

यूनियन बैंक
ऑफ इंडिया
भारत सरकार का उपक्रम



Union Bank
of India

A Government of India Undertaking



2023-24

एकीकृत वार्षिक रिपोर्ट
Integrated Annual Report

www.unionbankofindia.co.in

नवोन्मेषी तकनीक के साथ
ग्राहक केंद्रीयता

Customer Centricity with
Innovative Technology



About this Report



Unless specified otherwise, the Integrated Annual Report covers the Financial Year 2023-2024. The Union Bank of India's Integrated Annual Report for FY2024 was approved by the Board of Directors on June 11, 2024, and signed by the Chairman on behalf of the Board.

Our FY2024 Integrated Annual Report aims to provide transparency into how we activate our purpose: to improve our customers' lives and enhance our communities' well-being. This report marks our second Integrated Annual Report, produced in accordance with the International Integrated Reporting Council (IIRC) guidelines. Additionally, we strive to comply with the Global Reporting Initiative Standards' core option, covering general disclosures and topic-specific disclosures relevant to Union Bank of India.

Adherence to the IR Framework

The International Integrated Reporting Council (IIRC), originally established to promote integrated reporting and improve corporate transparency, has undergone significant transformation. The IIRC merged with the Sustainability Accounting Standards Board (SASB) to streamline and enhance corporate reporting standards to form the Value Reporting Foundation (VRF). This new organization aims to provide a cohesive framework that integrates financial and sustainability reporting, helping businesses deliver comprehensive and transparent disclosures reflecting their true value creation across financial, social, and environmental dimensions.

In 2021, the VRF took another pivotal step by merging with the Climate Disclosure Standards Board (CDSB) and becoming part of the International Financial Reporting Standards (IFRS) Foundation's new International Sustainability Standards Board (ISSB). This alliance aims to create globally consistent corporate reporting standards, leveraging the expertise of the VRF, SASB, and CDSB. The ISSB under the IFRS Foundation is designed to develop high-quality, understandable, and enforceable sustainability disclosure standards. This collaborative effort enhances the consistency, comparability, and reliability of sustainability information alongside financial reporting, facilitating better decision-making for investors, regulators, and other stakeholders and marking a significant milestone in the evolution of integrated reporting.

Union Bank of India has diligently adhered to the Guiding Principles outlined in the Integrated Reporting (IR) Framework 2021. These principles guide the content and presentation of our Integrated Report:

- 1. Strategic Focus and Future Orientation:** The report provides a clear insight into the bank's strategy, its relation to value creation in the short, medium, and long term, and its impact on various forms of capital.
- 2. Connectivity of Information:** It presents a comprehensive view of the interrelated factors affecting the bank's value creation over time by linking various activities, capitals, and overall value creation.
- 3. Stakeholder Relationships:** The report offers insights into the quality of the bank's relationships with key stakeholders and articulates how the bank understands, responds to, and considers their legitimate needs and interests.
- 4. Materiality:** It discloses matters significantly impacting the bank's ability to create value over different time frames, identifying material matters based on their potential to influence value creation substantially.



5. **Conciseness:** The report is logically structured and well-articulated, presented in clear language, and has effective navigation aids to enhance user experience.
6. **Reliability and Completeness:** The report includes all relevant and material information, offering a comprehensive view of the bank's performance and prospects.
7. **Consistency and Comparability:** Information is consistent over time and comparable with other organizations in the industry, enhancing its credibility and usefulness.

Union Bank of India's Integrated Report broadly embodies the IR Framework's Guiding Principles, capturing the interdependencies of factors influencing value creation, portraying strategic orientation, and acknowledging stakeholder relationships. It ensures reliability and comparability through its concise yet comprehensive presentation.

Aspirational Goals and Disclosures

The goals discussed in this report are aspirational. While we are committed to achieving them, we cannot guarantee their fulfilment. Statistics and metrics in these disclosures may include estimates based on assumptions. The independent assessment/evaluation/assurance of non-financial disclosures in Natural Capital, forming part of the Integrated Report 2023-2024 / Principle 6 of the Business Responsibility and Sustainability Report, has been conducted by M/s. TUV India Pvt. Ltd.

Materiality and Reporting Standards

This report uses certain terms, including "material" topics, to reflect the issues of most significant importance to Union Bank of India and our stakeholders. In this context, these terms are distinct from and should not be confused with the terms "material" and "materiality" as defined by or construed in accordance with securities laws or as used in financial statements and reporting.

General Information

This report is for general informational purposes only and does not constitute an offer or sale of any securities Union Bank of India issued. All information in this report is current as of the date of publication. We undertake no obligation to update the information or notify you if any views, opinions, or facts change or become inaccurate. Apart from statutory disclosures, this report also contains voluntary disclosures on important ESG topics. This report should be read in conjunction with our other various reports available on the Investor Relations pages of our website.

Preparation and Validation

The Integrated Report for FY2024 has been prepared entirely in-house and, except for specific non-financial and financial disclosures, has not undergone external validation by a third-party agency. The insights, figures, and assessments reflect our understanding of our operations, impacts, and value-creation pathway. All non-financial disclosures, such as energy consumption and water usage (highlighted in Principle 6 of BRSR and the Chapter on Natural Capital), have been evaluated by bank-appointed Energy Auditors. Additionally, all financial disclosures are audited by our certified statutory auditors in the report's financial statements.

Union Bank of India maintains sole accountability for the information's accuracy, completeness, and timeliness, acknowledging that the Integrated Report was produced without external verification. From FY2025, Union Bank of India plans to engage a reputable external agency to validate compliance with Integrated Reporting requirements, reinforcing our commitment to strengthening stakeholder relationships by enhancing report reliability.

Find out more at www.unionbankofindia.co.in

Copyright Disclaimer on Images:

This report contains images generated by artificial intelligence (AI) tools, including those produced through agency's digital renderings and AI subscription, and our own internal photoshoots of people and assets. This report does not use any images with people in them from stock photo vendors. These images are for illustrative purposes only and are the property of the Union Bank of India (UBI). All rights to these images are reserved. The images should not be reproduced, copied, distributed, or used in any form without explicit permission from UBI. Any unauthorized use may infringe on copyright laws and result in legal action. For inquiries regarding the use of these images, please contact the Union Bank of India's Corporate Communication Department.

Forward-Looking Statements

This report contains forward-looking statements regarding Union Bank of India. We caution readers that no forward-looking statement guarantees future performance, and actual results may differ materially from those expressed. Forward-looking statements are identifiable by terms like 'may', 'will', 'seek', 'continue', 'aim', 'anticipate', 'target', 'projected', 'expect', 'estimate', 'intend', 'plan', 'goal', 'believe', 'achieve', or similar words.

By nature, forward-looking statements involve risk and uncertainty related to future events and circumstances, including changes in legislation, development of standards and interpretations, evolving ESG reporting practices, and external factors beyond our control. These statements are based on current beliefs and expectations of Union Bank of India's management and are subject to significant risks and uncertainties. Actual

outcomes may differ materially from those expressed. Factors impacting our future financial condition and performance are identified in the Union Bank of India Annual Report FY2023-2024, available on our website.

Subject to our obligations under applicable laws and regulations, we undertake no obligation to update publicly or revise any forward-looking statements as a result of new information, future events, or otherwise.



Scan the QR Code to download
Integrated Annual Report 2023-24



Customer Centricity with Innovative Technology



At Union Bank of India, our commitment to innovation through technology aligns seamlessly with our customer-centric ethos, crafting a future where banking is efficient and profoundly attuned to our customers' needs. Digital transformation at Union Bank of India transcends mere strategy; it forms the bedrock of our corporate responsibility and sustainable growth.

Harnessing Technological Prowess

We have carefully built a digital banking ecosystem that revolutionises transaction experiences. We have significantly reduced paper usage and branch visits by encouraging the transition to mobile and internet banking, reinforcing our sustainability goals. Our integration of blockchain technology enhances transaction security and transparency, crucially mitigating fraud and bolstering trust. Artificial intelligence (AI) and machine learning (ML) are also becoming pivotal in our operations, driving personalised customer service and operational efficiency. These technologies reduce the necessity for physical interactions, streamlining processes and optimising resources. We gain profound insights into customer preferences through advanced data analytics, enabling us to tailor eco-friendly products such as green loans for energy-efficient projects.

Impact of Sustainable Innovation

Our digital initiatives reflect a robust commitment to environmental sustainability. The widespread adoption of digital statements and online transaction capabilities is meaningfully reducing our carbon footprint. Our investments in renewable energy projects and support for eco-friendly industries underscore our role in fostering a greener future. As on 31st March, 2024, Bank has sanctioned ₹ 23,059 crore to renewable energy lending, exemplifying our dedication to environmental stewardship. At the same time, community engagement forms a cornerstone of our sustainability strategy. We actively involve our customers and employees through initiatives such as tree planting, plastic reduction campaigns, and promoting renewable energy, fostering a collective drive towards a sustainable lifestyle.



Vision for the Future

Looking forward, Union Bank of India envisions a future where green banking is not an exception but a standard. We are committed to continuously exploring and integrating innovative, eco-friendly technologies into our operations. Our ultimate goal is not only to delight our customers but also to enrich the planet, making strides towards a more sustainable and prosperous future for all stakeholders. By blending cutting-edge technology with a customer-first approach, Union Bank of India is taking banking, proving that financial services can be innovative, customer-centric and environmentally conscious.



Navigating this Report

Welcome to the “Navigating This Report” section, designed to help you seamlessly explore our comprehensive Integrated Annual Report. We’ve integrated a series of icons throughout the document, acting as visual cues to interlink pertinent topics and illustrate our value-creation process. Each icon, paired with its corresponding materiality issue number, provides cross-referencing within the report, fostering a deeper understanding of the context and reasoning behind the subjects under discussion. Utilise these guiding elements to easily navigate the report and fully grasp our performance and strategic direction narrative.

Interlinking these elements offers a deeper understanding of how different aspects of our business are interconnected. It shows stakeholders how strategic decisions are made in response to material issues and how they impact our business model. This interconnected view enables stakeholders to see the bigger picture, appreciate the complexity of our operations, and understand the rationale behind our strategic choices. We provide a comprehensive and transparent view of our organisation by presenting a unified narrative that connects material issues, strategic priorities, the business model canvas, and GRI numbers. This approach enhances stakeholder understanding and reinforces our commitment to integrated reporting and sustainable value creation.

The Value of Interconnecting

Interconnecting material issues, strategic priorities, the business model canvas, UNSDGs and GRI numbers is fundamental to understanding the complex web of interrelationships that drive our organisation. This holistic approach allows us to present a cohesive narrative highlighting how various elements influence each other and contribute to our overall strategy and value creation.

Material Issues and Strategic Priorities: Linking material issues with our strategic priorities clearly shows how we address key challenges and opportunities. For instance, addressing climate change (a material issue) aligns with our strategic priority of promoting sustainable banking practices. This connection demonstrates our commitment to integrating sustainability into our core operations and strategic objectives.

Business Model Canvas and Material Issues: The business model canvas outlines the critical components of our business, such as key partners, activities, resources, and value propositions. Interlinking these components with material issues can illustrate how external factors, like regulatory changes or market demands, impact our operations. For example, our focus on renewable energy (a material issue) influences our key activities and resources, shaping our value proposition to customers.

GRI Numbers and Comprehensive Reporting: The Global Reporting Initiative (GRI) numbers provide standardised metrics for reporting on various aspects of sustainability. By cross-referencing GRI numbers with our material issues and business model components, we enhance the transparency and comparability of our disclosures. This alignment ensures that our reporting meets international standards and provides stakeholders with reliable information on our sustainability performance.

Material Issues (Rated Highly Important)

Read more on [Page 44](#).

Issues	Dimensions
1	ENVIRONMENT: Climate Change
5	ENVIRONMENT: Water Management
6	ENVIRONMENT: Waste Management
7	ENVIRONMENT: Green Finance Impact and Benefits
8	ENVIRONMENT: Renewable Energy and Bank Resilience
9	SOCIAL CAPITAL: Human Rights
14	SOCIAL CAPITAL: Impact and Response in Social Inclusion
18	SOCIAL CAPITAL: Financial Inclusion Impact
20	SOCIAL CAPITAL: Comprehensive CSR Impact and Societal Alignment

Issues	Dimensions
23	HUMAN CAPITAL: Labour Practice & Employment
25	HUMAN CAPITAL: Employee Health & Safety
26	HUMAN CAPITAL: Staff Succession Planning
30	BUSINESS MODEL & INNOVATION: Strategic Sustainability Alignment
33	BUSINESS MODEL & INNOVATION: Fintech & Competitiveness
36	LEADERSHIP & GOVERNANCE: Ethics and AML's Market Impact
39	LEADERSHIP & GOVERNANCE: Reputation, Communication, and Awareness
42	ECONOMY: Economic/Financial Crises
43	ECONOMY: Impact of Responsible Lending Practices on Local Communities

Business Model Components

Read more on [Page 56](#).

1	Key Partners
2	Key Activities
3	Key Resources
4	Value Proposition
5	Customer Relationships
6	Channels
7	Customer Segments
8	Key Inputs
9	Revenue Streams

UNSDGs



GRI



Strategic Priorities

Read more on [Page 40](#).

Priority Number	Strategic Priority
1	Achieving operational excellence
2	Flexing Balance Sheets
3	Enhancing our clients' financial health
4	Embracing Financial Inclusion
5	Strengthening Partnerships and Alliances
6	Innovating in Payments and Transactions
7	Levelling Up Distribution Channels
8	Nurturing a dynamic and engaged team
9	Prioritizing Talent Development and Retention
10	Enhancing Digital Capability
11	Enhancing Customer-Centric Innovations
12	Enhancing Data Security and Privacy
13	Fostering Innovation through R&D
14	Facilitating our clients' transition towards a sustainable future
15	Promoting Sustainable Banking Practices
16	Fostering Sustainability



What's Inside

About Union Bank Of India (Pg. 10-31)

02	About this Report
04	Customer Centricity with Innovative Technology
06	Navigating This Report
08	What's Inside
10	Corporate Information
11	Organisation Structure (<i>w.e.f. 28.03.2024</i>)
12	Board of Directors
20	CVO /KMPs / CRO /SMPs / GMs (<i>as on 31.03.2024</i>)
24	Chairman's Message
26	Managing Director's Message
28	FY2023-24 Highlights - Natural, Social & Human Capitals
29	FY2023-24 Highlights - Manufactured & Financial Capital
30	Corporate and Economic Profile
32	Strategic Direction: Navigating the Future for Growth and Sustainability

Sustainability and Innovation Strategies (Pg. 32-67)

40	Strategic Direction: Advancing Digital Excellence and Sustainability
44	Materiality Analysis FY2024: Stakeholders' Insights and Priorities
56	The Strategic Framework: Union Bank's Business Model Canvas
60	FY2024: Creating Integrated Value
62	Transforming Together: Our Approach to Sustainability
66	Promoting Ethical Excellence

Our Capitals (Pg. 68-175)

68	Manufactured Capital: Our Commitment to Green Financing and Inclusivity
88	Financial Capital: The Backbone of Green and Digital Growth
100	Intellectual Capital: Empowering Growth Through Knowledge and Innovation
126	Natural Capital Part I: UBI's Strategic Environmental Governance and Stewardship
135	Natural Capital Part II: Driving Operational Sustainability
148	Relationship & Social Capital: Union Bank's Commitment to CSR and Social Capital
160	Human Capital: Empowering Our People for Sustainable Success



Pg.

68

Manufactured Capital: Our Commitment to Green Financing and Inclusivity



Pg.

126

Natural Capital Part I: UBI's Strategic Environmental Governance and Stewardship



Pg.

160

Human Capital: Empowering Our People for Sustainable Success

GRI Index

(Pg. 176-177)

176 GRI Index

Notice

(Pg. 178-198)

178 Notice of 22nd Annual General Meeting

Statutory Reports

(Pg. 199-290)

199 Directors' Report

211 Management Discussion & Analysis

248 Corporate Governance Report

Financial Statements

(Pg. 291-403)

291 Independent Auditors' Report (Standalone)

300 Standalone Balance Sheet

301 Standalone Profit & Loss Account

302 Standalone Schedules

360 Standalone Cash Flow Statement

362 Independent Auditors' Report (Consolidated)

370 Consolidated Balance Sheet

371 Consolidated Profit & Loss Account

372 Consolidated Schedules

402 Consolidated Cash Flow Statement

404 Disclosures under Basel III Capital Regulations

405 Business Responsibility and Sustainability Report

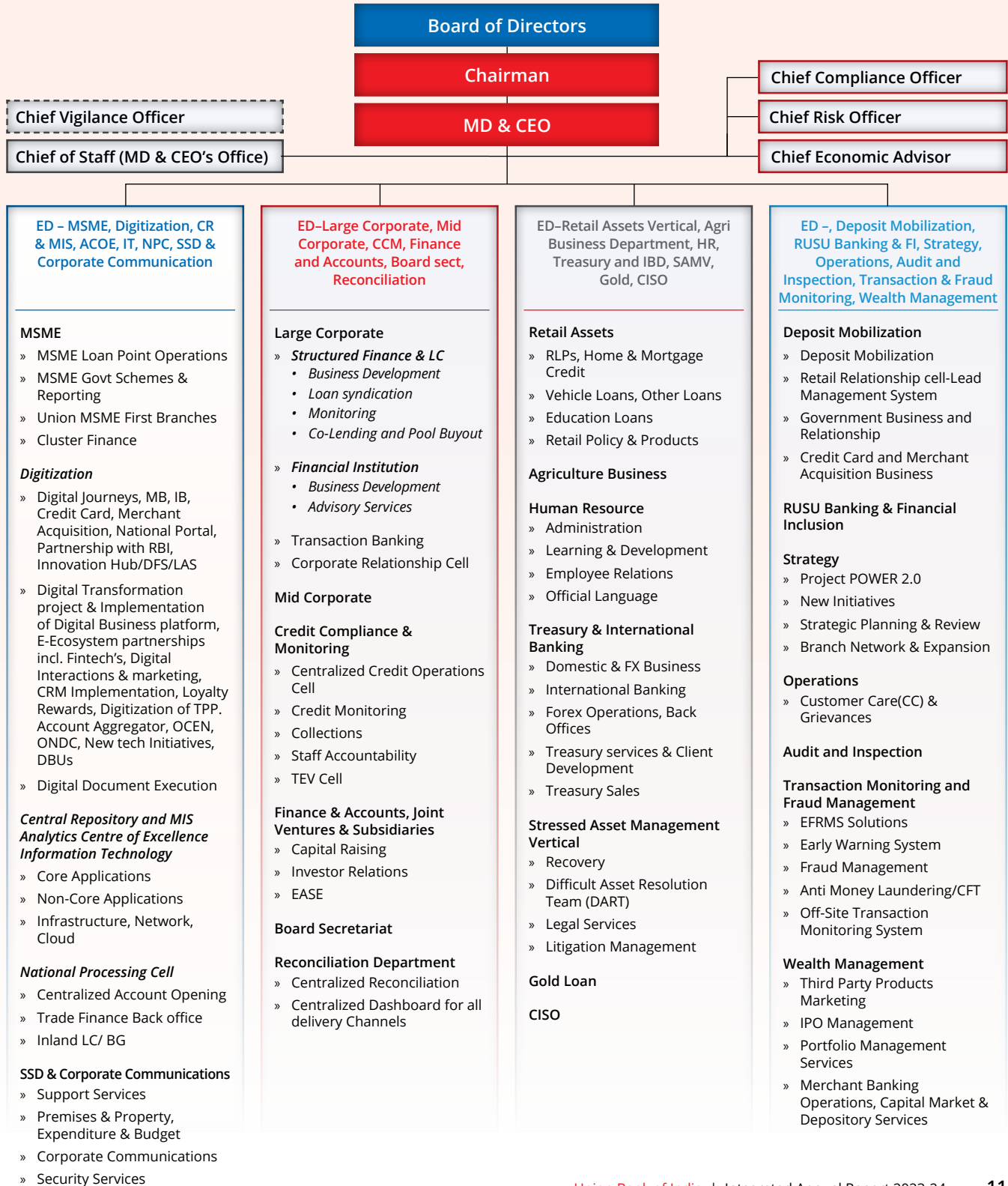
413 Green Initiative – Appeal to Shareholders



Corporate Information

Category	Details
Head Office & Central Office	Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021.
Global Location Number (GLN)	8904368511166
Legal Entity Identifier (LEI) Code	5493000P4HD6132SQ711
Investor Services Division	Union Bank Bhavan, 12 th Floor, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021.
Registrar & Share Transfer Agent	KFin Technologies Limited Unit: Union Bank of India Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Hyderabad – 500032
Debenture Trustees	IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai - 400 001
Company Secretary	CS S. K. Dash
Secretarial Auditor	M/s Ragini Chokshi & Co, Company Secretaries
Statutory Central Auditors	M/s NBS & Co, <i>Chartered Accountants</i> M/s CHHAJED & DOSHI., <i>Chartered Accountants</i> M/s G.S. MATHUR & CO., <i>Chartered Accountants</i> M/s P. CHANDRASEKAR LLP, <i>Chartered Accountants</i> M/s V. K. LADHA & ASSOCIATES, <i>Chartered Accountants</i>
BRSR Assurance Provider	M/s TUV India Pvt. Ltd.

Organisation Structure (w.e.f. 28/03/2024)



Board of Directors





Board of Directors



Shri Srinivasan Varadarajan

Non-Executive Chairman and Part-Time Non-Official Director

Shri Srinivasan Varadarajan assumed office as Part-Time Non-Official Director as well as Non-Executive Chairman of the Bank on November 7, 2022. He has to his credit, more than three decades of experience in Banking and Financial services. He last served as the Deputy Managing Director of Axis Bank before setting up his own advisory practice in 2019.

As a financial advisor, he has worked with a leading international consulting firm, a sovereign wealth fund, a large corporate group, a NBFC group and a private sector Bank. Shri Srinivasan Varadarajan was the Managing Director and Head of Markets with J.P. Morgan, India. He was also the CEO, J P Morgan Chase Bank in India.

He served on various RBI Committees including the Technical Advisory Committee, Committee for Repos and Committee for STRIPS. He was also the Chairman of Fixed Income Money Market and Derivatives Association of India (FIMMDA) and Primary Dealers Association of India (PDAI). He was also the member of the Indo UK Financial Partnership Forum.

He holds an Engineering Degree from the College of Engineering, Anna University, Chennai and PG Diploma in Management from the Indian Institute of Management, Calcutta.



Ms. A. Manimekhalai

Managing Director & CEO

Ms. A. Manimekhalai is a seasoned Banker with experience of more than 3 decades. She started her career in erstwhile Vijaya Bank as an Officer in 1988 and rose successively as Branch Head, Regional Head and Functional Head of various Departments at Corporate Office. She was instrumental in devising & implementation of strategic policies covering core areas like strategic planning, setting organizational goals, growth strategies, action plans, compliance, internal control, etc.

Prior to joining Union Bank of India, Ms. A Manimekhalai was an Executive Director at Canara Bank, wherein she oversaw strategic planning, credit & related matters, inspection, marketing and financial inclusion, State Level Lead Bank responsibilities and the functioning of Regional Rural Banks. She played a pivotal role in effecting successful amalgamation of Canara Bank and Syndicate Bank. She has extensive experience as Director on the Board of five other companies namely Canbank Factors Ltd., Canbank Computer Services Ltd., Canara HSBC Oriental Bank of Commerce Life Insurance Co. Ltd., General Insurance Corporation of India, India Infrastructure Finance Company Ltd. and Trustee, Canara Robeco Asset Management Co.

A member of various committees and working groups constituted by Government of India, she has actively contributed towards policymaking, including drawing the future road map of RRBs, Financial Inclusion, Agriculture Value-chain Finance, Banking Correspondent issues and creating synergies for seamless credit flow to Health Care and Education.

Ms. Manimekhalai holds Master of Business Administration (Marketing) from Bangalore University, and a Diploma in Human Resource Management from Narsee Monjee Institute of Management Studies (NMIMS), Mumbai. A beneficiary of various executive development programs at leading institutes of country, she is also a Certified Associate of Indian Institute of Bankers (CAIB).



Shri Nitesh Ranjan

Executive Director

Shri Nitesh Ranjan is Executive Director of Union Bank of India since 2021. He is leading digital transformation in the Bank towards superior customer experience, enhanced employee engagement and stronger balance sheet. While driving business outcome, he is focused on continuous strengthening of risk and compliance standards in the Bank.

He is a member of the Board of Directors of National Payments Corporation of India (NPCI), SUD Life Insurance Company Ltd. and also member of IBA Steering Committee on PSB Reforms. Shri Nitesh Ranjan is a post-graduate in Economics and has also completed Leadership Development Programme of IIM Bangalore.



Shri S. Ramasubramanian

Executive Director

Shri S. Ramasubramanian assumed office as Executive Director of Union Bank of India w.e.f. from November 21, 2022. Prior to joining Union Bank of India, he held the position of Chief General Manager at Canara Bank. He has over 26 years of rich experience in various facets of Banking including Corporate Credit, MSME, Retail Credit, International Credit and FOREX. He is a Science graduate and a Certified Associate of Indian Institute of Bankers (CAIB).

Throughout his banking career he has led effectively under various capacities; both in operations and administrative areas. He has executed leadership roles across various segments namely; Prime Corporate Credit Wing, Large Corporate, Mid Corporate Branches including a stint at Hong Kong Branch of Canara Bank. The India Banks' Association (IBA) having recognized his expertise and invaluable insights into Credit; secured him membership in their Standing Committee for Corporate Credit in the past. Similarly, he was also participated in the Kamath Committee on COVID related Loan Restructuring.

Board of Directors



Shri Sanjay Rudra

Executive Director

Mr. Sanjay Rudra assumed office as the Executive Director of Union Bank of India w.e.f. October 09, 2023. Prior to joining Union Bank of India, he was General Manager and Chief Risk Officer of Bank of Maharashtra.

He has over three decades of rich experience to his credit in various facets of Banking such as Credit, Priority, MSME and Integrated Risk Department. He was also the incharge of L&D Vertical and had an additional charge of Development Testing of Digital Lending.

He holds Post Graduate degree in Physics and a Diploma in Financial Management from Welingkar Institute. He is an associate member of IIBF. He undergone the Leadership Development Program from IIM Bangalore, conducted by FSIB. He has also attended the Global Advanced Management Program conducted by ISB Hyderabad in association with Kellogg School of Management, USA.

Mr. Rudra was an active associate at the senior leadership in Bank of Maharashtra for spearheading the turn-around of the Bank. He served as a Director on Board of the Maharashtra Executor and Trustee Company Private Ltd. (Subsidiary of Bank of Maharashtra).



Shri Pankaj Dwivedi

Executive Director

Shri Pankaj Dwivedi assumed office as the Executive Director of Union Bank of India on March 27, 2024. Prior to joining Union Bank of India, he was General Manager in Punjab & Sind Bank. He has more than 31 years of rich Banking experience.

He has completed Masters in Business Administration from Symbiosis Institute of Management Studies, Pune and is a Certified Associate from Indian Institute of Bankers (CAIIB). He has completed the Executive Certificate Programme in Applied Financial Risk Management from IIM, Raipur and has also completed the Leadership Development Programme of IIM Bangalore, curated by the Banks Board Bureau in consultation with IBA and Egon Zehnder International Pvt. Ltd.

During his tenure in Punjab & Sind Bank, he has gained wide experience in various aspects of banking and has rich experience of working in Branches, Zonal Office and various departments at Head Office. He has handled a variety of functions at Head Office such as Priority Sector, Retail Lending, Law & Recovery, Treasury, Corporate Credit, Board Secretariat, Planning & Development, Foreign Exchange, Co-Lending Cell, etc. He is also a trustee on the Board of Trustees of IIFCL Mutual Fund.



Shri Sameer Shukla

Government Nominee Director

Shri Sameer Shukla is an officer of Indian Administrative Service (IAS) belonging to 2005 batch of Karnataka Cadre.

At present, he is working as Joint Secretary in Ministry of Finance, Department of Financial Services, Government of India.

He has been appointed as Government Nominee Director on the Board of Union Bank of India w.e.f. 08.11.2021. He has done Bachelor's in Electronics Engineering.

Experience in Government of India

Earlier, he has worked in the Ministry of Information and Broadcasting and Ministry of Steel, Government of India.

Experience in Government of Karnataka

- Deputy Commissioner and District Magistrate in Districts of Bidar, Dharwad and Ballari.
- Chief Executive Officer Zila Panchayat, Raichur in Rural Development and Panchayati Raj Department.
- Managing Director of Mysore Minerals Limited in Industries Department.
- Mission Director in Rural Development.
- Commissioner in Skill Development, Entrepreneurship & Livelihood Department.

He has also worked in HCL Infosystems, private sector, as network engineer before joining Government Service as an IAS.



Shri Prakash Baliarsingh

RBI Nominee Director

Shri Prakash Baliarsingh has been nominated as RBI Nominee Director on the Board of the Bank with effect from 14th July 2023.

Shri Prakash Baliarsingh was Chief General Manager of Department of Regulation, Reserve Bank of India. He was a career central banker and having rich experience of more than 3 decades with various Departments of Reserve Bank of India (majorly with Department of Supervision and Department of Regulation).

He has acted as Principal Inspecting Officer/Senior Supervisory Manager for leading commercial banks. He was also member of various committees/sub committees formed by the Reserve Bank of India related to Asset Quality Review (AQR) of banks, Risk Based Supervision as well as Supervisory Programme for Assessment of Risk and Capital (SPARC). He also represented Reserve Bank of India as a member in International Committees.

He is a Post Graduate in Political Science and also completed M.Sc. (Finance) from Oxford Brookes University, UK. He was also a recipient of Reserve Bank of India's Golden Jubilee scholarship. He is a Certified Associate of Indian Institute of Bankers.



Board of Directors



Shri Suraj Srivastava

Part-Time Non-Official Director

Shri Suraj Srivastava is a Fellow Member of The Institute of Chartered Accountants of India (ICAI) and also a Bachelor of Laws (LL.B.).

Shri Srivastava has a rich professional experience of over 16 years as a practicing Chartered Accountant in taxation and audit practice. As a partner of M/s Batra Sapra & Co., Shri Srivastava has done statutory audits, concurrent audits and branch audits of various Public Sector Banks, Public Sector Undertakings and other Companies.

Shri Srivastava has also completed Information Systems Audit (ISA) Assessment test from ICAI.



Shri Laxman S Uppar

Part-Time Non-Official Director

Shri Laxman S Uppar assumed the charge as Director of Union Bank of India on March 21 2022.

Shri Uppar has done Bachelor's in Engineering. He is a noted Educationist, Philanthropist and Founder of Karnataka Classic Education Private Ltd. Dharwad. He has also started Spardha Spoorti Publishers & Printers Pvt. Ltd. Dharwad in 2012, which publishes books and magazines for various Competitive Examinations.

Currently, he is the Chairman of the Classic International Public School and also Classic Little Buds, Classic PU & Degree College, Dharwad.

Shri Uppar besides giving donations to Orphanage Centres, Educational Institutions and Religious Organisations also helps students having rural and poor background.

Shri Uppar has been bestowed with many National level Awards for his service to Educational and Social Sector.



Dr. Jayadev Madugula

Shareholder Director

Dr. Jayadev Madugula has been elected as Shareholder Director of the Bank w.e.f. 28.06.2021 for a period of three years. He is Post Graduate in Commerce and Ph.D. in Business Management. Presently, he is Professor of Finance & Accounting at IIM, Bangalore.

Dr. Jayadev has rich experience of teaching not only in premier institutions in India but also as a Visiting Professor in various universities abroad. He has published various books and research articles in national and international journals and has won various awards and accolades in the field of finance and banking. He was the Shareholder Director of the Bank from June 28, 2018 to June 27, 2021.



Smt. Priti Jay Rao

Shareholder Director

Smt. Priti Jay Rao is M.Sc (Mathematics) from IIT Bombay, specializing in Computer Science. She advocates amplifying business value by leveraging technology and is passionate about Diversity, Equity, and Inclusion, mainly focused on gender.

She has 25 Years of diverse experience in building and delivering a range of IT services for customers across all five continents. During her stint in Infosys as a management council member and Pune head, she played a pivotal role in building Technology Infrastructure Services (IMS) business and delivering a range of software services managing large-scale recruitment, training, and assimilating a large employee base.

She is a dynamic entrepreneur who has built an organization that fills the void of quality childcare in India, having experienced challenges for women who want to balance home and career.



CVO / KMPs / CRO / SMPs / GMs *(as on 31.03.2024)*

Chief Vigilance Officer



Shri Ajay Kumar Singh

Key Managerial Personnel (KMP) other than Wholetime Directors



Shri P. K. Samal
CCO *(From 07.06.2024)*



Shri Avinash Vasant Prabhu
CFO



Shri Srinivasan Balachander
CCO *(Till 22.05.2024)*



Shri S.K. Dash
Company Secretary

Chief Risk Officer



Shri Ashwini Kumar Choudhary

Chief General Managers (Senior Management Personnel)



Shri K. Bhaskara Rao



Shri Abhijit Basak



Shri A. K. Vinod



Shri Yogendra Singh



Shri C. M. Minocha



Shri S. C. Teli








Shri Pravin Sharma



Shri S.V. Biju

Chief General Managers

	Shri Kabir Bhattacharya		Shri Arun Kumar
	Shri Sudarshana Bhat		Shri Anil Kuril
	Smt. Beena Vaheed		

General Managers

	Shri K.S.D.S.V. Prasad		Shri Naveen Jain
	Shri Tata Venkat Venugopal		Shri Ravindra M Babu
	Shri Pramod Kumar Gupta		Shri Sumit Srivastava
	Shri A. R. Raghavendra		Shri Alok Kumar
	Shri Amarendra Kumar		Shri Sanjay Narayan
	Shri M. Venkateswara Swamy		Shri G.K. Sudhakar Rao
	Shri Gyana Ranjan Sarangi		Shri Navneet Kumar
	Shri R.L. Pattanayak		Shri Sarvesh Ranjan



General Managers



Shri Vikash Kumar



Shri Jaganatha Shetty



Shri Manoj Kumar



Shri Gugulotu Shankarlal



Shri Gokulananda Das



Shri S. Sakthivel



Shri Rajiv Sharma



Shri Girija Bhusan Mishra



Shri Arun Kumar



Shri Manoj Kumar Nanda



Shri Vithal Banashankari



Shri P. Krishnan



Shri Vipin Kumar Shukla



Shri Guna Nand Gami



Shri Girish Chandra Joshi



Shri G. N. V. Ramana



Shri Omprakash Shriniwas Karwa



Shri Biraja Prasad Das



Shri Vipin Singh



Shri Bajj Nath Singh



Shri Rajiv Kumar Jha



Shri V. N. Bhaskara Rao



Shri Jithender Maniram



Smt. Renu K. Nair



Shri Dharendra Jain



Shri Satyaban Behera



Shri N Chezhan.



Shri Ajay Kumar



Shri K. Pramod Kumar Reddy



Shri V. S. S. S. Sastry



Shri Srinivasa Kumar Patri



Smt. Sowmya Sridhar



Shri Hare Krishna Das

Internal Ombudsman



Smt. Radhika Bhatawadekar

Chief Economic Adviser



Ms. Kanika Pasricha

Head Wealth Management



Shri Rishi Dhadha



Shri Saroj Kumar Dash



Shri Hrishikesh Mishra



Shri K Mahendra Reddy



Shri Sunil Kumar Jadli



Smt. Archana Shukla



Shri Manoj Kumar

Head Transactions Banking and Corporate Relationship Cell



Shri Prasad Ramaswamy

Head Credit Cards & MAB



Shri Vinayak Dhole

Head Digital Call Centre



Shri Hitesh Sindhvani



Chairman's Message

Driving Sustainable Growth and Innovation



Strong GDP growth and robust policy reforms have positioned the Indian economy in a 'sweet spot' for continued prosperity.

Srinivasan Varadarajan
Chairman



Dear Esteemed Shareholders,

I am delighted to present to you our 105th Annual Report for the Financial Year 2023-24 (FY24). This report provides the Bank's financial data as well as our social, environmental and governance initiatives. It thereby provides a holistic picture of our contribution to the financial services sector, to our society and environment. This year has been a memorable year for all of us here at Union Bank of India. We emerged more resilient and stronger, and this is reflected not only in our business numbers but also in the trust that our customers have placed in us. I thank our customers, staff, shareholders, and other stakeholders for their unwavering cooperation and hard work to take our Bank to greater heights. Your continued trust inspires

our pursuit of responsible banking and inclusive growth.

During FY24, India's economic performance remained robust despite global challenges and geopolitical concerns. Strong GDP growth of close to 8% was clocked in FY24 and 7.0% growth is forecasted for FY25. Policy reforms by the government and the Reserve Bank of India (RBI) has supported macro stability. The sharp hike in the government's capital expenditure has supported growth and also initiated the crowding-in of private sector investment. The government is expected to continue with the thrust to capital expenditure next year as well to ensure that the growth recovery remains on track. The capacity

utilization trends in recent quarters shows signs of an upturn and should help trigger the private capex cycle. Inflation has been well behaved during FY24 at 5.4% and is expected to fall to 4.5% in FY25. With economic growth showing strong uptrends coupled with moderating inflation, Indian economy is indeed in a "sweet spot".

The performance of banking sector has been remarkable with rising profits, improved asset quality and balance sheet management. Sustained credit growth, increased digital adoption, and supportive government policies were instrumental in revitalizing the sector. The implementation of Insolvency and Bankruptcy Code (IBC) and various measures by the RBI and

the government have strengthened the balance sheets of the banking sector. This has boosted banking sector soundness indicators. Banks remain well-capitalized and public sector banks have seen their market valuations soar. Strong balance sheets with adequate capital and liquidity buffers have given banks the ability to withstand future shocks. Credit growth in India sustained in double digits in FY24 and has continued to outpace deposit by a significant margin. Going forward, stable interest rates, a robust GDP, declining inflation and government's focus on developmental and infrastructure spending will positively influence robust banking sector growth.

Having said that, even though banks' balance sheets are strong, they need to stay strong and proactive enough to meet the rising credit needs of the economy. The RBI is focused on ensuring a strong and sustainable credit cycle with the policy focused on three key parameters: Governance, Prudence and Technology. The RBI has been proactive in introducing macro prudential norms with an intent to curbing credit excesses and minimise risks associated with high growth credit products. The RBI has almost brought sharp focus to the liability side of the balance sheet making the credit-deposit ratio metric a key factor in calibrating overall growth of banks.

Governance is the bedrock of a sound banking system and RBI has, through ongoing discussions and advisories, emphasised the critical nature of the assurance functions. The Board and management of the Bank have accorded high priority to ensure independence of the risk, audit and compliance functions through appropriate resourcing and other interventions. The theme of the strategy meet this year was focussed on enhancing and upgrading assurance functions. In addition to brainstorming on way forward,

independent governance experts also provided inputs on the right attitude and approach to governance.

Technology has become a major focus in the financial sector with the rise in digitisation. As banks and other regulated entities harness the benefits of technology, the RBI has been focused on the challenges with use of technology viz. data protection, cyber security, and technology-induced frauds. As cybersecurity attacks against financial institutions continue to escalate, banks and other financial organizations must take proactive measures to protect themselves and their data. Tiding over cybersecurity risks and ensuring resiliency can only be achieved through collaboration, automation, and standardized controls for more secure cloud deployments. The Board of your Bank has stepped up investment in technology infrastructure leveraging it for better customer engagement and service.

While the overall banking system is well positioned we are also focused on the risks. The key risk is increasing degree of difficulty to raise low cost deposits viz. CASA. The overall environment for raising retail customer deposits has also become very competitive and is likely to be a key factor that determines a bank's performance in the coming year. The other risk is in terms of private capex recovery not becoming broad based as per current expectations post elections. NBFCs has played an active role in retail lending and as liquidity dries up for them, it is important to see its second order impact on their asset portfolios. Although asset quality at broader portfolio level was not exhibiting any major signs of stress, the consistent high credit growth reported in the above segments has warranted regulatory caution and intervention.

In FY24, Union Bank has continued its impressive performance. The

Bank has been doing well in areas related to enabling various digital and digitally assisted journeys for customer convenience, enhanced number of services provided at non-home branches, customer service through integrated complaint management tool for customer grievances, robust cyber security in place to mitigate threat, optimizing HR operations to maximize efficiency, adoption of analytics based stress testing model, effectiveness of target setting processes and digital manpower planning and deployment. The Bank will be focusing on growth of CASA and retail customer deposits and use it to calibrate credit growth across its various segments. Compliance is of utmost priority and we are firmly aligned with the RBI's intent to ensure right underwriting practices and sustainable credit pickup. Credit is a key focus area as it picks up after a decade. The capital raise that the Bank completed in FY24 provides the Bank a healthy capital position which can be leveraged to provide support and impetus to the India growth story.

We are hopeful that the various stakeholders will appreciate the overall performance of Union Bank and be rewarded in the years to come. Going forward, we remain committed to enhancing customer value, embracing technological advancements, and contributing to the socioeconomic progress of our nation.

With best wishes,

Srinivasan Varadarajan
 Chairman

Strategic Growth Through Customer Centricity and Technology



Union Bank of India's all-time highest net profit of ₹ 13,648 crore for FY24 reflects our strategic initiatives and operational efficiency.

A. Manimekhalai
Managing Director & CEO

Dear Esteemed Shareholders,

I am pleased to share an overview of Union Bank of India's accomplishments and financial performance for the fiscal year 2023-24. Despite global challenges, this year has brought significant opportunities for the Indian economy and the banking sector. Our Bank's resilience, adaptability, and commitment to core values have strengthened Union Bank of India, reflecting positive trends in the banking sector.

Major Highlights on Bank's Business Performance

We are delighted to announce our all-time highest net profit of ₹ 13,648 crore for FY24, marking an impressive growth of 61.84%. As of 31st March 2024, our total business has grown to ₹ 21.26 trillion, with a deposit base of ₹ 12.21 trillion and advances of ₹ 9.05 trillion. Our asset quality has improved significantly, with the Gross NPA ratio reducing by 277 bps YoY to 4.76%, and the Net NPA ratio decreasing by 67 bps to 1.03%. The Provision Coverage Ratio (PCR) improved by 235 bps YoY to 92.69%. Our Credit Cost for FY24 stood at 0.74%, an improvement of 90 bps from the previous year. Our Net Interest Margin (NIM) improved to 3.10%, our Return on Assets (RoA) to 1.03%, and Return on Equity (RoE) to 15.58%. The Capital Adequacy Ratio (CRAR) stood at a historic high level of 16.97%, with a CET1 ratio of 13.65%.

Major Milestones Achieved

In FY24, we successfully raised equity capital of ₹ 8000 crore through Qualified Institutional Placement (QIP). We surpassed ₹ 1 lakh crore in market capitalization, becoming one of the top 100 listed entities on the stock exchanges. Major rating agencies, including CRISIL Ratings Ltd., CARE Ratings Ltd., and ICRA Ratings Ltd., have upgraded the ratings of our debt instruments. We were included in the MSCI Global Standard Index and

consistently performed well in the EASE Ranking index by the Government of India.

Outlook on the Bank

Union Bank of India has registered commendable performance, focusing on consistent improvement in profitability, asset quality, and capital adequacy. Key initiatives such as enhanced underwriting capabilities, verticalization, digitization, analytics, and robust assurance frameworks are yielding positive results. We aim to continue improving our performance in line with the banking industry.

ESG Initiatives

We have integrated ESG practices into our business strategies, focusing on renewable energy, environmental conservation, education, healthcare, and community development. Our ESG Cell drives these initiatives, guided by our Board-approved ESG Risk Framework and Climate Risk Policy. We have extended credit facilities totaling nearly ₹ 27,000 crore to the renewable energy sector and various social initiatives, including support for street vendors, self-help groups, and women entrepreneurs. Additionally, we have conducted training programs through our RSETIs and UBSFT, and implemented numerous CSR initiatives.

Digital Transformation

Our Bank is undergoing significant digital transformation, marked by the implementation of a comprehensive digital business platform. We have successfully implemented 24 digital journeys, with 7 new ones in FY24. Our Vyom mobile app has onboarded 2.68 crore users, and our digital lending and FD have seen significant pick up during the financial year. We are also part of the Central Bank



Our digital transformation and ESG initiatives are key drivers of our success and commitment to long-term stakeholder value.

Digital Currency (CBDC) initiatives and have adopted advanced IT and cyber security systems.

HR Transformation

Our “Ekam” project, a key component of our HR Transformation journey, integrates a range of digital HR tools to streamline and enhance HR processes. This initiative aims to strengthen our talent pools, refine our Reward & Recognition systems, and optimize our Performance Management System (PMS). Additionally, “Ekam” fosters women leadership and promotes Diversity, Equity, and Inclusion (DEI) initiatives, embracing next-generation HR practices. We are proud to introduce Union SWAR, an industry-first initiative designed to support our employees comprehensively. This program offers counseling services and workshops focused on enhancing the physical, mental, and emotional well-being of our workforce, demonstrating our commitment to their overall health and success.

As we embark on a new fiscal year, we remain confident in our strategy, capabilities, and culture to overcome challenges and seize opportunities.

We are committed to creating long-term value for our stakeholders and progressing towards our vision of becoming India's most preferred bank.

I deeply thank our Board of Directors for their guidance and support, and I acknowledge the trust our shareholders, customers, regulators, and other stakeholders have shown in us. I commend our employees for their dedication, hard work, and resilience in helping us achieve our goals.

With heartfelt best wishes,

A. Manimekhalai
Managing Director & CEO



FY2023-24 Highlights

Natural, Social & Human Capitals

₹79.33 crore

Bank approved donations under Corporate Social Responsibility (CSR) initiatives
(Compared to ₹ 52.65 crore. in FY2023)

₹23,059 crore

Credit facility extended to Renewable Energy Sector till FY2024
(Compared to ₹ 10,370 crore till FY2023)

₹1,29,304 crore

Loans to women beneficiaries in FY2024, up by 22.03% YOY
(Compared to ₹ 1,05,954 crore. in FY2023)

75,866

Workforce Strength in FY2024
(Compared to 75,594 in FY2023)

₹2,555 crore

Loans sanctioned under Union Nari Shakti scheme in FY2024
(Compared to ₹ 3,233 crore in FY2023)

>82 lakhs

Hours of learning for employees
(Compared to >41 lakhs hours in FY2023)

29.14%

Of our workforce are women
(Compared to 28.82% in FY2023)

₹1,83,833 crore

Loans outstanding to Agricultural Sector as on March, 2024, up by 20.95% YoY
(Compared to ₹ 1,51,993 crore as on March, 2023)

₹19.02 crore

CSR spend by Union Bank Social Foundation Trust (UBSFT) in FY2024 on 61 projects under Education, Healthcare, Community Development, Skill Development and environmental conservation

₹462 crore

Union Green Miles sanctioned till March 2024
(Compared to ₹ 215 crore till March 2023)

₹1,35,748 crore

Total MSME Advances in FY2024, up by 8.58% YoY
(Compared to ₹ 1,25,022 crore in FY2023)

₹3,27,728 crore

Advances made to the priority sectors in FY2024, up by 9% after excluding the PSLC sales and including the investments in RIDF/SIDBI/MUDRA/NHB
(Compared to ₹ 3,02,006 crore in FY2023)

FY2023-24 Highlights

Manufactured & Financial Capitals

Global Business

₹21,26,412 crore
 as on 31.03.2024, up by 10.31% YoY

Total Global Deposits

₹12,21,528 crore
 as on 31.03.2024, up by 9.29% YoY

Global Gross Advances

₹9,04,884 crore
 as on 31.03.2024, up by 11.73% YoY

CASA Deposits

₹4,10,134 crore
 as on 31.03.2024, up by 4.08% YoY

Net Interest Income

₹36,570 crore
 as on 31.03.2024, up by 11.61% YoY

Operating Profit

₹28,211 crore
 as on 31.03.2024, up by 10.77% YoY

NIM

3.10 %
 as on 31.03.2024, up by 3 BPS YoY

Yield on Advances

8.73 %
 as on 31.03.2024, up by 105 BPS YoY

Provision Coverage Ratio

92.69 %
 as on 31.03.2024, down by 235 BPS YoY

Cost to Income Ratio

46.42 %
 as on 31.03.2024, up by 15 BPS YoY

Net NPA Ratio

1.03 %
 as on 31.03.2024, up by 105 BPS YoY

Customers

22.40 crore
 as on 31.03.2024,

Domestic Branches

8,464
 as on 31.03.2024

ATMs

8,982
 as on 31.03.2024

Business Correspondent Points

19,603
 as on 31.03.2024

Corporate and Economic Profile



At Union Bank of India, our commitment to delivering exceptional customer experience is demonstrated through innovative approaches and robust systems designed to meet the evolving needs of our customers.

About the Bank

Union Bank of India is a prominent public sector bank in India, pioneering the implementing of a 100% core banking solution. The Bank has earned numerous accolades for technological advancements, digital banking, financial inclusion, MSME support, and human resource development. As one of India's leading public sector banks listed on the Indian stock exchanges, the Government of India maintains a significant stake, holding 83.49% of the Bank's total share capital. Established in 1919, Union Bank of India has a rich history of serving its stakeholders.

FY2024 Highlights

75,866

Total number of employees working at Union Bank of India

₹1,12,990 Crore

Financing to weaker sections, accounting for 14.25% of ANBC

₹9,04,884 Crore

Total global gross advances made by the Bank

3,48,157

Number of candidates trained, with a settlement ratio of 73%

₹1,29,304 Crore

Loans to women entrepreneurs increased by 22% in FY2024

₹44,734 Crore

Outstanding credit to minority communities, representing 13.17% of priority sector advances

₹12,21,528 Crore

Total global deposits held by the Bank

Our Genesis

Union Bank of India was founded on 11th November 1919, with its headquarters in Mumbai. The Bank was promoted by Seth Sitaram Poddar, and its head office building in Mumbai was inaugurated by Mahatma Gandhi in 1921. Gandhi's insightful words during the inauguration foresaw the growth and success of the Bank.



We should have the ability to carry on a big bank, to manage efficiently crores of rupees in the course of our national activities. Though we have not many banks amongst us, it does not follow that we are not capable of efficiently managing crores and tens of crores of rupees.

– Mahatma Gandhi (1921)

Comprehensive Banking Services for Diverse Needs

Union Bank of India takes pride in offering a comprehensive range of banking services designed to cater to a diverse clientele. Our account options include savings and current accounts, term and recurring deposits, and demat and online trading accounts. In retail loans, we provide home loans, vehicle loans, education loans, personal loans, and loans against property. Understanding the unique needs of different segments, we offer tailored products and loans for pensioners and MSMEs to ensure financial support where it is needed the most.

Our investment and insurance services extend to mutual funds and various insurance products, including life, non-life, health, and general insurance. We also offer tax-saving deposits, government savings schemes, and pension products to help customers plan their finances effectively. Our bank facilitates tax collection services and manages accounts for departmentalized ministries.



Union Bank of India stands at the forefront of innovation, continuously investing in advanced technology to drive customer satisfaction and ensure digital transformation is at the core of our operations.



We provide a range of short-term and long-term credit facilities for the agricultural, SSI, and tertiary sectors. Our commitment to convenience and security is reflected in our provision of safe deposit lockers and cheque collection services. In the corporate sector, Union Bank offers trade finance, working capital, lines of credit, project financing, and channel finance. We assist with debt structuring/restructuring, loan syndication, structured finance, mergers and acquisition advisory, and private equity services. Our corporate customers also benefit from cash management solutions, ECGC cover, foreign exchange services, and derivatives. Our comprehensive support for international trade through export and import finance services further strengthens our commitment to corporate clients.

Our services extend to NRI customers, with a robust treasury and remittance

service portfolio. Embracing the digital era, we offer app, internet, self-service, ATM, and SMS banking. Our service offerings include point-of-sale terminals and immediate payment services, ensuring seamless banking experiences. We also provide various card options, including combo, debit, credit, gift, prepaid, and payroll cards, catering to diverse preferences and needs.

Union Bank of India is committed to exceeding statutory targets for priority sector lending, including agriculture, MSMEs, education, housing, and social infrastructure. Our efforts in agriculture lending, renewable energy financing, and social upliftment through financial inclusion initiatives significantly contribute to economic development. We support various government schemes like Pradhan Mantri Fasal Bima Yojana and Atmanirbhar Bharat, focusing on sustainable growth and green financing.

Strategic Directions:

Navigating the Future for Growth and Sustainability



GRI

201, 203, 302, 305, 404, 418, 419

Global Performance and Trends

As per McKinsey's recent report published in October 2023, global banks have demonstrated remarkable performance in recent years, achieving their highest return on equity (ROE) in over a decade, with 12% in 2022 and an expected 13% in 2023. This performance, significantly above the 13-year average ROE of 9.1%, is accompanied by notable improvements in cost efficiency and revenue growth. The cost-income ratio has dropped by seven percentage points, reflecting successful efforts towards greater efficiency. Financial intermediation revenues have also surged, reaching \$6.8 trillion in 2022, with the sector intermediating approximately \$400 trillion in assets—an indication of growth outpacing overall



Global banks have achieved their highest return on equity in over a decade, reaching 13% in 2023, with the Indo-Crescent region, including India, now hosting 51% of the world's top-performing financial institutions.

economic expansion. Banking revenue growth has been particularly strong in the regions around the Indian Ocean, including India. This “Indo-Crescent” region now hosts 51% of the world's top-performing financial institutions. The Indian banking sector, alongside other regional markets, benefits from higher GDP and population growth, as well as innovative disruptions and efficient service delivery models. The report underscores the strategic necessity for banks to leverage advanced technologies, such as artificial intelligence (AI), adapt to evolving risks, and navigate the recent rise in interest rates. These factors have enhanced net interest margins and profitability, though challenges persist with capital-light business models and regulatory pressures. By integrating these global insights with a detailed analysis of the Indian banking sector and UBI's performance, this chapter offers a holistic view of the banking industry's current state and future trajectory. This enriched perspective is designed to help stakeholders understand both local and international factors influencing the sector, thereby enabling more informed strategic decisions.

Banking Industry Structure

Classification of Banks in India

Scheduled Banks: India's banks encompass commercial and cooperative banks. These banks are included in the Second Schedule of the Reserve Bank of India Act, 1934, and meet certain criteria stipulated by the Reserve Bank of India (RBI).

- ❖ **Commercial Banks:** Commercial banks in India are categorized into public sector banks, private sector banks, foreign banks, and small finance banks. These banks engage in various banking activities, including accepting deposits, providing loans, and offering financial services to individuals, businesses, and governments.
- ⌘ **Public Sector Banks (PSBs):** Public sector banks, including major entities like the Union Bank of India, play a crucial role in the Indian banking landscape, particularly in rural and semi-urban areas. These banks are majority-owned by the government and contribute significantly to financial inclusion and economic development.
- ⌘ **Private Sector Banks:** Private sector banks compete with public and foreign banks, offering various financial products and services. These banks are primarily owned by private entities, focusing on efficiency and innovation to attract customers.

- ⌘ **Foreign Banks:** Foreign banks operate in India through branches or wholly-owned subsidiaries, contributing to the diversity of the banking sector. They bring global best practices and advanced banking technologies to the Indian market.

- ⌘ **Small Finance Banks:** Small finance banks are established to serve underserved sections of society, promoting financial inclusion by providing savings vehicles and supplying credit to small business units, small and marginal farmers, micro and small industries, and other unorganized sector entities.

- ❖ **Cooperative Banks:** Cooperative banks are divided into urban and rural cooperative banks. These banks function on cooperative principles, providing banking services primarily to economically weaker sections of society.
- ❖ **Urban Cooperatives:** Urban cooperative banks operate in urban and semi-urban areas, offering credit facilities to small businesses, traders, and individuals. They play a vital role in catering to the banking needs of local communities.
- ❖ **Rural Cooperatives:** Rural cooperative banks are instrumental in serving the agricultural sector

Strategic Directions:

and rural communities. They provide essential banking services and credit support to farmers, agricultural labourers, and rural artisans, promoting rural development and agricultural productivity.

Union Bank of India: An Overview

Union Bank of India (UBI) was nationalized in 1969, significantly expanding its reach into rural and semi-urban areas. This pivotal moment in the bank's history enabled it to extend services to a broader population and support various government initiatives aimed at financial inclusion and rural development. A significant milestone in UBI's history was the merger in 2020, where Andhra Bank and Corporation Bank were amalgamated into Union Bank of India. This merger has enhanced UBI's operational capabilities, customer reach, and financial strength, positioning it as one of the largest banking networks in the country.



Union Bank of India's extensive network, in rural and semi-urban areas, plays a crucial role in driving financial inclusion and economic development.

Union Bank of India has a substantial presence in rural and semi-urban areas, playing a crucial role in supporting financial inclusion. The Bank's extensive network ensures that banking services are accessible to underserved communities, facilitating economic development and poverty alleviation in these regions.

UBI offers a comprehensive suite of banking products and services designed to meet the diverse needs of its customers. These include savings accounts, various types of loans, insurance products, and investment services. The Bank continuously innovates to provide tailored solutions, ensuring that it meets the evolving demands of its customer base.

UBI's Role in the Indian Banking Structure

Union Bank of India (UBI) plays a pivotal role within the Indian banking structure, particularly as a major entity among Public Sector Banks (PSBs). As a PSB, UBI is majority-owned by the Government of India. It plays a critical role in implementing government policies and financial inclusion initiatives. The Bank operates extensively in rural and semi-urban areas, providing essential banking services to a broad population segment, including underserved communities.

UBI's strong presence in rural and semi-urban areas helps bridge the gap between urban and rural banking services. The Bank supports agricultural financing, small and medium enterprises (SMEs), and various government schemes to boost economic development at the grassroots level.

UBI is instrumental in driving financial inclusion in India. It participates in numerous government programs, such as Pradhan Mantri Jan Dhan Yojana (PMJDY), which aims to give every household access to banking services and a basic savings account. UBI also offers financial literacy programs to educate the rural population about banking services and digital banking.

As a PSB, UBI offers various financial products and services, including personal banking, corporate banking, international banking, and treasury operations. This diversification helps meet the varied needs of its customer base, ranging from individuals to large corporations.

Strategic Initiatives and Technology Adoption

UBI has embraced digital transformation to enhance its service delivery and operational efficiency. The Bank has invested in technology to provide internet banking, mobile banking, and other digital services, making banking more accessible to its customers. UBI has formed strategic alliances and partnerships to expand its reach and improve its service offerings. These alliances help UBI leverage new technologies and innovative solutions to stay competitive in the evolving banking landscape.

Contribution to Economic Development

Union Bank of India (UBI) is deeply committed to contributing to India's economic development by supporting small and medium enterprises (SMEs), which are crucial for the country's growth. The Bank offers specialized financial products, including working capital loans, term loans, and tailored solutions that cater to the unique needs of SMEs, fostering entrepreneurship and innovation.

In the agricultural sector, UBI plays a vital role by providing loans and credit facilities to farmers. These financial services help farmers purchase equipment, seeds, and fertilizers, and manage their seasonal cash flow needs. The Bank also supports agro-based industries and promotes sustainable agricultural practices through financial inclusion and education.

UBI offers a comprehensive range of personal finance products to cater to individual financial needs. These include savings accounts, as well as personal, home, and educational loans. By providing accessible and affordable financial solutions, UBI helps individuals achieve their personal and professional goals, contributing to the overall economic well-being of the communities it serves.

UBI is also committed to sustainable banking practices and corporate social responsibility (CSR). The Bank finances renewable energy projects and supports green initiatives, promoting environmental sustainability. Additionally, UBI's CSR activities include supporting education, healthcare, and community development projects, reflecting its role as a responsible corporate citizen dedicated to improving the quality of life for the underprivileged.

Through its commitment to green finance, UBI actively funds renewable energy projects and sustainable practices, helping to reduce environmental impact and supporting India's transition to a sustainable economy. Union Bank of India plays a crucial role in India's economic development by supporting SMEs, agriculture, and personal finance. Its dedication to sustainability and green finance ensures that growth benefits all segments of society.

Global Banking Dynamics

The global banking industry has experienced significant changes in the financial year 2023-24, marked by remarkable performance and substantial challenges. According to McKinsey's Global Banking Annual Review 2023, the past 18 months have been among the best for banks' return on equity (ROE) in more than a decade. The ROE rose to 12% in 2022 and is expected to reach 13% in 2023, significantly higher than the 13-year average of 9.1%. This improvement was driven by a 500-basis-point increase in interest rates in developed economies since the second quarter of 2022, which boosted net interest margins and sector profits by approximately \$280 billion.

Key Trends Shaping the Banking Landscape

- Credit Growth and Asset Quality:** The global banking sector has shown robust credit growth across major sectors, accompanied by an improvement in asset quality. This positive trend reflects the sector's strengthened ability to effectively manage and mitigate lending risks.
- Deposit Growth and Policy Rate Transmissions:** Even with the significant increase in policy repo rates from May 2022 to February 2023, the banking industry has maintained robust deposit growth. This resilience underscores the trust and confidence that depositors have in the banking system, highlighting banks' effective management of interest rate risks.
- Resilience Amidst Global Financial Changes:** The Banking sector demonstrated remarkable resilience amidst global financial challenges,

maintaining adequate capital buffers and moderate levels of non-performing loans (NPLs). This resilience has been crucial in ensuring financial stability and instilling stakeholder confidence.

- 4. Technological Disruption and Innovation:** Technological advancements, particularly in artificial intelligence (AI) and digital banking, have continued transforming the banking landscape. Banks are leveraging AI to enhance productivity, customer service, and operational efficiency. Integrating advanced technologies is expected to drive significant cost savings and innovation in service delivery.
- 5. Shifts in Balance Sheets and Transactions:** There has been a notable shift of assets and clients from traditional banks to nontraditional, capital-light institutions such as fintech companies and private capital firms. This transition is reshaping the core pillars of banking—balance sheets, transactions, and distribution—reflecting a fundamental change in how financial services are delivered and managed.
- 6. Macroeconomic Outlook and Interest Rates:** The macroeconomic environment remains uneven, with varying growth and inflation expectations across different regions. Central banks have raised interest rates rapidly in response to high inflation, which has profound implications for the banking sector's cost of equity and overall economic stability. The scenario that unfolds will significantly influence the banking sector's future performance.

Strategic Directions:

Despite global financial challenges, the Indian banking sector demonstrated resilience and robust credit and deposit growth, reflecting strengthened asset quality and effective risk management.

FY2024 has been a period of both significant achievement and a considerable challenge for the global banking industry. The sector has benefited from improved profitability and robust credit growth while navigating complex macroeconomic and technological shifts. The insights from the Global Banking Annual Review 2023 highlight the industry's resilience and adaptability in the face of evolving financial dynamics. These trends underscore the need for banks to continue leveraging technological innovations, managing risks effectively, and adapting to changing economic conditions to sustain growth and stability in the future.

Indian Banking Industry Dynamics

The financial year 2023-24 was marked by robust credit and deposit growth across major sectors in India. This period saw a significant improvement in asset quality, reflecting a strengthened banking sector better equipped to manage and mitigate lending risks. Increased credit availability supported various economic activities, fostering industrial growth and contributing to overall economic stability. Amidst global financial challenges, the Indian banking sector demonstrated resilience and effective transmission of monetary policy adjustments. These dynamics not only bolstered economic growth but also ensured the stability and confidence of the financial system in India.

Deposit Growth and Policy Rate Transmission

The policy repo rate was increased by 250 basis points from May 2022 to February 2023 tightening the monetary policy in order to curtail inflation. During FY 2023-24, deposit growth clocked 12.9%, way above the nominal GDP growth of 9.6% on the back of efficient transmission of 250 basis point rate hike into deposit rates as banks faced the need to fund rising credit demand. The ability of banks to attract and retain deposits despite rising interest rates underscores the sector's robustness and the effective management of interest rate risks.

Resilience Amidst Global Financial Changes

The Indian banking sector demonstrated remarkable resilience amidst global financial challenges throughout FY2024. Significant economic uncertainties and financial volatilities on the worldwide stage characterized this period. Indian banks managed to maintain adequate capital buffers, ensuring financial stability and instilling confidence among stakeholders. Furthermore, the sector maintained moderate non-performing loans (NPLs), indicating effective credit risk management practices and a sound regulatory environment.

Policy Repo Rate Adjustments

During FY 2023-24, the Monetary Policy Committee (MPC) kept the policy repo rate unchanged at 6.50% and remained resolute in its commitment to align inflation with the target, keeping in mind the objective of growth. The 250 basis points hike made during FY2022-23 contributed to control inflationary pressures and stabilize the economy amidst global and domestic challenges. The same is reflected in headline CPI inflation moderating from an average of 6.7% in 2022-23 to 5.4% in 2023-24 in response to monetary policy actions.

Impact on Money Market and Repo Rate Transmissions

The adjustments in the policy repo rate had a noticeable impact on money market rates, indicating effective monetary policy transmission. Money market rates aligned closely with the changes in the repo rate, demonstrating the RBI's influence on the broader financial system. This alignment facilitated effective transmission to bank lending and deposit rates, ensuring that the policy measures had the intended effect on the economy. The responsiveness of money market rates to repo rate changes highlights the efficiency of the monetary policy framework in India.

FY2024 Performance of Union Bank of India

Union Bank of India (UBI) experienced stable credit and deposit growth throughout the fiscal year 2023-24, underscoring its strong market position and effective management. This period also marked significant improvements in asset quality and profitability metrics, indicating the bank's enhanced ability to manage risk and generate returns.

Credit and Deposit Growth

UBI experienced stable credit and deposit growth, with gross advances increasing by 11.73% YoY to ₹ 9,04,884 crore and total deposits growing by 9.29% YoY to ₹ 12,21,528 crore as of March 31, 2024. This growth was driven by significant expansions in the retail, agricultural, and MSME (RAM) segments, which collectively saw a 13.82% increase YoY.

Asset Quality and Profitability

Improvements in asset quality and profitability were significant. The Bank's Gross NPA ratio reduced by 277 basis points YoY to 4.76%, while the Net NPA ratio decreased by 67 basis points to 1.03% as of March 31, 2024. This reflects UBI's enhanced ability to manage credit risks effectively. Net profit for FY2024 stood at ₹ 13,648 crore, a substantial increase from ₹ 8,433 crore in the previous fiscal year, indicating a 61.84% YoY growth.

For a more comprehensive analysis of these performance metrics, refer to the chapters on Manufactured and Financial Capitals in this report.

Challenges and Risks in the Banking Sector

UBI's approach to addressing challenges and risks demonstrates its commitment to maintaining a resilient and secure banking environment. The Bank's strategic initiatives in cybersecurity, operational risk management, regulatory compliance, asset quality improvement, and sustainability underscore its dedication to safeguarding stakeholder interests and supporting long-term economic stability.

Digital Disruption and Cybersecurity Risks

The increasing reliance on digital transactions has heightened banks' susceptibility to cyber threats. Union Bank of India (UBI) has acknowledged this risk and has taken proactive measures to safeguard its digital infrastructure. To mitigate these risks, UBI has established comprehensive cybersecurity measures. The Bank's Cybersecurity Centre of Excellence (CCoE) in Hyderabad focuses on implementing cutting-edge cybersecurity technologies and running extensive awareness programs for employees and customers. This centre plays a crucial role in identifying and addressing potential cyber threats before they can cause significant damage.

Moreover, UBI conducts regular vulnerability assessments and penetration testing to identify and rectify weaknesses in its systems. These assessments help ensure that the bank's defences are up-to-date and can thwart sophisticated cyber-attacks. By continually updating its cybersecurity protocols and investing in advanced security technologies, UBI demonstrates its commitment to maintaining

the integrity and security of its digital infrastructure.

Operational Risks

Implementing advanced technologies, while essential for staying competitive, has introduced new operational risks. These risks include potential system failures, data breaches, and other bank operations disruptions. UBI has addressed these concerns by harmonizing its policies with international standards such as ISO 31000 for risk management and ISO 27001 for information security management. Additionally, the Bank conducts regular vulnerability assessments and penetration testing to identify and mitigate potential threats.

Implementing advanced technologies, while essential for staying competitive, has introduced new operational risks at Union Bank of India (UBI). These risks encompass potential system failures, data breaches, and other disruptions that could impact the bank's operations. These efforts are part of a broader strategy to enhance operational resilience and safeguard the bank's operations against evolving cyber threats. By adopting the best risk management and cybersecurity practices, UBI aims to protect its customers and maintain trust in its services.

Regulatory Compliance Challenges

Stricter regulations necessitate robust compliance frameworks within the banking sector. UBI has responded by ensuring compliance with various regulatory frameworks, including the RBI Cyber Security Framework, Digital Payment Security Controls, and IT Governance and Risk Management guidelines. The Bank has also achieved certifications such as ISO 22301 for business continuity management and PCI-DSS for payment card security,



Strategic Directions:

which help maintain high regulatory compliance standards.

Asset Quality and Credit Risks

Persistent issues with non-performing assets (NPAs) due to high corporate and agricultural debt levels remain a significant challenge for UBI. The Bank has focused on improving asset quality by adopting robust credit risk assessment mechanisms and adhering to responsible lending practices. In FY2024, UBI implemented a system for regular data dump analysis to identify and address control gaps, thereby enhancing the accuracy and completeness of its data. In FY2024, UBI made substantial progress in asset quality improvement. The Gross NPA ratio decreased to 4.76%, and the Net NPA ratio reduced to 1.03%. The Provision Coverage Ratio (PCR) improved to 92.69%, reflecting the bank's commitment to maintaining a strong financial position and mitigating credit risks.

Sustainability Concerns

Banks are increasingly pressured to align their loan portfolios with climate-friendly projects. UBI has recognized the importance of sustainability and has taken steps to support environmental conservation initiatives. The Bank has adopted green technologies and eco-friendly infrastructure, promoting energy efficiency and reducing its carbon



footprint. These efforts help mitigate environmental risks and enhance the bank's reputation as a responsible corporate citizen.

Union Bank of India has recognized the importance of sustainability and has actively taken steps to support environmental conservation initiatives. The Bank has established an independent ESG Cell to drive its ESG journey, ensuring effective implementation of sustainability initiatives. UBI has developed a sustainable financing framework validated by CRISIL that covers products such as green deposits, green bonds, and sustainability-linked loans. Additionally, UBI has adopted green technologies and eco-friendly infrastructure, promoting energy efficiency and reducing its carbon footprint. These efforts not only help mitigate environmental risks but also enhance the bank's reputation as a responsible corporate citizen.

Directions for Union Bank of India

In an era of rapid technological advancements and shifting market dynamics, the Union Bank of India (UBI) has continually adapted its strategies to maintain competitiveness and enhance service delivery. Recognizing the critical need to respond proactively to these changes, UBI has implemented a series of strategic initiatives to leverage technology, strengthen cybersecurity, ensure regulatory compliance, manage risks, and promote sustainability. These efforts are pivotal for the bank's growth and efficiency and crucial in meeting the evolving needs of its customers and stakeholders.

Union Bank of India's strategic emphasis on digital transformation and integrating AI and machine learning into operations highlights its commitment to streamlining processes, enhancing customer engagement, and reducing operational costs. The Bank's proactive approach to cybersecurity, stringent regulatory compliance, and advanced risk management systems ensure robust protection and operational integrity. By optimizing balance sheet management, evaluating transaction businesses, and enhancing distribution channels, UBI aims to meet changing customer preferences and improve profitability. Furthermore, its investment in sustainable banking practices and renewable energy projects underscores its commitment to environmental sustainability and corporate responsibility. These strategic directions demonstrate UBI's comprehensive approach to navigating modern banking complexities, driving growth, ensuring compliance, and fostering sustainability.

Strategic Direction	Action	Future	GRI Alignment & UNSDG Reference
Adapting to Digital Transformation 	<p>Description: Digitizing operations and adopting AI-driven solutions to enhance efficiency and customer experience.</p> <p>Actions: Initiated over 40 digitization projects, completed 27, advanced 13 others. Implemented digital lending journeys, rebranded mobile banking app to "VYOM" with over 400 features, integrated blockchain and machine learning.</p>	<p>Explore use cases of Generative AI and create a Robotic Process Automation Center of Excellence (RPA CoE) to monitor, optimize, and customize operations.</p>	<p>GRI 203: Indirect Economic Impacts</p> <p>UNSDG: </p>

Strategic Direction	Action	Future	GRI Alignment & UNSDG Reference
Enhancing Cybersecurity Measures 	<p>Description: Strengthening IT systems to counter AI-related threats.</p> <p>Actions: Established a Cybersecurity Centre of Excellence (CCoE) in Hyderabad. Implemented state-of-the-art cybersecurity technologies and comprehensive awareness programs. Conducted regular vulnerability assessments and penetration testing.</p>	Bolster cybersecurity framework by adopting new technologies and enhancing awareness programs to stay ahead of evolving cyber threats.	<p>GRI 418: Customer Privacy</p> <p>UNSDG: </p>
Strengthening Regulatory Compliance 	<p>Description: Ensuring compliance with stringent regulations to avoid penalties.</p> <p>Actions: Harmonized policies with international standards (ISO 31000, ISO 27001). Achieved certifications like ISO 22301 for business continuity management and PCI-DSS for payment card security.</p>	Continue strengthening regulatory compliance frameworks to meet evolving requirements and enhance risk management capabilities.	<p>GRI 419: Socioeconomic Compliance</p> <p>UNSDG: </p>
Managing Credit and Operational Risks 	<p>Description: Improving credit assessment and risk management processes.</p> <p>Actions: Improved credit assessment and risk management processes, regular data dump analysis to identify control gaps, and implemented remote audit modules.</p>	Expand remote audit capabilities, and integrate advanced data management systems to improve audit quality and operational efficiency.	<p>GRI 201: Economic Performance</p> <p>UNSDG: </p>
Flexing Balance Sheets 	<p>Description: Adapting balance sheet strategies to optimize resource allocation and improve profitability.</p> <p>Actions: Adapted balance sheet strategies, implemented advanced data analytics and risk management systems, and developed a digital business platform.</p>	Refine balance sheet strategies by unbundling services to focus on high-value segments. Leverage the Data Lake project for better analytical and reporting capabilities.	<p>GRI 201: Economic Performance</p> <p>UNSDG: </p>
Levelling Up Distribution Channels 	<p>Description: Enhancing distribution channels to meet changing customer preferences for hybrid and digital service offerings.</p> <p>Actions: Enhanced distribution channels with digital banking units (DBUs), WhatsApp Banking (UVConn), and Google Business Messages (GBM).</p>	Invest in technology and infrastructure to provide personalized and convenient banking services. Enhance digital contact centre capabilities with multilingual AI-driven voice and conversational IVR, predictive IVR, chatbots, and voice biometrics.	<p>GRI 203: Indirect Economic Impacts</p> <p>UNSDG: </p>
Scaling or Exiting Transaction Businesses 	<p>Description: Evaluating transaction businesses to ensure they are scaled for competitive advantage or exited if non-core.</p> <p>Actions: Evaluated transaction businesses, implemented Uni Pay Plus portal for automatic payment processing.</p>	Continue evaluating and scaling up transaction businesses that offer competitive advantages while potentially exiting non-core areas.	<p>GRI 203: Indirect Economic Impacts</p> <p>UNSDG: </p>
Promoting Sustainable Banking Practices 	<p>Description: Committing to sustainable operations and climate-friendly financing.</p> <p>Actions: Developed a Sustainable Financing Framework validated by CRISIL, supported renewable energy projects, installed rooftop solar power plants, promoted water conservation measures.</p>	Increase investments in renewable energy projects, enhance sustainability reporting and disclosure practices to align with global standards.	<p>GRI 302: Energy, GRI 305: Emissions</p> <p>UNSDG:  </p>

Strategic Directions:

Advancing Digital Excellence and Sustainability



GRI







201, 203, 302, 305, 404, 418

UBI's Strategic Pillars by Capitals

In the face of a rapidly evolving banking landscape, Union Bank of India (UBI) remains resolute in its commitment to digital excellence and sustainable growth. The ongoing trend of mass digitalization and technology-driven disruption continues to shape our strategic priorities, ensuring we remain agile and responsive to these transitions. As advocates for sustainability, we acknowledge the urgency of addressing climate change. This is central to our goal of decarbonizing the economy and achieving net-zero emissions. This journey requires significant behavioural changes and extensive deployment of non-carbon technologies across sectors. Our aim is to leverage technological innovation and digital capabilities to create opportunities for all. We focus on ensuring that our customers have access to a broad range of products, advice, and solutions that empower them to make informed financial decisions and achieve their personal and business aspirations.



















Union Bank of India is committed to leveraging technological innovation and digital capabilities to achieve net-zero emissions.

Priority Number	Strategic Priority	Description
1	Achieving operational excellence GRI 201 UNSDG: 	Leveraging our digital capabilities, we aspire to provide an outstanding customer experience through simplified processes and a value-focused transaction model. By integrating advanced technologies and streamlining operations, we ensure efficiency and enhance the overall service experience for our customers, thereby driving operational excellence and sustainability.
2	Flexing Balance Sheets GRI 201 UNSDG: 	Adapting balance sheet strategies to optimize resource allocation and improve profitability. The Data Lake project is Union Bank of India's next-generation data repository solution, which consolidates diverse data sources, enabling advanced data analytics and more informed decision-making to optimize resource allocation and improve profitability. Leveraging its Data, the Bank can identify and reallocate underperforming assets to high-growth sectors while refining risk management to enhance balance sheet strength and stability, thus maximizing returns, and minimizing risks.
Manufactured Capital		
3	Enhancing our clients' financial health GRI: 203 UNSDG: 	As a trusted partner, we strive to improve our clients' financial well-being by delivering personalized advice, driven by our digital proficiency and data insights. This approach ensures that clients receive tailored financial solutions that meet their unique needs, helping them to achieve their financial goals and improve their overall economic health.
4	Embracing Financial Inclusion GRI 203 UNSDG:  	Increasing access to banking services for underbanked and unbanked populations. We implement inclusive banking programs, mobile banking solutions for rural areas, and microfinance initiatives. Our aim is to expand digital banking services to remote regions, partner with fintech companies to enhance financial accessibility, and develop tailored financial products for marginalized communities. This commitment helps in reducing economic disparities and promoting financial inclusion.
5	Strengthening Partnerships and Alliances GRI 203 UNSDG: 	Building strategic partnerships to enhance service offerings and market reach. We collaborate with fintech companies, establish partnerships with global banks, and participate in industry consortiums. These alliances help us to leverage new technologies, explore market opportunities, and deliver innovative solutions to our clients, ensuring we remain competitive and responsive to market dynamics.



Strategic Directions:

Priority Number	Strategic Priority	Description
6	Innovating in Payments and Transactions GRI 203 UNSDG: 	Enhancing payment systems and transaction services to meet evolving customer demands. We introduce contactless payment solutions, develop blockchain-based transaction systems, and expand mobile payment options. Our goal is to lead in digital payment innovations, improve cross-border payment systems, and adopt cryptocurrency services where feasible. This focus on innovation helps us to stay ahead in the rapidly changing financial landscape.
7	Levelling Up Distribution Channels GRI 203 UNSDG: 	Enhancing distribution channels to meet changing customer preferences for hybrid and digital service offerings. We have implemented digital banking units (DBUs), WhatsApp Banking (UVConn), and Google Business Messages (GBM). Future investments will focus on technology and infrastructure to provide personalized and convenient banking services, enhancing our digital contact centre capabilities with multilingual AI-driven voice and conversational IVR, predictive IVR, chatbots, and voice biometrics.
Human Capital		
8	Nurturing a dynamic and engaged team GRI 404 UNSDG:  	Our team remains a strategic priority, guided by our commitment to sustainability and digital empowerment. We foster an inclusive and diverse culture that promotes talent development and growth opportunities for all. By investing in comprehensive training programs, offering competitive benefits, and creating a supportive work environment, we aim to develop leadership programs, create career advancement pathways, and enhance employee well-being and job satisfaction.
9	Prioritizing Talent Development and Retention GRI 404 UNSDG:  	Investing in the development and retention of a skilled workforce. We implement comprehensive training programs, offer competitive benefits, and foster a supportive work environment. Our future focus is on developing leadership programs, creating career advancement pathways, and implementing initiatives to enhance employee well-being and job satisfaction, ensuring we attract and retain top talent.
Intellectual Capital		
10	Enhancing Digital Capability GRI 418 UNSDG: 	Central to our strategy is our emphasis on utilizing data and technology as primary drivers. Our advanced data analytics and secure technology infrastructure enable us to create superior solutions that address our customers' needs. By continuously investing in technology and developing innovative solutions, we enhance our digital capabilities and ensure we meet the evolving needs of our customers.
11	Enhancing Customer-Centric Innovations GRI 418 UNSDG: 	Focusing on customer needs and preferences to drive product and service innovation. We use data analytics to understand customer behaviour, launch personalized financial products, and improve customer service platforms. Our future plans include implementing AI-driven customer service tools, developing new customer loyalty programs, and continuously adapting products based on customer feedback.

Priority Number	Strategic Priority	Description
12	<p>Enhancing Data Security and Privacy</p> <p>GRI 418</p> <p>UNSDG:</p> 	<p>Ensuring the highest standards of data security and customer privacy. We strengthen encryption protocols, adopt comprehensive data privacy policies, and conduct regular security audits. Our future focus is on implementing advanced cybersecurity measures, achieving certifications for data protection standards, educating customers on data security practices, and ensuring the integrity and confidentiality of customer data.</p>
13	<p>Fostering Innovation through R&D</p> <p>GRI 203</p> <p>UNSDG:</p> 	<p>Investing in research and development to drive continuous innovation. We establish an innovation lab, collaborate with academic institutions, and fund research in emerging financial technologies. Our future plans include launching new financial products based on R&D insights, holding innovation challenges to crowdsource ideas, and publishing research findings to contribute to industry knowledge.</p>
Social and Relationship Capital		
14	<p>Facilitating our clients' transition towards a sustainable future</p> <p>GRI 302, GRI 305</p> <p>UNSDG:</p>  	<p>Echoing our commitment to sustainability, we endeavour to assist our clients in navigating their path to a greener future, using sustainable finance and innovative solutions. By providing financial products and services that support environmentally sustainable projects, we help our clients transition towards sustainability.</p>
15	<p>Promoting Sustainable Banking Practices</p> <p>GRI 302, GRI 305</p> <p>UNSDG:</p>  	<p>Committing to sustainable operations and climate-friendly financing. We have developed a Sustainable Financing Framework validated by CRISIL, supported renewable energy projects, installed rooftop solar power plants, and promoted water conservation measures. Our future plans include increasing investments in renewable energy projects and enhancing sustainability reporting and disclosure practices to align with global standards.</p>
Natural Capital		
16	<p>Fostering Sustainability</p> <p>GRI 302, GRI 305</p> <p>UNSDG:</p>  	<p>We are dedicated to embodying sustainability within our operations and propagating it amongst stakeholders. Through minimizing our environmental impact and promoting sustainable practices externally, we aim to contribute to a resilient</p>

Stakeholders' Insights and Priorities






Union Bank of India is actively pursuing climate action with ₹ 23,059 crores sanctioned for renewable energy projects till FY2024, focussing on solar, wind, and other renewable sources to reinforce our commitment to a sustainable future.






























Following FY2023, Union Bank of India conducted another extensive Materiality Analysis Survey in May 2024 to understand what its stakeholders think, and guide its strategic priorities. This analysis offered a comprehensive internal and external perspective on the Bank's economic, environmental, and social impact. The survey highlighted the importance of balancing business objectives with stakeholder needs by identifying key issues relevant to stakeholders and the

organisation's sustainable growth. The Bank engaged a third-party consultant to conduct its first formal materiality assessment, involving internal leaders, subject matter experts, and external stakeholders such as customers, employees, investors, government, media, NGOs, and financial peers. The outcomes and the findings of this exercise reinforce UBI's commitment to responsible, inclusive growth, which are discussed briefly here – with references for readers seeking more detail.

The responses on the issues surveyed are categorised as follows:

	Highly Important Issues
	Quite Important Issues
	Somewhat Important Issues

Highly Important Issues (High)

No.	Heading	Ubi's Response	Internal Stakeholders	External Stakeholders	GRI Alignment	UNSDG Alignment
1	Dimension - Environment: <i>Climate Change</i>	UBI incorporates climate change strategies into its operations, reducing greenhouse gas emissions and investing in climate resilience projects.			GRI 201	
5	Dimension - Environment: <i>Water Management</i>	UBI implements water conservation practices and invests in technologies to improve water efficiency.			GRI 303	
6	Dimension - Environment: <i>Waste Management</i>	UBI has a robust waste management system focused on reducing, reusing, and recycling waste.			GRI 306	
7	Dimension - Environment: <i>Green Finance Impact And Benefits</i>	UBI promotes green finance products to support environmentally sustainable projects.			GRI 305	
8	Dimension - Environment: <i>Renewable Energy And Bank Resilience</i>	UBI invests in renewable energy projects and integrates renewable energy solutions to enhance bank resilience.			GRI 302	
9	Dimension - Social Capital: <i>Human Rights</i>	UBI upholds human rights in all its operations and supports initiatives that promote human rights globally.			GRI 406	
14	Dimension - Social Capital: <i>Impact And Response In Social Inclusion</i>	UBI actively promotes social inclusion through various community programs and inclusive financial products.			GRI 413	
18	Dimension - Social Capital: <i>Financial Inclusion Impact</i>	UBI promotes financial inclusion by providing accessible banking services to underserved communities.			GRI 203	
20	Dimension - Social Capital: <i>Comprehensive Csr Impact And Societal Alignment</i>	UBI's CSR activities are designed to align with societal needs and create a comprehensive positive impact.			GRI 201	

**Materiality Analysis FY2024:**

No.	Heading	UBI's Response	Internal Stakeholders	External Stakeholders	GRI Alignment	UNSDG Alignment
23	Dimension - Human Capital: Labour Practice & Employment	UBI adheres to fair labour practices and employment standards to ensure a positive workplace environment.			GRI 401	
25	Dimension - Human Capital: Employee Health & Safety	UBI prioritises the health and safety of its employees through comprehensive policies and practices.			GRI 403	
26	Dimension - Human Capital: Staff Succession Planning	UBI has robust staff succession planning processes to ensure leadership continuity and organisational stability.			GRI 404	
30	Dimension - Business Model & Innovation: Strategic Sustainability Alignment	UBI aligns its business model with strategic sustainability goals to ensure long-term growth.			GRI 203	
33	Dimension - Business Model & Innovation: Fintech & Competitiveness	UBI leverages fintech solutions to enhance competitiveness and improve customer services.			GRI 201	
36	Dimension - Leadership & Governance: Ethics And Aml's Market Impact	UBI implements rigorous anti-money laundering policies to prevent financial crimes and market abuse.			GRI 205	
39	Dimension - Leadership & Governance: Reputation, Communication, And Awareness	UBI maintains a strong reputation through transparent communication and awareness initiatives.			GRI 205	
42	Dimension - Economy: Economic/Financial Crises	UBI prepares for economic and financial crises with robust contingency plans and risk management strategies.			GRI 201	
43	Dimension - Economy: Impact Of Responsible Lending Practices On Local Communities	UBI ensures responsible lending practices that positively impact local communities and promote sustainable growth.			GRI 201	

An Overview of Highly Important Issues (High)

1

DIMENSION - ENVIRONMENT: Climate Change

Union Bank of India (UBI) has taken decisive action against climate change by embedding climate risk management into its core business strategies. By establishing a comprehensive ESG Risk Management Framework, UBI identifies, assesses, and manages climate-related risks, ensuring resilience against both physical and transition risks. The Bank's proactive measures include monitoring high-emission sectors, increasing lending to green projects, and investing in climate capability building. For instance, UBI has financed numerous renewable energy projects, significantly contributing to India's transition to a low-carbon economy. This approach mitigates climate risks and capitalises on the opportunities presented by the growing demand for sustainable finance. UBI's commitment to climate action aligns with global standards like the Paris Agreement, positioning it as a leader in sustainability within the financial sector.

5

More Information: Read more about this Dimension in the Natural Capital chapter of this report on Page 126.

GRI Alignment: 305, 102

UNSDG Alignment: 13, 9

Strategic Pillar: 15. Promoting Sustainable Banking Practices

DIMENSION - ENVIRONMENT: Water Management

UBI has implemented robust water management strategies to enhance its environmental stewardship. By integrating advanced water conservation techniques and promoting efficient water use in its operations, UBI aims to reduce its water footprint significantly. The Bank has introduced financing solutions for projects that improve water infrastructure and promote sustainable water usage among its clients. These efforts include supporting initiatives that ensure access to clean water and sanitation, particularly in underserved regions. UBI's dedication to water management safeguards this vital resource and supports broader environmental and social goals, ensuring sustainable growth for communities and industries reliant on water.

More Information: Read more about this Dimension in the Natural Capital chapter of this report on Page 126.

GRI Alignment: 303, 306

UNSDG Alignment: 6, 12

Strategic Pillar: 15. Promoting Sustainable Banking Practices

6

DIMENSION - ENVIRONMENT: Waste Management

UBI is committed to achieving zero waste through a comprehensive approach emphasising reusing, repurposing, and recycling waste. Implementing an Environmental and Social Management System (ESMS) in its high value project loans covering waste related aspects. UBI ensures its waste management practices minimise environmental impact. The Bank's Internal processes covers various waste types, including plastic, electronic, and hazardous. The Bank actively works to reduce waste generation, enhance recycling programs, and engage stakeholders in sustainable waste practices. UBI's efforts in waste management demonstrate a deep commitment to environmental responsibility and sustainable development.

More Information: Read more about this Dimension in the Natural Capital chapter of this report on Page 126.

GRI Alignment: 306, 301

UNSDG Alignment: 12, 15

Strategic Pillar: 15. Promoting Sustainable Banking Practices

7

DIMENSION - ENVIRONMENT: Green Finance Impact and Benefits

UBI has strategically focused on green finance, recognising its pivotal role in sustainable development. The Bank has developed dedicated green lending products, such as Green Deposit, which support environmentally sustainable practices among its clients. By financing renewable energy projects, energy-efficient technologies, and sustainable infrastructure, UBI promotes the transition to a low-carbon economy. The Bank's green finance initiatives enhance its competitive edge and contribute significantly to environmental conservation and climate action.

More Information: Read more about this Dimension in the Natural Capital chapter of this report on Page 126.

GRI Alignment: 201, 302, 305

UNSDG Alignment: 7, 13

Strategic Pillar: 15. Promoting Sustainable Banking Practices

**Materiality Analysis FY2024:**

8

DIMENSION - ENVIRONMENT: Renewable Energy and Bank Resilience

UBI has substantially invested in renewable energy projects, significantly contributing to India's clean energy goals. The Bank has sanctioned ₹ 23,059 crores for renewable energy financing, supporting the development of solar, wind, and other renewable energy sources. These investments enhance UBI's resilience against climate risks and promote sustainable economic growth. By prioritising renewable energy, UBI reduces its carbon footprint and sets a benchmark for environmental responsibility in the banking sector.

More Information: [Read more about this Dimension in the Natural Capital chapter of this report on Page 126.](#)

GRI Alignment: 302, 305

UNSDG Alignment: 7, 13

Strategic Pillar: 16. Fostering Sustainability

9

DIMENSION - SOCIAL CAPITAL: Human Rights

UBI is dedicated to upholding human rights across its operations and value chain. The Bank's ESG policies ensure that all business activities respect and promote human rights, including labour rights, non-discrimination, and fair treatment. UBI has implemented a robust governance structure to oversee human rights practices, integrating these principles into its corporate strategy and operational processes. UBI contributes to a more equitable and just society by fostering a culture of respect and equality.

More Information: [Read more about this Dimension in the Relationship and Social Capital chapter of this report on Page 148.](#)

GRI Alignment: 412, 405

UNSDG Alignment: 8, 10

Strategic Pillar: 14. Facilitating our clients' transition towards a sustainable future

14

DIMENSION - SOCIAL CAPITAL: Impact and Response in Social Inclusion

UBI actively promotes social inclusion through various community-focused initiatives. The Bank supports projects that improve access to education, healthcare, and economic opportunities for marginalised communities. By fostering inclusive growth, UBI helps bridge social gaps and enhances the well-being of diverse populations. Initiatives such as financial literacy programs, skill development workshops, and support for small businesses underscore UBI's commitment to social inclusion and community development.

More Information: [Read more about this Dimension in the Relationship and Social Capital chapter of this report on Page 148.](#)

GRI Alignment: 413, 203

UNSDG Alignment: 1, 10

Strategic Pillar: 14. Facilitating our clients' transition towards a sustainable future

18

DIMENSION - SOCIAL CAPITAL: Financial Inclusion Impact

UBI is committed to enhancing financial inclusion by providing accessible banking services to underserved and unbanked populations. The Bank's initiatives include offering microfinance, digital banking solutions, and financial literacy programs. These efforts empower individuals and communities, fostering economic independence and social development. UBI's focus on financial inclusion ensures that all segments of society can participate in and benefit from economic growth.

More Information: [Read more about this Dimension in the Relationship and Social Capital chapter of this report on Page 148.](#)

20

GRI Alignment: 203, 417**UNSDG Alignment:** 1, 8**Strategic Pillar:** 14. Facilitating our clients' transition towards a sustainable future**DIMENSION - SOCIAL CAPITAL: Comprehensive CSR Impact and Societal Alignment**

UBI's comprehensive Corporate Social Responsibility (CSR) strategy addresses critical societal issues through targeted education, healthcare, environmental sustainability, and community development initiatives. The Bank's CSR projects are designed to create lasting positive impacts on society, aligning business objectives with broader social goals. By investing in these areas, UBI demonstrates its commitment to responsible corporate citizenship and societal well-being.

More Information: Read more about this Dimension in the Relationship and Social Capital chapter of this report on Page 148.

GRI Alignment: 413, 201**UNSDG Alignment:** 3, 4**Strategic Pillar:** 14. Facilitating our clients' transition towards a sustainable future

23

DIMENSION - HUMAN CAPITAL: Labour Practice & Employment

UBI ensures fair labour practices and employment standards across its operations. The Bank promotes diversity, equal opportunity, and safe working conditions for all employees. UBI enhances employee satisfaction and productivity by fostering a supportive and inclusive workplace, contributing to its overall success. UBI's policies are designed to uphold the highest labour rights standards, ensuring a fair and respectful work environment.

More Information: Read more about this Dimension in the Human Capital chapter of this report on Page 160.

GRI Alignment: 401, 404**UNSDG Alignment:** 8, 10**Strategic Pillar:** 10. Nurturing a dynamic and engaged team

25

DIMENSION - HUMAN CAPITAL: Employee Health & Safety

UBI prioritises the health and safety of its employees through comprehensive workplace safety programs and health initiatives. The Bank ensures compliance with safety regulations and promotes a culture of health and well-being. UBI's health and safety policies include regular training, risk assessments, and wellness programs, creating a safe and supportive work environment.

More Information: Read more about this Dimension in the Human Capital chapter of this report on Page 160.

GRI Alignment: 403, 401**UNSDG Alignment:** 3, 8**Strategic Pillar:** 10. Nurturing a dynamic and engaged team

26

DIMENSION - HUMAN CAPITAL: Staff Succession Planning

UBI has implemented effective staff succession planning to ensure business continuity and leadership development. The Bank identifies and nurtures potential leaders through targeted training and career development programs. This proactive approach provides a pipeline of skilled and capable leaders, supporting UBI's long-term strategic goals. Initiatives like the Ekam Project and Wings Programme for female leadership exemplify UBI's commitment to developing human capital.

More Information: Read more about this Dimension in the Human Capital chapter of this report on Page 160.



Materiality Analysis FY2024:

GRI Alignment: 404, 401
UNSDG Alignment: 8, 4
Strategic Pillar: 10. Nurturing a dynamic and engaged team

30

DIMENSION - BUSINESS MODEL & INNOVATION: Strategic Sustainability Alignment

UBI's business model is strategically aligned with sustainability principles. The Bank integrates ESG considerations into its core operations, ensuring that all business activities contribute to sustainable development. This alignment enhances UBI's competitive edge and reinforces its commitment to responsible banking practices. UBI's sustainable business model supports long-term growth and resilience, ensuring the Bank's operations are environmentally and socially responsible.

More Information: Read more about this Dimension in the "The Strategic Framework: Union Bank's Business Model Canvas" chapter of this report on Page 56.

GRI Alignment: 201, 203
UNSDG Alignment: 9, 12
Strategic Pillar: 15. Promoting Sustainable Banking Practices

33

DIMENSION - BUSINESS MODEL & INNOVATION: Fintech & Competitiveness

UBI leverages fintech innovations to enhance its competitiveness in the banking sector. By adopting advanced technologies and digital solutions, the Bank improves customer experience, operational efficiency, and financial inclusion. UBI's fintech initiatives, such as digital lending platforms and AI-driven customer service tools, position it as a forward-thinking institution ready to meet the evolving needs of its clients.

More Information: Read more about this Dimension in the "The Strategic Framework: Union Bank's Business Model Canvas" chapter of this report on Page 56.

GRI Alignment: 203, 417
UNSDG Alignment: 9, 8
Strategic Pillar: 12. Enhancing Customer-Centric Innovations

36

DIMENSION - LEADERSHIP & GOVERNANCE: Ethics and AML's Market Impact

UBI maintains high ethical standards and robust anti-money laundering (AML) practices to protect the integrity of its operations. The Bank's governance framework ensures compliance with regulatory requirements and promotes transparency and accountability. UBI's AML initiatives include comprehensive training programs, stringent monitoring systems, and collaboration with regulatory bodies to prevent financial crimes and ensure market integrity.

More Information: Read about this Dimension in the "Promoting Ethical Excellence: Committed to Fair Practices and Customer-Centric Growth" chapter on Page 56.

GRI Alignment: 205, 419
UNSDG Alignment: 16, 8
Strategic Pillar: 12. Enhancing Customer-Centric Innovations

39

DIMENSION - LEADERSHIP & GOVERNANCE: Reputation, Communication, and Awareness

UBI's leadership prioritises effective communication and reputation management. The Bank actively engages with stakeholders through transparent and open communication channels. UBI strengthens its brand and fosters stakeholder trust by building awareness around its sustainability initiatives and ethical practices. UBI's communication strategies include regular updates on ESG performance, community engagement programs, and proactive media relations.

42

More Information: Read about this Dimension in the Corporate Governance Report on Page 248.

GRI Alignment: 102, 417

UNSDG Alignment: 12, 16

Strategic Pillar: 12. Enhancing Customer-Centric Innovations

DIMENSION - ECONOMY: Economic/Financial Crises

During economic and financial crises, UBI demonstrates resilience and adaptability. The Bank's robust risk management framework ensures stability and continuity of operations. UBI supports its customers through tailored financial solutions, helping them navigate challenging economic environments. UBI safeguards its operations and supports economic stability by maintaining strong capital adequacy ratios and prudent financial practices.

More Information: Read more about this Dimension in the "Strategic Directions: Navigating the Future for Growth and Sustainability" chapter of this report on Page 32; and the Management Discussion & Analysis on Page 211.

GRI Alignment: 201, 202

UNSDG Alignment: 8, 9

Strategic Pillar: 9. Achieving operational excellence

43

DIMENSION - ECONOMY: Impact of Responsible Lending Practices on Local Communities

UBI's responsible lending practices positively impact local communities by promoting sustainable economic growth. The Bank's lending decisions consider environmental and social factors, ensuring that financed projects contribute to community development and environmental preservation. UBI's approach to responsible lending supports inclusive growth and helps build resilient communities.

More Information: Read more about this Dimension in the "Strategic Directions: Navigating the Future for Growth and Sustainability" chapter of this report on Page 32; and the Management Discussion & Analysis on Page 211.

GRI Alignment: 203, 413

UNSDG Alignment: 11, 8

Strategic Pillar: 14. Facilitating our clients' transition towards a sustainable future



By fostering inclusive growth through comprehensive CSR programmes, Union Bank of India bridges social gaps for marginalised populations, making a tangible impact on social inclusion and community development through initiatives like financial literacy programmes, skill development workshops, and support for small businesses.



Materiality Analysis FY2024:

Quite Important & Somewhat Important Issues (Medium & Low)



Highly Important Issues



Quite Important Issues



Somewhat Important Issues

No.	Heading	Ubi's Response	Internal Stakeholders	External Stakeholders	GRI Alignment	UNSDG Alignment
2	Dimension - Environment: <i>Climate Risk in Banking Decisions</i>	UBI incorporates climate risk assessments into all banking decisions to ensure long-term sustainability and risk mitigation.			GRI 201	
3	Dimension - Environment: <i>Influence on Socio-Environmental Dynamics</i>	UBI actively understands and influences socio-environmental dynamics through stakeholder engagements and community programs.			GRI 201	
4	Dimension - Environment: <i>Energy Management</i>	UBI implements comprehensive energy management practices to reduce its carbon footprint and promote energy efficiency.			GRI 302	
8	Dimension - Environment: <i>Renewable Energy and Bank Resilience</i>	UBI invests in renewable energy projects and integrates renewable energy solutions to enhance bank resilience.			GRI 302	
10	Dimension - Social Capital: <i>Customer Privacy and Data Security</i>	UBI prioritises customer privacy and data security, implementing stringent measures to protect customer information.			GRI 418	
11	Dimension - Social Capital: <i>Customer Welfare</i>	UBI ensures customer welfare through fair practices and responsive customer service.			GRI 201	
12	Dimension - Social Capital: <i>Charitable Giving and CSR's Community Impact</i>	UBI actively participates in charitable giving and CSR activities to positively impact the community.			GRI 413	
13	Dimension - Social Capital: <i>Social Development & Community Involvement</i>	UBI supports social development initiatives and community involvement programs to foster inclusive growth.			GRI 413	
15	Dimension - Social Capital: <i>Assessing Financial Products Impact</i>	UBI regularly assesses the impact of its financial products to ensure they contribute positively to sustainability goals.			GRI 203	

No.	Heading	Ubi's Response	Internal Stakeholders	External Stakeholders	GRI Alignment	UNSDG Alignment
16	Dimension - Social Capital: Bank Products' Impact on Sustainability Goals	UBI aligns its banking products with sustainability goals to support environmental and social sustainability.			GRI 203	
17	Dimension - Social Capital: Financial Literacy Impact	UBI conducts financial literacy programs to empower customers and communities with financial knowledge.			GRI 203	
19	Dimension - Social Capital: Equitable Access and Bank Impact	UBI ensures equitable access to banking services, aiming to reduce financial disparities.			GRI 203	
21	Dimension - Social Capital: Supporting Communities and Business Sustainability	UBI supports community initiatives and business sustainability through strategic partnerships and investments.			GRI 413	
22	Dimension - Social Capital: Bank's Partnerships and Collaborations for Sustainable Impact	UBI collaborates with various stakeholders to achieve sustainable impact through joint initiatives.			GRI 413	
24	Dimension - Human Capital: Training and Skill Development	UBI invests in employee training and skill development programs to enhance their professional growth.			GRI 404	
27	Dimension - Human Capital: Effectiveness of Diversity and Inclusion in Bank Operations	UBI fosters diversity and inclusion within its operations to create a balanced and inclusive workplace.			GRI 405	
28	Dimension - Business Model & Innovation: Access to Capital and Customers	UBI enhances access to capital and banking services for diverse customers.			GRI 203	
29	Dimension - Business Model & Innovation: Investing in sustainable technologies	UBI invests in sustainable technologies to drive innovation and support environmental sustainability.			GRI 203	
31	Dimension - Business Model & Innovation: Sustainable Material Sourcing and Supply Chain Efficiency	UBI ensures sustainable material sourcing and efficient supply chain practices to minimise environmental impact.			GRI 301	
32	Dimension - Business Model & Innovation: Supplier Impact Assessment	UBI conducts thorough assessments of its suppliers to ensure they meet sustainability standards.			GRI 414	
34	Dimension - Leadership & Governance: Business Ethics, Integrity, and Transparency's Impact on Stakeholder Trust	UBI upholds high business ethics, integrity, and transparency standards to build stakeholder trust.			GRI 205	

Materiality Analysis FY2024:

No.	Heading	Ubi's Response	Internal Stakeholders	External Stakeholders	GRI Alignment	UNSDG Alignment
35	Dimension - Leadership & Governance: <i>Risk Management and Compliance</i>	UBI has robust risk management and compliance frameworks to ensure regulatory adherence and operational stability.			GRI 205	
37	Dimension - Leadership & Governance: <i>Competitive Behaviour</i>	UBI promotes competitive behaviour within legal and ethical boundaries to foster market growth.			GRI 201	
38	Dimension - Leadership & Governance: <i>Grievance Redressal of Stakeholders</i>	UBI has effective grievance redressal mechanisms to address stakeholder concerns promptly.			GRI 201	
40	Dimension - Economy: <i>Adapting to Global Economic Shifts</i>	UBI adapts to global economic shifts by remaining agile and responsive to market changes.			GRI 201	
41	Dimension - Economy: <i>Role in Economic Stability & Growth</i>	UBI contributes to economic stability and growth through strategic investments and responsible lending practices.			GRI 201	
44	Dimension - Economy: <i>Communities Impact on Bank's Growth</i>	UBI recognises the impact of communities on its growth and engages in community development initiatives.				









Through strategic green finance initiatives like the Union Green Home Loan, UBI is enhancing its competitive edge while supporting environmentally sustainable practices among its clients, contributing significantly to environmental conservation.



Further Reading Guide

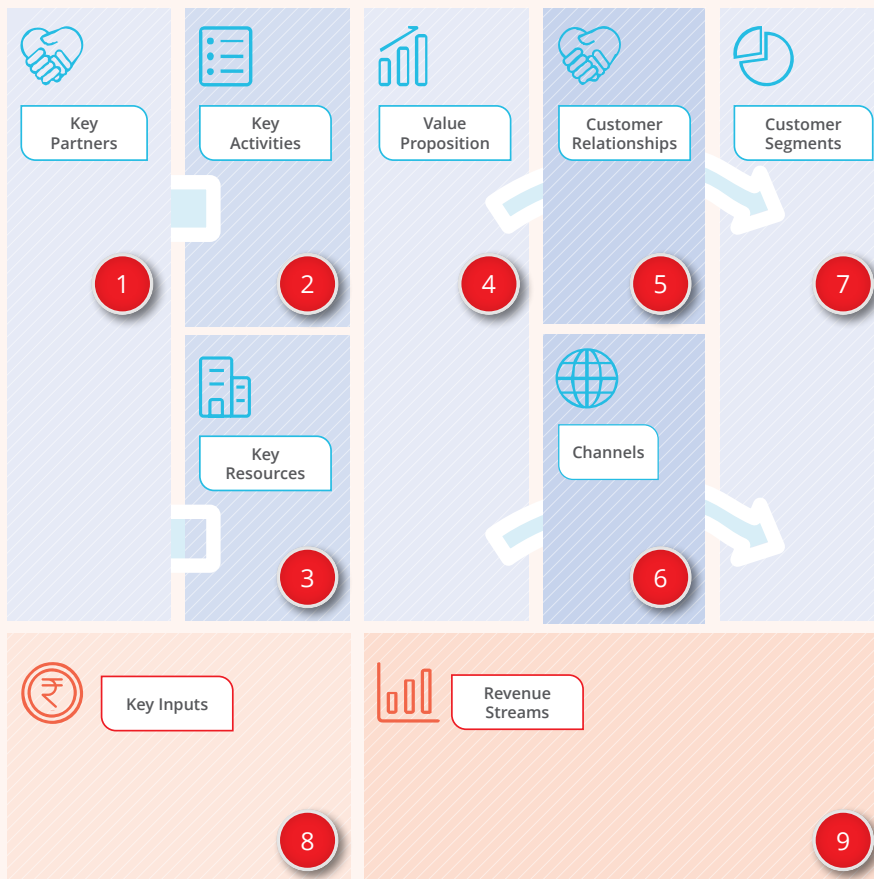
To learn more about Union Bank's response to these material issues, refer to the following chapters associated with each issue dimension.

Dimension	Read More
Dimension - Environment 	Read more about this Dimension in the Natural Capital chapter of this report on Page 126 .
Dimension - Social Capital 	Read more about this Dimension in the Relationship and Social Capital chapter of this report on Page 148 .
Dimension - Human Capital 	Read more about this Dimension in the Human Capital chapter of this report on Page 160 .
Dimension - Business Model & Innovation 	Read more about this Dimension in the "The Strategic Framework: Union Bank's Business Model Canvas" chapter of this report on Page 56 .
Dimension - Leadership & Governance 	Read more about this Dimension in the Corporate Governance Report on Page 248 .
Dimension - Economy 	Read more about this Dimension in the "Strategic Directions: Navigating the Future for Growth and Sustainability" chapter of this report on Page 32 ; and the Management Discussion & Analysis on Page 211 .

The Strategic Framework:

Union Bank's Business Model Canvas

As Union Bank of India, a public sector bank, we elegantly balance our commercial objectives with social and sustainable aspirations. Here is a glimpse into our business model using the standard Business Model Canvas developed by Alexander Osterwalder and Yves Pigneur. As an agile bank, this framework is dynamic and continually adapts to regulatory, economic, and technological changes.







Our business model is built on a foundation of strategic partnerships with the Government of India and other key stakeholders, including banks, financial institutions, fintech companies, and non-banking financial companies (NBFCs). We focus on key activities such as accepting deposits and providing loans across diverse sectors, strongly emphasising green financing, financial inclusion and digital innovation. Our resources include financial assets like deposits and investments, a skilled workforce, and an extensive network of branches and ATMs. Our value proposition lies in our broad physical and digital presence, ensuring accessibility and trust for a wide range of customers. We maintain strong customer relationships through personal assistance and digital platforms, and we serve a variety of customer segments, from retail to corporate clients. We manage our operations efficiently, keeping costs in check while adhering to regulatory requirements and focusing on risk management. Our revenue streams are diversified, encompassing interest income, fees, commissions, and investment returns. This comprehensive approach ensures we meet our strategic priorities of advancing digital excellence and sustainability, ultimately empowering our customers, and contributing to economic growth.



At UBI, we elegantly balance our commercial objectives with social and sustainable aspirations, leveraging strategic partnerships to drive innovation and financial inclusion.

For more on this, read the chapter on Social and Relationship Capital on Page 148

Business Model Canvas Number	Explanation	GRI Alignment	UNSDG Alignment	UBI's Strategic Pillars (see chapter on Strategic Priorities on page 40)
<p>Key Partners</p> <p>1</p>	<p>As a public sector bank, our partnership with the Government of India is fundamental. We also work closely with other banks and financial institutions for interbank transactions and loan syndications. Our collaborations with fintech companies enable us to innovate and enhance our digital services. Additionally, we maintain strategic partnerships with non-banking financial companies (NBFCs) and a network of Business Correspondents to extend credit. Our initiatives include leveraging advanced technologies such as blockchain, AI, and machine learning to optimise processes and improve customer experiences. We have also established significant international operations, including branches in Dubai, Sydney, and London, along with a joint venture in Malaysia, further expanding our global reach and capabilities.</p> <p><i>For more on this, read the chapter on Social and Relationship Capital on Page 148.</i></p>	GRI 203	 	Strengthening Partnerships and Alliances
<p>Key Activities</p> <p>2</p>	<p>We accept deposits from our retail clients, corporate clients, PSU clients, and government bodies. We provide loans to diverse sectors, including retail, agriculture, MSMEs, and large corporates, focusing on financial inclusion, women empowerment, and priority sectors. Digital innovation is central to our operations, offering easy banking access to customers and promoting financial inclusion. Additionally, we cater to high-net-worth clients and retail investors' investment and wealth management needs. During FY2024, we saw significant retail advances, agriculture lending, and MSME support growth, reinforcing our commitment to diverse financial services and inclusive banking practices.</p> <p><i>For more on this, read the chapter on Financial Capital on Page 88.</i></p>	GRI 201, GRI 203		Achieving Operational Excellence
<p>Key Resources</p> <p>3</p>	<p>Our financial resources encompass deposits, investments, and capital reserves. Our skilled workforce is crucial in managing various banking operations and providing excellent customer service. We also rely on our physical resources, including an extensive network of 8,464 branches (58% in rural and semi-urban areas), 8,982 ATMs, and 7 Digital Banking Units (DBUs). Additionally, our brand and reputation as one of India's largest, most trusted public sector banks are invaluable. We leverage advanced technologies, such as AI, machine learning, and a comprehensive IT infrastructure, to enhance our service delivery and operational efficiency.</p> <p><i>For more on this, read the chapter on Manufactured Capital on Page 68.</i></p>	GRI 201		Achieving Operational Excellence

The Strategic Framework:



Our diverse product and service portfolio, combined with a robust physical and digital presence, ensures accessibility and trust for a wide range of customers, promoting financial stability and growth.







For more on this, read the chapter on *Intellectual Capital* on [Page 100](#).

Business Model Canvas Number	Explanation	GRI Alignment	UNSDG Alignment	UBI's Strategic Pillars (see chapter on Strategic Priorities on page 40)
Value Proposition 	<p>We offer accessibility through our broad physical presence and digital platforms. We provide a sense of security and trust by being government-backed and regulated. Our diverse product and service portfolio caters to a wide range of customers. Upholding our social objectives, we prioritise sector lending, financial inclusion initiatives, and sustainability. Our innovative banking solutions, such as specialised savings accounts for women, pensioners, and young professionals, exemplify our commitment to meeting the unique needs of our customers and enhancing financial inclusion.</p> <p><i>For more on this, read the chapter on Intellectual Capital on Page 100.</i></p>	GRI 203, GRI 302, GRI 305, GRI 418		Enhancing Customer-Centric Innovations
Customer Relationships 	<p>We maintain personal assistance through our branch banking. We provide self-service and automated services through our digital platforms and ATMs. Our commitment to community development shines through our social outreach programs, priority sector lending, and CSR activities. We engage with our customers through various channels, including social media, to enhance customer support and gather feedback for continuous improvement.</p> <p><i>For more on this, read the chapter on Social and Relationship Capital on Page 148.</i></p>	GRI 203, GRI 418		Enhancing Customer-Centric Innovations
Channels 	<p>Our branch network is vital for providing face-to-face banking services. We also serve customers via digital platforms, including mobile and online banking, as well as UPI. Our vast ATM network facilitates cash withdrawals, deposits, and other services. Additionally, we operate 7 Digital Banking Units (DBUs) and have implemented advanced digital contact centre capabilities to ensure seamless service delivery across multiple channels.</p> <p><i>For more on this, read the chapter on Manufactured Capital on Page 68.</i></p>	GRI 203		Levelling Up Distribution Channels



For more on this, read the chapter on Financial Capital on Page 88.

Union Bank of India’s commitment to advancing digital excellence and sustainability empowers our customers and contributes to economic growth through innovative banking solutions and inclusive practices.

Business Model Canvas Number	Explanation	GRI Alignment	UNSDG Alignment	UBI's Strategic Pillars (see chapter on Strategic Priorities on page 40)
<p>Customer Segments</p> 	<p>Our clientele spans from retail customers who engage us for savings, current accounts, loans, and more, to corporate clients seeking working capital, term loans, trade finance, and other services. We also manage government funds, tax collection, and disbursement. Furthermore, we extend our services to MSMEs and agricultural customers through lending and other banking facilities, supporting their growth and financial needs.</p> <p><i>For more on this, read the chapter on Social and Relationship Capital on Page 148.</i></p>	GRI 201, GRI 203		Embracing Financial Inclusion
<p>Key Inputs</p> 	<p>Our operational costs comprise employee salaries, branch maintenance, IT infrastructure, and cybersecurity maintenance. We also maintain regulatory costs and comply with banking and financial regulations. Risk costs in the form of provisions for bad loans and write-offs are also part of our expenditure. Continuous investment in technology and training ensures we maintain high service standards and operational efficiency.</p> <p><i>For more on this, read the chapters on Human Capital on Page 160; and on Intellectual Capital on Page 100.</i></p>	GRI 201, GRI 203, GRI 404, GRI 418, GRI 419		Achieving Operational Excellence
<p>Revenue Streams</p> 	<p>We earn interest income from various types of lending. We also generate revenues from fees and commissions obtained from services such as wealth management, card services, remittances, and more. Our investment income arises from treasury operations. New product launches and tailored financial solutions also contribute to diversified revenue streams, enhancing our financial stability and growth.</p> <p><i>For more on this, read the chapter on Financial Capital on Page 88.</i></p>	GRI 201, GRI 203, GRI 302, GRI 305		Flexing Balance Sheets

FY2024: Creating Integrated Value

Input

Financial Capital

Global Business: ₹ 20,56,784 crore
Equity: ₹ 7,234 crore
Operating Profit: ₹ 28,211 crore
Deposits: ₹ 12,21,528 crore (+₹ 1,03,812 crore)
CASA Deposits: ₹ 4,80,000 crore
Advances: ₹ 9,04,884 crore (+₹ 94,979 crore)

Manufactured Capital

Number of Branches: 8,464 (-113)
Number of ATMs: 8,982 (-1,853)
Digital Banking Units (DBUs): 7 (+2)

Intellectual Capital

Internal Training Programs: 1,553 (+92)
Digital Loan Sanctions for MSME:
Mobile Banking: 2,68,39,583 (+ 55,37,573)
Internet Banking: 84,79,859 (+ 7,66,778)

Human Capital

Number of Employees: 75,866
Number of training programs: Increased from 1,582 to 1,829
Total training hours: Increased from 13,66,200 to 18,38,412 hours.
Percentage of female employees: Increased from 28.82% to 29.14%.

Natural Capital

Water Consumption (kilolitres): 215,234 (+10,099)
Energy Consumption (GJ): 923,475 (+30,888)
Waste Generated (tonnes): 11,278

Social Capital

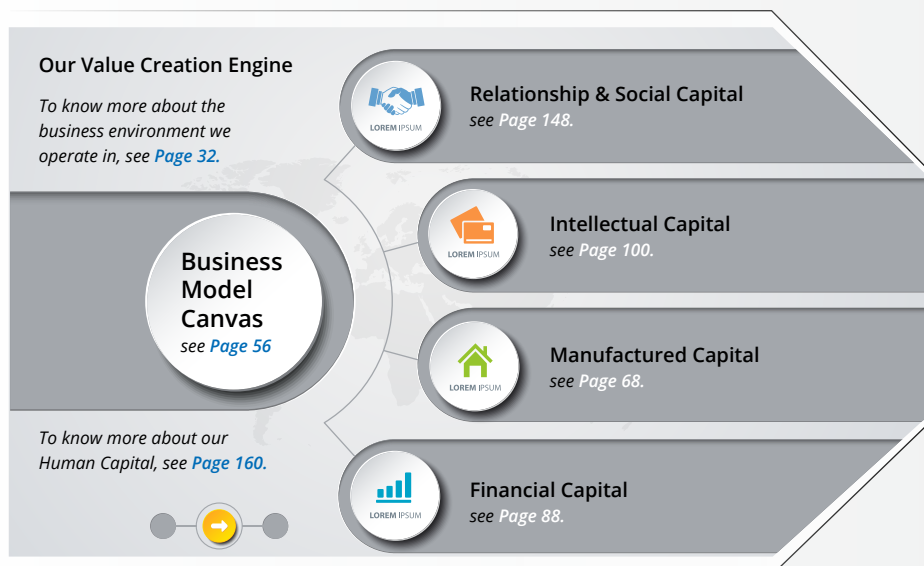
CSR Spend: ₹ 22.87 crore (+₹ 6.45 crore)
Number of Suppliers: 132 (+2)
Number of Clients: 22.34 crore (+0.67 crore)

Empowering Future:

As one of India's leading progressive banks, we place our customers at the heart of our pursuits. We inspire our personnel and unlock their potential, as evidenced by 12,345 employees trained through 1,553 programs in FY2024. All our efforts are channelled towards a shared vision: to empower communities, bolstering their journey towards progress.

Driving Sustainable Growth

Delivering a Return on Average Assets of 1.03% in FY2024, up from 0.69% in FY2023, we demonstrate our commitment to diversified growth and transitioning to a low-carbon economy, supported by ₹ 23,059 crore in renewable energy sector sanctions.



Tailoring Comprehensive Financial Solutions

Organised into four segments, we deliver a broad spectrum of banking products and services, meeting the diverse needs of our customers across savings, loans, insurance, investments, and international banking. Our digital loan sanctions for MSMEs processed 55,365 accounts in FY2024.

Digital and Sustainable Future

Our clients are the nucleus of our operations as we redefine work experiences for our people. We follow a lean capital model, integrating sustainability into our strategy while harnessing the power of digitisation. The Vyom app significantly enhanced customer engagement, with mobile banking transactions growing by 29% YoY and internet banking transactions by 9% YoY in FY2024. Our strategy, all the while harnessing the power of digitisation.

Output (FY2024)

Financial Capital

Net Interest Income (NII): ₹ 36,570 crore (+₹ 3,805 crore)
Net Profit: ₹ 13,648 crore (+₹ 5,215 crore)
Return on Equity (ROE): 15.58% (+232 bps)
Net NPA Ratio: 1.03% (-67 bps)
Provision Coverage Ratio (PCR): 92.69% (+235 bps)
Capital Adequacy Ratio (CRAR): 16.97% (+93 bps)

Manufactured Capital

Renewable Energy Sector Sanctions: ₹ 23,059 crore (+₹12,689 crore)
Investment in Green Miles Scheme: ₹ 462 crore
Total Retail Loans: ₹ 177,488 crore
Total MSME Advances: ₹ 135,761 crore

Intellectual Capital

Internal Training Programs: 1,553 programs, 12,345 employees trained.
Digital Loan Sanctions for MSME: 55,365 accounts processed.
Mobile Banking Usage: 29% YoY growth in transactions.
Internet Banking Usage: 9% YoY growth in transactions.

Human Capital

Business per employee: increased from ₹ 20.48 crore to ₹ 23.14 crore.
480 executives participated in leadership development programs.
Annual health check-ups and antenatal check-up schemes were provided to employees.

Natural Capital

GHG Emissions (Scope 1): 274,042 metric tonnes
GHG Emissions (Scope 2): 241,884 metric tonnes
Non-conventional Renewable Energy Produced: 12,339 GJ

Social Capital

UPI: 2.20 crore (+0.09 crore)
Net Banking: 82 lakh (+2 lakh)
Mobile Banking: 2.45 crore (+0.15 crore)

Outcome (FY2024)

Financial Capital

Union Bank of India (UBI) strengthened its market position with advances growing by 11.73% to ₹ 9,04,884 crore and deposits increasing by 9.29% to ₹ 12,21,528 crore. Improved CRAR (16.97%) and CET1 ratio (13.65%) indicate enhanced financial stability. Profitability soared with a 61.84% increase in net Profit. ROA improved to 1.03% and ROE to 15.58%, reflecting efficient asset and equity utilisation. The proposed ₹ 3.60 per share dividend highlights the bank's commitment to shareholders. UBI achieved a Credit-to-Deposit Ratio of 75.65%, maintaining an efficient ROA of 1.03%. The overall Credit to Deposit Ratio is 78.0%, showcasing strong financial discipline and stability.

Manufactured Capital

The strategic reduction in branches and ATMs, establishing Digital Banking Units (DBUs), and significant investments in green projects highlight UBI's commitment to sustainable development, cost efficiency, and digital banking, enhancing customer convenience and aligning with modern banking trends. UBI's substantial investments in renewable energy, green initiatives, retail loans, and MSME advances have strengthened its commitment to sustainability, enhanced support for small and medium enterprises, and significant growth in the retail banking sector.

Intellectual Capital

The Vyom app significantly enhanced customer engagement, with mobile banking transactions growing by 29% YoY and internet banking transactions by 9% YoY. Digital lending solutions processed 55,365 MSME accounts, mobilising over ₹ 8,300 crore in digital Business. Increased investments in employee training, with 1,553 programs and 12,345 employees trained, emphasise UBI's commitment to intellectual capital development.

Human Capital

Increased employee count, a higher percentage of women employees, and substantial investment in training hours reflect UBI's commitment to workforce development and engagement. 100% participation in comprehensive wellness programs demonstrates employee engagement and satisfaction. Additionally, UBI's innovation and contributions are highlighted by receiving 20+ awards for innovative HR practices and leadership in technology.

Natural Capital

Monitoring and managing GHG emissions, substantial use of non-conventional renewable energy, and efficient resource consumption highlight UBI's proactive approach to sustainability and environmental stewardship.

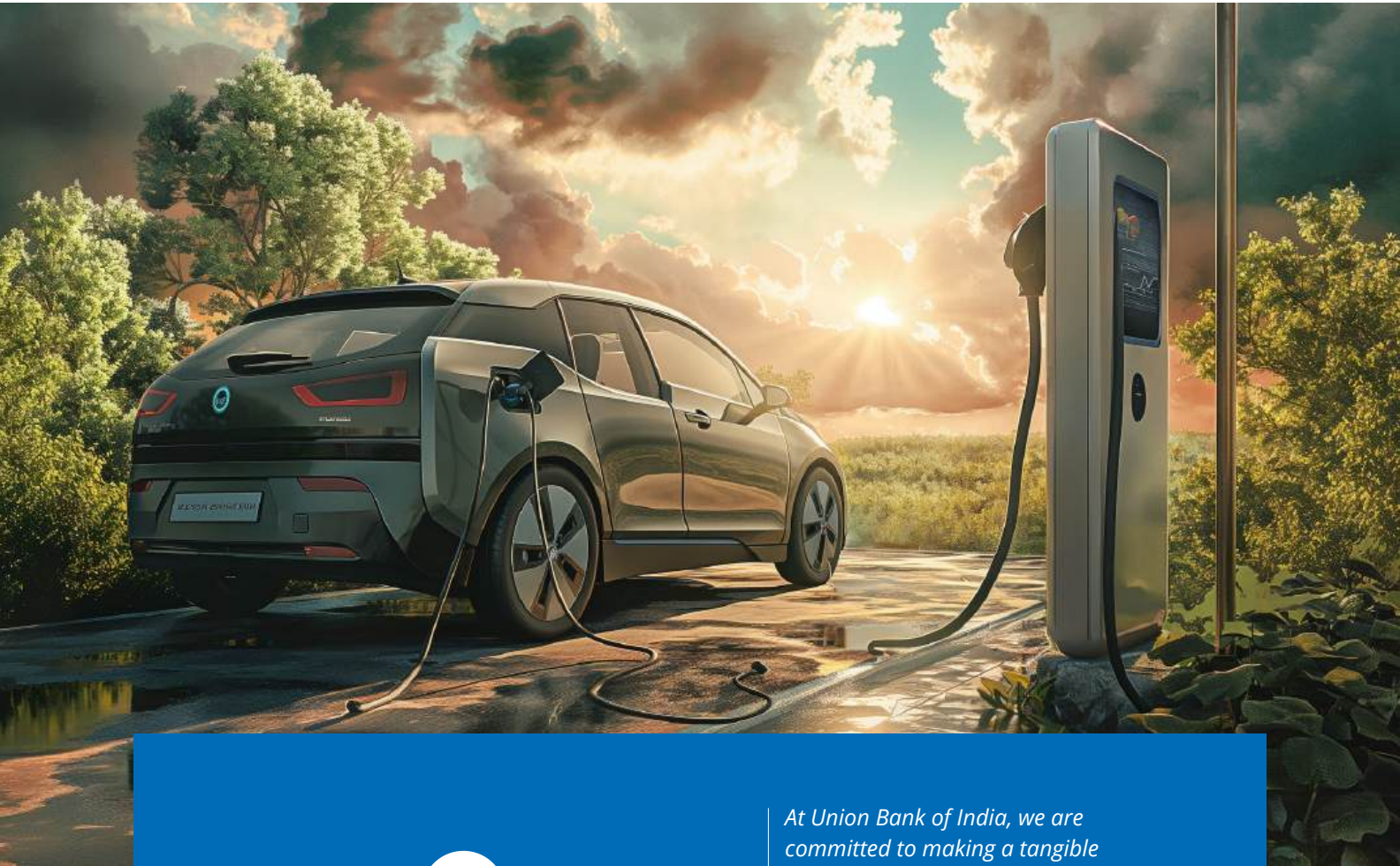
Social Capital

Increased CSR spending and customer base growth demonstrate UBI's dedication to community development and financial inclusion. Significant growth in digital clients highlights UBI's focus on enhancing financial inclusion and customer relationships.



Transforming Together:

Our Approach to Sustainability



Our dedication to sustainability is integral to our mission, transforming lives and uplifting communities through responsible finance and innovation.

At Union Bank of India, we are committed to making a tangible difference in people's lives and uplifting the communities we serve. Our dedication to sustainability is integral to our mission, and we are proud of the transformative impact we are achieving together with our stakeholders. Our focus is on generating long-term sustainable value for shareholders, customers, employees, communities, and regulators, aligning with our Vision and guided by our Core Values and Strategic Actions.



Union Bank of India's Stakeholders Relationship Committee ensures robust ESG oversight, driving ethical governance and long-term sustainable value for all.

Our Value Proposition

To support India's growth into a strong economy, it needs robust banking institutions. Union Bank of India is committed to being at the forefront of this transformation, leveraging our strength to do strategic good. Our corporate sustainability and ESG approach is centred on doing well by doing good, recognizing that responsible financing can have a positive societal impact. Together, we aim to deliver value to all our stakeholders.

We responsibly deploy finance to support individuals and businesses, acting with empathy and integrity and championing innovation and sustainability for the common good and long-term benefits.

- ❖ **Together for Our Customers and Clients:** We help our customers achieve their aspirations through our products, services, and expertise.
- ❖ **Together for Our Employees:** We support our employees' health and well-being, enable career growth, and empower them to provide excellent service.
- ❖ **Together for Society and the Environment:** Our long-term success is tied to the progress of our communities and the preservation of our environment.
- ❖ **Together for Our Investors:** We are building a robust and diversified business that delivers sustainable returns.

Oversight

ESG Oversight and Governance

Union Bank of India's commitment to sustainability and responsible governance is overseen by the Stakeholders Relationship Committee (SRC). This committee is crucial in ensuring that our environmental, social, and governance (ESG) objectives are met and aligned with our overall strategic goals. Read our chapter on Strategic Framework on page 32 and Pillars on page 40 for more information.

The SRC comprises both Executive and Non-Executive Directors, providing a balanced perspective and robust oversight. In FY2024, the committee was chaired by Ms. Priti Jay Rao, a Shareholder Director known for her dedication to corporate social responsibility and governance excellence. The SRC convened four times during the fiscal year, reflecting our commitment to regular and thorough oversight of our sustainability initiatives.

GRI

102-2

GRI

102-18

GRI

102-19

Transforming Together:**GRI**

102-20



With initiatives like the Union Roof Top Solar Scheme and Green Miles Scheme, we are committed to reducing our environmental footprint and fostering sustainable communities.

GRI

102-10

Expanded Scope of the SRC

Recognizing the evolving landscape of corporate responsibility and the increasing importance of comprehensive ESG practices, the SRC's mandate was significantly broadened in FY2024. Originally focused on stakeholder relationships, the committee's responsibilities now encompass various functions critical to the Bank's sustainable growth and ethical operations.

Key Responsibilities and Initiatives:

Customer Service Enhancement: The SRC has introduced several initiatives to enhance customer service, including implementing advanced customer feedback systems and training programs for customer service representatives. These initiatives aim to ensure that every interaction with Union Bank of India is positive and exceeds customer expectations.

CSR Projects: The committee oversees numerous CSR projects aimed at community upliftment, including education programs, healthcare initiatives, and rural development projects. By ensuring these projects are well-managed and impactful, the SRC helps the Union Bank of India contribute meaningfully to societal progress.

Environmental Stewardship: The SRC is responsible for the Bank's environmental initiatives, such as reducing carbon emissions, enhancing energy efficiency, and promoting renewable energy. The committee ensures these initiatives are both environmentally beneficial and economically viable, supporting the Bank's long-term sustainability goals.

Social Responsibility: Beyond traditional CSR, the SRC monitors the Bank's broader social impact, including its efforts to promote financial inclusion, support minority communities, and empower women entrepreneurs. These efforts are crucial to building a more inclusive and equitable society.

Governance Practices: The SRC ensures that the Bank's governance practices are robust, transparent, and aligned with global standards. This includes overseeing ethical business practices, ensuring compliance with legal and regulatory requirements, and promoting a culture of integrity and accountability.

Achievements in FY2024

During FY2024, the SRC has made significant strides in enhancing the Bank's sustainability and governance frameworks. Key achievements include:

- ⌘ **Implementation of Green Finance Initiatives:** Successfully rolled out several green finance products, supporting renewable energy projects and promoting sustainable business practices. Read our chapter on Natural Capital on [page 126](#) for more information.
- ⌘ **Enhanced CSR Engagement:** Increased the reach and impact of CSR programs, benefiting thousands of individuals and communities across India. Read our Relationship and Social Capital chapter on [page 148](#) for more information.

- ⌘ **Customer Service Improvements:** Launched new customer service initiatives that resulted in higher customer satisfaction scores and reduced response times. Read our Relationship and Social Capital chapter on [page 148](#) for more information.
- ⌘ **Governance Enhancements:** Strengthened governance practices by adopting new policies and procedures that ensure greater transparency and accountability. Read our Corporate Governance Report on [page 248](#) for more information.

Through the diligent work of the Stakeholders Relationship Committee, Union Bank of India continues to uphold its commitment to sustainability, ethical governance, and social responsibility, driving positive change for all our stakeholders.

A quick view of our Sustainability Initiatives

Union Bank of India's green finance initiatives are pivotal in supporting natural capital conservation and restoration. We aim to reduce our environmental footprint and foster resilient, sustainable communities by financing renewable energy projects and sustainable practices. Key initiatives include the Union Roof Top Solar Scheme, which finances rooftop solar installations for households, and the Union Green Miles Scheme, which finances electric vehicles, with ₹ 462 crore sanctioned till FY2024. The Union Solar Scheme also supports MSMEs and businesses in installing rooftop and ground-mounted solar units. We also participate in the PM KUSUM Scheme, financing renewable energy equipment, and the Union CBG Scheme, which funds facilities for compressed biogas. These efforts highlight our commitment to green financing and sustainable development.

Our dedication to environmental stewardship is reflected in our critical sustainability goals for FY2024, which focus on reducing energy use and greenhouse gas emissions, minimizing water consumption, decreasing waste sent to landfills, and increasing renewable power usage. Our initiatives include installing rooftop solar panels, upgrading to LED lighting and high-efficiency HVAC systems, and implementing rainwater harvesting systems and water-efficient fixtures. We are also working to eliminate single-use plastics and enhance our digital network for operational efficiencies. We aim to divert all waste from landfills and incineration across our branches, achieving a 100% rate of reusing, repurposing, or recycling waste. Encouraging the adoption of non-polluting vehicles among our employees, we offer robust reimbursement programs to offset costs, aligning with our broader environmental objectives. Through these comprehensive efforts, Union Bank of India is committed to long-term sustainability and creating lasting value for all stakeholders.

For more information and details, read the chapter on Natural Capital on [page 135](#).

GRI

203-1



Union Bank of India's green finance efforts, including ₹ 462 crore sanctioned for EV projects till FY2024 and aims for 100% waste diversion highlighting our dedication to sustainability and stakeholder value.

Promoting Ethical Excellence:

Committed to Fair Practices and Customer-Centric Growth



Our commitment to acting in the best interest of our customers is the cornerstone of our responsible banking approach, ensuring fairness, transparency, and ethical service across all markets.

At Union Bank of India, our mission is to deliver best-in-class financial products and services while ensuring accessibility for all consumers across diverse markets. We prioritise fairness, transparency, and consistency in our offerings, striving to build lasting customer relationships through responsibly priced products, clear terms, and ethical service. Our commitment to acting in the best interest of our customers is the cornerstone of our approach to responsible banking, ensuring that we help them prosper and meet their financial goals.



Honest Business Practices

GRI 102-16

We are committed to fair and honest business practices, keeping our customers at the heart of everything we do. Unethical practices are strictly prohibited, aligning with our core values and ethical standards. Our credit decisions are made impartially, without regard to caste, ethnicity, colour, religion, sex, age, marital status, sexual orientation, gender identification, military status, disability, public assistance status, familial status, or a consumer's exercise of credit protection rights.

Board Oversight and Ethical Governance

GRI 102-18

Our Board and its committees guide our enterprise-wide strategies and policies, promoting a corporate culture that upholds laws and regulations against unethical, discriminatory, or predatory practices. This oversight ensures that our business operations align with our ethical standards, fostering trust and integrity within the organisation.

Comprehensive Training and Development

GRI 404-1

To reinforce our commitment to ethical excellence, we mandate annual compliance training for all employees and contractors. This training covers complaint management, compliance with financial crimes, financial abuse prevention, fraud prevention, and ethical conduct. In FY2024, we conducted extensive training programs covering over 70,000 employees, ensuring they have the knowledge and skills to uphold our ethical standards.

Recognitions and Awards

GRI 102-12

Union Bank of India has been recognised for its innovative HR practices, technology leadership, and commitment to inclusivity. These accolades underscore our dedication to fostering an inclusive, dynamic, and forward-thinking workplace. Notable awards include Best ATM and Self-Service Innovation, Leading Technology Bank, and Excellence in Banking Innovation Using Emerging Tech, among others.

How Our Financing Supports the Sustainable Development Goals

GRI 203-2

Union Bank of India is committed to recognising and integrating the Sustainable Development Goals (SDGs) as pivotal global priorities to foster positive human, societal, and environmental impacts. These goals are achievable through dedicated engagement and collaborative efforts with businesses, governments, societies, and various stakeholders. Our bank is determined to contribute by partnering with our stakeholders to drive the delivery of these essential goals.

Our approach to social and environmental financing spans diverse sectors, making significant positive contributions through funding healthcare systems, educational institutions, affordable housing projects, and green infrastructure initiatives. These financing activities support individual SDGs and promote broad progress toward sustainable development.

As part of our ongoing efforts, we are enhancing our Sustainable Finance Framework to capture better and analyse data related to the SDG targets we support. This comprehensive update aims to provide more accurate and granular insights into our impact. By refining our methodologies and processes, we strive to strengthen our contribution to the global sustainable development agenda and ensure our financing activities align effectively with the SDGs.



Unethical practices are strictly prohibited at Union Bank of India, as we prioritise integrity and trust, aligning all our operations with core values and ethical standards.

> ₹8,300 Crore

Mobilised over ₹ 8,300 crores in digital business through enhanced digital lending solutions, ensuring fairness and transparency

~16,000

Successful integration of Google Business Messages with ~16,000 users for customer engagement and transparency.



Manufactured Capital:

Our Commitment to Green Financing and Inclusivity

UNSDG:



Strategic Pillars:



Business Model Canvas:



Material Issues

1, 5, 6, 7, 8, 9, 14, 18, 20, 23, 25, 26, 30, 33, 36, 39, 42, 43

GRI Alignment

201, 203, 205, 302, 303, 305, 306, 401, 403, 404, 406, 413












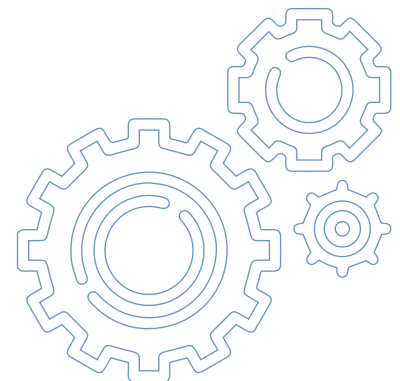
Union Bank of India (UBI) provides an extensive portfolio of banking products and services to fulfil its customers' varied financial needs. These offerings include personal loans, home loans, vehicle loans, educational loans, and business loans. UBI remains steadfast in its mission to ensure financial services are both accessible and inclusive, thereby playing a vital role in India's economic development. The Bank's commitment to sustainable financial solutions is evident in its promotion of products and services that adhere to Environmental, Social, and Governance (ESG) criteria.

Manufactured capital encompasses the physical infrastructure, technology, and equipment UBI uses to deliver its services. The integration of ESG considerations into the Bank's operations aims to create long-term value for stakeholders. UBI's investments in green technologies, digital banking platforms, and sustainable infrastructure are pivotal in supporting the transition to a low-carbon economy and fostering sustainable development.



Union Bank of India sanctioned ₹ 23,059 crores for the renewable energy sector as on March, 2024, showcasing its commitment to sustainable development. Discover how Union Bank is leading the way in green financing and renewable energy investments.

	₹ 23,059 crore	Sanctioned for the renewable energy sector till FY 2023-24, showcasing Union Bank's commitment to sustainable development.
	₹ 462 crore	Sanctioned under the Union Green Miles scheme for electric vehicles, promoting sustainable mobility.
	₹ 177,488 crore	Total retail loans in FY 2024, marking an 11.14% year-over-year growth.
	2.98 lakh	Street vendors financed through the PMSVANidhi scheme, reflecting the Bank's commitment to financial inclusion.
	₹ 87,179 crore	Home loans provided in FY 2024, demonstrating significant support for housing needs.
	51.37%	Year-over-year growth in education loans, supporting educational advancement.
	₹ 139,658 crore	Farm credit provided in FY 2024, indicating strong support for the agricultural sector.
	4.11 lakh	New Kisan Credit Cards (KCC) were issued to aid farmers with short-term credit needs.
	105	Union MSME First Branches established to support micro, small, and medium enterprises (MSMEs).



Manufactured Capital:

Union Bank's Sustainable Financing Framework is validated by CRISIL, ensuring robust and credible green financing solutions. Learn more about our sustainable financing initiatives and their environmental impact

GRI

203-1, 203-2

GRI

203-1, 203-2

	₹ 1,35,761 crore	Total MSME advances in FY 2024, reflecting an 8.58% year-over-year growth.
	8,466	Total number of branches, ensuring financial services are accessible nationwide.
	35.3 million	Registered users on VYOM and internet banking platforms, indicating extensive digital reach and customer engagement.
	₹ 10,918 crore	Total balance in PMJDY accounts as of March 31, 2024, promoting financial inclusion.
	₹ 30,656 crore	Revenue from treasury operations in FY 2024, highlighting financial stability and optimal returns.
	18.46%	Year-over-year growth in treasury revenue, showcasing effective liquidity and investment management.

Sustainability Initiatives**ESG Cell**

UBI has established an Independent ESG Cell responsible for steering the Bank's ESG journey and ensuring the effective implementation of related initiatives. This cell collaborates with various departments to embed ESG considerations into their operations and decision-making processes.

Sustainable Financing Framework

The Bank has developed a Board-approved Sustainable Financing Framework, validated by CRISIL through a Second Party Opinion (SPO). This framework addresses resource mobilisation, financing strategies, and assurance aspects, encompassing products like Green Deposits, Green Bonds, Social Bonds, Sustainability-linked loans, and Green Mortgages. UBI is committed to aiding its customers in their ESG transitions.

Product Innovations

UBI is working on several sustainability-focused products such as the Union Green Home Loan, Union Green Corporate Deposit, Union "E-Bus" Loan, and Sustainability Linked Loans. Additionally, the Bank has introduced the Union Rupee Green Term Deposit and schemes like the Union Roof Top Solar Scheme, Union Green Miles Scheme, and the PM KUSUM Scheme for renewable energy equipment.

ESG Integration and Risk Management

UBI's efforts in ESG integration include assessing physical and transition risks in credit underwriting, incorporating ESG & Climate Risk in the Internal Capital Adequacy Assessment Process (ICAAP), and computing financed emissions at the

portfolio level. These measures help the Bank understand its sectoral emissions and formulate strategies to reduce them. UBI is also exploring climate risk management solutions to assess ESG scores, financed emissions, and develop decarbonisation pathways.

Investments in Green Technologies

UBI has sanctioned significant credit facilities towards the renewable energy sector, amounting to ₹ 23,059 crores as on March 31 2024, and ₹ 462 crores under the Union Green Miles scheme for electric vehicles. These investments underscore the Bank's commitment to promoting renewable energy and reducing carbon footprints.

Digital Transformation and Inclusion

The Bank has made notable advancements in digital banking, enabling MSME customers to apply for loans digitally and sanctioning loans up to ₹ 25 lakhs through digital journeys. These initiatives not only streamline processes but also enhance financial inclusion and customer satisfaction.

Social Impact Initiatives

UBI's social initiatives include financing over 2.98 lakh street vendors through the PMSVANidhi scheme, training 3.48 lakh people via 30 RSETI centres, and sanctioning over 22,600 applications under the Union Nari Shakti scheme for women entrepreneurs. These efforts reflect the Bank's dedication to social empowerment and community development.

Union Bank of India's commitment to integrating sustainable financial solutions with manufactured capital exemplifies its role in driving economic growth and sustainability. Through strategic initiatives and a robust ESG framework, UBI continues to foster an inclusive, green, and resilient financial ecosystem.

Retail Banking



Union Bank has sanctioned ₹ 462 crores under the Union Green Miles scheme for electric vehicles, promoting sustainable mobility. Delve into our efforts to support eco-friendly transportation and reduce carbon emissions.

GRI

203-1, 203-2

Retail Loans Growth

Union Bank of India has demonstrated substantial growth in its retail loans segment, focusing on expanding access to financial services. The Bank provides a variety of retail loans, including home loans, vehicle loans, and personal loans, to meet the diverse needs of its customers. In FY2024, the total retail advances (excluding PWO) reached ₹ 177,488 crores, marking an 11.14% year-over-year (YoY) growth.

Manufactured Capital:



Union Bank of India's retail loans segment grew by 11.14% YoY, reaching ₹ 177,488 crores in FY 2024. Find out how our diverse loan offerings are driving growth and financial accessibility.

Retail Loans Growth (₹ in Crores)	FY2023	FY2024	Growth	% Growth
Home Loans	79,726	87,179	7,452	9.35
Vehicle Loans	16,597	20,457	3,860	23.26
Education Loans	9,419	14,258	4,839	51.37
Mortgage Loans	14,308	15,256	948	6.63
Personal Loans	11,734	11,534	-200	-1.70
Others	28,812	30,585	1,773	6.16
Total Retail Advances (incl. PWO)	160,595	179,268	18,673	11.63

Personal and Mortgage Loans

Union Bank offers personal loans and mortgage loans with competitive interest rates and flexible repayment options. Personal loans cater to various financial needs such as medical emergencies, education, and travel. Mortgage loans help customers purchase homes or refinance existing mortgages. The growth in these segments underscores the Bank's commitment to supporting its customers' diverse financial requirements.

Special Initiatives and Schemes

Education Loans

The Bank has introduced specialised schemes like education loans, which provide financial assistance to students for pursuing higher education. This initiative has seen significant uptake, reflecting the Bank's role in supporting educational advancement.

Union Suraksha Personal Loan

The Union Suraksha Personal Loan offers insurance coverage along with the loan, ensuring financial security for borrowers. This product innovation aims to provide comprehensive financial solutions to customers, enhancing their financial resilience.

Digitalisation of Retail Services

Union Bank of India's comprehensive approach to retail banking, with a strong emphasis on digitalisation and customer-centric product innovations, highlights its commitment to expanding financial access and enhancing service quality. The Bank's robust growth in retail loans and strategic initiatives underpin its role in driving economic development and supporting its customers' diverse financial needs. The Bank has invested significantly in digitising its retail services to enhance customer experience and operational efficiency. Digital loan application platforms allow customers to apply for loans online, reducing the need for paper-based processes and expediting approvals. The Bank's digital initiatives include online account management, mobile banking, and internet banking, significantly improving service delivery and customer satisfaction.

2,50,433

Over 2,50,433 Digital Gold Loan applications mobilized and sanctioned amounting to ₹ 5,007 crores in FY2024.

7

Operationalised 7 Digital Banking Units (DBUs) across various states to increase digital penetration, providing cost-effective, convenient access to financial services.

Corporate and Enterprise Banking



Union Bank of India's comprehensive approach to corporate and enterprise banking, with a strong emphasis on digitalisation, green financing, and cybersecurity, underscores its commitment to supporting business growth and sustainability. The Bank's strategic initiatives and robust financial solutions play a pivotal role in fostering economic development and enhancing the resilience of its corporate clients.

The Bank provides robust financial support to corporate clients, businesses, and large enterprises through its enterprise lending programs. The Bank offers a variety of products, including working capital loans, term loans, and project financing, which are essential for business growth and expansion. In FY2024, the Bank's corporate advances grew to ₹ 407,815 crores from ₹ 3, 73,188 crores in FY2023, marking a YoY growth of 9.28%.

Corporate Advances Growth (₹ in Crores)	FY2023	FY2024	Growth	% Growth
Corporate Advances	3,73,188	4,07,815	34,627	9.28

Digital Loan Application Platforms

Union Bank has launched digital platforms for loan applications, enabling businesses to apply for loans online. These platforms streamline the application process, reduce paperwork, and expedite loan approvals, making it easier for enterprises to access financing. In FY2024, the Bank mobilised and sanctioned ₹ 5,007 crores through digital gold loan applications.

Digital Loan Applications	FY2023	FY2024
Amount Sanctioned (₹ in Crores)	4,200	5,007
Number of Applications	220,000	250,433

GRI

203-1, 203-2

Green Financing Initiatives

Union Bank promotes green financing by offering favourable terms to enterprises investing in eco-friendly projects or adopting green technologies. The Bank provides loans for renewable energy projects, energy efficiency improvements, and sustainable infrastructure development. As on March 2024, the Bank sanctioned ₹ 23,059 crores for the renewable energy sector and ₹ 462 crores under the Union Green Miles scheme for electric vehicles.

Fintech Partnerships and Digital Solutions

Collaborations with fintech companies have enhanced the Bank's digital solutions for enterprise customers. These partnerships have enabled the development of innovative financial products, such as instant loan approvals and digital payment solutions, improving the overall customer experience. Union Bank has empanelled 84 fintechs, with 18 onboarded to implement various digital solutions.

Manufactured Capital:



Union Bank has demonstrated remarkable growth in agricultural lending, achieving a YoY increase of 20.95% in FY 2023-24, with total outstanding agricultural advances reaching ₹ 183,833 crores.

GRI

203-1, 203-2

Fintech Collaborations	FY2023	FY2024
Number of Empanelled Fintechs	70	84
Active Fintech Partnerships	15	18

Cybersecurity Measures

Union Bank has implemented robust cybersecurity measures to protect its enterprise customers. These include a defence-in-depth architecture with layered security mechanisms, a 24x7 Cyber Security Operation Centre (C-SOC), and compliance with international security standards like ISO 27001 and PCI-DSS. The Bank also conducts regular vulnerability assessments and penetration testing to identify and mitigate potential threats.

Cybersecurity metrics	FY2023	FY2024
Cybersecurity incidents responded	10,917	8,630
Compliance certifications	ISO 27001, PCI-DSS	ISO 27001, PCI-DSS

Agricultural Advances



Union Bank of India's strong emphasis on agricultural advances underscores its commitment to fostering rural development and economic growth. The Bank's consistent performance in exceeding statutory targets and its wide array of financial products tailored for the agricultural sector highlight its pivotal role in supporting India's agrarian economy and enhancing farmers' livelihoods.

The Bank prioritises agricultural lending to support the economic development of rural areas and reduce poverty. The Bank offers a variety of financial products tailored to the needs of farmers, including crop loans, farm equipment loans, and loans for agricultural infrastructure. Agricultural advances constituted 20.95% of the Bank's gross advances as of March 31, 2024, reflecting a significant focus on the agricultural sector.

Performance and Growth Statistics

Union Bank has consistently exceeded statutory agriculture priority targets. In FY 2023-24, the Bank achieved a YoY growth of 20.95% in its agricultural lending portfolio, with outstanding agricultural advances reaching ₹ 183,833 crores.

Agricultural Advances (₹ in Crores)	March 2023	March 2024	Growth	% Growth
Farm Credit (Crop, Investment & Allied)	117,085	139,658	22,573	19.28
Agri Ancillary Activities	31,105	40,278	9,173	29.50
Agri Infrastructure	3,803	3,897	94	2.47
Total Agricultural Advances	151,993	183,833	31,840	20.95

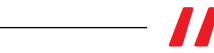
Kisan Credit Cards and Other Agricultural Schemes

The Kisan Credit Card (KCC) scheme provides short-term credit to farmers for crop cultivation and other agricultural needs. During FY 2023-24, Union Bank issued 4.11 lakh fresh KCCs, amounting to ₹ 6,896.45 crores. Additionally, the Bank offers specialised schemes like the Pradhan Mantri Fasal Bima Yojana (PMFBY) to provide farmers with financial support and risk mitigation.

Support for Small and Marginal Farmers

Union Bank is dedicated to supporting small and marginal farmers through targeted financial products and services. Outstanding credit to small and marginal farmers as of March 31, 2024, stood at ₹ 95,171 crores, constituting 13.33% of Adjusted Net Bank Credit (ANBC) against the benchmark of 9.50%. The Bank offers concessional loans and subsidies to help these farmers improve their productivity and income.

MSME Advancements



Our digital banking platforms now support up to ₹ 25 lakhs of MSME loans, enhancing financial inclusion and customer satisfaction. Learn more about our digital transformation and its impact on MSMEs

GRI

203-1, 203-2

Union Bank of India's strategic initiatives in MSME advancements highlight its commitment to fostering economic development and supporting the growth of micro, small, and medium enterprises. The Bank ensures that MSMEs have the resources and support they need to succeed through dedicated branches, specialised schemes, and digital solutions.

The Bank focuses on supporting micro, small, and medium enterprises (MSMEs) through a range of financial products and services. The Bank

Manufactured Capital:



Through the Union Nari Shakti scheme, over 22,600 applications were sanctioned, empowering women entrepreneurs across India. Explore our initiatives that support women entrepreneurs and foster gender equality..

provides working capital loans, term loans, and other credit facilities to help MSMEs grow and thrive. In FY2024, Union Bank's total MSME advances reached ₹ 135,748 crores, reflecting a YoY growth of 8.58%.

MSME Advances (₹ in Crores)	March 2023	March 2024	Growth	% Growth
Micro	63,899	72,134	8,235	12.89
Small	38,527	39,756	1,229	3.19
Medium	22,596	23,871	1,275	5.64
Total MSME	125,022	135,748	10,739	8.58

Union MSME First Branches

To cater specifically to the needs of MSMEs, Union Bank has established specialised branches known as Union MSME First Branches. These branches offer dedicated support and services to MSME clients, ensuring timely and efficient access to credit. In FY2024, there were 105 Union MSME First Branches with a total MSME portfolio of ₹ 10,189 crores. These branches sanctioned 3,578 loans amounting to ₹ 3,959 crores.

Specialised Schemes and Cluster Growth Strategies

Union Bank implements specialised schemes and growth strategies to support MSME clusters. These include sector-specific loan products, interest rate concessions, and subsidies to promote regional economic development. The Bank has 27 approved cluster-specific schemes across India, with total sanctions under these schemes amounting to ₹ 3,607 crores in FY2024.

Performance under Identified MSME Schemes	Sanctioned A/c (Number)	Sanctioned Amount (₹ in Crores)
Union MSME Suvidha	5,607	4,930
Union Nari Shakti	22,676	2,555
Union Equipment Finance	922	580
Union Ayushman Plus	582	387
Union Solar	186	156
Union Contractor	541	736
Union Textile	265	185

Digital Solutions for MSMEs

The Bank offers digital solutions tailored for MSMEs, such as online loan applications, digital payment solutions, and e-commerce platforms. These solutions enhance the accessibility and efficiency of banking services for MSME clients. During FY2024, the Bank's digital journey for MSME loans included the following achievements:

- ❖ **Digital Journey Accounts:** Sanctioned 62,762 accounts amounting to ₹ 698 crores.
- ❖ **Digi Renewal of MSME Accounts:** 5.98 lakh MSME accounts were digitally reviewed, representing 98% of total accounts under the slab.

- ❖ **Sanctions under PMSVANidhi Scheme:** Enabled faster disposal of applications and improved turnaround time (TAT).

Digital Journey Accounts Sanctioned	Number of Accounts	Amount (₹ in Crores)
STP Shishu Mudra	55,365	267
STP Kishore Mudra	4,365	117
STP Tarun Mudra	1,991	173
Nari Shakti STP	519	30
GST Gain	522	110
Total	62,762	698

Priority Sector Advances



Union Bank of India's financial inclusion initiatives highlight its commitment to extending banking services to the unbanked and underserved populations. Through strategic use of digital technology and robust correspondent infrastructure, the Bank ensures that essential financial services are accessible to all, thereby fostering inclusive economic growth and development.

The Bank is committed to exceeding the statutory target for priority sector lending, which includes agriculture, MSMEs, education, housing, and social infrastructure. These efforts contribute significantly to economic development and financial inclusion. As of March 31, 2024, Union Bank achieved 41.32% of Adjusted Net Bank Credit (ANBC) for priority sector advances against the statutory target of 40%. The Bank supports various sectors and communities by exceeding statutory targets and providing tailored financial products, contributing significantly to the country's socio-economic progress.

GRI

203-1, 203-2



Loans to women beneficiaries increased by 18.90%, reaching ₹ 105,954 crores in March 2024, reflecting Union Bank's dedication to empowering women and promoting gender equality.

**Manufactured Capital:**

Priority Sector Lending (₹ in Crores)	FY2023	FY2024	Growth	% to ANBC
Total Priority Sector Advances	302,006	334,098	32,092	41.32%
Agriculture	135,430	159,745	24,315	19.83%
Small and Marginal Farmers	95,171	109,540	14,369	13.24%
Micro Enterprises	62,500	73,223	10,723	9.10%
Weaker Section	104,698	118,631	13,933	14.25%
Women Beneficiaries	89,110	105,954	16,844	16.30%

Credit to Women, Minority Communities, and Weaker Sections

Union Bank provides significant credit facilities to women, minority communities, and weaker sections of society. These initiatives aim to promote financial inclusion, empower marginalised groups, and support social upliftment.

- ❖ **Women Beneficiaries:** Loans to women beneficiaries increased from ₹ 89,110 crores in March 2023 to ₹ 105,954 crores in March 2024, showing a growth of 18.90%.
- ❖ **Minority Communities:** Outstanding credit to minorities stood at ₹ 28,314 crores, constituting 9.38% of priority sector advances as of March 31, 2023.
- ❖ **Weaker Sections:** Credit to weaker sections reached ₹ 118,631 crores, making up 14.25% of ANBC, against a benchmark of 11.50%.

Achievements and Performance Metrics

Union Bank has consistently achieved high-performance metrics in priority sector lending. In FY 2023-24, the Bank exceeded its targets for priority sector advances, demonstrating its dedication to supporting diverse societal needs.

Specific Lending Initiatives	Number of Accounts	Amount Sanctioned (₹ in Crores)
PMSVANidhi Scheme	8,87,399	1,242
Union Guaranteed Emergency Credit Line	3,92,281	16,810
Union Personal Loan for COVID Treatment (UPLCT)	1,193	48
Pradhan Mantri Mudra Yojana (PMMY)	12,51,545	22,710

Financial Inclusion Initiatives**Pradhan Mantri Jan-Dhan Yojana (PMJDY) Accounts**

Union Bank of India plays a crucial role in the Pradhan Mantri Jan-Dhan Yojana (PMJDY) initiative, which enhances financial inclusion by providing banking services to unbanked populations. The Bank has opened millions of PMJDY accounts, helping individuals access essential financial services. As of March 31, 2024, Union Bank had opened 2.95 crore PMJDY accounts with a balance of ₹10,918 crores, compared to 2.80 crore accounts with ₹ 9,046 crores the previous year.



Our commitment to financial inclusion is evident with over 2.98 lakh street vendors financed through the PMSVANidhi scheme. See how we are transforming lives and promoting economic development in underserved communities.

PMJDY Accounts (No. in Crores)	March 2023	March 2024
Total PMJDY Accounts	2.80	2.95
Balances in PMJDY Accounts (₹ Cr)	9,046	10,918

Bank Correspondent Infrastructure

Union Bank has developed a robust bank correspondent infrastructure to support financial inclusion efforts, particularly in rural and underserved areas. The Bank employs over 19,603 business correspondents who act as intermediaries, providing banking services to remote communities. These correspondents facilitate various banking activities, including account opening, cash deposits, withdrawals, and loan applications, extending the Bank’s reach and ensuring service accessibility.

Digital Integration for Financial Inclusion

Union Bank leverages digital technology to enhance financial inclusion. Digital platforms, such as mobile banking apps and internet banking, enable customers to access banking services conveniently and securely. The Bank has 35.3 million registered users on its VYOM and internet banking platforms as of March 31, 2024, generating significant business through these channels.

Digital Channels Usage	March 2023	March 2024
VYOM + Internet Banking Users (Mn)	29.02	35.3
Business Generated through Digital Journeys (₹ Cr)	6,500	8,300

Resource Management and Treasury Operations



12,92,399

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY): Enrolled by March 31, 2024.

78,19,103

Pradhan Mantri Suraksha Bima Yojana (PMSBY): Enrolled by March 31, 2024.

7,72,910

Atal Pension Yojana (APY): Enrolled by March 31, 2024.

GRI

203-1, 203-2

Union Bank of India’s resource management and treasury operations demonstrate its strategic focus on achieving sustainable growth and financial inclusion. Through effective deposit management, specialised services for corporate and NRI clients, and advanced treasury operations, the Bank ensures financial stability and optimal returns for its stakeholders. The Bank has achieved significant growth in its total business, which includes advances, deposits, and other financial services. As of March 31, 2024, the Bank’s total business stood at ₹ 21,26,412 crores, registering a YoY growth of 10.31%.

Manufactured Capital:



Effective deposit management led to a 9.5% increase in total deposits, with the CASA ratio at 35.14%, ensuring financial stability and a stable funding base for Union Bank's operations.

Total Business Performance (₹ in Crores)	March 2023	March 2024	Growth	% Growth
Total Business	19,27,621	21,26,412	1,98,791	10.31
Deposits	11,17,716	12,21,528	1,03,812	9.29
Advances	8,09,905	9,04,884	94,979	11.73

Deposits and CASA Management

Effective management of deposits and CASA (Current Account Savings Account) is crucial for the Bank's financial stability. Union Bank has implemented strategies to attract and retain deposits, ensuring a stable funding base for its operations. As of March 31, 2024, the CASA ratio stood at 33.58%.

Deposits and CASA Management (₹ in Crores)	March 2023	March 2024	Growth	% Growth
CASA Deposits	3,94,055	4,10,134	16,079	4.08
Term Deposits	7,23,661	8,11,395	87,734	12.12
Total Deposits	11,17,716	12,21,528	1,03,812	9.29
CASA Ratio (%)	35.26	33.58	-	-

Corporate Salary Division and NRI Engagement

The Bank offers tailored services to corporate salary accounts and non-resident Indians (NRIs). These services include payroll management, preferential interest rates, and personalised banking solutions, enhancing customer satisfaction and engagement. The corporate salary division has grown with increased partnerships with major companies and government institutions, while NRI deposits have also shown a healthy increase.

Corporate Salary Division and NRI Engagement (₹ in Crores)	March 2023	March 2024	Growth	% Growth
NRI Deposits	36,500	40,700	4,200	11.5
Corporate Salary Accounts	75,000	82,000	7,000	9.3

Treasury Operations and Liquidity Management

Union Bank's treasury operations involve managing the Bank's liquidity, investments, and foreign exchange activities. The Bank employs advanced risk management techniques to ensure optimal liquidity and maximise returns on investments. The treasury segment reported a revenue of ₹ 31,656.46 crore and a profit of ₹ 4,240.79 crore in FY2024.

Treasury Operations Performance (₹ in Crore)	FY2023	FY2024	Growth	% Growth
Treasury Revenue	26,442.90	31,656.46	5,213.56	19.7
Treasury Profit	2,426.80	4,240.79	1,813.99	74.7

Branch Network and International Presence



Union Bank of India’s branch network and international presence are vital components of its strategy to promote financial inclusion and support global trade. Through a robust network of domestic and international branches, the Bank ensures that it can meet the diverse needs of its customers while contributing to economic development and global financial integration. The Bank continues to expand its domestic branch network to enhance accessibility to banking services across India. It focuses on opening branches in underserved and rural areas, promoting financial inclusion. As of March 31, 2024, the Bank operated 8,466 branches across the country, with 59% of these located in rural and semi-urban centres.

Branch Network (As of March 31, 2024)	Number of Branches	% of Total Branches
Rural	2,540	30%
Semi-Urban	2,436	29%
Urban	1,728	20%
Metro	1,760	21%
Total Domestic Branches	8,464	100%
Overseas Branches	2	-
Total Branches	8,466	-

Overseas Branch Performance

Union Bank’s international branches contribute to its global presence and operational diversity. These branches offer a range of banking services to expatriates, businesses, and individuals in foreign markets. As of March 31, 2024, Union Bank had overseas branches in Sydney and Dubai, along with operations in London through its wholly-owned subsidiary, Union Bank of India (UK) Ltd., and a joint venture in Malaysia, India International Bank (Malaysia) Berhad.

GRI

201-1, 201-2, 203-1, 203-2



With 8,466 branches, 59% in rural and semi-urban areas, Union Bank ensures that financial services are accessible nationwide. Discover how our extensive branch network promotes financial inclusion across India.

Manufactured Capital:



Union Bank's overseas business grew by 47.90% to ₹ 53,583 crores in March 2024, with a significant 27.03% increase in the gross advance portfolio, highlighting its expanding global footprint.

Overseas Branch Performance (₹ in Crores)	March 2023	March 2024	Growth	% Growth
Overseas Business	36,229	53,583	17,354	47.90%
Gross Advance Portfolio	24,603	31,252	6,649	27.03%
Operating Profit	187	87	(100)	(53.59%)

International Banking Initiatives

Union Bank undertakes various initiatives in international banking to strengthen its global footprint. These include partnerships with foreign banks, trade finance services, remittance solutions, and supporting international trade and investment. The Bank maintains RMA (Relationship Management Application) relationships in 94 countries with 520 banks and operates Nostro accounts in 15 different currencies.

International Banking Metrics	FY2023	FY2024
Countries with RMA Relationships	94	94
Banks with RMA Relationships	520	520
Nostro Accounts	33	33
Currencies for Nostro Accounts	15	15

GRI

201-1, 201-2, 203-1, 203-2

Wealth Management and Relationship Banking

Distribution of Third-Party Products

Union Bank of India distributes various third-party financial products, including mutual funds, insurance, and investment products. These offerings enhance customer value by providing comprehensive financial planning solutions. In FY2024, the Bank earned ₹ 388.50 crores through the distribution of third-party products, reflecting a 7.82% growth compared to FY2023.

Distribution of Third-Party Products (₹ in Crores)	FY2023	FY2024	% Growth
Life Insurance	233.69	278.40	19.10
Non-Life Insurance	50.76	29.76	-41.40
Health Insurance	49.13	54.49	10.90
Mutual Fund	19.77	20.80	5.21
Total	353.35	383.45	7.82

Digital Platforms for Wealth Management

Union Bank has developed digital platforms for wealth management, allowing customers to access financial planning tools and investment services online. The VYOM app, offering over 400 features, provides a seamless and convenient interface for managing investments, purchasing insurance products, and accessing various financial planning tools.

New Insurance and Investment Products

Union Bank continuously innovates its insurance and investment products to meet the evolving needs of its customers. In FY2024, several new products were launched, including Union Super Top Up Health Insurance, Union PINK 2.0 (a cancer plan for women), and various New Fund Offers (NFOs) such as Union Business Cycle Fund, Union Children’s Fund, and Union Innovation & Opportunities Fund. These products are designed to offer attractive returns and comprehensive coverage, helping customers achieve their financial goals.

New Products Launched	Details
Union Super Top Up Health Insurance	Tailored for corporate salary account holders, pensioners, and UBI employees
Union PINK 2.0	Enhanced cancer plan for women by Manipal Cigna
NFOs	Union Business Cycle Fund, Union Children's Fund, Union Innovation & Opportunities Fund

Innovation and Digital Transformation



Digital Banking Services

Union Bank of India is a leader in digital banking services, offering a comprehensive suite of online and mobile banking solutions. These services include fund transfers, bill payments, account management, and customer support, enhancing convenience and accessibility. The VYOM app, rebranded with over 400 features, provides a seamless user experience, enabling customers to manage their banking needs efficiently and effectively.

App and Internet Banking

The Bank’s mobile banking app and internet banking platform provide customers with secure and convenient access to banking services. Features include real-time



Recognised for Digital Transformation Leader and Innovative Bank of the Year at the BFSI Conclave and Awards. Find out what makes Union Bank a leader in digital banking and customer service innovation.

GRI

201-1, 201-2, 302-1, 302-4, 417-1 418-1

transaction alerts, balance inquiries, and online loan applications, ensuring a seamless banking experience. As of March 31, 2024, there were 35.3 million registered users on these platforms, reflecting the Bank’s extensive digital reach and customer engagement.

Manufactured Capital:

By integrating fintech capabilities and utilizing ML for customer analytics, Union Bank provides personalized banking experiences, driving innovation and customer satisfaction.

Digital Banking Metrics	FY2023	FY2024
Registered Users (Millions)	29.02	35.3
Business Generated (₹ in Crores)	6,500	8,300

AI and ML Initiatives

Union Bank leverages artificial intelligence (AI) and machine learning (ML) to drive innovation and improve service delivery. These technologies are used for fraud detection, customer analytics, and personalised banking services, enhancing operational efficiency and customer satisfaction. The Bank has implemented several AI-based solutions, such as video KYC (Know Your Customer) and integrated various fintech capabilities to streamline processes and enhance service delivery.

Key AI and ML initiatives include:

- ❖ **Fraud Detection:** Utilising ML algorithms to identify and mitigate fraudulent activities in real time.
- ❖ **Customer Analytics:** Leveraging ML to analyse customer behaviour and preferences, enabling personalised banking experiences.
- ❖ **Video KYC:** Implementing AI-driven video KYC processes to expedite customer onboarding and verification.
- ❖ **Fintech Integration:** Partnering with fintech companies to incorporate innovative solutions and enhance the overall banking experience.

Sustainability and Environmental Responsibility**Green Banking Practices**

Union Bank of India adopts green banking practices to promote sustainability and environmental responsibility. These practices include financing renewable energy projects, reducing the Bank's carbon footprint, and implementing eco-friendly office practices. The Bank's green financing initiatives have led to substantial investments in renewable energy projects and energy efficiency improvements.

GRI

302, 305, 306, 203, 304, 413

As on March, 2024, Union Bank sanctioned ₹ 23,059 crores for the renewable energy sector, demonstrating its commitment to supporting sustainable development.





Initiatives for Net-Zero Emissions

The Bank is committed to achieving net-zero emissions through various initiatives. These include investing in renewable energy, improving energy efficiency, and reducing waste. Union Bank aims to align its operations with global sustainability standards and contribute to a low-carbon economy. Key initiatives include:

- ❖ **Investment in Renewable Energy:** Financing projects related to solar, wind, and other renewable energy sources.
- ❖ **Energy Efficiency Improvements:** Implementing energy-saving technologies and practices in bank operations and facilities.
- ❖ **Waste Reduction:** Enhancing recycling programs and reducing the use of non-recyclable materials.

Contributions to Sustainable Development Goals (SDGs)

Union Bank actively contributes to the United Nations Sustainable Development Goals (SDGs). The Bank’s initiatives in financial inclusion, green financing, and community development support several SDGs, including:

	Poverty Reduction (SDG 1): Through financial inclusion initiatives and targeted lending programs for marginalised communities.
	Quality Education (SDG 4): By providing education loans and supporting educational infrastructure projects.
	Clean Energy (SDG 7): Through substantial investments in renewable energy projects.
	Economic Growth (SDG 8): By financing MSMEs and supporting economic development projects.

Union Bank’s commitment to sustainability and environmental responsibility is integral to its operations, reflecting its dedication to positively impacting the environment and society.

Awards and Accolades

Union Bank of India has received numerous awards and accolades for its innovation, performance, and commitment to sustainability. These awards recognise the Bank’s leadership in digital banking, financial inclusion, and customer service. During FY 2023-24, Union Bank was awarded several prestigious awards across various domains, highlighting its strategic focus and operational excellence.

Industry Awards and Achievements

Union Bank of India’s consistent recognition through various awards underscores its commitment to innovation, customer service, and sustainability. These



Union Bank’s ESG Cell ensures the integration of environmental, social, and governance considerations across all operations. Read about our comprehensive approach to ESG integration and risk management.

GRI

302, 305, 306, 203, 304, 413

Manufactured Capital:

Recognised for Digital Transformation Leader and Innovative Bank of the Year at the BFSI Conclave and Awards. Find out what makes Union Bank a leader in digital banking and customer service innovation.

accolades reflect the Bank's strategic focus on excellence and its ongoing efforts to enhance service delivery and financial inclusion.

The Bank's industry awards highlight its achievements in various domains, including retail banking, corporate banking, and MSME lending. These accolades reflect Union Bank's dedication to excellence and its role as a trusted financial institution. Key awards and recognitions received during the year include:

Award/Recognition	Details
Best Digital Engagement Citation (Runner-Up, Large Bank)	Awarded at the 19 th IBA Tech Expo for the Bank's exceptional digital engagement initiatives.
BFSI Conclave and Awards	Recognised for Digital Transformation Leader, Use of Emerging Technologies, Digital Security Leader, and Innovative Bank of the Year.
Global Banking and Finance Awards 2023	Excellence in Innovation under the categories: <ul style="list-style-type: none"> ❖ Voice Banking Implementation for Union Voice Assistant (UVA) ❖ WhatsApp Banking feature India for UVConn ❖ Virtual Banking India
Star Performer-Rank 1 Award	Received in the NPS The Game Changer Campaign organised by the Pension Fund Regulatory and Development Authority (PFRDA).
3rd Rank among all PSBs in EASE 6.0 for Q3FY24	Recognising the Bank's efforts in enhancing access and service excellence.
MSME Banking Excellence Awards 2023	By Chamber of Indian Micro Small & Medium Enterprises: <ul style="list-style-type: none"> ❖ Best MSME Bank - Winner ❖ Best MSME Friendly Bank - Runner-Up

यूनियन बैंक ऑफ इंडिया
भारत सरकार का उपक्रम



Union Bank of India
A Government of India Undertaking



VYOM
MOBILE BANKING SUPER APP



Loan against property!

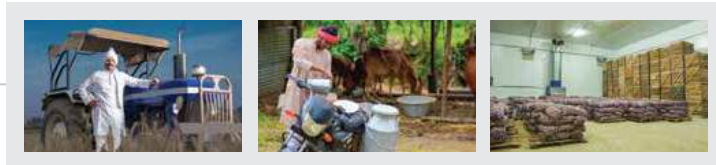


Union

AGRI MORTGAGE LOAN

Key Features:

- **Quantum:** 5 lakhs – 200 lakhs
- OD/Term Loan/Composite Loan facility



*T&C Apply

(Toll Free No.) 1800 208 2244 / 1800 425 1515 / 1800 425 3555 |  9666606060 | www.unionbankofindia.co.in

 @unionbankofindia  @UnionBankTweets  unionbankinsta  @UnionBankofIndiaUtube  @unionbankofindia  @unionbankinsta



Financial Capital:

The Backbone of Green and Digital Growth



UNSDG:



Strategic Pillars:



Business Model Canvas:



Material Issues

1, 5, 6, 7, 8, 9, 14, 18, 20, 23, 25, 26, 30, 33, 36, 39, 42, 43

GRI Alignment

201-1, 201-2, 201-3, 201-4, 203-1, 203-2, 301-1, 302-1, 302-5, 305-1



Robust Financial Performance: Our Net Profit surged by 61.84% to ₹ 13,648 Crores, setting a solid foundation for continued growth and future investments. Discover the driving forces behind this remarkable financial achievement.

Our outstanding financial performance in FY2024 establishes a solid foundation for our strategic priorities: sustainability and digital excellence. This achievement indicates a healthy, growing organization, ensuring business continuity and providing resources for future investments. In sustainability, these resources finance green projects, promote financial inclusion, and support crucial sectors like renewable energy and SMEs. Increased Net Interest Income can further fund loans for eco-friendly initiatives and affordable services for underserved communities, aligning with our goals.

Our growth and efficiency enable higher profits, part of which we reinvest in cutting-edge digital technologies. As the banking industry transforms digitally, these investments are essential for adapting and staying competitive. Rising Non-Interest Income shows our ability to diversify revenue, supporting AI, blockchain, and cybersecurity investments. This digital shift enhances customer experiences and operational efficiency through automation and data analytics, fostering continuous financial improvement.

technologies to boost operational efficiency and customer service. The Bank's strong financial performance, dividend payouts, business growth, and risk management improvements highlight its successful strategy implementation and future readiness. With its focus on sustainability, digital innovation, and customer-centric services, Union Bank is well-positioned to achieve its growth objectives while maintaining strong asset quality.

Union Bank of India recognizes the profound impact that climate change can have on its financial stability and long-term sustainability. The bank is actively assessing the financial implications and associated risks posed by climate change, including increased regulatory requirements, physical risks to assets, and shifts in market dynamics. In response to these challenges, Union Bank is seizing opportunities to finance green projects, support renewable energy initiatives, and develop environmentally sustainable financial products. By

Our Performance

Union Bank's financial capital strategy for FY2024 focused on sustainable growth, leveraging digital transformation, and enhancing financial inclusion. The Bank aimed to increase advances and deposits, improve profitability, and maintain robust asset quality by incorporating ESG principles, aligning with sustainability goals, and using digital

GRI

201-1, 201-2, 301-1, 302-1, 305-1

Financial Capital:

integrating climate risk considerations into its strategic planning and risk management frameworks, the bank is not only mitigating potential adverse effects but also positioning itself as a leader in sustainable finance. This proactive approach aligns with GRI 201-2, demonstrating Union Bank's commitment to addressing climate-related risks and leveraging opportunities for resilient and sustainable growth.

Financial Performance

Union Bank demonstrated strong financial performance in FY2024. The Bank reported a Net Profit of ₹ 13,648 Crores, up from ₹ 8,433 Crores in FY2023, marking a substantial increase of 61.84%. This impressive growth was driven by increased Net Interest Income (NII), which reached ₹ 36,570 Crores, up from ₹ 32,765 Crores in the previous fiscal year, representing an 11.61% growth.

Metric	FY2023 (₹ Crores)	FY2024 (₹ Crores)	YoY Growth (%)	Change Growth (₹ Crores)
Net Profit	8,433	13,648	61.84%	+5,215
Net Interest Income (NII)	32,765	36,570	11.61%	+3,805

The Bank's profitability ratios also saw significant improvement. The Return on Assets (RoA) increased to 1.03%, up from 0.69% in FY2023, while the Return on Equity (RoE) rose to 15.58% from 13.26%. These figures underscore the Bank's enhanced efficiency and effectiveness in utilizing its assets and equity to generate profits.

Metric	FY2023	FY2024	Change (bps)
ROA	0.69%	1.03%	+34
ROE	13.26%	15.58%	+232

Dividend Declaration

Union Bank proposed a dividend of ₹ 3.60 per share for FY2024, resulting in a total proposed dividend payout of ₹ 2,748 Crores. This marks an increase from the previous fiscal year's payout of ₹ 2,050 Crores, reflecting the Bank's robust financial health and commitment to rewarding its shareholders.

Metric	FY2023	FY2024	Change
Dividend Per Share (₹)	3.00	3.60	+0.60
Total Dividend Payout (₹ Crores)	2,050	2,748	+698

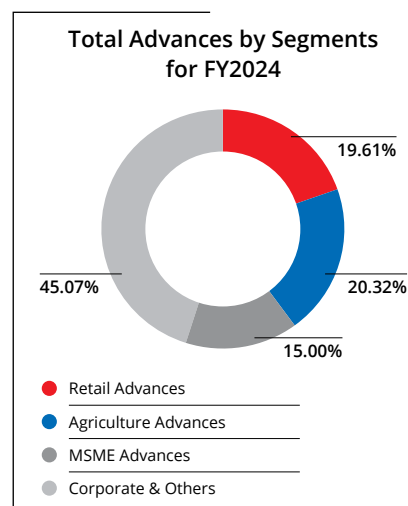
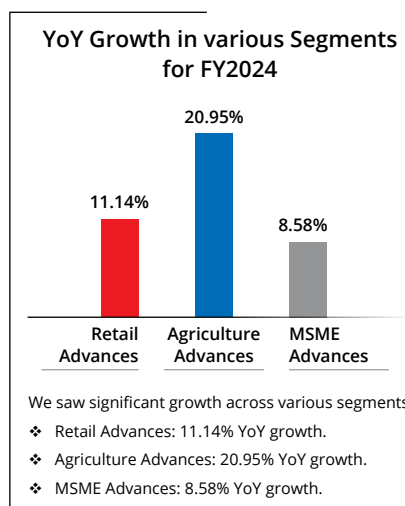


Significant Improvement in Asset Quality:

With Gross NPAs reduced to 4.76% and Net NPAs down to 1.03%, our commitment to superior asset quality and robust risk management practices has never been stronger. Learn how we are securing a healthier balance sheet.

Business Growth

Union Bank experienced robust growth in its business segments in FY2024. Total advances grew by 11.73% YoY, reaching ₹ 9.05 Trillion, while total deposits increased by 9.29% YoY, amounting to ₹ 12.21 Trillion.



Segment	FY2023 (₹ Crores)	FY2024 (₹ Crores)	YoY Growth (%)	Change (₹ Crores)
Retail Advances	159,702	177,488	11.14%	+17,786
Agriculture Advances	151,993	183,833	20.95%	+31,840
MSME Advances	125,022	135,748	8.58%	+10,726

Category	Regulatory Target	Achievement	Exceeded By
Agriculture Advances	18% of Adjusted Net Bank Credit (ANBC)	20.95% of ANBC	2.95%
Priority Sector Advances	40% of ANBC	42.31% of ANBC (as of March 2023)	2.31%
Small & Marginal Farmers	9.50% of ANBC	13.33% of ANBC	3.83%
Weaker Sections	11.50% of ANBC	16.62% of ANBC	5.12%

Adjusted Net Bank Credit (ANBC) is a measure used by regulatory authorities, such as the Reserve Bank of India (RBI), to assess a bank's compliance with lending targets, particularly in relation to priority sector lending. These achievements reflect the Bank's commitment to regulatory compliance and priority sector lending, showcasing substantial growth and adherence to mandated targets.

Sustainability Initiatives

Union Bank introduced various sustainability-focused products and services. Notably, the Bank provided ₹ 23,059 Crores in credit facilities to the renewable energy sector and sanctioned ₹ 462 Crores under the Union Green Miles program for electric vehicles. These initiatives underscore the Bank's commitment to promoting environmental sustainability through its financing activities.

Digital Transformation

Digital transformation has been a pivotal component of Union Bank's strategy. The launch of the Vyom app, offering over 400 features, significantly enhanced customer engagement and service delivery. Furthermore, digital lending solutions facilitated the mobilization of over ₹ 8,300 Crores in digital business, demonstrating the Bank's ability to leverage technology for business growth.

Initiative	IMPACT
Vyom App	Enhanced customer engagement and service delivery.
Digital Lending Solutions	Mobilized over ₹ 8,300 Crores.

Risk Management

Union Bank made significant strides in improving asset quality and risk management practices in FY2024. The Gross NPA ratio improved to 4.76% from 7.53% in FY2023, and the Net NPA ratio reduced to 1.03% from 1.70%. These improvements reflect the Bank's effective measures in managing and mitigating credit risk.

20.95%

Agriculture Advances increased by 20.95% YoY, signifying a substantial growth and commitment to supporting the agricultural sector.

+₹31,840

 crore

Agriculture Advances grew by ₹ 31,840 Crores, highlighting a significant rise in lending to boost agricultural productivity and development.

Metric	FY2023	FY2024	Change (bps)
Gross NPA Ratio	7.53%	4.76%	-277
Net NPA Ratio	1.70%	1.03%	-67

The Bank also enhanced its risk management framework by incorporating predictive analytics for early warning signals and real-time transaction monitoring to prevent fraud.

Future Outlook

Looking ahead, Union Bank's future strategies include a continued focus on sustainable growth, further investments in digital technologies, the expansion of green financing options, and enhanced customer-centric services. These initiatives aim to drive growth in advances and deposits while maintaining strong asset quality.



Financial Capital:



Continued Focus on Sustainable Growth:

Union Bank will keep aligning its operations with ESG principles to ensure long-term sustainability. This involves enhancing its green financing portfolio and supporting projects contributing to environmental conservation and social well-being.



Further Investments in Digital Technologies:

The Bank plans to invest in advanced digital technologies to enhance operational efficiency and customer service. This includes upgrading digital platforms and introducing innovative digital products to meet evolving customer needs.



Expansion of Green Financing Options:

Union Bank will expand its green financing options to support more renewable energy projects and other sustainable initiatives. This will help mitigate environmental impact and promote a low-carbon economy.



Enhanced Customer-Centric Services:

The Bank aims to strengthen its customer service by adopting a more customer-centric approach. This includes personalized financial solutions, improved customer support, and leveraging data analytics to better understand and meet customer needs.

Financial Highlights for FY2024

Deposits Growth

9.29 %

RAM Advances Growth

13.82 %

Advances Growth

11.73 %

CRAR

16.97 %

+93 bps YoY

NNPA

1.03 %

-67 bps YoY

NIM

3.10 %

+3 bps YoY

PCR

92.69 %

+235 bps YoY

Operating Profit

₹28,211 crore

+10.77% YoY

Net Profit

₹13,648 crore

+61.84% YoY

GNPA

4.76 %

-277 bps YoY

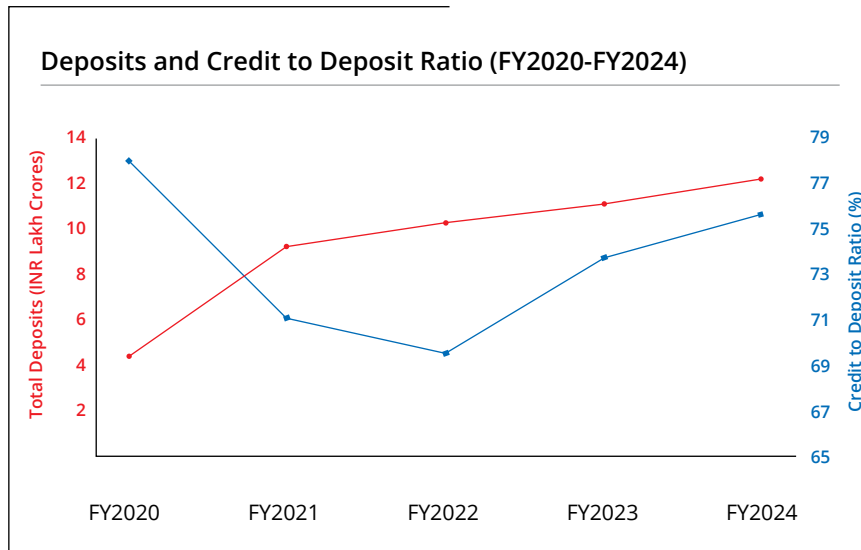
Interest Income Growth

23.57 %

+473 bps YoY

Robust Liability Management

In FY2024, Union Bank of India focused on enhancing its liability management framework to ensure financial stability and optimize its capital structure. The Bank's robust liability management strategies have significantly improved key financial metrics, including deposit growth, CASA ratios, credit-to-deposit ratios, and asset quality. These achievements underscore the Bank's commitment to financial stability, cost-effective funding, and sustainable growth.



The steady increase in deposits over the years indicates Union Bank of India's success in attracting more funds from customers, driven by strategic initiatives, new product offerings, and enhanced customer trust. The rising credit-to-deposit ratio underscores the fact that the Bank is not only expanding its deposit base, but also efficiently utilizing these funds to extend credit, balancing profitability with sufficient liquidity. Both indicators moving upwards allow the Bank to have a robust financial position, showcasing its ability to gather more deposits and effectively deploy these funds as loans, thereby contributing to overall growth and financial stability. This also demonstrates the validity of Union Bank of India's fiscal management practices, indicating a healthy growth trajectory and effective utilization of resources.

Bank Financial Data FY2020-FY2024

	Total Deposits (INR Crores)	CASA Deposits (INR Crores)	Credit To Deposit Ratio (%)	Gross NPA Ratio (%)
FY2020*	4,50,668	1,60,373	78.00	14.15
FY2021	9,23,805	3,35,592	71.06	13.74
FY2022	10,32,392	3,77,193	69.60	11.11
FY2023	11,17,716	3,94,055	73.74	7.53
FY2024	12,21,528	4,10,134	75.65	4.76

* Standalone UBI

GRI

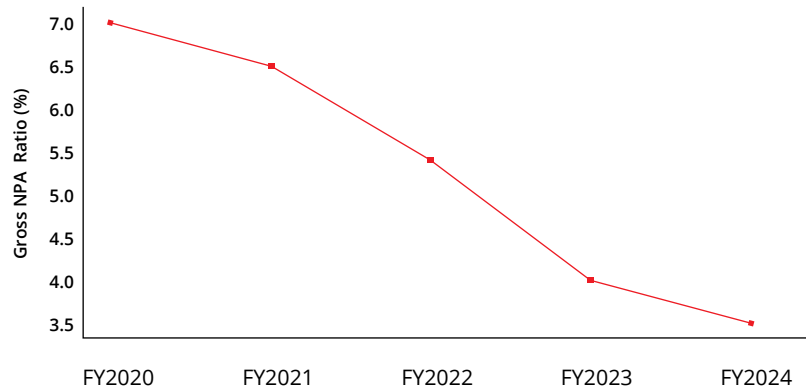
201, 203, 207

Key Highlights:

- Total Deposits:** The Bank's total deposits have consistently increased, reaching ₹ 12,21,528 Crores in FY2024, up from INR 11,17,716 Crores in FY2023.
- CASA Deposits:** CASA deposits, which constitute a significant portion of the total deposits, stood at ₹ 4,10,134 Crores in FY2024, reflecting a focused approach to low-cost funding sources.
- Credit to Deposit Ratio:** The Credit to Deposit Ratio increased to 75.65% in FY2024 from 73.74% in FY2023, indicating a strategic balance between loan growth and deposit mobilization.
- Gross NPA Ratio:** The Gross NPA ratio has shown a marked improvement, decreasing to 4.76% in FY2024 from 7.53% in FY2023, reflecting enhanced asset quality and effective risk management practices.

Financial Capital:

Commitment to Sustainability: Investing ₹ 23,059 Crores in renewable energy and sanctioning ₹ 462 Crores for electric vehicles, Union Bank is leading the charge towards a greener future. Find out how our sustainability initiatives are making a difference.

Union Bank of India: Gross NPA Ratio**Strategic Initiatives****1. Diversification of Funding Sources**

To reduce reliance on high-cost borrowing and improve the cost of funds, the Bank focused on increasing CASA deposits through targeted products and customer engagement strategies. Initiatives such as “Union Samridhhi” and “Union Udaan” significantly attracted specific customer segments.

2. Enhanced Risk Management

The significant reduction in the Gross NPA ratio demonstrates the Bank’s commitment to robust risk management practices. This was achieved through stringent credit monitoring, timely resolution of stressed assets, and improved underwriting standards.

3. Optimized Capital Structure

The upward trend of the Credit to Deposit ratio indicates effective capital utilization, ensuring that the bank maintains a healthy balance between growth and liquidity. This strategic approach has enhanced the Bank’s profitability and financial stability.

4. Technological Advancements

Adopting advanced analytics and digital platforms has enabled better tracking and management of liabilities. This includes monitoring real-time deposit inflows and outflows, predictive analytics for customer behaviour, and automated risk assessment tools.

Accelerated Business Growth

Union Bank of India’s impressive business growth is underpinned by its extensive nationwide reach, comprising 8,466 branches and 8,982 ATMs. This expansive network promotes financial inclusion and drives sustainable economic development by serving a diverse customer base across various geographic regions and socio-economic backgrounds. Our commitment to ensuring access to essential banking services, even in the most remote areas, highlights our pivotal role in fostering socio-economic development and reducing poverty.

GRI

201-1, 203-1, 203-2

Union Bank of India's accelerated business growth, supported by its extensive physical and digital presence, has significantly bolstered its financial capital resources. The strategic focus on customer engagement, sustainable financing, and effective risk management ensures the Bank remains resilient, profitable, and well-equipped to support sustainable economic growth in the future.

Physical and Digital Integration

The Bank's strategy integrates a wide physical presence with a robust digital infrastructure, creating a hybrid model that caters to all customer segments, regardless of digital proficiency. This approach ensures that while we embrace a digital future, we do not alienate any part of our customer base, thereby promoting digital inclusion—a critical component of the digital economy. By leveraging physical and digital channels, we enhance customer accessibility and convenience, boosting customer satisfaction and loyalty.

Financial Performance and Customer Engagement

A 10.31% year-on-year (YoY) increase in the Bank's total business underscores our strong customer relationships and effective engagement strategies. This growth reflects our ability to understand and meet diverse financial needs, significantly contributing to our customers' economic well-being and the economy's overall sustainable growth. Our focus on customer-centric products and services ensures we remain responsive to evolving client needs.

Advances and Deposits Growth

A 11.73% YoY growth in Gross Advances demonstrates our strong position to support sustainable initiatives, enhancing our capacity to finance green projects and contribute to sustainable sectors of the economy. This increase signifies our customers' trust and confidence in us, reinforcing our commitment to driving sustainable development.

Similarly, an 9.29% YoY growth in Total Deposits underscores our strength in attracting and retaining customer funds. This growth is crucial for maintaining a stable and low-cost deposit base, enhancing our resilience and capacity to support sustainable economic growth over the long term. The 4.08% YoY increase in CASA (Current Account Savings Account) deposits further reinforces our ability to maintain a stable and cost-effective funding source.

Impact on Financial Capital Resources

The accelerated business growth has significantly boosted the Bank's financial capital resources. The substantial increase in deposits and advances has strengthened our balance sheet, providing a solid foundation for future growth. The improved credit-to-deposit ratio indicates effective capital utilization, allowing us to extend more credit while maintaining liquidity. This balance is essential for sustaining profitability and supporting long-term strategic initiatives. Moreover, the reduction in the Gross NPA ratio to 4.76% in FY2024 from 7.53% in FY2023 demonstrates our commitment to stringent risk management practices, which is crucial for maintaining financial stability. This improvement in asset quality ensures the Bank remains well-positioned to navigate economic uncertainties while continuing to grow sustainably.

10.31%

Year-on-Year (YoY) increase in total business, highlighting strong customer relationships and effective engagement strategies.



Digital Transformation and Innovation:

Revolutionizing banking with the Vyom app and mobilizing over ₹ 8,300 Crores through digital lending, our digital transformation is enhancing customer experiences and operational efficiency. Explore the innovations shaping our future.

Financial Capital:**GRI**

201-1, 201-2, 201-3

**Strategic Business**

Growth: Achieving 11.73% growth in advances and a 9.29% increase in deposits, Union Bank is strategically expanding in key sectors. Discover our approach to driving sustainable business growth across the board..

GRI

201-1, 201-2, 201-4

Significant Improvement in Asset Quality

Union Bank of India has made remarkable strides in improving its asset quality, a key indicator of the Bank's financial health and operational efficiency. Over the past fiscal year, the Bank has implemented a series of strategic initiatives and stringent risk management practices that have significantly reduced the levels of Non-Performing Assets (NPAs). The Bank's significant improvement in asset quality is a result of strategic initiatives, effective risk management, and a strong focus on recovery. These efforts have solidified the Bank's financial foundation and positioned it well for future growth.

Reduction in Gross NPAs and Improvement in Net NPAs

As of March 31, 2024, the Gross Non-Performing Assets (GNPA) of Union Bank stood at ₹ 43,097.73 crore, reflecting a GNPA ratio of 4.76%. This marks a substantial improvement from previous periods, demonstrating the Bank's commitment to maintaining a healthy balance sheet and minimizing credit risk. The Net Non-Performing Assets (NNPA) ratio also showed significant improvement, standing at 1.03% as of March 31, 2024. This reduction is a testament to the Bank's effective resolution strategies and focus on recovering and rehabilitating stressed assets.

Strategic Recovery Initiatives

Union Bank has employed a multi-faceted approach to recover and resolve NPAs. Key strategies include:

- ❖ Legal Recourse: Swift and effective use of legal remedies under SARFAESI and DRT Acts for quick recovery.
- ❖ Restructuring of NPA Accounts: Tailored restructuring plans to facilitate the rehabilitation of viable stressed assets.
- ❖ One-Time Settlement (OTS) Schemes: Negotiated settlements and structured OTS schemes for doubtful and loss accounts to expedite resolution.

Enhanced Provision Coverage & Impact on Financial Stability

The Bank's Provision Coverage Ratio (PCR) increased to 92.69% by the end of FY2024, up by 235 basis points from the previous year. This robust coverage ensures that the Bank is well-buffered against potential losses from NPAs, reinforcing its financial stability and resilience. These improvements in asset quality not only enhance the Bank's financial stability but also boost stakeholder confidence. By maintaining stringent asset quality controls and focusing on recovering and resolving stressed assets, Union Bank of India ensures sustainable growth and a robust financial future.

Strengthening Capital Ratios

The Union Bank of India's capital ratio improvement for FY2024 underscores our commitment to financial sustainability and resilience. As of March 31, 2024, the Capital to Risk-Weighted Assets Ratio (CRAR) increased from 16.04% in FY2023 to 16.97%, while the Common Equity Tier 1 (CET1) ratio rose from 12.36% in FY2023 to 13.65%. These enhancements in our capital structure are vital indicators of our Bank's robust financial health.

A higher CRAR indicates that Union Bank has a substantial cushion to absorb potential losses, ensuring long-term sustainability. The rise in CRAR showcases our strong capital adequacy, a fundamental aspect of financial stability. This improved ratio signifies that our Bank is well-capitalized and better prepared to withstand financial distress or economic downturns.

Similarly, the increase in the CET1 ratio, which measures a bank's core capital against its total risk-weighted assets, demonstrates our solid capital base. CET1 capital includes ordinary shares and retained earnings, which are the most liquid forms of capital and can be readily used to absorb losses. An improved CET1 ratio reflects our commitment to building and maintaining a robust capital buffer, which is crucial for sustainable banking operations.

The enhancement of these capital ratios strengthens our financial foundation and boosts confidence among stakeholders, including customers, investors, and regulators. It ensures that Union Bank remains resilient, profitable, and well-equipped to support sustainable economic growth in the future.

Enhanced Shareholder Returns

The financial indicators Return on Assets (ROA) and Return on Equity (ROE) are both vital measures of financial performance and efficiency, and their increase signifies Union Bank's growing profitability and successful management strategies. The improvement in ROA from 0.69% in FY2023 to 1.03% in FY2024 is significant as it shows Union Bank's efficiency in utilizing its assets to generate income. A higher ROA suggests that the Bank is more effectively allocating and using its resources to generate profits, an essential factor for sustainability as it indicates the Bank's ability to make profitable investments and return value to shareholders.

The improvement in Return on Assets (ROA) from 0.69% to 1.03% reflects Union Bank's efforts to optimize asset utilization and generate income, demonstrating effective resource allocation and focusing on profitable investments for sustainable growth.

Moreover, the ROE increased from 13.26% in FY2023 to 15.58% in FY2024, indicating that Union Bank is delivering a higher return on the money that shareholders have invested. An increased ROE is a positive indicator for shareholders, showing the Bank's effectiveness in using equity investments to fund operations and grow the business, making it an attractive investment proposition.

Further demonstrating Union Bank's financial robustness and commitment to rewarding its shareholders, the board of directors has recommended a dividend of ₹ 3.60 per equity share (36%) for the year ended March 31, 2024. This decision showcases not only the Bank's profitability but also its confidence in sustained growth and stability.

For Union Bank's digital prowess, the increased profitability and efficient use of resources provide more opportunities for investment in digital infrastructure, services, and technologies, thus strengthening its position in a digitally oriented banking landscape.

1.03%

Improvement in Net NPA ratio to 1.03% as of March 31, 2024, reflecting successful resolution strategies and focus on recovering stressed assets.

GRI

201-1, 201-4



Enhanced Shareholder Value: Declaring a ₹ 3.60 per share dividend, up from ₹ 2,050 Crores last year, we are committed to rewarding our shareholders. See how our strategic initiatives are boosting shareholder value and profitability.

**Financial Capital:****GRI**

201-1, 201-4

Shareholder Wealth Creation for FY2024

Union Bank of India has delivered exceptional value to its shareholders in FY2024, achieving an approximate total capital gain of 167%. This performance is attributed to:

- ❖ **Substantial Stock Price Appreciation:** The Bank's stock price markedly increased, driving overall shareholder returns to impressive levels.
- ❖ **Consistent Dividend Payouts:** Regular dividend payments have provided shareholders with a steady income, reinforcing the Bank's commitment to returning value to its investors.
- ❖ **Active Investor Engagement:** The surge in trading volumes indicates a heightened level of engagement and trust from the investment community, highlighting the Bank's attractive investment proposition.

Union Bank's performance in FY2024 reveals a well-executed strategy focused on financial growth, risk management, and sustainable development. These factors have collectively contributed to the significant wealth creation for its shareholders, reinforcing the Bank's position as a solid and reliable entity in the financial sector. Union Bank remains committed to maintaining this momentum, focusing on strategic initiatives that drive long-term growth and shareholder value. The Bank's continued efforts in enhancing financial performance and implementing effective strategies ensure sustained investor confidence and robust returns in the future.

Key Summary of Results (3 years)

In ₹ Crores	FY2022	FY2023	FY2024	YoY% FY2024	Change FY2024 (₹ Crores)
Profit & Loss					
Interest Income	67,944	80,743	99,778	23.57%	+19,035
Interest Expenses	40,157	47,978	63,208	31.74%	+15,230
Net Interest Income	27,786	32,765	36,570	11.61%	+3,805
Non-Interest Income	12,525	14,633	16,080	9.89%	+1,447
NIM %	2.94	3.07	3.10	3 bps	
Operating Profit	21,873	25,467	28,211	10.77%	+2,744
Total Provisions	16,641	17,034	14,562	-14.51%	-2,472
Profit After Tax	5,232	8,433	13,648	61.84%	+5,215
Balance Sheet					
Global Advances	7,16,408	8,09,905	9,04,884	11.73%	+94,979
Domestic Advances	6,99,269	7,85,302	8,73,632	11.25%	+88,330
W/w Retail	1,36,273	1,59,702	1,77,488	11.14%	+17,786
Agriculture	1,33,092	1,51,993	1,83,833	20.95%	+31,840
MSME	1,10,577	1,25,022	1,35,748	8.58%	+10,726
RAM advances	3,79,942	4,36,717	4,97,069	13.82%	+60,352
Deposits	10,32,392	11,17,716	12,21,528	9.29%	+1,03,812
W/w CASA	3,77,193	3,94,055	4,10,134	4.08%	+16,079
Retail Term Deposits (<2 Crs)	4,43,752	4,38,280	4,51,363	2.99%	+13,083
CASA Ratio (%)	36.54	35.26	33.58	-168 bps	
GNPA	79,587	60,987	43,098	-29.33%	-17,889
NNPA	24,303	12,928	8,990	-30.46%	-3,938

Ratios (%)	FY2022	FY2023	FY2024	YoY%/bps	FY2024	Change FY2024)
Asset Quality						
GNPA	11.11	7.53	4.76			-277 bps
NNPA	3.68	1.70	1.03			-67 bps
PCR	83.61	90.34	92.69			235 bps
TPCR	69.46	78.80	79.14			34 bps
Credit Cost	1.74	1.64	0.74			-90 bps
Capital Ratios						
CET-1 ratio	10.63	12.36	13.65			129 bps
Tier-1 ratio	12.20	13.91	15.00			109 bps
CRAR	14.52	16.04	16.97			93 bps

Performance Trends over (3 Years)

Metric	FY2022	FY2023	FY2024
Interest Spread / AWF	2.50	2.68	2.75
Interest Income / AWF	6.11	6.60	7.51
Interest Expenses / AWF	3.61	3.92	4.76
Cost Income Ratio	45.74	46.27	46.42
Non-interest Income / AWF	1.13	1.20	1.21
Operating Expense / AWF	1.66	1.79	1.84
Return on Terminal Assets	0.44	0.66	0.98
Gross (Operating) Profit / AWF	1.97	2.08	2.12
Return on Average Net Worth	10.98	14.62	18.05
Cost of Deposits	4.12	4.37	5.22
Return on Average Assets	0.47	0.69	1.03
Yield on Advances	7.14	7.68	8.73
Dividend Payout Ratio to Net Profit (%)	24.82	24.31	20.14
Credit Deposit Ratio	69.60	73.74	75.65
Tier II	2.32	2.13	1.97
Capital Adequacy Ratio (Basel III)	14.52	16.04	16.97
Tier I	12.20	13.91	15.00
Gross Profit per Branch (₹ crore)	2.49	2.97	3.33
Gross Profit per Employee (₹ in lacs)	29.09	33.69	37.18
Earning per Share (₹)	7.73	12.34	18.95
Net Profit per Branch (₹ crore)	0.60	0.98	1.61
Branches (number)	8,792	8,580	8,466
Net Profit per Employee (₹ in lacs)	6.96	11.16	17.99
Book Value per Share (₹)	75.74	93.05	114.76
Business per Employee (₹ crore)	20.48	23.14	25.37
Business per Branch (₹ crore)	175.18	203.87	227.36
Employees (number)	75,201	75,594	75,866



Intellectual Capital

Empowering Growth Through Knowledge and Innovation

UNSDG:



Strategic Pillars:



Business Model Canvas:



Material Issues

5, 6, 7, 8, 9, 10, 12, 14, 15, 17, 18, 19, 20, 21, 22, 23, 25, 26, 29, 31, 32, 34, 36, 38, 39, 40, 41, 43, 44

GRI Alignment

103-1, 103-2, 103-3, 201-1, 203-1, 203-2, 203-3, 404-1, 404-2, 413-1, 418-1, 418-2



Union Bank of India stands at the forefront of innovation, continuously investing in intellectual capital to drive technological advancement and customer satisfaction.

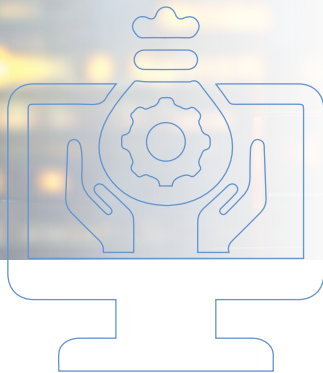
Union Bank of India is committed to harnessing intellectual capital to drive innovation and enhance customer experience. The Bank's dedication to intellectual capital is evident in its strategic investments in advanced technology, collaborative efforts with industry stakeholders, and a continuous focus on sustainability. By leveraging cutting-edge technological solutions, Union Bank of India aims to solidify its position as a next-generation digital-savvy institution, providing robust IT-driven services that place technology at the core of its operations.

GRI

203-1, 203-2

GRI

103-2, 103-3



GRI

103-2, 103-3

Importance of Technology-Driven Initiatives

As a leading public sector bank, Union Bank of India embraces the latest technological advancements to ensure high-performance access to business systems and cloud-based applications. The integration of core banking applications with internet banking, mobile banking, ATMs, and electronic payment systems exemplifies the Bank's commitment to offering a wide range of value-added services. Initiatives such as Talking ATMs

and multi-function Sampurna ATMs demonstrate the Bank's dedication to enhancing the banking experience for its customers. The adoption of technologies such as Augmented Reality/Virtual Reality (AR/VR), Artificial Intelligence/Machine Learning (AI/ML), Natural Language Processing (NLP), and Blockchain further underscores the Bank's drive towards a digitally empowered future.

Goals for Digital and Sustainable Transformation

Union Bank of India is dedicated to aligning its efforts with the United Nations Sustainable Development Goals (UNSDGs) and integrating sustainability into its business model. The Bank's strategic blueprint focuses on creating sustainable value for stakeholders while propelling India's digital and sustainable transformation journey. Key goals include enhancing customer-centricity, inclusivity, responsiveness, and responsibility in

banking operations. The Bank aims to remain at the forefront of technological advancements in the banking industry, providing exceptional digital experiences and fostering a culture of innovation. By continuously investing in infrastructure, technology platforms, and digital applications, Union Bank of India strives to achieve its vision of being a digital and sustainable banking leader.

Highlights of FY2023 and FY2024

Category	FY2023	FY2024
Language Accessibility		
Mobile Banking	13 languages	13 languages
Internet Banking	2 languages	2 languages
Call Centre	11 languages	11 languages
Sms Facility	13 languages	13 languages
Awards and Recognitions		
Total Awards	106 awards	90 awards
Employee Participation		
Hindi Competitions	6,307 staff members	9,183 staff members



Intellectual Capital



Leveraging emerging technologies, Union Bank of India is committed to redefining the banking experience, ensuring that digital transformation is at the core of its operations.

Category	FY2023	FY2024
Customer Engagement		
Cybersecurity Campaigns	1.26 crore customers	1.50 crore customers
Intellectual Capital Initiatives		
Training Programs By Union Learning Academies	136 programs	464 programs
Overseas Programs	7 programs	7 programs
Inland External Training Programs	172 programs	168 programs
Internal Training Programs	1461 programs	1362 programs
Multilingual Publications		
Publications Released	131 publications	432 publications
Digital Adoption		
Mobile Banking Growth	29.09%	26%
Internet Banking Growth	6.84%	9.94%

GRI

103-2, 103-3

ISO 27001:2013,
ISO 22301:2019,
ISO 31000:2018

Triple ISO Certifications for operational excellence and risk management.

Digital Leadership Achievements Over the Years

1. First Public Sector Bank (PSB) to Go Live on Account Aggregator Ecosystem

- ❖ Union Bank of India became the first PSB to implement the account aggregator framework as both a Financial Information User (FIU) and Financial Information Provider (FIP). This initiative enhances credit delivery by leveraging digital data with customer consent, eliminating the need for physical documentation.
- ❖ The Bank integrated with 11 account aggregators, facilitating seamless service .

2. Triple ISO Certifications

- ❖ Achieved ISO 27001:2013 (Information Security Management System), ISO 22301:2019 (Business Continuity Management System), and ISO 31000:2018 (IT Risk Management) certifications, positioning the Bank as a leader in operational excellence and risk management.

3. Implementation of Multi-Language Support

- ❖ Introduced multi-language support in Finacle, mobile banking applications, and SMS, making digital banking accessible to a diverse customer base.

4. Metaverse Banking

- ❖ Union Bank of India launched the first Metaverse Virtual Lounge, "Universe," in India, offering an immersive banking experience with digital

avatars, interactive screens, and VR-enabled environments. The lounge received approximately 3.66 lakh hits as of March 31, 2024.

5. Innovative Digital Solutions

- ❖ Introduced WhatsApp Banking, Voice Banking, Open Banking Architecture, Digital Platforms, Straight Through Processing (STP), Robotic Process Automation (RPA).

6. PCI-DSS Certification

- ❖ Achieved Payment Card Industry – Data Security Standard (PCI-DSS) certification for all payment systems and processes dealing with cards, enhancing the security of card transactions.

7. EASE 4.0 Recognition

- ❖ Maintained an average system uptime of 99.97%, aligning with best-in-class standards under EASE 4.0, ensuring reliable and efficient digital banking services.

8. Leading in ATM Switch Processing

- ❖ Ranked 2nd in ATM Switch Processing among all banks in India, reflecting the Bank's efficiency in handling ATM transactions.

9. High Volume of CBS Transactions

- ❖ Average monthly CBS transactions exceeded 194 crores, with a 20% increase in daily average transaction volume over the past six months.

10. First to Implement End-to-End Auto-Renewals of MSME Loans

- ❖ Implemented auto-renewals for MSME loans up to ₹1 million, streamlining the renewal process and reducing customer turnaround time.

Digital Transformation Initiatives

Union Bank of India has embarked on a comprehensive digital transformation journey to enhance customer experiences, improve operational efficiency, and embrace emerging technologies. The Bank's key digital initiatives in fiscal year 2023-24 reflect its commitment to innovation and expansion of digital capabilities, ensuring it remains at the forefront of the banking sector's digital transformation. These initiatives enhance operational efficiency and significantly improve the customer experience, reaffirming the Bank's dedication to technological advancement and customer satisfaction.

Digital Lending Journeys

- ❖ FY2023: 9.10 lakh accounts renewed digitally
- ❖ FY2024: 15.36 lakh accounts renewed digitally

The digital lending journeys cover various asset and liability products, enabling digital sanctioning, renewal, and review of accounts. This initiative has streamlined

3.66 lakh hits

Number of hits on the Metaverse Virtual Lounge, "Uni-verse."

99.97 % uptime

Maintained system uptime aligning with best-in-class standards under EASE 4.0.

194 crores

Average monthly CBS transactions.

GRI

203-2, 103-2

₹23,059 crore

Renewable Energy Financing: Total amount sanctioned for renewable energy projects.



Intellectual Capital

₹462 crore

Electric Vehicle Financing: Amount sanctioned under the Union Green Miles scheme.

processes, reduced turnaround times (TAT), and enhanced customer convenience. The Bank has focused on creating seamless digital experiences for loan applications and approvals, reducing the need for physical interactions.

Video KYC

- ❖ FY2023: 4,000 accounts opened
- ❖ FY2024: 8,969 accounts opened

Video KYC (Know Your Customer) facilitates seamless and secure customer identification through live audio-visual interactions. This service, operational in all Digital Banking Units (DBUs) and major regions, has significantly contributed to the ease of account opening. The initiative ensures compliance with regulatory requirements while enhancing customer onboarding efficiency.

UVConn

- ❖ FY2023: 45 lakh inquiries handled
- ❖ FY2024: 63 lakh inquiries handled

Union Bank of India launched UVConn, a WhatsApp banking platform, offering customers six initial services: balance enquiries, chequebook requests, and mini statements. UVConn has since expanded to provide around 65 services, including account statements, interest certificates, and debit card Green PINs. Customers can access UVConn by sending "Hi" to 9666606060. Over 2.5 million customers are registered, and the platform has serviced over 10 million customer enquiries, significantly enhancing the customer service experience.

Project Sambhav and Vyom App

- ❖ FY2023: 350 features launched
- ❖ FY2024: 400 features launched

Project Sambhav aims to build a digital bank within the Bank, featuring the Vyom app, which offers over 400 features with an enhanced user interface and experience. This initiative also includes partnerships with over 90 fintechs to accelerate digital product rollouts. The Vyom app integrates various banking services into a single platform, enhancing the overall customer experience.

Introduction of Metaverse

- ❖ FY2023: 2,16,262 hits
- ❖ FY2024: 64,675 hits

Union Bank of India is pioneering the use of Metaverse technology in banking, providing a novel and immersive customer experience. This initiative aims to create virtual branches where customers can interact with banking services in 3D, reflecting the Bank's commitment to embracing innovative technologies.

Digital Loan Sanctions for MSME Customers

Digital loans up to ₹ 25.00 Lakhs for MSME customers

MSME customers can now apply for loans digitally for their business requirements. Loans up to ₹ 25.00 Lakhs can be sanctioned digitally, facilitating quick and efficient



With a relentless focus on sustainability and digital transformation, Union Bank of India aims to create lasting value for its stakeholders and lead the industry in adopting cutting-edge solutions.

loan processing. This initiative supports small businesses by giving them easy access to financial resources through a digital platform.

Specific Digital Product Performance for FY2024

Product	Accounts	Amount (₹ Crore)
STP Shishu Mudra	55,365	267
STP Kishore Mudra	4,365	117
STP Tarun Mudra	1,991	173
Nari Shakti STP	519	30
GST Gain	522	110

These streamlined processing journeys have made accessing financial products more efficient for customers, promoting financial inclusion and supporting business growth.

Additional Digital Initiatives in FY2024

- ❖ **Digi Renewal of MSME Accounts:** Digitally reviewed 7.33 lakh MSME accounts, accounting for 98% of the total accounts under this slab.
- ❖ **Sanctions under PMSVANidhi:** Digitally enabled to reduce TAT and expedite microcredit distribution.

Leveraging Emerging Technologies at Union Bank of India

Embracing Innovation with Emerging Technologies

Union Bank of India is at the forefront of innovation, leveraging emerging technologies to enhance both internal operations and customer experiences. Here are some key advancements:

Metaverse Integration: Uni-verse

Union Bank of India has become the first Indian Bank to venture into the Metaverse, launching the Metaverse Virtual Lounge, "Uni-verse." This platform offers customers an immersive way to access banking services, marking a significant step in digital banking. As of March 31, 2024, the Uni-verse has recorded approximately 366,000 hits, reflecting its growing popularity.

VR-Based Immersive Training Modules

The Bank has developed virtual reality (VR) based immersive training modules designed to address various challenges, such as workplace issues and maintaining a secure social media presence. These modules include assessments through Q&A and feedback for thorough evaluation, underscoring the Bank's dedication to continuous learning and staff improvement. Launched at the Learning Advisory Council event on March 19, 2024, these training sessions provide employees with an interactive, real-world application-focused learning experience.

Union Voice Assistant (UVA)

Union Bank of India has also implemented the Union Voice Assistant (UVA), a voice banking service powered by AI and Natural Language Processing (NLP) through

55,365

Number of accounts processed under STP Shishu Mudra in FY2024.

7.33 lakh

Number of MSME accounts digitally reviewed under Digi Renewal in FY2024.

GRI

203-1, 203-2



Intellectual Capital

GRI

203-1

160,000

Total users of Google Business Messages (GBM) chat platform.

GRI

203-2

1,250

Number of Kendriya Vidyalaya schools benefiting from BBPS fee collection integration.

GRI

203-1

the Alexa platform. This service lets customers access account-related information using simple voice commands, offering a convenient, hands-free banking experience. As of now, UVA has facilitated approximately 30,000 transactions, demonstrating its effectiveness and customer adoption.

Google Business Messages (GBM) Integration

Union Bank of India is the first public sector bank to integrate with Google Business Messages (GBM), a chat platform accessible via Google’s web pages. Through GBM, customers can interact with the Bank’s virtual assistant, UVA, or opt to chat with a live agent for query resolution. The platform supports customer engagement and lead generation, and provides opportunities for cross-selling and upselling bank products.

- ❖ Total Users: Approximately 160,000
- ❖ Live Agent Services Users: Around 50,000

GBM chat is enabled for the Bank’s customer care endpoint and 169 branch profiles. Benefits include enhanced sales opportunities, improved customer satisfaction, and loyalty through assistive experiences and rich features. GBM can be accessed by searching for “UBI,” “Union Bank,” or “Union Bank of India” on Google via Android devices.

Kendriya Vidyalaya Fees Collection via BBPS

Union Bank of India has integrated the Kendriya Vidyalaya Sangathan (KVS) fee collection into the Bharat Bill Payment System (BBPS), marking a significant milestone in educational fee payment systems. This integration benefits students from over 1,250 KV schools, providing a convenient method for fee payment. Benefits observed include reduced transaction costs and increased CASA (Current Account Savings Account) for the Bank.

- ❖ Total Successful Transactions: 152,314 (for FY2024)
- ❖ Total Amount Collected: ₹30.06 Crore

Uni Pay Plus

Union Bank of India has introduced Uni Pay Plus, a cutting-edge platform that seamlessly integrates with corporate systems for automatic payment processing. This innovative portal offers comprehensive payment services to corporate clients, making it easier for businesses to manage their financial transactions efficiently.

Since its launch, Uni Pay Plus has successfully onboarded over 150 corporate clients. The platform supports a wide range of accounts, with 207 current and savings accounts collectively holding a balance of ₹1,145.5 crores, and 75 cash credit and overdraft accounts with a balance of ₹1,208.5 crores. This extensive adoption highlights the corporate sector’s trust and reliance on Uni Pay Plus.

By leveraging Uni Pay Plus, Union Bank of India has significantly enhanced its ability to attract and retain corporate clients. The platform streamlines payment processes and strengthens the Bank’s financial management capabilities, ultimately driving greater business efficiency and customer satisfaction.

Debit Card Tokenisation in Internet Banking

Union Bank of India has introduced Card on File Tokenisation (CoFT) within its Internet Banking platform, aligning with RBI guidelines. This innovative feature eliminates the need for storing customers' card details during online transactions on merchant websites. Instead, it offers a centralised platform where customers can view and manage their debit card token details for all merchants in one place.

Previously, customers had to visit individual merchant websites to handle their token details, but now they can easily turn tokens on or off directly through the Bank's Internet Banking service. This enhancement is currently available for RUPAY cards only.

The introduction of CoFT provides several key advantages. Customers benefit from a one-stop solution to view and manage their token details, significantly simplifying the process. Additionally, reducing the need to store card details on multiple merchant websites minimises the risk of cyber fraud, offering customers greater peace of mind when conducting online transactions.

NMC Wallet

Union Bank of India, in line with the Ministry of Urban Development's (MoUD) initiative, has introduced the National Common Mobility Card (NMC) Wallet. This model enables seamless travel across various transport systems, including metros and toll plazas nationwide. Customers can recharge their NCMC R-wallet accounts through Net Banking or by adding money at POS terminals using cash or account debit. This initiative, exclusive to Rupay NCMC Debit Cards and driven by NPCI, offers several benefits.

The issuance of Rupay Debit Cards is expected to increase, as customers can use the same card as a prepaid wallet. Customers can recharge their wallets up to ₹ 2,000 through Internet Banking, facilitating offline payments at various POS points such as metro stations and toll plazas.

Interoperable Card-less Cash Withdrawal (ICCW)

Union Bank of India has introduced Interoperable Card-less Cash Withdrawal (ICCW) to enhance secure and seamless transactions at ATM terminals. This feature allows customers to withdraw cash using UPI without needing a physical card. A dynamically generated QR code is displayed on the ATM screen, which can be scanned and authorised through any major UPI-supported app. After successful authorisation using the UPI PIN, customers can complete the withdrawal by selecting the appropriate option on the ATM.

This service offers several benefits, including preventing card cloning, eliminating the need to carry physical cards, and providing greater convenience. ICCW is currently enabled in 1,388 NCR ATMs across India.

Submission of Form 15G/H through the Bank's Website

Union Bank of India has introduced several customer-centric initiatives to enhance convenience and streamline processes. Form 15G/H can now be submitted through the Bank's website, allowing customers to submit the form without visiting branches and receive acknowledgement receipts via email. This new facility has resulted in 900 registrations so far and significantly reduces branch workload.

GRI

203-1

GRI

203-2

GRI

203-2

1,480

Number of ATMs enabled with Interoperable Card-less Cash Withdrawal (ICCW).

GRI

203-2



Intellectual Capital

GRI

203-2

Account Aggregator

The Bank has also become the first public sector lender to join the account aggregator ecosystem as both a Financial Information User (FIU) and Financial Information Provider (FIP). This initiative, aligned with the government's digital push, allows lenders to access customer data digitally with consent, thus improving credit delivery without physical documentation. Union Bank has integrated with 11 account aggregators, enhancing its service delivery.

GRI

203-1

Account Opening through Internet Banking for Seniors

Additionally, the Bank has revamped the Senior Citizen Savings Scheme (SCSS) account opening process. Senior citizens can now open multiple SCSS accounts under the same holder ID, with a maximum deposit limit increased to ₹ 30 lakhs. This facility is fully accessible through internet banking, eliminating the need for branch visits. Since its introduction on December 26, 2023, 202 SCSS accounts have been opened online.

GRI

203-2

AI, ML, AR/VR, Blockchain

FY2022: The Bank laid the foundation for integrating advanced technologies such as Artificial Intelligence (AI), Machine Learning (ML), Augmented Reality (AR), Virtual Reality (VR), and Blockchain. Initial pilot projects were conducted to understand the potential and applicability of these technologies in banking operations.

FY2023: Significant strides were made in the adoption of AI and ML to improve customer service and operational efficiency. The Bank implemented AI-based conversational banking through voice bots on platforms like Amazon Alexa and Google Assistant, enhancing customer interaction and service delivery. Blockchain technology was explored in collaboration with the RBI IT Innovation Hub, focusing on Digital Ledger-based Blockchain Technology.

FY2024: Building on the previous year's advancements, the Bank has expanded the application of AI and ML to streamline processes further and improve user experiences. Efforts are underway to explore potential use cases of Generative AI to automate routine tasks and enhance customer interactions. AR and VR technologies are being piloted to create immersive banking experiences, particularly in customer service and training.

Central Bank Digital Currency (CBDC)

FY2022: The Bank began exploring the concept of Central Bank Digital Currency (CBDC) and participated in initial discussions and feasibility studies.

FY2023: Union Bank was selected for pilot participation in the CBDC project by the Reserve Bank of India. The Bank successfully implemented the CBDC-R application for Android users within a closed user group, marking a significant milestone in digital currency adoption.

FY2024: The Bank is now focusing on expanding the scope of CBDC, including exploring its integration with existing banking systems and evaluating its potential impact on financial inclusion and digital payments.

GRI

203-2

Fintech Partnerships

FY2022: Union Bank initiated partnerships with various fintech companies to drive innovation and digital transformation.

FY2023: The Bank engaged with 150 fintech companies to co-create digital solutions. These collaborations have led to the development of innovative products and services, enhancing customer experience and operational efficiency.

FY2024: Continuing its focus on fintech collaborations, the Bank is working on integrating fintech solutions to further digitise and streamline operations. These partnerships are expected to drive significant digital lending, payments, and customer service advancements.

AI-based CTS Clearing

Union Bank is exploring the implementation of AI-based Cheque Truncation System (CTS) clearing. This technology aims to digitise the clearing process, reducing manual intervention and enhancing operational efficiency. By leveraging AI, the Bank expects to achieve faster processing times and improved accuracy in cheque-clearing operations.

Generative AI Use Cases

The Bank is actively exploring potential use cases of Generative AI to streamline various processes and enhance the user experience. This includes automating customer service responses, generating personalised financial advice, and improving backend processes through advanced data analysis and predictive modelling.

Robotic Process Automation (RPA) CoE

Union Bank has established a Robotic Process Automation Center of Excellence (RPA CoE) to monitor, optimise, and customise automated processes. The RPA CoE focuses on identifying repetitive tasks that can be automated, thereby freeing up employee time for more strategic activities. This initiative is expected to lead to significant cost savings and efficiency improvements.

Green Office Automation

Union Bank is implementing Green Office Automation in line with its sustainability goals. This initiative involves the meticulous preparation, escalation, and digital signing of documents, reducing the reliance on paper and contributing to environmental conservation. The Bank aims to create a more sustainable and efficient working environment through this initiative.

By adopting these emerging technologies, Union Bank of India is not only enhancing its operational capabilities but also positioning itself at the forefront of digital banking innovation. These initiatives reflect the Bank's commitment to leveraging technology for improved customer service, operational efficiency, and sustainable growth.

GRI

203-1

GRI

203-2

GRI

203-2

GRI

203-2

GRI

203-2

Intellectual Capital



Union Bank of India's commitment to cybersecurity and data privacy ensures a secure banking environment, building trust and safeguarding customer information in the digital age.



GRI

418-1, 418-2

Data Privacy & Cybersecurity

In FY2022, the Union Bank of India began laying the groundwork for its Cybersecurity Operation Centre (C-SOC), focusing on meticulous planning and resource allocation. By FY2023, the Bank had successfully established the C-SOC, operating 24x7 to identify, detect, and prevent cyber threats. This centre became a critical component of the Bank's cybersecurity strategy, continuously monitoring attack vectors and tightly integrating with critical business applications. Moving into FY2024, the C-SOC's capabilities were further enhanced by incorporating advanced threat intelligence and automation tools, significantly improving response times and threat detection accuracy.

Concurrently, in FY2022, the Bank conceptualised the Defence in Depth strategy, aiming to develop a robust, multi-layered security architecture. This strategy was implemented in FY2023, establishing a comprehensive security framework encompassing perimeter security, network security, application security, endpoint security, identity and access management, threat intelligence, and data security. In FY2024, the Bank made ongoing improvements to each security layer, integrating sophisticated tools and processes to ensure a resilient defence against evolving cyber threats.

Union Bank also focused on cybersecurity awareness programs, developing the initial framework in FY2022. These programs aimed to educate employees and stakeholders about potential cyber threats. By FY2023, the Comprehensive Cybersecurity Awareness Programme (CCSAP) was launched, utilising various channels such as SMS, emails, ATMs, branch displays, social media, and the Bank's website to increase awareness among customers and employees about cybersecurity best practices and the latest threats. In FY2024, the CCSAP was expanded with additional webinars, interactive training sessions, and enhanced educational materials, ensuring that all stakeholders remained informed and vigilant against cyber risks.

Cybersecurity Governance Framework and Action Plans

Union Bank of India has implemented a comprehensive Cybersecurity Governance Framework and robust data governance and privacy practices, which are detailed in its IT Policy and Data Governance Policy. The Bank holds ISO 27701:2019 certification for its Privacy Information Management System (PIMS), enhancing its Information Security Management System (ISMS) and ensuring the management of Personally Identifiable Information (PII). This certification builds stakeholder trust, mitigates privacy risks, and ensures legal compliance, reinforcing data integrity, accuracy, and reliability.

The Bank adheres to several key regulatory frameworks, including the RBI Cyber Security Framework 2016, RBI Master Directions on Digital Payment Security Controls 2021, and RBI Master Directions on IT Governance, Risk, Controls, and Assurance Practices 2023. Its IT systems comply with international risk management frameworks, notably ISO 31000:2018, and include detailed Risk Assessment and Risk Treatment plans.

Furthermore, the Bank meets the standards of ISO 27001 (Information Security Management), ISO 22301 (Business Continuity Management), ISO 27701 (Privacy Information Management), PCI DSS (Payment Card Industry Data Security Standard), and PCI PIN (Payment Card Industry PIN Security). Since November 14, 2022, several key systems, such as CBS, RTGS, NEFT, IMPS Switch, ATM Switch, and UPI Switch, have been designated as "Protected Systems" by the Ministry of Electronics and Information Technology. Consequently, the Union Bank of India complies with the Information Technology (Information Security Practices and Procedures for "Protected Systems") Rules, 2018, ensuring robust cybersecurity and data protection measures.

Certification and Compliance

- ❖ **Data Centre (DC) & Disaster Recovery (DR) Site Certifications:** Certified for Information Security Management Systems (ISO 27001) and Business Continuity Management System (ISO 22301), ensuring robust security practices and disaster recovery protocols are in place.
- ❖ **Enterprise Risk Management System:** Certified under ISO 31000, reflecting a strong risk management framework that includes thorough risk assessment and mitigation strategies.
- ❖ **PCI-DSS Certification:** Achieved for all card payment systems and ATM switch operations, demonstrating a commitment to maintaining the highest standards of payment card security.

Comprehensive, Multi-layered Security Architecture

Union Bank's multi-layered security architecture provides robust protection at every level of its IT infrastructure:

- ❖ **Perimeter Security:** Safeguards the Bank's network boundaries.
- ❖ **Network Security:** Ensures secure and reliable network operations.
- ❖ **Application Security:** Protects applications from vulnerabilities and attacks.
- ❖ **Endpoint Security:** Secures devices connected to the Bank's network.
- ❖ **Identity and Access Management:** Controls and monitors access to critical systems.

GRI

418-1

GRI

418-1

GRI

418-1



Intellectual Capital

GRI

418-1

- ❖ **Threat Intelligence:** Stays ahead of emerging threats through continuous monitoring and analysis.
- ❖ **Data Security:** Protects sensitive data from unauthorised access and breaches.

Cybersecurity Infrastructure & Strategies for Threat Mitigation

- ❖ **Policies and Action Plans:** Harmonised with Digital Payment Security Controls for internet banking, mobile banking applications, ATM operations, and other generic security controls.
- ❖ **24x7 Cyber Security Operation Centre (C-SOC):** A cornerstone of the Bank's cybersecurity infrastructure, staffed by a dedicated team of experts using advanced tools and technologies to monitor, detect, and respond to cyber threats.
- ❖ **Defence in Depth Strategy:** Provides holistic protection with a comprehensive, multi-layered security architecture.
- ❖ **Ethical Hacking Lab:** Identifies gaps in the Bank's perimeter or internet-facing applications/assets daily.
- ❖ **Vulnerability Assessment/Penetration Testing (VA/PT) Lab:** Conducts regular VA and PT of applications and systems.
- ❖ **Red-Teaming Exercises:** Conducted with external vendors to identify vulnerabilities and business risks, simulating the actions of an attacker to test existing controls.

GRI

103-2

Analytics Centre of Excellence - FY2024

The Analytics Centre of Excellence (ACoE) has been an instrumental entity within our organisation, driving innovation and operational excellence through data-driven decision-making. The initiatives outlined for FY2024 build upon the successful frameworks and methodologies established in FY2023, ensuring that we continue to harness the power of data to achieve strategic business objectives.

Advanced Predictive Analytics

In FY2024, the ACoE will continue to enhance its predictive analytics capabilities. Leveraging sophisticated algorithms and machine learning models, the Centre aims to provide deeper insights into customer behaviour, market trends, and operational efficiencies. This initiative is focused on refining our predictive models to improve accuracy and actionable insights, which will enable the organisation to anticipate market shifts and customer needs more effectively.

❖ Key Actions:

- ⌘ Implementing advanced machine learning techniques to refine predictive models.
- ⌘ Integrating new data sources to enhance model accuracy and relevance.
- ⌘ Collaborating with business units to translate predictive insights into strategic actions.



Embracing the future of banking, Union Bank of India integrates advanced data analytics and predictive models to anticipate market shifts and meet evolving customer needs.



Real-Time Data Integration

Building on the groundwork laid in FY2023, the DAC will expand its real-time data integration capabilities in FY2024. This initiative aims to create a seamless flow of information across the organisation, ensuring that decision-makers have access to the most current data at all times. By enhancing real-time data integration, we aim to improve response times, optimise supply chain management, and enhance customer service.

❖ **Key Actions:**

- ⌘ Upgrading the data integration infrastructure to support real-time data processing.
- ⌘ Establishing data governance frameworks to ensure data quality and consistency.
- ⌘ Developing dashboards and tools for real-time data visualisation and analysis.

Data Literacy and Training Programs

Recognising the importance of data literacy, the DAC will continue to invest in comprehensive training programs throughout FY2024. These programs are designed to equip employees at all levels with the skills and knowledge necessary to effectively utilise data in their roles. By fostering a data-driven culture, we aim to enhance overall organisational performance and innovation.

GRI

103-2

GRI

103-2

GRI

404-2

Intellectual Capital

GRI

418-1

GRI

103-2



Empowering our customers through data-driven insights and robust cybersecurity measures, we ensure personalized experiences and top-notch data protection at every touchpoint.

❖ Key Actions:

- ⌘ Designing and delivering customised training modules focused on data analysis and interpretation.
- ⌘ Hosting workshops and seminars led by industry experts.
- ⌘ Providing ongoing support and resources to promote continuous learning.

Enhanced Data Security and Compliance

In FY2024, we will further strengthen our data protection measures to safeguard against emerging threats and ensure compliance with evolving regulations. This initiative focuses on enhancing our cybersecurity infrastructure and updating our policies and procedures to meet the highest standards of data privacy and protection.

❖ Key Actions:

- ⌘ Implementing advanced cybersecurity technologies to protect sensitive data.
- ⌘ Conducting regular audits and assessments to identify and mitigate risks.
- ⌘ Ensuring compliance with national and international data protection regulations.

Customer-Centric Data Solutions

The ACoE will continue to develop and implement customer-centric data solutions in FY2024. This initiative aims to create personalised experiences for our customers by leveraging data insights to understand their preferences and behaviours. By focusing on customer-centricity, we aim to drive customer satisfaction, loyalty, and engagement.



❖ **Key Actions:**

- ⌘ Analysing customer data to identify key trends and preferences.
- ⌘ Developing personalised marketing campaigns and product recommendations.
- ⌘ Implementing feedback mechanisms to continuously refine customer solutions.

Expansion of Data Ecosystem

To support our growing data needs, the ACoE will expand its data ecosystem in FY2024. This initiative involves integrating additional data sources and enhancing our data storage and processing capabilities. By expanding our data ecosystem, we aim to support more complex analyses and generate deeper insights to inform strategic decisions.

❖ **Key Actions:**

- ⌘ Integrating third-party data sources to enrich our data landscape.
- ⌘ Upgrading our data storage infrastructure to accommodate increased data volumes.
- ⌘ Enhancing data processing capabilities to support advanced analytics.

The initiatives outlined for FY2024 demonstrate the ACoE's commitment to driving innovation and operational excellence through data analytics. By building on the successes of FY2023, we aim to continue delivering high-quality, data-driven insights that enable informed decision-making and strategic planning across the organisation.

Data Analytics and Usage

Union Bank of India leverages data analytics to enhance decision-making, improve customer experiences, and optimise operations. The Bank has established robust data analytics initiatives that have proven beneficial in various aspects of its business.

Leveraging Data Analytics for Enhanced Banking Operations and Customer Insights

Union Bank of India has made significant strides in leveraging data analytics to improve banking operations and customer insights. The Bank has established an Analytics Center of Excellence (ACoE), strengthening its analytics team through strategic staffing and comprehensive training. Here are the key initiatives and advancements:

GRI

103-2

GRI

103-2

GRI

103-2



Intellectual Capital

Fraud Detection, Customer Churn Analysis, Marketing Leads:

- ❖ **FY2022:** The Bank began using basic analytics to monitor transactions and detect fraudulent activities, alongside developing initial models for customer churn analysis and marketing leads.
- ❖ **FY2023:** Machine learning models were employed to identify unusual transaction patterns indicative of fraud, predict and mitigate customer churn, and generate marketing leads for targeted campaigns. These efforts resulted in improved fraud detection rates and more personalised marketing campaigns.
- ❖ **FY2024:** Advanced algorithms have been refined to enhance the accuracy and efficiency of fraud detection, customer retention strategies, and marketing initiatives, providing real-time insights for prompt responses to potential threats and opportunities.

Performance Dashboards:

- ❖ **FY2022:** Initial setup of performance dashboards focused on key metrics related to CASA, retail loans, and MSME loans.
- ❖ **FY2023:** Comprehensive dashboards were developed for real-time monitoring and analysis across various business segments, providing visibility into key performance indicators (KPIs) and facilitating better decision-making and performance management.
- ❖ **FY2024:** The dashboards have been enhanced with granular data and advanced visualisation tools, supporting a wider range of metrics and offering deeper insights into business performance.

Adoption of Analytics-Based Stress Testing Models and Digital Manpower Planning:

The Bank has adopted analytics-based stress testing models to assess operational resilience under various scenarios, helping evaluate risks and develop effective mitigation strategies. Additionally, digital manpower planning optimises workforce allocation, ensuring the right talent is in place to meet operational needs.

Implementation of a Comprehensive Digital Business Platform: Union Bank has implemented a digital business platform to enable seamless interactions and transactions across multiple channels, fostering agility and adaptability in the digital landscape. This platform integrates various banking services, enhancing the customer experience by making account management more accessible.

Data Lake as the Next-Generation Data Repository Solution: The Bank is in the process of deploying a Data Lake as its next-generation data repository, consolidating vast amounts of structured and unstructured data from various sources. This central repository supports advanced analytics and provides valuable insights for strategic decision-making.

Overall Data Analytics Utilization: Currently, Union Bank leverages data analytics to enhance customer engagement, support informed decision-making, and mitigate risks. Descriptive analytics and machine learning algorithms are applied across categories like Retail, MSME, and Agriculture:

- ❖ **Decision Making:** Descriptive analytics and visual dashboards provide top management with insights for data-driven decisions.
- ❖ **Customer Retention:** Predictive modelling analyses historical data to identify potential customer attrition, allowing proactive outreach to improve retention.
- ❖ **Personalised Offers:** Analytics-based use cases generate personalised offers, using predictive modelling to identify potential leads and support various banking functions.
- ❖ **Risk Management:** Models identify early signs of stress in customer accounts by analysing historical data on repayment behaviour, account utilisation, and transaction patterns, aiding in effective risk management and mitigation.

Innovative Banking Solutions

Union Bank of India continues to lead the way in introducing innovative banking solutions designed to enhance customer experience and streamline operations. Here is an overview of the solutions implemented and their impact.

GRI

203-2

Personalised Interactive Statements

- ❖ **FY2022:** Initial research and planning for personalised interactive statements began, with a focus on understanding customer needs and preferences.
- ❖ **FY2023:** Union Bank introduced personalised interactive statements, which provided customers with detailed insights into their financial activities through engaging and easy-to-understand formats. These statements included graphical representations and personalised messages, enhancing the overall customer experience.
- ❖ **FY2024:** Building on the success of the previous year, the Bank has further refined these statements, incorporating more interactive elements and personalised videos to communicate important information and offers directly to customers.

WhatsApp Banking and Voice Banking

- ❖ **FY2022:** The Bank explored the feasibility of leveraging popular messaging platforms and voice assistants to enhance customer service.
- ❖ **FY2023:** Union Bank launched WhatsApp Banking and Voice Banking services, allowing customers to perform a variety of banking tasks such as checking balances, viewing mini statements, and making inquiries through WhatsApp and voice assistants like Amazon Alexa and Google Assistant. These services saw significant user engagement, providing customers with convenient and accessible banking options.
- ❖ **FY2024:** The Bank has expanded the capabilities of these services, offering more transactional features and improving the AI algorithms to enhance the accuracy and responsiveness of the interactions.

Digital Platform and Straight Through Processing (STP)

- ❖ **FY2022:** The groundwork for a comprehensive digital platform was laid, focusing on integrating various banking services into a unified system.
- ❖ **FY2023:** Union Bank implemented a robust digital platform along with Straight Through Processing (STP) capabilities. This integration allowed for seamless and efficient processing of transactions, reducing manual intervention and errors. The digital platform enabled customers to access a wide range of services, from account management to loan applications, all through a single interface.
- ❖ **FY2024:** Enhancements to the digital platform have been made to ensure even smoother interactions and transactions. The Bank continues to innovate by adding new features and improving the user interface to provide a more intuitive and efficient banking experience.

Green Office Automation

In line with its commitment to sustainability, Union Bank has implemented Green Office Automation. This initiative focuses on the meticulous preparation, escalation, and digital signing of documents, significantly reducing paper usage and promoting eco-friendly practices. The automation not only supports the Bank's environmental goals but also enhances operational efficiency by streamlining document management processes.



Union Bank of India's strategic investments in AI, ML, AR/VR, and Blockchain highlight its dedication to becoming a next-generation, digitally empowered banking institution.

Digital Business Platform

Union Bank's Digital Business Platform has been instrumental in fostering seamless interactions and transactions across various channels. This platform integrates multiple banking services, enabling customers to enjoy a consistent and high-quality experience whether they are using mobile banking, internet banking, or visiting a branch. The platform's design ensures agility and adaptability, allowing the Bank to respond quickly to changing customer needs and market dynamics.

Intellectual Capital

GRI

103-2



By pioneering initiatives like Metaverse Virtual Lounges and AI-based conversational banking, Union Bank of India is transforming the way customers interact with banking services.

Customer Digital Engagement

Union Bank of India has made significant strides in enhancing customer digital engagement by leveraging advanced technologies and digital platforms. These initiatives have not only improved customer experience but also streamlined various banking processes. Here is a detailed overview of the evolution and impact of these efforts.

Increase in Digital Journey Applications

- ❖ FY2022: Union Bank initiated several projects aimed at increasing digital journey applications, focusing on developing a user-friendly interface and integrating essential banking services.
- ❖ FY2023: The Bank successfully launched numerous digital lending journeys, covering a wide range of asset and liability products. These digital journeys enabled seamless sanctioning, renewal, and review of accounts, significantly reducing turnaround times (TAT) and enhancing customer convenience. Examples include Mudra Kishor STP, Mudra Tarun STP, education loans, fresh KCC loans, and loans against deposits.
- ❖ FY2024: The Bank continues to expand its digital journey applications, incorporating advanced analytics and AI to further personalise and streamline the lending process. This year has seen an increased adoption of these digital journeys, reflecting the Bank's commitment to making banking easier and more accessible for its customers.

Enhancements in Digital Banking Units (DBUs)

- ❖ FY2022: The concept of Digital Banking Units (DBUs) was developed, focusing on creating specialised branches equipped with advanced digital capabilities.

- ❖ FY2023: Union Bank established seven Digital Banking Units, each equipped with smart capabilities such as interactive tablets, multi-functional kiosks, ATMs, video KYC apparatus, and Metaverse technology. These DBUs aimed to increase digital penetration and provide cost-effective, convenient access to financial services.
- ❖ FY2024: Building on the foundation laid in the previous year, the Bank has enhanced these DBUs by adding more digital features and expanding their reach. The DBUs now offer a broader range of services, ensuring that customers can perform most banking transactions digitally, thereby reducing the need for physical branch visits.

Increase in the Number of Digital Journeys for MSME Accounts

Union Bank has focused on increasing the number of digital journeys for MSME accounts, enabling faster credit dispensation and improving the overall customer experience for small and medium enterprises. By digitalising the credit application and approval processes, the Bank has significantly reduced the time and effort required for MSMEs to access credit, thus supporting their growth and sustainability.

Sanctions under PMSVANidhi

To support microcredit distribution, Union Bank has digitally enabled the sanction process under the PMSVANidhi scheme. This initiative has drastically reduced the turnaround time (TAT) for microcredit distribution, ensuring that beneficiaries receive timely financial support. By leveraging digital tools and platforms, the Bank has streamlined the application and approval processes, making it easier for street vendors and small entrepreneurs to access credit.

Through these initiatives, Union Bank of India has demonstrated its commitment to enhancing customer digital engagement. The Bank's continuous efforts to integrate advanced technologies into its operations reflect a proactive approach to meeting the evolving needs of its customers in a rapidly changing digital landscape.

Customer Awareness Activities

Union Bank of India continues its unwavering commitment to educating customers on secure banking practices and digital safety. The Bank has implemented a series of initiatives to ensure customers are well-informed about potential cyber threats and how to mitigate them. Here are the key activities undertaken for customer awareness:

Secure Usage Guidelines

The Bank provides comprehensive, secure usage guidelines, terms, and conditions for using digital channels and products. These guidelines are prominently displayed across various platforms to ensure maximum visibility and awareness.

- ❖ **Internet Banking and Mobile Banking App Vyom:** Secure usage guidelines are integrated into the user interface of the Bank's internet banking portal and the Mobile Banking App Vyom. This ensures that customers are aware of best practices and security measures every time they use these digital channels.
- ❖ **Passbooks and ATM Slips:** Security messages are printed on the passbooks issued to customers and on ATM slips generated after successful transactions. This continuous reminder helps reinforce safe banking habits among customers.



Union Bank of India remains dedicated to educating customers about secure banking practices and digital safety, implementing initiatives to keep them informed about cyber threats and prevention strategies.

GRI

103-2, 413-1

Public Awareness Campaigns

Union Bank of India continuously engages in public awareness campaigns to inform customers about the types of threats and attacks they may encounter while using digital payment products. These campaigns highlight precautionary measures that customers can take to protect themselves.

- ❖ **Emails and SMS:** Regular communications are sent via email and SMS to alert customers about potential threats and provide tips on how to stay safe online.



Intellectual Capital

❖ Videos and Social Media Posters:

The Bank uses engaging videos and informative posters on social media platforms to educate customers about cybersecurity. These materials cover various topics, from identifying phishing attempts to securing personal information.

Cybersecurity Awareness Displays

In addition to digital communications, the Bank ensures that cybersecurity awareness is a visible part of the physical banking experience.

- ❖ **Network Electronics Display Units (NEDU):** Creative cybersecurity awareness messages and posters are displayed on NEDU screens in branches. These visual reminders help keep cybersecurity at the forefront of customers' minds as they conduct their banking activities.

Monthly Cybersecurity Tips

The Bank collaborates with the Centre for Development of Advanced Computing (CDAC) Hyderabad, a key partner, to provide monthly bulk mailings of cybersecurity tips to all customers.

- ❖ **CDAC Partnership:** Through this partnership, the Bank sends out regular communications with practical cybersecurity tips, helping customers stay informed about the latest security practices and potential threats.

Online Webinars

To reach a broader audience and provide in-depth cybersecurity education, the Bank conducts online webinars in coordination with CDAC Hyderabad.

- ❖ **Monthly Webinars:** These webinars are held monthly and are available to bank customers across India. The sessions cover a range of topics, including the latest cybersecurity threats and how to protect against them, providing an interactive platform for learning and engagement.

Multi-Channel Communication

Union Bank of India employs a multi-channel approach to ensure that cybersecurity messages reach all customers, regardless of their preferred communication medium.

- ❖ **Internet and Mobile Banking:** Important cybersecurity information is displayed on the Bank's internet banking portal and Mobile Banking App Vyom.
- ❖ **Credit Card Statements:** Customers receive security messages with their credit card statements, reinforcing the importance of cybersecurity with their financial documents.
- ❖ **SMS and Emails:** Regular alerts and tips are sent via SMS and email.
- ❖ **Social Media Channels:** The Bank utilises LinkedIn, Instagram, Facebook, X and YouTube to share cybersecurity awareness content.
- ❖ **Network Electronics Display Units (NEDU):** Physical displays at branches ensure that customers are reminded of cybersecurity best practices during their visits.

Through these comprehensive initiatives, Union Bank of India is dedicated to building a well-informed customer base capable of navigating the digital banking landscape securely.



Union Bank of India's strategic investments in AI, ML, AR/VR, and Blockchain highlight its dedication to becoming a next-generation, digitally empowered banking institution.



Through robust training programs and innovative technology adoption, Union Bank of India is not only enhancing its operational efficiency but also fostering a culture of continuous learning and improvement.

Training and Development

Union Bank of India places a strong emphasis on the training and development of its employees to ensure they are well-equipped to meet the evolving needs of the banking industry. Here is an overview of the training programs implemented:

Training Programs for MSME Loan Points

- ❖ **FY2022:** The Bank began focusing on the development of training programs tailored for employees at MSME Loan Points (MLPs), aiming to enhance their skills and knowledge.
- ❖ **FY2023:** Comprehensive training programs were rolled out for credit officers and MLP Heads. These programs included detailed modules on credit assessment, risk management, and customer service, ensuring that the staff at MSME Loan Points were better equipped to handle their responsibilities and provide superior service to MSME clients.
- ❖ **FY2024:** Building on the previous year's success, the training programs have been further refined and expanded. The Bank now offers advanced courses and continuous learning opportunities to keep the staff updated with the latest industry practices and regulatory requirements.

Future Digital Initiatives

Union Bank of India is continuously innovating to stay ahead in the digital banking landscape. The Bank has laid out several key initiatives to enhance customer experience and operational efficiency.

In FY2022, the Bank conducted initial explorations and feasibility studies for implementing Generative AI and establishing a Robotic Process Automation (RPA) Centre of Excellence (CoE). By FY2023, a comprehensive strategy was developed,

GRI

404-1, 404-2

GRI

103-2



Intellectual Capital

outlining plans to utilise Generative AI for streamlining various processes and enhancing user experience, while conceptualising the RPA CoE to focus on monitoring, optimising, and customising automated processes. In FY2024, the Bank is moving forward with the implementation of Generative AI to automate routine tasks and improve service delivery, alongside establishing the RPA CoE to ensure continuous monitoring and optimisation of automated processes.

The groundwork for adopting cloud-native applications and the Internet of Things (IoT) was also laid in FY2022, with a detailed implementation strategy developed in FY2023. By FY2024, the Bank is actively implementing these technologies to improve agility and adaptability, enhance operational efficiency, and provide better customer experiences.

Union Bank is developing a Data Lake as its next-generation data repository solution. This Data Lake will consolidate vast amounts of structured and unstructured data, meeting the Bank's analytical and reporting requirements, enabling advanced analytics, and providing valuable insights to support strategic decision-making.

GRI

103-2

The Bank aspires to personalise communication with customers through offerings such as Personalised Interactive Statements and Videos. It is considering the implementation of AI-based CTS clearing to digitise the clearing process, thereby reducing staff workload and processing time for cheques. The Bank is also exploring potential use cases of Generative AI to streamline processes and enhance user experience.

Creating an RPA CoE for monitoring, optimising, and customising operations and automated processes is another focus area. Additionally, the Bank prioritises Green Office Automation, which will enhance operational efficiency and foster a culture of compliance and accountability through the meticulous preparation, escalation, and digital signing of documents, inter-office letters, and proposals.

Major focus areas include:

- ❖ **Generative AI:** Applied across domains like Human Resource Management Systems (HRMS), Relationship Management, Data Visualization, Contact Center Assistance, and Code Generation to enhance efficiency and accuracy.
- ❖ **RPA CoE:** Optimising and customising specific operations such as CRM processes, bulk SMS distribution for REKYC reminders, management of loyalty rewards points, and handling CERSAI rejected data reporting.
- ❖ **Green Office Automation:** Enhancing operational efficiency through the digital signing of documents and proposals.
- ❖ **Digital Business Platform:** Implementing a comprehensive platform for seamless interactions and transactions across various channels.
- ❖ **Data Lake:** This is the next-generation data repository that meets analytical and reporting requirements.

Official Language & Publications: Rajbhasha

Union Bank of India continues to emphasise the promotion and use of Hindi across its operations, ensuring compliance with the Rajbhasha guidelines and fostering a bilingual work environment. Here is an overview of the initiatives and achievements in promoting the official language, Hindi.

Promotion of Hindi in Banking Operations

Union Bank of India actively promotes the use of Hindi in its daily operations. The Bank ensures that Hindi is used extensively in official communications, including internal circulars, notices, and reports. The Bank also encourages employees to use Hindi in their day-to-day work, fostering a bilingual environment.

Multilingual Publications

The Bank publishes various materials in Hindi to cater to a wider audience. Notable publications include the quarterly bilingual corporate in-house journal 'Union Dhara' and the Hindi magazine 'Union Srijan.' These publications feature articles, stories, and poems contributed by employees, promoting Hindi literature and culture within the organisation.



Employee Participation and Training

Union Bank conducts regular training programs to enhance the Hindi proficiency of its employees. These sessions cover the effective use of Hindi in official documentation, communication, and customer interactions. Additionally, the Bank organises competitions and workshops to encourage the use of Hindi among employees.

Recognition and Awards

Union Bank's efforts in promoting Hindi have been recognised with several awards. The Bank has received the prestigious Kshetriya Rajbhasha Puraskars from the Department of Official Language, Ministry of Home Affairs, Government of India, for its exemplary performance in implementing Hindi.

Digital and Multilingual Support

Union Bank has made significant progress in providing multilingual support across its digital platforms:

- ❖ **Mobile Banking:** Available in 13 languages, ensuring accessibility for a wide range of customers.
- ❖ **Internet Banking:** Available in 2 languages, enhancing user experience.
- ❖ **Call Centre:** Supports 11 languages, offering personalised assistance.
- ❖ **SMS Facility:** Available in 13 languages, ensuring effective communication with customers.

Official Language Implementation Committees

To monitor and promote the use of Hindi, Union Bank has established Official Language Implementation Committees (OLICs) at various levels. These committees regularly review the progress of Hindi implementation and suggest measures to enhance its usage in the Bank's operations.

Publications and Knowledge Dissemination

Union Bank disseminates knowledge through its publications, which are released in multiple languages to cater to a diverse audience. The publications cover banking updates, industry insights, and employee contributions, fostering a culture of knowledge sharing and inclusivity.

Intellectual Capital



UBI consistently demonstrates excellence in customer engagement, digital innovation, and financial inclusion, earning numerous prestigious awards and recognitions for its commitment to delivering superior banking solutions.

Awards and Recognitions

Union Bank of India has consistently demonstrated excellence across various domains, earning numerous prestigious awards and recognitions. These accolades reflect the Bank's commitment to innovation, customer service, and digital transformation.

List of Awards and Recognitions

BW People - Disability Positive Award: Best Organisation for PWD Inclusion

Union Bank was honoured with the BW People Disability Positive Award for being the Best Organisation for PWD Inclusion. This award recognises the Bank's commitment to fostering an inclusive workplace that supports people with disabilities, ensuring equal opportunities for all employees.

Banking Frontiers Finnoviti Awards: Personalised Interactive Video

At the Banking Frontiers Finnoviti Awards, Union Bank was acknowledged for its Personalised Interactive Video initiative. This innovation enhances customer engagement by delivering personalised financial information through interactive videos, making banking more accessible and engaging for customers.

Dataquest Digital Leadership Conclave & Awards: Digital Leadership - CTO

The Bank's Chief Technology Officer was recognised at the Dataquest Digital Leadership Conclave & Awards for demonstrating outstanding digital leadership. This award highlights the CTO's role in driving the Bank's digital transformation and implementing cutting-edge technologies.

ELETS BFSI Gamechanger 2023: Metaverse Virtual Lounge

Union Bank's Metaverse Virtual Lounge received the ELETS BFSI Gamechanger Award 2023. This initiative showcases the Bank's commitment to adopting emerging technologies to create immersive and innovative customer experiences.

Infosys Finacle Awards

Union Bank's achievements in various categories were celebrated at the Infosys Finacle Awards, including:

- ❖ **Product Innovation:** Union Sparsh
- ❖ **Channel Innovation:** Union Bank Voice Assistant and Union Virtual Connect
- ❖ **Ecosystem Led Innovation:** Rupay Credit Card on UPI and Sandbox Environment
- ❖ **Process Innovation:** Digitizing MSME Loans
- ❖ **Maximising Customer Engagement:** Account Statement on Digilocker
- ❖ **Transformation Excellence:** Centre of Excellence and Cloud Technology

These awards underscore the Bank's dedication to leveraging technology to enhance its product offerings, customer engagement, and operational processes.

Governance Now 6th BFSI Awards 2023: Use of Emerging Technologies, Digital Transformation Leader Award (CIO)

Union Bank was recognised for its use of emerging technologies at the Governance Now 6th BFSI Awards 2023. Additionally, the Bank's Chief Information Officer received the Digital Transformation Leader Award, highlighting the Bank's leadership in driving digital innovation.

Mission Accessibility Annual Event 2023: Championing Accessibility Award - Union Access

At the Mission Accessibility Annual Event 2023, Union Bank was awarded the Championing Accessibility Award for its Union Access initiative. This recognition reflects the Bank's efforts for making banking services more accessible to all customers, including those with disabilities.

Infosys Finacle Awards (Global Retail Banking Innovation Awards 2023 by The Digital Banker)

Union Bank won multiple awards at the Infosys Finacle Global Retail Banking Innovation Awards 2023:

- ❖ **Best Self-Service Banking:** UVConn and UVA

IBSi Global Fintech Innovation Award 2023: Best Digital Channel/ Platform Implementation - UVConn and UVA

The Bank's UVConn and UVA platforms were recognised with the IBSi Global Fintech Innovation Award for Best Digital Channel/ Platform Implementation. This award highlights the Bank's success in creating effective digital channels that enhance customer experience.

IBA Awards

Union Bank's achievements were celebrated at the IBA Awards, where it received:

- ❖ **Best Technology Bank:** Winner
- ❖ **Best Digital Engagement:** Runner Up
- ❖ **Best IT Risk Management:** Runner-Up
- ❖ **Best Technology Talent:** Special Mention
- ❖ **Best Financial Inclusion:** Special Mention

These awards reflect the Bank's excellence in technology, risk management, and financial inclusion.

Elets BFSI CXO Awards: Leading Technology Bank

Union Bank was recognised as the Leading Technology Bank at the Elets BFSI CXO Awards, highlighting its leadership and innovation in banking technology.

IBEX India BFSI Tech Award 2024: Excellence in Banking Innovation Using Emerging Tech

At the IBEX India BFSI Tech Award 2024, Union Bank received the award for Excellence in Banking Innovation Using Emerging Tech. This award underscores the Bank's commitment to adopting advanced technologies to improve its services.

Fintech Festival India: Fintech Festival Award Innovation

Union Bank's innovative solutions were celebrated at the Fintech Festival India, where it received the Fintech Festival Award for Innovation.

Retail Banker International Asia Trailblazer Awards: Best ATM and Self-Service Innovation

Union Bank was honoured with the Best ATM and Self-Service Innovation award at the Retail Banker International Asia Trailblazer Awards, recognising its efforts to enhance customer convenience through innovative ATM and self-service solutions.



Natural Capital Part I

UBI's Strategic Environmental Governance and Stewardship



To achieve country's net-zero emissions by 2070, UBI will align its ambitious goals with the Paris Climate Agreement and the UN Sustainable Development Goals.

At UBI, our commitment to environmental stewardship is deeply ingrained in our philosophy. We are seamlessly integrating cutting-edge technology with a steadfast dedication to sustainable practices. Our approach to natural capital reflects a proactive stance, recognising both the imperative to mitigate climate risks and the opportunity to champion green initiatives. This mindset drives us to support our customers and communities in their sustainability journey while minimising our environmental footprint.

UNSDG:



Strategic Pillars:



Business Model Canvas:



Material Issues

1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18

GRI Alignment

201, 203, 205, 302, 303, 305, 306, 401, 403, 404, 406, 413, 418



Union Bank has made a steadfast commitment to environmental leadership, with a bold aim to achieve net-zero emissions by 2070. This ambitious goal aligns with the global standards of the Paris Climate Agreement and the United Nations Sustainable Development Goals (UNSDGs). Recognising the importance of addressing climate change and promoting sustainable development, Union Bank has established a comprehensive governance structure to oversee its Environmental, Social, and Governance (ESG) commitments.

This robust and multifaceted governance structure ensures the Bank's environmental strategies are effectively implemented and monitored. Key components of this structure include the Stakeholders Relationship Committee (SRC) and the Risk Management Committee (RMC), both of which play pivotal roles in managing ESG and climate-related risks. The ESG Steering Committee (ESGSC), comprising executive directors and heads of various business verticals, meets quarterly to guide the Bank's transition towards sustainability. This committee provides recommendations to the Board and ensures that all verticals of the Bank are aligned with the ESG objectives.

By integrating these governance mechanisms, Union Bank ensures that its environmental stewardship is not just a policy but a core aspect of its operational ethos, driving the Bank towards a sustainable and resilient future.

₹23,059 crores

Renewable Energy Financing: Total amount sanctioned for renewable energy projects.

₹462 crores

Electric Vehicle Financing: Amount sanctioned under the Union Green Miles scheme.



Our commitment to environmental stewardship at UBI is not just policy but a core aspect of our operational ethos, driving us towards a sustainable and resilient future.



Natural Capital Part I:

GRI

305 - Emissions Disclosure

Environmental Commitment

Summary of Union Bank's environmental goals and strategies for achieving net-zero emissions:

Union Bank is committed to achieving net-zero emissions by 2070. This ambitious goal is pursued through a structured approach led by the ESG Steering Committee (ESGSC). The ESGSC comprises Executive Directors and heads of various business and control verticals, meeting quarterly to discuss ESG transitions and submit recommendations to relevant committees for approval. The Risk Management Committee (RMC) and the Board regularly update the Bank's progress.

The ESGSC's terms of reference include guiding verticals on ESG initiatives, adopting best practices for ESG transition, executing the Bank's transition plan to become a carbon-neutral bank, identifying and monitoring ESG impacts on the business environment, and building ESG capacity within the Bank. Additionally, all verticals have designated points of contact for ESG and climate risk matters, ensuring smooth implementation across the organisation. This approach aligns with the GRI 305: Emissions standard, which focuses on disclosing greenhouse gas (GHG) emissions. By adhering to GRI 305, the Bank ensures transparent reporting of its emissions, facilitating accountability and continuous improvement in its environmental performance. This standard supports the Bank's goal of reducing its carbon footprint and aligns with its broader ecological objectives.

Alignment with Paris Climate Agreement and UNSDGs:

Union Bank's environmental strategies are meticulously aligned with international standards such as the Paris Climate Agreement and the United Nations Sustainable Development Goals (UNSDGs). By adhering to these global frameworks, the Bank ensures that its operations contribute positively to mitigating climate change and promoting sustainable development. This alignment addresses regulatory compliance and positions the Bank as a proactive leader in global sustainability efforts. Integrating these standards into the Bank's strategies underscores its commitment to a sustainable future and enhances its credibility and accountability in environmental stewardship. This comprehensive approach satisfies the GRI 305: Emissions disclosure requirement by detailing how the Bank's emissions reduction strategies align with global ecological goals.

Climate Strategy and Governance:

Management of climate-related risks and opportunities:

Union Bank manages climate-related risks and opportunities through a robust governance framework centred on the ESG Steering Committee. This committee is integral in identifying, assessing, and addressing physical and transition risks related to climate change. The Bank recognises climate-related issues can significantly impact its business prospects, strategy, and financial performance. To build resilience, the Bank monitors exposure to high-emission sectors, increases lending to green projects, and invests in capability building. The Bank has identified transition finance as a key opportunity, especially in hard-to-abate sectors, and is developing focused products for these areas. This governance framework aligns with the GRI 102: General Disclosures standard, which requires organisations to provide comprehensive information about their governance structure, including the roles and responsibilities of committees.

GRI

305 - Emissions Disclosure

GRI

102 - General Disclosures

UBI's Climate Strategy



❖ We are facilitating a sustainable shift by equipping our customers and communities to navigate climate-related challenges and prospects.



❖ We are addressing climate risks impacting our Company, including physical and transitional factors.



❖ We are minimising our environmental impact through the use of renewable energy, enhancing energy efficiency, and implementing various operational improvements across our organisation.

Governance structure and roles of committees:

Union Bank's governance structure for managing environmental strategies includes several vital committees. The Stakeholders Relationship Committee (SRC), a board-level committee, oversees all non-risk ESG-related matters and reports directly to the Board. The Risk Management Committee (RMC), a sub-committee of the Board, oversees ESG and climate risk-related matters. The ESG Steering Committee (ESGSC) drives the Bank's ESG transition and ensures alignment with strategic goals. Sub-committees focused on specific areas, such as net-zero emissions and sustainable finance, further support these efforts. The ESGSC guides various verticals on ESG initiatives, adopts best practices for ESG transition, and monitors the Bank's ESG impacts. By adhering to the GRI 102: General Disclosures standard, Union Bank ensures transparency and accountability in its governance practices, supporting its overall strategy to effectively manage climate-related risks and opportunities.

GRI

102 - General Disclosures

Sustainable Financing

Achievements and Future Plans:

Details of achievements in sustainable finance, particularly in renewable energy:

Union Bank has made significant strides in sustainable financing, strongly emphasising renewable energy projects. In FY2024, the Bank has achieved notable milestones that reflect its commitment to supporting the transition to a low-carbon economy. Specific achievements include financing various solar and wind energy projects, which have contributed to the generation of clean energy.

For instance, Union Bank has sanctioned ₹ 23,059 crores for the renewable energy sector as of March 31, 2024. This significant investment demonstrates the Bank's proactive approach to fostering sustainable energy solutions. Additionally, under the Union Green Miles scheme, which finances electric vehicles, the Bank has sanctioned ₹ 462 crores. These accomplishments align with the GRI 201: Economic Performance standard, emphasising the economic implications of an organisation's sustainability efforts and the financial contributions made towards sustainable development.

Targets and achievements in the FY2024 plan for expanding green financing:

Looking ahead, Union Bank has set ambitious targets for expanding its green financing portfolio. The Bank aims to increase its investments in renewable energy and other sustainable projects, significantly boosting its overall loan portfolio's proportion of green financing. This forward-looking strategy is encapsulated in the

GRI

201 - Economic Performance

50%

Renewable Energy Usage: Target percentage of energy requirements met through renewable sources.

8,466

Branch Network: Total branches integrating renewable energy projects, with 58% in rural and semi-urban areas.

Natural Capital Part I:



By seamlessly integrating cutting-edge technology with sustainable practices, UBI champions green initiatives while mitigating climate risks.

Bank's Sustainable Financing Framework, which CRISIL has validated through a Second Party Opinion. The framework includes innovative financial products such as green deposits, green bonds, and sustainability-linked loans.

The Bank is also setting time-bound targets to enhance its sustainable finance offerings. This includes launching new products like the Union Green Home Loan and Union Green Corporate Deposit, designed to support environmentally sustainable practices among its clients. By integrating these targets, Union Bank aims to meet the GRI 201: Economic Performance requirements by demonstrating its sustainability initiatives' financial viability and economic impact. These measures ensure transparency in the Bank's economic performance related to sustainability, highlighting its role in promoting sustainable economic growth and supporting clients in their ESG transitions.

Transition to a Sustainable Future

Union Bank of India's business strategy embraces an inclusive, sustainable path forward, recognising that capital can be a force for positive change. Our approach to sustainability aims to improve our customers' lives and enhance community well-being. We are committed to identifying, accelerating, and promoting the development of climate and sustainable finance growth opportunities across all our businesses, products, and services.

Financing the Transition

The transition to a low-carbon economy presents significant opportunities for innovation and growth. Union Bank is poised to play a leading role in climate change-related financing to support this transition. We are investing in new green technologies and infrastructure projects to build low-carbon capacity and capabilities. Our commitment to helping customers and communities achieve a low-carbon, sustainable future includes providing products and services that meet their evolving needs and supporting more sustainable and inclusive solutions.

The table below highlights the Union Bank of India's achievements in sustainable finance targeting the renewable energy sector:

Sustainable Financing	Achievement till FY2022	Achievement till FY2023	Achievement till FY2024
Renewable Energy Sector	₹7,164 Crore	₹10,370 Crore	₹23,059 Crore

These achievements underscore the Union Bank of India's commitment to supporting the renewable energy sector through sustainable finance, actively contributing to the nation's transition towards a cleaner and greener future.

Climate Risk and Green Finance

Integration of Climate Risk Management and Green Finance

Union Bank of India's strategic focus on integrating climate risk management and promoting green finance demonstrates its commitment to sustainability and environmental stewardship. These initiatives enhance the Bank's resilience to climate risks and contribute to the broader goal of a sustainable and inclusive economy.

GRI

201 - Economic Performance;
302: Energy; 305: Emissions;
307: Environmental Compliance;
and 301: Materials

Recognising the significant impact of climate change on its portfolio and overall business model, UBI has proactively incorporated climate risk management into its business strategy and operations. To support this, UBI has implemented a robust ESG Risk Management Framework that includes comprehensive processes for identifying, assessing, managing, and disclosing climate-related risks.

This framework, based on principles from ICMA, LMA, APLMA, LSTA, and RBI's guidelines on green deposits, covers risk measurement, internal control, risk reporting, metrics, targets, and disclosures. UBI assesses both physical and transition risks across its portfolio and operations, employing sector-level heatmaps and district-level physical risk vulnerability indexes. To ensure thorough evaluation, ESG and climate risk assessments are now integrated into the credit appraisal process.

UBI is also implementing a Climate Risk Management Solution to assist in ESG scoring, measuring financed emissions, assessing physical and transition risks, and developing decarbonisation pathways at both the customer and portfolio levels. Portfolio-level analyses help assess climate risk impacts on the overall credit risk profile, with the Bank having computed its financed emissions for FY 2022-23 and FY 2023-24 to gain insights into sectoral contributions and monitor exposures to high-risk sectors.

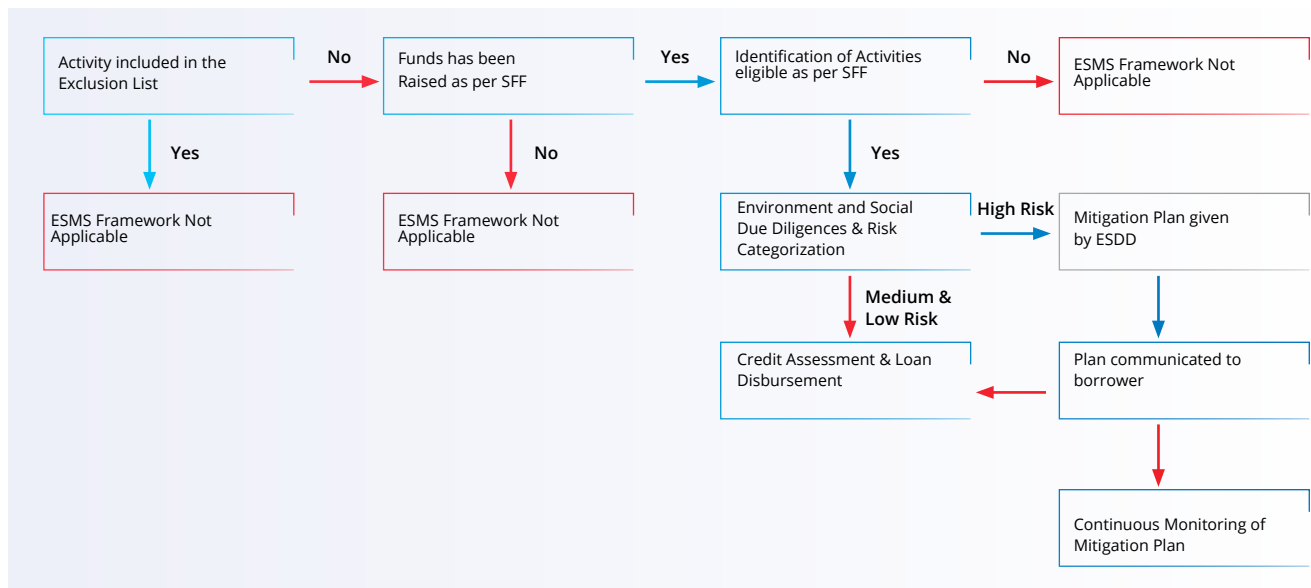
Lending Portfolio

When making lending decisions, the Union Bank of India considers several environmental factors, such as ecological clearance, pollution control, waste disposal, and the potential loss of natural habitats. These considerations are integral to addressing the adverse impacts on biodiversity and nature. Moreover, the Bank is committed to integrating environmental and social considerations into its lending operations through the Environmental and Social Management System (ESMS). This system ensures that the Bank's lending practices support sustainable development and minimise environmental and social risks.

1.11^{MT}

Waste Managed: Total amount of e-waste managed.

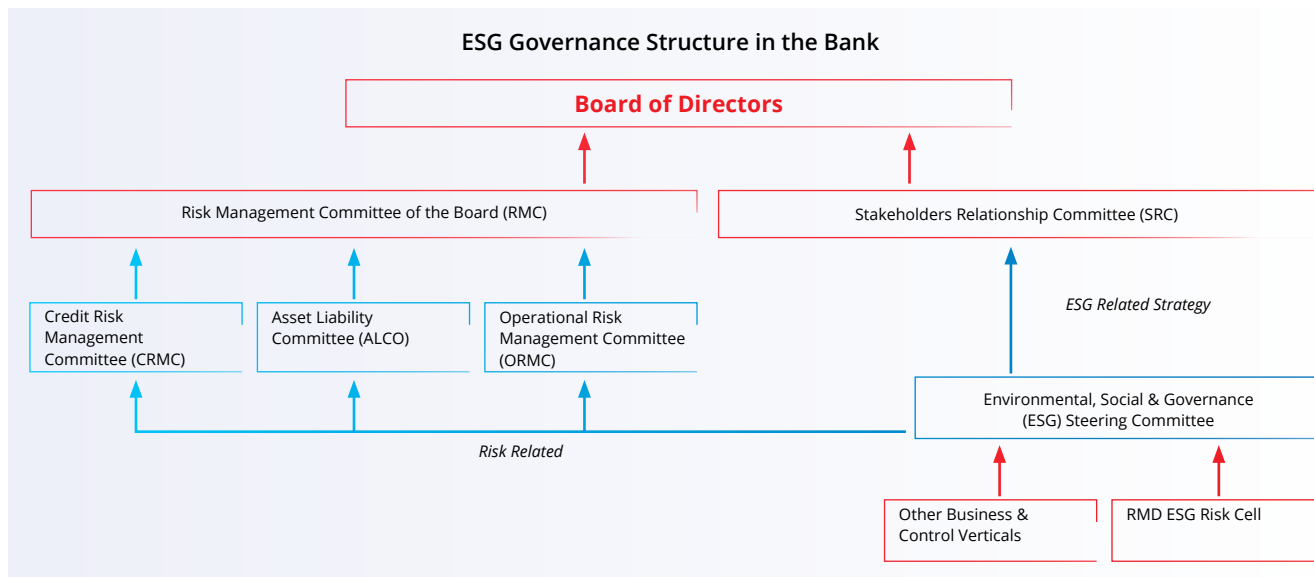
Environmental and Social Management System (ESMS) Framework Flow Chart



Natural Capital Part I:

Governance

Union Bank of India (UBI) demonstrates its commitment to sustainability and environmental stewardship through its strategic focus on integrating climate risk management and promoting green finance. These initiatives enhance the Bank's resilience to climate risks and contribute to a sustainable and inclusive economy.



Board Oversight

UBI has established a robust governance structure to oversee and manage climate-related risks and opportunities. The Bank's Board recognises the need to address the impact of ESG and climate change risk. The Stakeholders Relationship Committee (SRC), a Board-level committee, addresses all non-risk ESG-related matters and reports directly to the Board. The Risk Management Committee (RMC), a sub-committee of the Board, oversees all ESG and climate risk-related matters of the Bank.

Management's Role

UBI has formed an ESG Steering Committee (ESGSC) comprising Executive Directors (EDs) and Heads of business and control verticals to drive ESG transition in the Bank. The ESGSC meets quarterly to discuss various aspects of ESG transition and submits its recommendations to relevant committees for approval. The RMC and the Board regularly update the progress. The ESGSC's terms of reference include guiding verticals on ESG initiatives, adopting best practices for ESG transition, executing the Bank's transition plan to become a carbon-neutral bank, identifying and monitoring ESG impacts on the business environment, and building ESG capacity within the Bank. All verticals have identified points of contact for ESG and climate risk-related matters to ensure smooth implementation of the ESG strategy across the organisation.

Sub-committees

A sub-committee on net-zero emissions in its own operations includes representatives from verticals managing the Bank's premises, IT, and operations. Another sub-committee on sustainable finance consists of members from all credit verticals to drive the Bank's efforts in this area.



UBI's proactive approach to addressing climate risks and opportunities demonstrates our leadership in global sustainability efforts.

Policies and Frameworks

UBI has formulated a Board-approved ESG Risk Framework and Climate Risk Policy. An ESG Risk Cell has been established under the Risk Management Department to address risk and opportunity-related activities. As notified by SEBI, UBI also discloses its ESG performance per the Business Responsibility and Sustainability Reporting (BRSR) framework.

Strategy

Climate-related Risks and Opportunities

UBI recognises climate-related issues can significantly impact its business prospects, strategy, and financial performance. The Bank identifies climate risks and opportunities over short-, medium-, and long-term horizons.

Impact on Business, Strategy, and Financial Planning

UBI expects transition risks related to changes in policies, regulations, market sentiment, and the physical risks of climate change to impact its lending portfolio, credit risk profile, and overall business strategy. To build resilience, UBI monitors exposure to high-emission sectors, increases lending to green projects, and invests in capability building. The Bank has identified transition finance as an opportunity, especially in hard-to-abate sectors, and is working on focused products for these sectors. UBI aims to capture opportunities in sustainable finance strategically and has developed dedicated green lending products. It is also exploring ESG advisory services as a new business avenue.

Resilience of Strategy

UBI has started assessing physical and transition risks in its credit underwriting process and has incorporated ESG and Climate Risk into its ICAAP. The Bank plans to further integrate ESG considerations into its decision-making processes and business planning. UBI intends to sign up for key initiatives like the Principles for Responsible Banking to align its strategy with global best practices.

Risk Management

Processes for Identifying and Assessing Climate-related Risks

UBI has put in place an ESG Risk Management Framework to identify, assess, monitor, and manage climate and environmental risks. The framework adopts a five-pronged approach covering risk measurement, internal control, risk reporting and monitoring, metrics and targets, and disclosures. The Bank assesses the impact of both physical and transition risks across its portfolio and operations. Sector-level heatmaps rank industries based on their climate risk exposure, and the geographical location of collaterals is mapped to a district-level physical risk vulnerability index. At a counterparty level, UBI has started incorporating ESG and climate risk assessments into the credit appraisal process.

Processes for Managing Climate-related Risks

UBI is implementing a Climate Risk Management Solution to assist in ESG scoring, measuring financed emissions, assessing physical and transition risks, and developing decarbonisation pathways at the customer and portfolio levels. Portfolio-level analysis is conducted to assess the impact of climate risk on the overall credit risk profile. UBI has computed its financed emissions for the entire lending portfolio for FY 2022-23 and FY 2023-24, providing insights into sectoral



UBI leads the way in sustainability by proactively addressing climate risks and opportunities, embedding ESG principles into our core business strategies for a resilient and inclusive future.

contributions. Exposures to high-risk sectors are monitored as part of climate risk assessment.

Integration into Overall Risk Management

Climate risk is integrated into UBI's internal capital adequacy assessment process (ICAAP). The Bank has developed capabilities for climate stress testing at the customer level using a dynamic balance sheet approach, employing a mix of top-down and bottom-up stress testing methodologies. UBI aims to progressively embed climate risk considerations across its enterprise risk management framework. Stress testing frameworks are being strengthened to evaluate the resilience of UBI's business model to climate-related disruptions.

Natural Capital Part I:



Union Bank of India's proactive approach to climate risk management and green finance underscores our commitment to operational sustainability and reducing our environmental impact.

Metrics and Targets

Metrics to Assess Climate-related Risks and Opportunities

UBI tracks several metrics to assess its exposure to climate risks and monitor progress on ESG. As part of its BRSR disclosures, the Bank reports Scope 1 and Scope 2 GHG emissions from its own operations, along with metrics on energy consumption, renewable energy usage, water consumption, and waste management. At a portfolio level, the Bank has computed its financed emissions for FY 2022-23 and FY 2023-24, adopting the PCAF methodology and allocating emissions based on each borrower's exposure size. UBI aims to enhance this computation by providing a sector-wise breakdown of financed emissions across Scope 1, 2, and 3 categories and increasing the data maturity level.

Physical and Transition Risk Measurement

UBI measures its exposure to physical risks by assessing the vulnerability of collaterals at a district level and evaluating the impact of extreme weather events on its operations. Transition risks are measured through sector-level emissions intensity analysis and assessment of borrower-level vulnerability to climate policy and technology shifts.

Targets

UBI has formulated a Sustainable Finance Policy and obtained a Second Party Opinion from CRISIL, which guides its target setting and product development efforts in this space. The Bank is currently working on setting a time-bound target for increasing its portfolio of sustainable finance. UBI is working with external experts to study the feasibility of becoming carbon neutral in its operations. The Bank is converting its premises into green buildings, increasing renewable energy usage, and enhancing energy efficiency to reduce its Scope 1 and 2 GHG emissions.

Green Finance Initiatives

UBI's initiatives in green finance are designed to support the conservation and restoration of natural capital. By financing renewable energy projects and sustainable practices, the Bank aims to reduce its environmental footprint and foster the development of resilient, sustainable communities.

UBI is committed to supporting the transition to a low-carbon economy through its Sustainable Financing Framework. This framework, validated by CRISIL's Second Party Opinion, encompasses various products promoting green and social projects, aligning with the UN Sustainable Development Goals (SDGs) and the Paris Agreement. This framework enables the issuance of Green Bonds, Rupee Green Deposits, and other green financial products. The Bank's green financing initiatives include:

Union Roof Top Solar Scheme: Financing rooftop solar installations for individual households.

Union Green Miles Scheme: Financing electric vehicles for individuals and corporates, with ₹ 462 crore sanctioned upto March 2024.

Union Solar Scheme: Financing MSMEs and businesses to set up rooftop and ground-mounted solar units.

PM KUSUM Scheme: Central Sector Scheme for financing renewable energy equipment.

Natural Capital Part II:

Driving Operational Sustainability



In addressing our environmental impact, Union Bank of India better prepares for future changes by reducing our exposure and risk to decarbonisation, energy market volatility, and potential carbon pricing scenarios.

Reducing our environmental and carbon footprint has been a critical component of our sustainability program over the past few years.

In FY2024, the Union Bank of India sets critical sustainability goals to enhance its environmental efforts. These goals focus on reducing energy use and location-based GHG emissions, minimising water consumption, decreasing waste sent to landfills, and increasing the purchase of renewable power. UBI aims to significantly reduce waste and conserve water, continuously improving material usage and recycling efforts.

Natural Capital Part II:

2.2_{MW}

Rooftop Solar Panels: Installed capacity generating significant annual energy savings.

Recognising the global acceleration of nature loss, UBI is committed to conserving and restoring natural assets vital to society, business, and finance. The Bank has implemented various eco-friendly measures, including rainwater harvesting, water conservation, renewable energy utilisation, efficient electrical equipment, air emission control, waste segregation, and proper disposal. Additionally, UBI integrates biodiversity conservation into its operations and adopts sustainable practices to mitigate adverse impacts on biodiversity and nature. These initiatives reflect UBI's dedication to environmental stewardship and sustainable development.

Specific Initiatives and their Impacts:

Renewable Energy Integration:

Initiative	Description	Impact
Rooftop Solar Panels	Installation of rooftop solar panels on major branches and offices.	Significant reduction in dependence on fossil fuels, lowering CO2 emissions and electricity costs.
Energy Efficiency Measures: LED Lighting	Replacing traditional lighting systems with energy-efficient LEDs.	Enhanced energy efficiency, reduced energy consumption, and operational costs.
Energy Efficiency Measures: HVAC Upgrades	Implementing high-efficiency HVAC systems to optimise heating and cooling processes.	Improved energy efficiency, reduced energy use, and operational costs.

Water Conservation Efforts:

Initiative	Description	Impact
Rainwater Harvesting Systems	Installing systems in key bank premises to capture and utilise rainwater for non-potable purposes.	Promotes sustainable water management and reduces reliance on municipal water.
Water-efficient Fixtures	Introducing low-flow faucets, dual-flush toilets, and other water-efficient fixtures across branches.	Reduces water usage and promotes efficient water management practices.

Waste Reduction Initiatives:

Initiative	Description	Impact
Recycling Programs	Implementing comprehensive recycling programs for paper, plastic, and electronic waste.	Reduces waste sent to landfills and promotes recycling.
Waste Segregation	Establishing waste segregation systems in all branches for proper disposal and recycling.	Improves recycling efficiency and reduces contamination.

GRI

302 - Energy & 305 - Emissions



Through fintech innovations and digital transformation, UBI reduces its environmental footprint and enhances natural capital, setting benchmarks in sustainable banking.

By adopting these sustainability initiatives, Union Bank of India aims not only to meet its environmental targets but also to set a benchmark for operational sustainability in the banking sector. These efforts reflect the Bank's dedication to creating long-term value for its stakeholders while contributing to global sustainability goals.

Details of Greenhouse Gas Emissions

Scope 1 and Scope 2 Emissions & Intensity

Parameter	Unit	FY 23-24	FY 22-23	FY 21-22
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	272,216	274,042	283,485
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	180,387	241,884	193,187
Total Scope 1 and Scope 2 emissions per Cr of turnover	Metric tonnes / Cr	3.90	6.39	7.02
Total Scope 1 and Scope 2 emission intensity (optional)-the entity may select the relevant metric	Metric tonnes / FTE	5.96	4.16	6.27

Scope 1 emissions are calculated based on the total air conditioning tonnage per square foot area, the leakage rate of 5%, and diesel consumed in bank-owned cars and DG sets.

Scope 2 emissions are calculated based on the electricity consumed from the utility.

Details of Total Energy Consumption and Energy Intensity

Parameter	Unit	FY 23-24	FY 22-23	FY 21-22
Total electricity consumption (A)	in GJ	705,864	769,900	755,951
Total fuel consumption (B)	in GJ	103,775	110,348	102,140
Energy consumption through other sources (C)	in GJ	9,855	12,339	14,515
Total energy consumption (A+B+C)	in GJ	819,494	892,587	872,606
Energy intensity per Cr of turnover	Metric tonnes / Cr	7.07	11.05	12.84
Energy intensity (optional) - the relevant metric may be selected by the entity (per Full Time Employee FTE)	Metric tonnes / FTE	10.80	11.81	11.48

Procured electricity consumption is calculated considering the average rates of different states based on the amount spent.

Diesel consumption in litres is calculated considering the average rate and the amount spent data.

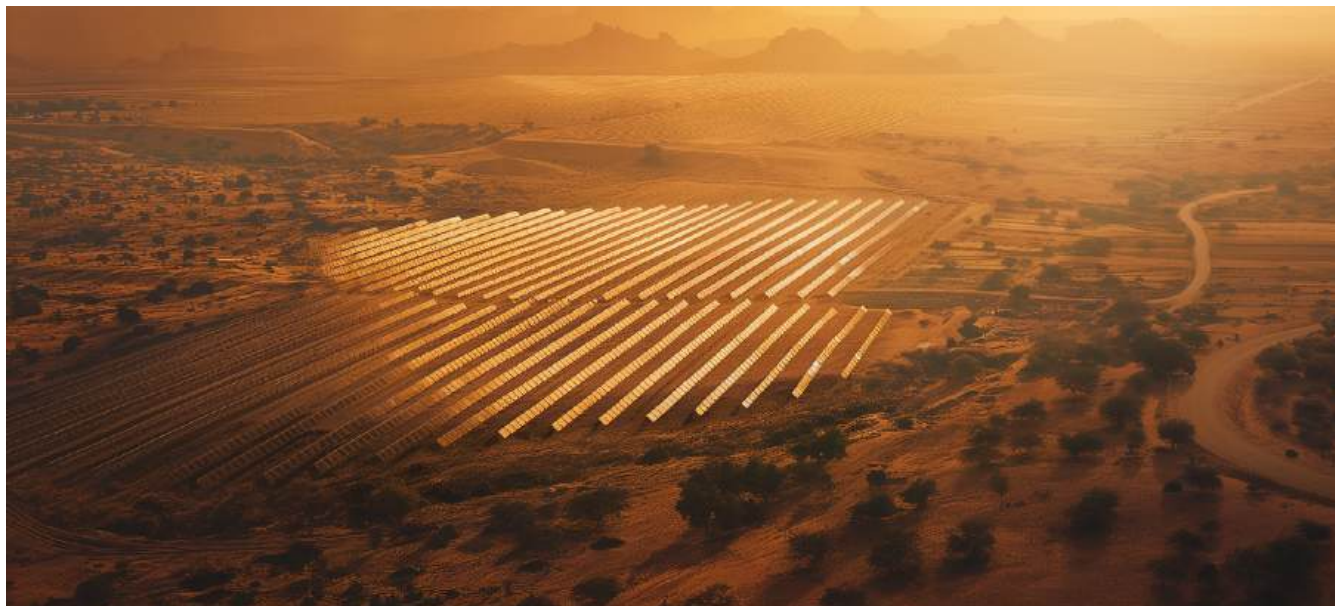
GRI

305-1: Direct (Scope 1) GHG emissions; 305-2: Energy indirect (Scope 2) GHG emissions; and 305-4: GHG emissions intensity



By adopting renewable energy and enhancing energy efficiency, UBI significantly reduces its carbon footprint, setting new standards in operational sustainability.

Natural Capital Part II:



GRI

302 - Energy & 305 - Emissions



UBI's commitment to operational sustainability includes ambitious goals for reducing energy use, minimising water consumption, and increasing the use of renewable power.

Renewable Energy Adoption

Union Bank of India acknowledges the critical role of renewable energy in decarbonising the broader economy. By reducing the energy intensity of our operations, we support environmental sustainability and prepare our organisation for future changes and mitigate risks associated with energy market volatility and potential carbon pricing scenarios.

Key Achievements in Renewable Energy

Union Bank of India has made noteworthy progress in expanding its renewable energy initiatives and energy conservation measures. As of March 31, 2024, the Bank's extensive branch network, comprising 8,466 branches including two overseas branches in Sydney, and Dubai DIFC, has integrated various renewable energy projects. Notably, 58 percent of these branches are strategically positioned in rural and semi-urban areas, ensuring financial inclusion and accessibility for diverse communities.

Initiative	Description	FY2024 Achievement
Rooftop Solar Panels	Installation of rooftop solar panels on major branches and offices to meet energy requirements.	Installed 2 MW capacity, generating 3,427,597 units annually, saving 3,153 metric tons of CO ₂ emissions.
Solar Power Plants	Installation of grid-connected solar power plants at key facilities.	Completed installations of 60 KWp in Vijayawada and 12 KWp in Mumbai, saving 70.52 and 14.1 metric tons of CO ₂ emissions, respectively. Additionally, a 430 KWp plant in Mangalore will save 690 metric tons of CO ₂ emissions.

Initiative	Description	FY2024 Achievement
Indoor Ornamental Plants	Providing indoor ornamental plants in office premises for air purification.	Contributed to environmental improvement through air purification.

Strategic Goals

Union Bank of India aims to further its commitment to sustainability with targeted initiatives for FY2025. These goals include:

Expanding Solar Energy Usage:

- ❖ Increase the use of solar energy across all branches to achieve at least 50% of energy requirements through renewable sources.
- ❖ Plan additional solar installations to cover more branches, contributing significantly to reducing GHG emissions.

Enhanced Energy Efficiency:

- ❖ Continue upgrading lighting and HVAC systems across all branches to improve energy efficiency.
- ❖ Monitor and optimise energy consumption to achieve further reductions in energy intensity.

Comprehensive Water Conservation:

- ❖ Extend water conservation measures to additional branches, including rainwater harvesting systems and water-efficient fixtures.
- ❖ Aim for a substantial reduction in water usage, supporting broader environmental goals.

Encouraging the Adoption of Non-Polluting Vehicles

Union Bank of India continues to champion environmental sustainability by promoting the adoption of non-polluting vehicles among its employees. Building on the initiatives started in FY2022, the Bank has reinforced its commitment to reducing carbon emissions by supporting the use of CNG, electric, and hybrid vehicles. Union Bank of India has implemented a robust reimbursement program to make the transition to non-polluting vehicles more appealing. This program covers conveyance expenses for employees using these environmentally friendly vehicles, thereby offsetting their running costs and making them an economically viable option.

The initiative has seen a positive response from employees, contributing to a reduction in the overall carbon footprint of the Bank's operations. By facilitating the adoption of non-polluting vehicles, the Bank supports its sustainability goals and aligns with broader environmental objectives. Looking ahead, Union Bank of India aims to expand this program further, encouraging even more employees to switch to non-polluting vehicles. The Bank remains committed to enhancing its sustainability efforts through innovative and impactful initiatives.

GRI

302 - Energy & 305 - Emissions



Through comprehensive waste reduction and recycling programs, UBI leads by example in creating a sustainable operational model that benefits the environment and our communities.

Natural Capital Part II:**GRI**

306: Waste; 301: Materials and 308: Supplier Environmental Assessment

Reducing Waste & Enhancing Supply Chain Sustainability

Our procurement teams have been instructed to increase the coverage of sustainably sourced paper significantly for an extended period. Beginning in FY2022, we explored opportunities to continue the elimination of single-use plastics. As we move forward, our focus will shift towards transitioning our waste management approach and material usage to align with circular economy principles. This strategic shift underscores our commitment to reducing the volume of waste we produce and maximising the use of materials in our buildings.

Waste Management Details*(in MT)*

Waste Type	FY 2023-24	FY 2022-23
Plastic waste	-	-
E-waste	1.11	2.77
Battery waste	-	-
Total Waste	-	-

Waste Recovery Efforts (metric tonnes)

Category of Waste	FY 2023-24	FY 2022-23
Recycled Battery	-	-

Valuation Notes:

Battery waste weight is calculated based on the sale value of ₹85 per kg.

E-waste weight is determined based on the sale value of ₹50 per kg.

Recycling metrics specifically pertain to battery waste.

Plastic waste per capita generation figures are derived according to the Central Pollution Control Board report.

Strategic Goals for Future Waste Management

In alignment with our strategic direction, we aim to divert all waste from landfills and incineration across all our branches. We plan to achieve a 100% rate of reusing, repurposing, or recycling waste within our facilities. This objective will be pursued through the implementation of our Zero Waste Strategy, scheduled to commence in FY2024.

Further, we are engaging our procurement teams to work closely with our supply chain partners. These efforts aim to reduce the volume of packaging delivered to our offices. We encourage our suppliers to join our Zero Waste Supply Chain Charter, which advocates for eliminating transit packaging, supplying goods in reusable containers, and exploring opportunities for backhauling packaging waste in subsequent deliveries.

Reducing the Use of Paper

At your Bank, we have continued our migration from paper-based services to digital platforms across various financial services, including Bulk Collections, Payments, MIS, and Channel Finance. This transition has significantly reduced our paper usage. Below are the volumes of digital transactions conducted by the Bank over the past years:



UBI is committed to sustainability by enhancing supply chain practices, reducing waste, and avoiding plastics, demonstrating our dedication to environmental stewardship and operational efficiency.

Year	Number of Transactions	Amount (in crore)
FY2023	15,95,01,642	8,93,524.67
FY2024	16,54,45,023	10,45,876.77

UBI's Commitment to Plastics Avoidance

Aligned with the aspirations and vision of "Planet vs Plastics" 2025, the Union Bank of India (UBI) is dedicated to significantly reducing plastic waste as part of its broader commitment to environmental sustainability. This initiative reflects UBI's proactive stance in response to the urgent call for action highlighted during World Earth Day.

"Planet vs. Plastics" is a global initiative led by EARTHDAY.ORG that calls for a 60% reduction in global plastic production and the elimination of single-use plastics. The campaign aims to unite individuals, businesses, and governments in the fight against plastic pollution, emphasising the health risks and environmental damage caused by plastics.

By championing efforts to minimise single-use plastics within its operations, UBI aims to lead by example in fostering a greener future. The Bank's comprehensive plastics avoidance strategy includes eliminating plastic from its facilities, promoting eco-friendly alternatives, and engaging stakeholders in sustainability practices.

Through these measures, UBI contributes to reducing plastic pollution and aligns with global efforts to protect our planet, ensuring a cleaner and healthier environment for future generations.

Enhancing our Digital Network for Operational Efficiencies

The Bank maintains a dedicated Digitization Vertical to drive our digital transformation journey, encompassing the Digital Journeys, Digital Banking Department, and Digital Interactions & Partnerships. This vertical has successfully implemented several digital initiatives, enhancing the efficiency of our operations and customer service while supporting our environmental objectives by reducing the reliance on paper-based processes:



Natural Capital Part II:



Union Bank of India leverages fintech innovations to enhance natural capital, promoting sustainable practices and improving operational efficiency through advanced digital solutions.

GRI

301: Materials 302: Energy; 305: Emissions; 306: Waste; and 307: Environmental Compliance

Digital Initiatives and Achievements

Digital Initiative	Description	Results FY2024
Digital Savings Account	Online account opening with Video-KYC and Aadhaar verification: introduced a next-generation digital savings account opening process featuring Video-KYC and online Aadhaar and PAN verification.	3012 accounts opened digitally
Digital Union Kisan Tatkal	Emergency agricultural loans for KCC borrowers: provide emergency agricultural loans to existing KCC borrowers, with fully automated decision-making and digitised sanction within minutes.	1573 applications, ₹6.49 crore sanctioned
Digital PMSVANidhi	Loans for street vendors: aims at aiding street vendors by sanctioning loan applications digitally.	8400 applications, ₹9.29 crore sanctioned

Progress through Digital Channels

Union Bank of India has been at the forefront of embracing digital transformation to enhance operational efficiency and reduce environmental impact. The integration of digital channels has been instrumental in reducing the Bank's paper usage and contributing positively to natural capital.

Channels	31.03.2022	31.03.2023	31.03.2024	Annual Growth (%)
Mobile Banking Users	1.65 crore	2.13 crore	2.68 crore	25.82%
Internet Banking Users	0.68 crore	0.74 crore	0.86 crore	16.21%



Digital Transformation and Its Impact on Natural Capital

The Bank's journey towards digitalisation began in earnest with the implementation of various digital services that drastically cut down the need for physical documentation and in-branch transactions. Here's a snapshot of the digital transformation initiatives and their scale by FY 2023-24:

Digital Transactions: Over 649 million monthly UPI transactions were recorded, highlighting customers' widespread adoption of digital payments.

Digital Savings Accounts: The introduction of online savings accounts, complete with Video-KYC and online Aadhaar and PAN verification, enabled the Bank to mobilise 3,012 savings accounts digitally without the customer ever having to visit a branch.

Digital Loan Disbursements: The Digital Union Kisan Tatkal and Digital PMSVANidhi schemes mobilised thousands of loan applications through completely digital processes, totalling significant amounts in sanctioned loans.

Key Digital Channels and Their Contributions

VYOM App: Rebranded and enhanced, the VYOM app offers more than 400 features and has facilitated over 5.52 million new user logins in a single fiscal year, demonstrating its robust engagement with users.

Internet Banking and CRM: Advanced Internet banking features and an integrated CRM solution have streamlined customer interactions and financial transactions, making them more secure and efficient.

CBDC Implementation: As one of the pioneering banks, Union Bank implemented the Digital Rupee, enhancing the financial ecosystem's security and efficiency.

Environmental Impact

The shift to digital has significantly reduced the Bank's carbon footprint by decreasing the reliance on paper, a critical component of natural capital. This reduction conserves forests and reduces waste and energy consumption associated with paper production and disposal.

Paper Reduction: The transition to digital statements and online transaction facilities has led to a marked decrease in paper usage across all bank operations.

Energy Efficiency: Digital processes have streamlined operations, reducing the need for physical infrastructure and consequently lowering energy consumption.

Enhancing Natural Capital Through Fintech Innovations

Union Bank of India's strategic integration with fintech in FY2024 exemplifies a robust model for sustainable banking, effectively merging financial services with environmental conservation. Through its proactive approach to digital transformation, the Bank has deepened its commitments to Natural Capital, utilising fintech partnerships to align technological advancements with environmental goals. This integration not only boosts operational efficiency and enhances customer experience but also significantly contributes to preserving and enhancing natural resources. As Union Bank continues to expand its digital footprint, it reaffirms its role as a responsible steward of the environment, paving the way for a more sustainable future in the banking industry.

649^{MN}

Monthly UPI Transactions: Highlighting widespread adoption of digital payments.

3,012

Digital Savings Accounts: Number of accounts opened digitally with Video-KYC and online verification.

GRI

301: Materials 302: Energy;
305: Emissions; and
307: Environmental
Compliance



Natural Capital Part II:

84

Fintech Collaborations: Total number of innovative companies empaneled to support sustainable financial services.

58.18 MN

VYOM App Engagement: Annual logins reflecting robust user engagement with digital banking solutions.

Strategic Fintech Partnerships for Sustainability

During FY2024, Union Bank of India expanded its fintech collaborations, empanelling a total of 84 innovative companies. This initiative is part of the Bank's broader strategy to harness technology to reduce environmental impacts and improve efficiency. These empanelment align with the Bank's commitment to environmental sustainability, ensuring a continuous influx of green and efficient solutions, and focus on directly and indirectly contributing to conserving natural resources:

GRI

301: Materials 302: Energy; 305: Emissions; and 307: Environmental Compliance

Development and Integration of Digital Journeys: Reducing the need for physical banking infrastructure, thereby decreasing the Bank's carbon footprint.

Wealth Management and Insurance Solutions: Offering digital platforms that support investments in green and sustainable assets.

Agricultural Lending: Enhancing support for sustainable agriculture practices through targeted financial products.

UI/UX Development & Customization: Improving customer experience on digital platforms, reducing the need for paper-based processes.

Analytics using AI and Machine Learning: Optimising resource use and reducing waste through better data management and predictive analytics.

Intelligent Virtual Assistants (Chatbots): Providing 24/7 customer service that minimises the need for physical branch visits.

Digital Marketing: Leveraging digital channels to promote paperless banking and awareness of environmental initiatives.

Cash Management, Trade, and Supply Chain Financing: Supporting the adoption of sustainable practices among corporate clients by facilitating green supply chains.

Impact on Natural Capital in FY2024

Union Bank's fintech initiatives have been pivotal in advancing the Bank's Natural Capital goals:

Reduction in Paper Usage: The transition to digital channels has significantly reduced paper consumption across banking operations, contributing to forest conservation.

Energy Efficiency: The Bank has lowered its energy usage and greenhouse gas emissions by optimising digital processes and reducing reliance on physical infrastructure.

Support for Sustainable Practices: Financial products tailored for sustainable development, such as green bonds and eco-friendly loans, have been promoted extensively through fintech platforms.

Advancing Natural Capital through IT Architecture and Fintech Integration

Union Bank of India is enhancing its IT architecture to provide high-performance access to business systems and cloud-based applications, ensuring compliance with regulatory norms and robust security. These improvements are pivotal for operational excellence and environmental stewardship, as the Bank leverages technology to minimise its ecological footprint in diverse, dynamic, and complex environments.

Account Aggregator System

The Bank continues to lead in the account aggregator ecosystem, a key component of the government's digital initiatives to improve credit delivery while reducing

the need for physical documentation. This system uses digital data, obtained with customer consent, enabling the Bank to offer seamless services that significantly lower paper usage and associated environmental impacts. Compliance with the Reserve Bank Information Technology (ReBIT) guidelines ensures the highest data privacy and security standards, further aligning with sustainable practices.

Blockchain Technology

As an active participant in the “Indian Banks Blockchain Infrastructure Company (IBBIC)”, Union Bank collaborates with 18 other banks to enhance banking services using blockchain technology. This initiative significantly digitises banking operations, reducing the need for physical infrastructure and materials, thus contributing to transparency and efficiency and reducing environmental impact.

AI/ML and Analytics

The Bank’s Analytics Center of Excellence employs AI and ML technologies for comprehensive business modelling, improving risk management and customer interactions while enhancing resource efficiency. The deployment of AI-driven systems like the Early Warning Signal (EWS) across retail, agriculture, and MSME sectors advances financial analytics and supports environmentally responsible lending practices.

Robotic Process Automation (RPA)

In partnership with leading fintech firms, the Bank is expanding its RPA capabilities to automate processes such as daily report generation, ATM reconciliation, and payment settlements. This reduces the need for energy-consuming physical operations, thus enhancing efficiency and lowering the Bank’s carbon footprint.



Fintech Absorption for Enhanced Environmental Services

The Bank’s proactive fintech policy drives the empanelment of innovative companies that support sustainable financial services. In FY2024, 24 new fintechs were added, focusing on areas like digital journey development, wealth management, and agricultural lending, all of which contribute to the Bank’s sustainability goals by reducing environmental impact and supporting green finance.

Strategic Initiatives and Digital Transformation for Natural Capital

Union Bank’s strategic focus on digital technology in FY2024 is more pronounced, with initiatives like cloud adoption, personalised video banking solutions, and advanced CRM systems. These efforts ensure a superior digital experience for customers and reduce the Bank’s ecological footprint, reinforcing its role as a digital banking innovation and environmental conservation leader.



Union Bank of India is advancing natural capital by integrating IT architecture and fintech solutions, enhancing operational efficiency, and promoting environmental sustainability.



Natural Capital Annexure 1:

ISS SB1 and SB2 Sustainability Disclosures

This Annexure provides a detailed account of Union Bank of India's (UBI) compliance with ISS SB1 and SB2 sustainability disclosure requirements, per the IFRS S1 and S2 standards. It outlines the Bank's governance structure, strategic initiatives, risk management processes, and performance metrics related to environmental, social, and governance (ESG) factors. UBI's efforts include robust oversight by the Board and dedicated committees, a proactive approach to identifying and managing climate-related risks, and establishing clear, measurable targets to drive sustainable finance and operational efficiency. These disclosures highlight UBI's commitment to transparency and accountability in advancing its sustainability agenda. This overall commitment can be summarised in the "Environmental Commitment" and "Transition to a Sustainable Future" sections of this chapter.)

Governance

1. Board Oversight

- ❖ **Structure and Responsibilities:** The Board of Union Bank of India (UBI) has established robust governance structures to oversee and manage climate-related risks and opportunities. The Stakeholders Relationship Committee (SRC) addresses all non-risk ESG-related matters and reports directly to the Board. The Risk Management Committee (RMC), a sub-committee of the Board, oversees all ESG and climate risk-related matters. (This information is detailed in this chapter's "Climate Strategy and Governance" sections.)

2. Management's Role

- ❖ **ESG Steering Committee:** UBI has formed an ESG Steering Committee (ESGSC) composed of Executive Directors (EDs) and Heads of business and control verticals to drive ESG transitions in the Bank. The ESGSC meets quarterly to discuss various aspects of ESG transition and submits recommendations to relevant committees for approval. The RMC and the Board regularly update the progress. The ESGSC's terms of reference include guiding verticals on ESG initiatives, adopting best practices for ESG transition, executing the Bank's transition plan to become a carbon-neutral bank, identifying and monitoring ESG impacts on the business environment, and building ESG capacity within the Bank. (Refer to this chapter's "Climate Strategy and Governance" sections for more details.)
- ❖ **Sub-committees:** A sub-committee on net-zero emissions in own operations includes representatives from verticals managing the Bank's premises, IT, and operations. Another sub-committee on sustainable finance consists of members from all credit verticals to drive the Bank's efforts in this area. (Detailed in this chapter's "Climate Strategy and Governance" sections.)

3. Policies and Frameworks

- ❖ UBI has formulated a Board-approved ESG Risk Framework and Climate Risk Policy. An ESG Risk Cell has been established under the Risk Management Department to address risk and opportunity-related activities. As notified by SEBI, UBI also discloses its ESG performance per the Business Responsibility and Sustainability Reporting (BRSR) framework. (This can be found in this chapter's "Environmental Commitment" section.)

Strategy

1. Climate-related Risks and Opportunities

- ❖ **Identification and Management:** UBI recognises climate-related issues can significantly impact its business prospects, strategy, and financial performance. The Bank identifies short, medium, and long-term climate risks and opportunities. (Information on this is available in this chapter's "Climate Risk and Green Finance" sections.)

2. Impact on Business, Strategy, and Financial Planning

- ❖ UBI expects transition risks related to changes in policies, regulations, market sentiment, and the physical risks of climate change to impact its lending portfolio, credit risk profile, and overall business strategy. To build resilience, UBI monitors exposure to high-emission sectors, increases lending to green projects, and invests in capability building. The Bank has identified transition finance as an opportunity, especially in hard-to-abate sectors, and is working on focused products for these sectors. UBI aims to capture opportunities in sustainable finance strategically and has developed dedicated green lending products. It is also exploring ESG advisory services as a new business avenue. (Detailed in this chapter's "Climate Risk and Green Finance" sections.)

3. Resilience of Strategy

- ❖ UBI has started assessing physical and transition risks in its credit underwriting process and has incorporated ESG and Climate Risk into its Internal Capital Adequacy Assessment Process (ICAAP). The Bank plans to further integrate ESG considerations into its decision-making processes and business planning. UBI intends to sign up for key initiatives like the Principles for Responsible Banking to align its strategy with global best practices. (Refer to this chapter's "Climate Risk and Green Finance" sections for more details.)

Risk Management

1. Processes for Identifying and Assessing Climate-related Risks

- ❖ **ESG Risk Management Framework:** UBI has put in place an ESG Risk Management Framework to identify, assess, monitor, and manage climate and environmental risks. The framework adopts a five-pronged approach covering risk measurement, internal control, risk reporting and monitoring, metrics and targets, and disclosures. The Bank assesses the impact of both physical and transition risks across its portfolio and operations. Sector-level heatmaps rank industries based on their climate risk exposure, and the geographical location of collaterals is mapped to a district-level physical risk vulnerability index. At a counterparty level, UBI has started incorporating ESG and climate risk assessments into the credit appraisal process. (Detailed in this chapter's "Climate Risk and Green Finance" sections.)

2. Processes for Managing Climate-related Risks

- ❖ **Climate Risk Management Solution:** UBI is implementing a Climate Risk Management Solution to assist in ESG scoring, measuring financed emissions, assessing physical and transition risks, and developing decarbonisation pathways at the customer and portfolio levels. Portfolio-level analysis is conducted to assess the impact of climate risk on the overall credit risk profile. UBI has computed its financed emissions for the entire lending portfolio for FY 2022-23 and FY 2023-24, providing insights into sectoral contributions. Exposures to high-risk sectors are monitored as part of climate risk assessment. (Refer to this chapter's "Climate Risk and Green Finance" sections.)

3. Integration into Overall Risk Management

- ❖ Climate risk is integrated into UBI's internal capital adequacy assessment process (ICAAP). The Bank has developed capabilities for climate stress testing at the customer level using a dynamic balance sheet approach, employing a mix of top-down and bottom-up

stress testing methodologies. UBI aims to progressively embed climate risk considerations across its enterprise risk management framework. Stress testing frameworks are being strengthened to evaluate the resilience of UBI's business model to climate-related disruptions. (This is detailed in this chapter's "Climate Risk and Green Finance" sections.)

Metrics and Targets

1. Metrics for Risk and Opportunity Assessment

- ❖ **ESG and GHG Metrics:** UBI tracks several metrics to assess its exposure to climate risks and monitor progress on ESG. As part of its BRSR disclosures, the Bank reports Scope 1 and Scope 2 GHG emissions from its own operations, along with metrics on energy consumption, renewable energy usage, water consumption, and waste management. At a portfolio level, the Bank has computed its financed emissions for FY 2022-23 and FY 2023-24, adopting the PCAF methodology and allocating emissions based on each borrower's exposure size. UBI aims to enhance this computation by providing a sector-wise breakdown of financed emissions across Scope 1, 2, and 3 categories and increasing the data maturity level. (Detailed in the "Details of Greenhouse Gas Emissions" and "Metrics and Targets" sections.)

2. Physical and Transition Risk Measurement

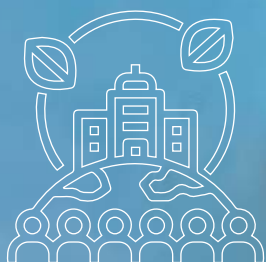
- ❖ UBI measures its exposure to physical risks by assessing the vulnerability of collaterals at a district level and evaluating the impact of extreme weather events on its operations. Transition risks are measured through sector-level emissions intensity analysis and assessment of borrower-level vulnerability to climate policy and technology shifts. (This can be found in this chapter's "Climate Risk and Green Finance" sections.)

3. Targets

- ❖ **Sustainable Finance and Carbon Neutrality:** UBI has formulated a Sustainable Finance Policy and obtained a second-party opinion from CRISIL, which guides its target setting and product development efforts in this space. The Bank is currently working on setting a time-bound target for increasing its portfolio of sustainable finance. UBI is working with external experts to study the feasibility of becoming carbon neutral in its operations. The Bank is converting its premises into green buildings, increasing renewable energy usage, and enhancing energy efficiency to reduce its Scope 1 and 2 GHG emissions. (Refer to the "Sustainable Financing" and "Environmental Commitment" sections of this chapter.)

Building Sustainable Futures:

Union Bank's **Commitment** to CSR and Social Capital



We prioritise inclusive growth and rural development, uplifting marginalised communities with access to healthcare, education, and livelihood opportunities, facilitating over 2.98 lakh street vendors with loans amounting to approximately ₹ 481 crore in FY2024.

At Union Bank of India, we are committed to leading India's evolution toward a digital, aspirational, and environmentally conscious future. By recognising the significance of sustainability, responsible banking, and digital innovation, we aim to generate enduring value for our stakeholders while supporting India's ambitious goal of achieving net-zero emissions. Our strategy emphasises deep engagement with stakeholders, understanding their needs, and aligning our actions with their expectations.

UNSDG:



Strategic Pillars:



Business Model Canvas:



Material Issues



2, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 18, 22, 23, 25, 26, 28, 30, 33, 34, 36, 38, 40, 42, 44

GRI Alignment




102, 103, 201, 203, 302, 304, 305, 401, 403, 404, 405, 413, 418

This chapter details how the Union Bank of India utilises its social and relationship capital to cultivate sustainable partnerships, drive innovation, and contribute to India's societal advancement. We prioritise inclusive growth, rural development, and the support of government initiatives. Our efforts are dedicated to uplifting marginalised communities, enhancing access to healthcare, education, and livelihood opportunities, and promoting sustainable agricultural practices.

Union Bank of India remains steadfast in its commitment to making a positive social impact through our various initiatives and programmes. We continuously strive to empower our stakeholders, ensuring our growth translates into benefits for the broader community.

Stakeholder Type	How We Engage with Them	Our Strategic Priorities for Them	Union Bank of India's Response
 <p>Employees</p>	<ul style="list-style-type: none"> ❖ Continuous engagement at all levels ❖ Regular communication meetings led by senior leaders ❖ Digital platform for idea exchange ❖ Engagement surveys ❖ Executive leadership communications ❖ Training and development programmes ❖ Employee resource groups and diversity councils ❖ Performance and career development initiatives ❖ Internal corporate portal 	<ul style="list-style-type: none"> ❖ Fostering a risk and compliance culture ❖ Providing growth and learning opportunities ❖ Encouraging innovation 	<ul style="list-style-type: none"> ❖ Implementing merit-based growth and job rotation ❖ Entrusting responsibilities to young professionals ❖ Leadership and career mobility initiatives ❖ Covid vaccination drive and emergency support ❖ Empathetic leave policies ❖ Offering digital, functional, and behavioural learning opportunities
 <p>Customers</p>	<ul style="list-style-type: none"> ❖ Employee interactions at branches and via phone ❖ Structured feedback and satisfaction surveys ❖ Focus groups ❖ Branch-based customer meetings ❖ Multichannel communication and grievance resolution ❖ Social media engagement ❖ Customer support helplines ❖ Corporate website 	<ul style="list-style-type: none"> ❖ Enhancing digital convenience ❖ Ensuring skilled, responsive staff ❖ Offering relevant digital products and services ❖ Rapidly resolving requests and grievances 	<ul style="list-style-type: none"> ❖ Promoting fair practices for both customers and the bank ❖ Right-selling of digital products ❖ Enhancing customer service with digital efficiency and swift response ❖ Fostering staff's digital proficiency

**Relationship & Social Capital:**

Stakeholder Type	How We Engage with Them	Our Strategic Priorities for Them	Union Bank of India's Response
Regulators 	<ul style="list-style-type: none"> ❖ Regular meetings with regulatory bodies and senior management ❖ Participation in policy forums and regulator-led events ❖ Various forms of communication and interactions via regulatory and government affairs teams ❖ Examinations, continuous monitoring, and supervisory meetings 	<ul style="list-style-type: none"> ❖ Ensuring fair customer treatment and grievance resolution ❖ Anti-money laundering and fraud risk management ❖ Operational risk management, including IT and cybersecurity risk 	<ul style="list-style-type: none"> ❖ Dedicated team for regulator communication ❖ Defined processes and digital technology usage for regulatory response ❖ Continual engagement and policy input provision
Shareholders & Potential Investors 	<ul style="list-style-type: none"> ❖ Annual General Meetings and quarterly earnings updates ❖ Emails, periodic meetings, and conference calls ❖ Investor conferences, roadshows, and presentations ❖ Analyst day events ❖ Meetings with investor relations and top management ❖ Regulatory disclosures ❖ Dedicated investor relations portal 	<ul style="list-style-type: none"> ❖ Shareholder value creation ❖ Medium and long-term strategy ❖ Governance and ethical practices ❖ Compliance ❖ Transparency 	<ul style="list-style-type: none"> ❖ Regular digital sessions with investors ❖ Enhanced communication during quarterly results calls ❖ Detailed narrative analysis and disclosures in the Annual Report ❖ ESG initiatives and accomplishments disclosed on the bank's website
Society 	<ul style="list-style-type: none"> ❖ Union Bank Social Foundation (UBSFT) for Inclusive Growth ❖ Rural development and support for government initiatives ❖ Community needs assessments ❖ Financial literacy and outreach programmes ❖ Charitable donations ❖ Membership in civic organisations ❖ Volunteer activities and participation on non-profit boards ❖ Corporate website 	<ul style="list-style-type: none"> ❖ Contributing to societal development ❖ Enhancing financial literacy and service access 	<ul style="list-style-type: none"> ❖ Undertaking voluntary CSR initiatives ❖ UBSFT's focus on livelihoods, health infrastructure, social and environmental projects ❖ Building partnerships between industry and academia to develop banking sector skills

GRI

401, 404

Building Sustainable Relationships with Employees

Union Bank of India is committed to fostering sustainable relationships with our employees by prioritising their development, well-being, and engagement. Our approach involves several key initiatives to ensure our employees feel valued, supported, and equipped for success.

Regular communication meetings, led by senior leaders, ensure that all levels of the organisation are well-informed and aligned with our strategic goals. We have also implemented the EKAM Mobile App, which facilitates idea-sharing among employees, allowing them to access performance reviews and engage in discussions anytime, anywhere. This platform encourages continuous engagement and collaboration among staff.

To promote a strong risk and compliance culture, we have initiated various programmes and policies, including the HR Apke Dwar portal and Whistleblower policy, which provide mechanisms for reporting and addressing concerns. Recognising the importance of professional growth, we offer numerous opportunities for job rotation and career mobility. Our training programmes include digital, functional, and behavioural learning modules designed to enhance proficiency and adaptability in an ever-evolving industry landscape.

Employee well-being remains a top priority. During the COVID-19 pandemic, we conducted vaccination drives and implemented empathetic leave policies to support our staff. Additionally, our Employee Assistance Programme (EAP) – Union SWAR – provides comprehensive physical and mental wellness support, benefiting employees and their dependents.

Our Reward and Recognition (R&R) programme acknowledges and celebrates the efforts and achievements of our employees. This programme, facilitated through a digital tool, ensures transparency, flexibility, and inclusivity in recognising outstanding performance.

Delivering Exceptional Customer Experience

At Union Bank of India, our commitment to delivering exceptional customer experience is demonstrated through various innovative approaches and robust systems designed to meet the evolving needs of our customers. Our initiatives focus on understanding customer needs, providing personalised service, and ensuring efficient resolution of grievances.

Employee Interactions and Feedback Mechanisms: We actively engage with our customers through direct interactions at branches and via phone calls. Structured feedback surveys help us gather valuable customer insights to improve our services continuously. These surveys shape our customer service strategies and address specific needs.

Personalised Branch-Based Meetings: Our branch-based customer meetings provide personalised guidance, ensuring each customer receives tailored advice and solutions. This approach fosters a deeper connection and trust between the Bank and its customers.

Enhanced Grievance Redressal Mechanism: We have strengthened our grievance redressal mechanism by clearly defining roles and responsibilities at each level. This system ensures prompt and effective resolution of customer complaints. The Grievance Redressal Policy outlines a structured escalation matrix and predefined turnaround times (TATs), ensuring that customer issues are addressed efficiently.

Use of Digital Platforms for Complaint Resolution: To enhance convenience, we utilise digital platforms for efficient complaint resolution. Our Union Virtual Connect (UVConn) – WhatsApp Banking, and Google Business Messages (GBM) platforms allow customers to lodge complaints and receive real-time assistance quickly. UVConn has serviced over one crore customer enquiries/requests, while GBM has engaged approximately 1.6 lakh users, demonstrating our commitment to leveraging technology for superior customer service.



Union Bank of India's commitment to exceptional customer experience is demonstrated through innovative approaches and robust systems designed to meet evolving needs, resolving 99.8% of customer complaints within the stipulated turnaround time in FY2024.

Find out how we enhance customer service and satisfaction.

GRI

417

Relationship & Social Capital:**GRI**

103, 418



Our grievance redressal mechanism ensures prompt and effective resolution of customer complaints, fostering trust and satisfaction, with 3,14,691 complaints successfully resolved in FY2024.

Explore our comprehensive grievance redressal policy and its impact.

GRI

102, 201

Grievance Redressal Mechanism

Union Bank of India prioritises prompt and effective resolution of customer complaints through a robust Grievance Redressal Mechanism. This mechanism ensures transparency and accountability at all levels, fostering customer trust and satisfaction.

Clear Roles and Responsibilities: We have clearly defined roles and responsibilities for complaint resolution across all levels of the organisation. Each grievance redressal officer is assigned specific duties to handle customer issues efficiently.

Standard Operating Practices: We have implemented Standard Operating Practices (SOPs) for effective grievance management. These SOPs streamline the process, ensuring consistency and efficiency in resolving customer complaints.

Revised Grievance Redressal Policy: Our revised Grievance Redressal Policy outlines a structured escalation matrix and predefined turnaround times (TATs) for diverse complaints. This policy aims to minimise instances of customer grievances by providing a clear framework for addressing issues promptly and effectively.

Accessibility of Grievance Redressal Officers: To facilitate quick resolution of complaints, we have made the contact details of grievance redressal officers (FGROs and RGROs) available on our website. This transparency lets customers reach out directly to the appropriate officers, ensuring their concerns are addressed swiftly.

Grievance Resolution Statistics: In FY2024, we received 3,20,495 complaints and successfully resolved 3,14,691, including those carried over from the previous year. This high resolution rate demonstrates our commitment to addressing customer concerns efficiently and effectively.

Fostering Trust and Value Creation for Shareholders & Potential Investors

At Union Bank of India, we prioritise fostering trust and creating value for our shareholders and potential investors. Our consistent communication, robust governance practices, and transparent disclosures demonstrate this commitment.

Regular Communication: We ensure continuous engagement with our shareholders through various channels. These include Annual General Meetings (AGMs), emails, periodic meetings, conference calls, and investor conferences. During FY2024, we also placed 79,88,58,141 equity shares under Qualified Institutions Placement (QIP), raising a substantial amount of ₹ 8,000 crore, which reflects our proactive approach to shareholder engagement and capital management.

Focus on Shareholder Value Creation: Our strategic initiatives aim to enhance shareholder value. We emphasise a long-term strategy, robust governance, compliance, transparency, and sustainability. In FY2024, our efforts were recognised with a strong balance sheet and significant improvements in non-interest income due to our strategic initiatives.

Enhanced Disclosures: During our quarterly results calls, we have enhanced our disclosures to provide a comprehensive understanding of our financial performance and strategic direction. Our Annual Report includes a detailed narrative analysis, ensuring investors have clear insights into our operations and plans. The strategic initiatives taken by the bank, including digital and analytics-driven business improvements, are regularly communicated to our investors.

Disclosure of ESG Initiatives: We are committed to Environmental, Social, and Governance (ESG) principles. Our ESG initiatives and accomplishments are prominently disclosed on our website, reflecting our dedication to sustainable and responsible banking. This includes detailed information on our efforts towards inclusive growth and rural development, as well as support for government initiatives aimed at uplifting marginalised communities and promoting sustainable agricultural practices.

Union Bank Social Foundation Trust (UBSFT)

Establishment and Mission: The Union Bank Social Foundation Trust (UBSFT) was established on March 2, 2006, as a dedicated arm to carry out the corporate social responsibility (CSR) activities of Union Bank of India. The primary mission of UBSFT is to uplift underprivileged communities and significantly improve the living standards of the poor and marginalised. The foundation aims to foster public-private initiatives and act as a catalyst for socioeconomic development. UBSFT's focus areas include improving healthcare, providing infrastructure and tools for education, and promoting continuous and sustainable skill development.

Governance Structure: The governance structure of UBSFT is robust, with the Board led by the Managing Director & CEO of Union Bank of India, and Executive Directors serving as Vice Chairman Trustees. Other trustees include the bank's General Managers and an independent trustee. The UBSFT Board provides strategic direction aligned with Union Bank's CSR priorities and regularly reviews activities. The Chief Executive of UBSFT oversees the execution of the Board's directives.

Union Bank has also established a Stakeholders Relationship Committee (SRC) at the apex level, comprising members of the Board of Directors, which monitors and guides the CSR activities of the Bank and UBSFT every quarter. The MD & CEO, including Executive and non-official Directors, head this committee.

CSR Initiatives in FY2024

At Union Bank of India, we are deeply committed to our Corporate Social Responsibility (CSR) initiatives, aiming to impact society through various projects and programmes significantly. During the FY2024, we focused on several key areas to foster sustainable development and uplift underprivileged communities.

GRI

413



Union Bank Social Foundation Trust is dedicated to uplifting underprivileged communities and improving living standards through public-private initiatives, with ₹ 34.79 crore approved for 62 projects/programmes in FY2024.

Learn more about our CSR activities and their impact on society.

GRI

201, 203

Relationship & Social Capital:

GRI

201, 203



Our sustainability initiatives, including tree plantation drives and waste management programmes, promote environmental conservation and awareness, having planted over 10,000 trees in various regions in FY2024.

Find out how we are contributing to environmental sustainability.

GRI

404

Key CSR Highlights by Numbers**₹79.33** Crores**7 projects/programmes approved**

Donations approved by Union Bank of India during FY 2023-24, totalling ₹ 79.33 crores across seven projects/programmes.

16,600

Financed over 16,600 new Self-Help Groups (SHGs), amounting to approximately ₹ 404 crore in FY24.

₹34.79 Crores**62 projects/programmes approved**

Union Bank Social Foundation (UBSFT) approved donations during FY 2023-24, totalling ₹ 34.79 crores across 62 projects/programmes.

22,600

Union Nari Shakti: Sanctioned over 22,600 applications, amounting to ₹ 2,555 crore in FY24.

2.98 Lakh

Financed over 2.98 lakh street vendors, amounting to approximately ₹ 481 crore in FY24 through the PMSvanidhi scheme.

₹19.02 Crores

Donations disbursed through Union Bank Social Foundation, amounting to ₹ 19.02 crores under Corporate Social Responsibility (CSR).

During FY2024, Union Bank of India approved donations totalling ₹ 79.33 crores, out of which ₹ 73.33 crores were disbursed. During the year, the Bank has donated ₹ 62.19 crore to Union Bank Social Foundation Trust (UBSFT) for various projects and programmes aimed at social upliftment. UBSFT approved donations of ₹ 34.79 crores for 62 projects, with ₹ 19.02 crores disbursed for 61 projects during the year.

Education and Skill Development:

Enhancing Access to Quality Education: We supported various programmes to improve access to quality education for underprivileged children. This included contributions to educational infrastructure and resources.

Skill Development Programmes: We conducted skill development programmes to empower individuals with the necessary skills for better employment opportunities. This also included vocational training and initiatives aimed at women's empowerment.

Infrastructure Contributions: Contributions were made to educational institutions to enhance their infrastructure, providing a conducive learning environment for students.

Healthcare and Sanitation:

Healthcare Partnerships: We partnered with various organisations to provide healthcare facilities, including constructing healthcare infrastructure. Notable donations included ambulances and medical equipment to hospitals and healthcare centres.

Medical Equipment Donations: Significant donations included ambulances, X-ray machines, and other medical equipment to enhance healthcare services in underserved areas.

Livelihood Enhancement:

Promoting Livelihood Opportunities: We undertook initiatives to promote livelihood opportunities and entrepreneurship, mainly focusing on women’s Self-Help Groups (SHGs). These programmes aimed to empower communities and foster self-reliance economically.

Environmental Conservation:

Sustainability Initiatives: Activities contributing to environmental sustainability included tree plantation drives and waste management programmes. These initiatives aimed to promote environmental awareness and conservation efforts.

Rural Development:

Rural Infrastructure Projects: We implemented various projects focused on rural infrastructure development, providing access to clean water, and promoting sustainable agricultural practices. These initiatives aimed to improve the quality of life in rural areas and support the agricultural sector.

Healthcare Contributions

Union Bank of India remains committed to enhancing healthcare services and infrastructure nationwide. We have undertaken several initiatives through the Union Bank Social Foundation Trust (UBSFT) to support hospitals, healthcare facilities, and healthcare projects, particularly in underserved regions. Here are the key contributions for FY2024:

Donations to Hospitals and Healthcare Facilities:

Ambulance Donations: We have donated custom-built ambulances to several healthcare institutions. Notable donations include one to Civil Court Hospital in Gorakhpur and another to Sri Sadguru Sewa Sangh Trust in Chitrakoot, which is equipped with advanced medical transportation and intensive care capabilities.

Support for Blood Banks: UBSFT has donated critical diagnostic instruments to the Life Blood Centre of Saurashtra Medical & Educational Charitable Trust in Rajkot. This contribution supports the blood bank’s mission to provide quality diagnostic services to needy patients.

GRI

403, 413

GRI

203

GRI

304, 305

GRI

413

GRI

413

GRI

413



Relationship & Social Capital:

GRI

413

Provision of Medical Equipment and Ambulances:

Medical Equipment Donations: Our donations include ambulances equipped with essential life support to various regions, such as the District Magistrate, Rudraprayag, Uttarakhand, and Netaji Subhash National Institute of Sports, Patiala. These donations aim to meet the emergency medical needs of pilgrims, local residents, and sports trainees.

Healthcare Infrastructure Support: We contributed ₹ 3 crores towards constructing a new state-of-the-art Primary Health Centre (PHC) in Borguli, East Siang District, Pasighat, Arunachal Pradesh. This project aims to provide advanced medical facilities to the villagers and surrounding areas.

Support for Healthcare Initiatives in Underserved Regions:

Partnering with Organisations: We have collaborated with various organisations to provide healthcare facilities and medical camps, promoting general well-being and sanitation. These partnerships aim to extend healthcare services to remote and underserved areas.

Sanitation and Healthcare Projects: UBSFT has been instrumental in initiating projects that improve sanitation infrastructure, directly impacting community health and hygiene.

GRI

413

Education Development

GRI

404

At Union Bank of India, we are deeply committed to enhancing educational opportunities and infrastructure, particularly in underserved areas. Our efforts during FY2023-24 focused on various initiatives to foster educational development.

Contributions to Schools and Educational Institutions:

Infrastructure Contributions: We have made significant contributions to educational institutions, improving their infrastructure to provide a better learning environment for students. This includes the provision of 10 all-in-one computers to the Karnataka Examination Authority (KEA), Bengaluru, and donations of modern amenities like air conditioners and water purifiers to various schools.

GRI

404

Construction of Toilets in Government Schools in Rural Areas:

Sanitation Facilities: Recognising the importance of sanitation in educational settings, we have constructed toilets in government schools in rural areas. This initiative improves hygiene and encourages higher attendance rates among students, particularly girls.

GRI

403, 413

Provision of Modern Infrastructure for Educational Facilities:

Educational Infrastructure: We have provided modern infrastructure to educational facilities, ensuring students can access the best possible resources. This includes donations of 2 brand-new 8-seater electric shuttle/golf carts to Sri Krishnadevaraya University, Anantapur, to facilitate student transportation within the campus.

GRI

404

Skill Development

Training Programmes through Rural Self-Employment Training Institutes (RSETIs):

Comprehensive Training: As of March 31, 2024, 3,48,000 candidates have been trained across 30 RSETIs, with a settlement ratio of 73%, demonstrating the effectiveness of these programmes in fostering self-employment and economic independence. These training programmes cover various skills, including tailoring, small business management, and other vocational trades.

Distribution of Certificates and Tools:

Empowering Graduates: Upon successfully completing training programmes, we distribute certificates and essential tools, such as sewing machines, to graduates. This support helps them kick-start their entrepreneurial journeys and contributes to their economic independence. For instance, sewing machines were distributed to successful trainees of the tailoring batch at RSETI Tirupati, actively promoting women's empowerment and financial independence.

Promotion of Women's Empowerment:

Focused Programmes: Our skill development initiatives have a strong focus on women's empowerment. We conduct specialised training programmes to promote self-reliance and economic independence among women. Significant programmes include the Women's Tailoring Training Programme at RSETI Varanasi and other similar initiatives across various RSETIs, where a large number of women have been trained and supported to start their own ventures.

GRI

404

GRI

404

GRI

405



Our contributions to education and skill development aim to provide better learning environments and empower individuals with necessary skills, having trained 3,48,000 candidates across 30 Rural Self-Employment Training Institutes (RSETIs) till March, 2024.

Discover our initiatives to enhance education and skill development.

Relationship & Social Capital:

यूनियन बैंक Union Bank of India
A Government of India Undertaking

SCHEME FOR AGRI-COMMODITY TRADERS AND ARAHIYAS

FINANCIAL AID TO GROW YOUR TRADE

- Concessional ROI
- Concession in processing charges
- Waiver of cash deposit/withdrawal charges & CMA charges

For more details, visit your nearest branch.

(Toll Free No.) 1800 298 2244 / 1800 425 1515 / 1800 425 3555 | 0666606969 | www.unionbankofindia.co.in

यूनियन बैंक Union Bank of India
A Government of India Undertaking

SCHEME FOR BRASS, OTHER NON-FERROUS METAL & METAL CRAFT UNITS

PROVE YOUR METTLE IN METAL

- Collateral-free loan up to ₹ 5 crores
- Concessional ROI
- Concession in: Processing charges | TEV & project appraisal charges | Commission charges on NFB | Import/Export bill charges

For more details, visit your nearest branch.

(Toll Free No.) 1800 298 2244 / 1800 425 1515 / 1800 425 3555 | 0666606969 | www.unionbankofindia.co.in



We are dedicated to providing industry-specific solutions that address unique challenges and drive sustainable growth. Our strategic focus ensures that every sector we serve benefits from our expertise, innovation, and commitment to excellence.

यूनियन बैंक Union Bank of India
A Government of India Undertaking

SCHEME FOR FINANCING PHARMACEUTICAL & CHEMICAL UNITS

A 'PRESCRIPTION' FOR YOUR BIZ HEALTH

- Collateral-free loan up to ₹ 5 crores
- Concessional ROI
- Concession in: Processing charges | TEV & project appraisal charges | BG commission charges | Import bill charges

For more details, visit your nearest branch.

(Toll Free No.) 1800 298 2244 / 1800 425 1515 / 1800 425 3555 | 0666606969 | www.unionbankofindia.co.in



यूनियन बैंक ऑफ इंडिया Union Bank of India
 भारत सरकार का उपक्रम A Government of India Undertaking



Union Solar Scheme

LEVERAGE THE POWER OF SOLAR!

Scheme Features:

Eligibility:

- All business enterprises irrespective of constitution (individual/proprietorship/partnership/companies/trusts/social etc.) other than huf. Onsite projects as well as offsite projects are eligible to be financed under the scheme.

Margin:

- 20%. In case of proposals with collateral coverage of more than 35%, minimum margin may be reduced to 15% by the respective sanctioning authority.

Purpose/Facility:

- Purchase and installation of rooftop/ground mounted solar units for captive use.

Repayment tenure:

- 10 years

Nature of facility:

- Term loan

ROI:

- Starting from eblr + 0.25 and 1 year MCLR + 0.25%.

Quantum of loan:

- Min. above ₹ 10 lacs. & Max. ₹ 16 Cr. (Solar unit with min. capacity of 10-20 kw & max. capacity of 4 mw).

Collateral:

- No additional security up to ₹ 8.00 crore. Above ₹ 8.00 crore minimum collateral of 50%

For more details, please visit nearest Union Bank of India Branch/MSME Loan Point

(Toll Free No.) 1800 208 2244 / 1800 425 1515 / 1800 425 3555 | www.unionbankofindia.co.in

@unionbankofindia @UnionBankTweets unionbankinsta @UnionBankofIndiaTube @unionbankofindia @unionbankista

//

We are committed to sustainability by deploying solar energy solutions across our retail network. This initiative reduces our customers' carbon footprint, promotes renewable energy, and exemplifies our dedication to a greener future.



यूनियन बैंक ऑफ इंडिया Union Bank of India
 भारत सरकार का उपक्रम A Government of India Undertaking

Let your dreams flourish



Union Home with **Union Education Loan Premier Institutes**
 Studies Inland & Abroad

Attractive Interest Rate & Hassle-free Loan

Union Mukta Saving Scheme

- Minor of any age less than 18 years
- Free personal accident insurance (death) cover with debit card
- ROI concession in education loan

UNION UNNATI

- Free Cancer care coverage (Breast, Ovarian, Cervical)
- Free personal accident cover and air accident cover
- Concession in ROI on MSE loans
- Concession in retail loan processing charges

UNION SAMRIDHI

- Free Cancer care coverage (Breast, Ovarian, Cervical)
- Free personal accident cover and air accident cover
- Concession in processing charges on retail loans
- Concession in retail loan processing charges

Union UDAAN Young Professionals Current / Savings Accounts

- Preferred Account Number: Option of choosing last seven digits of account number
- Attractive concessions in ROI & MSE loans
- Overdraft facility
- One family account

For more details, please visit nearest Union Bank of India Branch/MSME Loan Point

(Toll Free No.) 1800 208 2244 / 1800 425 1515 / 1800 425 3555 | www.unionbankofindia.co.in

@unionbankofindia @UnionBankTweets unionbankinsta @UnionBankofIndiaTube @unionbankofindia @unionbankista



यूनियन बैंक ऑफ इंडिया Union Bank of India
 भारत सरकार का उपक्रम A Government of India Undertaking

Union Ayushman Plus

HASSLE-FREE FINANCE TO GROW YOUR MEDICAL SERVICE



Scheme Features:

Eligibility:

- Hospitals/Clinics/Nursing Homes/ Diagnostic Centres, Pathology Labs etc.
- Qualified Medical Practitioners in the age group of 25 to 65 years

Charges:

- 50% concession in applicable processing charges.

Collateral Security:

- NIL for accounts under CGTMSE
- 25% for purchase of Equipments in case not covered under CGTMSE
- 50% for construction / acquisition of the hospital premises.

Purpose/Facility:

- Term Loan for purchase/construction / renovation/expansion/ modernization of premises, purchase of equipment & ambulance
- CC for Working Capital requirements

Margin:

- Equipment – 15%
- Land/Construction/Renovation – 35% (Cost of land being financed shall not exceed 50% of project cost)

Maximum Tenor:

- 84 months, including moratorium upto 6 months for stand-alone equipment and in case of project finance, maximum tenor upto 180 months with moratorium of 1 year from DCCO is allowed.

Quantum:

- Maximum: ₹100 Crore (TL+WCL)

ROI:

- Attractive Rate of Interest

For more details, please visit nearest Union Bank of India Branch/MSME Loan Point

(Toll Free No.) 1800 208 2244 / 1800 425 1515 / 1800 425 3555 | www.unionbankofindia.co.in

@unionbankofindia @UnionBankTweets unionbankinsta @UnionBankofIndiaTube @unionbankofindia @unionbankista



Human Capital

Empowering Our People for Sustainable Success

UNSDG:



Strategic Pillars:



Business Model Canvas:



Material Issues

1, 2, 4, 5, 6, 8, 9, 10, 13, 18, 23, 24, 25, 26, 27, 30, 35, 37

GRI Alignment

201, 203, 302, 401, 403, 404, 405



Employee-Centric Strategy:

At Union Bank of India, our employees are the cornerstone of our sustainable and digital future. Discover how our employee-centric approach drives our vision.

At Union Bank of India, we passionately believe that our most valuable assets are our employees. Their skills, enthusiasm, and commitment are the foundation for our vision of a sustainable, digitally empowered future. By investing in our human capital, we aim to provide the highest quality services to our customers and contribute meaningfully to India's journey towards becoming a digital powerhouse and a net-zero emissions country.

Recognising that human capital is the cornerstone of sustainable success, Union Bank strategically invests in its workforce to achieve key goals, including environmental sustainability and transitioning to a low-carbon economy. By seamlessly integrating robust human capital initiatives into our broader business strategy, we ensure that employees have the necessary skills and knowledge to navigate today's rapidly changing landscape.

This commitment enhances the Bank's financial performance and plays a crucial role in meeting its environmental sustainability targets. Our focus on fostering a motivated, skilled, and inclusive workforce positions us to lead in developing green technologies, offer innovative sustainable finance solutions, and contribute significantly to a cleaner and greener future.

Number of Employees

75,866

Total workforce at Union Bank of India.



Strategic Priorities and Initiatives

Strategic Priorities	Initiatives	Details	GRI Standards
Inclusion and Diversity	Employee Education and Training	Enhanced educational initiatives emphasizing bias awareness, cultural competence, and inclusive leadership. Regular training sessions and workshops keep employees informed about the latest practices and principles in diversity and inclusion.	GRI 405: Diversity and Equal Opportunity 2016
	Interactive Listening Sessions	Regular interactive sessions allow employees to voice concerns, share experiences, and contribute ideas. These sessions are crucial for understanding employee sentiments and identifying areas for improvement.	GRI 405: Diversity and Equal Opportunity 2016
	Refined Recruiting Practices	Recruiting practices refined to attract a diverse pool of candidates. Emphasis on reaching underrepresented groups through targeted outreach programmes, partnerships with diverse organisations, and inclusive job advertisements.	GRI 405: Diversity and Equal Opportunity 2016

**Human Capital**

Strategic Priorities	Initiatives	Details	GRI Standards
Leadership Development	Comprehensive Leadership Training Programmes	Robust training programmes covering strategic thinking, digital fluency, and change management to prepare leaders for future challenges and opportunities.	GRI 404: Training and Education 2016
	Mentorship and Coaching	A mentorship and coaching framework pairs experienced leaders with emerging talents, fostering knowledge transfer, supporting career development, and building a pipeline of future leaders.	GRI 404: Training and Education 2016
	Leadership in Diversity	Special training modules dedicated to developing leadership capabilities in managing diversity, helping leaders understand the nuances of leading diverse teams and creating an inclusive work environment.	GRI 405: Diversity and Equal Opportunity 2016
Evolving Employee Experience	Employee Needs Assessment	Regular surveys and focus groups gather insights into employee needs and preferences, ensuring that the Bank's policies and benefits align with what employees value most.	GRI 405: Diversity and Equal Opportunity 2016
	Enhanced Benefits Offerings	Augmented benefits offerings include flexible work arrangements, wellness programmes, and comprehensive health coverage to improve work-life balance and overall job satisfaction.	GRI 401: Employment 2016
	Innovative Work Methodologies	Continuously evolving work methodologies to keep pace with technological advancements and changing employee expectations. Agile work practices, and collaborative tools enhance productivity and engagement.	GRI 401: Employment 2016
Future of Work	Workforce Remodelling	Investing in upskilling and reskilling initiatives to ensure the workforce has the necessary skills for future roles, including training in emerging technologies, digital tools, and new business processes.	GRI 404: Training and Education 2016
	Refined Talent Acquisition	Talent acquisition strategy aligned with strategic priorities, focusing on attracting talent with the skills and mindset needed to drive innovation and growth. Advanced recruitment technologies and data-driven insights streamline the hiring process.	GRI 401: Employment 2016
	Balancing Employee Work Dynamics	Committed to offering greater flexibility in how, where, and when work is done. Hybrid work models, flexible scheduling, and policies that support work-life integration foster a culture of flexibility, enhancing employee satisfaction and productivity while maintaining solid in-person collaboration.	GRI 401: Employment 2016

GRI

201-1, 201-4

Governance Structure for Human Capital Initiatives

Union Bank of India has established a robust governance structure to manage its human capital initiatives effectively. This structure ensures that all efforts align with the Bank's broader ESG (Environmental, Social, and Governance) and strategic goals.

Board Oversight

The Board of Directors at Union Bank of India oversees human capital initiatives through a structured approach that includes:

- ❖ **Strategic Alignment:** Ensuring that human capital strategies align with the overall strategic objectives of the Bank, including its ESG goals.
- ❖ **Policy Formulation:** The formulation and implementation of policies related to human resources, ensuring they foster a conducive work environment and promote sustainable growth.
- ❖ **Performance Monitoring:** Regularly monitor performance metrics related to human capital to ensure targets are met and identify areas for improvement.

Dedicated Committees

Union Bank of India has formed specific committees to manage and drive human capital initiatives:

- ❖ **ESG Steering Committee (ESGSC):** This committee, comprising Executive Directors and Heads of business and control verticals, meets quarterly to discuss various aspects of ESG transition and submits its recommendations to relevant committees for approval. It ensures that human capital initiatives are integrated with the Bank's broader ESG strategy.
- ❖ **Stakeholders Relationship Committee (SRC):** A Board-level committee that addresses non-risk ESG-related matters, ensuring all human capital initiatives align with broader ESG goals.

Learning and Development

The Bank emphasises continuous learning and development through:

- ❖ **Training Programmes:** Comprehensive training programmes for officers and other staff to enhance their skills and knowledge, ensuring effective implementation of human capital initiatives.
- ❖ **Digital Tools:** Utilising digital platforms for training and development to ensure accessibility and efficiency across the organisation.

Diversity, Equity, and Inclusion (DEI)

Union Bank of India is committed to fostering a diverse and inclusive workplace. Initiatives include:

- ❖ **Gender-specific Committees:** The 'Empower Her' and 'Power Him' committees address gender-specific career issues and promote equal opportunities.
- ❖ **Escalation Mechanisms:** Policies like HR Apke Dwar, Whistleblower Policy, and others encourage employees to report grievances and ensure a safe work environment.

Through these mechanisms, the Union Bank of India ensures effective management of human capital initiatives, aligning with strategic goals and fostering a productive, inclusive, and sustainable work environment.



Governance Structure:

Our robust governance framework ensures strategic alignment and effective oversight of all human capital initiatives. Read on to see how our governance structure supports our strategic goals..

Employees Training Programmes

1,829

Number of training programmes conducted to enhance employee skills and knowledge.

Total Training Hours

1.84^{MN}

Total hours of training provided to employees, ensuring continuous learning and development.



Human Capital

GRI

102-19

ESG Steering Committees Meetings

4

Number of quarterly meetings held by the ESG Steering Committee

GRI

404

Leadership Development Participants

480

Number of executives participating in leadership development programmes.

GRI

404, 405

Delegating Authority

Union Bank of India has instituted a structured approach for delegating authority concerning economic, environmental, and social topics from the highest governance body to senior executives and other employees. This process is pivotal in ensuring that strategic goals and responsibilities are effectively managed and executed across all levels of the organisation.

The Board of Directors is at the helm of this delegation process. They delegate authority to the ESG Steering Committee (ESGSC), which comprises Executive Directors and Heads of business and control verticals. The ESGSC meets quarterly to discuss and drive the Bank's transition and adherence to ESG principles, ensuring that human capital initiatives and other strategic goals are integrated within the Bank's broader objectives.

Additionally, the Bank has formed other specialised committees, such as the Stakeholders Relationship Committee (SRC), which addresses non-risk ESG-related matters, ensuring alignment with the Bank's strategic goals. These committees are crucial in managing and overseeing specific domains, allowing for focused and effective governance.

Through this delegation framework, Union Bank of India ensures that responsibilities are clearly defined and managed, promoting accountability and strategic alignment throughout the organisation.

Diversity & Inclusion

Union Bank of India intensified efforts in FY2024 to foster an inclusive workplace, emphasising employee education, interactive listening sessions, and refined recruiting practices. By creating a diverse and inclusive work environment, Union Bank aims to harness the full potential of its workforce and drive sustainable growth.

Category	FY2023	FY2024
Scheduled Castes (SCs)	19.67%	19.54%
Scheduled Tribes (STs)	7.91%	8.05%
Other Backward Classes (OBCs)	30.10%	30.55%
General	42.32%	41.86%
Ex-Servicemen	6.23%	6.34%
Women	28.82%	29.14%
Minority Communities	7.14%	7.25%

Leadership Development

Union Bank of India has made significant strides in enhancing its leadership development initiatives to cultivate a robust leadership pipeline that drives success in a diverse and technologically evolving environment. Key programmes and tools have been implemented to ensure leaders at all levels have the necessary skills and knowledge to excel.



Union Prerna Project:

This flagship initiative is designed to identify and nurture leadership talent within the Bank. Key components of the project include:

- ❖ **Skill Profiling for Scale 4 & 5 Employees:** This initiative involves a comprehensive assessment of skills and competencies for employees in Scale 4 and 5 positions. By identifying skill gaps and strengths, the Bank can tailor development programmes to enhance the leadership capabilities of these employees.
- ❖ **Talent Management & Succession Planning Tool:** To ensure a steady pipeline of future leaders, Union Bank has developed a sophisticated talent management and succession planning tool. This tool helps identify high-potential employees, map career paths, and prepare them for leadership roles through targeted development programmes.
- ❖ **Wings Programme for Female Leadership:** Recognising the importance of gender diversity in leadership, the Wings Programme is specifically designed to support and promote female leaders within the Bank. This programme includes mentorship, training, and networking opportunities to empower women to advance to senior leadership positions.

Focus on Enhancing Leaders' Capabilities:

In addition to the Union Prerna Project, the Bank has implemented various other initiatives to enhance the capabilities of its leaders:

- ❖ **Comprehensive Leadership Training Programmes:** These programmes cover a wide range of essential skills, including strategic thinking, digital fluency, and change management. By equipping leaders with these skills, the Bank ensures they are prepared to navigate the complexities of the modern financial landscape.
- ❖ **Mentorship and Coaching:** A structured mentorship and coaching framework pairs experienced leaders with emerging talents. This initiative facilitates knowledge transfer, supports career development, and helps build a strong leadership pipeline.



Leadership Development

Programmes: Building a strong leadership pipeline, our initiatives like Union Prerna and Wings Programme ensure effective succession planning and diversity. Explore our leadership development programmes and their impact.

- ❖ **Leadership in Diversity:** Special training modules focus on developing leadership capabilities in managing diverse teams. These modules help leaders understand the nuances of leading a diverse workforce and creating an inclusive work environment.

Union Bank of India's leadership development initiatives are aligned with its strategic goals, ensuring that the Bank has the leadership talent needed to drive innovation, achieve business objectives, and foster a culture of inclusivity and excellence.

This comprehensive approach to leadership development not only enhances the Bank's capacity to achieve its strategic objectives but also reinforces its commitment to nurturing a diverse and inclusive leadership pipeline that can effectively address the challenges and opportunities of the future.



Human Capital

GRI

401, 404



Flexible Work Models:

Supporting hybrid work models and flexible scheduling, we cater to the evolving needs of our employees, enhancing productivity and satisfaction. Learn how our flexible work models benefit our workforce.

GRI

404

Employee Experience & Future of Work

Union Bank of India is committed to continually enhancing the employee experience and preparing for the future of work. The Bank's initiatives focus on understanding diverse employee needs, improving benefits, evolving work methodologies, and aligning talent acquisition with strategic priorities. These efforts are designed to accommodate employees' desire for greater control over their work dynamics while maintaining the benefits of in-person collaboration.

Surveys Involving Diverse Employee Groups:

Union Bank conducts regular surveys and focus groups involving diverse employee groups to gather insights and inform its strategies. These surveys help understand employees' varying needs and preferences, ensuring that policies and initiatives are aligned with what matters most to them.

Enhancing Benefits Offerings:

The Bank has augmented its benefits offerings based on employee feedback. Key enhancements include flexible work arrangements, comprehensive health coverage, and wellness programmes. These benefits aim to improve work-life balance and overall job satisfaction, making Union Bank an attractive and supportive employer.

Evolving Work Methodology:

Union Bank continuously evolves its work methodologies to stay ahead of technological advancements and changing employee expectations. The Bank has adopted agile work practices, remote working options, and collaborative tools to enhance productivity and engagement. By fostering a flexible work environment, Union Bank ensures employees can work efficiently while maintaining a healthy work-life balance.

Talent Acquisition Aligned with Strategic Priorities:

The Bank's talent acquisition strategy aligns with its strategic priorities and growth plans. Emphasis is placed on attracting talent with the skills and mindset needed to drive innovation and growth. Advanced recruitment technologies and data-driven insights are used to streamline the hiring process, ensuring that Union Bank attracts the best candidates to meet its future needs.

Accommodating Employees' Desire for Greater Control Over Work Dynamics:

Recognising the evolving expectations of its workforce, Union Bank is committed to offering greater flexibility in how, where, and when work is done. The Bank supports hybrid work models, flexible scheduling, and policies that facilitate work-life integration. These efforts are designed to enhance employee satisfaction and productivity while preserving the benefits of in-person collaboration.

Digital Empowerment

Union Bank of India has significantly advanced its digital transformation efforts to integrate cutting-edge technology into people processes. This transformation enhances operational efficiency and empowers employees with the necessary skills to thrive in a digital-first environment.

Integration of Digital Transformation into People Processes:

Union Bank has integrated digital solutions into various aspects of human resource management, enhancing efficiency and accuracy in these processes. The Bank leverages digital tools for performance management, employee engagement, and workflow automation, ensuring a seamless and efficient experience for all employees. This digital integration helps manage data effectively, make informed decisions, and streamline HR operations.

Learning & Development Initiatives:

Union Bank is committed to building a digitally skilled workforce through comprehensive learning and development initiatives. Key programmes include:

- ❖ **Union Learning Academies:** These academies play a pivotal role in imparting digital skills and knowledge to employees. The Union Learning Academy for Operations & Digital Banking offers various training programmes through webinars and podcasts. These sessions cover essential topics such as digital banking operations, cybersecurity, and emerging technologies.
- ❖ **External Partnerships:** Union Bank has partnered with leading educational institutions and industry experts to provide employees with world-class training. These partnerships facilitate access to advanced training programmes and certifications, ensuring employees are well-versed in the latest digital trends and technologies.
- ❖ **Skill Development Programmes:** Focused on enhancing digital fluency, these programmes include workshops on data analytics, artificial intelligence, and blockchain technology. Employees are encouraged to participate in these programmes to stay ahead of technological advancements and apply these skills.

By focusing on digital empowerment, Union Bank of India is not only enhancing its operational capabilities but also equipping its employees with the skills and knowledge necessary to excel in a digital-first world. This strategic approach ensures that the Bank remains at the forefront of technological innovation while fostering a culture of continuous learning and improvement.

Impact of Digital Transformation

Union Bank of India's efforts in digital empowerment have also resulted in several notable achievements:

- ❖ **Digital Gold Loan:** The Digital Gold Loan application, available through the VYOM app and the Bank's corporate website, offers loans for retail, MSME, and agriculture purposes. In FY2024, 2,50,433 applications were mobilised and sanctioned, amounting to ₹ 5,007 crore.
- ❖ **Online OTS:** The fully automated OTS application processing system allows eligible borrowers to complete the settlement process without visiting a bank branch, enhancing convenience and efficiency.
- ❖ **V-KYC:** Video KYC solutions have streamlined the account opening process for new customers, ensuring minimal turnaround time (TAT) and enhancing the onboarding experience.



Digital Transformation:

Leveraging digital technologies, we enhance operational efficiency and empower employees with the skills to excel in a digital-first world. Dive into our digital transformation journey and its benefits.

Digital Gold Loan Applications

2,50,433

Number of digital gold loan applications mobilised and sanctioned.

These initiatives highlight Union Bank of India's commitment to leveraging digital technologies to improve both employee and customer experiences, drive operational efficiency, and foster a digitally skilled workforce that can adapt to the evolving demands of the financial sector.



Human Capital

GRI

404

Wellness Programme Participation

100%

Percentage of employees participating in the comprehensive wellness programmes.



Continuous Learning and Development:

Investing in continuous learning, we empower our workforce to be skilled, knowledgeable, and future-ready. Find out how our training programmes prepare employees for the future..

Learning & Development

Union Bank of India strongly emphasises the continuous learning and development of its employees. By investing in robust training programmes, the Bank ensures that its workforce remains skilled, knowledgeable, and prepared to meet the evolving demands of the financial sector. The focus on learning and development is a critical component of the Bank's strategy to foster a culture of continuous improvement and innovation.

Internal Training

Training FY 2021-22, FY 2022-23, and FY 2023-24

Training Programs	FY 2021-22	FY 2022-23	FY 2023-24
No. of Programs	2,245	1,582	1,829
Nos. Trained	1,19,439	88,477	72,723

External Training

Training FY 2021-22, FY 2022-23, and FY 2023-24

Training Programs	FY 2021-22	FY 2022-23	FY 2023-24
No. of Programs	179	185	175
Nos. Trained	985	977	1,782

Training Programs and Hours of Training

In FY 2024, Union Bank expanded its training initiatives significantly compared to the previous fiscal year. The Bank has made concerted efforts to increase the number and scope of its training programs, providing employees with more opportunities to enhance their skills and competencies. Below is a comparative table highlighting the training programmes and hours of training provided by Union Bank in FY 2023 and FY 2024:

Metric	FY 2023	FY 2024	YoY Change (%)
Number of Training Programs	1,582	1,829	13.50%
Total Hours of Training	13,66,200	18,38,412	12.72%

Expansion of Training Programmes

The Union Learning Academy (ULA) conducted 249 training programmes covering over 6,700 employees in FY 2023-24. Additionally, 324 virtual programmes/webinars covered more than 56,000 employees. This significant increase in training initiatives reflects Union Bank's commitment to improving the proficiency and skills of its workforce through comprehensive learning and development programmes.

Increase in Training Hours

Total hours of training also saw a significant rise, from 13,66,200 hours in FY2023 to 18,38,412 hours in FY2024. This increase underscores the Bank's dedication to enhancing the depth and breadth of its training initiatives. By offering more training hours, Union Bank ensures that employees receive thorough and in-depth instruction, which is essential for their professional growth and the Bank's overall performance.

Key Learning & Development Initiatives

- ❖ **Union Learning Academies:** These academies are pivotal in providing structured and targeted learning programmes. They offer a variety of courses designed to improve digital skills, operational knowledge, and leadership capabilities.
- ❖ **External Partnerships:** Collaborations with leading educational institutions and industry experts provide employees access to world-class training programmes and certifications. These partnerships ensure the training content is up-to-date and relevant to industry trends.
- ❖ **Digital Learning Platforms:** Union Bank leverages digital platforms to deliver training content efficiently. Online courses, webinars, and e-learning modules allow employees to learn at their own pace and convenience, fostering a culture of continuous learning.

Focus Areas for Training

Union Bank's training programmes in FY2024 focused on several key areas:

- ❖ **Digital Skills:** Training in digital banking, cybersecurity, and emerging technologies to equip employees with the skills needed in a rapidly digitalising world.
- ❖ **Leadership Development:** Programmes aimed at enhancing leadership qualities and preparing future leaders within the Bank.
- ❖ **Customer Service Excellence:** Training to improve customer interaction and service delivery, ensuring high levels of customer satisfaction.
- ❖ **Regulatory Compliance:** Courses designed to keep employees updated on the latest regulatory requirements and ensure compliance.

Employee Wellness

Union Bank of India strongly emphasises the health and well-being of its employees. Recognising that a healthy workforce is fundamental to achieving sustainable growth and operational efficiency, the Bank has implemented a comprehensive Employee Wellness Programme that addresses physical, mental, and emotional well-being.

Annual Health Check-up Scheme: The Bank offers an Annual Health Check-up Scheme for all employees, ensuring early detection and management of health issues. This initiative underscores the Bank's commitment to proactive healthcare.

Antenatal Check-up Scheme: Union Bank provides an Antenatal Check-up Scheme for expecting mothers. This programme includes regular health check-ups and consultations to ensure the well-being of both mother and child during pregnancy.

Child Care Facility Scheme: Recognising the importance of work-life balance, the Bank has introduced a Child Care Facility Scheme. This initiative gives employees access to quality childcare services, allowing them to focus on their work without compromising family responsibilities.

Group Accidental Insurance Scheme: To ensure financial security in the event of an accident, the Bank offers a Group Accidental Insurance Scheme. This coverage provides financial assistance to employees and their families in case of accidental injuries or fatalities.



Employee Wellness Programmes:

Our commitment to employee well-being is demonstrated through comprehensive wellness programmes addressing physical, mental, and emotional health. See how we prioritise the well-being of our employees..

GRI

401, 403

Group Insurance Scheme:

Complementing accidental insurance, the Group Insurance Scheme provides comprehensive health insurance coverage for employees and their families. This scheme includes coverage for hospitalisation, surgeries, and other medical expenses.

Union Bank of India's comprehensive approach to employee wellness ensures that employees are supported in all aspects of their health and well-being. By prioritising its workforce's physical, mental, and emotional health, the Bank fosters a supportive and resilient organisational culture.

Human Capital

GRI

405

Female Employees

29.10%

Percentage of female employees in the workforce, promoting gender diversity.

GRI

401, 403,404



Diversity and Inclusion:

Promoting an inclusive workplace, we ensure equal opportunities and support for all through targeted recruitment and comprehensive training programmes. Uncover the steps we take to foster diversity and inclusion.

Inclusion Metrics

Union Bank of India remains committed to fostering a diverse and inclusive workplace. The Bank's focus on diversity ensures that its workforce reflects the rich diversity of the communities it serves. Below are the workforce diversity statistics for FY2023 and FY2024 and the comparative year-over-year (YoY) changes.

Workforce Diversity Statistics

Metric	FY2023 (%)	FY2024 (%)	YoY Change (bps)
Scheduled Castes (SCs)	19.67	19.54	-16
Scheduled Tribes (STs)	7.91	8.05	14
Other Backward Classes (OBCs)	30.10	30.55	45
General	42.32	41.86	-46
Ex-Servicemen	6.23	6.34	11
Women	28.82	29.14	28
Minority Communities	7.14	7.25	11

Talent Management & Retention

Union Bank of India recognises the crucial role of effective talent management and retention strategies in fostering a dedicated and high-performing workforce. In FY2024, the Bank focused on key areas such as onboarding, performance management, and retention, particularly emphasising digitalisation and sustainability in its talent management practices.

Focus on Onboarding, Performance, and Retention

Union Bank has implemented several initiatives aimed at enhancing the onboarding experience, improving performance management systems, and retaining top talent. These efforts ensure that new employees are smoothly integrated into the organisation, current employees are supported in their professional development, and all employees are encouraged to remain with the Bank for the long term.

- ❖ **Onboarding Programmes:** The Bank's onboarding programmes are designed to provide new employees with a comprehensive understanding of the Bank's culture, values, and operational procedures. These programmes include orientation sessions, mentorship pairings, and training on key banking systems and processes.
- ❖ **Performance Management:** Union Bank has enhanced its performance management system to include regular feedback loops, precise performance metrics, and development plans tailored to individual employee goals. The system is designed to ensure that employees know their performance expectations and are provided with the resources needed to meet them.
- ❖ **Retention Strategies:** To retain its top talent, Union Bank offers competitive compensation packages, career development opportunities, and a positive work environment. The Bank's retention strategies also include recognition programmes celebrating employee achievements and contributions.

Emphasis on Digitalization and Sustainability in Talent Management

Union Bank has made significant strides in incorporating digital tools and sustainable practices into its talent management processes. These efforts aim to create a more efficient, resilient, and future-ready workforce.

- ❖ **Digital Tools for Talent Management:** The Bank utilises advanced HR technologies to streamline its talent management processes. This includes using digital platforms for recruitment, performance reviews, and employee engagement surveys. The EKAM Mobile App, for instance, provides employees with 24/7 access to performance reviews, rewards points, and relevant training for upskilling.
- ❖ **Sustainability Initiatives:** Union Bank integrates sustainability into its talent management by promoting practices that contribute to environmental and social well-being. This includes supporting work-life balance through flexible work arrangements and encouraging participation in sustainability-focused training and development programmes.

Succession Planning and Leadership Development

Union Bank of India emphasises succession planning and leadership development as crucial components of its human capital strategy. Recognising the importance of preparing the next generation of leaders, the Bank has implemented innovative tools and programmes to ensure a seamless transition and continued leadership excellence.

Innovative Talent Management & Succession Planning Tool

Union Bank has developed and deployed an advanced Talent Management & Succession Planning Tool. This digital tool leverages data analytics to identify high-potential employees and prepare them for future leadership roles. The tool assesses employees' skills, performance, and readiness for promotion, ensuring that the Bank can effectively plan for leadership continuity. This strategic approach helps mitigate risks associated with leadership gaps and ensures that the Bank remains agile and resilient in a rapidly changing business environment.

Wings Programme for Female Leadership

In alignment with its commitment to gender diversity and inclusion, Union Bank has launched the Wings Programme, specifically designed to address female employees' gender-specific career challenges. This programme provides targeted support to enhance the leadership capabilities of women within the Bank. Key components of the Wings Programme include:

- ❖ **Mentorship and Coaching:** Experienced leaders mentor female employees, providing guidance and support to help them navigate career challenges and opportunities.
- ❖ **Leadership Training:** Specialised training modules focus on developing skills necessary for effective leadership, such as strategic decision-making, negotiation, and conflict resolution.
- ❖ **Networking Opportunities:** The programme facilitates networking events and forums where female leaders can connect, share experiences, and build professional relationships.

GRI

404, 405

The Wings Programme aims to create a robust pipeline of well-equipped female leaders to take on senior roles within the Bank, thereby promoting gender equality and diversity in leadership positions.

Key Achievements in Leadership Development for FY2024

- ❖ **Leadership Development Programmes:** Over 14 leadership development programmes were conducted and attended by more than 480 executives across various scales (IV to VIII). These programmes enhance strategic thinking, digital fluency, and change management skills.
- ❖ **External Training and Exposure:** The Bank provided external training opportunities to 1,793 employees, including overseas training exposure for 327 officials. These programmes ensure that employees gain global perspectives and best practices in leadership.



Human Capital

GRI

102-16, 102, 102-17, 205, 205-2

Digital Learning Sessions

324

Number of virtual training programmes/
webinars conducted to enhance
digital skills.

- ❖ **Union Learning Academies (ULAs):** The ULAs conducted 249 training programmes covering over 6,700 employees and 324 virtual programmes/webinars covering more than 56,000 employees. These initiatives have significantly improved the proficiency levels of participants in various new-age skills.

Employee Code of Conduct and Whistle Blower Mechanism

Union Bank of India prioritises ethical conduct and transparency, underpinned by a robust Employee Code of Conduct and Whistle Blower Mechanism. In accordance with section 19 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Board of Directors of Union Bank of India, in consultation with the Reserve Bank of India and with the previous sanction of the Central Government, is responsible for formulating Conduct Regulations. These regulations set the standards for professional behaviour and ethical conduct expected from all employees, ensuring their actions align with the Bank's values and legal requirements.

The Bank has also implemented a comprehensive Whistle Blower Policy, designed to provide a secure avenue for employees and Directors on the Board to report concerns about any misconduct. This policy assures confidentiality and protection against retaliation for whistleblowers, fostering a safe and transparent environment where issues can be raised without fear.

In addition to these measures, the Union Bank of India emphasises the importance of ethics through dedicated training programmes. These programmes aim to promote ethical behaviour and equip employees with the knowledge to handle ethical dilemmas effectively. Training sessions focus on improving overall ethical conduct and ensuring that all employees are well-versed in integrity and accountability.

Awards & Recognition

Union Bank of India has garnered numerous accolades for its exceptional human capital management, innovative practices, and commitment to inclusivity. These awards underscore the Bank's dedication to fostering an inclusive, dynamic, and forward-thinking workplace. Below is a detailed account of the awards and recognitions received, presented in chronological order:

Award	Year	Description
Best ATM and Self-Service Innovation at Retail Banker International Asia Trailblazer Awards	2024	Recognises the Bank's advancements in ATM and self-service technologies.
Leading Technology Bank at Elets BFSI CXO Awards	2024	Recognises the Bank's leadership in leveraging technology for banking excellence.
Excellence in Banking Innovation Using Emerging Tech at IBEX India BFSI Tech Award	2024	Acknowledges the Bank's innovative use of emerging technologies in banking.
Best MSME Bank at MSME Banking Excellence Awards	2024	Awarded for the Bank's outstanding support and services to Micro, Small, and Medium Enterprises (MSMEs).

Award	Year	Description
Best MSME Friendly Bank (Runner-Up) at MSME Banking Excellence Awards	2024	Recognises the Bank's efforts in being a supportive and friendly institution for MSMEs.
Star Performer-Rank 1 Award in NPS The Game Changer Campaign by PFRDA	2024	Recognises the Bank's leadership and excellence in implementing the National Pension System.
Golden Peacock National Training Award 2024 by Institute of Directors	2024	For those organisations who have achieved overall excellence in their HR and People Management Practices
Pioneering Work in Creating Future Ready Inclusive Organization at IAC Corporate Awards	2023	Recognises the Bank's forward-thinking approach in building an inclusive organisation ready to meet future challenges.
Championing Accessibility Award at Mission Accessibility Annual Event	2023	Acknowledges the Bank's efforts in promoting accessibility and inclusivity for all customers and employees.
Best Self-Service Banking at Global Retail Banking Innovation Awards	2023	Recognises the Bank's innovative self-service banking solutions, such as Union Voice Assistant (UVA).
Excellence in Innovation - Voice Banking Implementation at Global Banking and Finance Awards	2023	Awarded for the successful implementation of innovative voice banking solutions.
Use of Emerging Technologies at Governance Now 6 th BFSI Awards	2023	Awarded for the Bank's strategic use of emerging technologies to enhance banking operations and customer experience.
Indian Academia Conference Corporate Award	2023	Recognises Union Bank's contributions to academia-industry collaboration and its efforts in promoting educational excellence through corporate initiatives.
Apex India HR Excellence Award at Apex India	2023	For outstanding contribution towards the HR good practices and Business Excellence
Excellence in Learning Experience at ET HR World Future Skills Award	2023	This award recognised the efforts of the most innovative and ground-breaking ways of engaging learns, creating and sharing knowledge integrating learning and work and accelerating organisational learning and generating business impact.
Gold Category in BFSI for the Union Prerna Project by Skoch Awards	2023	For HR Digital Transformational Project "Union Prerna"
Future Ready Organization 2023 Award by Economic Times	2023	The wards have recognised the best companies who have done a commendable job at becoming ready for the future.
Disability Positive Award presented by BW People	2023	The Disability positive awards honour and showcase the extraordinary efforts of person and organisation that foster an inclusive society.



Recognition and Awards:

Recognised for our innovative HR practices and leadership in technology, we are committed to excellence in human capital management. Discover the awards that highlight our commitment to innovation and excellence.

Awards Received

20+

Number of awards received in recognition of innovative HR practices and leadership in technology.



Human Capital







GRI Index

Item	GRI Standard Number	Disclosure	Material Issues - Strategic Pillar - Business Model Component	UNSDG Reference	Page Number(s)
1	GRI 102-1	Name of the organization	36 - 12 - 3	-	10
2	GRI 102-2	Activities, brands, products, and services	23 - 15 - 2	-	68
3	GRI 102-3	Location of headquarters	32 - 12 - 3	-	10
4	GRI 102-4	Location of operations	39 - 12 - 2	-	68
5	GRI 102-5	Ownership and legal form	36 - 12 - 3	-	10, 30
6	GRI 102-6	Markets served	25 - 8 - 6	-	68
7	GRI 102-7	Scale of the organization	24 - 15 - 6	-	68
8	GRI 102-8	Information on employees and other workers	23 - 8 - 7	8.5, 8.8	160
9	GRI 102-9	Supply chain	26 - 12 - 8	12.6	68
10	GRI 102-10	Significant changes to the organization and its supply chain	24 - 15 - 6	-	68
11	GRI 102-11	Precautionary Principle or approach	33 - 12 - 6	16.5	56
12	GRI 102-12	External initiatives	17 - 11 - 7	17.16	126, 148
13	GRI 102-13	Membership of associations	36 - 12 - 3	-	68
14	GRI 102-14	Statement from senior decision-maker	36 - 12 - 7	-	24, 26
15	GRI 102-15	Key impacts, risks, and opportunities	33 - 12 - 6	13.1	32, 40
16	GRI 103-1	Explanation of the material topic and its Boundary	33 - 12 - 6	-	44
17	GRI 201-1	Direct economic value generated and distributed	42 - 8 - 2	8.1, 8.2	88
18	GRI 202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	23 - 8 - 7	5.1, 8.5	160
19	GRI 202-2	Proportion of senior management hired from the local community	39 - 12 - 2	8.5	160
20	GRI 203-1	Infrastructure investments and services supported	24 - 15 - 6	9.1, 9.3	68, 100
21	GRI 203-2	Significant indirect economic impacts	39 - 12 - 2	8.1, 8.2	32
22	GRI 205-1	Operations assessed for risks related to corruption	36 - 12 - 7	16.5	see CGR
23	GRI 205-2	Communication and training about anti-corruption policies and procedures	36 - 12 - 7	16.5	160
24	GRI 205-3	Confirmed incidents of corruption and actions taken	36 - 12 - 7	16.5	see CGR
25	GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	37 - 8 - 7	16.3	see CGR
26	GRI 302-1	Energy consumption within the organization	27 - 12 - 8	7.3, 12.2	135
27	GRI 302-3	Energy intensity	27 - 12 - 8	7.3, 12.2	135
28	GRI 302-4	Reduction of energy consumption	27 - 12 - 8	7.3, 12.2	135
29	GRI 303-1	Interactions with water as a shared resource	29 - 12 - 8	6.4, 12.2	135
30	GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	30 - 12 - 8	15.1, 15.5	135
31	GRI 305-1	Direct (Scope 1) GHG emissions	31 - 12 - 8	13.1, 13.2	135
32	GRI 305-2	Energy indirect (Scope 2) GHG emissions	31 - 12 - 8	13.1, 13.2	135
33	GRI 305-3	Other indirect (Scope 3) GHG emissions	31 - 12 - 8	13.1, 13.2	135
34	GRI 305-4	GHG emissions intensity	31 - 12 - 8	13.1, 13.2	135
35	GRI 305-5	Reduction of GHG emissions	31 - 12 - 8	13.1, 13.2	135
36	GRI 306-1	Waste generation and significant waste-related impacts	36 - 12 - 8	12.4, 12.5	135
37	GRI 307-1	Non-compliance with environmental laws and regulations	37 - 8 - 8	16.3	135
38	GRI 401-1	New employee hires and employee turnover	23 - 8 - 7	8.5, 8.6	160
39	GRI 402-1	Minimum notice periods regarding operational changes	23 - 8 - 7	-	160
40	GRI 403-1	Occupational health and safety management system	25 - 8 - 7	8.8	160
41	GRI 403-2	Hazard identification, risk assessment, and incident investigation	25 - 8 - 7	8.8	135
42	GRI 403-3	Occupational health services	25 - 8 - 7	8.8	160
43	GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	25 - 8 - 7	8.8	160

Item	GRI Standard Number	Disclosure	Material Issues - Strategic Pillar - Business Model Component	UNSDG Reference	Page Number(s)
44	GRI 404-1	Average hours of training per year per employee	23 - 8 - 7	8.5	160
45	GRI 404-2	Programs for upgrading employee skills and transition assistance programs	23 - 8 - 7	8.5	160
46	GRI 405-1	Diversity of governance bodies and employees	23 - 8 - 7	5.1, 5.5	160
47	GRI 405-2	Ratio of basic salary and remuneration of women to men	23 - 8 - 7	5.1, 5.5	160
48	GRI 406-1	Incidents of discrimination and corrective actions taken	23 - 8 - 7	-	160
49	GRI 412-1	Operations that have been subject to human rights reviews or impact assessments	23 - 11 - 7	16.1, 16.2	160
50	GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	17 - 11 - 7	16.3, 16.10	100, 148
51	GRI 419-1	Non-compliance with laws and regulations in the social and economic area	32 - 12 - 3	16.3, 16.6	148
52	GRI FS-1	Policies with specific environmental and social components applied to business lines	33 - 12 - 6	-	135, 148
53	GRI FS-2	Procedures for assessing and screening environmental and social risks in business lines	33 - 12 - 6	-	68, 148
54	GRI FS-3	Processes for monitoring clients' implementation of and compliance with environmental and social requirements included in agreements or transactions	33 - 12 - 6	-	126, 135
55	GRI FS-4	Process(es) for improving staff competency to implement the environmental and social policies and procedures as applied to business lines	23 - 8 - 7	8.5	160
56	GRI FS-5	Interactions with clients/investees/business partners regarding environmental and social risks and opportunities	17 - 11 - 6	-	148
57	GRI FS-6	Percentage of the portfolio for business lines by specific region, size, and by sector	25 - 8 - 6	10.2, 10.3	68
58	GRI FS-7	Monetary value of products and services designed to deliver a specific social benefit for each business line broken down by purpose	17 - 11 - 7	1.4, 10.2	68
59	GRI FS-8	Monetary value of products and services designed to deliver a specific environmental benefit for each business line broken down by purpose	31 - 12 - 8	13.2, 13.3	68, 126
60	GRI FS-10	Percentage and number of companies held in the institution's portfolio with which the reporting organization has interacted on environmental or social issues	33 - 12 - 6	12.6, 12.8	88
61	GRI FS-11	Percentage of assets subject to positive and negative environmental or social screening	33 - 12 - 6	12.6	68, 88, 126
62	GRI FS-13	Access points in low-populated or economically disadvantaged areas by type	25 - 8 - 6	8.10, 10.2	68
63	GRI FS-14	Initiatives to improve access to financial services for disadvantaged people	17 - 11 - 7	1.4, 10.2	68
64	GRI FS-15	Policies for the fair design and sale of financial products and services	17 - 11 - 7	10.2, 10.3	68, 88
65	GRI FS-16	Initiatives to enhance financial literacy by type of beneficiary	23 - 8 - 7	4.4, 4.7	68, 148

Disclaimer:

The following table is an expanded GRI index designed to include a selection of standards most relevant to a banking institution. This cross-reference table is not exhaustive, and the exact standards and disclosures applicable to the Bank will depend on our materiality assessment and the specific nature of our operations. Please note that the alignment of information within the table may exhibit slight imperfections due to formatting constraints. The fourth column contains specific chapters referenced in this report, bearing relevance to Materiality, Strategic Pillars, and Business Model Canvas components. To fully understand these references, please refer to the dedicated chapters within the report. This table serves as a general guideline and might not cover all the unique aspects of our organization. For precise details and complete accuracy, please refer to the original sources and consult the dedicated chapters.



Notice of 22nd Annual General Meeting

NOTICE is hereby given pursuant to Regulation 56 of the Union Bank of India (Shares and Meetings) Regulations, 1998 that the **22nd (Twenty Second) Annual General Meeting (“AGM”)** of the Shareholders of Union Bank of India (“Bank”) will be held on **Friday, 26th July, 2024 at 11.00 am (IST)** at Central Office, Union Bank of India, Mumbai (the deemed venue of the Meeting) **through Video Conferencing (VC) or Other Audio Visual Means (OAVM)** facility to transact the following business:

Ordinary Business:

Item No. 1

To discuss, approve and adopt the Audited **Standalone and Consolidated** Balance Sheet of the Bank as at **31st March 2024, Standalone and Consolidated** Profit and Loss Account for the year ended on that date, the Report of the Board of Directors on the working and activities of the Bank for the period covered by the Accounts and the Auditors’ Report on the Balance Sheet and Accounts.

Item No. 2

To declare Dividend of ₹ 3.60/- per Equity Share of ₹ 10/- each for the Financial Year 2023 - 24.

Special Business:

Item No. 3

Raising of Capital of the Bank by way of issuance of fresh Equity Shares and / or by issuance of Additional Tier-1 / Tier-2 Capital as per BASEL III Guidelines

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 3(2B) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (**“Act”**), Clause 20 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 (**“Scheme”**), the Union Bank of India (Shares and Meetings) Regulations, 1998 (**“Regulations”**) and other applicable provisions, if any, and subject to the approvals, consents, sanctions, if any, of the Reserve Bank of India (**“RBI”**), the Government of India (**“GOI”**), the Securities and Exchange

Board of India (**“SEBI”**), and / or any other authority as may be required in this regard and subject to such terms, conditions and modifications thereto as may be prescribed by them in granting such approvals and which may be agreed to by the Board of Directors of the Bank and subject to the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 [the **SEBI (ICDR) Regulations**] as amended, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the **SEBI (LODR) Regulations**] as amended, the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 as amended, the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India), Regulations, 2017 as amended and in accordance with the applicable rules, regulations, guidelines, circulars and clarifications if any, prescribed by the RBI, SEBI, notifications/ circulars and clarifications under the Banking Regulation Act, 1949, the Securities and Exchange Board of India Act, 1992 and all other applicable laws and all other competent authorities from time to time and subject to the Uniform Listing Agreements entered into with the Stock Exchanges where the equity shares of the Bank are listed, consent of the members of the Bank be and is hereby accorded to the Board of Directors of the Bank (hereinafter called “the Board” which shall be deemed to include any Committee which the Board may have constituted or hereafter constitute to exercise its powers including the powers conferred by this Resolution) to create, offer, issue and allot in one or more tranches (including with provision for reservation on firm allotment and/or competitive basis of such part of issue and for such categories of persons as may be permitted by the law then applicable) by way of offer document (s)/prospectus or such other document(s), in India or abroad **for an aggregate amount not exceeding ₹ 10,000 Crore (Rupees Ten Thousand Crore only) subject to:**

- such number of equity shares and / or Preference Shares (whether Cumulative or not; convertible into equity shares or not) in accordance with the guidelines framed by RBI from time to time, specifying the class of preference shares, the extent of issue of each class of such preference shares, whether perpetual or redeemable, the terms and conditions subject to which each class of preference shares may be issued and / or other permitted securities which are capable of being converted into equity or not for cash (whether at a discount or premium to the market price or issue

price or floor price) for an amount not exceeding ₹ 6,000 Crore (Rupees Six Thousand Crore only) which together with the existing Paid-up Equity share capital of ₹ 7,633.60 crore (Rupees Seven Thousand Six Hundred Thirty Three Crore and Sixty Lakh only) will be within the total authorized capital of ₹ 10,000 crore (Rupees Ten Thousand Crore Only) of the Bank, being the ceiling in the Authorised Capital of the Bank as per Section 3(2A) of the Act, or to the extent of enhanced Authorised Capital as per the Amendment (if any), that may be made to the Act in future, whichever is higher, in such a way that the Government of India shall at all times hold not less than 51% of the paid-up Equity Share Capital of the Bank.

- such number of perpetual debt instruments, Non-convertible debentures including but not limited to Sub-ordinated Debentures, Bonds and / or other debt securities on private placement / public issue basis in one or more tranches which may classify for Tier-1 or Tier-2 Capital (including Green/Foreign Currency Denominated Additional Tier -1 /Tier -2 Bonds) as identified and classified by RBI, for an amount not exceeding ₹ 2,000 Crore (Rupees Two Thousand Crore only) as Additional Tier- 1 Bonds and for an amount not exceeding ₹ 2,000 Crore (Rupees Two Thousand crore only) as Tier-2 Bonds, to one or more of the members, employees of the Bank, Indian nationals, Non-Resident Indians (“NRIs”), Companies, private or public, Investment Institutions, Limited Liability Partnerships (LLPs), Societies, Trusts, Research Organizations, Qualified Institutional Buyers (“QIBs”) like Foreign Institutional Investors (“FIIs”)/ Foreign Portfolio Investors (“FPIs”), Banks, Financial Institutions, Indian Mutual Funds, Alternate Investment Funds, Foreign Venture Capital Investors, State Industrial Development Corporations, Insurance Companies, Provident Funds, Pension Funds, Development Financial Institutions or other entities, authorities or any other category of investors which are eligible to invest in equity/preference shares/securities of the Bank as per extant regulations/guidelines or any combination of the above, as may be deemed appropriate by the Bank”.

“RESOLVED FURTHER THAT such issue, offer or allotment of equity/preference shares/securities may also be by way of Qualified Institutions Placement (QIP), Further Public Offer, Rights Issue to public shareholders with or without promoter/ promoter group shareholders forgoing their entitlement to equity shares, Depository Receipts/ADR/GDR, Private Placement of Equity / Compulsorily Convertible Debentures, Employees Stock Option Scheme or Employee Stock Purchase Scheme of the Bank or such other mode of issue or combinations of these as may be provided by applicable laws, with or without over-allotment or Green Shoe option

and that such offer, issue, placement and allotment of equity/ preference shares/securities be made as per the provisions of the Act, RBI Guidelines, the SEBI ICDR Regulations and all other applicable guidelines issued by the RBI, SEBI and any other authority as applicable, and at such time or times in such manner and on such terms and conditions as the Board may, in its absolute discretion, think fit.”

“RESOLVED FURTHER THAT in respect of the aforesaid issue/s, the Board shall have the absolute authority to decide, such price or prices not below the price as determined in accordance with relevant provisions of the SEBI (ICDR) Regulations, in such manner and wherever necessary, in consultation with the lead managers and /or underwriters and /or other advisors, and/or such terms and conditions as the Board may, in its absolute discretion, decide in terms of the SEBI (ICDR) Regulations, other regulations and any and all other applicable laws, rules, regulations and guidelines, and/or whether or not the proposed investor(s) are existing shareholders of the Bank.”

“RESOLVED FURTHER THAT in accordance with the provisions of the Listing Regulations, the provisions of the Act, the provisions of the Union Bank of India (Shares and Meetings) Regulations, 1998, the provisions of the SEBI (ICDR) Regulations, the provisions of the Foreign Exchange Management Act, 1999 and the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, and subject to requisite approvals, consents, permissions and/ or sanctions of Securities and Exchange Board of India (SEBI), Stock Exchanges, Reserve Bank of India (RBI), Department for Promotion of Industry and Internal Trade - Ministry of Commerce and Industry (DPIIT), Ministry of Finance and all other authorities as may be required (hereinafter collectively referred to as “the Appropriate Authorities”) and subject to such conditions as may be prescribed by any of them while granting any such approval, consent, permission, and/or sanction (hereinafter referred to as “the requisite approvals”) the Board, may at its absolute discretion, issue, offer and allot, from time to time in one or more tranches, equity shares or any securities other than warrants, which are convertible into or exchangeable with equity shares at a later date, in such a way that the Government of India at any time holds not less than 51% of the Equity Capital of the Bank, to Qualified Institutional Buyers (QIBs) (as defined in Chapter I of the SEBI (ICDR) Regulations pursuant to a Qualified Institutions Placement (QIP), as provided for under Chapter VI of the SEBI (ICDR) Regulations, through a placement document and / or such other documents / writings / circulars / memoranda and in such manner and on such price, terms and conditions as may be determined by the Board in accordance with the SEBI (ICDR) Regulations or other provisions of the law as may be prevailing at that time.”



Notice of 22nd Annual General Meeting

“RESOLVED FURTHER THAT in case of a Qualified Institutions Placement pursuant to Chapter VI of the SEBI (ICDR) Regulations:

- a) The allotment of Securities shall only be made to Qualified Institutional Buyers within the meaning of Chapter I of the SEBI (ICDR) Regulations, such securities shall be fully paid-up and the allotment of such Securities shall be completed within 365 days from the date of this resolution.
- b) The Bank in pursuant to provision of Regulation 176(1) of SEBI (ICDR) Regulations authorized to offer shares at a discount of not more than five percent on the floor price as determined in accordance with the SEBI (ICDR) Regulations.
- c) The relevant date for the determination of the floor price of the securities shall be in accordance with the SEBI (ICDR) Regulations.”

“RESOLVED FURTHER THAT the Board shall have the authority and power to accept any modification in the proposal as may be required or imposed by the GOI/RBI/SEBI/Stock Exchanges where the shares of the Bank are listed or such other appropriate authorities at the time of according / granting their approvals, consents, permissions and sanctions to issue, allotment and listing thereof and as agreed to by the Board.”

“RESOLVED FURTHER THAT the issue and allotment of new equity shares / securities if any, to NRIs, FIIs/FPIs and/or other eligible foreign investments be subject to the approval of the RBI under the Foreign Exchange Management Act, 1999 as may be applicable but within the overall limits set forth under the Act and by other regulators, as applicable.”

“RESOLVED FURTHER THAT the said new equity shares to be issued shall be subject to the Union Bank of India (Shares and Meetings) Regulations, 1998, as amended, and shall rank in all respects pari-passu with the existing equity shares of the Bank and shall be entitled to dividend declared, if any, in accordance with the statutory guidelines that are in force at the time of such declaration.”

“RESOLVED FURTHER THAT the equity shares to be issued shall be listed with the stock exchanges where the existing equity shares of the Bank are listed.”

“RESOLVED FURTHER THAT for the purpose of giving effect to any issue or allotment of equity shares/securities, the Board be and is hereby authorized to determine the terms of the public offer, including the class of investors to whom the securities are to be allotted, the number of shares/securities to be allotted in each tranche, issue price, premium amount on issue as the Board in its absolute discretion deems fit and do all such acts, deeds, matters and things and execute such deeds, documents and agreements, as they

may, in its absolute discretion, deem necessary, proper or desirable, and to settle or give instructions or directions for settling any questions, difficulties or doubts that may arise in regard to the public offer, issue, allotment and utilization of the issue proceeds, and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions, as it may, in its absolute discretion, deem fit and proper in the best interest of the Bank, without requiring any further approval of the shareholders and that all or any of the powers conferred on the Bank and the Board vide this resolution may be exercised by the Board.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to enter into and execute all such arrangements with any Book Runner(s), Lead Manager(s), Banker(s), Underwriter(s), Depository(ies), Registrar(s), Auditor(s), Arrangers(s) and all such agencies as may be involved or concerned in such offering of equity / securities and to remunerate all such institutions and agencies by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents, etc., with such agencies.”

“RESOLVED FURTHER THAT for the purpose of giving effect to the above, the Board, in consultation with the Lead Managers, Underwriters, Advisors and/or other persons as appointed by the Bank, be and is hereby authorized to determine the form and terms of the issue(s), including the class of investors to whom the shares/securities are to be allotted, number of shares/securities to be allotted in each tranche, issue price (including premium, if any), face value, premium amount on issue/conversion of Securities/exercise of warrants/redemption of Securities, rate of interest, redemption period, number of equity shares or other securities upon conversion or redemption or cancellation of the Securities, the price, premium or discount on issue/conversion of Securities, rate of interest, period of conversion, fixing of record date or book closure and related or incidental matters, listings on one or more stock exchanges in India and/or abroad, as the Board in its absolute discretion deems fit.”

“RESOLVED FURTHER THAT such of the aforesaid securities as are not subscribed may be disposed off by the Board in its absolute discretion in such manner, as the Board may deem fit and as permissible by law.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deems necessary, proper and desirable and to settle any question, difficulty or doubt that may arise in regard to the issue of the shares/securities and further to do all such acts, deeds, matters and things, finalise and execute all documents and writings as may be necessary, desirable or expedient as it may in its absolute discretion deem fit,

proper or desirable without being required to seek any further consent or approval of the shareholders or authorise to the end and intent, that the shareholders shall be deemed to have given their approval thereto expressly by the authority of the Resolution.”

“RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to the Committee of Directors for Raising of Capital Funds or the Managing Director & CEO or to the Executive Director/(s) to give effect to the aforesaid Resolutions.”

Item No. 4:

Appointment of Shri Sanjay Rudra (DIN: 09650826) as Executive Director of the Bank

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as an Ordinary Resolution:

“RESOLVED THAT pursuant to First Proviso to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Section 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the appointment of Shri Sanjay Rudra (DIN: 09650826) vide Government of India’s Notification eF.No. 4/1(i)/2023-BO.I dated 9th October 2023 as Executive Director of the Bank from the date of assumption of office i.e., 9th October 2023 and up to the date of his attaining the age of superannuation (i.e., 30th June 2026) or until further orders, whichever is earlier, be and is hereby approved on the same terms and conditions as determined by the Government of India.”

Item No. 5:

Appointment of Shri Pankaj Dwivedi as Executive Director of the Bank

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as an Ordinary Resolution:

“RESOLVED THAT pursuant to First Proviso to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, read with Section 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the appointment of Shri Pankaj Dwivedi vide Government of India’s Notification eF.No. 4/3/2023-BO.I dated 27th March 2024 as Executive Director of the Bank for a period of three years from the date of assumption of office i.e., 27th March 2024 or until further

orders, whichever is earlier, be and is hereby approved on the same terms and conditions as determined by the Government of India.”

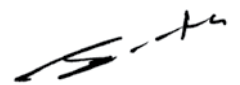
Item No. 6:

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as an Special Resolution:

To elect TWO Directors from amongst the shareholders of the Bank, other than the Central Government, in respect of whom valid nominations are received in terms of Section 9 (3) (i) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (hereinafter referred to as “the Act”) read with The Banking Regulation Act, 1949 (hereinafter referred to as “B R Act”), The Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 (hereinafter referred to as “the Scheme”) and the Union Bank of India (Shares and Meetings) Regulations, 1998 (hereinafter referred to as “the Regulations”) and RBI Master Directions on ‘Fit and Proper’ Criteria for Elected Directors on the Boards of PSBs issued vide Notification No. DBR.Appt.No: 9/29.67.001/2019-20 dated 2nd August 2019 (hereinafter referred to as “RBI Master Directions” and further amendments thereto, if any) read with Guidelines dated 25th March 2015 and dated 20th July 2016 issued by Government of India for consideration as Non Official Directors in Public Sector Banks (hereinafter referred to as “GOI Guidelines” and further amendments thereto, if any) and to consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

“RESOLVED THAT Two Director(s) elected from amongst shareholders other than the Central Government pursuant to Section 9(3)(i) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 read with relevant Scheme, Regulations and Notifications made thereunder, RBI Master Directions and GOI Guidelines, be and is hereby elected as the Shareholder Director(s) of the Bank to assume office from the date following the date on which he/she is elected/deemed to be elected and shall hold office until the completion of a period of three years from the date of such assumption”

By order of the Board of Directors
For UNION BANK OF INDIA



Place : Mumbai
Date:14.06.2024

(S. K. Dash)
COMPANY SECRETARY



Notice of 22nd Annual General Meeting

NOTES

1. EXPLANATORY STATEMENT

The Explanatory Statement setting out the material facts in respect of the business of the meeting is annexed hereto.

2. HOLDING OF AGM THROUGH VIDEO CONFERENCING (VC) OR OTHER AUDIO VISUAL MEANS (OAVM)

- a. Pursuant to General Circular No. 09/2023 dated 25th September 2023 issued by the Ministry of Corporate Affairs ("MCA Circulars") and Circular No. SEBI/HO/CFD/PoD-2/P/CIR/2023/0164 dated 6th October 2023 and Circular No. SEBI/HO/CFD-PoD-2/P/CIR/2023/167 dated 7th October 2023 issued by the Securities and Exchange Board of India ("SEBI Circulars") and in compliance with the provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), Communication No. F. No. 7/47/2020-BOA dated 10th July 2020 of Ministry of Finance, Government of India, the AGM of the Bank is being conducted through VC/OAVM Facility, which does not require physical presence of members at a common venue. The deemed venue for the AGM shall be the Central Office of the Bank situated at Mumbai. The Special business mentioned in the business Item Nos. 3 to 6 being unavoidable, be transacted at the 22nd AGM of the Bank through VC/OAVM.
- b. The Bank is adhering to and complying with all the provisions mentioned in the MCA Circulars. The Bank has made all the necessary arrangements to avoid failure of VC/OAVM connection. The Bank has ensured sufficient and adequate security to safeguard the integrity of the meeting.
- c. KFin Technologies Limited (KFintech) will be providing facility for voting through remote e-voting, for participation in the AGM through VC/OAVM Facility and e-voting during the AGM.
- d. In line with the MCA Circulars and SEBI Circulars, the Notice of the AGM will be made available on the website of the Bank at www.unionbankofindia.co.in on the website of BSE Limited at www.bseindia.com, on the website of National Stock Exchange of India Ltd. at www.nseindia.com and also on the website of KFintech at <https://evoting.kfintech.com>.
- e. As the AGM will be held through VC/OAVM Facility, the Route Map is not annexed in this Notice as required under Secretarial Standard 2 issued by the Institute of Company Secretaries of India.
- f. Members may participate in the AGM through VC/OAVM facility by following the procedure as mentioned below which shall be kept open for the Members from 10.45 AM (IST) i.e. 15 minutes before the time scheduled to start the AGM and the Bank may close the window for joining the VC/OAVM facility 30 minutes after the scheduled time to start the AGM. To join the VC/OAVM please visit <https://emeetings.kfintech.com> with the credentials as mentioned in the notice para no. 16 (vii). The helpline toll free no. 1800 309 4001 may be used for assistance with the technology before or during the meeting.
- g. Members may note that the VC/OAVM Facility with two-way conferencing and also pose questions concurrently, provided by KFintech allows participation of atleast 1,000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoter, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, scrutinizer etc. can attend the AGM without any restriction on account of first-come- first-served principle as per the MCA Circulars. Institutional Investors who are Members of the Bank, are encouraged to attend and vote in the 22nd AGM through VC/OAVM Facility.
- h. Attendance of the Members participating in the AGM through VC/OAVM facility shall be counted for the purpose of reckoning the quorum.
- i. Speaker shareholder registration before AGM may also be availed during the remote e-voting period latest by 5 PM on Wednesday, 24th July, 2024. Shareholders who wish to register as speaker are requested to visit <https://emeetings.kfintech.com> by using e-voting login credentials and click speaker registration during this period. Shareholders are requested to wait for their turn to be called by the Chairman of the meeting during the Question Answer session and coordination during the AGM. The Bank may have to dispense or curtail the speaker session; hence, shareholders are encouraged to send their relevant questions etc. in advance as provided in Notice Para No. 14 from their registered email address, mentioning their name, DP ID and Client ID number /folio number and mobile number, on the Bank's email address investorservices@unionbankofindia.bank. Such questions by the Members shall be taken up during the meeting and replied by the Bank suitably. However, it is requested to raise

the questions precisely and in short at the time of meeting to enable us to answer the same.

- j. The Shareholders who have not registered their email id can participate in the AGM after registering their email ID and Mobile Nos. in the weblink: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>
- k. Members holding shares in physical form are requested to furnish bank details, email address, change of address etc. to the Registrars and Transfer Agent M/s KFin Technologies Limited before the **cut-off date i.e. Friday, 19th July, 2024**, in order to take note of the same. In respect of members holding shares in electronic mode, the details as would be furnished by the Depositories as at the close of the aforesaid date will be considered by the Bank. Hence, members holding shares shall update their records at the earliest to enable us to send the Notice of AGM to their registered email id.

3. APPOINTMENT OF PROXY

In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Regulation 70(vi) of the Union Bank of India (Shares and Meetings) Regulations, 1998 will not be available for the AGM. Therefore, instrument for appointing proxy and attendance slip is not being attached herewith. However, representatives of the Members may be appointed for the purpose of voting through remote e-voting, for participation in the AGM through VC/OAVM Facility and e-voting during the AGM.

4. APPOINTMENT OF AUTHORISED REPRESENTATIVE

No person shall be entitled to attend or vote at the meeting as a duly authorized representative of a Company or any Body Corporate which is a shareholder of the Bank, unless a copy of the resolution appointing him/her as a duly authorized representative, certified to be true copy by the Chairman of the meeting at which it was passed, shall have been sent to mail@csraginichoksi.com, not less than FOUR DAYS before the date of meeting i.e. on or before the closing hours of the Bank i.e. **5.00 p.m. on Saturday, 20th July, 2024**.

5. BOOK CLOSURE

The Register of Shareholders and Share Transfer Books of the Bank will remain closed from **Saturday, 20th July, 2024 to Friday, 26th July, 2024** (both days inclusive) for the purpose of AGM and payment of Dividend, if declared by the Shareholder at the Annual General Meeting..

6. UNCLAIMED/UNPAID DIVIDEND, IF ANY

The shareholders who have not encashed their Dividend Warrants / not received dividend of previous periods, if any, are requested to contact the Bank's Registrar & Share Transfer Agent (RTA) or Bank's Investors Services Division for payment of unclaimed/ unpaid dividend.

Shareholders are requested to carefully note that pursuant to Section 10B of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, dividend remained unclaimed/unpaid for 30 days from the date of its declaration shall be transferred to the "Unpaid Dividend Account" within 7 days from the date of expiry of such period of 30 days.

The amount transferred to the said "Unpaid Dividend Account" and remained unclaimed/unpaid for a period of seven years from the date of transfer, is required to be transferred to the Investors Education and Protection Fund (IEPF) established by the Central Government under Section 125 of the Companies Act, 2013. While the Bank has already transferred unpaid dividend up to FY 2015-16 to IEPF, for the details of unpaid dividend from FY 2021-22, the Shareholders may visit unclaimed dividend search facility made available on Bank's website under following link: <https://eremit.unionbankofindia.co.in/UnclaimedDividend/GUIs/CustomList.aspx> Procedure to claim unclaimed dividend and requisite forms are also made available on the above link

7. CHANGE OF ADDRESS / BANK PARTICULARS / BANK ACCOUNT MANDATE / NOMINATION

Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.,

- a. For shares held in electronic form: to their Depository Participants (DPs)
- b. For shares held in physical form: to the Bank /Bank's Registrar and Transfer Agent (RTA) in prescribed Form ISR-1 and other forms pursuant to SEBI Circular No. SEBI/HO/ MIRSD/MIRSD_RTAMB/P/ CIR/2021/655 dated November 3, 2021. The Bank has sent letters along with Business Reply Envelopes (BRE) for furnishing the required details.
- c. As per the provisions of the said SEBI Circular, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires



Notice of 22nd Annual General Meeting

to opt out or cancel the earlier nomination and record a fresh nomination, he/ she may submit the same in Form ISR-3 or SH-14 as the case may be. Members are requested to submit the said details to their DP in case the shares are held by them in dematerialized form and to Bank's RTA in case the shares are held in physical form.

The address of Bank's RTA:

KFin Technologies Ltd.,
Unit: Union Bank of India,
Selenium, Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Hyderabad - 500 032.
Tel. No.: 040 – 67162222.

- d. The said forms are available on the website of the Bank at www.unionbankofindia.co.in/english/important-announcement-to-physical-shareholders.aspx
- e. Shareholders holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Bank or Bank's RTA.
- f. Shareholders are requested to invariably quote their respective folio number/s (for those holding shares in physical form) and their respective DP Id / Client Id number (for those holding shares in electronic/ demat form) in any correspondence with the Bank or Bank's RTA.

8. ISSUANCE OF SECURITIES IN DEMATERIALIZED FORM IN CASE OF INVESTOR SERVICE REQUESTS AND SIMPLIFICATION OF PROCEDURES FOR TRANSMISSION OF SHARES

Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_ RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Entities to issue securities in dematerialized form only through letter of confirmation while processing the following service requests viz.

- Issue of duplicate securities certificate;
- claim from unclaimed suspense account;
- renewal/ exchange of securities certificate;
- endorsement;
- sub-division/splitting of securities certificate;
- consolidation of securities certificates/folios;
- transmission and transposition.

Accordingly, Members are requested to make the said service requests by submitting a duly filled and signed

Form ISR – 4, the format of which is available on the Company's website at www.unionbankofindia.co.in/english/issuance-securities.aspx It may be noted that any service request can be processed only after the folio is KYC Compliant. Shareholders are also requested to follow the procedure as simplified by SEBI with regard to transmission of shares.

9. RECORDING OF CHANGE OF STATUS

Non-Resident Indian Shareholders are requested to inform the RTA of the Bank – Kfin Technologies Limited immediately of:

- a) The change in the Residential status on return to India for permanent settlement.
- b) The particulars of the Bank Account maintained in India with complete name, branch, account type, account number and address of the Bank with PIN, if not furnished earlier.

10. COPIES OF ANNUAL REPORT

As allowed by the authorities, copies of the Annual Report 2023-24 in physical form shall not be dispatched and the same shall be sent through e-mail only to those Shareholders who have registered their Email IDs with the Bank or with Depository Participant. The Annual Report will also be hosted on the websites of the Bank and the Stock Exchanges. The shareholders may contact the Registrar and Share Transfer Agent in case of physical shares or Depository Participant in case of shares in demat form, for updation of email id.

11. CUT OFF DATE

FOR THE PURPOSE OF ASCERTAINMENT OF SHAREHOLDERS ENTITLED TO PARTICIPATE IN THE ELECTION OF SHAREHOLDER DIRECTOR:

Those shareholders whose names appear on the Register of Shareholders/ as Beneficial owners as furnished by NSDL/ CDSL as at the close of business hours i.e. of **Friday, 28th June, 2024** shall be entitled to participate in the election i.e. nominate and contest in the election of two directors from amongst Shareholders other than Central Government as mentioned in business Item No. 6 of the Notice.

FOR E-VOTING:

Pursuant to Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, voting rights of the shareholders in respect of business Item nos. 1 to 6 shall be reckoned as on cut-off date i.e. **Friday, 19th July, 2024**.

12. PAYMENT OF DIVIDEND

If the dividend, as recommended by the Board of Directors, is declared at the AGM, payment of such dividend subject to Tax Deduction at Source will be made from Monday, 5th August 2024 onwards as under:

- To all Beneficial Owners in respect of shares held in dematerialized form as per the data as may be made available by the National Securities Depository Limited ("NSDL") and the Central Depository Services (India) Limited ("CDSL"), collectively "Depositories", as of end of day on **Friday, 19th July, 2024.**
- To all Members in respect of shares held in physical form after giving effect to valid transmission or transposition requests lodged with the Bank as of the close of business hours on **Friday, 19th July, 2024.**

Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Bank is required to deduct tax at source from dividend paid to shareholders at the prescribed rates against payment of Dividend more than ₹ 5000 per shareholder on PAN basis. For the prescribed rates for various categories, please refer to the Finance Act, 2020 and the amendments thereof. The shareholders are requested to update their valid PAN with the DPs (if shares held in dematerialized form) and the Bank/Bank's RTA (if shares are held in physical form).

13. VOTING RIGHTS

In terms of the provisions of sub-section (2E) of Section 3 of the Banking Companies (Acquisitions & Transfer of Undertakings) Act, 1970, no shareholder of the corresponding new Bank, other than the Central Government, shall be entitled to exercise voting rights in respect of any shares held by him/her in excess of ten per cent of the total voting rights of all the shareholders of the Bank.

Subject to the above, as per Regulation 68 of the Union Bank of India (Shares and Meetings) Regulations, 1998, each shareholder who has been registered as a shareholder on the Cut-Off Date i.e. **Friday, 19th July, 2024** shall have one vote for each share held by him/her.

As per Regulation 10 of the Union Bank of India (Shares and Meetings) Regulations, 1998, if any share stands in the names of two or more persons, the person first named in the register shall, as regards voting, be deemed to be the sole holder thereof. Thus, if shares are in the name of joint holders, then first named person is only entitled to attend the meeting and is also only eligible to vote.

14. INFORMATION ON ACCOUNTS AND OTHER RELATED QUERIES

Shareholders seeking any information on the Accounts and other related queries are requested to write to the Bank by email at investorservices@unionbankofindia.bank which should reach the Bank before the date of the AGM latest by 5 PM on 24th July, 2024 so as to enable the Management to keep the information ready. Replies will be provided only during the AGM. Please note that members' questions will be answered only if they continue to hold shares as on cut-off date i.e. 19th July, 2024.

Alternatively, Shareholders holding shares as on cut-off date may also visit <https://emeetings.kfintech.com> and click on "post your queries here" to post the relevant queries/view/questions. The window shall be activated during remote e-voting period and shall be closed by 5 pm on 24th July, 2024.

15. DEMATERIALIZATION OF PHYSICAL HOLDINGS

SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Members can contact the Bank or Bank's RTA for assistance in this regard.

16. BUSINESS SET OUT IN THE NOTICE WILL BE TRANSACTED THROUGH ELECTRONIC VOTING SYSTEM AND THE BANK IS PROVIDING FACILITY FOR VOTING BY ELECTRONIC MEANS:

- Pursuant to the provisions of Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI") and Regulation 44 of Listing Regulations read with MCA Circulars and SEBI Circulars, the Bank is pleased to provide remote e-voting facility to its Members in respect of the business to be transacted during the AGM and facility for those Members participating in the AGM to cast vote through e-voting system during the AGM.
- The facility for voting shall also be made available during the AGM and the shareholders participating in the meeting who have not cast their votes by remote e-voting shall be able to exercise their right during the meeting through e-voting.



**Notice of 22nd Annual General Meeting**

- iii. The shareholders who have cast their vote by remote e-voting prior to the AGM may also participate in the AGM but shall not be entitled to cast their vote again.
- iv. The facility of casting the votes by the shareholders using an electronic voting system (“remote e-voting”) during the prescribed time prior to AGM and voting during AGM will be provided by service provider KFinTech.
- v. The remote e-voting period commences on **Tuesday, 23rd July, 2024 (9:00 am IST)** and ends on **Thursday, 25th July, 2024 (5:00 pm IST)**. During this period shareholders of the Bank, holding shares either in physical form or in dematerialized form, as on the Cut-Off Date of **Friday, 19th July, 2024** may cast their vote by remote e-voting for business Item nos. 1 to 6. The remote e-voting module shall be disabled by KFinTech for voting thereafter. Once a shareholder casts his vote on a resolution, the shareholder shall not be allowed to change it subsequently. For business item no.6, the Central Government has no voting rights.
- vi. Any person who becomes a member of the Bank after sending notice of AGM and holding shares as on cut-off date i.e. **Friday, 19th July, 2024**, may obtain the User ID and Password in the manner mentioned below by sending email to Bank at investorservices@unionbankofindia.bank along with authentic proof of shareholder or to write to KFinTech at evoting@kfintech.com sufficiently before closing of the remote **e-voting i.e. before 5.00 pm on 25th July, 2024**.
- vii. The process and the manner for remote e-voting and e-voting during AGM is as under:

As per the SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Individual Shareholders (holding securities in DEMAT mode) - Login through Depositories.

NSDL	CDSL
1. User already registered for IDeAS facility:	1. Existing user who have opted for Easi / Easiest
I. URL: https://eservices.nsd.com II. Click on the “Beneficial Owner” icon under ‘IDeAS’ section. III. On the new page, enter User ID and Password. Post successful authentication, click on “Access to e-Voting” IV. Click on company name or e-Voting service provider and you will be re-directed to e-Voting service provider website for casting the vote during the remote e-Voting period.	I. URL: https://web.cdslindia.com/myeasitoken/Home/Login or URL: www.cdslindia.com II. Click on New System Myeasi III. Login with user id and password. IV. Option will be made available to reach e-Voting page without any further authentication. V. Click on e-Voting service provider name to cast your vote.
2. User not registered for IDeAS e- Services	2. User not registered for Easi/Easiest
I. To register click on link : https://eservices.nsd.com II. Select “Register Online for IDeAS” III. Proceed with completing the required fields.	I. Option to register is available at https://web.cdslindia.com/myeasitoken/Registration/EasiRegistration II. Proceed with completing the required fields.

NSDL	CDSL
3. User not registered for IDeAS e-Services I. To register click on link : https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp II. Proceed with completing the required fields.	3. By visiting the e-Voting website of CDSL I. URL: www.cdslindia.com II. Provide demat Account Number and PAN No. III. System will authenticate user by sending OTP on registered Mobile & Email as recorded in the demat Account. IV. After successful authentication, user will be provided links for the respective ESP (E-voting Service Provider) where the e-Voting is in progress.
4. By visiting the e-Voting website of NSDL I. URL: https://www.evoting.nsd.com/ II. Click on the icon "Login" which is available under 'Shareholder/Member' section. III. Enter User ID (i.e. 16-digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. IV. Post successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. V. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.	
	

Important note:

Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned websites.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depositories i.e. NSDL and CDSL

Members facing any technical issue - NSDL	Members facing any technical issue - CDSL
Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43.

Individual Shareholders (holding securities in DEMAT mode) - Login through their Depository Participants.

You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once login, you will be able to see e-Voting option. Click on e-Voting option and you will be redirected to NSDL/CDSL Depository site after successful authentication. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

Login method for Non-Individual Shareholders and Shareholders holding securities in Physical Form

- Initial Password is provided in the body of the email.
- Launch internet browser and type the URL: <https://evoting.kfintech.com> in the address bar.
- Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No. /DP ID Client ID will be your User ID. However, if you are already registered with Kfintech for e-voting, you can use your existing User ID and password for casting your votes.
- After entering the details appropriately, click on LOGIN.
- You will reach the password change menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case



Notice of 22nd Annual General Meeting

- (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$,etc.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- f. You need to login again with the new credentials.
 - g. On successful login, the system will prompt you to select the EVENT i.e. Union Bank of India.
 - h. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.
 - i. Click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.
 - j. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat account.
 - k. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory (ies) who is/are authorised to vote, to the Scrutinizer through email at mail@csraginichokshi.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'EVEN.....'
 - viii. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and evoting manual available at <https://evoting.kfintech.com> under help section or call on 1800 309 4001 (toll free).
 - ix. All grievances connected with the facility for voting by electronic means may be addressed to KFintech or send an email to evoting@kfintech.com or call 1800 309 4001 (Toll Free).
 - x. A person, whose name is recorded in the Register of Shareholders or in the Register of Beneficial Owners maintained by the depositories as on the cut-off date i.e. Friday, 19th July, 2024 only shall be entitled to avail the facility of remote e-voting or voting at the AGM.
 - xi. In case of Joint holders, login ID/User Id and password details shall be sent to the first holder of the shares. Accordingly, the vote using user ID and Password sent to first holder is recognized on behalf of all the joint holders as the shareholder who casts the vote through the remote e-voting services of KFintech, is doing so on behalf of all joint holders. First holder shall mean the holder of shares, whose name is first registered against the shares held.
 - xii. Only a Shareholder entitled to vote is entitled to exercise his vote through remote e-voting. Any person having no voting rights should treat this Notice as intimation only.
 - xiii. Ms. Ragini Chokshi or Mr Uma Shankar Hegde of M/s Ragini Chokshi & Co., Practicing Company Secretaries has been appointed as the Scrutinizer to scrutinize the remote evoting process in a fair and transparent manner.
 - xiv. The Chairman/Chairperson of the Meeting shall, after commencement of the AGM, allow voting for all those shareholders who are participating in the AGM but have not casted their vote by availing the remote e-voting facility.
 - xv. The Scrutinizer shall after the conclusion of voting at the AGM, within two working days of the conclusion of the AGM, submit a consolidated scrutinizer's report of the total votes casted in favour or against, if any, to the Chairman/Chairperson of the Meeting or any other person authorised by him/her in writing.
- ### 17. RESULTS OF VOTING
- The consolidated results of remote e-voting and e-voting during the AGM alongwith the consolidated report of the Scrutinizer shall be placed on the website of the Bank i.e. www.unionbankofindia.co.in and on the website of KFintech i.e. <https://evoting.kfintech.com>. The voting results and consolidated scrutinizer's report shall simultaneously be communicated to the Stock Exchanges i.e. BSE & NSE.
- ### 18. SCRUTINISERS FOR E-VOTING AT MEETING
- As already indicated for e-voting, Ms.Ragini Chokshi or Mr. Uma Shankar Hegde of M/s Ragini Chokshi & Co., Practicing Company Secretaries shall act as Scrutinizer in respect of all the business items. They shall also act as Scrutinizer along with another shareholder for the E-voting conducted at the Meeting.

19. OUTCOME OF MEETING

The resolution shall be deemed to be passed at the Central Office of the Bank on the date of AGM subject to receipt of the requisite number of votes in the favour of resolution(s).

20. RECORDED TRANSCRIPT

Proceeding of AGM held through VC/OAVM shall be made available on the website of the Bank www.unionbankofindia.co.in under Investor Relations section as soon as possible.

21. QUALIFICATIONS FOR A CANDIDATE FOR SHAREHOLDER DIRECTOR

The candidate shall comply with the qualifications prescribed in Section 9 (3A) of the Act and shall not suffer the disqualifications specified in Clause 10 of the Scheme and shall satisfy the conditions mentioned in Regulation 65 of the Union Bank of India (Shares and Meetings) Regulations, 1998, and detailed herein below:

- (A) In terms of Section 9(3A) of the Act, a candidate, being a shareholder of the Bank and who desires to be elected as Director of the Bank under Section 9(3)(i) of the Act shall
- (a) have special knowledge or practical experience in respect of one or more of the following matters namely:
 - agriculture and rural economy
 - banking
 - co-operation
 - economics
 - finance
 - law
 - small scale industry
 - any other matter the special knowledge of, and practical experience in which, would, in the opinion of the Reserve Bank of India is useful to the Bank.
 - (b) represents the interests of depositors; or
 - (c) represents the interest of farmers, workers and artisans
- (B) In terms of Section 9(3AA) of the Act, a candidate being a shareholder of the Bank and would desire to be a Director of the Bank should possess 'Fit and Proper status'.
- (C) Further, the elected Director should execute the deed of covenants and is required to furnish annual declarations as prescribed by the Reserve Bank of India in this regard.

22. DISQUALIFICATIONS FROM BEING ELECTED AS A DIRECTOR OF THE BANK:

- A. In terms of Clause 10 of the Nationalised Banks (Management & Miscellaneous Provisions) Scheme, 1970, a person shall be disqualified for being appointed, as and for being a Director:
- a) if he has at any time being adjudicated an insolvent or has suspended payment or has compounded with his creditors; or
 - b) if he has been found to be of unsound mind and stands so declared by a competent court; or
 - c) if he has been convicted by criminal court of an offence which involves moral turpitude; or
 - d) if he holds any office of profit under any nationalized Bank or State Bank of India constituted under subsection (1) of Section 3 of the State Bank of India Act, 1955 or any Subsidiary Bank as defined in Section 3 of the State Bank of India (Subsidiary Banks) Act, 1959, except for holding the post of whole time Director, including the Managing Director and Directors nominated under clauses (e) and (f) of subsection (3) of Section 9 of the Act from among the employees of the Bank.

And

If he is not found to be 'fit and proper' person in terms of Notification of Reserve Bank of India-DBOD. No. BC. No.46/29.39.001/2007-08 dated 01st November 2007 and No.DBOD.BC.No.95/29.39.001/2010-11 dated 23rd May 2011, RBI Master Directions on 'Fit and Proper' Criteria for Elected Directors on the Boards of PSBs issued vide Notification No.

DBR.Appt.No: 9/29.67.001/2019-20 dated 2nd August 2019 read with No.DBR.Appt. BC.No.39/29.39.001/2016-17 dated 24th November 2016 of Reserve Bank of India (hereinafter referred to as "RBI Notification" and further amendment thereto if any) and Notification No. F.No.16/83/2013-BO.I dated 3rd September 2013, F.No. 16/51/2012-BO.I dated 28th April 2015 and dated 20th July 2016 of Government of India read with criteria laid down by the Government for consideration as Non Official Director of Public Sector Banks on 25th March 2015 (hereinafter referred to as "the GOI Guidelines" and further amendment thereto if any).

23. LIST OF SHAREHOLDERS

A list of shareholders of the Bank as on 28th June, 2024 will be available for sale on and from 2nd July, 2024 till 11th July, 2024 on payment of ₹ 50,000/- (Rupees fifty thousand only) by making online transfer to the bank account No. 378901010036984, IFSC UBIN0537896 of



Notice of 22nd Annual General Meeting

Union Bank of India, Nariman Point Branch or by means of a demand draft in favour of "UNION BANK OF INDIA" payable at Mumbai, along with a request addressed to the Company Secretary, Investor Services Department at the Bank's Central Office at 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, Maharashtra State, on or before the last date fixed for submission of nomination forms viz. 12th July, 2024. However, the intending candidates may also inspect the Register of Members and take extracts there from at their own cost. It may be noted that the last date for submission of nominations is **Friday, 12th July, 2024** by 5.00 P.M.

As per SEBI (LODR) Regulations, 2015, for providing E-Voting facility to the shareholders of the Bank for which cut-off date i.e., **19th July, 2024** has been fixed, all those shareholders who has taken list of shareholders of the Bank by **11th July, 2024** by paying requisite amount, may obtain updated list of shareholders as on **19th July, 2024** without paying any additional fee.

The Register of Members will be open for inspection by the shareholders, at the Investor Services Department of the Bank at Mumbai, on all working days commencing from **6th July 2024 till 11th July 2024** between 3.00 p.m. and 5.00 p.m. on all working days for the purpose of enabling the contestant to take extracts of any part from the Register of Members or request the Bank for computer - prints of the relevant portions, on prepayment of an amount to be calculated at the rate of ₹ 5/- for every 1000 words or part thereof.

24. NOMINATIONS

i) Validity of nominations

In terms of Regulation 65 of the Union Bank of India (Shares and Meetings) Regulations, 1998, and in terms of Notification of Reserve Bank of India-DBOD. No. BC. No.46/29.39.001/2007-08 dated 01st November 2007, No.DBOD.BC.No.95/29.39.001/2010-11 dated 23rd May 2011 and RBI Master Directions on 'Fit and Proper' Criteria for Elected Directors on the Boards of PSBs issued vide Notification No. DBR.Appt.No: 9/29.67.001/2019-20 dated 2nd August 2019 and GOI Guidelines and other applicable provisions of various Acts, Rules, Regulations and guidelines, Nomination of a candidate for election as a Director will be valid provided:

- he is a shareholder holding, as on **28th June, 2024**, a minimum of 100 shares in Union Bank of India either in physical mode or in electronic/dematerialised mode, and continues to hold a minimum of 100 shares till **26th July, 2024** and thereafter till the end of his/her tenure, if he/she was elected.
- as on the last date for receipt of nomination, he/she is not disqualified from being a director under

the Banking Regulation Act, 1949 or the Banking Companies(AcquisitionandTransferofUndertakings) Act, 1970 or the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 or the Union Bank of India (Shares and Meetings) Regulations, 1998 and Notification No. DBOD. No. BC. No. 46/29.39.001/2007-08 dated 1st November 2007, No.DBOD.BC.No.95/29.39.001/2010-11 dated 23rd May 2011 and RBI Master Directions on 'Fit and Proper' Criteria for Elected Directors on the Boards of PSBs issued vide Notification No. DBR.Appt. No: 9/29.67.001/2019-20 dated 2nd August 2019 of Reserve Bank of India and GOI Guidelines from being a director.

- There are no calls in arrears in respect of the shares held by him.
- the nomination is in writing signed by at least one hundred shareholders entitled to elect Directors under the Act or by their duly constituted attorney, provided that a nomination by shareholder who is a company may be made by a resolution of the Directors of the said Company and where it is so made, a copy of the resolution certified to be true copy by the Chairman of the meeting at which it was passed shall be despatched to the Company Secretary, Union Bank of India, Central Office, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, Maharashtra State, and such copy shall be deemed to be a nomination on behalf of such Company.
- The nominations by the shareholders (Minimum 100) is accompanied by a declaration by the candidate, as per the specimen forms of nomination and declaration furnished in this Notice, duly signed by the candidate before a Judge, Magistrate, Registrar or Sub-Registrar of Assurances or other Gazetted Officer or an Officer of Reserve Bank of India or any nationalized Bank, that he accepts the nomination and is willing to stand for election, and that he is not disqualified from being a director, either under the Banking Regulation Act, 1949 or the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 or the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 or the Union Bank of India (Shares and Meetings) Regulations 1998 and they are as per the specimen forms of nomination and declaration furnished in this Notice.
- The Nomination Forms and the Declaration Form are as prescribed by the Regulations and as per the Performa annexed (the Performa is also available on the Bank's Website: www.unionbankofindia.co.in. The e-mail id is investorservices@unionbankofindia.bank).

ii) Submission of Nomination Forms

Shareholders desirous of contesting the election of Directors and being qualified as per the conditions mentioned above may please submit –

- (a) The nominations from minimum of 100 shareholders together with a declaration from the candidate as prescribed under the Regulations and as mentioned in (d) (e) (f) above are delivered in a separate sealed envelope to the Company Secretary, Investor Services Department at the Bank's Central Office, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, Maharashtra State together with the connected documents, complete in all respects, on a working day at least 14 days before the date of the meeting, i.e., on or before **Friday, 12th July, 2024 by 5.00 P.M.**
- (b) A Personal Information, Declaration and Undertaking (PDU Form) as per Performa provided by the Reserve Bank of India to consider fit and proper status, in a separate sealed envelope addressed to the Company Secretary, Investor Services Department at the Bank's Central Office 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400021, Maharashtra State, together with the connected documents, complete in all respects, on a working day at least 14 days before the date of the meeting, i.e., on or before **Friday, 12th July, 2024 by 5.00 P.M.** i.e. sufficiently before the last date of receipt of nomination to enable the Nomination Committee of the Board of Directors of the Bank to find out fit and proper status as per the Reserve Bank of India Notification and GOI Guidelines as per detail mentioned in this Notice.

iii) Withdrawal of Candidature.

If any candidate desires to withdraw his nomination, he would be entitled to do so at any time prior to closing hours of the Bank i.e. on or **before 5.00 p.m. on Friday, 19th July, 2024** by sending a letter addressed to Company Secretary, Investor Services Division, Union Bank of India, 12th Floor, Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021 or scanned and signed letter over e-mail at investorservices@unionbankofindia.bank.

25. SCRUTINY AND ELECTION OF DIRECTORS

- (a) Nominations shall be scrutinised by the Bank on **Monday, 15th July, 2024** i.e. the first working day following the date fixed for the receipt of the nominations and in case any nomination is not found to be valid, the same shall be rejected after recording the reasons therefore.

- (b) Valid Nominations shall then be subjected to scrutiny by the Nomination & Remuneration Committee of the Board (NRC) / Board of Directors as the case may be in terms of RBI Directions and Govt. of India Guidelines. As restrictions imposed by RBI Directions and GOI Guidelines are similar in nature, the Bank may consider the stricter of the two while determining the Fit & Proper status of the Candidates.
- (c) The Bank may at the time of Scrutiny of Nominations or as advised by the NRC/Board of Directors seek further information/documents from the Candidates.
- (d) Personal Information, Declaration and Undertaking (PDU Form) shall be subjected to a Due Diligence Check by the Nomination Committee of the Board / Board of Directors in terms of the 'Fit and Proper' Guidelines dated 1st November, 2007, 23rd May 2011 and 24th November 2016 and RBI Master Directions on 'Fit and Proper' Criteria for Elected Directors on the Boards of PSBs issued vide Notification No. DBR. Appt.No: 9/29.67.001/2019-20 dated 2nd August 2019 issued by the Reserve Bank of India and relevant GOI Guidelines.
- (e) After the scrutiny by the Nomination and Remuneration Committee, if there is only TWO valid nominations to be filled by the election, the name of the candidate(s) so nominated (deemed to be elected) shall be proposed as item no.6 of the AGM Notice by way of a Resolution pursuant to Regulation 25 (2A) of SEBI Listing Regulations read with Section 9(3)(i) of the Banking Companies Act at the AGM, wherein only shareholders other than the Central Government shall be entitled to vote. The special resolution of deemed elected candidate(s), shall be approved by the shareholders with requisite majority.
- (f) In the event of an election being held, if the valid nominations are more than Two, the candidates polling the majority of votes at the election will be deemed to have been elected and his / her name and address will be published in newspapers.

26.A TENURE OF OFFICE OF DIRECTORS

Director(s) elected to fill in an existing vacancies shall be deemed to have assumed office from 16th July, 2024 for one Director against vacancy held on 28th June, 2024 and for rest one Director against vacancy held on 29th July, 2024 (if only two valid candidates is found on scrutiny). If the nominations of more than two candidates are found valid after scrutiny, and found fit and proper then the vacancy for one Director will be filled up on the next date



Notice of 22nd Annual General Meeting

after the date of the meeting and another director will assume office from 29th July, 2024 against the vacancy to be arisen on 28th July, 2024.

Pursuant to Clause 9(4) of the Scheme and RBI Master Directions, an elected Director shall hold office for three years and shall be eligible for re-election, provided, that no such Director shall hold office continuously or intermittently for a period exceeding six years under any relevant category.

26.B REMOVAL OF A DIRECTOR

Attention of shareholders is invited to Section 9(3B) of the Act, on the right of Reserve Bank of India to remove a Director so elected under Section 9(3)(i) of the said Act, who does not fulfil the requirements of Section 9(3A) and Section 9(3AA) of the said Act.

26.C ELECTION DISPUTES

Disputes, if any, in this regard, will be settled as per Regulation 67 of the Union Bank of India (Shares and Meetings) Regulations, 1998.

EXPLANATORY STATEMENT

ITEM NO.3:

Raising of Capital:

The Bank is in the business of the Banking and related services activities. Presently, the Authorised Capital of the Bank is ₹ 10,000 crore. The paid-up equity share capital of the Bank as on 31st March 2024 was ₹ 7,633.60 Crore.

Shareholding of Government of India in the Bank is 74.76% of the total paid-up capital of the Bank.

The capital fund to Risk Weighted Assets as on March 31, 2024 was as under:

Capital Adequacy Ratios - Basel III (₹ in Crore)

Parameters	RBI Minimum Benchmark March 31, 2024	March 31, 2024	March 31, 2023
Total Risk Weighted Assets		6,64,188	5,78,455
Total Capital Funds	NA	1,12,689	92,778
CET 1 Capital		90,693	71,492
Tier 1 Capital		99,622	80,478
CRAR (%)	11.50	16.97	16.04
CET 1 (%)	8.00	13.65	12.36
Tier 1 (%)	9.50	15.00	13.91
Tier 2 (%)	2.00	1.97	2.13

Note: RBI minimum benchmarks are including CCB (Capital Conservation buffer) of 2.50 per cent in CRAR, CET 1 and Tier 1 ratios. There is no minimum for Tier II ratio.

In order to maintain the Capital and Leverage Ratio requirements under the Basel III guidelines for expansion of business assets and based on the estimated growth, your Directors have decided to raise the Capital up to ₹ 10,000 crore (Rupees Ten thousand crore Only).

In order to ensure regulatory compliances and to meet the requirement of additional capital funds for expanding and achieving the targeted business growth and for general lending purposes, the Bank may raise Equity Share Capital through Public Issue (i.e. follow-on-Public Issue) and/or Rights Issue and/or Private Placement, including Qualified Institutions Placement and/or Preferential Allotment to the Government of India and/or other Institutions and/or any other mode(s) subject to approval by the Government of India and other regulatory authorities and in accordance with the SEBI (ICDR) Regulations. The enhanced capital will be utilized for the general business purposes of the Bank.

In the event of such issuance of securities is undertaken by way of QIP, the same will be in accordance with Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018.

The Bank may also raise such number of perpetual debt instruments, Non-convertible debentures including but not limited to Sub-ordinated Debentures, Bonds and / or other debt securities / Green Bonds etc., on private placement / public issue basis in one or more tranches which may classify for Tier-1 or Tier-2 Capital as identified and classified by RBI and in compliance with the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021.

The Regulation 41(4) of the SEBI (LODR) Regulations, 2015 provides that whenever any further issue or offer is being made by the Bank, the existing shareholders should be offered the same on pro-rata basis unless the shareholders in the general meeting decide otherwise as far as equity shares are concerned. The said resolution, if passed, shall have the effect of allowing the Board of Directors on behalf of the Bank to issue and allot the securities otherwise than on pro-rata basis to the existing shareholders.

For reasons aforesaid, an enabling resolution is therefore proposed to be passed to give adequate flexibility and discretion to the Board to finalize the terms of the issue.

The present resolution is proposed in order to enable the Board of Directors of the Bank to issue equity shares/Bonds at an appropriate time, mode and other terms. This proposed resolution once passed it will supersede the resolution already passed in similar line, by the shareholders of the Bank in its Annual General Meeting held on 4th August, 2023.

The proposed issuance of Equity Shares and or Bonds in terms of the Special Resolution will be in conformity with the provisions of all applicable laws.

Your Directors recommend passing of the special resolution as mentioned in the notice.

None of the Directors, Key Managerial Persons of the Bank and their relatives may be deemed to be interested or concerned in the Resolution, except to the extent of their shareholding, if any, in the Bank.

Item No. 4:

Appointment of Shri Sanjay Rudra (DIN: 09650826) as Executive Director of the Bank

Shri Sanjay Rudra (DIN: 09650826) was appointed by the Govt. of India as the Executive Director of the Bank under Section 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, vide Government of India's Notification eF.No. 4/1(i)/2023-BO.I dated 9th October 2023 for a period of three years from the date of assumption of office i.e., 9th October 2023 and up to the date of his attaining the age of superannuation (i.e., 30th June 2026) or until further orders, whichever is earlier. Accordingly, Shri Sanjay Rudra holds the position of Executive Director on the Board of the Bank effective 9th October 2023.

In terms of First Proviso to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of directors on the Board of the Bank has to be approved at the meeting of shareholders of the Bank.

Therefore, the approval of shareholders is sought for the appointment of Shri Sanjay Rudra as Executive Director of the Bank on the same terms and conditions as determined by the Government of India.

Shri Sanjay Rudra as over three decades of rich experience to his credit in various facets of Banking such as Credit, Priority, MSME and Integrated Risk Department. He was also the incharge of L&D Vertical and had an additional charge of Development Testing of Digital Lending.

He holds Post Graduate degree in Physics and a Diploma in Financial Management from Welingkar Institute. He is an associate member of IIBF. He undergone the Leadership Development Program from IIM Bangalore, conducted by FSIB. He has also attended the Global Advanced Management Program conducted by ISB Hyderabad in association with Kellogg School of Management, USA.

Mr. Rudra was an active associate at the senior leadership in Bank of Maharashtra for spearheading the turn-around of the Bank. He served as a Director on Board of the Maharashtra Executor and Trustee Company Private Ltd. (Subsidiary of Bank of Maharashtra).

Other particulars as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- Relationship between directors inter-se: NIL
- Directorship in other listed entities: NIL
- Membership / Chairmanship in other listed entities: NIL
- Shareholding in Union Bank of India: NIL
- The skills/expertise/capabilities of Shri Sanjay Rudra as required in the context of business of the Bank are identified by the Government of India and accordingly appointment of the Director on the Board of the Bank is made by the Government of India.

Except Shri Sanjay Rudra, None of the Directors, Key Managerial Persons of the Bank and their relatives is in any way, interested or concerned in the Resolution.

The Board of Directors recommends the Ordinary Resolution for your approval.

Item No. 5:

Appointment of Shri Pankaj Dwivedi as Executive Director of the Bank

Shri Pankaj Dwivedi was appointed by the Govt. of India as the Executive Director of the Bank under Section 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, vide Government of India's Notification eF.No. 4/3/2023-BO.I dated 27th March 2024 for a period of three years from the date of assumption of office i.e., 27th March 2024 or until further orders, whichever is earlier. Accordingly, Shri Pankaj Dwivedi holds the position of Executive Director on the Board of the Bank effective 27th March 2024.

In terms of First Proviso to Regulation 17(1C) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the appointment of directors on the Board of the Bank has to be approved at the meeting of shareholders of the Bank.

Therefore, the approval of shareholders is sought for the appointment of Shri Pankaj Dwivedi as Executive Director of the Bank on the same terms and conditions as determined by the Government of India.

Shri Pankaj Dwivedi completed his Masters in Business Administration from Symbiosis Institute of Management Studies, Pune and is a Certified Associate from Indian Institute of Bankers (CAIIB). He has completed the Executive Certificate Programme in Applied Financial Risk Management from IIM, Raipur and has also completed the Leadership Development Programme of IIM Bangalore, curated by the Banks Board Bureau in consultation with IBA and Egon Zehnder International Pvt. Ltd.



Notice of 22nd Annual General Meeting

During his tenure in Punjab & Sind Bank, he has gained wide experience in various aspects of banking and has rich experience of working in Branches, Zonal Office and various departments at Head Office. He has handled a variety of functions at Head Office such as Priority Sector, Retail Lending, Law & Recovery, Treasury, Corporate Credit, Board Secretariat, Planning & Development, Foreign Exchange, Co-Lending Cell, etc.

He is also a trustee on the Board of Trustees of IIFCL Mutual Fund.

Other particulars as per Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are as under:

- Relationship between directors inter-se: NIL
- Directorship in other listed entities: NIL
- Membership / Chairmanship in other listed entities: NIL
- Shareholding in Union Bank of India: NIL
- The skills/expertise/capabilities of Shri Pankaj Dwivedi as required in the context of business of the Bank are identified by the Government of India and accordingly appointment of the Director on the Board of the Bank is made by the Government of India.

Except Shri Pankaj Dwivedi, None of the Directors, Key Managerial Persons of the Bank and their relatives is in any way, interested or concerned in the Resolution.

The Board of Directors recommends the Ordinary Resolution for your approval.

ITEM NO. 6: ELECTION OF TWO DIRECTORS

Presently, Shareholders other than Government of India hold 25.24% of the share capital of the Bank after completion of allotment of shares by the Bank on 26.02.2024 upon issuance under Qualified Institutions Placement. As per Section 9(3) (i) of the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970, Union Bank of India is entitled to have a maximum of two directors representing the shareholders of the Bank (other than the Central Government) on the Board of the Bank.

At present the tenure of one Shareholder Director on the Board of the Bank is expiring on 27th June, 2024 and for other Shareholder Director, it is expiring on 28th July, 2024 and as per the aforesaid Act, two Shareholder Directors are required to be elected by the shareholders other than Central Government, to fill up the aforesaid vacancy to arise.

Accordingly an item of agenda is included in the Notice for the AGM to pass necessary resolution for election of two directors representing the shareholders of the Bank.

The shareholders (other than the Central Government) are therefore entitled to send their nominations as per the procedure detailed in various and relevant Act/Scheme/Regulations/Notification/RBI Master Directions, the relevant portions of which are indicated hereunder. One director will be elected either after the scrutiny of the nominations (if the number of valid nomination is equal to the number of vacancy) subjected to being found fit and proper by the Nomination and Remuneration Committee of the Board / Board of Directors of the Bank, then he/she deemed to be elected and assume office, the date following the date on which he/she is deemed to be elected, or in subsequent election on 26th July 2024, if there are more contestants subjected to being found fit and proper by the Nomination and Remuneration Committee of the Board / Board of Directors of the Bank as the case may be. After such election on the basis of being getting highest vote, he/she will assume office from 29th July 2024 and will hold office for a period of three years from the date of assumption of office.

Further, the other Director will be elected either after the scrutiny of the nominations (if the number of valid nomination is equal to the number of vacancy) subjected to being found fit and proper by the Nomination and Remuneration Committee of the Board / Board of Directors of the Bank, then he/she deemed to be elected and assume office on 29th July 2024 or in subsequent election on 26th July 2024, if there are more contestants subjected to being found fit and proper by the Nomination Committee of the Board / Board of Directors of the Bank as the case may be. After such election on the basis of being getting highest vote, he/she will assume office from 29th July 2024 and will hold office for a period of three years from the date of assumption of office. The special resolution of deemed elected candidate(s), shall be approved by the shareholders in the AGM with requisite majority.

1. LEGAL PROVISIONS

ACT/SCHEME/REGULATIONS/NOTIFICATIONS	PROVISIONS	SHORT PARTICULARS
The Banking Regulation Act, 1949	Section 5(ne)	• Substantial Interest
	Section 16 (1)	• Prohibition of common Directors
	Section 20	• Restrictions for granting loan or advance to or on behalf of any of its directors
	Section 51	• Applicability of certain sections of Act to a corresponding new bank.
The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970	Section 3 (2E)	• Restriction on voting rights
	Section 9(3)(i)	• No. of directors to be elected by the shareholders
	Section 9(3A) (A) to (C),	• Special knowledge in certain fields
	Section 9(3AA)	• No person shall be eligible to be elected as director unless he is a person having fit and proper status based upon track record, integrity and such other criteria as RBI may prescribe.
	Section 9(3B)	• Right of RBI to remove a director so elected who does not fulfill the requirements of Sections 9(3A) and 9(3AA) of the said Act.
	Section 13(2)	• Obligation as to fidelity and secrecy
The Nationalised Banks (Management And Miscellaneous Provisions) Scheme, 1970	Clause 9(4)	• Term of office of elected directors
	Clause 10	• Disqualifications from being elected as a Director of the Bank
	Clause 11	• Vacation of office of Director
	Clause 11A	• Removal from office of an elected Director
	Clause 11B	• Filling of vacancy in the office of elected Director
	Clause 12(8)	• Disclosure of interest by directors in certain arrangements in which they are interested.
Union Bank of India (Shares and Meetings) Regulations, 1998	Regulation 10	• Exercise of rights of joint holders
	Regulation 61	• Voting at General Meetings
	Regulation 61A	• Scrutineers at Poll
	Regulation 61B	• Manner of taking poll and result thereof
	Regulation 63	• Directors to be elected at General Meetings
	Regulation 64	• List of Shareholders
	Regulation 65	• Nomination of candidates for election
	Regulation 66	• Scrutiny of nominations
	Regulation 67	• Election disputes
	Regulation 68	• Determination of voting rights
	Regulation 69	• Voting by duly authorized representative
Regulation 70	• Proxies	

**Notice of 22nd Annual General Meeting**

ACT/SCHEME/REGULATIONS/NOTIFICATIONS	PROVISIONS	SHORT PARTICULARS
RBI Notification No. DBOD.No. BC.No.46 /29.39.001/2007-08 dated 01 st November 2007 and No.DBOD.BC.No.95/29.39.001/2010-11 dated 23 rd May 2011 and No.DBR.Appt. BC.No.39/29.39.001/2016-17 dated 24 th November 2016 and RBI Master Directions on 'Fit and Proper' Criteria for Elected Directors on the Boards of PSBs issued vide Notification No. DBR.Appt.No: 9/29.67.001/2019-20 dated 2 nd August 2019.	Pursuant to Section 9(3AA)&Section 9(3AB) of The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.	Fit and Proper criteria for elected directors on the Board of Nationalized Banks
Office Memorandum ref. No. F.No.16/83/2013-BOI dated 03 rd September 2013 issued by the Department of Financial Services, Ministry of Finance, and Government of India as an Advice through its Government Nominee Directors in the Board of the Bank. And guidelines vide reference no. F.No. 16/51/2012-BO.I dated 28 th April 2015 and dated 20 th July 2016 of Government of India read with criteria laid down by the Government for consideration as Non Official Director of Public Sector Banks on 25 th March 2015 (hereinafter referred to as "the GOI Guidelines" and further amendment thereto if any)	To elect the Shareholder Directors to discharge their duties as directors on the Board of the Bank with greatest transparency and in public interest, in this direction the guidelines dated 01 st June 2011 regarding appointment of part-time non-official directors also be kept in mind while carrying out determination of 'fit and proper' status of the Candidates and subsequent related amendment thereto as mentioned herein.	
RBI Master Circular dated 1 st July 2015	Granting loans and advances to relatives of Directors.	
SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015	Provisions related to Independent Director	

2. GOVERNMENT OF INDIA NOTIFICATION DATED 25TH JANUARY 2021

The Govt. of India vide Notification dated 25th January 2021 amended the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 by inserting a Special Provision (Clause 14A) which states: Where a nationalised bank is required by law to do any act or thing and in order to do so the recommendations or determination of, or resolution of grievances of security holders by, or in respect of any appointment, approval or review by any Committee of the Board of the bank is required, and if the Board is satisfied that quorum for meeting of such Committee cannot be met on account of either existence of any vacancy in such Committee or recusal by member thereof, the Board may do that act or thing.

In terms of the above the Board of Directors of a Nationalised Bank are empowered to exercise the powers of a Committee of the Board to do any act or thing, or

for resolution of grievances of security holders by, or in respect of any appointment, approval or review, which it is required to do by law provided the Board is satisfied that quorum for meeting of such Committee cannot be met on account of either existence of any vacancy in such Committee or recusal by member thereof.

3. GOVERNMENT OF INDIA GUIDELINES DATED 25TH MARCH 2015 AND 08TH JULY 2016

As advised by Govt. of India vide its letter dated 3rd September 2013 the Nomination and Remuneration Committee of Board shall keep in mind the Guidelines issued by GOI for Appointment of Non Official Directors (NOD), while determining-Fit and Proper Status of the Shareholder Director. The GOI has forwarded revised Guidelines dated 25th March 2015 and amendments dated 8th July 2016 to Public Sector Banks vide its letters dated 28th April 2015 and 20th July, 2016, the gist of which is as under:

a) General

- i. Nominations will be made keeping in view the provisions of the relevant Acts/Rules.
- ii. The suitability of nominees may be assessed in terms of formal qualifications and expertise, track record, integrity etc. For assessing integrity and suitability, information on criminal records, financial position, civil actions undertaken to pursue personal debts, refusal of admission to or expulsion from professional bodies, sanctions applied by regulators and similar bodies and previous questionable business practices etc. will be relied upon.

b) Experience

- i. Persons with special academic training or practical experience in the fields of agriculture, rural economy, banking, cooperation, economics, business management, human resources, finance, corporate law, risk management, industry and IT will ordinarily be considered. 20 years of industry experience at a senior position, established expertise in respective areas (successfully led a reputed organization, brought turnaround in a failing organization) would be preferred.
- ii. Retired senior Government officials with total experience of 20 years and minimum 10 years of experience at Joint Secretary and above level. Retired CMDs/EDs of Public Sector Banks after one year of retirement. The ex-CMDs/EDs will not be considered for appointment as NOD on the Board of the PSB from which they have retired. Serving CMDs/ EDs of PSB will not be considered as NOD on the Board of any other PSB.
- iii. Academicians, Directors of premier Management Banking Institutes and Professors having more than 20 years of experience.
- iv. Chartered Accountants with 20 years 'experience (excluding audit experience) would also be preferred.
- v. However, the experience criteria may be relaxed with the approval of the Finance Minister in exceptional cases based on merits.
- vi. As far as possible representation may also be given to women and the persons belonging to SC/ST community.

c) Education

An NOD should at least be a graduate in any stream preferably with specialization in Business Management, Risk Management, Finance, Human Resources and IT.

d) Age

The age of the Director, on the date of recommendation by Search Committee should not be more than 67 years.

e) Work Experience

Professionals/academicians should ordinarily have 20 years of work experience in their particular field.

f) Disqualifications

- i. A director already on a Bank/Financial Institution (FIs)/RBI/Insurance Company, under any category, may not be considered for nomination as NOD in any other Bank/FI/RBI/Insurance Company.
- ii. Persons connected with hire purchase, financing investment, leasing and other para-banking activities, MPs, MLAs, MLCs and Stock Brokers will not be appointed as non-official directors on the boards of Banks/FIs/RBI/Insurance Companies. Investors in a hire purchase, financing investment, leasing and other para banking activities would not be disqualified for appointment as NOD, if they are not having any managerial control in such companies.
- iii. No person may be re-nominated as an NOD on the Board of a Bank/FI/RBI/Insurance Company on which he/she has served as Director in the past under any category for two terms or six years whichever is longer.
- iv. If a Chartered Accountant firm is currently engaged in any Public Sector Bank (PSB) as a Statutory Central Auditor, no partner of the same Chartered Accountant firm shall be eligible for appointment as NOD in any Nationalised Bank/PSB.
- v. If Chartered Accountant firm is currently engaged in a Nationalised Bank as a Statutory Branch Auditor or Concurrent Auditor, no partner of the same Chartered Accountant firms should be eligible for appointment as NOD in the same bank.

g) Tenure

An NOD would not be considered for nomination as a Director on the Board of a Bank/FI/RBI/ Insurance Company if such Director has already been a NOD / Shareholder-Director on the board of any other Bank/ FI/ RBI/Insurance Company for six years, whether continuously or intermittently.

h) Professional restriction

The issue of professional restriction vis-à-vis office of profit in any Public Sector Bank under clause 10(d) of the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970 may be separately examined.



Notice of 22nd Annual General Meeting

i) Regional Representation

Efforts should be made to ensure representation of all the six zones of the country – North, South, East, West, Central and North-East on the boards of Public Sector Banks taken together.

EXTRACT OF ACTS/SCHEME/REGULATIONS/NOTIFICATION

For the convenience of the shareholders, the relevant extracts from The Banking Regulation Act, 1949, Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, (hereinafter referred to as “the Act”) the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 (hereinafter referred to as “the Scheme”) and the Union Bank of India (Shares and Meetings) Regulations, 1998 (hereinafter referred to as “the Regulations”) as well as RBI Master Directions on ‘Fit and Proper’ Criteria for Elected Directors on the Boards of PSBs issued vide Notification No. DBR.Appt. No: 9/29.67.001/2019-20 dated 2nd August 2019, Notification No.DBOD.BC.No.46/29.39.001/2007-08 dated 01st November 2007, No.DBOD.BC.No.95/29.39.001/2010 -11 dated 23rd May 2011 and No.DBR.Appt BC.No.39/29.39. 001/2016-17 dated 24th November 2016 and Office Memorandum ref. No. F.No.16/83/2013-BOI dated 03rd September 2013 of Government of India read with criteria laid down by the Government for consideration as Non Official Director of Public Sector Banks on 25th March 2015 and subsequent guidelines issued by Government of India posted in the Bank’s website www.unionbankofindia.co.in.

Such extracts will also be mailed to the intending candidates on receipt of a request addressed to the Company Secretary, Investor Services Department at the Bank’s Central Office, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai – 400021 Maharashtra State or by way of an email at investorservices@unionbankofindia.bank on or before the last date fixed for submission of nomination forms viz. Friday, 12th July, 2024.

INTEREST OF DIRECTORS

None of the Directors, KMPs and their relatives of the Bank is interested or concerned in the aforementioned item of business except to the extent of their shareholding and those eligible existing Shareholder Director who may contest the election.

The Board of Directors recommended the Special Resolution for your approval.

By order of the Board of Directors
For UNION BANK OF INDIA

Place : Mumbai
Date:14.06.2024

(S K Dash)
COMPANY SECRETARY

Directors' Report

Dear Shareholders,

The Board of Directors are pleased to present the 105th Annual Report of the Bank for the Financial Year 2023-24 together with the 'Audited Balance Sheet', 'Profit & Loss Account', 'Cash-Flow Statement' and the report on 'Management Discussion & Analysis'. The 'Corporate Governance Report' and 'Business Responsibility and Sustainability Report' also form part of the Annual Report 2023-24.

1. Highlights:

- 1.1 India's economic growth remained robust in FY 2023-24. According to the provisional estimates by National Statistical Office (NSO), India's gross domestic product (GDP) is estimated at 8.2% for FY 2023-24, driven by investment. Real GDP growth in Q4:FY24 was 7.8% y-o-y, boosted by investment demand. Fixed investment firmed up at a robust pace with the government's continued thrust on infrastructure building. Private corporate investment is slowly gaining vitality with a pickup likely post elections. On the supply side, manufacturing activity continued to gain traction in H2, supported by lower commodity prices, diversifying global supply chains and easing logistic costs due to improving infrastructure. Buoyancy in construction activity contributed to services sector momentum. The growth in GDP at current prices, or nominal GDP, during FY 2023-24 is estimated at 9.6%.
- 1.2 There was positive growth across all sectors, with services like trade, tourism, and hospitality driving momentum. These sectors were followed by manufacturing, construction and utility service industries like electricity, gas, etc. Enabling government policies are expected to further catapult industry growth towards an upward trajectory. Financial sector activity has also been encouraging, with bank credit growth at 20.2% in FY 2023-24, up from 15.0% in FY 2022-23. Liquidity conditions slipped into deficit since September 2023 as deposit growth lagged credit. Despite persistent global challenges, overall exports (merchandise + services) estimated to surpass last year's record highs. It is estimated to reach USD 776.68 billion in FY 2023-24 as compared to an average of USD 600.63 billion during FY 2018-19 to FY 2022-23. Exports grew despite global challenges such as rise in raw material

prices, restrictions in exports of certain products, supply chain disruptions especially via Red sea crisis and geo-political tensions. According to RBI monthly bulletin, about 48.7% of India's merchandise exports and 30.4% of imports are estimated to be exposed to the Red sea route.

- 1.3 Despite price volatility in certain specific food items, consumer price index (CPI) inflation remained within the RBI's tolerance range of 2 to 6 per cent during FY 2023-24, except in July and August 2023. The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) kept the policy repo rate unchanged during FY 2023-24 while remaining focused on progressively aligning inflation with the target, while supporting growth.
- 1.4 Going forward, India's growth trajectory is poised for a significant upswing following the pandemic, with early indicators hinting at a return to the robust growth rates exceeding 7%. While private consumption continues to be a key driver, it is investments and exports that are expected to fuel this resurgence. Although global headwinds have subdued export growth, public expenditure on infrastructure is emerging as a pivotal force in driving the growth momentum with private capex likely to show a broad based pickup post elections. Headwinds from geopolitical tensions driving oil prices higher, volatility in international financial markets, geo-economic fragmentation, rising Red Sea disruptions, and extreme weather events, however, pose risks to the outlook.
- 1.5 Meanwhile global economic outlook is highly uncertain amid financial sector volatility, moderating yet high inflation in developed markets, and ongoing geo-political tensions. According to the International Monetary Fund's (IMF's) April 2024 update of the World Economic Outlook (WEO), global growth is expected to be stagnant at 3.2% in 2023, 2024, and 2025. A slight acceleration for advanced economies, where growth is expected to rise from 1.6% in 2023 to 1.7% in 2024 and 1.8% in 2025, will be offset by a modest slowdown in emerging market and developing economies from 4.3% in 2023 to 4.2% in both 2024 and 2025. Global inflation is forecast to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025. Core



Directors' Report

inflation is generally projected to decline more gradually. Elevated inflation levels is a looming challenge complicating the trade-offs that central banks are faced with, between containing inflation and boosting economic growth.

- 1.6 As per the IMF, Asia will contribute 60% of global economic growth in year 2024, as momentum stays strong. Asia's GDP to expand 4.5% in 2024, after growing 5.0% in 2023. India and China are projected to be the biggest drivers of that growth. In terms of real GDP, India is forecast to grow 6.8% in 2024, while China expands by 4.6%.
- 1.7 Notwithstanding global economic uncertainties, India's economic performance has surpassed expectations, leading to upward revisions in growth forecasts by institutions like the IMF, World Bank and ADB in recent months. As per the IMF, India is projected to expand by 6.8% in 2024 and further by 6.5% in 2025. India is poised to emerge as one of the largest economies worldwide, projected to contribute significantly to global growth. Projections indicate India will exceed Germany and Japan in market exchange rates in the next decade, becoming the second-largest economy by purchasing power parity terms.
- 1.8 The Reserve Bank of India has pegged the economic growth estimate for 2024-25 at 7.0%. The expected above normal monsoon this year has brightened the prospects for agriculture sector and rural demand. The steady growth in contact-intensive services is likely to be positive for urban demand. The government's focus on capital expenditure, capacity utilization above long-period average and moderating commodity prices should bolster manufacturing and investment activity. Given the reforms undertaken by the government and the various supportive measures by the RBI, a very strong foundation is being laid for further rapid increase in economic growth in the coming years. The various government initiatives are seen to be supporting growth and credit demand is expected to remain robust yet moderate from decade high levels clocked in FY 2023-24.

2. Bank's Performance

Established in the year 1919, your Bank has 8,466 domestic branches, 8,982 ATMs across 29 States and 5 Union Territories, and 75,866 employees as on March 31, 2023-24

The Bank has 2 overseas Branches at Sydney, and Dubai DIFC, 5 wholly owned Subsidiaries, 3 Joint Ventures and 1 Associate Organization.

The global business of your Bank stood at ₹ 21,26,412 crore as on March 31, 2024 which comprises of total deposits of ₹ 12,21,528 crore and gross Advances of ₹ 9,04,884 crore.

The operating profit and net profit of the Bank stood at ₹ 28,211 crore and ₹ 13,648 crore respectively as on March 31, 2024.

3. Digitization

- 3.1 The Bank has implemented best-in-class technology solutions to provide frictionless Digital Banking experience. The Bank is in the process of modernizing its IT Systems by bringing in state-of-art Digital Business Platform which aims at Omni-channel capabilities, data driven hyper personalization, Super App with capabilities to cross sell & upsell, STP journeys and Open Banking capabilities for integration of services across partnerships in a single interface.
- 3.2 The Bank has initiated more than 40 digitization projects, w/w 27 projects have been completed and 13 projects are under various stages of development.
- 3.3 The Bank has implemented 7 journeys during the FY 2023-24, thereby taking the total number of journeys to 24 (7 journey includes Gold Loan STP, Digital Kisan Tatkal, Digital PM SVANidhi, Digital WC Enhancement, Digital Savings Account, Online OTS, VKYC). The bank could mobilize more than ₹ 8,300 crore digital business from 20+ journeys, w/w ₹ 6,200 Cr business generated in FY 2023-24.

Onboarding of M/s IBM India Pvt Ltd as a System Integrator:

The Bank had partnered with M/s IBM India Pvt. Ltd. to co-create a cutting-edge Digital Business Platform thereby developing best-in-class digital offerings. The vertical has adopted wave-wise approach and will be launching 100+ Digital Journeys and Business services across multiple drops. The project commenced on 30th June 2023 for Designing, Supplying, Installing, Building, Implementing, Integrating, Customizing and Maintaining New Digital Business Platform. The project is underway and the Bank is poised to launch many journeys in Liabilities (CASA) & in RAM sector apart from bringing a Super App during this Financial Year.



*Cumulative till 31.03.2024

3.4 Vyom App

The mobile banking application of the Bank has been rebranded as “VYOM”. VYOM offers 400+ features with explorative UI/UX design to increase engagement and offers unique banking experience.



The application offers lifestyle features (marketplace), where in the customer can book Flight tickets, Hotels, Cabs, Bus tickets, purchase Gift Cards, recharge mobiles DTH & Data card and make donations. The Bank has also incorporated Mutual Fund, Insurance, and various STP journeys in VYOM app.

VYOM has been periodically updated with new features such as Aadhar+ OTP based registration, Virtual Debit Card, Credit Card against Term Deposit, Apply for IPO - ASBA, Mark Transaction as Fraud, NCMC Wallet recharge Facility, Check beneficiary name in IMPS, Realtime generation of insurance policy for PMSBY & PMJJBY. 55.18 Lakhs users have been onboarded in FY 2023-24 with daily login of 24 lakh+ users.

3.5 CRM Solutions

The Bank has implemented CRM Edge; an integrated solution for Branches, Marketing Officer and Admin Offices; provides various features like Product per Customer (PPC), Customer Relationship Value (CRV), Services availed, Graphical reports, Complaints / Service requests / Query resolution on a single platform. Further, it enables automatic routing of complaints to the respective stakeholders and escalation of complaints on expiry of stipulated TAT.

With the help of this solution, the Bank automatically tracks business, manages leads effectively, improves Customer Service & it manages complaints timely & effectively, provides a Customer 360-degree view (in Detail), Analytics tool, Campaign Management solution etc.



CRM access is given to Call Centre Agents, Bank’s Business Correspondents and DSAs/CSAs.

Directors' Report

3.6 CBDC Digital Rupee (₹) App



e-RUPI (Digital Rupee) is recently introduced, i.e. tokenized digital version of Indian Rupee, issued by the RBI.

Your Bank was one among 9 Banks to implement W-CBDC (Wholesale) and one among 13 Banks to implement CBDC-R (Retail). The Bank was the 1st bank in Cohort 2 to go live with the CBDC- R pilot project.



(Union Bank's CBDC app showcased to RBI Governor Shri Shaktikanta Das and Shri Nandan Nilekani at the Global Fintech Festival 2023)



3.7 Digital Journeys

Digital solutions for Mutual Funds & Insurance business

Digital Mutual Fund

With an objective to increase the fee-based income, the bank has launched digital solution for



as of 31-03-2024

1,01,360 (SIP + Lumpsum)
89.43 Cr amount

Mutual Funds sales through Bank's Mobile App and Net-Banking channels, in addition to providing paperless transactions at branches. Mutual Fund STP aims to provide best in-class customer experience for Mutual Fund investment needs of the customer and to provide a digital buying experience to our customers.

Digital Insurance

The Bank has integrated 34 digital insurance products across Health, General and Life Segments.



as of 31-03-2024

2259 policies, 0.26 Cr amount

The same is available in Vyom, Internet Banking & Branch Module.

Digital Journeys implemented in FY 2023-24:

During FY 2023-24, the Bank has implemented various STP journeys, features enhancements, technology upgradations etc to provide frictionless Digital Banking experience.

➤ Digital Savings Account:

The Bank has launched next-generation Digital Savings Account, wherein customer can open their savings account online, without visiting the branch. The process of opening an account has been made easy with implementation of Video-KYC and online verification of Aadhaar and PAN and

thereby customer can start enjoying the benefits immediately. Digital Saving Account journey launched on 31st Oct 2023. As of 31st March 2024, the bank could mobilize 3012 savings accounts digitally. For walk-in customers digitally assisted platform is launched to open SB General & Premium accounts with ease & reduced T-A-T.

Silent Features of Digital Savings Account:

- Online PAN & Aadhaar validation
- End to end online account opening through V-KYC
- Flexibility to select nearby Branch
- Immediate account opening and option for funding

➤ **Digital Union Kisan Tatkal:**

Digital Union Kisan Tatkal journey is offered to existing KCC borrowers to meet emergency agriculture needs having KCC limit up to ₹ 25.00 lakhs. The scheme offers loan amount from ₹ 5,000 to ₹ 50,000. The journey offers fully automated decision making and Digitized sanction, within minutes. Digital Union Kisan Tatkal journey offers Farmer friendly onboarding process through mobile and web application interface in a self-service mode. As on 31st March 2024, the bank could mobilize 1573 applications with sanctioned amount of ₹ 6.49 Crore.



Presentation of Digital KCC at G20 summit, Gandhinagar

➤ **Digital PMSVANidhi:**

To enable Micro Credit to street vendors, Ministry of Housing and Urban Affairs (MoHUA), GOI had launched the scheme 'PM Street Vendor's Atma Nirbhar Nidhi Scheme (PMSVANidhi)' - a special micro credit facility for providing affordable loan to street vendors to resume their livelihoods in 2020. In order to facilitate such street vendors with hassle free quick sanction and disbursal approach to Micro Credit, a new product is developed to sanction loans to street vendors amounting upto ₹ 50,000.00 under Digital PMSVANidhi. A total of 8400 loan applications sanctioned digitally amounting ₹ 9.29 Cr in FY 2023-24.

➤ **Digital Working Capital Enhancement:**

Digital Enhancement of Working Capital Limit has been devised for existing Micro and Small category Cash Credit Account Holders of Union Bank of India to give them a hassle-free sanction in order to meet their regular business needs. With this product, existing CC customers can apply for enhancement in their existing limits upto ₹ 10.00 Lakh.

➤ **Digital Gold Loan:**

The Digital Gold Loan application aims to enhance the ease of on-boarding of customers and bring down the TAT for processing of the Gold Loan. The Digital gold loan journey is available through VYOM app as well as through Banks Corporate website. Digital Gold Loan application offers loans for Retail, MSME and Agriculture purposes. 2,50,433 applications mobilized & sanctioned ₹ 5007 Crore in FY 2023-24.

➤ **Online OTS:**

Fully automated OTS application processing without any manual intervention. The eligible borrowers can complete the settlement process without having to visit the bank branch.

➤ **V-KYC:**

The bank has implemented Video KYC solutions by integrating with Digital Savings account journey and other New To Bank (NTB) journeys. The Bank offers robust V-KYC solutions with minimum T-A-T.

FinTech & Ecosystem Partnerships

The Bank is one of the pioneer banks to create a policy framework for engaging with FinTech's and leveraging their solutions for building customer digital journeys. The Bank has empaneled 84 FinTech's, among these 18 FinTech's have been onboarded for implementing various digital solutions in Agri, Retail & MSME segments. Various horizontal capabilities through API platform of FinTech's such as Statement Analyzer, Video-KYC, Title search, valuation etc. are being created.

Account Aggregator and OCEN:

Union Bank of India was the first Public Sector Bank to integrate with Account Aggregator ecosystem.

Bank has on-boarded 13 Account Aggregators out of which 11 AA's (Finvu, Onemoney, Anumati, NESL Asset Data Limited, Saafe, CAMSfinserv, PhonePe, Protean SurakshAA, TallyEdge, CRIF Connect Pvt Ltd & Yodlee) are live as of now. INK (M/s Unacores AA Solutions Pvt Ltd) and Setu (M/s Agya Technologies Pvt Ltd) are under integration.

Account Aggregator framework is embedded in 4 MSME journeys viz Tarun, Kishore (Mudra), Nari shakti and GST Gain, and integrated with LAS Platform.

Directors' Report

The Bank is leveraging Account Aggregator Framework for developing new use cases for improving the Business, Managing Risk and Effective Monitoring.

Under OCEN bank has implemented GeM Sahay as a first reference use case and presently working on GST Sahay for extending unsecured cash flow-based lending to MSMEs registered on GeM portal and GSTN respectively.

Digital Banking Units

Our Bank has operationalized 7 DBUs across 7 districts with a prime objective to increase the digital penetration of financial services by providing cost effective, convenient access with enhanced experience using paperless, secured and connected environment. DBUs are located in Rajahmundry and Machilipatnam in Andhra Pradesh, Palakkad (Kerala), Sagar (Madhya Pradesh), Nagpur (Maharashtra), Patiala (Punjab) and Agartala (Tripura).

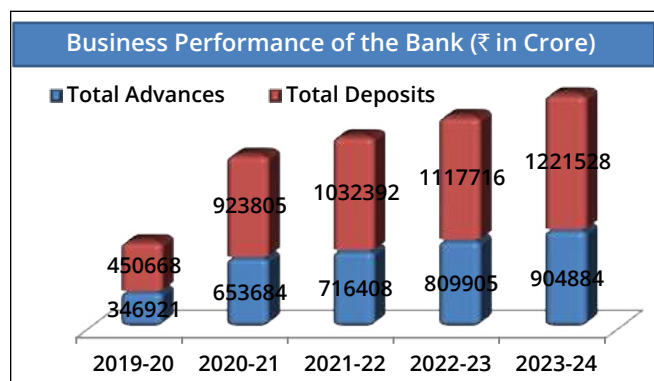
Performance of Digital banking Units are shown here below:

	Total till date (FY 2023-24)
Savings Account	4800+
Financial & Cyber Security Camps Conducted (since inception)	1840+
KCC Loans (presently operationalized only at DBU Sagar)	230
STP MUDRA Loans	402
VYOM registrations	3400+
Internet banking registrations	1800+
Number of Digital Transaction	1920000+

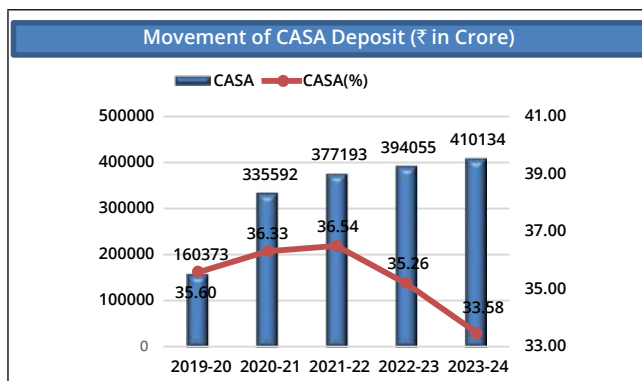
All the DBUs are equipped with smart capabilities such as interactive, multi-functional kiosks, tablets, ATMs, video KYC apparatus, the DBUs offer 27 banking services in self-service mode.

4. Business Highlights:

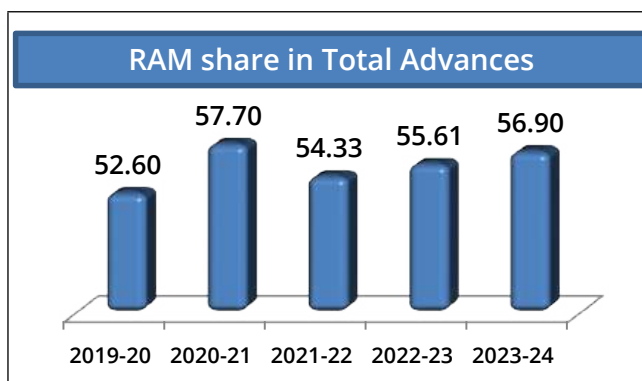
4.1 The global business of your Bank stood at ₹ 21,26,412 crore as on March 31, 2024



4.2 Total Deposits stood at ₹ 12,21,528 crore as on March 31, 2024. Out of this, CASA share (current account and saving account) stood at 33.58% as on March 31, 2024.



4.3 Gross Advances stood at ₹ 9,04,884 crore as on March 31, 2024. RAM segment of your Bank stood at 13.82%. 11.14% growth in Retail, 20.95% growth in Agriculture, and 8.58% growth in MSME advances are achieved on a YoY basis. RAM advances as a percent of Domestic Advances stood at 56.90%.



4.4 Overseas business of your Bank stood at ₹ 53,583 crore as on March 31, 2024, compared to ₹ 36,229 crore as on March 31, 2023. Your Bank has two overseas branches in DIFC (Dubai), and Sydney (Australia). Your Bank also operates in the United Kingdom through its wholly owned subsidiary, Union Bank of India (UK) Ltd, and operates in Kuala Lumpur (Malaysia) through its Joint Venture - India International Bank (Malaysia) Berhad, which is a Joint Venture with Bank of Baroda and Indian Overseas Bank. The Gross Advance portfolio of the foreign branches stood at ₹ 31,252 Cr as on 31st March 2024 and Net Profit of the foreign branches stood at ₹ 109.76 Cr as on 31st March 2024.

5. Income and Expenditure:

Table 1: Income and Expenditure Statement			
(₹ in crore)			
Sl.	Parameter	FY 2023-24	FY 2022-23
1	Interest Earned	99778	80743
2	Other Income	16080	14633
3	Total Income (1+2)	115858	95376
4	Interest Expended	63208	47978
5	Net Interest Income (1-4)	36570	32765
6	Operating Expenses w/w Establishment Expenses	24440	21931
7	Total Expenditure	14377	12390
8	Operating Profit (3-7)	87648	69909
9	Provisions	28211	25467
10	Net Profit/Loss	14562	17034
11	Earnings per share (in ₹)	13648	8433
		18.95	12.34

6. Profitability and Efficiency:

- 6.1 Your Bank has reported an Operating Profit of ₹ 28,211 crore in FY 2023-24 as compared to ₹ 25,467 crore in FY 2022-23.
- 6.2 Net profit of your Bank stood at ₹ 13,648 crore in FY 2023-24.
- 6.3 Cost-to-income ratio of your Bank stood at 46.42% in FY 2023-24.
- 6.4 During FY 2023-24, Return on Average Assets stood at 1.03%, whereas Return on Equity stood at 15.58%.

Table 2: Efficiency Ratios		
Parameter (%)	FY 2023-24	FY 2022-23
Return on Average Assets	1.03	0.69
Return on Equity	15.58	13.26

- 6.5 The following are the key productivity ratios of your Bank for FY 2023-24.

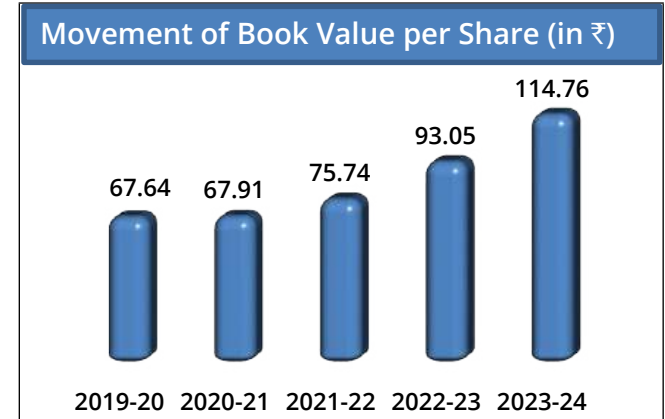
Table 3: Productivity		
Parameter	FY 2023-24	FY 2022-23
Business per Employee (₹ in crore)	28.02	25.50
Business per Branch (₹ in crore)	251.17	224.66
Gross Profit per Employee (₹ in lakh)	37.18	33.69

6.6 Dividend:

The Board of your Bank has recommended a dividend of ₹ 3.60 per equity share of face value ₹ 10/- each for FY 2023-24.

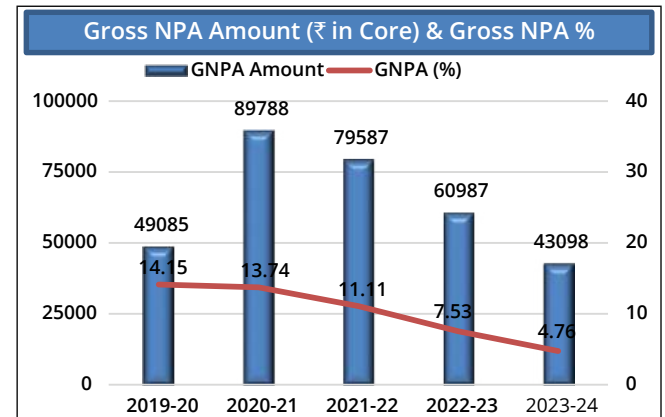
7. Shareholders' Return:

- 7.1 Your Bank's net worth was ₹ 87,601.31 crore as on March 31, 2024.



8. Asset Quality:

- 8.1 Gross Non-Performing Assets (GNPA) of your Bank stood at ₹ 43,098 crore as on March 31, 2024. GNPA as a percent of gross advances stood at 4.76% as on March 31, 2024.



- 8.2 Net NPA of your Bank stood at ₹ 8,990 crore as on March 31, 2024, and the Net NPA ratio stood at 1.03% as on March 31, 2024.

9. Capital Adequacy:

- 9.1 The Capital Adequacy Ratio, as per BASEL III norms, stood at 16.97% as on March 31, 2024. Common Equity Tier I (CET I) capital of your Bank stood at 13.65% in March 2024.

**Directors' Report**

Parameters	RBI Minimum Benchmark March 31, 2024	March 31, 2024	March 31, 2023
Total Risk-Weighted Assets		664188	5,78,455
Total Capital Funds	NA	112689	92,778
CET 1 Capital		90693	71,492
Tier 1 Capital		99622	80,478
CRAR (%)	11.50	16.97	16.04
CET 1 (%)	8.00	13.65	12.36
Tier 1 (%)	9.50	15.00	13.91
Tier 2 (%)	2	1.97	2.13

9.2 Capital Raised by your Bank

During the year 2023-24, the Bank has raised equity capital through Qualified Institution Placement (QIP) to the extent of ₹ 5,000 Crore by way of issue and allotment of 57,77,00,751 equity shares at price of ₹ 86.55 of face value ₹ 10/- each on 25.08.2023 and further raised equity capital through QIP of ₹ 3,000 Crore by way of issue and allotment of 22,11,57,390 equity shares of face value ₹ 10/- each on 26.02.2024

The said proceeds were utilized for augmenting the Bank's Tier 1 Capital in terms of Basel III guidelines of RBI and to enhance the long-term resources of the Bank.

10. Network

The Branch Network of your Bank is widely spread across the country with 8466 branches and 2 overseas branches (Sydney and Dubai) as on March 31, 2024. Out of these, 59 percent of the branches are located in rural and semi-urban centers.

11. Awards & Accolades:

During FY 2023-24, your Bank received awards for various initiatives taken under the areas of Digitization, Financial Inclusion, HR management, Customer Service, etc.

- Best Digital Engagement citation (runner-up, large bank) in 19th IBA Tech expo
- BFSI conclave and awards for:
 - o Digital transformation Leader
 - o Use of emerging Technologies
 - o Digital Security Leader award
 - o Innovative bank of the year

12. Social Media

Your bank is extending information related to products/ services through its official handles on all major social media platforms viz. Facebook, X, Instagram, YouTube and LinkedIn. Bank has marked its official presence on Threads in August 2023. Users were engaged in business interactions through conversation sessions/ Direct Messaging, customer care support, online contests, Educational posts/ videos, organizing online events etc. User interactions were used to understand brand perception and gained competitive intelligence to increase business prospects through social media.

Your bank has thrived on cost-effective brand publicity through social media and posted dynamic content with attractive static/ video posts, bringing customer awareness of the products, services and offers. Awareness was also created through posts on cyber security, urging customers to be aware of frauds, cyber scams and other social engineering, social causes, remembering personalities, significant days/ events, engagement campaigns of public interest, etc.

Bank has spread awareness among ETB and NTB customers through Influencer marketing in regional languages with prominent Influencers such as Maithali Thakur, Atta Sandeep, Karthik Surya, Isha Keshkar, etc.

Your bank is available 365x24x7 on all handles which are very responsive and reply instantly. In the last year, 1.70 lakhs queries from social media users were responded ensuring timely guidance, proper redirections and complaint redressal resulting in customer delight. Your bank brand was well received by the public at large, justified with a whopping 8846.14 lakhs impressions and 115.79 lakhs engagements.

Your bank has a huge follower base on social media presence which has grown to 49.75 lakhs as on 31st March 2024 against 41.47 lakhs last fiscal scaling a remarkable growth of 20.04% YoY.

Your bank is continuously measuring the overall sentiment about existing or new products, collecting feedback about initiatives, customer interest to meet the expectations of customers in product offerings and services rendered.

Your bank has run more than 200+ Digital Marketing campaigns on social media handles and targeted ad campaigns on Google Ads creating buzz for maximum reach on products/ services/ offers and roped in new customers along with improved search engine visibility and enhanced website traffic.

Bank has conducted Lead Campaign in regional languages through Google Display Network, Social Media and Publisher network to generate high intent customer lead and convert them into potential business for products like Home Loan, Union Nari Shakti, etc.

13. Changes in the Directors on the Board of your Bank:

The following changes took place in the Board of Directors of your Bank during the financial year 2023-24.

- Shri Rajneesh Karnatak, Executive Director of your Bank, ceased to be the Director on his Elevation as Managing Director and Chief Executive Officer of Bank of India on 29.04.2023.
- Shri Arun Kumar Singh, completed his term in office on 14.07.2023.
- Shri Prakash Baliarsingh has been appointed as RBI Nominee Director on the Board of your Bank w.e.f. 14.07.2023.
- Shri Sanjay Rudra has been appointed as an Executive Director on the Board of your Bank w.e.f. 09.10.2023.
- Shri Nidhu Saxena, Executive Director of your Bank, ceased to be the Director on his Elevation as Managing Director and Chief Executive Officer of Bank of Maharashtra on 27.03.2024.
- Shri Pankaj Dwivedi has been appointed as an Executive Director on the Board of your Bank w.e.f. 27.03.2024.

14. Directors' Responsibility Statement

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March 2024:

- The applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any.
- Accounting Policies had been selected and applied consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Bank at the end of the financial year and of the profit and loss of your Bank for that period.
- Proper and sufficient care was taken for the maintenance of adequate Accounting Records in accordance with the provisions of the relevant Acts for safeguarding the assets of your Bank and for preventing and detecting fraud and other irregularities.
- The Annual Accounts were prepared on a going-concern basis.
- Internal financial controls had been laid down to be followed by your Bank, and such Internal Financial Controls were adequate and were operating effectively. Explanation.— For the purposes of this clause, the term "Internal Financial Controls" means the policies and procedures adopted by your Bank to ensure the orderly and efficient conduct of its business, including adherence to your Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.
- Proper systems were in place to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. Performance Evaluation of the Board

The performance evaluation of the Board of the Bank, Committees of the Board and Directors on the Board of the Bank has been carried out by an independent body - M/s KPMG India Services LLP, Mumbai and recommended measures to enhance their effectiveness.

The major themes for the evaluation were Competency, Dynamics, Vision and Strategy, Risk and Independence, Process and Procedure.

**Directors' Report****16. Market capitalization of the Bank**

Particulars	Market Capitalisation as on 28.03.2024 (in ₹ Crore)	Rank among listed entities
National Stock Exchange of India Ltd.	1,17,175.85	70 (among top 100)
BSE Ltd.	1,17,137.68	70 (among top 100)

Union Bank of India has been included in T+0 rolling settlement cycle by stock exchanges in equity cash markets.

Further, the top management of the Bank have held more interactions with the stakeholders of the Bank to enhance Bank's market perception.

17. Corporate Governance

The Board of your Bank is committed to adopting good Corporate Governance practices in letter and spirit. A detailed report on Corporate Governance is given in a separate section of the Annual Report. The Corporate Governance report for the financial year 2023-24 has no audit qualifications.

18. Corporate Social Responsibility (CSR):

18.1 Union Bank of India has been at the forefront of meeting its CSR commitments. Towards this, your Bank established Union Bank Social Foundation Trust (UBSFT) in the year 2006 as an extended arm for carrying out the CSR activities of your Bank. The major CSR activities of your Bank are now being carried out through the UBSFT. Its Board is headed by your Bank's Managing Director & CEO, with executive directors as Vice Chairman Trustees. Other trustees include your Bank's Chief General Managers, General Managers, and one independent trustee. The UBSFT Board provides directions in accordance with your Bank's thrust areas and undertakes review every quarter. The directions of the Board are executed by the Chief Executive of UBSFT. While the Registered office of UBSFT is in Bengaluru, the administrative office is in Mumbai.

Bank's Stakeholders' Relationship Committee also monitors and guides the CSR activity of your Bank also that of UBSFT on a quarterly basis.

UBSFT has been incorporated, aiming to support initiatives towards Social upliftment & improving the lives of underprivileged segments.

18.2 The CSR activities undertaken by your Bank / UBSFT in 2023-24

During the year 2023-24, the Bank has approved donations of ₹ 79.33 crore under CSR. During the FY 2023-24, donations of ₹ 34.79 crores were approved by Union Bank Social Foundation (UBSFT) towards 62 projects/programs under various sectors like Education, Healthcare, Sanitation, Community Development, Skill Development, etc.,

Some of the major activities conducted in the area of social responsibility during the FY 2023-24 are as under:

- As part of our commitment to improving health infrastructure, Union Bank social Foundation has donated one custom built Ambulance to Civil Court Hospital, Gorakhpur.
 - UBSFT has proudly donated for procuring & installing critical diagnostic instruments at their Life Blood Centre of Saurashtra Medical & Educational Charitable Trust, Rajkot. This contribution reflects our dedication to supporting the blood bank in its mission to provide quality diagnostic services to patients in need.
 - As part of commitment to improving healthcare services., donated an ambulance to Sri Sadguru Sewa Sangh Trust, Chitrakoot for their hospital. This donation aims to cater to the critical needs of patients by offering advanced medical transportation equipped with intensive care capabilities.
 - As part of commitment to improving healthcare services. donated an ambulance to District Magistrate, Rudraprayag, Uttarakhand for their hospital. This donation aims to cater to the emergency medical needs of pilgrims of Kedarnath dham & local people.
- As part of commitment to improving healthcare facilities at the sports complex donated an ambulance with basic life support to Netaji Subhash National Institute of Sports, Patiala. This donation aims to cater to the emergency medical needs of the trainees at the sports institute.
- As part of commitment to improving healthcare facilities at the Primary Health Centre (PHC), Dharakonda, Paderu donated them with an ambulance. This donation aims to cater to the emergency medical needs of the patients in that locality.

- As part of commitment to improving healthcare facilities at the Hospital donated 100 hospital beds to Sri Guru Gorakshnath Chikitsalaya, Gorakhpur. This donation aims to cater to the hospital beds need of the patients.
- As part of commitment to improving healthcare facilities at the Vriddha Ashram donated an ambulance to Gauri Gopal Vridha Ashram, Vrindavan. This donation aims to cater to the emergency medical needs of the inmates of the Vridha Ashram.
- As part of commitment to improving transportation facilities at Nizam's Institute of Medical Sciences (NIMS), Hyderabad donated four electric vehicles (Golf carts). The donation will cater for intramural transportation of needy patients inside the campus which are located in different places.
- As part of commitment to improving healthcare facilities at CSITA Scudder Memorial Hospital (SMH), Ranipet donated RO plant. This donation aims to provide clean and pure water to their patients, doctors, nurses and supporting staff.
- As a part of commitment to provide clean and pure water Donated 15 steel benches to the Kamakhya temple at Assam. The donation aims to cater proper seating arrangement for the devotees during the waiting period for the darshan of goddess Kamakhya.
- As a part of commitment to provide modern infrastructure, donated infrastructure to the conference hall of Vikas Bhavan, Ghazipur. The donation will cater to the modern infrastructure in their conference hall for welfare of the general public.
- Donated desktop computers & printers, water coolers, fans etc. to Sitaram Poddar Madhyamik Vidyalaya, Mumbai. The donation aims for providing better infrastructure facility & pure and safe drinking water to the school children.
- Donated Desktop Computers, Air Conditioners, Sony Headphones, RO UV Purification Water Cooler & Chairs to Shishu Sirothi, a Centre for Rehabilitation & Training for multiple disability at Guwahati. The donation aims for the welfare of children and persons with disabilities which will provide appropriate and innovative therapies & interventions, habilitate / rehabilitate.

19. EASE (Enhanced Access and Service Excellence)

Enhanced Access and Service Excellence (EASE) Reforms Agenda, launched by Government of India in the financial year 2018-19 for ushering next-generation reforms is now deeply ingrained in your Bank. The journey has witnessed a transformative shift in the bank, enhancing the tech-capabilities, improving customer experience, tech and data-enabled capability building, and improving operational efficiencies, among others. The fifth iteration of EASE agenda for the FY 2022-23 was launched under the theme "Enhanced Digital Experience, Integrated and Inclusive Banking" and your bank was placed at 2nd position in EASE 5.0 annual index.

Sixth iteration of EASE launched under the theme "Customer-friendly banking enabled by modern capabilities" aims at improving branch banking experience for the customers by enhanced customer self-service and employee-assisted digital journeys, achieving greater customer stickiness, providing a seamless call centre experience to the customers, improving customer satisfaction of grievance redressal process, expanding digital banking offerings across agriculture and its value chain, automation of viable processes for improving operational efficiency, accelerating cloud adoption journey of PSBs, developing risk assessment methodologies for assessment of climate risk in the front book, enhancing preparedness of PSBs to mitigate cyber risk, improving employee productivity, skill panning, training across job family, and digital-data-driven succession planning.

Your bank has adopted the reform measures progressively built into the EASE framework in a focused manner which has immensely contributed towards achieving enhanced operational efficiencies, improved customer offerings and faster service delivery.

The major developmental goals accomplished by your Bank in the FY 2023-24 includes:

- Launching comprehensive digital banking for MSMEs with digital Trade Finance solutions
- Launching more Digital Lending Journeys such as Kisan Tatkal, GST Gains, Nari shakti.
- Introducing enhanced MSME functionalities in Mobile Banking and Internet Banking
- Introducing unified customer view at outbound call centre with sentiments and speech analytics
- Providing tablets to 100% of the branches for customer self-service and for staff's assistance to customers.



Directors' Report

- Integrating all the customer complaint/ feedback channels into a consolidated complaint management portal with universal complaint ID.
- Increased adoption of digital savings account journey through V-KYC.
- Digital Adoption of Wealth Management products through VYOM.
- Strengthening specialized analytics function for robust data governance and model management.
- Enhanced Analytical Infrastructure and analytics-based training to Analytics team.
- Increasing adoption of cloud technologies.
- Strengthened Climate- related risk management and disclosures to assess potential exposure to climate-related and environmental risks during the underwriting process.
- Strengthening the cyber security model for cyber fraud mitigation and grievance redressal.
- Increasing thrust on promotion of gender diversity.
- Adopting various staff friendly initiatives.
- Further strengthening specialization, succession planning and leadership development in the bank.
- Improving productivity of the workforce.

In the latest EASE 6.0 index for Q3 FY 2023-24, your Bank is placed in third position amongst all PSBs. Your Bank has also placed in second position under three out of four themes i.e. "Delivering excellence in customer service with digital enablement", "Digital and analytics-driven business improvement" and "Developing people and enhancing HR operations" in the Q3 FY-24 index.

As, your Bank is transitioning from EASE 1.0 to EASE 7.0, it is all set to leverage rapid developments in digital technology to bring innovations in customer service, business decision making, back-office processes and further improve the banking experience for you.

EASE Next (Pillar – II): Bank-specific 3-year Roadmap program:

As part of EASE Next (Pillar – II) for bank specific strategic initiatives, your Bank had prioritized the following 5 initiatives covering 45 metrics with an objective of achieving the financial and non-financial aspirations.

- Increase market share in aspirational districts to become market leader.

- Wealth Management: Dedicated vertical with Relationship Managers for HNI.
- Digital ready Bank: Implementation of platform with open banking capabilities, enabling embedded financing capabilities.
- Succession Planning with gender diversity in core.
- Strengthening Back-offices to act branches as sales engine.

These initiatives have helped the bank to register significant improvements in bank's non-interest income.

20. Acknowledgements:

20.1 The Directors thank the shareholders, valued customers, well-wishers, Share Transfer Agent, and correspondents of your Bank in India and abroad for their goodwill, patronage, and support.

20.2 The Directors acknowledge with gratitude the valuable and timely advice, guidance, and support received from the Government of India, Government of Maharashtra, Reserve Bank of India, Securities & Exchange Board of India, Insurance Regulatory and Development Authority of India, Central Vigilance Commission, BSE, NSE, financial institutions, correspondent Banks and Statutory Central Auditors of your Bank, in the functioning of your Bank.

20.3 The Directors place on record their deep appreciation for the dedicated service and valuable contribution made by members of staff in the overall performance of your Bank during the year and look forward to their continued cooperation in the realisation of the corporate goals of your Bank in the years ahead.

20.4 The Directors also express that the staff members stay safe, healthy and maintain good health.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 11.06.2024

(Srinivasan Varadarajan)
Chairman

Management Discussion And Analysis

1 Global Economy

- 1.1 Global economy remained resilient despite repeated and overlapping shocks and unprecedented monetary tightening. Growth in the US and several major emerging market economies (EMEs) has held up better than expected. Sectorally, manufacturing activity remained subdued, but services exhibited strength. Headline inflation came down across countries although the decline in core and services inflation has been slow amidst continuing tightness in labour markets. Major central banks in advanced economies (AEs) have kept policy rates on hold to ensure the aligning of inflation with targets. Global financial markets remain volatile in response to fluctuating perceptions on the monetary policy trajectory. Global equity markets corrected in October 2023 over expectations of 'higher for longer' monetary policy paths but rallied subsequently as prospects of reversal of monetary policy cycles appeared brighter.
- 1.2 Global commodity prices declined by 4.2% (q-o-q) in Q2:2023 in terms of the Bloomberg commodity price index before rising from July 2023 onwards on higher energy prices and the collapse of the Black Sea grain deal. It was at 5.9% during Q4:2023. Global food prices, according to the Food and Agriculture Organization (FAO), eased by 3.2% (q-o-q) in Q2:2023 and edged down further by 1.6% in Q1:2024 (up to February), primarily driven by correction in the prices of sugar, cereals and meat.
- 1.3 Crude oil prices initially softened during Q2, largely reflecting weak global economic demand. However, prices rose sharply in Q3 in response to cuts in oil supplies by Saudi Arabia and Russia that were extended through the rest of 2023. After staying elevated at USD 90 per barrel in Sep-Oct due to output cuts by the OPEC+ and onset of the Israel-Hamas war, crude oil prices declined in Q4:2023 largely reflecting increase in non-OPEC supply, deteriorating demand prospects, and a seasonal moderation in demand. Oil prices ticked up in Q1:2024 in response to the Red Sea crisis, risk of conflagration of geopolitical tensions in the Middle East and the OPEC+ announcement of extension of voluntary cut for Q2:2024.
- 1.4 Metal prices have generally remained stable since April 2023 in view of weak economic activity in China and sustained monetary tightening worldwide. Gold price rebounded in the first half of Q2 on safe haven demand amidst bank failures in the US and Europe. In September, most base metals prices hardened on Chinese stimulus measures to support the housing market through relaxation in requirements for mortgage down payments and interest rates. Gold prices rallied in Q4 as financial markets priced in deeper policy rate cuts for 2024. The hardening of gold prices continued in Q1:2024 due to risk aversion on persistent inflation concerns with global central banks especially US Fed asserting higher for longer rates theme.
- 1.5 Driven by sharp rise in prices of food, metals and essential commodities, consumer price inflation remained elevated across the globe during 2023. Inflation rules above target in most inflation-targeting AEs and about half of inflation-targeting EMDEs. Core inflation in both AEs and EMEs also remained elevated. Goods inflation in major AEs has exhibited a notable decline while services inflation has remained relatively sticky. On the whole, near-term inflation expectations have fallen in major economies, with long-term expectations remaining anchored. According to the IMF's WEO update of January 2024, global inflation is projected to fall from 6.8% in 2023 to 5.8% in 2024 and further to 4.4% in 2025.
- 1.6 Global financial markets exhibited high fluctuation during Q2 and Q3, responding to changing expectations on the monetary policy trajectory. Markets turned buoyant during April-July 2023 as prospects of hard landing receded and hopes of an end to the monetary tightening cycle in the US, earlier than expected, gained ground. Financial markets corrected in Q3 on stronger data and 'higher for longer' monetary policy stances.
- 1.7 Global financial markets witnessed large swings during FY2023-24 in response to fluctuating perceptions on monetary policy trajectories, stickiness of inflation and strength of economic activity. Global equity markets corrected in October over anticipation of 'higher for longer' monetary



Management Discussion And Analysis

policy stances but rallied afterwards as a few systemic central banks signaled interest rate cuts in the near future. In terms of MSCI world index, equity markets gained 19.3% since end-September, reflecting gains in both AEs and EMEs.

- 1.8 Sovereign bond yields across major AEs hardened in Q2:2023 and Q3, reflecting ongoing monetary tightening and the slow pace of disinflation. Bond yields in several EMEs exhibited a hardening bias, driven by domestic monetary tightening as well as global cues. In Q4:2023, sovereign bond yields softened across major AEs, as markets started pricing start of rate cut cycle by global central banks in early 2024. However, yields hardened in Q1:2024 as the likelihood of early rate cuts receded due to the sluggish pace of disinflation and with the Fed asserting higher for longer rates theme.
- 1.9 Projections for global growth have been revised by various international agencies. In its latest World Economic Outlook report, the International Monetary Fund (IMF) has estimated global growth at 3.2% in 2023, and is projected to continue at the same pace in 2024 and 2025. The projection is higher by 0.1 percentage point for 2024 from January publication. New commodity price spikes amid regional conflicts, persistent inflation and financial stress, faltering China's recovery, debt distress, and intensifying geo-economic fragmentation are the down-side risks to global growth.
- 1.10 Inflation is projected to decline in most regions in 2024 – more rapidly in AEs vis-à-vis EMEs – amidst unwinding of supply-side pressures, restrictive monetary policy, easing labour markets and the pass-through of earlier declines in energy prices. Global inflation is forecast to decline steadily, from 6.8% in 2023 to 5.9% in 2024 and 4.5% in 2025, with advanced economies returning to their inflation targets sooner than emerging market and developing economies. Core inflation is generally projected to decline more gradually. World trade growth is projected at 3.0% in 2024 and 3.3% in 2025, with revisions of a 0.3 percentage point decrease for 2024 and 2025 compared with January 2024 projections. Trade growth is expected to remain below its historical (2000–19) annual average growth rate of 4.9% over the medium term, at 3.2% in 2029.

2 Domestic Economy

- 2.1 As per the provisional estimates released by National Statistics Office (NSO) of National Income, Indian economy is estimated to grow by 8.2% in FY

2023-24 compared to growth of 7.0% in FY 2022-23. The GDP at constant (2011-12) prices in FY 2023-24 is estimated to attain a level of ₹ 173.82 lakh crore, as against ₹160.71 lakh crore in FY 2022-23. From supply side, agriculture, industry and services sector are expected to grow by 1.4%, 9.5%, and 7.6% respectively in FY 2023-24 compared to 4.7%, 2.1% and 10.0% respectively in same period previous year. While industrial growth improved compared to previous year, agriculture and services sector growth was seen on a lower trajectory.

- 2.2 The IMF has revised upwards India's real GDP growth forecast for 2024 by 30 basis points to 6.8% in its April outlook from January outlook. The Reserve Bank of India (RBI) in its latest recent monetary policy, projected real GDP growth for FY 2024-25 at 7.2% with Q1 at 7.3%; Q2 at 7.2%; Q3 at 7.3%; and Q4 also at 7.2%. Strengthening of rural demand, improving employment conditions and informal sector activity, moderating inflationary pressures and sustained momentum in manufacturing and services sector should boost private consumption. The prospects of investment activity remain bright owing to upturn in the private capex cycle becoming steadily broad-based; persisting and robust government capital expenditure; healthy balance sheets of banks and corporates; rising capacity utilization; and strengthening business optimism. Improving global growth and trade prospects, coupled with India's rising integration in global supply chains, are expected to propel external demand for goods and services. However, the headwinds from protracted geopolitical tensions and increasing disruptions in trade routes, global financial market volatility, EL Nino impact on agriculture, oil shocks, etc. pose risks to the outlook.

3 Price scenario:

- 3.1 Headline CPI inflation had moderated from an average of 6.7% in 2022-23 to 5.4% in 2023-24 in response to monetary policy actions and supply side measures. Headline CPI inflation moderated to 5.2% in H2:2023-24 from an average of 5.5% in H1:2023-24. Sporadic food price shocks continued to impart significant volatility to the inflation trajectory, with headline inflation rising sharply in November and December 2023 due to a spike in vegetable prices. Core inflation has, however, been on a steadily declining path. In March 2024, it fell to 3.2%, among the lowest prints in the current CPI series (2012=100), driven by both core goods and services components.

3.2 During H1:2023-24, headline inflation movements benefited from strong favorable base effects averaging one percentage point during March-May 2023, which pulled down headline inflation from 6.4% in February to 4.3% in May. In July, an all-time high momentum in food prices (5.7%) and strong momentum in fuel (1.8%) led to a record monthly momentum of 290 bps in headline inflation, pushing the y-o-y inflation to 7.4%. In August, a decline in momentum, along with favorable base effects helped soften inflation to 6.8%. Headline inflation dynamics in H2:2023-24 were broadly shaped by the interplay between volatile food price momentum and base effects. In March 2024, the decline in momentum, driven by correction in food prices along with favorable base effects from fuel and core groups, led to a softening of headline inflation to 4.9%.

3.3 Headline inflation is expected to moderate and enter the RBI's target range. Inflation trajectory for FY 2024-25 would be shaped by both domestic and global factors and expectations remain largely range bound with gradual cooling. The RBI projects CPI inflation at 4.5% for FY 2024-25, with Q1 at 4.9%, Q2 at 3.8%, Q3 at 4.6% and Q4 at 4.5%.

4. Stock market performance

4.1 Domestic equity markets remained buoyant in H1:2023-24 due to strong buying support from foreign portfolio investors (FPIs), positive Q1 corporate earnings and a stable domestic economic outlook. The markets showed upward momentum in September amidst optimism over moderating domestic inflation and positive industrial production data. The BSE Sensex gained 11.6% during H1 to close at 65,828. Indian equity markets outperformed most EMEs and advanced economies (AEs) in H1.

4.2 Domestic equity markets continued their upward trajectory in H2:2023-24, with the total market capitalization of the Bombay Stock Exchange (BSE) listed firms crossing the historic USD 4 trillion mark and making India the fifth largest market in the world. Overall, the BSE Sensex gained 11.9% during H2:2023-24 to close at 73,651 while the BSE MidCap and BSE SmallCap indices rose by 21.6% and 14.9%, respectively, during H2. Indian equity markets kept pace with major emerging market (EM) economies in H2.

5 Yield Movement:

5.1 During H1:2023-24, the 10-year G-sec yield softened by 9 bps reflecting domestic as well as global factors.

The 10-year benchmark yield fell by 21 bps in Q1 to close at 7.10% and yields rose by 12 bps to 7.22% in Q2.

5.2 During H2:2023-24, G-sec yields softened, reflecting both domestic and global factors. In Q3:2023-24, the yields initially firmed up but softened thereafter tracking lower than expected domestic CPI prints for October and November, decline in crude oil prices, proposed inclusion of Indian Government bonds in a major global emerging market index and decline in US yields. Overall, the 10-year G-sec yield softened by 2 bps in Q3 to close at 7.20%. Domestic yields eased further in February 2024 following the announcement of lower gross market borrowings in the Interim Budget 2024-25. Overall, the 10-year G-sec yield fell by 13 bps in Q4 to 7.07% and cumulatively, yield declined by 15 bps in H2:2023-24.

5.3 Yields on T-bills softened across tenors between end-March and end-September 2023, with market expectations remaining anchored on unchanged policy rates. During H2:2023-24, yields on T-bills ended flat with upward pressure initially on rise in liquidity deficit while yields shifted higher in March as liquidity situation improved on government spending.

6 External Sector

6.1 Amidst slowing global economy, persisting geopolitical tensions, and geo-economic fragmentation, exports of goods and services contracted by 7.7% in real terms, while imports of goods and services grew by 10.1%, resulting in a sharp jump in the drag from net exports to (-) 6.4% of GDP in Q1:2023-24 from (-) 0.1% in Q4:2022-23 and (-) 2.3% a year ago. Merchandise exports (USD terms) fell by 11.9% y-o-y during April-August 2023, and merchandise imports by 12.1%. The merchandise trade deficit moderated to USD 98.9 billion in April-August 2023 from USD 112.9 billion a year ago as the decline in imports outpaced that in exports. India's external demand exhibited signs of recovery in H2:2023-24 (October-February) despite protracted geopolitical tensions. Merchandise exports (USD terms) expanded by 3.7% during H2 (October-February), while merchandise imports inched up by 2.5% during this period. The merchandise trade deficit at USD 105.7 billion widened marginally during H2 (October-February) from USD 105.1 billion during the corresponding period of last year.



Management Discussion And Analysis

6.2 The current account deficit (CAD) narrowed to 1.1% of GDP in Q1:2023-24 from 2.1% of GDP in the corresponding period of the previous year on the back of lower merchandise trade deficit, higher net surplus in services exports and robust inward remittances. The C/A deficit narrowed marginally to 1.2% of GDP in Q3:2023-24 from 1.3% in Q2 with an improvement in net services trade and an increase in net transfer receipts.

6.3 Net Foreign Direct Investments (FDI) flows moderated to USD 5.8 billion during April-July 2023 amidst a broader fall in global FDI flows. Foreign portfolio investment (FPI) rebounded mainly through the equity route in response to investors' positive outlook on domestic growth and corporate earnings. FPI inflows of USD 20.5 billion were recorded in H1:2023-24 as against an outflow of USD 8.1 billion during the same period last year. Net FDI flows jumped to USD 9.9 billion in H2 (October-January) from USD 5.4 billion a year ago (inflows of USD 4.2 billion in Q3:2023-24). Net FPI equity flows increased to USD 8.0 billion during H2:2023-24 from USD 3.1 billion in the same period of the preceding year.

6.4 In the currency market, in 2023-24 the Indian rupee (INR) largely remained range-bound due to strong macroeconomic fundamentals and improvements in India's external position with the moderation in the current account deficit (CAD), revival of capital flows, and rising foreign exchange reserves. In H2:2023-24, the Indian rupee depreciated by 0.4% against the US dollar. The INR traded with a depreciating bias during October-December 2023 with the strengthening of the US dollar on rising US treasury yields and on safe haven demand due to geopolitical tensions in the Middle East. Between end-March 2023 and end-March 2024, the INR depreciated by 1.4% against the US dollar although it outperformed other EME currencies. In H2:2023-24, exchange rate volatility across EME currencies abated. The Indian rupee remained among the least volatile EME currencies.

6.5 As on March 29, 2024, India's foreign exchange reserves stood at USD 645.6 billion, equivalent to 11.3 months of projected merchandise imports in 2023-24 and 99.6% of outstanding external debt at end-December 2023.

7 Liquidity conditions:

7.1 In consonance with the monetary policy stance, the increase in surplus liquidity and the risks to price and financial stability from excess liquidity, the

Reserve Bank imposed an incremental cash reserve ratio (I-CRR) of 10%, effective from the fortnight beginning August 12, 2023, on the increase in NDTL of all scheduled banks between May 19 and July 28, 2023. It was indicated that the I-CRR would be reviewed on or before September 8, 2023 with a view to return the impounded funds to the banking system ahead of the festival season. On a review on September 8, the I-CRR was discontinued in a phased manner so that system liquidity is not subjected to sudden shocks and money markets function in an orderly manner.

7.1 Currency in circulation (CiC) drained liquidity from the banking system in H2 as it expanded by ₹ 2.26 lakh crore due to festival demand and state elections. This was more than offset by the drawdown of government cash balances (₹ 1.43 lakh crore) and net forex purchases by the Reserve Bank (₹ 1.95 lakh crore). OMO sales withdrew liquidity from the banking system while the phased unwinding of the incremental cash reserve ratio (I-CRR) augmented liquidity. Overall, net injection under the LAF narrowed to ₹ 0.53 lakh crore as on March 29, 2024, from ₹ 0.97 lakh crore on September 29, 2023 and a high of ₹ 3.46 lakh crore on January 24, 2024.

7.2 The RBI's liquidity management encompassed two-way operations during 2023-24. System liquidity turned into deficit mode for the first time in mid-September 2023 after a gap of nearly four and a half years and the deficit persisted in the wake of elevated government cash balances during H2. The Reserve Bank injected liquidity through twenty-nine variable rate repo (VRR) operations to ease liquidity tightness in H2. During H2, six fine tuning VRRR auctions were conducted between February 2-7, 2024, to absorb surplus liquidity engendered by the pick-up in government spending, followed by eight more in the remaining part of February and March. On a net basis, average daily injection amounted to ₹ 1.06 lakh crore in H2 as against net absorption of ₹ 1.07 lakh crore in H1. Adjusted for government cash balances, however, average potential liquidity in the banking system remained in surplus (₹ 2.34 lakh crore) during H2.

8 RBI's policy decisions:

8.1 During FY 2023-24, the Monetary Policy Committee (MPC) kept the policy repo rate unchanged at 6.50% and remained resolute in its commitment to align inflation with the target, keeping in mind the objective of growth.

8.2 During H1:2023-24, money market rates oscillated within the policy corridor in tune with evolving liquidity conditions and market operations of the Reserve Bank. On an average basis, the weighted average call money rate (WACR), was 5 bps above the repo rate, due to frictional liquidity tightness caused by advance tax payments, goods and services tax (GST) outflows and the incremental CRR (I-CRR) prescribed for all scheduled banks in August 2023.

8.3 During H2:2023-24, the WACR was 21 basis points (bps) above the policy repo rate, up from 5 bps in H1:2023-24. Other overnight rates moved in tandem with the WACR. The elevated level of the WACR during H2:2023-24 was largely on account of primary dealers (PDs). Recognising the liquidity stress faced by PDs, the Reserve Bank enhanced the limit for Standalone Primary Dealers (SPDs) under the Standing Liquidity Facility (SLF) in January 2024 and made special provision under the LAF in March 2024.

9 Banking environment:

9.1 India's banking sector remained sound and resilient, underpinned by ongoing improvement in asset quality, enhanced provisioning for bad loans, sustained capital adequacy and rise in profitability.

9.2 Bank credit growth remained strong in H1:2023-24 in tandem with economic activity. Non-food bank credit extended by scheduled commercial banks (SCBs) rose by 15.3% (y-o-y) as on September 22, 2023 over and above a growth of 16.9% a year ago. In H2:2023-24 also, bank credit growth remained robust with improving economic activity. Growth in non-food bank credit increased to 16.3% (y-o-y) as at end-March 2024 (excluding the impact of the merger of a non-bank with a bank) from 15.4% as at end-March 2023. Growth was driven by services and retail sectors. Industrial credit growth, which was tepid during the first half of 2023-24, improved in the third quarter. Credit growth to the services sector remained resilient during 2023-24, while personal loans growth moderated, especially after the regulatory measures taken by the RBI on November 16, 2023. Unsecured personal loans growth decelerated after the increase in risk weights on select segments in November 2023. Vehicle loans growth moderated in the third quarter of the year while that for housing loans remained range bound.

9.3 During H2:2023-24, the incremental credit-deposit ratio remained below 100% as against ruling above 100% for the corresponding period a year

ago. This reflected a surge in deposit mobilisation, particularly in the wake of withdrawal of ₹ 2,000 notes. Consequently, the wedge between credit and deposit growth has reduced. As at end-March 2024, the incremental credit-deposit ratio stood at 95.9%.

9.4 Aggregate deposits of SCBs registered a faster growth during FY 2023-24, due to considerable increase in interest rates. Aggregate deposits expanded by 12.9% (y-o-y) as on March 22, 2024, suggesting continued buoyancy in financial services. The combination of tight liquidity conditions and robust credit demand prompted banks to increase their term deposit rates in order to raise fresh deposits. However, deposit growth remained below the credit growth in FY 2023-24.

9.5 Asset quality of SCBs improved during 2023-24 (up to December 2023), with the overall gross non-performing assets (NPA) ratio declining to 3.0% in December 2023 from 4.5% a year ago. Asset quality improved across all the major sectors.

9.6 Bank lending and deposit rates rose further in H1:2023-24, reflecting the lagged impact of the policy rate hikes during May 2022-February 2023, the external benchmark-based lending rate (EBLR) system of loans pricing and the moderation of surplus liquidity. The transmission to banks' lending and deposit rates continued in H2:2023-24, with banks increasing rates on the back of persistent credit demand. In response to the cumulative increase of 250 bps in the policy repo rate since May 2022, the WALRs on fresh and outstanding rupee loans of SCBs increased by 185 bps and 111 bps, respectively, during May 2022 to February 2024. The WADTDRs on fresh and outstanding rupee deposits of SCBs increased by 241 bps and 183 bps, respectively, during May 2022 to February 2024.

10 Resources Mobilisation

Total deposits of the Bank stood at ₹ 12,21,528 crore. CASA deposits stood at 33.58% of total deposits.

Composition of Deposits:

Particulars	₹ in crore)	
	31.03.2023	31.03.2024
Total Deposits	11,17,716	12,21,528
CASA Deposits	3,94,055	4,10,134
Saving Deposits	3,20,075	3,36,349
Current Deposits	73,980	73,785

Management Discussion And Analysis

Initiatives taken during the year:

FY2024 saw the introduction of several tailored products aimed at specific customer segments:

- **Union Samman:** Tailored for pensioners with benefits suited to their financial needs.
- **Union Samridhi:** A savings account for women offering lifestyle benefits and exclusive debit cards.
- **Union Udaan:** For young professionals, combining savings and current account features to support their career and financial growth. These products align with responsible banking by addressing the unique needs of these groups, thereby enhancing financial inclusion and customer satisfaction.
- **Union Muskaan:** Designed exclusively for minors, this specialized savings account facilitates a strong foundation for smart money management under the guidance of parents or guardians. With features like a low quarterly balance, insurance benefits, and tailored investment options such as Sukanya Samridhi and systematic investment plans, Union Muskaan is not just a bank account—it's a crucial first step towards financial empowerment for our young customers. This initiative underscores our dedication to inclusive banking and community support, ensuring a brighter future for the next generation.

We also launched new Debit Cards for HNIs, pensioners and Women- "HNI Emperio Metal Card" for HNIs, "Samman Debit Card" for pensioners and "Empower Her Debit Card" for women.

Looking ahead to next year, Union Bank of India is placing more focus on Retail Term Deposits with exciting launches tailored specifically for senior citizens. We are committed to offering the best-in-market rates and benefits, including a customized recurring deposit scheme designed to meet the unique financial needs of our customers.

11.2 Mid Corporate:

MCV have registered growth of 25.26 % on YOY basis in Mid Corporate Vertical Controlled accounts

Total 193 New Business Proposals amounting to ₹ 20,530 Cr has been approved during FY 2023-24, out of which final sanction has been accorded in 69 accounts amounting ₹ 7,003 Cr.

MCV have accorded enhancement in 178 accounts amounting to ₹ 7,029 Cr. during the FY 2023-24.

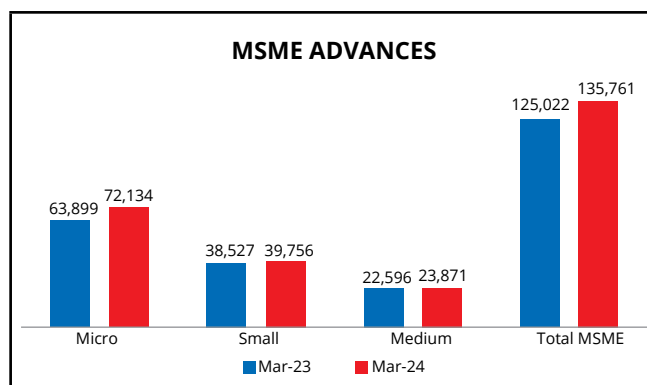
Non-Interest Income of MCV registered a growth of 84.47 % on YOY basis, by New sanctions / enhancement / utilisation of Non Fund base limits (Off Balance sheet exposure)

11.3 MSME:

Business Growth:

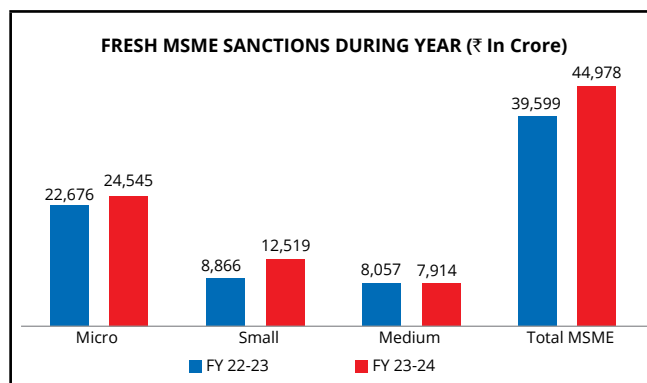
(₹ in crore)

Particulars	31.03.2023	31.03.2024	YoY Growth (%)
Total MSME Advances	125022	135761	8.59



MSME advances have registered YoY growth of 8.59% during the FY 2023-24.

Fresh sanctions increased by 13.58 % on y-o-y basis during the FY2023-24.



11 Credit Management

11.1 Overall Credit:

The Bank's total advance was ₹ 9,04,884 as of 31.03.2024, the corporate & others advance stood at ₹ 4,07,815 Crore. 19 Large Corporate Branches (LCB) and 40 Mid Corporate Branches (MCBs) across the country are catering to the needs of corporate clientele. Your Bank has made judicious disbursements to investment-grade projects of the large corporate, thus participating in the growth opportunities in the Indian economy.

Performance under identified MSME Schemes:

Bank has formulated specific schemes for targeted MSME segment. Detailed below are the performance of the bank under the identified MSME Schemes during the year.

Name of the scheme	Sanctioned A/c (Number)	Sanctioned Amt. (₹ In Crore)
Union MSME Suvudha	5607	4930
Union Nari Shakti	22676	2555
Union Equipment Finance	922	580
Union Ayushman Plus	582	387
Union Solar	186	156
Union Contractor	541	736
Union Textile	265	185

MSME Loan Points: During the financial year our 135 MSME processing centers have sanctioned/appraised credit proposals (including Agri and corporate) of ₹ 39,228 Crore out of which ₹ 19,693 Crore was within their own delegation.

Outreach Camps: Executives from the Central Office have regularly visited their assigned regions to drive the growth under the MSME business. This has resulted in increased monitoring of their regions with improved MSME business numbers.

Branch Manager Delegation Power Campaign: To achieve sustainable business under MSME, Vertical has launched the drive for usage of branch manager delegation for MSME loans throughout FY23-24. The drive received excellent response from the field with total 7,94,720 loan accounts sanctioned amounting to ₹ 17,824 Crore

Cluster Schemes: Bank has 27 approved cluster specific schemes across Pan India. During the financial year the total sanctions under these schemes was ₹ 3,607 Crore.

Union MSME First Branches: For catering MSME Client Base and timely address their credit requirements, Bank has 105 UMFBs across the country with total MSME portfolio of ₹ 10,189 Crore. During the FY 23-24, 3578 sanctions amounting to ₹ 3,959 Crore were made through these UMFBs.

PMEGP (Prime Minister's Employment Generation Programme): Vertical is playing an instrumental role for implementation of PMEGP Scheme across all the regions with regular monitoring at all levels. During the FY 2023-24 bank has enabled 14,714 Individuals for embarking the entrepreneurship journey with total sanctions of ₹ 1,501 Crore & Margin Money claimed of ₹ 345 Crore.

PMMY (Pradhan Mantri Mudra Yojna): To promote entrepreneurship and to enable the micro credit to the aspiring youth, Bank has been at forefront in implementing the Pradhan Mantri Mudra Yojna by sanctioning 10,32,375 applications with total sanction of ₹ 15,448 Crore during the FY 2023-24.

PMSVANidhi (PM Street Vendor's Atma Nirbhar Nidhi): To implement the financial inclusion of Street Vendors by providing them with micro credit and inculcating the habit of financial discipline among them, bank has assisted 2,94,661 street vendors with ₹ 475 Crores under PMSVANidhi scheme during the FY 2023-24.

Standup India: To promote the entrepreneurship among SC/ST/Women, bank has sanctioned 2603 applications with cumulative sanction of ₹ 503 Crore under standup India Scheme.

Initiatives to reduce environmental footprint as a part of ESG initiatives:

Digital Transformations: MSME Customers can now apply loans digitally for their business requirements. In this front, Bank has digital journeys through which loans up to ₹ 25.00 Lacs can be sanctioned digitally.

Performance of the Bank during FY under each digital product is as below

Digital journey	Amt ₹ In Crore	
	Accounts	Sanctioned Amount
STP Shishu Mudra	55,365	267
STP Kishore Mudra	4,365	117
STP Tarun Mudra	1,991	173
Nari Shakti STP	519	30
GST Gain	522	110
Total	62,762	698

Digi Renewal of the MSME accounts up to ₹ 10.00 Lacs: During FY23-24, 7.33 MSME accounts were digitally reviewed which forms 98% of the total account under the slab.

Sanctions under the PMSVANidhi were digitally enabled during the FY23-24, thereby reducing the TAT and faster dispensation of Micro Credit.

Digital sanction is enabled for the PMSVANidhi Scheme for faster disposal of applications and improve TAT.

Union Solar (New Product): Vertical has revamped this product to finance the borrowers for installing Solar Power Plants for their captive use and help in moving towards usage of non-conventional sources of energy. In

Management Discussion And Analysis

order to make the scheme attractive and cost effective, waiver of collateral requirements and concessional rate of interest is approved.

Bank has done Tie up with TAT Power Solar Systems Ltd for financing the units for Solar power generation for captive use.

To encourage entrepreneurship among the Women, Bank has launched a dedicated campaign "Ab Naari ki Baari" from 04.05.2023 to 31.07.2023 with a target of sanctioning loans to 1,25,000 Women Entrepreneurs. During the campaign, 46,775 loan applications of Women Entrepreneurs were sanctioned.

12 Retail:

The Total Retail Advances reached ₹ 1,77,488 crores registering overall Y-o-Y growth in retail loans outstanding is 11.14%.

Product wise Y-o-Y growth under Retail Lending is as under:

Scheme	Actual March' 23	Actual March' 24	(Amount in crore)	
			Growth over March' 23	% Growth Over March 23
Home	79374	86079	6704	8.45
Miles	16509	20340	3831	23.21
Education	9210	14068	4857	52.73
Mortgage	14190	15043	853	6.01
Personal	11664	11450	-214	-1.83
Others	28754	30508	1754	6.10
Total	159702	177488	17786	11.14
Retail Advance				

- Total Retail growth of ₹ 17,786 Crore over March' 23.
- Growth on YOY basis is at 11.14 %.
- PAN India basis, RLPs (CPCs) sanctioned Retail loans of ₹ 40,017 Cr during FY 2023-24.

Initiatives Taken:

- Setting up a Centralized Retail Loan Cell at Central Office to process/sanction Retail loans with an objective of improving the TAT and underwriting standards
- Setting up of Centralized builder tie-up, dealer tie-up and DSA/CSA empanelment cell at Central Office with an objective of providing a disciplined environment leading to quick approval.

- Revamping of RLP Structure to provide operational convenience and ease to Retail Borrowers.
- Digi Review Renewal process has now been made mandatory for all retail loans up to ₹ 50.00 lacs.
- Introduction of URTS-PM SURYA GHAR: MUFT BIJLI YOJNA UNDER URTS Scheme, Collateral free loan, Quantum of loan up to ₹ 15 lakhs.

Strategies:

- Allotment of Retail business target to Zone/Region based on their potential and growth opportunities.
- Implementation of Digital Journey for Housing Loan/ Mortgage Loan/Vehicle Loan.
- Tie up with NBFCs/HFC for Co-lending models of Housing loans and pool buyout.
- Organizing Credit Outreach Drives.
- Special drive to increase builder tie up's on upcoming projects in Tier II, III cities.

12.1 Agriculture: Agriculture lending has always been the priority area for your bank. Agriculture advances constituted 21.04% of Gross advances of the bank as on 31.03.2024.

Bank achieved an 18.97% to ANBC, against statutory target of 18% to Adjusted Net Bank Credit (ANBC) under Agriculture Priority as on 31st March 2024. The bank registered a Y-o-Y growth of 20.95% in Agriculture during FY 2023-24 with outstanding of ₹ 1,83,833 Cr as on 31.03.2024.

Credit to small and marginal farmers stood at ₹ 1,05,242 Cr, which constitutes 13.24 % to ANBC against the benchmark of 10% of ANBC as of 31st March 2024. Bank could also sell surplus of ₹ 30,000 Cr under PSLC-Small & Marginal Farmer. Bank has issued 5.47 lakh fresh Kisan Credit Cards amounting to ₹ 10,568 Cr during FY:2023-24.

12.2 Priority Sector Advances:

Bank remains committed towards extending credit facility to the needy segments of the society. Bank's priority sector advance stood at ₹ 3,27,728 Cr as on March 31, 2024, with 41.32% to ANBC against the statutory target of 40% to ANBC, after excluding the PSLC sales and including the investments in RIDF/ SIDBI/MUDRA/NHB.

(₹ in crore)

Table 5: Priority Sector Advances (₹ in Cr)

Particulars*	31.03.24	31.03.23	Y-o-Y (%)	% to ANBC	Benchmark
FY 2023-24 (% of ANBC)					
Priority Sector Credit	3,27,728	3,02,006	9%	41.32	40%
Agriculture	1,57,248	1,35,430	16%	19.83	18%
Priority Sector					
Small & Marginal Farmers	1,05,042	95,171	10%	13.24	9.50%
Micro Enterprises	63,897	72,136	13%	9.10	7.50%

(*Post PSLC sale/ purchase & Including RIDF)

Specific Lending for Social Upliftment

Your Bank has continued to keep its focus on social development and equal opportunities for all segments of the society. Accordingly, the Bank extended credit facilities to various weak and unserved sections of the society specifically women, minority community and self-help group.

- **Women Beneficiaries:** With a view to promote entrepreneurs among the women and to make them self-reliant, bank encourages credit to women entrepreneurs. During FY 2023-24, Total outstanding loans to women beneficiaries has increased from ₹ 1,05,954 crore as of 31st March 2023 to ₹ 1,29,304 Crore in March 2024, with a growth of 22%.
- **Minority Communities:** Bank is extending finance to the minority communities' viz. Muslims, Christians, Sikhs, Buddhists, Zoroastrians, and Jains in line with Government of India directives on welfare of minority communities. As on March 31,2024 the outstanding credit to minority stood at ₹ 44,734 crore, which constitutes 13.17% of Priority sector advances.
- **Weaker Section:** Your Bank has been actively participating in financing for weaker sections of society. Finances to weaker section net sale of PSLC-SF/MF stood at ₹ 1,12,990 Cr with 14.25% of ANBC against the benchmark of 12 % to ANBC.
- **Rural Self Employment Training Institute (RSETI):** With the aim of mitigating the employment problem among the rural youth, the Bank has established 30 RSETIs out of which 24 RSETIs in the in districts

where the bank has "Lead Bank Responsibility". As of March 31, 2024, total number of candidates trained in our RSETIs are 3,48,157, out of which 2,54,155 candidates have been settled with a settlement ratio of 73%.

- **Regional Rural Banks (RRBs):** Bank sponsors Chaitanya Godavari Grameen Bank (CGGB), Guntur, Andhra Pradesh state. It has a network of 265 CBS Branches, spread over 8 districts of Andhra Pradesh. Business of CGGB has increased to ₹ 21,444 Cr with a growth of 22% during FY 2023-24. Total Deposits stood at ₹ 10,029 Cr and Advances at ₹ 12,415 Cr with Net profit of ₹ 251.91Cr. The Gross NPA is 0.68% and Net NPA is 0% as on 31.03.2024.
- **Pradhan Mantri Fasal Bima Yojana (PMFBY):** Your Bank is implementing PMFBY for the benefit of farmers who faced climatic adversities very often and suffer a lot. All farmers including share cropper and tenant farmers growing the notified crops in the notified areas covered under PMFBY.
- **Area Specific Schemes**
The bank has formulated 21 Area Specific Schemes, based on the available potential for the benefit of the farmers in the respective areas to augment lending under agriculture.
- **Atmanirbhar Bharat Schemes/Emerging Renewable Sectors:**
Bank has started capitalizing on huge investment taking place in Agri Infra Structure, Animal Husbandry and Food Processing through various Atmanirbhar Bharat Schemes like Agri Infrastructure Fund, Animal Husbandry Infrastructure Development Fund and Pradhan Mantri Formalization of Micro Food Processing Enterprises.
Bank is also leveraging other schemes under renewable energy like Compressed bio gas schemes, solar power plant , solarization of pump sets under PM KUSUM Scheme to help in achieving the sustainable development goals and improving the Green Financing.
- **Digitization:**
Digital KCC
Bank has rolled out Kisan Credit Card Auto Renewal STP (Straight Through Processing) in entire Karnataka on 29.11.2022 & in entire Madhya Pradesh state on 30.11.2022. Fintech has been onboarded and will be scaled up gradually to Pan

Management Discussion And Analysis

India (In all remaining states where land records are digitized). Kisan Credit Card STP for Fresh sanctions up to ₹ 1.60 lakhs have been rolled out in entire Madhya Pradesh State, Karnataka state and part of Uttar Pradesh state. Fintech has been onboarded and will be scaled up gradually to Pan India (In all remaining states where land records are digitized).

Digital Kisan Tatkal:

To augment digital lending business and to cater the immediate need of the farming community, Bank has introduced "Digital Union Kisan Tatkal Loan" Scheme through STP (end to end) journey on 24.12.2023 throughout country.

12.3 Financial Inclusion:

Summary of performance during the FY 2023-24:

S. No	Parameters	₹ in lacs	
		March 2023	March 2024
1	No. of PMJDY A/cs	280	295
2	Balances in PMJDY A/cs (₹ in Crores)	9046	10918
3	RuPay Cards issued A/cs	120	127
4	Aadhaar Seeded A/cs	229	246
5	Overdraft Sanctioned	2.41	1.13
6	APY (cumulative)	33.77	42.23
7	PMJJBY in PMJDY A/cs	8.39	10.68
8	PMSBY in PMJDY A/cs	36.57	50.09
9	No of Transactions at BC Point	1110	1505
10	Amount of Transactions at BC Point (₹ in Crores)	71618	98738
11	Average Enrolment Per Day Per Branch at Aadhar Enrolment Centres (Nos)	14	10
12	Financial Literacy Camps	4128	8428

- 26.54 lakhs PMJDY accounts are opened during FY 2023-24, PMJDY Saturation Drive Campaign target achievement with 99%.
- Total Deposit balances in PMJDY accounts has increased by ₹ 1,872 crores over previous year average balances per Account.
- Cumulative enrolments under APY increased by 8.46 lakhs during the year. As of 31.03.2023, Your Bank has achieved 99% of the Target of 8.53 lakhs allocated by the Dept.of Financial Services for FY 2023-24 for APY enrolments.
- No of BCs increased to 19603 from 16806.
- BCs can do transactions using Android devices

New initiatives taken:

- Implemented Instant Account Opening at BC Points.
- Concept of alternate BC and sub-BC have been introduced in the Bank.

Strategies for FY 24-25:

- No of BCs to be increased to 30000.
- Real-time enrolment of APY planned.
- Complete automation of BC Payment
- Intelligence Dashboard on BC Performance
- Facility of passbook printing at BC point.

13 International Banking

Overseas business of your Bank stood at ₹ 53,583 Crore as on March 31, 2024, compared to ₹ 36,229 Cr as on March 31, 2023. Your Bank has two overseas branches in DIFC (Dubai) and Sydney (Australia) and operates in London, United Kingdom, through its wholly owned subsidiary, Union Bank of India (UK) Ltd, and in Kuala Lumpur (Malaysia) through its Joint Venture - India International Bank (Malaysia) Berhad, which is a Joint Venture with Bank of Baroda and Indian Overseas Bank. The Gross Advance portfolio of the foreign branches stood at INR 31,252 Cr as on 31st March 2024 and Net Profit of the foreign branches stood at ₹ 109.76 Cr as on 31st March 2024.

Trade Finance

Your Bank offers a bouquet of Trade Finance products and services to exporters and importers through an extensive, well equipped branch network that operates in India and abroad. There are 133 Authorized Dealing branches spread across the length & breadth of the country, Centralized Trade Finance Back offices and Centralized SWIFT Back Office, for orderly growth of the Trade Finance portfolio, formulate policies and innovate new products as per the market demands and changing regulatory norms.

Your bank improves synergies and trade flow between Domestic Offices and Foreign Offices/ Correspondent Banks and the trading community by forming a strong link between them.

Your bank facilitates the growth of Export Credit by actively involving branches, trade bodies & other stakeholders.

Global Payments & Services

International Exchange Vostro Branch-Our International Exchange Vostro Branch (IEVB) facilitates Inward Remittances from Overseas locations to India. Your Bank is maintaining 8 Accounts of Foreign Banks under Vostro mechanism, 3 accounts of Exchange Houses under Rupee Drawing Arrangement & 3 accounts of foreign banks under Special Rupee Vostro mechanism.

Correspondent Banking Relations – To facilitate international trade & transactions, your Bank is maintaining RMA relationships in 94 countries with 520 banks and Nostro accounts with 33 Banks, in 15 different currencies.

“Trade Finance Set Up”

In the direction of digitalizing the Forex transactions, your bank has digital platform- “Trade Nxt”. For processing of these transactions, Centralized Forex back offices at Mumbai & Mangalore were operationalized.

Transactions are being processed with strict compliance with the prevailing guidelines by following standardized approach.

Over time, the forex back offices have garnered a significant portion of trade finance transactions, with customers migrating to the ‘Trade Nxt’ digital platform, thereby fortifying the forex back office operations.

Additionally, your bank is a member of the SWIFT network, a secure and fastest mode of communication within the global financial network.

Furthermore, your bank is overseeing MQ series within the SWIFT infrastructure. The MQ series serves as a robust messaging backbone, ensuring reliable and real-time communication between financial institutions, thereby supporting seamless information exchange.

In line with commitment to continual improvement and innovation, your bank has implemented numerous system enhancements and updates within the SWIFT system. These enhancements are aimed at optimizing operational processes, enhancing security measures, and providing our customers with a superior banking experience.

Your bank is committed for ensuring FEMA and complying with other regulations.

Exporters/Importers meet

Various Exporters’ / Importer’s meets were conducted across India to increase awareness of the banking facilities offered by your Bank. New products like Union

Trade Current Account (UTCA), Union Exports has been made more attractive.

Market Share

Your bank’s Market Share in Export Credit has increased from 7.20% (as on Mar 2023) to 8.05% (as on Dec 2023).

TRRACS Software, EDPMS / IDMPMS

Your Bank has in place the Trade Regulatory Reporting and Compliance Solution (TRRACS) software, that is continuously leading to a reduction in pending EDPMS / IRMs / Export advances entries over a period of time and we could succeed in the removal of these entries substantially, enhancing customer satisfaction.

LIBOR to ARR (Alternate Reference Rate) / RFR (Risk-Free Rate) Transition

With the introduction of ARR to replace LIBOR, there is a major transition in the Global Trade Ecosystem. Your bank has implemented & Automated the ARR regime in its Trade Finance operations.

Centralized SWIFT Back Office (CSBO)

SWIFT is an integrated web enabled messaging software that runs centrally and is accessed by the interface channels and branches, facilitating the electronic exchange of financial and non – financial messages.

Centralized SWIFT office has been set up at Mumbai for handling cross border transactions over the SWIFT network and for ensuring smooth & full secured transmission of messages.

Trade Finance Solution – Trade Nxt



As part of digitization and redesigning of trade finance processes, your bank has in place Trade Finance Solution i.e Trade Nxt.

Trade Nxt is a Unique Digital Trade Services Platform for our customers to transact Foreign exchange transactions, efficiently & as per their convenience. The platform supports all type of trade transactions including for Exports, Imports, Guarantees and Remittances.

Key Features:

- ❖ **Convenience** - Avail service from your home or office, No need to visit branches.
- ❖ **24x7 Availability** - Trade related transaction can be initiated round the clock.
- ❖ **Customization** - Personalized dashboards, customized templates.



Management Discussion And Analysis

- ❖ **Paperless Banking via Digitization** - Dedicated portal for managing all trade transactions, Auto mailer intimations of advices and SWIFT messages.
- ❖ **Process Improvement** - Driven by AI and OCR Technologies to initiate and process transactions (Implementation under progress)
- ❖ **Efficiency** - Substantial improvement in TAT due to Digitization and Centralization
- ❖ **Relationship Manager** - Improved Customer service through dedicated Relationship Managers
- ❖ **Compliance** - Complying with Regulatory norms & Procedures along with International Best Practices.

FEMA Audit

The branches that are authorized to deal (Authorised Dealers) in Foreign Exchange Transactions, including CSBO, Trade Finance Processing Back Offices are subjected to FEMA compliance audits.

KYC / AML-CFT Measures

Your Bank has been taking comprehensive steps to implement KYC norms / guidelines across the Bank. Bank has a board approved policy on Know Your Customer (KYC) standards, Anti-Money laundering (AML) and Combating of Financing of Terrorism (CFT) measures, in line with the extant RBI Master Direction on KYC.

Workshops / Events held by Bank

- Federation of Industrial and Commercial Organization (FICO) organized Exporters awareness camp with the assistance of Our Bank.
- FIEO has conferred the Bank with "Export Excellence Gold Award" for 2 consecutive years for its contribution to promote Export growth in country.

Digitization Initiatives

Your Bank continues to innovate and collaborate, providing efficient and secure financial solutions to meet the evolving needs of our valued customers.

Initiatives and Benefits in Focus:

Outward & Inward Remittance via Vyom Mobile App:

- Facilitates retail cross border remittances through Mobile App/Internet banking.
- Significantly reduces Turnaround Time (TAT) through streamlined digital processes.

optimum profit while managing the credit, market and liquidity risks as per policy guidelines. Better cash management by different short term money market instruments and forex market. Maintaining a optimum SLR & Non-SLR investment book with appropriate M-duration which will help us to enhance our profitability.

- Conserve the Bank's capital by reducing high capital intensive instruments and increase the NIM and ROCE by leveraging the less capital intensive instruments.

14.1 Treasury Strategy:

- Create a large investment book during an appropriate / conducive interest rate period and maintain M-duration as per approved policy. This will be a source of treasury profit.
- Explore all available arbitrage opportunities in the financial market, such as forex Vs money market, dated securities Vs interest rate future (IRF), dated securities Vs overnight index swap (OIS), long term treasury liabilities Vs structured derivatives etc.
- Strengthening manpower through various in-house and external training like ACI dealing certification, mastering the trading game etc, for improving overall efficiency at every stage.
- To strengthen the Treasury sales team for effective utilization in onboarding new customers and provide seamless experience to old and new customers of the Bank. We are also expanding the sales team for mobilizing PD business.

14.2 Summary of performance during 2023 - 24: Treasury performance target v/s achievement on major parameters during the FY 2023 - 24 are as under:

Particulars	(₹ in Cr)	
	Actual for FY 2022 -23	Actual for FY 2023 -24
Interest income	24,438.39	28,406.49
Profit on sale of Investment including MTM Gain	1083.00	1,940.02
Exchange profit (Forex)	813.00	963.79
Total Treasury Income	26,334.39	31,310.30

14 Treasury operations

- To act as a prudent liquidity manager in line with Bank's corporate goal. Treasury aims at generating

14.3 New Initiatives during the Year:

Debt syndication:

Treasury Branch advises the Corporates/NBFCs on their Bond issuance and also undertaking Debt Syndication activity by participating in the Bonds/ Debentures of Public Sector Undertakings/ Financial Institutions/NBFCs/Corporates.

During the FY 2023-24, your Bank has earned a total arranger fee of ₹ 4.56 Crore. As per Prime Database (The Primary Market Monitor) for the period from 01st Apr'23 to 31st Mar'24, your Bank has been ranked at 16th position with 12.4% share of the total issuances. Your Bank's rankings has improved from 29th position with 1.3% share of the total issuances, as per Prime Database, during the previous year ended 31st March 2023.

14.4 New Initiatives planned in FY 2024-25:

Up gradation of Dealing Room trading systems:

Process of Vendor identification for upgradation of dealing room systems is completed, terms & conditions with the vendors will be finalized soon. This will result in smooth functioning of the dealing room with advanced systems to improve the efficiency of Treasury.

Set up of Bond FRA/Future Desk:

Bank has planned to set up a dedicated structured derivative desk which will help customers to hedge their risks more efficiently and on a real time basis. This has also been helping your credit vertical to reduce the cost of borrowing of customers by structured loan products with the help of structured derivatives.

Increasing existing customer business share and on boarding new customers:

Treasury Relationship group will drive FX business from existing as well as acquisition of new customers; White label screen to customer can increase FX volume; Trade Finance solution (Finstra) will provide more FX Business due to flexibility to customers for documents handling.

14.5 Awards / Accolades:

1. For being Top Performing member Bank in FY 2023-24 by 360T(Forex Deutsche Borse Group)
2. For being Top Performing member Bank in FY 2023-24 by NSE.

3. For being Top Performing member Bank in FY 2023-24 by BSE.
4. Active Participation in Currency Derivative and Interest Rate Derivative by NSE for FY 2023-24.

15 Asset Quality

Summary of Performance:

Asset quality of the Bank has improved substantially and GNPA level of the Bank stood at 4.76% as of March 2024 which has reduced from 7.53% as of March 2023. Bank's cash recovery & upgradation, details of other recoveries during financial year 2023-24 is as under:

The details of NPA movement are as follows :

Particulars	(₹ in crore) FY 2023-24
GNPA as of 31.03.2023	60987
GNPA as of 31.03.2024	43098
Cash Recovery	7289
Recovery of unrecovered interest	3065
Rec. in written off a/cs	3988
Gross Cash Recovery	14342
Upgradation	4213
Gross cash recovery + Upgradation	18555
% Gross NPAs	4.76

Digital Initiatives Taken during the FY 2023-24:

UNION SARAS:

- Showcasing properties on the common auction platform i.e. eBkay under Indian Banks Auctions Mortgaged Properties Information (IBAPI) portal launched by IBA at monthly prefixed dates for entire financial year to enable the filed functionaries to showcase all the eligible properties for auction.
- Recall Notice, DRT Module, SARFAESI Module, Valuation of Securities, Civil Suit, Vehicle Loan NPA, Declaration of Wilful Defaulter & Non-Wilful Defaulter, Lok Adalat modules are live.
- Appeal Module, Review of performance of Recovery Agents / Enforcement Agents, Revenue Recovery Act modules are under Development.

ONLINE ONE TIME SETTLEMENT (e-OTS):

- Unsecured NPA upto ₹ 25 lakhs are eligible for Online OTS sanction and closure.

Management Discussion And Analysis

Recovery Strategies initiated during FY 2023-24 :

- Close follow up of all NCLT cases / Providing quicker solution / advice to the field on NCLT Matters.
- To boost the recovery in 100% provided Accounts, list of 100% provided accounts are shared to the field with specific target. Also, daily recovery in these accounts are shared with field for monitoring purpose.
- Ensuring 100% filing of suits in all eligible accounts. A campaign titled “Legal Muscles – 2.0” has been launched to Intensify Legal Actions for enhanced recovery. It will be driven by Law Officers, Authorised Officers, Advocates & Enforcement Agents.
- Continued focus on SARFAESI actions especially ensuring auction sale of all eligible properties.
- Weekly Mega recovery camps continued to be organised on Pan India basis.
- Regular field visits of Executives are planned to resolve / regularise big ticket NPA.
- Follow up with ZO / RO/ Branch for recovery of overdue OTS amount.
- To assist and become enabler for Branches/ Regions, ownership of each Region has been assigned to individual officer of the vertical.
- To enable field to submit complete and error free OTS proposals, a checklist has been circulated. It will reduce the OTS approval time.
- Bank will continue emphasis on guarding against fresh slippages and focus on recovery/ Upgradation vigorously to contain slippage within the ceiling and bring down level of NPA consistently.
- Bank will intensify its effort to Sale NPA accounts to ARCs/NBFCs/BANKs/FIs.
- Vertical is in continuous touch with other lenders for quicker transfer of High level NPA to NARCL
- Intensifying use of Recovery Agent/ BCs/BFs in recovery related work
- Regular review of SAMBs & ARBs performance by GM/DGM/AGM

16 Relationship Banking

Your Bank earned an income of ₹ 388.50 crore through the distribution of third-party products during the year 2023-24.

Business Parameter	(₹ in crore)		%
	ACTUALS FY 2022-23	ACTUALS FY 2023-24	
Life Insurance	233.69	278.40	63.13%
Non-Life Insurance	50.76	29.76	33.82%
Health Insurance	49.13	54.49	57.35%
Mutual Fund	19.77	20.80	54.74%
Merchant Banking Department	6.93	5.06	-
Total Income	360.29	388.50	58.69%

INITIATIVES DURING THE YEAR

- Process initiated to hire Wealth Managers for HNI customers of the Bank to cater to their investment needs.
- Commission structures were revised upwards by the Life Insurance and Health Insurance channel partners.
- Corporate agreements were renewed with all the existing channel partners.
- Entry of India First Life Insurance Company in sourcing Credit Life insurance business.
- Process initiated for publishing in-house magazine for Insurance and Mutual Fund products and related market developments.
- Insurance products from SUD Life, India First Life Insurance Company, Care Health, Manipal Cigna, Bajaj Allianz, Chola MS and United India Ins Co. were onboarded on VYOM app for purchase through digital channels.
- Mutual Fund investments through branch portal (Union Invest) was made live.
- Insurance product purchases through branch portal (Unisure) was made live
- Onboarding of Sovereign Gold Bonds on VYOM app under process.
- Development requested for change in Sovereign Gold Bonds debit process of subscription amount from direct debit to lien-based debit in compliance with the RBI guidelines. The development is in process and will be made live soon.
- An option to update account details for Sovereign Gold Bonds has been developed in Finacle, doing away with the manual process of sending physical applications.

NEW PRODUCTS LAUNCHED:

- **Union Super Top Up Health Insurance:** Union Super Top Up Health Insurance policy from Manipal Cigna Health Insurance Company launched for Corporate salary account holders & Pensioners drawing salary/Pension through your Bank and Employees of Union Bank of India.
- **Union PINK 2.0:** Manipal Cigna's Cancer plan for women launched with enhanced features.
- **WAP Insurance 2.0:** Special Motor Insurance Scheme launched by Bajaj Allianz for Vehicles Owned by the Bank's Staff & their Family Members.
- **NFOs launched:** Three NFOs (Union Business Cycle Fund, Union Children's Fund and Union Innovation & Opportunities Fund) were launched.

DIGITAL INITIATIVES:

1. M/s. Fintech Blue Solutions Pvt Ltd has developed digital platform on mobile app and branch portal. Out of a total of 50 products to be onboarded, 34 Insurance products from SUD Life, India First Life Insurance Company, Care Health, Manipal Cigna, Bajaj Allianz, Chola MS and United India Ins Co. were made live as on 31.03.2024.
2. Onboarding of Sovereign Gold Bonds on VYOM app under process.
3. Branch portal (Union Invest) made live for Mutual Fund investments from 17 AMCs.

17 Government Business

- Union Bank of India has emerged as "STAR PERFORMER-RANK 1" in the PFRDA-THE GAME CHANGERS Award and Recognition across all financial institutions and qualified as Winner in Category 1 with reward and recognition to Executive Director, 5 Zonal Heads, 5 Regional Heads, Nodal Officer, 10 Branches and 15 other staff by PFRDA, Ministry of Finance.
- Mobilised 5,82,383 Small Savings Accounts achieving a 102% growth YOY and contributed in the Govt initiative under the Social Security Schemes.
- Onboarded Kendriya Vidyalaya on BBPS platform for fee collection. This will reduce our cost, which we are paying to payment aggregator for providing PG facility.
- Implemented National Common Mobility card facility through debit cards and prepaid cards in close coordination with the respective departments. To ensure easy and hassle-free customer journey for NCMC, enabled various NCMC services through our digital banking channels-Internet Banking and Vyom.

- Signed MoU for Salary, Pension and other retail loans with Indian Airforce - Airforce Warriors and Agniveers', Indian Army and Coast Guard Employees.
- Successfully Integrated with NLP Marine Portal for Port Dues collection and signed MoU for online fees / duty collection for 8 ports out of 13 ports.
- Enabled Payment Gateway in various institutions viz: National Eligibility cum Entrance Test (NEET), Netaji Subhash University of Technology, DMRC, NIFT Bhubaneshwar & Shillong, Odisha Labour Commission, Odisha Mining Corporation, Kerala State Beverages, Central Pollution Control Board, Etawah Safari Parks Samiti, Karnataka Housing Board, Panvel Municipal Corporation, Hindustan Life Care Limited etc.
- Enabled Senior Citizen Savings Scheme Accounts opening through Internet Banking.
- Signed MoU and integrated with Employees State Insurance Corporation under Ministry of Labour and Employment for collection of Employees Insurance Contribution.
- Development of dedicated web portal for our Bank pensioners.

18 Human Resources Management

Your Bank prioritizes providing an exceptional employment experience by investing in its most valuable asset i.e. its human capital. Continuously evolving its people processes, the Bank strives to offer industry-leading experiences. Throughout FY 2023-24, emphasis has been placed on stabilizing automation and digitization efforts to ensure seamless functionality alongside fostering workforce empowerment and achieving corporate objectives.

Union Prerna Project (EKAM):

EKAM Mobile App: The EKAM Mobile application has been launched for all employees of the bank catering to the HR needs and performance view of all the employees of the bank 24*7 anytime anywhere. EKAM Mobile App has been developed with many built in features like performance reviews of employees, performance review of team members, rewards points for employees and access to relevant training for upskilling of employees.

Community Connect: The Community Connect Tool, which is a community engagement platform has been launched to drive active discussions between employees on a diverse set of topics – be it office -wide events, work anniversaries, employee promotions or anything else.



Management Discussion And Analysis

The Community Connect tool aims to:

1. Strengthen the culture of gratification among employees as it will be a bank-wide single platform for employees to appreciate and celebrate the achievements of colleagues.
2. Drive continuous employee engagement and provide an avenue to network through system-generated as well as user-generated posts.

Reward & Recognition

Union Bank of India has been able to set the benchmarks for digital HR solutions, automation and enhanced employee experience, over the past few years with the significant changes that have been brought about to the cultural and HR fabric of the Bank. This transformation has led to industry wide recognition.

Our Reward and Recognition program is a strategic initiative designed to acknowledge and celebrate the efforts, achievements, and contributions of employees within an organization. It serves as a means of appreciating and motivating individuals and teams for their outstanding performance, dedication, and commitment to the organization's mission and vision. Our Rewards & Recognition structure is objective, inclusive and performance linked with an aim to attract and retain the best talent. In this framework, all officers notwithstanding scale and role shall be eligible for being rewarded based on the objective appraisal scores generated in the Performance Management System.

The R&R cultivate a culture of appreciation, respect, and excellence where employees are encouraged to excel and support one another. Also, these initiatives increase employee retention rates by creating a positive and fulfilling work environment where employees feel valued and appreciated.

In the new R&R structure, there are three rewards:

- The **Ace Performer Reward** is a performance-based reward which is provided for achievement of business excellence. It is measured based on the objective PMS scores for measurable performance KRAs. This reward aims to focus on growing the business by linking it with outcome-oriented roles and KRAs.
- The **Pinnacle Performer** of the Quarter is a nomination-based reward. The Vertical/Zonal/Regional/Branch Heads can nominate the employees of their Vertical/Zone/Region/Branch respectively. This reward will be given to employees based on various factors, including but not limited to fraud detection, loss minimization, living the competency, exhibiting extraordinary collaboration, exceptional achievement in the quarter, etc.

- **Spotlight Shining Star** is a unit-based reward given to the entire unit. This reward is based on the campaign which focuses on achievement of particular parameter for a given period of time.

The aim of the new digital R&R framework is to put in place a holistic system that encourages transparency, flexibility, and avoid favouritism at workplace. The new R&R program has been implemented via a digital tool. This digital tool allows employees to check in on bank-wide Leader boards, download certificates, collect points and redeem rewards etc. A Reward Aggregator viz. M/s Loyalty Solutions and Research Pvt Ltd (Brand Name: Zillion) has been engaged for end-to end redemption reward ecosystem.

DEI initiatives: Bank is committed to workforce diversity, creating equity across various regions and zones, cultivating and preserving a culture of diversity, equity and inclusion. Bank has placed various escalation mechanisms/policies in regard to reporting matters by its employees such as HR Apke Dwar portal, Whistle blower policy, reporting mechanism laid down policy on prevention, prohibition and redressal of sexual harassment at workplace, equal opportunity policy etc to encourage employees to raise their concerns/grievances/raise alarm against any kind of discrimination or malpractices taking place within the bank.

Empower Her & Power Him: The Power Him and Empower Her committees have been created with a focus on gender centric issues of males and females in their career trajectory. The members of these committees are reaching out to employees grouped with specific issues like employees not appearing for promotion, employees facing career progression problems, constraints etc. Various CSR initiatives and camps have also been undertaken by these committees which has helped bank in garnering business opportunities as well.

Promoting wellness through Employee Assistance Programs

The Bank's well-being and Engagement Strategy addresses a spectrum of holistic enablers across physical, mental, emotional, and spiritual well-being. The Bank has launched an "Employee Assistance Program (EAP) – Union SWAR (Supporting Wellness and Resilience)" in partnership with M/s. 1to1help.net Pvt Ltd in November 2023. Through this program the Bank is able to provide avenues to its employees to get help and support for physical and mental wellness as and when required not just by them but also by their dependants.

Through this program the employees and their dependent family members were benefitted through counselling assistance which helped the employees who experienced issues like financial instability, improving work relationships, performance improvement, mental health, occupational stress, coping with major life events etc. Through these interactions we have been able to identify some of the major issues faced by the employees which are anxiety, interpersonal & relationship conflict, work-life balance, confused thinking, negative thoughts, marital conflicts. With regular counselling of employees, the bank will benefit for improved mental health of employees, reduced absenteeism, increased productivity at work, reduced stress levels in employees. Desk yoga for central office employees, yoga sessions for employees by various regional offices were also conducted. Special yoga drive for employees and their family members is being conducted every Sunday.

A series of wellness webinars programs – “journaling with an expert”, “sustaining resilience at workplace”, “beyond work life balance-moving into work life integration” has also been conducted for employees which saw overwhelming participation across the country. Our L&D department has also organised a series of webinars on wellbeing. Also conducted webinar on Stress Management. ULA People Excellence has rolled-out classroom training program “Welcoming Wellness” with encouraging participation of employees. The various L&D initiative on wellbeing and stress management has helped employees to overcome burnout and manage work-life balance.

Learning & Development: (L&D)

Bank continued the journey of revamping its Learning & Development function during the last financial year with the aim to build a future-ready talent pool with skill sets that complement the vision of the Bank and promote a culture of continuous learning.

The Bank continues to invest significantly to ensure that each Unionite has access to best-in-class faculty network, new-age content, external collaborations and innovative training design.

The L&D unit launched “Union Vidya”, the new Learning Management System to enhance learning experience. Various technologies such as e-books, podcasts & audiobooks, social learning platforms, microlearning modules, virtual workshops etc. are integrated in Union Vidya for the best learning outcomes.

The L&D unit also launched Immersive Edge – a Virtual Reality (VR) based experiential training module. Union

Bank of India is the first Indian bank to foray into the Metaverse platform to provide banking through the Virtual Lounge “Uni-verse” to its customers.

Bank partnered with leading digital learning platform provider “Coursera” for subscription of licenses for advanced digital learning courses, which will give our executives the opportunity to enrol for courses from 275+ universities across the globe. In addition to this, Bank partnered with Economic Times Grandmasters for providing our executives exclusive access to leadership talks & lessons from various corporate leaders. Further, Bank also partnered with IIBF for e-learning modules covering the curriculum of JAIB & CAIB for a period of 1 year.

In order to keep the learning journey of the workforce uninterrupted, various webinars & short duration/long duration programs were conducted. External trainings were imparted to 1793 employees including overseas training exposure to 327 officials. 14+ Leadership Development Programs were attended by 480+ executives in Scale IV to Scale VIII cadre.

The ULAs conducted total 249 training programs covering over 6700 employees in FY 2023-24. The ULAs also conducted 324 virtual programs / webinars covering 56000+ employees. More than 80 lakhs Learning Hours were imparted by the training system to improve the proficiency level of the participants in various new-age skills. There was a significant improvement in average learning hours per employee per quarter from 24 hours in FY 22-23 to 33 hours in Q3 FY 2023-24. The ULAs also rolled out domain specific advanced training programs in collaboration with MDI & ISB.

The Zonal Learning Centres (ZLCs) conducted 1249 classroom training programs covering 50,536 employees; 716 locational programs covering 29,800+ employees and 19 workshops covering 3369 employees.

The L&D unit carried out Post Course Evaluation (PCE) Qualitative Assessment and identified Quantitative Business Parameters for selected programs to conduct Training Impact Assessment. The average ratings of classroom training programs on a scale of 1 to 5 (1 being the lowest and 5 being the highest) were 4.69 for ULA & 4.75 for ZLC.

Our research officers completed 63 research projects. Also, 130+ case studies were developed by the faculty members. Total 118 faculty members attended Faculty Development Programs in premium external institutes. Faculty members also completed 316 external certification courses, published 173 articles in external



Management Discussion And Analysis

magazines of repute & reviewed one book. They also conducted 33 sessions in external institutions like NAMCABS, BIRD, Visakhapatnam Co-operative Bank, etc.

Total 5336 employees completed 6762 external certification courses while 2550 employees completed internal certification courses developed by ULAs.

The L&D unit also conducted an exclusive learning series viz. 'Union Learnathon' to supplement the training and developmental needs of staff members for career development. Further, 280+ e-learning modules were launched/updated during the financial year and the e-learnathon campaigns conducted to promote e-learning saw participation from 30800+ employees. The META (Mega Experiential Training Action) Learning initiatives like Query Based Training Sessions (QBTS), UBIQUE (brainstorming) sessions, Staggered Training Programs (STPs) and sharing of success stories/ideas through Union Manch also saw growing participation from employees. META Learning has truly become the Most Effective Training Approach, garnering more active participation, suggestions from the field, etc.

The L&D unit deployed a host of digital learning channels including hosting of inspiring Leadership Talks on the L&D YouTube channel, launching of 200+ podcasts, 135+ radio broadcasts, "Learncast" educative series as well as the "University" portal which is a one-stop solution to access all L&D resources developed & hosted on Bank's intranet. The L&D unit also launched Union Studio which is a state-of-the-art facility at Bengaluru for recording podcasts / leadership talks, etc.

The L&D unit released a special magazine named "LUMINA"- Leading Unionites, Motivating Individuals, Notable Achievements, on the occasion of International Women's Day 2024, to express gratitude towards the role & contribution of women in the growth of the Bank as well as overall evolution & development of society at large. A special leadership program for women employees is conducted regularly to promote gender diversity.

Bank received the prestigious IAC Corporate Awards 2023, BML Munjal Award for Business Excellence through L&D & the Golden Peacock National Training Award 2024. Bank was also ranked no. 1 in EASE 5.0 agenda item "Employee Development & Governance".

Official Language: (RAJBHASHA)

Bank received 7 prestigious Kshetriya Rajbhasha Puraskars from the Department of Official Language, Ministry of Home Affairs, Gol in different Regions/Zones.

Bank has also won 'Dushyant Samman, Paswan-e-Adab' under the aegis of Ministry of Culture, GOI & 'Utkrishit Rajbhasha Samman' and 'Rajbhasha Gourav Puraskar' from Ashirwad. Under Maulik Pustak Lekhan Yojna bank has published Hindi book with title 'Digital banking @ Digital India'. Bank has also published book 'Anupalan Ke Vividh Aayam', in Hindi which focuses on compliance culture & its importance in Banks.

In order to propagate Hindi among banks, insurance companies & FIs an All India Hindi Essay writing competition 2023-24 was conducted. As part of outreach initiatives Bank has conducted street plays highlighting bank's CASA products & recovery measures in rural areas in Telugu, Tamil, Odiya and Kannada languages. Total 4,489 audience attended these street plays performed in 45 rural branches. On the occasion of International women's day-2024, Bank's OL department conducted a workshop on theme 'Mahilaon ka Samman-Rashtra Ke Vikas me Yogdaan'

During the Financial year 2023-24, Bank received 90 Shields/Awards for outstanding performance in Official Language Implementation from different TOLICs (Town Official Language Implementation Committees) set up by the Govt. of India, Ministry of Home Affairs, Rajbhasha Vibhag, across the country. Total 359 individual prizes were won by the staff members of your bank in various Hindi Competitions across the country. Digital KCC STP is available in Hindi and Kannada Languages. SMS facility for all customers is available in 13 languages. Call Centre facility is also available in 11 Indian languages. Mobile Banking application - 'YOM' is available in 12 Indian languages. During the year, Bank also published Cartoon Books 'Chalu Khata- Ham sabko Bhata', 'Union Muskaan' highlighting Bank's products.

'Union Dhara', your Bank's quarterly bilingual corporate in-House Journal and 'Union Srijan' Hindi Magazine of the Bank received prestigious Public Relation Council of India (PRCI) and Gold award in 'Best In-House Magazine' Bronze Award in 'Best English in-house magazine' categories respectively. 'Union Srijan' Hindi Magazine of the bank has also won prestigious Ashirwad Award. 'Union Dhara' has published special issues on 'Amritkaal & Banking', 'MSME' and 'Marketing'. Union Srijan also published special issues on 'Bhasha' & 'Mahila Udyamita'. E-copies of the both the house magazines are hosted on Bank's website & UBINET and link of the same is sent through SMS to all existing and retired staff members.

Manpower Strength:

The total manpower of your Bank as of 31.03.2024 stood at 75866 .

YEAR	OFFICERS		CLERKS		SUB-STAFF		TOTAL		TOTAL STRENGTH
	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	MALE	FEMALE	
2021-22	31326	11469	16389	7705	5979	2333	53694	21507	75201
2022-23	31814	11734	16774	7886	2170	5216	53804	21790	75594
2023-24	32446	12213	16767	7861	4547	2032	53760	22106	75866

An essential objective of Human Resource Management (HRM) is to ensure that employees are motivated to contribute effectively towards organizational goals while also facilitating their personal growth. The efficacy and efficiency of a bank's human resources significantly influence its growth trajectory. To this end, we have continually focused on maintaining an adequate workforce across all fields and functional channels of the bank, thereby ensuring a high standard of service delivery to our clients. The bank conducts regular reviews to assess staffing requirements across various job categories. These reviews consider factors such as business growth, future branch expansions or rationalizations, as well as attrition due to resignations, retirements, or voluntary retirement schemes (VRS). By conducting thorough analyses of vacancies in different cadres, we strive to maintain an optimal staffing level aligned with the bank's evolving needs. In adherence to government policies on reservations, the bank meticulously follows guidelines for the reservation of employment opportunities for specified categories. This commitment extends to placing indents with the Institute of Banking Personnel Selection (IBPS), Mumbai, to ensure fair and transparent recruitment processes. The bank has diligently maintained representation from all reserved categories within its overall staff strength. This commitment to diversity and inclusion underscores our dedication to fostering an inclusive work environment where every employee has equal opportunities for growth and development.

The representation of all reserved categories of employees within the overall staff strength as on 31.03.2024 is detailed below:

Particulars	Officers		Clerks		Sub-staffs		Total	
Total Employees	44659		24628		6579		75866	
Within which								
Scheduled Castes (SCs)	7737	17.32%	4658	18.91%	2408	36.60%	14803	19.51%
Scheduled Tribes (STs)	3494	7.82%	1943	7.89%	532	8.09%	5969	7.87%
Other Backward Classes (OBCs)	13476	30.18%	7766	31.53%	2142	32.56%	23384	30.82%
Ex-Servicemen	864	1.93%	3271	13.28%	506	7.69%	4641	6.11%
General	19952	44.68%	10261	41.66%	1497	22.75%	31710	41.80%
Women	12213	27.35%	7861	31.99%	2032	30.89%	22106	29.14%
Minority Communities	3241	7.26%	1728	7.02%	472	7.17%	5441	7.17%

19 Network

The branch network of your Bank is widely spread across the country with 8464 branches and 2 overseas branches (Sydney and Dubai DIFC) as on March 31, 2024 out of these 58 percent of the branches are in rural and semi-urban centers.

Table 11: Branches Network As on 31.03.2024

	Rural	Semi-Urban	Urban	Metro	Foreign	Total
No. Of Branches	2540	2436	1728	1760	2	8466
Branches (%)	30	29	20	21	--	100

Your Bank also has total 19603 Business Correspondents, 8982 ATMs, 7 Digital Banking Units (DBU), 5 Owned Subsidiaries, 3 Joint Ventures and 1 Associate Organisation.

20 Information Technology

Your Bank is a leading public sector Bank with latest technology based robust IT systems. Bank takes pleasure in providing I.T. driven convenient and adaptable banking products and services where IT plays a key role in establishing them. In the current business environment, organizations are reinventing themselves and emerging stronger by becoming more data-driven, digitizing their operations for cost reduction and greater efficiency, cloud adoption for greater flexibility and delivering greater experiences for employees and customers. To support Business and in view of the changing



Management Discussion And Analysis

business landscape and in order to grab the emerging opportunities for growth, Bank had devised Information Technology Strategy for FY 2023-24.

IT Strategy of the Bank has been aligned with overall Digital and Analytics strategies to achieve overall Business objective of Bank. IT Strategy for FY 2023-24 was broadly categorized in two major themes i.e. Run the Bank and Change the Bank. Run the bank focussed on the Resilient Infrastructure, Governance, Risk & Cyber Security and Upskilling, New Ways of Working & HR Transformation, Whereas Change the Bank focussed on Digital Transformation, Modern Infrastructure & Agile Technology, Data Insights and Innovation & New Age Banking.

In the fiscal year 2023-24, the organization achieved significant milestones across various domains, demonstrating its commitment to excellence and innovation. The infrastructure was bolstered, ensuring its resilience to meet the evolving demands of operations. The major milestones achieved in FY 2023-24 under various categories are as follows:

1. Innovative Banking Solutions:

Bank has distinguished itself through its proactive adoption of emerging technologies, aimed at enriching the customer journey and overall experience. Bank has demonstrated unwavering commitment to prioritizing customer convenience and experience.

Various innovative Banking solutions/initiatives are as follows:

For Improved Customer Experience

Union Virtual Connect (UVConn) – WhatsApp Banking Bank had launched UVConn -WhatsApp banking initiative as a conversational banking platform for its customers with 6 Enquiry/Service features such as: Balance Enquiry, Cheque Book Request, Cheque Status, Mini Statement, Doorstep Banking, EMI Calculator, Apply for a loan, Account Opening, ATM Search, Branch Search etc.

UVConn has now been enhanced to provide approximately 65 services including Account Statement, Interest Certificate generation, Debit Card Green Pin, form 15 G/H, Form 16/16A, Loan Details, Credit Card Statement, Credit Card Green Pin etc. Customers can access UVConn by sending "Hi" to 9666606060. Over 25 lakh customers are registered on UVConn(WhatsApp banking). UVConn has till date serviced over 1 crore customer enquiries/requests resulting in better customer service experience.

Google Business Messages (GBM): Your Bank is the first Public Sector Bank to be live on GBM platform. GBM is a chat platform available on Google's webpages, which allows Bank's customers to directly communicate with Banks Virtual Assistant "UVA". Customers can also opt for the facility of chatting with a live agent for resolution of their queries. Bank can also engage with customers through GBM. GBM can be accessed by searching for UBI or Union bank or Union Bank of India etc. on Google through Android devices. GBM is currently being used to generate leads and also to enable customers to reach out to live agents through a chat conversation directly. Through GBM, bank has the opportunity of cross-selling and upselling the bank's products.

- Total Users till date – 1.6 lac approximately
- Users Availd live Agent services – approx. 0.50 lac

GBM Chat option is enabled for Bank's Customer care end point along with 169 Branch profiles uploaded so far.

Business Benefits:

- GBM offers the unique advantage of cross-selling/upselling to customers including NTB (New to Bank) customers through different Google end points such as Google Search, Google Maps etc.
- GBM will help drive sales, improve customer satisfaction and loyalty through assistive experience and rich features.

Metaverse: Leading the way in innovation, Your Bank is making use of emerging technologies to transform both its internal operations and customers experience in Banking. Your Bank is the first Indian bank to foray onto the Metaverse platform by launching Metaverse Virtual lounge, "Uni-verse" thus enabling an immersive way for the customers to use Banking Services. Total Hits in Metaverse are approx. 3.66 lakhs (as on 31st March, 2024).

VR based immersive training modules: Your Bank has also developed **VR based immersive training modules** to resolve various concerns such as tackling workplace challenges, maintaining secure social media presence etc. to enhance customer service. All the training modules have been inculcated with assessment through Q&A/ feedback pertaining to specific modules for evaluation. The training modules are a testament to bank's commitment

to continuous learning and improvement of staff members by leveraging emerging technologies to provide an immersive and interactive training sessions to the employees focusing on real world applications. The VR based immersive training modules were launched at the Learning Advisory Council event conducted on 19th March 2024.

Union Voice Assistant: The bank has implemented Union Voice Assistant - voice banking through Alexa channel powered by AI and Natural Language Processing (NLP). This allows customers to access account related information through simple voice commands, offering a convenient and hands-free banking experience. Total transactions in UVA are approx.30,000 as on 31st March,2024.

Hyperautomation: Bank has also Implemented **Hyperautomation project** under which 3 processes were automated namely- Office 365 report Generation, CTS Image purging process and Internet Banking Report Generation process.

Integration of Kendriya Vidyalaya Fees collection through BBPS

Bank has integrated Kendriya Vidyalaya Sangathan (KVS) Fee Collection on BBPS Platform which is the biggest in educational history. KVS fee Collection on BBPS benefitted students from 1250+ KV schools for convenient fee payment on BBPS.

Total successful transactions – 1,52,314 (as on 31st March,2024) amounting ₹ 30.06 Cr

Business Benefits:

- Reduces the cost per transaction.
- Help in Increasing CASA of the Bank.

Uni Pay Plus

Uni Pay Plus is designed to integrate with Corporate Systems for Automatic Payment Processing. Uni Pay Plus portal is developed to provide payment services to Corporate Clients, CRCs are making use of this portal to get business from several Corporate Clients. 150+ Corporates have been onboarded with Uni Pay Plus, prominent ones are:

- MVRPL (Maharashtra Vikrikar Rokhe Pradhikaran Limited)
- Tirumala Tirupati Devasthanam (TTD)
- Odisha State Police Housing & Welfare Corporation (OPHWC)
- GIC Housing Finance Limited
- UBI Employee Cooperative Credit Society

- TP Central Odisha Distribution Limited
- Shakambhari ISPAT And Power Limited
- Railtel Corporaton Of India Ltd
- Konkan Fincap Co Operative Bank
- Megha Engineering & Infrastructure
- National Informatics Centre Services Inc
- West Bengal Housing Infrastructure Development Corporation WBHIDCO

Business Benefits:

Total 150+ Corporates are on-boarded on Uni Pay Plus till 31-03-2024 having 282 Accounts.

- Current & Saving Accounts – 207 (In Numbers) with Balance of ₹ 1,145.5 crores.
- Cash Credit & Overdraft Accounts – 75 (In Numbers) with balance of ₹ -1,208.5 crores.

Enablement of Debit Card Tokenisation in Internet Banking

In line with RBI guidelines, Card on File Tokenisation (CoFT), option has been provided to customers in Internet Banking. Tokenisation terminates the need for storing customers card details in online transaction at merchant website. CoFT in Internet Banking facilitates customers to view the debit card token details pertaining to all the merchants in a single platform, earlier it was done by visiting individual merchant website. Using this facility customer can enable/disable the token. This is enabled for RUPAY cards only.

Business Benefits:

- One stop solution is provided to customers to view / manage their token details instead of visiting multiple merchant websites, which further helps to reduce cyber frauds.

NCCM Wallet

Under the initiative of Ministry of Urban Development (MoUD), a National Common Mobility Card (NCCM) model was framed to enable seamless travel by different metros, toll plaza and other transport systems across the country. Facility is enabled for recharging National Common Mobility Card (NCCM R-wallet) accounts through Net Banking. Customer can also add money to their wallet account from POS terminal either by cash or account debit. It is a NPCI Initiative which is only for Rupay NCCM Debit Card.



Management Discussion And Analysis

Business Benefits:

- Rupay Debit Card issuance can be increased as customers can use the same card as pre-paid wallet.
- Customers can recharge the wallet upto maximum of ₹ 2,000/- through Internet Banking which in turn facilitates offline payments by customers at various POS points for example: metro stations, toll plaza etc.

Interoperable Card-less Cash Withdrawal (ICCW):

In line with digital revolution and to enable customers for more secure & seamless transactions on ATM terminals, Cash withdrawal through UPI is enabled which displays a dynamically generated QR code which can be scanned & authorized through major UPI supported apps. Post successful authorization of transaction in UPI APP by using UPI PIN, withdrawal can be triggered at the ATM terminal by selecting the appropriate Option/ Button assigned.

Business Benefits:

- Prevents Card Cloning to offer secure and seamless transactions.
- No need to carry cards to access the accounts through ATMs.
- ICCW is enabled in 1,388 NCR ATMs all over India.

Submission of Form 15G/H through Bank's Website

This facility will help the customers to submit FORM 15G/H without visiting the branches and after successful submission of FORM 15G/H, customer will receive the acknowledgement Receipt and generated FORM 15G/H on their Registered Email ID.

Business Benefits:

- This facility will help to speed up the process of submission of FORM 15G/H and reduce the workload at branches.
- Total 900 registrations till date.

Financial Information User

Account Aggregator:

Your Bank has become the first public sector lender to go live on the account aggregator ecosystem as Financial Information User (FIU) & Financial

Information Providers (FIP) both, a part of the government's digital initiatives to improve credit delivery.

The account aggregator ecosystem helps lenders leverage digital data acquired with the customer's consent to provide seamless service without physical documentation.

Financial Information User

Any Financial Information User (FIU) can request data based on a consent given by the customer on their account aggregator handle. Bank has implemented the technology stack as per the Reserve Bank Information Technology (ReBIT) guidelines.

Presently Bank has integrated with 11 Account Aggregator and FIU solution is integrated with Software AA portal and MSME Journey. 11 Account Aggregator are:

- NESL Asset Data Limited (NADL)
- Perfios Account Aggregator Services Pvt Ltd (Anumati)
- Cookiejar Technologies Pvt Ltd (Finvu)
- Finsec AA Solutions Pvt Ltd (One Money)
- CAMSFinServe
- Saafe
- Protean SurakshAA
- Phonepe
- Yodlee Finsoft Pvt Ltd
- TallyEdge
- Crif Connect

SCSS (Senior Citizen Savings Scheme) Account Opening through Internet Banking

Earlier senior citizens can have only one SCSS account. Now a facility has been enabled to open multiple SCSS accounts under the same holder ID. Maximum deposit limit per customer is also increased to ₹ 30 lakhs.

Fully revamped module which allows customers to open Holder ID and account without visiting branch.

Online account opening of SCSS Account was made live w.e.f. 26.12.2023 and 223 accounts were opened in FY 23-24.

Inclusive and Accessible Banking

In FY 2023-2024, the Bank made significant strides in promoting inclusive and accessible banking. The introduction of the “Union Sparsh Braille Debit Card” provided visually impaired customers with barrier-free access to Talking ATMs and other card services. The “Union Access Project,” led by a dedicated team of employees with disabilities, further enhanced digital banking accessibility. In May 2023, the Bank launched an “Accessible Banking” webpage, featuring user guides in braille, large font, and audio formats. The digital banking channels, including internet banking, mobile apps, online forms, and websites, were designed to be divyang-friendly. Additionally, we introduced a dedicated accessibility support through WhatsApp, UVConn 3.0 with ‘Disability Support,’ and disability-sensitized customer care. These pioneering efforts were recognized with four prestigious awards, underscoring the Bank’s leadership and impact in fostering inclusion and accessibility.

For Improved Governance

DIT is Establishing comprehensive governance frameworks and practices to facilitate effective decision-making, risk management, and compliance with regulatory requirements, ensuring transparency and accountability across all levels of the organization.

Bank is having strong data governance and privacy practices in place which are defined in the IT Policy & Data Governance policy of the Bank. Additionally, Bank is also certified with Privacy Information Management System (PIMS) ISO 27701:2019, ISO 27701 which outlines framework for PII (Personally Identifiable Information) Controllers & PII Processors to manage data privacy. This reduces risk to the privacy rights of the individual and to the organization by enhancing the existing ISMS (Information Security Management System). ISO 27701 certification also enhances the trust with stakeholders/customers by demonstrating a commitment to privacy, mitigating privacy risks, ensuring legal compliance by prioritizing the protection of personal information. It also ensures Data integrity, accuracy and reliability of data, which is crucial for decision-making and maintaining trust with users and customers. Combining ISO 27701 and robust data integrity practices reinforces a comprehensive approach to safeguarding sensitive information.

Enterprise Architecture (EA): EA helps to align the Business Strategy with IT Strategy. Enterprise architecture is a strategic approach that enables organizations to design, plan, and manage their business processes, information systems, and technology infrastructure in a coordinated and integrated manner. It provides a holistic view of the enterprise, encompassing its goals, strategies, operations, and IT infrastructure. Setup of EA office AGB (Architecture Governance Board) has been completed.

Data Privacy Framework: It includes DPDP Organization Structure and Data Privacy Impact Analysis. Bank’s IT systems at Data Centre, Powai and DR site, Bengaluru are compliant to the requirements of ISO 27701:2019 certification (PIMS-Privacy Information Management System). Your Bank is the first Financial Institution in the country to achieve ISO Certification in data privacy to meet the regulatory requirements and manage privacy risks.

ITSM/ITAM/ITOM: As IT functions become increasingly critical part in the day-to-day operations of Bank it is imperative to adopt ITSM and ITAM best practices to meet the rapidly changing needs of the business. It deals with the areas like Service Request Management, Change & Release Management, Incident Management, Workflow & orchestration.

PCI PIN Certification: Payment Card Industry Personal Identification Number Certification is a set of Security Requirements for the secure management, processing, and transmission of Personal Identification Number (PIN) data during online and offline payment card transaction processing at ATMs and POS point-of-sale Terminal. Your Bank is the second PSB in the country to achieve PCI PIN certification.

PCI DSS Certification: The Payment Card Industry Data Security Standard (PCI DSS) is a globally acclaimed standard with internationally accepted set of policies and procedures intended to optimize the security of card-based transactions and protect card holder information against the misuse and breaches. Your Bank is the second PSB after SBI to achieve this milestone in a record time span of 9 months.

For Resilient Infrastructure

Building a solid foundation of infrastructure that is robust, adaptable, and resilient, ensuring uninterrupted operations and continuity even in the face of unforeseen challenges and disruptions.



Management Discussion And Analysis

Data Centre Modernization:

Co-Location: Process of co-location Data Centre for primary site with capacity of 250 + 50 rack space is initiated. Benefits of Data centre Co-location:

- Governed by Service Level Agreements (SLAs)
- Lowest Possible Downtime During power outages or Delays
- Easily Scalable, Flexible & Cost Effective
- No Capital Investment
- Better Latency & Connectivity.

Co-located Data Centre has been made available and Digital Platform infrastructure has been installed.

Finacle Alert Solution:

All SMS being generated from Finacle are moved to Finacle Alert to reduce the load from CBS. Project is made live for Internet Banking, IMPS, ATM, POS, UPI & Branch Transactions.

Finacle Core Version Upgradation from 10.2.18 to 10.2.25 for overseas branches – Sydney, Dubai and UK Subsidiary: CBS version upgradation from 10.2.18 to 10.2.25 has successfully completed for Sydney branch, Dubai branch and UK branch.

Augmentation of CBS Infra for supporting 9 Crore transactions

Robust CBS & Cloud Infrastructure

Automated DR Switching Operations for secured BCP.

Real Time performance Monitoring through APM Tool:

Bank has set up Application Performance Monitoring Centre (HEAL) for Real time monitoring of the applications and its infrastructure. 21 critical applications such as Internet Banking, Mobile Banking, IMPS, CBS Domestic, CBS Overseas, FI Gateway, UPI, NEFT, RTGS, SWIFT, Lending Automation System, SMS Gateway, Credit Card Host System, ATM Switch, E2FA (2nd Factor Authentication System), API (Application Programming Interface) Middleware, BBPS, DEMAT, UVConn, Metaverse and Union Ekam are live on the HEAL APM platform.

Software Defined Network:

To have better Resilient Infrastructure, DIT is working on the SDN project for centralizing the configuration management and maintaining the

ultra-low and predictable latency which ensures optimal performance even under demanding conditions.

Other Major Initiatives for Improved Performance

CMMI Maturity Level 3 Certification

Your Bank's In-house software development facility has been appraised at ISACA's CMMI Maturity Level 3. The major objectives of CMMI includes- Process Improvement, Performance Management, Quality Assurance, Resource Optimization and Customer Satisfaction. It also consists of best practices and models for enhancing product development, service delivery, and overall organizational performance.

Key benefits of CMMI Maturity Level 3 appraisal include:

- Provide high quality solutions.
- Standardization of process across different teams leading to consistency in deliverables.
- Predictable and timely delivery of products and Services.
- Streamline processes and reducing rework leads to effort and cost savings in the long run.
- Predefined process for risk handling leads to identification and addressing the weaknesses in a timely manner.
- Brand image and goodwill.

Kubernetes and DevSecOps

In order to achieve Agile Methodology and keeping security in focus, Bank has setup End-to-End DevSecOps Platform along with Container Orchestration Layer (Kubernetes Platform) on Bank's on-premises private cloud. Bank has adopted App Modernization platform (Kubernetes) based on DevSecOps for development of Micro Services based Bank's applications. Micro-services (or micro-service architecture) are a cloud native architectural approach in which a single application is composed of many loosely coupled and independently deployable smaller components, or services. It is useful for modernizing existing monolithic applications and harnessing the power of cloud and to develop market standard applications as per latest software development methodology. As of now, applications like Online Account Opening, CBDC etc. are running on Level 3 (Advanced) of cloud.

CRM (ZOHO) Integration with LAS

CRM (ZOHO) is integrated with LAS in which Processing Officer can view Lead generated through CRM in LAS Application which simplifies the processing of the leads generated through CRM application.

Bank is receiving leads from various sources like Corporate Website, ACOE, ATM, Internet Banking, Vyom, Social Media, Fintech partners, BC Agents, Call Centre, DBU etc. It is often observed that these leads are unattended and are not monitored. Hence, bank has introduced CRM Edge Application which channelizes leads from various sources. This integration enables to process these leads from various sources at LAS and the status of processing of these leads is updated back to CRM from LAS.

Progress on Digital Channels

Growth on Digital Channels (Figures in Crs)			
Channels	31.03.2024	31.03.2023	Annual Growth%
Mobile Banking Users	2.68	2.13	25.82
Internet Banking Users	0.86	0.74	16.21

21 Transaction Monitoring & Fraud Management

Transaction Monitoring and Fraud Management Vertical has been formed with the vision to have better monitoring of fraud cases happening in the bank and early detection of the modus operandi used in perpetrating the fraud so as to prevent the same based on the various tools such as OTMS alerts, EFRMS alerts, Early Warning Signals to name a few.

Your Bank is 1st in the banking industry which has started Real Time Monitoring System (RTMS) to detect & arrest transaction related frauds, in originating system (Finacle) on real time basis. Bank has implemented real time monitoring system w.e.f. 27.01.2023.

This is a unique concept wherein newly opened Saving and Current accounts are being monitored (24/7) for one year and have facility to record Enhanced due diligence (EDD) in Finacle-CBS.

Newly opened CASA accounts are being monitoring based on velocity checks on outlier basis. Such velocity checks included no. of transactions, transaction amount as per customer profile etc.

The present mechanism in bank generates alerts on T+1 (next day of transaction) basis after the transaction/event/activity occurs.

The rt360 Near Real Time Monitoring System (N-RTMS Module) seeks to address this gap by providing a comprehensive surveillance mechanism for monitoring the transactions and events on a continuous basis in originating system (Finacle) and in near real time basis from the conclusion of transaction/event/activity; alerting designated users instantly via SMS & e-mail. Thus, any damage can be immediately arrested.

This initiative, positions your bank as a pioneer in the Indian Banking Industry, enhancing fraud detection and mitigation capabilities.

22 Risk Management

Your Bank has a proactive approach towards risk management. Its risk philosophy involves developing and maintaining a healthy portfolio within its risk appetite and regulatory framework. Your Bank constantly endeavors to ensure that business function partners with the risk management function to enhance shareholder value and to ensure judicious use of available capital.

Risk Management is a Board driven function in the bank with the Risk Management Committee (RMC) at the apex level supported by operational level committees of top executives for managing various risks. The Board of Directors of the Bank approves the Risk appetite and Risk policies of the Bank. The RMC supervises implementation of the risk strategy and policies, reviews the level and direction of risk, prudential ceilings, portfolio diversification and monitors the risk reporting. The risk strategy and policies are effectively communicated to all branches and offices of the Bank.

Your Bank addresses Credit, Market and Operational risk through appropriate policies, organization structure, risk management techniques, adequate systems and procedures, monitoring and reporting mechanisms. Risk management activity has been extended to field level units by posting Risk Officers at Zonal Offices and Regional Offices. Primary responsibility of these Risk Officers is to identify, assess, monitor, report and suggest mitigants.

Your Bank has a well-defined risk appetite statement and an independent risk function to ensure that the Bank operates within its risk appetite.

Credit Risk Management

Your Bank has well-defined credit appraisal mechanisms and risk management frameworks in place for identification, measurement, monitoring and control of the risks in credit exposures.

Your Bank has various instruments like Credit Risk Management Policies, Prudential Exposure Limits, Risk



Management Discussion And Analysis

Rating system, Risk based review of credit appraisal for big ticket advances and Risk-based pricing for Credit Risk/Portfolio Management.

Your Bank has a standardised and well-defined approval process for all advances. It adopts a committee approach for credit sanctions and has credit approval committees at various levels.

The business environment is analysed and researched in a structured manner by a dedicated team of experts to decide Bank's outlook and growth appetite in the identified industries/sectors/segments. Your bank has also subscribed to industry research/analysis reports from top research companies for internal consumption. Risky sectors are monitored continuously and wherever warranted; exposure concerned is reviewed immediately.

Your Bank also conducts Stress Tests every quarter on its Credit portfolio. Stress Scenarios are regularly updated in line with RBI guidelines, industry best practices and changes in macroeconomic variables.

Your Bank has put in place an Early Warning Signal (EWS) system based on a predictive analytical approach, which helps to identify the stress signals well in advance and helps to take appropriate mitigation measures to maintain the desired credit quality of borrowers on a regular basis.

Your Bank uses various Credit Risk Assessment Models and scorecards for assessing borrower-wise credit risk. Your Bank also has in place a 'Dynamic Rating framework', which facilitates early identification of stress and triggers and adoption of appropriate mitigation mechanisms. Bank has also introduced the 'Risk Based Review of Credit Appraisal Framework' for large value accounts to strengthen the loan underwriting.

Your Bank has adopted an IT platform for credit appraisal processes through Lending Automation Solutions (LAS). Internal Rating models are hosted on these platforms, which are interfaced with CIBIL, RBI defaulters' lists etc.

While arriving at Bank's CRAR, capital charge on credit risk is computed based on Standardized approach.

Your Bank has adopted the RAROC Framework for optimal risk-reward considerations, wherein RAROC computation for all fresh sanctions/reviews/renewals of Agriculture, MSME and Corporate proposals above a certain cut-off limit is mandatory. Credit decisions related to the concession in Rate of Interest (ROI) are linked to the RAROC of the borrower, which will help in maintaining the profitability of the bank and value creation for the stakeholders.

Your Bank also conducts a comprehensive Internal Capital Adequacy Assessment Process (ICAAP) wherein the material risks faced by the Bank are listed, and their measurement and management methodologies are enumerated. Besides the Pillar-I risks, the Pillar-II risks are also assessed. The adequacy of the capital under normal & stressed conditions to meet future business requirements are also assessed.

Asset Liability and Market Risk Management

In your Bank, overall responsibility of managing Asset Liability and market risk lies with the Asset Liability Committee (ALCO). The Asset Liability Committee meets regularly to review and decide on the size, mix, tenor and composition of various assets and liabilities. It primarily does identification, measurement, monitoring and management of liquidity and interest rate risk. Pricing of asset and liability products is also decided by ALCO. The fundamental focus is to add value both from the earnings perspective and the economic value perspective. Your Bank is constantly striving to ensure transmission of RBI policy rates through its benchmark lending rates.

Your Bank is having Asset Liability Management Policy, Treasury Policy and Market Risk Policy which aid in management and mitigation of interest rate risk, liquidity risk and market risk in the banking and trading books.

Your Bank ensures proactive liquidity management, develops stress scenarios, conducts behavioural studies and also has a contingency funding plan in place. Bank has adopted the liquidity risk management guidelines issued by RBI pursuant to the Basel III framework on liquidity standards. These include the intraday liquidity management, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR). Monitoring of liquidity is proactively done both through the stock approach and flow approach. The ALM Desk and Mid-Office measure and monitor the market risk in the Banking and Trading books respectively.

Market Risk stems from the Trading positions assumed by the Bank in debt/equity instruments, forex transactions and Derivatives. The key drivers of Market Risk are Interest Rate Risk, Equity Risk, and Forex Risk. Some of the key risk measures include position limits, tenor limits, price sensitivity measurement tools such as PV01 and Modified Duration (MD), Value At Risk (VaR), Net Overnight Open Position Limit (NOOPL), Daylight Limits, and Stop loss limits at both dealer and security level is being monitored on a daily basis.

The Risk measures are further supplemented by a Board-approved 'Stress Testing Policy', which guides the Bank in assessing the potential impact of adverse scenarios on

the Bank's Investment book, including forex exposures and their impact on the Bank's Profit & Loss. The Stress Testing results are being submitted to the Board on a periodic basis.

The Market Risk capital charge of the Bank is being computed using the Standardized Measurement Method (SMM) by applying the regulatory factors.

Operational Risk Management

Operational Risk is the risk of loss resulting from inadequate or failed internal processes, people, and systems or from external events. To manage Operational Risks, your Bank has in place a comprehensive Operational Risk Management Framework, whose implementation is supervised by the Operational Risk Management Committee (ORMC) and reviewed by the Risk Management Committee of the Board.

An independent Operational Risk Management Cell implements the framework. Under the framework, the Bank has three lines of defence. The first line of defence is the business unit (including support and operations) which is primarily responsible for managing Operational Risk on a day to day basis. The second line of defence is the Risk Management Department, which develops policies, procedures and techniques to assess the risk and monitor the effectiveness of your Bank's internal controls. Internal Audit is the third line of defence. The team reviews the effectiveness of governance, risk management and internal controls within your Bank.

The comprehensive systems and procedures, internal control system and audit are used as primary means for managing Operational risk. The bank has in place a Board approved Operational Risk Management Policy based on Reserve Bank of India guidelines. All new products/processes introduced by the Bank pass through a Product & Process Risk Evaluation process to identify and address the operational risk issues. Variations in existing products, as well as risks in outsourcing activities, are also reviewed. The Bank has compiled data relating to operational losses incurred during the last eighteen years, and it is analyzed for taking corrective measures so that these losses do not recur. The process has also been put in place to conduct Risk and Control Self-Assessment (RCSA) for assessing the residual risks in the products/processes of the Bank. Key Risk Indicators (KRIs) have been identified for various processes, and the threshold limits have been fixed.

Your Bank is currently following the Basic Indicator Approach (BIA) for capital computation under Operational Risk.

Your Bank is also creating a risk awareness culture by embedding it through the existing training system at all levels. Risk culture survey is conducted to imbibe the importance of risk at all levels. Internal as well as external training is conducted in the Bank for the Risk Officers. To imbibe the risk culture in the Bank across various functions and field functionaries, e-learning modules on Risk Management have been made mandatory.

Your Bank has a robust Business Continuity Plan and Disaster Recovery Plan that is periodically tested to ensure that it can meet any operational contingencies. A well-documented Board approved Business Continuity plan is in place to minimize business disruptions and system failure, and potential impact on its business, employees and customers during any unforeseen adverse event or circumstances. The plan is designed in accordance with the regulatory guidelines and is reviewed regularly. Further, Bank has also constituted a BCP Quick Response Team (QRT) for IT and Non IT related Disruptions. QRT monitors the disruption and gives necessary directions to various Verticals/fields and also monitors the situation till normalcy is restored.

Your Bank has in place a Centralised Vendor Risk Management System for capturing vendor risk management data of outsourced vendors and to have an effective oversight. It is a form of risk management that focuses on identifying and reducing risk related to the outsourcing activities related to vendors.

Group Risk Management

Group Risk entails the risks faced by any of the group entities that have a common resonance across the group, which may have a group-wide impact.

Your Bank, through its group entities, participates in diversified financial services like banking, securities and capital markets, insurance, mutual fund and retail asset businesses. Bank has put in place a framework/ policy for the assessment of risks for its Group entities, internal controls, mitigants and capital assessment under normal and stressed conditions.

Environment, Social, Governance (ESG) & Climate Risk Management

Your Bank's Board has acknowledged the need to address the impact of ESG & Climate change risk. The Bank is committed to address the challenges to the environment by creating a positive impact through its businesses and addressing the challenges to the environment.

RMC, which is a sub-committee of the Board looks into all the ESG & Climate Risk related matters of the Bank. The Bank has formed ESG Steering Committee (ESGSC)



Management Discussion And Analysis

which comprises of EDs and Heads of business & control verticals for ESG transition in the Bank. The Bank has formulated a Board approved ESG Risk Framework & Climate Risk Policy. The Bank has also prepared a Board approved sustainable financing framework (which has been validated by CRISIL through its Second Party Opinion) to cover resource mobilisation & financing framework and aspects related to assurance.

Your Bank has formed a separate ESG Cell to look into the risk & opportunities related activities. The Bank has identified vertical wise ESG related action points and timelines. A Sub-committee has been formed comprising of verticals looking after the premises of the Bank, Information Technology & Operations to formulate action points to achieve net zero emission in the Bank's own operations. Further, another Sub-committee has been formed under the credit verticals of the Bank which will be the driving force behind transition of the credit portfolio of the Bank towards sustainable/green finance. The Committee is working on finding out new avenues and opportunities for sustainable finance by measuring & reducing the percentage of credit exposure to polluting industries, in the loan portfolio of the Bank. The Bank has started assessment of physical and transition risk in credit underwriting, identified physical risk of collaterals at district level of granularity and has also evaluated physical and transition risk for corporates at customer level under different climate scenarios.

The Bank has started incorporating ESG & Climate Risk in its ICAAP. The Bank has also started integration of ESG related topics in all its training programmes.

Your Bank is working towards setting a time-bound quantitative target for reduction in emissions/reduction in emissions intensity/carbon neutrality. Your Bank will be aligned to national goals and targets in the nation's collective transition to a low carbon economy.

Enterprise Risk Management (ERM)

Banks, being a financial intermediary are confronted with various kinds of financial and non-financial risks such as Credit, Market, Operational, Reputational, etc. These risks are highly interdependent and events that affect one risk can have ramifications for a range of other risk categories. ERM is a process of addressing these risks on a bank-wide level instead of managing in silos.

ERM framework enables a firm to gain a clear view of its overall risk level. It encompasses, among others, a Risk Appetite framework and the establishment of consistent Risk culture in the Bank. ERM includes methods and processes used by organizations to manage risks and seize opportunities related to achievement of its objectives.

ERM function shall empower the Bank to accomplish needed changes, complementing and working with groups focused on specific risk types and business groups. ERM function can lead a bank in developing new and more proactive capabilities across traditional risk management activities, including delimiting the appetite for risk taking, detecting new risks and potential control weaknesses, and dynamically deciding how to adjust the risk management approach.

Your Bank has a Board approved Enterprise Risk Management policy in place.

23 Compliance

Your Bank has implemented a robust compliance system along with a well-documented Compliance Policy. The focus of compliance function is to ensure adherence to the regulatory and statutory guidelines, fair practice codes and other prescribed codes, government policies, the Bank's internal policies and prevention of money laundering and funding of illegal activities.

Your bank has dedicated teams in the Compliance Department for different compliance areas viz. regulatory compliance, risk-based supervision, operations, compliance test check and review of policies. These teams work with business departments and other assurance functions to ensure compliance risk management and monitoring. The team having responsibility of regulatory compliance also provides advisory services to internal stakeholders on regulatory matters.

Your bank continues to make advances in leveraging technology to reduce manual intervention, enhance collaboration with regulators, increase monitoring for achieving operational efficiency.

Your bank has processes for identifying, assessing, monitoring and managing compliance risk and escalate issues of non-compliance, if any. Your bank assesses regulatory/internal requirements in products and processes.

Your bank continuously strives to strengthen human capital by educating and training the staff members with regard to regulatory/internal guidelines and the latest developments in the area of compliance risk.

Your Bank conducts regular Compliance Test Checks of various banking functions including Central Office Departments, field level controlling offices and branches.

Your Bank has an in-house Compliance package to monitor & manage responses to communications received from Regulators (RBI, SEBI, etc.) / Government of India (MoF) and IBA. Periodic compliance test checks are

put in place for effective implementation of mandatory guidelines. The role & responsibility of Compliance Function is clearly defined for every tier in the Bank. Your Bank has a well-established reporting system to ensure regulatory and statutory compliance through self-certification process. Compliance certificate is submitted by branches to the respective ROs & from ROs to Zonal Offices. Zonal Offices & Central Office verticals submit the Compliance Certificate to the Compliance Department every quarter. A field level structure of compliance has been established through Zonal Compliance Officers and Zonal Compliance Monitoring Committee.

Your Bank has implemented a Compliance Monitoring Tool, an application built in-house, to enable individual level compliance monitoring, certification and verification in line with the EASE 4.0 deliverables.

24 Internal Audit

Following key activities are carried out by the Audit & Inspection vertical:

1. Risk based Internal Audit of Branches and other units
2. Concurrent Audit of select Branches and other units
3. Management audit of controlling offices and CO Verticals
4. IS Audit
5. Foreign Branches' Audits
6. Special Audits and Special Reports
7. ACB, ACE
8. Data Dump Analysis
9. Providing data for examination of Staff Accountability-DFS Guidelines

Risk based Internal Audit of Branches and other units:

During FY 2023-24 total audits commencement of 6419 branches, out of which Wrap up completed in 6189 branches and rating of 6184 Branches is finalized as on 31.03.2024. The number of branches under Low Risk are 5154 (83.35%), Medium Risk are 984 (15.91%), High Risk are 46(0.74%) & Extremely High Risk are Nil. Further,737 other units audit commenced, out of which 714 Audit wrapped up during FY 2023-24. Forex Audit of 150 'B' category branches done during the period.

Concurrent Audit of select Branches and other units:

Department has appointed (Fresh/Renewal)1984 concurrent auditors for FY 2023-24. The Business Coverage under Concurrent Audit is well above the mandatory stipulated coverage. The concurrent audit for Central Office verticals and other units is also taken care.

Revenue Audit (leakage of Income)

Leakage of income has direct effect on the profits. With a view to curb the tendency of negligence on the part of the staff, a format has been devised wherein the names of the officials are required to be mentioned against the leakage in each case to enable the Bank to take suitable corrective action. Three (3) Revenue Audit (leakage of Income) Special Campaigns conducted during FY 2023-24. Total amount detected ₹ 549.98 crore and recovered ₹ 509.46 crore as on 31-03-2024.

Management audit of controlling offices and CO Verticals

Management audit involves the review of managerial aspects like organizational objective, policies, procedures, structure, control and system in order to check the efficiency or performance of the management over the activities of the Bank. Management Audit is to assess effectiveness of management in accomplishing tasks and in achieving overall corporate objectives. It would strive to help the auditee unit to accomplish its objectives by bringing a systemic and disciplined approach to evaluate the effectiveness of management procedures, control and governance processes, for better results and quality. 134 Regional Offices,18 Zonal Offices ,18 Zonal Audit Offices, 34 Central Office Verticals, 7 Other offices are covered under Management Audit.

IS Audit:

Information Systems audit is an examination of controls within Information Technology (IT) infrastructure. Bank has adopted hybrid model for conducting IS Audit of IT assets wherein by Bank's internal IS Audit team along with selected CERT-in empaneled IS Audit service provider is undertaking the IS Audit, as per the approved annual IS Audit Plan.

100% Target achieved during the period as IS Audit has been undertaken for 278 IT applications / processes and 65 Administrative offices & 3 foreign instances. Along with these regular IS audit, 25 pre-implementations IS audit were undertaken to provide IT control status to CISO & owner auditee team to decide go live. 25 special focus IS audits were also undertaken as per regulatory / Internal guidelines like SWIFT CSCF, comprehensive SWIFT, RBI KRI data, UIDAI compliance, RA audit etc.

Foreign Branches' Audits:

The Bank is having branches at Dubai, Sydney and subsidiary at UK. The annual audit of all the three places is completed as per time schedule. The periodic audit is also completed at Dubai and Sydney branches.



Management Discussion And Analysis

Special Audits and Special Reports:

Special Audit: It is being conducted on receipt of specific requests from controlling offices like ZAO/RO/ZO and/or the respective Functional Department of Central Office Including Audit & Inspection vertical. Such request for conduct of Special Audit shall invariably contain specific reasons for the recommendations, nature and seriousness of the issues and specific area where the audit is to be focused. During FY 2023-24, 94 special audits approved, out of which 75 special audits completed.

Special Report: The purpose of submission of Special Report is to draw the immediate attention of the Management / Controlling Offices to the irregularities in branch/account further to initiate corrective steps for rectification/regularization of such irregularities and to safeguard the interest of the Bank. During FY 2023-24, 74 special reports issued.

Audit committee of the Board (ACB) & Audit committee of Executives (ACE):

- ACB shall meet at least once in a quarter and at least six time in a year, during the FY 2023-24, 11 ACB (w/w 4 for working result) meetings conducted.
- ACE shall meet at least once in a quarter and at least six time in a year, during the FY 2023-24, 7 ACE meetings conducted

Data Dump Analysis

Data Dump Analysis is an important in-house activity to analyse the data available in the system to identify the data gaps, deviations from policies / guidelines of products/ processes defined by the bank and regulator (RBI). This activity is put in place to help the field functionaries to maintain the accuracy & completeness of data captured in line with the policies. Data analysis team (DAT) at Audit & Inspection Co, undertakes analysis on various scenarios for identifying the control gaps. Since the beginning of Data Dump Analysis i.e. December, 2021, A & I vertical conducted analysis of 125 scenarios. Data Dump Analysis conducted on 54 new scenarios in FY 2023-24 (Till March, 2024) and their observations/ findings were placed before ACE.

Providing data for examination of Staff Accountability-DFS Guidelines:

Revised guidelines on Staff Accountability framework for NPA accounts up to ₹ 50.00 crore (other than fraud cases) was issued by Department of Financial Services. Accordingly, a system is placed at Zonal Audit Offices to provide Audit Reports for accounts above ₹ 0.10 crore to ₹ 1.00 crore to Staff Accountability Committee within 7 working days and similarly for accounts above ₹ 1.00 crore to ₹ 50.00 crore by A&ID, CO within 15 working days.

Future Outlook:

Remote audit:

First phase Implementation of remote audit for branches is completed. 341 Audit points constituting 13% of 2573 RBIA Master checklist points in eTHIC module have been brought under first phase of implementation.

Remote Audit integration with Finastra:

Creation of interface with Finastra is under process. Under this phase, another 388 checklist points (15%) will be brought under the scope of remote audit.

Remote Audit integration with DMS:

The remaining master checklist points will be implemented under remote audit once DMS module is fully functional and integrated with eTHIC.

With implementation of the Remote Audit module, Vertical envisages the following benefits:

- Saving in cost and effort.
- Reduction in Manpower deployment.
- Improvement in the quality of the Audit.

25 Cyber Security

Union Bank of India puts cybersecurity front and center to safeguard bank's stakeholder interests while growing its digital business with omnichannel presence. Bank has cultivated a strong cybersecurity culture to increase the digital trust among its stakeholders. Bank has established Cybersecurity Centre of Excellence (CCoE) at its premises at Hyderabad, tasked with learning, imbibing, and implementing industry-leading new generation cybersecurity technologies that will not only protect the Bank's cybersecurity assets but also focus on a comprehensive awareness and education program for its employees and customers. CCoE has signed MoU with external institutes such as the Centre for Development of Advance Computing (CDAC), Hyderabad and Cyber Security Centre of Excellence, Department of IT & Electronics, Government of West Bengal (WB-CS-CoE) for using their expertise in conducting cybersecurity awareness webinars/training for stakeholders.

The Bank has also developed a Comprehensive Cybersecurity Awareness Programme (CCSAP) for customers and employees. The Bank reaches out to customers with awareness campaigns across multiple channels, such as SMS, Multilingual emails, ATMs, display units in branches, social media and the Bank website. Cybersecurity awareness webinars for customers are being conducted pan India at Bank's all zonal office locations. A unique, first of its kind initiative has been the introduction of cybersecurity mascots "U SuṛKsha"

and “U ₹Kshak” to personalize and promote educational cybersecurity safety tips to its people.

In addition, the Bank drives initiatives to further the Ministry of Home Affairs, Government of India's Cyber Jaagrookta Diwas (CJD), which is observed on the first Wednesday of every month. On this day, Union Bank sends e-mails on cybersecurity topics to customers, posts creatives on social media, and invites eminent speakers from the cybersecurity domain to conduct engaging webinars. In sync with international practice, annual National Cybersecurity Awareness Month (NCSAM) is celebrated throughout the month of October with a daily webinar on different cybersecurity topics. Bank during its training programs is also disseminating the information regarding reporting of Cybercrime in National Cyber Crime portal of Govt of India by visiting <https://cybercrime.gov.in> or dialling 1930.

Bank is strengthening and promoting cybersecurity culture amongst its staff members by implementing an annual action plan for various cybersecurity activities which includes conducting townhall meetings pan India, daily mail with cybersecurity tips, interactive puzzles, and crosswords.

Bank regularly publishes internal booklets and news snippets to update staff members on the latest cybersecurity news and trends. A monthly phishing simulation exercise for all employees creates awareness and identifies vulnerabilities among the staff that can be addressed with additional training and handholding. Union Bank has also formulated the Cybersecurity Executive Development Program (CSEDP) to offer in-house certification for senior management in IT and Cybersecurity. The Bank has also created a robust cybersecurity governance structure comprising policies, procedures, guidelines and committees at the executive and Board levels.

26 State of the Art technologies

Union Bank has harmonized its policies and action plans in line with Digital Payment Security Controls for internet banking, mobile banking applications, ATM operations and other generic security controls. The Bank's Data Centre (DC) & Disaster Recovery (DR) site has ISO certifications for Information Security Management Systems (27001) and Business Continuity Management System (22301). The Bank's Enterprise Risk Management System is ISO 31000 certified. The Bank has PCI-DSS certification for all card payment systems and ATM Switch operations. Multiple measures are in place to protect systems and confidential Bank/customer data, such as

a defence in-depth architecture with layered defensive mechanisms and a data loss or leakage prevention strategy. This includes protecting data processed on end-point devices, data in transmission as well as data stored on systems. Data security and protection is also mandated at the Bank's vendor-managed facilities.

Union Bank of India has also implemented a cybersecurity framework and established a 24x7 Cyber Security Operation Centre (C-SOC) with a dedicated, skilled team that works around the clock. The C-SOC helps to identify, detect and prevent cyber threats. It is tightly integrated with critical business applications to monitor attack vectors at various layers. Bank has adopted the 'Security by design' approach to strengthen the cybersecurity posture of the Bank by automating its data security controls and developing a robust IT infrastructure.

To provide holistic protection for its cyber infrastructure, Bank has adopted 'Defence in depth' strategy with a comprehensive, multi-layered security architecture in place. The Bank has also implemented cybersecurity solutions at each level, like perimeter security, network security, application security, end point security, identity and access management, threat Intelligence and data security to protect its IT assets. The Ethical Hacking Lab, set up by the Bank under its CCoE, is tasked with identifying the gaps in perimeter or internet-facing application/assets of Bank on daily basis.

The Vulnerability Assessment /Penetration Testing Lab (VA/PT) is also under CCoE, and it conducts periodic VA and PT of applications. With the help of external vendors, the Bank also conducts red-teaming exercises to identify the vulnerabilities, business risk, efficacy of the defences, etc. in its IT infrastructure. These simulate the actions of an attacker and test the mitigating controls that are already in place.

Your Bank is having presence across different countries, and this global presence also increases the attack surface of the bank and the impact a cyber threat can weigh upon the operations of the bank. To manage the cyber risk with respect to both domestic and global entities of the bank including subsidiaries Under CCoE, Bank has put in place Attack Surface Management Solution, with Continuous Automated Red Team Exercise Platform, Breach attack Simulation and Digital Risk Monitoring. This project also enables Bank's Digital Journey to bring down risk to minimal level, Continuous monitoring of perimeter, Enhancement in threat detection and incident response & Identify Bank's sensitive information such as card data, customer credentials exposed in the public domain.



Management Discussion And Analysis

Your Bank onboarded knowledge partners to conduct the training programs on cyber security for the entire ecosystem of Bank Staff, vendors, customers, and other stake holders. They provide end to end delivery and management of Banks Information Security/ Cyber Security Awareness initiatives including strategizing, creating, designing and delivery of awareness initiatives.

Your bank has achieved best-in-class Cybersecurity maturity Score of Level – 4 pertaining to Cybersecurity (AP-18) defined in EASE 6.0 reforms agenda.

RBI Cyber Security Framework

Bank has put in place Board approved Cybersecurity policy, duly incorporating robust cybersecurity governance structure, with clear roles & responsibilities for managing cybersecurity risks. Regular risk assessments and vulnerability assessments are essential to identify and mitigate potential cyber threats, your bank is conducting regular cyber security risk assessments to identify and mitigate potential cyber threats.

Bank has formulated and implemented Information Security, Cyber Security and Digital Payment Security policies & procedures covering various aspects of cybersecurity, including data protection, access controls, and incident response. We have clearly defined and documented Incident response & reporting mechanism under cyber security policy.

Bank is undertaking periodic security audits and assessments of cyber security solutions/processes through External/ Third party auditors to assess the effectiveness of cybersecurity measures.

Group CISO

Bank has introduced the concept of Group CISO for all the Subsidiaries/Joint venture/Associates of the Bank. Group CISO oversees cyber security risk of the group entities, takes part in risk management committee meetings of the entities & Acts an advisor to the management of entities for their cyber security related functions

27 Operations

INITIATIVES TAKEN

Video KYC has been made live for all DBUs, 3 FGMO (Ahmedabad, Mumbai, Pune) & 5 regions (Ludhiana, Lucknow, Mumbai South, Thane & Kanpur). Around 4000+ accounts have been opened through V-KYC. Video KYC Cell has been set up in Lucknow.

UVConn 3.0:

UVConn is an innovative 24X7 digital Banking tool available on WhatsApp Messenger Chat service on number 9666606060. UVConn 3.0 leverages WhatsApp communication platform to connect with customer for enquiries related to their accounts. UVConn is currently Live in 7 languages (English, Hindi, Kannada, Telugu, Tamil, Bangla and Marathi) and is available with 60 Non-financial services making Banking seamless to the customer. Further Welcome Message is being sent to all newly onboarded customers through WhatsApp with a creative of all services. Currently, 25 Lakhs+ users are on boarded over UVConn and 118 Lakhs+ enquiries are triggered by customers over UVConn 3.0.

Projects implemented:

E-nomination : Nomination through Mobile banking, Internet banking, branch banking, WhatsApp banking and Corporate website.

Positive Pay : Reconfirmation of Cheque. Presently it is made mandatory in cheques of ₹ 5.00 lacs and above. However, positive pay can be used by the customers drawing cheque of ₹ 50,000.00 and above. The facility is available through Branch, SMS, Mobile, UVConn, Internet banking and corporate website. Limit option also made available to the customers for their protection. Wherever, the limit option is used, a reconfirmation is invariable taken over and above the limit.

- There are more than 1,000 reconfirmations daily above ₹ 5.00 lakhs.
- Now report on Positive can be generated by any branch to facilitate the customer. First such facility in the PSUs.
- Bulk uploading of cheques for reconfirmation in internet banking -First in PSUs.

The positive pay has been found very successful in prevention of fraud. Not even a single incident of Fraud reported in Positive Pay uses.

The chatbot is implemented in Internet Banking & Mobile Banking. New features have been added. Now chatbot is made available in Hindi, English & 7 Regional Languages. Only few banks have Hindi version & Regional Language option. Chatbot in UVCONN under development. There are more than 10000 hits and resolution over chatbot.

Fund Transfer up to ₹ 5000/- is made available through IVR. This facility can be availed through basic/ features phones as well.

Google Business Message : Any enquiry on Bank's service and product is made available through Google Business Message service for android phone users. It provides solution through live Chat as well as take care of business lead given by the customer.

GRIEVANCE REDRESSAL MECHANISM

The Grievance Redressal Mechanism has been strengthened to cater to the need of the customers. The roles and responsibilities at each level of the Grievance Redressal Mechanism have been clearly identified and defined. Mechanism to resolve the complaints and Standard Operating Practices has been defined at all levels to speed up the process of grievance redressal.

Grievance Redressal Policy:- The revised policy outlines the framework for addressing customer grievances; it aims at minimizing instances of customer complaints and grievances through a well-structured escalation matrix and pre-defined TAT / Timeline depending on the nature of the complaint. The purpose is to ensure prompt as well as effective redressal of customer complaints.

Up-dation of Grievance Redressal Officer Details on Bank's Website: The Bank has now uploaded the contact and other details of Zonal & Regional Grievance Redressal Officers on the Bank's website to enable ease to the customer in quick resolution of complaints. Now the website contains the structured Grievance Redressal Mechanism from the Chief Grievance Officer level to ZO and RO levels.

Handling of Customer Grievances: Bank have the Online Grievance Redressal mechanism through Corporate Website, IVR, Call Centre, Mobile Banking, WhatsApp Banking, Emails etc. On lodgement of the complaint by the customer ticket number of the complaint is invariably provided to the customers. Further Cyber Fraud related complaints are handled 24X7. Branches/ customers are made available with QR Codes for lodgement of complaint & capturing feedback.

The details of customer complaints received during the financial year 2023-24 are given below.

Particulars	Count
Complaints outstanding as of 01 st April 2023 (including BO Complaints)	527
Complaints received during the year (including BO Complaints)	3,20,495
Complaints resolved during the year (including BO Complaints)	3,14,691
Complaints outstanding as of 31 st March 2024 (including BO Complaints)	6331

28 Analytics Capabilities

After establishment of Analytics Center of Excellence (ACoE), Bank has strengthened its analytics team by inducting the right talent and upskilling them through internal and external trainings to harness the power of data.

Bank is in the process of setting up a next-gen state of the art data infrastructure – Data Lake - for driving advanced analytics using structured and unstructured data from both internal and external sources. This will enable the bank to make more informed decisions and improve customer experiences.

Further, your Bank is currently leveraging data analytics for enhancing customer engagement, supporting informed decision making and lowering risks within the Bank by way of descriptive analysis and various machine learning based use cases built using statistical/analytical algorithms across categories (Retail, MSME, Agri etc.).

Decision Making: Bank is utilizing Descriptive Analytics and Visual Dashboards for providing insights to Top Management and Verticals to enable data driven decision making.

Customer Retention: Bank is harnessing predictive modelling to identify potential instances of customer attrition by analysing historical data and reaching out to identified customers improving customer retention.

Personalised offers: Bank is generating personalized offers for customers through analytics-based use cases using predictive modelling leveraging customer data to identify potential leads supporting various functions of the bank such as Retail, MSME, Agri etc. and subsequently contributing to business enhancement.

Risk Management through stress identification: Bank has put in place various potential stress accounts models leveraging historical data of customers (repayment behaviour, account utilization, transaction behaviour & account maintenance etc.) to detect patterns and make predictions on early signs of stress in the regular accounts.

Major Focus Areas

- **Generative AI:** Generative AI is harnessed across diverse domains, including Human Resource Management Systems (HRMS), Relationship Management, Data Visualization, Contact Center Assistance, and even Code Generation, enhancing efficiency and accuracy in these areas.
- **RPACoE:** Robotic Process Automation (RPA) takes center stage, optimizing and customizing specific



Management Discussion And Analysis

operations such as ZOHO CRM processes, Bulk SMS distribution for REKYC reminders, management of Loyalty rewards points, and meticulous handling of CERSAI Rejected data reporting.

- **Green Office Automation:** Bank prioritizes office automation, focusing on the meticulous preparation, escalation, and digital signing of documents, Inter Office Letters, and Proposals.
- **Digital Business Platform:** Bank is implementing a comprehensive digital business platform to enable seamless interactions and transactions across various channels, fostering agility and adaptability in the digital landscape. The total Number of Digital Journeys will be 94 by March 2025 which includes lending journeys like CASA & Deposit (10), MSME (12), Retail (23), Agri (6), Gold (02) and others (41).
- **Data Lake:** Data Lake is the Next-Generation Data Repository solution to meet Analytical and Reporting requirements.
- **BCP Strengthening:** Implementing DR automation across critical applications, streamlining recovery processes and bolstering readiness. Conducting planned and unplanned DR drills, fostering a culture of preparedness and responsiveness.
- **NDR for Bangalore DR Site:** Establishing a robust four-way Disaster Recovery (DR) site setup for Bangalore, elevating resilience to unprecedented levels. Striving for zero data loss, even amidst rigorous DR drills, ensuring data integrity remains paramount.

29 Credit Compliance and Monitoring

Web & Mobile based Digital Debt Collection Management Solution:

Bank has on boarded M/s SPOCTO Solutions Pvt. Ltd. for development of inhouse Web & Mobile based Digital Debt Collection Management Solution. Solution have predictive analysis based on AI/ML using financial indicators, customer behaviour through data engineering of demographics, payment & transactions, prior performances, segmentation, etc. & formation of archetypes of customized journey for collection in loan accounts. Proposed solution has predictive analysis model to analyze the loan data and develop a suitable risk categorization model. Proposed solution will suggest the campaign planning of all accounts for contacting borrowers through various channels. Entire loan book of Bank shall be monitored through proposed solution. Focus shall be given to Stress accounts and probable stress accounts. The solution will be ready to go live in FY 2024-25.

Digitization of staff Accountability Process:

Earlier, Staff Accountability Examination position for NPA cases upto ₹ 10.00 cr was reported by Regional Office to their Zonal Office and the consolidated position of Regional Office, Zonal Office submitted to Central Office through a Fortnightly Progress Report in excel format. Based on the above report Staff Accountability examination pendency was monitored.

Now, The Bank has developed Staff Accountability Module in Stressed Assets Recovery Automation Solution (SARAS) package and made it live from October 01, 2023 at all levels for better monitoring and control at each level and for faster disposal of the pending cases as per delegation vested within the Policy on Staff Accountability. Regional Office/Zonal Office /Central Office to process and update the information and documents as per policy. This helps to extract accurate MIS on staff accountability. Accordingly, Regional Office/Zonal Office /Central Office will maintain the MIS on staff accountability at the respective level for effective monitoring and control.

30 Vigilance

The Vigilance Department of the Bank functions under the supervision of Chief Vigilance Officer (CVO), and Additional Chief Vigilance Officer (ACVO), who act as extended arms of Central Vigilance Commission. The CVO & ACVO are assisted by a team of 38 functional vigilance officers stationed at Central Office and 134 Field Vigilance Officers, mapped to Regional/Zonal Offices PAN India. The team is managed by 02 DGMs and 06AGMs at Administration Office, along with 02 AGMs stationed at Delhi and Mumbai, each. Vigilance functionaries, at each level, act as a preventive task force, ensuring sustainable business growth and profitability of the Bank. It is one of the defence pillars of the Bank, promulgating the environment of integrity, and accountability with transparency at all stages. The department has 03 major functional areas- preventive, participative, and punitive. It furthers aims at introducing systemic improvements for reformation of systems and procedures, strengthening the fundamentals of the organization. By proactively identifying and addressing potential risks, the Vigilance Department helps in mitigating financial, legal, and reputational risks associated with corruption and fraud, protecting the interests of the organization and its stakeholders.

Whistle blower mechanism is considered as a potent medium for organizations to ensure participative vigilance, wherein each employee has an access and avenue to safeguard the Bank against internal/ external threats like frauds, bribery, corruption, abuse of authority,

non-compliance of laid down systems & procedures, through reporting such incidences to Top Management. This is under the purview of Executive Director heading Human Resource Department. In order to sensitize the staff members and citizens about the perils of corruption and to bring in awareness modalities available to fight corruption, Short Video Film on evils of Corruption & PIDPI, each are prepared in house by Bank staff for circulation on all Social Media handles of the Bank such as Facebook, Youtube, X etc. Wide publicity of the same is done through all the social media handles of the Bank.

Total 03 In-House films & 01 Radio Jingles for creating awareness about perils of corruption and promoting culture of venerability, were launched during Vigilance Awareness Week, 2023. In addition to this, 12 short videos were prepared with the concept of "Say No To Corruption; Commit To The Nation" by CGGB (sponsored RRB). Wide publicity of the same was done through all the social media handles of the Bank and this resulted in approximately 43K+ views & impressions till date.

To create awareness, participative vigilance drive is undertaken at all level by conducting periodic preventive vigilance visits at all units of the organisation. This is also a prime objective of observing Vigilance Awareness Campaign every year.

A total of 8820 Preventive vigilance visits were undertaken, covering all the functional units of the Bank, to create awareness, especially about fraud prone areas and advise Functional Heads to ensure appropriate systems and procedures are put in place. Preventive Vigilance visit is basically conducted with a view to find out areas of concern where Bank's financial and reputational risk is involved and to devise adequate methods of control over exercise of discretion so as to ensure that discretionary powers are not exercised arbitrarily but in a transparent and fair manner.

In the endeavour to leverage IT platforms to strengthen the preventive measures various initiatives were taken in this financial year aimed at making a robust offsite surveillance system. Dedicated algorithm is designed by Transaction Monitoring and Fraud Management Department, inclusive of suggestions provided by Vigilance Department to monitor the transactions in staff accounts. These are integrated in the system to throw alerts in area which has vigilance connotation, thereby, enabling corrective/preventive action timely. In addition to these, CBI Complaint Management Portal is also made live to create a data repository and to ensure effective monitoring and coordination with Law Enforcing Agencies.

During the year various Systemic Improvements were introduced in three major categories to check & deter actionable occurrences in the organization:

- Preventive Measures
- Deterrence Measures
- Awareness Measures

A concept of Digital Vigilance Dashboard was devised which comprises of details of the different sections of Vigilance such as Preventive, Punitive, CBI, ABBFF, Complaints, etc. with updated status. It is presented to Top Management on fortnightly basis.

As per advisory of Central Vigilance Commission, Preventive Vigilance campaign was observed/undertaken, as a precursor to Vigilance Awareness Week, 2023, from 16th August, 2023 to 15th November, 2023 and Vigilance Awareness Week 2023 envisaging the theme "Say No To Corruption; Commit to the Nation भ्रष्टाचार का वरीध करे; राष्ट्र के प्रति समर्पित रहे" was observed in a befitting manner from 31st October to 5th November, 2023 in, across all branches/offices PAN-India.

As a part of the celebrations, various Vigilance Awareness Programmes were conducted within the organization and outreach activities on PAN India basis, to spread awareness among the general public and youth of India on eradicating corruption and remedial measures available to them. Wide publicity through resolution by way of display of banners & posters at bus stops, railway stations, roads and residential complexes, was done. A Total of 9,070 events were conducted under Vigilance Awareness Week 2023, which included activities in many branches/ offices with a wide participation of 5,31,782 people. Some of the prominent activities undertaken were publishing a Cartoon Book focussed on PIDPI, sponsoring various competitions in schools and colleges across the country, Gram sabha and other awareness programmes in rural areas, Customer/vendors meet etc. 75,000+ staff members and 10,50,950 citizens had taken Integrity Pledge during the Vigilance Awareness Week 2023.

With an aim of capacity building and creation of awareness, compendium comprising snippets on PIDPI, procurement, Ethics & Governance, Systems and Procedures (Credit & Non-Credit Areas) and Cyber Hygiene with during the campaign period. It was released via digital mode, during the Vigilance Awareness Week celebrations. The series are converted in Digital format and circulated across the Bank. A comprehensive magazine highlighting 20 intricate case studies related to financial and banking frauds was unveiled and made available. This publication delves deeply into real world



Management Discussion And Analysis

scenarios, offering in depth analysis and insights into various types of frauds within the financial and banking sectors, providing valuable lessons and cautionary tales for industry professionals and stakeholders.

Union Bank of India and Bank of India, in convergence, organized series of events including a Walkathon & Bike Rally covering a distance of 148 kms starting from Nadiad, the birthplace of Shri Sardar Vallabh Bhai Patel to the Statue of Unity at Kevadia, place commemorating the theme of Run for Ekta. To create widespread awareness against corruption GRAM SABHAs and NUKKAD NATAKS were conducted in various villages along the journey.

Under Punitive mechanism against the total staff strength of 75866 as of 31.03.2024, the numbers of pending vigilance cases are 200, i.e. 0.26%. During the year a total of 1394 complaints were received by the department & 1383 complaints are disposed off within the TAT. Total 59 investigations were ordered in FY 2023-24, of which reports have been received in 53 cases. Investigation reports pending in 6 cases are awaited, which are less than 3 months old. TAT for completing investigation and submission of Investigation report to Vigilance Department has stood at 81 days as against benchmark of 90 days.

In compliance with CVC instructions, quarterly structured meetings are regularly held with MD & CEO. Four quarterly structured meetings have been conducted between the period from 01.04.2023 to 31.03.2024, on 26.06.2023, 29-09-2023, 19-12-2023 and 18.03.2024 for the respective quarters. Apart from reviewing the position of vigilance cases, pendency in staff accountability examination in NPA accounts & scrutiny of audit reports, many important issues of immediate concern to the bank were taken up in the meeting for discussion. Based on the observations, MD & CEO has given directions to amend or improve systems and procedures, duly emphasizing on compliant business growth. All the statutory and regulatory returns to CVC, MOF, DFS, etc have been submitted periodically for review and monitoring of activities of Vigilance Department.

Concept of VAD (Vigilance Awareness Day) is introduced to strengthen the preventive approach in the Bank. On Vigilance Awareness Day, meetings are held at all Branches and offices where Branch Head/ Office Head and all staff members including marketing officers participate every month. Vigilance Officer (VO) mapped to Regional Office is the convener of this meeting. Main agenda of monthly staff VAD meeting is creating awareness among staff on latest incidences of frauds and modus operandi adopted at various Branches/Banks, developments in the industries, latest guidelines of the Bank & RBI, CVC initiatives, initiatives of the Bank on vigilance front etc. Irregularities observed during Vigilance Visits, Monitoring Visits, Audits, Scrutiny of BMDP statements, CPA etc.

Care is being exercised that the disciplinary process does not result in any demoralization. A reasonable degree of tolerance and understanding is being exhibited to condone the bonafide errors of judgment and other commercial decisions, which may occur in course of day-to-day functioning. A rational approach by the Top Management, the disciplinary authorities as well as the vigilance machinery is being adopted so as to ensure uniformity, fairness and transparency in functioning and to uphold the principles of natural justice. Additional efforts are being taken to impart the decision within prescribed timelines, and to avoid inordinate delays.

31 Opportunities

31.1 Economic momentum: India's gross domestic product (GDP) growth estimate for FY24 has been revised upwards to 7.6%, showcasing the enduring strength of the economy. There is a steady consumption demand which is backed by resilient urban demand and anticipated rural consumption growth due to a normal monsoon forecast in FY25. Despite geopolitical risks and volatile commodity prices, Indian capital markets remained one of the best performing among emerging markets in FY24. While robust investment activity is underway, strengthening private consumption demand is evident from indicators like rising air passenger traffic and sale of passenger vehicles, digital payments, improved consumer confidence and expectations of a normal monsoon. All this bodes well for the banking sector and would present immense lending opportunities.

31.2 Strong banking sector fundamentals: Bank credit booming at above 20% in FY11 showed a consistent drop to sub 10% in FY16 and broadly stayed at similar levels till FY22. This was aligned with a sharp rise in NPAs which peaked at 11.2% in FY18 though started trending lower to hit 3.2% in H1-FY24. This helped in pickup in credit growth to 16% (post HDFC merger effect) in FY24, highest in more than a decade. Implementation of Insolvency and Bankruptcy Code (IBC) and various measures by the RBI and the government have strengthened the balance sheets of the banking sector (such as the Asset Quality Review, Prompt Corrective Action Framework, Amalgamation and recapitalization of banks). This boosted banking sector soundness indicators. Return on Asset for PSBs increased from 0.50% in 2013-14 to 0.79% in 2022-23, and the Return on Equity increased to 12.35% from 8.48% in 2013-14. Provision coverage ratio at decade highs 75.3% in Sep'23.

31.3 Sunrise sectors: As has stated by the Prime Minister in RBI@90 speech, growth in the coming years would be driven by strong investment intent in emerging sectors and PLI scheme implementation. PLI and emerging sectors accounted for 5% of the capex between fiscals 2019 and 2023. This is set to rise to 27% between fiscals 2024 and 2028. CRISIL Ratings estimates ₹ 30-35 lakh crore of debt will be needed to fund capex by the private sector alone. Their scaling would require large capex, and hence they are likely to have a crucial role in boosting share of manufacturing in GDP to 25% after being stuck at close to 17-18% over last decade.

31.4 Government initiatives: The government's focus on capital expenditure (capex) has spurred private investments, with effective capex expected to reach 4.6% of GDP in FY25, as per the Interim Budget. This is a substantial 200 basis point increase from 2.6% of GDP in FY20.

32 THREATS

32.1 Stiff Competition: Deposit growth for the banking system is expected to moderate to 12-13 per cent in FY25 from 13.8% in FY24, further intensifying the competition for deposit accretion, especially for low-cost current account savings account (CASA) deposits. Interest rate could remain higher during FY 2024-25 and the competition for liabilities will be tough. All the major banks focus will be on getting higher share of incremental deposit mobilised by banking industry. The Government has also raised interest on small savings to attract higher flow of savings from households. Volatility in global financial markets could affect capital flow in India and other emerging markets. This could potentially have a negative impact on the Indian economy, as well as on other economies that rely on capital inflows.

32.2 Global uncertainty in Business Environment: Globally, the worry is that the core inflation could remain sticky and price rises could become entrenched due to the relatively tight economic environment facing several territories, is placing unprecedented pressure on central banks. Banks in India have performed considerably well in FY2023-24. Be it in terms of recovering bad loans, generating better profits, having higher provisions, both the public and private sector banks have witnessed positive traits. Going forward, the impact of high inflation on household savings/consumption and the effect of the high interest rates and servicing costs on vulnerable borrowers will remain risks.


32.3 Cyber security: Over the years there has been a surge in cyber security breaches in the financial sector. Government data shows that there were 248 successful data breaches in India's banking sector between June 2018 and March 2022. These breaches primarily involved card details leakage and information theft, prompting heightened vigilance. Going forward, banks will have to revamp their encrypted systems to counter artificial intelligence (AI) abuses. Banks have to strengthen their IT risk governance frameworks.

33 Outlook

- a. During FY 2023-24, Indian economy recorded robust growth amidst external headwinds in the form of supply chain disruptions. Economic activity gained momentum and the provisional estimates of national income released by the NSO placed India's real GDP growth at 8.2% in 2023-24 – an upward revision of 60 bps from the second advance estimates (SAE). The CPI inflation is projected to average 4.5% during 2024-25, lower than 5.4% for 2023-24 with most of the decline occurring in H1:2024-25. Improved macroeconomic stability as seen in the moderate current account deficit, easing inflation pressure, and resilience in banking system is expected to strengthen the outlook further. Growth numbers would be further supported by improving consumption demand, the Government's thrust on infrastructure spending, revival in corporate investment, healthy bank credit, and moderating commodity prices. Downside risks to growth include headwinds of prolonged geopolitical tensions, tight global financial conditions, global financial market volatility and slowing external demand.
- b. Bank credit offtake remained buoyant on resilient economic activity. Though some corrections in peak growth numbers are expected, credit growth is expected to remain double digit in FY 2024-25 followed by sustained deposit inflow. With inflation seen softening below target level, the RBI is expected to resort to shallow rate cuts in the second half of FY 2024-25. Going forward, the RBI has reiterated that it will remain vigilant, agile, and nimble in policy actions so as to support the economic growth while mitigating the impact of global spill overs on domestic financial markets.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 11.06.2024



(Srinivasan Varadarajan)
Chairman



Corporate Governance Report

1. BANK'S PHILOSOPHY ON CORPORATE GOVERNANCE

- 1.1 Union Bank of India is committed to good corporate governance practices. The Bank has laid emphasis on the cardinal values of fairness, transparency and accountability for performance at all levels, thereby enhancing the shareholders' value and protecting the interests of the stakeholders.
- 1.2 The Bank considers itself as trustee of its shareholders and acknowledges its responsibility towards them for creation and safeguarding their wealth. During the year under review, the Bank continued its pursuit of achieving these objectives through adoption of corporate strategies, prudent business plans, monitoring of major risks and pursuing policies and procedures to satisfy its legal and ethical responsibilities.
- 1.3 The Bank firmly believes that the self-discipline and sincerity of the Board and other stakeholders in carrying out their responsibilities provide the bedrock for a clean, transparent and trustworthy Corporate Governance regime which in turn will earn continuous support and trust of stakeholders.
- 1.4 To implement the best practices, the Board has framed a Code of Corporate Governance. The code helps to inculcate a spirit of good corporate governance right from the top. It basically encompasses and documents the practices followed in the Bank in conduct of its duties towards all the stakeholders like:
 - ❖ Functioning of Board and its various Committees
 - ❖ Compliance (Regulatory and Policy)
 - ❖ Relation with shareholders
 - ❖ Disclosures by Bank and its Directors
 - ❖ Corporate Social Responsibility and
 - ❖ Other miscellaneous issues viz. Code of Conduct for Directors & Senior Management Personnel, Prohibition of Insider Trading, Related Party Transaction Policy, Whistle Blower Policy, Staff Related Matters, Vigilance etc.

- 1.5 The Bank being a listed entity complies with the Corporate Governance provisions of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

2. BOARD OF DIRECTORS

- 2.1 The composition of the Board of Directors is governed by the provisions of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, as amended and Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970, as amended.
- 2.2 The responsibilities of the Board include monitoring overall functioning of Bank including but not limiting to approval of policies for conduct of business, business reviews, assessing the independence of the audit and risk function, detailed scrutiny of quarterly and annual financial results, NPA management and provisioning integrity, compliance of regulatory and statutory guidelines, customer protection, financial inclusion, overall supervision of human resources etc.
- 2.3 The Board has constituted various sub-committees and delegated its powers for different functional areas to the committees of the Board. The Board as well as its Committees meet at periodic intervals.
- 2.4 As on 31st March, 2024, the Board comprised of five whole-time Directors viz. Managing Director & Chief Executive Officer (MD & CEO) and four Executive Directors appointed by the Government of India besides seven Non-Executive Directors who are eminent personalities from various walks of life. Their rich and varied experience guides the Bank in its progress and achievements in various spheres.
- 2.5 The positions of Workmen Employee Director and Officer Employee Director to be nominated by the Central Government were vacant during the year. The positions of CA category Director and One Part-Time Non-official Director to be nominated by the Central Government were vacant as on 31st March, 2024.

2.6 Composition of the Board of Directors as on 31st March, 2024 is as under

Sr. No.	Full Name of the Director, Designation & Category	Appointment Date	Membership in Committees of the Bank \$	Holding of Bank's shares	Number of memberships of ACB & SRC in Public Ltd. Companies including the Bank	No. of Chairmanships of ACB & SRC in Public Ltd. Companies including the Bank	Remarks (Nature of appointment in the Bank/ Other Listed Companies and Area of Expertise)
1	Shri Srinivasan Varadarajan, Non-Executive Chairman and Part-Time Non-Official Director (Non-Executive – Independent)	07-11-2022	SRC RMC SCMF NRC HRSC BCPE	Nil	3	2	Appointed as Non-Executive Chairman and Part-Time Non-Official Director u/s 9(3)(h) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, to hold office for a period of three years from the date of notification i.e. 07.11.2022 or until further orders, whichever is earlier. Area of Expertise: Banking & Finance
2	Ms. A. Manimekhalai, Managing Director & CEO (Executive)	03-06-2022	MCB SRC RMC ITSC SCMF DPPC STCB HRSC CAC-I REMC CDRCF RCNCB & WD	Nil	3	2	Appointed as a Whole Time Director u/s 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, to hold office for a period of three years from the date of assumption of office i.e., 03.06.2022 or until further orders whichever is earlier. Area of Expertise: Banking & Marketing
3	Shri Nitesh Ranjan, Executive Director (Executive)	10-03-2021	MCB SRC ITSC REMC HRSC CAC-I CDRCF	6725	2	Nil	Appointed as a Whole Time Director u/s 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, for a period of 3 years w.e.f. the date of assumption of office i.e., from 10.03.2021 or until further orders, whichever is earlier. Further, as per Government notification, the term of Shri Nitesh Ranjan has been extended for a period of two years, or until further orders, whichever is earlier. Area of Expertise: Economics, Finance & Management, Banking.
4	Shri Ramasubramanian S, Executive Director (Executive)	21-11-2022	MCB SRC ITSC REMC HRSC CAC-I CDRCF	Nil	1	Nil	Appointed as a Whole Time Director u/s 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, for a period of 3 years w.e.f. the date of assumption of office i.e., from 21.11.2022 or until further orders, whichever is earlier. Area of Expertise: Banking & Finance

**Corporate Governance Report**

Sr. No.	Full Name of the Director, Designation & Category	Appointment Date	Membership in Committees of the Bank \$	Holding of Bank's shares	Number of memberships of ACB & SRC in Public Ltd. Companies including the Bank	No. of Chairmanships of ACB & SRC in Public Ltd. Companies including the Bank	Remarks (Nature of appointment in the Bank/ Other Listed Companies and Area of Expertise)
5	Shri Sanjay Rudra, Executive Director (Executive)	09-10-2023	MCB SRC ITSC REMC HRSC CAC-I CDRCF	Nil	1	Nil	Appointed as a Whole Time Director u/s 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, from the date of assumption of office i.e. from 09.10.2023 and up to date of his attaining the age of superannuation(i.e. 30.06.2026) or until further orders, whichever is earlier. Area of Expertise: Risk, Banking & Finance management
6	Shri Pankaj Dwivedi, Executive Director (Executive)	27-03-2024	MCB SRC ITSC REMC HRSC CAC-I CDRCF	Nil	1	Nil	Appointed as a Whole Time Director u/s 9(3)(a) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, for a period of three years with effect from the date of assumption of office i.e. from 27.03.2024 or until further orders, whichever is earlier. Area of Expertise: Banking & Finance
7	Shri Sameer Shukla Government Nominee Director (Non-Executive)	08-11-2021	ACB SRC ITSC SCMF DPPC REMC HRSC BCPE	Nil	3	Nil	Nominated as a Director by Central Government u/s 9(3)(b) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, from 08.11.2021 to hold the post until further orders. Area of Expertise: Management & Finance
8	Shri Prakash Baliarsingh, RBI Nominee Director (Non-Executive)	14-07-2023	MCB ACB DPPC	Nil	1	Nil	Nominated as a Director by Central Government on the recommendation of RBI u/s 9(3)(c) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, from 14.07.2023 to hold the post until further orders. Area of Expertise: Banking Regulations and supervision, Finance
9	Shri Suraj Srivastava Part-Time Non-Official Director (Non-Executive - Independent)	21-12-2021	ACB SRC RMC ITSC SCMF STCB NRC RCNCB & WD	Nil	2	1	Nominated as a Part Time Non-Official Director by Central Government u/s 9(3)(h) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, for a period of three years from the date of notification i.e. 21.12.2021 or until further orders, whichever is earlier. Area of Expertise: Audit, Taxation and Finance

Sr. No.	Full Name of the Director, Designation & Category	Appointment Date	Membership in Committees of the Bank \$	Holding of Bank's shares	Number of memberships of ACB & SRC in Public Ltd. Companies including the Bank	No. of Chairmanships of ACB & SRC in Public Ltd. Companies including the Bank	Remarks (Nature of appointment in the Bank/ Other Listed Companies and Area of Expertise)
10	Shri Laxman S. Uppar Part-Time Non-Official Director (Non-Executive - Independent)	21-03-2022	ACB RMC SCMF NRC HRSC RCNCB & WD	Nil	1	Nil	Nominated as a Part Time Non-Official Director by Central Government u/s 9(3)(h) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, for a period of three years from the date of notification i.e. 21.03.2022 or until further orders, whichever is earlier. Area of Expertise: Learning & Development, Management and CSR
11	Dr. Jayadev Madugula Shareholder Director (Independent Non-Executive)	28-06-2018	MCB RMC SCMF CDRCF BCPE	200	NIL	Nil	Elected as Shareholder Director u/s 9(3)(i) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, for a period of three years from 28.06.2018 to 27.06.2021 and re-elected for further period of three years from 28.06.2021 to 27.06.2024. Area of Expertise: Banking, Finance & Risk Management
12	Ms. Priti Jay Rao Shareholder Director (Independent Non-Executive)	29-07-2021	ACB SRC ITSC STCB CDRCF	1000	2	1	Elected as Shareholder Director u/s 9(3)(i) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, for a period of three years from 29.07.2021 to 28.07.2024. Area of Expertise: Information Technology, HR & CSR

\$ Abbreviations of Committee Names

ACB	- Audit Committee of the Board
BCPE	- Board Committee for Performance Evaluation
CAC -I	- Credit Approval Committee – I
CDRCF	- Committee of Directors for Raising of Capital Fund
RMC	- Risk Management Committee
SCMF	- Special Committee on Monitoring of Frauds of ₹ 1 crore & above
SRC	- Stakeholders Relationship Committee
DPPC	- Disciplinary Proceedings & Promotion Committee
STCB	- Share Transfer Committee of the Board
HRSC	- HR Sub-Committee of the Board
ITSC	- IT Strategy Committee
MCB	- Management Committee of the Board
NRC	- Nomination & Remuneration Committee
RCNCB&WD	- Review Committee for Non-Cooperative Borrowers & Willful Defaulters of the Bank
REMC	- Recovery Management Committee of the Board

**Corporate Governance Report****2.7 Appointments/Cessations during the Financial Year 2023-24:**

Appointments: The following new directors inducted on the Board during the financial year 2023-24:-

Sr. No.	Name	Age	Date of Appointment	Expiry date of current term	Nature of Expertise	Brief Profile
1	Shri Prakash Baliarsingh	60	14-07-2023	Until further orders	Banking Regulations & Supervision, Finance	Shri Prakash Baliarsingh has been nominated as RBI Nominee Director on the Board of the Bank with effect from 14.07.2023. Shri Prakash Baliarsingh was Chief General Manager of Department of Regulation, Reserve Bank of India. He was a career central banker and having rich experience of more than 3 decades with various Departments of Reserve Bank of India (majorly with Department of Supervision and Department of Regulation). He has acted as Principal Inspecting Officer/Senior Supervisory Manager for leading commercial banks. He was also member of various committees/sub committees formed by the Reserve Bank of India related to Asset Quality Review (AQR) of banks, Risk Based Supervision as well as Supervisory Programme for Assessment of Risk and Capital (SPARC). He also represented Reserve Bank of India as a member in International Committees. He is a Post Graduate in Political Science and also completed M.Sc. (Finance) from Oxford Brookes University, UK. He was also a recipient of Reserve Bank of India's Golden Jubilee scholarship. He is a Certified Associate of Indian Institute of Bankers.
2.	Shri Sanjay Rudra	57	09-10-2023	30-06-2026	Risk, Banking Financial management	Shri. Sanjay Rudra assumed office as the Executive Director of Union Bank of India w.e.f. October 09,2023. Prior to joining Union Bank of India, he was General Manager and Chief Risk Officer of Bank of Maharashtra. He has over three decades of rich experience to his credit in various facets of Banking such as Credit, Priority, MSME and Integrated Risk Department. He was also the in-charge of L&D Vertical and had an additional charge of Development Testing of Digital Lending. He holds Post Graduate degree in Physics and a Diploma in Financial Management from Welingkar Institute. He is an associate member of IIBF. He has undergone the Leadership Development Program from IIM Bangalore, conducted by FSIB. He has also attended the Global Advanced Management Program conducted by ISB Hyderabad in association with Kellogg School of Management, USA. Shri. Rudra was an active associate at the senior leadership in Bank of Maharashtra for spearheading the turn-around of the Bank. He served as a Director on Board of the Maharashtra Executor and Trustee Company Private Ltd. (Subsidiary of Bank of Maharashtra).

Sr. No.	Name	Age	Date of Appointment	Expiry date of current term	Nature of Expertise	Brief Profile
3.	Shri Pankaj Dwivedi	53	27-03-2024	26-03-2027	Banking & Finance management	Shri Pankaj Dwivedi assumed office as the Executive Director of Union Bank of India on March 27, 2024. Prior to joining Union Bank of India, he was General Manager in Punjab & Sind Bank. He has more than 31 years of rich Banking experience. He has completed Masters in Business Administration from Symbiosis Institute of Management Studies, Pune and is a Certified Associate from Indian Institute of Bankers (CAIIB). He has completed the Executive Certificate Programme in Applied Financial Risk Management from IIM, Raipur and has also completed the Leadership Development Programme of IIM Bangalore, curated by the Banks Board Bureau in consultation with IBA and Egon Zehnder International Pvt. Ltd. During his tenure in Punjab & Sind Bank, he has gained wide experience in various aspects of banking and has rich experience of working in Branches, Zonal Office and various departments at Head Office. He has handled a variety of functions at Head Office such as Priority Sector, Retail Lending, Law & Recovery, Treasury, Corporate Credit, Board Secretariat, Planning & Development, Foreign Exchange, Co-Lending Cell, etc. He is also a trustee on the Board of Trustees of IIFCL Mutual Fund.

Cessations: The following members ceased to be the Directors during the financial year 2023-24:

Sr. No.	Name of Director	Designation	Date of Cessation	Reason
1	Shri Rajneesh Karnatak	Executive Director	29.04.2023	Elevation as Managing Director and CEO of Bank of India
2.	Shri Arun Kumar Singh	RBI Nominee Director	14.07.2023	Completion of Tenure
3.	Shri Nidhu Saxena	Executive Director	27.03.2024	Elevation as Managing Director and Chief Executive Officer of Bank of Maharashtra

2.8 Inter-se relationship of Directors:

There is no inter-se relationship amongst the Directors.

2.9 Committee Membership of Directors:

In terms of regulations 26(1) of SEBI (LODR) Regulations, 2015, Chairpersonship and Membership of Audit Committee of the Board (ACB) and Stakeholders Relationship Committee (SRC) are considered for this disclosure.

No Director of the Bank was a member in more than 10 Committees or acted as Chairperson of more than 5 Committees across all listed entities/public limited companies in which he / she was a Director during the year 2023-24.

Details of Membership/Chairmanship held by the Directors on the Committees of the Bank and other listed/public limited companies where he /she was a Director as on March 31st 2024 are given here under

**Corporate Governance Report**

Sr. No.	Name & Designation of Director	Name of Company	Name of Committee	Member/ Chairman
1	Shri Srinivasan Varadarajan, Non-Executive Chairman and Part-Time Non-Official Director	1. India Debt Resolution Company Limited	ACB	Chairman
		2. Institutional Investor Advisory Services India Limited	ACB	Chairman
		3. Union Bank of India	SRC	Member
2	Ms. A. Manimekhalai, Managing Director & CEO	1. General Insurance Corporation of India	ACB	Chairperson
		2. Union Bank of India	SRC	Member
3	Shri Nitesh Ranjan, Executive Director	1. Union Bank of India	SRC	Member
		2. National Payments Corporation of India	ACB	Member
4	Shri Ramasubramanian S, Executive Director	Union Bank of India	SRC	Member
5	Shri Sanjay Rudra	Union Bank of India	SRC	Member
6	Shri Pankaj Dwivedi	Union Bank of India	SRC	Member
7	Shri Sameer Shukla, Government Nominee Director	1. Union Bank of India	ACB	Member
		2. National Housing Bank	SRC	Member
8	Shri Prakash Baliarsingh, RBI Nominee Director	Union Bank of India	ACB	Member
9	Shri Suraj Srivastava, Part-Time Non-Official Director	Union Bank of India	ACB	Chairman
			SRC	Member
10	Shri Laxman S. Uppar, Part-Time Non-Official Director	Union Bank of India	SRC	Member
11	Dr. Jayadev Madugula, Shareholder Director	NIL	NIL	NIL
12	Ms. Priti Jay Rao, Shareholder Director	Union Bank of India	SRC	Chairperson
			ACB	Member

2.10 Details of Familiarization Programmes attended by Directors: The details of training programmes attended by Directors of the Bank are made available on Bank's website under the following link:

<http://www.unionbankofindia.co.in/english/familiarisation.aspx>

2.11 In terms of requirement of Schedule V of the Listing Regulations, a Practicing Company Secretary has certified that none of the directors on the Board of the Bank have been debarred or disqualified from being appointed or

continuing as directors of Bank by the SEBI / Ministry of Corporate Affairs or any such statutory authority and the certificate from Practicing Company Secretary in this regard forms part of Annual Report.

2.12 The Board of Directors of the Bank confirms that the independent directors of the Bank fulfil the conditions specified in Listing Regulations and are independent of the management.

2.13 Details of Directors, their attendance in the Board and other Committee Meetings during 2023-24 are as follows :

Sl. No.	Name of the Director	Type	Board		MCB		ACB		SRC		RMC		ITSC		SCMF		DPPC		STCB**	
			Held*	attended	Held*	attended	Held*	attended	Held*	attended	Held*	attended	Held*	attended	Held*	attended	Held*	attended	Held*	attended
1	Shri Srinivasan Varadarajan Since 07.11.2022	NEC	16	16	-	-	-	-	-	-	4	4	-	-	5	5	-	-	-	-
2	Ms.A.Manimekhalai Since 03.06.2022	MD & CEO	16	16	29	29	-	-	5	5	4	4	5	5	5	5	6	6	4	3
3	Shri Nitesh Ranjan Since 10.03.2021	ED	16	15	29	22	-	-	5	1	-	-	5	4	-	-	-	-	-	-
4	Shri Ramasubramanian S Since 21.11.2022	ED	16	16	29	29	-	-	5	5	-	-	5	5	-	-	-	-	1	1
5	Shri Sanjay Rudra Since 09.10.2023	ED	8	8	16	14	-	-	2	2	-	-	3	3	-	-	-	-	-	-
6	Shri Pankaj Dwivedi Since 27.03.2024	ED	-	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Shri Sameer Shukla Central Govt Nominee Since 08.11.2021	NED	16	9	-	-	11	5	5	2	-	-	5	3	5	1	6	6	-	-
8	Shri Prakash Baisarsingh RBI Nominee Director Since 14.07.2023	NED	12	12	23	22	9	9	-	-	-	-	-	-	-	-	6	6	-	-
9	"Shri Suraj Srivastava Since 21.12.2021"	ID/NED	16	16	-	-	11	11	5	4	4	4	4	4	5	5	-	-	4	4
10	Shri Laxman S. Uppar Since 21.03.2022	ID/NED	16	16	16	16	4	4	5	5	4	4	-	-	4	4	-	-	1	1
11	Dr. Jayadev Madugula Since 28.06.2018	ID/SD	16	15	13	13	7	7	-	-	4	4	1	1	4	4	-	-	-	-
12	Ms. Priti Jay Rao Since 29.07.2021	ID/SD	16	15	-	-	11	11	5	5	-	-	5	5	2	2	-	-	3	3
The following are the details of attendance of directors who were on the Board of the Bank during FY 23-24 prior to 31.03.2024																				
1	Shri Rajneesh Karnataka Since 21.10.2021 till 29.04.2023	ED	2	2	2	2	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shri Arun Kumar Singh RBI Nominee Director Since 26.04.2019 till 14.07.2023	NED	4	4	6	6	2	2	-	-	-	-	-	-	-	-	-	-	-	-
3	Shri Nidhu Saxena Since 01.02.2022 till 27.03.2024	ED	16	16	28	26	-	-	5	3	-	-	5	4	-	-	-	-	-	-

* Number of meetings held during the tenure of the Director

** 9 Proposals were circulated as Circular Resolution at different time intervals to the Share Transfer Committee and got it approved.

MD & CEO - Managing Director & Chief Executive Officer

ED- Executive Director

NED - Non Executive Director

ID - Independent Director

SD - Shareholder Director

NEC- Non Executive Chairman

Corporate Governance Report

2.13 Details of Directors, their attendance in the Board and other Committee Meetings during 2023-24 are as follows :

Sl. No.	Name of the Director	Type	RCNCB & WD		NRC		HRSC		CAC-I		REMC		CDRCF		BCPE	
			Held*	attended	Held*	attended	Held*	attended	Held*	attended	Held*	attended	Held*	attended	Held*	attended
1	Shri Srinivasan Varadarajan Since 07.11.2022		-	-	5	5	4	4	-	-	-	-	-	-	1	1
2	Ms.A.Manimekhalai Since 03.06.2022		4	4	-	-	5	5	31	31	4	4	7	7	-	-
3	Shri Nitesh Ranjan Since 10.03.2021	ED	-	-	-	-	5	2	31	14	4	3	7	5	-	-
4	Shri Ramasubramanian S Since 21.11.2022	ED	-	-	-	-	5	5	31	31	4	3	7	7	-	-
5	Shri Sanjay Rudra Since 09.10.2023	ED	-	-	-	-	2	2	17	14	2	2	3	3	-	-
6	Shri Pankaj Dwivedi Since 27.03.2024		-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Shri Sameer Shukla Central Govt Nominee Since 08.11.2021	NED	-	-	-	-	5	1	-	-	4	3	-	-	1	1
8	Shri Prakash Baijarsingh RBI Nominee Director Since 14.07.2023	NED	-	-	-	-	-	-	-	-	-	-	-	-	-	-
9	"Shri Suraj Srivastava Since 21.12.2021"	ID/NED	4	4	5	5	-	-	-	-	-	-	-	-	-	-
10	Shri Laxman S. Uppar Since 21.03.2022	ID/NED	4	4	5	5	3	3	-	-	-	-	-	-	-	-
11	Dr. Jayadev Madugula Since 28.06.2018	ID/SD	-	-	-	-	1	1	-	-	-	-	5	5	1	1
12	Ms. Priti Jay Rao Since 29.07.2021	ID/SD	-	-	-	-	2	2	-	-	-	-	5	5	-	-
The following are the details of attendance of directors who were on the Board of the Bank during FY 23-24 prior to 31.03.2024																
1	Shri Rajneesh Karnatak Since 21.10.2021 till 29.04.2023	ED	-	-	-	-	1	1	1	1	-	-	-	-	-	-
2	Shri Arun Kumar Singh RBI Nominee Director Since 26.04.2019 till 14.07.2023	NED	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Shri Nidhu Saxena Since 01.02.2022 till 27.03.2024	ED	-	-	-	-	-	-	29	23	-	-	7	7	-	-

* Number of meetings held during the tenure of the Director

3. ANNUAL GENERAL MEETING

The Twenty First Annual General Meeting of the Shareholders of the Bank was held on Friday, 4th August, 2023 through VC/OAVM where the following directors were present:

Name	Designation
Shri Srinivasan Varadarajan	Chairman
Ms. A. Manimekhalai	Managing Director & CEO
Shri Nitesh Ranjan	Executive Director
Shri Nidhu Saxena	Executive Director
Shri Ramasubramanian S	Executive Director
Shri Suraj Srivastava	Part-Time Non-Official Director
Shri Laxman S Uppar	Part-Time Non-Official Director
Dr. Jayadev Madugula	Shareholder Director
Ms. Priti Jay Rao	Shareholder Director

4. BOARD MEETINGS

Details of Board Meetings held during the Financial Year 2023-24:

The Board met 16 times during the year 2023-24 on 06.04.2023, 26.04.2023, 06.05.2023, 20.06.2023, 20.07.2023, 29.08.2023, 14.09.2023, 27.09.2023, 27.10.2023, 20.11.2023, 28.12.2023, 20.01.2024, 12.02.2024 and 13.02.2024, 22.03.2024 and 27.03.2024.

5. COMMITTEES OF THE BOARD

The Board of Directors of the Bank has constituted various committees of Directors and/or executives to look into different areas of strategic importance in terms of Reserve Bank of India / SEBI / Govt. of India guidelines on Corporate Governance and Risk Management. The important Committees are as under -

1. Management Committee of the Board (MCB)
2. Audit Committee of the Board (ACB)
3. Risk Management Committee (RMC)
4. Special Committee on monitoring of Frauds of ₹ 1.00 crore and above (SCMF)
5. Recovery Management Committee of the Board (ReMC)
6. HR Sub-Committee of the Board (HRSCB)
7. Stakeholders Relationship Committee (SRC)
8. IT Strategy Committee (ITSC)

9. Nomination & Remuneration Committee (NRC)
10. Disciplinary Proceedings & Promotion Committee (DPPC)
11. Share Transfer Committee of the Board (STCB)
12. Review Committee for Non Cooperative Borrowers & Willful Defaulters of the Bank (RCNCB & WD)
13. Credit Approval Committee-I (CAC - I)
14. Committee of Directors for Raising of Capital Fund (CDRCF)
15. Board Committee for Performance Evaluation (BCPE)

5.1 Management Committee of the Board (MCB)

5.1.1 Composition:

In pursuance of Clause 13 of the Nationalized Banks (Management & Miscellaneous Provisions) Scheme, 1970 (as amended), the Management Committee of the Board consists of -

- ❖ Managing Director & CEO,
- ❖ Executive Directors,
- ❖ RBI Nominee Director and
- ❖ Three other Non-Executive Directors under Section 9 (3) (e), (f), (h) & (i) nominated by the Board for a period of one year and may be re-nominated thereafter for a period of six months each for two times.

Ms. A. Manimekhalai, Managing Director & CEO of the Bank chaired the Committee.

5.1.2 Functions:

Pursuant to the directives of Ministry of Finance, Government of India, Management Committee of the Board is constituted by the Board of Directors for considering various business matters viz. sanctioning/ review of credit proposals, loan compromise/write-off proposals, approval of capital and revenue expenditure beyond the powers of Credit Approval Committee-I, acquisition and hiring of premises, investments, donations, etc.

During the year 2023-24, 29 meetings of MCB were held.

5.2 Audit Committee of the Board (ACB)

5.2.1 Composition:

The Audit Committee of the Board (ACB) has been constituted by the Bank as per the guidelines of Reserve Bank of India and Ministry of Finance, of India. The ACB at present consists of following



Corporate Governance Report

members –

- ❖ Nominees of Govt. of India & Reserve Bank of India and
- ❖ Three other Non-Executive Directors / Independent Directors.

Executive Directors are the invitees to the meeting.

Shri Suraj Srivastava, Part-Time Non-Official Director chaired the Committee.

Company Secretary acts as Secretary to the ACB in terms of Regulation 18(1)(e) of the SEBI (LODR) Regulations, 2015.

5.2.2 Functions:

The ACB reviews the functions of the Bank as mandated by calendar of items issued by the RBI. The major functions of ACB are enumerated below:

1. ACB provides directions as also oversees the operation of the total audit function in the Bank. Total audit function implies the organization, operationalization and quality control of internal audit and inspection within the Bank and follow-up on the statutory / external audit of the Bank and inspection by RBI.
2. ACB reviews the internal inspection/audit functions in the Bank i.e. the system, its quality and effectiveness in terms of follow-up. It reviews the inspection reports of specialized and extra-large branches and all branches with unsatisfactory ratings. It also specially focuses on the follow-up of:-
 - ⌘ Inter-branch adjustment accounts
 - ⌘ Un-reconciled long outstanding entries in Inter-Bank accounts and Nostro accounts
 - ⌘ Arrears in balancing of books at various branches
 - ⌘ Frauds
 - ⌘ All other major areas of housekeeping.
3. ACB obtains and reviews quarterly reports from the Compliance Officers appointed in the Bank in terms of guidelines of RBI and SEBI.
4. Regarding statutory audits, ACB follows up on all the issues raised in the Long Form Audit Reports. It interacts with the external auditors before and after the finalization of annual / semi-annual financial accounts and on the audit reports.
5. ACB reviews the accounting policies and practices, related party transactions, Mechanism for Whistle-

Blower, Management Discussion and Analysis and Quarterly and Annual Financial Results of the Bank.

6. In addition to the above, the functions of the Audit Committee include the role of the Audit Committee and review of information by audit committee as defined under Part – C of Schedule II – Corporate Governance of SEBI (LODR) Regulations, 2015.

The Committee met 11 times during the year 2023-24 on 06.05.2023, 15.06.2023, 20.07.2023, 25.07.2023, 30.08.2023, 27.10.2023, 30.10.2023, 22.12.2023, 20.01.2024, 07.02.2024 and 11.03.2024.

5.3 Risk Management Committee (RMC)

5.3.1 Composition:

The Bank had constituted Supervisory Committee of Directors on Risk and Asset Liability Management in terms of RBI guidelines. In terms of SEBI (LODR) Regulations, 2015, the Board of Directors shall constitute a Risk Management Committee (RMC) in top 1000 listed entities determined on the basis of market capitalization. Considering the similarity in functions, the Board in its meeting dated 06.12.2019 changed the name of Supervisory Committee of Directors on Risk & Asset Liability Management (SCR & ALM) to Risk Management Committee (RMC).

The Committee consists of the following members:

- ❖ Non-Executive Chairman
- ❖ Managing Director & CEO
- ❖ Three Non-Executive / Independent Directors.

5.3.2 Functions:

The Committee is constituted to supervise the functions of Risk and Asset Liability Management in the Bank. The Committee is responsible for identifying, evaluating and monitoring the overall risks faced by the Bank.

Ministry of Finance, Govt. of India vide letter no. F.No. 16/19/2019-BO.Idated 30.08.2019, envisaged institution of a Risk Appetite Framework for a structured approach to manage, measure and control risk, consisting of – i. Risk Appetite Statement and Risk Limits for the Bank; ii. Policies, Processes, Controls and Systems for both material and reputational risks iii. Delineation of roles and responsibilities for overseeing implementation and monitoring.

It was further envisaged that the Risk Management Committee may be given a mandate to periodically review adherence to the Risk Appetite framework of the

Bank and to fix accountability in the event of breach of approved Risk Appetite

The Committee met 4 times during the year 2023-24.

5.4 Special Committee of the Board of Directors for monitoring of Fraud of ₹ 1.00 crore and above (SCMF)

5.4.1 Composition:

Special Committee of the Board of Directors for monitoring of frauds of ₹ 1 crore and above is constituted as per the guidelines issued by Reserve Bank of India. At present the Audit Committee of Board (ACB) is required to oversee the internal inspection, statutory audit, inter branch/inter bank accounts and major areas of housekeeping etc. The ACB is also required to focus attention on preventive aspects and follow-up action being initiated by the bank on frauds. However, this Special Committee focuses on Monitoring and following up of cases of frauds involving amounts of ₹ 1 crore and above exclusively while ACB continues to monitor all the cases of frauds in general.

The Special Committee is constituted with following members of the Board of Directors:

- ❖ Non-executive Chairman
- ❖ Managing Director & CEO
- ❖ Two members from the Audit Committee of the Board
- ❖ Two other members from the Board excluding RBI nominee Director

Functions:

The major function of the Special Committee is to monitor and review all the cases of frauds of ₹ 1 crore and above so as to:

- ❖ Identify the systemic lacunae, if any that facilitated perpetration of the fraud and put in place measures to plug the same.
- ❖ Identify the reasons for delay in detection, if any and/or reporting to top management of the Bank and RBI.
- ❖ Monitor progress of CBI /Police Investigation and recovery position.
- ❖ Ensure that the staff accountability is examined at all levels in all the cases of frauds and staff side action, if required, is completed quickly without loss of time.
- ❖ Review the efficacy of the remedial action taken to prevent recurrence of frauds, such as strengthening of internal controls.

- ❖ Put in place other measures as may be considered relevant to strengthen preventive measures against frauds.

The Committee met 5 times during the year 2023-24.

5.5 Recovery Management Committee of the Board (ReMC)

5.5.1 Composition:

A Board level Sub Committee for Recovery Management has been formed as per Ministry of Finance, Government of India guidelines to monitor the progress in recovery on regular basis and this Committee would submit its report to the Board.

The composition of the Committee is:

- ❖ Managing Director & CEO
- ❖ Executive Directors
- ❖ Government of India Nominee Director

Ms. A. Manimekhalai, Managing Director & CEO of the Bank chaired the Committee.

5.5.2 Functions:

To monitor the progress in recovery on regular basis and submit the report to the Board.

The Committee has held 4 meetings during the year 2023-24.

5.6 Human Resources Sub-Committee of the Board (HRSCB)

5.6.1 Composition:

The Committee consists of Managing Director & CEO, Executive Directors, Government Nominee Director and any two Directors nominated by the Board. In addition, two experts in Human Resources also participate as special invitees.

Ms. A. Manimekhalai, Managing Director & CEO of the Bank chaired the Committee.

5.6.2 Functions:

To oversee & review the implementation of following aspects:

1. Overall Strategy for the Bank on HR.
 - ⌘ Overall manpower plan and skills gap identification.
 - ⌘ Systems, procedures and structures to attract and groom right talent.
 - ⌘ Succession planning.



Corporate Governance Report

2. Development of performance management system covering all staff in the Bank
 - ⌘ Performance assessment on transparent Key Responsibility Areas.
 - ⌘ System of providing developmental feedback to all staff.
 3. Fine tuning of policies on HR in line with Bank's strategy and market realities.
 - ⌘ Reward and incentives
 - ⌘ Promotions
 - ⌘ Deployment
 4. Training
 - ⌘ Specialist business skills training
 - ⌘ General retraining / reorientation for all staff
 5. IT automation of all HR related activities
- The Committee has held 5 meetings during the year 2023-24.

5.7 Stakeholders Relationship Committee of the Board (SRCB)

5.7.1. Composition:

Pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Stakeholders Relationship Committee (SRC) has been constituted with Executive Directors and Three Non-Executive Directors.

Ms. Priti Jay Rao, Shareholder Director, is the present Chairperson of the Committee.

5.7.2. Functions:

Stakeholders' related:

1. Monitoring and resolving the grievances of the security holders of the Bank including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the Bank in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the Bank for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend

warrants/annual reports/statutory notices by the shareholders of the company.

Customer Service related:

1. To oversee the functions of overall customer grievance redressal in the Bank
2. To monitor the customer services and guide in improving the customer service in the Bank
3. To frame and review the Policies in the interest of customers' interest protection.

Corporate Social Responsibility related:

1. To review the Corporate Social Responsibility Policy of the Bank
2. To approve and review the activities / projects undertaken by the Union Bank Social Foundation Trust periodically.

ESG related:

1. To exercise oversight over ESG related activities.
2. Provide strategic guidance and oversight over all matters and activities relating to ESG;
3. Monitor implementation and execution of ESG related initiatives and policies;
4. Assess impact of various ESG initiatives;
5. Review disclosure of ESG matters to internal and external stakeholders;
6. Identify and recommend to the Board and the Committees of the Bank, the emerging risks related to ESG

The Committee has held 5 meetings during the year 2023-24.

5.7.3. Name & Designation of Compliance Officer:

Pursuant to Regulation 6 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Shri S.K. Dash has been appointed as Company Secretary and designated as the Compliance Officer of the Bank for Investor Grievances.

5.7.4. Details of Shareholder Complaints during the year 2023-24:

A comparative chart showing number of complaints received, responded and pending for the financial year ended 31.03.2024 vis-à-vis 31.03.2023 is as under:-

Sr. No	Particulars	For F.Y. ended 31.03.24	For F.Y. ended 31.03.23
a.	No. of shareholders complaints pending at the beginning of the year	0	0
b.	No. of shareholders complaints received during the year	10	14
c.	No. of shareholders complaints resolved during the year	10	14
d.	No. of shareholders complaints pending at the end of the year	0	0

5.8 Information Technology Strategy Committee (ITSC)

5.8.1 Composition:

As a part of IT Governance measures, RBI has recommended creation of IT Strategy Committee of the Board to advise the Board on strategic direction on IT and to review IT Investments on behalf of the Board. The Committee consists of:

- ❖ MD & CEO
- ❖ Executive Directors
- ❖ Govt. Nominee Director
- ❖ Two Non-Executive Directors one of whom shall be independent Director
- ❖ One Outside IT Expert
- ❖ Chief Information Officer (CGM/GM heading the IT function of the Bank)

Ms. Priti Jay Rao, Shareholder Director chaired the Committee.

5.8.2 Functions:

- ❖ Approving IT strategy and policy documents.
- ❖ Ensuring that the management has put an effective strategic planning process in place.
- ❖ Ratifying that the business strategy is indeed aligned with IT strategy.
- ❖ Ensuring that the IT organizational structure complements the business model and its direction.
- ❖ Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business.
- ❖ Ensuring IT investments represent a balance of risks & benefits and that budgets are acceptable.

- ❖ Monitoring the methods that management uses to determine the IT resources needed to achieve strategic goals and provide high level direction for sourcing & use of IT resources.
- ❖ Ensuring proper balance of IT investments for sustaining bank's growth.
- ❖ Ensure adequate mitigation for exposure towards IT risks & controls, evaluating effectiveness of management's monitoring.
- ❖ Assessing Senior Management's performance in implementing IT strategies.
- ❖ Issuing high level policy guidance (e.g. related to risk, funding or sourcing tasks).
- ❖ Confirming whether IT or business architecture is to be designed, so as to derive maximum business value from IT.
- ❖ Overseeing the aggregate funding of IT at a bank-level, and ascertaining if the management has resources to ensure the proper management of IT risks.
- ❖ Reviewing IT performance measurement and contribution of IT to business (i.e. delivering the promised value).
- ❖ To build up mechanism to undertake IT disaster management.
- ❖ To act as Board level Sub-Committee on Digital Transactions to advise, guide and monitor enhancing digital transactions of the Bank.

The Committee has held 5 meetings during the year 2023-24.

5.9 Nomination & Remuneration Committee (NRC)

The Bank earlier had two separate Committees viz. Nomination Committee and Remuneration Committee constituted in terms of earlier guidelines issued by RBI and MOF. MOF vide its communication F. No. 16/19/2019-BO.1 dated 30.08.2019 advised that in place of separate Nomination Committee of the Board and Remuneration Committee of the Board, the Bank may constitute a single committee named Nomination and Remuneration Committee for carrying out the functions entrusted to the said two committees and having composition as specified vide RBI's communication RBI/DBR/2019-20/71 Master Direction DBR.Appt. No. 9/29.67.001/2019-20, dated August 2, 2019.



Corporate Governance Report

Thus, pursuant to the above-mentioned MOF guidelines, the Board of Directors approved the constitution of a single Nomination and Remuneration Committee (NRC) in place of two separate Committees in line with RBI guidelines w.e.f. 06.12.2019.

5.9.1 Composition:

Reserve Bank of India vide its Master Direction No. 9/29.67.001/2019-20 dated 02.08.2019 has issued Reserve Bank of India ('Fit and Proper' Criteria for Elected Directors on the Boards of PSBs) Directions, 2019. In terms of Para 4.1 of the said directions, the bank is required to constitute a Nomination and Remuneration Committee for undertaking a process of due diligence to determine the 'fit and proper' status of the persons to be elected as directors under Section 9(3)(i) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The Composition of the Committee at present is as under:

- ❖ Non-Executive Chairman
- ❖ Two Non-Executive Directors nominated under section 9(3)(h) of the Act

5.9.2 Functions:

To undertake a process of due diligence to determine the 'fit and proper' status of the persons to be elected as directors under Section 9(3)(i) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.

The Committee met 5 times during FY 2023-24.

5.10 Disciplinary Proceedings & Promotion Committee (DPPC)

The Bank earlier had two separate Committee viz. Directors Promotion Committee (DPC) and Disciplinary Proceedings Committee – Vigilance/Non-Vigilance (DPC-V).

MOF vide its communication F. No. 16/19/2019-BO.1 dated 30.08.2019 advised to review in its Board the need for continuation of Board committees set up at the bank's own initiative and the possibility of their functions being discharged by another Board committee or the Board, with a view to rationalise their number.

The Board of Directors with a view to rationalize its Committees and considering the MOF guidelines dated 24.10.1990 and basic composition, decided to merge Directors' Promotion Committee and Disciplinary Proceedings Committee – Vigilance/ Non-Vigilance w.e.f. 06.12.2019.

5.10.1 Composition:

The Board of Directors has approved the constitution of the Committee as below –

- ❖ Managing Director & CEO
- ❖ Government Nominee Director
- ❖ RBI Nominee Director

Independent members / Outside experts to be inducted while conducting interview for the promotion process from Scale VI to VII and Scale VII to VIII.

Ms. A. Manimekhalai, Managing Director & CEO of the Bank chaired the Committee.

5.10.2 Functions:

- ❖ To conduct Promotion Process from TEGS VI to TEGS VII and TEGS VII to TEGS VIII, consider appeals of Executives in TEGS VI & VII against non-promotions to TEGS VII & VIII respectively,
- ❖ to consider promotions to TEGS VII & VIII in cases where Sealed Cover Procedure is adopted
- ❖ To review Vigilance, Non-Vigilance disciplinary cases and departmental enquiries.
- ❖ To review APAR marks of Top Executives upon their representation within 15 days from the date of disclosure.
- ❖ To review the appeal against the Regular Departmental Action for major penalty for General Managers

The Committee has held 6 meetings during the year 2023-24.

5.11 Share Transfer Committee of the Board (STCB)

5.11.1 Composition:

The Committee consists of:

- ⌘ Managing Director & CEO or in absence, Executive Director in charge of Board Secretariat
- ⌘ Two Non-Executive Directors

Ms. A. Manimekhalai, Managing Director & CEO of the Bank chaired the Committee.

5.11.2 Functions:

With a view to effecting speedy transfer of shares, the Bank has constituted a Share Transfer Committee of the Board with powers to confirm transfer, transmission, demat and issue of duplicate shares etc.

Further, in the interest of investors and with a view to enhance ease of dealing in securities markets by investors, SEBI, vide its circular dated 25.01.2022, decided that the listed entities shall henceforth issue the shares in dematerialized mode only while processing the following service requests:

- a. Issue of duplicate securities certificate;
- b. Claim from Unclaimed Suspense Account;
- c. Renewal / Exchange of securities certificate;
- d. Endorsement;
- e. Sub-division / Splitting of securities certificate;
- f. Consolidation of securities certificates / folios;
- g. Transmission;
- h. Transposition;

During the year, the STCB met 4 times and 9 Resolutions were passed by circulation.

5.12 Review Committee for Non Cooperative Borrowers and Willful Defaulters (RCNCB &WD)

The Bank earlier had two separate Committee viz. Review Committee for Classification of Non-Cooperative Borrower (RCNCB) and Review Committee on Willful Defaulters of the Bank (RCWDB). MOF vide its communication F. No. 16/19/2019-BO.1 dated 30.08.2019 advised to review in its Board the need for continuation of Board committees set up at the bank's own initiative and the possibility of their functions being discharged by another Board committee or the Board, with a view to rationalise their number.

The Board of Directors with a view to rationalize its Committees and based on the composition of the above two committees, decided to merge the same and to constitute a single Committee for identification of Willful Defaulters and classification of Non-Cooperative Borrowers namely Review Committee for Non Cooperative Borrowers and Willful Defaulters with the following composition w.e.f. 06.12.2019 –

- ❖ Managing Director & CEO
- ❖ Any two Independent Directors

Ms. A. Manimekhalai, Managing Director & CEO of the Bank chaired the Committee.

5.12.1 Functions:

- ❖ The committee shall review the orders of the Approving Committee i.e. Executive Director Headed Committee recording the Borrower to be non-cooperative. The order shall become final only

after it is confirmed by the Review Committee of the Board.

- ❖ On a half-yearly basis review the status of non-cooperative borrowers for deciding whether their names can be declassified as evidenced by their return to credit discipline and cooperative dealings before its submission to the Board.
- ❖ Review & confirm the orders passed by Committee headed by Executive Director on classification of Borrowers as Willful Defaulters.
- ❖ Reviewing the quarterly Return submitted to CRILC.

The Committee has held 4 meetings during the year 2023-24.

5.13 Committee of Directors for Raising of Capital Fund (CDRCF)

5.13.1 Composition:

As per the approval given by the Board the committee is constituted to complete the necessary formalities for raising of capital funds. The Committee consists of MD & CEO and Executive Directors.

Ms. A. Manimekhalai, Managing Director & CEO of the Bank chaired the Committee.

5.13.2 Functions:

The Committee is authorized by the Board / Shareholders, as the case may be to complete the necessary formalities for raising of capital funds and to do all such acts, deeds, and things as it may in its absolute discretion deem necessary, proper and desirable including but not limited to decide on quantum & mode(s), number of tranches, price or prices, discount/premium, reservations to employees, customers, existing shareholders and/ or any other persons as decided by the Board and as provided under SEBI regulations and the timing of such issue(s), calling the issue open at its discretion subject to applicable Rules and Regulations and GoI & RBI approval.

The Committee has held 7 meetings during the year 2023-24.

5.14 Board Committee for Performance Evaluation (BCPE)

5.14.1 Composition:

Ministry of Finance vide communication no. F. No. 9/5/2009-IR dated 30.08.2019 advised the Bank to constitute a Board Committee for Performance Evaluation of Managing Directors & CEO, Executive Directors in charge of internal Control Functions (Risk, Compliance and Audit) and General Managers in charge of internal control Functions (Risk, Compliance and Audit) of the bank.



Corporate Governance Report

Further as per MOF communication dated 14.11.2019, the Board Committee for Performance Evaluation is to be constituted with the approval of the Board with following members –

1. Non-Executive Chairman (NEC)
2. Government nominee Director, and
3. Longest serving Shareholder Director on the Board.

In case of vacancy in the office of NEC, the Chairman of Audit Committee of the Board shall be a member of the Committee in place of NEC.

5.14.2 Functions:

To appraise, review and accept the Annual Performance Appraisal Reports of the Managing Director and CEOs, Executive Directors and Chief General Managers in charge of Risk, Compliance and Audit.

The Committee has held ONE meeting during the year 2023-24.

5.15 Credit Approval Committee-I (CAC-I)

5.15.1 Composition:

As per clause 13A of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970, the Bank has constituted the Credit Approval Committee-I. The Committee shall exercise the powers of the Board in respect of any single credit proposal upto ₹ 800 crore (in

case of A & above externally rated accounts having valid rating) and up to ₹ 600 crore in case of other accounts and group exposure upto ₹ 800 crore and in case exposure exceeds such limits, it shall be considered by the Management Committee of the Board.

The composition of CAC-I is as under:

- ❖ Managing Director & CEO
- ❖ Executive Directors
- ❖ Chief General Manager / General Manager in-charge of the Credit
- ❖ Chief General Manager / General Manager in-charge of the Finance/Chief Financial Officer and
- ❖ Chief General Manager / General Manager in-charge of the Risk Management

Ms. A. Manimekhalai, Managing Director & CEO of the Bank chaired the Committee.

5.15.2 Functions:

All credit related matters including approval/review-renewal, miscellaneous requests, interest concessions, compromise/write off proposals, approval of capital and revenue expenditure, acquisition and hiring of premises, etc. within its delegated authority are being put up before the CAC-I for approval.

The Committee has held 31 meetings during the year 2023-24.

6. GENERAL BODY MEETINGS

The details of the General Body Meetings of the Shareholders held during last 3 years are given below:

Nature of Meeting	Date & Time	Venue	Special Resolution
19 th Annual General Meeting	10 th August, 2021 at 11:00 a.m.	Central Office, Union Bank, Mumbai through VC or OAVM	To raise Capital through FPO/Rights /QIP/ Preferential allotment etc. by way of an offer document / prospectus or such other document, in India or abroad, such number of equity shares, upto ₹ 3,500 crore (including premium, if any).
20 th Annual General Meeting	30 th June, 2022 at 11:00 a.m.	Central Office, Union Bank, Mumbai through VC or OAVM	Raising of Capital of the Bank by way of issuance of fresh Equity Shares and / or by issuance of Additional Tier-1 / Tier-2 Capital as per BASEL III Guidelines for an amount not exceeding ₹ 8,100 crore.
21 st Annual General Meeting	4 th August, 2023 at 11:00 a.m.	Central Office, Union Bank, Mumbai through VC or OAVM	Raising of Capital of the Bank by way of issuance of fresh Equity Shares and / or by issuance of Additional Tier-1 / Tier-2 Capital as per BASEL III Guidelines for an amount not exceeding ₹ 10,100 Crore. Appointment of Shri Laxman S Uppar (DIN: 02453845) as Part - Time Non-Official (Independent) Director of the Bank. Appointment of Shri Srinivasan Varadarajan (DIN: 00033882) as Part-Time Non-Official (Independent) Director and Non-Executive Chairman of the Bank.

7. DISCLOSURES

The Bank is governed by the Banking Regulations Act 1949, Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, Nationalised Banks (Management & Miscellaneous Provisions) Scheme, 1970, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and guidelines/circulars issued by RBI, Gol and SEBI.

It is stated that the Bank is complying with the applicable mandatory requirements of Listing Regulations.

Compliance with respect to non-mandatory requirements is also given in this report. The other disclosure requirements stipulated by the Listing Regulation are as under:

7.1 Remuneration of Directors:

Managing Director & CEO and Executive Directors are being paid remuneration and reimbursement of traveling & halting expenses as per the rules framed by Government of India in this regard. Other terms and conditions of the appointment of whole-time directors are as per clause 8 of the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970. The details of the same are given in the notes to accounts.

Sitting Fees:

The Directors appointed under clause (e), (f), (g), (h) and (i) of sub-section (3) of section (9) of the Banking Companies Act are entitled to sitting fees as mentioned below in accordance with circular F.No.15/1/2011-BO.I dated August 30, 2019 issued by Department of Financial Services, Ministry of Finance, Government of India, in terms of clause 17(1) of the Nationalised Banks Scheme for attending meetings of the Board and meetings of the committees of the Board, along with additional fees for chairing the meeting of the Board and for chairing the meeting of committees of the Board, as decided by the Board of Directors subject to overall ceiling of ₹ 25 lakhs per director per annum.

The Board of Directors in its meeting held on July 29, 2020, approved payment sitting fees of ₹ 70,000 with effect from April 1, 2021 for attending per meeting of the Board and ₹ 35,000 for attending per meeting of the committees of the Board. Additional fees of ₹ 20,000 for chairing per meeting of the Board and ₹ 10,000 for chairing per meeting of committees of the Board was also approved.

The above information is also available on Bank's website under following link: <http://www.unionbankofindia.co.in/english/Making-payment.aspx>

Travelling & Halting Allowance:

In addition to fees to which a director is entitled to be paid, every such director travelling in connection with the work of the Bank shall be reimbursed his Travelling & Halting expenses, if any, in terms of the provisions of clauses 17 of the Nationalized Banks (Management and Miscellaneous Provisions) Scheme, 1970, on such basis as may be fixed by Central Government from time to time.

7.2 Disclosure on Material Significant Related Party Transactions:

Other than those in the normal course of banking business, the Bank has not entered into any materially significant Related Party Transaction that has potential conflict with interests of the Bank at large.

It is an established practice in the Bank that Directors do not take part in the deliberations of the Board and other Sub-Committees of the Board, when matters relating to them or to their relatives/firms/companies in which they are interested are discussed.

7.3 Disclosure of Pecuniary Relationship or Transactions:

The Bank's Non-Executive Directors do not have any pecuniary relationship or transaction with the Bank except to the extent of transactions done in the normal course of banking business and the sitting fees paid to them by the Bank for their attendance in the Board and Committee meetings of the Board of the Bank.

7.4 Proceeds from Public issues, Right issues, Preferential issues etc.:

During the year 2023-24, the Bank has raised equity capital to the extent of ₹ 5,000 Crore by way of issue and allotment of 57,77,00,751 equity shares of face value ₹ 10/- each on 25.08.2023 and further raised equity capital of ₹ 3,000 Crore by way of issue and allotment of 22,11,57,390 equity shares of face value ₹ 10/- each on 26.02.2024.

The said proceeds were utilized for augmenting the Bank's Tier 1 Capital in terms of Basel III guidelines of RBI and to enhance the long-term resources of the Bank.

7.5 Penalties or Strictures:

No penalties or strictures were imposed on the Bank by any of the Stock Exchanges, SEBI or any Statutory Authority on any matter relating to Capital Markets during the last three years.

7.6 Whistle Blower Policy:

The Bank has put in place the Whistle Blower Policy and same can be accessed via following link –



Corporate Governance Report

<https://www.unionbankofindia.co.in/english/about-us-policiescodes.aspx>

The Audit Committee of the Board periodically reviews the functioning of the said policy. It is further stated that no employee has been denied access to the Audit Committee of the Board.

7.7 Policy for determining Material Subsidiary:

In compliance with Regulation 46(2)(h) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Bank has formulated Policy for determining Material Subsidiary and same can be accessed via following link <https://www.unionbankofindia.co.in/english/about-us-policiescodes.aspx>

However as on date there is no material subsidiary of the Bank.

7.8 Related Party Transaction Policy:

The Bank has formulated Related Party Transaction Policy on dealing with Related Party Transactions. The said policy can be accessed via following link <https://www.unionbankofindia.co.in/english/about-us-policiescodes.aspx>

The Bank didn't have any materially significant related party transactions that had potential conflict with the interest of the Bank at large during the FY 2023-24.

7.9 Dividend Distribution Policy:

The Bank has formulated Policy for declaration of dividend for the year 2023-24. The said policy can be accessed via following link

<https://www.unionbankofindia.co.in/english/about-us-policiescodes.aspx>

7.10 Takeover Code:

The Bank has also complied from time to time with the provisions of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended.

7.11 Compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015:

In pursuance of the Regulations, the Bank has formulated Code of Conduct for Prevention of Insider Trading for Designated Employees and Directors for dealing in Shares of the Bank. Various forms have been designed to receive periodical information from the Designated Employees and the Directors of the Bank, as required in terms of these Regulations. Further, the Trading Window for dealing in shares of the Bank was kept closed for the Directors and Designated Employees of the Bank as per the following details:

Dates of closure of trading window	Purpose of closure
1 st April 2023 to 8 th May 2023	Declaration of Financial Results for the year ended 31 st March 2023.
1 st July 2023 to 22 nd July 2023	Declaration of Financial Results for the quarter ended 30 th June 2023.
1 st October 2023 to 29 th October 2023	Declaration of Financial Results for the quarter ended 30 th September 2023.
1 st January 2024 to 22 nd January 2024	Declaration of Financial Results for the year ended 31 st December 2023.

7.12 Management Discussion and Analysis:

The same has been given separately in the Annual Report.

7.13 Compliance Reports on Corporate Governance:

The Bank has submitted quarterly compliance reports on Corporate Governance in the specified format to BSE Ltd (BSE) & National Stock Exchange of India Ltd (NSE) within stipulated timeline.

7.14 Dissemination of Information on Website:

The Bank has disseminated the required information under clauses (b) to (i) of sub-regulation 46 of Listing Regulations on its website www.unionbankofindia.co.in.

7.15 Details of Fees paid to Statutory Auditors:

Total fees for all services paid by the Bank and its subsidiaries, on a consolidated basis, to Statutory Auditor during Financial Year 2023-24 is ₹ 65.03 Crore.

7.16 Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

- number of complaints pending as on 31.03.2023 : 1 (One)
- number of complaints filed during the financial year 2023-24: 13 (Thirteen)
- number of complaints disposed of during the financial year 2023-24: 13 (Thirteen)
- number of complaints pending as on end of the financial year 2023-24: 1 (One)

**Corporate Governance Report****7.18 Credit Rating**

List of all credit ratings obtained along with revisions during the financial year 2023-24, for all debt instruments or any fixed deposit programme or any scheme or proposal of the Bank involving mobilization of funds, whether in India or abroad:

Rating Agency	Basel III		Certificates of Deposits	Outlook
	Additional Tier 1	Tier 2		
Brickwork	BWR AA	BWR AA+	-	Stable
CRISIL	CRISIL AA+	CRISIL AAA	-	Stable
CARE	CARE AA+	CARE AAA	-	Stable
India Ratings	IND AA	IND AA+	IND A1+	Positive
ICRA Ltd	-	ICRA AAA	ICRA A1+	Stable

FITCH Ratings Ltd

Category	Rating
Long Term Issuer default Rating (IDR)	"BBB-" Outlook Stable
Short Term Issuer Default Rating (IDR)	F3
Viability Rating (VR)	B+

Standard & Poor's Global Ratings

Category	Rating
Issuer Credit Rating (Long term/ Short Term)	BBB-/Stable/A-3
Bank's Senior Unsecured Notes (Long term)	BB+
Outlook: Stable	

7.19 Details of Material Subsidiaries of the Bank: None of the Subsidiaries of the Bank is a Material Subsidiary.

8. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual financial results of the Bank were published in leading newspapers including Business Standard (English), The Free Press Journal (English), Navbharat (Hindi) and Navshakti (Marathi). The results are simultaneously displayed on the Bank's website www.unionbankofindia.co.in Similarly, the press releases issued by the Bank, related presentations, shareholding pattern, etc. are also simultaneously placed on the Bank's website under the head "Investor Relations".

9. SHAREHOLDERS' INFORMATION

9.1 Financial Year – 1st April 2023 to 31st March 2024

9.2 Listing of Equity Shares & Bonds - The Bank's equity shares are listed on BSE and NSE and Bonds listed on NSE. The details of stock scrip code are as follows: -

Name	Code
BSE Limited (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	532477
National Stock Exchange of India Limited (NSE), Exchange Plaza, Plot No.C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai-400 051	UNIONBANK-EQ

The Annual Listing Fee for Equity Shares for the financial year 2024-25 has been paid to both the Stock Exchanges on 29th April, 2024.

The Bank has issued Unsecured Non-Convertible Bonds in the nature of Promissory Notes (Tier I & II capital) from time to time. The relevant details thereof as on 31.03.2024 are as under:

Sl No.	ISIN	Bond Description	Series	Amount (₹ in Cr)	Date of Allotment	Maturity Date	Coupon Rate (p.a)
1	INE692A08029	Basel III Compliant Additional Tier I	Bond Series XX	1,000	15-Sep-16	Perpetual	9.50
2	INE692A08110	Basel III Compliant Additional Tier I	Bond Series XXVII	500	15-Dec-20	Perpetual	8.73
3	INE692A08128	Basel III Compliant Additional Tier I	Bond Series XXVIII	1,000	11-Jan-21	Perpetual	8.64
4	INE692A08136	Basel III Compliant Additional Tier I	Bond Series XXIX	205	29-Jan-21	Perpetual	8.73
5	INE692A08169	Basel III Compliant Additional Tier I	Bond Series XXXII	2,000	22-Nov-21	Perpetual	8.70
6	INE692A08177	Basel III Compliant Additional Tier I	Bond Series XXXIII	1,500	20-Dec-21	Perpetual	8.40
7	INE692A08185	Basel III Compliant Additional Tier I	Bond Series XXXIV	1,500	02-Mar-22	Perpetual	8.50
8	INE692A08193	Basel III Compliant Additional Tier I	Bond Series XXXV	1,320	25-Jul-22	Perpetual	8.69
9	INE692A08227	Basel III Compliant Additional Tier I	Bond Series XXXVII	663	23-Dec-22	Perpetual	8.40
10	INE692A08045	Basel III Compliant Tier II	Bond Series XXII	750	24-Nov-16	24-Nov-26	7.74
11	INE112A08051	Basel III Compliant Tier II	Bond Series II	1,000	8-Nov-19	8-Nov-29	8.93
12	INE692A08094	Basel III Compliant Tier II	Bond Series XXV	1,000	16-Sep-20	16-Sep-30	7.42
13	INE692A08102	Basel III Compliant Tier II	Bond Series XXVI	1,000	26-Nov-20	26-Nov-35	7.18
14	INE692A08144	Basel III Compliant Tier II	Bond Series XXX	850	24-Jun-21	24-Jun-31	7.19
15	INE692A08151	Basel III Compliant Tier II	Bond Series XXXI	1,150	9-July-21	9-July-36	7.25
16	INE692A08219	Basel III Compliant Tier II	Bond Series XXXVI-A	1,500	29-Nov-22	29-Nov-37	7.85
17	INE692A08201	Basel III Compliant Tier II	Bond Series XXXVI-B	700	29-Nov-22	29-Nov-32	7.80
		Total		17,638.00			

9.3 Dividend:

The Board of Directors has recommended a dividend of ₹ 3.60 per equity share of face value ₹ 10/- for FY 2023-24, after deducting applicable taxes (if any).

9.4 Particulars of AGM:

Board Meeting for considering Accounts	Friday, 10 th May, 2024
Date, Time & Venue of AGM	Friday, 26 th July, 2024 at 11.00 AM through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) facility at Central Office, Union Bank of India, Mumbai (the deemed venue of the Meeting)
Dates of Book Closure	Saturday, July 20 th , 2024 to Friday, July 26 th , 2024 (both days inclusive)
Opening & Closing of E-Voting	Tuesday, July 23 rd , 2024 to Thursday, July 25 th , 2024

**Corporate Governance Report****9.5 Financial Calendar:**

The tentative calendar for declaration of results for the financial year 2024-25 is given below:

Financial Results	Likely release of results
For the quarter ending June 30, 2024	By August 10, 2024
For the quarter ending September 30, 2024	By November 10, 2024
For the quarter ending December 31, 2024	By February 10, 2025
For the year ending March 31, 2025	By May 15, 2025

9.6 Share Transfer System and Redressal of Investors' Grievances:

The Bank has constituted the Share Transfer Committee of the Board to consider the transfer of shares and other related matters. In terms of SEBI guidelines dated 08.06.2018 & SEBI Press Release dated 03.12.2018, physical transfer of shares is not permitted after 31.03.2019, thus, shareholders are requested to open a demat account and dematerialise their physical shareholding.

Further, in the interest of investors and with a view to enhance ease of dealing in securities markets by investors, SEBI, vide its circular dated 25.01.2022, decided that the listed entities shall henceforth issue the shares in dematerialized mode only while processing the following service requests:

- i. Issue of duplicate securities certificate;
- ii. Claim from Unclaimed Suspense Account;
- iii. Renewal / Exchange of securities certificate;
- iv. Endorsement;
- v. Sub-division / Splitting of securities certificate;
- vi. Consolidation of securities certificates / folios;
- vii. Transmission;
- viii. Transposition;

The Shareholder / claimant shall submit duly filled up Form ISR- 4 (ISR - 5 for Transmission) and the RTA / listed entity shall, after processing the service requests, issue a "Letter of Confirmation" instead of physical certificates to the shareholder / claimant within 30 days of such requests after removing objections, if any.

The Letter of Confirmation shall be valid for 120 days from the date of its issuance within which the shareholder

/ claimant shall make a request to the depository participant for dematerializing the said securities.

The RTA shall issue a reminder after the end of 45 days and 90 days from the date of issuance of Letter of Confirmation, informing the securities holder / claimant to submit the demat request.

The RTA shall retain the physical share certificate as per the existing procedure and deface the certificate with a stamp "Letter of Confirmation Issued" on the face / reverse of the certificate, subsequent to processing the service request.

Depository Participant shall generate the demat request on the basis of Letter of Confirmation and forward the same to the Listed entity / RTA for processing the demat request.

If demat request is not received within 120 days of the Letter of Confirmation, shares shall be credited to the Suspense Escrow Demat Account of the entity.

In compliance with SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Bank has appointed KFIN Technologies Limited as its Registrars and Share Transfer Agent (RTA) with a mandate to process transfer of Shares, dividend, recording of shareholders' requests, solution of shareholders' grievances amongst other activities connected with the issue of shares. The Investors may lodge their transfer deeds / requests / complaints with the RTA at the address mentioned below.

The Bank has also established Investor Services Division at its Central Office, Mumbai. The Shareholders may contact Company Secretary, Investor Services Division for any of their requests/complaints.

Registrar & Share Transfer Agent (RTA) KFIN Technologies Limited Unit: Union Bank of India Selenium, Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500032 Tel No: 040- 67162222 Fax No: 040 – 23001153 Email: einward.ris@kfintech.com	Debenture Trustee IDBI Trusteeship Services Limited Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate, Mumbai – 400001 Tel- (022) 40807001 Fax- (022) 66311776 Email: itsl@idbitrustee.com	Company Secretary Investor Services Division Union Bank of India 12 th Floor, Central Office, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai-400 021. Tel-(022) 2289 6636 Fax-(022) 22025238 E-mail: investorservices@unionbankofindia.bank
--	--	--

9.7 Other communications:

In addition to timely responses to the queries of the shareholders, the Bank proactively sends a half yearly communication to the shareholders to promote good investors' relations.

The Bank sent Half-yearly Communication through email to all the shareholders whose email id is registered with the Bank / DP.

9.8 Dematerialisation of shares:

The Bank has entered into agreements with both the Depositories viz. National Securities Depositories Ltd. (NSDL) and Central Depository Services (India) Ltd.

(CDSL) for dematerialisation of the Bank's shares. The ISIN code allotted to the Bank's Equity Shares is INE692A01016.

Therefore, it is requested that the shareholders holding the shares in physical mode may get their shares dematerialized in their own interest as it will save them from the need of safe custody of the share certificates which at times may lead to loss/mutilation. Besides, this would also provide them instant liquidity as the shares of the Bank is traded in demat form. This would also result in easy and faster collection of dividend payments.

Particulars of shares in Demat and Physical form held by the shareholders as of 31.03.2024 are as under:

Category	No of Shareholders	No. of Shares	% of shareholding
Physical	80,611	1,51,56,115	0.20
Demat			
NSDL	3,21,168	1,68,04,87,235	22.01
CDSL	5,34,021	5,93,79,62,257	77.79
TOTAL	9,35,800	7,63,36,05,607	100.00

Note: Entire Shareholding of the Promoter of the Bank is in Dematerialized Form.

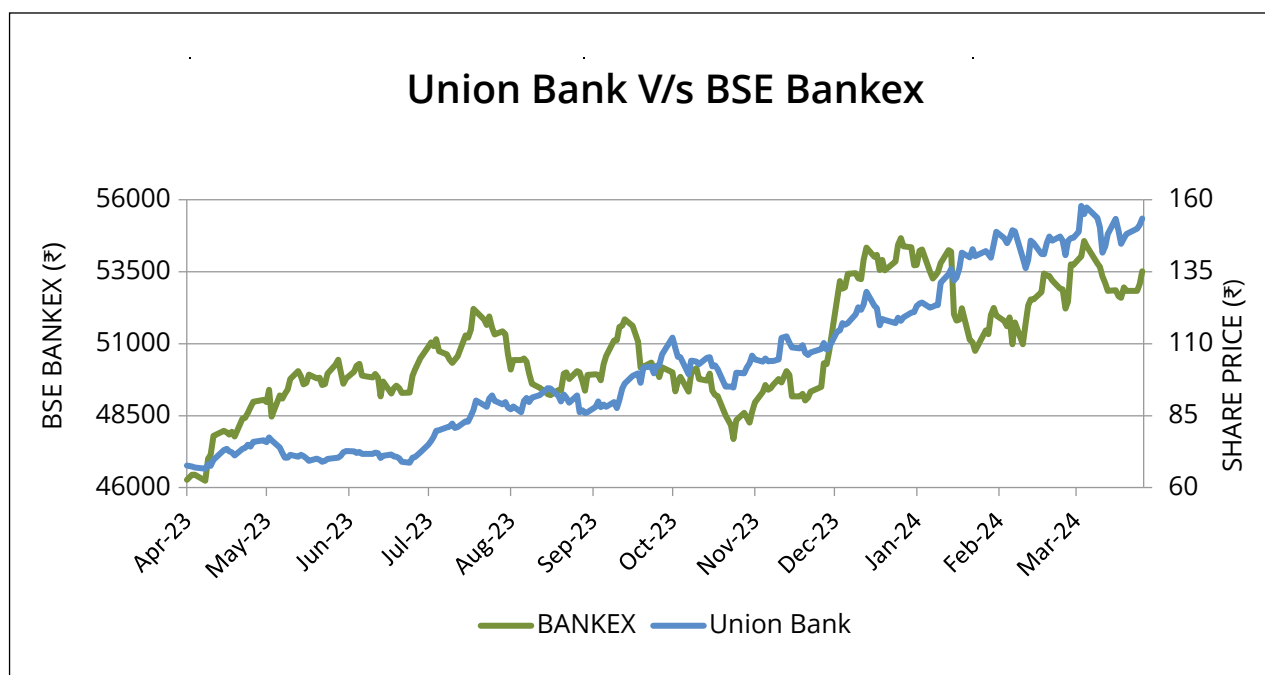
Further, in pursuance of the circular issued by SEBI, a practicing Company Secretary has also conducted reconciliation of Share Capital Audit on a quarterly basis. During the course of reconciliation of Share Capital audit, no discrepancy in updation/maintenance of the Register of Members or processing of demat requests was found and the capital held in physical mode and demat mode tallied with the issued capital.

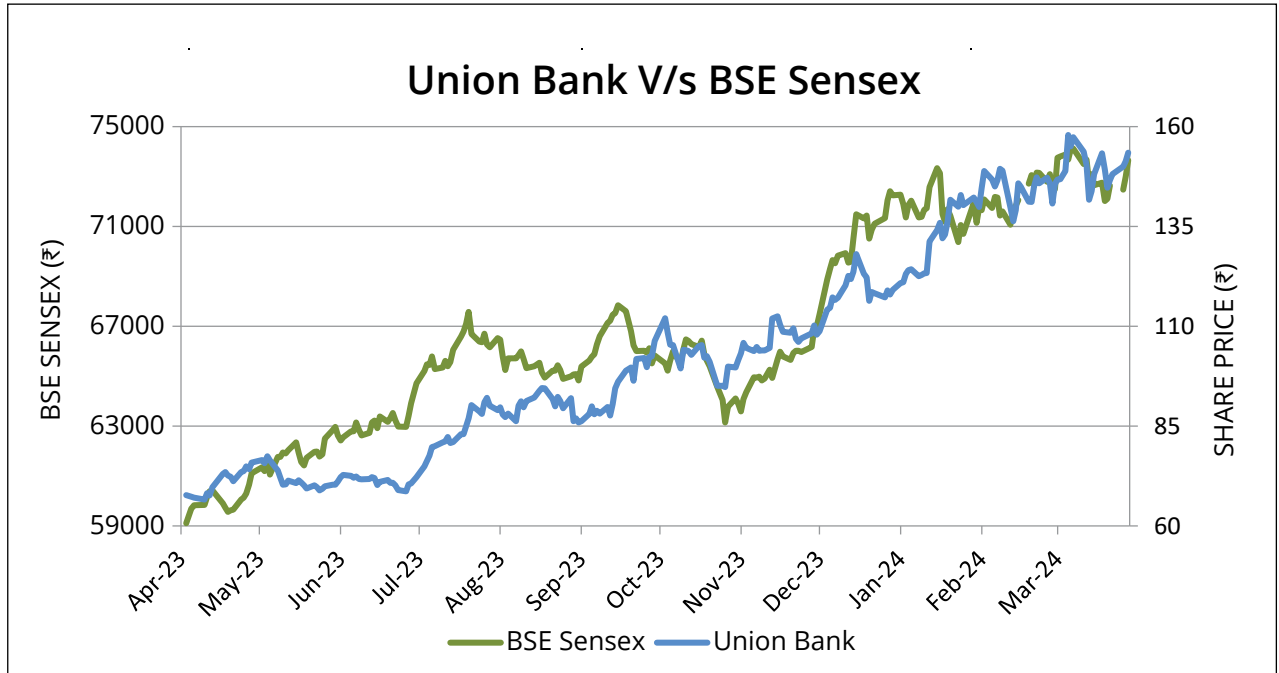
The Bank has sent various communications to its shareholders holding shares in physical form to dematerialize the same. As a result, 2160 shareholders dematerialized their 5,13,130 shares held in physical form during the year 2023-24.

**Corporate Governance Report**

9.9 Market Price, Volume of shares traded in Stock Exchanges:

Months	BSE			NSE			BSE SENSEX	
	High (₹)	Low (₹)	Volume (Nos. in lakhs)	High (₹)	Low (₹)	Volume (Nos. in lakhs)	High	Low
Apr-2023	76.35	66.30	150.66	76.35	66.3	1,530.13	61,209.46	58,793.08
May-2023	78.75	68.43	191.96	78.8	68.4	1,891.51	63,036.12	61,002.17
Jun-2023	73.46	68	187.33	73.45	68	1,289.18	64,768.58	62,359.14
Jul-2023	94.30	72.31	273.27	94.30	72.40	4,337.16	67,619.17	64,836.16
Aug-2023	96.75	85.10	192.39	96.80	85.00	3,732.55	66,658.12	64,723.63
Sep-2023	106.93	84.85	543.32	107	84.85	9,323.93	67,927.23	64,818.37
Oct-2023	113.40	91.20	391.73	113.35	91.25	5,293.05	66,592.16	63,092.98
Nov-2023	116.10	100.55	285.25	116.00	100.55	3,683.89	27,069.89	63,550.46
Dec-2023	129.30	107.75	374.90	129.40	107.65	4,612.56	72,484.34	67,149.07
Jan-2024	145.25	119.10	540.25	145.40	119.10	4,555.46	73,427.59	70,001.60
Feb-2024	155.30	132.60	504.24	155.35	132.60	8,196.12	73,413.93	70,809.84
Mar-2024	161.85	137.75	272.72	161.90	137.70	3,768.45	74,245.17	71,674.42
Closing Price as on 31.03.24	153.45			153.50				
Market Cap	₹ 1,17,138 Crore			₹ 1,17,176 Crore				





* Source-BSE Website (www.bseindia.com)

9.10 Distribution of Shareholding:

Shareholding	As of 31.03.2024				As of 31.03.2023			
	No. of share-holders	% to total	No. of shares	% to total	No. of share-holders	% to total	No. of shares	% to total
Upto 500	816175	87.22	8,40,34,404	1.10	665546	84.94	7,40,79,944	1.08
501 to 1000	56164	6.00	4,31,17,613	0.56	52924	6.76	4,04,33,982	0.59
1001 to 2000	27676	2.96	4,15,99,588	0.55	26956	3.44	4,06,68,815	0.59
2001 to 3000	13949	1.49	3,52,38,325	0.46	15910	2.03	4,00,39,611	0.59
3001 to 4000	6683	0.71	2,34,20,115	0.31	7608	0.97	2,65,22,967	0.39
4001 to 5000	4295	0.46	2,01,90,369	0.26	4329	0.55	2,02,58,665	0.30
5001 to 10000	6145	0.66	4,41,70,650	0.58	6522	0.83	4,62,80,143	0.68
10001 & above	4713	0.50	7,34,18,34,543	96.18	3756	0.48	6,54,64,63,339	95.78
Total	935800	100.00	7,63,36,05,607	100.00	783551	100	6,83,47,47,466	100

The face value of Bank's per Equity share is ₹ 10/-.

**Corporate Governance Report****9.11 Shareholding pattern:**

The Shareholding Pattern of the Bank's shares as of 31.03.2024 vis-a-vis 31.03.2023 is as follows:

Category of shareholder	As of 31.03.2024		As of 31.03.2023	
	No. of shares held	% to total holding	No. of shares held	% to total holding
Promoter				
Government of India	5,70,66,60,850	74.76	5,70,66,60,850	83.49
Public				
Institutional Investors				
Mutual Funds & UTI	28,50,70,855	3.73	15,53,30,626	2.27
Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions)	64,98,33,025	8.51	41,06,75,574	6.01
FIs & Foreign Mutual Funds	51,58,27,515	6.76	11,39,04,254	1.67
OTHERS				
Private Corporate Bodies	2,81,77,462	0.37	2,40,23,255	0.35
Indian Public	42,40,96,910	5.56	41,66,82,742	6.10
NRIs/OCBs/Qualified Foreign Investor	2,39,38,990	0.31	74,70,165	0.11
Total	7,63,36,05,607	100.00	6,83,47,47,466	100.00

9.12 List of Top 10 Shareholders of the Bank:

The list of top 10 shareholders of the Bank as on 31.03.2024 is as follows:

SI No.	Name	Shares	% To capital
1	PRESIDENT OF INDIA	5,70,66,60,850	74.76
2	LIFE INSURANCE CORPORATION OF INDIA	44,52,67,877	5.83
3	HDFC MUTUAL FUND - HDFC MID-CAP OPPORTUNITIES FUND	9,55,52,641	1.25
4	SBI LIFE INSURANCE CO. LTD	6,11,16,964	0.80
5	HDFC LIFE INSURANCE COMPANY LIMITED	4,17,27,624	0.55
6	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	2,03,23,439	0.27
7	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERIES OF VANGUARD INTERNATIONAL EQUITY INDEX FUNDS	1,96,07,338	0.26
8	NIPPON LIFE INDIA TRUSTEE LTD-A/C NIPPON INDIA GROWTH FUND	1,94,00,000	0.25
9	GOVERNMENT PENSION FUND GLOBAL	1,79,70,093	0.24
10	PINEBRIDGE GLOBAL FUNDS - PINEBRIDGE INDIA EQUITY FUND	1,66,53,776	0.22

9.13 Unclaimed/Unpaid Dividend:

The amount of dividend that remained unclaimed for a period of seven years from the date of transfer of dividend to the Unpaid Dividend Account shall be transferred to the Investor Education and Protection Fund (IEPF). The proposed date of transfer for various dividend accounts as on date are given below:

SI No.	Dividend Account pertaining to	Unpaid Dividend Bank Account No.	Financial Year	Rate of dividend	Proposed Date of Transfer to IEPF	Balance as on 31.03.2024 (₹)
1	UBI	066221090000005	2021-22	₹ 1.90 per share	11-08-29	3,49,74,828.00
2	UBI	317901090049834	2022-23	₹ 3.00 per share	15-09-30	5,19,63,798.00
	TOTAL					86,938,626.00

The shareholders who have not claimed the above dividends till now are requested to make a claim at the earliest to the Registrar & Share Transfer Agent or the Investor Services Division of the Bank. A format of indemnity bond in this respect is available on the website of the bank (www.unionbankofindia.co.in).

9.14 Unclaimed Shares:

a) In Physical Form:

As per Schedule VI of the SEBI (Listing Obligations & Disclosure Requirements), 2015 i.e. Manner of Dealing with Unclaimed Shares, the Bank opened a Unclaimed Suspense Account in March, 2012 after completion of procedure as instructed by SEBI. The shares issued in physical form during IPO of the Bank in the year 2002, which are still unclaimed are controlled in this account. The details of the shares lying in this account are as follows:

Particulars	No. of shareholders	No. of shares
Balance as of 01.04.2023 lying in Demat Suspense Account	4	600
Shareholders approached for transfer during the financial year 2023-24	NIL	NIL
Shareholders to whom shares were transferred during the year 2023-24	NIL	NIL
Balance as on 31.03.2024 lying in Demat Suspense Account	4	600

b) In Demat Form:

As per Schedule VI of the SEBI (Listing Obligations & Disclosure Requirements), 2015 i.e. Manner of Dealing with Unclaimed Shares, the Bank has opened a Demat Suspense Account in March 2010 after completion of procedure as instructed by SEBI. The shares allotted to the applicants at the time of Bank's FPO during 2006 but not credited to their respective demat account due to some technical reasons are controlled in this account. The details of the shares lying in this account are as follows:

Particulars (UBI-FPO)	No. of shareholders	No. of shares
Balance as of 01.04.2023 lying in Demat Suspense Account	216	26,414
Shareholders approached for transfer during the financial year 2023-24	0	0
Shareholders to whom shares were transferred during the year 2023-24	0	0
Balance as on 31.03.2024 lying in Demat Suspense Account	216	26,414

Particulars (E-AB and E-CB)	No. of shareholders	No. of shares
Balance as of 01.04.2023 lying in Demat Suspense Account	168	13,089
Shareholders approached for transfer during the financial year 2023-24	0	0
Shareholders to whom shares were transferred during the year 2023-24	0	0
Balance as on 31.03.2024 lying in Demat Suspense Account	168	13,089

Particulars (UBI - Letter of Confirmation)	No. of shareholders	No. of shares
Balance as of 01.04.2023 lying in Suspense Escrow Demat Account	0	0
Shareholders who have not dematerialized their LOC within 120 days during the FY 2023-24	25	15,064
Shareholders who claimed their shares from the Suspense Escrow Demat Account during the year FY 2023-24	0	0
Balance as on 31.03.2024 lying in Suspense Escrow Demat Account	25	15,064

The voting rights on above- mentioned all shares shall remain frozen till the rightful owner of these shares claims the same to their respective Demat Account.

**Corporate Governance Report****10. EXTENT OF COMPLIANCE WITH DISCRETIONARY REQUIREMENTS OF LISTING REGULATIONS**

Sl No.	Non-Mandatory Requirement	Extent of Compliance
1	Board A non-executive Chairman may be entitled to maintain a Chairperson's Office at the listed entity's expense and also allowed reimbursement of expenses incurred in performance of his /her duties.	Complied with.
2	Shareholder Rights A half-yearly declaration of financial performance including summary of the significant events in last six months, may be sent to each household of shareholders.	Half-yearly communication is sent by way of an email to all the shareholders who registered their email IDs with the Bank / RTA of the Bank.
3	Modified opinion(s) in Audit Report The listed entity may move towards a regime of financial statements with unmodified audit opinion.	There has been no modified opinion in audit report during the year under review.
4	Reporting of Internal Auditor The Internal auditor may report directly to the Audit Committee.	As per the Board approved Risk Based Internal Audit Policy, the Internal Auditors report directly to the Chief General Manager, Audit & Inspection Department. However, details with latest position of Flash Reports & Special Reports given by internal auditors are placed before the Audit Committee of the Board.

For and on behalf of the Board of Directors

(Srinivasan Varadarajan)
ChairmanPlace: Mumbai
Date: 11.06.2024

CEO & CFO CERTIFICATION

To,
 The Board of Directors,
 Union Bank of India,
 Mumbai.

CEO and CFO Certificate under Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

This is to certify that to the best of our knowledge and belief,

- A. We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
- 1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) these statements together present a true and fair view of the Listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Listed entity pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies,
- D. We have indicated to the auditors and the Audit committee
- 1) significant changes in internal control over financial reporting during the year;
 - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Union Bank of India



(Avinash Prabhu)
 (Chief Financial Officer)

For Union Bank of India



A. Manimekhalai
 Managing Director & CEO

Place: Mumbai

Date: 10.05.2024



Corporate Governance Report

DECLARATION ON CODE OF CONDUCT

The Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Bank and the same is posted on the website of the Bank. The Directors and Senior Management have affirmed compliance with the Code of Conduct for the financial year 2023-24.

For Union Bank of India

(A. Manimekhalai)

Managing Director & Chief Executive Officer

Place: Mumbai
Date: 01-06-2024

Independent Auditor's Certificate

On Compliance with Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Members of
Union Bank of India

1. This Certificate is issued in accordance with the terms of our engagement letter dated 27th September 2023.
2. This certificate contains details of compliance of conditions of Corporate Governance by Union Bank of India ('the Bank'), for the year ended 31 March 2024, as stipulated in the regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paragraphs C, D, E of schedule V of the Securities and Exchange Board of India (Listing Obligations and of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") as amended.

Management's Responsibility

3. The Board of Directors and Management of the Bank is responsible for ensuring that the Bank complies with the conditions of Corporate Governance including preparation of Corporate Governance report as stipulated in the Listing Regulations. This responsibility also includes the design, implementation and maintenance of internal controls and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof adopted by the Bank for ensuring the compliance of the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Bank.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Bank has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March, 2024.
6. We have conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes [Revised 2016] ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination as above and to the best of the information and explanations given to us and representations provided by the management, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Paragraphs C and D of Schedule V to the Listing Regulations during the year ended 31st March 2024 except that:
 - i. The Bank did not have on its Board one Director each representing the workmen and non-workmen of the Bank as provided under Section 9 (3) (e) and (f) respectively and a director who has been a Chartered Accountant for not less than fifteen years as provided under Section 9 (3) (g) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.



Corporate Governance Report

9. We state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

Restriction on use

10. The certificate is addressed and provided to the members of the Bank solely for the purpose to enable the Bank to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For N B S & Co.
Chartered Accountants
FRN 110100W

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYFL9949

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

CA P. Chandrasekaran
Partner
Membership No. 026037
UDIN:24026037BKARCJ3763

For Chhajed and Doshi
Chartered Accountants
FRN 101794W

CA Nitesh Jain
Partner
Membership No.136169
UDIN:24136169BKEKKU5700

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA V K Ladha
Partner
Membership No. 071501
UDIN:24071501BKFHQC9896

For G S Mathur & Co
Chartered Accountants
FRN 08744N

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN:24091007BKCF08388

Place : Mumbai
Date : May 10, 2024

SECRETARIAL COMPLIANCE REPORT OF UNION BANK OF INDIA FOR THE FINANCIAL YEAR ENDED MARCH 31, 2024

[Under Regulation 24A of Securities and Exchange Board of India
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have examined:

- (a) all the documents and records made available to us and explanation provided by UNION BANK OF INDIA (“the listed entity”),
- (b) the filings/ submissions made by the listed entity to the stock exchanges,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

For the year ended March 31, 2024 (“Review Period”) in respect of compliance with the provisions of:

- (a) The Securities and Exchange Board of India Act, 1992 (“SEBI Act”) and the Regulations, circulars, guidelines issued thereunder; and
- (b) the Securities Contracts (Regulation) Act, 1956 (“SCRA”), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India (“SEBI”);

The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include: -

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as amended from time to time;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and as amended from time to time;
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and as amended from time to time;
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Bank during the period under review)**
- (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 and as amended from time to time; **(Not applicable to the Bank during the period under review)**
- (f) Securities and Exchange Board of India (Issue and Listing of Non—Convertible Securities) Regulations, 2021;
- (g) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and as amended from time to time;
- (h) Securities and Exchange Board of India (Depositories & Participants) Regulations, 2018
- (i) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Bank during the period under review)**
- (j) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009; and circulars/guidelines issued thereunder;

and Based on the above examination, we hereby report that, during the Review period

The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below: -

Sr No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/Circular	Deviations	Action taken by	Type of action	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management response	Remarks
1.	As per Section 9(3) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Board of Directors of the Bank shall include: (e) One Director, from among such of the employees of the corresponding new bank who are workmen under section 2(s) of the Industrial Disputes Act, 1947, to be nominated by the Central Government; (f) One Director, from among the employees of the corresponding new bank who are not workmen under section 2(s) of the Industrial Disputes Act, 1947 to be nominated by the Central Government after consultation with the Reserve Bank; (g) One Director who has been a Chartered Accountant for not less than fifteen years to be nominated by the Central Government after consultation with the Reserve Bank.	Section 9 (3) (e), (f) and (g) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.	The Bank does not have on its Board a director representing the workmen and non-workmen of the Bank as provided under Section 9(3) (e) and (f), and a director who has been a Chartered Accountant for not less than fifteen years as provided under Section 9(3)(g) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.	None	None	None	NIL	During the financial year 2023-24, the Bank did not have on its Board a director representing the workmen and non-workmen of the Bank as provided under Section 9 (3) (e) and (f), and a director who has been a Chartered Accountant for not less than fifteen years as provided under Section 9(3)(g) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.	With the induction of Non- Executive Chairman (Independent), the Board of the Bank is composed of requisite number of independent directors as per SEBI LODR.	Hence Complied with.
2.	As per Section 47A (1)(c) read with Sections 46 (4) (i) and 51 (1) of the Banking Regulation Act, 1949, if any provision of this Act is contravened or if any default is made in complying with any requirement of this Act by any person such person shall be punishable with fine as prescribed thereunder.	Section 47A (1)(c) read with Section 46 (4) (i) and 51 (1) of the Banking Regulation Act, 1949.	The Bank did not comply with certain directions issued by RBI on Loans & Advances - Statutory and Other Restrictions'.	Reserve Bank of India	Imposition of fine	Non-compliance with certain directions issued by RBI on Loans & Advances - Statutory and Other Restrictions'.	RBI vide its letter dated October 13, 2023 imposed a monetary penalty of ₹ 1 Crore.	During the Financial Year 2023-24, the Bank could not comply with certain directions issued by RBI on Loans & Advances - Statutory and Other Restrictions'.	Bank has taken appropriate steps to avoid such further instances.	Bank is in cognizance and necessary steps are taken.

The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr No.	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/Circular	Deviations	Action taken by	Type of action	Details of violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management response	Remarks
								There are no such matters during the year under review.		

I. We hereby report that, during the Review Period the Compliance status of the listed entity is appended as below:

Sr. no.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS
1	Secretarial Standards: The compliances of the Bank are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI) notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.	NA	Union Bank of India is a corresponding bank constituted under Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970. The provisions of the Companies Act, 2013 are not applicable to the Bank.
2	Adoption and timely updation of the Policies: <ul style="list-style-type: none"> All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars/ guidelines issued by SEBI. 	Yes	None
3	Maintenance and disclosures on Website: <ul style="list-style-type: none"> The listed entity is maintaining a functional website Timely dissemination of the documents/ information under a separate section on the website Web-links provided in the annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website. 	Yes	None
4	Disqualification of Director: None of the Director of the Bank are disqualified under Section 164 of Companies Act, 2013.	Yes	None
5	To examine details related to Subsidiaries of listed entities have been examined w.r.t: <ul style="list-style-type: none"> (a) Identification of material subsidiary companies, (b) Disclosures requirements of material as well as other subsidiaries. 	NA	(a) No Material Subsidiary has been identified. (b) Examined the disclosures of other subsidiaries and found in order.
6	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	None



Sr. no.	Particulars	Compliance status (Yes/No/NA)	Observations/ Remarks by PCS
7	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year/during the financial year as prescribed in SEBI Regulations.	Yes	None
8	Related Party Transactions: (a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions. (b) The listed entity has provided detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/rejected by the Audit Committee, in case no prior approval has been obtained.	Yes N.A	No such instances were observed during the period
9	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed there under.	Yes	None
10	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015.	Yes	None
11	Actions taken by SEBI or Stock Exchange(s), if any: No Action(s) has been taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued there under.	NA	No such instances were observed during the period.
12	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.*	NA	No such event occurred during the period under review.
13	Additional Non-compliances, if any: No additional non-compliance observed for all SEBI regulation/ circular/ guidance note etc.	NA	No additional non compliances were observed for the period under review.

*The Bank has complied with the points 6(A) and 6(B) as mentioned in SEBI No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 and it has incorporated all the terms and conditions in the respective appointment letter / supplemental letter issued to the Statutory Auditors.

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the Company.
2. Our responsibility is to certify based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the Company.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 24.05.2024

Place: Mumbai

**FOR RAGINI CHOKSHI & CO,
COMPANY SECRETARIES**

Ragini Chokshi

(Partner)

M.No: 2390

CP No: 1436

UDIN : F002390F000437319

Peer Review Certificate No -659/2020



Form No. MR-3
SECRETARIAL AUDIT REPORT
For the period 01-04-2023 to 31-03-2024

To,
The Members,
UNION BANK OF INDIA

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Union Bank of India** (hereinafter called "the Bank"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Bank's books, papers, minute books, forms and returns filed and other records maintained by the Bank and also the information provided by the Bank, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Bank has, during the audit period covering April 01, 2023 to March 31, 2024 complied with the statutory provisions listed hereunder and also that the Bank has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Bank for the audit period April 01, 2023 to March 31, 2024 according to the provisions of:

- i. The Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970;
- ii. The Nationalised Banks' (Management & Miscellaneous Provisions) Scheme, 1970;
- iii. The Banking Regulation Act, 1949 & Banking Regulation (Companies) Rules, 1949 (as amended from time to time);
- iv. The Union Bank of India (Shares and Meetings) Regulations, 1998;
- v. The Depositories Act, 1996 and the Regulations and Bye-laws Framed thereunder;
- vi. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowing;
- vii. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act"):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Bank during the period under review)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
 - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Bank during the period under review)**
 - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Bank during the period under review)**
 - h) Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009;
 - i) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993
 - j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

We have relied on the representation made by the Bank and its Officers for systems and mechanism formed by the Bank for compliances under other applicable Acts, Laws and Regulations to the Bank.

We have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable as the Bank is not incorporated under the Companies Act, 2013)**
- b) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015("Listing Regulation").

During the period under review the Bank has generally complied with the provisions of the Act, Rules, Regulations, Guidelines etc. except mentioned hereunder:

- *During the financial year 2023-24, the Bank did not have on its Board a director representing the workmen and non-workmen of the Bank as provided under Section 9 (3) (e) and (f), and a director who has been a Chartered Accountant for not less than fifteen years as provided under Section 9 (3) (g) of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970.*

We further report that

The Board of Directors of the Bank is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, Rules and Regulations.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Bank commensurate with the size and operations of the Bank to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, the Bank had following specific events or actions which might have a bearing on the Bank's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. Cessation of Shri Rajneesh Karnatak as an Executive Director of the Bank;
2. Change of Registrar and Transfer Agent of the Bank from Datamatics Business Solutions Limited to KFin Technologies Limited;
3. Nomination of Shri Prakash Baliarsingh as a Director of the Bank;
4. Declaration of Dividend of ₹ 3 per Equity share of ₹ 10 each for the Financial Year 2022-23.
5. Extension of the term of Shri Nitesh Ranjan as an Executive Director of the Bank, for a further period of 2 years;
6. Issue and Allotment of 57,77,00,751 Equity Shares of ₹ 10 each at a premium of ₹ 76.55 per equity share through Qualified Institutions Placement;
7. Appointment of Shri Sanjay Rudra as an Executive Director of the Bank;
8. Redemption of ₹ 2,000 Crore of Unsecured, Subordinated, Taxable, Non-Convertible, Perpetual, Fully Paid-Up Basel III Compliant Tier 2 Bonds;



9. Issue and Allotment of 22,11,57,390 Equity Shares of ₹ 10 each at a premium of ₹ 125.65 per equity share through Qualified Institutions Placement;
10. Cessation of Shri Nidhu Saxena as an Executive Director of the Bank
11. Appointment of Shri Pankaj Dwivedi as an Executive Director of the Bank;

For Ragini Chokshi & Co
Company Secretaries
Firm Registration Number: 92897

Place: Mumbai
Date: 24-05-2024

Ragini Chokshi
(Partner)
M. No.: 2390
COP No.: 1436
UDIN : F002390F000437363
Valid Peer Review Certificate No -659/2020

This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

Annexure "A"

To
The Members,
UNION BANK OF INDIA

Our Secretarial Audit Report for the Financial Year ended on March 31, 2024 of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Bank. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we follow provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Bank.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards are the responsibility of Management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Bank.

For Ragini Chokshi & Co
Company Secretaries
Firm Registration Number: 92897

Place: Mumbai
Date: 24-05-2024

Ragini Chokshi
(Partner)
M. No.: 2390
COP No.: 1436
UDIN : F002390F000437363
Valid Peer Review Certificate No -659/2020



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members of
Union Bank of India
Union Bank Bhavan, 239,
Vidhan Bhavan Marg,
Nariman Point,
Mumbai - 400 021

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Union Bank of India (hereinafter referred to as 'the Bank') having Central Office at Union Bank Bhavan, 239, Vidhan Bhavan Marg, Nariman Point, Mumbai - 400 021, produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Bank & its officers, We hereby certify that none of the Directors on the Board of the Bank as stated below for the Financial Year ended March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Banks
1.	Srinivasan Varadarajan	00033882	07-11-2022
2.	A. Manimekhalai	08411575	03-06-2022
3.	Nitesh Ranjan	08101030	10-03-2021
4.	Ramasubramanian S	08747165	21-11-2022
5.	Sanjay Rudra	09650826	09-10-2023
6.	Pankaj Dwivedi	99999997	27-03-2024
7.	Sameer Shukla	06435463	08-11-2021
8.	Prakash Baliarsingh	99999998	14-07-2023
9.	Suraj Srivastava	09444372	21-12-2021
10.	Laxman S Uppar	02453845	21-03-2022
11.	Jayadev Madugula	03574167	28-06-2018
12.	Priti Jay Rao	03352049	29-07-2021

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these based on our verification.

This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

For Ragini Chokshi & Co
Company Secretaries
Firm Registration Number: 92897

Place: Mumbai
Date: 24-05-2024

Ragini Chokshi
(Partner)
M. No.: 2390
COP No.: 1436

UDIN : F002390F0004373440
Valid Peer Review Certificate No -659/2020

Independent Auditors' Report

To

The President of India /

The Members of Union Bank of India

Mumbai

Report on Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying Standalone Financial Statements of Union Bank of India ('the Bank'), which comprise the Balance Sheet as at 31st March 2024, the Profit and Loss Account and the Cash Flows Statement for the year then ended, and notes to the Standalone financial statements including a summary of significant accounting policies and other explanatory information in which are included the returns for the year ended on that date of

- i) The Head Office, 20 branches and 1 Treasury Branch audited by us;
- ii) 2632 domestic branches audited by statutory branch auditors and
- iii) 2 overseas branches audited by local auditors.

The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India (the RBI). Also incorporated in the Balance Sheet, the Profit and Loss Account and the Statement of Cash Flows are the returns from 6355 domestic branches (including other accounting units) which have not been subjected to audit. These unaudited branches account for 27.78 % of advances, 42.53 % of deposits, 19.94% of interest income and 36.17% of interest expenses.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949, circulars and guidelines issued by the RBI, in the manner so required for bank and are in conformity with accounting principles generally accepted in India and:

- a. the Balance Sheet, read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31st March, 2024;
- b. the Profit and Loss Account, read with the notes thereon shows a true balance of profit for the year ended on that date; and
- c. the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by the Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Standalone financial statements, prepared in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI, and provisions of section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by Reserve Bank of India ("RBI") from time to time and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements for the year ended 31st March, 2024. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report.

**Independent Auditors' Report****Sr. Key Audit Matter****How it was dealt with in our report****1 Income Recognition, Asset Classification (IRAC) and provisioning on Loans & Advances and Investments as per the regulatory requirements**

Loans & Advances and Investments are the largest class of assets forming 86.83% of the total assets as on March 31, 2024. Classification, income recognition and loss provisioning on the same are based on objective parameters as prescribed by the regulations (Reserve Bank of India's prudential norms and other guidelines). The management of the Bank relies heavily on its IT systems (including Core Banking Solution), exercise significant estimates and judgement, manual interventions, and uses services of experts (like independent valuers, Lawyers, legal experts and other professional) to determine asset classification, income recognition and provisioning for losses.

The Bank has system based identification of non-performing assets in accordance with IRAC Norms. Since the identification of Non-performing Advances and provisioning for Non-performing Advances requires considerable level of management estimation, application of various regulatory requirements and its significance to the overall audit, we have identified this as a key audit matter.

Our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the materiality of the balances and associated impairment provisions.

Our audit procedures included the assessment of controls over the approval, disbursements and monitoring of loans, and reviewing the logic and assumptions used in the CBS and other related IT systems for compliance of the IRAC and provisioning norms and its operating effectiveness.

This included evaluation and understanding of the following:

- Bank's internal control system in adhering to the Relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances/ investments;
- System controls and manual controls over the timely recognition of non-performing assets (NPA/NPI);
- Operational existence and effectiveness of controls over provisioning calculation models from the IT systems;
- Overall Controls on the loan approval, disbursement and monitoring process in case of advances and controls over the purchase, sale and hold decisions making system in case of investments
- We tested sample of loans/investments (in cases of branches visited by us) to assess whether they had been identified as non performing on a timely manner, income recognized and provisioning made as per IRAC norms.
- We have also reviewed the reliability, effectiveness and accuracy of manual interventions, wherever it has come to our notice, on test check basis.
- We have relied on the reports/returns and work done by other Statutory Branch Auditors (SBA) in cases of branches not visited by us to get an overall comfort with respect to overall compliance in accordance with SA 600 - Using the Work of Another Auditor.
- We have reviewed the work done by other experts like Independent valuers, Lawyers, Legal Experts and other such professionals who have rendered services to the Bank
- Further we have also reviewed the Bank's system of monitoring potentially weak and sensitive accounts which show a sign of stress.

Sr. Key Audit Matter
How it was dealt with in our report

- On a test check basis, verified the accounts classified by the Bank as Special Mention Accounts ('SMA') in RBI's Central Repository of Information on Large Credits ('CRILC')
- We have also reviewed the reports and observations of the Bank's internal audit/inspection reports and observations of the concurrent auditors and report on audit of automation of IRAC by external expert.
- Verification of valuation, classification, provisioning and income recognition of investments by carrying out substantive test including arithmetic accuracy, data accuracy and control over the financial reporting system.

We have test checked and assessed the efficacy of the system based identification of NPA.

2 Information Technology (IT) and controls impacting financial reporting

Information technology (IT) systems used in financial reporting process The Bank's operational and financial reporting processes are dependent on IT systems run through Core Banking Solutions (CBS) and other integrated software with automated processes and controls large volume of transactions. The process and controls are to ensure appropriate user access and management processes in use. The Bank has an in-house Department of Information & technology (DIT) run under the supervision of the top management and with the support of expert consulting agencies, for maintaining IT services. Accordingly, our audit was focused on key IT systems and controls due to the pervasive Impact on the standalone financial statements and the same has been considered as Key Audit Matter in our audit.

We conducted an assessment and identified key IT applications, database and operating systems that are relevant to our audit and have identified CBS and Treasury System primarily as relevant for financial reporting. For the key IT systems pertaining to CBS and treasury operations used to prepare accounting and financial information, our areas of audit focus included Access Security (including controls over privileged access), application change controls, database management and network operations. In particular:

- We obtained an understanding of the Bank's IT control environment and key changes during the audit period that may be relevant to the audit.
- We tested the design, implementation and operating effectiveness of the Bank's General IT controls over the key IT systems that are critical to financial reporting including obtaining reports from independent experts. This included evaluation of Bank's controls to evaluate segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner.
- We also tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit; including testing of compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the standalone financial statements, information other than the standalone Financial Statements and Auditors' Report thereon.

**Independent Auditors' Report**

Sr. Key Audit Matter	How it was dealt with in our report
<p>3 Recognition and measurement of Deferred tax</p> <p>The Bank has recognised a net deferred tax asset of ₹ 3,71,04,947 (in '000) as on March 31, 2024. Besides objective estimation, recognition and measurement of deferred tax asset is based on the judgment and numerous estimates regarding the availability and visibility of profits in the future. The recent decrease in the amount of deferred tax assets presumes availability and forecasting of profits over an extended period of time thus decreasing uncertainty and the inherent risk of inappropriate recognition of the said asset.</p>	<p>Our audit procedures included the risk assessment to gain an understanding of the applicable tax laws and relevant regulations applicable to the Bank. Based on our understanding, we performed both tests of related internal key controls and substantive audit procedures with the assistance of tax specialists. We performed the following audit procedures as part of our controls testing including, but not limited to:</p> <ul style="list-style-type: none"> · Evaluation of the policies used for recognition and measurement of deferred tax assets in accordance with AS 22 Accounting for Taxes on Income; · Assessed the method, assumptions and other parameters used with reference to uniformity, management representations, consistency and continuity like budget and midterm projections prepared by the management including earning growth and applicable tax rates and tested the arithmetical accuracy · Assessed the probability of the availability and visibility of profits against which the bank will be able to use this deferred tax asset in the future.
<p>4 Provisions, Contingent Liabilities and Claims</p> <p>Assessment of Provisions and Contingent Liability in respect of certain litigations on various claims filed by other parties not acknowledged as debt (Note No. 18 of Schedule 17 and Note No. 14 e of Schedule 18). There is high level of judgement required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgement, past experience, and advice from legal and independent experts wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and state of affairs presented in Balance Sheet. Contingent Liability is a possible obligation, outcome of which is contingent upon occurrence or non-occurrence of one or more uncertain future events. In the judgement of the management, such claims and litigations including tax demands against the bank would not eventually lead to a liability. However, unexpected adverse outcomes may significantly impact the Bank's reported financial results which is uncertain/ unascertainable at this stage. Considering the uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law, this has been determined as a key Audit Matter.</p>	<p>We have obtained an understanding of Internal Controls relevant to the audit in order to design our audit procedures that are appropriate in the circumstances. We broadly reviewed the underlying assumptions and estimates used by the management for provisioning but as the extent of impact is dependent on future developments which are highly uncertain, we primarily relied on those assumptions and estimates, which are subject matter of periodic review by the Bank. We have relied upon the management note and legal opinions obtained by the bank regarding the claims and tax litigations and involved our internal team to review the nature of such litigations and claims, their current status, sustainability, examining recent orders and/or communication received from various tax authorities/ judicial forums and follow up actions thereon and likelihood of claims/litigations materializing into eventual liability upon final resolution, from the available records and developments to date.</p>

Information Other than the Standalone Financial Statements and Auditors' Report thereon

4. The Bank's Board of Directors is responsible for the preparation of Other Information. The Other Information comprises the Directors' Report including annexures in Annual Report, but does not include the Standalone Financial Statements and our Auditors' Report thereon, which is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the standalone financial statements does not cover the Other Information and Pillar 3 disclosures under the Basel III Disclosure and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the Other Information identified above and, in doing so, consider whether the Other Information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate action as applicable under the relevant laws and regulations.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

5. The Bank's Board of Directors is responsible with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards issued by ICAI to the extent applicable, and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the above mentioned Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant

to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



Independent Auditors' Report

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the standalone financial statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the Key Audit Matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse

consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

7. We did not audit the financial statements / information of 2634 branches and offices including 02 foreign branches included in Standalone Financial Statements of the Bank whose financial statements/ information reflects total assets of ₹ 2,56,81,48,175.35 (in thousand) at March 31, 2024 and total revenue of ₹ 28,48,17,374.55 (in thousand) for the year ended on that date, as considered in the Standalone Financial Statements. These branches and offices cover 32.83% of advances, 55.99% of deposits, 49.76% of Non – performing assets as on 31st March 2024 and 24.58% of revenue for the year ended 31st March 2024. The financial statements/ information of these branches have been audited by the branch auditors whose reports have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of the above matter.

8. The audited standalone financial statements of the bank for the year ended 31st March 2023, included in this statement, were audited by six joint auditors of the bank, five of whom were predecessors audit firms, and they had expressed an unmodified opinion on standalone financial statements vide their report dated May 06, 2023.

Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

9. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949;

Subject to the limitations of the audit indicated in paragraphs 5, 6 & 7 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, and subject also to the limitations of disclosure required therein, we report that:

- a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;
- b) The transactions of the Bank, which have come to our notice, have been within the powers of the Bank; and

- c) The returns received from the offices and branches of the Bank have been found adequate for the purpose of our audit.
10. As required by letter No. DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 on "Appointment of Statutory Central Auditors (SCAs) in Public Sector Banks - Reporting obligations for SCAs from FY 2019-20", read with subsequent communication dated May 19, 2020 issued by the RBI, we further report on the matters specified in paragraph 2 of the aforesaid letter as under:
- (a) In our opinion, the aforesaid Standalone Financial Statements comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.
- (b) There are no observations or comments on financial transactions or matters which have any adverse effect on the functioning of the bank.
- (c) As the bank is not registered under the Companies Act, 2013 the disqualifications from being a director of the bank under sub-section (2) of Section 164 of the Companies Act, 2013 do not apply to the bank.
- (d) There are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith.
- (e) Our audit report on the adequacy and operating effectiveness of the Bank's Internal Financial Controls

over financial reporting is given in Annexure A to this report expressing an unmodified opinion on the Bank's internal financial controls over financial reporting with reference to the Standalone Financial Statements as at 31st March 2024.

11. We further report that:
- a) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
- b) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account and with the returns received from the branches not visited by us;
- c) the reports on the accounts of the branch offices audited by branch auditors of the Bank as per the provisions of Section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report; and
- d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by RBI.

For N B S & Co.
Chartered Accountants
FRN 110100W

For Chhajed & Doshi
Chartered Accountants
FRN 101794W

For G S Mathur & Co
Chartered Accountants
FRN 008744N

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYER6195

CA Nitesh Jain
Partner
Membership No. 136169
UDIN: 24136169BKEKKY2518

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN: 24091007BKCFCS9770

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA P Chandrasekaran
Partner
Membership No. 026037
UDIN: 24026037BKARCN8331

CA V. K. Ladha
Partner
Membership No. 071501
UDIN: 24071501BKFQHE9257

Place: Mumbai
Date: 10-05-2024



Independent Auditors' Report

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 10(e) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date) Report on the Internal Financial Controls over Financial Reporting with reference to Standalone Financial Statements as required by the Reserve Bank of India (the "RBI") Letter No. DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 (as amended) (the "RBI communication")

We have audited the internal financial controls with reference to Standalone Financial Statements of Union Bank of India ("the Bank") as of March 31, 2024, in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Banking Regulation Act, 1949 and the circulars and guidelines issued by the Reserve Bank of India.

Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (the "ICAI") and the Standards on Auditing (SAs) issued by the ICAI, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls

system with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls Over Financial Reporting

A Bank's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Bank's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Bank are being made only in accordance with authorisations of management and directors of the Bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Bank's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be

detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the branch auditors referred to in the Other Matters paragraph below, the Bank has, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over

financial reporting were operating effectively as at March 31, 2024, based on the criteria for internal control over financial reporting established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report in so far as it relates to the operating effectiveness of internal financial controls over financial reporting of 2632 branches and offices is based on the corresponding reports of the respective branch auditors of those branches.

Our opinion is not modified in respect of the above matter.

For N B S & Co.
Chartered Accountants
FRN 110100W

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYER6195

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

CA P Chandrasekaran
Partner
Membership No. 026037
UDIN: 24026037BKARCN8331

Place: Mumbai
Date: 10-05-2024

For Chhajer & Doshi
Chartered Accountants
FRN 101794W

CA Nitesh Jain
Partner
Membership No. 136169
UDIN: 24136169BKEKKY2518

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA V. K. Ladha
Partner
Membership No. 071501
UDIN: 24071501BKFQHE9257

For G S Mathur & Co
Chartered Accountants
FRN 008744N

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN: 24091007BKCFCS9770



Standalone Balance Sheet

as on 31st March, 2024

(₹ in 000)

Particulars	Schedule Number	As on 31 st March, 2024	As on 31 st March, 2023
CAPITAL AND LIABILITIES			
Capital	1	7,63,36,056	6,83,47,475
Reserves and Surplus	2	89,33,53,596	71,49,94,658
Deposits	3	12,21,52,83,740	11,17,71,63,220
Borrowings	4	26,94,83,682	43,13,74,686
Other Liabilities and Provisions	5	46,51,19,095	41,56,44,474
TOTAL		13,91,95,76,169	12,80,75,24,513
ASSETS			
Cash and Balances with Reserve Bank of India	6	52,89,75,024	50,25,42,741
Balances with Banks and Money at Call and Short Notice	7	66,40,53,736	61,89,61,793
Investments	8	3,37,90,35,284	3,39,29,90,482
Advances	9	8,70,77,60,894	7,61,84,54,577
Fixed Assets	10	9,22,27,802	8,82,56,071
Other Assets	11	54,75,23,429	58,63,18,849
TOTAL		13,91,95,76,169	12,80,75,24,513
Contingent Liabilities	12	5,82,68,10,284	6,07,80,94,194
Bills for Collection		50,25,28,601	43,56,67,177
Significant Accounting Policies	17		
Notes to Accounts	18		

The Schedules referred to above form an integral part of the Standalone Balance Sheet

(Ajay Bansal)
Dy. General Manager

(Avinash Prabhu)
Chief Financial Officer

For and on behalf of The Board of Directors

(Pankaj Dwivedi)
Executive Director

(Sanjay Rudra)
Executive Director

(Ramasubramanian S)
Executive Director

(Nitesh Ranjan)
Executive Director

(Sameer Shukla)
Director

(Prakash Baliarsingh)
Director

(Suraj Srivastava)
Director

(Laxman S Uppar)
Director

(Jayadev Madugula)
Director

(Priti Jay Rao)
Director

(A. Manimekhalai)
Managing Director & CEO

(Srinivasan Varadarajan)
Chairman

As per our report of even Date

For M/s N B S & Co
Chartered Accountants
FRN 110100W

For Chhajed and Doshi
Chartered Accountants
FRN 101794W

For G S Mathur & Co
Chartered Accountants
FRN 08744N

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYER6195

CA Nitesh Jain
Partner
Membership No.136169
UDIN: 24136169BKEKKY2518

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN: 24091007BKCFCS9770

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA P Chandrasekaran
Partner
Membership No. 026037
UDIN: 24026037BKARCN8331

CA Virendra Kumar Ladha
Partner
Membership No. 071501
UDIN: 24071501BKFQHE9257

Standalone Profit & Loss Account

for the year ended 31st March, 2024

(₹ in 000')

Particulars	Schedule Number	For the Year Ended 31 st March, 2024	For the Year Ended 31 st March, 2023
I. INCOME			
Interest Earned	13	99,77,79,577	80,74,33,386
Other Income	14	16,08,01,941	14,63,31,530
TOTAL		1,15,85,81,518	95,37,64,916
II. EXPENDITURE			
Interest Expended	15	63,20,75,611	47,97,79,957
Operating Expenses	16	24,43,99,598	21,93,13,319
Provision and Contingencies		14,56,23,243	17,03,38,863
TOTAL		1,02,20,98,452	86,94,32,139
III. Profit/ (Loss) for the period/year		13,64,83,066	8,43,32,777
Transfer from Investment Fluctuation Reserve		-	58,32,008
ADD : PROFIT/(LOSS) BROUGHT FORWARD		58,32,008	-
TOTAL		14,23,15,074	9,01,64,785
IV. APPROPRIATIONS			
Transfer To Statutory Reserve		3,41,20,766	2,10,83,194
Transfer To Capital Reserve		16,32,611	9,45,461
Transfer To Investment Fluctuation Reserve		2,84,440	-
Transfer To Revenue and Other Reserves		6,47,57,402	3,40,30,807
Transfer To Special Reserve u/s Sec 36(1)(viii)		66,79,000	60,00,000
Investment Reserve Account		15,27,866	17,69,006
Proposed Dividend		2,74,80,980	2,05,04,309
Balance in Profit and Loss Account		58,32,008	58,32,008
TOTAL		14,23,15,074	9,01,64,785
EARNINGS PER SHARE (BASIC AND DILUTED) (FV ₹ 10)		18.95	12.34
Significant Accounting Policies	17		
Notes To Accounts	18		

The Schedules referred to above form an integral part of the Standalone Profit & Loss account

(Ajay Bansal)

Dy. General Manager

(Avinash Prabhu)

Chief Financial Officer

For and on behalf of the Board of Directors

(Pankaj Dwivedi)
Executive Director

(Sanjay Rudra)
Executive Director

(Ramasubramanian S)
Executive Director

(Nitesh Ranjan)
Executive Director

(Sameer Shukla)
Director

(Prakash Baliarsingh)
Director

(Suraj Srivastava)
Director

(Laxman S Uppar)
Director

(Jayadev Madugula)
Director

(Priti Jay Rao)
Director

(A. Manimekhalai)
Managing Director & CEO

(Srinivasan Varadarajan)
Chairman

As per our report of even Date

For M/s N B S & Co
Chartered Accountants
FRN 110100W

For Chhaged and Doshi
Chartered Accountants
FRN 101794W

For G S Mathur & Co
Chartered Accountants
FRN 08744N

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYER6195

CA Nitesh Jain
Partner
Membership No.136169
UDIN: 24136169BKEKKY2518

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN: 24091007BKCFCS9770

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA P Chandrasekaran
Partner
Membership No. 026037
UDIN: 24026037BKARCN8331

CA Virendra Kumar Ladha
Partner
Membership No. 071501
UDIN: 24071501BKFQHE9257



Schedules Forming Part of the Standalone Balance Sheet

As on 31st March, 2024

(₹ in 000)

	As on 31 st March 2024	As on 31 st March 2023
SCHEDULE 1 - CAPITAL :		
I. Authorised :		
10,00,00,00,000 Equity Shares of ₹10 each (Previous Year 10,00,00,00,000 Equity Shares of ₹ 10 each)	10,00,00,000	10,00,00,000
II. Issued, Subscribed, called up & Paid up :		
i. 570,66,60,850 Equity Shares of ₹ 10 each, held by Central Government (Previous Year 570,66,60,850 Equity Shares)	5,70,66,609	5,70,66,609
ii. 1,92,69,44,757 Equity Shares of ₹ 10 each, held by Public (Previous Year 112,80,86,616 Equity Shares)	1,92,69,447	1,12,80,866
Less: Calls unpaid	-	-
Add: Forfeited shares	-	-
TOTAL	7,63,36,056	6,83,47,475

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
SCHEDULE 2 - RESERVES & SURPLUS :				
I. Statutory Reserve :				
Opening Balance	16,73,72,095		14,62,88,901	
Addition during the period/year	3,41,20,766	20,14,92,861	2,10,83,194	16,73,72,095
II. Capital Reserve :				
i) Revaluation Reserve :				
Opening Balance	6,13,24,225		4,75,70,741	
Addition during the period/year	81,343		1,51,92,862	
Deduction during the period/year	49,61,394		14,39,378	
	5,64,44,174		6,13,24,225	
ii) Capital Reserve				
Opening Balance	5,98,70,300		5,89,24,839	
Addition during the period/year	16,32,611		9,45,461	
	6,15,02,911		5,98,70,300	
iii) Amalgamation Adjustment Reserve	1,30,95,979	13,10,43,064	1,30,95,979	13,42,90,504
III. Share Premium :				
Opening Balance	18,34,11,800		18,34,11,800	
Addition during the period/year	7,20,11,419		-	
Deduction during the period/year	2,91,432	25,51,31,787	-	18,34,11,800
IV. Revenue and Other Reserves :				
i) Revenue Reserves :				
Opening Balance	14,48,53,976		10,83,72,439	
Addition during the period/year	6,69,68,326		3,64,81,537	
Deduction during the period/year	-		-	
Total	21,18,22,302		14,48,53,976	

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
ii) Special Reserve u/s Sec 36(1)(viii) of the Income Tax Act, 1961				
Opening Balance	6,62,98,789		6,02,98,789	
Addition during the period/year	66,79,000		60,00,000	
Total	7,29,77,789		6,62,98,789	
iii) Foreign Currency Translation Reserve				
Opening Balance	(24,21,580)		30,319	
Addition during the period/year	6,05,047		40,439	
Deduction during the period/year	2,99,054		24,92,338	
Total	(21,15,587)		(24,21,580)	
iv) Investment Fluctuation Reserve				
Opening Balance	1,35,29,575		1,93,61,583	
Addition during the period/year	2,84,440		-	
Deduction during the period/year	-		58,32,008	
	1,38,14,015		1,35,29,575	
v) Investment Reserve Account				
Opening Balance	17,69,006		-	
Addition during the period/year	15,27,866		17,69,006	
Deduction during the period/year	-		-	
	32,96,872		17,69,006	
V. Special Reserve Profit on FX Swap	58,485	29,98,53,876	58,485	22,40,88,251
VI. Balance in Profit and Loss Account		58,32,008		58,32,008
TOTAL		89,33,53,596		71,49,94,658

Schedule 3 - Deposits :

A.

I. Demand Deposits

i) From Banks	74,28,822		1,75,66,930	
ii) From Others	73,04,19,109	73,78,47,931	72,22,34,695	73,98,01,625
II. Savings Bank Deposits		3,36,34,89,147		3,20,07,52,745
III. Term Deposits				
i) From Banks	24,66,77,161		17,64,32,725	
ii) From Others	7,86,72,69,501	8,11,39,46,662	7,06,01,76,125	7,23,66,08,850
TOTAL		12,21,52,83,740		11,17,71,63,220

B.

i) Deposits of branches in India

ii) Deposits of branches outside India

TOTAL		12,21,52,83,740		11,17,71,63,220
--------------	--	------------------------	--	------------------------

SCHEDULE 4 - BORROWINGS :

I) Borrowings in India

a. Reserve Bank of India	-		13,38,20,000	
b. Other Banks	1,45,500		-	
c. Other Institutions and Agencies	4,81,69,788		2,30,94,294	
d. Perpetual Bonds- Tier I	9,68,80,000		9,68,80,000	
e. Subordinated Bonds - Tier II	7,95,00,000	22,46,95,288	9,95,00,000	35,32,94,294
II) Borrowings Outside India		4,47,88,394		7,80,80,392
TOTAL		26,94,83,682		43,13,74,686
Secured Borrowings included in I and II above		-		13,90,42,858



**Schedules Forming Part of
the Standalone Balance Sheet**

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
Schedule 5 - Other Liabilities And Provisions:				
I. Bills Payable		2,60,52,539		2,64,97,502
II. Interest Accrued		5,25,15,587		5,97,92,681
III. Others* (Including Provisions)		38,65,50,969		32,93,54,291
TOTAL		46,51,19,095		41,56,44,474
*includes provision for Standard Assets ₹ 5,97,73,786 (Previous Year ₹ 5,57,95,524)				
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA:				
I. Cash in hand (Including Foreign Currency Notes and Gold)		2,27,16,899		2,83,88,225
II. Balances with Reserve Bank of India				
a) in Current Account		50,62,58,125		47,41,54,516
b) in Other Accounts		-		-
TOTAL		52,89,75,024		50,25,42,741
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE:				
I. In India				
i) Balances with Banks				
a) In Current Accounts	35,53,325		56,30,727	
b) In Other Deposit Accounts	37,97,553		5,77,33,962	
ii) Money at Call and short notice				
a) with Banks	-		5,00,000	
b) with Other Institutions	34,51,28,862		31,23,03,614	
Total (i and ii)		35,24,79,740		37,61,68,303
II. Outside India				
i) In Current Accounts	50,93,983		39,25,300	
ii) In other Deposit Accounts	30,64,80,013		23,88,68,190	
iii) Money at call & Short Notice	-		-	
Total (i ,ii and iii)		31,15,73,996		24,27,93,490
Grand Total (I and II)		66,40,53,736		61,89,61,793
SCHEDULE 8 - INVESTMENTS :				
I. Investments in India in				
i) Government Securities		2,73,25,02,480		2,60,25,15,576
ii) Other Approved Securities		-		-
iii) Shares		2,22,26,132		2,04,13,250
iv) Debentures and Bonds		56,24,84,247		63,15,34,188
v) Subsidiaries and joint ventures		38,88,095		38,88,095
vi) Others (Commercial Paper, Mutual Funds, Venture Capital, Security Receipt etc.)		2,73,38,680		10,55,57,112
Total		3,34,84,39,634		3,36,39,08,221

(₹ in 000)

	As on 31 st March 2024	As on 31 st March 2023
II. Investments outside India in		
i) Govt. Securities (Including Local Authority)	1,91,46,683	1,72,90,809
ii) Subsidiaries and Joint Ventures abroad	1,14,42,157	1,14,55,962
iii) Other Investments (Bonds)	6,810	3,35,490
Total	3,05,95,650	2,90,82,261
TOTAL (I and II)	3,37,90,35,284	3,39,29,90,482
III. i) Investments in India		
Gross Value	3,43,56,28,809	3,44,22,02,551
Provision for Depreciation	8,71,89,175	7,82,94,330
Net Value	3,34,84,39,634	3,36,39,08,221
ii) Investments outside India		
Gross Value	3,07,64,527	2,93,43,600
Provision for Depreciation	1,68,877	2,61,339
Net Value	3,05,95,650	2,90,82,261
TOTAL (III)	3,37,90,35,284	3,39,29,90,482

(₹ in 000)

	As on 31 st March 2024	As on 31 st March 2023
SCHEDULE 9 - ADVANCES (NET)		
A.		
i) Bills purchased and discounted	3,59,04,447	3,29,53,001
ii) Cash Credits, Overdrafts and Loans repayable on demand	4,33,95,85,805	3,48,54,48,344
iii) Term Loans	4,33,22,70,642	4,10,00,53,232
TOTAL	8,70,77,60,894	7,61,84,54,577
B.		
i) Secured by tangible assets*	7,21,91,31,031	6,23,77,30,877
ii) Covered by Bank/Government Guarantees	5,92,61,079	12,26,93,689
iii) Unsecured	1,42,93,68,784	1,25,80,30,011
TOTAL	8,70,77,60,894	7,61,84,54,577
*includes advances against book debt ₹ 95,93,76,884 (previous year ₹ 88,79,31,907)		
C. Sectorial Classification of Advances		
C. I. Advances in India:		
i) Priority Sector	3,19,08,13,692	2,85,85,94,969
ii) Public Sector	1,23,56,53,929	81,73,80,496
iii) Banks	8,66,18,664	6,33,569
iv) Others	3,90,54,46,869	3,71,91,49,598
TOTAL	8,41,85,33,154	7,39,57,58,632
C. II. Advances Outside India:		
i) Due From Banks	6,14,80,610	4,91,50,582
ii) Due from Others		
a) Bills Purchased and Discounted	4,31,509	3,86,506
b) Syndicated loans	-	-
c) Others	22,73,15,621	17,31,58,857
TOTAL C.(I)+C(II)	28,92,27,740	22,26,95,945
TOTAL	8,70,77,60,894	7,61,84,54,577



**Schedules Forming Part of
the Standalone Balance Sheet**

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
SCHEDULE 10 - FIXED ASSETS :				
I. Premises				
At cost as on 31 st March of the preceding year	9,58,10,991		8,08,71,144	
Additions during the year	13,61,467		2,16,56,329	
Deduction during the year	30,64,770		67,16,482	
	9,41,07,688		9,58,10,991	
Depreciation to date	2,95,87,143	6,45,20,545	2,75,63,468	6,82,47,523
II. Other Fixed Assets (including Furniture and Fixtures)				
A. Capital Work-in-Progress				
"At cost as on 31 st March of the preceding year"	2,05,438		3,60,997	
Additions during the year	3,10,576		1,08,106	
Deductions during the year	1,68,980	3,47,034	2,63,665	2,05,438
B. Land				
"At cost as on 31 st March of the preceding year"	36,34,968		24,98,636	
Additions during the year	-		12,33,904	
Deductions during the year	1,15,305		97,572	
	35,19,663		36,34,968	
Less: Amortisation till date	11,56,731	23,62,932	7,02,457	29,32,511
C. Assets given on lease				
"At cost as on 31 st March of the preceding year"	2,65,352		2,65,352	
Depreciation to date	2,65,352	-	2,65,352	-
D. Others				
"At cost as on 31 st March of the preceding year"	7,43,75,518		6,86,74,933	
Additions during the year	1,28,89,639		69,39,880	
Deductions during the year	20,72,977		12,39,295	
	8,51,92,180		7,43,75,518	
Depreciation to date	6,24,37,938	2,27,54,242	5,93,53,695	1,50,21,823
E. Computer Software				
"At cost as on 31 st March of the preceding year"	1,18,10,459		1,20,83,338	
Additions during the year	17,41,470		8,77,862	
Deduction during the Year	12,15,455		11,50,741	
	1,23,36,474		1,18,10,459	
Less: Amortisation till date	1,00,93,425	22,43,049	99,61,683	18,48,776
Total (I and II)		9,22,27,802		8,82,56,071

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
SCHEDULE 11 - OTHER ASSETS :				
I. Inter-Office Adjustments (Net)		1,70,28,198		2,20,20,700
II. Interest Accrued		10,73,45,648		9,08,48,858
III. Tax Paid/ Tax deducted at source (Net of provision)		7,10,21,069		6,73,41,164
IV. Stationery and stamps		61,852		62,780
V. Non-Banking assets acquired in satisfaction of claims		1,334		1,334
VI. Others*		31,49,60,381		27,43,38,697
VII. Deferred Tax Assets (Net)		3,71,04,947		8,65,97,447
VIII. MAT Credit Entitlement		-		4,51,07,869
TOTAL		54,75,23,429		58,63,18,849
*Includes Deposit placed with NABARD/SIDBI/ NHB amounting to ₹ 8,74,69,761 (Previous Year ₹ 10,61,55,991)				
SCHEDULE 12 - CONTINGENT LIABILITIES :				
I. Claims against the bank not acknowledged as debts		2,06,75,020		3,02,01,462
II. Liability for partly paid Investments		-		-
III. Liability on account of outstanding Forward Exchange Contracts		3,71,46,30,000		4,13,13,28,582
IV. Guarantees given on behalf of Constituents				
a) In India	69,48,36,138		66,40,64,012	
b) Outside India	67,39,785	70,15,75,923	1,42,21,966	67,82,85,978
V. Acceptances, endorsements and other obligations		1,06,65,96,474		99,64,00,071
VI. Other items for which the bank is contingently liable				
i) Disputed Tax demands under appeals		28,74,07,271		20,98,89,819
ii) Capital Commitments		13,26,533		NA
iii) Amt. Transferred to DEA Fund Scheme 2014		3,45,99,063		3,19,88,282
TOTAL		5,82,68,10,284		6,07,80,94,194
Bills for Collection		50,25,28,601		43,56,67,177



Schedules Forming Part of the Standalone Profit & Loss Account

for the year ended 31st March, 2024

(₹ in 000)

	For the Year Ended 31 st March 2024	For the Year Ended 31 st March 2023
SCHEDULE 13 - INTEREST EARNED :		
I. Interest/Discount on advances/bills	71,97,10,273	56,76,01,357
II. Income on Investments	22,46,74,253	21,35,50,354
III. Interest on balances with Reserve Bank of India & other Inter Bank Funds	4,85,48,649	2,11,68,449
IV. Others	48,46,402	51,13,226
TOTAL	99,77,79,577	80,74,33,386
SCHEDULE 14 - OTHER INCOME :		
I. Commission, Exchange and Brokerage	2,38,03,148	2,15,14,101
II. Profit on sale of investments (Net)	1,63,79,176	79,80,536
III. Profit on revaluation of Investments (Net)	29,23,962	28,51,483
IV. Profit / (Loss) on sale of land, buildings & other assets (Net)	21,653	(14,860)
V. Profit on exchange transactions (Net)	91,88,081	81,30,829
VI. Income earned by way of Dividends, etc from subsidiaries and/or joint ventures abroad/ in India	15,314	3,250
VII. Miscellaneous Income	10,84,70,607	10,58,66,191
TOTAL	16,08,01,941	14,63,31,530
SCHEDULE 15 - INTEREST EXPENDED :		
I. Interest on Deposits	58,50,43,934	44,34,00,344
II. Interest on Reserve Bank of India/Inter-Bank Borrowings	2,98,09,349	1,84,28,879
III. Others	1,72,22,328	1,79,50,734
TOTAL	63,20,75,611	47,97,79,957
SCHEDULE 16 - OPERATING EXPENSES :		
I. Payments to and provisions for employees	14,37,71,789	12,38,97,058
II. Rent, Taxes and Lighting	1,09,02,546	1,06,77,413
III. Printing and Stationery	12,56,808	11,38,303
IV. Advertisement and Publicity	14,21,651	11,70,445
V. Depreciation on Bank's property	89,09,763	73,71,511
VI. Directors' fees, allowances and expenses	20,219	14,278
VII. Auditors' fees and expenses(including branch auditors)	6,29,968	6,89,129
VIII. Law Charges	17,35,407	16,29,256
IX. Postage, Telegrams, Telephones, etc.	39,78,948	32,04,977
X. Repairs and maintenance	34,49,821	36,09,658
XI. Insurance	1,41,96,102	1,53,61,120
XII. Other expenditure	5,41,26,576	5,05,50,171
TOTAL	24,43,99,598	21,93,13,319

Significant Accounting Policy For 2023-24 On Standalone Basis:

(For required disclosures under schedule 17 forming part of Balance Sheet)

1. Basis of Preparation

The financial statements have been prepared and presented under the historical cost convention, accrual basis of accounting, unless otherwise stated and following the Going Concern concept. The financial statements have been prepared in accordance with requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by Reserve Bank of India (RBI) from time to time and the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable and practices generally prevalent in the banking industry in India.

2. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amount of Assets and Liabilities (including Contingent Liabilities) as of the date of the financial statements and the reported Income and Expenses during the reporting period. Management believes that the estimates wherever used in the preparation of the financial statements are prudent and reasonable. Difference between the actual results and estimates is recognized in the period in which the results are known / materialized.

3. Revenue Recognition

- 3.1. Income and Expenditure have been accounted for on accrual basis unless otherwise stated.
- 3.2. Income on Non-Performing Assets (NPAs) is recognized to the extent realized as per the prudential norms prescribed by the RBI. Income accounted for in the preceding year and remaining unrealized is derecognized in respect of assets classified as NPAs during the year.
- 3.3. Commission on Letter of Guarantee/Letter of Credit is accounted on accrual basis.
- 3.4. Exchange and brokerage earned, rent on Safe Deposit Lockers, income from Aadhaar cards, Minimum balance charges etc. are accounted for on realization basis.

3.5. Income (Other than interest) on investments in "Held to Maturity" (HTM) category acquired at discount to the face value is recognized as follows:

- 3.5.1. On interest bearing securities, it is recognized only at the time of sale/ redemption.
- 3.5.2. On Zero- coupon securities, it is accounted for over the balance tenor of the securities on a constant yield basis.
- 3.6. Dividend is accounted on an accrual basis where the right to receive the dividend is established.
- 3.7. Sale of NPAs accounted in terms of extant RBI guidelines.
- 3.8. Interest on Income-tax refunds is accounted for on receipt of Intimation order from the Income Tax Department.

4. Appropriation of Recovery:

Recoveries other than by way of OTS/NCLT shall be appropriated as under:

- 4.1. When there is no agreement between the debtor and creditor as to how monies paid by the debtor are required to be appropriated by the creditor, the order of appropriation is as under:

For Term Loans:

- Towards expenses & costs etc.
- Towards unrecovered interest reversed on the date of NPA.
- Interest held in dummy ledger (unapplied interest).
- Towards arrears of principal/EMI till the date of recovery.
- Towards running ledger balance.

For Running Accounts:

- Towards expenses & costs etc.
- Towards interest held in dummy ledger (unapplied interest) including unrecovered interest reversed at the time of NPA.
- Towards principal.



Significant Accounting Policy For 2023-24 On Standalone Basis

4.2. In case borrower stipulates terms of appropriation differently than above and if such different terms of appropriation is accepted by Bank then appropriation of recoveries will be as per the sanction terms.

4.3. In case of OTS & all NCLT accounts, recovery either through resolution/liquidation:

Appropriation of recovery to be done as discussed here under or as per the sanction stipulations

- Towards principal.
- Towards interest held in dummy ledger (unapplied interest) including
- unrecovered interest reversed at the time of NPA.
- Towards expenses & costs etc.

4.4. In case of Non-Performing Investment recovery will be apportioned as mentioned below:

- a. Towards expenses & costs etc.
- b. Towards unrecovered interest reversed on the date of NPI.
- c. Interest held in dummy ledger (unapplied interest).
- d. Towards arrears of principal/EMI till the date of recovery.
- e. Towards running ledger balance

5. Cash Flow Statements:

Cash Flow statement of the Bank is prepared as per AS-3. Cash Flow statement is mainly classified as:

- 5.1. Cash flow from Operating Activities: This activity includes cash flow generated from Operational activities.
- 5.2. Cash Flow from Investing Activities: This activity includes cash flow generated from investments.
- 5.3. Cash Flow from Financials Activities: This activity includes the cash flow generated from financial instruments.

6. Investments

6.1. In conformity with the requirements of Form A of the Third Schedule to the Banking Regulations Act, 1949, Investments are classified as under:

- 6.1.1. Government Securities
- 6.1.2. Other Approved Securities

6.1.3. Shares

6.1.4. Debentures & Bonds

6.1.5. Investments in Subsidiaries & Joint Ventures and

6.1.6. Other Investments

The Investment portfolio of the Bank is further classified in accordance with the RBI guidelines contained in Master Circular DoR.MRG.42/21.04.141 /2021-22 dated August 25, 2021 (updated March 23,2022, March 31, 2022, April 08, 2022 and December 08, 2022) into three categories viz.,

- a) Held to Maturity (HTM)
- b) Available for Sale (AFS)
- c) Held for Trading (HFT)

6.2. As per RBI guidelines, the following principles have been adopted for the purpose of valuation

6.2.1. Securities held in "HTM" – at acquisition cost.

6.2.1.1. The excess of acquisition cost over the face value is amortized over the remaining period of maturity and in case of discount; it is not recognized as income.

6.2.1.2. Investments in Regional Rural Banks are valued at carrying cost.

6.2.1.3. Investments in Subsidiaries and Joint Ventures are valued at carrying cost.

6.2.1.4. Diminution, other than temporary, in the value of its investment in subsidiaries/joint ventures, which are included in HTM shall be provided for.

6.2.2. Securities held in "AFS" and "HFT" categories

6.2.2.1. Securities held in "AFS" and "HFT" categories are valued classification wise and scrip-wise and net depreciation, if any, in each classification is charged to Profit & Loss account while net appreciation, if any, is ignored.

6.2.2.2. Valuation of securities is arrived at as follows:

A	Govt. of India Securities (Central Govt. Securities)	As per Quotation put out by Govt. Financial Benchmarks Pvt Ltd (FBIL) India
B	State Development Securities, guaranteed by Central/ State Government, PSU Bonds	On appropriate yield to maturity basis as per FIMMDA Guidelines

C	Equity Shares	As per Market rates, if quoted, otherwise at break-up value, as per latest audited balance sheet (not more than 18 months old). In absence of both, at ₹ 1/- per company. The break-up value is computed excluding revaluation reserve.	securities from one category to another is accounted for as follows:
D	Preference Shares	As per Market rates, if quoted, or on appropriate yield to maturity basis not exceeding redemption value as per FIMMDA guidelines.	6.4.1. From AFS/HFT categories to HTM category, at lower of book value or market value as on the date of shifting. Depreciation, if any, is fully provided for.
E	Debentures/Bonds	As per Market rates, if quoted, otherwise on appropriate yield to maturity basis as per FIMMDA guidelines.	6.4.2. From HTM category to AFS/HFT category, 6.4.2.1. If the security is originally placed at discount in HTM category, at acquisition cost / book value. 6.4.2.2. If the security is originally placed at a premium, at amortized cost. The securities so shifted are revalued immediately and resultant depreciation is fully provided for.
F	Mutual Funds (MF)	As per stock exchange quotations, if quoted. In case of unquoted units, as per latest Repurchase price declared by concerned MF. In cases where latest repurchase price is not available, as per Net Asset Value (NAV)	6.4.3. From AFS to HFT category and vice versa, at book value. 6.5. The non-performing investments are identified and depreciation / provision is made as per the extant RBI guidelines. 6.6. Profit / Loss on sale of investments & net depreciation on investment in any category are taken to the profit & loss account (net appreciation is ignored). However, in case of profit on sale of investments in "HTM" category, an equivalent amount (net of taxes and net of transfer to Statutory Reserves) is appropriated to the Capital Reserve account.
G	Treasury Bills / Certificate of Deposits / Commercial Papers	At carrying cost	6.7. Commission, brokerage, broken period interest etc. on securities is debited / credited to Profit & Loss Account.
H	Venture Capital Funds (VCF)	At declared NAV or Breakup NAV as per audited Balance Sheet which is not more than 18 months old. If NAV / audited financial statements are not available for more than 18 months continuously, at ₹ 1/- per VCF	6.8. Brokerage and STT paid on purchase and sale of Equity is accounted to price of the deal. 6.9. The Amortization of premium on HTM Securities is computed using Straight-line Method. 6.10. The Bank is following weighted average Price (WAP) for accounting of investment portfolio.
I	Security Receipts	Valuation of the same will be done as per RBI Guidelines on classification, valuation and operation of Investment portfolio of commercial Banks (RBI/DOR/2021-22/81 DOR. MGR.42/21.04.141/2021-22) dated Aug 25, 2021 and as amended from time to time.	6.11. As per the extant RBI guidelines, the Bank follows 'Settlement Date' for accounting of investments transactions. 6.12. Income from the units of Mutual Fund, Venture Capital & Security Receipt shall be recognized on Cash Basis. 6.13. Derivative Contracts 6.13.1. The Interest Rate Swap which hedges interest bearing Asset or Liability are accounted for in the financial statements on accrual basis except the swap designated with an Asset or Liability that is carried at market value or lower of cost or market

6.3. Interbank/RBI Repo and Interbank/ RBI Reverse Repo transactions are accounted for in accordance with extant RBI guidelines.

6.4. As per the extant RBI guidelines, the shifting of



Schedules Forming Part of the Standalone Balance Sheet

value. Gains or losses on the termination of swaps are recognized over the shorter of the remaining contractual life of the swap or the remaining life of the Asset / Liability.

6.13.2. Trading swap transactions are marked to market with changes recorded in the financial statements. (profit if any, is ignored)

6.13.3. In the case of option contracts, guidelines issued by Foreign Exchange Dealers Association of India (FEDAI) from time to time for recognition of income, premium and discount are being followed.

6.13.4. Arbitrage Income earned on forex swap transactions is accounted in Profit / Loss on Exchange Transactions category.

7. Advances

7.1. All advances are classified under four categories:

7.1.1. Standard,

7.1.2. Sub-standard,

7.1.3. Doubtful and

7.1.4. Loss assets.

Provisions required on such advances are made as per the extant prudential norms issued by the RBI in terms of RBI Master Circular/RBI/2023-2024/06 DOR.STR. REC.3/21.04.048/2023-24 dated April 01, 2023 as under:

7.2. Loans and Advances are classified as performing and non-performing, based on the guidelines issued by the RBI. Loan Assets become Non-Performing Assets (NPAs) where:

7.2.1. In respect of term loans, interest and/or instalment of principal remains overdue for a period of more than 90 days;

7.2.2. In respect of Overdraft or Cash Credit advances, the account remains "out of order", i.e.

7.2.2.1. the outstanding balance in the CC/OD account remains continuously in excess of the sanctioned limit/drawing power for 90 days.

7.2.2.2. The outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but there are no credits continuously for 90 days, or

7.2.2.3. the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but credits are not enough to cover the interest debited during the previous 90 days period.

7.2.3. In respect of bills purchased/discounted, the bill remains overdue for a period of more than 90 days;

7.2.4. In respect of agricultural advances for short duration crops, where the instalment of principal or interest remains overdue for two crop seasons.

7.2.5. In respect of agricultural advances for long duration crops, where the principal or interest remains overdue for one crop season.

7.2.6. A working capital borrower account will become NPA if such irregular drawings are permitted in the account for a continuous period of 90 days even though the unit may be working or the borrower's financial position is satisfactory.

7.2.7. An account where the regular/ ad hoc credit limits have not been reviewed/ renewed within 180 days from the due date/ date of ad hoc sanction will be treated as NPA.

7.2.8. The amount of liquidity facility remains outstanding for more than 90 days, in respect of a securitization transaction undertaken in terms of the Reserve Bank of India (Securitization of Standard Assets) Directions, 2021

7.2.9. In respect of derivative transactions, the overdue receivables representing positive mark-to-market value of a derivative contract, if these remain unpaid for a period of 90 days from the specified due date for payment.

7.2.10. Accounts where there is erosion in the value of security/frauds committed by borrowers

7.2.10.1. In respect of accounts where there are potential threats for recovery on account of erosion in the value of security or non-availability of security and existence of other factors such as frauds committed by borrowers it will not be prudent that such accounts should go through various stages of asset classification. In cases of such serious credit impairment, the asset should be straightaway classified as doubtful or loss asset as appropriate.

7.2.10.2. Erosion in the value of security can be reckoned as significant when the realizable value of the security is less than 50 per cent of the value assessed by the bank or accepted by RBI at the time of last inspection, as the case may be. Such NPAs may be straightaway classified under doubtful category.

7.2.10.3. If the realizable value of the security, as assessed by the bank/ approved valuers/RBI is less than

10 per cent of the outstanding in the borrowal accounts, the existence of security should be ignored and the asset should be straightaway classified as loss asset

7.2.11. In respect of MSME accounts which will be restructured in terms of RBI Circular No DOR. No.BP.BC.34/21.04.048/2019-20 February 11, 2020 with reference to Circular No DBR.No.BP. BC.18/21.04.048/2018-19 dated 1st January, 2019 and kept in standard category, the Bank shall maintain a provision of 5% in addition to the provision already held. Reversal of said provision shall be made in accordance with the said circular.

7.2.12. In terms of RBI guidelines relating to 'Covid 19 Regulatory Package' on Asset Classification and Provisioning RBI has issued circular no.DOR. No.BP.BC/3/21.04.048/2020-21 & circular no. DOR.No.BP.BC/4/21.04.048/2020-21 dated 06th August, 2020, DoR.STR.REC.12/21.04.048/2021-22 & DoR.STR.REC.11/21.04.048/2021-22 dated May 05th, 2021 with reference to restructuring of Corporate & Retail Loan, Bank shall maintain necessary provision in this regard.

7.3. NPAs are classified into Sub-Standard, Doubtful and Loss Assets, based on the following criteria stipulated by RBI:

7.3.1. Sub-standard: A loan asset that has remained non-performing for a period less than or equal to 12 months,

7.3.2. Doubtful: A loan asset that has remained in the sub-standard category for a period exceeding 12 months,

7.3.3. Loss: A loan asset where loss has been identified but the amount has not been fully written off.

7.4. Provisions are made for NPAs as per the extant guidelines prescribed by the regulatory authorities, subject to minimum provisions as prescribed below:

Sub-Standard Assets:	i.	A general of 15% of the total outstanding
	ii.	Additional provision of 10% for exposures which are unsecured ab-initio;
	iii.	However, Unsecured Exposure, ab-initio, in respect of infrastructure loan accounts where certain safeguards such as escrow accounts are available - 20% (instead of 25% as stated above)

Doubtful-Secured Portion	i.	Up to one year - 25%
	ii.	One to three years - 40%
	iii.	More than three years - 100%
Doubtful Unsecured Portion		100%
Loss Asset		100%

7.5. Advances are stated net of specific loan loss provisions, Counter cyclical provisioning buffer and unrecovered interest held in Sundry /claims received from Credit Guarantee Trust Fund (CGTF) / Export Credit Guarantee Corporation (ECGC) relating to non-performing assets.

7.6. In respect of foreign offices, classification of loans and advances and provisions for NPAs are made as per the local regulations or as per the norms of RBI, whichever is more stringent.

7.7. For restructured/rescheduled assets, provisions are made in accordance with the guidelines issued by the RBI, which require that the difference between the fair value of the loan before and after restructuring is provided for, in addition to provision for NPAs.

7.8. In the case of loan accounts classified as NPAs, an account may be reclassified as a performing asset if it conforms to the guidelines prescribed by the regulators.

7.9. Amounts recovered against debts written off are recognized as revenue in the year of recovery.

7.10. The general provision on Standard Advances is held in "Other Liabilities and Provisions" reflected in schedule 5 of the Balance Sheet and is not considered for arriving at both net NPAs and net advances. Standard Assets provision to be made as per IRAC RBI/2022-2023/15 DOR.STR.REC.4/21.04.048/2022-23 dated April 01, 2022 and any subsequent circular issued from time to time.

7.11. Provision on Suspense accounts entries outstanding for more than six months are made at 100% except the claim receivable from Govt./Govt. Bodies like Interest Subsidy on crop loan/export advance, Pension receivable, SDS Interest claim from RBI, Rent Deposits, capital and prepaid expenditure, deposits with Govt & other agencies, Franking stamps, Festival advance to staff etc.



**Schedules Forming Part of
the Standalone Balance Sheet**

8. Property, Plant and Equipment

8.1. Premises and Other Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, eligible borrowing costs and directly attributable costs of bringing the Asset to its working condition for the intended use less trade discounts and rebates. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefits from such assets or their functional capability. Land and Buildings, if revalued are stated at revalued amount. The appreciation on revaluation is credited to Revaluation Reserve and the depreciation provided thereon is deducted there from and shall be credited to Revenue Reserves in terms of revised AS-10 on "Property, Plant and Equipment".

8.2. Depreciation on Fixed Assets is provided for on the Straight-Line Method at the rates prescribed in Expenditure Policy of the Bank from time to time. The applicable rates of depreciation are as under:

S. No.	Capital Asset	Useful Life (Years)	Rate in percentage
1	Immovable Property-Land	Not stipulated; accordingly, no depreciation	NIL
2	Building with RCC frame structure (Both Residential & Non-residential)	60	1.67
3	Furniture	10	10.00
4	Fixtures	10	10.00
5	Air-conditioning plants (Package & water/air cooled ductable)	10	10.00
6	Split & Window Air conditioners	5	20.00
7	Electrical installation and equipments	5	20.00
8	Solar Power Equipment	15	6.67
9	Elevators & Lifts	15	6.67
10	Civil & Flooring work in leased Premises	5	20.00
11	Telephone Equipment	5	20.00
12	Motorcycles, Scooters & other mopeds	10	10.00

S. No.	Capital Asset	Useful Life (Years)	Rate in percentage
13	Motor Cars, Motor Lorries and Electrically operated vehicles including battery powered or fuel cell powered vehicles	8	12.50
14	Mobile Phones	3	33.33
15	Generators	15	6.67
16	Office Equipment/ Appliances,	5	20.00
17	Computers & computer software forming integral part of hardware	3	33.33
18	ATM & allied items	5	20.00
19	UPS & allied items	5	20.00
20	Servers & Networks	6	16.66
21	End user devices such as desktops, laptops, i-pads, tablets, printer & Scanner, digital watches etc.	3	33.33
22.	SDV lockers, Strong Room door, Cash Safe etc. (Along with Fixtures).	20	5.00
23.	Items provided to staff (Furniture/Electrical and etc.)	5	20.00

8.3. Depreciation on premises is provided on composite cost, wherever the value of Land and Buildings is not separately identifiable.

8.4. Depreciation on Leased assets and Leasehold improvements is recognized on a straight-line basis using rates determined with reference to the primary period of lease.

9. Impairment of Assets

Impairment losses (if any) on Fixed Assets (including revalued assets) are recognised in accordance with AS-28 on "Impairment of Assets" issued by the ICAI and charged off to Profit and Loss Account. The carrying costs of assets are reviewed at each Balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying cost of an asset exceeds its recoverable amount.

The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying cost of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

10. Counter Cyclical Provisioning Buffer

The Bank has a policy of creation and utilization of Counter Cyclical Provisioning Buffer separately for Advances and Investments. The quantum of provision to be created is assessed at the end of each financial year. The counter Cyclical Provisions are utilized only for contingencies under extra ordinary circumstances specified in the policy with prior permission of the RBI.

11. Transactions involving Foreign Exchange

Accounting for transactions involving foreign exchange is done in accordance with AS-11 on "The Effects of Changes in Foreign Exchange Rates", issued by the ICAI. In terms of AS-11, the foreign currency operations of the Bank are classified as a) Integral Operations and b) Non Integral Operations.

All overseas branches, offshore banking units, overseas subsidiaries are treated as non- integral operations and domestic operations in foreign exchange and representative offices are treated as integral operations.

Accounting for Integral operations:

- 11.1. Monetary and Non- Monetary Assets and Liabilities are revalued at the exchange rates notified by FEDAI at the close of the year and resultant gain / loss is recognized in the Profit & Loss Account.
- 11.2. Income & Expenditure items are recognized at the exchange rates prevailing on the date of the transaction.
- 11.3. Forward exchange contracts are recorded at the exchange rate prevailing on the date of commitment. Outstanding forward exchange contracts are revalued at the exchange rates notified by FEDAI for specified maturities and at interpolated rates for

contracts of 'in-between' maturities. The resultant gains or losses are recognized in the Profit & Loss account.

- 11.4. Contingent liabilities on account of guarantees, acceptances, endorsements and other obligations are stated at the exchange rates notified by FEDAI at the close of the year.

12. Accounting for Non-Integral operations

12.1. Revenue Recognition

Income and Expenditure are recognized / accounted for as per the local laws of the respective countries.

12.2. Asset Classification and Loan Loss Provisioning

Asset classification and loan loss provisioning are made as per the local laws of the respective countries or as per RBI guidelines whichever is higher.

12.3. Fixed Assets and Depreciation

- 12.3.1. Fixed Assets are accounted for at historical cost.
- 12.3.2. Depreciation on Fixed Assets is provided as per the applicable laws of the respective countries.

12.4. Assets and Liabilities (monetary and non-monetary as well as Contingent Liabilities) are translated at the closing rates notified by FEDAI at the close of the year or Qtr.

12.5. Income & Expenditure are translated at the quarterly average closing rates notified by FEDAI at the end of respective quarters.

12.6. All resulting exchange differences are accumulated in 'Foreign Currency Translation Reserve'.

13. Employee Benefits:

13.1. Short Term Employment Benefits:

The undiscounted amounts of short-term employee benefits (e.g. medical benefits) payable wholly within twelve months of rendering the services are treated as short term and recognized during the period in which the employee rendered the service.

13.2. Long term Employee Benefits:

13.2.1. Defined Contribution Plans:

The Bank operates a new pension scheme (NPS) for all officers/employees joining the Bank on or after 1st April, 2010, which is a defined contribution



Schedules Forming Part of the Standalone Balance Sheet

plan, such new joinees not being entitled to become members of the existing Pension Scheme. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with 14% of their basic pay plus dearness allowance as contribution from the Bank. Pending completion of registration procedures of the employees concerned, these contributions retained with the Bank. The Bank recognizes such annual contributions in the year to which they relate. Upon receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS trust.

13.2.2. Defined Benefit Plan:

Gratuity, Pension and Leave Encashment are defined benefits plans. These are provided for on the basis of an actuarial valuation as per Accounting Standard-15 "Employee Benefit" issued by the Institute of Chartered Accountants of India, made at the end of each financial year, based on the projected unit credit method. Actuarial gains/losses are immediately taken to the Profit & Loss account.

14. Segment Reporting

The Bank recognizes the Business segment as the Primary reporting segment and Geographical segment as the Secondary reporting segment, in accordance with the RBI guidelines and in the compliances with the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India. Business segments are classified into

- 14.1. Treasury Operations,
- 14.2. Corporate and Wholesale Banking,
- 14.3. Retail Banking Operations and (w/w Digital Banking Segment)
- 14.4. Other Banking Operations.

15. Lease Transactions

Lease payments for Assets taken on operating lease recognized as an expense in the profit and loss account on a straight-line basis over the lease term.

16. Earnings per Share

The Bank reports the basic and diluted Earnings per Share in accordance with AS 20. Earnings per Share is calculated by dividing the net Profit or Loss (after tax) for

the year attributable to the Equity shareholders by the weighted average number of Equity shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if contracts to issue Equity shares were exercised or converted during the year. Diluted earnings per Equity share is calculated by using the weighted average number of Equity shares and dilutive potential Equity shares outstanding as at the year-end.

17. Taxation:

This comprises of provision for Income tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) as determined in accordance with AS-22 on "Accounting for taxes on Income" issued by the ICAI. Provision for Tax is made for both current and deferred taxes. Current tax is provided on the taxable income using applicable tax rate. Deferred Tax Assets and Deferred Tax Liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates and the tax laws that have been enacted or substantively enacted till the date of the Balance Sheet. Deferred Tax Assets are not recognized unless there is 'reasonable certainty' that sufficient future taxable income will be available against which such Deferred Tax Assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, Deferred Tax Assets are recognized only if there is "virtual certainty".

18. Provisions, Contingent Liabilities and Contingent Assets

In terms of AS 29-Provisions, Contingent Liabilities and Contingent Assets issued by the ICAI, the Bank recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may not be realized.

19. Share Issue Expenses:

Share Issue expenses are charged to the Share Premium account in terms of Section 52 of the Companies Act, 2013.

SCHEDULE 18 – NOTES TO ACCOUNTS (STANDALONE):

DISCLOSURES IN TERMS OF THE RESERVE BANK OF INDIA GUIDELINES

1. REGULATORY CAPITAL

The Bank is subjected to Basel III capital adequacy guidelines stipulated by RBI with effect from April 1, 2013. The guidelines provide a transition schedule for Basel III implementation till Oct. 1, 2021. As per RBI Guidelines, Basel III has been completely implemented from Oct. 1, 2021. As per guidelines, the Tier I capital is made up of Common Equity Tier I (CET I) and Additional Tier I Capital (AT 1).

Basel III guidelines require the Bank to maintain minimum capital to Risk Weighted Assets ratio (CRAR) of 11.50% with minimum CET I of 8.00% and minimum Tier I CRAR of 9.50% (both inclusive of Capital Conservation Buffer of 2.50%) as at March 31, 2024.

During the year, the Bank has issued Equity capital of ₹ 8,000 crore. Further, the Bank has repaid ₹ 2,000 crore of Basel III compliant Tier-II Bonds during the year.

a) Composition of Regulatory Capital:

		(₹ in Crore)	
Sr. No	Particulars	31.03.2024	31.03.2023
i.	Common Equity Tier 1 capital (CET 1) (net of deductions, if any)	90,693.16	71,491.90
ii.	Additional Tier 1 capital	8,928.65	8,985.99
iii.	Tier 1 capital (i + ii)	99,621.81	80,477.89
iv.	Tier 2 capital	13,066.90	12,300.56
v.	Total capital (Tier 1+Tier 2)	1,12,688.71	92,778.45
vi.	Total Risk Weighted Assets (RWAs)	6,64,188.12	5,78,454.82
vii.	CET 1 Ratio (CET 1 as a percentage of RWAs)	13.65	12.36
viii.	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	15.00	13.91
ix.	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.97	2.13
x.	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	16.97	16.04
xi.	Leverage Ratio	6.56	5.73
xii.	Percentage of the shareholding of		
	a) Government of India	74.76	83.49
	b) State Government	--	--
	c) Sponsor Bank	--	--
xiii.	Amount of paid-up equity capital raised during the year	8,000.00	--
xiv.	Amount of non-equity Tier 1 capital raised during the year, of which:		
	a) Basel III compliant Perpetual Non-Cumulative Preference Shares	--	--
	b) Basel III compliant Perpetual Debt Instruments	--	1,983.00
xv.	Amount of Tier 2 capital raised during the year, of which		
	a) Perpetual Cumulative Preference Shares	--	--
	b) Redeemable Non-Cumulative Preference Shares	--	--
	c) Basel III compliant Redeemable Non-convertible Tier 2 Bonds	--	2,200.00

b) Draw down from Reserves:

During the year 2023-24, the Bank has not drawn any amount from the reserves.

**Schedule 18 – Notes To Accounts****2. Asset Liability Management****a) Maturity pattern of certain items of assets and liabilities****Current Year 2023-24**

(₹ in crore)

	Day 1	2-7 DAYS	8-14 DAYS	15-30 DAYS	31 days-2 months	>2-3 months	>3-6 months	>6 months -1 year	>1-3 years	>3-5 years	> 5 years	TOTAL
Deposits	19,410.10	33,208.26	22,143.36	25,751.19	42,907.50	51,874.76	1,03,759.29	2,16,081.39	1,45,106.60	78,448.20	4,82,837.71	12,21,528.37
Advances	13,285.99	14,564.07	8,913.90	30,508.21	5,135.11	32,215.53	61,063.28	1,15,928.51	3,74,856.25	90,661.97	1,23,643.26	8,70,776.09
Investments	79,848.28	12,924.06	1,247.76	2,707.86	6,481.38	24,894.11	7,995.66	12,778.18	39,693.86	33,590.35	1,15,742.03	3,37,903.53
Borrowings	448.60	670.18	41.18	12.95	936.64	60.47	1148.71	209.15	6,509.99	15.07	16,895.43	26,948.37
Foreign currency assets	3,475.74	3,916.55	425.06	2,638.65	1,989.97	8,240.88	21,408.96	11,856.16	17,711.70	6,975.90	2,492.31	81,131.87
Foreign currency liabilities	805.73	3,088.91	160.77	555.08	2,440.51	3,365.04	8,360.78	8,613.80	10,801.49	3,503.01	3,027.12	44,722.23

Previous Year 2022-23

(₹ in crore)

	Day 1	2-7 DAYS	8-14 DAYS	15-30 DAYS	31 days-2 months	>2-3 months	>3-6 months	>6 months - 1 year	>1-3 years	>3-5 years	> 5 years	TOTAL
Deposits	16,719.54	24,897.19	17,582.29	15,386.37	27,291.25	46,680.66	82,771.68	1,63,434.74	1,61,274.09	80,204.10	4,81,474.41	11,17,716.32
Advances	19,713.45	31,128.05	23,916.23	49,224.70	18,235.92	31,896.75	50,852.13	54,002.81	3,36,508.35	47,328.90	99,038.17	7,61,845.46
Investments	87,469.35	10,712.95	888.30	2,993.82	5,506.13	17,324.42	5,710.88	8,220.90	68,822.45	17,556.16	1,14,093.69	3,39,299.05
Borrowings	963.24	8,333.29	4,085.78	1,996.21	572.85	254.44	2,123.29	3,610.00	2,310.97	1,996.06	16,891.33	43,137.47
Foreign Currency assets	5,317.26	5,843.41	1,016.52	10,915.50	3,748.05	3,259.63	13,035.32	5,403.49	11,913.15	9,366.84	187.01	70,006.19
Foreign Currency liabilities	4,984.28	1,553.01	998.49	2,717.99	2,947.61	4,647.05	3,478.54	3,586.05	8,792.19	6,039.50	315.07	40,059.79

b) Liquidity Coverage Ratio (LCR)

LCR aims to ensure that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a 30 calendar days' time horizon under a significantly severe liquidity stress scenario specified by RBI.

LCR is the ratio of HQLA to Net Cash Outflow.

$$\text{LCR} = \frac{\text{High Quality Liquid Assets (HQLA)}}{\text{Net Cash Outflows over 30 days}}$$

Minimum requirement of LCR as stipulated by RBI is 100% for the calendar year 2019 onwards. LCR is applicable to Bank's domestic operations as well as overseas operations.

High Quality Liquid Assets (HQLA):

Liquid assets comprise of high quality assets that can be readily sold or used as collateral to obtain funds in a range of stress scenarios. They should be unencumbered i.e. without legal, regulatory or operational impediments. Assets are considered to be high quality liquid assets if they can be easily and immediately converted into cash at little or no loss of value. HQLA is categorized into two: a) Level 1 Assets, and b) Level 2 Assets. Level 2 Assets are further sub divided into Level 2A Assets & Level 2B Assets based on Liquidity & Price Volatility.

Level 1 assets are stock of HQLA without any haircut. Level 1 Assets mainly comprise Cash including excess Cash Reserve Ratio (CRR), Excess SLR (Statutory Liquidity Ratio), Marginal Standing Facility (2% of Net Demand and Time Liability w.e.f. 01st January 2022) & FALLCR (16.00% of Net Demand and Time Liability).

A haircut of 15% is applied on current market value of Level 2A asset. Level 2A assets mainly comprise of securities with 20% risk weight. A 50% haircut is applied on current market value of Level 2B asset. Level 2B assets should not be more than 15% of the total stock of HQLA. Level 2B assets mainly comprise Securities with risk weights higher than 20% but not higher than 50%.

Net Cash Outflows

The total net cash outflows are defined as the total expected cash outflows minus total expected cash inflows. In order to determine cash outflows, the Bank, in terms of RBI guidelines, segregates its deposits into various customer segments, viz Retail (which include deposits from Natural Persons), Small Business Customers (those with total aggregated funding up to ₹ 7.5 crore) and deposits from Non Financial Customers (NFC) and Other Legal Entity Customers (OLE). Total expected cash inflows are calculated by multiplying the outstanding balances of various categories of contractual receivables by the rates at which they are expected to flow in, up to an aggregate cap of 75% of total expected cash outflows.

Brief about LCR of the Bank

The entities covered are Union Bank of India and Union Bank of India UK Ltd. The Bank during the three months ended 31st March 2024 maintained average HQLA of ₹ 2,75,225 crores. Level 1 assets are the main drivers of HQLA for the bank. They contribute to 98% of the total stock of HQLA. Based on daily averages for the quarter ended 31st March 2024, Facility to avail Liquidity for Liquidity Coverage Ratio constitutes the highest portion to HQLA i.e. around 68% of the total HQLA. Level 2 assets which are lower in quality as compared to Level 1 assets, constitute 2% of the total stock of HQLA against maximum permissible level of 40%.

Bank's exposure is mainly in Indian Rupee. Unsecured wholesale funding constitutes major portion of total funding sources. Retail deposits and deposits from small business customers contributed around 21% and 4% of the total weighted cash outflows, respectively. Deposits from non-financial corporates contributed around 37% of the total weighted cash outflows. The other contingent funding obligations primarily include bank guarantees (BGs) and letters of credit (LCs) issued on behalf of the Bank's clients. Inflows by various counterparties contribute around 77% of the total weighted cash inflows.

Bank has calculated LCR for all working days over the March 2024 quarter. The average of the daily observation of 67 data points is calculated. The average LCR for the quarter ended 31st March 2024 is 131.90% as against 125.82% for the quarter ended 31st December 2023 and is well above the present minimum requirement prescribed by RBI of 100%.

Movement of Average LCR during Financial Year 2023-24

Quarter	June 2023	September 2023	December 2023	March 2024	FY 2023-24
LCR Ratio	166.16	144.61	125.82	131.90	141.10

Schedule 18 – Notes To Accounts

Quantitative Disclosure (Quarter wise)

(₹ in crore)

	March 2023 Quarter			June 2023 Quarter			September 2023 quarter			December 2023 quarter			March 2024 quarter		
	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Value (Average)	Total Unweighted Value (Average)	Total Weighted Value (Average)	Total Value (Average)
High Quality Liquid Assets															
1 Total High Quality Liquid Assets (HQLA)	2,72,365.27	2,70,381.26	2,92,680.09	2,92,680.09	2,88,879.67	2,87,634.13	2,64,088.95	2,62,795.24	2,76,525.16	2,75,225.07					
Cash Outflows															
2 Retail deposits and deposits from small business customers, of which:	6,46,869.46	49,883.30	6,62,146.89	51,109.13	6,82,546.99	59,585.70	6,94,437.90	60,463.02	6,88,810.91	59,623.04					
(i) Stable deposits	2,96,072.85	14,803.64	3,02,111.09	15,105.55	1,73,380.00	8,669.00	1,79,615.38	8,980.77	1,85,160.97	9,258.05					
(ii) Less stable deposits	3,50,796.61	35,079.66	3,60,035.80	36,003.58	5,09,166.98	50,916.70	5,14,822.51	51,482.25	5,03,649.94	50,364.99					
3 Unsecured wholesale funding, of which:	2,43,570.32	1,20,721.42	2,57,219.97	1,29,230.98	2,67,292.28	1,41,546.86	2,65,279.20	1,40,831.90	2,82,702.34	1,48,709.89					
(i) Operational deposits (all counterparties)	-	-	-	-	-	-	-	-	-	-					
(ii) Non-operational deposits (all counterparties)	2,43,570.32	1,20,721.42	2,57,219.97	1,29,230.98	2,67,292.28	1,41,546.86	2,65,279.20	1,40,831.90	2,82,702.34	1,48,709.89					
(iii) Unsecured debt	-	-	-	-	-	-	-	-	-	-					
4 Secured wholesale funding	3,663.14	-	1,100.63	-	2,181.40	-	15,112.03	-	8,195.96	-					
5 Additional requirements, of which	1,31,809.13	15,033.14	2,25,425.09	25,209.30	2,09,354.01	23,907.76	2,37,887.92	29,020.08	2,31,221.16	26,709.58					
(i) Outflows related to derivative exposures and other collateral requirements	79.02	79.02	81.41	81.41	87.85	87.85	87.17	87.17	88.38	88.38					
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-	-	-					
(iii) Credit and liquidity facilities	1,31,730.11	14,954.11	2,25,343.67	25,127.89	2,09,266.16	23,819.91	2,37,800.75	28,932.91	2,31,132.79	26,621.20					
6 Other contractual funding obligations	3,609.33	3,609.33	3,625.73	3,625.73	3,946.79	3,946.79	4,312.17	4,312.17	4,227.18	4,227.18					
7 Other contingent funding obligations	91,305.09	2,739.15	85,271.13	2,558.13	91,046.68	2,731.40	93,554.62	2,806.64	92,549.25	2,776.48					
8 TOTAL CASH OUTFLOWS	11,20,826.48	1,91,986.34	12,34,789.43	2,11,733.28	12,56,368.14	2,31,718.51	13,10,585.06	2,37,435.03	13,07,706.80	2,42,046.16					
Cash Inflows															
9 Secured lending (e.g. reverse repos)	4,103.18	-	7,378.82	-	5,696.84	-	1,201.26	-	3,346.50	-					
10 Inflows from fully performing exposures	32,328.30	23,567.09	38,014.25	27,228.69	33,896.68	25,717.67	31,420.00	21,483.30	39,303.74	25,766.50					
11 Other cash inflows	6,917.47	6,917.47	8,359.31	8,359.31	7,098.81	7,098.81	7,083.97	7,083.97	7,618.29	7,618.29					
12 TOTAL CASH INFLOWS	43,348.96	30,484.56	53,752.38	35,588.00	46,692.32	32,816.48	39,705.24	28,567.28	50,268.53	33,384.80					
13 TOTAL HQLA	2,70,381.26	2,70,381.26	2,92,680.09	2,92,680.09	2,87,634.13	2,87,634.13	2,64,088.95	2,62,795.24	2,76,525.16	2,75,225.07					
14 TOTAL NET CASH OUTFLOWS	1,61,501.78	1,61,501.78	1,76,145.28	1,76,145.28	1,98,902.03	1,98,902.03	2,08,867.75	2,08,867.75	2,08,867.75	2,08,661.36					
15 LIQUIDITY COVERAGE RATIO (%)	167.42%	167.42%	166.16%	166.16%	144.61%	144.61%	125.82%	125.82%	125.82%	131.90%					

c) Net Stable Funding ratio (NSFR)

i) Qualitative Disclosure:

The objective of the Net Stable Funding Ratio (NSFR) is to promote the resilience of bank's liquidity risk profiles and to incentivize a more resilient banking sector over a longer time horizon. The NSFR will require banks to maintain a stable funding profile in the form of Capital & liabilities in relation to the composition of their assets and off-balance sheet activities.

NSFR is defined as the amount of available stable funding relative to the amount of required stable funding.

$$\text{NSFR} = \frac{\text{Available Stable Funding (ASF)}}{\text{Required Stable Funding (RSF)}}$$

RBI issued the regulations on the implementation of the Net Stable Funding Ratio in May 2018 with minimum requirement of equal to at least 100%. The implementation is effective from 1st October 2021. NSFR is applicable to Bank's domestic operations as well as overseas operations and computed at standalone and consolidated level.

Available Stable Funding (ASF) is defined as the portion of capital and liabilities expected to be reliable which is determined by various factor weights according to the nature and maturity of liabilities with liabilities having maturity of 1 year or more receiving 100 weight.

Required Stable Funding (RSF) is defined as the portion of on balance sheet and off-balance sheet exposures which requires to be funded on an ongoing basis. The amount of such stable funding required is a function of the liquidity characteristics and residual maturities of the various assets held.

Brief about NSFR of the Bank

The entities covered are Union Bank of India and Union Bank of India UK Ltd. The main drivers of the Available Stable Funding (ASF) are the capital base, retail deposit base, and funding from non-financial companies and long-term funding from institutional clients. The capital base formed around 11%, retail deposits (including deposits from small sized business customers) formed 68% and wholesale funding formed 20% of the total Available Stable Funding, after applying the relevant weights.

The Required Stable Funding primarily comprised lending to corporates, retail clients and financial institutions which constituted 88% of the total RSF after applying the relevant weights. The stock of High-Quality Liquid Assets which majorly includes cash and reserve balances with the RBI, government debt issuances attracted no or low amount of stable funding due to their high quality and liquid characteristic. Accordingly, the HQLA constituted only 2% of the Required Stable Funding after applying the relevant weights. Other assets and Contingent funding obligations, such as committed credit facilities, guarantees and letters of credit constituted 10% of the Required Stable Funding.

Bank has maintained comfortable stable funding buffers with Available Stable Funding at consolidated level of ₹10,06,187 Crores against ₹ 7,77,574 Crores of Required Stable Funding, resulting in a consolidated NSFR of 129.40% as on 31st March 2024.

**Schedule 18 – Notes To Accounts****ii) Quantitative Disclosure:****NSFR Disclosure Consolidated March, 2024**

(₹ in crore)

Sr. No.	Details	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
	ASF Item					
1	Capital: (2+3)	91996.45	0.00	0.00	18,613.20	1,10,609.65
2	Regulatory capital	91996.45	0.00	0.00	975.20	92971.65
3	Other capital instruments	0.00	0.00	0.00	17638.00	17638.00
4	Retail deposits and deposits from small business customers: (5+6)	341501.15	142921.67	263747.55	2592.61	688497.49
5	Stable deposits	44165.68	35474.14	171391.45	1948.16	240427.87
6	Less stable deposits	297335.47	107447.53	92356.10	644.45	448069.63
7	Wholesale funding: (8+9)	64140.06	187731.33	213924.89	8095.20	201296.88
8	Operational deposits	0.00	0.00	0.00	0.00	0.00
9	Other wholesale funding	64140.06	187731.33	213924.89	8095.20	201296.88
10	Other liabilities: (11+12)	52122.10	3318.73	209.15	5782.49	5782.49
11	NSFR derivative liabilities	299.96	0.00	0.00	0.00	0.00
12	All other liabilities and equity not included in the above categories	51822.14	3318.73	209.15	5782.49	5782.49
13	Total ASF (1+4+7+10)					1006186.51
	RSF Item					
14	Total NSFR high-quality liquid assets (HQLA)					13698.71
15	Deposits held at other financial institutions for operational purposes	31.70	0.00	0.00	0.00	15.85
16	Performing loans and securities: (17+18+19+21+23)	1051.84	206640.59	70297.20	720266.39	685413.95
17	Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	103910.33	12430.86	48440.81	65065.86
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0.00	100942.14	55664.22	536577.45	516020.79
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	47632.78	7032.60	138815.57	117562.81
21	Performing residential mortgages, of which:	0.00	318.84	111.31	68149.95	44512.54
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	318.84	111.31	68149.95	44512.54
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1051.84	1469.28	2090.82	67098.19	59814.75
24	Other assets: (sum of rows 25 to 29)	56161.74	16118.93	0.00	2048.80	67566.63
25	Physical traded commodities, including gold	0.00				0.00
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		3627.67	0.00	0.00	3083.52
27	NSFR derivative assets		0.00	0.00	0.00	0.00
28	NSFR derivative liabilities before deduction of variation margin posted		53.87	0.00	0.00	53.87
29	All other assets not included in the above categories	56161.74	12437.38	0.00	2048.80	64429.24
30	Off-balance sheet items		254595.66	52.00	0.00	10878.67
31	Total RSF (14+15+16+24+30)					777573.81
32	Net Stable Funding Ratio (%)					129.40%

(₹ in crore)

NSFR Disclosure Template-Consolidated March,2023

Sr. No.	Details	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
ASF Item						
1	Capital: (2+3)	73472.52	0.00	2000.00	18565.48	92038.00
2	Regulatory capital	73472.52	0.00	0.00	927.48	74400.00
3	Other capital instruments	0.00	0.00	2000.00	17638.00	17638.00
4	Retail deposits and deposits from small business customers: (5+6)	326162.46	113777.94	260622.47	2539.51	646702.81
5	Stable deposits	40994.80	29833.11	202307.84	1869.82	261348.79
6	Less stable deposits	285167.66	83944.83	58314.64	669.69	385354.02
7	Wholesale funding: (8+9)	74748.93	154529.84	173378.83	14931.52	200097.63
8	Operational deposits	0.00	0.00	0.00	0.00	0.00
9	Other wholesale funding	74748.93	154529.84	173378.83	14931.52	200097.63
10	Other liabilities: (11+12)	47026.01	18329.10	1610.00	3560.37	3560.37
11	NSFR derivative liabilities	32.74	0.00	0.00	0.00	0.00
12	All other liabilities and equity not included in the above categories	46993.27	18329.10	1610.00	3560.37	3560.37
13	Total ASF (1+4+7+10)					942399.71
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					15865.86
15	Deposits held at other financial institutions for operational purposes	53.84	0.00	0.00	0.00	26.49
16	Performing loans and securities: (17+18+19+21+23)	1330.58	154093.90	61825.48	635915.07	576113.75
17	Performing loans to financial institutions secured by Level 1 HQLA	0.00	0.00	0.00	0.00	0.00
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0.00	81215.04	15206.23	19712.90	34141.10
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0.00	67617.10	39686.95	506522.55	458900.37
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	0.00	0.00	0.00	0.00
21	Performing residential mortgages, of which:	0.00	62.09	186.77	80496.34	52447.05
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0.00	62.09	186.77	80496.34	52447.05
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	1330.58	5199.67	6745.54	29183.29	30625.23
24	Other assets: (sum of rows 25 to 29)	65903.32	14408.88	0.00	1261.18	75473.33
25	Physical traded commodities, including gold	0.00				0.00
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs		3040.96	0.00	0.00	2584.82
27	NSFR derivative assets		0.00	0.00	0.00	0.00
28	NSFR derivative liabilities before deduction of variation margin posted		80.96	0.00	0.00	80.96
29	All other assets not included in the above categories	65903.32	11286.96	0.00	1261.18	72807.56
30	Off-balance sheet items		221871.20	0.00	0.00	9191.06
31	Total RSF (14+15+16+24+30)					676671.20
32	Net Stable Funding Ratio (%)					139.27%

Schedule 18 – Notes To Accounts

3. Investments

a) Composition of investment portfolio As at 31.03.2024

(₹ in Crore)

	Investments in India						Investments outside India				Total Investments	
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others		Total Investments outside India
Held to Maturity												
Gross	2,29,580.78	-	-	44,183.32	393.81	335.18	2,74,493.09	-	1,148.71	0.40	1,149.11	2,75,642.20
Less: Provision for non-performing investments (NPI)	-	-	-	(218.45)	(5.00)	-	(223.45)	-	(4.50)	-	(4.50)	(227.95)
Net	2,29,580.78	-	-	43,964.87	388.81	335.18	2,74,269.64	-	1,144.22	0.40	1,144.62	2,75,414.26
Available for Sale												
Gross	43,684.76	-	4,997.56	15,141.69	-	4,843.90	68,667.91	1,914.67	-	12.67	1,927.34	70,595.25
Less: Provision for depreciation & NPI	(122.17)	-	(2,774.95)	(3,153.13)	-	(2,445.21)	(8,495.47)	-	-	(12.39)	(12.39)	(8,507.86)
Net	43,562.59	-	2,222.61	11,988.56	-	2,398.69	60,172.44	1,914.67	-	0.28	1,914.95	62,087.39
Held for Trading												
Gross	106.88	-	-	295.00	-	-	401.88	-	-	-	-	401.88
Less: Provision for depreciation & NPI	-	-	-	-	-	-	0.00	-	-	-	-	-
Net	106.88	-	-	295.00	-	-	401.88	-	-	-	-	401.88
Total Investments												
Gross	2,73,372.42	-	4,997.56	59,620.01	393.81	5,179.08	3,43,562.88	1,914.67	1,148.71	13.07	3,076.45	3,46,639.33
Less: Provision for NPI	-	-	-	(218.45)	(5.00)	-	(223.45)	-	(4.50)	-	(4.50)	(227.95)
Less: Provision for depreciation & NPI	(122.17)	-	(2,774.95)	(3,153.13)	-	(2,445.21)	(8,495.47)	-	-	(12.39)	(12.39)	(8,507.86)
Net	2,73,250.25	0.00	2,222.61	56,248.42	388.81	2,733.87	3,34,843.96	1,914.67	1,144.22	0.68	3,059.57	3,37,903.53

*Contingent Provision of ₹ 19.54 crores on account of RBI Circular RBI/2023-24/190 DOR:STR.REC.58/21.04.048/2023-24 dated 19.12.2023 is included in Provision Amount of ₹ 8495.47 Crores

Note: 1. Provision provided in Subsidiaries and/or Joint Venture (in India & outside India) is on account of Standard MTM and not NPI.

2. Provision for Non-performing investments includes only Held to Maturity Category.

3. Provision for depreciation and NPI includes Available for sale and Held for Trading Category.

As at 31.03.2023

	(₹ in Crore)											
	Investments in India					Investments outside India					Total	
	Government Securities	Other Approved Securities	Shares	Debtures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India	
Held to Maturity												
Gross	2,22,125.35	-	-	52,161.68	393.80	3,998.21	2,78,679.04	-	1,148.71	0.40	1,149.11	2,79,828.15
Less: Provision for non-performing investments (NPI)	-	-	-	(200.00)	(5.00)	-	(205.00)	-	(3.11)	-	(3.11)	(208.11)
Net	2,22,125.35	-	-	51,961.68	388.80	3,998.21	2,78,474.04	-	1,145.60	0.40	1,146.00	2,79,620.04
Available for Sale												
Gross	37,798.39	-	5,007.44	13,388.83	-	8,994.58	65,189.24	1,739.88	-	45.37	1,785.25	66,974.49
Less: Provision for depreciation & NPI	-	-	(2,966.26)	(2,221.01)	-	(2,437.08)	(7,624.35)	(10.80)	-	(12.21)	(23.01)	(7,647.36)
Net	37,798.39	-	2,041.18	11,167.82	-	6,557.50	57,564.89	1,729.08	-	33.16	1,762.24	59,327.13
Held for Trading												
Gross	327.82	-	0.15	24.00	-	-	351.97	-	-	-	-	351.97
Less: Provision for depreciation & NPI	-	-	-	(0.08)	-	-	-	-	-	-	-	(0.08)
Net	327.82	-	0.15	23.92	-	-	351.89	-	-	-	-	351.89
Total Investments	2,60,251.56	-	5,007.59	65,574.51	393.80	12,992.79	3,44,220.25	1,739.88	1,148.71	45.77	2,934.36	3,47,154.61
Less: Provision for NPI	-	-	-	(200.00)	(5.00)	-	(205.00)	-	(3.11)	-	(3.11)	(208.11)
Less: Provision for depreciation & NPI	-	-	(2,966.26)	(2,221.09)	-	(2,437.08)	(7,624.43)	(10.80)	-	(12.21)	(23.01)	(7,647.44)
Net	2,60,251.56	0.00	2,041.33	63,153.42	388.80	10,555.71	3,36,390.82	1,729.08	1,145.60	33.56	2,908.24	3,39,299.06

Note: 1. Provision provided in Subsidiaries and/or Joint Venture (in India & outside India) is on account of Standard MTM and not NPI.
2. Provision for Non-performing investments includes only Held to Maturity Category.
3. Provision for depreciation and NPI includes Available for sale and Held for Trading Category.

**Schedule 18 – Notes To Accounts****b) Movements of Provisions for Depreciation and Investment Fluctuation Reserve**

Particulars	(₹ in crore)	
	2023-24	2022-23
i) Movement of provisions held towards depreciation on investments		
a) Opening Balance	7,855.57	6,180.78
b) Add: Provisions made during the year	1,935.92	2,119.77
c) Less: Write off / Write back of excess provisions during the year	1,055.69	444.98
d) Closing Balance	8,735.80	7,855.57
ii) Movement of Investment Fluctuation Reserve		
a) Opening Balance	1,352.96	1,936.16
b) Add: Amount transferred during the year	28.44	--
c) Less: Drawdown	--	583.20
d) Closing Balance	1,381.40	1,352.96
iii) Closing balance in IFR as a percentage of closing balance of investments in AFS and HFT/ Current category	2.00	2.00
iv) Movement of Investment Reserve		
a) Opening Balance	176.90	--
b) Add: Amount transferred during the year	152.79	176.90
c) Less: Drawdown	--	--
d) Closing Balance	329.69	176.90

c) Sale and transfers to/from HTM category

The Bank has not made sales and transfers to/from HTM category during the financial year 2023 - 24 exceeding 5 per cent of the book value of investments held in HTM category at the beginning of the year. The 5 per cent threshold to above will exclude:

- i. The one-time transfer of securities to/from HTM category with the approval of Board of Directors permitted to be undertaken by banks at the beginning of the accounting year. The Bank has shifted securities from Held to Maturity (HTM) category to Available for Sale (AFS) category amounting to ₹ 8,208.12 crore (Face Value) during the year ended 31st March, 2024 and resulted shifting loss of ₹ 1.51 crore which has been fully accounted for.
- ii. Direct sale from HTM for bringing down SLR holding in HTM category consequent to a downward revision in SLR requirements by RBI.
- iii. Sale to Reserve Bank of India under liquidity management operations of RBI like Open Market Operations (OMO) and the Government securities acquisition programme (GSAP).
- iv. Repurchase of Government Securities by Government of India from banks under buyback / switch operations.
- v. Repurchase of State Development Loans by respective state governments under buyback / switch operations.
- vi. Additional shifting of securities explicitly permitted by the Reserve Bank of India.

d) Non-SLR investment portfolio
i) Non-performing non-SLR investments

(₹ in crore)

Sr. No.	Particulars	2023-24	2022-23
a)	Opening Balance	5,925.60	4,431.69
b)	Additions during the year since 1 st April	906.97	1,910.06
c)	Reductions during the above period	959.04	416.15
d)	Closing balance	5,873.53	5,925.60
e)	Total provisions held	5,597.16	5,737.00

ii) Issuer composition of non-SLR investments

The issuer composition of investments in securities, other than Government and other approved securities is given below:

(₹ in crore)

S. no.	Issuer	Amount		Extent of Private Placement		Extent of 'Below Investment Grade' Securities		Extent of 'Unrated' Securities		Extent of 'Unlisted' Securities	
		2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23	2023-24	2022-23
a)	PSUs	3,146.01	4,193.09	926.13	1,418.66	--	--	2,661.74	3,080.52	0.58	0.58
b)	FIs	2,032.00	4,046.13	611.80	1,765.47	--	--	--	--	--	--
c)	Banks	1,641.16	2,816.78	1,016.68	2,177.16	--	--	5.00	5.00	--	--
d)	Private Corporates	15,070.88	24,269.13	12,946.07	20,609.27	18.45	20.00	426.91	448.37	125.70	126.16
e)	Subsidiaries/ Joint Ventures	1,542.52	1,542.52	1,542.52	1,542.52	--	--	--	--	--	--
f)	Others	49,834.33	50,035.42	46,438.30	46,481.31	--	--	--	--	--	--
g)	Provision held towards depreciation	(8,613.63)	(7,855.57)	--	--	--	--	-0.69	--	-13.08	--
	TOTAL	64,653.27	79,047.49	63,481.50	73,994.39	18.45	20.00	3,092.96	3,533.89	113.20	126.74

e) Repo Transactions (in face value terms)

The following tables set forth for the periods indicated, the details of securities sold and purchased under repo and reverse repo transactions respectively including transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF).

(₹ in crore)

Particulars	Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31.03.2024
i) Securities sold under Repo				
a) Government securities	0.00	24,370.64	4,530.91	0.00
b) Corporate debt securities				
c) Any other securities	0.00	10.33	0.17	0.00
ii) Securities purchased under Reverse Repo				
a) Government securities	0.00	17,048.62	3,303.65	9,277.25
b) Corporate debt securities				
c) Any other securities				

**Schedule 18 – Notes To Accounts****f) Details of Government Security Lending (GSL) transactions (in market value terms):**

(₹ in crore)

As at 31.03.2024	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on 31.03.2024
Securities lent through GSL transactions	0.00	0.00	0.00	0.00
Securities borrowed through GSL transactions	0.00	0.00	0.00	0.00
Securities placed as collateral under GSL transactions	0.00	0.00	0.00	0.00
Securities received as collateral under GSL Transactions	0.00	0.00	0.00	0.00

(₹ in crore)

As at 31.03.2023	Minimum outstanding during the year	Maximum outstanding during the year	Daily average outstanding during the year	Outstanding as on 31.03.2023
Securities lent through GSL transactions	0.00	0.00	0.00	0.00
Securities borrowed through GSL transactions	0.00	0.00	0.00	0.00
Securities placed as collateral under GSL transactions	0.00	0.00	0.00	0.00
Securities received as collateral under GSL Transactions	0.00	0.00	0.00	0.00

- g) Profit of ₹ 290.89 Crore (previous year ₹ 193.77 crore) on sale of “Held to Maturity” category securities have been taken to profit and loss account initially.
- h) In respect of “Held to Maturity” category, as stated in significant accounting policy No 4 (ii) (a), the excess of acquisition cost over face value of the securities amortized during the year amounted to ₹ 684.19 crore (previous year ₹ 723.50 Crore).
- i) Total investments made in shares, convertible debentures and units of equity linked mutual funds / venture capital funds and also advances against shares aggregate to ₹ 2288.50 crore (previous year ₹ 2,353.41 crore).

4. Asset Quality**a) Classification of advances and provisions held**

FY 2023-24	Standard	Non-Performing			Total	
	Total Standard Advances	Sub-standard	Doubtful	Loss		Total Non-Performing Advances
Gross Standard Advances and NPAs						
Opening Balance	748918.02	7118.16	34950.72	18918.41	60987.29	809905.31
Add: Additions during the year					11876.65	
Less: Reductions during the year*					29766.01	
Closing balance	861786.17	7900.43	24833.99	10363.31	43097.73	904883.90
*Reductions in Gross NPAs due to:					29766.01	
i. Upgradation					4212.51	
ii) Recoveries (excluding recoveries from upgraded accounts)					7289.49	
iii) Technical/ Prudential Write-offs					15457.95	

FY 2023-24	Standard	Non-Performing			Total	
	Total Standard Advances	Sub-standard	Doubtful	Loss		Total Non-Performing Advances
iv) Write-offs other than those under (iii) above					2806.06	
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	5579.56	1892.61	27035.25	18701.32	47629.18	53208.74
Add: Fresh provisions made during the year	700.73				6387.29	7088.02
Less: Excess provision reversed/ Write-off loans	302.91				20227.50	20530.41
Closing balance of provisions held	5977.38	2181.45	21392.83	10214.69	33788.97	39766.35
Amount kept in Sundry Deposits-ECGC Claim received/Recovery in suit filed accounts/sacrifice in restructured NPA accounts					318.84	318.84
Net NPAs						
Opening Balance		5199.52	7727.92	0.00	12927.44	12927.44
Add: Fresh additions during the year					5489.36	5489.36
Less: Reductions during the year					9426.88	9426.88
Closing Balance		5702.09	3287.83	0.00	8989.92	8989.92
Floating Provisions						
Opening Balance						Nil
Add: Additional provisions made during the year						Nil
Less: Amount drawn down during the year						Nil
Closing balance of floating provisions						Nil
Technical write-offs and the recoveries made thereon						
Opening Balance of Technical/Prudential written off accounts						72791.95
Add: Technical/Prudential write-off during the year						15457.96
Less: Recoveries made from previously Technical/Prudential written-off accounts during the year						8412.69
Closing Balance						79837.22

**Schedule 18 – Notes To Accounts**

FY 2022-23	Standard		Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	Total Non-Performing Advances	
(₹ in crore)						
Gross Standard Advances and movements						
Opening Balance	6,36,820.81	11,040.55	49,449.47	19,097.04	79,587.07	7,16,407.87
Add: Additions during the year					12,518.60	12,518.60
Less: Reductions during the year*					31,118.38	31,118.38
Closing balance	7,48,918.02	7,118.16	34,950.72	18,918.41	60,987.29	8,09,905.31
*Reductions in Gross NPAs due to:					31,118.38	31,118.38
ii. Upgradation					4,666.03	4,666.03
v) Recoveries (excluding recoveries from upgraded accounts)					7,277.35	7,277.35
vi) Technical/ Prudential Write-offs					16,805.74	16,805.74
vii) Write-offs other than those under (iii) above					2,369.26	2,369.26
Provisions (excluding Floating Provisions)						
Opening balance of provisions held	6,566.77	2,377.63	33,650.81	18,628.10	54,656.53	61,223.30
Add: Fresh provisions made during the year					12,478.97	12,478.97
Less: Excess provision reversed/ Write-off loans	987.21				19,506.32	20,493.53
Closing balance of provisions held	5,579.56	1,892.61	27,035.25	18,701.32	47,629.18	53,208.74
Amount kept in Sundry Deposits-ECGC Claim received/Recovery in suit filed accounts/sacrifice in restructured NPA accounts					430.68	430.68
Net NPAs						
Opening Balance		8,659.30	15,524.13	119.87	24,303.30	24,303.30
Add: Fresh additions during the year					12,048.29	
Less: Reductions during the year					23,424.15	
Closing Balance		5,199.52	7,727.92	0.00	12,927.44	12,927.44
Floating Provisions						
Opening Balance						Nil
Add: Additional provisions made during the year						Nil
Less: Amount drawn down during the year						Nil
Closing balance of floating provisions						Nil
Technical write-offs and the recoveries made thereon						
Opening Balance of Technical/Prudential written off accounts						68,680.43
Add: Technical/Prudential write-off during the year						16,805.73

FY 2022-23	Standard	Non-Performing			Total
	Total Standard Advances	Sub-standard	Doubtful	Loss	
Less: Recoveries made from previously Technical/Prudential written-off accounts during the year					12,693.64
Closing Balance					72,792.52

Ratios (in per cent)

	2023-24	2022-23
Gross NPA to Gross Advances	4.76	7.53
Net NPA to Net Advances	1.03	1.70
Provision coverage ratio	92.69	90.34

b) Sector-wise Advances and Gross NPAs

(₹ in crore)

Sr. No.	Sector	2023-24			2022-23		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to total Advances in that sector
i)	Priority Sector						
a)	Agriculture and allied activities	1,73,138.68	15,031.40	8.68	1,43,493.24	13,691.94	9.54
b)	Advances to industries sector eligible as priority sector lending	41,374.13	3,781.99	9.14	39,428.37	5,576.86	14.14
c)	Services	94,445.45	7,720.82	8.17	85,855.21	10,104.78	11.77
d)	Personal loans	30,772.63	1,684.84	5.48	38,088.39	2,808.90	7.37
	Sub-total (i)	3,39,730.89	28,219.05	8.31	3,06,865.21	32,182.48	10.49
ii)	Non Priority Sector						
a)	Agriculture and allied activities	10,694.41	613.43	5.74	7,736.63	1,117.94	14.45
b)	Industry	1,22,499.97	5,988.25	4.89	1,08,328.10	10,001.65	9.23
c)	Services	2,46,442.97	2,179.82	0.88	1,89,560.91	9,178.30	4.84
d)	Personal loans	1,85,515.66	6,097.18	3.29	1,97,414.46	8,506.92	4.31
	Sub-total (ii)	5,65,153.01	14,878.68	2.63	5,03,040.10	28,804.81	5.73
	Total (i+ii)	9,04,883.90	43,097.73	4.76	8,09,905.31	60,987.29	7.53

**Schedule 18 – Notes To Accounts**

Details of industry wherein Sub-sector advances is more than 10% of the total advances of industry sector:

(₹ in crore)

Sr. No.	Sector	2023-24		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to total Advances in that sector
I	Basic Metals and Metal Products	24,194.02	867.80	3.59
II	Infra	98,816.34	3,752.19	3.80
III	Food Manufacturing and Processing	29,705.32	1,936.86	6.52

(₹ in crore)

Sr. No.	Sector	2022-23		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to total Advances in that sector
I	Basic Metals and Metal Products	25,124.64	1,689.75	6.73
II	Infra	94,202.45	7,569.17	8.04

c) OVERSEAS ASSETS, NPAs AND REVENUE

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Total Assets	42,411.89	31,540.79
Total NPAs	2,329.15	2,357.98
Total Revenue	2,137.03	1,096.75

d) Particulars of resolution plan and restructuring under RBI circular DBR.No..BP.BC.45/21.04.048/2018-19 dated June 7, 2019:

(₹ in crore)

Particulars	No. of accounts	Investment value	Provision Held
Debt converted into Equity Based on RBI June 2019 Circular	Nil	Nil	Nil

e) Divergence in asset classification & provisioning

Based on the conditions mentioned in RBI Master Direction on Financial Statements - Presentation and Disclosures circular No. RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 August 30, 2021 (updated from time to time), no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2023.

f) Disclosure of transfer of loan exposure:

i) The Bank has not transferred any loans not in default during FY 2023-24.

ii) Details of loans not in default acquired through assignment are given below:

(₹ in crore)

Particulars	2023-24	2022-23
Aggregate Amount of Loans acquired	244.34	2,772.99
Weighted average residual maturity (in months)	126.34	74.59
Weighted average holding period by originator (in months)	11.26	12.47
Retention of beneficial economic interest by the originator	10%	10.00%
Tangible Security Coverage	272.14%	72.13%

The loans acquired are not rated as these are to Non-corporate Borrowers.

iii) The Bank has not acquired any non-performing assets during FY 2023-24.

iv) The Bank has not transferred any loans not in default or SMA category during FY 2023-24

v) Details of non-performing loans transferred are given below:

(Amount in ₹ crore)

FY 2023-24 Particulars	To ARCs	To permitted transferees	To other transferees (please specify)
	No. of accounts	17	1
Aggregate principal outstanding of loans transferred	2,098.81	37.24	-
Weighted average residual tenor of the loans transferred (months)	12.80	1	-
Net book value of loans transferred (at the time of transfer)	8.16	0.00	-
Aggregate consideration	805.21	23.00	-
Additional consideration realized in respect of accounts transferred in earlier years	45.09	Nil	Nil
SMA	Nil	Nil	Nil
Details of loans acquired during the year			
Aggregate principal outstanding of loans acquired	Nil	Nil	Nil
Aggregate consideration paid	Nil	Nil	Nil
Weighted average residual tenor of the loans acquired	Nil	Nil	Nil

**Schedule 18 – Notes To Accounts**

The quantum of excess provisions reversed to the profit and loss account on account of sale of stressed loans is ₹ 172.76 Crore in 5 accounts.

(Amount in ₹ crore)

FY 2022-23	To ARCs	To permitted transferees	To other transferees (please specify)
Particulars			
No. of accounts	10		
Aggregate principal outstanding of loans transferred	3,248.82		
Weighted average residual tenor of the loans transferred (months)	119.42	Nil	Nil
Net book value of loans transferred (at the time of transfer)	Nil		
Aggregate consideration	1,472.76		
Additional consideration realized in respect of accounts transferred in earlier years	45.09		

- vi) Distribution of the SRs held across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies as on 31st March, 2024 are as under:

(Amount in ₹ crore)

Recovery Rating Band	Book Value	
	As on 31.03.2024	As on 31.03.2023
RR1+	104.51	222.25
RR1	576.56	384.06
RR2	239.19	186.16
RR3	93.49	53.27
RR4	4.01	181.07
RR5	247.23	391.09
RR6	--	--
Unrated	974.15	815.86
Total	2,239.14	2,233.76

As per RBI Guidelines post 8 years rating is not applicable.

During the FY ending 31st March 2024, four new SRs have been added in the portfolio and 100% provision has been made on the book value of the Security Receipts.

- g) **Fraud Accounts**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Number of frauds reported	3168*	366
Amount involved in fraud	2,321.61	5,504.38
Amount of Provision made for such frauds	2,126.93	5,418.30
Amount of Unamortized Provision debited from "other reserve" as at the end of Year	0.00	0.00

* Out of 3168 Cases, 3046 Cases of ₹ 28.92 Cr. pertain to Shared Credentials by the customers' wherein the customers have **shared sensitive information** like OTP, CVV, password etc. either over phone or by clicking on link provided online or through Whatsapp, E-mail, and Text Message etc. As per RBI advisory, dated 13th January 2023, all the cases pertaining to "Shared Credentials by customers" are to be reported in FMR even if there is Zero Liability of Banks. Therefore, amount of these cases has been taken as NIL for the provision.

- h) Details of resolution plan implemented under Resolution framework for Covid 19 related stress as per RBI circular dtd. 6th August 2020 and 5th May, 2021 are as below:

(₹ in crore)

Type of borrower	(A) Exposure to accounts classified as standard consequent to implementation of resolution plan- position as at 30.09.2023	(B) of (A) aggregate debt that slipped into NPA during the half-year	(C) Of (A), Amount written off during the half year	(D) Of (A) amount paid by the borrower during the half year#	(E) Exposure to accounts classified as standard consequent to implementation of resolution plan- position as at 31.03.2024
Personal Loans	5,168.53	162.46	-	453.08	4,552.99
Corporate persons*	2,487.47	0.00	-	708.41	1,779.06
Of which, MSMEs	184.05	0.00	-	50.27	133.78
Others	147.89	15.75	-	15.73	116.41
Total	7,803.89	178.21	-	1,177.22	6,448.46

* Includes Investment exposure

Includes net change in exposure in the existing accounts, accounts closed and accounts which are out of restructuring during the period

- i) In terms of RBI Circular No. DBR.BP.BC.18/21.04.048/2018-19 dated 1st January, 2019, DOR.No. BP.BC.34/21.04.048/2019-20 dated 11th February, 2020, DOR.No.BP.BC/4/21.04.048/2020-21 dated 6th August, 2020 and DOR.STR.REC.12/21.04.048/2021-22 dated 5th May, 2021 on "Restructuring of Advances – Micro, Small & Medium Enterprises (MSME) Sector (One Time Restructuring)", the Bank has restructured the MSME borrower accounts as under:

No of borrower restructured	₹ in Crore
1,01,642	3,704.38

- j) In terms of RBI circular no. DOR.STR.REC.11/21.04.048/2021-22 dated 05.05.2021 under Resolution Framework 2.0 for Individuals & Small Business, the details are as under:

Sector	Position as of 31.03.2024	
	No. of borrowers	Amount ₹ in Crore
Personal & Small Business	28,057	4,128.02
Agri/Allied	2,658	198.82
Total	30,715	4,326.84

**Schedule 18 – Notes To Accounts**

- k) In terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June, 2019 on Prudential Framework for Resolution of Stressed Assets, the bank is holding provision as on 31st March, 2024 in 11 accounts as detailed below:

(₹ in crore)

Amount of loans impacted by RBI circular	Amount of loans to be classified as NPA	Amount of loans as on 31.03.2024 out of (B) classified as NPA	Provisions required for loans covered under RBI circular out of (A)	Provision held on 31.03.2024
(A)	(B)	(C)	(D)	(E)
1,842.52	1,435.75	1,435.75	525.09	525.09

- l) As per RBI circular No. DBR No. BP. 15199/21.04.048/2016-17 and DBR No. BP. 1906/21.04.048/2016-17 dated June 23, 2017 and August 28, 2017 respectively, for the accounts covered under the provisions of the Insolvency and Bankruptcy Code (IBC), the Bank has made a total provision of ₹ 10112.72 Crore covering 100% of the total outstanding as on 31st March, 2024. (Including Technically written Off accounts of ₹ 10,112.72 crore).

5. EXPOSURES**a) Exposure to Real Estate Sector**

(₹ in crore)

Sr. No.	Category	31.03.2024	31.03.2023
i)	Direct exposure	1,05,212.15	99,387.40
a)	Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; -Out of the above, individual housing loans eligible for inclusion in Priority Sector Advances. Exposures include non-fund based limits.	91,105.00 24,431.00	84,322.00 32,831.00
b)	Commercial Real Estate - lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits.	14,107.15	15,065.40
c)	Investments in Mortgage-Backed Securities (MBS) and other securitized exposures -		
	i. Residential,	Nil	Nil
	ii. Commercial Real Estate.	Nil	Nil
ii)	Indirect Exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs).	39,321.31	46,693.51
	Total Exposure to Real Estate Sector	1,44,533.46	1,46,080.91

b) Exposure to Capital Market

		(₹ in crore)	
Sr. No.	Category	31.03.2024	31.03.2023
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt.	1,189.35	1,208.79
ii)	Advances against shares/bonds/debentures or other securities or on clean basis to individuals for investment in shares (including IPOs/ ESOPs), convertible bonds, convertible debentures and units of equity oriented mutual funds	1.86	1.35
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security	292.53	299.20
iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares/ convertible bonds/ convertible debentures/ units of equity oriented mutual funds does not fully cover the advances	2,090.01	1,198.71
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers	1,279.99	1,058.30
vi)	Loans sanctioned to corporate against the security of shares /bonds/ debentures or other securities or on clean basis for meeting promoter contribution to the equity of new companies in anticipation of raising resources	--	--
vii)	Bridge loans to companies against expected equity flows /issues.	--	--
viii)	Underwriting commitments taken up by the Banks in respect of primary issue of shares or convertible bonds or convertible debentures and units of equity oriented mutual funds	--	--
ix)	Financing to stockbrokers for margin trading	--	--
x)	All exposures to Venture Capital Funds (both registered and unregistered) will be deemed to be on par with equity and hence will reckon for compliance with the capital market exposure.	1,099.15	1,144.62
Total exposure to Capital Market		5,952.89	4,910.97

The exposure to Capital Market of ₹ 5952.89 crores is within the limit of ₹ 25439.73 crore (i.e. 40% of Bank's Net worth of ₹ 63,599.33 crores as on March 31, 2023).

The direct exposure to Capital Market of ₹ 2288.51 crores is within the limit of ₹ 12,719.87 Crores (i.e. 20% of the Bank's net worth of ₹ 63,599.33 crores as on March 31, 2023).

For restructuring of dues in respect of listed companies, lenders may be ab initio compensated for their loss / sacrifice (diminution in fair value of account in net present value terms) by way of issuance of equities of the company upfront, subject to the extant regulations and statutory requirements.

- If such acquisition of equity shares results in exceeding the extant regulatory Capital Market Exposure (CME) limit, details of the same is as under: Not Applicable.
- Details of conversion of debt into equity as part of a strategic debt restructuring which are exempt from CME limits are as under:

No. of accounts	Amount in Crores (Book Value as on 31.03.2024)
16	2081.10

**Schedule 18 – Notes To Accounts****c) Risk Category -wise Country Exposure**

(₹ in crore)

Risk Category	Net Exposure 31.03.2024	Provision held 31.03.2024	Net Exposure 31.03.2023	Provision held 31.03.2023
Insignificant	33,279.81	Nil	31,603.27	Nil
Low	10,850.77	Nil	22,760.29	Nil
Moderately Low	655.20	Nil	513.30	Nil
Moderate	5.97	Nil	227.78	Nil
Moderately High	475.95	Nil	670.21	Nil
High	7.64	Nil	101.17	Nil
Very High	45.21	Nil	0.00	Nil
Total	45,320.55	Nil	55,876.02	Nil

As per Country Risk Policy 2023-24, Bank has used ECGC country risk classification for the Trade Exposure and other than Trade exposure in India both for branches in India and for overseas branches.

Bank will make provision for country risk exposure only in respect of a country where the net funded exposure is 1% or more of its total assets.

d) Unsecured advances

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Total unsecured advances of the bank	1,42,936.88	1,25,803.00
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority etc. have been taken	Nil	Nil
Estimated value of such intangible collateral securities	Nil	Nil

Advances backed by Annuity under Build Operate Transfer (BOT) model in respect of Road / Highway / Projects and toll collection rights have been considered secured as per RBI Circular No. OD.BP.BC.No. 83/08.12.014/2012-13 dated 18th March 2013.

e) Factoring exposure

(₹ in crore)

Particulars	As on 31.03.2024	As on 31.03.2023
TReDS Exposure in terms of DBR.No.FSD.BC.32/24.01.007/2015-16 dated 30 th July 2015 (Para 8).	1,018.86	523.83

f) Intra Group Exposure

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Total amount of Intra group exposure	624.98	539.98
Total amount of Top 20 Intra group exposure	624.98	539.98
Percentage of Intra group exposure to total exposure of the Bank on borrowers/customers	0.05	0.05
Details of breach of limits on Intra group exposure and regulatory action thereon, if any	Nil	NIL

g) Un-Hedged Foreign Currency Exposures

In terms of guidelines issued by Reserve Bank of India with regard to UFCE, Bank has approved Credit Risk Management policy. While framing the policy, bank has taken into consideration the exchange risks arising out of volatility in the forex market and accordingly has made suitable provisions to reduce the risks. Bank has also taken into consideration credit risks arising out of unhedged foreign currency exposure and accordingly Bank has put in place risk mitigation measures by incorporating additional loan pricing framework. Total provision made for exposures to entities with UFCE for the year ended March 2024 is ₹ 19.30 crores.

6. CONCENTRATION OF DEPOSITS, ADVANCES, EXPOSURES AND NPAs:

a) Concentration of Deposits:

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Total Deposits of twenty largest depositors	84,511.79	89,178.87
Percentage of Deposits of twenty largest depositors to Total Deposits of the Bank.	7.05 %	7.98%

b) Concentration of Advances:

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Total Advances of twenty largest borrowers/customers	1,37,764.66	1,35,946.15
Percentage of Advances of twenty largest borrowers to Total Advances of the Bank	11.59%	12.92%

c) Concentration of Exposures:

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Total Exposures of twenty largest borrowers/customers	1,39,678.91	1,38,811.94
Percentage of Exposures of twenty largest borrowers/customers to Total Exposures of the Bank on borrowers / customers	11.07%	12.20%

d) Concentration of NPAs:

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Total Exposures to top twenty NPA accounts	6,079.06	10,510.60
Percentage of Exposures to the twenty largest NPA Exposures to total Gross NPAs	13.38%	17.23%

**Schedule 18 – Notes To Accounts****e) DISCLOSURES IN TERMS OF THE RESERVE BANK OF INDIA LARGE EXPOSURE FRAMEWORK GUIDELINES.****Details of Single Borrower Limit (SBL), Group Borrower Limit (GBL) exceeded by the Bank.**

(₹ in crore)

Sr. No	Name of the Borrower	Exposure Ceiling (₹)	Total Exposure (₹)	Exposure as % of Capital Fund	Position as on 31.03.24	Position as % of Capital Fund
1.	Single Borrower	Nil	Nil	Nil	Nil	Nil
2.	Group Borrower	Nil	Nil	Nil	Nil	Nil

➤ As per RBI LEF guidelines dated 3rd June 2019, exposure limit for single and group borrower are defined as 20% and 25% respectively of Tier-1 capital fund of banks. In exceptional cases, Board of the banks may allow an additional 5 percent exposure (of the banks available Tier-1 capital Fund) to single borrower.

➤ As on 31.03.2024, No Single/Group borrower has/have not exceeded the prescribed limit.

7. DERIVATIVES**a) Forward Rate Agreement/Interest Rate Swap**

(₹ in crore)

Sr. No.	Particulars	31.03.2024	31.03.2023
i)	The notional principal of swap agreements	46,078.83	42,093.16
ii)	Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	141.77	136.65
iii)	Collateral required by the Bank upon entering into swaps	Nil	Nil
iv)	Concentration of credit risk arising from the Swaps	Banking Industry	Banking Industry
v)	The fair value of the swap book	4.51	4.65

Note:

- I. Interest rate swaps in Indian Rupees were undertaken for hedging Reciprocal Loan Arrangements.
- II. The Bank has entered into Floating to Fixed or Fixed to Floating Interest Rate Swap transactions for trading during the year.
- III. All underlying for hedge transactions are on accrual basis.

b) Exchange Traded Interest Rate Derivatives

(₹ in crore)

Sr. No	Particulars	31.03.2024		31.03.2023	
		Buy	Sell	Buy	Sell
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument-wise)				
	Interest Rate Future				
a)	726GS2032	198.14	26.12	1,180.76	1,180.74
b)	726GS2033	1,960.40	1,888.96	--	--
c)	718GS2033	878.70	682.50	--	--
d)	610GS2031			1,215.04	1,215.04
e)	654GS2032			1,074.28	1,074.28
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 st March 2024 (instrument-wise)				
a)	726GS2032		-	0.02	
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument-wise)				
			-	Nil	
iv)	Mark-to-market value of exchange traded interest rate derivatives outstanding and not "highly effective" (instrument wise)				
			-	Nil	

c) Disclosures on Risk Exposures in Derivatives

i) Qualitative disclosure:

a) The Bank deals in two groups of derivative transactions within the framework of RBI guidelines.

i) Over the Counter Derivatives

ii) Exchange Traded Derivatives

The Bank deals in Forward Rate Agreement, Interest Rate Swaps, Cross Currency Swap and Currency Options in Over the Counter Derivatives group.

In Exchange Traded Derivatives Group, the Bank trades in Currency Futures and Interest Rate Futures. The Bank is Trading & clearing member with three Exchanges viz. National Stock Exchange (NSE), Bombay Stock Exchange (BSE) & Metropolitan Stock Exchange (MSEIL), on their Currency Derivative segment, as permitted by Reserve Bank of India. The Bank carries out proprietary trading in currency futures on these exchanges. The Bank has set up the necessary infrastructure for Front, Mid and Back office operations. Daily Mark to Market (MTM) and Margin obligations are settled with the exchanges as per guidelines issued by the Regulators.

The Bank trades in Interest Rate Futures on National Stock Exchange. The bank has necessary infrastructure for Front, Mid and Back office operations in place. Daily Mark to Market (MTM) and Margin obligations are settled with the exchanges as per guidelines issued by the Regulators.

The Bank undertakes derivative transactions for proprietary trading/market making, hedging own balance sheet and for offering to customers, who use them for hedging their risks within the prevalent regulations. Proprietary trading/market making positions are taken in Rupee Interest Rate Swap, Currency Futures and Interest Rate Futures. While derivative instruments present immense opportunity for making a quantum leap in non-interest income and also for hedging market risk, it exposes the Bank to various risks. The Bank has adopted the following mechanism for managing different risks arising out of derivative transactions.



Schedule 18 – Notes To Accounts

- a) In terms of the structure, operations in the Treasury Branch are segregated into following three functional areas, which are provided with trained officers with necessary systems support and their responsibilities are clearly defined.
- I) Front Office (Dealing Room) - Ensures Compliance with trade origination requirements as per Bank's policy and RBI guidelines.
 - II) Mid-Office - Risk Management, Accounting Policies and Management
 - III) Back Office - Settlement, Reconciliation, Accounting.

Mid Office monitors transactions in the trading book and excesses, if any, are reported to Risk management Department for necessary action. Mid Office also measures the financial risk for transactions in the trading book on a daily basis, by way of Mark to Market. Daily Mark to Market position is reported to Risk Management Department, for onward reporting of the risk profile to the Directors' Committee on the Assets and Liability Management.

In case of corporate clients transactions are concluded only after the inherent credit exposures are quantified and approved in terms of approval process laid down in the Treasury Policy for customer appropriateness and suitability. The necessary documents like ISDA agreements are duly executed. The bank has adopted Current Exposure Method for monitoring credit exposures.

- b) Treasury Policy of the Bank lays down the types of financial derivative instruments, scope of usages, and approval process as also the limits like the open position limits, deal size limits, stop loss limits and counterparty exposure limit for trading in approved instruments.

Various Risk Limits are set up and actual exposures are monitored vis-à-vis the limits.

These limits are set up taking into account market volatility, business strategy and management experience. Risk limits are in place for risk parameters viz. PV01, stop loss, counterparty credit exposure. Actual positions are measured against these limits periodically and breaches if any are reported promptly. The Bank ensures that the Gross PV01 position arising out of all non option derivative contracts is within the 0.25% of net worth of the Bank.

- c) The Bank also uses financial derivative transactions for hedging its own Balance Sheet Exposures. Treasury Policy of the Bank spells out approval process for hedging the exposures. The hedge transactions are monitored on a regular basis. The notional profit or loss calculated on Mark to Market basis, PV01 and VaR on these deals are reported to the Assets Liability Committee (ALCO) every month. Hedge effectiveness is the degree to which changes in the fair value or cash flows of the hedged items that are attributed to a hedged risk are offset by changes in the fair value or cash flows of the hedging instruments. This exercise is carried out periodically to ensure hedge effectiveness.

- d) The hedged/un-hedged transactions are recorded separately. The hedged transactions are accounted for on accrual basis. All trading contracts are mark-to-market and resultant gross gain or loss is recorded in income statement.

In case of Option contracts, guidelines issued by FEDAI from time to time for recognition of income, premium, and discount are being followed.

To mitigate the credit risk, the Bank has policy in place to sanction limits to the counterparty Banks and Counterparty clients. The Bank adopts Current Exposure method for monitoring counterparty exposure periodically. While sanctioning derivative limit, the competent authority may stipulate condition of obtaining collaterals/margin as deemed appropriate. The derivative limit is reviewed periodically along with other credit limits.

The customer related derivative transactions are covered with counterparty banks, on back-to-back basis for identical amount and tenure and the bank does not carry any market risk.

ii) Quantitative disclosure:

(₹ in crore)

Quantitative Disclosures					
S No	Particular	31-03-2024		31-03-2023	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(a)	Derivatives (Notional Principal Amount)				
	(i) For Hedging	6,778.84	2,644.94	3,994.00	3,165.00
	(ii) For Trading	3,79,564.88	43,433.90	4,13,578.41	38,928.18
(b)	Marked to Market Position				
	(i) Asset (+)	641.93	141.77	1,430.12	135.51
	(ii) Liability (-)	-626.56	-136.92	-1,326.16	-130.46
(c)	Credit Exposure (*)	9,043.48	561.54	10,364.27	493.24
(d)	Likely impact of one percentage change in interest rate (100*PV01) (₹ in Lacs)				
	(i) On Hedging Derivatives	-28,793.60	5,779.79	-20,888.16	3,686.11
	(ii) On Trading Derivatives	-252.49	182.26	-16.62	47.77
(e)	Maximum and Minimum of 100*PV01 observed during the year (₹ in Lacs)				
	I. Maximum				
	(i) On Hedging	-16,940.51	5,302.80	-10,744.86	4,652.40
	(ii) On Trading	813.39	5,039.38	1,023.14	2,548.55
	II. Minimum				
	(i) On Hedging	-41,015.29	2,171.13	-23,138.00	3,686.11
	(ii) On Trading	-420.25	12.28	-25.97	14.82

*Note:

- Credit Exposure of Interest Rate Derivatives also includes the exposure on Hedging deals.
- Credit Exposure of Currency Derivatives also includes the exposure on Hedging deals

d) CREDIT DEFAULT SWAPS:

The Bank has not entered into any Credit Default Swap transactions during the FY 2023-24.

8. **Disclosures relating to securitization:** As on March 31,2024, Bank does not have any special purpose Vehicle (SPVs) sponsored for securitization Transactions.

9. **Off – Balance Sheet SPVs sponsored by the Bank:** Nil

**Schedule 18 – Notes To Accounts****10. TRANSFERS TO DEPOSITOR EDUCATION AND AWARENESS FUND (DEAF)**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Opening balance amounts transferred to DEAF	3,198.83	2,877.09
Add: Amounts transferred to DEAF during the Year	604.24	387.59
Less: Amount reimbursed by DEAF towards claims	343.16	65.85
Closing balance of Amount transferred to DEAF	3,459.91	3,198.83

The closing balance of the amount transferred to DEA Fund, as disclosed above, are also included under 'Schedule 12 - Contingent Liabilities - Other items for which the bank is contingently liable' or 'Contingent Liabilities - Others,' as the case may be.

11. DISCLOSURE OF COMPLAINTS:

Summary information on complaints received by the bank from customers and from the Offices of Ombudsman (OBOs)

Sr. No.	Particulars	2023-24	2022-23
	Complaints received by the Bank from its customers		
1.	Number of complaints pending at beginning of the year (Including BO Complaints)	527	1,395
2.	Number of complaints received during the year (Including BO Complaints)	3,20,495	2,52,086
3.	Number of complaints disposed during the year (Including BO Complaints)	3,14,691	2,52,954
3.1	Of which, number of complaints rejected by the bank	964	610
4.	Number of complaints pending at the end of the year (Including BO Complaints)	6,331	527
	Maintainable complaints received by the bank from OBOs		
5.	Number of maintainable complaints received by the bank from OBOs	6,373	6,167
5.1	Of 5, number of complaints resolved in favour of the bank by BOs	2,276	2,241
5.2	Of 5, Number of complaints resolved through conciliation/ mediation/ advisories issued by BOs	4,097	3,924
5.3	Of 5, number of complaints resolved after passing of Awards by BOs against the bank.	0	2
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously Banking Ombudsman Scheme, 2006) and covered within the ambit of the Scheme. However, the above data collated from CMS site also includes those complaints settled by agreement per Clause 11 as well as Rejected Complaints as per Clause 13 of Ombudsman Scheme 2006 which is under correspondence.

Top five grounds of complaints received by the Bank from customers (Including BO Complaints)

Grounds of complaints (i.e. Complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Current Year (2023-24)					
	01.04.2023	2023-24	31.03.2024	31.03.2024	
ATM/Debit Cards	98	2,11,184	3.80%	1,744	299
Internet/Mobile/Electronic Banking	50	46,013	96.37%	1,160	196
Levy of Charges Without prior Notice/Excessive Charges/Foreclosure Charges	1	7,312	89.43%	189	41
Cheques/Drafts/Bills	8	4,342	467.58%	147	40
Credit Cards	0	1,966	3.91%	567	219
Others	370	49,678	165.89%	2,524	502
Total	527	3,20,495	27.14%	6,331	1,297
Previous Year (2022-23)					
	01.04.2022	2022-23	31.03.2023	31.03.2023	
ATM/Debit Cards	324	2,03,453	-4.91%	98	0
Internet/Mobile/Electronic Banking	213	23,432	-62.25%	50	0
Levy of Charges Without prior Notice/Excessive Charges/Foreclosure Charges	47	3,860	-62.72%	1	0
Cheques/Drafts/Bills	11	765	-77.56%	8	0
Credit Cards	32	1,892	-40.76%	0	0
Others	768	18,684	-46.97%	370	2
Total	1395	2,52,086	-23.19%	527	2

12. DISCLOSURE OF PENALTIES IMPOSED BY RBI AND OTHER REGULATOR:

(₹ in Crore)

Name of Regulator	Year ended 31 st March 2024		Year ended 31 st March 2023	
	No. of Cases	Amount	No. of Cases	Amount
Banking Regulation Act, 1949	1	1.00	0	0.00
Other Regulators	0	0	0	0.00

**Schedule 18 – Notes To Accounts****Corrective Steps taken to avoid recurrence of lapses by the bank as under**

1. While sanctioning any government projects bank will ensure that the fund provided are for creation of specific long-term assets which are not a part of budgetary plan of the government.
2. Bank will also ensure that the revenue stream is coming from the underlying assets funded and will assess the viability and bankability of the project based on the independent cashflow received from the underlying project assets funded.

13. Key Management Personnel – Remuneration paid

(₹ in crore)

Particulars	31.03.2024	31.03.2023
CEO and Managing Director	0.40	0.49
Executive Directors	1.31	1.28
Total	1.71	1.77

14. Other Disclosures**a) BUSINESS RATIOS**

(₹ in crore)

Sr. No.	Particulars	31.03.2024	31.03.2023
i)	Interest Income as a percentage to Working Funds	7.51	6.60
ii)	Non-interest income as a percentage to Working Funds	1.21	1.20
iii)	Cost of Deposit	5.22	4.37
iv)	Net Interest Margin	2.99	2.90
v)	Operating Profit as a percentage to Working Funds	2.12	2.08
vi)	Return on Assets	1.03	0.69
vii)	Average Business (Deposits plus advances) per employee (₹ in crore)	25.37	23.14
vi)	Net Profit per employee (₹ in crore)	0.18	0.11

b) BANCASSURANCE BUSINESS:

The breakup of income derived from bancassurance business is given here below:

(₹ in crore)

Sr. No.	Nature of Income	31.03.2024	31.03.2023
1.	Life Insurance Policies	278.40	233.39
2.	Non-Life Insurance Policies	29.75	50.76
3.	Health Insurance	54.49	49.13

c) Marketing and distribution

Details of fees / remuneration received in respect of the marketing and distribution function (excluding bancassurance business):

		(₹ in crore)	
Sr. No.	Nature of Income	31.03.2024	31.03.2023
1.	Distributing Mutual Fund Business	20.80	19.76

d) Priority Sector Lending Certificate

Other income of the Bank inter alia includes commission income of ₹ 581.88 Crore from sale of Priority Sector Lending Certificate under PSLC-SFMF category and an expenditure of ₹ 29.87 crore through purchase of priority sector lending certificate under PSLC-Agriculture category. Traded value of PSLC certificate are given below:

		(₹ in crore)
Category		Traded Value
PSLC-Agriculture		9,270
PSLC-Small & Marginal Farmer		30,000
TOTAL		39,270

e) Provision & Contingencies

		(₹ in crore)	
Break up of Provision & Contingencies. debited to Profit & Loss Account:		31.03.2024	31.03.2023
Provision / (Reversal) for NPI on Investment		(354.75)	1,915.18
Provision towards NPA		6,387.29	12,478.98
Provision/(Reversal) towards Standard Assets		700.73	(992.73)
Net Provision made towards Income Tax (IT)/ Deferred tax assets (DTA)		7,782.08	3,704.45
Other Provision and Contingencies:			
-	Shifting Loss	0.00	--
-	Restructured Advances	(3.94)	(96.98)
-	Others	50.91	24.98
TOTAL		14,562.32	17,033.88

f) Implementation of IFRS converged Indian Accounting Standards (Ind AS)

The RBI vide DBR.BP.BC.No. 76/21.07.001/2015-16 dated 11th February 2016, has prescribed the roadmap for implementation of Indian Accounting Standards (Ind-AS) in the Banks and the Banks needs to disclose the strategy for Ind-AS implementation, including the progress made in this regard. The Bank, accordingly, has appointed a Consultant to assist in implementation of the Ind-AS. Further, the Bank has procured the required software and onboarded the vendor for software implementation of Indian Accounting Standards (Ind-AS). The Bank has also constituted a Steering Committee to oversee the progress made and the Audit Committee of the Board is being apprised of the same from time to time. Further, in terms of DO.DBR.BP.No.2535/21.07.001/2017-18 dated 13th September 2017, the Bank had been submitting Proforma Ind AS financial statements to the RBI on quarterly basis till 31st March 2021. Thereafter, in term of RBI's (Department of Regulation) mail dated 8th August 2021, bank has been advised to submit Proforma Ind AS financial statements on half yearly basis. Last proforma financials for the half year ended 30th September 2023 was submitted to RBI vide letter dated 30th November 2023.

**Schedule 18 – Notes To Accounts****g) Payment of DICGC Insurance Premium**

(₹ in crore)

Sr No.	Particulars	31.03.2024	31.03.2023
i)	Payment of DICGC Insurance Premium (Inclusive of GST)	1550.26	1,448.90
ii)	Arrears in payment of DICGC premium (Inclusive of GST)	--	--

h) Disclosure on amortization of expenditure on account of enhancement in family pension of employees of banks: Nil**i) Disclosure on Letters of Comfort (LOCs) issued by the Banks:**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Letter of Comfort outstanding at beginning of the year	0.00	0.00
Add : Issued during the year	0.00	0.00
Less: Expired during the year	0.00	0.00
Outstanding at the end of the year	0.00	0.00

In terms of RBI/2017-18/139 A.P. (DIR Series) Circular No. 20 dated March 13, 2018, issuance of Letter of Undertaking (LoUs) and Letters of Comfort (LoCs) for Trade Credits for imports into India has been discontinued.

j) Portfolio-level information on the use of funds raised from green deposits:

(₹ in crore)

Particulars	Current Financial Year	Previous Financial Year	Cumulative
Total green deposits raised (A)	Nil	Nil	Nil
Use of green deposit funds			
(1) Renewable Energy			
(2) Energy Efficiency			
(3) Clean Transportation			
(4) Climate Change Adaptation			
(5) Sustainable Water and Waste Management			
(6) Pollution Prevention and Control			
(7) Green Buildings			
(8) Sustainable Management of Living Natural Resources and Land Use			
(9) Terrestrial and Aquatic Biodiversity Conservation			
(10) Total Green Deposit funds allocated (B = Sum of 1 to 9)	Nil	Nil	Nil
(11) Amount of Green Deposit funds not allocated (C = A - B)			

15. DISCLOSURES AS PER ACCOUNTING STANDARDS ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

a. REVENUE RECOGNITION (AS 9)

Income and Expenditure have been accounted for on accrual basis except certain items of income are recognized on realization basis as per Accounting Policy no.3.4 of Schedule 17 of Significant Accounting Policies which however, is not considered to be material.

b. EMPLOYEE BENEFITS (AS 15 - REVISED)

i) Short Term Employment Benefits:

The undiscounted amounts of short-term employee benefits (e.g. medical benefits) payable wholly within twelve months of rendering the service are treated as short term and recognized during the period in which the employee rendered the service.

ii) Long Term Employee Benefits:

a) Defined Contribution Plans:

The Bank operates a new pension scheme (NPS) for all officers/employees joining the Bank on or after 1st April,2010, which is a defined contribution plan, such new joinees not being entitled to become members of the existing Pension Scheme. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with 14% contribution from the Bank. Pending completion of registration procedures of the employees concerned, these contributions retained with the Bank. The Bank recognizes such annual contributions in the year to which they relate. Upon receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS trust.

The Bank has Defined Contribution Pension Scheme (DCPS) applicable to all categories of officers and employees joining the Bank on or after April 1, 2010. The scheme is managed by National Pension Scheme (NPS) Trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depository Limited has been appointed as the Central Record Keeping Agency for the NPS. During F.Y. 2023-2024, the Bank has contributed ₹ 644.84 crores (Previous Year ₹ 525.36 crore) to NPS.

b) Defined Benefit Plan:

Gratuity, Pension and Leave Encashment are defined benefit plans. These are provided for on the basis of an actuarial valuation as per Accounting Standard-15 "Employee Benefit" issued by the Institute of Chartered Accountants of India, made at the end of each financial year, based on the projected unit credit method. Actuarial gains/losses are immediately taken to the Profit & Loss account.

Defined Benefit Plans – Employee's Pension plan and Gratuity plan:

The Bank has accounted for employee benefits as per Accounting Standards issued by the Institute of Chartered Accountants of India, as per actuarial valuation report for the year ended March 31, 2024.

**Schedule 18 – Notes To Accounts**

(₹ in crore)

S. no.	Particulars	31.03.2024		31.03.2023	
		Gratuity	Pension	Gratuity	Pension
i)					
	Table showing change in Defined Benefit Obligation:				
	Liability at the beginning of the year	3,225.86	29,170.59	3,197.81	28,650.99
	Interest Cost	241.62	2,196.55	233.76	2,120.17
	Current Service Cost	176.23	171.59	163	184.38
	Past Service Cost (Vested Benefit Amortized)	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit)	NIL	NIL	NIL	NIL
	Liability Transfer in	NIL	NIL	NIL	NIL
	Liability Transfer out	NIL	NIL	NIL	NIL
	(Benefit paid)	(317.32)	(2,426.52)	(334.38)	(2,120.73)
	Actuarial (Gain)/loss on obligation –due to change				
	In the financial assumption	95.91	(1,890.74)	(63.88)	(278.47)
	in demographic assumption	NIL	NIL	NIL	NIL
	Actuarial (Gain) / Loss on obligations	179.70	4,334.44	29.55	614.25
	Liability at the end of the year	3,602.00	31,555.91	3,225.86	29,170.59
ii)					
	Table of Fair value of Plan Assets:				
	Fair value of Plan Assets at the beginning of the year	3,262.35	28,754.24	3,367.60	27,043.50
	Expected return on Plan Assets	244.35	2,165.19	246.17	2,001.22
	Contributions	238.96	2,223.33	NIL	1,780.29
	Transfer from Other Company	NIL	NIL	0.29	NIL
	Transfer to Other Company	NIL	NIL	NIL	NIL
	(Benefit paid)	(317.32)	(2,426.52)	(334.38)	(2,120.73)
	Actuarial (Gain)/loss on Plan Assets	29.34	423.97	(17.33)	49.96
	Fair Value of Plan Assets at the end of the year	3,457.68	31,140.21	3,262.35	28,754.24
	Actuarial (Gain)/loss on obligation for the period	275.61	2,443.70	(34.33)	335.78
	Actuarial (Gain)/loss on Plan Assets	(29.34)	(423.97)	17.33	(49.96)
	Total Actuarial (Gain)/loss to be recognized	246.27	2,019.73	(17.00)	285.82
iii)	Recognition of Transitional Liability:				
	Transitional Liability at start	NIL	NIL	NIL	NIL
	Transitional Liability recognized during the year	NIL	NIL	NIL	NIL
	Transitional Liability at end	NIL	NIL	NIL	NIL
iv)	Actual return on Plan Assets :				
	Expected Return on Plan Assets	244.35	2,165.19	246.17	2,001.22
	Actuarial Gain/(Loss) on Plan Assets	29.34	423.97	(17.33)	49.96
	Actual return on Plan Assets	273.69	2,589.16	228.84	2,051.18

S. no.	Particulars	31.03.2024		31.03.2023	
		Gratuity	Pension	Gratuity	Pension
v)	Expenses recognized in the Income Statement:				
	Current Service Cost	176.23	171.59	163.00	184.38
	Interest Cost	(2.73)	31.36	(12.41)	118.95
	Expected Return on Plan Assets	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit Amortized) recognized	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit) recognized(1/5 of enhanced family pension)	NIL	NIL	NIL	1,521.62
	Recognition of Transition Liability	NIL	NIL	NIL	NIL
	Actuarial (Gain) or Loss	246.27	2,019.73	(17.00)	285.82
	Expenses Recognized in P & L	419.77	2,222.68	133.59	2,110.77
vi)	Balance Sheet Reconciliation:				
	Opening Net Liability (Last year net amount recognized in the balance sheet)	(36.49)	416.35	(169.79)	85.87
	Expenses as above	419.77	2,222.68	133.59	2,110.77
	Transfer from other Company (Net)	NIL	NIL	(0.29)	NIL
	Transfer to other Company (Net) (Employer Contribution)	(238.96)	(2,223.23)	NIL	(1,780.29)
	Net (Asset)/Liability Amount recognized in Balance Sheet	144.32	415.70	(36.49)	416.35
vii)	Other Details:				
	Service of thirty three years will qualify for the full pension of 50%. In the case of an employee who has put in the less than thirty-three years of service, pension will be payable on proportionate basis for the no of years of qualifying service. Gratuity is payable at the rate of 15 days salary for each year of service subject to maximum of ₹ 20,00,000 or as per the Bank scheme.				
	Actuarial gain / loss is accounted for in the year of occurrence.				
	Salary escalation and attrition rate are considered as advised by the entity, they appear to be in line with the industry practice considering promotion and demand and supply of the employees.				
	No. of Members	75,866	19,218	75,618	21,138
	Salary Per Month	584.18	185.19	513.88	180.41
	Contribution for next year	371.87	600.03	139.74	587.94
viii)	Category of assets:				
	Government of India Assets	27.56	479.80	61.47	565.13
	Corporate Bonds/FDR	297.23	2,773.66	25.75	720.80
	Special Deposits Scheme	NIL	NIL	-	-
	State Govt.	393.93	3,521.70	82.81	1,379.39
	Property	NIL	NIL	NIL	NIL
	Other	190.78	1330.78	64.13	454.17
	Insurer Managed Funds	2,548.18*	23,034.27*	3,028.18	25,634.75
	Mutual Fund	NIL	NIL	NIL	NIL
	Total	3,457.68	31,140.21	3,262.34	28,754.24

*Note: Return received on investments in LIC is 8.11% & for other insurance companies it is expected as 7.50% while arriving Pension and Gratuity liability at the Fair Value of Plan Assets for the FY 2023-24 as against the 7.50% considered for arriving Pension & Gratuity liability for the FY 2022-23.

**Schedule 18 – Notes To Accounts**

(₹ in crore)

Surplus/Deficit in the Plan:		Gratuity Plan			
Amount recognized in the Balance-Sheet	31.03.24	31.03.23	31.03.22	31.03.21	31.03.20*
Liability at the end of the year	3,602.00	3,225.86	3,197.81	3,355.82	1,291.94
Fair value of Plan Assets at the end of the year	3,457.68	3,262.35	3,367.60	2,746.43	1,219.01
Difference	(144.32)	36.49	169.79	(609.39)	(72.93)
Unrecognized Past Service Cost	NIL	Nil	Nil	Nil	Nil
Unrecognized Transition Liability	NIL	Nil	Nil	Nil	Nil
Amount Recognized in the Balance Sheet	(144.32)	36.49	169.79	(609.39)	(72.93)

* Amount mentioned for Union Bank (Standalone) only.

(₹ in crore)

Amount recognized in the Balance-Sheet		Gratuity Plan			
Experience Adjustment	31.03.24	31.03.23	31.03.22	31.03.21	31.03.20*
On plan liability (Gain) / Loss	179.70	29.55	30.86	752.31	25.87
On plan Assets (Loss) / Gain	29.34	(17.33)	53.31	34.41	7.20

* Amount mentioned for Union Bank (Standalone) only.

(₹ in crore)

Surplus/Deficit in the Plan:		Pension Plan			
Amount recognized in the Balance-Sheet	31.03.24	31.03.23	31.03.22	31.03.21	31.03.20*
Liability at the end of the year	31,555.91	29,170.59	28,650.99	26,011.41	12,746.69
Fair value of Plan Assets at the end of the year	31,140.21	28,754.24	27,043.50	26,720.88	12,607.16
Difference	(415.70)	(416.35)	(1,607.49)	709.47	(139.53)
Unrecognized Past Service Cost	NIL	Nil	1,521.62	Nil	Nil
Unrecognized Transition Liability	NIL	Nil	Nil	Nil	Nil
Amount Recognized in the Balance Sheet	(415.70)	(416.35)	(85.87)	709.47	(139.53)

* Amount mentioned for Union Bank (Standalone) only.

(₹ in crore)

Amount recognized in the Balance-Sheet		Pension Plan			
Experience Adjustment	31.03.24	31.03.23	31.03.22	31.03.21	31.03.20*
On plan liability (Gain) / Loss	4,334.44	614.25	2,452.27	1,456.27	938.90
On plan Assets (Loss) / Gain	423.97	49.96	266.31	81.65	75.23

* Amount mentioned for Union Bank (Standalone) only.

(₹ in Crore)

Principal actuarial assumption used (%)	2023-24		2022-23	
	Gratuity	Pension	Gratuity	Pension
Discount Rate Prev.	7.49	7.53	7.31	7.40
Rate of return on Plan Assets Prev.	7.49	7.53	7.31	7.40
Salary Escalation Prev.	5.00	5.00	5.00	5.00
Attrition Rate Prev.	2.00	2.00	2.00	2.00
Discount Rate Current	7.21	7.24	7.49	7.53
Rate of Return on Plan Assets Current	7.21	7.24	7.49	7.53
Salary Escalation Current	5.00	5.00	5.00	5.00
Attrition Rate Current	2.00	2.00	2.00	2.00

iii) Other Long-Term Employee Benefits:

Details of Provisions made for various Long-Term Employees Benefits during the year are as follows:

(₹ in crore)

Sr. No.	Other Long Term Benefits	31.03.2024	31.03.2023
1.	Leave Travel Concession	(5.43)	3.66
2.	Leave Encashment	350.14	149.30

Bank is having provision of ₹ 273.70 Crore towards Sick Leave on prudential basis though there is no payout.

iv) Unamortized Family pension & Gratuity Liabilities:

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Pension	NIL	
a) Balance brought forward	NIL	1,521.62
b) Gross Liability	NIL	NIL
c) Charged to Profit & Loss account	NIL	1,521.62
d) Balance Carried forward		NIL
Gratuity	NIL	
a) Charged to Profit & Loss account	NIL	NIL
b) Carried forward	NIL	NIL

The additional liability on account on enhancement in family pension for employees covered under XI Bi-partite settlement and Joint note dated 11th November 2020 is arrived at ₹ 1902.02 Crores as per Actuarial valuation. Further, in terms of RBI circular RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021, Banks are permitted to amortize the said liability over a period of not exceeding 5 years beginning with FY ending 31.03.2022. Bank has charged an amount of ₹ 380.40 crore to the profit/loss account for year ended March 31, 2022 and the balance unamortized expense of ₹ 1521.62 crores has been fully charged in the profit or loss account for the year ended 31.03.2023.

**Schedule 18 – Notes To Accounts****v) SEGMENT REPORTING (AS-17) (₹ in Crore)**

Business Segment	Standalone	
	Year Ended	
	(Audited)	(Audited)
	31.03.2024	31.03.2023
Segment Revenue		
Treasury Operations	31,656.46	26,442.90
Retail Banking Operations	39,288.06	31,078.66
(a) Digital Banking Operations	985.02	566.49
(b) Other Retail Banking Operations	38,303.04	30,512.17
Corporate /Wholesale Banking	42,224.34	35,941.71
Other Banking Operations	2,601.53	1,979.37
Unallocated	1,062.13	496.71
Total Segment Revenue	1,16,832.52	95,939.35
Less Inter-segment Revenue	(974.37)	(562.86)
Income from operations	1,15,858.15	95,376.49
		-
Segment Results		
Treasury Operations	4,240.79	2,426.80
Retail Banking Operations	6,409.37	5,059.25
(a) Digital Banking Operations	686.88	(45.05)
(b) Other Retail Banking Operations	5,722.49	5,104.30
Corporate Banking	8,324.19	3,091.44
Other Banking Operations	1,393.91	1,063.52
Unallocated	1,062.13	496.71
Total Profit/(Loss) Before Tax	21,430.39	12,137.72
Provision for Tax	7,782.08	3,704.45
Net Profit/(Loss) after Tax	13,648.31	8,433.27
		-
Segment Assets		
Treasury Operations	4,72,537.71	4,64,788.70
Retail Banking Operations	4,14,535.30	3,59,680.33
(a) Digital Banking Operations	7,182.14	1,737.64
(b) Other Retail Banking Operations	4,07,353.16	3,57,942.69
Corporate/Wholesale Banking	4,73,324.30	4,26,011.76
Other Banking Operations	-	-
Unallocated	31,560.31	30,271.66
Total	13,91,957.62	12,80,752.45
		-
Segment Liabilities		
Treasury Operations	4,62,058.16	4,56,704.84
Retail Banking Operations	3,75,409.89	3,28,812.17
(a) Digital Banking Operations	6,699.23	1,640.02

Business Segment	Standalone	
	Year Ended	
	(Audited)	(Audited)
	31.03.2024	31.03.2023
(b) Other Retail Banking Operations	3,68,710.66	3,27,172.15
Corporate/Wholesale Banking	4,28,285.50	3,88,190.19
Other Banking Operations	-	-
Unallocated	29,235.10	28,711.04
Total	12,94,988.65	12,02,418.24
		-
Capital Employed		-
Treasury Operations	10,479.55	8,083.86
Retail Banking Operations	39,125.41	30,868.16
(a) Digital Banking Operations	482.91	97.62
(b) Other Retail Banking Operations	38,642.50	30,770.54
Corporate/Wholesale Banking	45,038.80	37,821.57
Other Banking Operations	-	-
Unallocated	2,325.21	1,560.62
Total	96,968.97	78,334.21

Notes:

- The Bank operates in four segments viz., Treasury, Retail, Corporate / Wholesale and Other Banking Operations. These segments have been identified in line with AS-17 on segment reporting issued by the Institute of Chartered Accountants of India (ICAI) after considering the nature and risk profile of the products and services, the target customer profiles, the organizational structure and the internal reporting system of the bank. The bank has disclosed the business segment as primary segment. The revenue and other parameters of foreign branch for the period are within the threshold limits stipulated as per AS-17 and hence the bank has only one reportable segment. The Bank has disclosed 'Digital Banking' as a sub-segment of the Retail Banking segment as required by RBI guidelines.
 - Segment wise income, expenditure, Capital employed which are not directly allocable have been allocated to the reportable segments based on assumptions as considered appropriate by the management.
 - Figure of previous period have been regrouped/reclassified wherever necessary.
- vi) In terms of RBI circular no. RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 dated August 30, 2021 (Updated from time to time), the following disclosures are required:
- In case of Other Liabilities and Provisions, any item under the head "Others (including provisions)" exceeds one per cent of the total assets,
 - In case of Other Assets, any item under the head "Others" exceeds one per cent of the total assets,
 - In case of Other Income, any item under the head "Miscellaneous Income" exceeds one per cent of the total income,
 - In case of Operating Expenses, any item under the head "Other expenditure" exceeds one per cent of the total income,

**Schedule 18 – Notes To Accounts**

Schedule	Item under the Sub Head	₹ in Crore	% of Total Income/ Assets as applicable
Schedule 5 - Other liabilities and provisions (IV- Others (including provision))	-	-	-
Schedule 11 – Other assets (VI- others)	-	-	-
Schedule 14 - Other Income (VII Miscellaneous Income)	Processing Charges for Advances	1,501.62	1.30
	Recovery in Write-Off	3,987.40	3.44
Schedule 16 – Operating Expenses (XII Other expenditure)	-	-	-

RELATED PARTY DISCLOSURES (AS-18)**i. List of Related Parties****a) Subsidiaries**

- Union Asset Management Co. Pvt. Ltd.
- Union Trustee Company Pvt. Ltd.
- Union Bank of India (UK) Ltd.
- Andhra Bank Financial Services Ltd.
- UBI Services Ltd.

b) Joint Venture

- Star Union Dai-Ichi Life Insurance Co. Ltd.
- ASREC (India) Ltd.
- India International Bank (Malaysia) Berhad

c) Associate

- Chaitanya Godavari Grameena Bank

d) Key Management Personnel

(₹ in Crore)

Name	Designation	Remuneration paid for the Year ended 31 st March 2024
Ms. A. Manimekhalai	Managing Director & CEO	0.40
Shri Nitesh Ranjan	Executive Director	0.41
Shri Rajneesh Karnatak#	Executive Director	0.03
Shri Nidhu Saxena##	Executive Director	0.34
Shri Ramasubramanian S	Executive Director	0.37
Shri Sanjay Rudra*	Executive Director	0.16
Shri Pankaj Dwivedi^	Executive Director	0.004

till 28.04.2023

till 27.03.2024

* from 09.10.2023

^ from 27.03.2024

Parties with whom transactions were entered into during the year

No disclosure is required in respect of related parties, which are “State controlled Enterprises” as per paragraph 9 of Accounting Standard (AS) 18. Further, in terms of paragraph 6 of AS 18, transactions in the nature of Banker – Customer relationship have not been disclosed including those with Key Management Personnel and relatives of Key Management Personnel.

As per the RBI Master Direction, KMPs are construed to be the Whole Time Directors of the Bank.

“Leases” – Premises taken on Operating Lease (AS 19):

The Bank has no non-cancellable operating lease during the FY 2023-24. Hence, additional disclosure under AS-19 is not applicable. However, the amount of lease payment recognized in the profit & loss account for operating lease is ₹ 818.04 crore (PY ₹ 801.99 crore).

EARNING PER SHARE (AS-20)

Basic earnings per equity share are computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. The diluted earnings per equity share is computed using the weighted average number of equity shares and weighted average number of diluted potential equity shares outstanding during the year.

The computation of earnings per share is given below:

Particulars	31.03.2024	31.03.2023
Number of Equity shares at the beginning of the year	6,83,47,47,466	6,83,47,47,466
Number of Equity shares issued during the year	79,88,58,141	Nil
Number of Equity shares outstanding at the end of the year	7,63,36,05,607	6,83,47,47,466
Weighted Average Number of Equity Shares used in computing Basic Earnings per share	7,20,31,48,214	6,83,47,47,466
Weighted Average Number of Shares used in computing diluted Earnings per share	7,20,31,48,214	6,83,47,47,466
Net Profit/(Loss) ₹ in Crore	13,648.31	8,433.28
Basic Earnings per share (₹)	18.95	12.34
Diluted Earnings per share (₹)	18.95	12.34
Nominal Value per share (₹)	10	10.00

PROVISION FOR TAXES:

Deferred Tax (AS-22)

Sr. No.	Particulars	31.03.2024	31.03.2023
			(₹ in crore)
	Deferred Tax Assets		
1	Employee Benefits (Leave Encashment)	472.83	534.18
2	Depreciation on Fixed Assets	305.14	395.89
3	Provision for non-performing Assets	5,584.95	11,405.67
4	Foreign Currency Translation Reserve	(68.54)	(84.48)
5	Other Provisions	203.82	0.00
	Total	6,498.20	12,251.26
	Deferred Tax Liabilities		
1	Accrued interest on securities	951.02	1,274.79
2	Special Reserves u/s 36(i)(viii)	1,836.70	2,316.74
	Total	2,787.72	3,591.53
	Net Deferred Tax Asset	3,710.48	8,659.73
	Net Deferred Tax Liability		

**Schedule 18 – Notes To Accounts****Direct Tax**

Particulars	(₹ in crore)	
	31.03.2024	31.03.2023
Provision for Income Tax (Including Deferred tax)	7,782.08	3,704.45

CORPORATE TAXATION:

Provision for tax is made for both current and deferred taxes. Current tax is provided on the taxable income using applicable tax rates and tax laws. Deferred Tax Assets and Deferred Tax Liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates and the tax laws that have been enacted or substantively enacted till the date of the Balance Sheet.

Deferred Tax Assets are recognized only if there is virtual certainty of realization of such assets in future. Deferred Tax Assets/ Liabilities are reviewed at each Balance Sheet date based on developments during the year.

INVESTMENT IN JOINT VENTURES (AS – 27)

Investments include ₹ 286.88 Crores (Previous year ₹ 286.88 Crores) representing Bank's interest in Star Union Dai-ichi Life Insurance Co., ASREC(India) Limited, and India International Bank (Malaysia) BHD.

REVALUATION OF PROPERTY

Land and Building have been last revalued as on 31.12.2022 at Fair Market Value as determined by approved valuer. As per AS-10 (revised), the depreciation on revalued portion is recouped from revaluation reserve resulting in decrease in revaluation reserve by ₹ 221.09 crore for the year ended 2023-24.

IMPAIRMENT OF ASSET (AS-28)

Management has assessed at balance sheet date i.e. as on 31st March 2024 that whether there is any indication that any of the fixed asset to be impaired and no such asset is identified/found where condition of impairment is attached as specified in AS-28.

CONTINGENT LIABILITIES (AS – 29)

Contingent liabilities referred to in Schedule-12 at S. No.(I) & (VI) (i) are dependent upon the outcome of court/arbitration/out of court settlement, the amount being called up, terms of contractual obligations, devolvement and raising of demand by parties concerned, disposal of appeals respectively.

During the current year, there is no material prior period item (as per AS 5) and no discontinued operations (as per AS 24).

CLIMATE CONTROL:

Union Bank of India has a policy in place in name of "Sustainable Development and Business Responsibility Policy" which is reviewed every year and last reviewed by the Board on 02.03.2023. Through this policy, the Bank is committed to make effort to protect and restore the environment. Bank has taken various initiatives like Electricity Conservations, avoid usage of plastic bottles for packaged drinking water etc. To manage Environmental, Social and Governance (ESG) and climate risk, the Bank's Board has put in place "ESG Risk Framework and Climate Risk Policy". The Bank has formed ESG Steering Committee to formulate and implement ESG strategy and transition in the Bank.

COMPLIANCE TO THE PROVISION OF MSME DEVELOPMENT ACT, 2006

There are no reported cases of delayed payments of principal or interest due there own to micro, small and medium enterprises. Further, based on recent developments, bank is in the process of updating its record.

BALANCING OF BOOKS, RECONCILIATION OF INTER BRANCH / BANK TRANSACTIONS

Suspense Accounts, Sundry Deposits etc., and Inter Office Accounts between branches, controlling offices, Head Office and any other establishments are being reconciled on an ongoing basis and Management is of the opinion that, there is no material effect on the profit and loss account of the current year.

The figures of the previous year have been regrouped/rearranged wherever considered necessary.

Signatories to Schedules 1 to 18

(Ajay Bansal) Dy. General Manager For and on behalf of The Board of Directors		(Avinash Prabhu) Chief Financial Officer	
(Pankaj Dwivedi) Executive Director	(Sanjay Rudra) Executive Director	(Ramasubramanian S) Executive Director	(Nitesh Ranjan) Executive Director
(Sameer Shukla) Director		(Prakash Baliarsingh) Director	
(Suraj Srivastava) Director	(Laxman S Uppar) Director	(Jayadev Madugula) Director	(Priti Jay Rao) Director
(A. Manimekhalai) Managing Director & CEO		(Srinivasan Varadarajan) Chairman	

As per our report of even Date

For M/s N B S & Co Chartered Accountants FRN 110100W CA Sharath Shetty Partner Membership No. 132775 UDIN: 24132775BKCYER6195	For Chhaged and Doshi Chartered Accountants FRN 101794W CA Nitesh Jain Partner Membership No.136169 UDIN: 24136169BKEKKY2518	For G S Mathur & Co Chartered Accountants FRN 08744N CA Rajiv Kumar Wadhawan Partner Membership No. 091007 UDIN: 24091007BKCFCS9770
For P Chandrasekar LLP Chartered Accountants FRN 000580S/S200066 CA P Chandrasekaran Partner Membership No. 026037 UDIN: 24026037BKARCN8331	For V K Ladha & Associates Chartered Accountants FRN 002301C CA Virendra Kumar Ladha Partner Membership No. 071501 UDIN: 24071501BKFQHE9257	

Place: Mumbai
Date: May 10, 2024



Standalone Cash Flow Statement

for the year ended 31st March, 2024

S. No.	Particulars	For the Year Ended 31 st March, 2024	(₹ in Lakh) For the Year Ended 31 st March, 2023
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit Before Tax	21,43,039	12,13,772
	Adjustments for:		
	Depreciation on Fixed Assets	89,098	73,715
	Provision for Investments	87,887	1,67,478
	Provision for Non Performing Assets (Net)	6,38,729	12,47,897
	Provision for Standard Asset	71,019	(1,16,241)
	Provision for other items (Net)	3,753	9,770
	(Profit)/Loss on Sale or Disposal of Fixed Assets	(217)	149
	Interest on Borrowings : Capital Instruments	1,64,704	1,58,601
	Dividend received from Investments	(2,541)	(6,968)
	Transfer to/from reserves	(2,98,441)	(67,520)
	Sub Total	28,97,030	26,80,653
	Adjustments for:		
	Increase / (Decrease) in Deposits	1,03,81,205	85,32,369
	Increase / (Decrease) in Other Liabilities and Provisions	6,25,016	10,48,458
	(Increase) / Decrease in Investments	51,665	7,63,829
	(Increase) / Decrease in Advances	(1,15,31,792)	(1,13,31,977)
	(Increase) / Decrease in Other Assets	(88,254)	(7,67,147)
	Direct taxes paid (Net of Refund)	(3,02,000)	(3,27,752)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	20,32,870	5,98,433
B	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets	(1,61,342)	(3,05,524)
	Proceeds from Sale/Adjustment of Fixed asset	32,744	68,230
	(Increase)/Decrease in Investment in Subsidiary	-	(10,473)
	Dividend received from Investment	2,541	6,968
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(1,26,057)	(2,40,799)
C	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from issue of Equity Share Capital Including Share Premium (Net)	7,97,085	-
	Proceeds from issue of Capital Instruments	-	98,300
	Repayments of Capital Instruments	(2,00,000)	(10,000)
	(Decrease)/Increase Borrowings other than Capital Instruments	(14,18,910)	(8,92,463)
	Interest Paid on Borrowings : Capital Instruments	(1,64,704)	(1,58,601)
	Dividend paid during the year	(2,05,042)	(1,29,861)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(11,91,571)	(10,92,624)

S. No.	Particulars	(₹ in Lakh)	
		For the Year Ended 31 st March, 2024	For the Year Ended 31 st March, 2023
	Net Increase (Decrease) in Cash & Cash Equivalent (A)+(B)+(C)	7,15,242	(7,34,990)
	Cash and Cash Equivalents as at the beginning of the year	1,12,15,045	1,19,50,036
	Net cash and cash equivalents at the end of the year	1,19,30,287	1,12,15,045
	Components of Cash and Cash equivalents		
D	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Cash and Balances with RBI (including FC notes)	50,25,427	46,11,259
	Balances with Banks and Money at call	61,89,618	73,38,777
	Net cash and cash equivalents at the beginning of the year	1,12,15,045	1,19,50,036
E	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Cash and Balance with RBI (including FC notes)	52,89,750	50,25,427
	Balances with Banks and Money at call	66,40,537	61,89,618
	Net cash and cash equivalents at the end of the year	1,19,30,287	1,12,15,045

The above Cash Flow Statement has been prepared under the Indirect method as set out in the Accounting standard -3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.

Previous Year's figures have been regrouped/recasted wherever considered necessary to correspond with the year ended classification/ presentation.

(Ajay Bansal)

Dy. General Manager

For and on behalf of The Board of Directors

(Pankaj Dwivedi)
Executive Director

(Sanjay Rudra)
Executive Director

(Sameer Shukla)
Director

(Avinash Prabhu)

Chief Financial Officer

(Ramasubramanian S)
Executive Director

(Nitesh Ranjan)
Executive Director

(Prakash Baliarsingh)
Director

(Suraj Srivastava)
Director

(Laxman S Uppar)
Director

(Jayadev Madugula)
Director

(Priti Jay Rao)
Director

(A. Manimekhalai)
Managing Director & CEO

(Srinivasan Varadarajan)
Chairman

As per our report of even Date

For M/s N B S & Co
Chartered Accountants
FRN 110100W

For Chhajed and Doshi
Chartered Accountants
FRN 101794W

For G S Mathur & Co
Chartered Accountants
FRN 08744N

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYER6195

CA Nitesh Jain
Partner
Membership No.136169
UDIN: 24136169BKEKKY2518

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN: 24091007BKCFCS9770

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA P Chandrasekaran
Partner
Membership No. 026037
UDIN: 24026037BKARCN8331

CA Virendra Kumar Ladha
Partner
Membership No. 071501
UDIN: 24071501BKFQHE9257

Place: Mumbai

Date: May 10, 2024



Independent Auditors' Report

To

The President of India /

The Members of Union Bank of India,

Mumbai

Report on Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying Consolidated Financial Statements of Union Bank of India (the "Bank"), its subsidiaries, associate and jointly controlled entities (collectively hereinafter referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended, and notes to the Consolidated Financial Statements including Significant Accounting Policies and other explanatory information, in which following are incorporated –

- a. Audited Standalone Financial Statements of the Bank;
- b. Audited Financial Statements of 4 Domestic Subsidiaries, 1 Regional Rural Bank (Associate), 1 Foreign Subsidiary, 1 domestic Jointly Controlled Entity and 1 Foreign Jointly Controlled Entity.
- c. Unaudited financial statements of 1 Domestic Jointly Controlled Entity

In our opinion and to the best of our information and according to explanations given to us, and based on our consideration of the reports of the other auditors on separate financial statements, the unaudited financial statements and the other financial information of the subsidiaries, jointly controlled entities and associate as furnished by the management, the aforesaid Consolidated Financial Statements are in conformity with

accounting principles generally accepted in India and give:

- a. true and fair view in case of the Consolidated Balance Sheet, of the state of affairs of the Bank as at March 31, 2024;
- b. true balance of Profit in case of Consolidated Profit & Loss account for the year ended on that date; and
- c. true and fair view of the cash flows in case of Consolidated Cash Flows Statement for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) issued by Institute of Chartered Accountants of India (the "ICAI"). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI together with ethical requirements that are relevant to our audit of the Consolidated financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters prescribed below to be the key audit matters to be communicated in our report:

Sr.	Key Audit Matter	How it was dealt with in our report
1	Income Recognition, Asset Classification (IRAC) and provisioning on Loans & Advances and Investments as per the regulatory requirements	<p data-bbox="805 564 1487 655">Our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the materiality of the balances and associated impairment provisions.</p> <p data-bbox="805 695 1487 846">Our audit procedures included the assessment of controls over the approval, disbursements and monitoring of loans, and reviewing the logic and assumptions used in the CBS and other related IT systems for compliance of the IRAC and provisioning norms and its operating effectiveness.</p> <p data-bbox="805 887 1487 917">This included evaluation and understanding of the following:</p> <ul data-bbox="805 957 1487 1888" style="list-style-type: none"> <li data-bbox="805 957 1487 1078">• Bank's internal control system in adhering to the Relevant RBI guidelines regarding income recognition, asset classification and provisioning pertaining to advances/investments; <li data-bbox="805 1098 1487 1159">• System controls and manual controls over the timely recognition of non-performing assets (NPA/NPI); <li data-bbox="805 1179 1487 1239">• Operational existence and effectiveness of controls over provisioning calculation models from the IT systems; <li data-bbox="805 1260 1487 1380">• Overall Controls on the loan approval, disbursement and monitoring process in case of advances and controls over the purchase, sale and hold decisions making system in case of investments <li data-bbox="805 1401 1487 1522">• We tested sample of loans/investments (in cases of branches visited by us) to assess whether they had been identified as non performing on a timely manner, income recognized and provisioning made as per IRAC norms. <li data-bbox="805 1542 1487 1622">• We have also reviewed the reliability, effectiveness and accuracy of manual interventions, wherever it has come to our notice, on test check basis. <li data-bbox="805 1643 1487 1784">• We have relied on the reports/returns and work done by other Statutory Branch Auditors (SBA) in cases of branches not visited by us to get an overall comfort with respect to overall compliance in accordance with SA 600 - Using the Work of Another Auditor. <li data-bbox="805 1804 1487 1888">• We have reviewed the work done by other experts like Independent valuers, Lawyers, Legal Experts and other such professionals who have rendered services to the Bank.

Loans & Advances and Investments are the largest class of assets forming 86.88% of the total assets as on March 31, 2024. Classification, income recognition and loss provisioning on the same are based on objective parameters as prescribed by the regulations (Reserve Bank of India's prudential norms and other guidelines). The management of the Bank relies heavily on its IT systems (including Core Banking Solution), exercise significant estimates and judgement, manual interventions, and uses services of experts (like independent valuers, Lawyers, legal experts and other professional) to determine asset classification, income recognition and provisioning for losses.

The Bank has system based identification of non-performing assets in accordance with IRAC Norms. Since the identification of Non-performing Advances and provisioning for Non-performing Advances requires considerable level of management estimation, application of various regulatory requirements and its significance to the overall audit, we have identified this as a key audit matter

**Independent Auditors' Report**

Sr.	Key Audit Matter	How it was dealt with in our report
		<ul style="list-style-type: none"> • Further we have also reviewed the Bank's system of monitoring potentially weak and sensitive accounts which show a sign of stress. • On a test check basis, verified the accounts classified by the Bank as Special Mention Accounts ('SMA') in RBI's Central Repository of Information on Large Credits ('CRILC'). • We have also reviewed the reports and observations of the Bank's internal audit/inspection reports and observations of the concurrent auditors and report on audit of automation of IRAC by external expert. • Verification of valuation, classification, provisioning and income recognition of investments by carrying out substantive test including arithmetic accuracy, data accuracy and control over the financial reporting system. <p>We have test checked and assessed the efficacy of the system based identification of NPA.</p>
2	Information Technology (IT) and controls impacting financial reporting	
	<p>Information technology (IT) systems used in financial reporting process The Bank's operational and financial reporting processes are dependent on IT systems run through Core Banking Solutions (CBS) and other integrated software with automated processes and controls large volume of transactions. The process and controls are to ensure appropriate user access and management processes in use. The Bank has an in-house Department of Information & technology (DIT) run under the supervision of the top management and with the support of expert consulting agencies, for maintaining IT services. Accordingly, our audit was focused on key IT systems and controls due to the pervasive Impact on the standalone financial statements and the same has been considered as Key Audit Matter in our audit.</p>	<p>We conducted an assessment and identified key IT applications, database and operating systems that are relevant to our audit and have identified CBS and Treasury System primarily as relevant for financial reporting. For the key IT systems pertaining to CBS and treasury operations used to prepare accounting and financial information, our areas of audit focus included Access Security (including controls over privileged access), application change controls, database management and network operations. In particular:</p> <ul style="list-style-type: none"> • We obtained an understanding of the Bank's IT control environment and key changes during the audit period that may be relevant to the audit. • We tested the design, implementation and operating effectiveness of the Bank's General IT controls over the key IT systems that are critical to financial reporting including obtaining reports from independent experts. This included evaluation of Bank's controls to evaluate segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner. • We also tested key automated and manual business cycle controls and logic for system generated reports relevant to the audit; including testing of compensating controls or performed alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the standalone financial statements, information other than the standalone Financial Statements and Auditors' Report thereon.

Sr.	Key Audit Matter	How it was dealt with in our report
3	Recognition and measurement of Deferred tax	
	<p>The Bank has recognised a net deferred tax asset of ₹ 3,71,39,447 (in '000) as on March 31, 2024. Besides objective estimation, recognition and measurement of deferred tax asset is based on the judgment and numerous estimates regarding the availability and visibility of profits in the future. The recent decrease in the amount of deferred tax assets presumes availability and forecasting of profits over an extended period of time thus decreasing uncertainty and the inherent risk of inappropriate recognition of the said asset.</p>	<p>Our audit procedures included the risk assessment to gain an understanding of the applicable tax laws and relevant regulations applicable to the Bank. Based on our understanding, we performed both tests of related internal key controls and substantive audit procedures with the assistance of tax specialists. We performed the following audit procedures as part of our controls testing including, but not limited to:</p> <ul style="list-style-type: none"> • Evaluation of the policies used for recognition and measurement of deferred tax assets in accordance with AS 22 Accounting for Taxes on Income; • Assessed the method, assumptions and other parameters used with reference to uniformity, management representations, consistency and continuity like budget and midterm projections prepared by the management including earning growth and applicable tax rates and tested the arithmetical accuracy. • Assessed the probability of the availability and visibility of profits against which the bank will be able to use this deferred tax asset in the future.
4	Provisions, Contingent Liabilities and Claims	
	<p>Assessment of Provisions and Contingent Liability in respect of certain litigations on various claims filed by other parties not acknowledged as debt (Note No. 18 of Schedule 17 and Note No. 8.2 of Schedule 18). There is high level of judgement required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgement, past experience, and advice from legal and independent experts wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and state of affairs presented in Balance Sheet. Contingent Liability is a possible obligation, outcome of which is contingent upon occurrence or non-occurrence of one or more uncertain future events. In the judgement of the management, such claims and litigations including tax demands against the bank would not eventually lead to a liability. However, unexpected adverse outcomes may significantly impact the Bank's reported financial results which is uncertain/ unascertainable at this stage. Considering the uncertainty relating to the outcome of these matters which requires application of judgment in interpretation of law, this has been determined as a key Audit Matter</p>	<p>We have obtained an understanding of Internal Controls relevant to the audit in order to design our audit procedures that are appropriate in the circumstances. We broadly reviewed the underlying assumptions and estimates used by the management for provisioning but as the extent of impact is dependent on future developments which are highly uncertain, we primarily relied on those assumptions and estimates, which are subject matter of periodic review by the Bank. We have relied upon the management note and legal opinions obtained by the bank regarding the claims and tax litigations and involved our internal team to review the nature of such litigations and claims, their current status, sustainability, examining recent orders and/or communication received from various tax authorities/ judicial forums and follow up actions thereon and likelihood of claims/litigations materializing into eventual liability upon final resolution, from the available records and developments to date.</p>



Independent Auditors' Report

Information Other than the Consolidated Financial Statements and Auditors' Report thereon

4. The Bank's Board of Directors is responsible for the other information. The other information comprises the Directors' Report of the Bank including annexures in annual report, if any, thereon, which is expected to be made available to us after the date of this Auditors' Report.

Our opinion on the Consolidated Financial Statements does not cover the Other Information and Pillar 3 disclosures under the Basel III Disclosure and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Director's Report of the Bank, including annexures in annual report, if any, thereon, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

5. The Bank's Board of Directors are responsible with respect to the preparation of these Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associate and jointly controlled entity in accordance with the Accounting Standard 21- "Consolidated Financial Statements", Accounting Standards 23- "Accounting for Investments in Consolidated Financial Statements" and Accounting Standards 27 - Financial Reporting of Interest in Joint Venture" issued by the Institute of Chartered Accountants of India, the relevant provisions of Section 29 of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the abovementioned act for safeguarding the assets of the Group and preventing and detecting frauds and other irregularities; selection and application of

appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud and error.

In preparing the consolidated Financial statements, the respective Board of Directors of the entities is responsible for assessing the respective Group Entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors of the Group entities are also responsible for overseeing respective Group Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

6. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

7. We did not audit the financial statements of 5 subsidiaries and 2 Jointly controlled entities included in the consolidated financial statements, whose financial statements reflect total assets of ₹ 11,39,63,505 (in thousands) as at March 31, 2024 and total revenues of ₹ 2,71,30,983 (in thousands) for the year ended on that date, net profit after tax amounting to ₹ 5,52,322 (in thousands) for the year ended on that date, as considered in the consolidated financial statements. The Consolidated Financial Statements also include the Group's share of Net Profit amounting to ₹ 8,81,701 (in thousands) for the year ended 31st March, 2024 as considered in the Consolidated Financial Statements, in respect of one associate, whose Financial Statements / financial information have not been audited by us. These financial statements have been audited by other auditors whose report have been furnished to us and our opinion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and jointly controlled entities, are based solely on the reports of the other auditors.

The consolidated financial statements also include the unaudited Financial Results of 1 jointly controlled entity whose Financial Statements/Financial Results/ Financial information reflect Group's share of total assets of ₹ 6,59,313 (in thousands) as at 31st March 2024, Group's



Independent Auditors' Report

share of total revenue of ₹ 1,33,617 (in thousands) and Group's share of total net profit after tax of ₹ 54,098 (in thousands) for the year ended 31st March 2024, as considered in the consolidated Financial Results. These unaudited Financial Statements/Financial Results/financial information have been furnished to us duly certified by the Bank's management and our opinion on the consolidated Financial Results, in so far as it relates to the amounts and disclosures included in respect of these jointly controlled entity are based solely on such reviewed/unaudited Financial Statements/Financial Results/Financial information. In our opinion and according to the information and explanations given to us by Bank's management, these Financial Statements/Financial Results / Financial information are not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

8. The audited consolidated financial statements of the bank for the year ended 31st March 2023, included in this statement, were audited by six joint auditors of the bank, five of whom were predecessors audit firms, and they had expressed an unmodified opinion on consolidated financial results vide their report dated May 06, 2023.

Our opinion is not modified in respect of the matter.

Report on Other Legal and Regulatory Requirements

9. The Consolidated Balance Sheet and the Consolidated Profit & Loss Account have been drawn up in accordance with section 29 of the Banking Regulation Act, 1949.

Subject to limitation of the audit indicated in paragraph 5, 6 and 7 above and as required by the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970/1980, based on our audit and on the consideration of report of the other auditors on separate financial statements and

the other financial information of subsidiaries, associate and jointly controlled entities, as noted in the 'other matter' paragraphs to the extent applicable and also subject to the limitations of disclosure required therein and we report that:

- a) We have obtained all the information and explanations which to the best of our knowledge and belief, were necessary for the purposes of our audit and have found them to be satisfactory;
 - b) The transactions of Bank, which have come to our notice, have been within the power of Bank; and
 - c) The returns received from the offices and branches of the bank have been found adequate for the purpose of our audit.
10. As required by letter No. DOS.ARG. No.6270/08.91.001/2019-20 dated March 17, 2020 on "Appointment of Statutory Central Auditors (SCAs) in Public Sector Banks - Reporting obligations for SCAs from FY 2019-20", read with subsequent communication dated May 19, 2020 issued by the RBI, we further report on the matters specified in paragraph 2 of the aforesaid letter as under:
 - a) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and the reports of the other auditors and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
 - b) The Consolidated Balance Sheet, Consolidated Profit and Loss account and Consolidated Cash flow statement dealt with by this report are in agreement with the books of account and with the returns received from branches not visited by us;
 - c) The reports on the accounts of the branches and offices audited by branch auditors of the Bank under section 29 of the Banking Regulation Act, 1949 have been sent to us and have been properly dealt with by us in preparing this report;

- d) in our opinion, the Consolidated Balance Sheet, Consolidated Profit and Loss account and Consolidated Cash flow statement comply with the applicable accounting standards, to the extent they are not inconsistent with the accounting policies prescribed by the RBI.
- e) As the Bank is not registered under the Companies Act, 2013, the disqualifications from being a director of the bank under sub-section (2) of Section 164 of the Companies Act, 2013 do not apply to the bank.

On the basis of the reports of the statutory auditors of subsidiaries, associate and joint ventures companies

- other than Government Company to the extent incorporated in India, none of the directors of the subsidiaries, associates & joint ventures companies incorporated in India is disqualified as on 31st March, 2024 from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f) There are no qualifications, reservations or adverse remarks relating to the maintenance of accounts and other matters connected therewith.
- g) The Bank's Internal Financial Controls over financial reporting is not applicable on the consolidated financial statement.

For N B S & Co.
Chartered Accountants
FRN 110100W

For Chhajed & Doshi
Chartered Accountants
FRN 101794W

For G S Mathur & Co
Chartered Accountants
FRN 008744N

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYES4785

CA Nitesh Jain
Partner
Membership No. 136169
UDIN: 24136169BKEKKZ4882

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN: 24091007BKCFCT7661

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA P Chandrasekaran
Partner
Membership No. 026037
UDIN: 24026037BKARCO1889

CA V. K. Ladha
Partner
Membership No. 071501
UDIN: 24071501BKFQHF3256

Place: Mumbai

Date: 10-05-2024



Consolidated Balance Sheet

as on 31st March, 2024

(₹ in 000)

Particulars	Schedule Number	As on 31 st March, 2024	As on 31 st March, 2023
CAPITAL AND LIABILITIES			
Capital	1	7,63,36,056	6,83,47,475
Preference Share Capital Issued by Subsidiary Company	1A	10,40,035	10,40,035
Reserves and Surplus	2	89,86,00,469	71,86,47,629
Minority Interest	2A	-	-
Deposits	3	12,24,59,33,559	11,20,32,19,225
Borrowings	4	26,97,42,680	42,73,65,947
Other Liabilities and Provisions	5	52,83,06,310	46,49,50,783
TOTAL		14,01,99,59,109	12,88,35,71,094
ASSETS			
Cash and Balances with Reserve Bank of India	6	52,90,15,436	50,25,81,072
Balances with Banks and Money at Call and Short Notice	7	66,74,43,018	62,34,07,568
Investments	8	3,43,95,28,617	3,43,72,69,559
Advances	9	8,74,07,97,404	7,64,27,66,793
Fixed Assets	10	9,25,98,061	8,84,79,756
Other Assets	11	55,05,76,573	58,90,66,347
Goodwill on Consolidation		-	-
TOTAL		14,01,99,59,109	12,88,35,71,094
Contingent Liabilities	12	5,83,38,30,501	6,08,09,92,755
Bills for Collection		50,25,28,601	43,56,67,177
Significant Accounting Policies	17		
Notes to Accounts	18		

The Schedules referred to above form an integral part of the Consolidated Balance Sheet

(Ajay Bansal)

Dy. General Manager

For and on behalf of The Board of Directors

(Pankaj Dwivedi)

Executive Director

(Sameer Shukla)

Director

(Suraj Srivastava)

Director

(A. Manimekhalai)

Managing Director & CEO

(Avinash Prabhu)

Chief Financial Officer

(Ramasubramanian S)

Executive Director

(Prakash Baliarsingh)

Director

(Jayadev Madugula)

Director

(Srinivasan Varadarajan)

Chairman

(Nitesh Ranjan)

Executive Director

(Priti Jay Rao)

Director

As per our report of even Date

For M/s N B S & Co

Chartered Accountants

FRN 110100W

CA Sharath Shetty

Partner

Membership No. 132775

UDIN: 24132775BKCYE54785

For P Chandrasekar LLP

Chartered Accountants

FRN 000580S/S200066

CA P Chandrasekaran

Partner

Membership No. 026037

UDIN: 24026037BKARCO1889

For Chhaged and Doshi

Chartered Accountants

FRN 101794W

CA Nitesh Jain

Partner

Membership No.136169

UDIN: 24136169BKEKKZ4882

For V K Ladha & Associates

Chartered Accountants

FRN 002301C

CA Virendra Kumar Ladha

Partner

Membership No. 071501

UDIN: 24071501BKQHF3256

For G S Mathur & Co

Chartered Accountants

FRN 08744N

CA Rajiv Kumar Wadhawan

Partner

Membership No. 091007

UDIN: 24091007BKCFCT7661

Consolidated Profit & Loss

for the period ended 31st March, 2024

Particulars	Schedule Number	(₹ in 000)	
		For the Year Ended 31 st March, 2024	For the Year Ended 31 st March, 2023
I. INCOME			
Interest Earned	13	1,00,37,55,708	81,16,31,823
Other Income	14	17,81,27,884	15,91,53,525
TOTAL		1,18,18,83,592	97,07,85,348
II. EXPENDITURE			
Interest Expended	15	63,36,37,017	48,03,28,447
Operating Expenses	16	26,50,58,274	23,48,73,032
Provision and Contingencies		14,60,98,815	17,12,80,436
TOTAL		1,04,47,94,106	88,64,81,915
iii. Consolidated Net Profit/(Loss) before Minority Interest and Share of Earnings in Associate		13,70,89,486	8,43,03,433
Add:-Share of profit in Associate		8,81,701	8,13,202
Consolidated Net Profit/(Loss) for the year before deducting Minority Interest (Less):-Minority Interest		13,79,71,187	8,51,16,635
Consolidated Net Profit/(Net Loss) for the year attributable to the group		13,79,71,187	8,51,16,600
Transfer from Investment Fluctuation Reserve		-	58,32,008
Add : Profit/(Loss) Brought Forward		58,32,043	35
Amount Available for Appropriation		14,38,03,230	9,09,48,643
IV. Appropriation			
Transfer To Statutory Reserve		3,42,85,266	2,10,83,194
Transfer To Capital Reserve		16,32,611	9,45,461
Transfer To Investment Fluctuation Reserve		2,84,440	-
Transfer To Revenue And Other Reserves		6,60,81,024	3,48,14,630
Transfer To Special Reserve [Sec36(I)(viii)]of the Income Tax Act,1961		66,79,000	60,00,000
Transfer to Investment Reserve Account		15,27,866	17,69,006
Proposed Dividend		2,74,80,980	2,05,04,309
Balance in Profit and Loss Account		58,32,043	58,32,043
TOTAL		14,38,03,230	9,09,48,643
Earnings per share (Basic and Diluted in ₹) of FV of ₹10/- each		19.15	12.45
Significant Accounting Policies	17		
Notes To Accounts	18		

The Schedules referred to above form an integral part of the Consolidated Profit & Loss

(Ajay Bansal)

Dy. General Manager

For and on behalf of The Board of Directors

(Pankaj Dwivedi)
Executive Director

(Sanjay Rudra)
Executive Director

(Avinash Prabhu)

Chief Financial Officer

(Ramasubramanian S)
Executive Director

(Nitesh Ranjan)
Executive Director

(Sameer Shukla)
Director

(Prakash Baliarsingh)
Director

(Suraj Srivastava)
Director

(Laxman S Uppar)
Director

(Jayadev Madugula)
Director

(Priti Jay Rao)
Director

(A. Manimekhalai)
Managing Director & CEO

(Srinivasan Varadarajan)
Chairman

As per our report of even Date

For M/s N B S & Co
Chartered Accountants
FRN 110100W

For Chhajer and Doshi
Chartered Accountants
FRN 101794W

For G S Mathur & Co
Chartered Accountants
FRN 08744N

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYES4785

CA Nitesh Jain
Partner
Membership No.136169
UDIN: 24136169BKEKKZ4882

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN: 24091007BKCFCT7661

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA P Chandrasekaran
Partner
Membership No. 026037
UDIN: 24026037BKARCO1889

CA Virendra Kumar Ladha
Partner
Membership No. 071501
UDIN: 24071501BKFQHF3256



Schedules Forming Part of the Consolidated Balance Sheet

As on 31st March, 2024

(₹ in 000)

	As on 31 st March 2024	As on 31 st March 2023
SCHEDULE 1 - CAPITAL :		
I. Authorised :		
1000,00,00,000 Equity Shares of ₹ 10 each	10,00,00,000	10,00,00,000
II. Issued, Subscribed & Paid up :		
i. 570,66,60,850 Equity Shares of ₹10 each, held by Central Government (Previous Year 570,66,60,850 Equity Shares)	5,70,66,609	5,70,66,609
ii. 1,92,69,44,757 Equity Shares of ₹ 10 each, held by Public (Previous Year 112,80,86,616 Equity Shares)	1,92,69,447	1,12,80,866
TOTAL	7,63,36,056	6,83,47,475
SCHEDULE 1A - PREFERENCE SHARE CAPITAL ISSUED BY SUBSIDIARY COMPANY :		
10,40,03,544 Participatory Non-Redemable Compulsorily Convertible Preference Shares of ₹ 10 Each (Issued by Union Asset Management Company Private Limited, a subsidiary company) to Dai Ichi Life Holdings Inc on May 17 2018 for a tenure of 20 years)	10,40,035	10,40,035
TOTAL	10,40,035	10,40,035

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
SCHEDULE 2 - RESERVES & SURPLUS :				
I. Statutory Reserve :				
As per last Balance Sheet	16,79,04,849		14,68,21,655	
Addition during the year	3,42,85,266	20,21,90,115	2,10,83,194	16,79,04,849
II. Capital Reserve :				
A) Capital Reserve :				
As per last Balance Sheet	5,98,78,700		5,89,33,239	
Addition during the year	16,32,611		9,45,461	
Deduction during the year	-		-	
	6,15,11,311		5,98,78,700	
B) Revaluation Reserve :				
As per last Balance Sheet	6,13,24,225		4,75,70,740	
Addition during the year	81,343		1,51,92,863	
Deduction during the year	49,61,394		14,39,378	
	5,64,44,174		6,13,24,225	
C) Amalgamation Reserve:				
As per last Balance Sheet	1,30,95,979		1,30,95,979	
Addition during the year	-		-	
Deduction during the year	-		-	
	1,30,95,979	13,10,51,464	1,30,95,979	13,42,98,904

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
III Capital Reserve on Consolidation				
As per last Balance Sheet	1,20,151		4,21,351	
Addition during the year	-		-	
Deduction during the year	-	1,20,151	3,01,200	1,20,151
IV. Share Premium :				
As per last Balance Sheet	18,42,28,058		18,39,26,860	
Addition during the year	7,20,11,419		3,01,198	
Deduction during the year	2,91,432	25,59,48,045	-	18,42,28,058
V. Revenue Reserves :				
i) Revenue and other Reserves :				
As per last Balance Sheet	14,49,84,457		10,74,30,020	
Addition during the year	6,83,15,558		3,75,80,223	
Deduction during the year	5,488		25,786	
Less:- Minority Interest	-		-	
	21,32,94,527		14,49,84,457	
ii) Special Reserve Sec 36(1)(viii)				
As per last Balance Sheet	6,62,98,789		6,02,98,789	
Addition during the year	66,79,000		60,00,000	
	7,29,77,789		6,62,98,789	
iii) Special Reserve Profit on Fx Swap				
As per last Balance Sheet	59,328		58,485	
Addition during the year	1,018		843	
Deduction during the year	-		-	
	60,346		59,328	
iv) Investment Fluctuation Reserve				
As per last Balance Sheet	1,35,29,575		1,93,61,583	
Addition during the year	2,84,440		-	
Deduction during the year	-		58,32,008	
	1,38,14,015		1,35,29,575	
v) Foreign Currency Translation Reserve				
As per last Balance Sheet	(4,08,905)		12,73,628	
Addition during the year	6,93,239		8,11,962	
Deduction during the year	3,00,607		24,94,495	
	(16,273)		(4,08,905)	
vi) Debenture Redemption Reserve				
As per last Balance Sheet	31,375		31,375	
Addition during the year	-		-	
Deduction during the year	-		-	
Total	31,375	30,01,61,779	31,375	22,44,94,618
VI. Investment Reserve Account				
As per last balance sheet	17,69,006		-	
Addition during the year	15,27,866		17,69,006	
Deduction During The year	-	32,96,872	-	17,69,006
VII. Balance in Profit and Loss Account				
Balance in Profit and Loss Account		58,32,043		58,32,043
Total		89,86,00,469		71,86,47,629



**Schedules Forming Part of
the Consolidated Balance Sheet**

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
SCHEDULE 2 A Minority Interest				
Opening Balance		-		-
Add/(Less):- Increase/(Decrease) during the year		-		-
Total Minority Interest		-		-
SCHEDULE 3 - DEPOSITS :				
I. Demand Deposits				
i) From Banks	74,28,822		1,75,66,930	
ii) From Others	73,03,00,019	73,77,28,841	72,24,22,466	73,99,89,396
II. Savings Bank Deposits		3,36,37,02,530		3,20,10,49,443
III. Term Deposits				
i) From Banks	24,66,77,161		17,64,32,725	
ii) From Others	7,89,78,25,027	8,14,45,02,188	7,08,57,47,660	7,26,21,80,385
TOTAL		12,24,59,33,559		11,20,32,19,225
Deposits of branches in India		11,98,98,18,547		11,05,94,29,728
Deposits of branches outside India		25,61,15,012		14,37,89,497
TOTAL		12,24,59,33,559		11,20,32,19,225
SCHEDULE 4 - BORROWINGS :				
A. Borrowings in India				
i. Reserve Bank of India	-		13,38,20,000	
ii. Other Banks	1,72,263		75,821	
iii. Other Institutions and Agencies	4,84,02,023		2,34,63,987	
iv. Perpetual Bonds- TIER I	9,68,80,000		9,68,80,000	
v. Subordinated Bonds - TIER II	7,95,00,000		9,95,00,000	
vi. 7 years infra bonds	-	22,49,54,286	-	35,37,39,808
B. Borrowings Outside India		4,47,88,394		7,36,26,139
TOTAL		26,97,42,680		42,73,65,947
Secured Borrowings included in A & B above		-		13,90,42,858

(₹ in 000)

	As on 31 st March 2024	As on 31 st March 2023
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS :		
I. Bills Payable	2,64,14,133	2,64,97,502
II. Interest Accrued	5,24,76,353	6,03,43,341
III. Others (including provisions)	44,94,15,824	37,81,09,940
TOTAL	52,83,06,310	46,49,50,783

(₹ in 000)

	As on 31 st March 2024	As on 31 st March 2023
SCHEDULE 6 - CASH AND BALANCES WITH RESERVE BANK OF INDIA :		
I. Cash in Hand (including foreign currency notes and Gold)	2,27,52,570	2,84,16,340
II. Balances with Reserve Bank of India		
In current accounts	50,62,58,578	47,41,54,986
In other accounts	4,288	9,747
TOTAL	52,90,15,436	50,25,81,072
SCHEDULE 7 - BALANCES WITH BANKS AND MONEY AT CALL AND SHORT NOTICE :		
I) In India		
i) Balances with Banks		
a) In Current Accounts	37,61,219	61,55,270
b) In Other Deposit Accounts	44,34,026	5,85,95,898
ii) Money at Call & Short notice		
a) With Banks	-	5,00,000
b) With Other Institutions	34,51,28,862	31,23,03,614
	35,33,24,107	37,75,54,782
II. Outside India		
i) In Current Accounts	54,09,791	54,81,900
ii) In other Deposit Accounts	30,64,81,064	23,88,70,885
iii) Money at call & short notice	22,28,056	15,00,001
	31,41,18,911	24,58,52,785
TOTAL	66,74,43,018	62,34,07,568
SCHEDULE 8 - INVESTMENTS :		
I. Investments in India		
i) Government Securities	2,75,55,86,019	2,62,25,87,764
ii) Other Approved Securities	1,51,16,121	91,11,365
iii) Shares	2,82,77,299	2,45,33,686
iv) Debentures and Bonds	57,90,91,160	64,33,93,358
v) Associate	43,83,850	35,02,148
vi) Others (Commercial Paper, Mutual Funds, Venture Capital, Security Receipt, Etc.)	3,16,62,055	11,10,88,502
Total	3,41,41,16,504	3,41,42,16,823
II. Investments outside India		
i) Govt Securities (including Local Authorities)	2,20,01,139	1,86,90,375
ii) Shares	6,810	3,35,490
iii) Other Investments (Bonds)	34,04,164	40,26,870
iv) Associate	-	-
Total	2,54,12,113	2,30,52,736
TOTAL	3,43,95,28,617	3,43,72,69,559



**Schedules Forming Part of
the Consolidated Balance Sheet**

	As on 31 st March 2024	As on 31 st March 2023
(₹ in 000)		
III. Investments in India		
Gross Value	3,50,13,05,679	3,49,25,11,153
Less: Provision for Depreciation	8,71,89,175	7,82,94,330
Net Value of Investment in India	3,41,41,16,504	3,41,42,16,823
IV) Investments outside India		
Gross Value	2,55,80,990	2,33,14,075
Less: Provision for Depreciation	1,68,877	2,61,339
Net Value of Investment outside India	2,54,12,113	2,30,52,736
TOTAL	3,43,95,28,617	3,43,72,69,559
SCHEDULE 9 - ADVANCES (Net)		
I		
i) Bills Purchased and Discounted	3,59,44,611	3,29,74,692
ii) Cash Credits, Overdrafts and Loans Repayable on Demand	4,34,16,74,091	3,48,61,71,808
iii) Term Loans	4,36,31,78,702	4,12,36,20,293
TOTAL	8,74,07,97,404	7,64,27,66,793
II		
i) Secured by tangible assets*	7,24,72,22,868	6,25,80,98,735
ii) Covered by Bank/Government Guarantees	5,93,58,913	12,26,93,689
iii) Unsecured	1,43,42,15,623	1,26,19,74,369
TOTAL	8,74,07,97,404	7,64,27,66,793
*includes advances against book debt		
A. Advances in India		
i) Priority Sector	3,19,08,13,692	2,85,85,94,969
ii) Public Sector	1,23,56,53,929	81,73,80,496
iii) Banks	8,66,18,664	6,33,569
iv) Others	3,90,55,55,529	3,71,92,11,698
TOTAL	8,41,86,41,814	7,39,58,20,732
B. Advances Outside India		
i) Due From Banks	6,50,62,605	5,39,13,567
ii) Due from Others		
a) Bills Purchased and Discounted	4,71,673	4,08,197
b) Syndicated Loans	-	-
c) Others	25,66,21,312	19,26,24,296
	32,21,55,590	24,69,46,060
TOTAL	8,74,07,97,404	7,64,27,66,793

(₹ in 000)

	As on 31 st March 2024		As on 31 st March 2023	
SCHEDULE 10 - FIXED ASSETS :				
I. Premises				
At cost/valuation as on 31 st March of Preceding year	9,58,92,243		8,09,82,724	
Additions during the year	15,38,029		2,16,26,582	
Deductions during the year	31,11,913		67,17,063	
	9,43,18,359		9,58,92,243	
Less: Depreciation till Date	2,96,49,050	6,46,69,308	2,76,06,610	6,82,85,633
II. Other Fixed Assets (including Furniture and Fixtures)				
II (A) Land				
At cost/valuation as on 31 st March of Preceding year	36,34,968		24,98,636	
Additions during the year	-		12,33,904	
Deductions during the year	1,15,305		97,572	
	35,19,663		36,34,968	
Less: Depreciation till Date	11,56,731	23,62,932	7,02,457	29,32,511
II (B) Others				
At cost/valuation as on 31 st March of Preceding year	7,48,07,497		6,90,59,835	
Additions during the year	1,29,54,854		70,01,866	
Deductions during the year	21,31,040		12,54,203	
	8,56,31,311		7,48,07,497	
Less: Depreciation till Date	6,27,55,312	2,28,75,999	5,96,87,939	1,51,19,558
II (C) Computer Software				
At cost/valuation as on 31 st March of Preceding year	1,21,64,227		1,23,74,205	
Additions during the year	18,50,275		9,41,715	
Deductions during the year	12,70,638		11,51,692	
	1,27,43,865		1,21,64,227	
Amortisation till Date	1,04,12,985	23,30,879	1,02,45,338	19,18,889
II (D) Leased Assets				
At cost/valuation as on 31 st March of Preceding year	3,14,398		2,68,478	
Addition during the year	-		45,920	
Deductions during the year	3,11,272		-	
	3,126		3,14,398	
Less: Depreciation till Date	3,126	-	3,12,863	1,536
TOTAL (I and II)		9,22,39,118		8,82,58,127
III. Capital Work-in-Progress				
At cost/valuation as on 31 st March of Preceding year	2,21,629		3,70,133	
Additions during the year	3,58,196		3,25,262	
Deductions during the year	2,20,883	3,58,942	4,73,766	2,21,629
TOTAL (I,II and III)		9,25,98,061		8,84,79,756



**Schedules Forming Part of
the Consolidated Balance Sheet**

	As on 31 st March 2024	As on 31 st March 2023
(₹ in 000)		
SCHEDULE 11 - OTHER ASSETS :		
I. Inter-Office Adjustments (net)	1,70,28,198	2,20,20,700
II. Interest Accrued	10,87,38,067	9,19,16,723
III. Tax paid/Tax deducted at source (Net of Provisions)	7,12,98,680	6,75,66,225
IV. Stationery and Stamps	61,852	62,780
V. Non-Banking Assets acquired in satisfaction of claims	1,334	1,334
VI. Deferred Tax Assets (Net)	3,71,39,447	8,66,27,845
VII. Others	31,63,02,660	27,57,45,972
VIII. MAT Credit	6,335	4,51,24,768
TOTAL	55,05,76,573	58,90,66,347
SCHEDULE 12 - CONTINGENT LIABILITIES :		
I. Claims against the Bank not acknowledged as debts	2,06,76,800	3,02,43,174
II. Liability for partly paid Investments	41,101	-
III. Liability on account of outstanding forward exchange contracts	3,72,06,07,588	4,13,37,63,836
IV. Guarantees given on behalf of Constituents		
i) In India	69,48,36,138	66,40,64,012
ii) Outside India	67,54,640	1,42,33,661
V. Acceptances, Endorsements and Other Obligations	1,06,71,64,155	99,64,20,847
VI. Other items of Contingent Liability		
i) Disputed Tax demands under Appeals	28,77,80,965	21,02,78,944
ii) Capital Commitments	13,70,051	-
iii) Amount transferred to DEAF Scheme 2014	3,45,99,063	3,19,88,282
TOTAL	5,83,38,30,501	6,08,09,92,755

Schedules Forming Part of Consolidated Profit & Loss Account

for the year ended 31st March, 2024

(₹ in 000)

	For the Year Ended 31 st March 2024	For the Year Ended 31 st March 2023
SCHEDULE 13 - INTEREST EARNED :		
I. Interest/Discount on Advances/Bills	72,15,62,942	56,87,45,745
II. Income on Investments	22,82,90,420	21,63,56,463
III. Interest on Balances with RBI & Other Inter Bank Funds	4,89,08,922	2,13,17,912
IV. Others	49,93,423	52,11,704
TOTAL	1,00,37,55,708	81,16,31,823
SCHEDULE 14 - OTHER INCOME :		
I. Commission, Exchange and Brokerage	2,34,13,734	2,18,70,990
II. Profit on Sale of Investments - (Net)	1,79,15,613	86,24,178
III. Profit on Revaluation of Investment (Net)	33,03,246	25,73,612
IV. Profit/ (Loss) on Fixed Asset - (Net)	21,690	(14,860)
V. Profit on Exchange Transactions - (Net)	91,90,006	81,33,570
VI. a) Lease Finance Income	-	-
b) Lease Management Fee	-	-
c) Overdue Charges	-	-
d) Interest on Lease Rent Receivables	-	-
Vii. Miscellaneous Income	12,42,83,594	11,79,66,035
TOTAL	17,81,27,883	15,91,53,525
SCHEDULE 15 - INTEREST EXPENDED :		
I. Interest on Deposits	58,62,99,268	44,38,31,965
II. Interest on Reserve Bank of India/Inter Bank Borrowing	2,98,97,025	1,85,04,007
III. Others	1,74,40,724	1,79,92,476
TOTAL	63,36,37,017	48,03,28,447
SCHEDULE 16 - OPERATING EXPENSES :		
I. Payments to and Provisions for Employees	14,59,32,289	12,52,40,040
II. Rent, Taxes and Lighting	1,10,42,764	1,08,23,277
III. Printing and Stationery	12,70,045	11,55,291
IV. Advertisement and Publicity	14,53,822	13,34,511
V. A) Depreciation on Bank's Property other than leased assets	89,59,332	74,45,671
B) Depreciation on Bank's Property on leased assets	-	-
VI. Directors' Fees, Allowances and Expenses	70,104	61,641
VII. Auditors' Fees and Expenses (including Branch Auditors)	6,94,964	7,44,948
VIII. Law Charges	18,57,131	17,37,120
IX. Postage, Telegrams, Telephones, etc.	39,88,329	32,23,483
X. Repairs and Maintenance	35,46,826	37,33,263
XI. Insurance	1,26,35,105	1,37,50,448
XII. Amortization of Goodwill, if any	(14,116)	-
XIII. Other Expenditure	7,36,21,679	6,56,23,339
TOTAL	26,50,58,274	23,48,73,032



Significant Accounting Policy For 2023-24 On Consolidated Basis:

(For required disclosures under schedule 17 forming part of Balance Sheet)

1. Basis of Preparation

The financial statements have been prepared and presented under the historical cost convention and accrual basis of accounting, unless otherwise stated. These are prepared following the Going Concern concept, in accordance with requirements prescribed under the Third Schedule of the Banking Regulation Act, 1949. The accounting and reporting policies of the Bank used in the preparation of these financial statements conform to Generally Accepted Accounting Principles in India (Indian GAAP), the guidelines issued by Reserve Bank of India (RBI) from time to time and the Accounting Standards (AS) issued by the Institute of Chartered Accountants of India (ICAI) to the extent applicable and practices generally prevalent in the banking industry in India. In respect of foreign offices, statutory provisions and practices prevailing in foreign countries are complied with.

2. Use of Estimates

The preparation of financial statements in conformity with GAAP requires the management to make estimates and assumptions considered in the reported amount of Assets and Liabilities (including Contingent Liabilities) as of the date of the financial statements and the reported Income and the Expenses during the reporting period. Management believes that the estimates wherever used in the preparation of the financial statements are prudent and reasonable. Actual results can differ from these estimates. Any revision in the accounting estimates is recognized prospectively in the current and future period.

3. Basis of consolidation

- a) Bank is having 5 subsidiaries, 3 JVs and 1 associate. The details are as under:-

S. No.	Nature	Entities	Stake
1	Subsidiary	Union Asset Management Company Pvt Ltd	100%
2	Subsidiary	Union Trustee Co Pvt Ltd	100%
3	Subsidiary	Union Bank of India (UK) Ltd	100%
4	Subsidiary	Andhra Bank Financial Services Ltd	100%

S. No.	Nature	Entities	Stake
5	Subsidiary	UBI Services Ltd.	100%
6	JV	Star Union Dai-Ichi Life Insurance Co Ltd.	25.10%
7	JV	ASREC (India) Ltd	26.02%
8	JV	India International Bank (Malaysia) BHD	25.00%
9	Associate	Chaitanya Godavari Grameena Bank	35%

The consolidated financial statements are prepared on the basis of:

- 1) Audited Accounts of the parent bank (Union Bank of India)
- 2) **Consolidation of Subsidiaries:** Line by Line aggregation of the Income/Expenditure/Assets/Liabilities of the subsidiaries with the respective line item of the parent bank, after eliminating all intra-group transactions, unrealized profits/loss in terms of AS 21 on Consolidated Financial Statements issued by Institute of Chartered Accountants of India (ICAI).
- 3) **Consolidation of Associates:** The Investment in Associate is accounted for consolidation as per Equity Method in terms of AS 23 on Accounting for Investments in Associates in Consolidated Financial Statement issued by Institute of Chartered Accountants of India (ICAI).
- 4) **Consolidation of Joint Ventures:** Line by Line consolidation is done with proportionate share in Joint Venture in terms of AS-27 on Financials Reporting in Interest of Joint Venture issued by Institute of Chartered Accountants of India (ICAI).
- 5) In case of Domestic Associate/Subsidiaries and Joint Venture, accounting adjustments arising due to different accounting policies followed by parent bank and associate/subsidiaries and Joint Venture have not been carried out due to practical difficulties on the basis of data provided by associates/subsidiaries and Joint Venture as the amounts are not material.

- c) The difference between cost to the Group of its investment in the subsidiaries and the Parent's portion of the equity of the subsidiaries is recognized in the CFS as Goodwill / Capital Reserve, as the case may be.
- d) Minority interest in the net assets of the consolidated subsidiaries consists of:
 - i) The amount of equity attributable to the minority at the date on which investment in a subsidiary is made and
 - ii) The minority share of movements in revenue reserves / loss and equity since the date the parent subsidiary relationship came into existence.
 - iii) The excess, and any further losses applicable to the minority, are adjusted against the majority interest except to the extent that the minority has a binding obligation to, and is able to, make good the losses
- vi) Dividend is accounted on an accrual basis where the right to receive the dividend is established.
- vii) Sale of NPAs accounted in terms of extant RBI guidelines.
- viii) Interest on Income-tax refunds is accounted for on receipt of intimation order from the Income Tax Department.

b) Non-Banking entities

Life Insurance

i. Premium Income

Premium (net of GST) is recognized as income when due. For linked business, premium is recognized when the associated units are created. Top up premiums are considered as single premium. Premium on lapsed policies is recognized as income when such policies are reinstated. Commission received on reinsurance ceded is recognized as income in the period in which reinsurance premium is ceded.

ii. Income from linked funds

Income from linked funds which includes premium allocation charges, policy administrative charges, mortality charges, fund management charges etc. are recovered from the linked funds in accordance with the terms and conditions of policies issued.

iii. Reinsurance Premium

Cost of reinsurance ceded is accounted for at the time of recognition of premium income in accordance with the treaty or in principle arrangement with the reinsurer. Profit commission on reinsurance ceded is netted off against premium ceded on reinsurance.

iv. Benefits paid (including claims)

Benefits paid comprise of policy benefits & claim settlement costs, if any. Death, rider & surrender claims are accounted for on receipt of intimation. Survival benefit claims and maturity claims are accounted for when due. Withdrawals & surrenders under linked policies are accounted for in the respective schemes when the associated units are cancelled. Reinsurance recoveries on claims are accounted for in the same period as the related claims.

4. Revenue Recognition

a) Banking entities

- i) Income and Expenditure have been accounted for on accrual basis unless otherwise stated.
- ii) Income on Non-Performing Assets (NPAs) is recognized to the extent realized as per the prudential norms prescribed by the RBI. Income accounted for in the preceding year and remaining unrealized is derecognized in respect of assets classified as NPAs during the year.
- iii) Commission on Letter of Guarantee/Letter of Credit is accounted on accrual basis.
- iv) Exchange and brokerage earned, rent on Safe Deposit Lockers, income from Aadhaar cards Minimum balance charges etc. are accounted for on realization basis.
- v) Income (Other than interest) on investments in "Held to Maturity" (HTM) category acquired at discount to the face value is recognized as follows:
 - a) On interest bearing securities, it is recognized only at the time of sale/redemption.
 - b) On Zero-coupon securities, it is accounted for over the balance tenor of the securities on a constant yield basis.



Significant Accounting Policy For 2023-24 On Consolidated Basis

v. Acquisition Costs

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts and are expensed in the period in which they are incurred.

vi. Liability for life policies

Actuarial liability for life policies in force and for policies in respect of which premium has been discontinued but a liability exists, is determined by the Appointed Actuary using the gross premium method and in case of group business, unearned premium reserve method, in accordance with accepted actuarial practice, requirements of Insurance Act, 1938, IRDA regulations and the stipulations of Institute of Actuaries of India.

Asset Management

- i. Investment management fees are recognized net of tax on an accrual basis as a percentage of the average daily net assets of the mutual fund schemes (excluding the investments made by the company in the schemes) such that it does not exceed the limit prescribed by the SEBI (Mutual Funds) Regulations, 1996 and any further amendments.
- ii. Investment advisory fees are recognized on accrual basis in accordance with the terms of contract with the customers.
- iii. Interest income is recognized using the time proportion method, based on the rates implicit in the transaction.
- iv. Dividend income is recognized when right to receive is established.

- Towards arrears of principal/EMI till the date of recovery.

- Towards running ledger balance.

For Running Accounts:

- Towards expenses & costs etc.
- Towards interest held in dummy ledger (unapplied interest) including unrecovered interest reversed at the time of NPA.
- Towards principal.

5.2. In case borrower stipulates terms of appropriation differently than above and if such different terms of appropriation is accepted by Bank then appropriation of recoveries will be as per the sanction terms.

5.3. In case of OTS & all NCLT accounts, recovery either through resolution/liquidation:

Appropriation of recovery to be done as discussed here under or as per the sanction stipulations

- Towards principal.
- Towards interest held in dummy ledger (unapplied interest) including unrecovered interest reversed at the time of NPA.
- Towards expenses & costs etc.

5.4. In case of Non-Performing Investment recovery will be apportioned as mentioned below:

- a. Towards expenses & costs etc.
- b. Towards unrecovered interest reversed on the date of NPI.
- c. Interest held in dummy ledger (unapplied interest).
- d. Towards arrears of principal/EMI till the date of recovery.
- e. Towards running ledger balance

5. Appropriation of Recovery:

Recoveries other than by way of OTS/NCLT shall be appropriated as under:

5.1. When there is no agreement between the debtor and creditor as to how monies paid by the debtor are required to be appropriated by the creditor, the order of appropriation is as under:

For Term Loans:

- Towards expenses & costs etc.
- Towards unrecovered interest reversed on the date of NPA.
- Interest held in dummy ledger (unapplied interest).

6. Investments

i) Classification

In conformity of the requirements in form A of the Third Schedule to the Banking Regulations Act, 1949, Investments are classified as under:

- a) Government Securities
- b) Other Approved Securities
- c) Shares

- d) Debentures & Bonds
- e) Investments in Subsidiaries & Joint Ventures, and
- f) Other Investments

The Investment portfolio of the Bank is further classified in accordance with the RBI guidelines contained in Master Circular DoR.MRG.42/21.04.141 /2021-22 dated August 25, 2021 (updated March 23,2022, March 31, 2022, April 08, 2022 and December 08, 2022) into three categories viz.,

- a) Held to Maturity (HTM)
- b) Available for Sale (AFS)
- c) Held for Trading (HFT)

ii) Basis of Valuation

As per RBI guidelines, the following principles have been adopted for the purpose of valuation:

- a) Securities held in "HTM" – at acquisition cost: The excess of acquisition cost over the face value is amortized over the remaining period of maturity and in case of discount; it is not recognized as income.
- b) Investment in Regional Rural Banks is valued at carrying cost.
- c) Investments in Subsidiaries and Joint Ventures are valued at carrying cost
- d) Diminution other than temporary, if any, in valuation of such investments is provided for.
- e) Securities held in "AFS" and "HFT" categories are valued classification wise and scrip-wise and net depreciation, if any, in each classification is charged to Profit & Loss account while net appreciation, if any, is ignored.
- f) Valuation of other securities is arrived at as follows:

A	Govt. of India Securities (Central Govt. Securities)	As per Quotation put out by Financial Benchmarks India Pvt Ltd (FBIL)
B	State Development Loans, State Govt. Securities, Securities guaranteed by Central/ State Government, PSU Bonds	On appropriate yield to maturity basis as per FIMMDA Guidelines

C	Equity Shares	As per Market rates, if quoted, otherwise at break-up value, as per latest audited balance sheet (not more than 18 months old). In absence of both, at ₹ 1/- per company. The break-up value is computed excluding revaluation reserve.
D	Preference Shares	As per Market rates, if quoted, or on appropriate yield to maturity basis not exceeding redemption value as per FIMMDA guidelines.
E	Debentures/Bonds	As per Market rates, if quoted, otherwise on appropriate yield to maturity basis as per FIMMDA guidelines.
F	Mutual Funds (MF)	As per stock exchange quotations, if quoted. In case of unquoted units, as per latest Repurchase price declared by concerned MF. In cases where latest repurchase price is not available, as per Net Asset Value (NAV)
G	Treasury Bills / Certificate of Deposits / Commercial Papers	At carrying cost
H	Venture Capital Funds (VCF)	At declared NAV or Breakup NAV as per audited Balance Sheet which is not more than 18 months old. If NAV / audited financial statements are not available for more than 18 months continuously, at ₹ 1/- per VCF
I	Security Receipts	Valuation of the same will be done as per RBI Guidelines on classification, valuation and operation of Investment portfolio of commercial Banks (RBI/ DOR/2021-22/81 DOR. MGR.42/21.04.141/2021-22) dated Aug 25, 2021 and as amended from time to time.



Significant Accounting Policy For 2023-24 On Consolidated Basis

- iii) Interbank REPO / Reverse REPO transactions are accounted for in accordance with extant RBI guidelines.
- iv) As per the extant RBI guidelines, the shifting of securities from one category to another is accounted for as follows:
 - a) From AFS / HFT categories to HTM category, at lower of book value or market value as on the date of shifting. Depreciation, if any, is fully provided for.
 - b) From HTM category to AFS / HFT category,
 - If the security is originally placed at discount in HTM category, at acquisition cost/ book value
 - If the security is originally placed at a premium, at an amortized cost.
 - c) From AFS to HFT category and vice versa, at book value.
 - d) The securities so shifted are revalued immediately and resultant depreciation is fully provided for.
- v) The non-performing investments are identified and provision is made as per the extant RBI guideline.
- vi) Profit/Loss on sale of investments & net depreciation on investment in any category are taken to the profit & loss account (net appreciation is ignored). However, in case of profit on sale of investments in "HTM" category, an equivalent amount (net of taxes and net of transfer to Statutory Reserves) is appropriated to the Capital Reserve account.
- vii) Commission, brokerage, broken period interest etc. on securities is debited / credited to Profit & Loss account.
- viii) Brokerage and STT paid on purchase and sale of Equity is accounted to price of the deal.
- ix) The Amortization of premium on HTM Securities is computed using Straight-line Method.
- x) The Bank is following weighted average Price (WAP) for accounting of investment portfolio.
- xi) As per the extant RBI guidelines, the Bank follows 'Settlement Date' for accounting of investments transactions.
- xii) Income from the units of Mutual Fund, Venture Capital & Security Receipt shall be recognized on Cash Basis.

7. Derivative Contracts:

- a) The Interest Rate Swap which hedges interest bearing Asset or Liability are accounted for in the financial statements on accrual basis except the swap designated with an Asset or Liability that is carried at market value or lower of cost or market value. Gains or losses on the termination of swaps are recognized over the shorter of the remaining contractual life of the swap or the remaining life of the Asset / Liability.
- b) Trading swap transactions are marked to market with changes recorded in the financial statements. (profit if any, is ignored)
- c) In the case of option contracts, guidelines issued by Foreign Exchange Dealers Association of India (FEDAI) from time to time for recognition of income, premium and discount are being followed.
- d) Arbitrage Income earned on forex swap transactions is accounted in Profit / Loss on Exchange Transactions category.

8. Advances

- i) Advances in India, are classified under four categories, i.e.
 - (a) Standard,
 - (b) Sub-standard,
 - (c) Doubtful and
 - (d) Loss assets.

Provisions required on such advances are made as per the extant prudential norms issued by the RBI in terms of RBI Master Circular/RBI/2023-2024/06 DOR. STR.REC.3/21.04.048/2023-24 dated April 01, 2023. In respect of foreign offices, Advances are classified in accordance with Prudential Norms prescribed by the RBI or local laws of the host country in which advances are made, whichever is more stringent.

- ii) Advances are stated net of specific loan loss provisions, counter cyclical provisioning buffer and unrecovered interest held in sundry / claims received from Credit Guarantee Trust for Micro & Small Enterprises (CGTMSE)/Export Credit Guarantee Corporation (ECGC) relating to non-performing assets.
- iii) The general provision on Standard Advances is held in "Other Liabilities and Provisions" reflected in schedule 5 of the Balance Sheet and is not considered

for arriving at both net NPAs and net advances. Standard Assets provision to be made as per IRAC RBI/2022-2023/15 DOR.STR.REC.3/21.04.048/2023-24 dated April 01,2023 and any subsequent circular issued from time to time.

- iv) Amounts recovered against debts written off are recognized as revenue in the year of recovery.
- v) Provision on Suspense accounts entries outstanding for more than six months are made at 100% except the claim receivable from Govt./Govt. Bodies like Interest Subsidy on crop loan/export advance, Pension receivable, SDS Interest claim from RBI, Rent Deposits, capital and prepaid expenditure, deposits with Govt & other agencies, Franking stamps, Festival advance to staff etc.

9. Property, Plant and Equipment

- i) Premises and Other Fixed Assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase price, eligible borrowing costs and directly attributable costs of bringing the Asset to its working condition for the intended use less trade discounts and rebates. Subsequent expenditure incurred on assets put to use is capitalized only when it increases the future benefits from such assets or their functional capability. Land and Buildings, if revalued are stated at revalued amount. The appreciation on revaluation is credited to Revaluation Reserve and the depreciation provided thereon is deducted there from and shall be credited to Revenue Reserves in terms of revised AS-10 on "Property, Plant and Equipment".
- ii) Depreciation on Fixed Assets is provided for on the Straight-Line Method at the rates prescribed in Expenditure Policy of the Bank from time to time. The applicable rates of depreciation are as under:

S. No.	Capital Asset	Useful Life (Years)	Rate in percentage
1	Immovable Property-Land	Not stipulated; accordingly, no depreciation	NIL
2	Building with RCC frame structure (Both Residential & Non-residential)	60	1.67
3	Furniture	10	10.00
4	Fixtures	10	10.00

S. No.	Capital Asset	Useful Life (Years)	Rate in percentage
5	Air-conditioning plants (Package & water/air cooled ductable)	10	10.00
6	Split & Window Air conditioners	5	20.00
7	Electrical installation and equipments	5	20.00
8	Solar Power Equipment	15	6.67
9	Elevators & Lifts	15	6.67
10	Civil & Flooring work in leased Premises	5	20.00
11	Telephone Equipment	5	20.00
12	Motorcycles, Scooters & other mopeds	10	10.00
13	Motor Cars, Motor Lorries and Electrically operated vehicles including battery powered or fuel cell powered vehicles	8	12.50
14	Mobile Phones	3	33.33
15	Generators	15	6.67
16	Office Equipment/ Appliances,	5	20.00
17	Computers & computer software forming integral part of hardware	3	33.33
18	ATM & allied items	5	20.00
19	UPS & allied items	5	20.00
20	Servers & Networks	6	16.66
21	End user devices such as desktops, laptops, i-pads, tablets, printer & Scanner, digital watches etc.	3	33.33
22.	SDV lockers, Strong Room door, Cash Safe etc. (Along with Fixtures).	20	5.00
23.	Items provided to staff (Furniture/Electrical and etc.)	5	20.00



Significant Accounting Policy For 2023-24 On Consolidated Basis

- iii) Depreciation on premises is provided on composite cost, wherever the value of Land and Buildings is not separately identifiable.
- iv) Depreciation on Leased assets and Leasehold improvements is recognized on a straight-line basis using rates determined with reference to the primary period of lease.
- v) Depreciation on fixed assets outside India and fixed assets of subsidiaries / associates is provided as per regulatory requirements / or prevailing practices of respective country / industry.

10. Impairment of Assets

The carrying costs of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognized wherever the carrying cost of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. After impairment, depreciation is provided on the revised carrying cost of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation, if there was no impairment.

11. Counter Cyclical Provisioning Buffer

The Bank has a policy for creation and utilization of Counter Cyclical Provisioning Buffer separately for advances and investments. The quantum of provision to be created is assessed at the end of each financial year. The counter cyclical provisions are utilized only for contingencies under extra ordinary circumstances specified in the policy with prior permission of the RBI.

12. Transactions involving Foreign Exchange

Accounting for transactions involving foreign exchange is done in accordance with AS 11, (The Effects of Changes in Foreign Exchange Rates), issued by the ICAI. As stipulated in AS 11, the foreign currency operations of the Bank are classified as under

- a) Integral Operations and
- b) Non Integral Operations.

All Overseas Branches, Offshore Banking Units, Overseas Subsidiaries are treated as Non-Integral Operations and domestic operations in foreign exchange and Representative Offices are treated as Integral Operations.

a) Translation in respect of Integral Operations

- i) Income and Expenditure items are recognized at the exchange rates prevailing on the date of the transaction.
- ii) Foreign Currency Monetary and Non-Monetary Assets and Liabilities are translated at the closing spot rates notified by FEDAI at the end of each quarter.
- iii) Contingent liabilities on account of guarantees, acceptances, endorsements and other obligations are stated at the exchange rates notified by FEDAI at the close of the year
- iv) The resulting exchange differences are recognized as income or expenses and are accounted through Profit and Loss Account.
- v) Forward exchange contracts are recorded at the exchange rate prevailing on the date of commitment. Outstanding forward exchange contracts are revalued at the exchange rates notified by FEDAI for specified maturities and at interpolated rates for contracts of 'in-between' maturities. The resultant gains or losses are recognized in the Profit and Loss account.

b) Translation in respect of Non Integral Operations

- i) Assets and Liabilities (including contingent liabilities) are translated at the closing spot rates notified by FEDAI at the end of each quarter
- ii) Foreign Exchange Spot and Forwards contingent liabilities outstanding as at the balance sheet date are translated at the closing spot and forward rates respectively notified by FEDAI and at interpolated rates for contracts of interim maturities.
- iii) Income and Expense are translated at quarterly average rate notified by FEDAI at the end of each quarter.
- iv) The resulting exchange differences are not recognized as income or expense for the period but accumulated in a separate account "Foreign Currency Translation Reserve" till the disposal of the net investment.

13. Employee Benefits

A. Short Term Employment Benefits:

The undiscounted amounts of short term employee benefits (e.g. medical benefits) payable wholly within twelve months of rendering the service are treated as short term and recognized during the period in which the employee rendered the service.

B. Long Term Employee Benefits:

i. Defined Contribution Plans:

The Bank operates a new pension scheme (NPS) for all officers/employees joining the Bank on or after 1st April,2010, which is a defined contribution plan, such new joinees not being entitled to become members of the existing Pension Scheme. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with 14% of their basic pay plus dearness allowance as contribution from the Bank. Pending completion of registration procedures of the employees concerned, these contributions retained with the Bank. The Bank recognizes such annual contributions in the year to which they relate. Upon receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS trust.

ii. Defined Benefit Plan:

Gratuity, Pension and Leave Encashment are defined benefit plans. These are provided for on the basis of an actuarial valuation as per Accounting Standard-15 "Employee Benefit" issued by the Institute of Chartered Accountants of India, made at the end of each financial year, based on the projected unit credit method. Actuarial gains/losses are immediately taken to the Profit & Loss account.

14. Segment Reporting

The Bank recognizes the Business segment as the Primary reporting segment and Geographical segment as the Secondary reporting segment, in accordance with the RBI guidelines and in the compliances with the Accounting Standard-17 "Segment Reporting" issued by the Institute of Chartered Accountants of India. Business segments are classified into

14.1. Treasury Operations,

14.2. Corporate and Wholesale Banking,

14.3. Retail Banking Operations and (w/w Digital Banking Segment)

14.4. Other Banking Operations.

15. Lease Transactions

Lease payments for assets taken on operating lease are amortized over the lease term. The properties taken on lease / rental basis are renewable / cancellable at the option of the Bank. The Bank's liabilities in respect of disputes pertaining to additional rent / lease rent are recognized on settlement or on renewal.

16. Earnings Per Share

The Bank reports the basic and diluted Earnings per Share in accordance with AS 20. Earnings per share are calculated by dividing the net profit or loss (after tax) for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share reflect the potential dilution that could occur if contracts to issue equity shares were exercised or converted during the year. Diluted earnings per equity share are calculated by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

17. Taxation

This comprises of provision for Income tax and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) as determined in accordance with AS-22 on "Accounting for taxes on Income" issued by the ICAI. Provision for Tax is made for both current and deferred taxes. Current tax is provided on the taxable income using applicable tax rate. Deferred Tax Assets and Deferred Tax Liabilities arising on account of timing differences and which are capable of reversal in subsequent periods are recognized using the tax rates and the tax laws that have been enacted or substantively enacted till the date of the Balance Sheet. Deferred Tax Assets are not recognized unless there is 'reasonable certainty' that sufficient future taxable income will be available against which such Deferred Tax Assets will be realized. In case of carry forward of unabsorbed depreciation and tax losses, Deferred Tax Assets are recognized only if there is "virtual certainty".



Significant Accounting Policy For 2023-24 On Consolidated Basis

18. Provisions, Contingent Liabilities and Contingent Assets

As per AS 29 (Provisions, Contingent Liabilities and Contingent Assets) issued by the ICAI, the Bank recognizes provisions only when it has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and when a reliable estimate of the amount of the obligation can be made. Contingent Assets are not recognized in the financial statements since this may result in the recognition of income that may never be realized.

19. Share Issue Expenses:

Share Issue expenses are charged to the Share Premium account in terms of Section 52 of the Companies Act, 2013.

20. Cash Flow Statements:

Cash Flow statement of the Bank is prepared as per AS-3. Cash Flow statement is mainly classified as:

20.1. Cash flow from Operating Activities: This activity includes cash flow generated from Operational activities.

20.2. Cash Flow from Investing Activities: This activity includes cash flow generated from investments.

20.3. Cash Flow from Financials Activities: This activity includes the cash flow generated from financial instruments.

SCHEDULE 18 – NOTES TO ACCOUNTS (CONSOLIDATED)

1 The particulars of the subsidiaries whose financial statements are consolidated with the standalone financial statement of the Bank (the Parent) are as under:

Names of Subsidiaries	Country of Incorporation	Proportion of Ownership by the parent as on 31.03.2024
Union Asset Management Company Private Limited	India	100%
Union Trustee Company Private Limited	India	100%
Union Bank of India UK Limited	United Kingdom	100%
Andhra Bank Financial Services Limited	India	100%
UBI Services Ltd	India	100%

2 The particulars of Joint Venture considered in the Consolidated Financial Statements are as under :

Names of Joint Venture	Country of Incorporation	Proportion of Ownership
Star Union Dai-Ichi Life Insurance Company Limited (Non-Banking)	India	25.10%
ASREC (India) Ltd	India	26.02%
India international Bank (MALAYSIA) BHD	India	25.00%

3 The particulars of Associate considered in the Consolidated Financial Statements are as under:

Names of Associates	Country of Incorporation	Proportion of Ownership
Chaitanya Godavari Grameena Bank	India	35%

The value of the investment made by the Bank is ₹ 1,533.02 Crore as on 31st March 2024 which is treated as long term investment.

- 4 The financial statements of the subsidiaries, joint venture and associate which are used in the consolidation have been drawn up to the same reporting date as that of the Parent i.e. 31st March 2024 except for India International Bank (Malaysia) BHD for 31st December, 2023.
- 5 The Consolidated Financial Statements have been prepared on the basis of audited financial statements of Union Asset Management Company Private Limited, Union Trustee Company Private Limited, Union Bank of India (UK) Limited, Chaitanya Godavari Grameena Bank, Star Union Dai-ichi Life Insurance Company Limited, UBI Services LTD, Andhra Bank Financial Services Limited for the financial year ended 31.03.2024, India International Bank (Malaysia) BHD for the period ended 31.12.2023 and unaudited financials of ASREC(INDIA) Limited for the financial year ended 31.03.2024.
- 6 Suspense Accounts, Sundry Deposits etc., and Inter Office Accounts between branches, controlling offices, Head Office and any other establishments are being reconciled on an ongoing basis and Management is of the opinion that, there is no material effect on the profit and loss account of the current year.

**Schedule 18 – Notes To Accounts****7 DISCLOSURES IN TERMS OF THE RESERVE BANK OF INDIA GUIDELINES****A. Capital**

The Bank is subjected to Basel III capital adequacy guidelines stipulated by RBI with effect from April 1, 2013. The guidelines provide a transition schedule for Basel III implementation till Oct. 1, 2021. As per RBI Guidelines, Basel III has been completely implemented from Oct. 1, 2021. As per guidelines, the Tier I capital is made up of Common Equity Tier I (CET I) and Additional Tier I Capital (AT I).

Basel III guidelines require the Bank to maintain minimum capital to Risk Weighted Assets ratio (CRAR) of 11.50% with minimum CET I of 8.00% and minimum Tier I CRAR of 9.50% (both inclusive of Capital Conservation Buffer of 2.50%) as at March 31, 2024.

During the year, the Bank has issued Equity capital of ₹ 8,000 crore. Further, the Bank has repaid ₹ 2,000 crore of Basel III compliant Tier-II Bonds during the year.

The computation of Capital Adequacy as per the framework is indicated below:

		(Amount in ₹ crore)	
Sr. No	Particulars	31.03.2024	31.03.2023
i.	Common Equity Tier 1 capital (CET 1) (net of deductions, if any)	91,205.93	71,879.53
ii.	Additional Tier 1 capital	8,928.65	8,985.99
iii.	Tier 1 capital (i + ii)	1,00,134.58	80,865.52
iv.	Tier 2 capital	13,066.90	12,299.90
v.	Total capital (Tier 1+Tier 2)	1,13,201.48	93,165.42
vi.	Total Risk Weighted Assets (RWAs)	6,68,083.61	5,82,024.83
vii.	CET 1 Ratio (CET 1 as a percentage of RWAs)	13.65	12.35
viii.	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	14.99	13.89
ix.	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	1.96	2.11
x.	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	16.94	16.01
xi.	Leverage Ratio	6.58	5.74
xii.	Percentage of the shareholding of		
	a) Government of India	74.76	83.49
	b) State Government	--	--
	c) Sponsor Bank	--	--
xiii.	Amount of paid-up equity capital raised during the year	8,000.00	--
xiv.	Amount of non-equity Tier 1 capital raised during the year, of which:		
	a) Basel III compliant Perpetual Non-Cumulative Preference Shares	--	1,983.00
	b) Basel III compliant Perpetual Debt Instruments		
xv.	Amount of Tier 2 capital raised during the year, of which		
	a) Perpetual Cumulative Preference Shares	--	--
	b) Redeemable Non-Cumulative Preference Shares	--	--
	c) Basel III compliant Redeemable Non-convertible Tier 2 Bonds	--	2,200.00

8.1 Provisions and Contingencies

	31.03.2024	31.03.2023
Break up of Provision & Contingencies. debited to Profit & Loss Account:		
Provision / (Reversal) for Depreciation on Investment	(355.20)	1,915.53
Provision towards NPA	6,409.60	12,506.77
Provision/(Reversal) towards Standard Assets	701.20	(988.37)
Net Provision made towards Income Tax (IT)/ Deferred tax assets (DTA)	7,799.28	3,716.20
Other Provision and Contingencies	55.00	(22.08)
TOTAL	14,609.88	17,128.04

(₹ in crore)

8.2 Counter Cyclical Provisioning Buffer / Floating Provision:

Sr. No	Particulars	31.03.2024	31.03.2023
i)	Opening Balance	Nil	Nil
ii)	Additional provisions made during the accounting year	Nil	Nil
iii)	Amount of drawdown made during the accounting year	Nil	Nil
iv)	Closing balance	Nil	Nil

(₹ in crore)

9. EMPLOYEE BENEFITS (AS 15 - REVISED) (Parent Bank)

i) Short Term Employment Benefits:

The undiscounted amounts of short-term employee benefits (e.g. medical benefits) payable wholly within twelve months of rendering the service are treated as short term and recognized during the period in which the employee rendered the service.

ii) Long Term Employee Benefits:

a) Defined Contribution Plans:

The Bank operates a new pension scheme (NPS) for all officers/employees joining the Bank on or after 1st April, 2010, which is a defined contribution plan, such new joinees not being entitled to become members of the existing Pension Scheme. As per the scheme, the covered employees contribute 10% of their basic pay plus dearness allowance to the scheme together with 14% contribution from the Bank. Pending completion of registration procedures of the employees concerned, these contributions retained with the Bank. The Bank recognizes such annual contributions in the year to which they relate. Upon receipt of the Permanent Retirement Account Number (PRAN), the consolidated contribution amounts are transferred to the NPS trust.

The Bank has Defined Contribution Pension Scheme (DCPS) applicable to all categories of officers and employees joining the Bank on or after April 1, 2010. The scheme is managed by National Pension Scheme (NPS) Trust under the aegis of the Pension Fund Regulatory and Development Authority. National Securities Depository Limited has been appointed as the Central Record Keeping Agency for the NPS. During F.Y. 2023-2024, the Bank has contributed ₹ 644.84 crores (Previous Year ₹525.36 crore) to NPS.

b) Defined Benefit Plan:

Gratuity, Pension and Leave Encashment are defined benefit plans. These are provided for on the basis of an actuarial valuation as per Accounting Standard-15 "Employee Benefit" issued by the Institute of Chartered Accountants of India, made at the end of each financial year, based on the projected unit credit method. Actuarial gains/losses are immediately taken to the Profit & Loss account.

**Schedule 18 – Notes To Accounts****c) Defined Benefit Plans – Employee’s Pension plan and Gratuity plan:**

The Bank has accounted for employee benefits as per Accounting Standards issued by the Institute of Chartered Accountants of India, as per actuarial valuation report for the year ended March 31, 2024.

S. no.	Particulars	(₹ in crore)			
		31.03.2024		31.03.2023	
		Gratuity	Pension	Gratuity	Pension
i)	Table showing change in Defined Benefit Obligation:				
	Liability at the beginning of the year	3,225.86	29,170.59	3,197.81	28,650.99
	Interest Cost	241.62	2,196.55	233.76	2,120.17
	Current Service Cost	176.23	171.59	163	184.38
	Past Service Cost (Vested Benefit Amortized)	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit)	NIL	NIL	NIL	NIL
	Liability Transfer in	NIL	NIL	NIL	NIL
	Liability Transfer out	NIL	NIL	NIL	NIL
	(Benefit paid)	(317.32)	(2,426.52)	(334.38)	(2,120.73)
	Actuarial (Gain)/loss on obligation –due to change				
	In the financial assumption	95.91	(1,890.74)	(63.88)	(278.47)
	in demographic assumption	NIL	NIL	NIL	NIL
	Actuarial (Gain) / Loss on obligations	179.70	4,334.44	29.55	614.25
	Liability at the end of the year	3,602.00	31,555.91	3,225.86	29,170.59
ii)	Table of Fair value of Plan Assets:				
	Fair value of Plan Assets at the beginning of the year	3,262.35	28,754.24	3,367.60	27,043.50
	Expected return on Plan Assets	244.35	2,165.19	246.17	2,001.22
	Contributions	238.96	2,223.33	NIL	1,780.29
	Transfer from Other Company	NIL	NIL	0.29	NIL
	Transfer to Other Company	NIL	NIL	NIL	NIL
	(Benefit paid)	(317.32)	(2,426.52)	(334.38)	(2,120.73)
	Actuarial (Gain)/loss on Plan Assets	29.34	423.97	(17.33)	49.96
	Fair Value of Plan Assets at the end of the year	3,457.68	31,140.21	3,262.35	28,754.24
	Actuarial (Gain)/loss on obligation for the period	275.61	2,443.70	(34.33)	335.78
	Actuarial (Gain)/loss on Plan Assets	(29.34)	(423.97)	17.33	(49.96)
	Total Actuarial (Gain)/loss to be recognized	246.27	2,019.73	(17.00)	285.82
iii)	Recognition of Transitional Liability:				
	Transitional Liability at start	NIL	NIL	NIL	NIL
	Transitional Liability recognized during the year	NIL	NIL	NIL	NIL
	Transitional Liability at end	NIL	NIL	NIL	NIL
iv)	Actual return on Plan Assets :				
	Expected Return on Plan Assets	244.35	2,165.19	246.17	2,001.22
	Actuarial Gain/(Loss) on Plan Assets	29.34	423.97	(17.33)	49.96
	Actual return on Plan Assets	273.69	2,589.16	228.84	2,051.18

(₹ in crore)

S. no.	Particulars	31.03.2024		31.03.2023	
		Gratuity	Pension	Gratuity	Pension
v)	Expenses recognized in the Income Statement:				
	Current Service Cost	176.23	171.59	163	184.38
	Interest Cost	(2.73)	31.36	(12.41)	118.95
	Expected Return on Plan Assets	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit Amortized) recognized	NIL	NIL	NIL	NIL
	Past Service Cost (Vested Benefit) recognized(1/5 of enhanced family pension)	NIL	NIL	NIL	1,521.62
	Recognition of Transition Liability	NIL	NIL	NIL	NIL
	Actuarial (Gain) or Loss	246.27	2,019.73	(17.00)	285.82
	Expenses Recognized in P & L	419.77	2,222.68	133.59	2,110.77
vi)	Balance Sheet Reconciliation:				
	Opening Net Liability (Last year net amount recognized in the balance sheet)	(36.49)	416.35	(169.79)	85.87
	Expenses as above	419.77	2,222.68	133.59	2,110.77
	Transfer from other Company (Net)	NIL	NIL	(0.29)	NIL
	Transfer to other Company (Net) (Employer Contribution)	(238.96)	(2,223.23)	NIL	(1,780.29)
	Net (Asset)/Liability Amount recognized in Balance Sheet	144.32	415.70	(36.49)	416.35
vii)	Other Details:				
	Service of thirty three years will qualify for the full pension of 50%. In the case of an employee who has put in the less than thirty-three years of service, pension will be payable on proportionate basis for the no of years of qualifying service.				
	Gratuity is payable at the rate of 15 days salary for each year of service subject to maximum of ₹ 20,00,000 or as per the Bank scheme.				
	Actuarial gain / loss is accounted for in the year of occurrence.				
	Salary escalation and attrition rate are considered as advised by the entity, they appear to be in line with the industry practice considering promotion and demand and supply of the employees.				
	No. of Members	75,866	19,218	75,618	21,138
	Salary Per Month	584.18	185.19	513.88	180.41
	Contribution for next year	371.87	600.03	139.74	587.94

**Schedule 18 – Notes To Accounts**

S. no.	Particulars	(₹ in crore)			
		31.03.2024		31.03.2023	
		Gratuity	Pension	Gratuity	Pension
viii)	Category of assets:				
	Government of India Assets	27.56	479.80	61.47	565.13
	Corporate Bonds/FDR	297.23	2,773.66	25.75	720.80
	Special Deposits Scheme	NIL	NIL	-	-
	State Govt.	393.93	3,521.70	82.81	1,379.39
	Property	NIL	NIL	NIL	NIL
	Other	190.78	1330.78	64.13	454.17
	Insurer Managed Funds	2,548.18*	23,034.27*	3,028.18	25,634.75
	Mutual Fund	NIL	NIL	NIL	NIL
	Total	3,457.68	31,140.21	3,262.34	28,754.24

*Note: Return received on investments in LIC is 8.11% & for other insurance companies it is expected as 7.50% while arriving Pension and Gratuity liability at the Fair Value of Plan Assets for the FY 2023-24 as against the 7.50% considered for arriving Pension & Gratuity liability for the FY 2022-23.

Surplus/Deficit in the Plan:		Gratuity Plan			
Amount recognized in the Balance-Sheet	31.03.24	31.03.23	31.03.22	31.03.21	31.03.20*
Liability at the end of the year	3,602.00	3,225.86	3,197.81	3,355.82	1,291.94
Fair value of Plan Assets at the end of the year	3,457.68	3,262.35	3,367.60	2,746.43	1,219.01
Difference	(144.32)	36.49	169.79	(609.39)	(72.93)
Unrecognized Past Service Cost	NIL	Nil	Nil	Nil	Nil
Unrecognized Transition Liability	NIL	Nil	Nil	Nil	Nil
Amount Recognized in the Balance Sheet	(144.32)	36.49	169.79	(609.39)	(72.93)

* Amount mentioned for Union Bank (Standalone) only.

Amount recognized in the Balance-Sheet		Gratuity Plan			
Experience Adjustment	31.03.24	31.03.23	31.03.22	31.03.21	31.03.20*
On plan liability (Gain) / Loss	179.70	29.55	30.86	752.31	25.87
On plan Assets (Loss) / Gain	29.34	(17.33)	53.31	34.41	7.20

* Amount mentioned for Union Bank (Standalone) only.

(₹ in crore)

Surplus/Deficit in the Plan:	Pension Plan				
	31.03.24	31.03.23	31.03.22	31.03.21	31.03.20*
Amount recognized in the Balance-Sheet					
Liability at the end of the year	31,555.91	29,170.59	28,650.99	26,011.41	12,746.69
Fair value of Plan Assets at the end of the year	31,140.21	28,754.24	27,043.50	26,720.88	12,607.16
Difference	(415.70)	(416.35)	(1,607.49)	709.47	(139.53)
Unrecognized Past Service Cost	NIL	Nil	1,521.62	Nil	Nil
Unrecognized Transition Liability	NIL	Nil	Nil	Nil	Nil
Amount Recognized in the Balance Sheet	(415.70)	(416.35)	(85.87)	709.47	(139.53)

* Amount mentioned for Union Bank (Standalone) only.

(₹ in crore)

Amount recognized in the Balance-Sheet	Pension Plan				
	31.03.24	31.03.23	31.03.22	31.03.21	31.03.20*
Experience Adjustment					
On plan liability (Gain) / Loss	4,334.44	614.25	2,452.27	1,456.27	938.90
On plan Assets (Loss) / Gain	423.97	49.96	266.31	81.65	75.23

* Amount mentioned for Union Bank (Standalone) only.

Principal actuarial assumption used (%)	2023-24		2022-23	
	Gratuity	Pension	Gratuity	Pension
Discount Rate Prev.	7.49	7.53	7.31	7.40
Rate of return on Plan Assets Prev.	7.49	7.53	7.31	7.40
Salary Escalation Prev.	5.00	5.00	5.00	5.00
Attrition Rate Prev.	2.00	2.00	2.00	2.00
Discount Rate Current	7.21	7.24	7.49	7.53
Rate of Return on Plan Assets Current	7.21	7.24	7.49	7.53
Salary Escalation Current	5.00	5.00	5.00	5.00
Attrition Rate Current	2.00	2.00	2.00	2.00

i) **Other Long-Term Employee Benefits:**

Details of Provisions made for various Long-Term Employees Benefits during the year are as follows:

(₹ in crore)

Sr. No.	Other Long Term Benefits	31.03.2024	31.03.2023
1.	Leave Travel Concession	(5.43)	3.66
2.	Leave Encashment	350.14	149.30

Bank is having provision of ₹273.70 Crore towards Sick Leave on prudential basis though there is no payout.

**Schedule 18 – Notes To Accounts****ii) Unamortized Family pension & Gratuity Liabilities:**

(₹ in crore)

Particulars	31.03.2024	31.03.2023
Pension	NIL	
a) Balance brought forward	NIL	1,521.62
b) Gross Liability	NIL	NIL
c) Charged to Profit & Loss account	NIL	1,521.62
d) Balance Carried forward		NIL
Gratuity	NIL	
a) Charged to Profit & Loss account	NIL	NIL
b) Carried forward	NIL	NIL

- a. The additional liability on account on enhancement in family pension for employees covered under XI Bi-partite settlement and Joint note dated 11th November, 2020 is arrived at ₹ 1,902.02 Crores as per Actuarial valuation. Further, in terms of RBI circular RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated October 4, 2021, Banks are permitted to amortize the said liability over a period of not exceeding 5 years beginning with FY ending 31.03.2022. Bank has charged an amount of ₹ 380.40 crore to the profit/loss account for year ended March 31, 2022 and the balance unamortized expense of ₹ 1,521.62 crores has been fully charged in the profit or loss account for the year ended 31.03.2023.
- b. In terms of RBI circular no. RBI/DOR/2021-22/83 DOR.ACC.REC.No.45/21.04.018/2021-22 dated August 30, 2021 (Updated from time to time), the following disclosures are required:
- In case of Other Liabilities and Provisions, any item under the head "Others (including provisions)" exceeds one per cent of the total assets,
 - In case of Other Assets, any item under the head "Others" exceeds one per cent of the total assets,
 - In case of Other Income, any item under the head "Miscellaneous Income" exceeds one per cent of the total income,
 - In case of Operating Expenses, any item under the head "Other expenditure" exceeds one per cent of the total income,

Schedule	Item under the Sub Head	₹ in Crore	% of Total Income/ Assets as applicable
Schedule 5 - Other liabilities and provisions (IV- Others (including provision))	-	-	-
Schedule 11 - Other assets (VI- others)	-	-	-
Schedule 14 - Other Income (VII Miscellaneous Income)	Processing Charges for Advances	1,501.62	1.30
	Recovery in Write-Off	3,987.40	3.44
Schedule 16 - Operating Expenses (XII Other expenditure)	-	-	-

10. SEGMENT REPORTING (AS-17)

10.1. Business Segments:

(₹ in Crore)

Business Segment	Consolidated	
	Year Ended	
	(Audited) 31.03.2024	(Audited) 31.03.2023
Segment Revenue		
Treasury Operations	31,656.46	26,442.90
Retail Banking Operations	39,288.06	31,078.66
(a) Digital Banking Operations	985.02	566.49
(b) Other Retail Banking Operations	38,303.04	30,512.17
Corporate /Wholesale Banking	42,224.34	35,941.71
Other Banking Operations	2,601.53	1,979.37
Unallocated	3,392.33	2,198.75
Total Segment Revenue	1,19,162.72	97,641.39
Less Inter-segment Revenue	(974.37)	(562.86)
Income from operations	1,18,188.35	97,078.53
		-
Segment Results		
Treasury Operations	4,240.79	2,426.80
Retail Banking Operations	6,409.37	5,059.25
(a) Digital Banking Operations	686.88	(45.05)
(b) Other Retail Banking Operations	5,722.49	5104.30
Corporate Banking	8,324.19	3,091.44
Other Banking Operations	1,393.91	1,063.52
Unallocated	1,139.96	505.46
Total Profit/(Loss) Before Tax	21,508.22	12,146.47
Provision for Tax	7,799.28	3716.12
Net Profit/(Loss) after Tax	13,708.94	8,433.27
Add: Share of Profit in Associate	88.17	81.32
Consolidated Net Profit /(Loss)	13,797.11	8,511.67
		-
Segment Assets		
Treasury Operations	4,72,537.71	4,64,788.70
Retail Banking Operations	4,14,535.30	3,59,680.33
(a) Digital Banking Operations	7,182.14	1,737.64
(b) Other Retail Banking Operations	4,07,353.16	3,57,942.69
Corporate/Wholesale Banking	4,73,324.30	4,26,011.76
Other Banking Operations	-	-
Unallocated	41,598.60	37,876.32
Total	14,01,995.91	12,88,357.11

**Schedule 18 – Notes To Accounts**

Business Segment	Consolidated	
	Year Ended	
	(Audited)	(Audited)
	31.03.2024	31.03.2023
Segment Liabilities		-
Treasury Operations	4,62,058.16	4,56,704.84
Retail Banking Operations	3,75,409.89	3,28,812.17
(a) Digital Banking Operations	6,699.23	1,640.02
(b) Other Retail Banking Operations	3,68,710.66	3,27,172.15
Corporate/Wholesale Banking	4,28,285.50	3,88,190.19
Other Banking Operations	-	-
Unallocated	38,644.70	35,846.40
Total	13,04,398.25	12,09,553.60
		-
Capital Employed		-
Treasury Operations	10,479.55	8,083.86
Retail Banking Operations	39,125.41	30,868.16
(a) Digital Banking Operations	482.91	97.62
(b) Other Retail Banking Operations	38,642.50	30,770.54
Corporate/Wholesale Banking	45,038.80	37,821.57
Other Banking Operations	-	-
Unallocated	2,953.90	2,029.92
Total	97,597.66	78,803.51

Notes:

1. The Bank operates in four segments viz., Treasury, Retail, Corporate / Wholesale and Other Banking Operations. These segments have been identified in line with AS-17 on segment reporting issued by the Institute of Chartered Accountants of India (ICAI) after considering the nature and risk profile of the products and services, the target customer profiles, the organizational structure and the internal reporting system of the bank. The bank has disclosed the business segment as primary segment. The revenue and other parameters of foreign branch for the period are within the threshold limits stipulated as per AS-17 and hence the bank has only one reportable segment. The Bank has disclosed 'Digital Banking' as a sub-segment of the Retail Banking segment as required by RBI guidelines
2. Segment wise income, expenditure, Capital employed which are not directly allocable have been allocated to the reportable segments based on assumptions as considered appropriate by the management.
3. Figure of previous period have been regrouped/reclassified wherever necessary.

11. RELATED PARTY DISCLOSURES (AS-18) (Parent Bank)

11.1 List of Related Parties

a) Subsidiaries

- Union Asset Management Co. Pvt. Ltd.
- Union Trustee Company Pvt. Ltd.
- Union Bank of India (UK) Ltd.
- Andhra Bank Financial Services Ltd.
- UBI Services Ltd.

b) Joint Venture

- Star Union Dai-Ichi Life Insurance Co. Ltd.
- ASREC (India) Ltd.
- India International Bank (Malaysia) Berhad

c) Associate

- Chaitanya Godavari Grameena Bank

d) Key Management Personnel

(₹ in Crore)

Name	Designation	Remuneration paid for the Year ended 31 st March 2024
Ms. A. Manimekhalai	Managing Director & CEO	0.40
Shri Nitesh Ranjan	Executive Director	0.41
Shri Rajneesh Karnatak#	Executive Director	0.03
Shri Nidhu Saxena##	Executive Director	0.34
Shri Ramasubramanian S	Executive Director	0.37
Shri Sanjay Rudra*	Executive Director	0.16
Shri Pankaj Dwivedi^	Executive Director	0.004

till 28.04.2023

till 27.03.2024

* from 09.10.2023

^ from 27.03.2024

Parties with whom transactions were entered into during the year

No disclosure is required in respect of related parties, which are "State controlled Enterprises" as per paragraph 9 of Accounting Standard (AS) 18. Further, in terms of paragraph 6 of AS 18, transactions in the nature of Banker – Customer relationship have not been disclosed including those with Key Management Personnel and relatives of Key Management Personnel.

As per the RBI Master Direction, KMPs are construed to be the Whole Time Directors of the Bank.

12. EARNING PER SHARE (AS-20)

Basic earnings per equity share are computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. The diluted earnings per equity share is computed using the weighted average number of equity shares and weighted average number of diluted potential equity shares outstanding during the year.

**Schedule 18 – Notes To Accounts**

The computation of earnings per share is given below:

Particulars	31.03.2024	31.03.2023
Number of Equity shares at the beginning of the year	6,83,47,47,466	6,83,47,47,466
Number of Equity shares issued during the year	79,88,58,141	Nil
Number of Equity shares outstanding at the end of the year	7,63,36,05,607	6,83,47,47,466
Weighted Average Number of Equity Shares used in computing Basic Earnings per share	7,20,31,48,214	6,83,47,47,466
Weighted Average Number of Shares used in computing diluted Earnings per share	7,20,31,48,214	6,83,47,47,466
Net Profit/(Loss) ₹ in Crore	13,797.11	8,511.67
Basic Earnings per share (₹)	19.15	12.45
Diluted Earnings per share (₹)	19.15	12.45
Nominal Value per share (₹)	10	10

13. PROVISION FOR TAXES:**Deferred Tax (AS-22)**

(₹ in crore)

Sr. No.	Particulars	31.03.2024	31.03.2023
	Deferred Tax Assets		
1	Employee Benefits (Leave Encashment)	472.83	534.18
2	Depreciation on Fixed Assets	305.11	395.67
3	Provision for non-performing Assets	5,588.40	11,408.93
4	Foreign Currency Translation Reserve	(68.54)	(84.48)
5	Other Provisions	203.85	-0.01
	Total	6,501.65	12,254.30
	Deferred Tax Liabilities		
1	Accrued interest on securities	951.02	1,274.79
2	Special Reserves u/s 36(i)(viii)	1,836.70	2,316.74
	Total	2,787.72	3,591.53
	Net Deferred Tax Asset	3,713.93	8,662.77

14. IMPAIRMENT OF ASSET (AS-28)

Management has assessed at balance sheet date i.e. as on 31st March 2024 that whether there is any indication that any of the fixed asset to be impaired and no such asset is identified/found where condition of impairment is attached as specified in AS-28

15. Additional information disclosed in the separate financial statements of the parent and the subsidiaries have no bearing on the true and fair view of the Consolidated Financial Statements (CFS) and also the information pertaining the items which are not material, have not been disclosed in the CFS.
16. The Management believes that there would not be any significant impact on Bank's performance in future and going concern assumptions.
17. The figures of the previous year have been regrouped / rearranged wherever considered necessary.

Signatories to Schedules 1 to 18

(Ajay Bansal)

Dy. General Manager

For and on behalf of The Board of Directors

(Pankaj Dwivedi)
Executive Director

(Sanjay Rudra)
Executive Director

(Avinash Prabhu)

Chief Financial Officer

(Ramasubramanian S)
Executive Director

(Nitesh Ranjan)
Executive Director

(Sameer Shukla)
Director

(Prakash Baliarsingh)
Director

(Suraj Srivastava)
Director

(Laxman S Uppar)
Director

(Jayadev Madugula)
Director

(Priti Jay Rao)
Director

(A. Manimekhalai)
Managing Director & CEO

(Srinivasan Varadarajan)
Chairman

As per our report of even Date

For M/s N B S & Co
Chartered Accountants
FRN 110100W

For Chhajed and Doshi
Chartered Accountants
FRN 101794W

For G S Mathur & Co
Chartered Accountants
FRN 08744N

CA Sharath Shetty
Partner
Membership No. 132775
UDIN: 24132775BKCYES4785

CA Nitesh Jain
Partner
Membership No.136169
UDIN: 24136169BKEKKZ4882

CA Rajiv Kumar Wadhawan
Partner
Membership No. 091007
UDIN: 24091007BKCFCT7661

For P Chandrasekar LLP
Chartered Accountants
FRN 000580S/S200066

For V K Ladha & Associates
Chartered Accountants
FRN 002301C

CA P Chandrasekaran
Partner
Membership No. 026037
UDIN: 24026037BKARCO1889

CA Virendra Kumar Ladha
Partner
Membership No. 071501
UDIN: 24071501BKFQHF3256

Place: Mumbai

Date: May 10, 2024



Consolidated Cash Flow Statement

for the year ended 31st March, 2024

S. No.	Particulars	(₹ in Lakh)	
		For the Year Ended 31 st March, 2024	For the Year Ended 31 st March, 2023
A	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit Before Tax	21,50,822	12,14,647
	Adjustments for:		
	Depreciation on Fixed Assets	89,593	74,457
	Provision for Investments	88,070	1,67,478
	Provision for Non Performing Assets (Net)	6,40,960	12,50,677
	Provision for Standard Asset	71,067	(1,15,806)
	Provision for other items (Net)	4,482	14,760
	(Profit)/Loss on Sale or Disposal of Fixed Assets	(217)	149
	Interest on Borrowings : Capital Instruments	1,64,704	1,58,601
	Share of Profit in Associate	8,817	8,132
	Transfer to/from reserve	(2,97,383)	(56,928)
	Sub Total	29,20,915	27,16,168
	Adjustments for:		
	Increase / (Decrease) in Deposits	1,04,27,144	86,00,976
	Increase / (Decrease) in Other Liabilities and Provisions	7,63,049	11,45,747
	(Increase) / Decrease in Investments	(1,01,844)	6,61,560
	(Increase) / Decrease in Advances	(1,16,21,266)	(1,14,16,687)
	(Increase) / Decrease in Other Assets	(93,029)	(7,74,427)
	Direct taxes paid (Net of Refund)	(3,02,000)	(3,27,752)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	19,92,969	6,05,585
B	CASH FLOW FROM INVESTING ACTIVITIES :		
	Purchase of Fixed Assets	(1,64,880)	(3,06,555)
	Proceeds from Sale/Adjustment of Fixed asset	34,320	68,280
	(Increase)/ Decrease in Investment in Subsidiary/Associates	(8,817)	(17,830)
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(1,39,377)	(2,56,105)
C	CASH FLOW FROM FINANCING ACTIVITIES :		
	Proceeds from Issue of Preference Share Capital Issued by Subsidiary Company Including Share Premium (Net)	-	-
	Proceeds from issue of Equity Share Capital Including Share Premium (Net)	7,97,085	-
	Proceeds from issue of Capital Instruments	-	98,300
	Repayments of Capital Instruments	(2,00,000)	(10,000)
	(Decrease)/Increase Borrowings other than Capital Instruments	(13,76,233)	(8,65,254)
	Interest Paid on Borrowings : Capital Instruments	(1,64,704)	(1,58,601)
	Dividend paid during the year	(2,05,042)	(1,29,861)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(11,48,894)	(10,65,416)
	Net Increase (Decrease) in Cash & Cash Equivalent (A)+(B)+(C)	7,04,698	(7,15,936)
	Cash and Cash Equivalents as at the beginning of the year	1,12,59,886	1,19,75,822
	Cash and Cash Equivalents as at the end of the year	1,19,64,584	1,12,59,886

S. No.	Particulars	For the Year Ended 31 st March, 2024	(₹ in Lakh) For the Year Ended 31 st March, 2023
D	Components of Cash and Cash equivalents		
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Cash and Balances with RBI (including FC notes)	50,25,811	46,11,589
	Balances with Banks and Money at call	62,34,076	73,64,233
	Net cash and cash equivalents at the beginning of the year	1,12,59,887	1,19,75,822
E	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Cash and Balance with RBI (including FC notes)	52,90,154	50,25,811
	Balances with Banks and Money at call	66,74,430	62,34,076
	Net cash and cash equivalents at the end of the year	1,19,64,584	1,12,59,887

The above Cash Flow Statement has been prepared under the Indirect method as set out in the Accounting standard -3 on Cash Flow Statement issued by The Institute of Chartered Accountants of India.

Previous Year's figures have been regrouped/recasted wherever considered necessary to correspond with the year ended classification/ presentation.

(Ajay Bansal)

Dy. General Manager

For and on behalf of The Board of Directors

(Pankaj Dwivedi)

Executive Director

(Sameer Shukla)

Director

(Suraj Srivastava)

Director

(A. Manimekhalai)

Managing Director & CEO

(Avinash Prabhu)

Chief Financial Officer

(Ramasubramanian S)

Executive Director

(Prakash Baliarsingh)

Director

(Jayadev Madugula)

Director

(Srinivasan Varadarajan)

Chairman

(Nitesh Ranjan)

Executive Director

(Priti Jay Rao)

Director

As per our report of even Date

For M/s N B S & Co

Chartered Accountants

FRN 110100W

CA Sharath Shetty

Partner

Membership No. 132775

UDIN: 24132775BKCYES4785

For P Chandrasekar LLP

Chartered Accountants

FRN 000580S/S200066

CA P Chandrasekaran

Partner

Membership No. 026037

UDIN: 24026037BKARCO1889

Place: Mumbai

Date: May 10, 2024

For Chhajed and Doshi

Chartered Accountants

FRN 101794W

CA Nitesh Jain

Partner

Membership No.136169

UDIN: 24136169BKEKKZ4882

For V K Ladha & Associates

Chartered Accountants

FRN 002301C

CA Virendra Kumar Ladha

Partner

Membership No. 071501

UDIN: 24071501BKFQHF3256

For G S Mathur & Co

Chartered Accountants

FRN 08744N

CA Rajiv Kumar Wadhawan

Partner

Membership No. 091007

UDIN: 24091007BKCFCT7661



Disclosures under Basel III Capital Regulations

In accordance with Reserve Bank of India's Master Circular on Basel III Capital Regulations dated 1 April,2024 as amended, Banks are required to make Pillar 3 disclosures under Basel III capital requirements. The Bank has made these disclosures which are available on its website at the following link:

<https://www.unionbankofindia.co.in/english/basel-disclosures-iii.aspx>



Business Responsibility and Sustainability Report

Business Responsibility and Sustainability Report as required by SEBI has hosted on the website of the Bank that is www.unionbankofindia.co.in Any member interested in obtaining physical copy of the same may write to Company Secretary of the Bank.





NOMINATION FORM

(Refer Regulation 65 (d) of the Regulations)

To,
The Managing Director & CEO
Union Bank of India
Central Office,
Mumbai – 400 021

Election of a Director

Dear Sir,

“ ”

With reference to your Notice dated 14th June, 2024, I, _____
, a shareholder of Union Bank of India, holding _____ equity
shares of Rs. 10/- each (fully paid up) as on 28th June, 2024 (being the cut-off date for participating in the election) do
hereby nominate Shri/Smt. _____ son/ daughter/wife of Shri/Smt.
_____ residing at _____, for being
elected as a Director of Union Bank of India representing the shareholders of the Bank as provided in Section 9 (3) (i) of the
Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, at the Annual General Meeting of the shareholders to
be held on 26th July, 2024.

Signature _____

Name _____

No. of Shares . _____

Regd. Folio No. . _____

(If not Dematerialised)

DP.ID. No. _____

Client ID. No. _____

(If Dematerialised)

Place:

Date:

Notes :

In case nomination is made by a Body Corporate, the nomination form should be accompanied by a certified true copy of the
resolution passed by the Board of Directors under the signature of the Chairman of the meeting at which it was passed.

Signatures of the shareholders nominating the candidates should match with the specimen signatures available with Share
Transfer Agent of the Bank.

If any of the columns above is left Blank or the particulars are found to be incorrect, the nomination is liable to be rejected.





DECLARATION

(Refer Regulation 65 of the Regulations)

I, _____ son/daughter
wife of Shri/Smt _____, a resident
of _____, holding equity shares of Rs. 10/- each (fully paid up) in UNION
BANK of INDIA under Folio No. _____ /DP ID No. _____ / Client ID No. _____ as
on 28th June, 2024 i.e. the cut-off date for participating in the election and having special knowledge or practical experience in:*

- i) Agriculture and Rural Economy
 - ii) Banking
 - iii) Co-operation
 - iv) Economics
 - v) Finance
 - vi) Law
 - vii) Small Scale Industry
 - viii) Any other matter the special knowledge of Business Management/Risk Management/Finance/Human Resources/ IT/ Payment and Settlement Systems/ etc. and practical experience in which would in the opinion of the Reserve Bank of India be useful to the bank or representing the interest of Depositors and/or Farmers, Workers and Artisans, in terms of Sub Section 3A of Section 9 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 (and as an evidence thereof I submit herewith the relevant testimonials) hereby declare that
 - a) I accept the nominations numbered from to , and
 - b) I am willing to stand for the election as Director of Union Bank of India and
 - c) I am not disqualified from being a Director of the Bank under the provisions of the Banking Regulation Act, 1949, The Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, the Nationalised Banks (Management and Miscellaneous Provisions) Scheme, 1970 and the Union Bank of India (Shares and Meetings) Regulations, 1998 and
 - d) I neither hold any office of profit nor an employee of any nationalised Bank or State Bank of India constituted under sub-section (1) of Section 3 of the State Bank of India Act, 1955 or any subsidiary bank as defined in Section 3 of the State Bank of India (Subsidiary Banks) Act, 1959 and
2. I also submit a separate Personal Information, Declaration and Undertaking(PDU Form) as per Reserve Bank of India directives to consider for fit and proper status.

Signature _____

Name: _____

Place: _____

Date : _____

Encl: as above _____

The above declaration was signed before me by Shri /Smt. _____

Signature with Seal and
Name of the attesting official

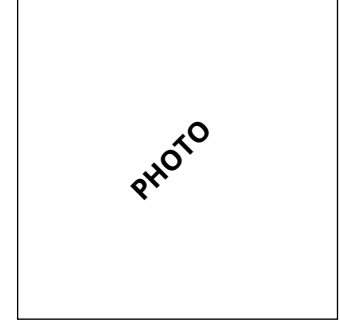
Note: The declaration must be signed by the nominee before a Judge, Magistrate, Registrar or Sub-Registrar of Assurances, or other Gazetted Officer or an Officer of Reserve Bank of India or any Nationalised Bank.

* Delete whichever is not applicable.



Union Bank of India

Personal Information, Declaration and Undertaking by the Candidate (with appropriate enclosures)



Sr. No.	Particulars	Information Disclosed								
I. Personal Details										
1.	Name in Full									
2.	Father's Name									
3.	Gender (M/F/Others)									
4.	Present Address									
5.	E-mail address & alternate e-mail address:									
	Telephone Number with STD code:									
	Mobile Number:									
6.	Nationality									
7.	Date of Birth									
	(dd/mm/yyyy) and Age	--/-- /---- Age : -- years -- months								
8.	Educational qualifications									
9.	Director Identification Number (DIN)									
10.	Aadhaar Number (Optional)									
11.	(a) Permanent Account Number (PAN)									
	(b) Charge where the proposed director is assessed to tax (Income Tax jurisdiction)/name and address of Income Tax Circle/Ward									
	(c) Details of filing of return(s) and payment of taxes for past 3 years	<table border="1"> <thead> <tr> <th>Date of Filing</th> <th>Amount of tax paid (INR)</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table>	Date of Filing	Amount of tax paid (INR)						
Date of Filing	Amount of tax paid (INR)									
12.	Permanent address									



Sr. No.	Particulars	Information Disclosed								
13.	Details in the form of a brief write up on the relevant knowledge or experience in respect of one or more of the matters namely accountancy, agriculture and rural economy, banking, co- operation, economics, finance, law, small scale industry, information technology, payment and settlement systems, human resources, risk management, business management or any other matter the special knowledge of and practical experience of which would in the opinion of the Reserve Bank be useful to the Banking Company									
14.	Present occupation (designation, name of the organisation and brief write-up on experience)									
15.	Previous occupation covering minimum of past ten years, with complete address of the organisation(s) worked in, date of joining, date of relieving (including reasons), designation, etc.									
16.	In case a Chartered Accountant, indicate the following:									
	(a) Membership Number of Institute of Chartered Accountants of India (ICAI):									
	(b) Date of registration with the ICAI:									
	(c) Name and Address of the registered firm/s:									
	(d) Details of the Audit(s) presently undertaken by the firm(s) or by you:									
17.	Name of the banker(s) with Branch and Account Numbers (savings/current/loan accounts) where you are a primary account holder:	<table border="1"> <thead> <tr> <th>Bank Name</th> <th>Branch</th> <th>Type of A/c</th> <th>A/c Number</th> </tr> </thead> <tbody> <tr> <td></td> <td></td> <td></td> <td></td> </tr> </tbody> </table>	Bank Name	Branch	Type of A/c	A/c Number				
Bank Name	Branch	Type of A/c	A/c Number							
18.	Details of shareholding, if held in any entity, either in physical or dematerialized form, by you, spouse, and your minor child. (attach demat/shareholding certificate)									
19.	Any other information relevant to directorship of the bank:									
II. Relevant Relationships of proposed director										
20.	List of relatives, [Refer Section 2(77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definition) Rules, 2014] if any, who are connected with any bank:									
21.	List of entities in which:									
	(a)interested [Refer Section 184 of the Companies Act, 2013]:									
	(b)beneficial ownership [Refer Section 89 of Companies Act, 2013 as also the applicable Significant Beneficial Ownership Rules of MCA]:									
	(c) Trustee (also mention any other relationship with reference to a trust):									



Sr. No.	Particulars	Information Disclosed	
22.	List of entities, existing and proposed, in which holding substantial interest within the meaning of Section 5(ne) of the Banking Regulation Act, 1949.	Name of the company / firm	
		Country of incorporation	
		Number of shares	
		Face Value of each share	
		Total face value of share holding	
		Shareholding as % of total Paid up Capital	
		Beneficial interest (in value as well as % terms)	
		Whether the entity is a Section 8 Company under Companies Act, 2013	
23.	Details of holdings in entities incorporated abroad and having a place of business in India.		
24.	Name of Bank/NBFC/any other company in which currently or in the past a member of the Board/ Advisor etc. (giving details of period during which such office is being/ was held).		
25.	If connected with any entity undertaking hire purchase, financing, investment, leasing and other para banking activities (nature of association to be mentioned), details thereof.		
26.	If a stock broker or connected with any entity engaged in share broking activities, details thereof.		
27.	Details of fund and non-fund-based facilities, if any, presently availed in person and/or by entities listed in (21) to (26) above.		
28.	Cases, if any, where as an individual or the entities listed at (21) to (26) above have defaulted or declared as willful defaulter in the past in respect of credit facilities obtained from a bank/NBFC/any other lending institution.		

III. Records of professional achievements

29.	Professional achievements relevant for the directorship.		
-----	--	--	--

IV. Proceedings, if any, against the proposed director

30.	(a) As a member of a professional association/ body, details of disciplinary action, if any, pending or commenced or resulting in conviction in the past or whether been banned from entry at any profession/ occupation at any time, details thereof.		
	(b) If subject of any written complaint or accusation regarding individual professional conduct or activities, details thereof.		
31.	Details of prosecution, if any, pending or commenced or resulting in conviction of self or the entities listed at (21) to (26) above for violation of economic laws and regulations.		

Sr. No.	Particulars	Information Disclosed
32.	Details of criminal prosecution, if any, pending or commenced or resulting in conviction.	
33.	If indulged in any breach of AML/CFT guidelines, details thereof.	
34.	If attracting any of the disqualifications envisaged under Section 164 of the Companies Act, 2013, details thereof.	
35.	If adjudicated insolvent or has suspended payment or has compounded with creditors, details thereof.	
36.	If found to be of unsound mind and stands so declared by a competent Court, details thereof.	
37.	(a) If convicted by a Criminal Court of an offence which involves moral turpitude or otherwise, details thereof.	
	(b) If convicted by any Court of law, details thereof?	
38.	If holding any office of profit under any nationalised bank or State Bank of India, except for holding the post of a whole-time director, details thereof.	
39.	If as an individual or any of the entities at (21) to (26) above have been subject to any investigation/vigilance/matters of enquiry from any of the previous employers or government departments or agency, details thereof.	
40.	If found guilty of violation of rules/ regulations/ legislative requirements by customs/ excise/ income tax/ foreign exchange/ other revenue authorities, details thereof.	
41.	If reprimanded, censured, restricted, suspended, barred, enjoined, or otherwise sanctioned by any regulator such as SEBI, IRDAI, PFRDA etc., professional organisation,	
	or activities, details thereof. (Though it shall not be necessary for a candidate to mention in the column about orders and findings which have been later on reversed/ set aside in toto, it would be necessary to make a mention of the same, in case the reversal/ setting aside is on technical reasons like limitation or lack of jurisdiction, and not on merit. If the order is temporarily stayed and the appellate/ court proceedings are pending, the same also should be mentioned).	

v. General Information

42.	If a professional like Chartered Accountant, Advocate etc. and presently undertaking/ undertaken any professional work in any bank, provide details thereof including the name of the bank and period of association with the bank.	
43.	If a sitting MP/MLA/MLC or holding political position in Municipal Corporation or Municipality or other local bodies, provide details thereof.	

VI. In the interest of disclosure and transparency, should there be **any other information relevant for assessing 'fit and proper', provide details thereof.**

Undertaking

I confirm that the above information is to the best of my knowledge and belief, true and complete. I undertake to keep the bank fully informed, as soon as possible, of all events which take place after my appointment which are relevant to the information provided above.



Sr. No.	Particulars	Information Disclosed
	I also undertake to execute a 'Deed of Covenant' as required to be executed with the bank.	
	Place :	
	Date :	Signature of Candidate
	Enclosures :	
	Note :	
	1. Wherever space is not sufficient, please attach the information as annexure in chronological order and with appropriate cross reference	
	2. Each page (including annexures) is required to be signed by the candidate.	
	Remarks of Nomination and Remuneration Committee (NRC) / Board of having satisfied itself that the above information is true and complete.	
	Place :	
	Date :	Signature of the Chair



**GREEN INITIATIVE – APPEAL TO SHAREHOLDERS
TO GET NOTICES / ANNUAL REPORTS &
OTHER COMMUNICATION THROUGH E-MAIL**

Shareholders holding Shares in Demat Accounts are requested to: Register an email ID in their Demat A/c.

Shareholders holding Shares in Physical form are requested to:

Send their consent by filling up and signing the Form ISR-1 together with relevant documents to our Registrar & Share Transfer Agent at their address given hereunder:

KFin Technologies Limited Unit:
Union Bank of India
Selenium Tower B, Plot 31 & 32
Financial District, Nanakramguda
Hyderabad – 500032
Email: einward.ris@kfintech.com
Toll free: 1800 309 4001
Website: www.kfintech.com

The said Form ISR-1 is available on the website of the Bank at <https://www.unionbankofindia.co.in/english/important-announcement-to-physical-shareholders.aspx>



QR Code is get Form ISR-1

Dividend Mandate:

Shareholders holding Shares in Demat Accounts are requested to:

furnish/ update bank account details with the Depository Participant, to receive dividend directly in the bank account.

Shareholders holding Shares in Physical form are requested to:

To furnish/ update bank account details with our Registrar & Share Transfer Agent by filing the said Form ISR-1 together with relevant documents, to receive dividend directly in the bank account.



यूनियन बैंक
ऑफ़ इंडिया
भारत सरकार का उपक्रम

Union Bank
of India
A Government of India Undertaking



350+
features

**MOBILE BANKING
SUPER APP**

**A universe of
digital banking**



*T&C Apply

(Toll Free No.) 1800 208 2244 / 1800 425 1515 / 1800 425 3555 | 9666606060 | www.unionbankofindia.co.in

@unionbankofindia @UnionBankTweets unionbankinsta @UnionBankofIndiaUtube @unionbankofindia @unionbankinsta

यूनियन बैंक ऑफ इंडिया में, हम एक उज्ज्वल, हरित एवं बेहतर संयोजित भारत में विश्वास करते हैं, जहां हर कोई समृद्ध हो और नवोन्मेष एवं वित्तीय पहुंच के लाभों का आनंद ले सके.



At Union Bank of India, we believe in a brighter, greener, and more connected india, where everyone can prosper and enjoy the benefits of innovation and financial access.



हेल्पलाइन नंबर / Helpline Nos.: 1800 208 2244 / 1800 425 1515 / 1800 425 3555
www.unionbankofindia.co.in



एकीकृत वार्षिक रिपोर्ट 2023-24
डाउनलोड करने हेतु क्यूआर कोड को स्कैन करें
Scan the QR Code to download
Integrated Annual Report 2023-24

[f @unionbankofindia](https://www.facebook.com/unionbankofindia) [X @UnionBankTweets](https://twitter.com/UnionBankTweets) [i UnionBankInsta](https://www.instagram.com/UnionBankInsta) [▶ YouTube UnionBankofIndiaUtube](https://www.youtube.com/UnionBankofIndiaUtube) [in @unionbankofindia](https://www.linkedin.com/company/unionbankofindia)

अवांछित ईमेल से सतर्क रहे जो तत्काल कार्रवाई की मांग करते हैं

Be wary and cautious of unsolicited emails that demand immediate action