

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors is pleased to present the 104th Annual Report of your Bank for the Financial Year 2022-23 together with the 'Audited Balance Sheet', 'Profit & Loss Account', 'Cash-Flow Statement', and the report on 'Management Discussion & Analysis'. The 'Corporate Governance Report' and 'Business Responsibility and Sustainability Report' also form part of the Annual Report 2022-23.

1. Highlights:

- 1.1 India's economic growth remained resilient in FY 2022-23. According to the provisional estimates by National Statistical Office (NSO), India's gross domestic product (GDP) is estimated to grown at 7.2% for FY 2022-23, driven by private consumption and investment. On the supply side, activity was supported by the agriculture and services sectors, while manufacturing was restrained under the pressure of high input costs. A slew of data, from services activity to bank credit, pointed to a pick-up in demand during FY 2022-23. The growth in GDP at current prices, or nominal GDP, during FY 2022-23 is estimated at 16.1% on annual basis.
- 1.2 There was positive growth across all sectors, with services like trade, tourism, and hospitality driving momentum. Enabling government policies are expected to further catapult these sectors towards an upward growth trajectory. Consumer activity was encouraging, with growth in non-food bank credit rising to 15.4% as at end-March 2023 from 9.7% a year ago. Liquidity conditions slipped into periods of the deficit as deposit growth lagged credit. Merchandise exports have registered the highest-ever annual exports of USD 447.46 billion with 6.03% growth during FY 2022-23, surpassing the previous year's (FY 2021-22) record exports of USD 422.00 billion. Exports are growing despite global challenges such as the rise in raw material prices, restrictions on exports of certain products, and the Russia-Ukraine war.
- 1.3 Consumer price index (CPI) inflation persisted at elevated levels during FY 2022-23, impacted by a series of adverse supply shocks and the continuing pass-through of high input costs. The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI) increased the policy repo rate by 250 basis points from May 2022-February 2023, and monetary policy remains focused on progressively

aligning inflation with the target while supporting growth.

- 1.4 Going forward, India's economic rebound faces difficult challenges from the legacy of structural bottlenecks as well as the scars of the pandemic. The Russia-Ukraine conflict has also dampened the momentum of recovery, with its impact transmitting through record-high commodity prices, weaker global growth outlook, and tighter global financial conditions. Concerns surrounding de-globalization impacting future trade, capital flows, and supply chains have amplified uncertainties for the business environment.
- 1.5 While global economic prospects have improved modestly compared to a few months ago, the outlook is highly uncertain again amid financial sector turmoil, high inflation and ongoing effects of Russia Ukraine war. According to the International Monetary Fund's (IMF's) April 2023 update of the World Economic Outlook (WEO), global growth is expected to moderate from 3.4% in 2022 to 2.8% in 2023, and 3.0% in 2024, with a sharper deceleration projected for advanced economies (AEs) relative to Emerging Market And Developing Economies (EMDEs). Global headline inflation is set to fall from 8.7% in 2022 to 7.0% in 2023 on the back of lower commodity prices, but core inflation is likely to decline more slowly. Alongside this, global trade is expected to decelerate in 2023. Elevated inflation levels are a looming challenge complicating the trade-offs that central banks are faced with between containing inflation and boosting economic growth.
- 1.6 The IMF predicts Asia-Pacific's GDP to expand by 4.6% in 2023 after growing 3.8% in 2022. China and India are expected to contribute around half of global growth in 2023, with the rest of Asia and the Pacific contributing an additional fifth.
- 1.7 Notwithstanding economic uncertainties triggered by the Russia-Ukraine war, India will remain the fastest-growing economy in the world. As per the IMF, India is projected to expand by 5.9% in 2023 and further by 6.3% in 2024. The Reserve Bank of India (RBI) has pegged the economic growth estimate for 2023-24 at 6.5%. The higher rabi production has brightened the prospects for the agriculture sector and rural demand. The steady growth in contact-intensive services should be positive for urban demand. The government's focus on capital

expenditure, capacity utilization above the long-period average, and moderating commodity prices should bolster manufacturing and investment activity. Given the reforms undertaken by the government and the various supportive measures by the RBI, a very strong foundation is being laid for a further rapid increase in economic growth in the coming years. The Union Budget 2023-24 has provided for a sharp increase in public investment and capital expenditure. The various government initiatives are seen to be supporting growth, and credit demand is expected to remain robust in FY 2023-24.

2. Bank's Performance

Established in the year 1919, your Bank has 8577 domestic branches, 10,835 ATMs across 29 States and 5 Union Territories, and 75,594 employees as on March 31, 2023.

The Bank has 3 overseas Branches at Hongkong, Sydney, Dubai DIFC, 5 wholly owned Subsidiaries, 3 Joint Ventures and 1 Associate Organization.

The global business of your Bank stood at ₹19,27,621 crore as on March 31, 2023 which comprises of total deposits of ₹11,17,716 crore and gross Advances of ₹8,09,905 crore.

The operating profit and net profit of the Bank stood at ₹25,467 crore and ₹8,433 crore respectively as on March 31, 2023.

3. Digitization:

Project Sambhav: Implementation of Digital Business Platform

To capture the growing digital business & to build a strong digital ecosystem/architecture, your Bank has launched Project Sambhav. As part of Project Sambhav, your Bank has designed a detailed roadmap on Digital Transformation for building a Digital Bank within Bank, which includes:

- Digital strategy aligned with the business vision and Digital Banking Policy.
- Vyom upgradation with seamless Omni channel experience & enhanced UI/UX to offer best-in-class journey experience.
- Ecosystem Partnerships

- Building Digital Platform with Cloud-ready architecture grounds- up build digital channels, APIs, microservices, and modern engineering practices
- Data & Analytics Platform Services
- Collaboration with Fintechs to offer new digital products.

Your Bank has rolled out 20+ digital journeys & partnered with 90+ fintechs to launch quick Go-to-Market journeys, thus reducing the timelines for rolling out the products.

Thrust was given to projects which are part of regulatory requirements, the EASE Reforms Agenda, as well as requests received from within your Bank.



Launch of Vyom App

Your Bank has given top priority and facelifted the existing Mobile Banking application with feature enhancements, thereby providing ease and comfort to customers.

The mobile banking application of your Bank has been rebranded as "VYOM" and launched on your Bank's

Foundation Day dated 11.11.2022. VYOM offers 350+ features with explorative UI/UX design to increase engagement and offers a unique banking experience. The application offers lifestyle Banking (marketplace), where the customer can book Flight, Cabs, and Bus tickets, purchase Gift Cards, recharge mobile DTH & Data cards and book Hotels, and also make a donation. Your Bank has also incorporated Mutual Funds, Insurance, and various STP journeys in the VYOM app.

More than 21 million Customers are registered on Vyom with 2.1 million daily logins.



Launch of Vyom App by MD & CEO

Registrations on Vyom

(In lakhs)

Mar-22	During the FY 2022-23	Cumulative Performance- as on 31.03.2023
164.71	48.43	213.14

Digital Journeys

Digital solutions for Mutual Funds & Insurance business



Mutual Fund

With an objective to increase the fee-based income, your Bank has launched a digital solution for Mutual Funds sales through Bank's Mobile App and Net-Banking channels (in addition to providing paperless transactions at branches) and the same is in the initial phase.



Insurance

As a one-stop solution for Life, Non-Life, and Health Insurance products, your Bank has launched a digital solution for the Insurance business, and the same is in the initial phase.

CRM Solutions

Your Bank has started implementing Customer Relationship Management (CRM) solution to provide a unified customer experience and better customer satisfaction. As part of the phase-wise implementation of CRM solutions, the Lead Management Solution (LMS) has been made live in Q4 FY 22-23 for all the Marketing Officers, Retail Loan Points, MSME Loan Points, all branches & Admin Offices. The Customer 360° beta testing has been made live for branches of Regional Office Andheri and shall be made live in the Q1 FY 23-24.



Account Aggregator

Union Bank of India is the first Public Sector Bank to integrate with Account Aggregator (AA) ecosystem. Your Bank has onboarded 5 AAs. The Bank has taken up two use cases – GeM Sahay and GST Sahay for implementation under the OCEN framework.

Digital Lending & Review/Renewal Journeys

Our Bank has rolled out 20+ Digital Journeys covering both assets and liability products. From these journeys, your Bank could sanction ₹ 2126 Crores & and have renewed/reviewed more than 7.68 lacs Accounts Digitally.



Photos taken during the launch of Fresh KCC (1.60 lacs) on pilot basis at Madhya Pradesh & Karnataka state

The following digital lending journeys have been launched during the FY 2022-23:

- i. Mudra Kishor STP
- ii. Mudra Tarun STP
- iii. Education loan
- iv. Fresh KCC (1.6L)
- v. Loan Against Deposit (LAD)
- vi. Nari Shakti
- vii. GST Gain
- viii. KCC loan renewal
- ix. Retail term loan review
- x. MSME renewal (assessed)

Central Bank Digital Currency

The Reserve Bank of India has nominated your Bank for implementation of the Central Bank Digital Currency -Retail (CBDC-R) and the Central Bank Digital Currency – Wholesale (CBDC – W) project. Your Bank has made

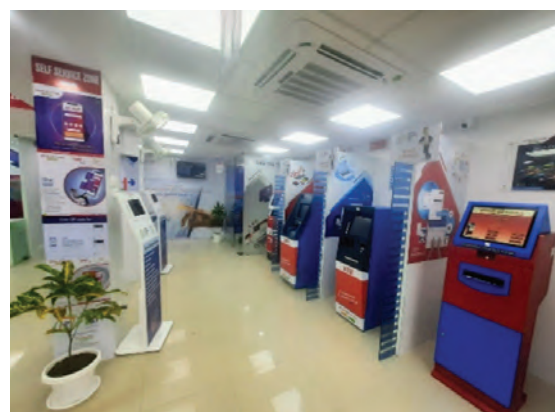
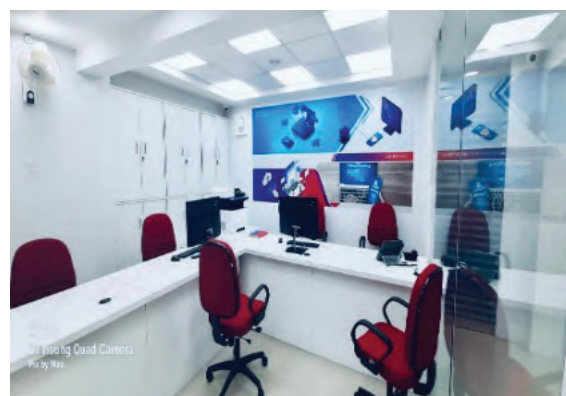
live CBDC- Retail and CBDC – Wholesale – Application for Android and IOS users under CUG.

FinTech & Ecosystem Partnerships

Your Bank is one of the pioneer banks to create a policy framework for engaging with Fintechs and leveraging their solutions for building digital customer journeys. Your Bank Engaged with 150+ best-in-class fintechs across 20+ next-gen themes and empaneled 90+ Fintechs. 8+ Fintechs have been onboarded for implementing various digital solutions in Agri, Retail & MSME segments.

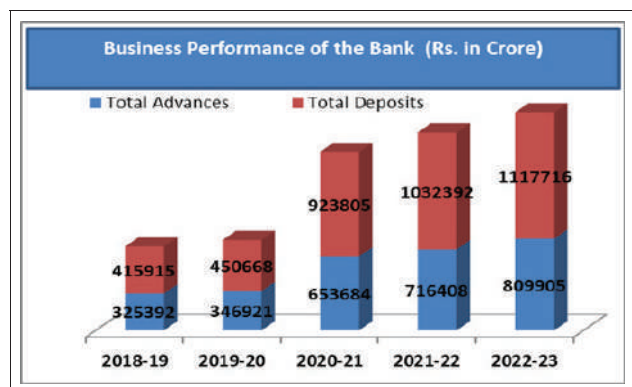
Digital Banking Units

Your Bank has operationalized 7 DBUs across 6 districts with a prime objective to increase the digital penetration of financial services by providing cost-effective, convenient access with enhanced experience using a paperless, secured, and connected environment. DBUs are located in Rajahmundry and Machilipatnam in Andhra Pradesh, Palakkad (Kerala), Sagar (Madhya Pradesh), Nagpur (Maharashtra), Patiala (Punjab), and Agartala (Tripura). All the DBUs are equipped with smart capabilities such as interactive tablets, multi-functional kiosks, ATMs, video KYC apparatus, Metaverse, and Internet Banking Kiosks.

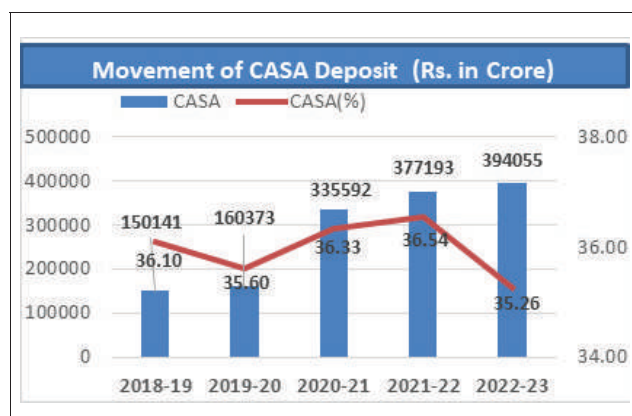


4. Business Highlights:

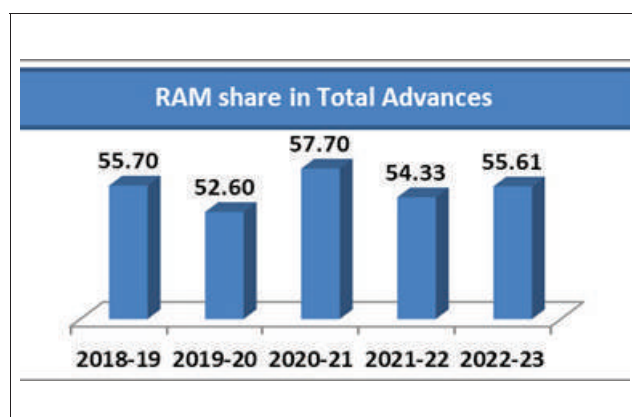
4.1 The global business of your Bank stood at ₹19,27,621 crore as on March 31, 2023.



4.2 Total Deposits increased to ₹11,17,716 crore as on March 31, 2023. Out of this, CASA share (current account and saving account) stood at 35.26 % as on March 31, 2023.



4.3 Gross Advances stood at ₹ 8,09,905 crore as on March 31, 2023. RAM segment of your Bank increased by 14.94% YoY. 17.19% growth in Retail, 14.20% growth in Agriculture, and 13.06% growth in MSME advances are achieved on a YoY basis. RAM advances as a percent of Domestic Advances stood at 55.61%.



4.4 Overseas business of your Bank stood at ₹36,229 crore as on March 31, 2023, compared to ₹ 17,429 crore as on March 31, 2022. Your Bank has three overseas branches in Hong Kong, DIFC (Dubai), and Sydney (Australia). Your Bank also operates in the United Kingdom through its wholly owned subsidiary, Union Bank of India (UK) Ltd, and operates in Kuala Lumpur (Malaysia) through its Joint Venture - India International Bank (Malaysia) Berhad, which is a Joint Venture with Bank of Baroda and Indian Overseas Bank. The Gross Advance portfolio of the foreign branches has grown by 43.55%, and Operating Profit has grown by 7.46% for the FY 2022-23.

5. Income and Expenditure:

Table 1: Income and Expenditure Statement
(₹ in crore)

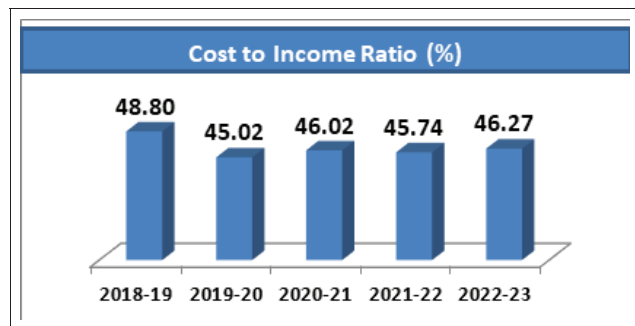
Sl.	Parameter	FY 2022-23	FY 2021-22
1	Interest Earned	80743	67944
2	Other Income	14633	12525
3	Total Income (1+2)	95376	80469
4	Interest Expended	47978	40157
5	Net Interest Income (1-4)	32765	27786
6	Operating Expenses	21931	18438
	w/w Establishment Expenses	12390	10115
7	Total Expenditure	69909	58596
8	Operating Profit (3-7)	25467	21873
9	Provisions	17034	16641
10	Net Profit/Loss	8433	5232
11	Earnings per share (in ₹)	12.34	7.73

6. Profitability and Efficiency:

6.1 Your Bank reported an Operating Profit of ₹25,467 crore in FY 2022-23 as compared to ₹ 21,873 crore in FY 2021-22.

6.2 Net profit of your Bank stood at ₹8,433 crore in FY 2022-23.

6.3 Cost-to-income ratio of your Bank stood at 46.27% in FY 2022-23.



6.4 During FY 2022-23, Return on Average Assets stood at 0.69%, whereas Return on Equity stood at 13.26%.

Table 2: Efficiency Ratios

Parameter (%)	FY 2022-23	FY 2021-22
Return on Average Assets	0.69	0.47
Return on Equity	13.26	10.11

6.5 The following are the key productivity ratios of your Bank for FY 2022-23.

Table 3: Productivity Ratios

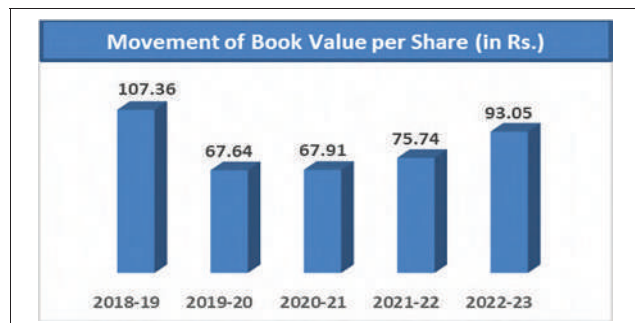
Parameter	FY 2022-23	FY 2021-22
Business per Employee (₹ in crore)	25.50	23.26
Business per Branch (₹ in crore)	224.66	198.91
Gross Profit per Employee (₹ in lakh)	33.69	29.09

6.6 Dividend:

The Board of your Bank has recommended a dividend of ₹3.00 per share for FY 2022-23.

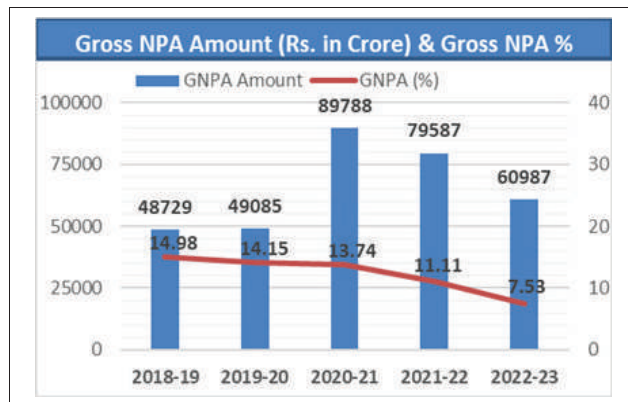
7. Shareholders' Return:

7.1 Your Bank's net worth was ₹63,599.34 crore as on March 31, 2023.

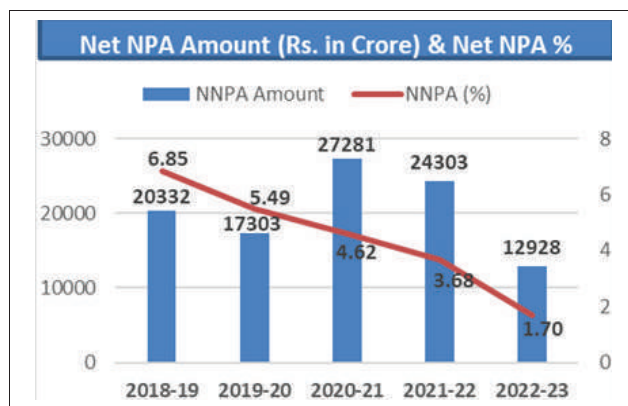


8. Asset Quality:

8.1 Gross Non-Performing Assets (GNPA) of your Bank stood at ₹60,987 crore as on March 31, 2023. GNPA as a percent of gross advances stood at 7.53% as on March 31, 2023.



8.2 Net NPA of your Bank stood at ₹12,928 crore as on March 31, 2023, and the Net NPA ratio stood at 1.70% as on March 31, 2023.



9. Capital Adequacy:

9.1 The Capital Adequacy Ratio, as per BASEL III norms, stood at 16.04% as on March 31, 2023. Common Equity Tier I (CET I) capital of your Bank stood at 12.36% in March 2023.

Table 4: Capital Adequacy Ratios - Basel III
(₹ in crore)

Parameters	RBI Minimum Benchmark March 31, 2023	March 31, 2023	March 31, 2022
Total Risk-Weighted Assets	NA	5,78,455	545,923
Total Capital Funds		92,778	79,281
CET 1 Capital		71,492	58,049
Tier 1 Capital		80,478	66,589
CRAR (%)	11.50	16.04	14.52
CET 1 (%)	8.00	12.36	10.63
Tier 1 (%)	9.50	13.91	12.20
Tier 2 (%)	NA	2.13	2.32

9.2 Capital Raised by your Bank

Your Bank has issued and allotted Basel III compliant Tier 1 Bonds to the tune of ₹1983 crore and Tier II Bonds to the tune of ₹2200 crore during the FY 2022-23.

10. Network

The Branch Network of your Bank is widely spread across the country with 8577 branches and 3 overseas branches (Hongkong, Sydney, Dubai) as on March 31, 2023. Out of these, 59 percent of the branches are located in rural and semi-urban centers.

11. Awards & Accolades:

During FY 2022-23, your Bank received awards for various initiatives taken under the areas of Digitization, Financial Inclusion, HR management, Customer Service, etc.

- Awarded DSCI Excellence Awards 2022 under the category of "Best Security Practices in Banking Sector" and CISO of your Bank received an award as "Security Leader of the Year".
- Received award under "IT Risk Management" category from 18th Banking Technology Awards by IBA. Bank has received this award 4 times continuously from 2019-2022.
- Received Best Technology Bank and Best Technology Talent awards in the 18th Banking Technology Awards by IBA.
- Received two awards under the "Enterprise

Security" category in "BFSI Technology Conclave & Awards 2022" conducted by Indian Express group.

- 1st rank in EASE 5.0 Reforms Index for Q3:FY 2022-2023 (Digitally enabled customer offerings, BIG Data and Analytics)
- Best Fintech Collaboration- Special Prize awarded by IBA Banking Technology Conference, Expo & Awards
- **Atal Pension Yojna (APY):** Your Bank received awards and recognition certificates from PFRDA in the various campaigns organized by PFRDA. Qualified in the following campaigns in the FY:
 - o Circle of Excellence trophy for ED.
 - o Beat the best and be the best campaign.
 - o Rise above the rest for ZH/RH – 10 ZH and 120 RH qualified.
 - o LEADERSHIP PINNACLE campaign for MD and CEO.
 - o APY Big Billion campaign for MD and CEO.
 - o APY Big Believers campaign.
- 18 prestigious Kshetriya Rajbhasha Puraskars from the Department of Official Language, Ministry of Home Affairs, Gol.
- 85 Shields for outstanding performance in Official Language Implementation from different TOLICs (Town Official Language Implementation Committees) set up by the Govt. of India, Ministry of Home Affairs, Rajbhasha Vibhag, across the country.
- 1st Position in the category of "Best Guarantee Coverage (Number)" for FY 2022-23 by CGTMSE (Credit Guarantee Fund Trust For Micro And Small Enterprises).
- First position in the categories of Promoting Social Schemes, Implementing COVID-related Schemes, and Government Schemes and runners up in the categories of CSR Initiative Bank and MSME friendly Bank in the event conducted by Chamber of India Micro Small & Medium Enterprises (CIMSME).
- 1st Position in the category of "BEST SME LENDING" in the 9th MSME Excellence Awards by ASSOCHAM.
- Awarded "Best Bank of the Year in the Financial Ecosystem" conferred by Assocham in the Assocham Financial Conclave 2023.
- Awarded Golden Peacock HR Excellence Awards 2022, by the Institute of Directors

- Future of Workplace Disruptor 2022 (Large enterprise) awarded by Mint W3 Champions 2022
- Indian Academia Conference 2023 Corporate Award awarded by M/s People Lab
- Most Preferred Workplaces in BFSI 2022 awarded by Team Marksmen
- Innovation in HR Transformation awarded by BAI Global Innovation Award.
- Role Model Companies awarded by NCPEDP- LTI Mindtree Helen Keller Awards-2022
- Business Excellence through Learning & Development award by BML Munjal Awards
- ISTD 31st National Awards for Innovative Training Practices: 2020-21 awarded by ISTD, New Delhi
- "Pioneering Work in Creating Future Ready Inclusive Organization" awarded by IAC Corporate Awards 2023
- "Best Organization for PWD Inclusion" awarded by Business World People & Ask Insights "Disability Positive Awards."
- Best AI and ML Bank Runner Up award and Best Financial Inclusion Runner Up award in 18th IBA Technology Conference, Expo & Awards.
- FIEO (Federation of Indian Export Organisations) has conferred your Bank with the "Export Excellence Gold Award" for 2 consecutive years for its contribution to promoting Export growth in the country.
- Gold shield has been awarded by the Institute of Chartered Accountants of India in the category "Public Sector Banks" for excellence in Financial Reporting.
- Bank has also received various awards for its contributions in the field of Digital Transformation and Accessibility:
 - The NCPEDP- LTIMINDTREE Helen Keller Award
 - Business Transformation Awards 2022
 - 5th India BFSI Conclave & Awards 2022
 - Digital Transformation Summit India 2022

12. Social Media

Your Bank is extending information related to products/ services through its official handles on all major social media platforms, viz. Facebook, Twitter, Instagram, YouTube, and LinkedIn. Users were engaged in business interactions through conversation sessions/ Direct Messaging, customer care support, online contests, Educational posts/ videos, organizing online

events, etc. User interactions were used to understand brand perception and gain competitive intelligence to increase business prospects through social media.

Your Bank has thrived on cost-effective brand publicity through social media and posted dynamic content with attractive static/ video posts, bringing customer awareness of the products, services, and offers. Awareness was also created through posts on cyber security, urging customers to be aware of frauds, cyber scams, and other social engineering, social causes, remembering personalities, significant days/ events, etc.

Your Bank is available 365x24x7 on all handles, which are very responsive and reply instantly. In the last year, 1.70 lakhs queries from social media users were responded ensuring timely guidance, proper redirections, and complaint redressal resulting in customer delight. Your bank brand was well received by the public at large, justified with a whopping 6699.25 lakhs impressions and 932.79 lakhs engagements.

Your Bank has a huge follower base on social media presence which has grown to **41.47 lakhs** as on 31st March 2023 against 24.33 lakhs last fiscal scaling a remarkable growth of **70.44% YoY**.

Your Bank is continuously measuring the overall sentiment about existing or new products, collecting feedback about initiatives and customer interest to meet the expectations of customers in product offerings and services rendered.

Your Bank has run more than 150+ Digital Marketing campaigns on social media handles and targeted ad campaigns on Google Ads, creating buzz for maximum reach on products/ services/ offers and roped in new customers along with improved search engine visibility and enhanced website traffic.

Your Bank has made e-commerce business tie-ups across hospitality, entertainment, and health sectors with key market players like MakeMyTrip, Swiggy, Zomato, BookMyShow, Apollo Pharmacy, Ferns N Petals, Swiggy Instamart, Meesho, Golbibo, etc. and encouraged cardholders to embrace cashless payments thereby remaining with digital banking ecosystem.

13. Changes in the Directors on the Board of your Bank:

The following changes took place in the Board of Directors of your Bank during the financial year 2022-23.

- Shri Manas Ranjan Biswal, Executive Director of your Bank, completed his term in office on April 30, 2022

- Shri Rajkiran Rai G, MD & CEO of your Bank, completed his term in office on May 31, 2022.
- Ms. A. Manimekhalai has been appointed as MD & CEO on the Board of your Bank w.e.f. June 3, 2022.
- Shri Srinivasan Varadarajan has been appointed as a Part-Time Non-Official Director and Non-Executive Chairman on the Board of your Bank w.e.f. November 7, 2022.
- Shri Ramasubramanian S has been appointed as an Executive Director on the Board of your Bank w.e.f. November 21, 2022.

14. Directors' Responsibility Statement

The Directors confirm that in the preparation of the annual accounts for the year ended 31st March 2023:

- The applicable Accounting Standards had been followed along with proper explanation relating to material departures, if any.
- Accounting Policies had been selected and applied consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Bank at the end of the financial year and of the profit and loss of your Bank for that period.
- Proper and sufficient care was taken for the maintenance of adequate Accounting Records in accordance with the provisions of the relevant Acts for safeguarding the assets of your Bank and for preventing and detecting fraud and other irregularities.
- The Annual Accounts were prepared on a going-concern basis.
- Internal financial controls had been laid down to be followed by your Bank, and such Internal Financial Controls were adequate and were operating effectively. Explanation.— For the purposes of this clause, the term "Internal Financial Controls" means the policies and procedures adopted by your Bank to ensure the orderly and efficient conduct of its business, including adherence to your Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information.
- Proper systems were in place to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

15. Corporate Governance

The Board of your Bank is committed to adopting good Corporate Governance practices in letter and spirit. A detailed report on Corporate Governance is given in a separate section of the Annual Report. The Corporate Governance report for the financial year 2022-23 has no audit qualifications.

16. Corporate Social Responsibility (CSR):

16.1 Union Bank of India has been at the forefront of meeting its CSR commitments. Towards this, your Bank established Union Bank Social Foundation Trust (UBSFT) in the year 2006 as an extended arm for carrying out the CSR activities of your Bank. The major CSR activities of your Bank are now being carried out through the UBSFT. Its Board is headed by your Bank's Managing Director & CEO, with executive directors as Vice Chairman Trustees. Other trustees include your Bank's Chief General Managers, General Managers, and one independent trustee. The UBSFT Board provides directions in accordance with your Bank's thrust areas and undertakes review every quarter. The directions of the Board are executed by the Chief Executive of UBSFT. While the Registered office of UBSFT is in Bengaluru, the administrative office is in Mumbai.

Bank's Stakeholders' Relationship Committee also monitors and guides the CSR activity of your Bank also that of UBSFT on a quarterly basis.

UBSFT has been incorporated, aiming to support initiatives towards Social upliftment & improving the lives of underprivileged segments.

16.2 The CSR activities undertaken by your Bank / UBSFT in 2022-23

During the FY 2022-23, donations of ₹23.38 crores were approved towards 51 projects/programs under various sectors like Education, Healthcare, Sanitation, Community Development, Skill Development, etc.,

Some of the major activities conducted in the area of social responsibility during the FY 2022-23 are as under:

- Towards improving health infrastructure, donated one X-ray machine with a digital upgrade kit & one 33-seater camp van to Tirumalai Medical Mission hospital, Ranipet, Tamilnadu.
- Donated an Ambulance to "SDMH" hospital, one of the prestigious Hospitals in Jaipur, to cater to the patients.

- Donated an ICU Ambulance to Jayadev Memorial Rashtrothana Hospital, one of the prestigious Hospitals in Bengaluru, to cater to the patients
- Donated towards the renovation of the Rajkiya Vriddhashram, Varanasi.
- Donated two food delivery vehicles to Akshaya Patra Foundation, Bengaluru, for their mid-day meal scheme at Mangalagiri, Andhra Pradesh.
- Organized Financial Literacy Camp at RSETI Varanasi
- Provided modern infrastructure in the conference hall at Government First Grade College, Hebri, Karnataka, towards providing of quality & modernized education environment to the college students coming from socially & economically weaker sections of society.
- Conducted Narishakti credit camp for RSETI Chikmagalur trained women entrepreneurs & credit sanction letters were issued.

17. EASE (Enhanced Access and Service Excellence)

Enhanced Access and Service Excellence (EASE) was launched by the Government of India in the financial year 2018-19 to usher in next-generation reforms in Public Sector Banks. The performance of the banks is measured on a common index on a quarterly basis. The fourth iteration of the EASE agenda for the FY 2021-22 was launched under the theme “Technology-Enabled Collaborative and Simplified Banking,” and your Bank was ranked 4th position in EASE 4.0 annual index.

The fifth iteration of EASE under the theme “Enhanced Digital Experience, Integrated and Inclusive Banking” has set forth long-term reforms objectives, which is to be achieved over a period of three years with well-defined annual milestones. The reform focuses on promoting digital banking offerings, enhancing analytical capabilities, broadening PSB’s technological capabilities, broadening and deepening the nature of co-lending partnerships, and enhancing employee engagement and satisfaction, among others.

Your Bank has made considerable progress in EASE Index over the past five years in institutionalising the reforms agenda in your Bank. Major developmental goals accomplished by your Bank towards developing internal capabilities and enhancing the banking experience of the customers in the FY 2022-23 include:

- Rebranded the Mobile Banking Application as “VYOM” and launched the new super-app with 350+ best-in-class features and an explorative UI/UX design for a unique banking experience.

- 38+ end-to-end digital journeys were rolled out to enhance the user experience, convenience, and adoption.
- Quarterly, 1600+ cr. of business generated through STP journeys across the RAM segment.
- Implemented account opening process via video KYC with the objective of making the customer onboarding process simpler.
- To gather feedback on customer expectations in a frequent manner and to re-engineer the products/ services as per the requirement, your Bank has activated 10 channels for capturing customer sentiment.
- To have a greater reach to the underserved remotest areas of the country, your Bank has partnered with several NBFCs in RAM segments for its co-lending journey. A separate vertical was created for co-lending, entrusted with the responsibility of expanding the portfolio.
- Your Bank was the first public sector bank to go live on the Account Aggregator Framework in the month of May last year. Your Bank has registered as both FIP (Financial Information Provider) and FIU (Financial Information User), enabling customers to share data on a real-time basis and providing them with a seamless journey eliminating the need for physical documentation.
- Your Bank has also undertaken several employee-friendly initiatives such as reimbursement of expenses on Child Care facilities to Women Employees and Single Male Employees (Parents), Collaborating with external partners to cater to the training needs of the employees, introducing an employee grievance redressal portal, creating a forum for career counselling for employees, amongst others.

In the latest EASE 5.0 index for Q3 FY 2022-23, your Bank stood **first** amongst all PSBs. Your Bank has also set the benchmark under four out of five themes by securing the first rank amongst PSBs. The themes are Digitally-enabled customer offerings, Big data and analytics, Modern technology capabilities, and Employee development & governance.

Your Bank is working in tandem with the reform objectives envisaged to improve customer service through greater flexibility and faster delivery of services. With improved operational efficiency and increased customer engagement, your Bank is committed to creating an inclusive digital finance ecosystem.

18. Acknowledgements:

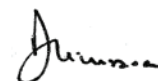
18.1 The Directors thank the shareholders, valued customers, well-wishers, Share Transfer Agent, and correspondents of your Bank in India and abroad for their goodwill, patronage, and support.

18.2 The Directors acknowledge with gratitude the valuable and timely advice, guidance, and support received from the Government of India, Government of Maharashtra, Reserve Bank of India, Securities & Exchange Board of India, Insurance Regulatory and Development Authority of India, Central Vigilance Commission, BSE, NSE, financial institutions, correspondent Banks and Statutory Central Auditors of your Bank, in the functioning of your Bank.

18.3 The Directors place on record their deep appreciation for the dedicated service and valuable contribution made by members of staff in the overall performance of your Bank during the year and look forward to their continued cooperation in the realisation of the corporate goals of your Bank in the years ahead.

18.4 The Directors also express that the staff members stay safe, healthy and maintain good health.

For and on behalf of the Board of Directors,



(Srinivasan Varadarajan)

Chairman

Place: Mumbai

Date: 23.06.2023