

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



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

# Financial Results

## Q4 FY19 & FY 2018-19



May 14, 2019

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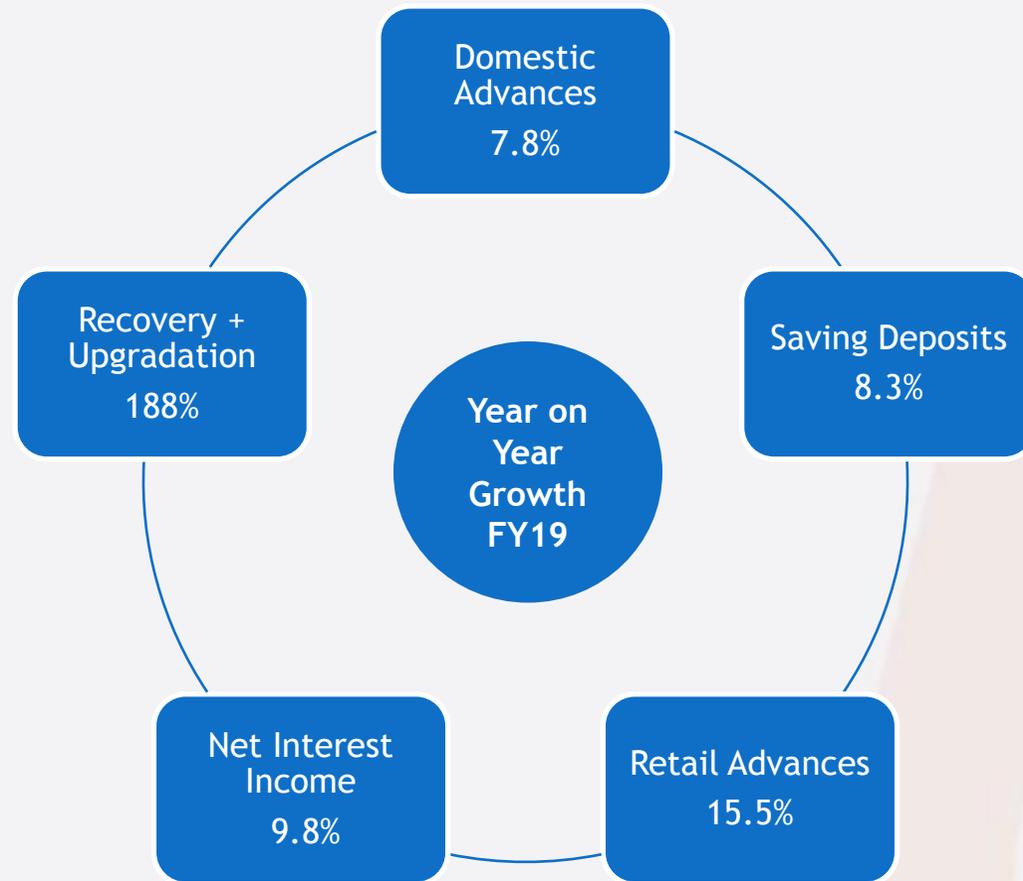
UnionBankofIndia

**#1** Business Performance

**#2** Financials

**#3** New Initiatives & Outcomes

**#4** Awards & Accolades

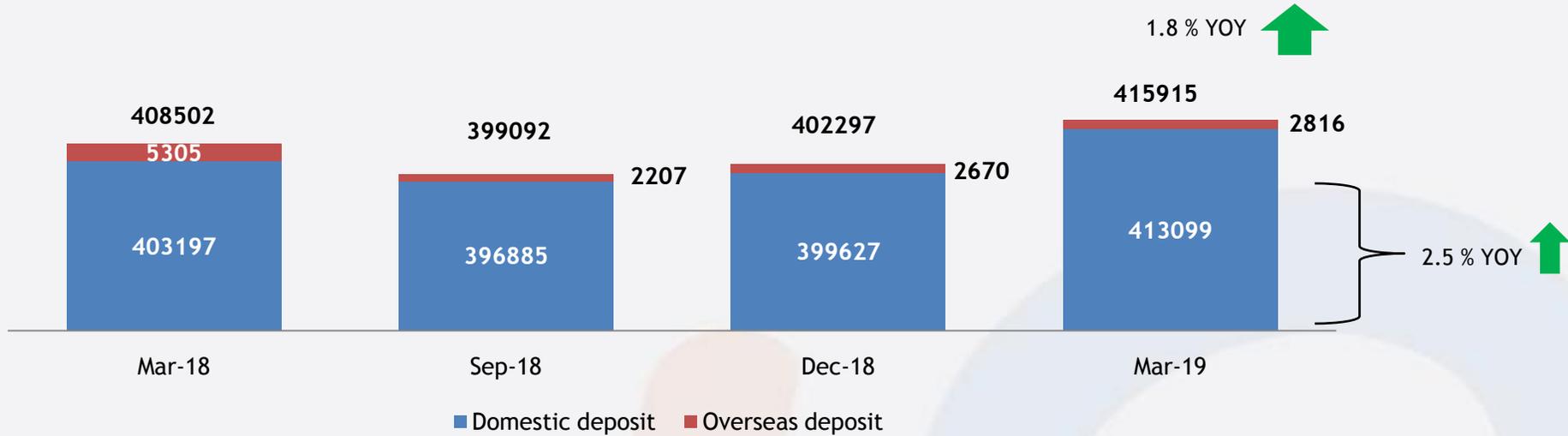


<b>Total Business</b>	₹ 741307 crore
<b>Gross Advances</b>	₹ 325392 crore
<b>Total Deposits</b>	₹ 415915 crore
<b>Operating Profit(FY19)</b>	₹ 7521 crore
<b>Basel III Tier I Ratio</b>	9.48 %
<b>Basel III Total CAR</b>	11.78 %
<b>Branches</b>	4291
<b>ATMs</b>	12236*

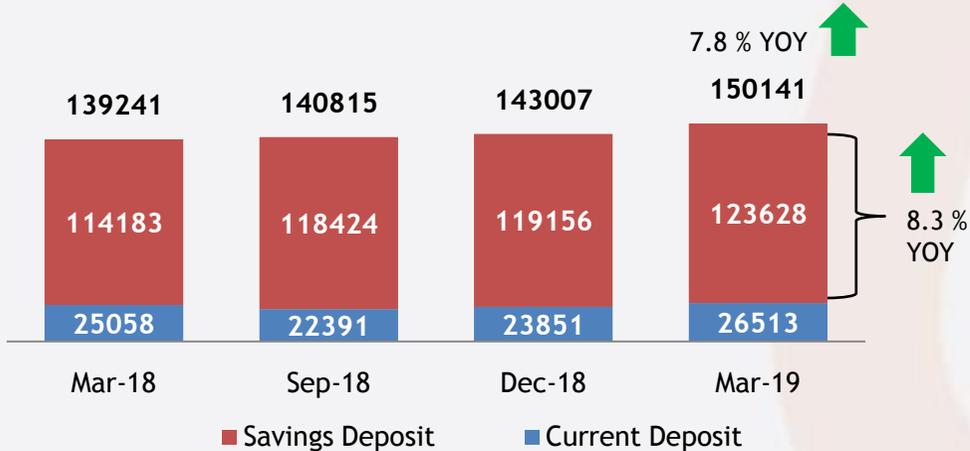
\*Including 5586 Micro-ATM

## Total Deposits

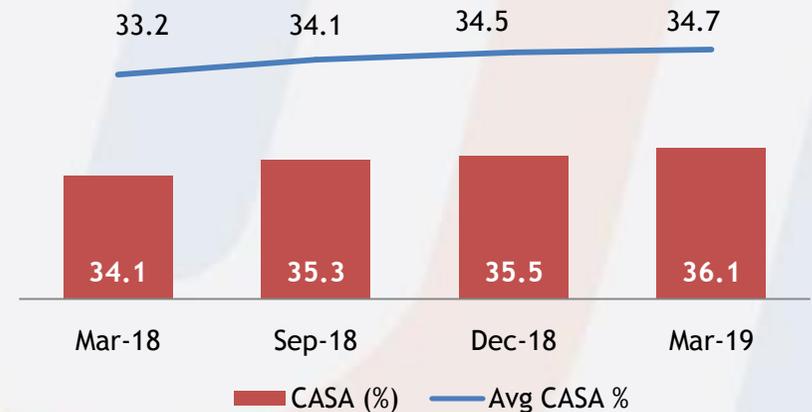
(₹ crore)

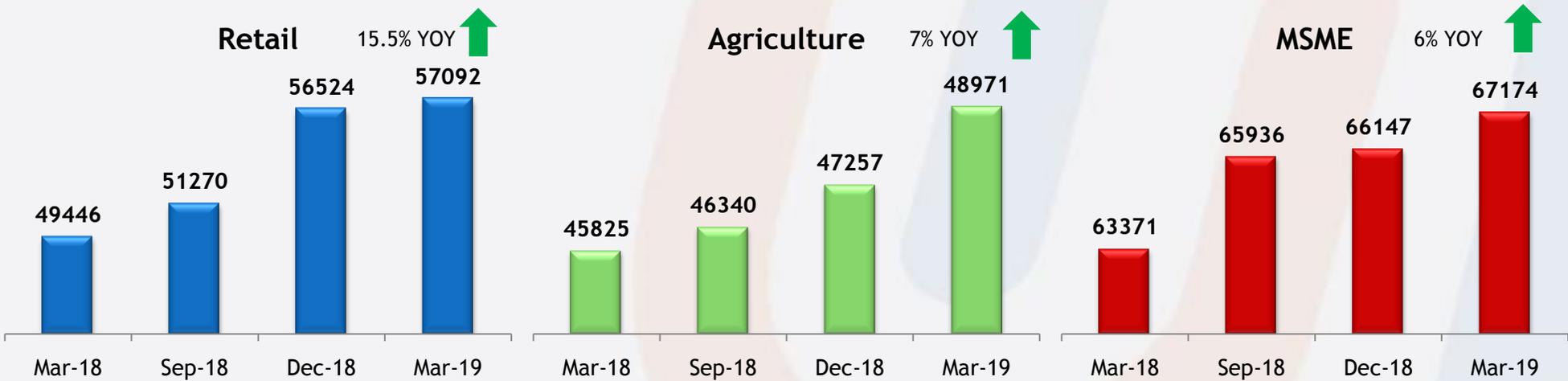
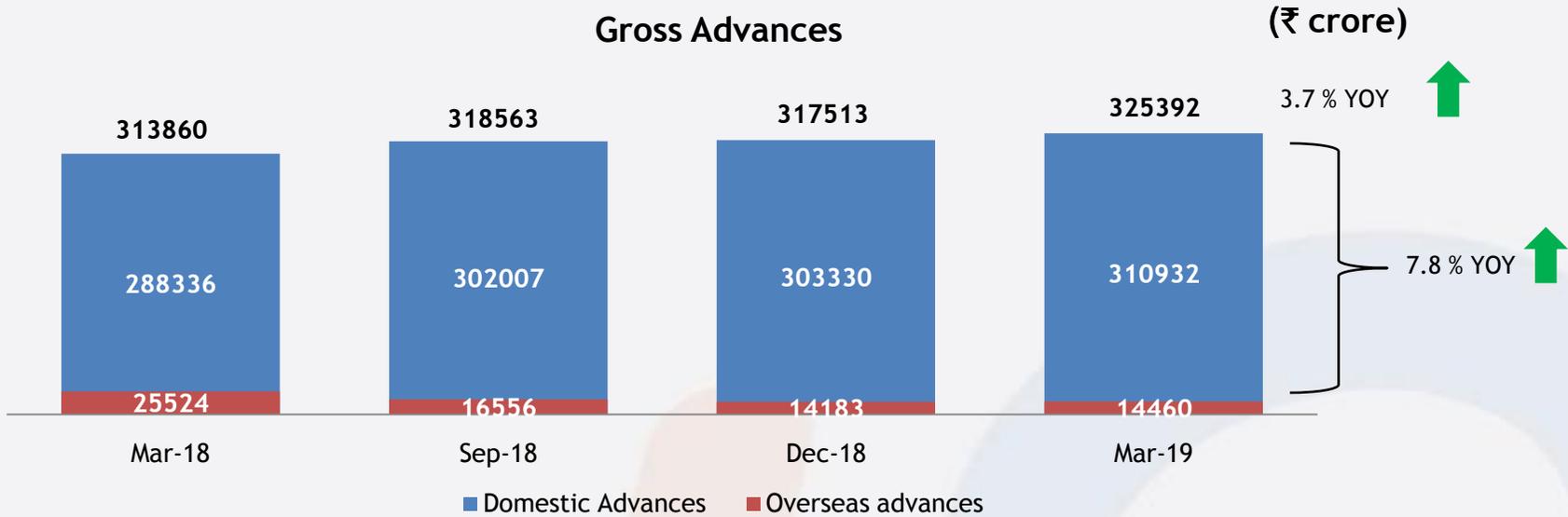


## CASA Portfolio



## CASA & Avg CASA (%)

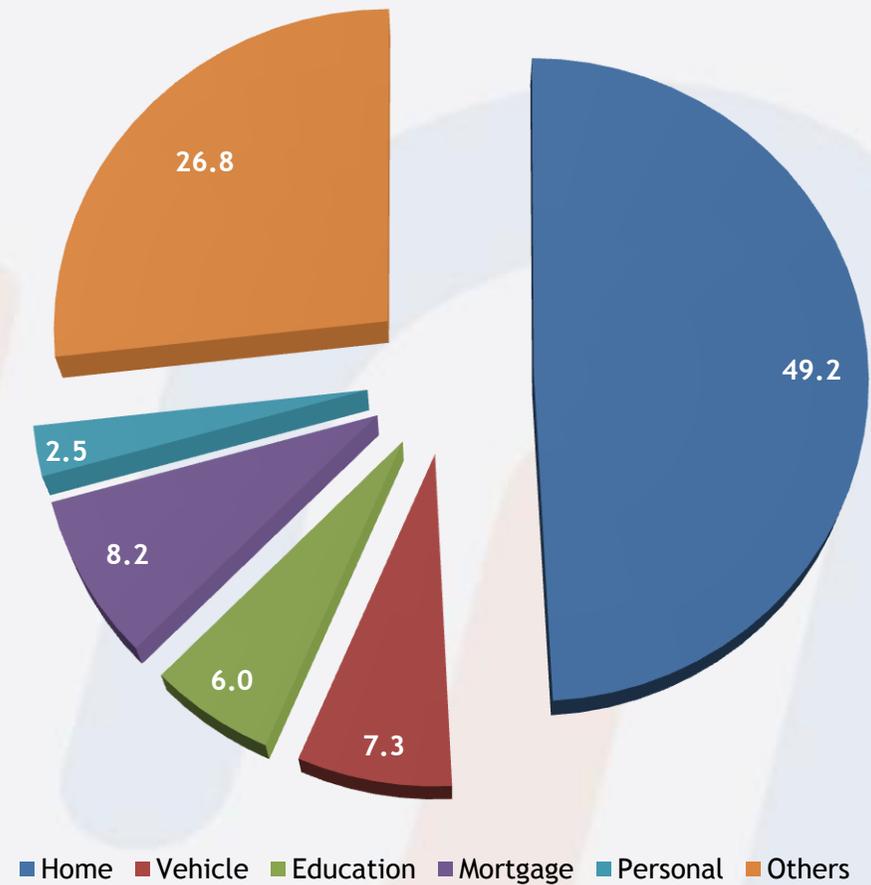




RAM\* share (%) in Domestic advances

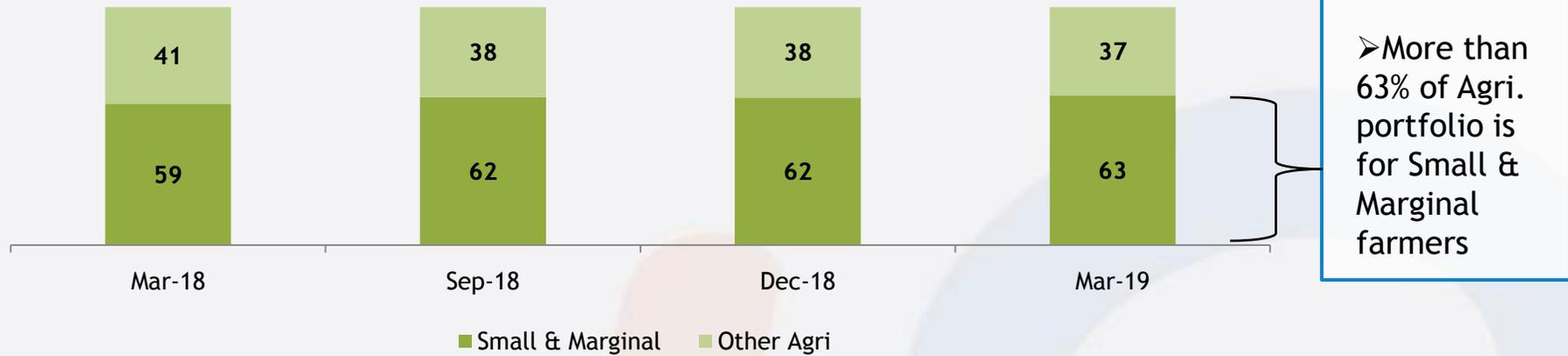


Retail

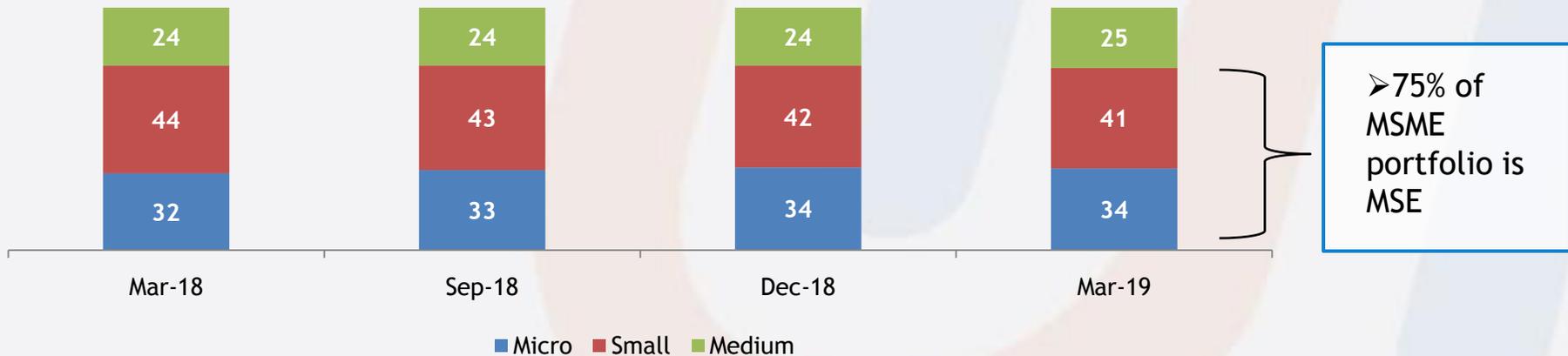


\*Retail, Agriculture and MSME collectively called as "RAM sector"

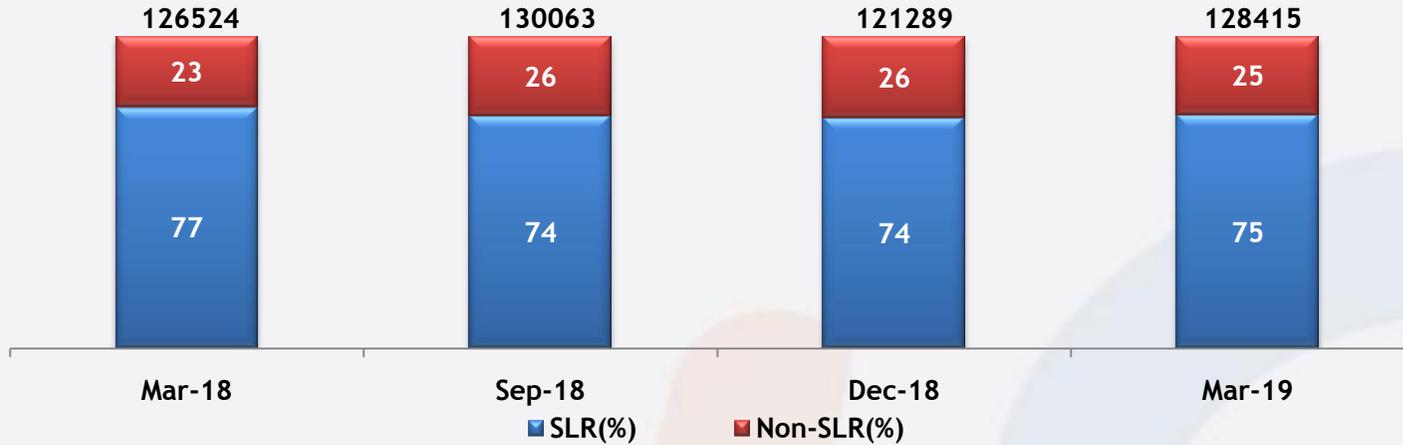
**Composition of Agri loan book(%)**



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



S No.	Sectors	Top Sector Exposure			
		(% Share in Domestic Advance)			
		Dec-18		Mar-19	
		₹ Crore	% Share	₹ Crore	% Share
1	Infrastructure	51611	17.0	52200	16.0
2	Trade	39155	12.9	39259	12.1
3	NBFCs and HFCs	36297	12.0	36765	11.3
	w/w HFCs	12438	4.1	13134	4.0
4	Construction	12274	4.0	12080	3.7
5	Basic Metal Products	12492	4.1	11967	3.7
6	Food Processing	10486	3.5	10658	3.3
7	Textiles	7388	2.4	7315	2.2
8	All Engineering	6297	2.1	6202	1.9
	<b>Total</b>	<b>176000</b>	<b>58.0</b>	<b>176446</b>	<b>54.2</b>

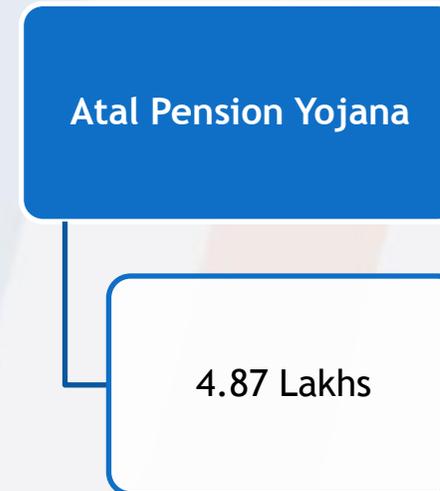
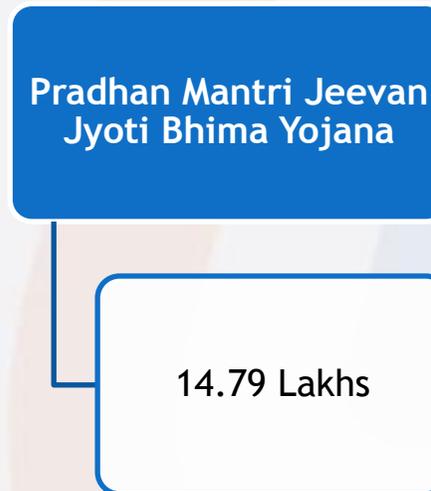
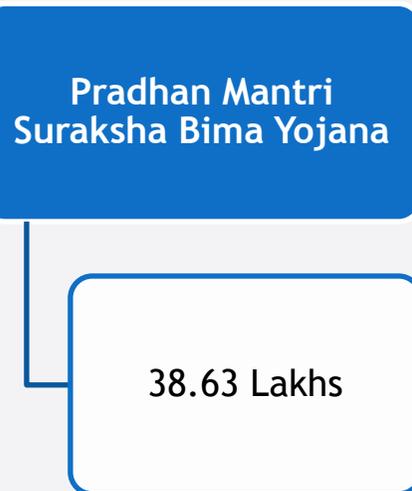
**Global Investment (₹ Crore)**


Particulars (Domestic)	Dec 2018	Mar 2019	Duration (Years)	
	(₹ Crore)	(₹ Crore)	Dec-18	Mar-19
Available for Sale	36053	42322	2.96	3.06
W/w SLR	12795	20984	3.16	3.07
NON SLR	23258	21337	2.80	3.05

Business from Overseas Operations					
US \$ in billion (₹ crore)	Mar 2018	Dec 2018	Mar 2019	Growth (%)	
				Y-o-Y (US\$)	Y-o-Y (INR)
<b>Total Business</b>	4.7 (30829)	2.4 (16853)	2.4 (17276)	-48.9	-44.0
<b>Total Deposits</b>	0.8 (5305)	0.4 (2670)	0.4 (2816)	-50.0	-46.9
<b>Total Advances</b>	3.9 (25524)	2.0 (14183)	2.0 (14460)	-48.7	-43.3
*1US\$ = ₹ 65.18 as on Mar 31, 2018 #1US\$ = ₹ 69.15 as on Mar 31, 2019					


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

Parameters	Achievements of the Bank
Villages covered	18428
No. of BCs	5439
Sub Service Areas	5439
Urban Wards	2581
Accounts opened till Mar 31, 2019	98 Lakh
Deposits	₹ 2404 Crore
RuPay Cards issued	56.15 Lakh
Aadhar Seeding	81.17 Lakh

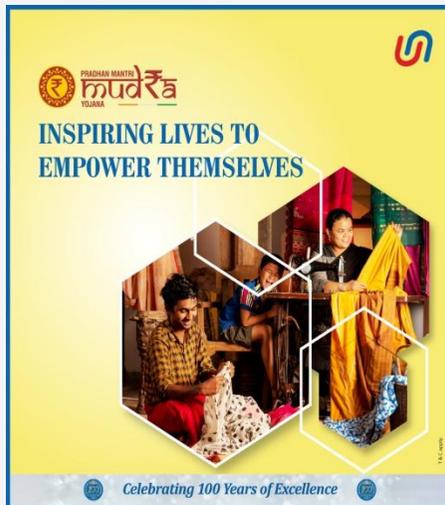




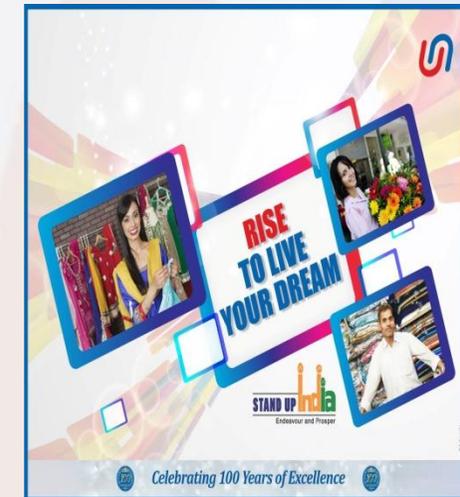
Total outstanding under Mudra loan: ₹ 7220 crore


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

Category	No. of Accounts	Sanctioned Amount (₹ crore)	Outstanding Amount (₹ crore)
Shishu (< ₹ 50k)	53256	135	100
Kishor (Above ₹ 50k-5 Lakh)	121434	2628	2124
Tarun (Above ₹ 5 Lakh-10 Lakh)	21306	1638	1326
<b>Total</b>	<b>195996</b>	<b>4402</b>	<b>3550</b>


**Finance to MSMEs under Psbloanin59minutes.com as of March 2019**

Particulars	Number	Amount (₹ crore)
Total Sanctioned	1896	538



(₹ crore)

	As at 31.03.18	As at 30.09.18	As at 31.12.18	As at 31.03.19	Growth (%)	
					Y-o-Y	Q-o-Q
<b>LIABILITIES</b>						
Capital	1169	1169	1169	1763	50.8	50.8
Reserves and surplus	23928	24243	24390	24724	3.3	1.4
Deposits	408501	399092	402297	415915	1.8	3.4
Borrowings	45681	44367	38528	42864	-6.2	11.3
Other Liabilities and Provisions	8127	9349	8824	8773	7.9	-0.6
<b>Total</b>	<b>487406</b>	<b>478220</b>	<b>475208</b>	<b>494039</b>	<b>1.4</b>	<b>4.0</b>
<b>ASSETS</b>						
Cash and Balances with Reserve Bank of India	21016	18275	18399	20796	-1.0	13.0
Balances with Banks and Money at call and Short Notice	28425	15872	19911	22250	-21.7	11.7
Investments	123780	127143	118922	126047	1.8	6.0
Advances	288761	293011	291890	296932	2.8	1.7
Fixed Assets	3833	3744	3702	3762	-1.9	1.6
Other Assets	21591	20175	22383	24252	12.3	8.4
<b>Total</b>	<b>487406</b>	<b>478220</b>	<b>475208</b>	<b>494039</b>	<b>1.4</b>	<b>4.0</b>

**#1** Business Performance

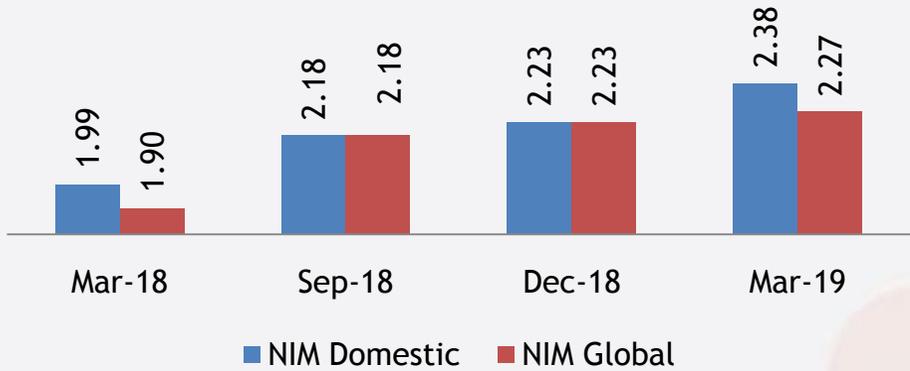
**#2** Financials

**#3** New Initiatives & Outcomes

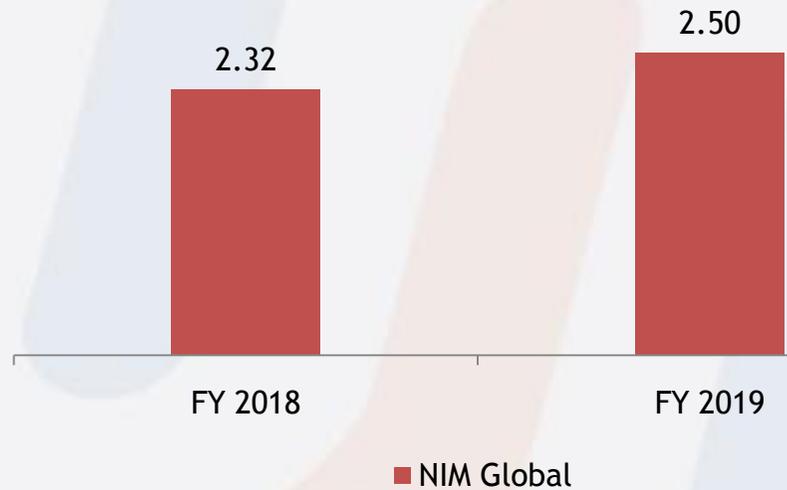
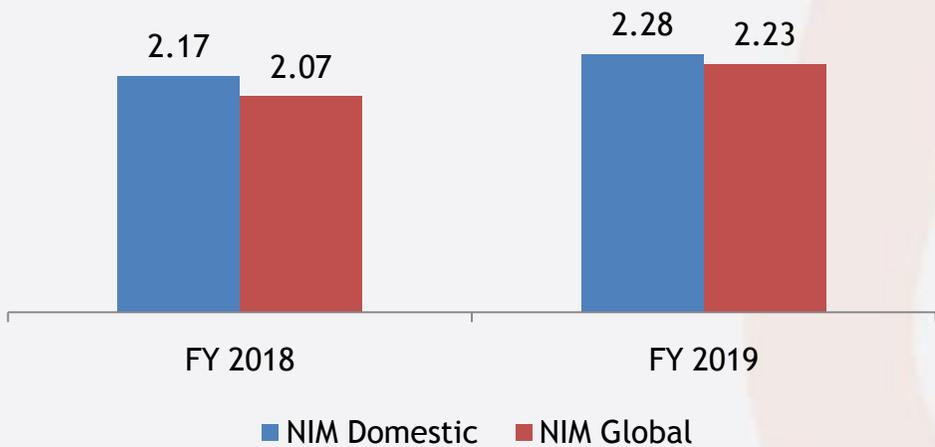
**#4** Awards & Accolades

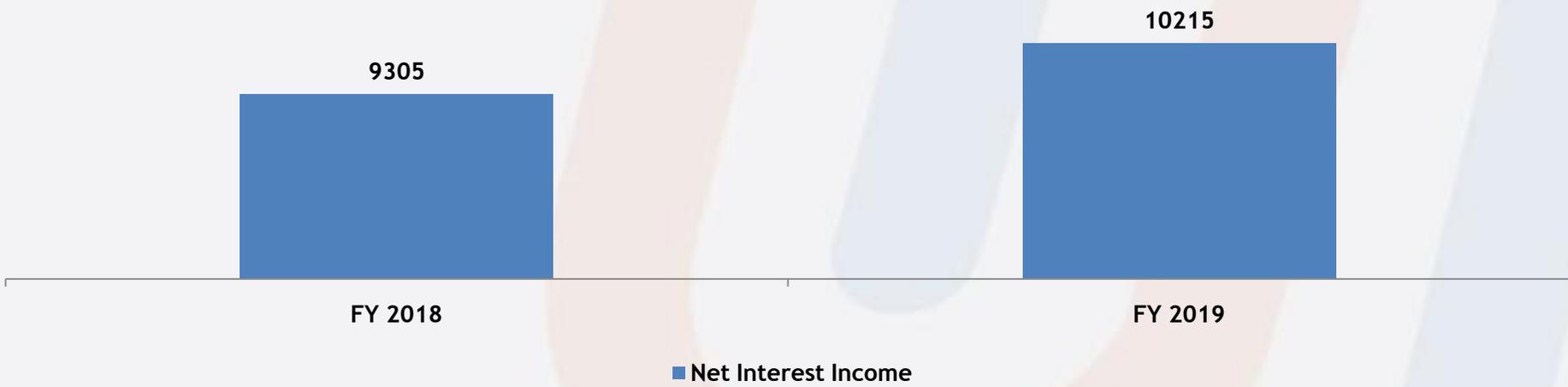
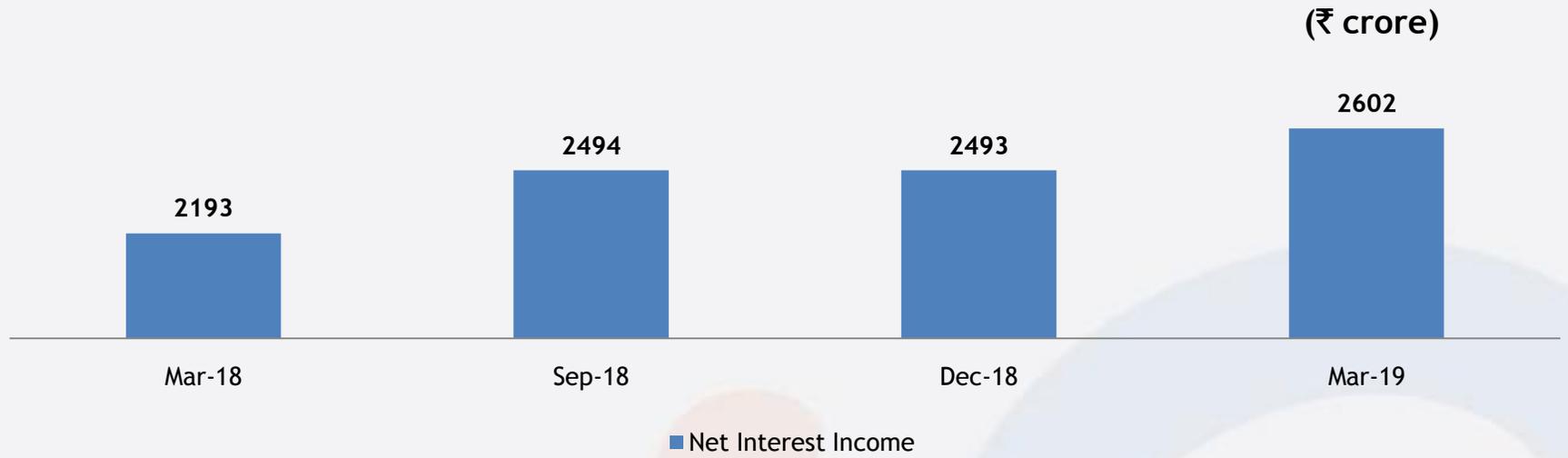
Parameters	Mar-18 (Q4)		Dec-18 (Q3)		Mar-19 (Q4)		FY-2018		FY-2019	
	Domestic	Global	Domestic	Global	Domestic	Global	Domestic	Global	Domestic	Global
Cost of Deposit	5.58	5.52	5.61	5.59	5.68	5.66	5.73	5.66	5.59	5.57
Cost of Funds	4.93	4.69	4.95	4.87	4.73	4.63	5.09	4.8	4.89	4.79
Yield on Advances	7.78	7.29	7.93	7.75	7.98	7.51	8.2	7.67	7.97	7.71
Yield on Investment	6.83	6.76	7.23	7.13	6.55	6.48	6.92	6.86	6.97	6.89
Yield on Funds	6.73	6.43	6.98	6.89	6.93	6.72	7.07	6.71	6.99	6.85

**NIM**  
(on Avg. Earning Assets/AEA)



**NIM**  
(on AEA excl. GNPA)



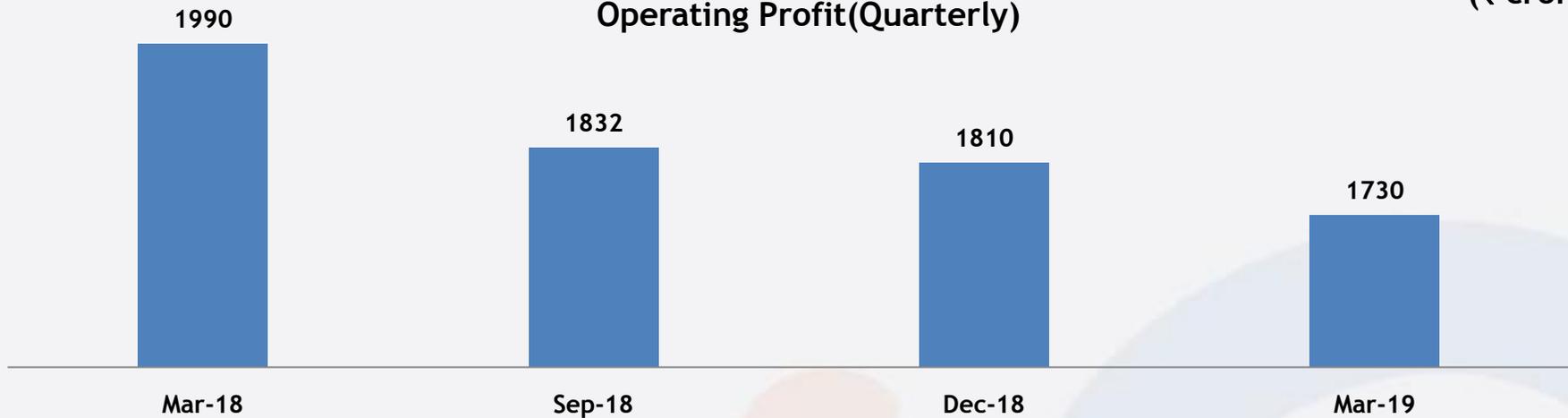


Parameters	Mar-18 (Q4)	Sep-18 (Q2)	Dec-18 (Q3)	Mar-19 (Q4)	Growth (%) YoY	Growth (%) QoQ	FY18	FY19	Growth (%)
Interest Income	8112	8539	8477	8349	2.9	-1.5	32748	34067	4.0
Interest Expense	5919	6045	5984	5748	-2.9	-3.9	23443	23852	1.7
Net Interest Income	2193	2494	2493	2602	18.7	4.4	9305	10215	9.8
Non-Interest Income	1485	899	1095	1272	-14.3	16.2	4990	4474	-10.3
Total Income	9597	9438	9572	9621	0.3	0.5	37738	38541	2.1
Operating Expenses	1688	1561	1778	2143	27.0	20.5	6655	7168	7.7
Total Expenses	7607	7606	7762	7891	3.7	1.7	30098	31020	3.1

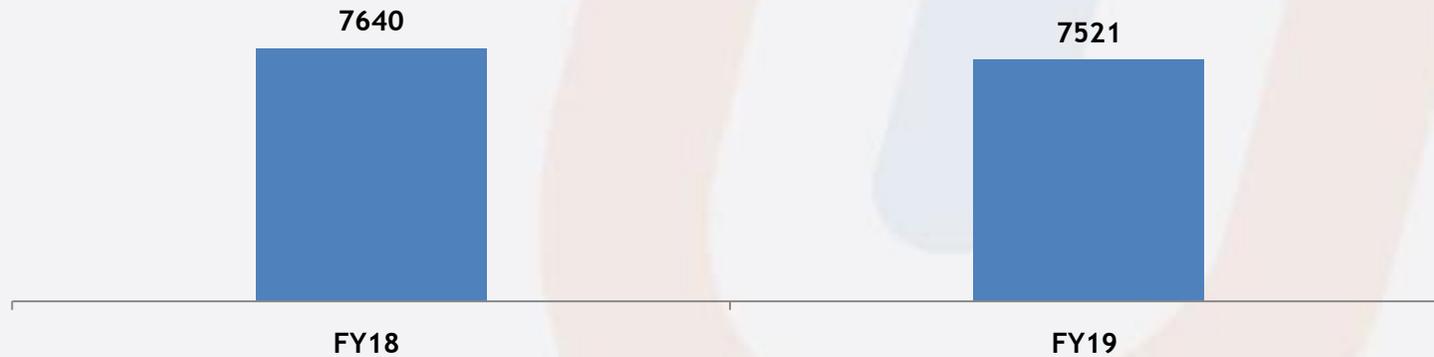
Parameters	Mar-18 (Q4)	Sep-18 (Q2)	Dec-18 (Q3)	Mar-19 (Q4)	Growth (%) YOY	Growth (%) QOQ	FY18	FY19	Growth (%)
a. Core Non Interest Income	1127	641	660	867	-23.1	31.4	2879	2876	-0.1
b. Treasury Income	277	153	191	266	-4.0	39.3	1834	899	-51.0
W/w									
• Profit on Sale of Investments	132	82	110	188	42.4	70.9	1266	574	-54.7
• Exchange Profit	145	71	81	78	-46.2	-3.7	568	325	-42.8
c. Recovery in Written off Accounts	81	105	244	138	70.4	-43.4	276	699	153.3
<b>Total</b>	<b>1485</b>	<b>899</b>	<b>1095</b>	<b>1271</b>	<b>-14.4</b>	<b>16.1</b>	<b>4990</b>	<b>4474</b>	<b>-10.3</b>

(₹ crore)

**Operating Profit(Quarterly)**



**Operating Profit (Full Year)**

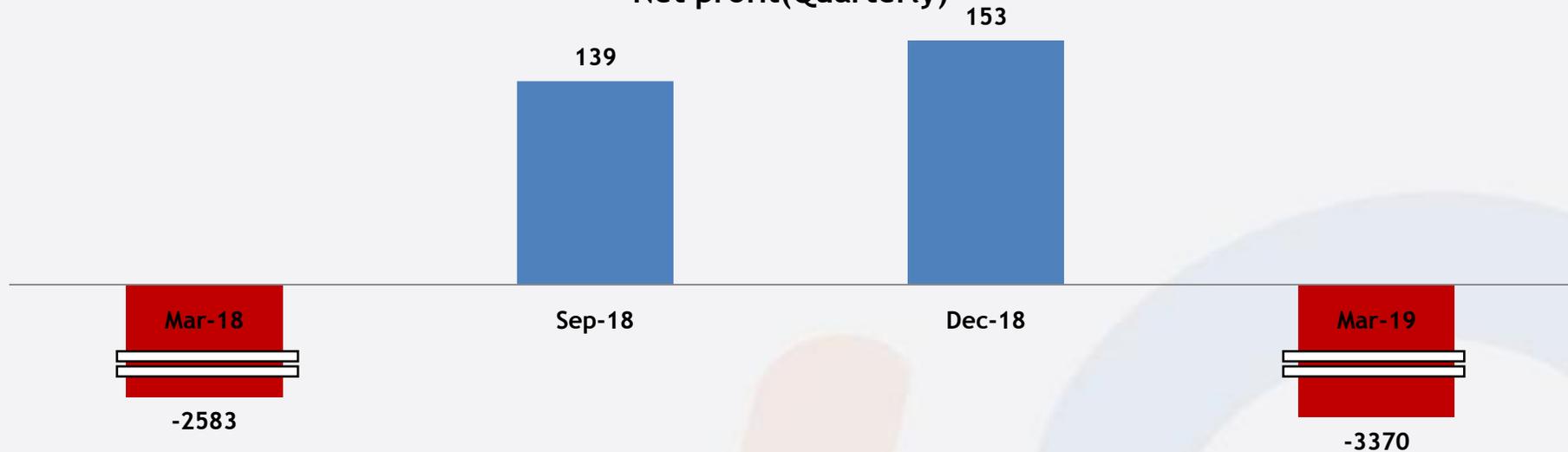


(₹ crore)

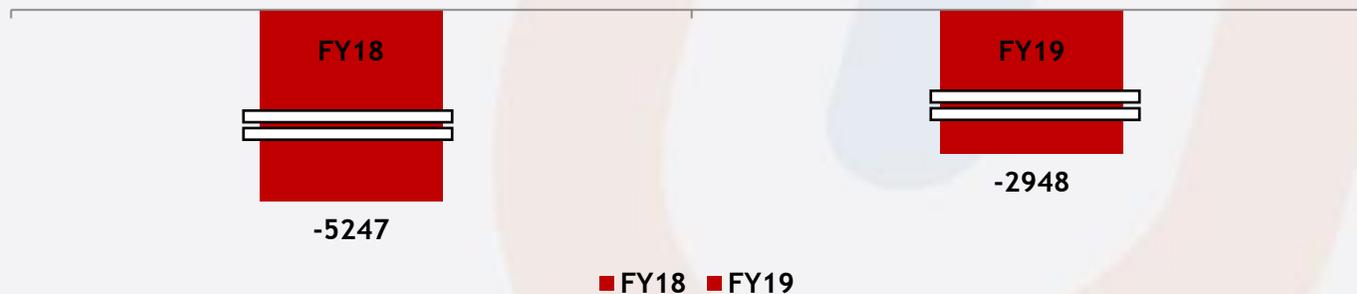
Parameters	Mar-18 (Q4)	Sep-18 (Q2)	Dec-18 (Q3)	Mar-19 (Q4)	FY18	FY19
NPAs	5639	1710	2139	5784	13500	11435
Standard Assets	-737	21	71	21	-707	137
Depreciation on Investment	1120	146	-551	-26	1560	-404
Shifting Loss	0	0	0	0	367	411
Restructured Advances	-183	-229	0	-102	-236	-356
Others (FITL etc)	-71	68	18	90	-203	225
Taxation	-1195	-23	-20	-667	-1394	-979
<b>Total</b>	<b>4573</b>	<b>1693</b>	<b>1657</b>	<b>5100</b>	<b>12887</b>	<b>10469</b>

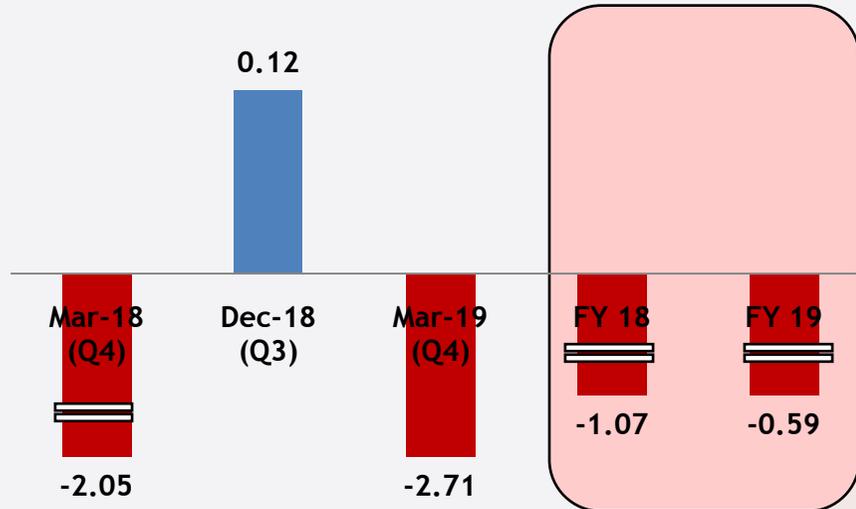
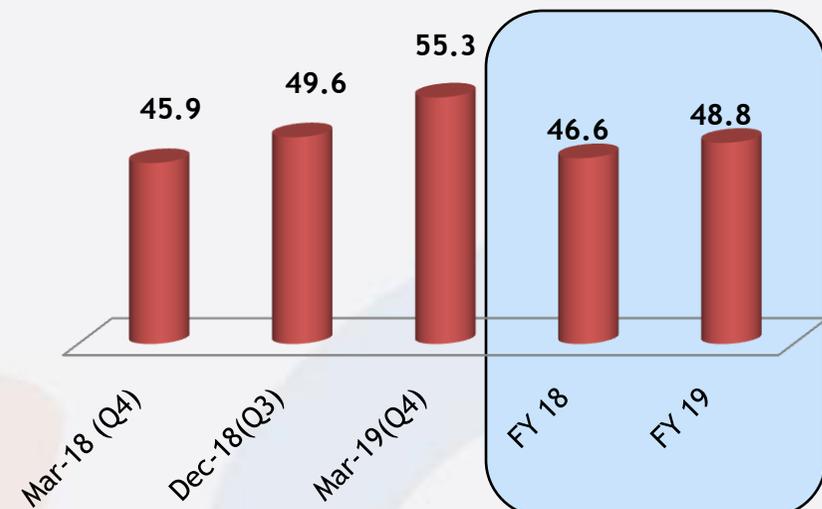
(₹ crore)

**Net profit(Quarterly)**



**Net Profit(Full Year)**



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

**Cost to Income(%)**


S. No.	Efficiency Parameters	Mar-18 (Q4)	Sep-18 (Q2)	Dec-18 (Q3)	Mar-19 (Q4)	FY 2018	FY 2019
1	Return on Equity (%)	-56.18	3.11	3.48	-71.21	-28.53	-15.57
2	Book Value Per Share	157.40	153.09	150.52	107.36	157.40	107.36
3	Earnings per share	-29.59	4.76	5.24	-28.19	-69.45	-25.08

Sn.	Profitability Parameters		Mar-18 (Q4)	Sep-18 (Q2)	Dec-18 (Q3)	Mar-19 (Q4)	FY 18	FY 19
1	Business per Branch	₹ crore	167.9	166.8	167.7	172.7	167.9	172.7
2	Business per employee	₹ crore	19.2	18.9	19.1	19.9	19.2	19.9
3	Gross Profit per Branch	₹ crore	1.8	1.7	1.7	1.6	1.8	1.8
4	Gross Profit per Employee	₹ lacs	21.2	19.3	19.2	18.6	20.3	20.2
5	Net Profit per Branch	₹ lacs	-240.3	12.9	14.3	-314	-122	-68.7
6	Net Profit per Employee	₹ lacs	-27.5	1.5	1.6	-36.2	-13.9	-7.9

(₹ crore)

Parameters	Mar-18 (Q4)	Sep-18 (Q2)	Dec-18 (Q3)	Mar-19 (Q4)	FY 18	FY 19
Gross NPAs - Opening	40988	50973	50157	49713	33712	49370
Add : Additions	10043	2667	2983	3275	21369	13577
Less : Reductions	1661	3483	3427	4259	5711	14218
1. Recoveries	387	1208	1287	762	1835	4509
2. Up-gradation	42	407	510	650	400	1938
3. Write Off	1233	1868	1630	2847	3477	7771
Gross NPAs- Closing	49370	50157	49713	48729	49370	48729
Gross NPA (%)	15.73	15.74	15.66	14.98	15.73	14.98
Net NPA	24326	24657	24142	20332	24326	20332
Net NPA (%)	8.42	8.42	8.27	6.85	8.42	6.85
Provision Coverage Ratio(%)	57.16	57.66	58.84	66.24	57.16	66.24
Tangible PCR(%)	50.73	50.84	51.44	58.27	50.73	58.27
Credit Cost (%)	7.18	2.15	2.69	7.20	4.39	3.58

(₹ crore)

Sectors	Slippages During Q4 FY 19	NPAs Mar 2019	Sectoral NPA %		
			Sep-18	Dec-18	Mar-19
Retail Loans	214	1194	2.49	2.23	2.09
Agriculture	740	3994	7.62	7.71	8.16
Micro & Small (MSE)	560	5815	12.21	12.19	11.53
Medium & Large	1761	37726	22.82	26.22	24.42
<b>Total</b>	<b>3275</b>	<b>48729</b>	<b>15.74</b>	<b>15.66</b>	<b>14.98</b>

Scheme	Standard as on Dec 2018		Standard as on Mar 2019	
	Account	Amount (Rs. in crore)	Account	Amount (Rs. in crore)
5:25	12	3452	10	2670
SDR	1	0*	1	0*
S4A	2	68	2	66

\*Account is Non-Fund Based

S.N.	Sector #	Outstanding	NPA	Std. Restructured	NPA + Std. Restructured (%)
1	Infrastructure	52200	11943	764	24.3
a.	Power	24135	6571	172	27.9
b.	Roads	7774	2038	592	33.8
2	Iron & Steel	9744	5065	97	53.0
3	Textiles	7315	1899	31	26.4

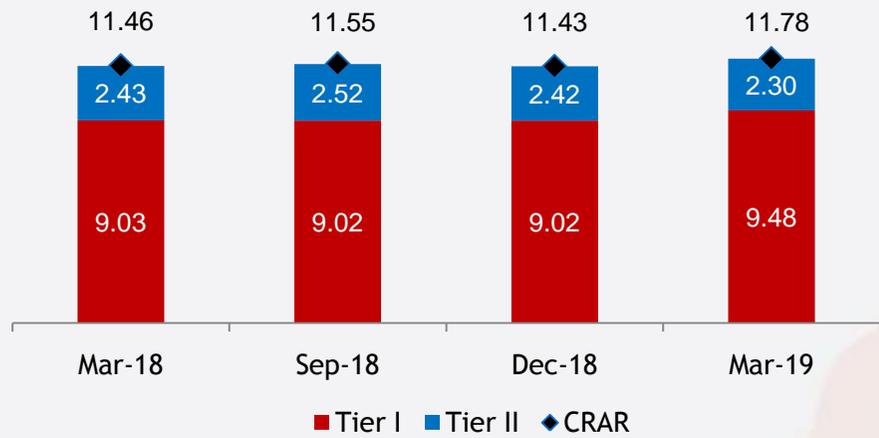
#Domestic

Particulars (percent to Gross Advances)	Sep-18	Dec-18	Mar-19
Standard Restructured	0.41	0.36	0.40
Impaired Assets Ratio (GNPA + Standard Res)	16.1	16.0	15.4
Net Impaired Assets Ratio (NNPA + Standard Res)	8.1	7.96	6.7

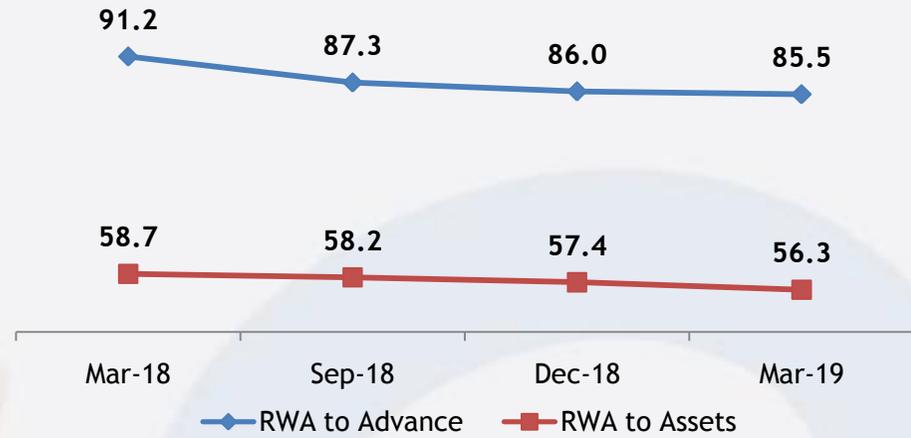
(₹ crore)

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 Mar 31, 2019	6023	3687	9710
Total Provisions held upto Mar 31, 2019	4082	2917	6999
Provision Coverage Ratio as of Mar 31, 2019	68%	79%	72%

### Capital Adequacy Ratio



### RWA Optimization

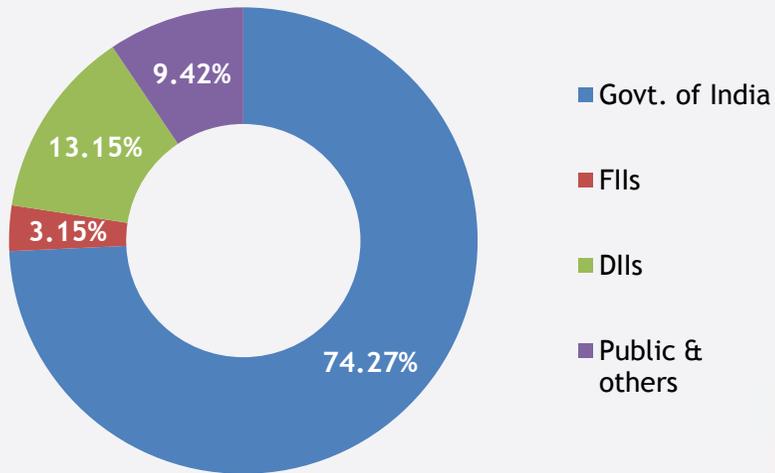


(₹ crore)

Particulars	Mar-18	Sep-18	Dec-18	Mar-19
Risk Weighted Assets	286315	278172	272974	278344
Capital Funds	32817	32119	31213	32796
CRAR-BASEL III ( % )	11.46	11.55	11.43	11.78
TIER 1 (%)	9.03	9.02	9.02	9.48
CET 1 (%)	7.56	7.54	7.50	8.02

During FY 2018-19, the Bank redeemed ₹ 1200 crore of Basel II compliant Tier 2 bonds on maturity. The Bank also exercised call option on ₹ 340 crore of Basel II compliant perpetual bonds

Mar-19



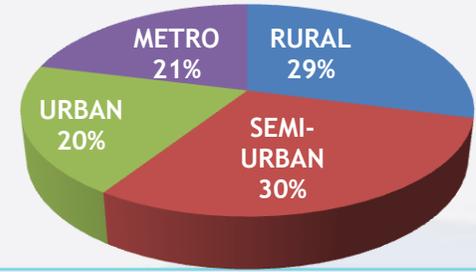
Share Capital	₹ 1763 crore
No. of Equity Shares	176.30 crore
Net Worth	₹ 18927 crore
Market Cap	₹ 16854 crore

## Capital Raising during FY 2018-19

Particulars	Government of India	Employee Share Purchase Scheme
Amount	₹ 4112 crore	₹ 568 crore
Number of Shares	52,15,62,658	7,28,80,275
Price per Equity Share	₹ 78.84	₹ 58.49*

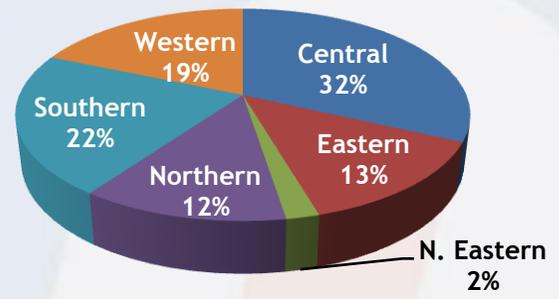
\*25% discount on the calculated price of ₹ 77.98

## Branch Distribution by Urbanization

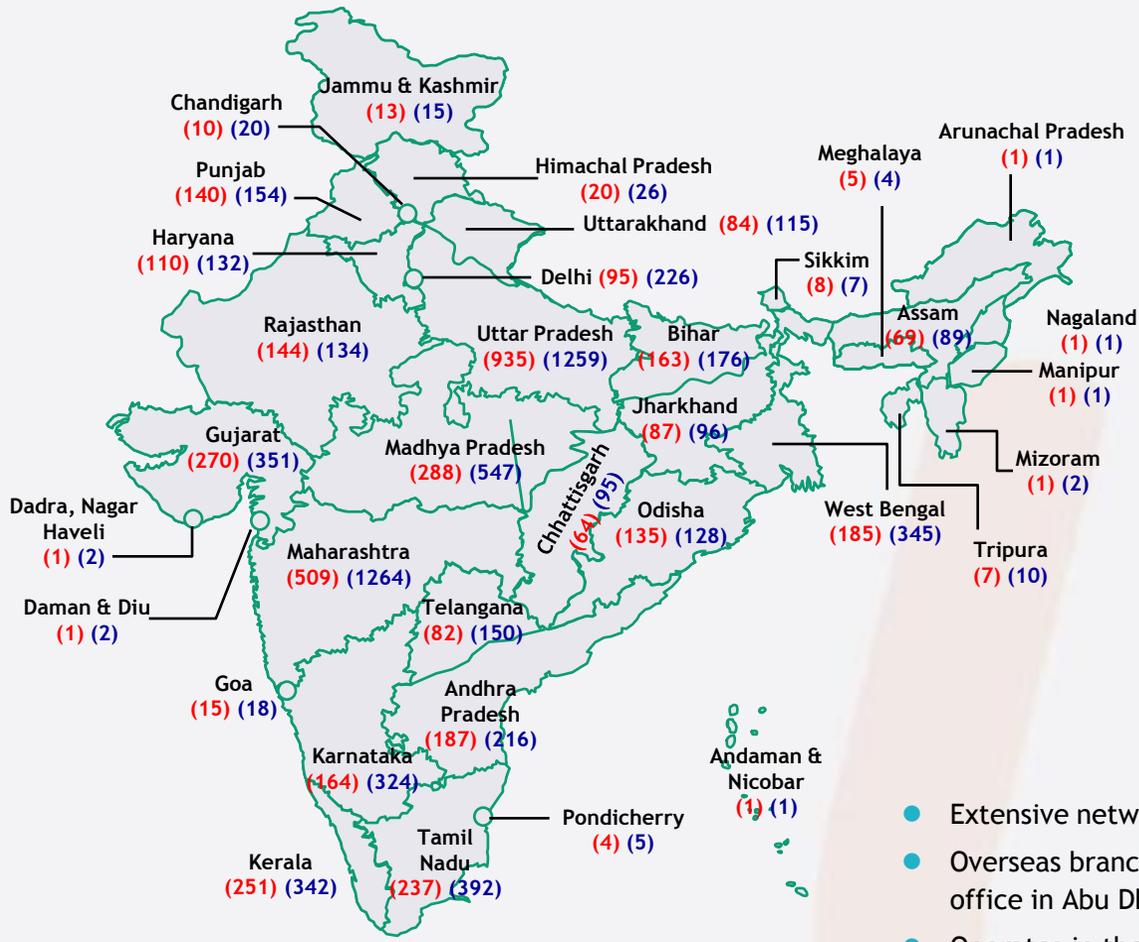


59% branches in rural/semi-urban markets

## Branch Distribution by Geography



Geographical diversification minimizes regional risks



**# Domestic Branches (4,288)**    **# ATMS (6650)**  
**# 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 March 31, 2019.

**#1** Business Performance

**#2** Financials

**#3** New Initiatives & Outcomes

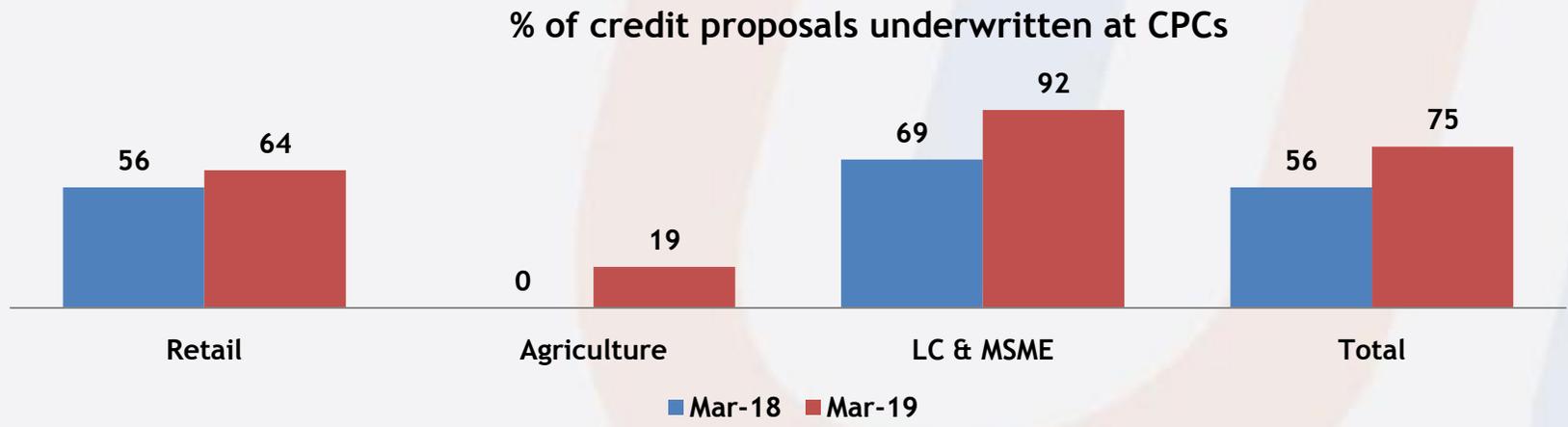
**#4** Awards & Accolades

More than 70% of Credit Appraisal centralized

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

Particulars	No of Units (Mar-18)	No. of Units (Mar-19)	Sectors covered
ULP	73	74	Retail (Housing and Mortgage Loan)
USK	4	38	Retail, Agriculture and MSME
SARAL	29	45	MSME, Agriculture (selected segment)
MCB	13	24	Mid Corporate
IFB	8	8	Large Corporate

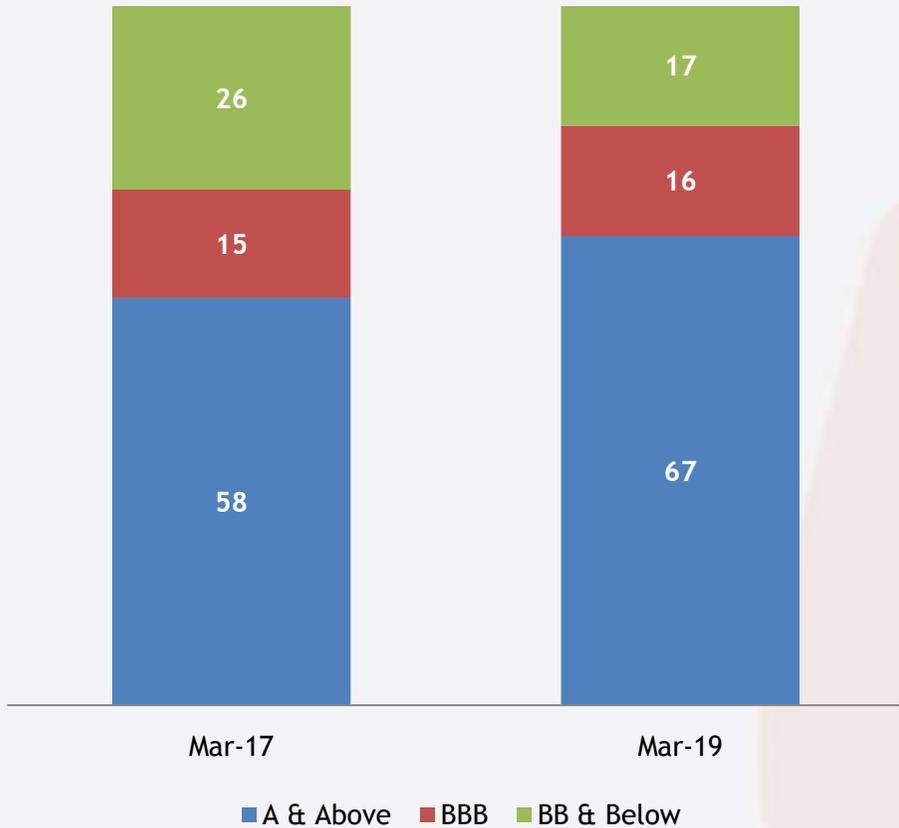
### Centralization in credit appraisals



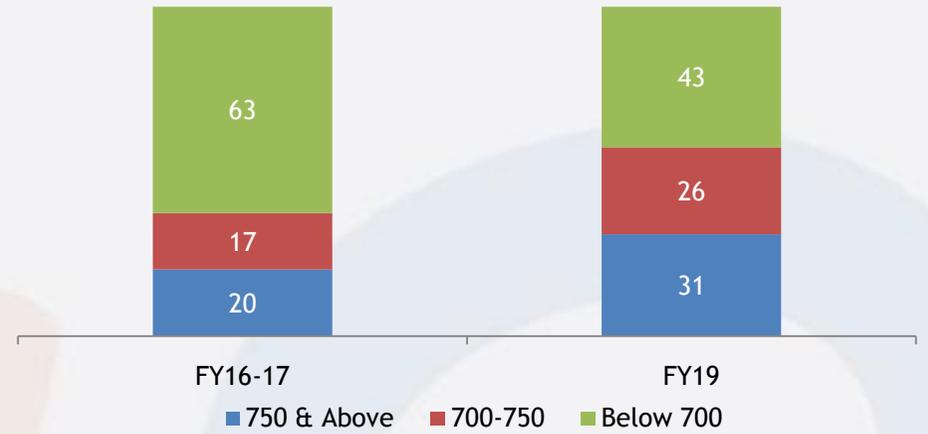
## Improving Quality of Advances.....

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

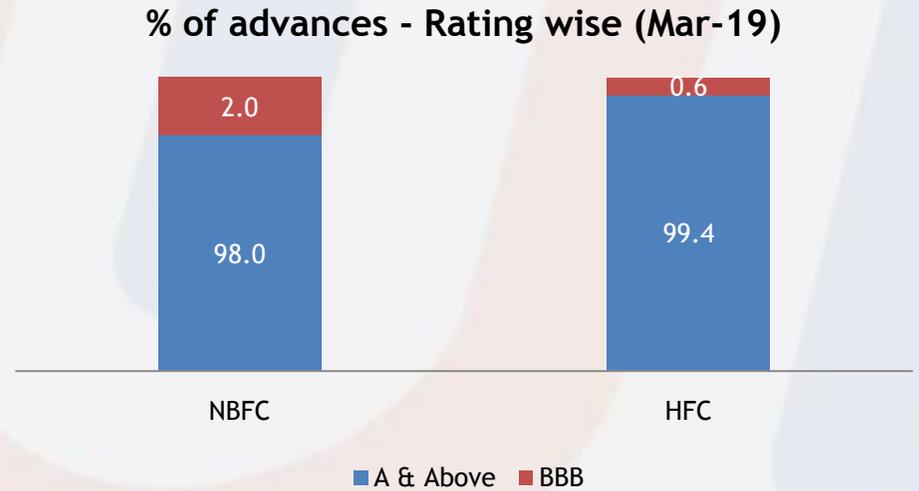
**Rating Matrix of Outstanding Corporate Loans - ₹162,837 crore**



## Improving rating profile of New Retail loans sanctioned Retail CIBIL Rating Profile



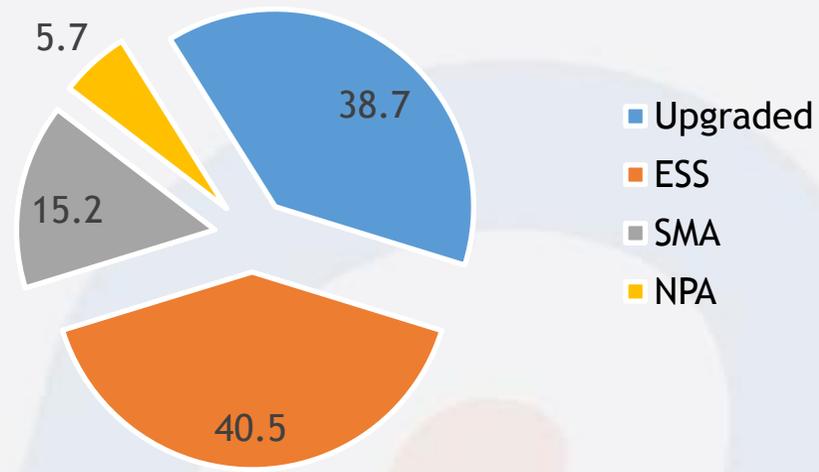
## Exposure to NBFCs-Lending to higher-rated NBFCs



**Early Warning Indicators to mitigate credit risk..... Logistic regression equation and derived coefficients created to predict the riskiness of the customer**

**The Early Stress Signals (ESS) model identified 8 major contributors to predict propensity of slippage from ~200+ derived trigger variables**

Status update of ESS A/c's  
As of Mar-19 identified in Apr-18



**Key Triggers for Identification of Accounts**

- ❖ Excess over limit
- ❖ Days past due
- ❖ Transactions in account
- ❖ Utilization of Limit
- ❖ Incident of Cheque Bouncing
- ❖ Relationship with the Bank

**Resolutions of ESS Accounts**

- ❖ Close Monitoring of identified accounts
- ❖ Re-visiting limits
- ❖ Enhanced due-diligence
- ❖ Explore possibility of Exit option

**#1** Business Performance

**#2** Financials

**#3** New Initiatives & Outcomes

**#4** Awards & Accolades

**Golden Peacock Award**

- “National Training Award” - Corporate Leadership & Institutional Excellence

**World HRD Congress**

- “Best use of Technology for Training”
- “Best Leadership Development Program” - in Public Sector for Top Management
- “Excellence in Training & Development”

**IBA Award**

- “Best IT Risk Management and Cyber Security ”
- “Best Technology Bank”
- “Best Financial Inclusion Initiatives”

**NPCI Award**

- “Excellent Performance in RuPay cards”

**EASE Awards**

- “Udyamimitra for MSMEs” - Enhanced Access and Service Excellence (EASE) Award under PSB Reforms Agenda

**SKOCH Awards**

- SKOCH Gold Award - Banking & Finance Gold for Technology - Strategic Transformation (Union Samriddhi Kendra Model)
- SKOCH Gold Award - Cyber Security Gold for Governance Risk Management and Compliance tool
- SKOCH “Order of Merit” - Technology: Strategic Transformation & Financial Inclusion initiatives under Top Banking & Finance Project in India
- SKOCH “Order of Merit” - SIEM Tool, Governance Risk Management
- SKOCH “Order of Merit” - Compliance tool & Anti DDOS Solution under Top Cyber Security projects in India
- SKOCH “Order of Merit” - For Financial Inclusion Initiative

## 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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