

UCO Bank

May 23, 2019

Ratings

Facilities	Amount (Rs. crore)	Rating1	Rating Action
Lower Tier II Bonds (Series X)	-	-	Withdrawn
Total facilities	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE has withdrawn the rating assigned to the Lower Tier II Bonds (Series X) issue of UCO Bank (UCO) with immediate effect as the bank has repaid the aforementioned bond issue in full and there is no amount outstanding under the issue as on date.

Analytical approach:

Not Applicable

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

UCO, incorporated in 1943, is a Kolkata-based public sector bank with total business (advances and deposits) of Rs.3,17,459 crore as on Mar.31, 2019 (Rs.3,05,838 crore as on Mar.31, 2018). Government of India (GoI) is the major shareholder of UCO, holding 93.29% equity stake as on Mar.31, 2019. The bank is under Prompt Corrective Action framework (PCA) since May 2017 in view of continued losses and high level of NPA.

Brief Financials (Rs. crore)	FY18 (A)	FY19 (A)
Total operating income	15,141	15,844
PAT	-4,436	-4,321
Interest coverage (times)	1.12	1.28
Total Assets	2,13,704	2,28,134
Net NPA (%)	13.10	9.72
ROTA (%)	-2.00	-1.96

A: Audited

Status of non-cooperation with previous CRA:

Not Applicable

Any other information:

Not Applicable

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

Annexure-1: Details of Instruments/Facilities

Name of the Instrument	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Bonds-Lower Tier II	December 12, 2008	9.75	April 22, 2019	0.00	Withdrawn

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

Annexure-2: Rating History of last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating history			
		Type	Amount Outstanding (Rs. crore)	Rating	Date(s) & Rating(s) assigned in 2019-2020	Date(s) & Rating(s) assigned in 2018-2019	Date(s) & Rating(s) assigned in 2017-2018	Date(s) & Rating(s) assigned in 2016-2017
1.	Bonds-Lower Tier II	LT	-	-	-	1)Withdrawn (04-Jul-18)	1)CARE A+; Stable (05-Feb-18) 2)CARE A+; Negative (07-Jul-17)	1)CARE AA-; Negative (28-Dec-16) 2)CARE AA- (19-Oct-16) 3)CARE AA- (13-Jul-16)
2.	Bonds-Lower Tier II	LT	-	-	-	1)CARE A+; Negative (21-Nov-18) 2)CARE A+; Stable (04-Jul-18)	1)CARE A+; Stable (05-Feb-18) 2)CARE A+; Negative (07-Jul-17)	1)CARE AA-; Negative (28-Dec-16) 2)CARE AA- (19-Oct-16) 3)CARE AA- (13-Jul-16)
3.	Bonds-Upper Tier II	LT	-	-	-	-	-	1)Withdrawn (13-Jul-16)
4.	Bonds-Upper Tier II	LT	-	-	-	-	1)Withdrawn (08-Feb-18) 2)CARE A; Negative (07-Jul-17)	1)CARE A+; Negative (28-Dec-16) 2)CARE A+ (19-Oct-16) 3)CARE A+ (13-Jul-16)
5.	Bonds-Perpetual Bonds	LT	-	-	-	-	-	1)Withdrawn (13-Jul-16)
6.	Bonds-Tier I Bonds	LT	-	-	-	-	-	1)Withdrawn (13-Jul-16)

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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About CARE Ratings:

CARE Ratings commenced operations in April 1993 and over two decades, it has established itself as one of the leading credit rating agencies in India. CARE is registered with the Securities and Exchange Board of India (SEBI) and also recognized as an External Credit Assessment Institution (ECAI) by the Reserve Bank of India (RBI). CARE Ratings is proud of its rightful place in the Indian capital market built around investor confidence. CARE Ratings provides the entire spectrum of credit rating that helps the corporates to raise capital for their various requirements and assists the investors to form an informed investment decision based on the credit risk and their own risk-return expectations. Our rating and grading service offerings leverage our domain and analytical expertise backed by the methodologies congruent with the international best practices.

Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments.

In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

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