

Union Bank of India

April 17, 2023

Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Tier-I Bonds*	-	-	Withdrawn
Lower Tier-II	-	-	Withdrawn
Tier-II Bonds	-	-	Withdrawn

Details of instruments in Annexure-1.

Rationale, key rating drivers and detailed description of the key rating drivers

CARE Ratings Limited has withdrawn the ratings assigned to the aforementioned instruments of Union Bank of India (UBI) with immediate effect, as the bank has redeemed the aforementioned instruments issue and there is no amount outstanding under the issue as on date.

Applicable criteria

[Policy on Withdrawal of Ratings](#)

About the company and industry

Industry classification

Macro Economic Indicator	Sector	Industry	Basic Industry
Financial Services	Financial Services	Banks	Public Sector Bank

Union Bank of India (UBI), established in 1919, is one of the largest public sector banks (PSBs) in India in terms of total business and total assets after amalgamation of Andhra Bank and Corporation bank with itself effective from April 1, 2020. UBI has PAN India network of 8,707 branches, 10,953 ATMs, an employee base of over 76,000+, and a customer base of over 153 million as on December 31, 2022. The operations of the bank are headed by A. Manimekhalai, who took over as Managing Director & Chief Executive Officer (MD & CEO) of the bank w.e.f. June 03, 2022. Government of India (GOI) is the majority shareholder holding 83.49% stake as on December 31, 2022. The bank has five wholly-owned subsidiaries, namely, Union Bank of India (UK) Limited, Union Asset Management Co. Private Limited, UBI Services Ltd, Andhra Bank Financial Services Ltd and Union Trustee Co Pvt Ltd. Additionally, UBI has three joint ventures and one associate as on December 31, 2022.

Brief Financials (₹ crore)	March 31, 2021 (A)	March 31, 2022 (A)	9MFY23 (UA)
Total income	80,512	80,469	68,103
PAT	2,906	5,232	5,651
Total assets	1,050,840	1,170,305	1,166,725
Net NPA (%)	4.62	3.68	2.14
ROTA (%)	0.28	0.47	0.64

A: Audited; UA: Unaudited,

Note: 'the above results are latest financial results available', All analytical ratios are as per CARE Ratings' calculations.

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Please refer Annexure-2

Covenants of rated instrument: Detailed explanation of covenants of the rated instruments/facilities is given in Annexure-3

Complexity level of various instruments rated: Annexure-4

¹Complete of the ratings assigned are available at www.careedge.in and other CARE Ratings Ltd.'s publications.

Lender details: Annexure-5

Annexure-1: Details of instruments

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (₹ crore)	Rating Assigned along with Rating Outlook
Lower Tier-II Bonds (Basel-II)	INE692A09241	28-Dec-12	8.90%	28-Dec-22	-	Withdrawn
Additional Tier-I Bonds (Basel-III) [#]	INE434A08083	31-Oct-17	9.20%	Perpetual (call option after 5 years)	-	Withdrawn
Tier-II Bonds (Basel-III) [#]	INE434A08075	24-Oct-17	7.98%	24-Oct-27 (call option after 5 years)	-	Withdrawn

[#]Transferred from erstwhile Andhra Bank to Union Bank of India consequent to amalgamation into Union Bank of India (UBI)

Note: The above instruments are redeemed due to maturity and exercise of call option.

Annexure-2: Rating history for the last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021
1	Bonds-Upper Tier-II	LT	-	-	-	-	1)Withdrawn (06-Oct-21)	1)CARE AA; Negative (07-Oct-20)
2	Bonds-Lower Tier-II	LT	-	-	-	1)CARE AA+; Positive (22-Sep-22)	1)CARE AA+; Stable (24-Nov-21) 2)CARE AA+; Stable (06-Oct-21)	1)CARE AA+; Negative (07-Oct-20)
3	Bonds-Perpetual Bonds	LT	1000.00	CARE AA; Positive	-	1)CARE AA; Positive (22-Sep-22)	1)CARE AA; Stable (29-Nov-21) 2)CARE AA; Stable (24-Nov-21) 3)CARE AA-; Stable (06-Oct-21)	1)CARE AA-; Negative (07-Oct-20)
4	Bonds-Tier-I Bonds	LT	-	-	-	-	1)Withdrawn (06-Oct-21)	1)CARE AA-; Negative

								(15-Oct-20)
5	Bonds-Tier-II Bonds	LT	-	-	-	-	1)Withdrawn (06-Oct-21)	1)CARE AA+; Negative (15-Oct-20)
6	Bonds-Tier-I Bonds	LT	-	-	-	1)CARE AA; Positive (22-Sep-22)	1)CARE AA; Stable (29-Nov-21) 2)CARE AA; Stable (24-Nov-21) 3)CARE AA-; Stable (06-Oct-21)	1)CARE AA-; Negative (15-Oct-20)
7	Bonds	LT	-	-	-	-	1)Withdrawn (06-Oct-21)	1)CARE AA+; Negative (15-Oct-20)
8	Bonds-Tier-I Bonds	LT	-	-	-	-	1)Withdrawn (06-Oct-21)	1)CARE AA-; Negative (15-Oct-20)
9	Bonds-Tier-II Bonds	LT	-	-	-	-	1)Withdrawn (06-Oct-21)	1)CARE AA+; Negative (15-Oct-20)
10	Bonds-Tier-II Bonds	LT	-	-	-	-	1)Withdrawn (06-Oct-21)	1)CARE AA+; Negative (15-Oct-20)
11	Bonds-Tier-II Bonds	LT	-	-	-	1)CARE AA+; Positive (22-Sep-22)	1)CARE AA+; Stable (24-Nov-21) 2)CARE AA+; Stable (06-Oct-21)	1)CARE AA+; Negative (15-Oct-20)
12	Certificate Of Deposit	ST	-	-	-	-	1)Withdrawn (06-Oct-21)	1)CARE A1+ (31-Dec-20)
13	Bonds-Tier-II Bonds	LT	2200.00	CARE AA+; Positive	-	1)CARE AA+; Positive (22-Sep-22)	-	-

*Long term/Short term.

Annexure-3: Detailed explanation of covenants of the rated instruments: Not applicable

Annexure-4: Complexity level of the various instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Bonds-Lower Tier-II	Complex
2	Bonds-Tier-I Bonds	Highly Complex
3	Bonds-Tier-II Bonds	Complex

Annexure-5: Lender details

To view the lender wise details of bank facilities please [click here](#)

Note on the complexity levels of the rated instruments: CARE Ratings has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications.

Contact us

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About us:

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