

# Investor Presentation Q4 FY23

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May' 2023



**Bandhan**  
Bank

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# Key Highlights



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# Key Highlights

## Bandhan Bank - Overview

- Retail division grew 233% YoY, Commercial Banking division grew 72% YoY
- Loan portfolio (on book + off book + TLTRO + PTC) for Q4 FY 23 grew 10% YoY
- Deposits grew by 12% YoY in Q4 FY 23; Retail Deposit to Total Deposit at 71%
- CASA ratio improved by 290 bps on QoQ basis to 39.3%
- NIM improved by 80 bps on QoQ basis to 7.3%
- Gross NPA is at 4.9% & Net NPA is at 1.2 % vs. 7.2% and 1.9% respectively in previous quarter
- Added 1.4 mn customer during the quarter with total customer base reaching to 30.0 mn (EEB- 22.5 mn, Non EEB – 7.5 mn)
- Geographical diversification of EEB portfolio on track - West Bengal and Assam contribution is less than 45%, with West Bengal share at 36% and Assam share at 8% of EEB portfolio as on Q4 FY 23

## Snapshot of operations Q4 FY 2022-23

Total Deposits ₹ 1,080.7 bn


Total Loans and advances ₹ 1,091.2 bn<sup>1</sup>

Net Interest Margin (NIM) 7.3%


CASA Ratio 39.3%

ROAA (%) 2.2%

ROAE (%) 17%



34  
States & UTs



587  
Districts



1,411  
Branches



438  
ATMs



4,588  
Banking Units



69,702  
Employees



30.0 mn  
Customers

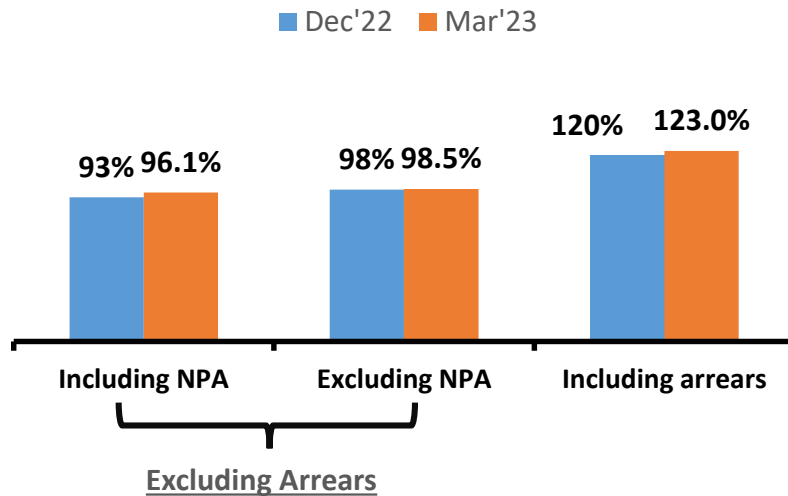


34.9%  
EEB\* Group based loans

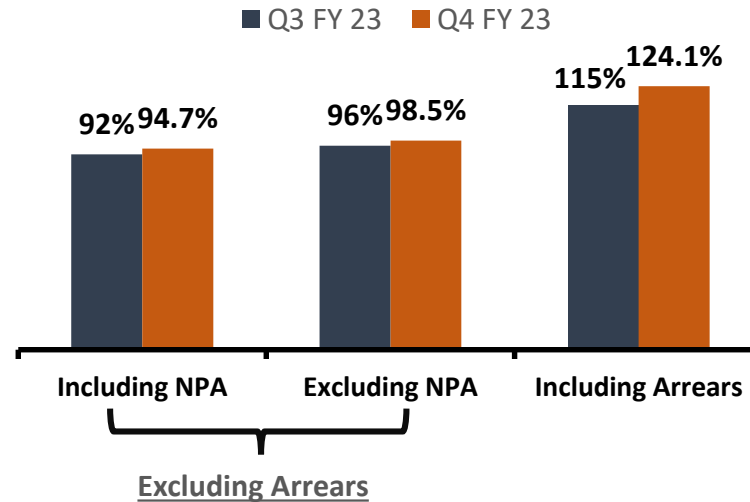
1. On book + Off Book (including TLTRO ₹ 0.8 bn and PTC of ₹ 2.1 bn )  
\*Emerging Entrepreneurs Business (Erstwhile Micro Banking Unit)

# EEB Collection Efficiency

## Collection Efficiency for the month



## Collection Efficiency for the quarter



## Collection Efficiency of top states

States	For the month of Dec'22	For the month of Mar'23	For Q3 FY 23	For Q4 FY 23
West Bengal	98%	98.9%	96%	98.9%
Assam	96%	97.2%	90%	97.3%
Rest of India	98%	98.3%	97%	98.6%
<b>Total</b>	<b>98%</b>	<b>98.5%</b>	<b>96%</b>	<b>98.5%</b>

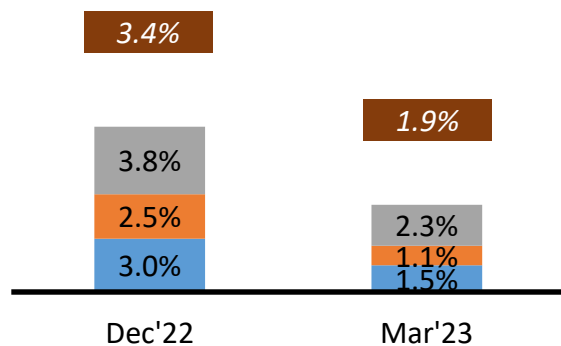
## Customer Paying Profile

Category	For the month of Dec'22		For the month of Mar'23	
	Share of customers	Share of Receivables	Share of customers	Share of Receivables
Full Paying	92%	96%	94%	97%
Partial Paying	3%	3%	2%	2%
Non Paying	5%	1%	4%	1%
<b>Total</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

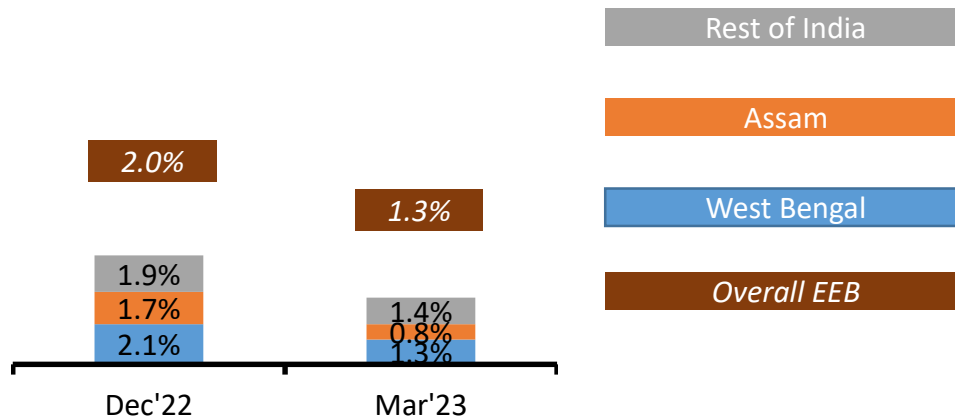
Collection Efficiency excl. NPA for the month of Mar'23 nearly at pre-covid level

# EEB DPD movement

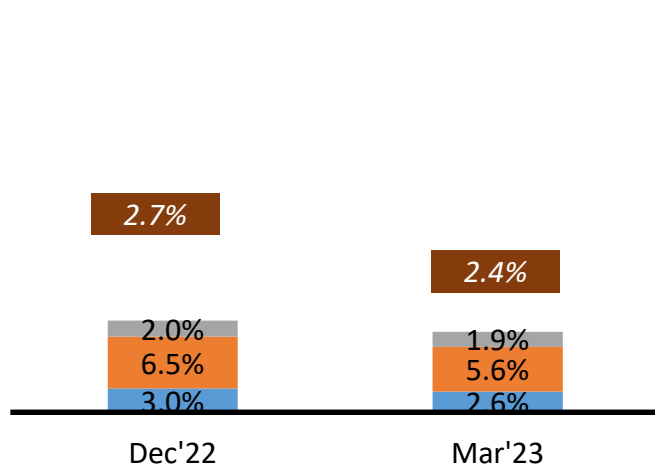
## 1-30 days



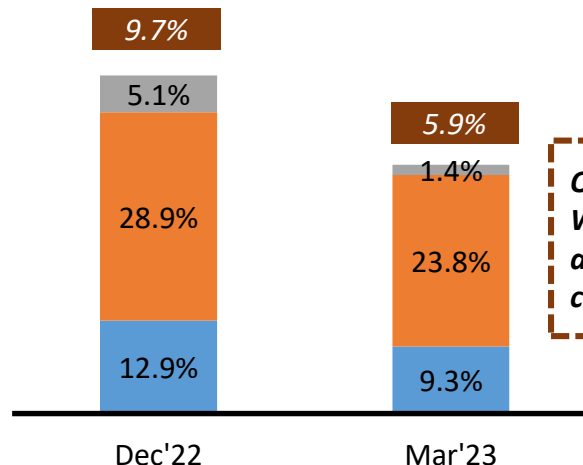
## 31-60 Days



## 61-90 Days



## NPA

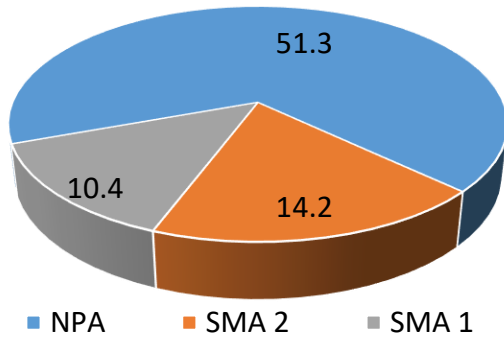


*Of the total EEB NPA, 99% of W.B NPA, 99% of Assam NPA and 71% of Rest of India is covered under CGFMU*

# EEB stress pool coverage analysis

All amount in ₹ Bn.

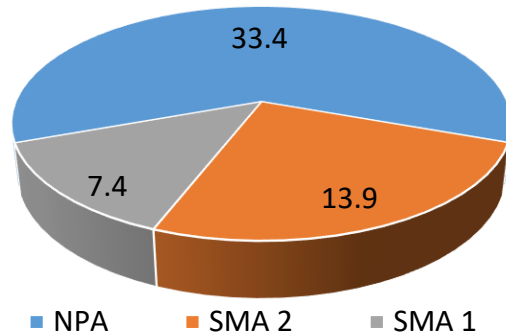
EEB Stress Pool - ₹ 76 Bn.



**Dec'22**

Coverage	Amount
Provision	50
CGFMU recovery#	17
Assam Relief Scheme*	Xx
<b>Total</b>	<b>67</b>

EEB Stress Pool - ₹ 55 Bn.



**Mar'23**

Coverage	Amount
Provision	38
CGFMU recovery#	17
Assam Relief Scheme*	Xx
<b>Total</b>	<b>55</b>

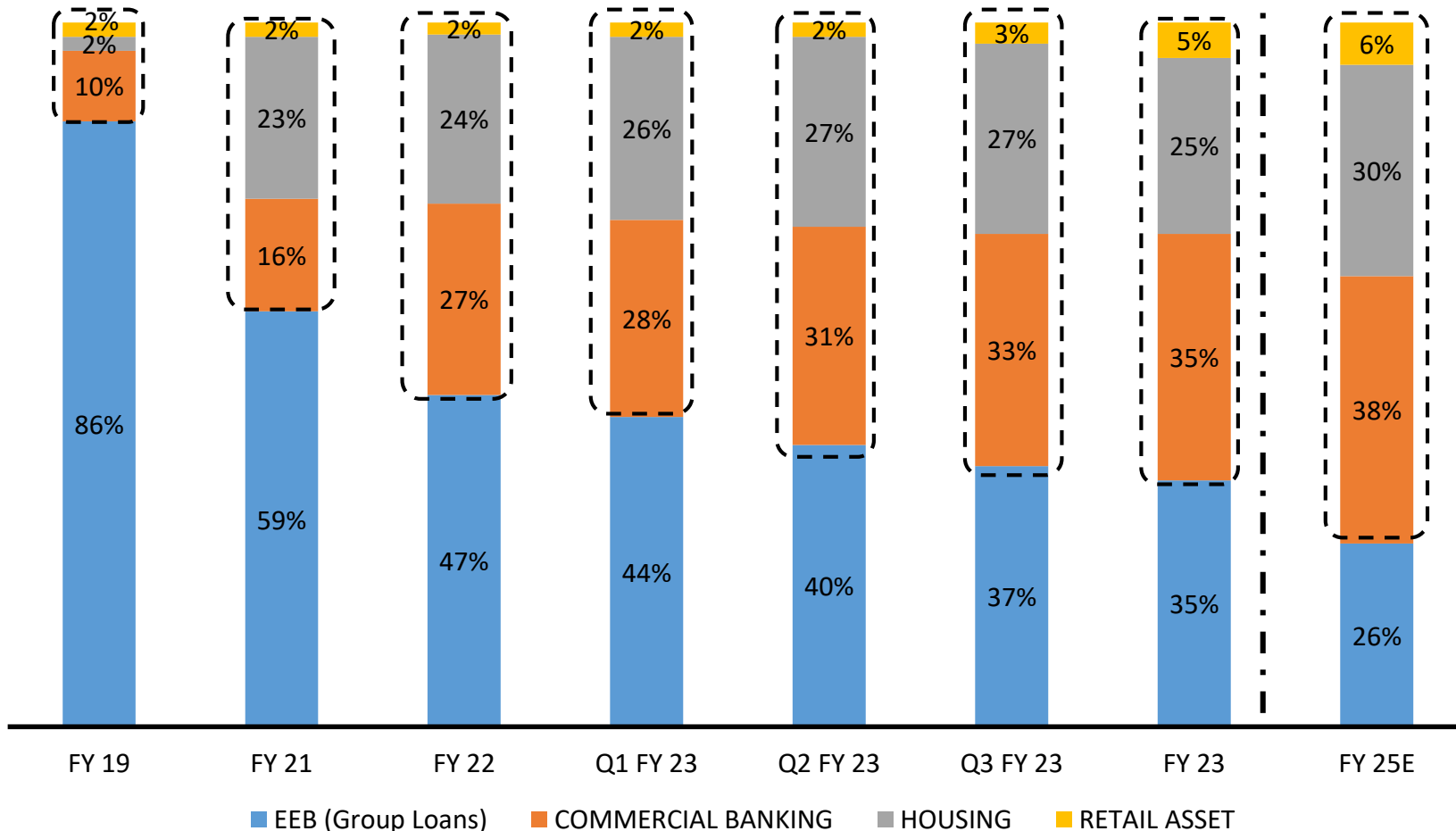
\* Amount can't be ascertained today

# Out of which 11 Bn is expected in Q1 FY24 and 6 Bn in Q1 FY25

Provision coverage (incl. expected CGFMU recovery) on total stress pool has increased from 88% in Q3FY23 to 100% in Q4FY23  
 Provision coverage (incl. expected CGFMU recovery) on NPA pool is 165%

# Bank on track to achieve the diversification goal as envisaged in the strategy plan for FY 25

**Diversification Target as per strategy Plan**



**Increase in the share of retail assets to 5% in Q4FY23 from 3% in Q3FY23 was primarily on account of short-term loans against Fixed Deposit amounting to Rs 21.5 bn**



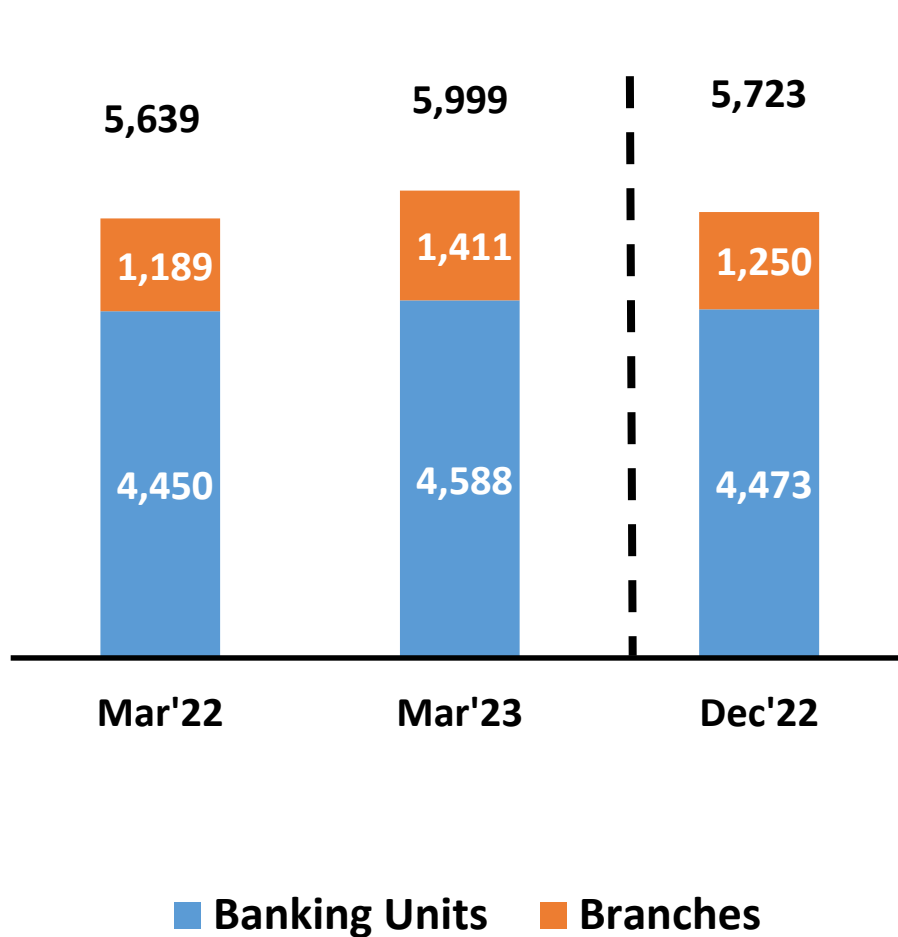
# Business & Financial Overview



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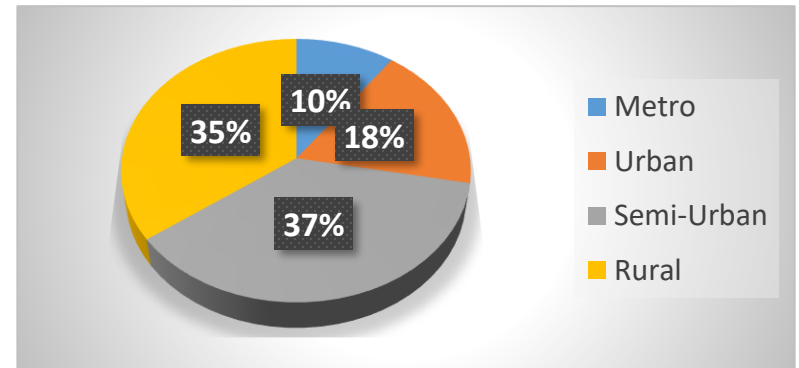
# Geographical Distribution

## Banking Outlets



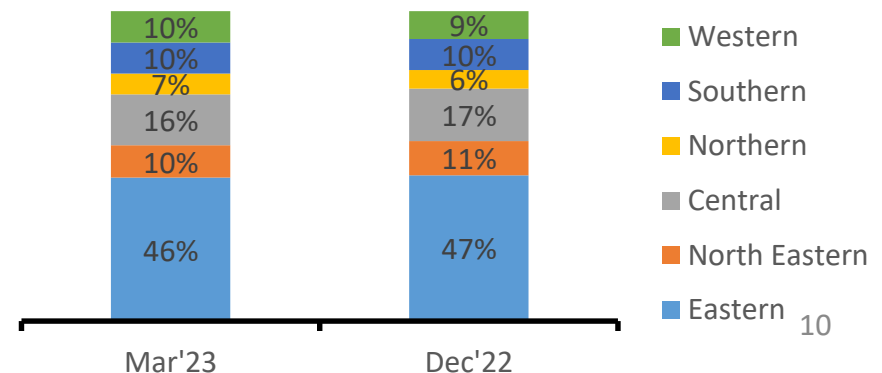
*Focus on serving the rural & underbanked population*

Banking Outlets as on 31<sup>st</sup> Mar 2023\*



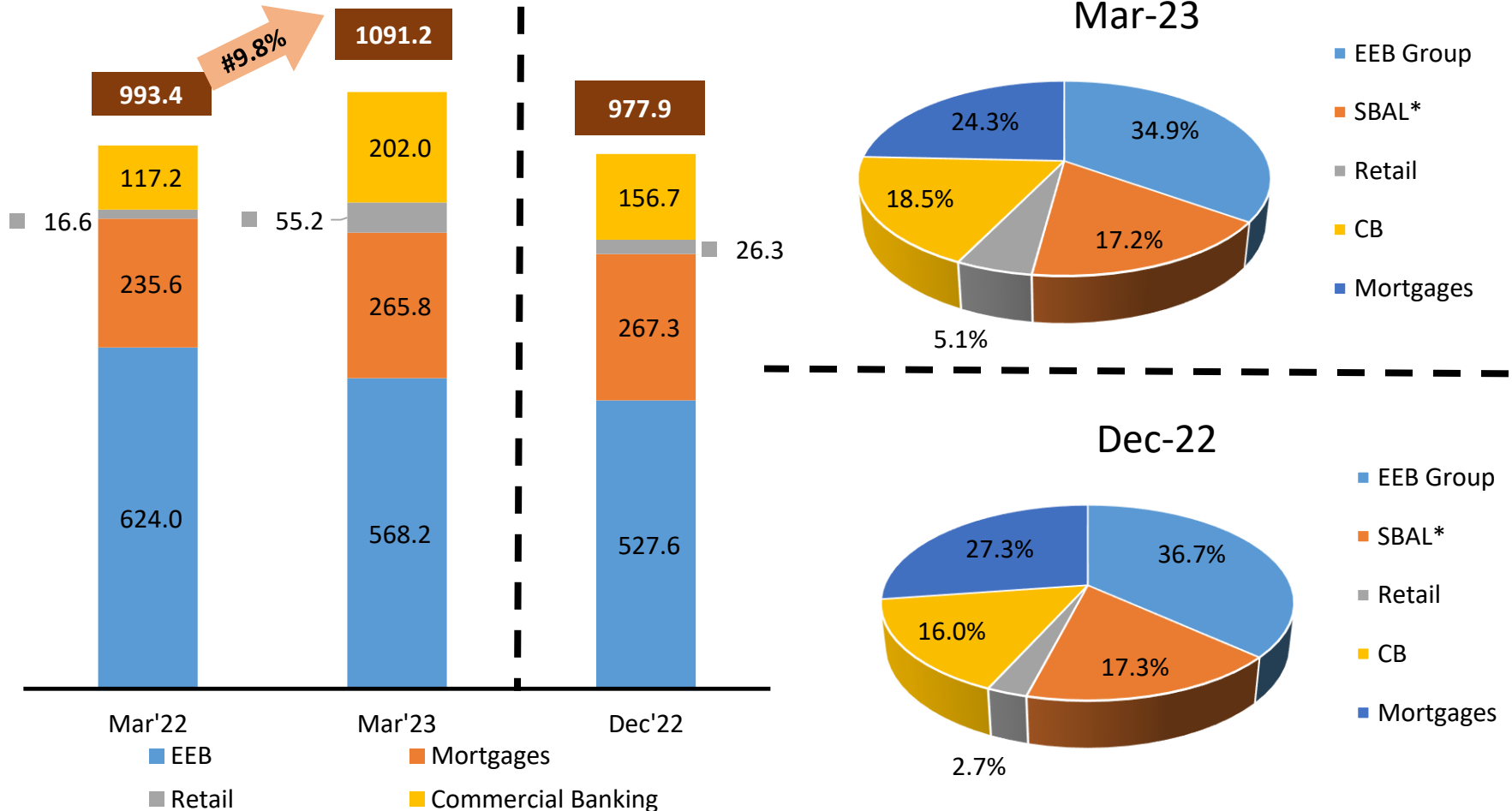
\*Basis original classification at the time of opening

*Diversifying presence with non-east increasing over 50% now*



# Asset Book Mix

## Total Advances (₹ in Billion)

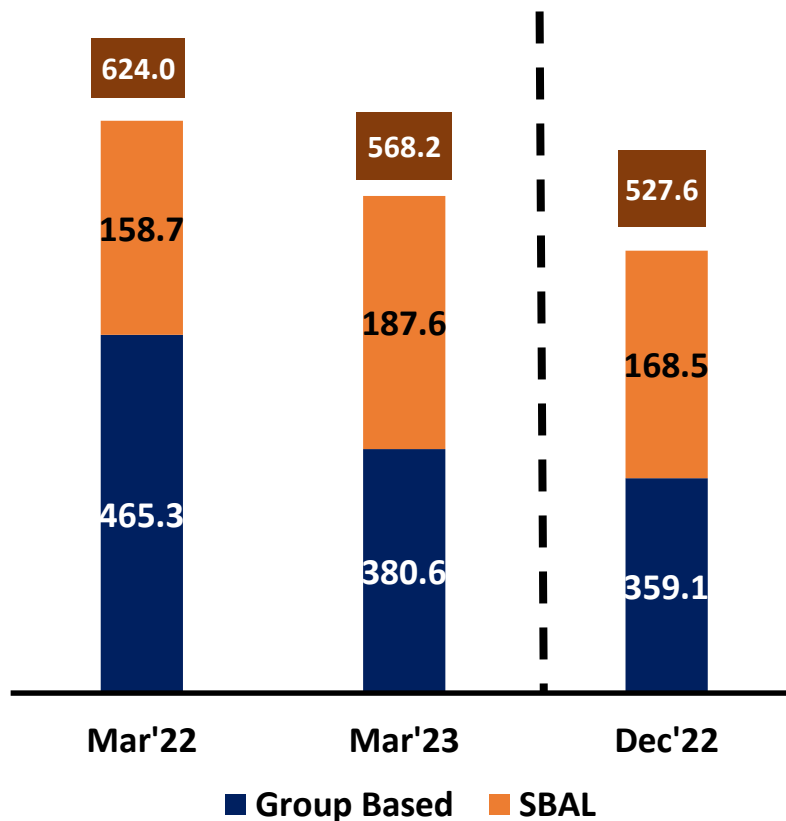


• *Small Business and Agri Loans (Individual)*

# Adjusting for the technical write-offs and sale of NPA to ARC, advances growth is at 18.3% in FY23

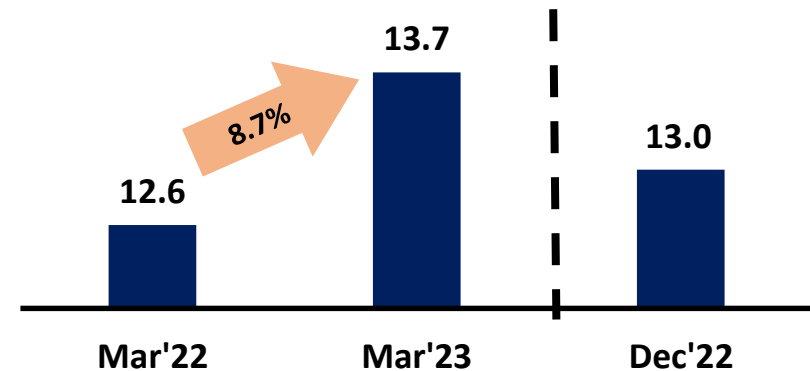
# Emerging Entrepreneurs Business

## Emerging Entrepreneurs Asset Growth (₹ in Billion)

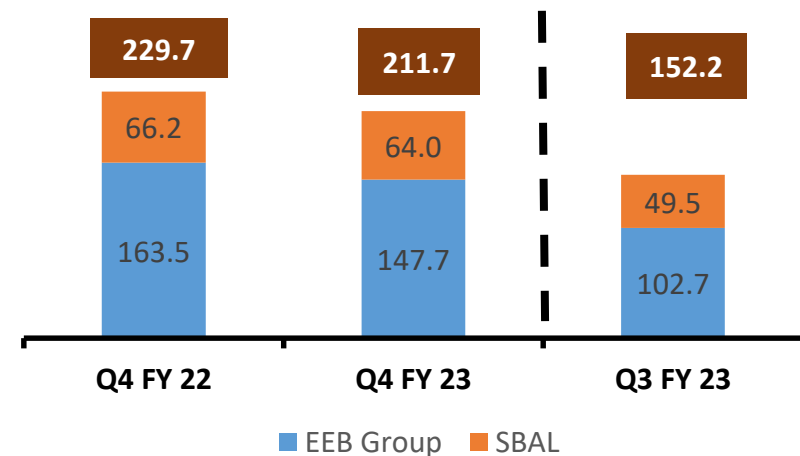


# Adjusting for the technical write-offs and sale of NPA to ARC, growth in EEB advances is at 4.3% in FY23

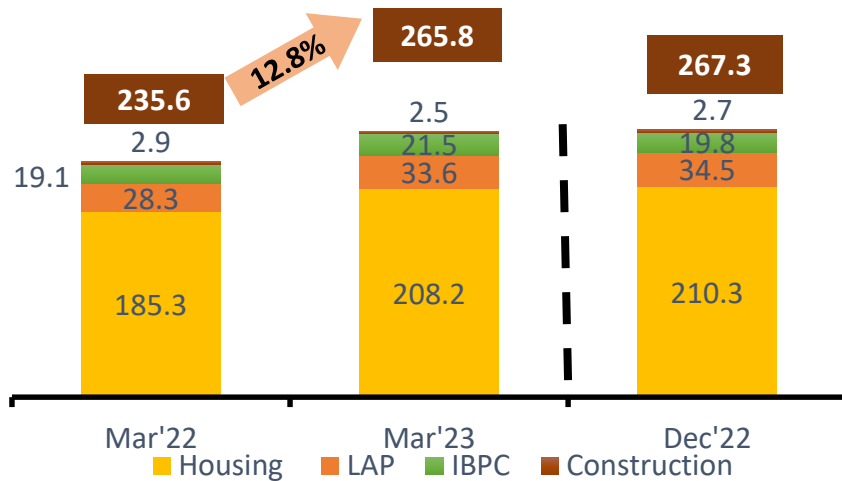
## Number of Active Borrowers (Mn)



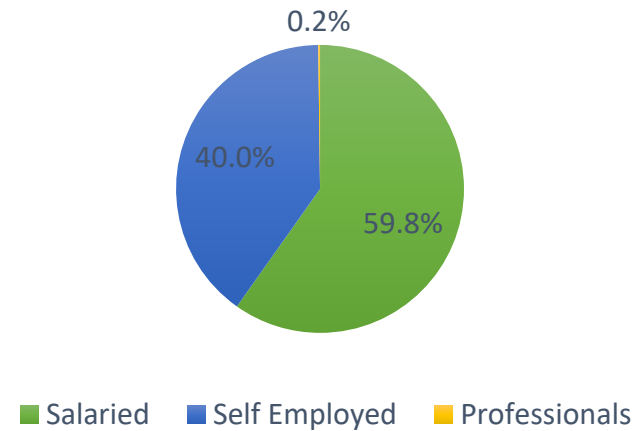
## EEB Loan Disbursement (₹ in Billion)



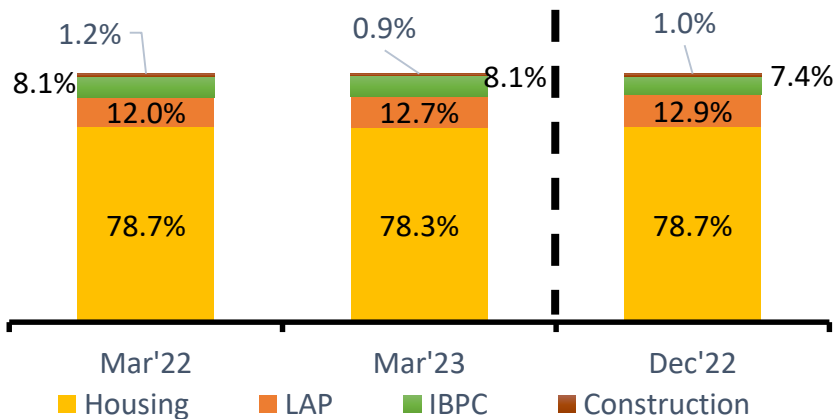
## Housing Asset Bifurcation (₹ in Billion)



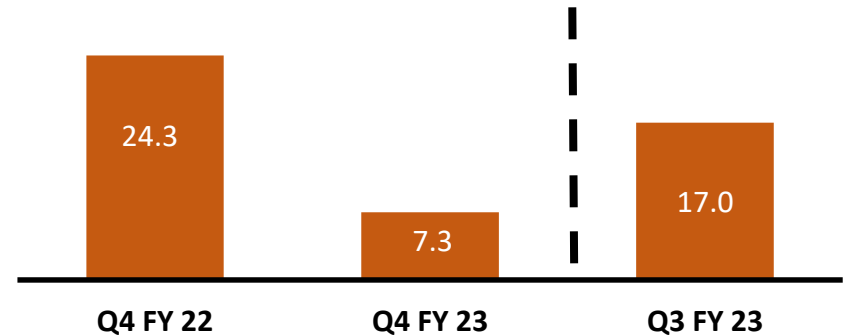
## Borrowers Bifurcation – Mar'23



## Housing Asset Segment wise (in %)



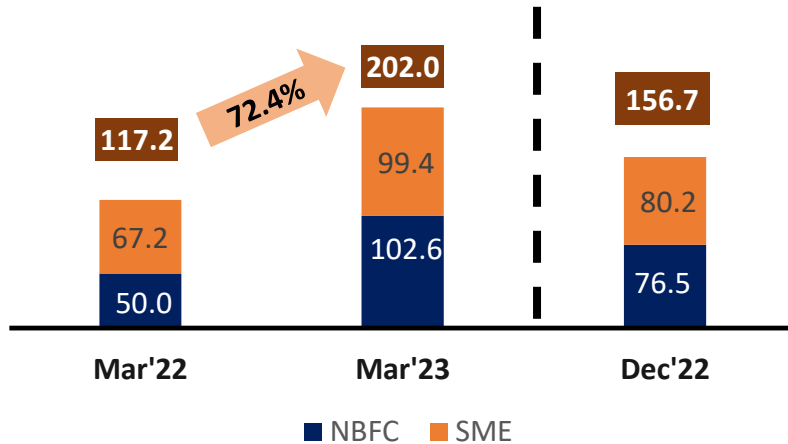
## Housing Asset Disbursements (₹ in Billion)



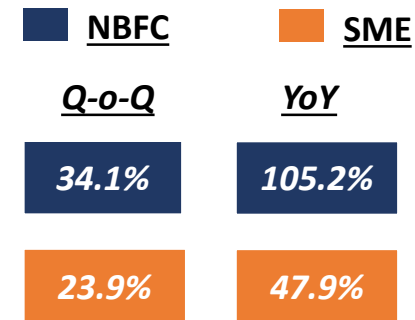
IBPC purchase is excluded from disbursement for all reported quarters

# Commercial Banking (CB) & Retail Assets

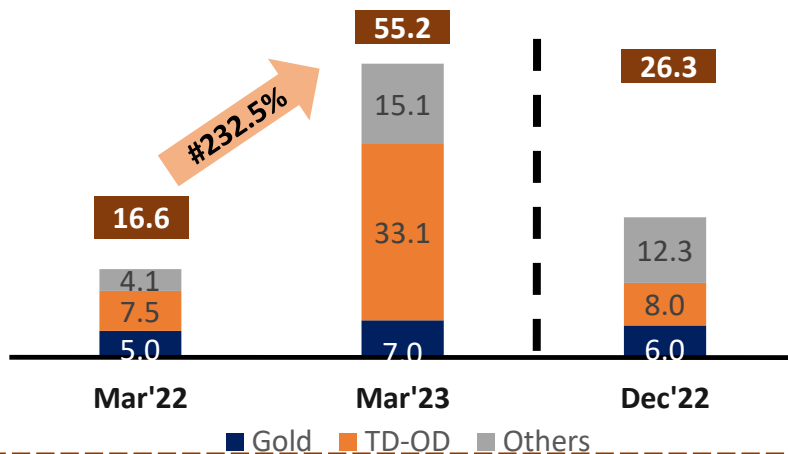
## Product wise CB Assets (₹ in Billion)



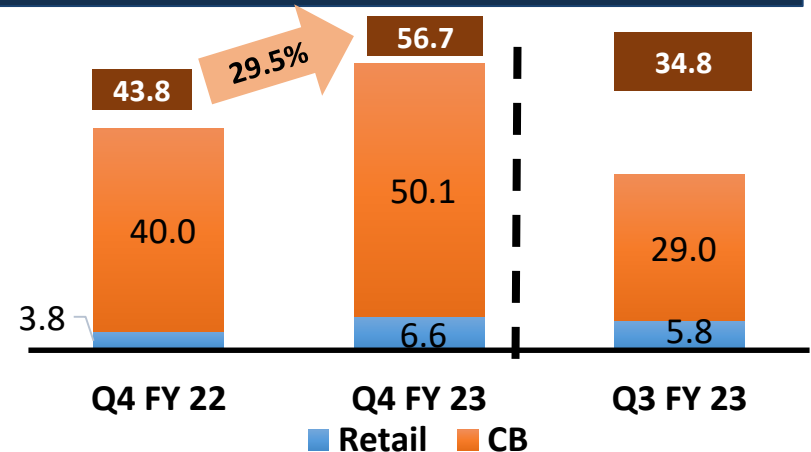
## CB segment wise Growth



## Product wise Retail Assets (₹ in Billion)



## CB & Retail Disbursements# – (₹ in Billion)

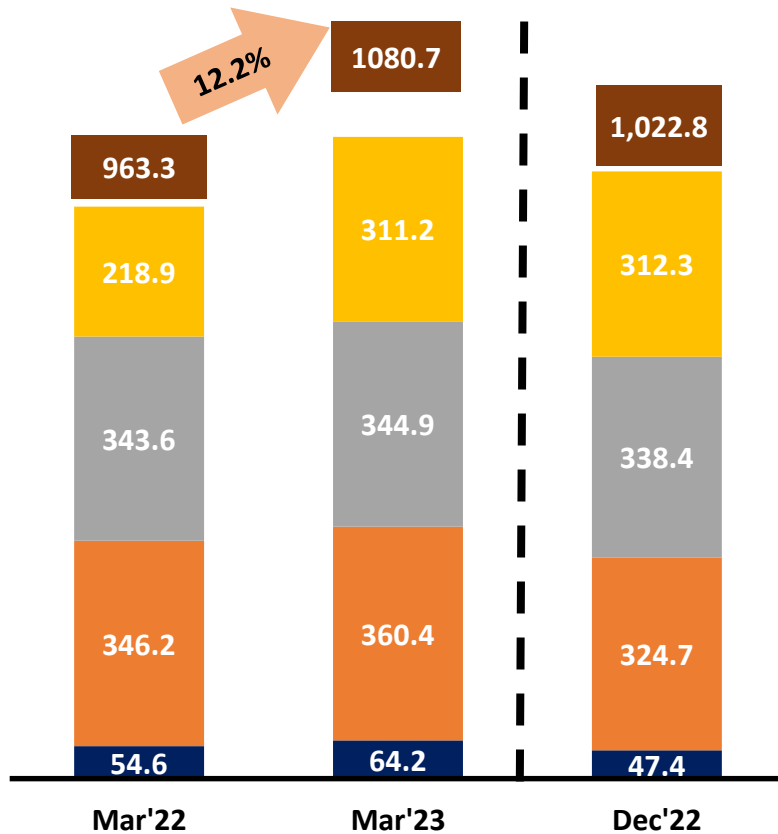


#Growth includes short-term loans against FD amounting to Rs 21.5 bn in Mar'23

# Term Loan disbursements Only

# Liabilities Profile

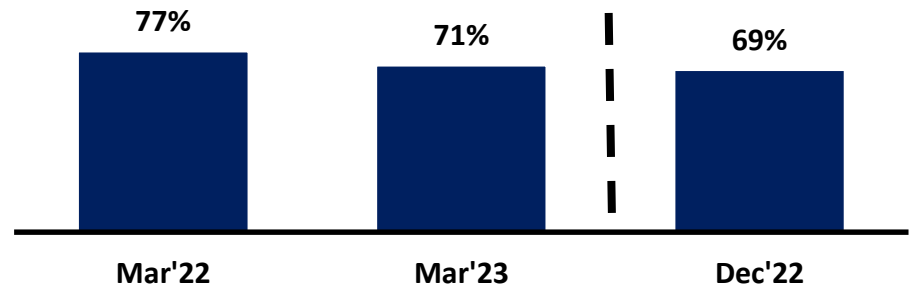
## Deposits Growth (₹ in Billion)



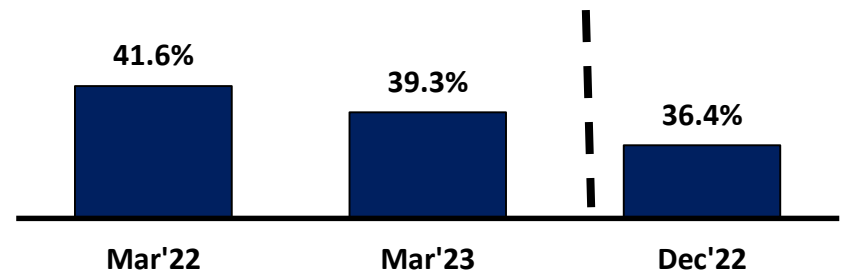
■ CA ■ SA ■ TD Retail ■ TD Others

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

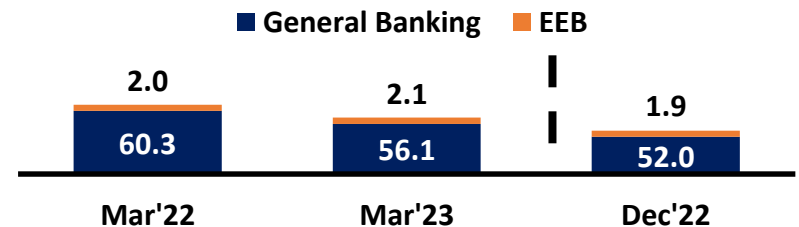
## Retail to Total Deposits (%)



## CASA (%)

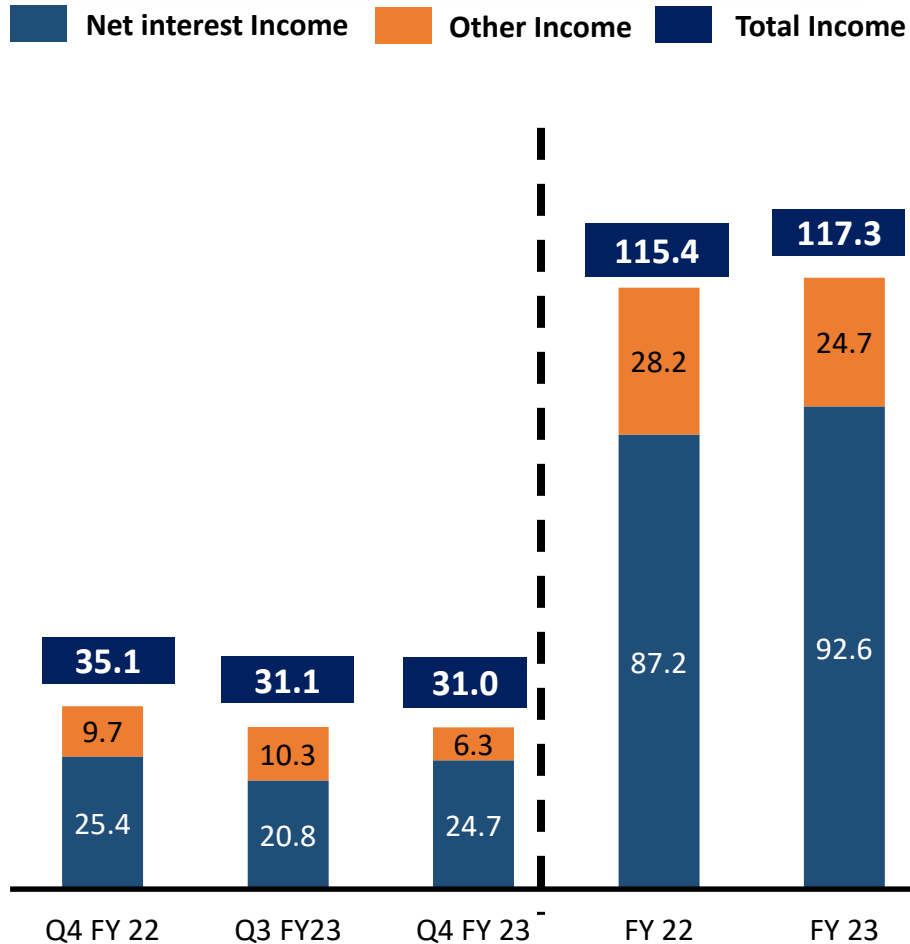


## Average SA Balance Per Customer (₹ in 000')

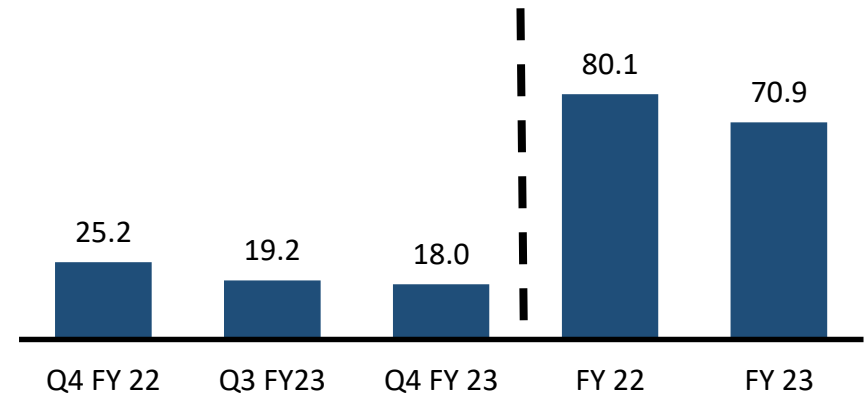


# Financial Performance

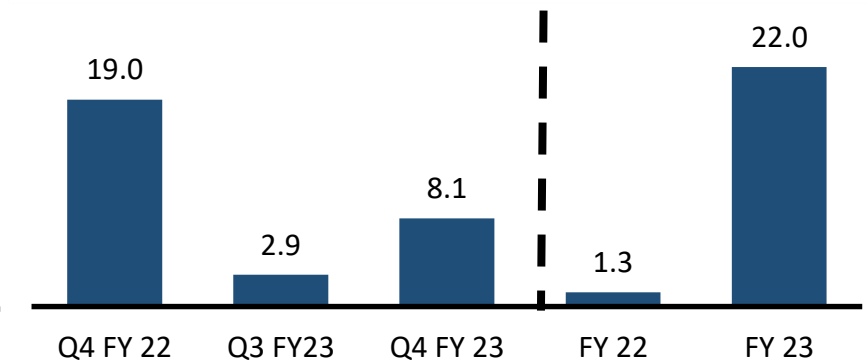
## Total income (₹ in Billion)



## Operating Profit (₹ in Billion)



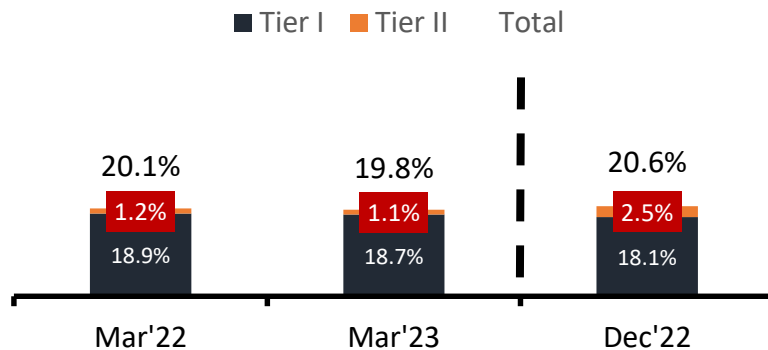
## PAT (₹ in Billion)





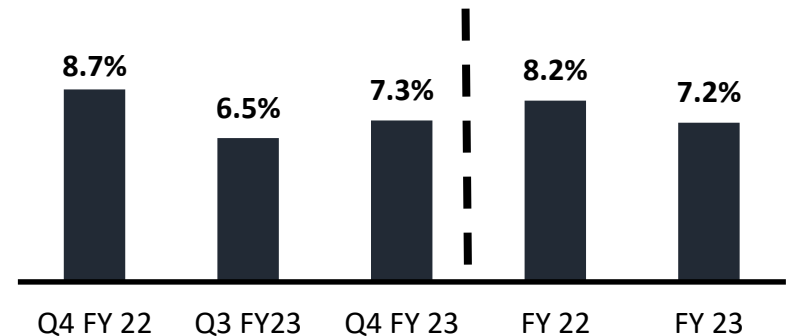
# Financial Performance

## Capital Adequacy Ratio (CRAR)



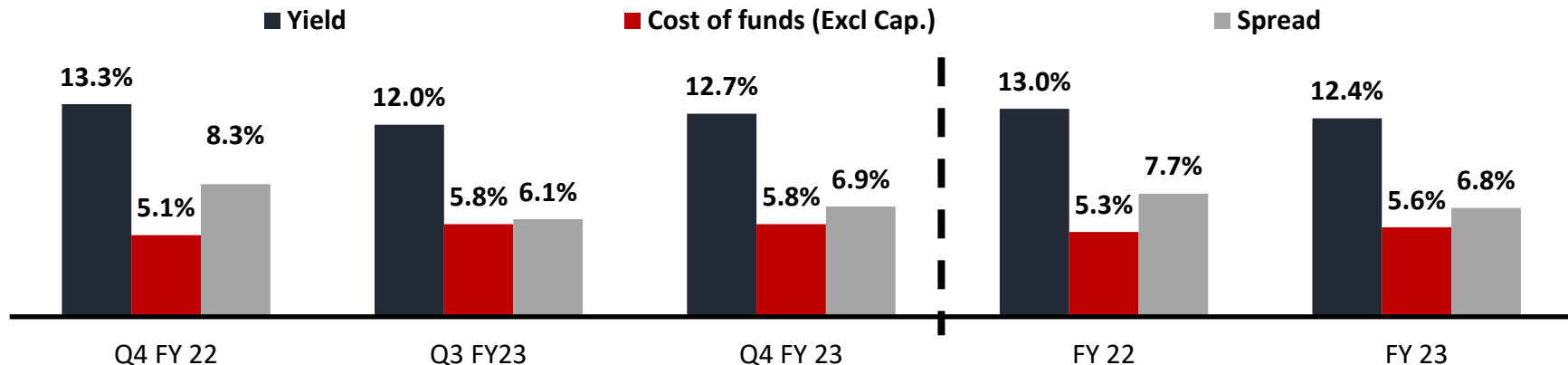
CRAR in Mar'23 includes the impact of proposed dividend

## NIM (Annualized)



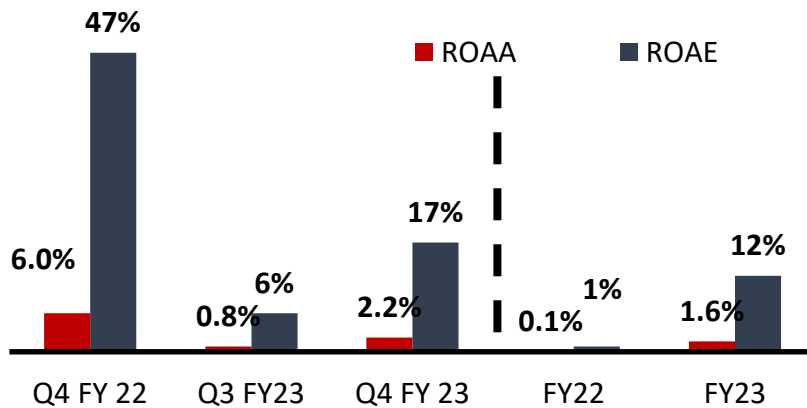
NIM in Q4FY23 improved to 7.3% vs. 6.5% in Q3FY23 primarily on account of increase in yield. Yield improved due to increase in lending rate and lower interest reversals

## Spread (Annualized)

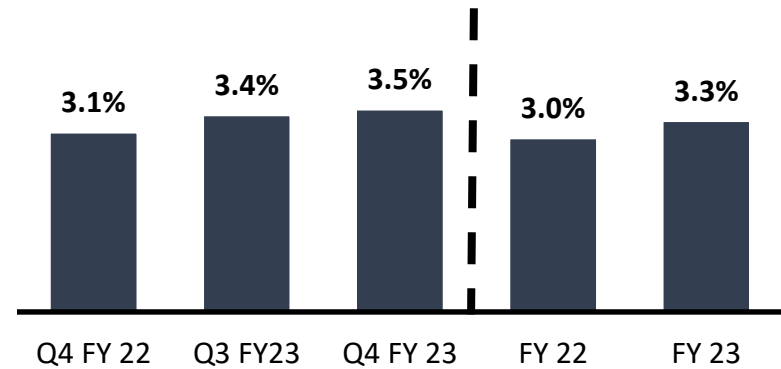


# Financial Performance

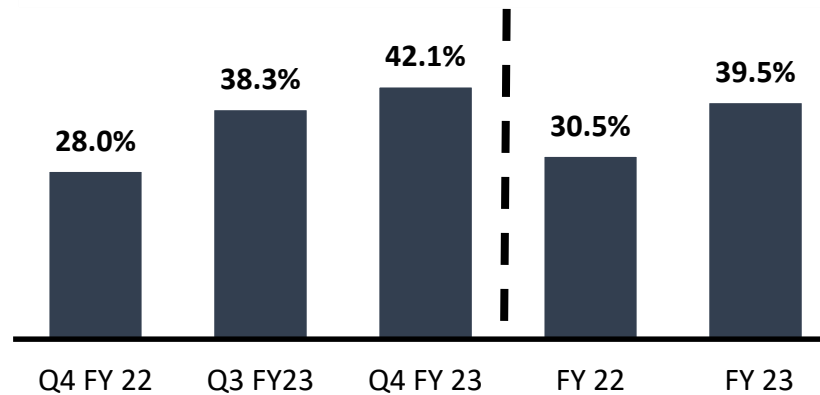
## ROAA & ROAE (Annualized)



## Operating expenses to Average Assets (Annualized)

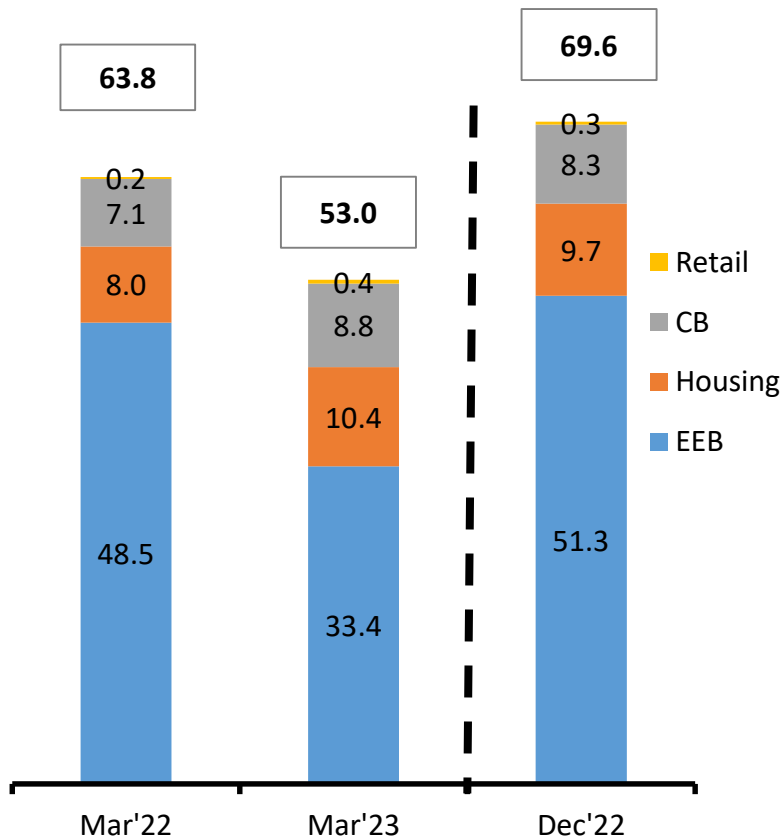


## Cost to Income Ratio

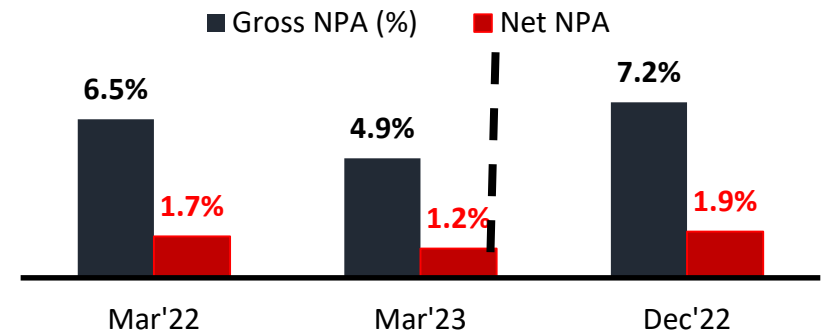


# Financial Performance

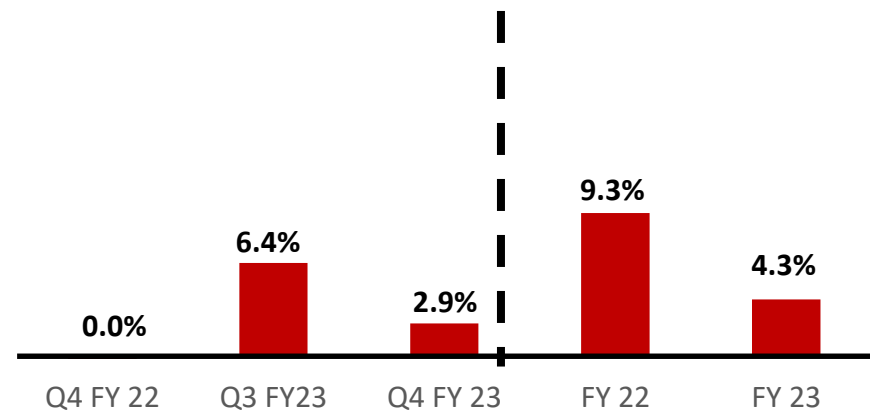
## Segmental GNPA movement - (₹ in Billion)



## Gross NPA and Net NPA



## Credit Cost



# Profit & Loss Statement (IN ₹ Bn.)

Particulars	Q4 FY 23	Q3 FY 23	QoQ%	Q4 FY 22	YoY%	Mar-23	Mar-22	YoY%
Interest Income	42.68	38.08	12.08%	38.72	10.23%	159.05	138.72	14.66%
Interest expenses	17.96	17.27	4.00%	13.32	34.86%	66.45	51.57	28.85%
<b>Net Int. Income (NII)</b>	<b>24.72</b>	<b>20.81</b>	<b>18.79%</b>	<b>25.4</b>	<b>-2.68%</b>	<b>92.6</b>	<b>87.15</b>	<b>6.25%</b>
Non Interest Income	6.29	10.33	-39.11%	9.72	-35.30%	24.69	28.22	-12.51%
<b>Total Income</b>	<b>31.01</b>	<b>31.14</b>	<b>-0.42%</b>	<b>35.12</b>	<b>-11.71%</b>	<b>117.29</b>	<b>115.37</b>	<b>1.66%</b>
Operating Expenses	13.05	11.92	9.48%	9.91	31.70%	46.37	35.24	31.58%
<b>Operating Profit</b>	<b>17.96</b>	<b>19.22</b>	<b>-6.56%</b>	<b>25.21</b>	<b>-28.77%</b>	<b>70.91</b>	<b>80.13</b>	<b>-11.51%</b>
Provision (Std. + NPA)	7.35	15.42	-52.33%	0.05	-	41.98	78.85	-46.76%
<b>Profit before tax</b>	<b>10.61</b>	<b>3.8</b>	<b>179.21%</b>	<b>25.17</b>	<b>-57.84%</b>	<b>28.93</b>	<b>1.28</b>	<b>2160.16%</b>
Tax	2.53	0.89	184.27%	6.14	-58.82%	6.98	0.02	-
<b>Profit after tax</b>	<b>8.08</b>	<b>2.91</b>	<b>177.66%</b>	<b>19.02</b>	<b>-57.53%</b>	<b>21.95</b>	<b>1.26</b>	<b>1642.06%</b>

# Balance Sheet (IN ₹Billion)

Particulars	As at	As at	% Change
	31st Mar 2023	31st Mar 2022	
<b>Capital &amp; Liabilities</b>			
Capital	16.11	16.11	0.00%
Reserves & Surplus	179.73	157.70	13.97%
<b>Shareholder Funds</b>	<b>195.84</b>	<b>173.81</b>	<b>12.67%</b>
Deposits	1080.69	963.31	12.19%
Borrowings	247.11	199.21	24.04%
Other liabilities and provisions	34.06	53.62	-36.48%
<b>Total</b>	<b>1,557.70</b>	<b>1,389.95</b>	<b>12.07%</b>
<b>Assets</b>			
Cash and balances with Reserve Bank of India	73.27	49.43	48.23%
Balance with Banks and Money at call and short notice	9.23	43.79	-78.92%
Investments	323.66	290.79	11.30%
Advances	1047.57	939.75	11.47%
Fixed Assets	8.55	5.88	45.41%
Other Assets	95.42	60.31	58.22%
<b>Total</b>	<b>1,557.70</b>	<b>1,389.95</b>	<b>12.07%</b>

Rating of Bank's Financial Securities			
Instrument	Rating	Rating Agency	Amount (₹ in Billion)
Non-Convertible Debenture #	[ICRA]AA (Negative)	ICRA	15.60**
	CRISIL AA/Negative	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 ₹ 1.1 bn only

#erstwhile GRUH Finance Limited transferred to Bandhan Bank Ltd.

# Our Board & Management



**Bandhan**  
Bank

# Experienced and professional team...



**Chandra Shekhar Ghosh**  
**MD & CEO**

- 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**  
**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, HR**

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



**Sunil Samdani**  
**Chief Financial Officer**

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



**Shantanu Sengupta**  
**Head – Retail Banking**

- 27+ years of experience in the field of Consumer & Commercial Banking, Retail Broking, Wealth Management and Financial Sector.
- Previously served as MD & Head of Consumer Banking at DBS Bank



**Biswajit Das**  
**Chief Risk Officer**

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



**Sudheer Reddy Govula**  
**Chief Compliance Officer**

- 26+ years experience in banking industry.
- Previously served as Senior Vice President – Compliance at HDFC Bank Ltd.



**Satyajit Ghosh**  
**Incharge-Emerging Entrepreneurs Business**

- 26+ years of experience in the field of microfinance industry.
- Previously served as Area Manager at V.W.S India.



**Sujoy Roy**  
**Head - Branch Banking**

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



# Experienced and professional team...



**P Ramaswamy**

**Chief of Internal Vigilance**

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



**Indranil Banerjee**

**Company Secretary**

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



**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



**Ronti Kar**

**Chief Information Officer**

- 27+ years of experience in IT Sector.
- Previously served as Project Manager at Cognizant Technology Solution



**Nand Kumar Singh**

**Head - Banking Operations & Customer Service**

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



**Manoj Kumar 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.



**Jagannadha Rao Suvvari**

**Head - Legal**

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



**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



**Subhash Balkrishna Samant**

**Head-High Value Housing Finance**

- 25+ years of experience in in the field of banking and financial industry.
- Previously worked as Zonal Head for Mortgages at ICICI Bank Ltd



**Hiram Sumatiprasad Joshi**

**Head-Retail Assets**

- 23+ years of experience in in the field of banking, Insurance and financial industry.
- Previously worked as Business Head – Vehicle Finance at Ujjivan Small Finance 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.

# ... 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



## 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**.



## Forbes Worlds Best Banks 2022

Bandhan Bank featured in Forbes World Best Bank's list for the year 2022. Market research was conducted by leading firm 'Statista'.



## e4m Pride of India Brands 2022

Bandhan Bank received Pride of India Brands awards organized by Exchange for Media, the awards were recognised and celebrated for setting new standards of innovation and excellence in their products, processes and marketing practices.



## FE Pillar of BFSI Industry

Mr. Chandra Shekhar Ghosh, Managing Director & Chief Executive Officer, was awarded with the prestigious title 'FE Pillar of the BFSI Industry' on June 17, 2022 at the first chapter of FE Modern BFSI Summit.

The award recognises his exemplary contribution made to the BFSI sector that has inspired many and helped ensure resilience across the industry.

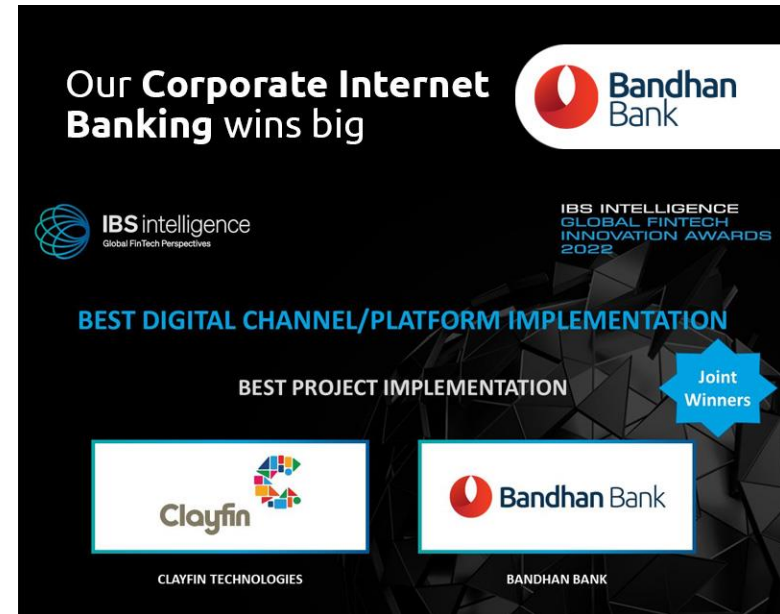


# Awards and accolades

## 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.



Thank You

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**Bandhan  
Bank**