

Statement of Assets and Liabilities

(₹ in lacs)

Particulars	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)	As at 31.03.2018 (Audited)	As at 31.03.2017 (Audited)
	Standalone		Consolidated	
CAPITAL AND LIABILITIES				
Capital	1,16,857	68,744	1,16,857	68,744
Reserves and surplus	23,92,819	22,74,776	24,08,324	22,86,523
Share Application Money	-	54,100	-	54,100
Deposits	4,08,50,164	3,75,89,901	4,10,28,843	3,77,19,470
Borrowings	45,68,077	41,22,587	45,68,039	41,22,549
Other Liabilities and Provisions	8,12,682	11,60,336	9,92,577	13,16,735
Total	4,87,40,599	4,52,70,444	4,91,14,640	4,55,68,121
ASSETS				
Cash and Balances with Reserve Bank of India	21,01,647	16,52,045	21,01,735	16,52,237
Balances with Banks and Money at Call and Short Notice	28,42,473	16,30,205	28,46,301	16,38,355
Investments	1,23,78,012	1,12,14,895	1,25,51,071	1,13,44,126
Advances	2,88,76,058	2,86,46,658	2,90,57,151	2,87,94,983
Fixed Assets	3,83,333	3,89,442	3,84,604	3,90,541
Other Assets	21,59,076	17,37,199	21,73,778	17,47,879
Total	4,87,40,599	4,52,70,444	4,91,14,640	4,55,68,121

NOTES :-

1. The above audited financial results have been reviewed and recommended by the Audit Committee of the Board and approved by the Board of Directors in their meeting held on 10th May, 2018. There are no qualifications in the auditors' report for the quarter and year ended 31st March, 2018.
2. The figures of the last quarter in each of the financial years are the balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the respective financial year.
3. The consolidated financial results have been prepared in accordance with the Accounting Standard - 21 "Consolidated Financial Statements", Accounting Standard-23 "Accounting for Investment in Associates in Consolidated Financial Statements", and Accounting Standard - 27 "Financial Reporting of Interest in Joint Venture" issued by the Institute of chartered Accountants of India and the guidelines issued by the Reserve Bank of India.
4. The working results of the bank for the quarter and year ended 31st March, 2018 have been arrived at following the same accounting policies and practices as those followed in the preceding financial year ended 31st March, 2017 except for the treatment of depreciation on revalued portion of fixed assets in accordance with revised Accounting Standard (AS-10) on 'Property Plant & Equipment' as explained in note No. 8 below.



The same have been subjected to audit by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

5. The working results of the Bank for the quarter and year ended 31st March, 2018 have been arrived at after considering the provisions on Non-Performing Assets, Standard Assets, Restructured Assets, Standard Derivative Exposures, Provision for Exposure to Entities with Un-Hedged Foreign Currency Exposure, Additional provision on standard advances under stressed sector, GST registered MSME borrowers and Non Performing Investments and Investment Depreciation on the basis of extant guidelines issued by the Reserve Bank of India.
6. The provisions for Gratuity, Pension, Leave Encashment, other retirement benefits have been made based on the actuarial valuation in terms of Accounting Standard -15 "Employee Benefits" issued by The Institute of Chartered Accountants of India. The provisions for Income Tax, deferred tax and other usual necessary provisions have been made as per extant guidelines.
7. In accordance with RBI circular DBOD No.BP.BC. 1/21.06.201/2015-16 dated 01st July, 2015 banks are required to make Pillar 3 disclosures under Basel III Capital Regulations. The disclosures are being made available on our website at the following link: http://www.unionbankofindia.co.in/Basel_Disclosures_III.aspx. These disclosures have not been subjected to audit/review by the Statutory Central Auditors of the Bank.
8. Subsequent to the revised Accounting Standards-10 'Property Plant & Equipment', applicable from 1st April, 2017, depreciation of ₹ 114.92 Crore for the period (for the quarter ₹ 28.67 Crore) on the revalued portion of the fixed assets has been transferred from the Revaluation Reserve to Revenue Reserve instead of crediting to Profit & Loss Account.
9. In terms of RBI Circular No. DBR.BP.BC.No.50/21.06.201/2016-17 dated 2nd February, 2017, the Bank has made payment/provision of interest on Additional Tier - 1 (AT-1) Perpetual Basel III compliant Bonds by debiting Revenue Reserves in view of the insufficient profits. Accordingly, interest expenses of ₹ 362.92 Crore for the year (₹ 91.47 Crore for the quarter) has been debited to Revenue Reserves.
10. During the year, the Bank has issued 12,93,24,280 equity shares having Face Value of ₹ 10 each for cash pursuant to a Qualified Institutional Placement (QIP) in accordance with the provisions of SEBI (issue of Capital and Disclosure Requirements) Regulations, 2009 at a premium of ₹ 144.65 per share aggregating ₹ 2000 crore. This has resulted in an increase of ₹ 129.32 crore in Share Capital and ₹ 1,858.29 crore (Net of Issue Expenses) in Share Premium Account.
11. The Government of India vide letter No. 7/38/2014-BOA dated 31st March, 2017 infused ₹. 541 Crore which was disclosed as Share Application Money, pending allotment as on 31st March, 2017. Subsequently, upon receipt of approval from the Government of India vide letter No. F.No. 7/38/2014-BOA dated 04th August, 2017, the Bank has issued and allotted 3,89,88,181 equity shares having Face Value of ₹ 10/- each at a premium of ₹



128.76 per share, on preferential basis, to the Government of India on 04th August, 2017

Further, the Government of India vide letter No. F.No. 7/38/2014-BOA dated 21st March, 2018 has infused ₹ 4524 Crore for which the Bank has issued and allotted 31,28,19,803 equity shares having Face Value of ₹ 10/- each at a premium of ₹ 134.62 per share, on preferential basis, to the Government of India on 27th March, 2018.

12. During the year the Bank has raised ₹. 500 Crore by way of issuing Basel III compliant Additional Tier - I (AT-1) Bonds and also redeemed Basel III compliant Additional Tier- I (AT-1) Bonds worth ₹. 200 Crore.

13. The Bank has not availed the option of dispensations available and have preferred to make full provision on the following:

- RBI communication DBR.No. BP.8756/21.04.048/2017-18 dated 2nd April, 2018, with respect to spreading of provisions in respect of 29 accounts (1st & 2nd list) covered under provisions of Insolvency and Bankruptcy Code (IBC).
- RBI circular DBR.No. BP.102/21.04.048/2017-18 dated 2nd April, 2018, granting an option to spread mark to market losses on investments held in AFS and HFT category.
- RBI communication DBR.BP.9730/21.04.018/2017-18 dated 27th April, 2018 granting an option to spread additional gratuity liability on account of enhanced gratuity limit.

14. During the year RBI has imposed penalty of ₹ 4.10 Crore on the Bank for non adherence to Know Your Customer (KYC)/Anti-Money Laundering Standards (ALM) and breach in investment portfolio and other miscellaneous penalties including currency chest operations.

15. The Bank has recognised net Deferred Tax Assets as on 31st March, 2018 aggregating to ₹.4192.87 crore (PY ₹. 1623.80 crore) on timing differences in accordance with Accounting Standard - 22 on "Taxes on Income" issued by the Institute of chartered Accountants of India and the guidelines issued by the Reserve Bank of India.

16. As part of Risk Based Supervision (RBS) exercise for the year ended 31st March, 2017 the RBI had pointed out divergence in respect of Bank's asset classification and provisioning in certain accounts. In conformity with the RBI circular DBR.BP.BC.No. 63/21.04.018/2016-17 dated 18th April, 2017 and SEBI Circular issued on 18th July, 2017 the below table outlines divergences in asset classification and provisioning:

SN	Particulars	₹ in Crore
1	Gross NPA as on 31 st March, 2017 as reported by the Bank	33,712
2	Gross NPA as on 31 st March, 2017 as assessed by the RBI	36,562
3	Divergence in Gross NPA (2-1)	2,850
4	Net NPA as on 31 st March, 2017 as reported by the Bank	18,832
5	Net NPA as on 31 st March, 2017 as assessed by the RBI	20,667
6	Divergence in Net NPA (5-4)	1,835



7	Provision for NPA as on 31 st March, 2017 as reported by the Bank	14,379
8	Provision for NPA as on 31 st March, 2017 as assessed by the RBI	15,393
9	Divergence in Provisioning (8-7)	1,014
10	Reported Net Profit after tax (PAT) for the year ended 31 st March 2017	555
11	Adjusted (Notional) Net Profit after tax (PAT) for the year ended 31 st March 2017 after taking into account divergence in provisioning	(372)

The Bank had duly recorded the impact of the above in its working results for the quarter ended 31st December, 2017.

17. In respect of two Gems and Jewellery borrower Group, where fraud was declared by some banks, the bank has fully provided for the entire funded exposure.
18. RBI vide its circular DBR.BP.BC.101/21.04.048/2017-18 dated 12th February, 2018, issued a revised framework for resolution of stressed assets, which supersedes the existing guidelines on SDR, change in ownership outside SDR (except projects under implementation) and S4A with immediate effect. Under the revised framework, the benefits for accounts where any of these schemes had been invoked but not yet fully implemented were revoked and accordingly these accounts have been classified as per the extent RBI norms on income recognition and asset classification.
19. Provision coverage ratio as on 31st March, 2018 is 57.16% (PY 51.41%).

20. Position of investor complaints for the quarter ended 31st March, 2018:

	No. of complaints
Pending as on 01.01.2018	0
Received during the quarter	57
Resolved during the quarter	57
Pending as on 31.03.2018	0

21. Figures of previous period have been rearranged/reclassified/regrouped wherever necessary.

(ATUL KUMAR GOEL)
EXECUTIVE DIRECTOR

(RAJ KAMAL VERMA)
EXECUTIVE DIRECTOR

(VINOD KATHURIA)
EXECUTIVE DIRECTOR

(RAJKIRAN RAI G.)
MANAGING DIRECTOR & CEO

KEWAL HANDA
CHAIRMAN

Place: Mumbai.

Date: 10th May, 2018

