Board Sec/Inv Meet/2017

February 28, 2017

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai 400 001
Scrip Code: 533171

The National Stock Exchange of India Limited
Exchange Plaza, 5th Floor,
Plot No. C/1, G – Block
Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
NSE Symbol: UNITEDBNK

Dear Sir,

Sub: Copy of the Presentation for Analyst/Institutional Investor Meet

In continuation to our letter of even date, In terms of Regulation 30 read with Schedule III (Part A, Clause 15) and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 read with corresponding circulars and notifications issued thereunder, it is hereby informed that the Management of the Bank will be participating in one-on-one meetings for a non-deal roadshow on March 2 and March 3, 2017 in Mumbai and on March 8, 2017 in Chennai.

In this regard, please find enclosed herewith a copy of the presentation being made at the said meetings at Mumbai.

Thanking you,

Yours sincerely,

For United Bank of India

Bikramjit Shom
Company Secretary & Compliance Officer

End: A/A
Indian Economy: An Overview

The Indian economy has emerged as a bright spot in the world economy and is the third largest economy by GDP

Global demand has seen a slight reduction in the speed of growth owing to geopolitical factors

For India though, improving demographics with a working age population of over 63% ...

... should help in continuing our trajectory of growth over the next few years, barring 2017 due to demonetisation
Overview of the Indian Banking Sector

India has potential to increase credit from formal sources …

... that is clearly demonstrated by an under-branched network

Low credit and an under-branched population has resulted in low financial participation

India is clearly lagging in loan penetration in the retail segment compared to our peers ...

... that, coupled with low ATM penetration results in huge potential for expansion of banks

% of age 15+ with loan from a financial institution

% of age 15+ with account at a financial institution

Domestic Credit % of GDP (2015)

Branches Per 100k Population (2015)
Contents

1. Indian Economy and Banking Sector: Industry Dynamics
2. United Bank of India: Genesis of the Bank and Presence
3. Operational Highlights
4. Asset Quality and Capital Adequacy
5. Experienced Management
6. Way Forward
Genesis & Presence of United Bank of India

UBI is also known as the 'Tea Bank' because of its age-old association with the financing of tea gardens. It has been the largest lender to the tea Industry.

1950
United Bank of India Ltd., was formed in 1950 with the amalgamation of four banks.

1969
One of the 14 banks which were nationalized

1969
174 branches, ₹ 147 crores of deposits and ₹ 112 crores of advances at the time of nationalisation in July, 1969.

Post 1969
Bank Network expansion in the Rural and Semi Urban area

1969
Bank Network expansion in the Semi Urban area

Today
Presently the Bank is having a Three-tier organisational set-up consisting of the Head Office, 36 Regional Offices and the Branches.

Today
Total business of about ₹ 2 lac crore from a large network of branches and ATMs.

<table>
<thead>
<tr>
<th>FINANCIAL YEAR</th>
<th>BRANCHES</th>
<th>ATM</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013-14</td>
<td>2,001</td>
<td>1,602</td>
</tr>
<tr>
<td>2014-15</td>
<td>2,004</td>
<td>1,912</td>
</tr>
<tr>
<td>2015-16</td>
<td>2,011</td>
<td>2,044</td>
</tr>
<tr>
<td>AS ON 31.01.2017</td>
<td>2,021</td>
<td>2,200</td>
</tr>
</tbody>
</table>

Sunday Standard Best Banker – Priority Sector 2013
Government of India – Award of Excellence – PMJDY 2014
National Award for Excellence – Best Bank under PMEGP 2016
MNRE – Govt of India Certificate of Appreciation 2016
SKOCH ORDER OF MERIT FOR UNITED WALLET
Contents

1. Indian Economy and Banking Sector: Industry Dynamics
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Stabilising Operating Performance

Total Income has seen an increase in the latest quarter on the back of increasing non interest income ...

![Chart showing Total Income increase]

... coupled with decreasing operating expenses causing the operating margins to stabilize and increase

![Chart showing Operating Income and Operating Margin]

PAT and PAT Margins are beginning to recover as the operating performance of the bank improves ...

![Chart showing PAT and PAT Margin]

... that should continue as NPA provisioning starts peaking with improving macro economic conditions

![Chart showing NPA Provisioning]

All figures in ₹ crore
Margins in %age
Improving deposit profile to aid future lending

CASA deposits have seen an increase on the back of demonetisation …

![Graph showing increase in CASA deposits from Q3FY16 to Q3FY17.]

… while term deposits have remained flat with interest rates showing a downward trend

![Graph showing decrease in term deposits from Q3FY16 to Q3FY17.]

Pre-demonetisation efforts + demonetisation have resulted in significant increase in CASA% …

![Graph showing increase in CASA% from Q3FY16 to Q3FY17.]

… resulting in a gradual increase in total business and a wider CD ratio allowing headroom for further lending

![Graph showing increase in total deposits, advances, and CD ratio from Q3FY16 to Q3FY17.]

*All figures in ₹ crore*
Sectoral Exposure Mix

Priority sector lending has seen slow growth, primarily on the back of a slow down in the economy and a reduction in appetite for MSME advances. However agricultural credit and other pricsec lending is growing steadily.

### Priority Sector Lending

<table>
<thead>
<tr>
<th>Particulars (₹ crore)</th>
<th>31-Dec-15</th>
<th>31-Mar-16</th>
<th>30-Jun-16</th>
<th>30-Sept-16</th>
<th>31-Dec-16</th>
<th>YoY Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture Credit</td>
<td>10,944</td>
<td>12,605</td>
<td>12,633</td>
<td>11,691</td>
<td>11,277</td>
<td>3.0%</td>
</tr>
<tr>
<td>MSE Advance</td>
<td>10,835</td>
<td>10,682</td>
<td>10,567</td>
<td>10,392</td>
<td>10,191</td>
<td>-5.9%*</td>
</tr>
<tr>
<td>Other Priority sector</td>
<td>5,887</td>
<td>6,522</td>
<td>6,689</td>
<td>6,866</td>
<td>6,946</td>
<td>18.0%</td>
</tr>
<tr>
<td><strong>Total Priority Sector Lending</strong></td>
<td><strong>27,666</strong></td>
<td><strong>29,809</strong></td>
<td><strong>29,889</strong></td>
<td><strong>28,949</strong></td>
<td><strong>28,414</strong></td>
<td><strong>2.70%</strong></td>
</tr>
</tbody>
</table>

* On Account of reclassification of certain advances from MSME to other priority sector advances

Increased visibility, driven by various campaigns has resulted in healthy growth for housing and vehicle loan advances. Although demonetisation has had an impact, this should correct going forward.

### Retail Advances

<table>
<thead>
<tr>
<th>Particulars (₹ crore)</th>
<th>31-Dec-15</th>
<th>31-Mar-16</th>
<th>30-Jun-16</th>
<th>30-Sept-16</th>
<th>31-Dec-16</th>
<th>YoY Growth (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing</td>
<td>5,618</td>
<td>5,970</td>
<td>6,229</td>
<td>6,526</td>
<td>6,696</td>
<td>19.2%</td>
</tr>
<tr>
<td>Education</td>
<td>477</td>
<td>468</td>
<td>462</td>
<td>463</td>
<td>453</td>
<td>-5.0%</td>
</tr>
<tr>
<td>Car Loans</td>
<td>497</td>
<td>519</td>
<td>526</td>
<td>558</td>
<td>578</td>
<td>16.3%</td>
</tr>
<tr>
<td>Personal Loans &amp; Others</td>
<td>5,482</td>
<td>5,695</td>
<td>5,615</td>
<td>5,360</td>
<td>5,333</td>
<td>-2.7%</td>
</tr>
<tr>
<td><strong>Total Retail Advances</strong></td>
<td><strong>12,074</strong></td>
<td><strong>12,652</strong></td>
<td><strong>12,832</strong></td>
<td><strong>12,907</strong></td>
<td><strong>13,060</strong></td>
<td><strong>8.2%</strong></td>
</tr>
</tbody>
</table>
The Bank’s loan book is well diversified with even exposure to multiple sectors. Recent economic events have resulted in a reduction in the overall loan book, but this is expected to improve in the forthcoming quarters.

<table>
<thead>
<tr>
<th>Particulars (₹ crore)</th>
<th>FY14</th>
<th>FY15</th>
<th>FY16</th>
<th>Q3FY16</th>
<th>Q3FY17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wholesale Trade</td>
<td>1,679</td>
<td>1,618</td>
<td>1,993</td>
<td>1,682</td>
<td>2,056</td>
</tr>
<tr>
<td>Agriculture and Allied Activities</td>
<td>9,725</td>
<td>8,595</td>
<td>9,462</td>
<td>7,993</td>
<td>8,957</td>
</tr>
<tr>
<td>Automobile &amp; Auto Ancillary</td>
<td>648</td>
<td>513</td>
<td>519</td>
<td>497</td>
<td>578</td>
</tr>
<tr>
<td>Road Transportation</td>
<td>1,436</td>
<td>1,027</td>
<td>956</td>
<td>956</td>
<td>966</td>
</tr>
<tr>
<td>Retail Trade</td>
<td>2,651</td>
<td>2,539</td>
<td>2,866</td>
<td>2,476</td>
<td>2,403</td>
</tr>
<tr>
<td>Services</td>
<td>14,879</td>
<td>16,012</td>
<td>16,876</td>
<td>15,892</td>
<td>14,805</td>
</tr>
<tr>
<td>NBFC / Financial Intermediaries</td>
<td>5,270</td>
<td>6,128</td>
<td>6,184</td>
<td>6,107</td>
<td>5,022</td>
</tr>
<tr>
<td>Food &amp; Beverage</td>
<td>1,216</td>
<td>1,292</td>
<td>1,766</td>
<td>1,526</td>
<td>1,675</td>
</tr>
<tr>
<td>Power</td>
<td>9,665</td>
<td>9,484</td>
<td>9,335</td>
<td>10,944</td>
<td>10,395</td>
</tr>
<tr>
<td>Iron &amp; Steel</td>
<td>4,921</td>
<td>5,005</td>
<td>4,763</td>
<td>4,840</td>
<td>4,613</td>
</tr>
<tr>
<td>Coal &amp; Petroleum Products</td>
<td>226</td>
<td>200</td>
<td>346</td>
<td>202</td>
<td>241</td>
</tr>
<tr>
<td>Others (including unclassified retail)</td>
<td>15,666</td>
<td>16,657</td>
<td>16,413</td>
<td>17,130</td>
<td>16,158</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>67,982</strong></td>
<td><strong>69,070</strong></td>
<td><strong>71,412</strong></td>
<td><strong>70,243</strong></td>
<td><strong>67,867</strong></td>
</tr>
</tbody>
</table>
Bank's consistent efforts leading to improving efficiency

Operational efficiencies has resulted in increasing business per employee...

... resulting in ~80% increase in the gross profit per Employee

With a rationalising of the branch expansion, the Bank has managed to steadily increase the business per branch...

... with strict operating procedures resulting in efficiencies that has translated into a significant increase in GP per branch
Contents

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While there has been tremendous pressure on the assets of the Bank, strong measures and stringent monitoring has ensured that fresh slippages have reduced drastically.

### Movement of NPAs

<table>
<thead>
<tr>
<th>Particulars (₹ crore)</th>
<th>31-Dec-15</th>
<th>31-Mar-16</th>
<th>30-Jun-16</th>
<th>30-Sept-16</th>
<th>31-Dec-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Opening Balance</td>
<td>6,112</td>
<td>6,722</td>
<td>9,471</td>
<td>10,116</td>
<td>11,134</td>
</tr>
<tr>
<td>Reduction</td>
<td>551</td>
<td>436</td>
<td>267</td>
<td>236</td>
<td>470</td>
</tr>
<tr>
<td>Upgradation (-)</td>
<td>32</td>
<td>12</td>
<td>58</td>
<td>131</td>
<td>29</td>
</tr>
<tr>
<td>Cash Recovery</td>
<td>395</td>
<td>151</td>
<td>97</td>
<td>89</td>
<td>137</td>
</tr>
<tr>
<td>sale of assets (-)</td>
<td>(222)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Write-off (-)</td>
<td>123</td>
<td>272</td>
<td>112</td>
<td>15</td>
<td>305</td>
</tr>
<tr>
<td>Fresh Slippages(+)</td>
<td>1,160</td>
<td>3,185</td>
<td>912</td>
<td>1,254</td>
<td>181</td>
</tr>
<tr>
<td>(Due to AQR)</td>
<td>(610)</td>
<td>(1,590)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Closing Balance</td>
<td>6,722</td>
<td>9,471</td>
<td>10,116</td>
<td>11,134</td>
<td>10,845</td>
</tr>
</tbody>
</table>

### Gross and Net NPAs

<table>
<thead>
<tr>
<th>Particulars</th>
<th>31-Dec-15</th>
<th>31-Mar-16</th>
<th>30-Jun-16</th>
<th>30-Sept-16</th>
<th>31-Dec-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross NPA (% of advances)</td>
<td>9.57</td>
<td>13.26</td>
<td>14.29</td>
<td>16.29</td>
<td>15.98</td>
</tr>
<tr>
<td>Net NPA (% of advances)</td>
<td>5.91</td>
<td>9.04</td>
<td>9.85</td>
<td>11.19</td>
<td>10.62</td>
</tr>
</tbody>
</table>
## Capital Adequacy

<table>
<thead>
<tr>
<th>Particulars</th>
<th>Dec’15</th>
<th>Mar’16</th>
<th>Dec’16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier – I (₹ crore)</td>
<td>5,277</td>
<td>5,797</td>
<td>6,462</td>
</tr>
<tr>
<td>Of which - Common Equity (₹ crore)</td>
<td>5,180</td>
<td>5,660</td>
<td>6,318</td>
</tr>
<tr>
<td>Adjusted Additional Tier I (AT I) (₹ crore)</td>
<td>97</td>
<td>137</td>
<td>144</td>
</tr>
<tr>
<td>Tier II</td>
<td>2,073</td>
<td>1,573</td>
<td>1,625</td>
</tr>
<tr>
<td>Total</td>
<td>7,350</td>
<td>7,369</td>
<td>8,087</td>
</tr>
<tr>
<td>RWA</td>
<td>74,059</td>
<td>73,079</td>
<td>74,613</td>
</tr>
<tr>
<td>CAR (%age)</td>
<td>9.92</td>
<td>10.08</td>
<td>10.84</td>
</tr>
<tr>
<td>Tier I</td>
<td>7.12</td>
<td>7.93</td>
<td>8.66</td>
</tr>
<tr>
<td>of which CET</td>
<td>6.99</td>
<td>7.74</td>
<td>8.47</td>
</tr>
<tr>
<td>Additional Tier AT -1</td>
<td>0.13</td>
<td>0.19</td>
<td>0.19</td>
</tr>
<tr>
<td>Tier -II</td>
<td>2.80</td>
<td>2.15</td>
<td>2.18</td>
</tr>
</tbody>
</table>
Contents

1. Indian Economy and Banking Sector: Industry Dynamics
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4. Asset Quality and Capital Adequacy
5. Experienced Management
6. Way Forward
Experienced Board

**Shri Pawan Kumar Bajaj, MD & CEO**
Shri Bajaj is a Post Graduate in Science, LLB, CAIIB and holds diploma in Human Resources, Treasury, Foreign Exchange and International Banking. Before joining the Bank he was the Executive Director of Indian Overseas Bank. He was also the Chief Executive in Bank of India’s Singapore Centre covering operations in Indonesia, Vietnam and Cambodia.

**Shri. K. Venkata Rama Moorthy, Executive Director**
Sri. Rama Moorthy, an Agriculture graduate and CAIIB, joined Bank of Baroda as a Probationary Officer in 1981 and since then has garnered rich experience in all aspects of banking over a period of three decades.

**Shri Ashok Kumar Pradhan, Executive Director**
Sri Ashok Kumar Pradhan is an M.Com. and CAIIB, and has a career spanning over 31 years. He has functioned in almost all areas of banking especially Credit and Branch Banking across 4 SBI associate banks. Before joining this Bank as Executive Director, he was Chief General Manager of State Bank of Travancore.
Experienced Board

**Shri A. K. Dogra ,Govt. Nominee Director**
Shri A. K. Dogra is a Science Graduate from Jammu University and has done Executive International MBA in Finance from United Business Institute, Brussels, Belgium. Presently he is Deputy Secretary in Ministry of Finance. Prior to this Bank, he was a member on the Board of State Bank of Hyderabad.

**Shri Arnab Roy, RBI Nominee Director**
Shri Roy has done his schooling and college education at New Delhi and has done his MBA from Delhi University. Before coming to Jaipur, Shri Roy was holding charge as the Executive Director at National Housing Bank, New Delhi (2011-2015).

**Shri. S. Suryanarayana ,Shareholder Director**
Shri. Suryanarayana M.Com, CAIIB, FCA  Career banker and worked in various capacities between 1976 and 2012 in Andhra Bank from where he retired as Chief General Manager and has attended various training programmes in India and overseas – notable few being training in Kellogg's Business School, USA and Banking Summer School, Luxembourg.
The Bank is managed by a strong team of General Managers under the guidance of the Executive Directors, MD & CEO and the Board of Directors. In addition specific committees are in place to ensure adherence to highest standards of corporate governance.
### Fund infusion by Government of India & LIC

<table>
<thead>
<tr>
<th>Year</th>
<th>Particulars</th>
</tr>
</thead>
<tbody>
<tr>
<td>2013</td>
<td>• The Government of India was issued 180,041,152 Equity Shares of ₹10 each at a price of ₹38.88 per equity share amounting to ₹ 700 crore (rounded off).</td>
</tr>
<tr>
<td>2014</td>
<td>• The Bank received ₹300 crore (rounded off) from the Life Insurance Corporation of India and completed the preferential allotment of 8,45,07,042 equity shares of ₹10 each at a price of ₹35.50 per share.</td>
</tr>
</tbody>
</table>
| 2016 | • Bank has issued and allotted 23,24,45,520 Equity Shares of ₹10 each for cash at an issue price of ₹20.65 per equity share including premium of ₹10.65 per share determined on preferential basis to Government of India against capital infusion of ₹480 crore (rounded off).  
• Bank received ₹608 crore (rounded off) from the Central Government towards preferential allotment of 26,74,87,901 equity shares of ₹10 each at a price of ₹22.73 per share. |

The Government of India from time to time has been providing support for augmenting the Tier I Capital of the Bank, subject to achieving certain performance parameters.
Contents

1. Indian Economy and Banking Sector: Industry Dynamics
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3. Operational Highlights
4. Asset Quality and Capital Adequacy
5. Experienced Management
6. Way Forward
Strategies for Growth

- Maintaining high CASA deposits
- Accelerate growth in loans and advances to the retail and MSME segments
- Grow our pan India presence
- Increase fee-based revenue and income from distribution of third-party products
- Reduce our gross NPA levels and to improve quality of assets
- Monitoring of accounts/ credit monitoring
- Augmenting alternate delivery channels
Thank You

Reach us at:
United Tower,
11, Hemanta Basu Sarani,
Kolkata 700 001

Contact: Shri Bikramjit Shom, Company Secy (co.sec@unitedbank.co.in)