

यूनियन बैंक
ऑफ इंडिया
अच्छे लोग, अच्छा बैंक



Union Bank
of India
Good people to bank with

Financial Results

Q2 FY20 & H1 FY20



November 14, 2019

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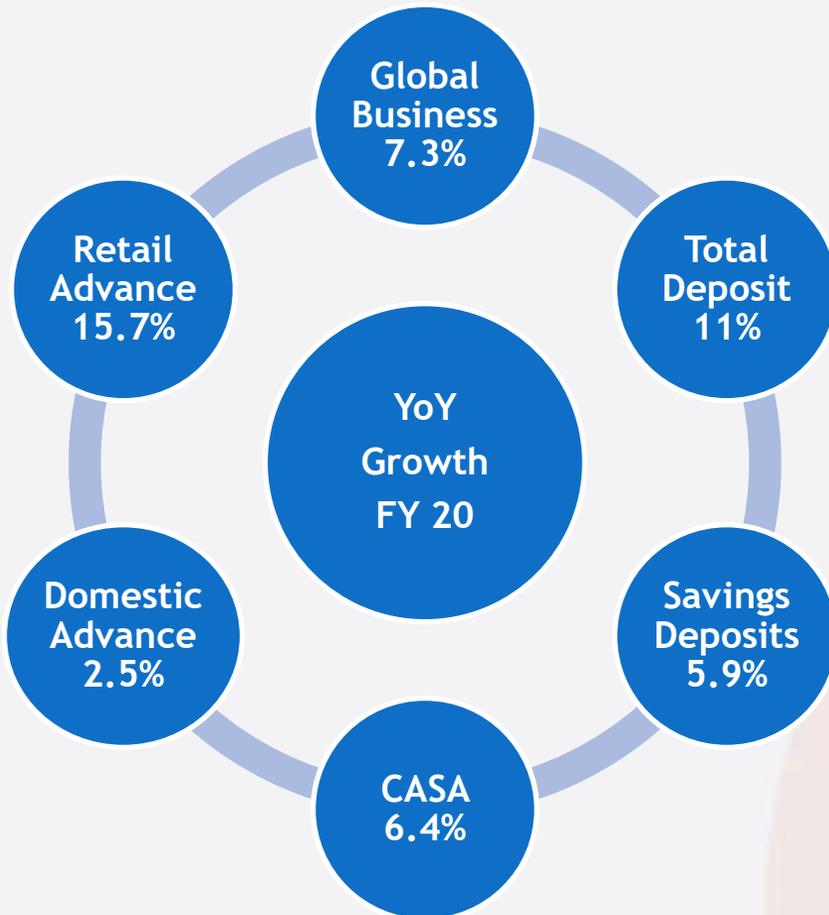
UnionBankofIndia

#1 Business Performance

#2 Financials

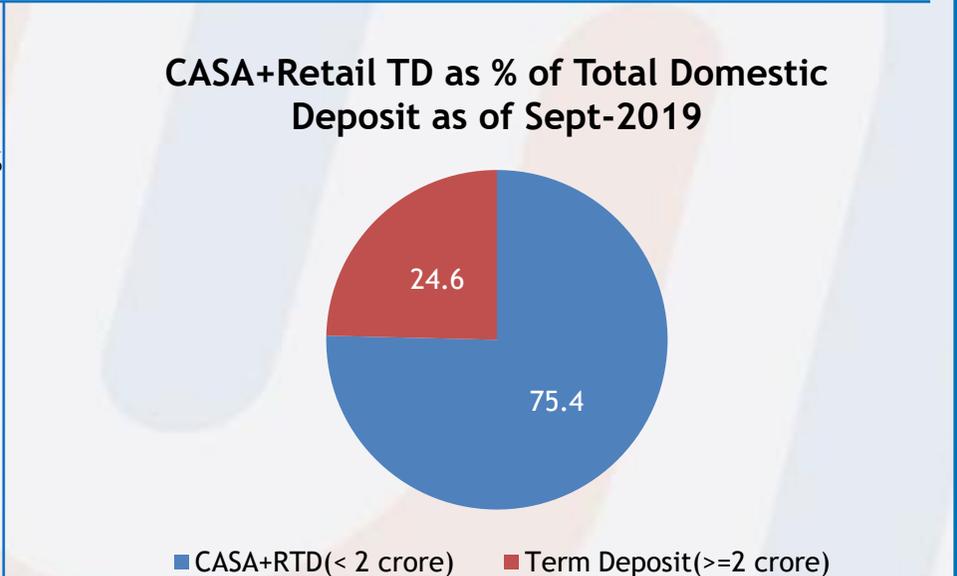
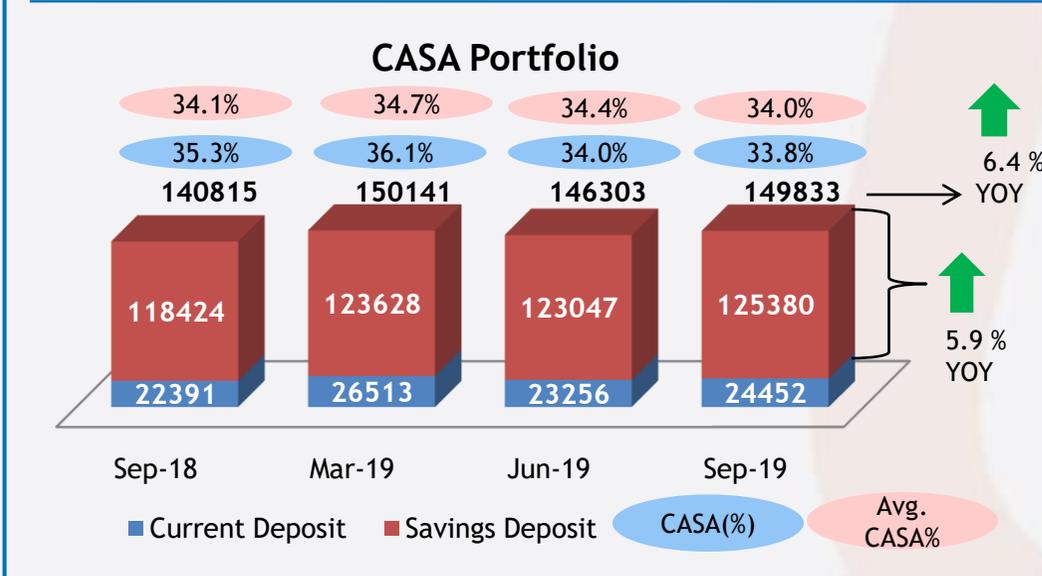
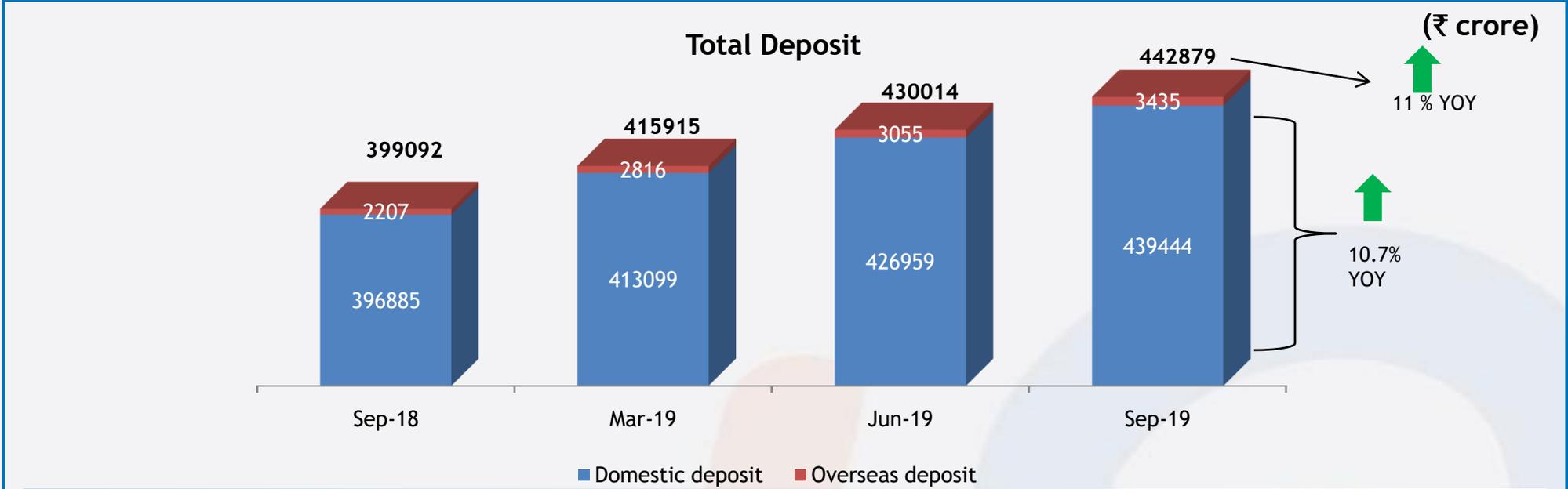
#3 New Initiatives & Outcomes

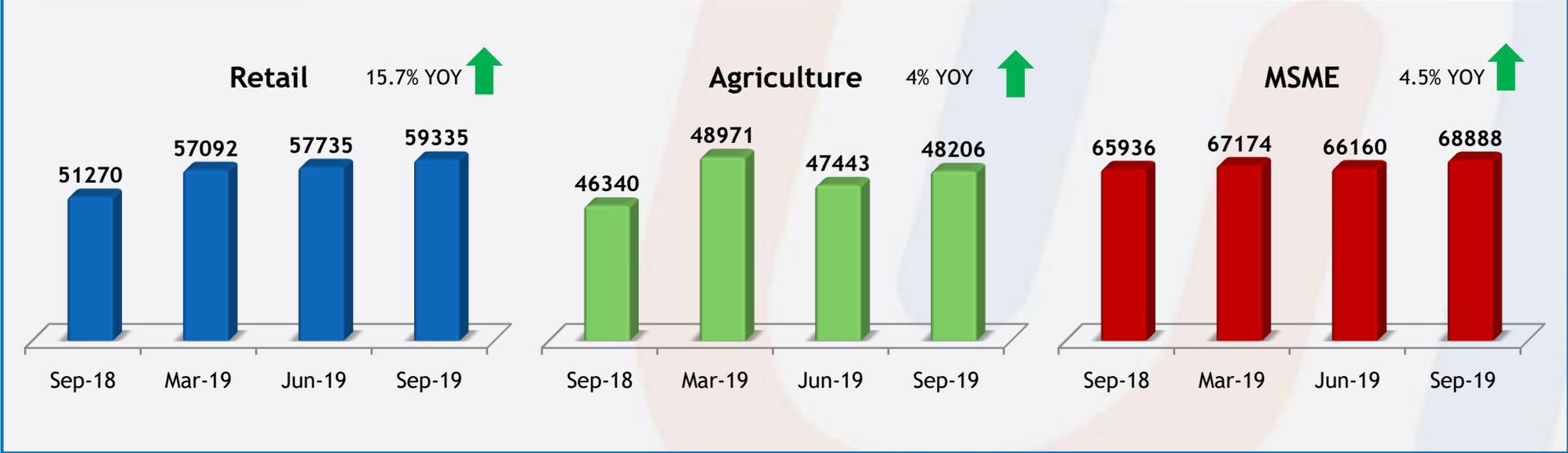
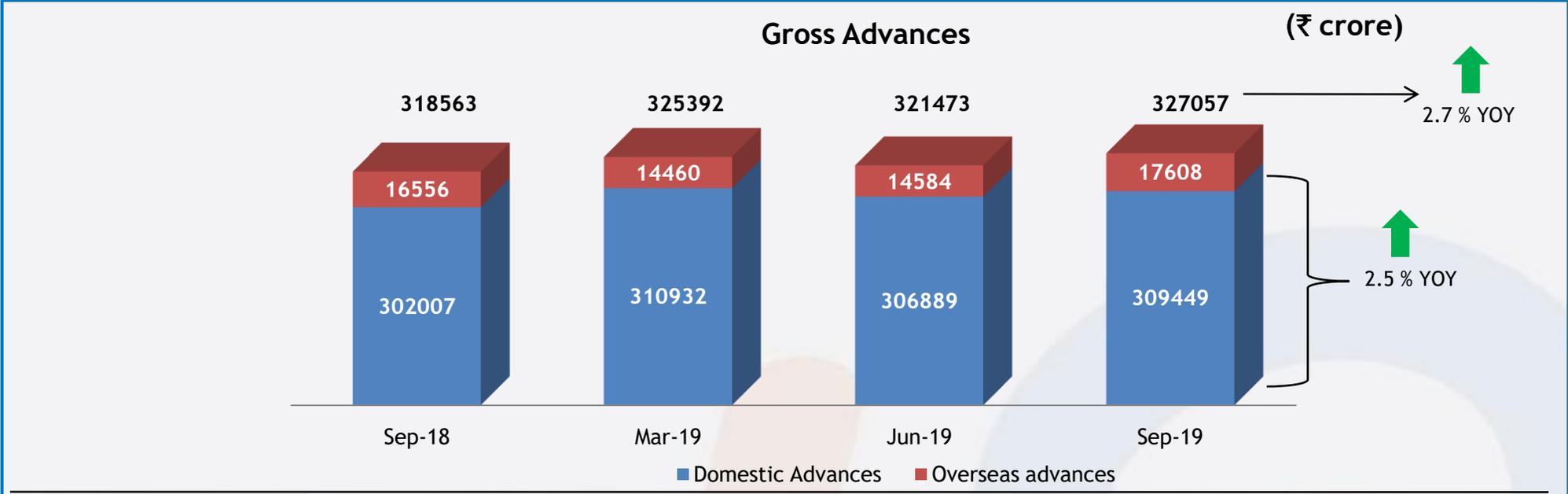
#4 Group Entities



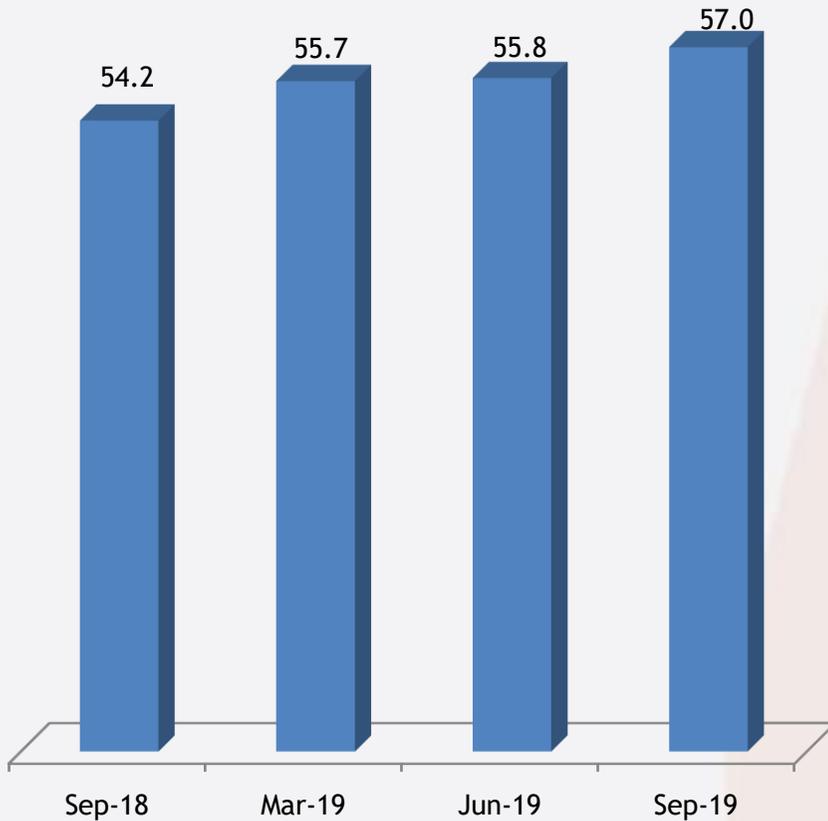
Total Business	₹ 769936 crore
Gross Advances	₹ 327057 crore
Total Deposits	₹ 442879 crore
Operating Profit(H1FY20)	₹ 4127 crore
Basel III Tier I Ratio	12.83 %
Basel III Total CAR	15.14 %
Branches	4285
ATMs	12384*

*Including 5586 Micro-ATM

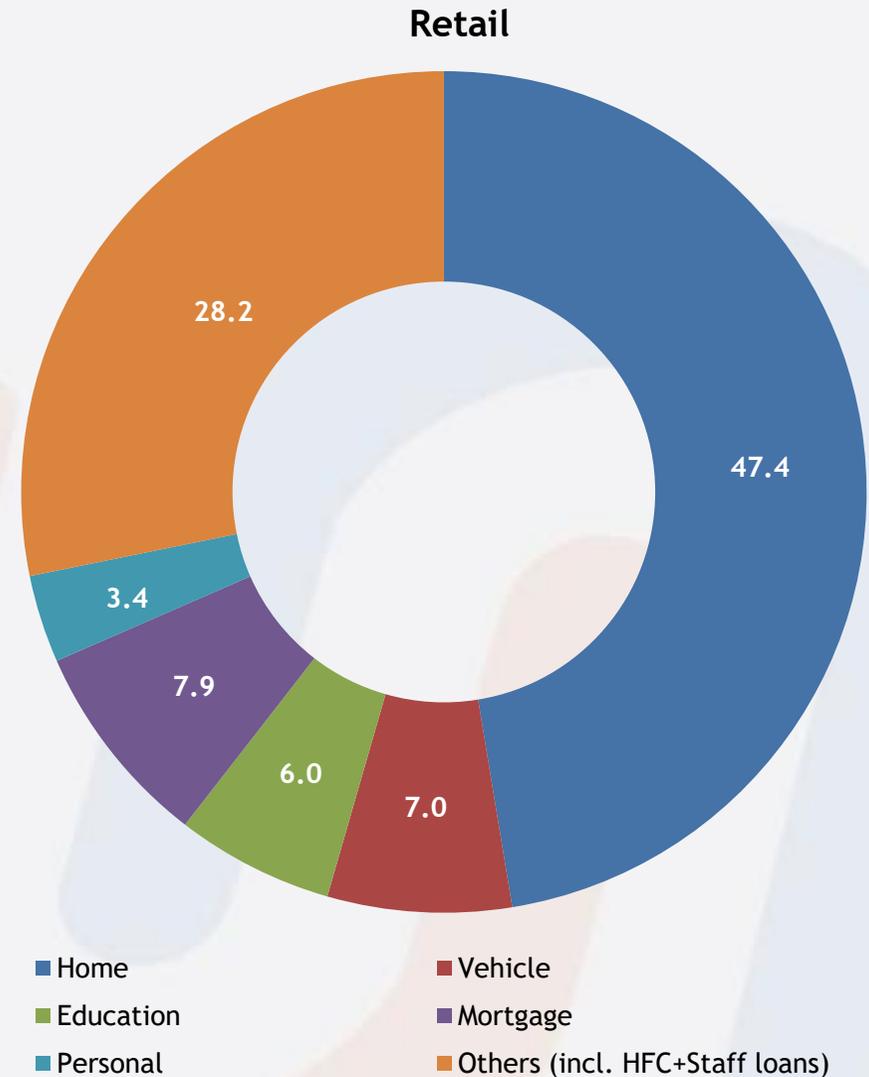




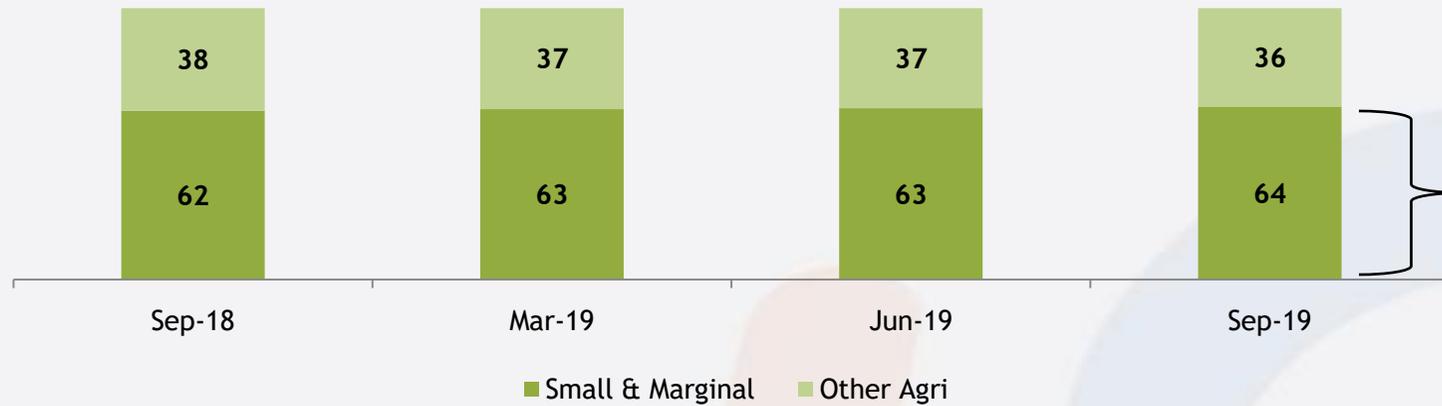
RAM* share (%) in Domestic advances



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

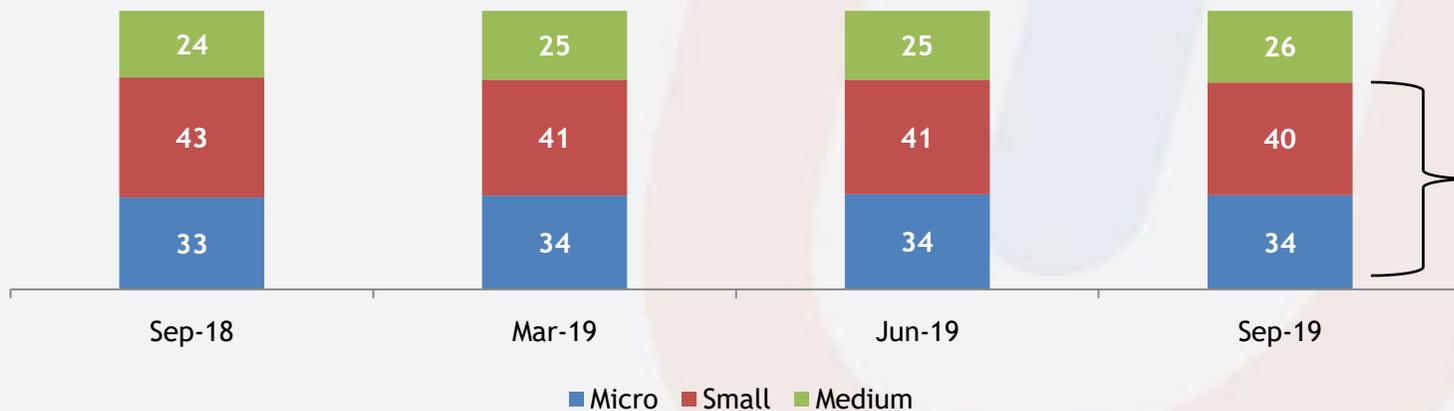


Composition of Agri loan book(%)



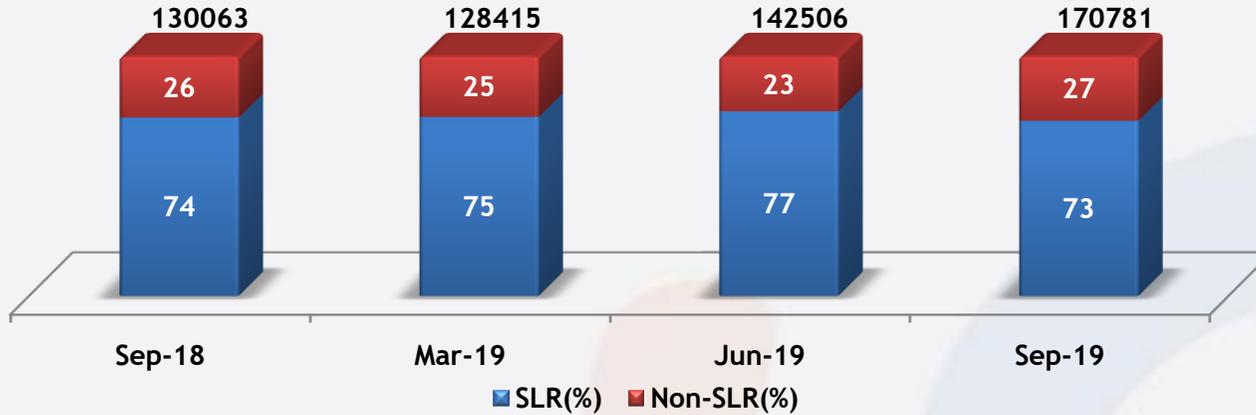
➤ More than 64% of Agri. portfolio is for Small & Marginal farmers

Composition of MSME loan book(%)



➤ 74% of MSME portfolio is MSE

S No.	Sectors	Top Sector Exposure			
		(% Share in Domestic Advance)			
		Mar-19	Jun-19	Sep-19	
		₹ Crore	₹ Crore	₹ Crore	% Share
1	Infrastructure	52200	53325	53367	17.2
2	NBFCs and HFCs	38156	41563	43747	14.1
	w/w HFCs	13134	13750	14491	4.7
3	Trade	39259	39942	37329	12.1
4	Basic Metal Products	11967	11886	12134	3.9
5	Construction	12080	12074	10864	3.5
6	Food Processing	10658	10029	9575	3.1
7	Textiles	7315	6923	7056	2.3
8	All Engineering	6202	5330	5417	1.8
	Total	177837	181072	179489	58.0

Global Investment (₹ Crore)


Particulars (Domestic)	Jun 2019	Sep 2019	Duration (Years)	
	(₹ Crore)	(₹ Crore)	Jun-19	Sep-19
Available for Sale	56323	59445	2.14	2.74
W/w SLR	36157	37641	1.76	2.74
NON SLR	20166	21804	3.05	2.72

Business from Overseas Operations

US \$ in billion (₹ crore)	Sep 2018	Jun 2019	Sep 2019	Growth (%)	
				Y-o-Y (US\$)	Y-o-Y (INR)
Total Business	2.6 (18764)	2.5 (17638)	2.9 (21043)	11.5	12.1
Total Deposits	0.3 (2207)	0.4 (3055)	0.4 (3435)	33.3	55.6
Total Advances	2.3 (16556)	2.1 (14584)	2.4 (17608)	4.3	6.4

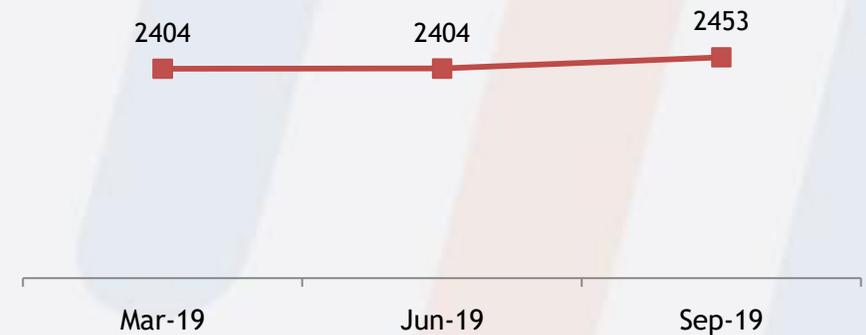
*1US\$ = ₹ 65.28 as on Sep 30, 2018

#1US\$ = ₹ 70.87 as on Sep 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 Sep 30, 2019	107 Lakh
Deposits	₹ 2453 Crore
RuPay Cards issued	65.63 Lakh
Aadhar Seeding	82.82 Lakh

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

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


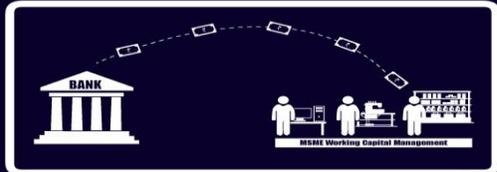
Total outstanding under Mudra loan: ₹ 6918 crore

Progress under Mudra Yojana April to September 2019 (PMMY)

Category	No. of Accounts	Sanctioned Amount (₹ crore)	Outstanding Amount (₹ crore)
Shishu (< ₹ 50k)	33793	58	42
Kishor (Above ₹ 50k-5 Lakh)	44815	955	792
Tarun (Above ₹ 5 Lakh-10 Lakh)	8365	654	509
Total	86973	1667	1343

Key Highlights of performance in TReDS

- ❖ Crossed ₹1000 cr. of bill discounting on Nov 06, 2019
- ❖ Total bill discounting upto Sept-2019 stood at ₹897 cr.
- ❖ Presence in all 3 TReDS platforms



GET BANK FINANCE TO EASE YOUR MSME WORKING CAPITAL MANAGEMENT!

UNION TReDS
Digital Trading Platform for MSMEs

Key Highlights of performance under psbloansin59minutes.com

- ❖ Since inception, total 3352 applications have been sanctioned aggregating to ₹ 1349 cr.
- ❖ Total applications sanctioned to total received during H1FY20 stood at 71% (2nd among PSBs)



	(₹ crore)					
	As at 30.09.18	As at 31.03.19	As at 30.06.19	As at 30.09.19	Growth (%)	
					Y-o-Y	Q-o-Q
LIABILITIES						
Capital	1169	1763	1763	1763	50.8	0.0
Reserves and surplus	24243	24724	24948	23635	-2.5	-5.3
Share application	0	0	0	11768	--	--
Deposits	399092	415915	430014	442879	11.0	3.0
Borrowings	44367	42864	33878	40691	-8.3	20.1
Other Liabilities and Provisions	9349	8773	10978	11260	20.4	2.6
Total	478220	494039	501581	531996	11.2	6.1
ASSETS						
Cash and Balances with Reserve Bank of India	18275	20796	18961	20090	9.9	6.0
Balances with Banks and Money at call and Short Notice	15872	22250	19603	17034	7.3	-13.1
Investments	127143	126047	140059	168714	32.7	20.5
Advances	293011	296932	293811	297914	1.7	1.4
Fixed Assets	3744	3762	3771	3763	0.5	-0.2
Other Assets	20175	24252	25377	24481	21.3	-3.5
Total	478220	494039	501581	531996	11.2	6.1

#1 Business Performance

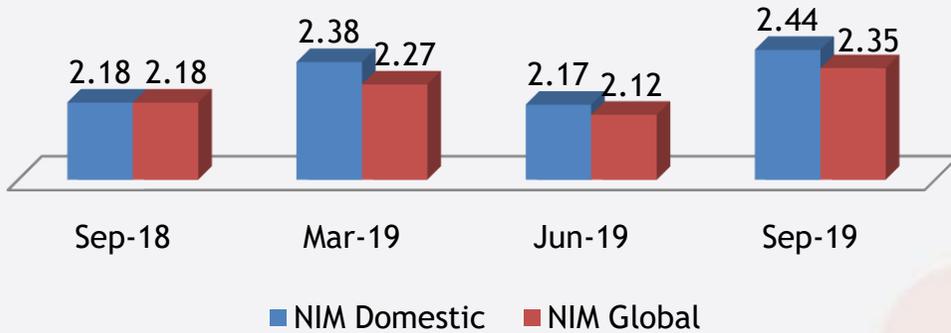
#2 Financials

#3 New Initiatives & Outcomes

#4 Group Entities

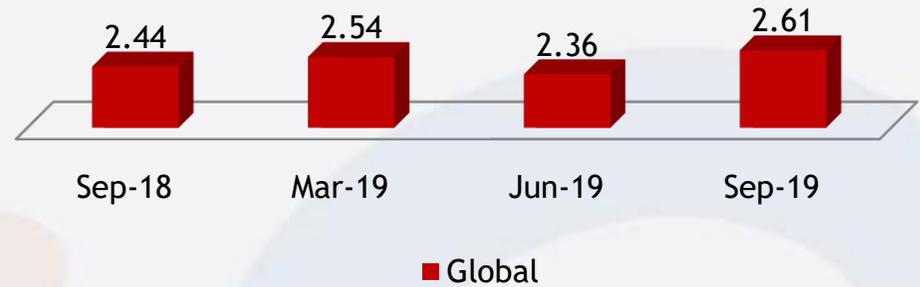
Parameters	Sep-18 (Q2)		Jun-19 (Q1)		Sep-19 (Q2)		H1 FY 2019		H1 FY 2020	
	Domestic	Global	Domestic	Global	Domestic	Global	Domestic	Global	Domestic	Global
Cost of Deposit	5.54	5.52	5.63	5.61	5.68	5.66	5.54	5.51	5.65	5.63
Cost of Funds	4.98	4.87	4.96	4.93	4.79	4.76	4.94	4.84	4.89	4.86
Yield on Advances	7.96	7.71	7.96	7.81	8.10	7.89	8.07	7.80	8.03	7.85
Yield on Investment	7.17	7.09	6.89	6.83	7.08	7.03	7.04	6.97	6.96	6.91
Yield on Funds	6.99	6.88	6.95	6.87	7.00	6.89	7.02	6.89	6.99	6.90

NIM
(on Avg. Earning Assets)

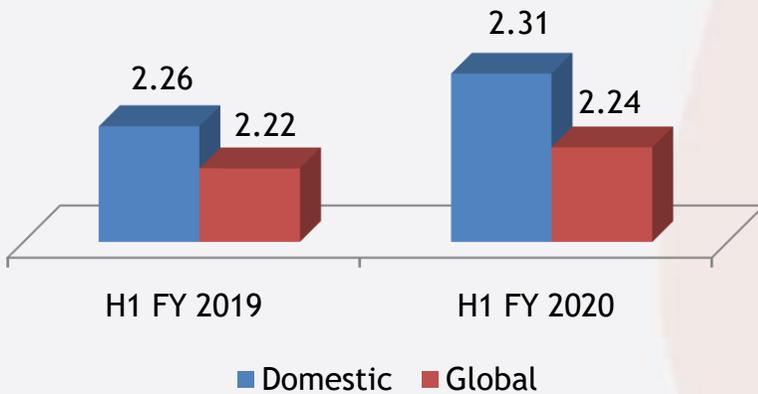


NIM : Quarterly

NIM
(on AEA excl.GNPA)

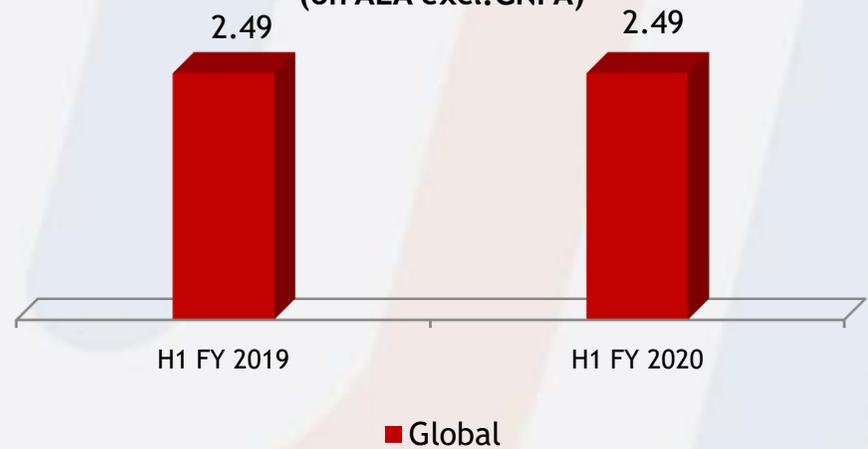


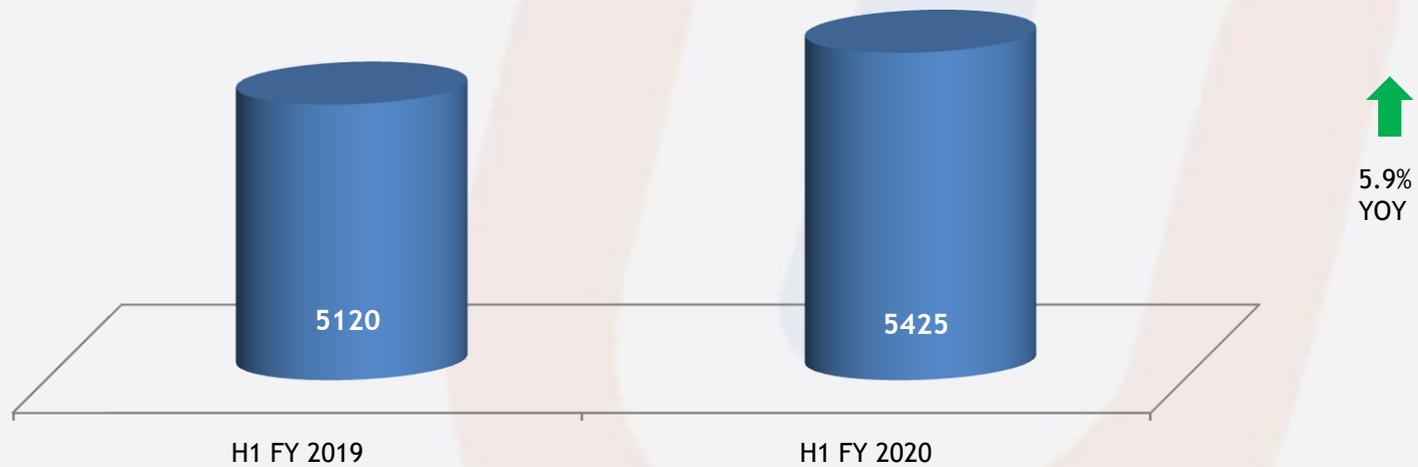
NIM
(on Avg. Earning Assets)



NIM : Half-Yearly

NIM
(on AEA excl.GNPA)



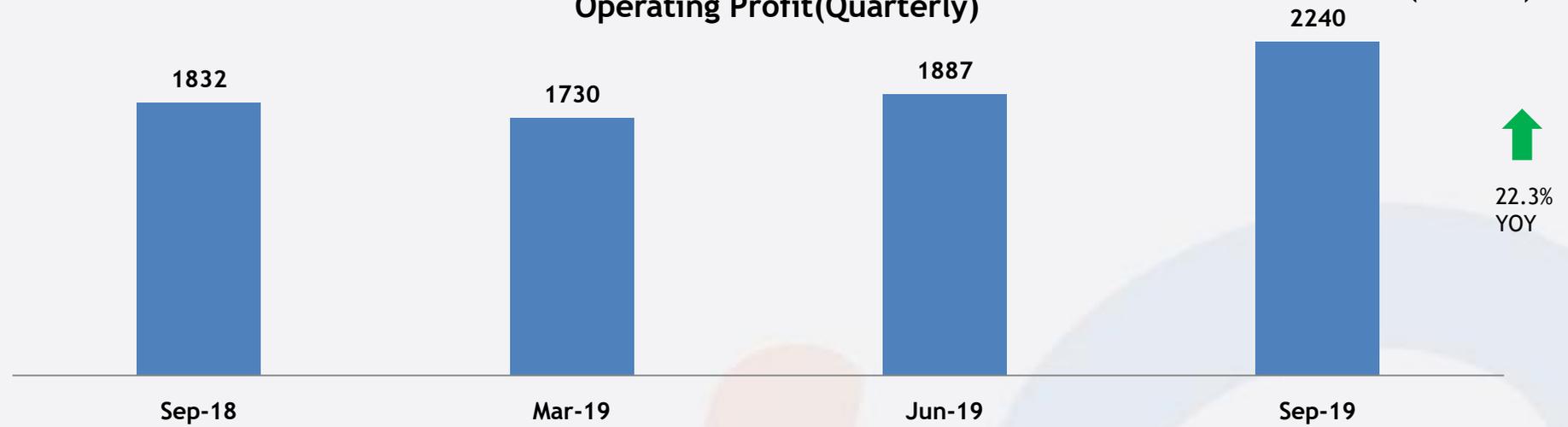


Parameters	Sep-18 (Q2)	Mar-19 (Q4)	Jun-19 (Q1)	Sep-19 (Q2)	Growth (%) YoY	Growth (%) QoQ	H1 FY19	H1 FY20	Growth (%)
Interest Income	8539	8349	8898	9414	10.2	5.8	17240	18312	6.2
Interest Expense	6045	5748	6380	6508	7.7	2.0	12120	12887	6.3
Net Interest Income	2494	2602	2519	2906	16.5	15.4	5120	5425	6.0
Non-Interest Income	899	1272	990	1142	27.0	15.4	2107	2132	1.2
Total Income	9438	9621	9888	10556	11.8	6.8	19347	20444	5.7
Operating Expenses	1561	2143	1621	1809	15.9	11.6	3246	3430	5.7
Total Expenses	7606	7891	8001	8316	9.3	3.9	15366	16317	6.2

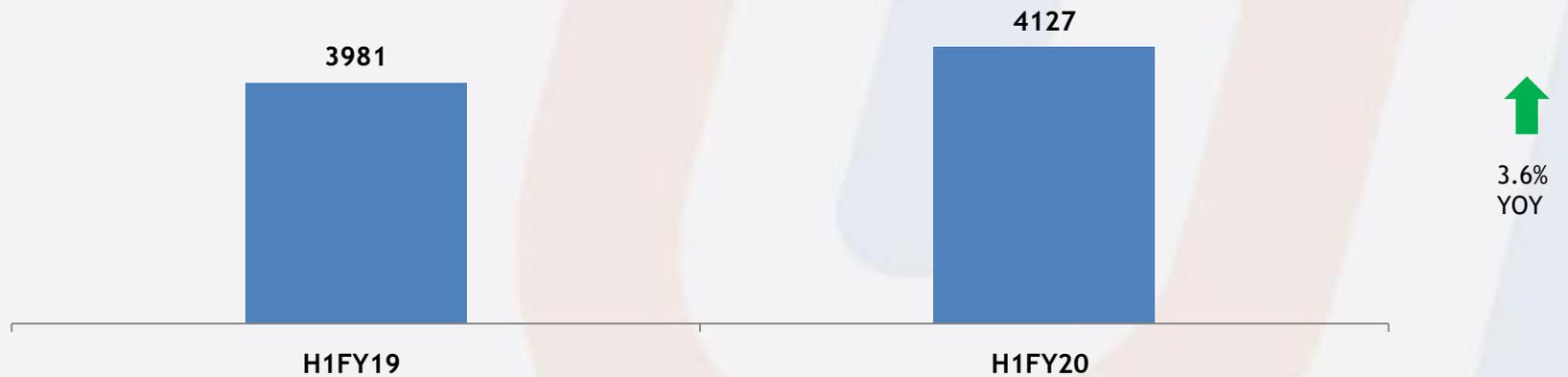
Parameters	Sep-18 (Q2)	Mar-19 (Q4)	Jun-19 (Q1)	Sep-19 (Q2)	Growth (%) YOY	Growth (%) QOQ	H1 FY19	H1 FY20	Growth (%)
a. Core Non Interest Income	641	867	481	605	-5.6	25.8	1296	1087	-16.1
b. Treasury Income	153	266	345	379	147.7	9.9	441	724	64.2
W/w									
• Profit on Sale of Investments	82	188	255	292	256.1	14.5	276	548	98.6
• Exchange Profit	71	78	90	87	22.5	-3.3	166	177	6.6
c. Recovery in Written off Accounts	105	138	145	158	50.5	9.0	317	303	-4.4
Total	899	1271	990	1143	27.1	15.5	2107	2133	1.2

Operating Profit(Quarterly)

(₹ crore)



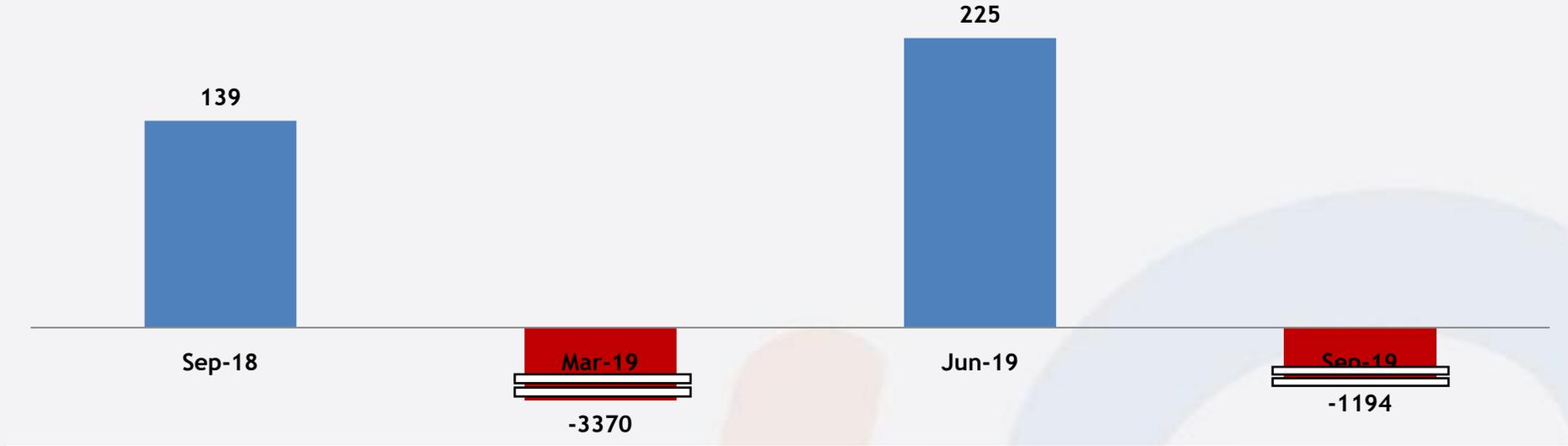
Operating Profit(Half-Yearly)



Parameters	Sep-18	Mar-19	Jun-19	Sep-19	(₹ crore)	
	(Q2)	(Q4)	(Q1)	(Q2)	H1 FY19	H1 FY20
NPAs	1710	5783	1431	3328	3513	4759
Standard Assets	21	21	-98	570	45	472
Depreciation on Investment	146	-26	78	-91	173	-13
Shifting Loss	0	0	4	0	411	4
Restructured Advances	-229	-102	25	-21	-254	4
Others (FITL etc)	69	91	78	74	117	151
Taxation	-23	-667	143	-425	-293	-282
Total	1693	5100	1662	3434	3712	5096

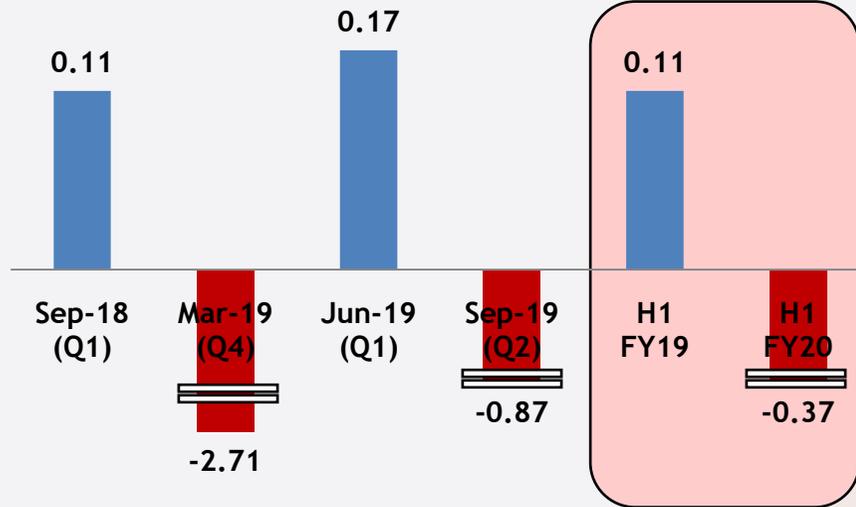
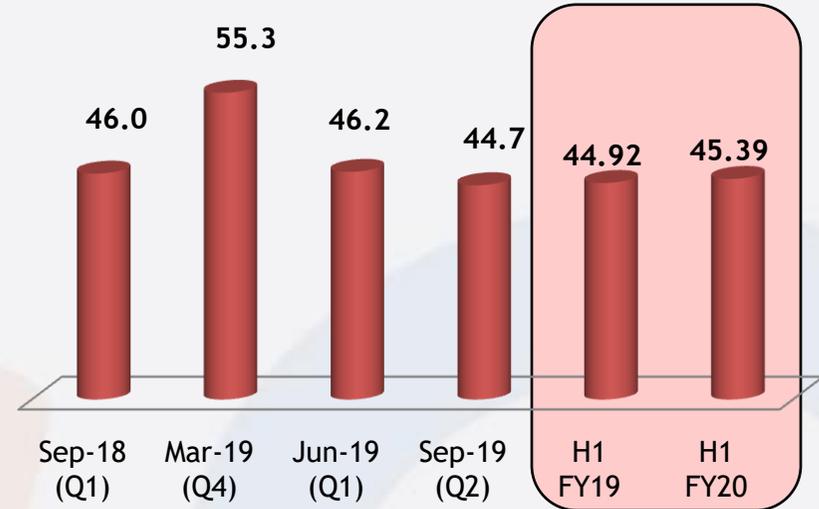
Net profit(Quarterly)

(₹ crore)



Net Profit(Half-Yearly)



Return on Avg. Assets (%)

Cost to Income(%)


S. No.	Efficiency Parameters	Sep-18 (Q1)	Mar-19 (Q4)	Jun-19 (Q1)	Sep-19 (Q2)	H1 FY 2019	H1 FY 2020
1	Return on Equity* (%)	3.11	-71.21	4.66	-16.54	3.00	-6.72
2	Book Value Per Share	153.09	107.36	109.38	96.94	153.09	96.94
3	Earnings per share	4.76	-28.19	5.09	-27.08	4.60	-11.0

*Annualized

Sn.	Profitability Parameters		Sep-18 (Q2)	Mar-19 (Q4)	Jun-19 (Q1)	Sep-19 (Q2)	H1 FY 19	H1 FY 20
1	Business per Branch	₹ crore	166.8	172.7	175.3	179.7	166.8	179.7
2	Business per employee	₹ crore	18.9	19.9	20.0	20.3	18.9	20.3
3	Gross Profit per Branch	₹ crore	1.6	1.6	1.8	2.1	1.8	1.9
4	Gross Profit per Employee	₹ lacs	18.7	18.6	20.2	23.6	20.3	21.8

(₹ crore)

Parameters	Sep-18 (Q2)	Mar-19 (Q4)	Jun-19 (Q1)	Sep-19 (Q2)	H1 FY 19	H1 FY 20
Gross NPAs - Opening	50973	49713	48729	48812	49370	48729
Add : Additions	2667	3275	3090	4219	7319	7309
Less : Reductions	3483	4259	3007	3181	6532	6188
1. Recoveries	1208	762	482	624	2460	1106
2. Up-gradation	407	650	288	679	778	967
3. Write Off	1868	2847	2237	1878	3294	4115
Gross NPAs- Closing	50157	48729	48812	49850	50157	49850
Gross NPA (%)	15.74	14.98	15.18	15.24	15.74	15.24
Net NPA	24657	20332	21231	20791	24657	20791
Net NPA (%)	8.42	6.85	7.23	6.98	8.42	6.98
Provision Coverage Ratio (%)	57.66	66.24	65.88	67.75	57.66	67.75
Tangible PCR (%)	50.84	58.27	56.50	58.29	50.84	58.29
Credit Cost (%)	2.15	7.20	1.77	4.11	2.22	2.92

(₹ crore)

Sectors	Slippages During Q2 FY 20	NPAs Sep 2019	Sectoral NPA %		
			Sep-18	Jun-19	Sep-19
Retail Loans	450	1637	2.49	2.44	2.76
Agriculture	990	5455	7.62	9.96	11.32
Micro & Small (MSE)	632	6856	12.21	13.4	13.4
Medium & Large	2147	35902	22.82	23.7	23.6
Total	4219	49850	15.74	15.18	15.24

Scheme	Standard as on Jun 2019		Standard as on Sep 2019	
	Account	Amount (Rs. in crore)	Account	Amount (Rs. in crore)
5:25	11	2795	10	2680
SDR	1	0*	1	0*
S4A	2	66	1	12

*Account is Non-Fund Based

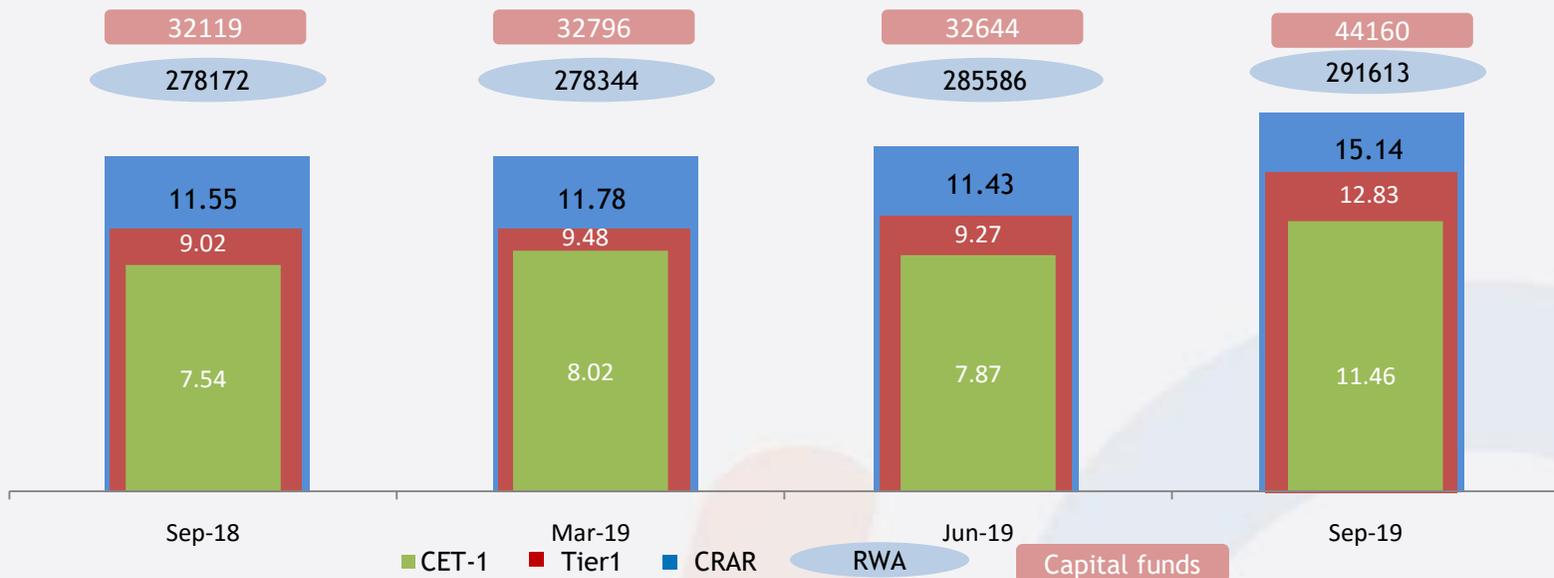
S.N.	Sector #	Outstanding	NPA	Std. Restructured	NPA + Std. Restructured (%)
1	Infrastructure	53367	11818	1235	24.5
a.	Power	24485	6164	408	26.8
b.	Roads	8450	2419	785	37.9
2	Iron & Steel	9850	4768	96	49.4
3	Textiles	7056	1987	40	28.7

#Domestic

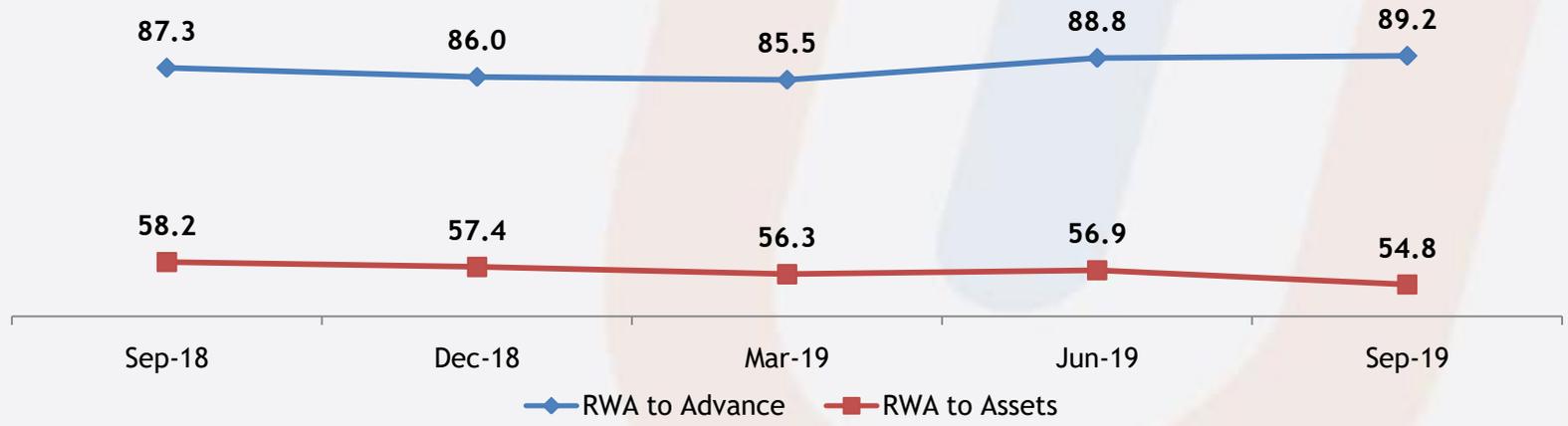
Particulars (percent to Gross Advances)	Sep-18	Jun-19	Sep-19
Standard Restructured	0.41	0.52	0.50
Impaired Assets Ratio (GNPA + Standard Res)	16.1	15.7	15.7
Net Impaired Assets Ratio (NNPA + Standard Res)	8.1	7.1	6.9

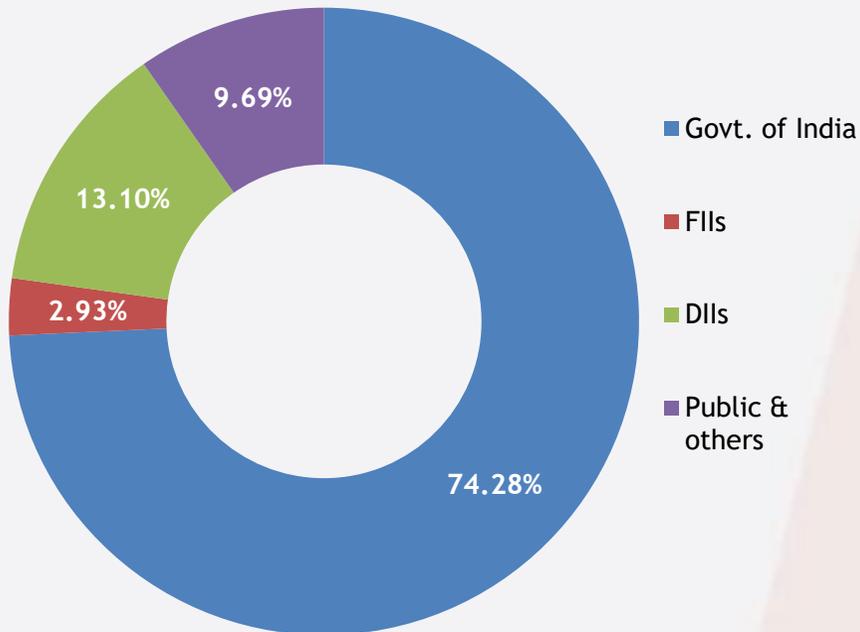
(₹ crore)

Particulars	1 st list	2 nd list	Total
Exposure to number of accounts referred under IBC (as per RBI list)	8	15	23
Loan Outstanding as of Sep 30, 2019	6028	3624	9652
Total Provisions held upto Sep 30, 2019	4961	3016	7977
Provision Coverage Ratio as of Sep 30, 2019	82.30%	83.22%	82.65%



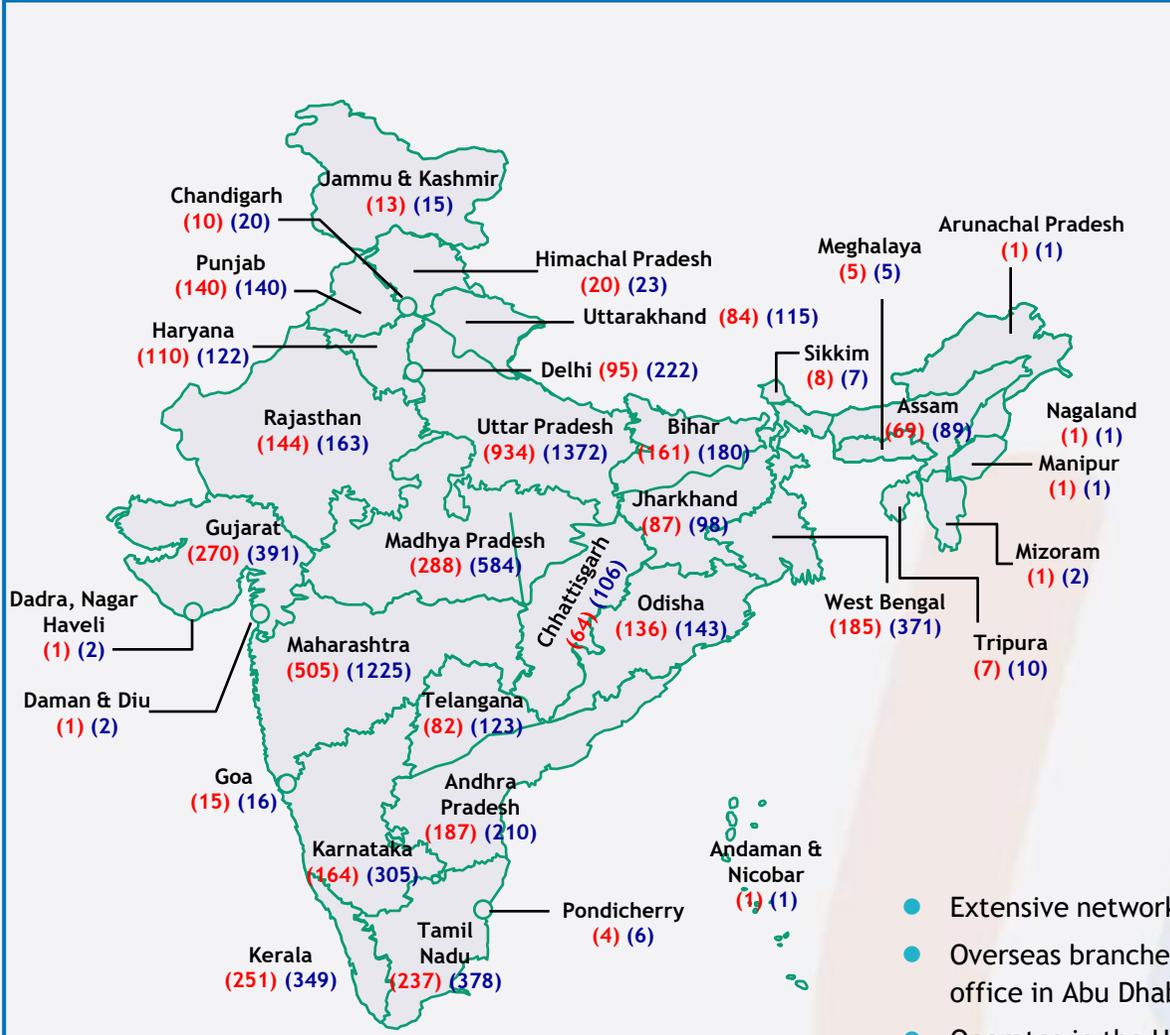
RWA Optimization



September-19


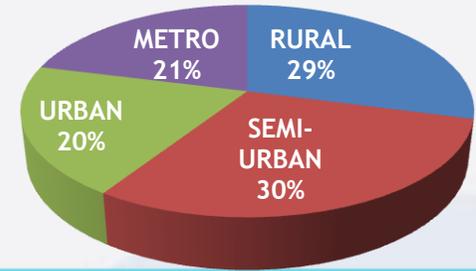
Share Capital	₹ 1763 crore
No. of Equity Shares	176.30 crore
Net Worth	₹ 28858 crore
Market Cap	₹ 9309 crore

Government of India has infused ₹11,768 crore during September-2019 quarter. The same has been treated as part of CET-1 as per RBI approval. However, the shares were not allotted during the quarter.



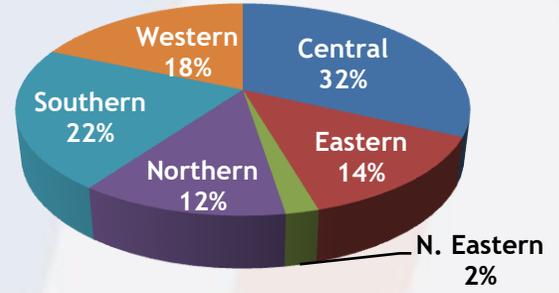
Domestic Branches (4,282) # ATMS (6798)
 # Micro-ATMS (5586)

Branch Distribution by Urbanization



59% branches in rural/semi-urban markets

Branch Distribution by Geography



Geographical diversification minimizes regional risks

- 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 September 30, 2019.

#1 Business Performance

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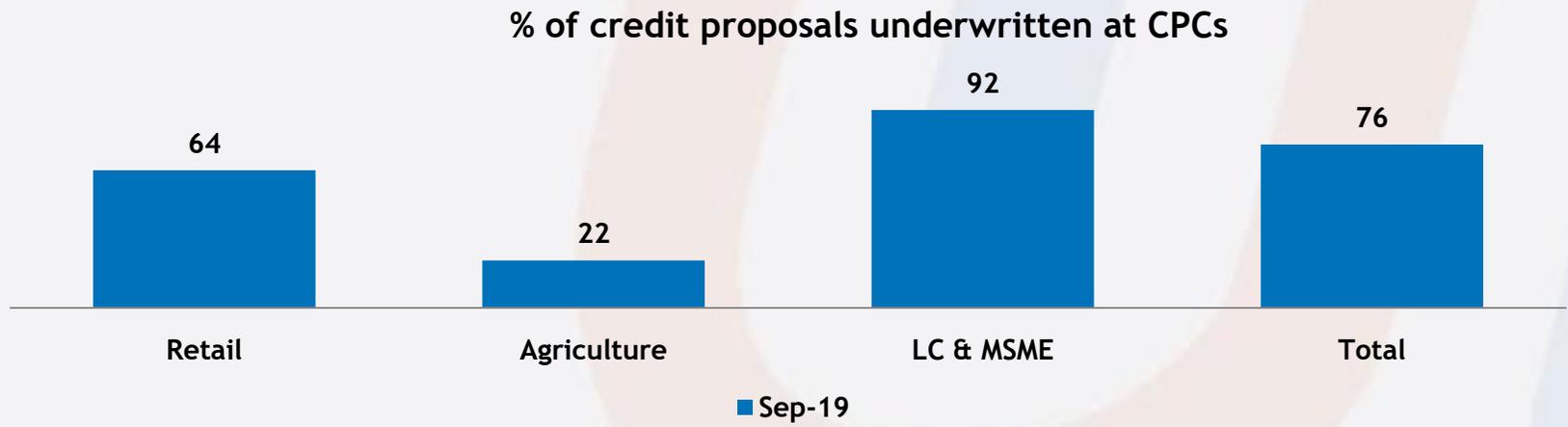
#4 Group Entities

More than 70% of Credit Appraisal centralized

Structural Development: Creation of Centralized Processing Centres (CPCs)

Particulars	No of Units (Mar-19)	No. of Units (Sep-19)	Sectors covered
ULP	74	75	Retail (Housing and Mortgage Loan)
USK	38	45	Retail, Agriculture and MSME
SARAL	45	47	MSME, Agriculture (selected segment)
MCB	24	23	Mid Corporate
IFB	8	7	Large Corporate

Centralization in credit appraisals



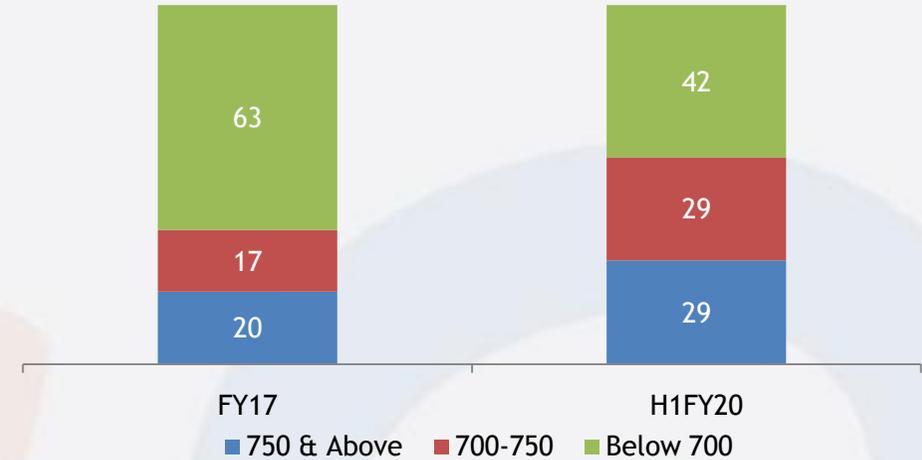
Rated Advances - Lending to higher rated borrowers...

Rating Matrix of Outstanding Corporate Loans (> ₹5 crore)



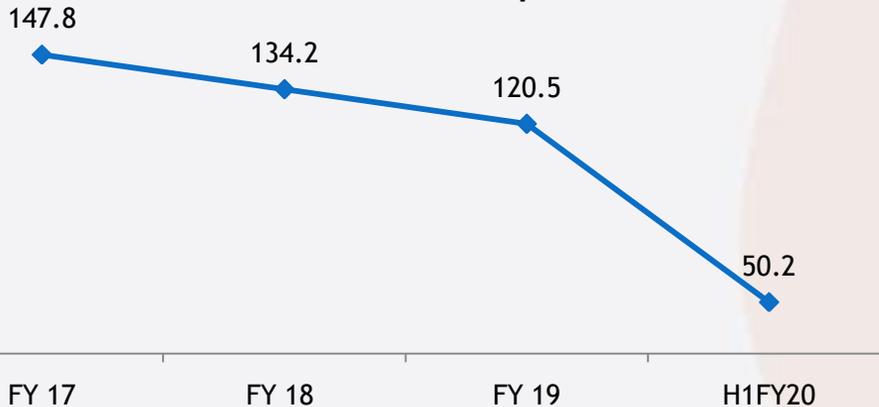
Maintained rating profile of new retail loans sanctioned

Retail CIBIL Rating Profile

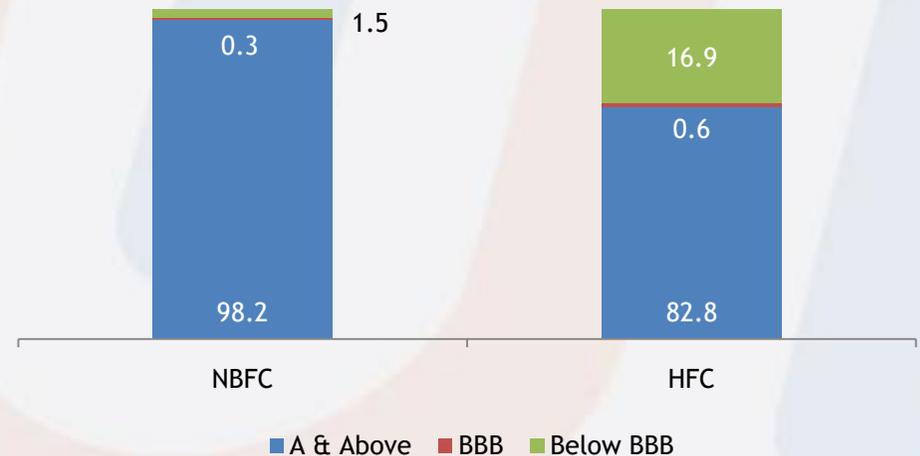


Reduction in Exposure to large borrowers

Top 20 individual borrowers (FB+NFB) as % of Tier 1 Capital



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





Key Highlights

- ❖ 43 LACS MOBILE BANKING USERS.
- ❖ 1.92 lakh Debit Card ISSUED
- ❖ 54000+ pos MERCHANTS
- ❖ 6798 atmS
- ❖ 22+ Lakhs Internet BANKING USERS.




EXPERIENCE NEXT GENERATION BANKING

- Fund Transfer
- m-Passbook
- Utility Payments
- Debit Card Control



#1 Business Performance

#2 Financials

#3 New Initiatives & Outcomes

#4 Group Entities

Union Bank of India (UK) Limited

Union Asset Management Company Private Limited

Union Trustee Co. Pvt. Limited

Star Union Dai-ichi Life Insurance Co. Limited

Kashi Gomti Samyut Gramin Bank, Varanasi

Name of Entity	Relationship	Bank's Ownership	Equity Investment (₹ in Crore)	Nature of Activity
Union Bank of India (UK) Limited	Subsidiary	100%	649.33	Banking
Union Asset Management Co. Private Limited	Subsidiary	100%	186.29	Mutual Fund
Union Trustee Co. Pvt. Limited	Subsidiary	100%	0.06	Mutual Fund
Star Union Dai-ichi Life Insurance Co. Limited	Joint Venture	25.10%	65.00	Life Insurance
Kashi Gomti Samyut Gramin Bank	Associate	35%	15.96	Banking

(₹ crore)

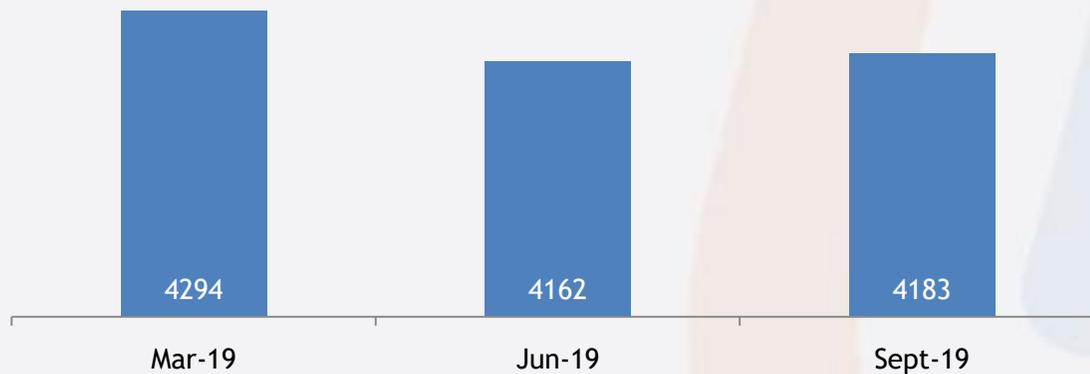
Name of Entity	Total Assets	Total Revenue	Net Profit
Union Bank of India (UK) Limited	3285.58	75.64	1.21
Union Asset Management Co. Private Limited	193.18	21.23	1.39
Union Trustee Co. Pvt. Limited	0.18	0.10	0.02
Star Union Dai-ichi Life Insurance Co. Limited	9261.66	1191.44	10.29
Kashi Gomti Samyut Gramin Bank	13077.20	509.73	7.34

Union Asset Management Company Private Limited

(₹ crore)

Name of Entity	Total Assets	Total Revenue	Net Profit
Union Asset Management Co. Private Limited	193.18	21.23	1.39

Avg. Asset Under Management



Key Highlights

- ❖ Japan-based insurer Dai-ichi group invested ₹133.4 crore in Union AMC through Compulsorily Convertible Preference Shares in May 2018.
- ❖ Union AMC forays into Management & Advisory Services to Foreign Portfolio Investors(FPI) - Received approval of SEBI



Star Union Dai-ichi Life Insurance Co. Limited

(₹ crore)

Name of Entity	Total Assets	Total Revenue	Net Profit
Star Union Dai-ichi Life Insurance Co. Limited	9261.66	1191.44	10.29

Particulars	FY19	Q1FY20	Q2FY20
Total Premium Income	1994.1	345.4	545.8
Retail New Business	563.8	82.7	151.6
Renewal Premium Income	1317.6	228.9	346.4
Profit After Tax	101.5	-12.9	23.2

Key Highlights

- ❖ As of Sept 2019, SUD Life manages Rs. 8276 Crore Policy holder Funds.
- ❖ SUD life paid dividend of ₹ 2.1 Crore to the Bank for FY19.
- ❖ Claim Settlement percentage 91.5%
- ❖ Union Bank earned ₹ 36 Crore as distribution income from SUD Life for H1FY20.

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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