

Business Standard

Union Bank shares dive 6% on disappointing March quarter results

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Shares of Union Bank of India Monday dipped by nearly 6% after the company reported a 78% plunge in March quarter results.

The stock slumped 5.91% to settle at Rs 109.10 on BSE. Intra-day, it tumbled 6.77% to Rs 108.10.

At NSE, shares of the company tanked 5.94% to close at Rs 109.10.

Consequently, its market capitalisation dipped by Rs 470 crore to Rs 7,499.98 crore.

In terms of volume, 11.28 lakh shares of the company changed hands at BSE and over 89 lakh shares were traded at NSE during the day.

The company's result were announced post market hours on Friday.

Union Bank of India on Friday posted 78% decline in its net profit at Rs 96.1 crore for the fourth quarter ended March 31 on account of higher provisioning for bad loans.

The bank had clocked a net profit of Rs 443.77 crore in the January-March quarter of the previous financial year.

Provisioning other than tax and contingencies rose to Rs 1,564.6 crore during the quarter, from Rs 1,009 crore in the year ago period.

Gross non-performing assets (NPA) of the bank rose to 8.70% at the end of March from 4.96% in the same period, a year ago.

Its net NPAs also increased to 5.25% from 2.71% at the end of March 2015.

Total income of the bank decreased to Rs 8,884.4 crore during the fourth quarter, from Rs 9,383.71 crore in the year-ago period.