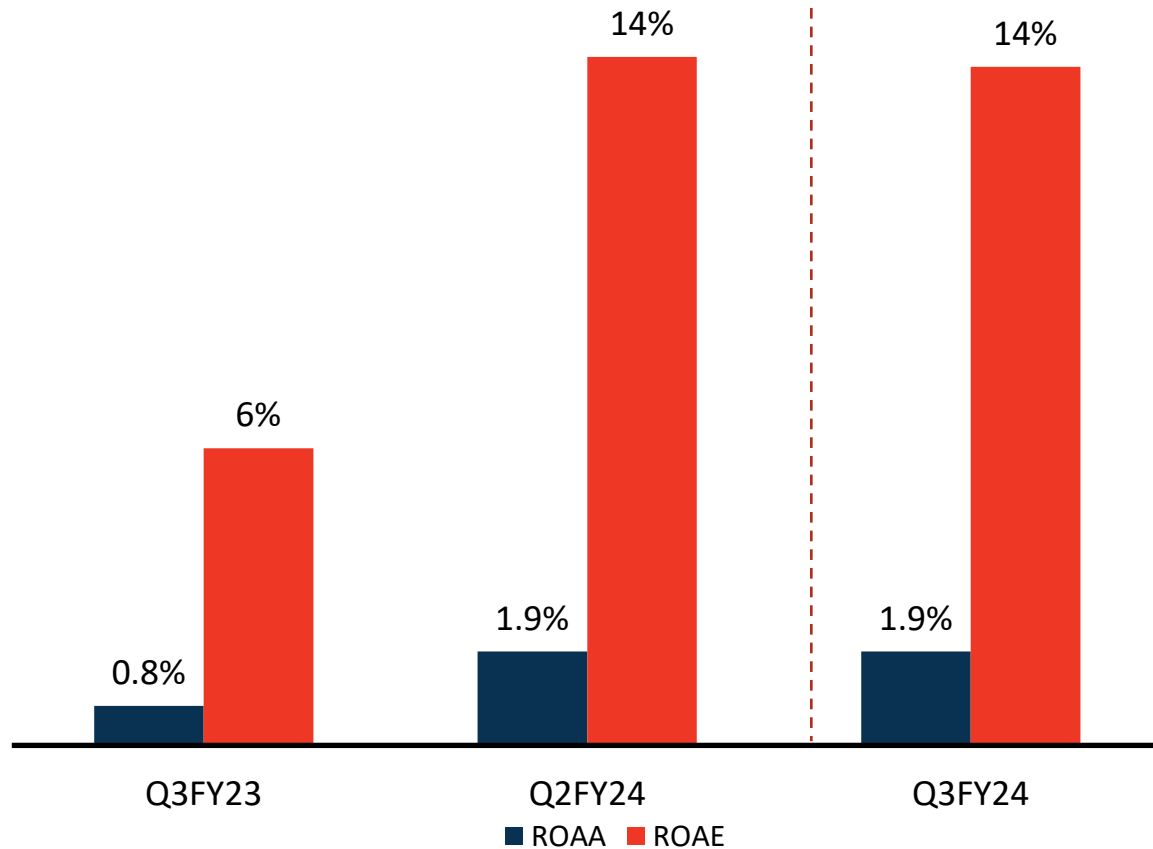


NIM (Annualized)

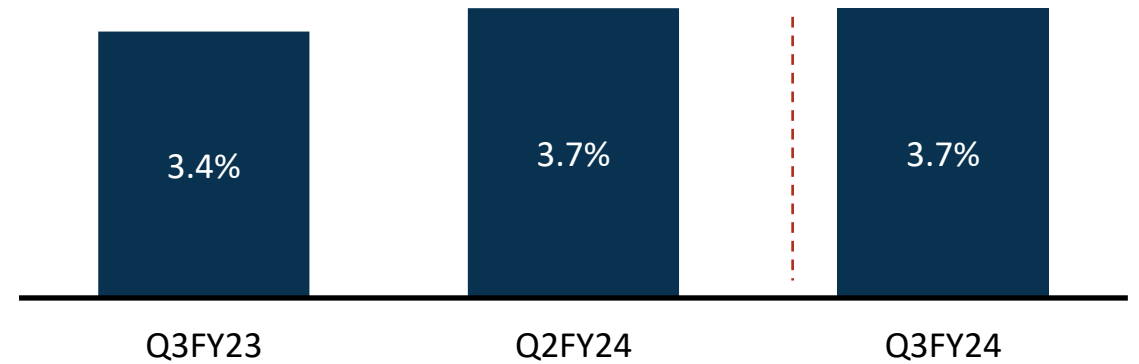


Financial Performance (2/3)

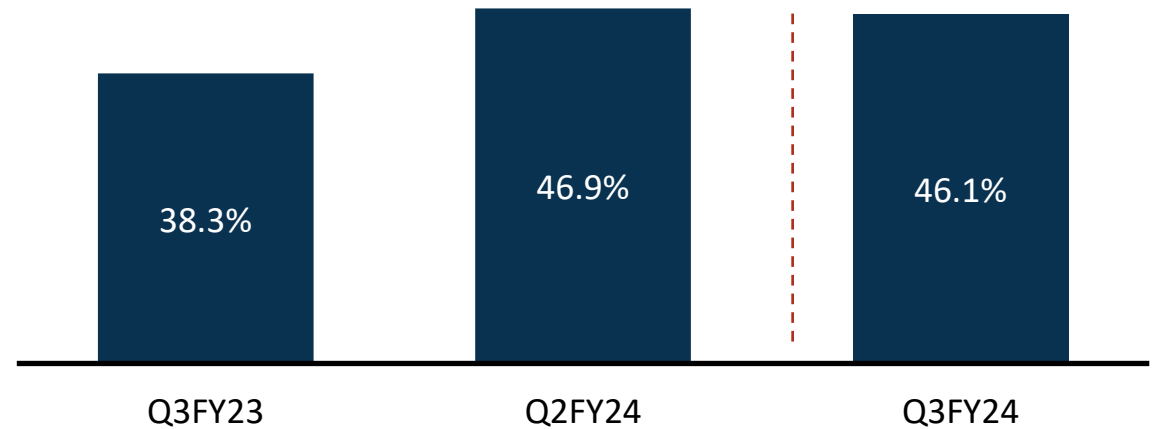
ROAA & ROAE (Annualized)



Operating expenses to Average Assets (Annualized)

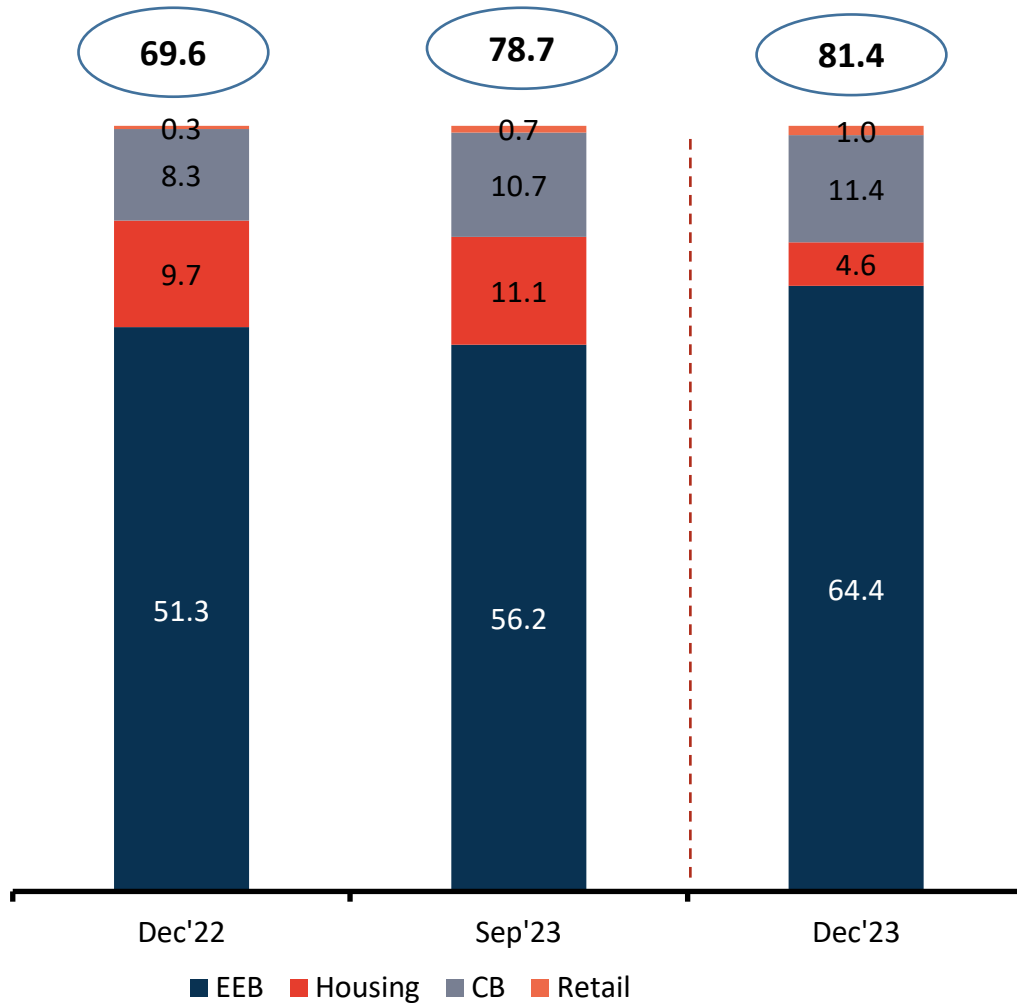


Cost to Income Ratio

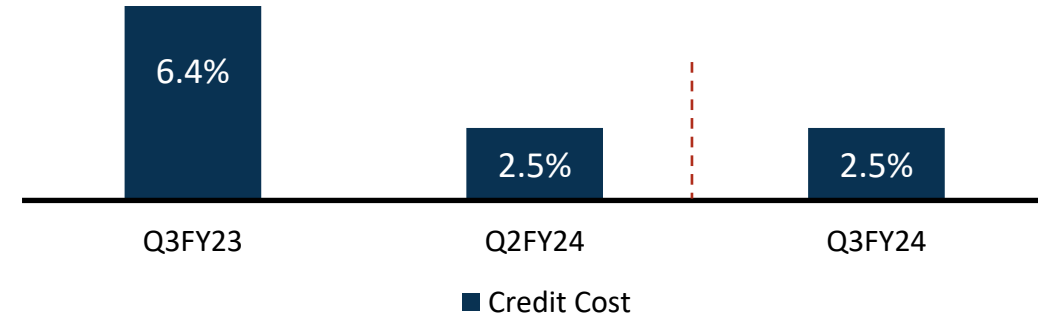


Financial Performance (3/3)

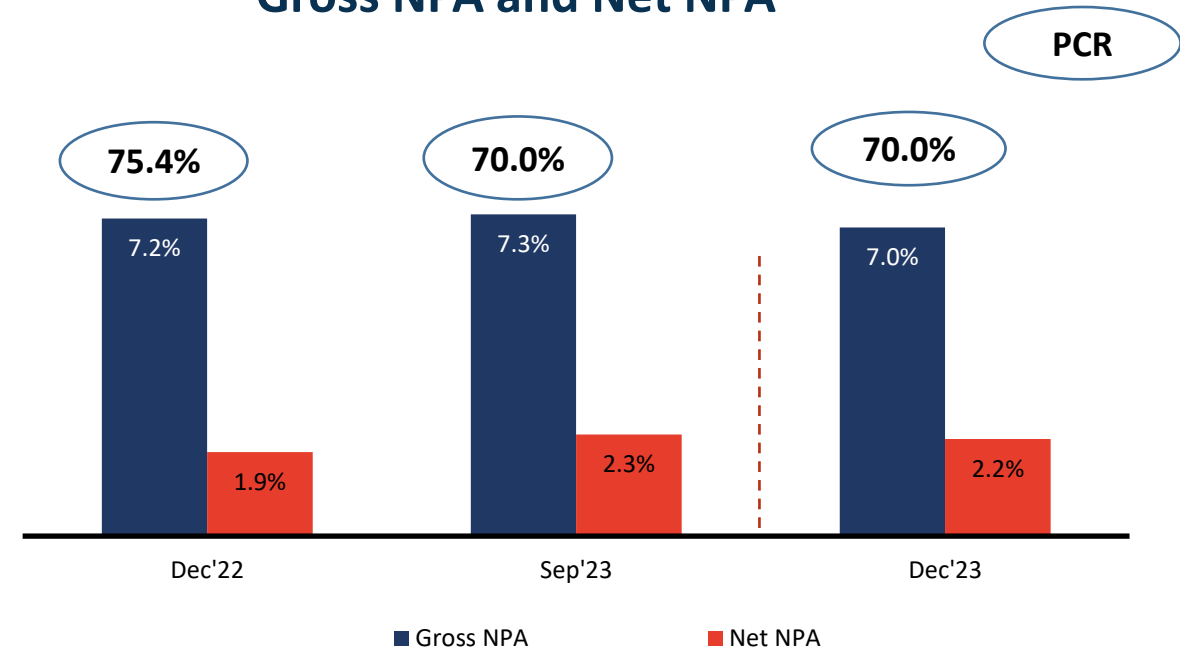
Segmental GNPA movement (₹ in Bn)



Credit Cost



Gross NPA and Net NPA



PCR

Profit & Loss Statement (In ₹ Bn.)

Particulars	Q3 FY 24	Q2 FY 24	QoQ%	Q3 FY 23	YoY%	9MFY 24	9MFY 23	YoY%
Interest Income	46.7	44.9	3.9%	38.1	22.5%	136.8	116.4	17.6%
Interest expenses	21.4	20.5	4.4%	17.3	23.9%	62.2	48.5	28.3%
Net Int. Income (NII)	25.3	24.4	3.4%	20.8	21.4%	74.6	67.9	9.9%
Non Interest Income	5.5	5.4	0.9%	10.3	-47.3%	14.7	18.4	-20.0%
Total Income	30.7	29.8	2.9%	31.1	-1.4%	89.3	86.3	3.5%
Operating Expenses	14.2	14.0	1.1%	11.9	18.8%	41.3	33.3	23.9%
Operating Profit	16.6	15.8	4.5%	19.2	-13.9%	48.0	53.0	-9.3%
Provision (Std. + NPA)	6.8	6.4	7.5%	15.4	-55.6%	19.2	34.6	-44.5%
Profit before tax	9.7	9.5	2.5%	3.8	155.1%	28.8	18.3	57.2%
Tax	2.4	2.3	5.3%	0.9	164.2%	7.0	4.5	57.8%
Profit after tax	7.3	7.2	1.7%	2.9	152.3%	21.8	13.9	56.9%

Balance Sheet (IN ₹Bn)

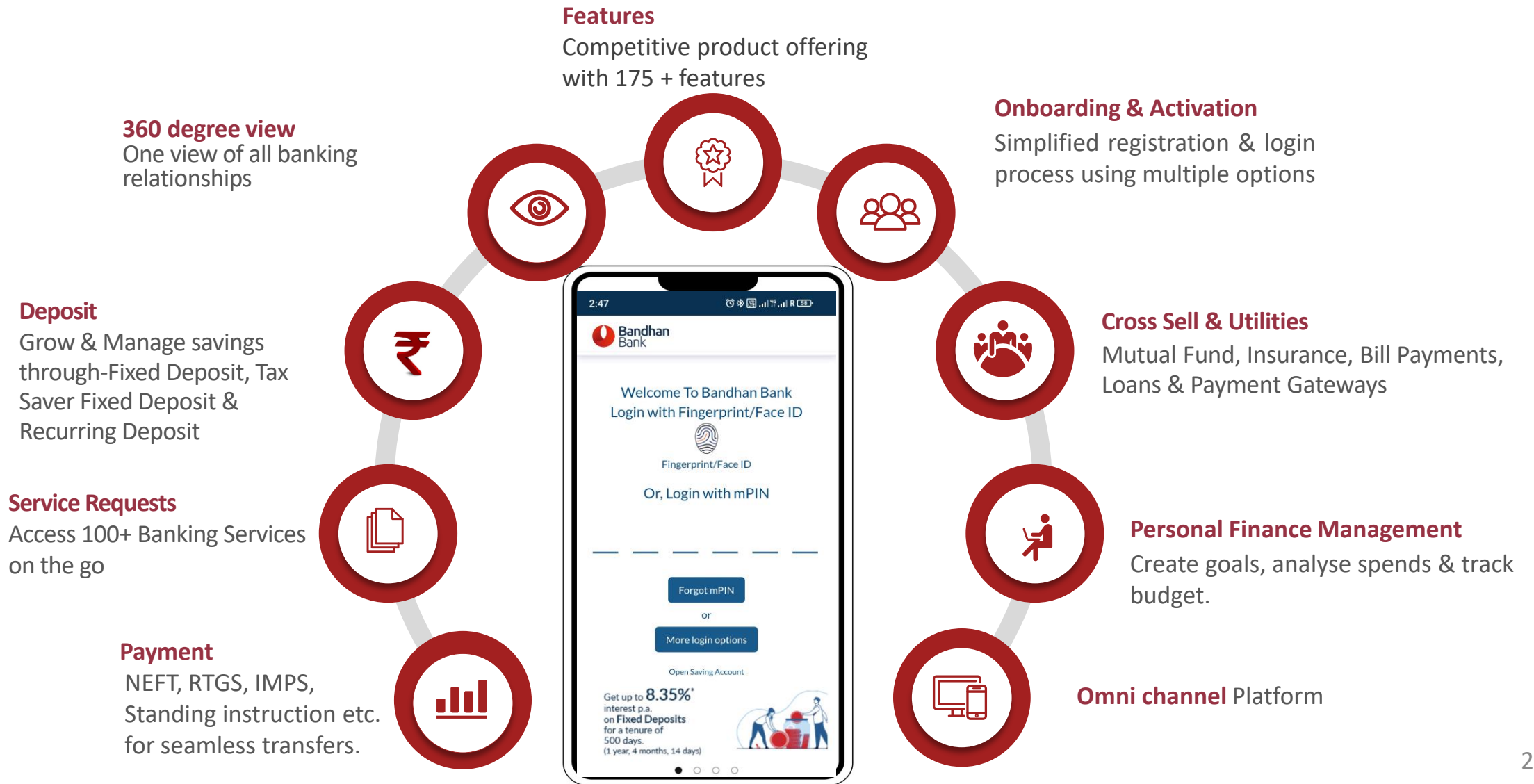
Particulars	As at	As at	% Change
	31st Dec 2023	31st Mar 2023	
Capital & Liabilities			
Capital	16.1	16.1	0.0%
Reserves & Surplus	199.2	179.7	10.8%
Shareholder Funds	215.3	195.8	9.9%
Deposits	1,174.2	1,080.7	8.7%
Borrowings	140.2	247.1	-43.3%
Other liabilities and provisions	39.5	34.1	16.0%
Total	1,569.2	1,557.7	0.7%
Assets			
Cash and balances with Reserve Bank of India	62.6	73.3	-14.6%
Balance with Banks and Money at call and short notice	7.3	9.2	-20.9%
Investments	293.1	323.7	-9.4%
Advances	1,101.8	1,047.6	5.2%
Fixed Assets	10.4	8.5	21.8%
Other Assets	94.0	95.4	-1.5%
Total	1,569.2	1,557.7	0.7%

Digital Offering and Indices



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Strengthened digital offering with launch of advanced Mobility and Internet banking applications



Traction evident on key digital indices



95 %
of retail transactions
are digital



82 %
MF application
sourced digitally



92 %
Saving Accounts
opened digitally[#]



36 % *
growth in digital
transaction volume



34 %*
growth in digital
registration



39 %*
Growth in UPI
transactions

Key upcoming initiatives

Creation of digital liability stack

Credit card digital journey

Payment of CBDT, GST & customs tax
through internet banking

Feature enhancements in corporate
internet banking

*YOY Q3 growth

[#] through Tab assisted and DIY

Credit Rating

Rating of Bank's Financial Securities			
Instrument	Rating	Rating Agency	Amount (₹ in Bn)
Security Receipts w.r.t portfolio sale to ARC	RR1	CRISIL	3.76
	RR2		2.05
Non-Convertible Debenture #	[ICRA]AA (Negative)	ICRA	12.95**
	CRISIL AA-/Stable	CRISIL	
Term Loans From Bank	[ICRA]AA (Negative)	ICRA	0.80
Certificate of Deposit	CRISIL A1+	CRISIL	60.00*
	[ICRA] A1+	ICRA	

*Rating of ICRA is for ₹ 30 bn only

**Rating of ICRA is for ₹0.75 bn only

#erstwhile GRUH Finance Limited transferred to Bandhan Bank Ltd.

Our Board & Management



Bandhan
Bank

Experienced and professional team...

Core Management Team (1/2)

Chandra Shekhar Ghosh

Managing Director and Chief Executive Officer

- Founder of BFSL, has 30 years of experience in the field of microfinance and development
- Awarded 'Entrepreneur of the Year' by Forbes and ET in 2014



Ratan Kumar Kesh

Executive Director & Chief Operating Officer

- 28+ years of experience in financial, banking, manufacturing and service industry
- Previously served as Head Retail Ops and Service at Axis Bank



Santanu Banerjee

Head – Human Resources

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



Shantanu Sengupta

Head – Retail Banking

- 27+ years of experience in Consumer & Commercial Banking, Broking, Wealth Management
- Previously served as MD & Head of Consumer Banking at DBS Bank



Nand Kumar Singh

Head – Banking Operations and Customer Service

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



Gopalkrishnan Santosh

Head-Consumer Lending & Mortgages

- 30+ years of experience in Banking and Financial industry
- Previously served as CEO at HDFC Sales Pvt. Ltd.



Biswajit Das

Chief Risk Officer

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



Arindam Sarkar

Head - Treasury

- 22+ years of experience in banking industry
- Previously served as Head of Interest Rates, Corporate Bonds and Equity Trading at Axis Bank



Sujoy Roy

Head – Branch Banking

- 22+ years experience in banking Industry
- Previously worked in leadership roles in Retail Liabilities and Branch Banking at Axis Bank



Manoj Mauni

Chief Technology Officer

- 27+ years of experience in the field of Banking, Insurance, shipping and Financial Sector
- Previously served as Executive Vice President – IT at Kotak Mahindra Bank



Siddhartha Sanyal

Chief Economist and Head - Research

- 21+ years of experience in the field of Macro Economic
- Previously served as Director and Chief India Economist at Barclays Bank PLC



Amitava Goswami

Chief Compliance Officer

- 30+ years experience in banking Industry
- Previously worked in leadership roles in Retail Banking and Banking operations at Axis Bank



Experienced and professional team...

Core Management Team (2/2)

Subhash Balkrishna Samant

Head – Housing Finance

- 27 years of experience in banking and financial industry
- Previously worked as Zonal Head for Mortgages at ICICI Bank Ltd



Pinaki Halder

Chief Information Officer

- 27+ years experience in Banking, Information Technology, Business Intelligence and Digital Transformation
- Previously served as Senior Vice President 2 - Business Intelligence Unit at Axis Bank



Suresh Chandran

Head – Commercial Banking

- 25+ years of experience in experience in financial service industry
- Previously served as Executive Vice President / Unit Head at Indusind Bank Ltd



Arpita Sen

Head – Financial Institution Group

- 26+ years of experience in financial services including Institutional Finance
- Previously served as a Project Manager of CASHE, Microfinance Program of DFID, UK



Jagannada Rao Suvvari

Head - Legal

- 25+ years of experience in financial industry
- Previously served as Vice President - 2 – Legal at IndusInd Bank Ltd



Partha Pratim Samanta

Head – Small Enterprise Business and Agri Loans

- 29+ years of experience in Microfinance and Banking industry
- Previously worked with different MFI's in various leadership roles



Abhijit Ghosh

Chief Financial Officer (Interim)

- 27+ years experience in accounting, taxation, and audit
- Previously worked in leadership roles of Finance and Accounts at Bandhan Financial Services Limited



Vishal Wadhwa

Head – Emerging Entrepreneurs Business

- 25+ years of experience in BFSI Sector.
- Previously served as Head Business & Member of Executive Committee at Arohan Financial



P Ramaswamy

Chief of Internal Vigilance

- 29+ years of experience in experience in banking industry
- Previously served as Head – Fraud Risk Management at Equitas Small Finance Bank



Ravi Lahoti

Chief Audit Executive

- 17+ years of experience in banking industry.
- Previously worked as Principal Officer & Head of Anti Money Laundering at HDFC Bank



Satyajit Ghosh

Head – Group Loans

- Over 25 years of expertise in the microfinance industry
- Rich experience in establishing and nurturing the microfinance business



Indranil Banerjee

Company Secretary

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



... backed by a strong independent Board

Board of Directors



Dr. Anup Kumar Sinha

Non-executive (Independent) Chairman

- Economist with Ph.D from University of Southern California, served as Professor of Economics at IIM Calcutta for 25 years
- He has also served on the Board of NABARD.



Chandra Shekhar Ghosh

Managing Director & CEO

- Has more than 30 years of experience in microfinance & development terrain
- Awarded 'Outstanding Leadership Award' by Dhaka University



Ratan Kumar Kesh

Executive Director

- Has more than two decades of experience in banking industry in leading complex operations including transformation, automation, customer experience, quality improvement, etc.



Dr. A S Ramasastry

Independent Director

- Former 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. Aparajita Mitra

Independent Director

- Doctorate in Agriculture, having extensive experience and expertise of more than three decades in the field of agricultural sciences



Divya Krishnan

Non-Executive Non-Independent Director (Nominee of NOFHC)

- A finance and investment banking professional
- Former Chief Investment Officer and Head of Investment at SBI Mutual Fund.



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



Philip Mathew

Independent Director

- HR practitioner with almost 30 years of work experience, with career journey through the entire landscape of HR with significant depth
- Served as Chief People Officer of HDFC Bank till 2018



Santanu Mukherjee

Independent Director

- Significant experience in banking, finance, treasury operations, risk management, etc at various capacities in SBI Group
- Former MD of State Bank of Hyderabad



Subrata Dutta Gupta

Independent Director

- Significant experience in Asset-based Financing including mortgage finance in Asia
- Retired as the Principal Financial Officer from IFC



Suhail Chander

Independent Director

- A veteran banker with 37 years of rich experience in Banking Operations, Trade Finance, Retail and Wholesale Banking.
- Retired as the Head of Corporate and Institutional Banking at IndusInd Bank in 2020



Vijay N Bhatt

Independent Director

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

Awards and accolades



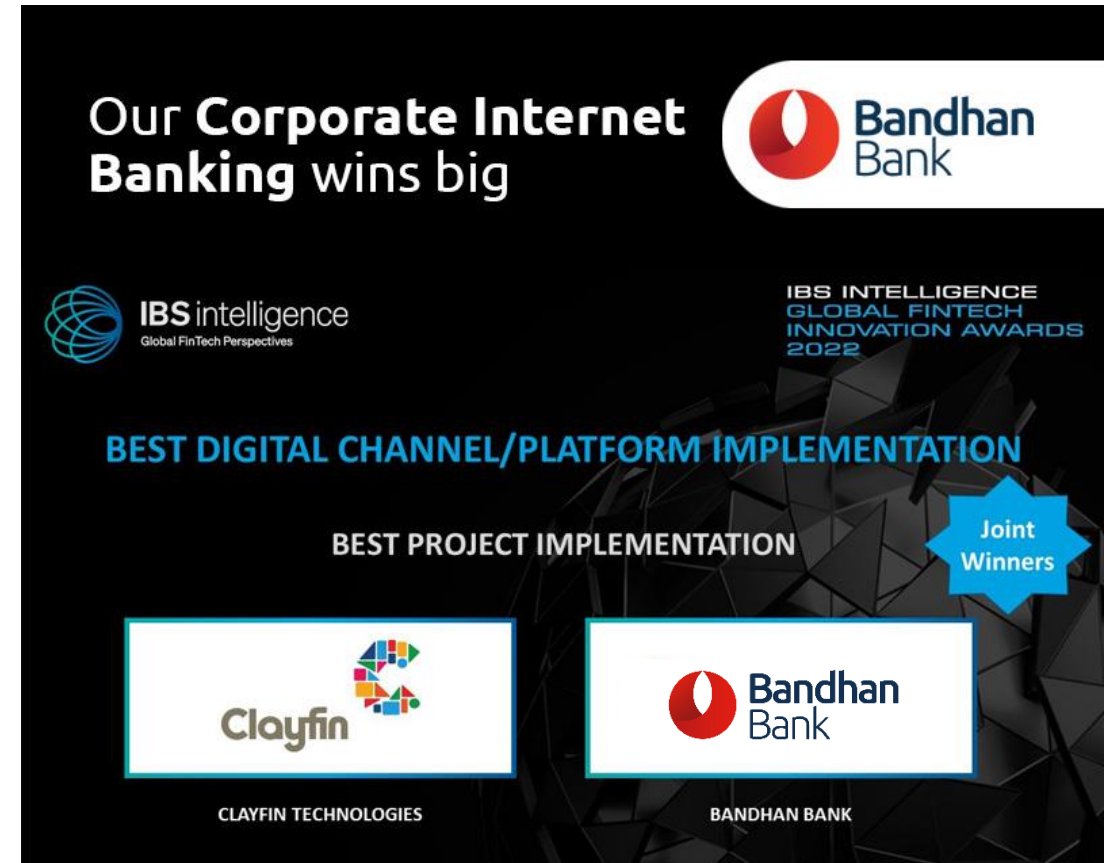
Bandhan
Bank

Awards and accolades

Bandhan Bank wins IBS intelligence Global Fintech Award

Bandhan Bank received the IBS intelligence Global Fintech Award for “Best Digital Channel/Platform Implementation: Best Project Implementation” for Corporate Internet Banking implementation on December 14, 2022.

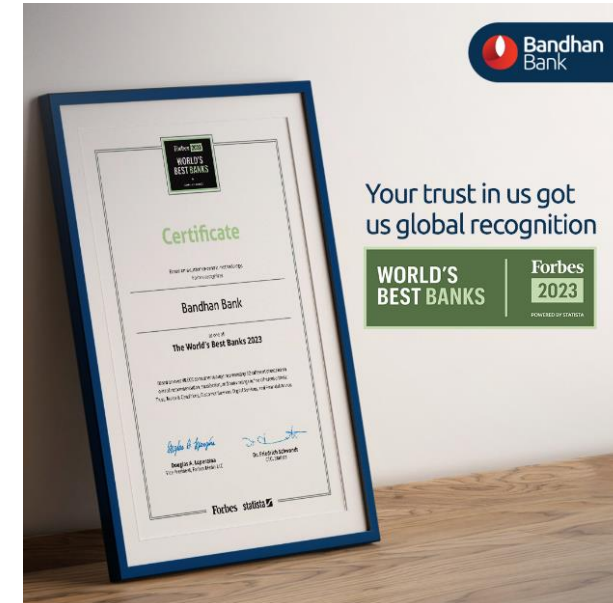
The IBSi Global FinTech Innovation Awards 2022 seek to identify and honour banks, financial institutions and technology players for their excellence in driving impact through banking technology implementations and innovations using emerging technologies.



Awards and accolades

Forbes Worlds Best Banks 2023

Bandhan Bank featured in Forbes World's Best Banks list for the year 2023. Market research was conducted by leading firm 'Statista'.



Gallup Exceptional workspace

Bandhan Bank received the 2023 Gallup Exceptional Workplace Award. We are among the only 57 organisations worldwide that have received this recognition.



Thank You



Bandhan
Bank

investor.relations@bandhanbank.com