

CAPITAL AND LIABILITIES	(₹ in lacs)	
	As at 31.12.2013 (Reviewed)	As at 31.12.2012 (Reviewed)
Capital	74,130	66,155
Reserves and surplus	17,42,390	15,31,150
Deposits	2,85,12,514	2,39,35,452
Borrowings	31,72,976	22,88,286
Other Liabilities and Provisions	8,81,375	6,38,485
<b>Total</b>	<b>3,43,83,385</b>	<b>2,84,59,528</b>
<b>ASSETS</b>		
Cash and Balances with Reserve Bank of India	11,76,486	10,97,498
Balances with Banks and Money at Call and Short Notice	6,48,710	5,17,338
Investments	93,77,803	75,11,736
Advances	2,23,02,379	1,85,88,490
Fixed Assets	2,56,681	2,33,758
Other Assets	6,21,326	5,10,708
<b>Total</b>	<b>3,43,83,385</b>	<b>2,84,59,528</b>

**NOTES :-**

1. The above financial results for the quarter ended 31<sup>st</sup> December 2013 arrived at on the same accounting policies (except for change in Accounting Policy as stated in Note 11) as those followed in the preceding financial year ended 31<sup>st</sup> March 2013 have been reviewed by Audit Committee and taken on record by the Board of Directors of the Bank in the meeting held on 31.01.2014. These financial results have also been subjected to limited review by the Statutory Central Auditors of the Bank.
2. The provision for non-performing assets, standard assets, standard derivative exposures and investment depreciation has been made on the basis of extant guidelines issued by the Reserve Bank of India.
3. During the quarter, the Bank has allotted on preferential basis 3,35,12,064 equity shares of ₹10/- each at a premium of ₹139.20 aggregating to ₹500 crore to Government of India. Consequently the Government share holding has increased from 57.89% to 60.13%.
4. During the quarter, the Bank has also raised Tier II capital of ₹2000 crore by issue of Basel III compliant unsecured Redeemable Non-Convertible Tier II Bonds carrying coupon rate of 9.80%, having a tenor of 10 years.
5. Gratuity, pension, leave encashment, income tax and other usual and necessary provisions have been made on an estimated basis.
6. In accordance with RBI circular DBOD No.BP.BC.80/21.04.18/2010-11 dated 9<sup>th</sup> February, 2011, out of ₹403.04 crore being the amortised expenses towards pension and gratuity liability to be provided for the year ending 31.03.2014 a proportionate amount of ₹100.76 crore has been provided for the quarter ended 31.12.2013.
7. Towards the proposed wage revision effective from 1<sup>st</sup> November, 2012 pending settlement, an adhoc provision of ₹210 crore is held as on 31<sup>st</sup> December, 2013, which includes ₹45 crore provided during the current quarter.
8. Provision coverage ratio of the Bank as at 31<sup>st</sup> December 2013 is at 59.97%.

9. In terms of RBI Circular DBOD No.BP.BC.41/21.04.141/2013-14 dated 23<sup>rd</sup> August 2013 on 'Investment Portfolio of Banks-Classification, Valuation and Provisioning', the Bank has opted to amortise the depreciation on Available for Sale (AFS) and Held for Trading (HFT) portfolios on each of the valuation dates in the current financial year in equal instalments during the FY 2013-14. Accordingly, as per the option given in the aforesaid circular, out of the net incremental depreciation of ₹64.45 crore on the AFS/HFT investments as at 31<sup>st</sup> December, 2013, the Bank has recognized ₹14.65 crore in the Profit and Loss Account during the current quarter.
10. The Reserve Bank of India, vide its circular dated 20<sup>th</sup> December, 2013, has advised Banks to create a Deferred Tax Liability (DTL) on outstanding amount in Special Reserve created under section 36(1) (viii) of the income Tax Act, 1961, as a matter of prudence. Accordingly, during quarter ended 31<sup>st</sup> December, 2013 the bank has created a DTL of ₹720.59 crore on Special Reserve outstanding as at 31<sup>st</sup> March, 2013, by reducing the Reserves. Further, DTL of ₹48.44 crore on the estimated Special Reserve for the nine month period has been created in the quarter ended 31<sup>st</sup> December, 2013.
11. During the quarter commission under NREGA receivable from Government of Andhra Pradesh amounting to ₹21.66 crore has been recognized as income which was hitherto recognized on realization basis. Accordingly, other income for the quarter and nine months ended 31<sup>st</sup> December, 2013 is higher by that amount.
12. Bank is required to compute capital adequacy ratio under Basel III capital regulations from the quarter ended 30<sup>th</sup> June, 2013. Accordingly corresponding details of previous periods are not available.
13. In accordance with RBI circular DBOD No.BP.BC. 2/21.6.201/2013-14 dated 1<sup>st</sup> July 2013, banks are required to make half yearly Pillar 3 disclosures under Basel III capital requirements with effect from 30<sup>th</sup> September, 2013. The disclosures have been made available on Bank's website with link: [http://www.unionbankofindia.co.in/Basel\\_Disclosures\\_III.aspx](http://www.unionbankofindia.co.in/Basel_Disclosures_III.aspx). The disclosures have not been subjected to limited review by the Statutory Auditors of the Bank.
14. The Bank has paid an interim dividend of ₹2.70 (27%) per equity share of face value of ₹10/- each for the year 2013-14 on 29<sup>th</sup> January, 2014, involving cash outflow of ₹199.10 crore including tax.
15. Position of investor complaints for the quarter ended 31<sup>st</sup> December, 2013:

	No. of complaints
Pending as on 30 <sup>th</sup> September, 2013	Nil
Received during the quarter	474
Resolved during the quarter	474
Pending as on 31 <sup>st</sup> December, 2013	Nil

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

(RAKESH SETHI)                      (K. SUBRAHMANYAM)                      (S. K. JAIN)                      (ARUN TIWARI)  
EXECUTIVE DIRECTOR      EXECUTIVE DIRECTOR      EXECUTIVE DIRECTOR      CHAIRMAN & MANAGING DIRECTOR

Place: Mumbai.

Date: 31<sup>st</sup> January, 2014.