Our Dynamic
Business Model

Our Operating Canvas

As Union Bank of India, a public sector bank, we elegantly balance our commercial objectives with social and sustainable aspirations. Here is a glimpse into our business model using the standard Business Model Canvas as developed by Alexander Osterwalder and Yves Pigneur. As an agile bank, this framework is dynamic and continually adapts to changes in regulatory, economic, and technological environments.

» *Business Model Components:*

1. Key Partners
2. Key Activities
3. Key Resources
4. Value Proposition
5. Customer Relationships
6. Channels
7. Customer Segments
8. Key Inputs
9. Revenue Streams

Key Partners

Our partnership with the Government of India, being a public sector bank, is essential. We also work closely with other banks and financial institutions for interbank transactions and loan syndications. In addition, our collaborations with Fintech companies enable us to innovate and improve our digital services. We have strategic partnerships with Non-banking financial companies (NBFCs) and a network of Business Correspondents for extending credit.

1

Key Activities

We accept deposits from our retail clients, corporate clients, PSU clients and government bodies. We provide loans to diverse sectors, including retail, agriculture, MSMEs, and large corporates, while focussing on financial inclusion, women empowerment, and priority sectors. Digital innovation is at the heart of our operations to offer easy banking access to customers and promote financial inclusion. We also cater to investment and wealth management needs of high-net-worth clients and retail investors.

2

Key Resources

Our financial resources encompass deposits, investments, and capital reserves. Our skilled workforce is crucial in managing various banking operations and providing excellent customer service. We also rely on our physical resources, including an extensive network of branches and ATMs, along with online banking platforms. Our brand and reputation as one of the largest, most trusted public sector banks in India are invaluable.

3

Key Inputs

Our operational costs comprise employee salaries, branch maintenance, IT infrastructure and cybersecurity maintenance. We also maintain regulatory costs, complying with banking and financial regulations. Risk costs in the form of provisions for bad loans and write-offs also form part of our expenditure.

8

Value Proposition

We offer accessibility through our broad physical presence and digital platforms. We provide a sense of security and trust being government-backed and regulated. We cater to a wide range of customers with our diverse product and service portfolio. Upholding our social objectives, we also prioritize sector lending, financial inclusion initiatives, and sustainability.

4

Customer Relationships

We maintain personal assistance through our branch banking. We provide self-service and automated services through our digital platforms and ATMs. Our commitment to community development shines through our social outreach programmes, priority sector lending and CSR activities.

5

Customer Segments

Our clientele spans from retail customers, who engage us for savings, current accounts, loans, etc. We have corporate clients seeking working capital, term loans, trade finance, etc. We also manage government funds, tax collection, and disbursement. We extend our services to MSMEs and Agricultural Customers through lending and other banking facilities.

7

Channels

Our branch network is vital for providing face-to-face banking services. We also serve customers via digital platforms, including mobile and online banking, and UPI. Our vast ATM network facilitates cash withdrawal, deposits and other services.

6

Revenue Streams

We earn interest income from various types of lending. We also generate revenues from fees and commissions obtained from services such as wealth management, card services, remittances, among others. Our investment income arises from treasury operations.

9

Strategy, Model & Capitals

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Statutory Reports

Financial Statements