

संदर्भ Ref.: नि.से.वि. ISD/269/2025-26

दिनांक Date : 06.11.2025

बीएसई लिमिटेड BSE Ltd. बीएसई लिस्टिंग सेंटर BSE Listing Centre स्क्रिप कोड Scrip Code - 532 477	नेशनल स्टॉक एक्सचेंज ऑफ इंडिया लिमिटेड National Stock Exchange of India Ltd. निप्स NEAPS स्क्रिप कोड Scrip Symbol-UNIONBANK-EQ सिक्योरिटी Security - UBI-AT/BB
---	--

महोदया Madam/महोदय Sir,

विषय Subject: पोस्ट अर्निंग्स कॉल के प्रतिलेख Transcript of Post Earnings Call

यह सूचित किया जाता है कि सितंबर 30, 2025 को समाप्त तिमाही के लिए बैंक के अलेखापरीक्षित समीक्षित (स्टैंडअलोन और समेकित) वित्तीय परिणामों के लिए 30 अक्टूबर 2025, को आयोजित पोस्ट अर्निंग्स कॉल के ट्रांसक्रिप्ट को एतद्वारा सर्वेबल पीडीएफ संलग्नक के रूप में प्रस्तुत किया गया है। इसे बैंक की वेबसाइट पर निम्नलिखित वेब लिंक के माध्यम से भी उपलब्ध कराया जा रहा है: https://www.unionbankofindia.co.in/en/common/financial-results यह जानकारी सेबी (सूचीबद्धता दायित्व और प्रकटीकरण आवश्यकताएँ) विनियम, 2015 की अनुसूची III, भाग ए, पैरा ए, 15 (बी) के साथ पठित विनियम 46(2)(ओए) और विनियम 30 के संदर्भ में प्रस्तुत की गई है।	This is to inform that transcript of Post Earnings call held on October 30, 2025, for Reviewed Unaudited (Standalone and Consolidated) Financial Results of the Bank for the quarter ended on September 30, 2025 is submitted herewith as a PDF searchable attachment. The same is also being made available in the Bank's website under the following web link: https://www.unionbankofindia.co.in/en/common/financial-results This information is furnished in terms of Regulation 46(2)(oa) and Regulation 30 read with Schedule III, Part A, Para A, 15(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
---	--

भवदीय Yours faithfully,

(Mangesh Mandrekar)
Company Secretary

Encl.: As above



“Union Bank of India Earnings Conference Call for the Period Ended September 30, 2025”

October 30, 2025



**MANAGEMENT: SHRI ASHEESH PANDEY – MANAGING DIRECTOR AND
CEO
SHRI NITESH RANJAN – EXECUTIVE DIRECTOR
SHRI RAMASUBRAMANIAN S. – EXECUTIVE DIRECTOR
SHRI SANJAY RUDRA – EXECUTIVE DIRECTOR
SHRI. AVINASH PRABHU – CHIEF FINANCIAL OFFICER**

Moderator: Ladies and gentlemen, good day and welcome to the Union Bank of India Earnings Conference Call for the period ended September 30, 2025.

The Bank is represented by the Managing Director and CEO, Shri Asheesh Pandey; Executive Directors; Shri Nitesh Ranjan, Shri Ramasubramanian S, Shri Sanjay Rudra and other members of the top management.

As a reminder, all participants' lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing '**' then '0' on your touchtone phone. Please note that this conference is being recorded.

Now, I handover the call to Mr. Ajay Bansal, Deputy General Manager. Thank you, and over to you, sir.

Ajay Bansal: Thanks, madam. Good afternoon, ladies and gentlemen. I, Ajay Bansal, Head of Investor Relations, welcome you all for the Union Bank of India Earning Conference Call for the period ending September 30, 2025. The structure of conference call shall include a brief opening statement by respected MD and CEO Sir and then the floor will be open for interaction.

Before getting into the conference call, I will read out the usual disclaimer statements. I would like to submit that certain statements that may be discussed during the investor interaction may be forward-looking statements based on the current expectations. These statements involve a number of risks, uncertainties and other factors that cause the actual results to differ from the statements. Investors are therefore requested to check this information independently before making any investment or other decision.

With this, I now request our respected MD and CEO Sir for his 'Opening Remarks.' Thank you, and over to you, Sir.

Asheesh Pandey: Thank you so much for this. Good afternoon to everyone. I extend a warm welcome and sincere thanks to all of you for joining us today for this earnings conference call. Actually, your continued interest, trust and engagement with Union Bank of India is truly appreciated.

We have already uploaded the presentation on our website and also as per the required regulation to the NSE & BSE. So, I am very sure it is available to all of you. But in brief, I would like to give you the macroeconomic environment in which the banking industry is working upon.

So, the first is, as we know, the global economic conditions are facing uncertainty due to evolving trade dynamics, tariff-related developments or geopolitical situations, etc. However, if we see on the domestic front, the key macroeconomic indicators are well supported by the policy interventions of Government of India as well as the monetary policy by the regulator.

So, I think the total outlook is very optimistic. And as per IMF data, the GDP growth is projected around say 6.7% to 6.8%. We are one of the fastest developing economies across the world driven by government capital spending on infrastructure and rural India.

Similarly, our projection for India's real GDP growth for FY 2026 is around 6.7%. It is actually higher than our real GDP expectation of 6.5% of last year. At the same time, I appreciate and acknowledge our customers, their lineage with us and the vintage which Bank enjoys with the customers across the country. And I believe that these are the core values of the Bank and also the staff members which support the sourcing & servicing of the customers.

So, as far as our Bank performance is considered, the strategic focus remains to pursue sustainable growth and keep real calibrated balance between top line expansion as well as bottom line strength. So, Bank is working on the business side i.e. the growth in the business, but at the same time, the bottom line is also given consideration.

With this background, the key financial highlights, I would say the net profit for Q2 FY '26 stood at Rs. 4,249 crores, making a Q-o-Q increase of 3.25%. For the first half of FY '26, the net profit reached Rs. 8,365 crores. The OP for Quarter 2 '26 is 6,814 crores, and for the first half it is Rs. 13,723 crores.

The profitability ratios, ROA is comfortably at 1.16%. The return on equity stood at 15.08%. The capital adequacy is one of the best in the industry at 17.07% with CET-1 ratio at 14.37%.

Similarly, there is an improvement in the asset quality, which is an important parameter for any of the Bank in the industry. The gross NPA reduced by 107 bps Y-o-Y to 3.29%. The net NPA declined by 43 bps Y-o-Y to 0.55%. The PCR stood at 95.13, reflecting a well-provisioned balance sheet of the Bank.

The credit cost and slippages are reflecting the asset quality of the Bank. The credit cost stood at 22 bps for Quarter 2 FY '26 as compared to 109 bps in Quarter 2 FY '25. The slippage ratio was contained at 0.91% in Quarter 2 FY '26 compared to 2.40% in Q2 FY '25.

The gross slippages for half-year '26 stood at Rs. 4,496 crores. The recoveries of half-year FY '26 stood at Rs. 6,284 crores. And during the first half-year FY '26 gross recovery has surpassed the gross slippages by Rs. 1,800 crores. I think this is a very important parameter.

While NIM was maintained at 2.67%, the net interest income registered a Q-o-Q de-growth, but the non-interest income had a robust growth of 11.37%.

Coming to the business growth and strategic priorities, we have actually cautiously curtailed high-cost bulk deposit mobilization. So, curtailed high-cost bulk deposit by around 21.85% Y-o-Y in September '25. This reduction is giving good support about our cautious stand about the NIMs or maintaining margins.

Due to this, total deposit has grown by 1.98% Y-o-Y and advances registered almost 5% growth, precisely 4.99% Y-o-Y basis. While we have shelled out the bulk deposit, to maintain margins, but the retail term deposits plus CASA grew by Rs. 1,03,000 crores Y-o-Y basis. The retail lending growth is around 23.98%. The MSME lending growth is 14.88% for the period.

So, strategic mix, there are two important things. One is the retail to bulk deposit, which is 75/25. So, we are striving for that and the RAM to corporate lending at 55 is to 45. So, in the same way, when we say RAM as 55%, we tend to increase it to 58% going forward so that the portfolio is diversified and retail also comes with the CASA and the other cross-selling, the ancillary business besides other benefits.

So, while the corporate credit is 45%, we would like to reduce because there are certain STLs which are below like benchmarks. So, we are shifting from lower to higher yielding assets while maintaining the same asset quality.

So, with this, I conclude my opening remarks. And the entire senior management team of the Bank is with you and you can have the question-and-answer session with us, please.

Moderator:

Thank you very much, sir. We will now begin with the question-and-answer session. The first question is from the line of Jai Prakash Mundhra from ICICI Securities. Please go ahead.

Jai Prakash Mundhra:

Hi, Ashish sir. Good afternoon, and thanks for the opportunity. Sir, first congratulations on your new assignment here at Union Bank. Sir, I wanted to check if you have had time to review the Bank's portfolio, to provide some insights about the Bank's growth trajectory. Union Bank has been behind the system loan growth for one, two quarters, if not more. If you can diagnose, we have charted a trajectory wherein we are focusing more on profitability but sacrificing loan growth, may be corporate loan growth. So, where are we? And how soon can we reach system level growth? That is my question number one, sir.

Asheesh Pandey:

Yes, I think, if you have seen the team before even, I have taken charge, has worked well on the entire issues. So, though if we see that the growth is muted somewhere, I will agree with that on the deposit, but then it is very clear in the opening remarks that almost 21.85% of the bulk deposit we have cautiously shelled out. So, it was a basically trade-off between the margins and the profitability and the business and the team has done well.

Now coming to the going forward, so let me share with you that on the basis of CASA, the team which we are looking at to increase by 1%, 1.5% somewhere going forward and coupled with the retail term deposit rather than the bulk deposit. So, we would like to maintain the CD ratio between 78.5% to 80% levels. And we have analyzed the book as well.

Whenever, we speak of the large corporate book or a mid-corporate or MSME or retail or agriculture, so on all side, that is the retail, agriculture, MSME, so that is the reason we are saying that we would like to move from 55% to 58% around going forward. And also on the large corporate or the private spending certainly, so we are having the concrete plans with us.

Classification: Public

So, fine, the past 6 months it was a bit sort of a muted growth, but going forward you will see on both we would, as we are cautious about the margins, will continue and defend and continue for that sort of a NIM. And also we will like to, you know, the growth if we say the GDP is moving around 6.7 to 6.8, so certainly we would like to have around 9% to 10% of the growth on both the asset and liability side. So, we have that aspiration and we will continue for moving towards that as we go forward from quarter-to-quarter.

Jai Prakash Mundhra: Sir, I wanted to check by when Union Bank can be similar to system loan growth, if you have had the opportunity to review the Bank's portfolio and strategic priorities? Of course, there is a trade-off as of now between growth and margins, but if you can provide some insights as to by when Union Bank can be similar to system loan growth?

Asheesh Pandey: See, going forward you will see that the system level, we will be at par with the industry. But now since past 6 months has gone, what I am saying is on a cumulative basis. So, going forward you will see that we will be at the system level growth, you will see similar in Bank.

So, we have gone actually in the opening remarks and also in reply to your queries at a granular level, that we are seeking the sustainable growth and from which sectors it is going to come. But on a broader basis, so quarter-to-quarter we will be moving with the same as in the industry. So, only we were saying cumulative basis for March '26.

Jai Prakash Mundhra: So, just to clarify, sir, you are saying that right now we are 6% loan growth. System is 11%. By March, 2026, you would be able to catch up with system or every quarter you will be growing more or less similar with system on a Q-o-Q basis and hence the convergence will happen at some point of time.

Asheesh Pandey: Very true.

Jai Prakash Mundhra: I am sorry I couldn't.

Asheesh Pandey: Very true. As you said, but we are aspiring even better than the system level for quarter-to-quarter here onwards.

Jai Prakash Mundhra: So, the March '26, what was that number? So, you said by March '26, every quarter you will be similar or higher than system and the convergence may happen as and when it comes, right? There is no hard and fast deadline for March '26. Or you think by March '26, you can become like 10%, 12%, 11%, 12% loan growth Bank?

Asheesh Pandey: I would say because if you take, that is why I used that annual cumulative basis if you take, then it would require a much, much higher growth to build that to maintain the 11% to 12% for the whole year. But here onwards you will see the system level growth which is happening in the Bank also, that is we will be going ahead. But we are aspiring better than that so that it is not converging as usual, but we would like to expedite its convergence a bit earlier.

- Sanjay Rudra:** Sir, he is talking about the sequential growth Q-on-Q. And gradually we will try to achieve the year-on-year also.
- Jai Prakash Mundhra:** And secondly, sir, on your cost of deposits and yield on advances, it looks like there is a high mismatch in the sense that your strategy says that you are cutting down bulk, but your cost of deposit is only down by 5 basis points, which is the lowest. It was even higher in Q1. You are saying that we are focusing on RAM, but your yield on advances has gone down 16 basis point quarter-on-quarter. So, somehow your strategies and the actual numbers are very different.
- Asheesh Pandey:** Yes, I think you have said perfectly. So, when I said that strategy and if you see that 21.85% bulk deposit we have shelled off or reduced, it doesn't happen in the month of, July. It would have happened in the month of August and September. Impact is yet to come. So, generally, whenever you adopt any strategy, I think you will see the full impact in this quarter, point number one. Point number two, when we have taken a strategy and shifting from bulk deposit to the CASA as well as to retail term deposit, then again it will continue to some quarters till it is a balancing between the both. Now, coming to the loan book, there are two things. One is the loan book, I will be seeing on the asset side, deployment side of the fund. So, one is on the treasury side, another is on the loan book side. So, then, similarly, loan book, you will see there are certain portions which are at very low yielding. That is why you are seeing that steep, reduction in the yield of advances. And the second is if you take a yield on funds also, which is on the treasury side, we have a plan to move a certain portion from the treasury to the loan book. So, certainly, the yield which is there in treasury and the yield which is there in the advances side has a good difference and that is why we are very much confident that our NIM will be protected and we will be trying to take it forward from here, keeping in view what the scenario emerges as far as the repo is concerned.
- Jai Prakash Mundhra:** Understood, sir. And last question, sir, is on provisioning. So, there is a Rs. 880 crores of standard assets provisioning and I think in the BSE notes to account, it says some Rs. 130 crores of prudent provisioning. If you can elaborate a bit more here, is this ECL provisioning? Is this SMA provisioning? I mean, what is the nature of this standard assets provisioning?
- Avinash Prabhu:** Yes, in the notes to account, its mentioning, Rs 133 crores which is on a six-monthly basis because last year also, if you recollect, we had taken some standard assets provisioning. As far as the Rs. 800 crores that you are referring to, we have taken some standard assets provisioning on two counts. One is moving towards reducing further impact of ECL and two is on some names, we felt that it is prudential to take some provisions at this stage on a conservative basis. So, that is the reason why, you know, you see a provision for standard assets in this quarter.
- Jai Prakash Mundhra:** Understood, sir. Thank you. I will come back in the queue sir.
- Moderator:** Thank you. We will take the next question from the line of Mahrukh Adajania from Nuvama. Please go ahead.

- Mahrukh Adajania:** Hello, sir. Congratulations on your appointment. So, I have a couple of questions. My first question is on the upgradation. So, there is a bulky upgrade this quarter. Is it from any lumpy account and is there a provisioning reversal associated with it? That was my first question, sir. And then I have a few more questions.
- M Ravindra Babu:** Good afternoon, ma'am. There is one account where upgradation has happened. That is a reasonably sizable amount and remaining is the overall upgradation that has happened in small ticket. But overall recovery, we are almost in line with the guidance.
- Mahrukh Adajania:** Okay. But could you quantify the amount of the account?
- Ravindra Babu:** It is close to Rs. 600 crores.
- Mahrukh Adajania:** Okay. And an equal amount of provisioning would have been reversed?
- M Ravindra Babu:** Yes, that is right.
- Mahrukh Adajania:** Okay. So, that is the reversal in the provisioning. Alright. And, sir, could you at all quantify how much is the recovery interest in the total interest income like you always do? Is there anything more or less compared to the previous quarter?
- M Ravindra Babu:** Similar trend is being maintained. Similar trend as it was happening in the previous quarter.
- Avinash Prabhu:** Yes, it is in line with the previous quarter. So, roughly it is about Rs. 400 crores to Rs. 500 crores every quarter. So, that is the number in this quarter as well.
- Mahrukh Adajania:** Got it. Makes sense. And just my last question, probably Jai also asked that. So, a lot of banks are seeing 20%-30% deposit repricing benefits every quarter. But for you, the deposit repricing benefit is lower in Q2 also compared to Q1. So, will there be an acceleration in the second half? Is that the way your deposits are structured or do we assume that the bulk of the repricing is already over?
- Asheesh Pandey:** Yes, I think Mr. Jai had a similar query on that. So, the deposit which you are asking, which we have done 21.85% shelled off. So, basically it is spread over from July to September. Moreover, in August and September, its full impact is yet to come. So, that is the reason you are seeing that our cost of deposit reduction is not that much. But yield on advances, the reduction is pretty steep. So, I think that was the reason. Now, you will see more impact and it will be more sort of wherever we will be reducing the bulk deposit.
- Sanjay Rudra:** What sir has said, I will add to that. Actually, if you see the absolute number of the interest on deposit, it has come down by Rs 430 crores. So, slightly there is a denominator effect also because we have not taken an additional deposit. Deposit has come down. That is why you are finding only three basis point reduction in or six basis point reduction in cost of deposit. But actually, it is slightly more.

Classification: Public

- Mahrukh Adajania:** Got it. And sir, if at all you can quantify anything or give us any color on the transition to ECL, I know it is a draft right now, but any impact on the back or the existing book, but more importantly, any rough estimate on what the run rate of credit cost will be post implementation of ECL. Because that is important, you will have a bigger SMA book and that will need stage 2 provisions. So, what will be the run rate of credit cost post ECL implementation?
- Asheesh Pandey:** Yes. So, ECL is not new. In fact, we have been doing ECL calculation for last almost 2.5 years. Every half year we have been reporting to RBI also. We have also seen impact of new guidelines and it is a little bit of changes are there compared to what we have been doing. In terms of system capability and all other things, it is already in place. Numbers, we are aware of the numbers and numbers are not very significant. If you look at the draft guideline, it allows us to spread this impact in next five years. But we are in a position to spread the impact in much lower number of years. So, we will take a call and this is in the draft guideline. So, we have not disclosed the number as such, but numbers we have been calculating on a regular basis and we have been making plans to take additional provision as and when required.
- Mahrukh Adajania:** Got it. But just in terms of run rate, so say if ECL was already on right now, would your credit cost for the quarter be substantially different?
- Asheesh Pandey:** Yes, it is almost at similar level, not substantially different.
- Mahrukh Adajania:** Okay, sir. Thank you. Thanks a lot.
- Moderator:** Thank you. The next question is from the line of Dixit Doshi from Whitestone Financial Advisors Private Limited. Please go ahead.
- Dixit Doshi:** Thanks for the opportunity. So, if you can elaborate on the NIM, so we are at 2.67% now. So, how do you see it from Q3 onwards with already, the rate cut must have been passed on? So, by year-end, what kind of improvement we are expecting?
- Nitesh Ranjan:** See, I think, there is 9 basis point decrease on the sequential basis in the NIM. But if you observe from March to June quarter and June to September quarter, the sequential decline is now coming down. And if you recall, we had also guided that given the 100 basis point rate cut, may be up to September quarter, there will be decline in the NIM. And post that perhaps, we should be able to recover. So, at this stage, if you assume that there is no further rate cut, then perhaps we are close to the bottom. And may be Q3 onwards, we will be able to see the NIM kind of remaining stable to improving.
- Avinash Prabhu:** The impact of the CRR, rate cut will also start playing out because that has started towards the end of September. So, you will see the NIM gradually increasing. So, kind of stabilizing in the December quarter and then improving further. This is, of course, subject to no further rate cuts by the RBI. We will obviously have to re-evaluate the numbers in case there is a rate cut.

- Dixit Doshi:** Okay. And my second question is regarding the PSLC. So, I think this year, we won't be having any PSLC income. But will it come back from next year onwards or it will not?
- Nitesh Ranjan:** So, this year we have not done any PSLC sale. But as of now, we are meeting the priority sector targets and sub-targets. And the objective is to build on good buffers so that may be towards the third or fourth quarter of this year or may be definitely the next year, we should be able to have sufficient buffer in the priority sector to kind of gain from the PSLC sale.
- Dixit Doshi:** Okay. So, from next year onwards, something can come, may be not at the magnitude what we used to do.
- Nitesh Ranjan:** Yes. I think whatever we have done in the last financial year, at least that kind of quantum would be possible from the next year.
- Dixit Doshi:** Okay. That's it from my side. Thank you.
- Moderator:** Thank you. The next question is from the line of Ashlesh Sonje from Kotak Securities. Please go ahead.
- Ashlesh Sonje:** Hi, team. Good afternoon. A few questions from my side. Firstly, I missed your response to the question around creation of standard asset provisions. If you can elaborate the reason for adding those provisions further in this quarter as well. Secondly, if you can elaborate on the composition of the incremental loan growth that you intend to build, whether Retail, Agri, MSME, what is the expected growth in those segments? And if you can also share for us to understand the trajectory of cost of deposits better, if you can share what was the cost of term deposits this quarter and last quarter?
- Ramasubramanian S:** Ashlesh, what is the thing is that, normally you can understand that standard asset provisioning we used to do. The accounts are still standard and doing very well also. But because of certain regulatory guidelines and prudent measure, like last time also we have done it. This time also, we have been doing it on a very sensitive basis. We have already done that. This is on a continuous basis. After watching the account performance, again we may take a call on that. But presently, we feel that it can be these accounts where we can make a standard account provisioning, which has been done on that. And actually, this will also help us in terms of building up towards ECL. So, that's the reasoning behind taking that provision in the current quarter. And the next question is?
- Ashlesh Sonje:** On the loan growth composition that you expect going forward?
- Ramasubramanian S:** As MD sir has in the opening remark also told, that presently, because of the margin pressure, we will be tilted more towards RAM sector, which will be going now, it is around 57. We will be even crossing 58, 59. If at all, in corporate sector, if there is a good asset, at a good pricing comes, certainly, we are there to take that.

- Ashlesh Sonje:** Understood, sir. And lastly, if you can share the cost of term deposits this quarter and previous quarter for us to understand the trend over there.
- Ramasubramanian S:** Yes, definitely I think we have to provide. We will communicate to you one-to-one basis.
- Ashlesh Sonje:** Okay, sir. Thank you. I will come back in the queue, if I have more questions.
- Ramasubramanian S:** Yes.
- Moderator:** Thank you. The next question is from the line of Sushil Choksey from Indus Equity Advisors. Please go ahead.
- Sushil Choksey:** Sir, congratulations on your appointment and good luck for the year to come. Sir, your rich experience, be it Union Bank for over two decades, Bank of Maharashtra, along with your ex-colleagues and current colleagues, how would you re-energize the bank from a perspective, which is the most key essential part is deposit franchisee and the touch points of all the Unionites and the Union Bank future business where RAM is concerned or corporate is concerned?
- Asheesh Pandey:** Yes, I think a very valid point at the very valid time you have raised this. So, thank you for your best wishes. Now, there are two things which you have raised. One is on the energizing, may be on the staff side of the organization. And the another one which you have raised is on the deposit franchisee, which the bank typically have in the touch points. So, on the first, let me share with you because in my entire career of banking that has seen certainly these two banks, but then the others also in being in industry for so long, I always believed that the Unionites, which is the staff of the Union Bank around 78,000 are really one of the best in the industry. The second one I have seen, why I am saying this, whether on the skill set or the patience or the resilience and comeback and responsive to the, I would say, the demand of the time. I would not say any corporate call or I would not say any specific, but then the way in which for ages now you must be seeing we will be very soon celebrating 107th Foundation Day. So, this is what my tenure is not that long, 107, but then the history says that the staff of the bank are really wonderful. And that is the reason if you see in the month of October as well, and even in September. So, I think they have done, the growth is muted only because of the conscious decision of shelving out the high-cost deposit of 21.85 percentage points. And similarly, there is certain portfolio which is moved away such as low yielding advances, that is short term loans to slightly better ones. So, I think the team which I have seen from the day one, and my earlier also for me, since you have asked that side that basically from this bank and I am back to the bank. So, for me, it is like the homecoming, it is mayka for any lady like that. So, I do feel that it is a strength and asset for the bank of this staff. And coming to the deposit franchise, yes, there are certain pockets, which are actually the good yielding sort of the deposit base for the bank. And that is the reason that if we see the last 3 to 6 months, though the 21.85% of the bulk deposit is reduced, but then the CASA as well as the retail term deposit has replaced it well. So, it is not like as such any degrowth or very substantial reduction, but the bank has poised. So, I am very sure that going forward, you will see, like, the first query when Mr. Jai Prakash Mundhra asked on the business growth. So, he was very, like, very keen in detail on the first half and the second half and we all as a team

Classification: Public

have replied to it. So, I think your both the points which you have taken is going to certainly yield as a system level growth in this bank also and you will see, because the things are very much in place. And IT is one of the things which enables the bank. So, in IT also, you must be seeing the bank is getting so many awards and acknowledgments across industry. And the only thing is that we are going to capitalize it hugely on customer service and the staff ease of doing business. So, certainly anything which culminates into business is all these things only.

Sushil Choksey:

No Doubts on the rich experience led by you along with Nitesh Ranjan, Mr. Rudra and Ram Subramaniam cumulatively for the top management team to drive the entire bank to a better end. Knowing the bank from listing day in the capital markets, the vibrant visibility and how viable franchise compared to peers where you go that is the only question which I was asking on an accelerated basis. You have answered most of my questions and Jai and Mahruk have questioned you. I am happy to hear all the positivity. Let us look for betterment. Congratulations and best wishes.

Asheesh Pandey:

Thank you.

Moderator:

Thank you. The next question is from the line of CA Dr. Ashok Ajmera from Ajcon Global. Please go ahead.

Ashok Ajmera:

Thanks for giving this opportunity to me. And Asheesh sir, very rich compliments and congratulations to you, sir, for having come back to Union Bank as the MD and CEO. And basically, most of these questions have already been answered in the detailed discussion right from Jai to Sushil. But I would also emphasize on that only, sir. Your rich experience of this bank as well as the wonders which you have done in Bank of Maharashtra. Now, looking at our condition today, what we were 6 quarters back in this bank, we are only 3% or 4% for last 6 quarters growth if you take right from Q1 of 25 of Rs. 21.08 lakh crores business to Rs. 22.09 lakh crores. That is only 4.8% in last 6 quarters. So, sir, now with you having come back to Union Bank and now as the MD and CEO, do we expect that in your tenure of 3 years, we will be a Rs. 31-Rs. 32 lakh crores business bank? Number one, which you already shared that accelerated growth. But to be more specific, for reaching this kind of growth again to the system growth of 12%-14%, 13%-14%, we will have to look at not only retail, sir, which is already 23% growing, this thing MSME is also reasonably. I think the time has come when we will have to start with mid-corporate and large corporate also to accelerate this credit. And I want to hear your plans for that to overall, how do we increase the total credit growth because for the bank to remain in good profits, ultimately the credit is the main business of the bank. What do we expect now? How do we go about it, sir?

Asheesh Pandey:

Thank you. Thank you so much for your compliments and wishes. So, let me tell you coming to the bank, the important thing, to when you think of a business at a system level or may be better than system level, see 2-3 things are very much required. The one is the people and another is the technology and third is the required structures. So, I am very confident and happy to share that these 3 things are already there as there was a question from Mr. Sushilji and the earlier officials. So, this structure is already there, so the base is ready. Now, coming to the third point

Classification: Public

that when Mr. Mundhra and Ma'am Mahruk, they asked about the growth. So, we clearly told that the system level growth and at least better than that we are aspiring. So, certainly, we will go by it and we are going for that. Now, coming to the strategy or may be the past experiences as you have pointed out, so I believe that yes, the bank has already discussed, I think last 20-25 days. Internally, we have done the root cause, you say, or may be a top-down approach, may be a bottom-up approach, all sort of, because we had a field conference also for almost 2 days, wherein all our regional offices, zonal offices, verticals, we all have discussed about the same. So, I believe everything is in place and we are going to do it, but then specifically as you said, what would be the key differentiators? So, certainly we are working upon some of the products which can be niche for the bank. The second one is that we are poised for our foundation day, which is going to be held soon and we are again thinking of launching some of the digital initiatives and in that one will be like related to the mobile banking for business people. So, like that some versions of products related to the CASA. So, these are the things and then fourth is most importantly you can have product, but then strategy to implement. So, internally, last 20 days, the thought process which has evolved is back to basics and the core to implementation, core to execution. So, certainly, we will be having the geography level thought process strategy and then whether it is in retail, which sector, which specific area, which geography, which part of a salaried people. So, already that is almost final. As you said, for 3 years, so I am not going to the figures which you have said, but yes, that we are working upon a document right now. We are taking 2-3 months' time and 1 year, 3-year, 5 years along with our subsidiaries, along with our joint ventures. We are building the strategy document, which will be the rolling one, which will be like the reviewed and mid-course correction taken every quarter or every half year. So, certainly, the bank is poised with a lot of positivity going forward and I am very sure that you will see the same sort of, as you said, which was some 6-8 quarters before. So, I think it will be in the same range and may be better than that. This is, I think, we expect on those lines.

Ashok Ajmera:

Thanks for such a reassuring statement, sir. Sir, my second one is something, some color on the treasury because the treasuries generally are under pressure in every bank because of the rate movement. But still, in our case, in the other income, our treasury profit has gone down to Rs. 192 crores from Rs. 961 crores in the last quarter. Similarly, there is a depreciation also, which has also gone up by almost Rs. 192 crores. So, going forward, how do we see the treasury movement, like apart from the changes due to the rates? Now, since the better time will be there in this second half for the treasury with further 125 basis rates cut expected, can you throw some light on the treasury going forward for the income as well as the income which comes in the other income?

Abhijit Basak:

Ajmera sir, Abhijit here. So, as you have mentioned that, it all depends upon how and what kind of comfort regulator gives to us? But as you have seen that, last, what, RBI has said in the last MPC also, there is a double dovish lookout. So, there is always a scope that there would be an expectation of rate cuts, that we are also believing in that. So, these things are there, see, the CRR cuts, the fully CRR cuts benefit will be available in the current month and this quarter. So, these are the good aspects which will be improving the liquidity in the system. And also, what we feel that the public spending will also improve in the current quarter, which will also improve

the liquidity in the system. So, all this put together, we feel that there would be a good market condition in the current quarter and in the coming quarter. So, the interest rate is benign. So, there is no issue on the interest rate part. So, there would be a better quarter coming in December and March. So, the profit that we have shown now, may not be, the profit that we have seen last quarter, June being there, is OMO and switch auction, where we have got a very good income. But the level of profits will maintain from another 2 quarters.

Ashok Ajmera: Sir, there is a lot of opportunities in the IPOs and the equity also nowadays, I think you must be making some good money on that also?

Abhijit Basak: So, we are actually putting up in most of the IPOs where we feel that this company is going to do well and we can get a good listing gain in this company. So, we are there, sir.

Ashok Ajmera: Sir, one specific question on some data, the thing that other operating expenses in this quarter have gone up by Rs. 342 crores from Rs 2743- Rs 3085. I couldn't find time to get into detail. So, what could be this Rs. 342 crores extra in the other operating expenses, sir?

Avinash Prabhu: Generally, I think, if you just look at it on a full year basis, our total operating expenses last year were about Rs. 26,000 crores. And if you look at, just extrapolate the 6-month total operating expenses on a full year basis, you will see that the increase is only about 5.5%. So, it is in line with the trend. It is just that the expenses booked in the second half of last year were on the higher side as compared to the first half. So, I think we are trending in line with our plans. And so therefore, we are comfortable in terms of where operating expenses are currently panning out.

Ashok Ajmera: Point well taken, sir. Thank you, sir. If I am permitted, can I ask something on SMA 0 numbers which have gone up substantially from the last quarter, is there any specific region or they have been regularized on time? Because there is not much pressure on the SMA 1 and SMA 2 as compared to the last quarter except the SMA 0? So, is there any particular reason or particular account which was off for a few days?

Avinash Prabhu: No, these are getting regularized. So, it is not a matter of concern. We are very comfortable with that number. Yes, there has been an increase in the current quarter, but it is under control.

Ashok Ajmera: All right, sir. Thank you very much, sir. And all the best to you. And we will see the bank again reaching to the past glories. Thank you.

Avinash Prabhu: Thank you. Thank you so much.

Moderator: Thank you. Ladies and gentlemen, due to time constraint, we will take one last question for today, which is from the line of Rakesh Kumar from Valentis Advisors. Please go ahead

Rakesh Kumar: Yes, thank you, sir. And congratulations on the appointment. Sir, just one question and related to that also there is one question. So, just on this investment depreciation reversal that we have, so has it come from HTM book?

- Abhijit Basak:** It is from a trading book.
- Rakesh Kumar:** So, the number is quite sizable. So, that is what I was?
- Abhijit Basak:** This includes the gains that we had from NSDL. As you are aware, we had a holding there.
- Rakesh Kumar:** And in the HTM book, like there is a, drop in the duration. So, have we sold anything from there apart from NSDL or?
- Abhijit Basak:** No. So, HTM, we have not sold anything. So, means that it is mostly because of the one stock that we have sold, some part we have sold. So, there is no much selling may be because of the redemption that might have happened in between.
- Rakesh Kumar:** The duration change is quite sizable in such a large book. So, it was a bit puzzling. I was not able to understand?
- Abhijit Basak:** Still there was some redemption.
- Rakesh Kumar:** And the SAAR price in this risk fitted asset, is it coming from the credit risk rate or market risk rate?
- Abhijit Basak:** It is coming from credit risk.
- Rakesh Kumar:** Credit risk. So, like in which book, like in which kind, what kind of portfolio that we have added which led to such a SAAR price as compared to credit growth number on a sequential basis, sir?
- Abhijit Basak:** Some of the entities which are otherwise rated, but for our own exposure, those are not rated. In rating, listed is not disclosed. So, at those places, we need to keep it unrated.
- Rakesh Kumar:** Got it. Thank you, sir. Thank you. Thank you so much and all the best.
- Moderator:** Thank you. Ladies and gentlemen, as that was the last question for today, I would now like to hand the conference over to the management for closing comments. Thank you and over to you, sir.
- Asheesh Pandey:** So, thank you, ma'am and thanks to all the officials of the investor community. Thanks for being with us and posing the queries you have. But then, this is as per the ritual, after the board, we had a press meet and we uploaded the result and we had investor meet, but then, going forward, there will be a lot of engagement with each one of you. We will have physical one-to-one meetings and as we move forward and the thing which we have assured and discussed with you today and we do have certain plans and here also, when we are talking to you, the entire senior management team of the bank is sitting. So, we already had a discussion and we are moving to our strategy document. We will be finalizing may be in the next 2 months' time, but then, the implementation is already in the stages. So, you will be seeing going forward, like, the industry

*Union Bank of India
October 30, 2025*

level sort of the growth and may be a better sort of and going forward, since we are very cautious and actually, if you see, as I said, 107th Foundation Day, we will be celebrating on 11th of November. So, typically, this bank has been a conservative side and on the expenditure side also, as far as the concern other than business and the second one is on the margin side. So, we will continue on both side and going forward, you will see much contained the cost to income and the other parameters and certainly, the bank is poised and the team is poised for a good growth and we will be requiring your help and support and certainly, we will have more engagement with you. Thanks to all of you for being connected to us for this investor meet and this presentation. Thank you. Thank you so much.

Moderator:

Thank you, Members of the Management. On behalf of Union Bank of India, that concludes this conference. We thank you for joining us and you may now disconnect your lines.