



UCO BANK
HEAD OFFICE: KOLKATA

FORM B

(Format of covering letter of the Annual Audit Report to be filed with stock exchanges)

1	Name of the Company	UCO BANK
2.	Annual Financial statements for year ended	31 st March, 2013
3.	Type of Audit Qualification	<p>1) Accounting of commission earned on letter of credit and guarantee issued is on cash basis which is not in accordance with Accounting Standard -9 on 'Revenue Recognition' issued by the Institute of Chartered Accountants of India. The quantum of such income has not ascertained.</p> <p>2) We are unable to express an opinion on the effect on the accounts if any due to non reconciliation and adjustment of outstanding entries in inter-branch transactions (refer to Note No. 10.16 of Schedule 18)</p>
4	Frequency of qualification	Repetitive since several years
5. a	Draw attention to relevant notes in the annual financial statements	<p>1) Refer Note No. 9.2 of Schedule 18 on Revenue Recognition.</p> <p>2) Refer Note No. 10.16 of Schedule 18 on Reconciliation.</p>
5.b	Management response to the qualification	<p>1) Bank is consistently recognizing commission earned on letter of credit and guarantee issued on cash basis. The commission earned on LCs and BGs constitutes 0.64% of total income. The impact of such recognition on accounts is not material.</p> <p>2) Most of the inter branch transactions are reconciled automatically with implementation of Centralized Banking Solution (CBS). Very few entries under inter branch accounts requires reconciliation.</p> <p>The reconciliation of the outstanding entries is done on ongoing basis. Adequate provision on unreconciled entries is made as per the applicable norms prescribed by RBI.</p>

		The consequential effect of non reconciliation and adjustment of outstanding entries in inter-branch transactions on revenue/ assets/ liabilities is not material.
6	Additional comments from the Board/ audit committee chair	The Audit Committee of the Board is closely monitoring the progress on reconciliation of outstanding entries at quarterly intervals.

P. G. Joshi
(P G Joshi)
Dy. General Manager

Manoj Kumar Gupta
(Manoj Kumar Gupta)
Chairman, ACB

Anil Kumar
(Anil Kumar)
Chief Financial Officer

Arun Kaul
(Arun Kaul)
Chairman & Managing Director

For Baweja & Kaul,
Chartered Accountants
Registration No.005834N



Sakshi Kaul Dhar
(CA Sakshi Kaul Dhar)
Partner
Membership No. 514325

For SBA Associates,
Chartered Accountants
Registration No. 308136E



Nilanjana Sen
(CA Nilanjana Sen)
Partner
Membership No. 061768

For Ved And Company,
Chartered Accountants
Registration No. 012019N



Pooja Gupta
(CA Pooja Gupta)
Partner
Membership No. 098551

For Dass Gupta & Associates,
Chartered Accountants
Registration No. 000112N



Pankaj Mangal
(CA Pankaj Mangal)
Partner
Membership No. 097890

For Gupta Sharma & Associates,
Chartered Accountants
Registration No. 001466N



Ashok Gupta
(CA Ashok Gupta)
Partner
Membership No. 017244

For A. Kayes & Co
Chartered Accountants
Registration No. 311149E



Amrul Kayes
(CA Amrul Kayes)
Partner
Membership No. 050363

Place: Kolkata
Date: 07.05.2013