

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



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

# Financial Results

**Q1 FY 2016-17**

August 06, 2016

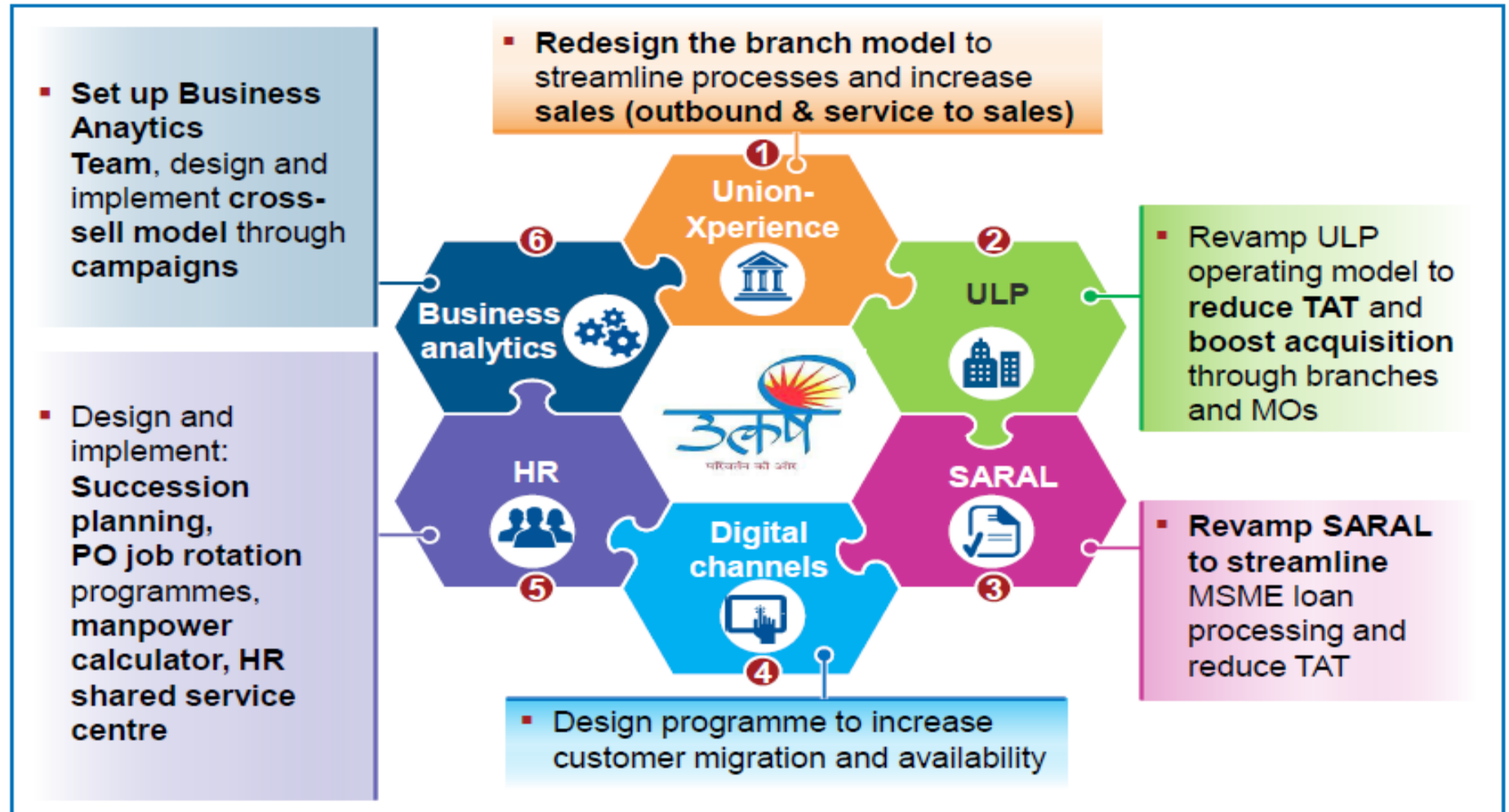
**#1** Structural Transformation

**#2** Business Performance

**#3** Financials


**#4** Awards & Recognition

## Structural Changes undertaken in Project Utkarsh across 6 key initiatives





## 7 Regions (June 2016 vs baseline):

### Impact<sup>1</sup>: Regional execution

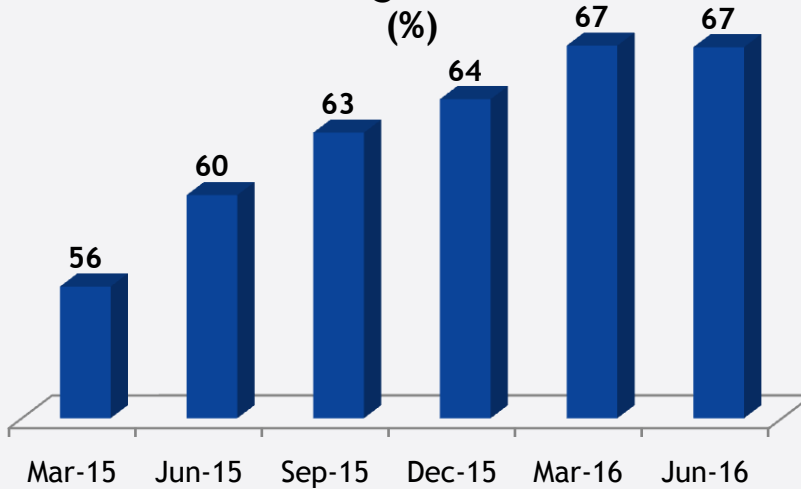
	<b>75%</b>	Increase in branch <b>CASA productivity</b> <sup>2</sup> 3.8 CASA/branch/day across 275 branches
	<b>38%</b>	Increase in retail loans sanctioned per month INR 32 Cr/region/month
	<b>31%</b>	Increase in <b>loans processed by SARAL per month</b> , INR 232 Cr/region/month
	<b>53%</b>	Reduction in <b>Retail and MSME loan TAT</b> 7.3 days (Retail), 15 days (MSME)

### Impact: Central initiatives

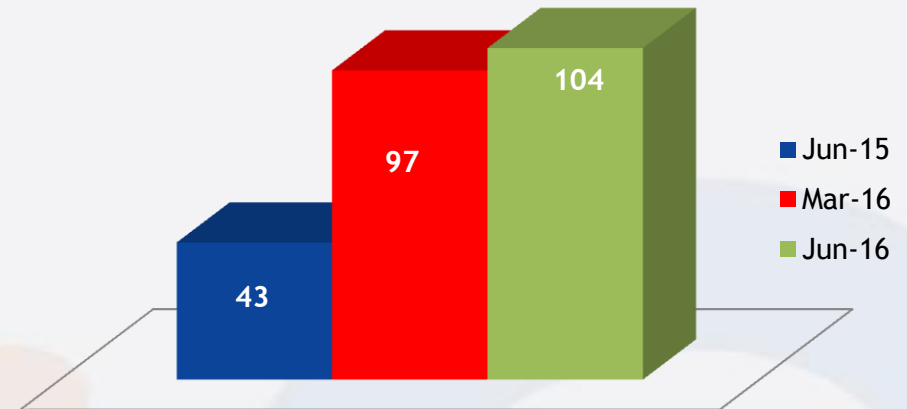
	<b>90%</b>	Reduction in <b>TAT</b> for sanctioning <b>employee claims</b> , 1.9 days
	<b>346%</b>	Increase in <b>productivity</b> 326 bills processed /day

<sup>1</sup> Impact is based on current month's performance compared to baseline  
<sup>2</sup> CASA acquisition/branch/day;

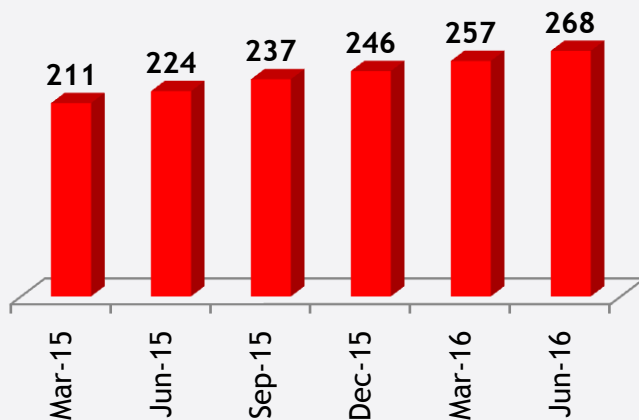
Transaction through Alternate Channels (%)



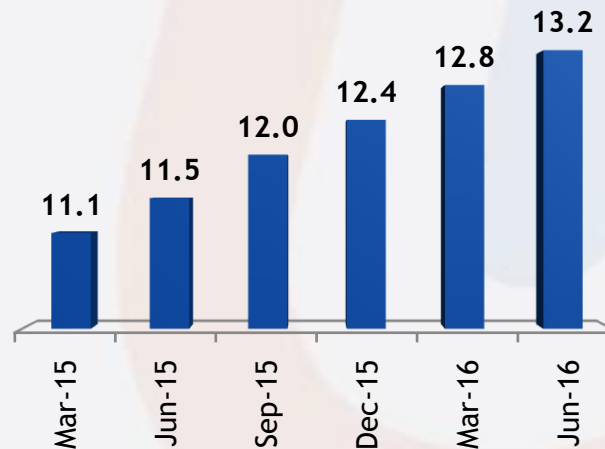
Transactions through Mobile Channel (In Lakh)



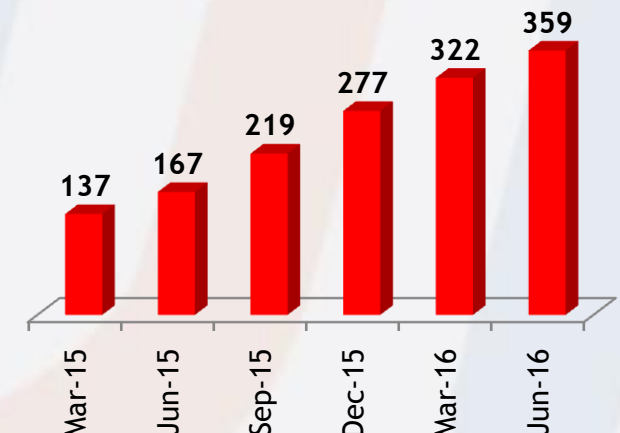
Debit Card (lakh)



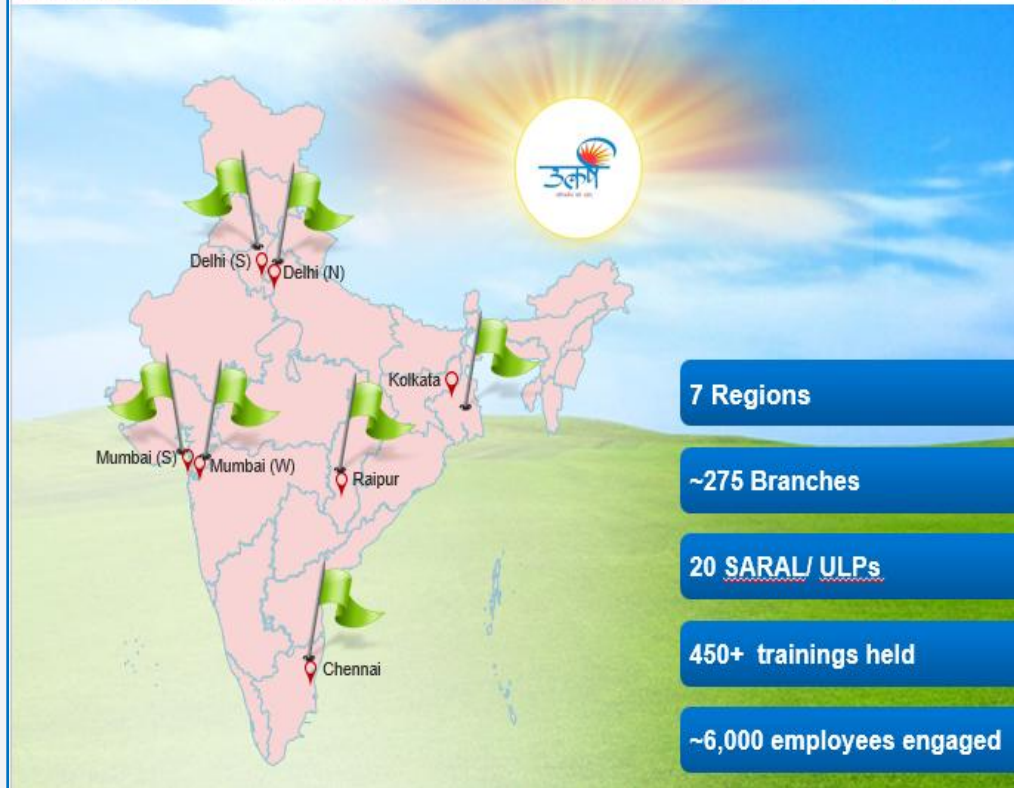
Internet Banking Users (lakh)



Mobile banking users(thousands)

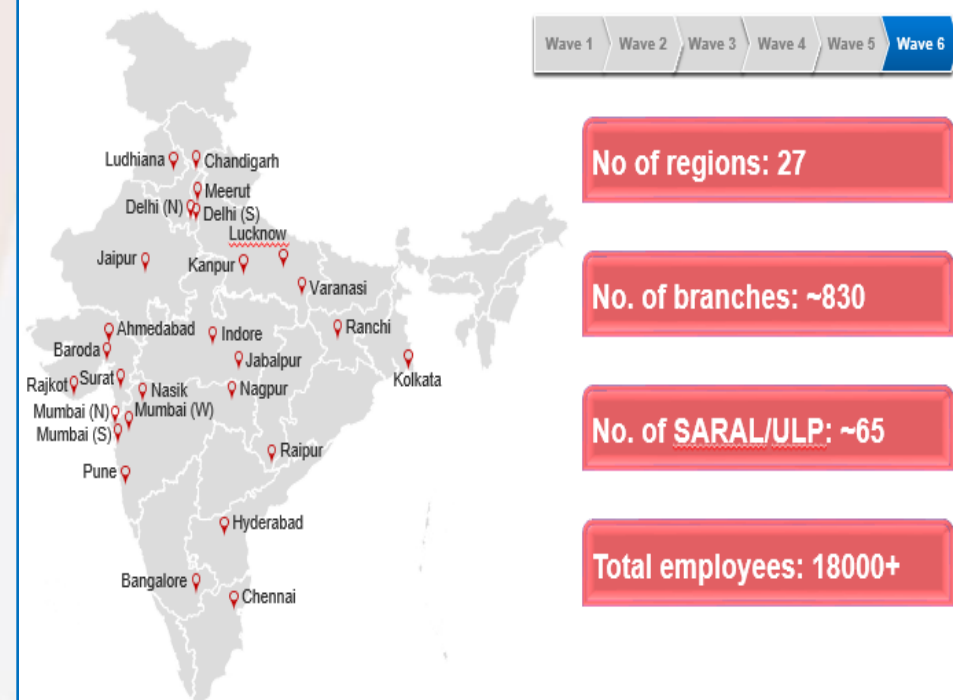


Utkarsh has been successfully launched and stabilized across 7 Regions



Utkarsh will be scaled to 20 new Regions in a phased manner in FY 2017.

### Proposed scale up of Project Utkarsh



**#1** Structural Transformation

**#2** Business Performance

**#3** Financials

**#4** Awards & Recognition



**Business**

- Global Business increased by 4.2% to ₹ 607280 crore
- CASA Share improved by 320 bps over Jun 2015.
- **RAM** segment share in domestic advances increased to 54.2%

**Non Interest Income**

- Non Interest Income for Q1/FY17 up 32.8% to ₹ 1040 crore over Q4/FY16;

**Net Profit**

- Net Profit for Q1/FY17 stood at ₹167 crore, up by 72.2% over Q4/FY16.

**Efficiency**

- ROA sequentially improved to 0.17% (Q1/FY17) from 0.10% (Q4/FY16); ROE too improved to 3.36% in Q1/FY17 from 1.95% in Q4/FY16.
- Cost to Income ratio sequentially declined to 48.28% (Q1/FY17) from 54.25% (Q4/FY16).

**Asset Quality**

- Gross NPA (%) and Net NPA (%) stood at 10.16% and 6.16% respectively.
- Slippages declined to Rs. 3603 Crore in Q1/FY17 from Rs. 6170 crore in Q4/FY16.

**Capital Adequacy**

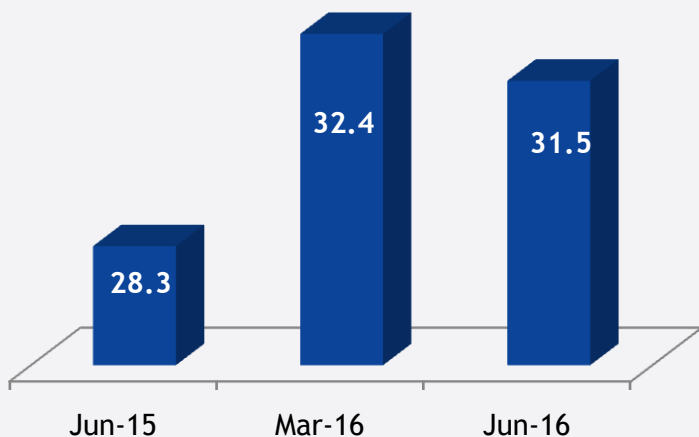
- Capital Adequacy Ratio at 10.75%; CET 1 Ratio at 8.24%.



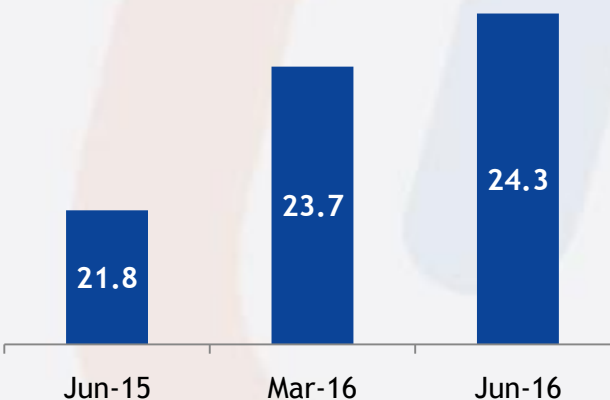
Parameters	Jun 2015	Mar 2016	Jun 2016	Growth (%)	
(₹ crore)				Y-o-Y	Q-o-Q
<b>Total Deposits</b>	<b>327264</b>	<b>342720</b>	<b>338727</b>	<b>3.5</b>	<b>-1.2</b>
- Domestic	322026	336086	334538	3.9	-0.5
- Overseas	5238	6634	4189	-20.0	-36.9
<b>Current Deposits</b>	<b>21358</b>	<b>29743</b>	<b>24474</b>	<b>14.6</b>	<b>-17.7</b>
<b>Savings Deposits</b>	<b>71254</b>	<b>81133</b>	<b>82130</b>	<b>15.3</b>	<b>1.2</b>
<b>CASA Deposits</b>	<b>92612</b>	<b>110876</b>	<b>106604</b>	<b>15.1</b>	<b>-3.9</b>

- The Bank activated 4.1 lakh Dormant accounts during Q1 of FY 2016-17. In addition, the Bank added 9.47 lakh CASA accounts during June 2016 Quarter.

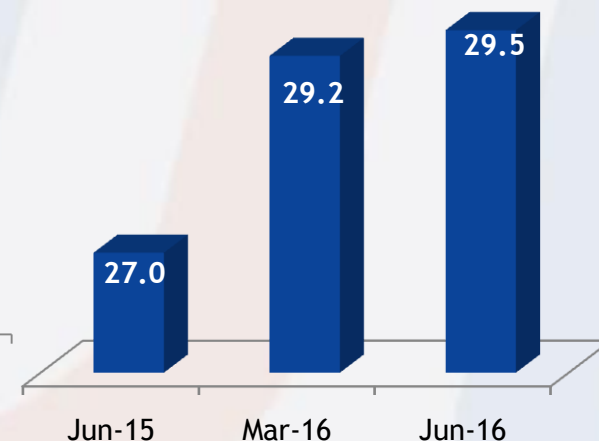
**CASA Ratio(%)**



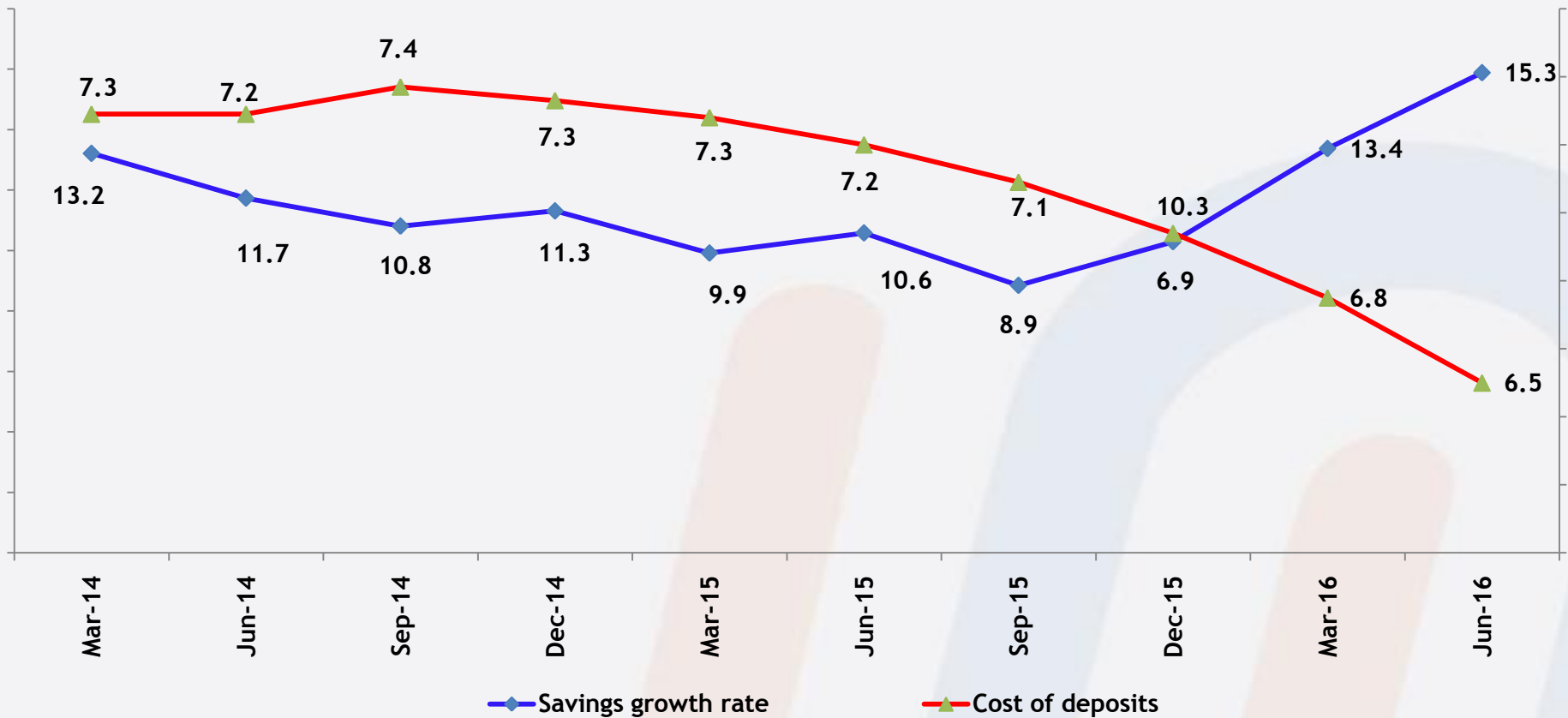
**Savings Ratio (%)**



**Average CASA Ratio (%)**



Savings Deposit growth (%) and Movement in Cost of Deposits(%)



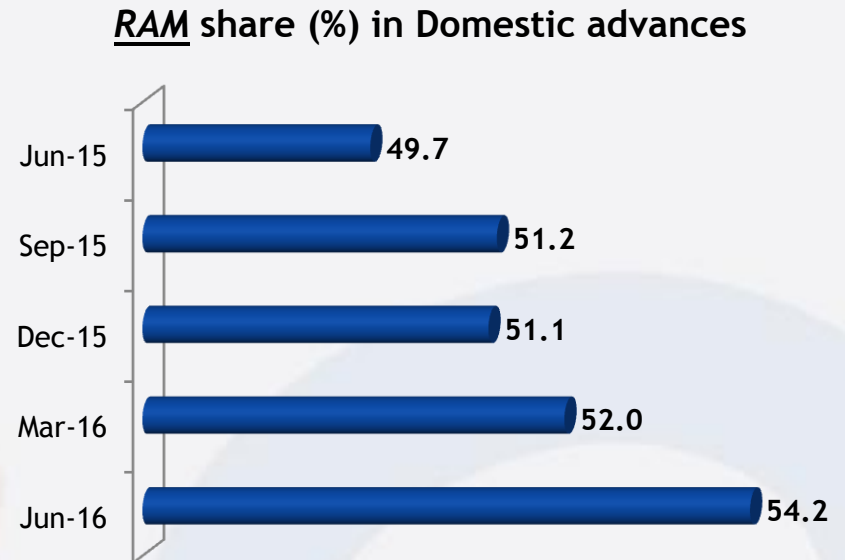
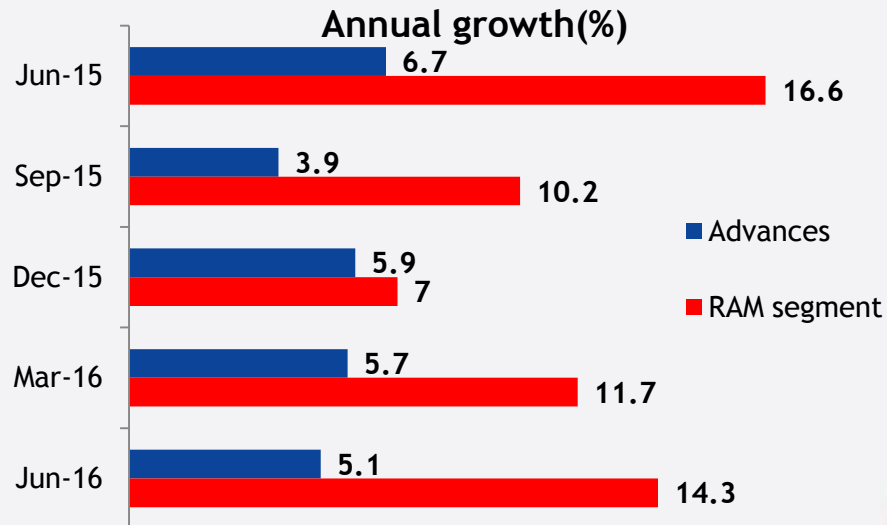
(₹ crore)

Parameters	Jun 2015	Mar 2016	Jun 2016	Growth (%)	
				Y-o-Y	Q-o-Q
<b>Gross Advances</b>	<b>255553</b>	<b>277725</b>	<b>268553</b>	<b>5.1</b>	<b>-3.3</b>
- Domestic	232072	251653	242935	4.7	-3.5
- Overseas	23481	26072	25618	9.1	-1.7
<b>Retail Advances</b>	<b>32712</b>	<b>36589</b>	<b>37242</b>	<b>13.8</b>	<b>1.8</b>
Agriculture	36209	38819	39172	8.2	0.9
MSME	46372	55524	55349	19.4	-0.3

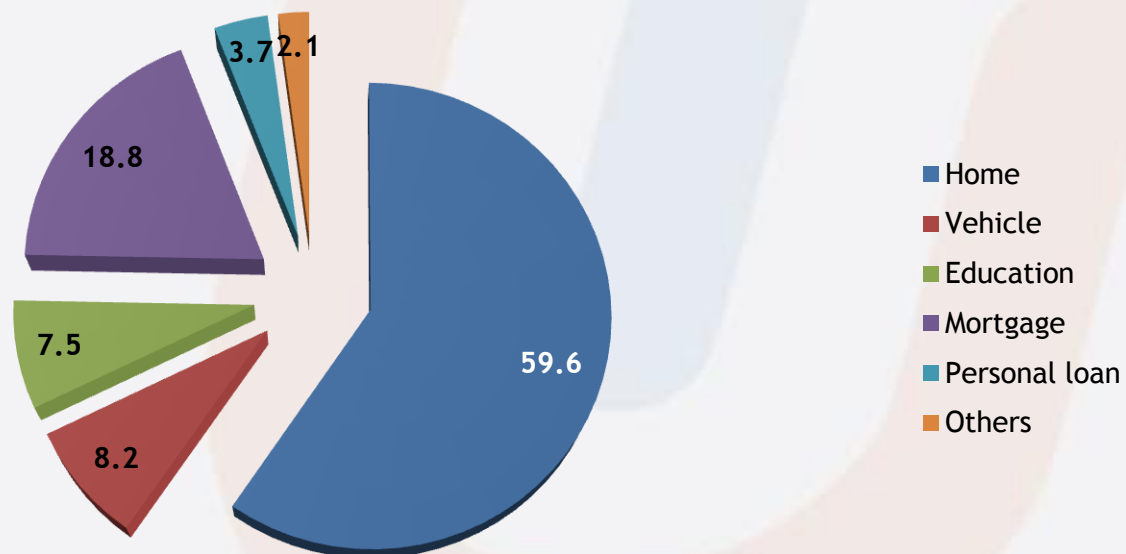
## Performance under Priority Sector

Parameters	Jun-15	% to ANBC	Mar-16	% to ANBC	Jun-16	% to ANBC
<b>Total Priority</b>	<b>96866</b>	<b>39.28</b>	<b>102596</b>	<b>41.60</b>	<b>102788</b>	<b>42.84</b>
<b>Agriculture Priority*</b>	<b>43998</b>	<b>17.84</b>	<b>45417</b>	<b>18.40</b>	<b>45480</b>	<b>18.96</b>
-Small & Marginal Farmers	19127	7.76	21727	8.80	21503	8.96
<b>MSME Priority</b>	<b>37010</b>	<b>15.01</b>	<b>40237</b>	<b>16.31</b>	<b>40241</b>	<b>16.77</b>
-Micro Enterprises	11660	4.73	13721	5.60	13665	5.70
<b>Women Beneficiaries</b>	<b>14417</b>	<b>5.95</b>	<b>16042</b>	<b>6.50</b>	<b>16241</b>	<b>6.77</b>
<b>Weaker Section</b>	<b>22931</b>	<b>10.62</b>	<b>28849</b>	<b>11.72</b>	<b>29191</b>	<b>12.17</b>

\* including investment in funds with NABARD

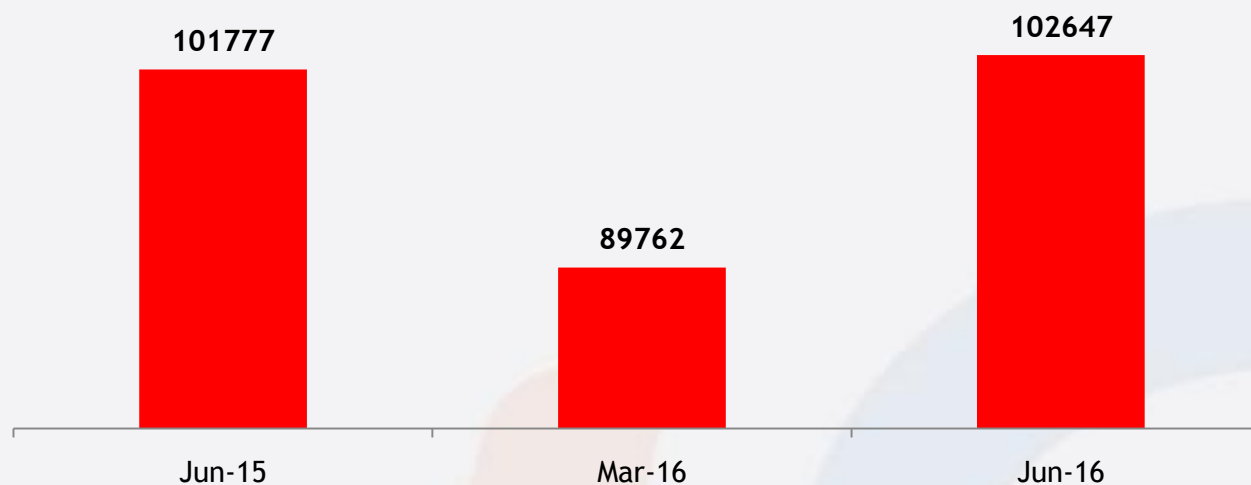


**Composition of Retail Portfolio (%)**



Sn.	Sectors	Top 10 Sectors (% Share in Domestic Advances)			Amount (₹ crore)
		Jun 2015	Mar 2016	Jun 2016	
1	Agriculture	15.6	15.5	16.1	39172
2	Retail Advances	14.1	14.5	15.3	37242
3	Infrastructure	16.7	13.6	14.3	34673
4	Trade	12.0	11.5	11.4	27780
5	NBFCs and HFCs	8.9	11.0	10.1	24464
6	Basic Metal Products	5.0	5.2	5.5	13327
7	Food Processing	3.3	2.8	3.5	8520
8	Textiles	2.9	2.9	2.8	6768
9	Gems & Jewellery	2.2	2.0	2.1	5110
10	Construction	2.0	2.0	2.1	4989

Investment in ₹ Crore



(₹ crore)	Jun-16	% to Total	Duration (Years) Jun-16
Held to Maturity	73560	71.6	4.09
Held for Trading	100	0.1	4.30
Available for Sale	28987	28.2	6.57
Total Investment	102647	100	4.14

- 83.99% of AFS & HFT portfolio is interest sensitive

Overseas branches at Hong Kong, DIFC (Dubai), Antwerp (Belgium) and Sydney (Australia)

Representative offices at Shanghai, Beijing, and Abu Dhabi

Union Bank of India (UK) Limited  
 (a wholly-owned subsidiary of the Bank in London)

## Business from Overseas Branches

(₹ crore)	Jun-15	Mar-16	Jun-16	Growth (%) YoY
<b>Business</b>	<b>28719</b>	<b>32706</b>	<b>29807</b>	<b>3.8</b>
<b>Total Deposits</b>	<b>5238</b>	<b>6634</b>	<b>4189</b>	<b>-20.0</b>
<b>Total Advances</b>	<b>23481</b>	<b>26072</b>	<b>25618</b>	<b>9.1</b>



(₹ crore)

	As at 30.06.15	As at 31.03.16	As at 30.06.16	Growth (%)	
				Y-o-Y	Q-o-Q
<b>LIABILITIES</b>					
Capital	636	687	687	8.0	0.0
Reserves and surplus	19636	22204	22502	14.6	1.3
Deposits	327264	342720	338727	3.5	-1.2
Borrowings	33022	30958	33549	1.6	8.4
Other Liabilities and Provisions	9232	8127	8575	-7.1	5.5
<b>Total</b>	<b>389790</b>	<b>404696</b>	<b>404040</b>	<b>3.7</b>	<b>-0.2</b>
<b>ASSETS</b>					
Cash and Balances with Reserve Bank of India	14591	15605	16060	10.1	2.9
Balances with Banks and Money at call and Short Notice	8633	13672	11229	30.1	-17.9
Investments	101174	89208	102135	0.9	14.5
Advances	248080	267354	256861	3.5	-3.9
Fixed Assets	2661	3940	3895	45.2	-1.9
Other Assets	14651	14917	13860	-5.4	-7.1
<b>Total</b>	<b>389790</b>	<b>404696</b>	<b>404040</b>	<b>3.7</b>	<b>-0.2</b>

**#1** Structural Transformation

**#2** Business Performance

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Parameters (%)	Jun-15 (Q1)		Mar-16 (Q4)		Jun-16 (Q1)	
	Domestic	Global	Domestic	Global	Domestic	Global
Cost of Deposit	7.30	7.20	6.86	6.75	6.54	6.46
Cost of Funds	6.71	6.46	6.22	5.98	6.07	5.82
Yield on Advances	10.57	9.95	10.13	9.17	9.57	8.93
Yield on Investment	7.82	7.78	7.83	7.77	7.60	7.55
Yield on Funds	9.02	8.70	8.50	8.13	8.26	7.94
NIM	2.46	2.39	2.46	2.32	2.36	2.28

(₹ crore)

Parameters	Jun-15 (Q1)	Mar-16 (Q4)	Jun-16 (Q1)	Growth (%) Y/Y	Growth (%) Q/Q
a. Core Non Interest Income	422	551	457	8.3	-17.1
b. Treasury Income	321	390	547	70.4	40.3
<u>W/w</u>					
•Profit on Sale of Investments	195	206	316	150.8	71.7
•Exchange Profit	126	184	231	477.5	312.5
c. Recovery in Written off Accounts	40	56	36	-10.0	-35.7
<b>Total</b>	<b>783</b>	<b>997</b>	<b>1040</b>	<b>32.8</b>	<b>4.3</b>

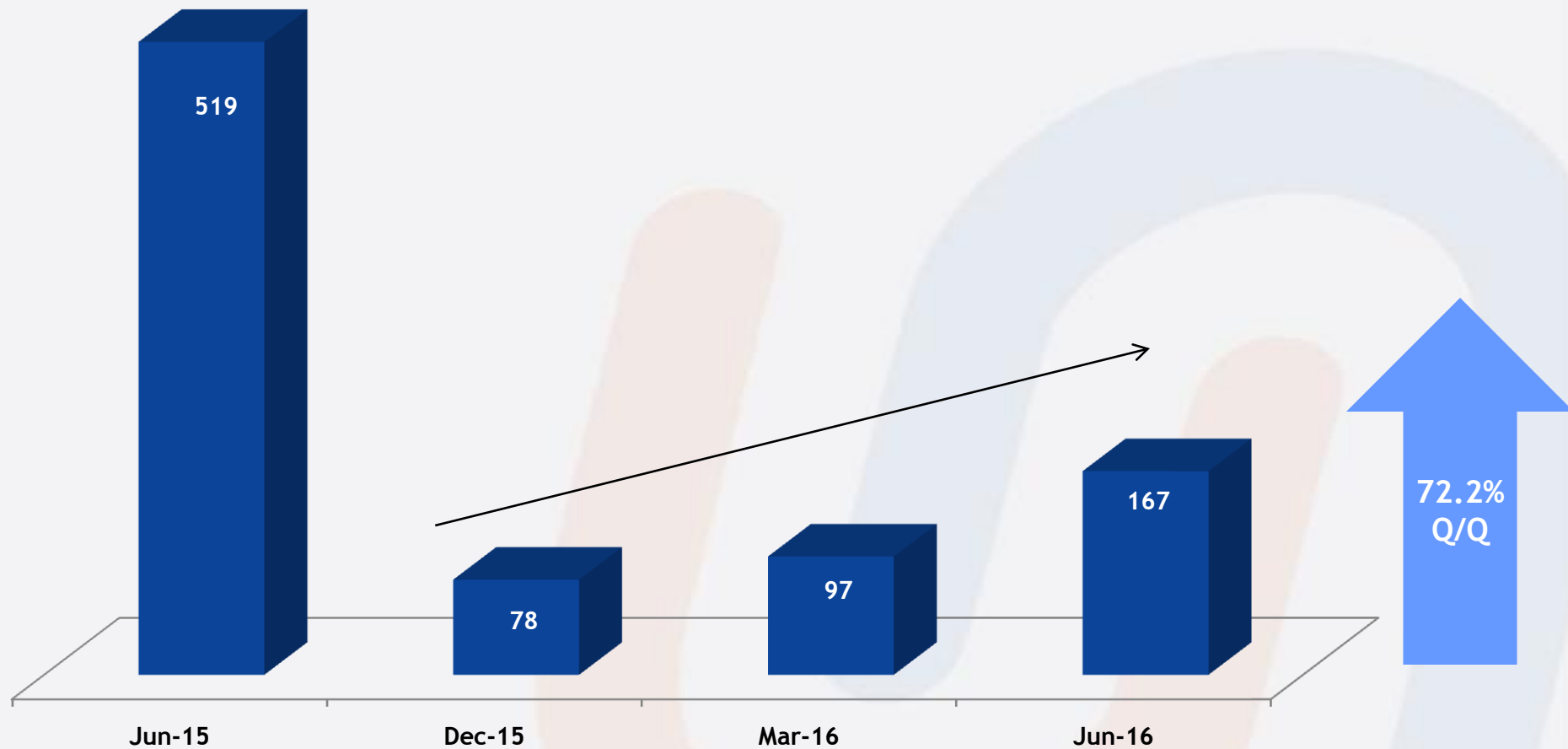
(₹ crore)

Parameters	Jun-15 (Q1)	Mar-16 (Q4)	Jun-16 (Q1)	Growth (%) Y/Y	Growth (%) Q/Q
Interest Income	8260	7888	7878	-4.6	-0.1
Interest Expenditure	6130	5803	5775	-5.8	-0.5
Net Interest Income	2130	2085	2103	-1.3	0.9
Non Interest Income	783	997	1040	32.8	4.3
Operating Expenses	1425	1672	1517	6.5	-9.3
-Establishment Expenses	853	936	859	0.7	-8.2
-Other Expenses	572	736	658	15.0	-10.6
Operating Profit	1488	1410	1626	9.3	15.3

(₹ crore)

Parameters	Jun-15 (Q1)	Mar-16 (Q4)	Jun-16 (Q1)
NPAs	480	2008	1347
Standard Assets	-22	-63	49
Depreciation on Investment	199	42	-42
Shifting Loss	6	0	2
Restructured Advances	7	-305	-11
Others (FITL etc)	-28	-118	8
Taxation	327	-251	106
<b>Total</b>	<b>969</b>	<b>1313</b>	<b>1459</b>

₹ crore





Sn	Efficiency Parameters	Jun-15 (Q1)	Mar-16 (Q4)	Jun-16 (Q1)
1	Return on Avg. Assets (%)	0.55	0.10	0.17
2	Return on Equity (%)	11.02	1.95	3.36
3	Cost to Income Ratio (%)	48.92	54.25	48.28
4	Book Value Per Share (₹)	296.20	287.51	288.52
5	Earnings per share (₹)	32.64	5.62	9.69

Sn	Profitability Parameters		Jun-15 (Q1)	Mar-16 (Q4)	Jun-16 (Q1)
1	Business per Branch	₹ crore	142.7	147.7	144.5
2	Business per Employee	₹ crore	16.0	17.5	16.3
3	Gross Profit per Branch	₹ crore	1.46	1.34	1.55
4	Gross Profit per Employee	₹ lakh	16.36	15.89	17.47
5	Net Profit per Branch	₹ lakh	50.80	9.20	15.89
6	Net Profit per Employee	₹ lakh	5.70	1.09	1.79

(₹ crore)

Parameters	Jun-15 (Q1)	Mar-16 (Q4)	Jun-16 (Q1)
Gross NPAs - Opening	13031	18495	24171
Add : Additions	1508	6170	3603
Less : Reductions	395	494	493
1. Recoveries	160	204	350
2. Upgradation	78	191	141
3. Write Off	157	99	2
Gross NPAs- Closing	14144	24171	27281
Gross NPA (%)	5.53	8.70	10.16
Net NPA	7634	14026	15825
Net NPA (%)	3.08	5.25	6.16
Provision Coverage Ratio (%)	58.1	51.0	50.0
Tangible PCR (%)	46.0	42.0	42.0
Credit Cost (%)	0.74	2.97	1.97

(₹ crore)

Sectors	Slippages During Q1 FY 17	NPAs June 2016	% to Total NPAs	% to Sector Loan		
				Jun 2015	Mar 2016	Jun 2016
<b>Agriculture</b>	194	2080	7.62	4.62	5.21	5.31
<b>Micro &amp; Small (MSE)</b>	357	3628	13.30	6.67	7.79	8.15
<b>Retail Loans</b>	184	1091	3.90	2.52	2.54	2.93
<b>Others</b>	2868	20482	75.18	5.92	11.06	13.64
<b>Total</b>	3603	27281	100.00	5.53	8.70	10.16

(₹ crore)

	Jun-16 (Q1)		
Particulars	Standard	NPA	Total
Restructured Assets as on April 01, 2016	8572	9055	17628
Fresh Restructuring during the Quarter	0	0	0
Upgradation to Restructured Accounts during the Quarter	4	-4	0
Down gradation of restructured accounts during the Quarter	-572	572	0
Change in Outstanding/Write-off/ Recovery/Closures during the Quarter	-758	-92	-850
Restructured Accounts as on June 30, 2016	7247	9531*	16778

Particulars	Jun-15	Mar-16	Jun-16
Standard Restructured as % to Gross Advances	5.53	3.09	2.70
Impaired Assets Ratio (GNPA +Standard Res) (%)	11.06	11.79	12.86
Net Impaired Assets Ratio (NNPA +Standard Res) (%)	8.77	8.45	8.98

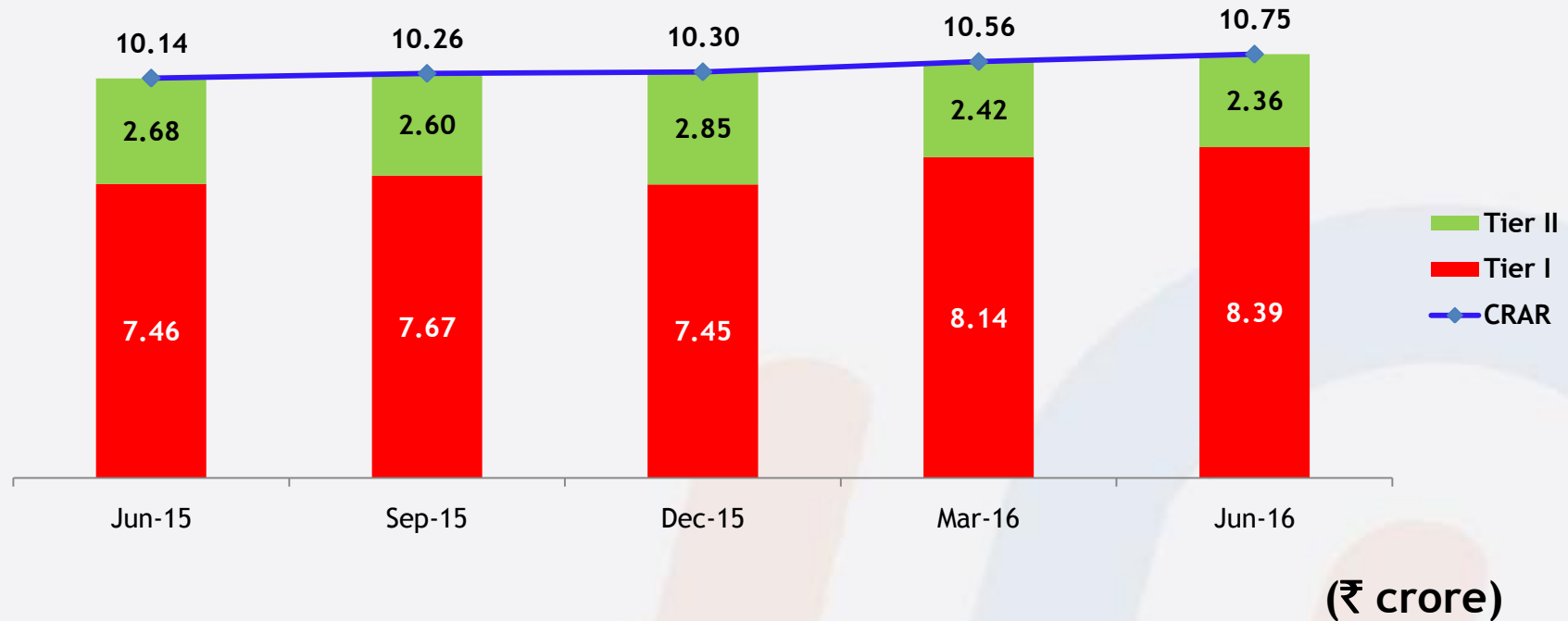
**Outstanding Standard Restructured Assets excluding SEBs as % to Gross Advances: 2.48%**

**\* ₹9531 crore is included in Gross NPAs of the Bank**

(₹ crore)

	Sector	Amt.	% to Standard Restructured
1	Infrastructure	3309	45.7
a.	Power	2034	28.1
	w/w SEBs	578	8.0
2	Engineering	1010	13.9
3	Iron & Steel	482	6.7
4	Hotel	436	6.0
5	Textiles	396	5.5

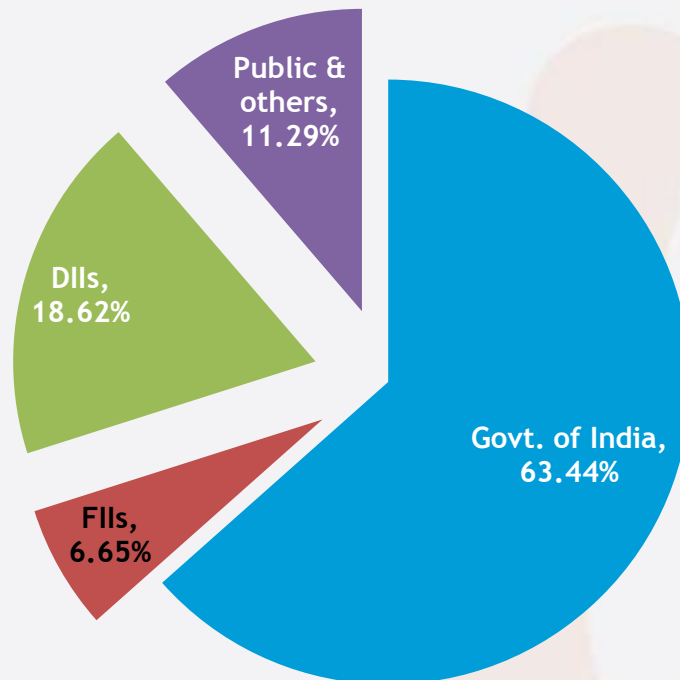
	Amt	% to Standard Restructured Advances	% to Gross Loans
Outstanding Standard Restructured Assets	7247		2.7
W/w			
-SEBs	578	8.0	0.2
-Stalled Projects	218	3.0	0.1



	Jun 2015	Sep 2015	Dec 2015	Mar 2016	Jun 2016
Risk Weighted Assets	254537	260508	258677	273791	267176
Capital Funds	25805	26740	26632	28932	28717
CRAR-BASEL III ( % )	10.14	10.26	10.30	10.56	10.75
CET Ratio (%)	7.20	7.42	7.45	7.95	8.24

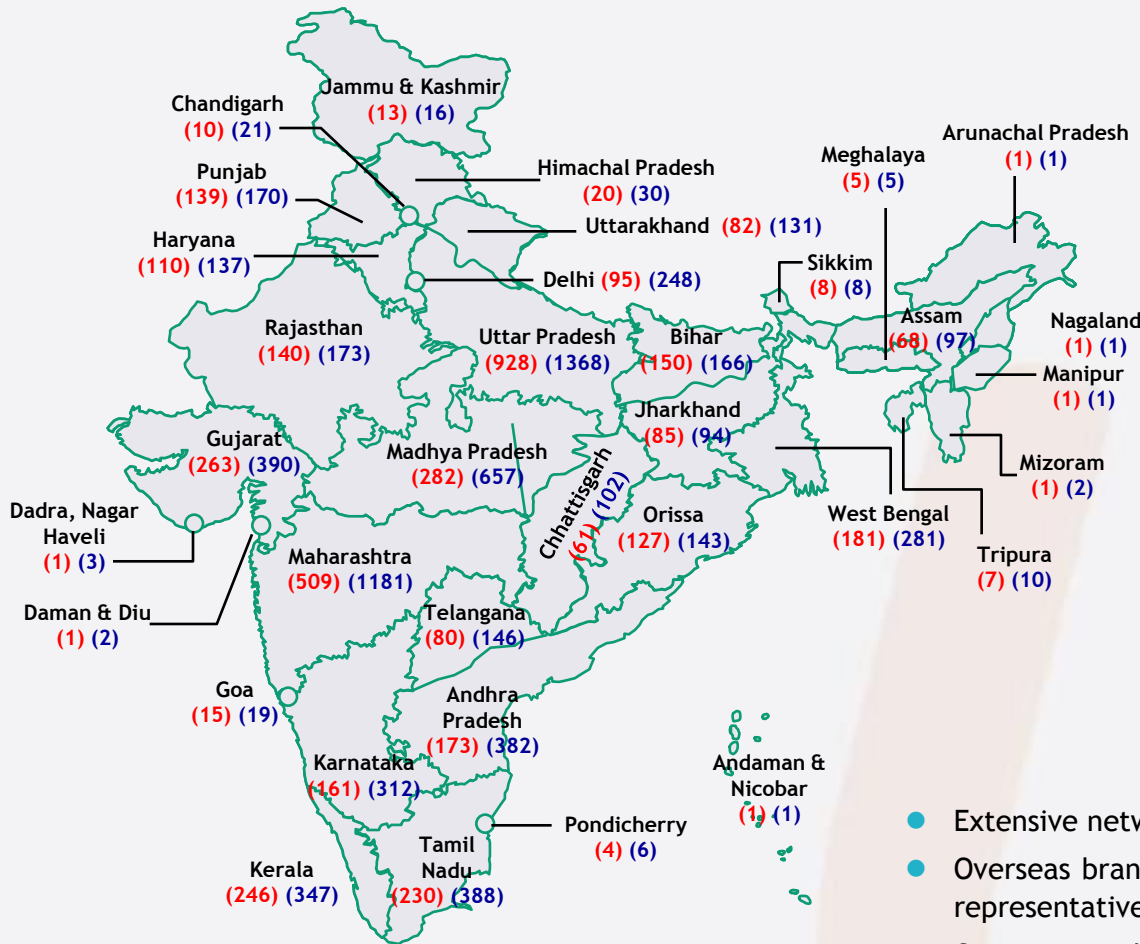
•Share Capital	₹ 67.40 crore
•No. of Equity Shares:	68.74 crore
• Net worth:	₹ 19834 crore
•Market Cap	₹ 8819 crore

Shareholding Pattern (%)



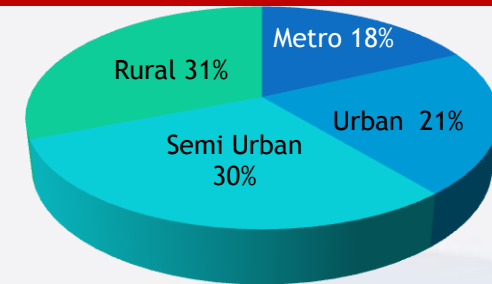
The Govt has decided to Infuse Rs. 721 crore in the Bank during the current Financial year.





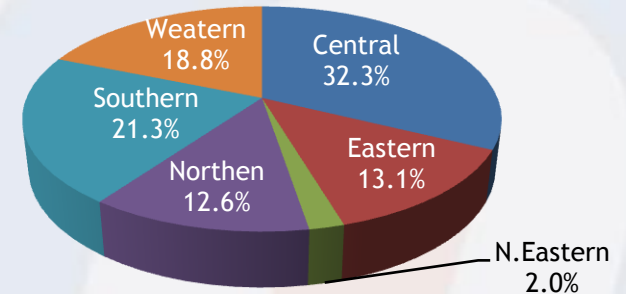
# Domestic Branches (4199) # ATMS (6893)

### Branch Distribution by Urbanization



61% branches in rural/semi-urban markets

### Branch Distribution by Geography



Geographical diversification minimizes regional risks

- Extensive network across India with 4199 branches
- Overseas branches at Hong Kong, Dubai, Antwerp, and Sydney in addition to representative offices in Shanghai, Beijing, and Abu Dhabi.
- Operates in the UK through its wholly owned subsidiary, Union Bank of India (UK) Ltd.
- The Bank has 31 extension counters, 60 satellite offices and 47 service branches in addition to its regular bank branches as of June 30, 2016



Progress under Pradhan Mantri Jan Dhan Yojana (PMJDY)	
Parameters	Achievements of the Bank
Villages covered	18396
Sub Service Areas	5407
Urban Wards	2581
Accounts opened till Jun 30, 2016	57.50 Lakh
Deposits	₹ 892 Crore
RuPay Cards issued	54.48 Lakh
Aadhar Seeding	22.91 Lakh



## Progress under PMSBY, PMJJBY and APJ Schemes

Scheme Name	Total Enrolments
Pradhan Mantri Suraksha Bima Yojana (PMSBY)	28.85 Lakh
Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY)	12.21 Lakh
Atal Pension Yojana (APJ)	0.57 Lakh

## JAN-DHAN SE JAN SURAKSHA



Progress under Pradhan Mantri Mudra Yojana*			
Category	No. of Account	Sanctioned amount (₹ crore)	Outstanding amount (₹ crore)
Shishu (< ₹ 50k)	15376	46.91	42.04
Kishor (Above ₹ 50k-5 Lakh)	17529	319.26	289.03
Tarun (Above ₹ 5 Lakh-10 Lakh)	1414	108.59	88.14
<b>Total</b>	<b>34319</b>	<b>474.76</b>	<b>419.22</b>

\*For Apr-Jun 2016 only



## Skoch Awards

Skoch order of merit on for Financial Inclusion  
Skoch order of merit on Digital Inclusion

## Golden Peacock Award

Golden Peacock Award for Innovation Product/Services

## Technology award by Institute for Development & Research in Banking

Best Bank Award for the Use of technology for Financial Inclusion among large banks by Institute for Development & Research in Banking Technology

## Six Banking Technology Awards from IBA

1. Best Technology Bank of year,
2. Best use of Digital & Channels Technologies,
3. Best use of Technology to enhance Customer Experience,
4. Best Risk Management, Fraud, Cyber Security,
5. Best Financial Inclusion Technology Initiatives ,
6. Best Payment Initiatives

## Reserve Bank Rajbhasha Shield

Reserve Bank Rajbhasha Shield for the year 2014-15 in 'B' Linguistic Region for excellent implementation of Official Language.

## Disclaimer

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