

# Amalgamation of Public Sector Banks



Department of Financial Services  
Ministry of Finance  
Government of India

# Amalgamation of 10 PSBs into 4 approved

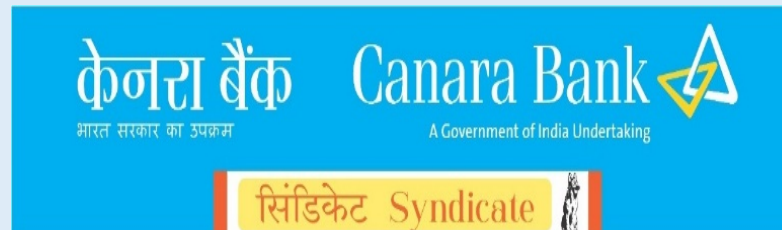
**Punjab National Bank**  
**Oriental Bank of Commerce**  
**United Bank of India**



**Union Bank of India**  
**Andhra Bank**  
**Corporation Bank**



**Canara Bank**  
**Syndicate Bank**



**Indian Bank**  
**Allahabad Bank**



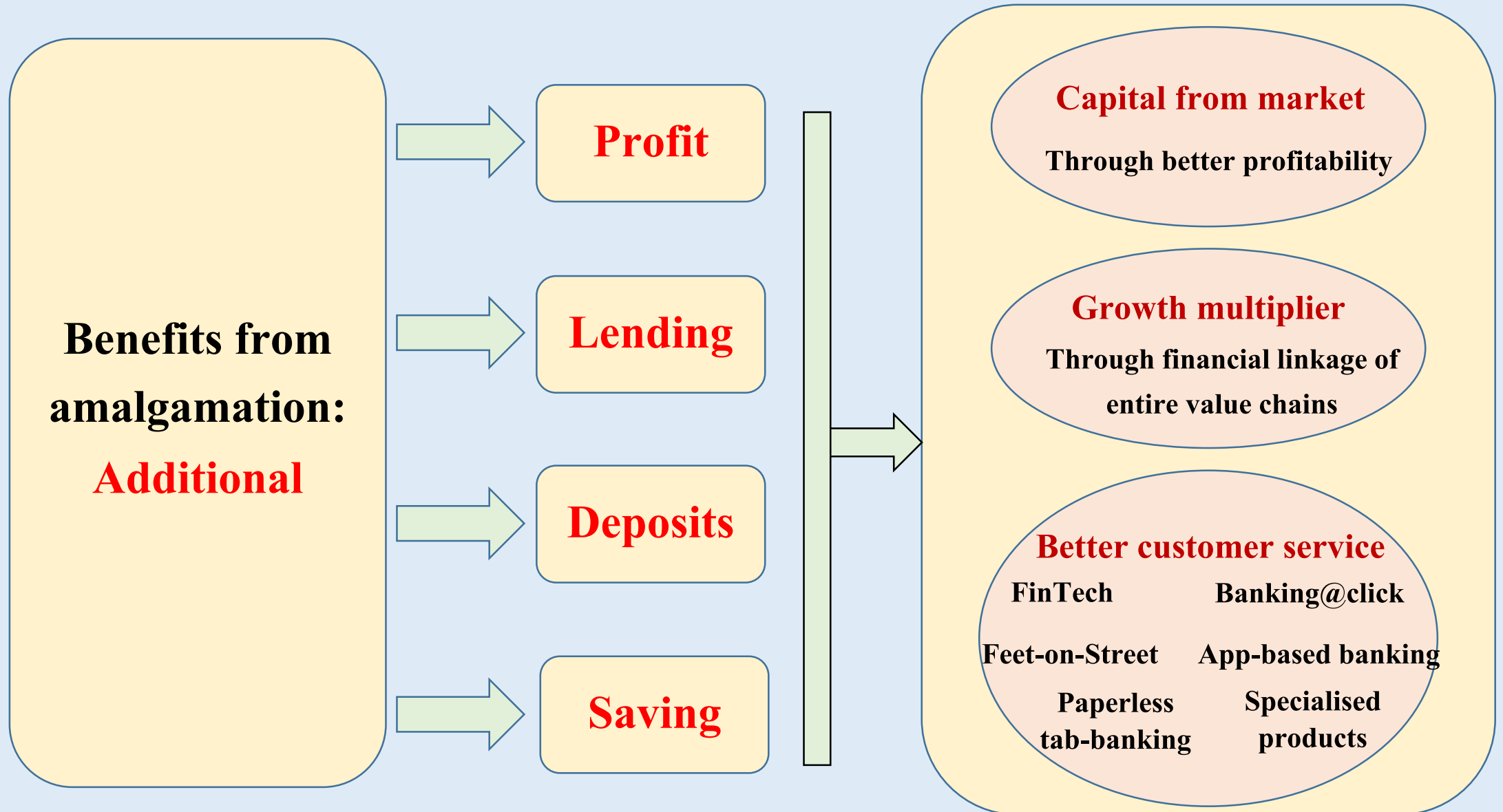
**Date of  
amalgamation**

**April 1, 2020**

# Amalgamation benefits



# Benefits of amalgamated banks vis-à-vis separate banks



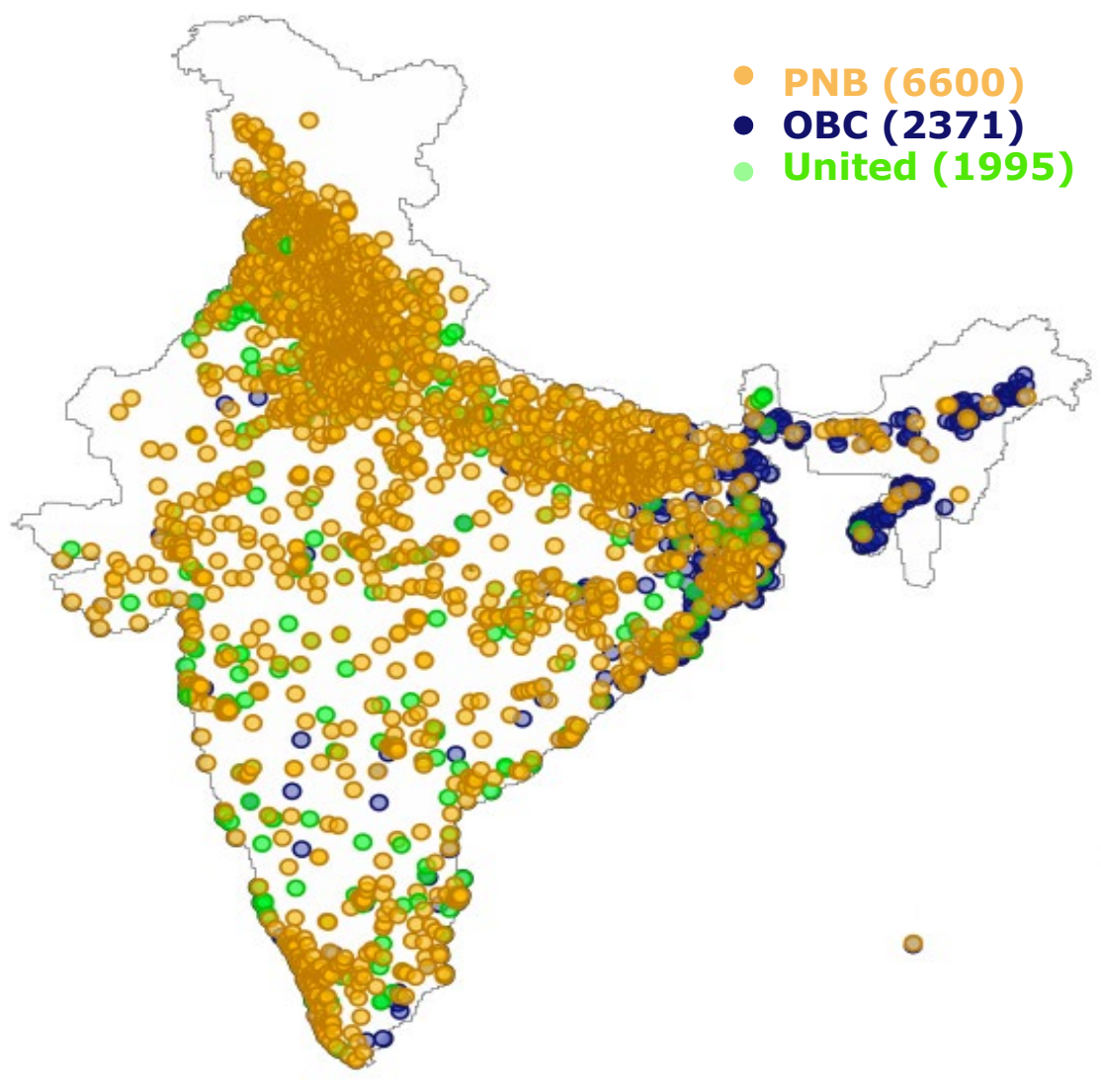


# Snapshot of Consolidations



Department of Financial Services  
Ministry of Finance  
Government of India

# PNB + OBC + United Bank



**2<sup>nd</sup> largest PSB, with 10,966 branches**

**Business of ₹ 17.91 cr., 1.5x of Anchor**

**CRAR of 14.46%, well above regulatory**

**Smoother integration with same CBS**

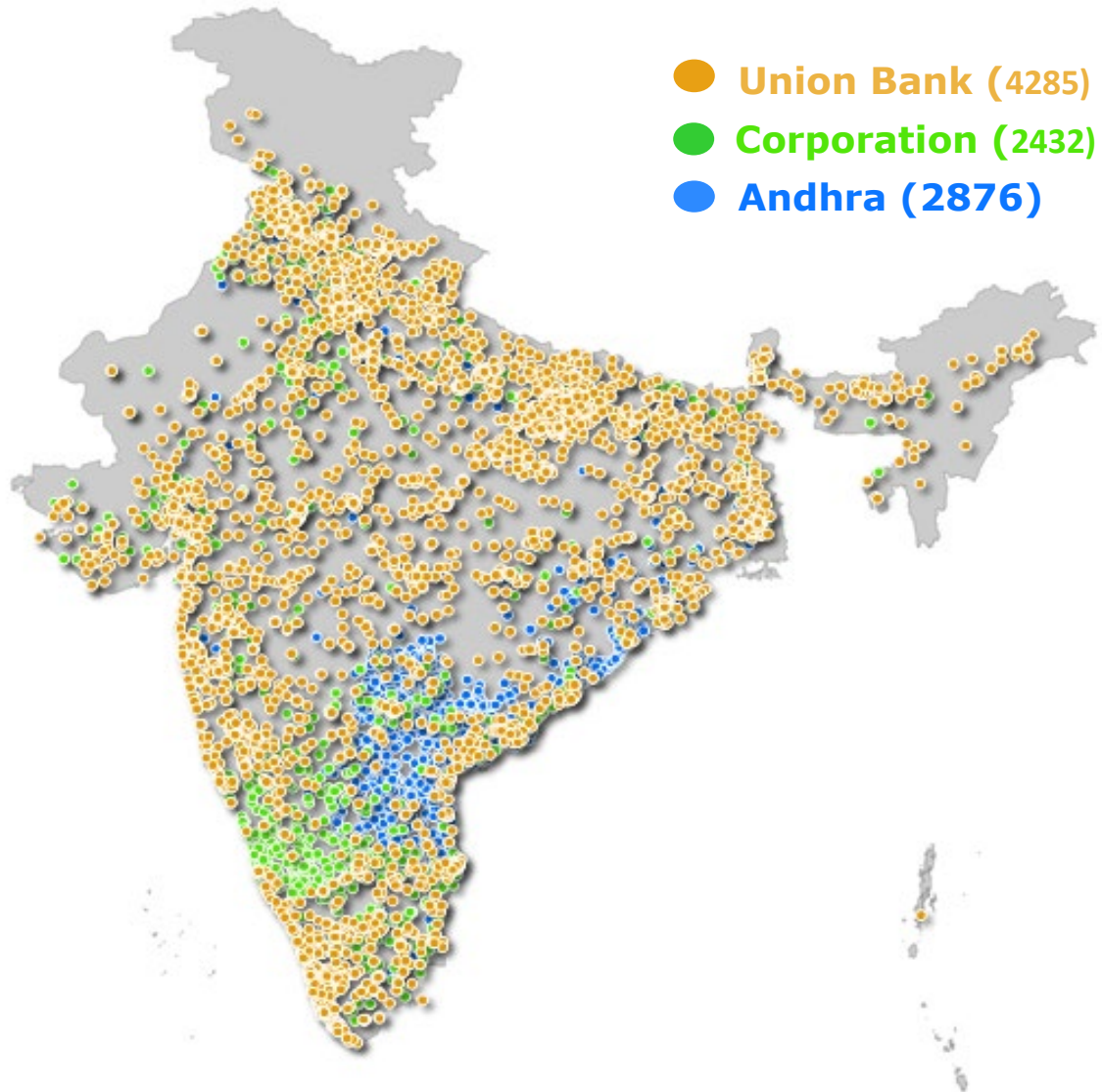
**Strong network synergies in North**

# PNB + OBC + United Bank



	PNB	OBC	United Bank of India	Amalgamated bank
<b>Total business</b> (in crore ₹)	11,79,900	4,02,124	2,08,616	17,90,640
<b>Gross advances</b> (in crore ₹)	4,71,356	1,71,136	73,991	7,16,483
<b>Deposits</b> (in crore ₹)	7,08,544	2,30,988	1,34,624	10,74,157
<b>CASA ratio</b>	42.59%	30.85%	51.37%	41.16%
<b>Domestic branches</b>	6,600	2,371	1,995	10,966
<b>PCR</b>	60.27%	56.05%	47.83%	57.89%
<b>CET-I ratio</b>	10.64%	12.92%	12.22%	11.34%
<b>CRAR ratio</b>	14.04%	15.57%	14.58%	14.46%
<b>Net NPA ratio</b>	7.18%	5.98%	8.56%	7.03%
<b>Employees</b>	63,729	21,281	13,614	98,624

# Union Bank + Andhra Bank + Corporation Bank



**5<sup>th</sup> largest PSB, with 9,593 branches**

**Business of ₹ 15.08 cr., 1.9x of Anchor**

**CRAR of 14.13%, well above regulatory**

**Smoother integration with same CBS**

**Strong network synergies in South**



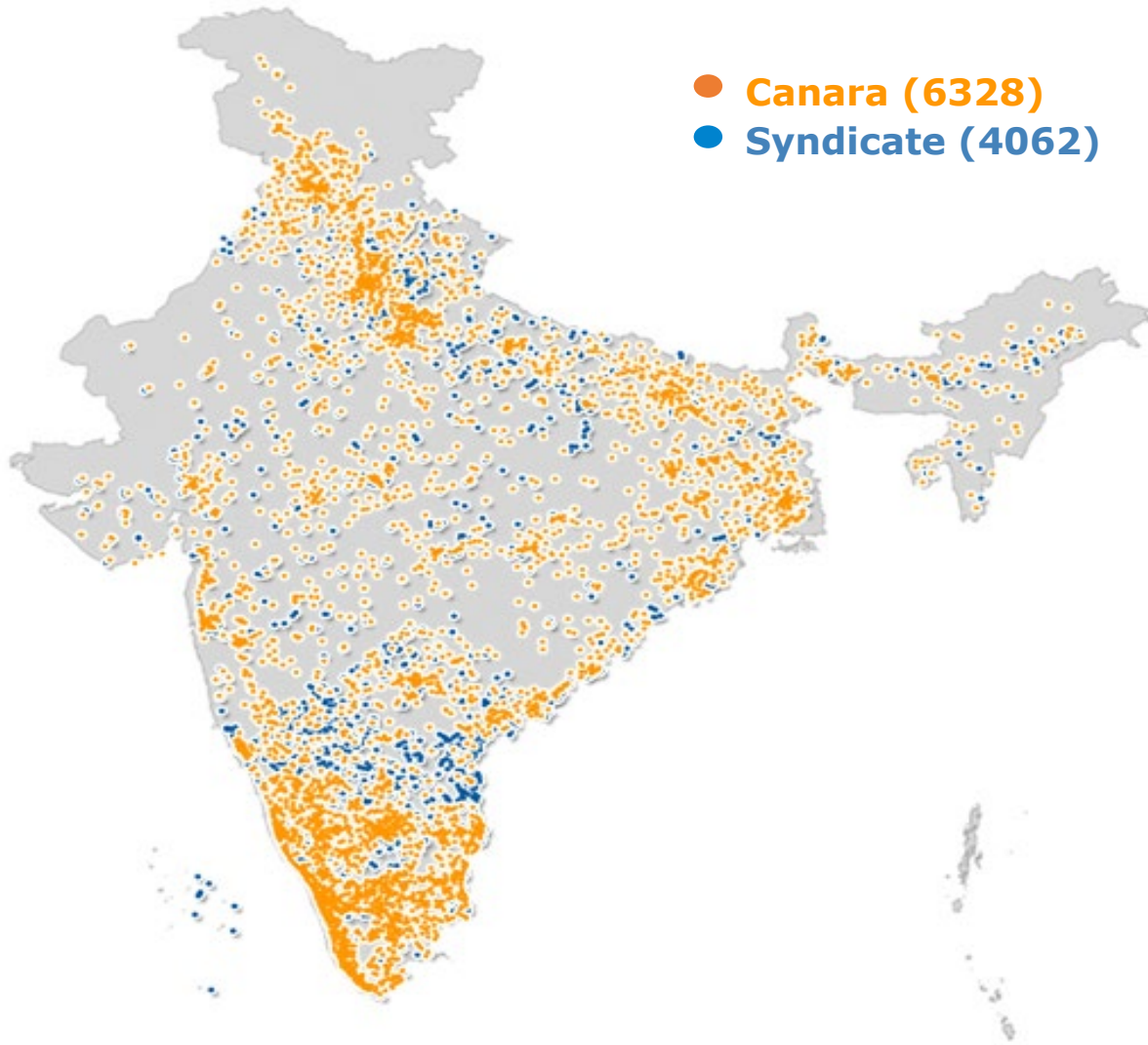
# Union Bank + Andhra Bank + Corporation Bank



	Union Bank	Andhra Bank	Corporation Bank	Amalgamated bank
<b>Total business</b> (in crore ₹)	7,81,155	3,96,075	3,30,498	15,07,728
<b>Gross advances</b> (in crore ₹)	3,36,064	1,79,353	1,32,114	6,47,531
<b>Deposits</b> (in crore ₹)	4,45,091	2,16,722	1,98,383	8,60,196
<b>CASA ratio</b>	34.40%	32.77%	28.68%	32.67%
<b>Domestic branches</b>	4,285	2,876	2,432	9,593
<b>PCR</b>	56.91%	67.43%	67.69%	61.92%
<b>CET-I ratio</b>	11.35%	8.71%	11.42%	10.70%
<b>CRAR ratio</b>	14.71%	13.12%	13.80%	14.13%
<b>Net NPA ratio</b>	6.99%	6.36%	5.32%	6.48%
<b>Employees</b>	37,586	20,566	17,517	75,669

Dec 2019 financials

# Canara Bank + Syndicate Bank



**4<sup>th</sup> largest PSB, with 10,390 branches**

**Business of ₹ 15.64 cr., 1.5x of Anchor**

**CRAR of 13.90%, well above regulatory**

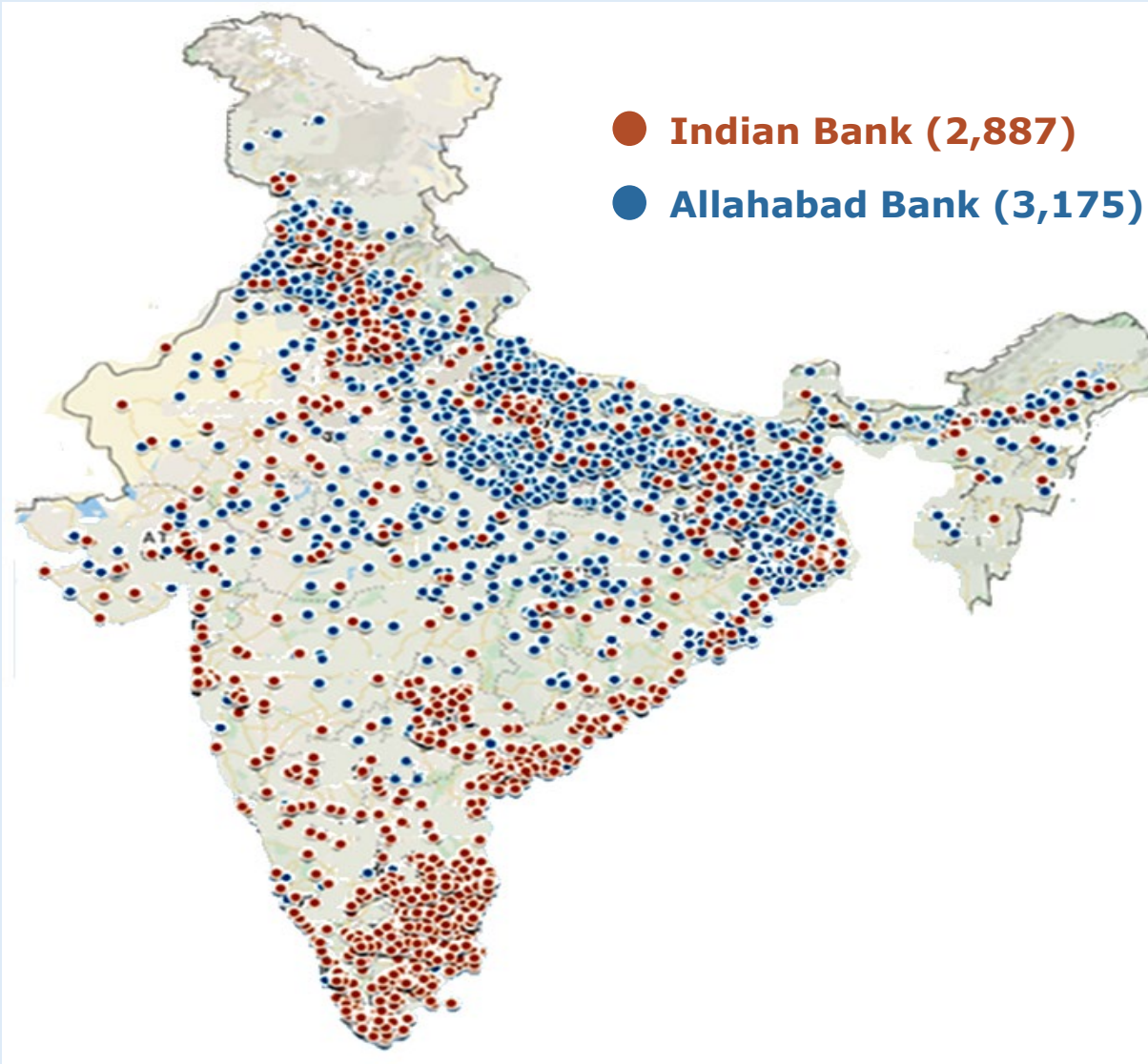
**Smoother integration with same CBS**

**Strong JV/subsidiaries synergy potential**

# Canara Bank + Syndicate Bank

	Canara Bank	Syndicate Bank	Amalgamated bank
<b>Total business</b> (in crore ₹)	10,63,451	5,00,970	15,64,421
<b>Gross advances</b> (in crore ₹)	4,38,210	2,23,603	6,61,813
<b>Deposits</b> (in crore ₹)	6,25,240	2,77,368	9,02,608
<b>CASA ratio</b>	29.25%	31.56%	29.96%
<b>Domestic branches</b>	6,328	4,062	10,390
<b>PCR</b>	41.77%	50.60%	44.90%
<b>CET-I ratio</b>	10.29%	9.51%	9.97%
<b>CRAR ratio</b>	13.86%	14.36%	13.90%
<b>Net NPA ratio</b>	5.05%	5.94%	5.34%
<b>Employees</b>	59,338	30,709	90,047

# Indian Bank + Allahabad Bank



**7<sup>th</sup> largest PSB, with 6,062 branches**

**Business of ₹ 8.44 cr., 1.9x of Anchor**

**CRAR of 13.84%, well above regulatory**

**Smoother integration with same CBS**

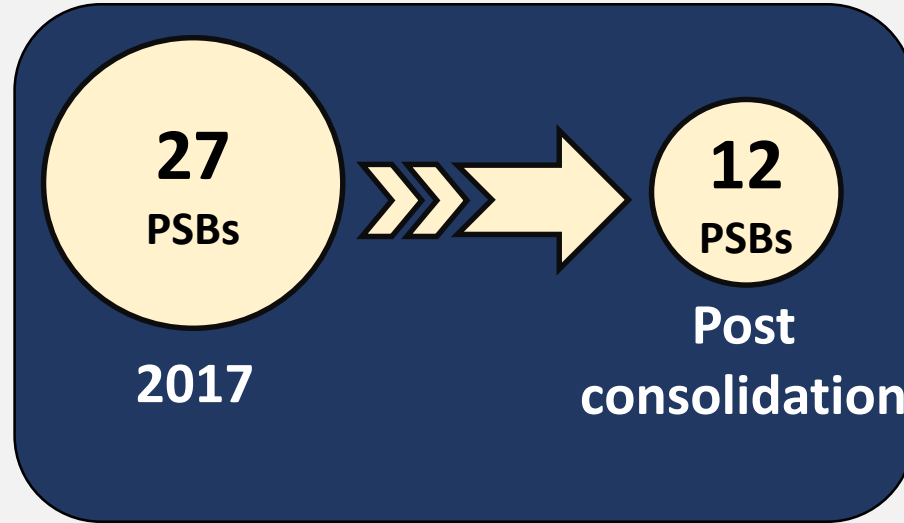
**Cost synergies through improved CASA**

# Indian Bank + Allahabad Bank



	Indian Bank	Allahabad Bank	Amalgamated bank
<b>Total business</b> (in crore ₹)	4,50,278	3,93,536	8,43,814
<b>Gross advances</b> (in crore ₹)	1,92,658	1,69,879	3,62,537
<b>Deposits</b> (in crore ₹)	2,57,621	2,23,657	4,81,278
<b>CASA ratio</b>	33.71%	47.23%	41.65%
<b>Domestic branches</b>	2,887	3,175	6,062
<b>PCR</b>	53.20%	76.09%	67.84%
<b>CET-I ratio</b>	12.80%	8.58%	10.96%
<b>CRAR ratio</b>	15.00%	12.34%	13.84%
<b>Net NPA ratio</b>	3.5%	5.13%	4.22%
<b>Employees</b>	19,026	23,723	42,749

# NextGen PSBs



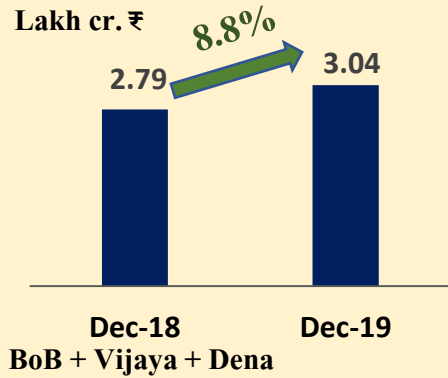
Seven large PSBs  
post amalgamation

12 PSBs with strong national presence  
& global reach

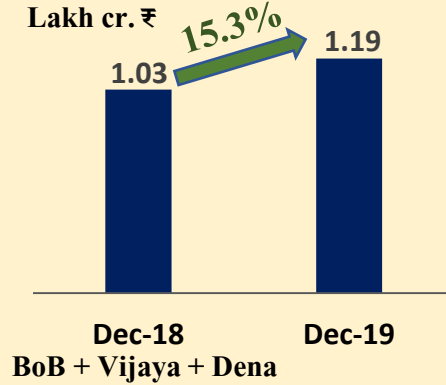
# BoB-Vijaya-Dena financial performance



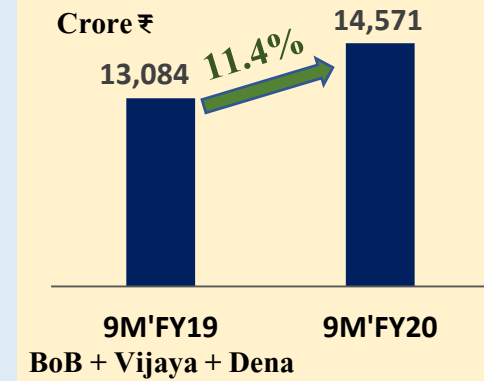
## Low-cost deposit up



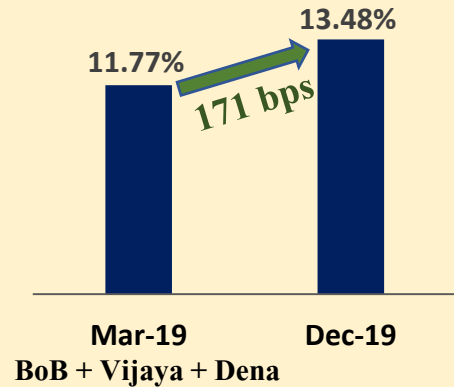
## Rise in retail lending



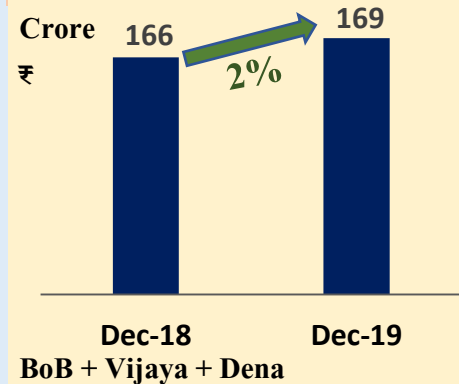
## Higher Op. profit



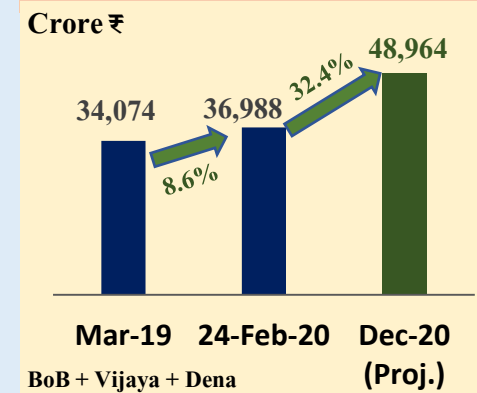
## Increase in Capital



## Branch productivity up



## Market Valuation



40 Leading Brokerage Firms valuation targets

**Thank You**