

**यूनियन बैंक**  
ऑफ इंडिया  
अच्छे लोग, अच्छा बैंक



**Union Bank**  
of India  
Good people to bank with

# Financial Results

Q1 FY20



Aug 02, 2019

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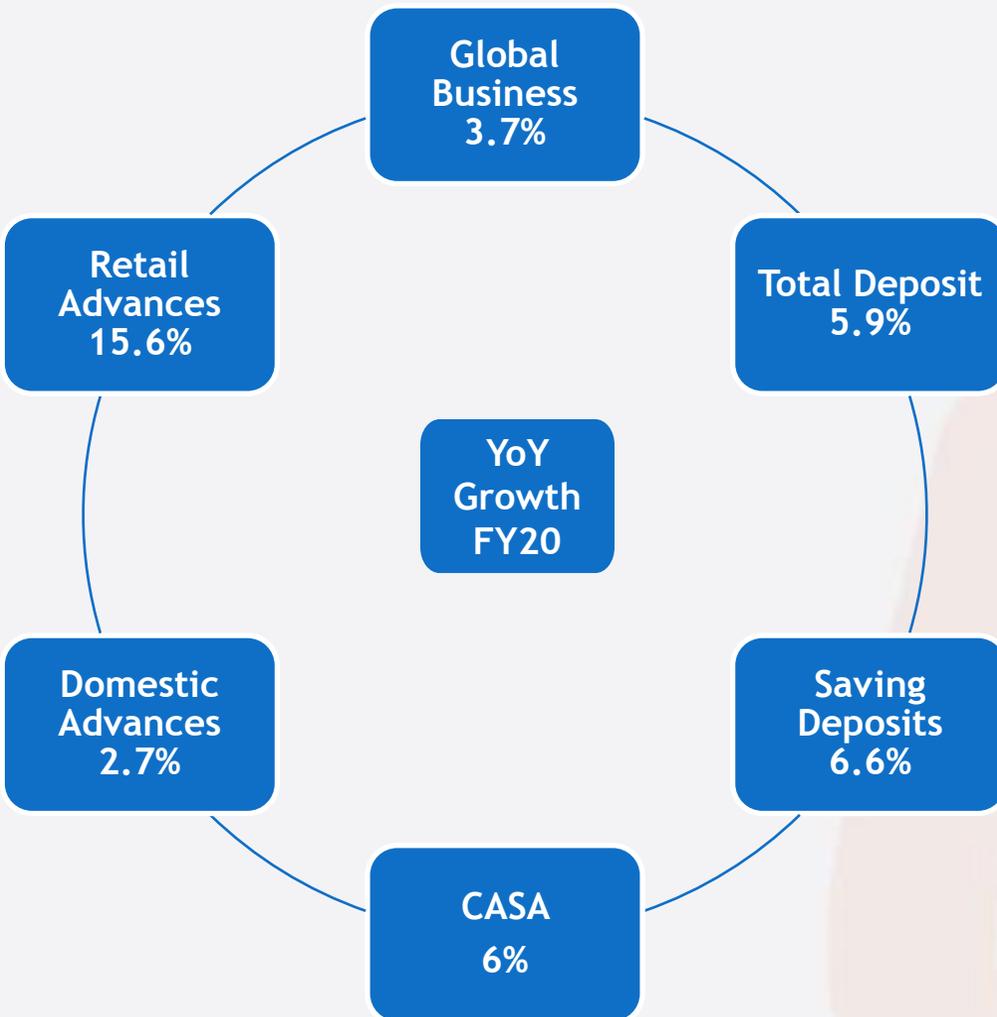
UnionBankofIndia

**#1** Business Performance

**#2** Financials

**#3** New Initiatives & Outcomes

**#4** Awards & Accolades

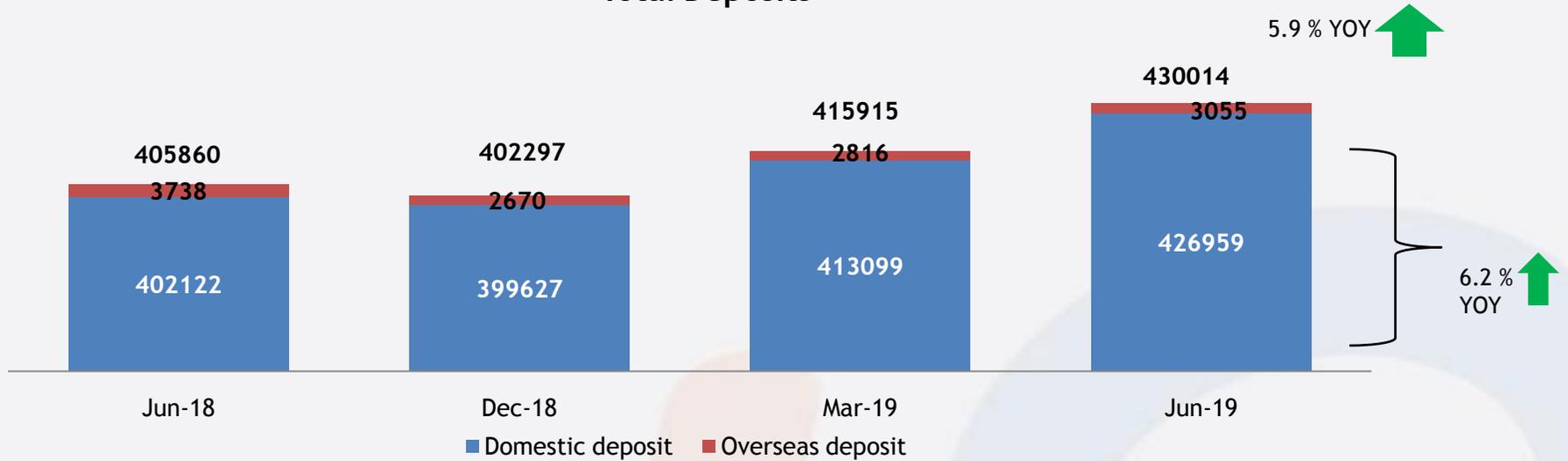
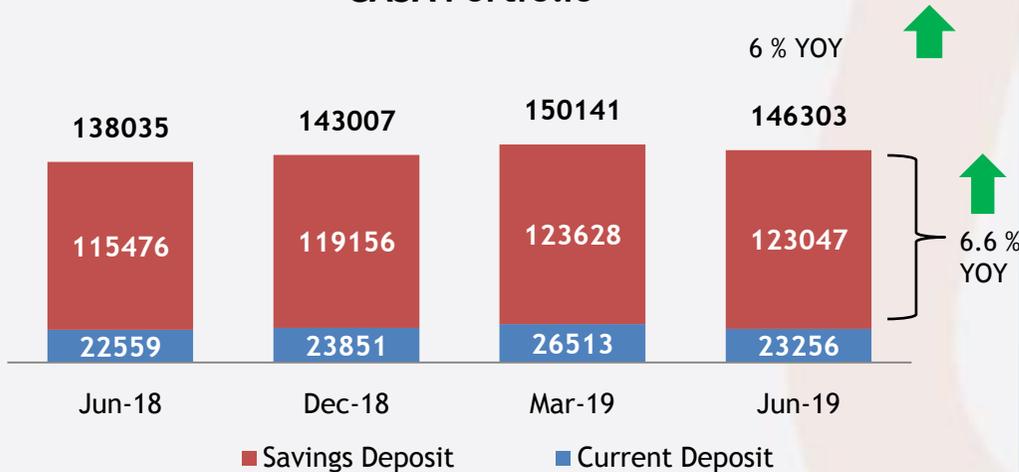
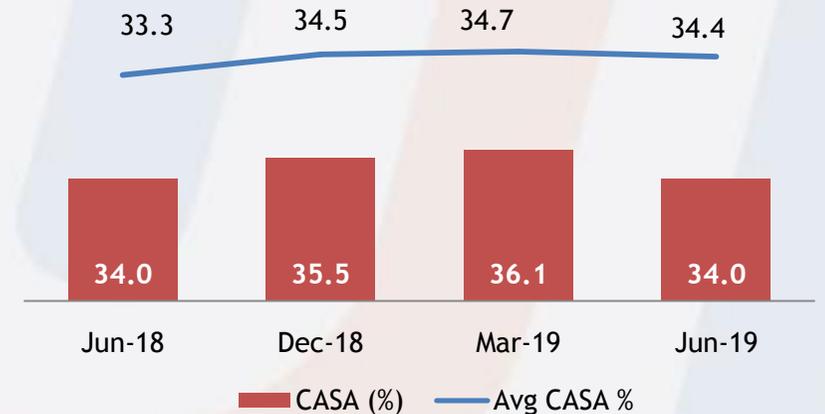


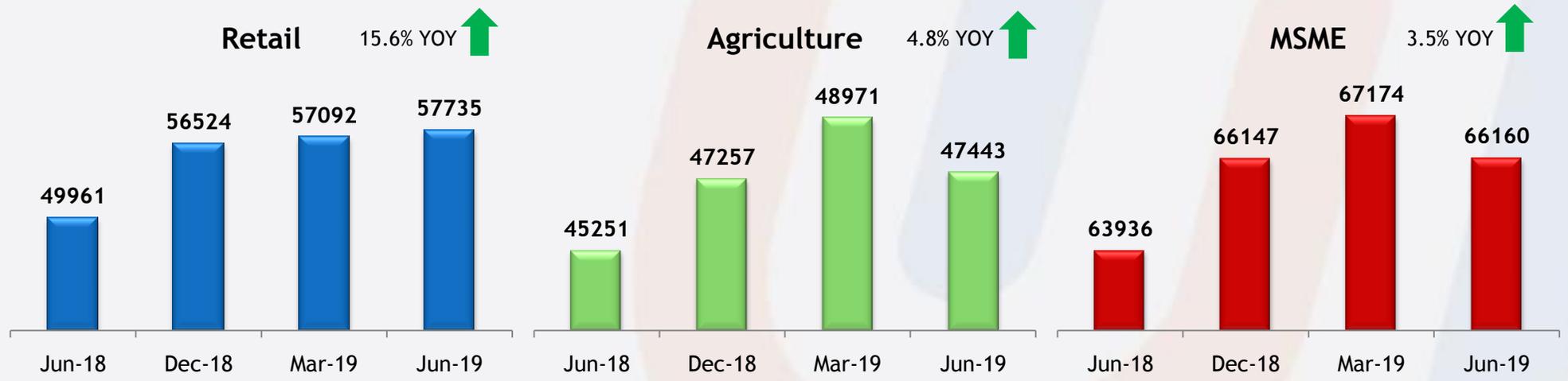
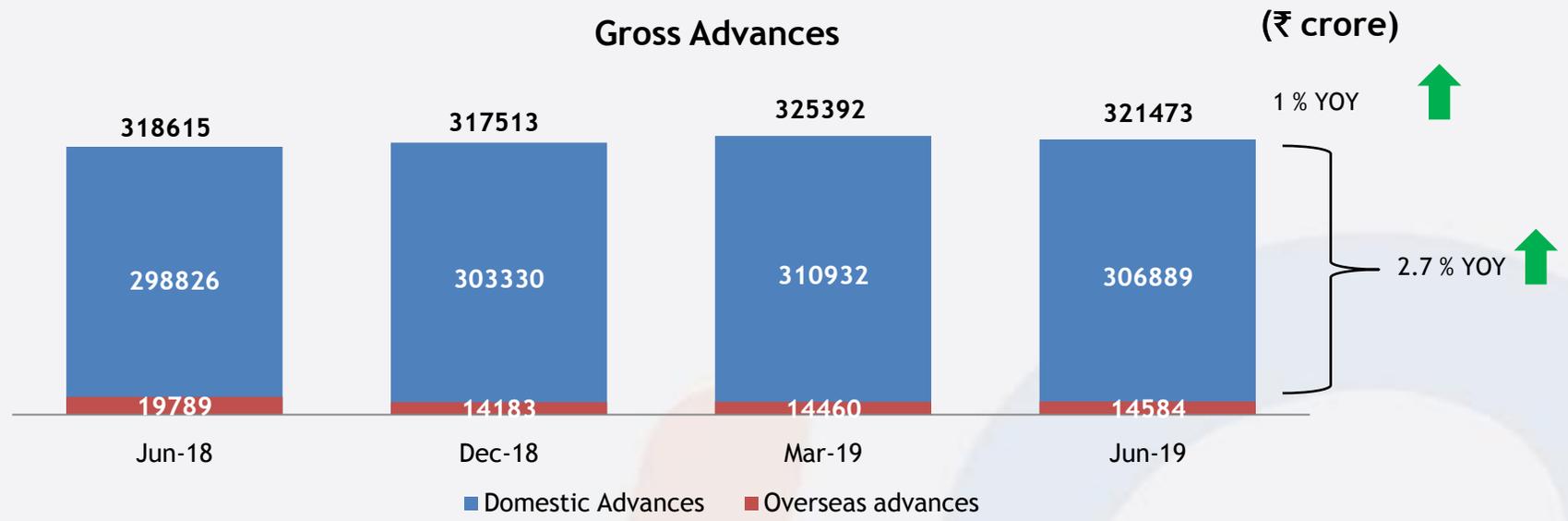
Total Business	₹ 751487 crore
Gross Advances	₹ 321473 crore
Total Deposits	₹ 430014 crore
Operating Profit(Q1FY20)	₹ 1887 crore
Basel III Tier I Ratio	9.27 %
Basel III Total CAR	11.43 %
Branches	4288
ATMs	12147*

\*Including 5586 Micro-ATM

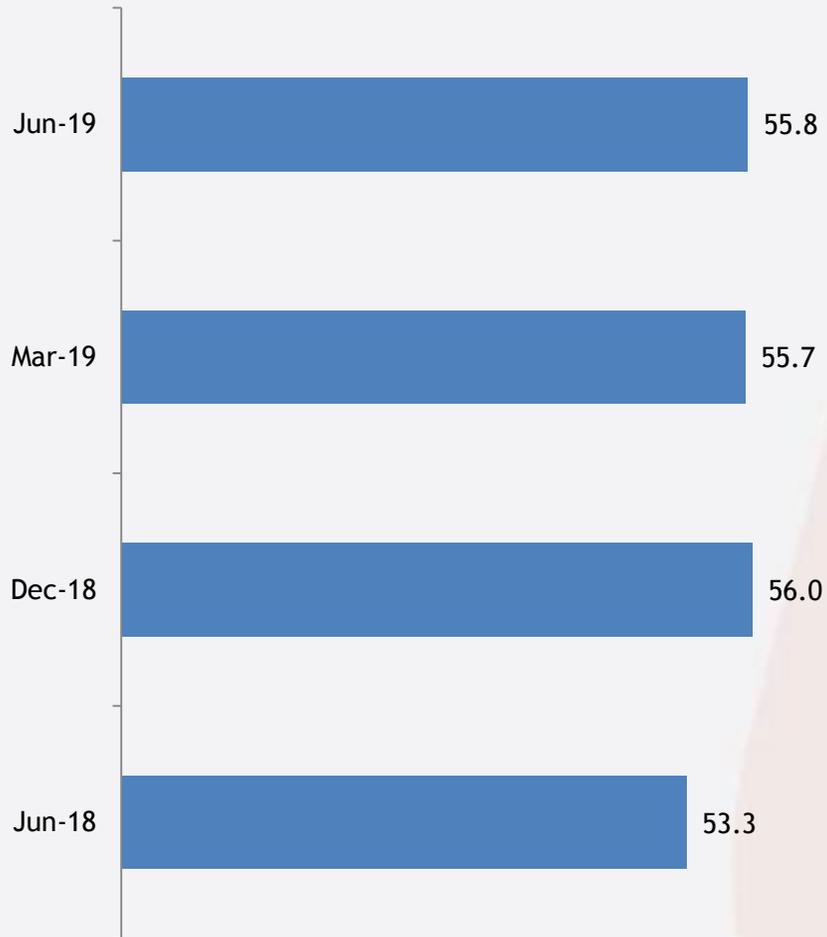
**Total Deposits**

(₹ crore)


**CASA Portfolio**

**CASA & Avg CASA (%)**


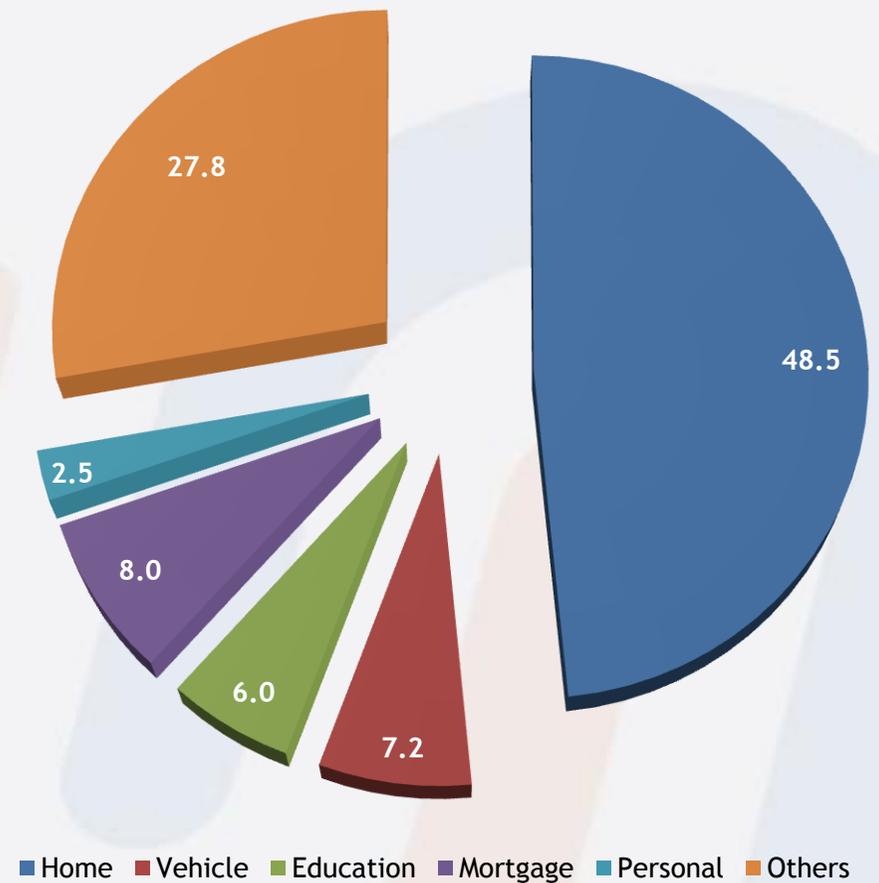


**RAM\* share (%) in Domestic advances**

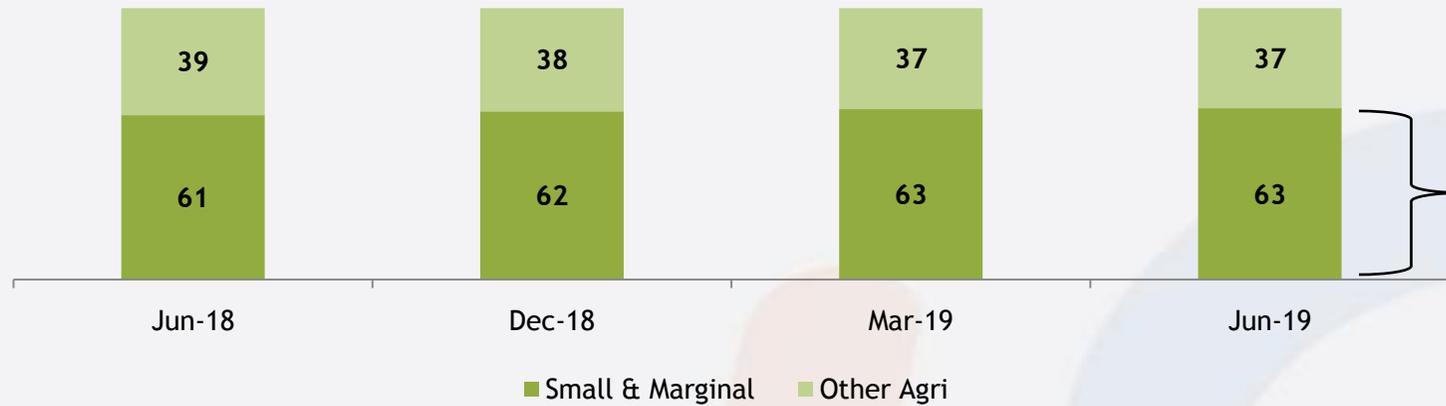


\*Retail, Agriculture and MSME collectively called as "RAM sector"

**Retail**

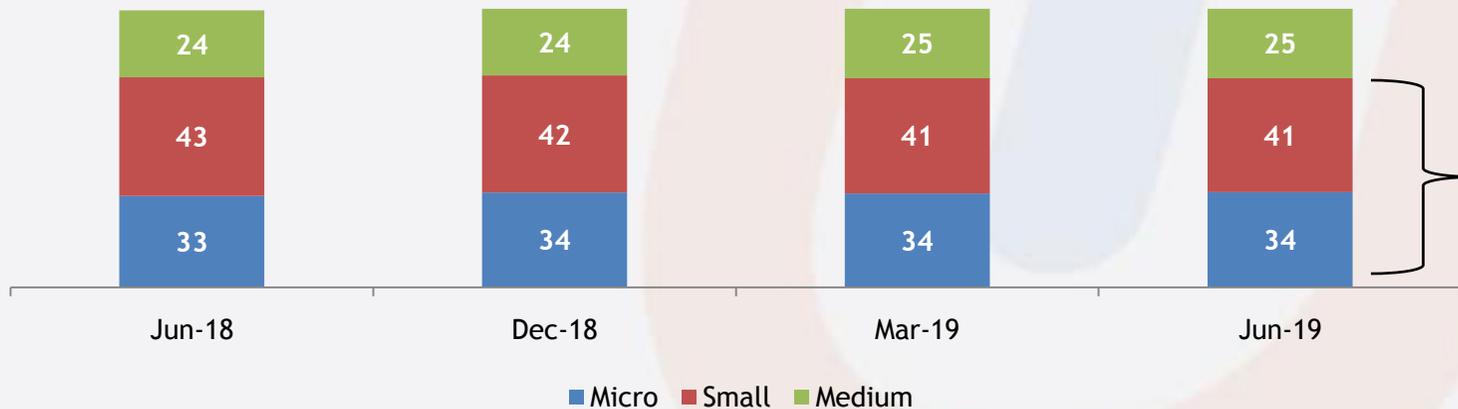


**Composition of Agri loan book(%)**



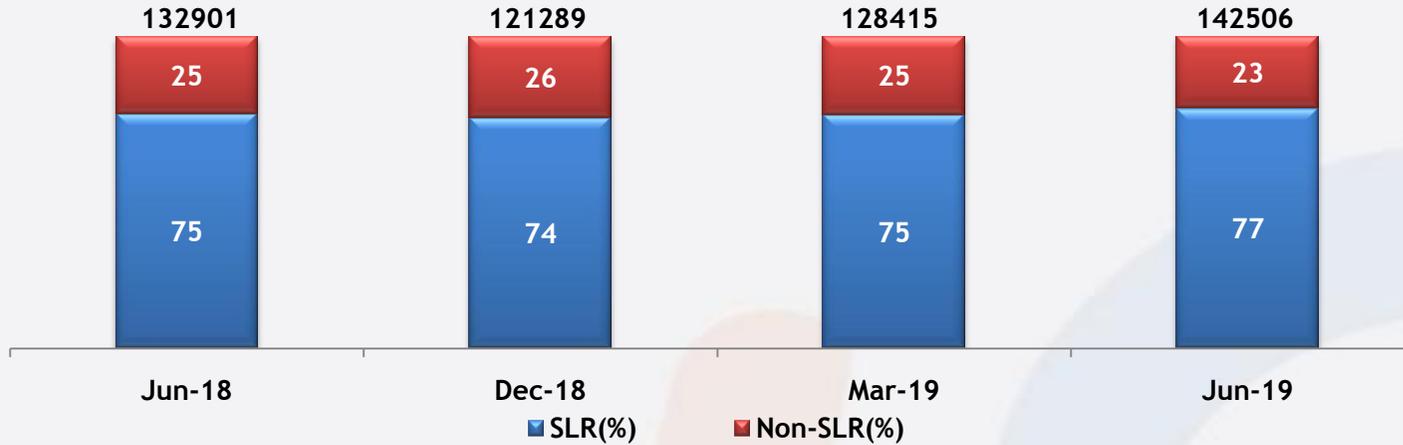
➤ More than 63% of Agri. portfolio is for Small & Marginal farmers

**Composition of MSME loan book(%)**



➤ 75% of MSME portfolio is MSE

S No.	Sectors	Top Sector Exposure			
		(% Share in Domestic Advance)			
		Mar-19		Jun-19	
		₹ Crore	% Share	₹ Crore	% Share
1	Infrastructure	52200	16.8	53325	17.4
2	NBFCs and HFCs	38156	12.3	41563	13.5
	w/w HFCs	13134	4.2	13750	4.5
3	Trade	39259	12.6	39942	13.0
4	Construction	12080	3.9	12074	3.9
5	Basic Metal Products	11967	3.8	11886	3.9
6	Food Processing	10658	3.4	10029	3.3
7	Textiles	7315	2.4	6923	2.3
8	All Engineering	6202	2.0	5330	1.7
	<b>Total</b>	<b>177837</b>	<b>57.2</b>	<b>181072</b>	<b>59.0</b>

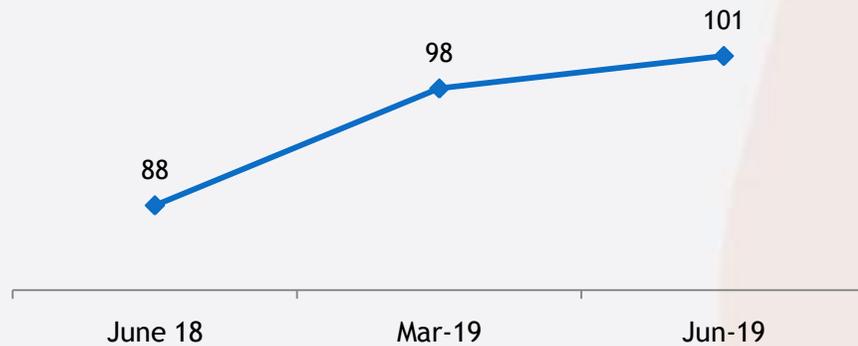
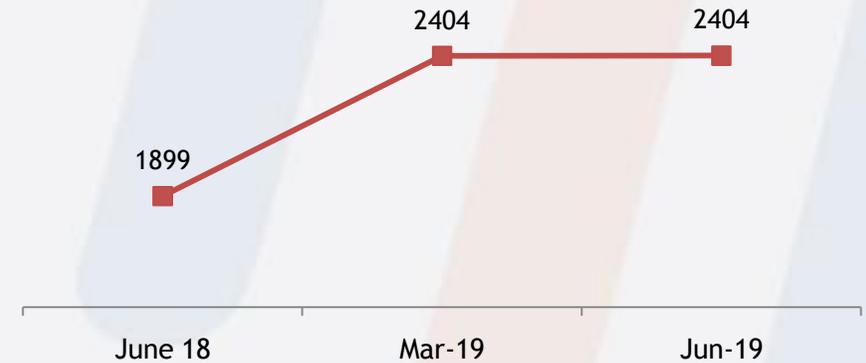
**Global Investment (₹ Crore)**


Particulars (Domestic)	Mar 2019	Jun 2019	Duration (Years)	
	(₹ Crore)	(₹ Crore)	Mar-19	Jun-19
Available for Sale	42322	56323	3.06	2.14
W/w SLR	20984	36157	3.07	1.76
NON SLR	21337	20166	3.05	3.05

Business from Overseas Operations					
US \$ in billion (₹ crore)	Jun 2018	Mar 2019	Jun 2019	Growth (%)	
				Y-o-Y (US\$)	Y-o-Y (INR)
<b>Total Business</b>	3.4 (23527)	2.4 (17276)	2.5 (17638)	-26.5	-25.0
<b>Total Deposits</b>	0.5 (3738)	0.4 (2816)	0.4 (3055)	-20.0	-18.3
<b>Total Advances</b>	2.9 (19789)	2.0 (14460)	2.1 (14584)	-27.6	-26.3
*1US\$ = ₹ 68.47 as on Jun 30, 2018 #1US\$ = ₹ 69.02 as on Jun 30, 2019					

**Progress under Pradhan Mantri Jan Dhan Yojana (PMJDY)**

Parameters	Achievements of the Bank
Villages covered	18526
No. of BCs	5537
Sub Service Areas	5537
Urban Wards	2581
Accounts opened till Jun 30, 2019	101 Lakh
Deposits	₹ 2404 Crore
RuPay Cards issued	56.97 Lakh
Aadhar Seeding	77.91 Lakh

**Total PMJDY Accounts  
(no. in Lacs)**

**Balance in PMJDY A/Cs  
(Rs. in Crs)**


Total outstanding under Mudra loan: ₹ 7140 crore

**Progress under Mudra Yojana April to June 2019 (PMMY)**

Category	No. of Accounts	Sanctioned Amount (₹ crore)	Outstanding Amount (₹ crore)
Shishu (< ₹ 50k)	12647	21	16
Kishor (Above ₹ 50k-5 Lakh)	16344	353	292
Tarun (Above ₹ 5 Lakh-10 Lakh)	3195	250	192
<b>Total</b>	<b>32186</b>	<b>624</b>	<b>500</b>

**Performance in TReDS as of June 2019**

Particulars	Amount (₹ Crore)
O/s under TReDS	244

**Performance in Psbloanin59minutes.com as of June 2019**

Particulars	Number	Amount (₹ Crore)
Total Sanctioned	2240	641

(₹ crore)

	As at 30.06.18	As at 31.03.19	As at 30.06.19	Growth (%)	
				Y-o-Y	Q-o-Q
<b>LIABILITIES</b>					
Capital	1169	1763	1763	50.8	0.0
Reserves and surplus	24091	24724	24948	3.6	0.9
Deposits	405860	415915	430014	6.0	3.4
Borrowings	47397	42864	33878	-28.5	-21.0
Other Liabilities and Provisions	9538	8773	10978	15.1	25.1
<b>Total</b>	<b>488055</b>	<b>494039</b>	<b>501581</b>	<b>2.8</b>	<b>1.5</b>
<b>ASSETS</b>					
Cash and Balances with Reserve Bank of India	17356	20796	18961	9.2	-8.8
Balances with Banks and Money at call and Short Notice	23440	22250	19603	-16.4	-11.9
Investments	130327	126047	140059	7.5	11.1
Advances	293099	296932	293811	0.2	-1.1
Fixed Assets	3779	3762	3771	-0.2	0.2
Other Assets	20054	24252	25377	26.5	4.6
<b>Total</b>	<b>488055</b>	<b>494039</b>	<b>501581</b>	<b>2.8</b>	<b>1.5</b>

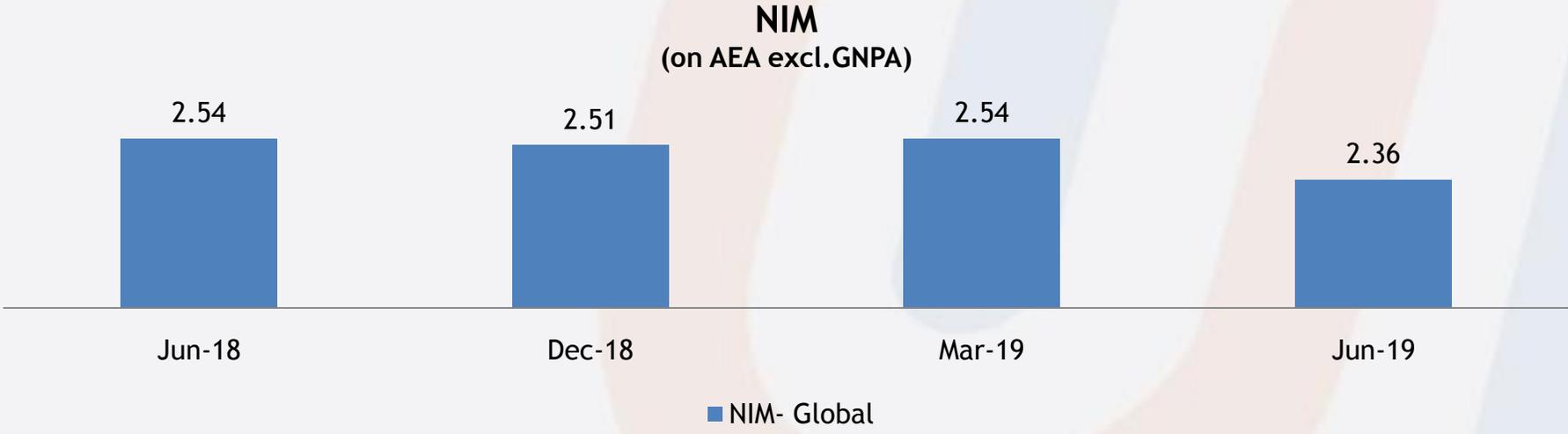
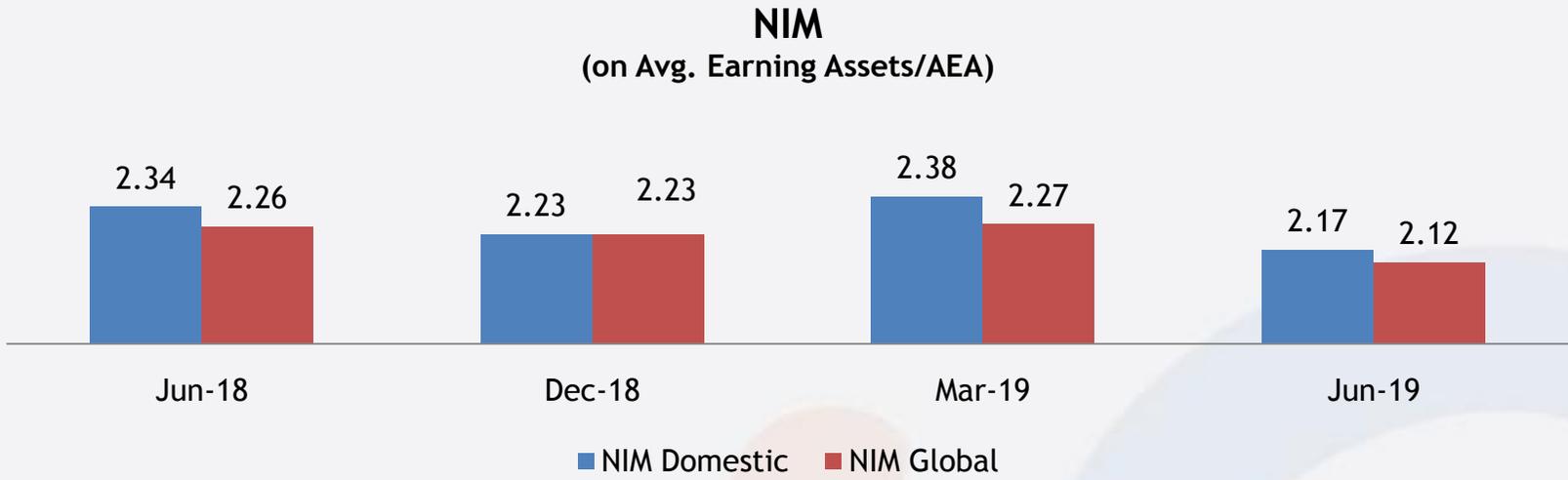
**#1** Business Performance

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Parameters	Jun-18 (Q1)		Mar-19 (Q4)		Jun-19 (Q1)	
	Domestic	Global	Domestic	Global	Domestic	Global
Cost of Deposit	5.53	5.50	5.68	5.66	5.63	5.61
Cost of Funds	4.90	4.81	4.73	4.63	4.96	4.93
Yield on Advances	8.19	7.90	7.98	7.51	7.96	7.81
Yield on Investment	6.90	6.84	6.55	6.48	6.89	6.83
Yield on Funds	7.05	6.90	6.93	6.72	6.95	6.87





Parameters	Jun-18 (Q1)	Dec-18 (Q3)	Mar-19 (Q4)	Jun-19 (Q1)	Growth (%) YoY	Growth (%) QoQ
Interest Income	8701	8477	8349	8898	2.3	6.6
Interest Expense	6075	5984	5748	6380	5.0	11.0
Net Interest Income	2626	2493	2602	2519	-4.1	-3.2
Non-Interest Income	1208	1095	1272	990	-18.0	-22.2
Total Income	9909	9572	9621	9888	-0.2	2.8
Operating Expenses	1685	1778	2143	1621	-3.8	-24.4
Total Expenses	7760	7762	7891	8001	3.1	1.4

Parameters	Jun-18 (Q1)	Dec-18 (Q3)	Mar-19 (Q4)	Jun-19 (Q1)	Growth (%) YOY	Growth (%) QOQ
a. Core Non Interest Income	655	660	731	481	-26.6	-34.2
b. Treasury Income	288	191	266	345	19.8	29.7
W/w						
• Profit on Sale of Investments	194	110	188	255	31.4	35.6
• Exchange Profit	95	81	78	90	-5.3	15.4
c. Recovery in Written off Accounts	212	244	138	145	-31.6	5.1
<b>Total</b>	<b>1208</b>	<b>1095</b>	<b>1271</b>	<b>990</b>	<b>-18.0</b>	<b>-22.1</b>

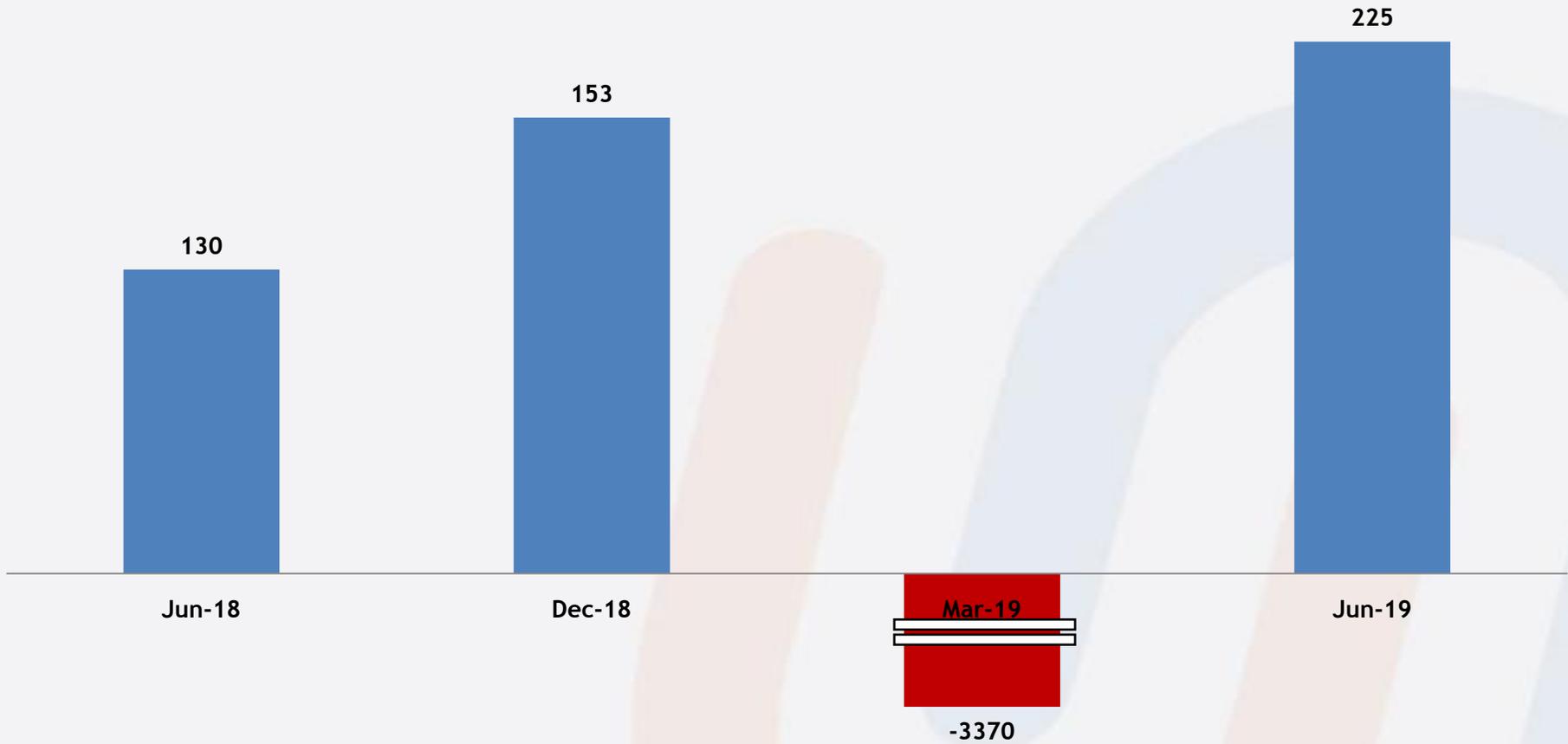
(₹ crore)

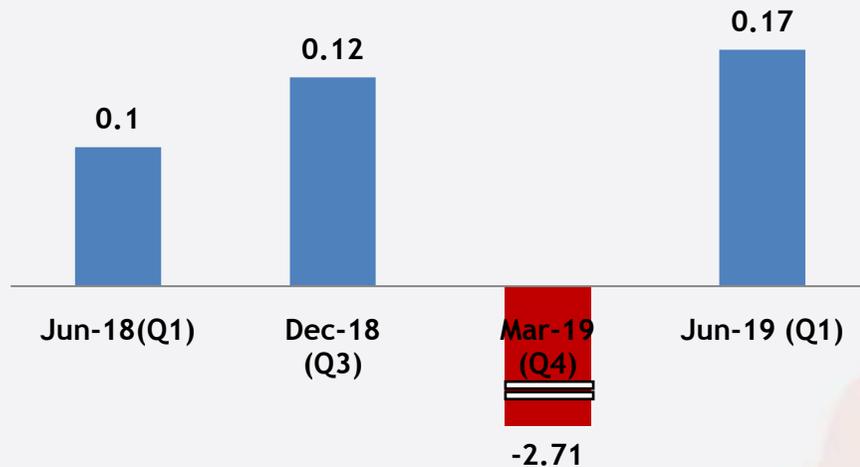
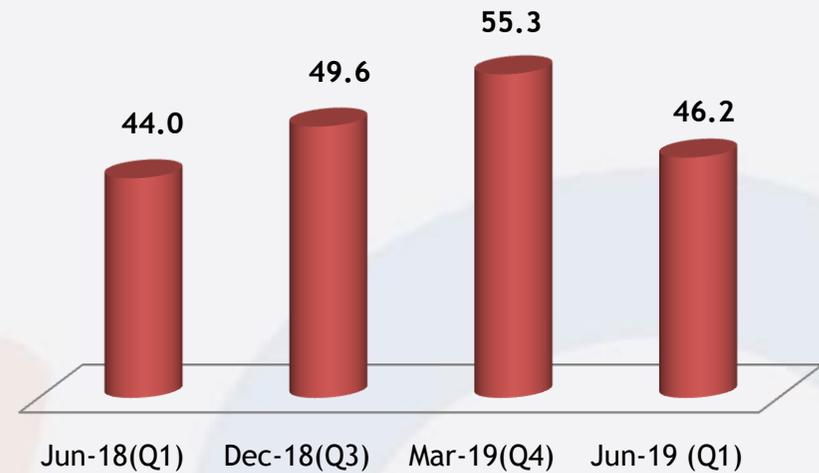


(₹ crore)

Parameters	Jun-18 (Q1)	Dec-18 (Q3)	Mar-19 (Q4)	Jun-19 (Q1)
<b>NPAs</b>	1803	2139	5783	1431
<b>Standard Assets</b>	24	71	21	-98
<b>Depreciation on Investment</b>	27	-551	-26	78
<b>Shifting Loss</b>	411	0	0	4
<b>Restructured Advances</b>	-25	0	-102	25
<b>Others (FITL etc)</b>	49	18	91	78
<b>Taxation</b>	-270	-20	-667	143
<b>Total</b>	<b>2019</b>	<b>1657</b>	<b>5100</b>	<b>1662</b>

(₹ crore)



**Return on Avg. Assets (%)**

**Cost to Income(%)**


S. No.	Efficiency Parameters	Jun-18 (Q1)	Dec-18 (Q3)	Mar-19 (Q4)	Jun-19 (Q1)
1	Return on Equity* (%)	2.88	3.48	-71.21	4.66
2	Book Value Per Share	154.07	150.52	107.36	109.38
3	Earnings per share	4.43	5.24	-28.19	5.09

\*Annualized

Sn.	Profitability Parameters		Jun-18 (Q1)	Dec-18 (Q3)	Mar-19 (Q4)	Jun-19 (Q1)
1	Business per Branch	₹ crore	168.4	167.7	172.7	175.3
2	Business per employee	₹ crore	19.0	19.1	19.9	20.0
3	Gross Profit per Branch	₹ crore	2.0	1.7	1.6	1.8
4	Gross Profit per Employee	₹ lacs	22.5	19.2	18.6	20.2
5	Net Profit per Branch	₹ lacs	12.0	14.3	-314	20.9
6	Net Profit per Employee	₹ lacs	1.4	1.6	-36.2	2.4

(₹ crore)

Parameters	Jun-18 (Q1)	Dec-18 (Q3)	Mar-19 (Q4)	Jun-19 (Q1)
Gross NPAs - Opening	49370	50157	49713	48729
Add : Additions	4652	2983	3275	3090
Less : Reductions	3049	3427	4259	3007
1. Recoveries	1252	1287	762	482
2. Up-gradation	371	510	650	288
3. Write Off	1426	1630	2847	2237
Gross NPAs- Closing	50973	49713	48729	48812
Gross NPA (%)	16.00	15.66	14.98	15.18
Net NPA	25508	24142	20332	21231
Net NPA (%)	8.70	8.27	6.85	7.23
Provision Coverage Ratio (%)	56.49	58.84	66.24	65.88
Tangible PCR (%)	49.96	51.44	58.27	56.50
Credit Cost (%)	2.28	2.69	7.20	1.77

(₹ crore)

Sectors	Slippages During Q1 FY 20	NPAs Jun 2019	Sectoral NPA %		
			Jun-18	Mar-19	Jun-19
Retail Loans	292	1408	2.65	2.09	2.44
Agriculture	891	4724	6.90	8.16	9.96
Micro & Small (MSE)	977	6649	12.03	11.53	13.4
Medium & Large	930	36031	23.25	24.42	23.7
<b>Total</b>	<b>3090</b>	<b>48812</b>	<b>16.00</b>	<b>14.98</b>	<b>15.18</b>

Scheme	Standard as on Mar 2019		Standard as on Jun 2019	
	Account	Amount (Rs. in crore)	Account	Amount (Rs. in crore)
5:25	10	2670	11	2795
SDR	1	0*	1	0*
S4A	2	66	2	66

\*Account is Non-Fund Based

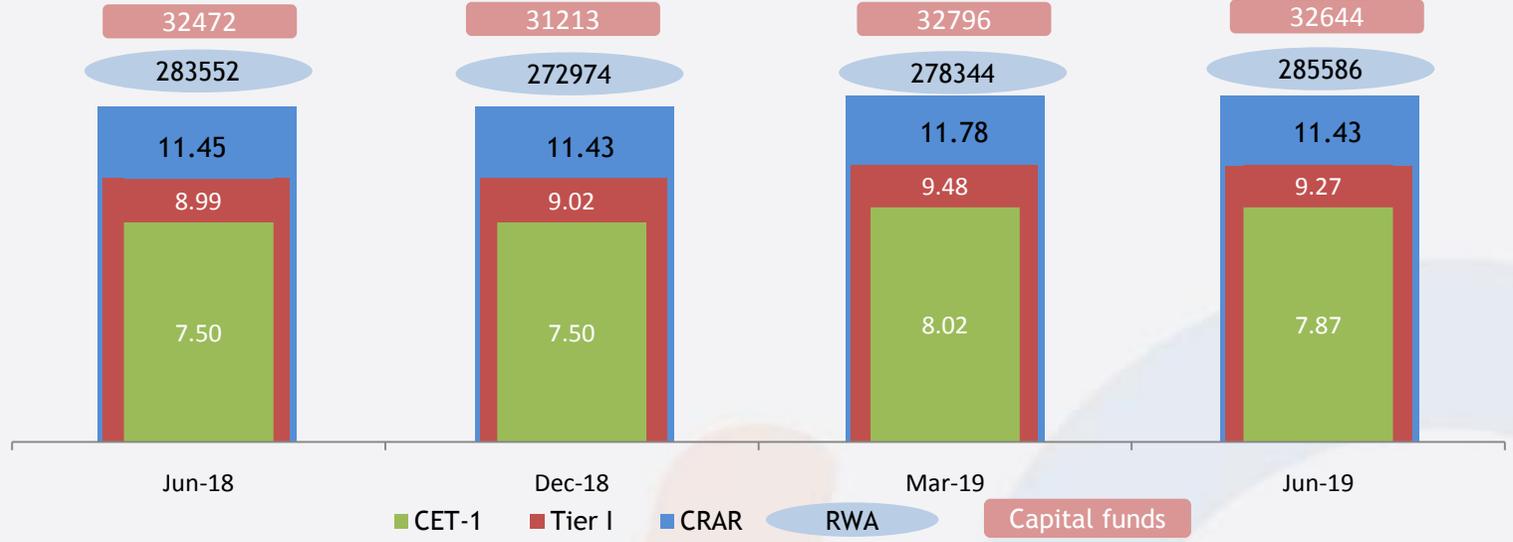
S.N.	Sector #	Outstanding	NPA	Std. Restructured	NPA + Std. Restructured (%)
1	Infrastructure	53325	12053	780	24.1
a.	Power	24623	6512	163	27.1
b.	Roads	8337	2299	597	34.7
2	Iron & Steel	9682	4755	98	50.1
3	Textiles	6923	1592	36	23.6

#Domestic

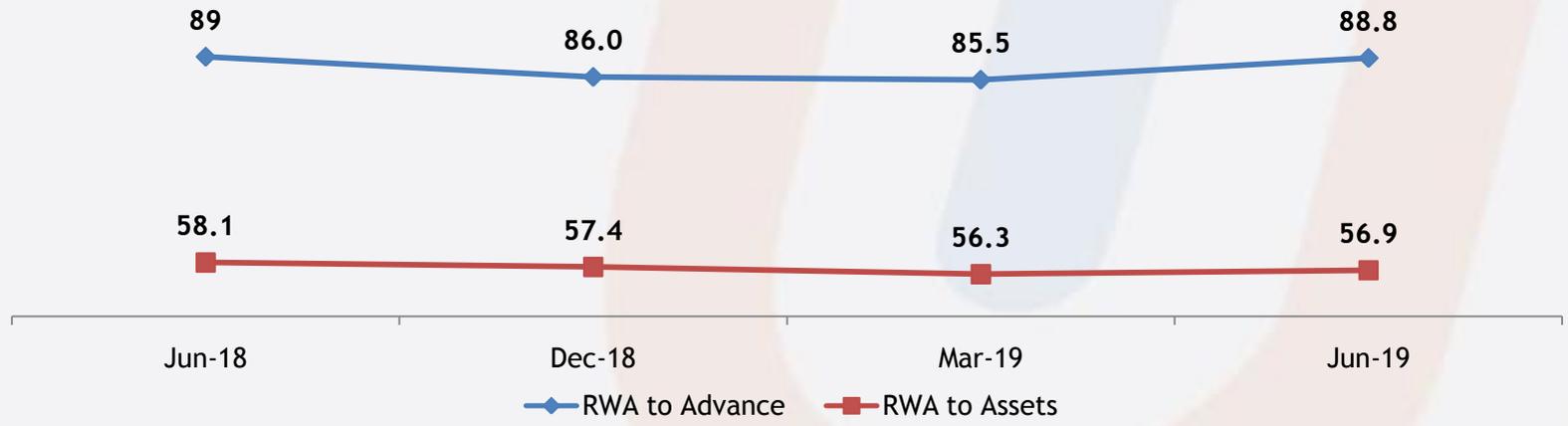
Particulars (percent to Gross Advances)	Jun-18	Mar-19	Jun-19
Standard Restructured	0.34	0.40	0.52
Impaired Assets Ratio (GNPA + Standard Res)	16.3	15.4	15.7
Net Impaired Assets Ratio (NNPA + Standard Res)	8.3	6.7	7.1

(₹ crore)

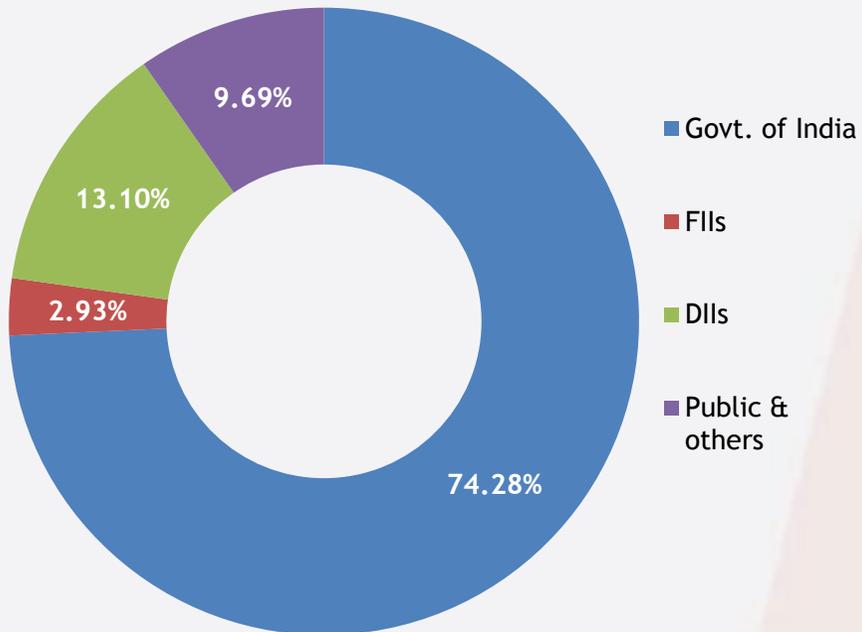
Particulars	1 <sup>st</sup> list	2 <sup>nd</sup> list	Total
Exposure to number of accounts referred under IBC (as per RBI list)	8	15	23
Loan Outstanding as of Jun 30, 2019	6024	3664	9688
Total Provisions held upto Jun 30, 2019	4084	3056	7140
Provision Coverage Ratio as of Jun 30, 2019	67.79%	83.41%	73.69%



### RWA Optimization



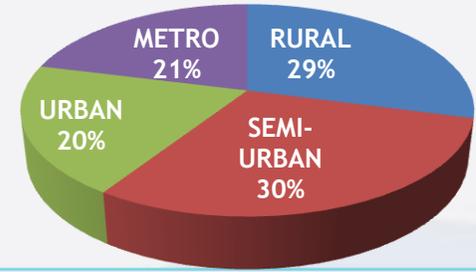
June-19



Share Capital	₹ 1763 crore
No. of Equity Shares	176.30 crore
Net Worth	₹ 19283 crore
Market Cap	₹ 14289 crore

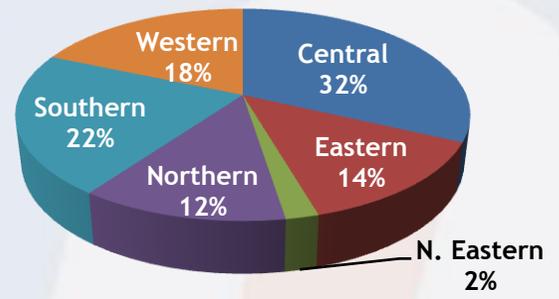
During Q1FY20, the Bank exercised call option on ₹200 crore of Basel II compliant perpetual bonds and ₹500 crore of Basel II compliant Upper Tier II bonds

## Branch Distribution by Urbanization

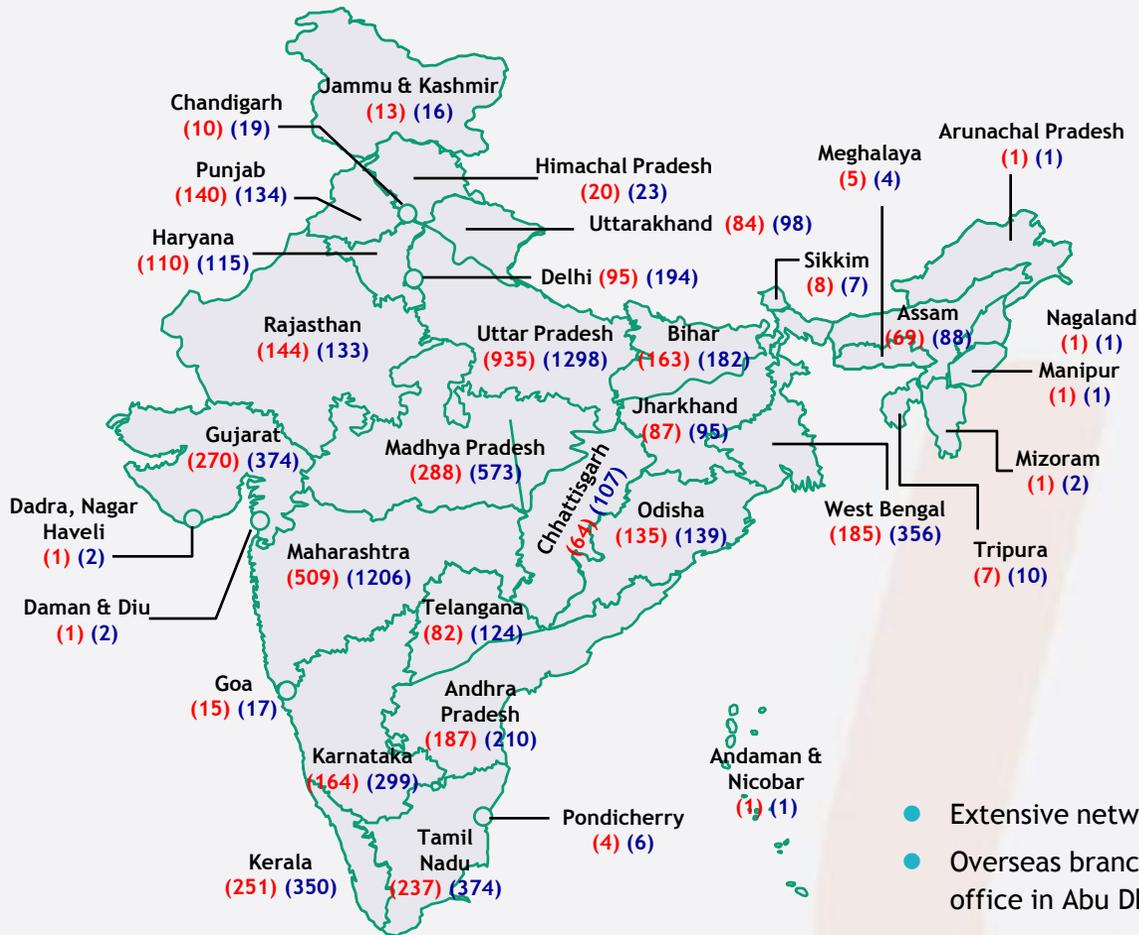


59% branches in rural/semi-urban markets

## Branch Distribution by Geography



Geographical diversification minimizes regional risks



**# Domestic Branches (4,285)**    **# ATMS (6561)**  
**# Micro-ATMS (5586)**

- Extensive network across India
- Overseas branches in Hong Kong, Sydney and Dubai, in addition to representative office in Abu Dhabi
- Operates in the UK through its wholly owned subsidiary, Union Bank of India (UK) Ltd.
- The Bank has 27 extension counters, 59 satellite offices and 48 service branches in addition to its regular bank branches as of June 30, 2019.

**#1** Business Performance

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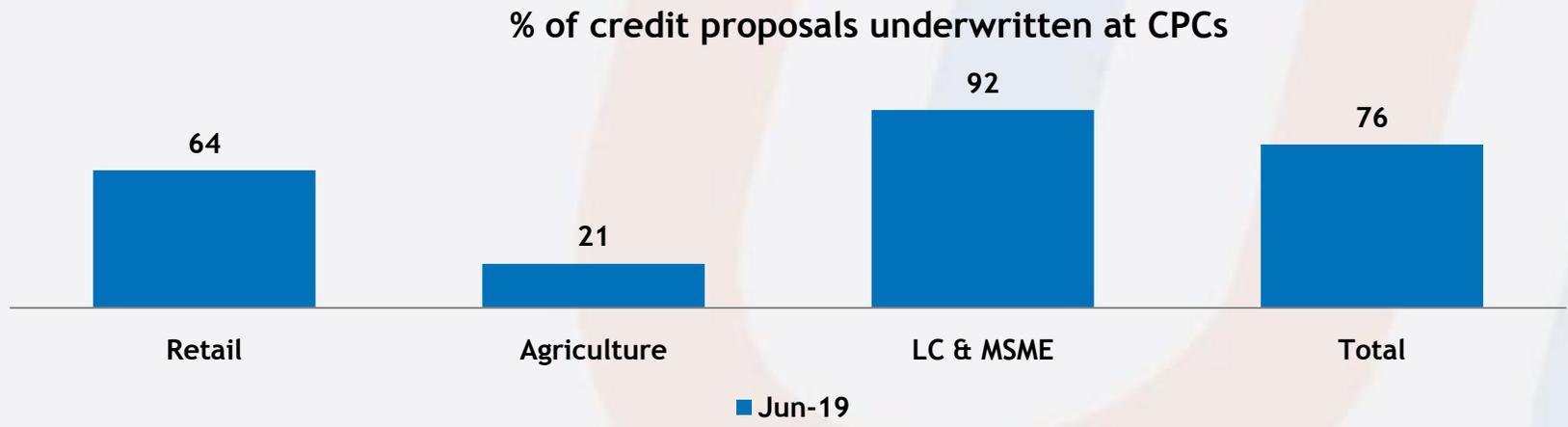
**#4** Awards & Accolades

More than 70% of Credit Appraisal centralized

### Structural Development: Creation of Centralized Processing Centres (CPCs)

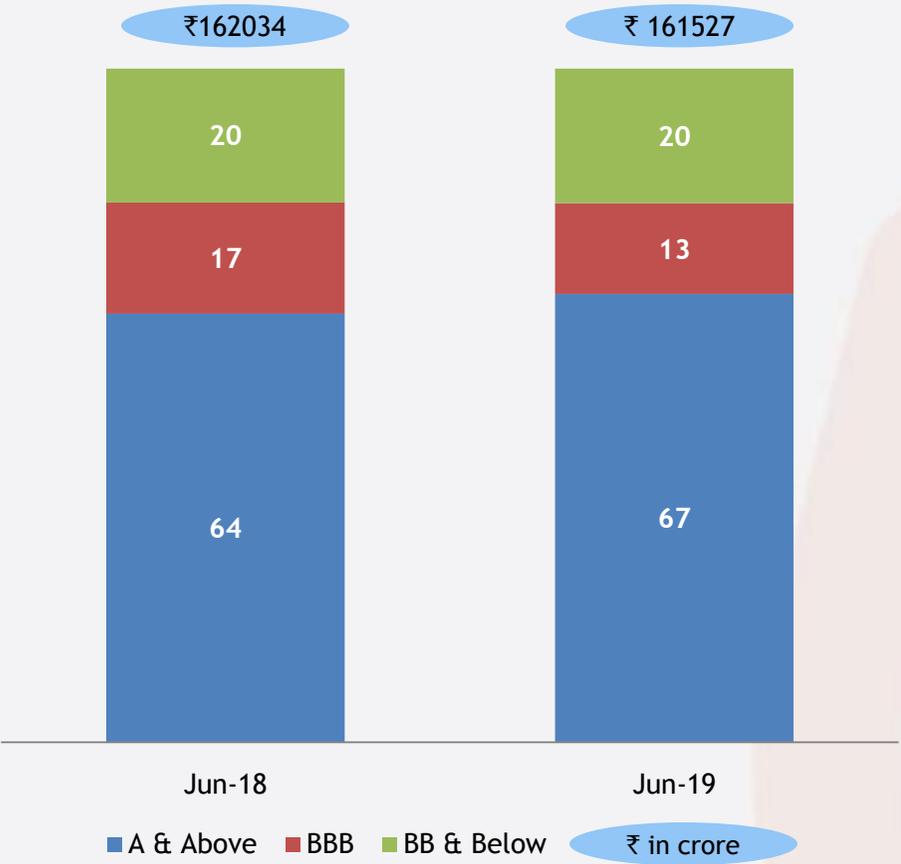
Particulars	No of Units (Mar-19)	No. of Units (Jun-19)	Sectors covered
ULP	74	74	Retail (Housing and Mortgage Loan)
USK	38	41	Retail, Agriculture and MSME
SARAL	45	46	MSME, Agriculture (selected segment)
MCB	24	22	Mid Corporate
IFB	8	8	Large Corporate

### Centralization in credit appraisals



**Rated Advances - Lending to higher rated borrowers...**

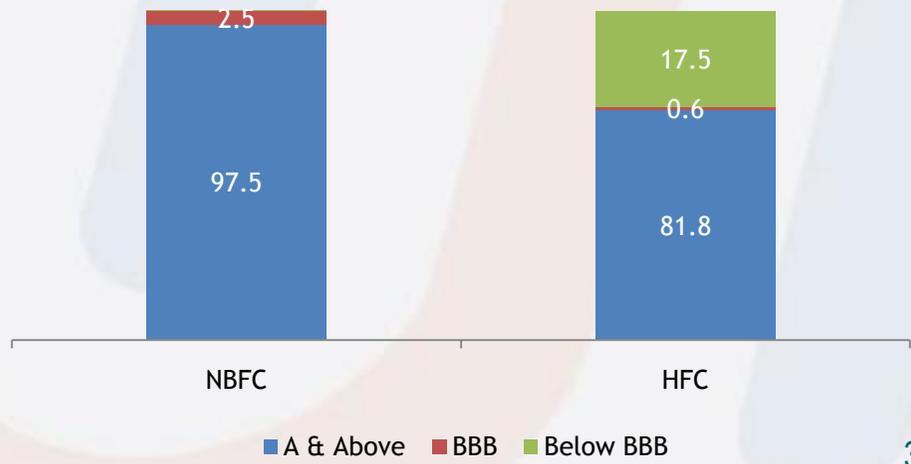
**Rating Matrix of Outstanding Corporate Loans**



**Maintained rating profile of new retail loans sanctioned**  
**Retail CIBIL Rating Profile**



**Exposure to NBFCs-Lending to higher-rated NBFCs**  
**% of advances - Rating wise (Jun-19)**





Introduction of Job family concept



Online OTS platform for NPA borrowers



Strengthened Risk Management practices



Availability of additional languages & services on U-Mobile app



Implementation of IT-based Performance Management System



Door step banking to senior citizens & differently-abled

**CLEAN Banking**

Clean credit

Leveraging data

Ensuring accountability

Action against

defaulters NPA recovery

**SMART Banking**

Speedy

Multi-channel reach

Accessible & affordable

Responsive

Technologically enhanced

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BFSI Award

•“Award for Digital Financial Inclusion Initiatives” - Governance Now

Kantar’s CX+ India Award

•“Exceptional Service Delivery 2019”- Public Sector Bank Category

SKOCH Award

•SKOCH Gold Award - “Leadership in MSME” - Under MSME Category

SKOCH Award

•SKOCH Order-of-Merit - Successful migration of CBS from Finacle 7 to Finacle 10 in a record time of 13 months

## Disclaimer

Except for the historical information contained herein, statements in this presentation which contain words or phrases such as “is”, “aims”, ‘will’, ‘would’, ‘indicating’, ‘expected to’ etc., and similar expressions or variations of such expressions may constitute ‘forward-looking statements’. These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward looking statements. These risks and uncertainties include, but are not limited to our ability to successfully implement our strategy, future levels of non-performing loans, our growth and expansion in business, the impact of any acquisitions, the adequacy of our allowance for credit losses, technological implementation and changes, the actual growth in demand for banking products and services, investment income, cash flow projections, our exposure to market risks as well as other risks. Union Bank undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof.

*Thank You!*



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