



UCO BANK



**HEARTY
WELCOME
TO
ALL
MEMBERS OF
THE
BOARD**

A stylized illustration of a sunflower with a white head and a green stem, positioned behind the text.



UCO BANK

FINANCIAL RESULTS
JUNE-2010





OUR-VISION

**“TO EMERGE AS THE MOST TRUSTED,
ADMIRED AND SOUGHT-AFTER WORLD
CLASS FINANCIAL INSTITUTION AND TO
BE THE MOST PREFERRED DESTINATION
FOR EVERY CUSTOMER AND INVESTOR
AND A PLACE OF PRIDE FOR ITS
EMPLOYEES”**



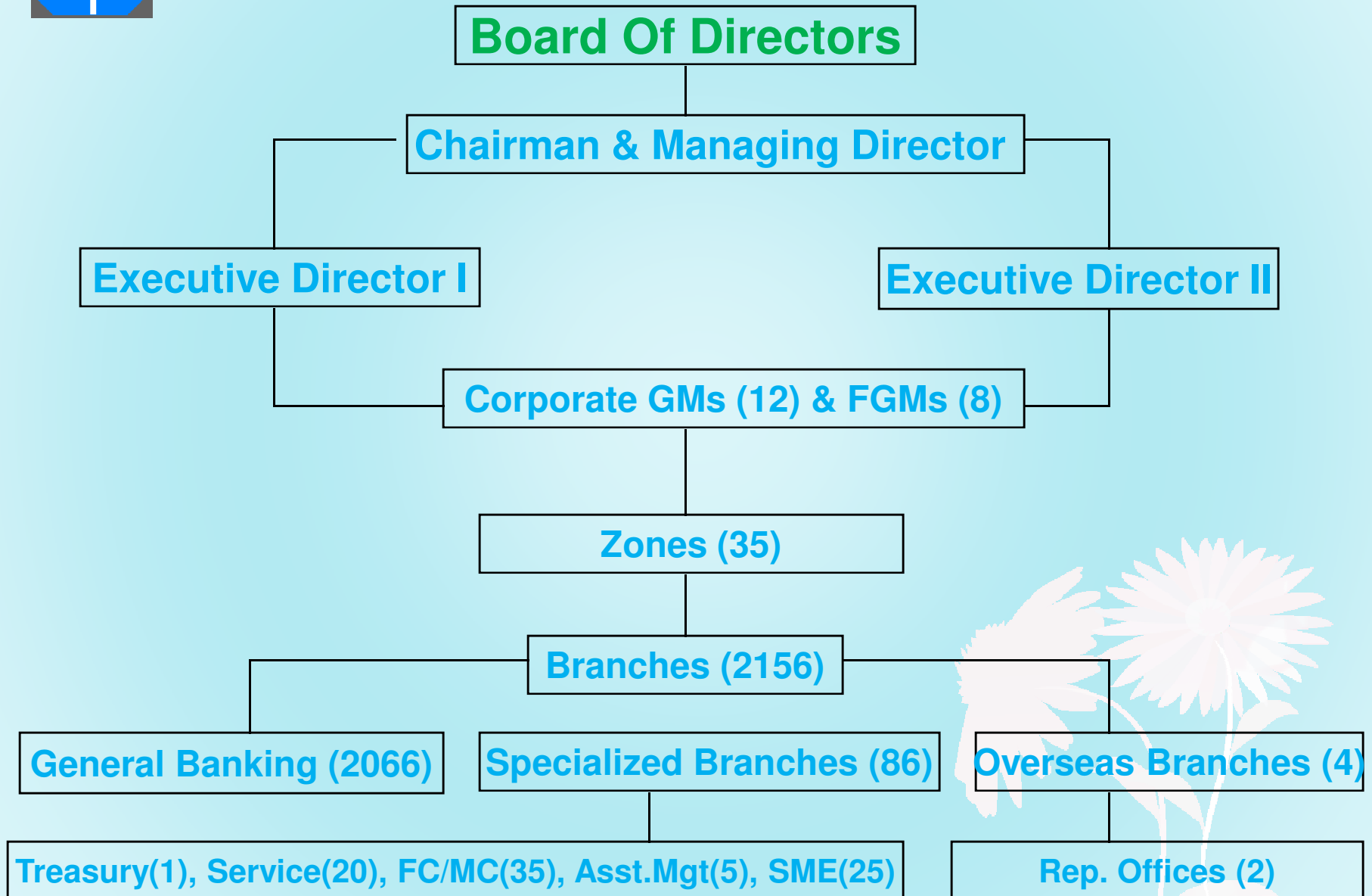


OUR-MISSION

**“TO BE A TOP-CLASS BANK
TO ACHIEVE SUSTAINED GROWTH OF
BUSINESS AND PROFITABILITY,
FULFILLING SOCIO-ECONOMIC
OBLIGATIONS, EXCELLENCE IN
CUSTOMER SERVICE THROUGH
UPGRADATION OF SKILLS OF STAFF,
THEIR EFFECTIVE PARTICIPATION AND
MAKING USE OF STATE-OF-THE-ART
TECHNOLOGY”**



Organizational & Reporting Structure



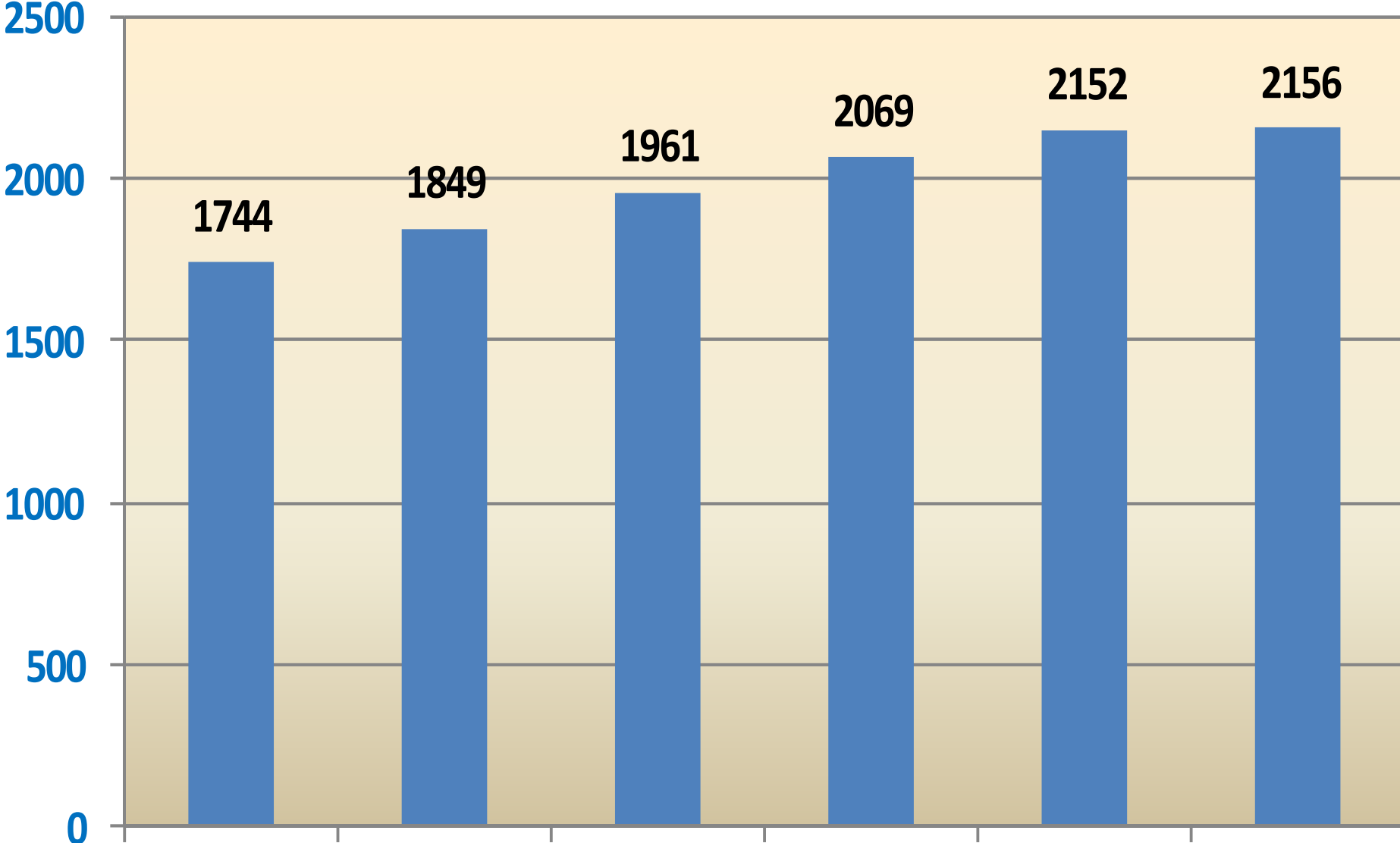


Branch Network

- ❖ All **2156** branches spread across India and abroad are under CBS Live
- ❖ Presence in all States and Union Territories of India
- ❖ **Two-Third network in Rural/Semi-Urban areas**
- ❖ SLBC responsibilities in the states of H.P and Orissa
- ❖ Lead Bankers in 34 districts spread over 7 states
- ❖ Sponsored 5 RRBs in 5 States
- ❖ **Over 50 years of experience in international operations**
- ❖ Two branches each in Hong Kong and Singapore Centres
- ❖ Representative Offices in Kuala Lumpur in Malaysia and Guangzhou in Republic of China
- ❖ Correspondent banking relationship with 15 Banks in 13 countries



Branches







FY 2005-06 2006-07 2007-08 2008-09 2009-10 30/6/2010



Performance Highlights

[June 2009 - June 2010]

<u>Parameters</u>	Trend	Absolute Rs. in Cr.	% Growth
Business		31,815	18.85
Deposits		18,448	18.37
Advances		13,366	19.55
Investment		6,418	19.63



Business Growth

Comparative Performance (Rs. Cr.)

Global	June-09	June-10	Y-o-Y- Growth	
			Amt	%
Business	1,68,808	2,00,623	31,815	18.85
Deposit	1,00,428	1,18,876	18,448	18.37
Advances	68,380	81,746	13,366	19.55
Investment	32,688	39,106	6,418	19.63



Business Growth Comparative Performance (Rs. Cr.)

Domestic	June-09	June-10	Y-o-Y Growth	
			Amt	%
Business	1,58,677	1,87,604	28,927	18.23
Deposit	94,797	1,12,046	17,249	18.20
Advances	63,880	75,558	11,678	18.28
Investment	30,998	38,077	7,079	22.84



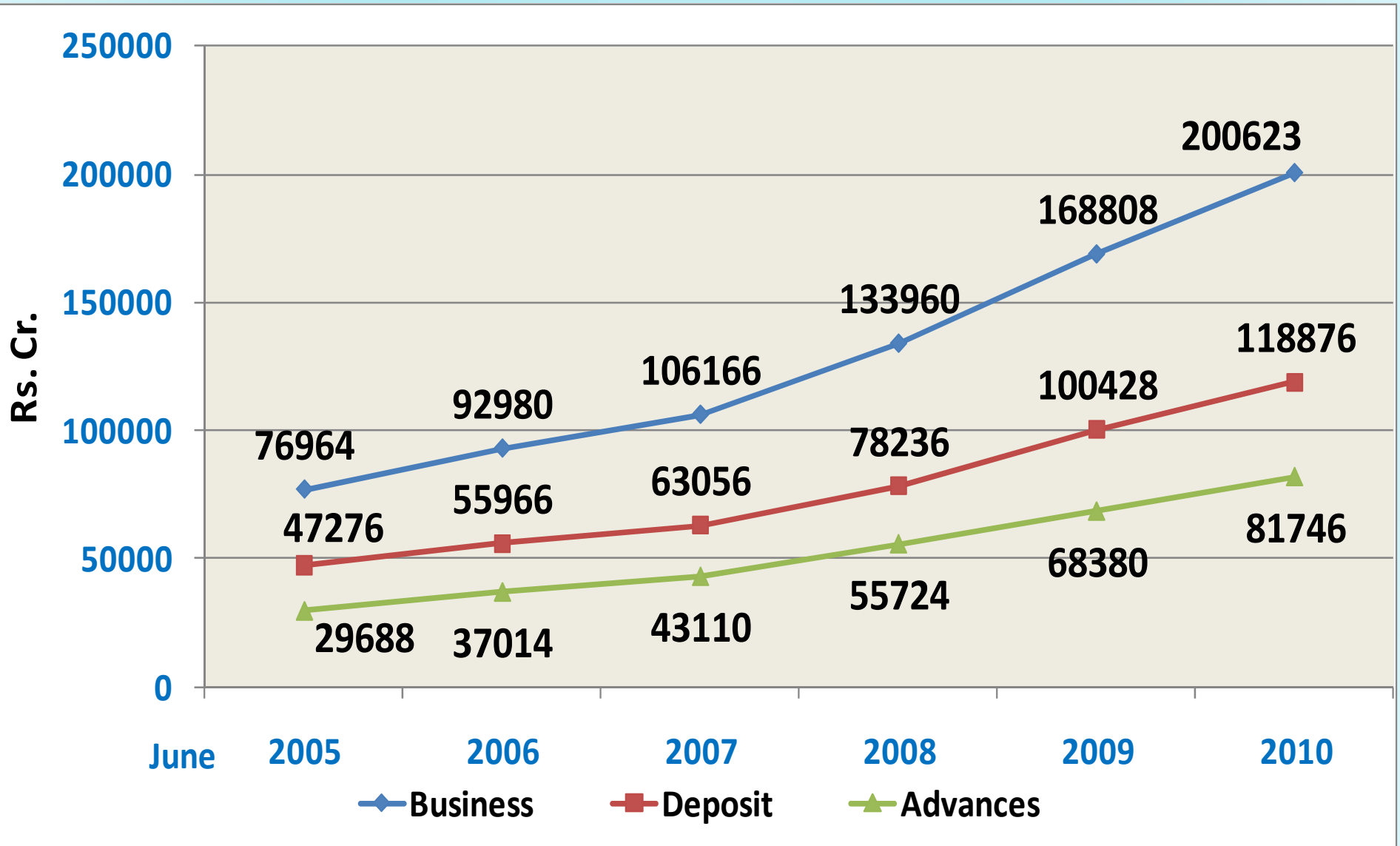
Business Growth

Comparative Performance (Rs. Cr.)

Overseas	June-09	June-10	Y-o-Y Growth	
			Amt	%
Business	10,131	13,018	2,887	28.50
Deposit	5,631	6,830	1,199	21.30
Advances	4,500	6,188	1,688	37.52
Investment	1,689	1,029	-660	-39.10

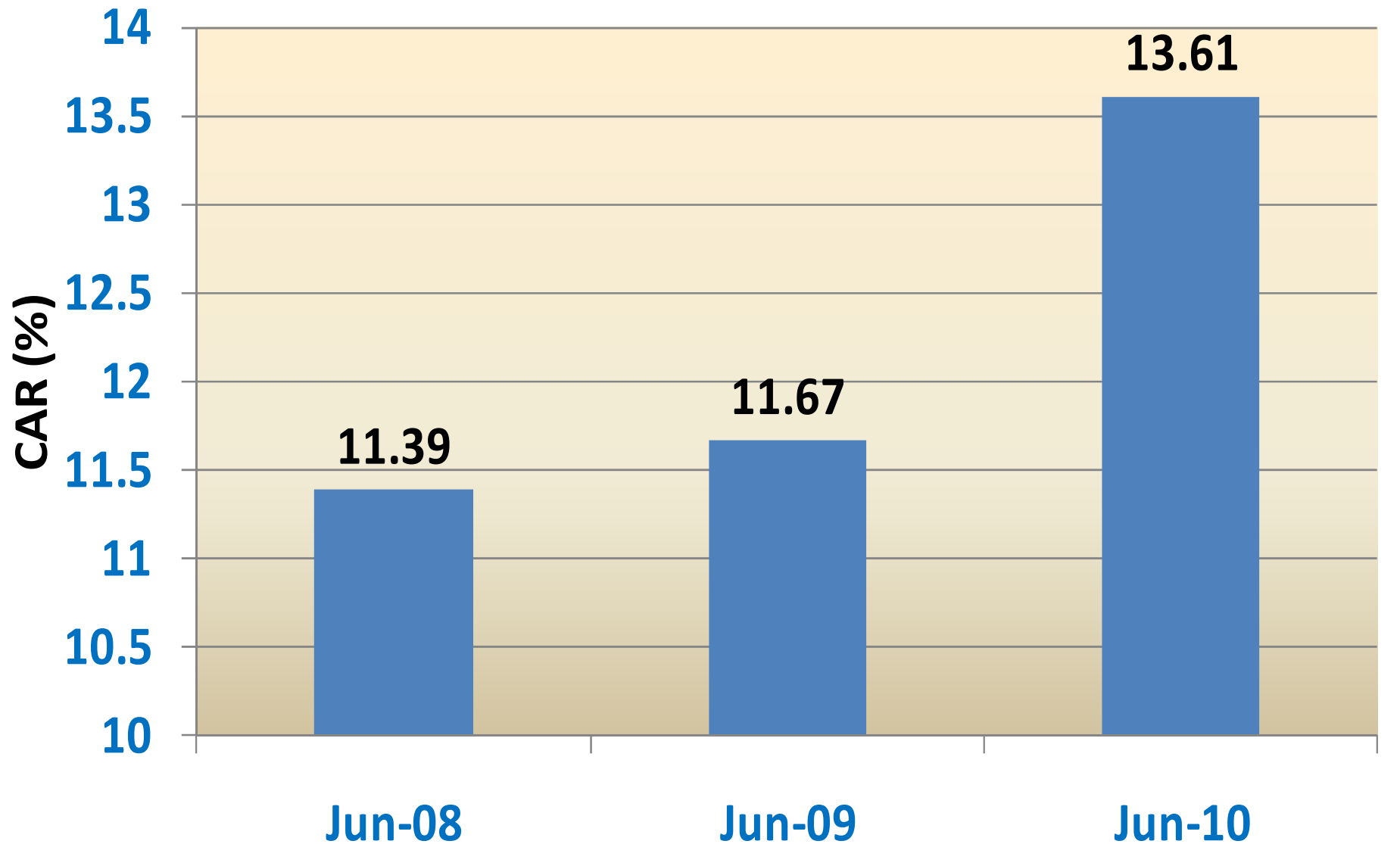


Business - Deposits - Advances ***- A Comparative Performance***





Capital Adequacy Ratio (Basel-II)





Financial Results

Comparative Performance

PARAMETERS	Global – Q1			
	2009-10	2010-11	Growth	
	Amt. (Rs. Cr.)			%
INTEREST INCOME	2,331	2,672	341	14.63
OTHER INCOME	252	190	-62	-24.60
TOTAL INCOME	2,584	2,862	278	10.76
INTEREST PAID	1,904	1,736	-168	-8.82
OPTG EXPENSES	369	481	112	30.35
TOTAL EXPENSES	2,273	2,217	-56	-2.46
NET INT INCOME	427	937	510	119.44
OPTG PROFIT	310	645	335	108.07
PROVISIONS	131	385	254	193.89
NET PROFIT	179	260	81	45.49



Financial Results

Comparative Performance

PARAMETERS	Domestic – Q1			
	2009-10	2010-11	Growth	
	Amt. (Rs. Cr.)			%
INTEREST INCOME	2,274	2,627	353	15.52
OTHER INCOME	245	180	-65	-26.53
TOTAL INCOME	2,519	2,807	288	11.43
INTEREST PAID	1,857	1,712	-145	-7.81
OPTG EXPENSES	358	471	113	31.56
TOTAL EXPENSES	2,215	2,183	-32	-1.44
NET INT INCOME	417	915	498	119.42
OPTG PROFIT	304	624	320	105.26
PROVISIONS	132	383	251	190.15
NET PROFIT	172	241	69	40.11



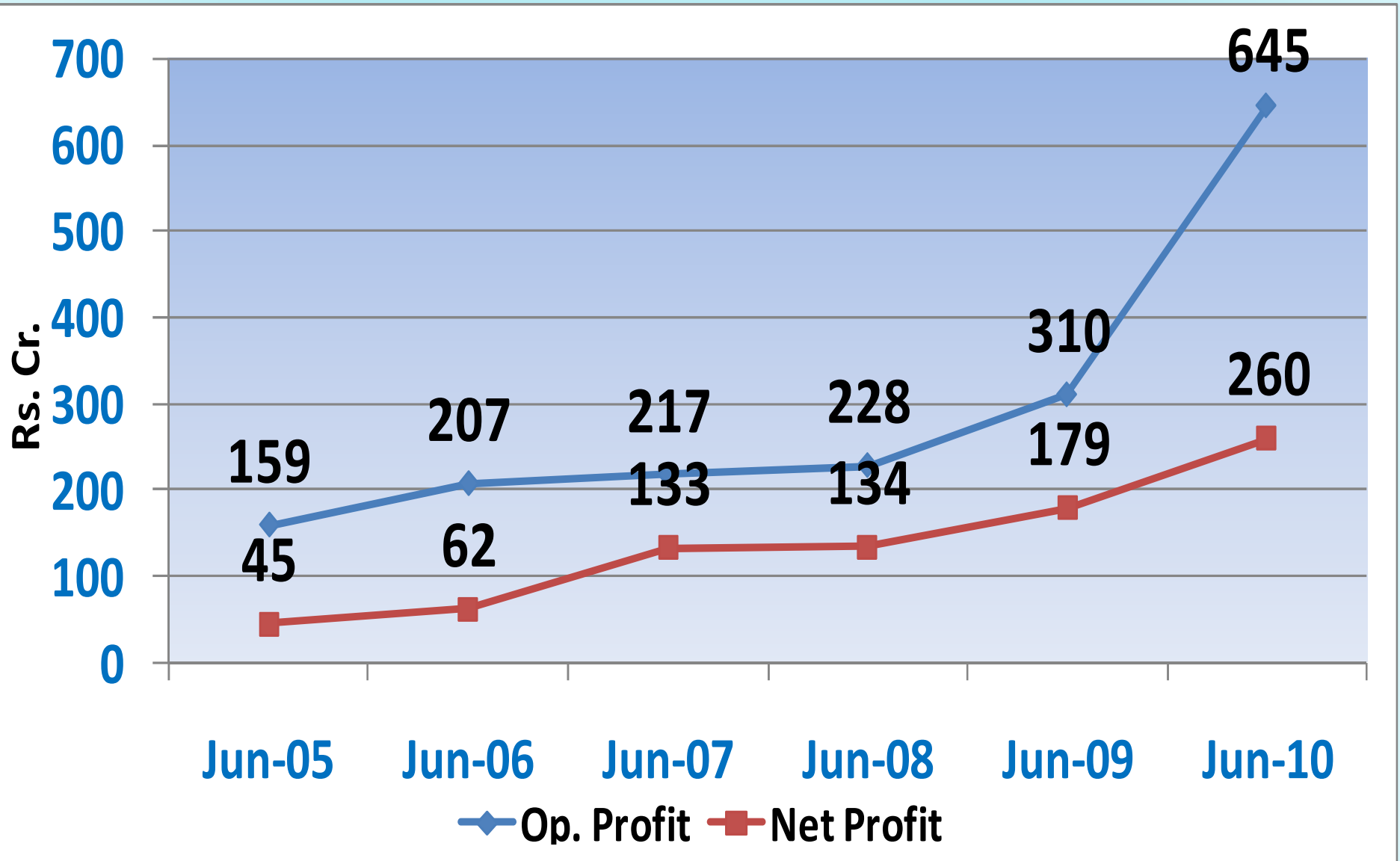
Financial Results

Comparative Performance

PARAMETERS	Overseas – Q1			
	2009-10	2010-11	Growth	
	Amt. (Rs. Cr.)			%
INTEREST INCOME	58	46	-12	-20.68
OTHER INCOME	7	10	3	42.86
TOTAL INCOME	65	56	-9	-13.85
INTEREST PAID	48	24	-24	-50.00
OPTG EXPENSES	11	10	-1	-9.09
TOTAL EXPENSES	59	34	-25	-42.37
NET INT INCOME	10	22	12	120.00
OPTG PROFIT	6	22	16	266.67
PROVISIONS	-1	3	2	100.00
NET PROFIT	7	19	12	171.43



Operating Profit - Net profit -A comparative position





Components of Deposits **- Global (Rs. Cr.)**

Type of Deposits	June-08	June-09	June-10	Y-o-Y (%)
Demand Deposit	4,919	5,616	8,116	44.51
SB Deposit	15,129	17,253	22,568	30.80
Low cost Deposit	20,048	22,869	30,684	34.17
Term Deposit	58,187	77,559	88,192	13.70
Total Deposit	78,235	1,00,428	1,18,876	18.37



Performance Indices (%)

<i>Global</i>	<i>June-09</i>	<i>June-10</i>
<i>Yield on Advances (%)</i>	<i>10.48</i>	<i>9.85</i>
<i>Yield on Investment (%) (Excluding Recap Bonds)</i>	<i>6.99</i>	<i>7.36</i>
<i>Cost of Deposit (%)</i>	<i>7.08</i>	<i>5.44</i>
<i>Spread</i>	<i>1.74</i>	<i>3.07</i>
<i>Staff Cost (% of AWF)</i>	<i>0.91</i>	<i>1.06</i>
<i>Return on Assets (%)</i>	<i>0.64</i>	<i>0.79</i>
<i>Op. Profit (% of AWF)</i>	<i>1.11</i>	<i>1.96</i>
<i>BPE (Rs. in crores)</i>	<i>7.36</i>	<i>8.88</i>



Performance Indices (%)

<i>Domestic</i>	<i>June-09</i>	<i>June-10</i>
<i>Yield on Advances (%)</i>	<i>11.11</i>	<i>10.47</i>
<i>Yield on Investment (%) (Excluding Recap Bonds)</i>	<i>7.27</i>	<i>7.56</i>
<i>Cost of Deposit (%)</i>	<i>7.41</i>	<i>5.71</i>
<i>Spread</i>	<i>1.92</i>	<i>3.26</i>
<i>Staff Cost (% of AWF)</i>	<i>0.95</i>	<i>1.11</i>
<i>Op. Profit (% of AWF)</i>	<i>1.17</i>	<i>2.02</i>



NPA Management

<u>Global</u>	<u>June-2008</u> Rs. Crores	<u>June-2009</u> Rs. Crores	<u>June-2010</u> Rs. Crores
Gross NPA (Opening Balance)	1,652	1,540	1,666
FRESH GENERATION	149	125	416
Cash Recovery	159	68	83
Upgradation	52	39	64
Total Recovery	211	107	147
Write-off	19	3	6
TOTAL REDUCTION	230	110	153
GROSS NPA (Closing Balance)	1,571	1,555	1,929
NET NPA (Closing Balance)	1,053	776	919
Gross NPA Ratio (%)	2.82	2.27	2.36
Net NPA Ratio (%)	1.91	1.15	1.14
Recovery in W/O Accounts	9	4	7
Coverage Ratio (%)	32.94	50.10	58.04



Achievements in Priority Sector Lending

<i>Rs. in Crore</i>			
<i>Parameter</i>	<i>Actual June'09</i>	<i>Actual June'10</i>	<i>Y-o-Y Growth (%)</i>
<i>Total P.S. Lending</i>	<i>24,848</i>	<i>27,003</i>	<i>8.67</i>
<i>Agriculture Credit</i>	<i>11,252</i>	<i>14,132</i>	<i>25.59</i>
<i>Advances to Weaker Sections</i>	<i>5,975</i>	<i>6,740</i>	<i>12.80</i>
<i>Advances to MSE Sectors</i>	<i>6,554</i>	<i>8,522</i>	<i>30.02</i>



Technology Initiatives

- ❖ ***2,152 Branches and 7 Extn. Counters brought under CBS covering 100% of business***
- ❖ ***In all 4 UCO Mobile Banks (Branch on Wheels) launched. During this fiscal, 100 mobile vans of both (with Biometric ATM and without ATM) models are planned for deployment to meet implementation of Financial Inclusion initiative in a big way***
- ❖ ***500 ATMs (340 On site and 160 Off site) installed (22 ATMs added during the quarter)***



Technology Initiatives

(contd.)

- ❖ **9.66 lacs VISA Debit Cards activated (0.40 lacs added during this quarter)**
- ❖ **12,499 Corporate customers (980 added during this quarter) and 28,774 Retail customers (2,108 added during this quarter) registered under e-Banking**
- ❖ **2,152 branches are RTGS/NEFT Live**
- ❖ **RTGS & NEFT implemented through e-Banking – a landmark achievement in our IT initiatives**
- ❖ **Govt. Business Module implemented in all branches**
- ❖ **Workshop on MIS Codes at 25 Zones has been completed covering 750 branches.**



Performance Highlights : Risk Management Deptt.

❖ Base Rate linked Rate of Interest structure was put in place w.e.f. 01/07/2010

❖ Following Policies/Policy Reviews were also put in place during the quarter:

☐ Enhancement to ICAAP Policy

☐ Comprehensive Stress Testing Policy

☐ Loan Policy 2010

☐ ALM Policy

☐ Credit Risk Mitigation and Collateral Management Policy



Initiatives of Recovery Deptt.

❖ To augment recovery, a good number of fresh initiatives/Incentive Scheme have been taken as under:-

❖ Holding of country-wide “Mega Recovery Camps” besides normal recovery camps

❖ Introduction of Cash Incentive Scheme for recovery made by the members of the staff (Pratsahan Yojana)

❖ Formation of “Steering Committee” at each branch for recovery

❖ Sale of NPA to Asset Reconstruction Companies.



Retail & Para Banking Initiatives

- ❖ Strategic alliances with leading car manufacturers of the country have given a boost to the **Car Loan Portfolio** of the Bank. Car Loans have registered a y-0-y growth of **77%** during the period.
- ❖ **Education Loan** financing has also got a boost through the On-Line application system. Education Loans registered a y-o-y growth of **35%** during the period.
- ❖ **Workshop** was conducted for review of functioning of **Central Processing Centres** at Chennai and action points as emerged were implemented for increasing the effectiveness in the working of the CPCs.



Retail & Para Banking Initiatives (contd.)

- ❖ **Workshop** for Zonal Marketing Officers was also conducted to review their present functioning and to bring about more focus to the marketing function at Zones.
- ❖ The fee based income from Bancassurance and Non-Life/General Insurance during the quarter registered a y-o-y growth of **19.66% and 52.27%** respectively.
- ❖ Launched '**UCO Griha Raksha Policy**' in association with Reliance General Insurance Company with a view to offer term cover to the assets created by the Bank's UCO Shelter borrowers by way of a single premium against perils like fire and earthquake at a very competitive cost.



Initiatives in the area of Corporate Communication

- ❖ **Achievement of 2 lakhs crores business by the Bank during FY 2009-10 was published in the Times of India and Economic Times through front-page advertisements. Bank received good publicity mileage out of this campaign.**
- ❖ **The unique initiative of launching CBS enabled UCO Mobile Bank (Branch on wheels) was advertized prominently in newspapers in West Bengal. Apart from this, outdoor campaign was done in villages covered by the Mobile Banking Unit for creation of awareness about availability of banking services at doorstep of villagers.**
- ❖ **To promote Bank's education loan and e-banking products, advertisements wee released in Newspapers & Magazines.**
- ❖ **During the quarter, the Bank gave donations to Arya Varat Special School at New Delhi for purchase of vehicle for physically challenged children.**



HR Initiatives

❖ As an initiative for Staff Welfare, the Bank has introduced **Group Mediclaim Insurance Scheme** for the retired employees with their spouse with effect from 14.04.2010.

□ The Scheme provided reimbursement of expenses to the extent of Rs.1.00 lac on floater basis in case of hospitalization of the ex-employees and their spouse who join the Scheme.

❖ One Company Secretary has been recruited

❖ Recruitment process for 1000 posts in Clerical Cadre spread over 23 States and 4 Union Territories is on



Socio-Economic Initiatives

➤ **Adopted Kajiyana and Khalispur villages in Rae-Bareilly district of U.P.**

Mrs. Sonia Gandhi, Hon'ble Chairperson of UPA Govt. and MP from Rae-Bareilly, inaugurated the village adoption programme at a function at Kajiyana village on 18.05.2010. Mrs. Gandhi also launched the three-year Village Development Plan drawn up by the Bank for total credit inclusion of the villages. The Bank has also formulated a special scheme for lending to Women SHGs, at a concessional rate of interest sponsored by Rajiv Gandhi Mahila Vikas Pariyojna, Rae-Bareilly. On the occasion, a Credit Camp was organized, where Mrs. Gandhi distributed loan sanction letters to 519 borrowers amounting to Rs.87 lacs. Mrs. Gandhi also flagged off 'UCO MOBILE BANK' at that centre.

□ **So far, the Bank has adopted 10 Villages under its UCO SAMAGRA GRAMIN VIKAS YOJNA.**



Mrs. Sonia Gandhi distributing Loan Sanction Letters to the borrowers



UCO Bank's Commitment to Rural Progress continues

- **Under our Corporate Social Responsibility commitment, the Bank has decided to develop the road from Raghunathganj to Bagha Village, which was adopted by the Bank on 02.01.2010. Shri Pranab Mukherjee, Hon'ble Union Finance Minister laid the Foundation Stone on 11.07.2010 for the purpose and also inaugurated a credit camp in presence of Shri Ajai Kumar, ED. Shri Mukherjee, in his address to the villagers duly appreciated the efforts of UCO Bank.**
- **The Bank has opened yet another Rural Self Employment Training Institute (RSETI) at Solan (Himachal Pradesh). As such, our total RSETIs in operation in the country are 10 (ten).**



Thrust Areas for FY 2010-11

- **Steady increase in low cost deposit round the year**
- **Credit delivery to ensure asset quality**
- **Focus on Mid Corporate, Retail and SE Advances**
- **Focused vigil on reduction in fresh generation of NPA**
- **Profit planning**
- **To become GREEN BANK by implementing Solar Energy in Branches**
- **To make UCO a truly 'World Class Financial Institution'**



UCO BANK



Thank

You

All