# *CENTRAL BANK OF INDIA*

## AUDITED FINANCIAL RESULTS
## FOR THE QUARTER / YEAR ENDED MARCH 31, 2014

[ ₹ in lacs ]

| | Particulars | Quarter ended | | | Year ended | Year ended |
|---|---|---|---|---|---|---|
| | | Audited | Reviewed | Audited | Audited | Audited |
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| 1 | Interest earned (a)+(b)+(c)+(d) | 636921 | 635391 | 576750 | 2442755 | 2186065 |
| a) | Interest/ discount on advances/ Bills | 474352 | 485965 | 437430 | 1861999 | 1692253 |
| b) | Income on Investments | 160633 | 148532 | 128303 | 576385 | 477866 |
| c) | Interest on balances with Reserve Bank of India and other inter bank funds. | 1936 | 13 | 4130 | 3284 | 7869 |
| d) | Others | 0 | 881 | 6887 | 1087 | 8077 |
| 2 | Other Income | 59246 | 35459 | 63607 | 192258 | 166733 |
| 3 | Total Income (1+2) | 696167 | 670850 | 640357 | 2635013 | 2352798 |
| 4 | Interest Expended | 465421 | 454634 | 423311 | 1793316 | 1612308 |
| 5 | Operating Expenses (i)+(ii) | 148041 | 129317 | 138599 | 517893 | 423233 |
| i) | Employees cost | 103734 | 86637 | 96509 | 353701 | 289155 |
| ii) | Other Operating Expenses | 44307 | 42680 | 42090 | 164192 | 134078 |
| 6 | Total Expenditure (4+5) excluding provisions and contingencies | 613462 | 583951 | 561910 | 2311209 | 2035541 |
| 7 | Operating Profit before Provisions and contingencies (3-6) | 82705 | 86899 | 78447 | 323804 | 317257 |
| 8 | Provisions (other than tax) and Contingencies | 54233 | 65789 | 44508 | 423257 | 185281 |
| 9 | Exceptional Items(Reversal of earlier year'stax provision) | 0 | 0 | 0 | 0 | 0 |
| 10 | Profit (+)/ Loss (-) from Ordinary Activities before Tax (7-8-9) | 28472 | 21110 | 33939 | (99453) | 131976 |
| 11 | Tax expense | 12228 | 14957 | 17024 | 26831 | 30480 |
| 12 | Net Profit(+) / Loss (-) from Ordinary Activities after tax (10-11) | 16244 | 6153 | 16915 | (126284) | 101496 |
| 13 | Extraordinary items (net of tax expense) | 0 | 0 | 0 | 0 | 0 |
| 14 | Net Profit (+)/ Loss (-) for the period (12-13) | 16244 | 6153 | 16915 | (126284) | 101496 |
| 15 | Paid up equity share capital (Face Value of the Share Rs.10/-). | 135044 | 135044 | 104458 | 135044 | 104458 |
| 16 | Reserves excluding Revaluation Reserves (as per balance sheet of previous accounting year). | 820145 | 820145 | 844016 | 820145 | 844016 |
| 17 | Analytical Ratios : | | | | | |
| i) | Percentage of shares held by Government of India | 88.63 | 88.63 | 85.31 | 88.63 | 85.31 |
| ii) | Capital Adequacy Ratio | | | | | |
| | As per Basel -I | NA | NA | 11.33 | NA | 11.33 |
| | As per Basel -II | 11.96 | 12.28 | 11.49 | 11.96 | 11.49 |
| | As per Basel -III | 9.87 | 11.02 | NA | 9.87 | NA |
| iii) | Earnings Per share (EPS) (Not annualised) | | | | | |
| a) | Basic and diluted EPS before Extraordinary items | 1.20 | 0.18 | 1.63 | (11.10) | 11.24 |
| b) | Basic and diluted EPS after Extraordinary items | 1.20 | 0.18 | 1.63 | (11.10) | 11.24 |
| iv) | NPA Ratios : | | | | | |
| a) | i) Gross NPA | 1150001 | 1159870 | 845618 | 1150001 | 845618 |
| | ii) Net NPA | 664856 | 637719 | 498755 | 664856 | 498755 |
| b) | i) % of Gross NPA | 6.27 | 6.48 | 4.80 | 6.27 | 4.80 |
| | ii) % of Net NPA | 3.75 | 3.69 | 2.90 | 3.75 | 2.90 |
| c) | Return on Assets | (0.47) | 0.09 | 0.28 | (0.47) | 0.44 |
| 18 | Public Shareholding : | | | | | |
| - | No. of shares | 153479990 | 153479990 | 153479990 | 153479990 | 153479990 |
| - | Percentage of shareholding | 11.37 | 11.37 | 14.69 | 11.37 | 14.69 |
| 19 | Promoters & Promoter Group Shareholding | | | | | |
| a) | Pledged/Encumbered | Nil | Nil | Nil | Nil | Nil |
| | Number of Shares | Nil | Nil | Nil | Nil | Nil |
| | Percentage of shares (as a percentage of total shareholding of promoter and promoter group) | Nil | Nil | Nil | Nil | Nil |
| | Percentage of shares (as a percentage of total share capital of the company) | Nil | Nil | Nil | Nil | Nil |
| b) | Non-encumbered | | | | | |
| | Number of Shares | 1196959325 | 1196959325 | 89109664 | 1196959325 | 891096964 |
| | Percentage of shares (as a percentage of total shareholding of promoter and promoter group) | 100% | 100% | 100% | 100% | 100% |
| | Percentage of shares (as a percentage of total share capital of the Bank) | 88.63 | 88.63 | 85.31 | 88.63 | 85.31 |

B.K. DIVAKARA
EXECUTIVE DIRECTOR

ANIMESH CHAUHAN
EXECUTIVE DIRECTOR

R.K. GOYAL
EXECUTIVE DIRECTOR

RAJEEV RISHI
CHAIRMAN & MANAGING DIRECTOR

Place : Mumbai
Date : May 10 ,2014

KUMAR CHOPRA & ASSOCIATES
B-12(G.F)
KALINDI COLONY
NEW DELHI
110065
Chartered Accountants

# CENTRAL BANK OF INDIA

## SEGMENT REPORT FOR THE QUARTER / YEAR ENDED MARCH 31, 2014

Rs. In Lacs

| Sl. No. | Particulars | Quarter ended | | | Year ended | |
|---|---|---|---|---|---|---|
| | | Audited | Reviewed | Audited | Audited | Audited |
| | | 31.03.2014 | 31.12.2013 | 31.03.2013 | 31.03.2014 | 31.03.2013 |
| a. | Segment Revenue | | | | | |
| | 1. Treasury Operations | 179,575 | 157,161 | 135,641 | 632,329 | 518,880 |
| | 2. Retail Banking Operations | 173,891 | 191,305 | 162,775 | 692,197 | 581,699 |
| | 3. Wholesale Banking Operations | 342,701 | 321,503 | 335,054 | 1,309,400 | 1,244,142 |
| | 4. Other Banking Operations | - | - | - | - | - |
| | 5. Unallocated | - | 881 | 6,887 | 1,087 | 8,077 |
| | Total | **696,167** | **670,850** | **640,357** | **2,635,013** | **2,352,798** |
| b. | Segment Results | | | | | |
| | 1. Treasury Operations | 14,469 | 7,019 | 35,452 | 30,788 | 51,516 |
| | 2. Retail Banking Operations | 9,541 | 39,210 | 3,240 | 85,607 | 29,086 |
| | 3. Wholesale Banking Operations | 7,440 | (22,986) | (8,358) | (204,852) | 54,595 |
| | 4. Other Banking Operations | - | - | - | - | - |
| | 5. Unallocated | (2,979) | (2,134) | 3,604 | (10,997) | (3,222) |
| | Total | **28,472** | **21,109** | **33,939** | **(99,454)** | **131,976** |
| c. | Income Tax | 12,229 | 14,956 | 17,024 | 26,831 | 30,480 |
| d. | Net Profit | **16,243** | **6,153** | **16,915** | **(126,284)** | **101,496** |
| | Other Information: | | | | | |
| e. | Segment Assets | | | | | |
| | 1. Treasury Operations | 10,082,038 | 9,324,125 | 8,632,874 | 10,082,038 | 8,632,874 |
| | 2. Retail Banking Operations | 6,554,889 | 6,171,566 | 5,648,833 | 6,554,889 | 5,648,833 |
| | 3. Wholesale Banking Operations | 11,874,913 | 11,957,158 | 12,157,444 | 11,874,913 | 12,157,444 |
| | 4. Other Banking Operations | - | - | - | - | - |
| | 5. Unallocated Assets | 437,782 | 426,506 | 373,803 | 437,782 | 373,803 |
| | Total | **28,949,622** | **27,879,355** | **26,812,954** | **28,949,622** | **26,812,954** |
| f. | Segment Liabilities | | | | | |
| | 1. Treasury Operations | 10,108,113 | 9,361,245 | 8,645,929 | 10,108,113 | 8,645,929 |
| | 2. Retail Banking Operations | 6,118,553 | 5,756,997 | 5,268,649 | 6,118,553 | 5,268,649 |
| | 3. Wholesale Banking Operations | 11,084,441 | 11,153,946 | 11,341,216 | 11,084,441 | 11,341,216 |
| | 4. Other Banking Operations | - | - | - | - | - |
| | 5. Unallocated Liabilities | 59,660 | 40,472 | 25,875 | 59,660 | 25,875 |
| | Capital Employed | 1,578,854 | 1,566,695 | 1,531,285 | 1,578,854 | 1,531,285 |
| | Total | **28,949,622** | **27,879,355** | **26,812,954** | **28,949,622** | **26,812,954** |

* Segment Revenue and Expenses have been apportioned on the basis of the segment assets, wherever direct allocation is not possible & figures have been regrouped wherever considered necessary to conform to current years classification.

| B.K. DIVAKARA | ANIMESH CHAUHAN | R.K. GOYAL | RAJEEV RISHI |
|---|---|---|---|
| Executive Director | Executive Director | Executive Director | Chairman & Managing Director |

Place: Mumbai
Date: May 10, 2014

R. CHOPRA & ASSOCIATES Chartered Accountants B-12(G.F.) LODI COLONY NEW DELHI 110065

# CENTRAL BANK OF INDIA

## STATEMENT OF ASSETS AND LIABILITIES

(Rs. in Lacs)

| PARTICULARS | As at 31.03.2014 Audited | As at 31.03.2013 Audited |
|---|---|---|
| **CAPITAL & LIABILITIES** | | |
| Capital | 296,743.93 | 266,157.69 |
| Reserves and Surplus | 1,282,111.83 | 1,265,127.43 |
| Deposits | 24,006,898.87 | 22,603,831.48 |
| Borrowings | 2,207,977.60 | 1,830,551.17 |
| Other Liabilities and Provisions | 1,155,890.21 | 847,287.13 |
| **TOTAL** | **28,949,622.44** | **26,812,954.90** |
| **ASSETS** | | |
| Cash and Balances with Reserve Bank of India | 1,192,662.93 | 1,356,016.67 |
| Balances with Banks and Money at Call and Short Notice | 45,140.37 | 53,204.49 |
| Investments | 8,613,513.99 | 7,260,379.37 |
| Advances | 17,731,517.17 | 17,193,584.33 |
| Fixed Assets | 280,438.93 | 268,475.46 |
| Other Assets | 1,086,349.05 | 681,294.58 |
| **TOTAL** | **28,949,622.44** | **26,812,954.90** |

| B.K. DIVAKARA | ANIMESH CHAUHAN | R. K. GOYAL | RAJEEV RISHI |
|---|---|---|---|
| EXECUTIVE DIRECTOR | EXECUTIVE DIRECTOR | EXECUTIVE DIRECTOR | CHAIRMAN & MANAGING DIRECTOR |

Place: Mumbai
Date : May 10, 2014

V.K.KUMAR CHOPRA & ASSOCIATES ★ Chartered Accountants ★ B-12(G.F.) KALINDI COLONY NEW DELHI 110065

सेन्ट्रल बैंक ऑफ़ इंडिया
Central Bank of India
1911 से आपके लिए "केंद्रित" "CENTRAL" TO YOU SINCE 1911

# NOTES ON ACCOUNTS FORMING PART OF AUDITED FINANCIAL RESULTS FOR THE QUARTER/ YEAR ENDED MARCH 31, 2014.

1. The above Financial Results have been approved by the Board of Directors of the Bank at its meeting held on May 10, 2014.

2. The Financial Results for the quarter/ year ended March 31, 2014 had been prepared following the same accounting Policies as those followed for the annual financial statement for the year ended March 31, 2013 except that with effect from July 1, 2013 recovery in NPA account is now first appropriated towards the principal irregularity as against interest income earlier. The impact on financial result due to this change is that interest income for the quarter/ for the year ended March 31, 2014 is lower by Rs.106.29 crore and Rs.223.50 crore respectively. Consequently the Gross NPAs as on March 31, 2014 are lower by Rs.223.50 crore.

3. The Financial Results for the quarter/ year ended March 31, 2014 have been arrived at after considering provision for Non-Performing Assets, Standard Assets, Investment Depreciation as per Prudential Norms issued by the Reserve Bank of India and other usual and necessary Provisions.

4. During the year, the Bank has issued 30,58,62,361 Equity Share of Rs.10/- each to Government of India at a price of Rs.58.85 per share, on preferential basis in accordance with the regulation 76(1) of SEBI (issue of Capital and disclosure requirement) Regulations, 2009.

5. In accordance with circular DBOD.No.BP.BC.80/21.04.018/2010-11 dated 09.02.2011, issued by the Reserve Bank of India, the Bank has opted to amortise the additional liability on account of re-opening of Pension option for existing employees who have not opted for pension earlier, as well as the liability on enhancement in Gratuity limit, over a period of five years beginning with the financial year ended March 31, 2011. Accordingly, out of the unamortized amount of Rs.590.77 crore as on 01.04.2013, the Bank has amortised Rs.239.99 crore for Pension and Rs.55.40 crore for Gratuity being proportionate amount for the year ended March 31, 2014.

6. The Provisioning Coverage Ratio (PCR) of the Bank is 50.68%.

7. In terms of Reserve Bank of India circular No.DBOD..BP.BC.2/21.06.201/2013-14 dated July 1, 2013, banks are required to make Pillar 3 disclosures under Basel III Capital Regulations. The disclosures shall be made available on the bank's website www.centralbankofindia.co.in along with publication of the result.

8. In terms of Reserve Bank of India circular No.DBOD,BP.BC.77/21.04.018/2013-14 dated 20.12.2013 the bank has provided Deferred Tax Liability of Rs.33.99 crore for special reserve of Rs.100 crore outstanding as on March 31, 2013 which has now been adjusted directly from the Reserves.

9. The Bank has recognized Treasury operations, Corporate/ Wholesale Banking and Retail Banking as primary reporting segments. There are no secondary reporting segments.

10. Status of Investors' Complaints:

| Complaints at the beginning of the Quarter | Received during the Quarter | Resolved during the Quarter | Pending as on March 31, 2014 |
|---|---|---|---|
| NIL | 25 | 25 | NIL |

11. Figures of the previous year have been regrouped/ reclassified wherever considered necessary to confirm to current year's classification.

| B. K. DIVAKARA | ANIMESH CHAUHAN | R. K. GOYAL | RAJEEV RISHI |
|---|---|---|---|
| EXECUTIVE DIRECTOR | EXECUTIVE DIRECTOR | EXECUTIVE DIRECTOR | CHAIRMAN & MANAGING DIRECTOR |

Place : Mumbai

Date : May 10, 2014.

# FORM A

Covering Letter of the annual audit report to be filed with the stock exchanges

| | | |
|---|---|---|
| 1 | Name of the company/ Body Corporate | Central Bank of India |
| 2 | Annual financial statements for the year ended | 31st March 2014 |
| 3 | Type of Audit Observation | Un-qualified/ Matter of Emphasis |
| 4 | Frequency of observation | Not Apliocable |

**( MOHD. JAWED )**
**GENERAL MANAGER & CFO**

**( RAJEEV RISHI )**
**CHAIRMAN & MANAGING DIRECTOR & CEO**

**For M/s. KUMAR CHOIPRA & ASSOCIATES**
CHARTERED ACCOUNTANTS
F.R.No.000131N

**(CA SUNIL JAIN)**
PARTNER
M.No.080990

**For M/s. P.K. SUBRAMANIAN & CO**
CHARTERED ACCOUNTANTS
F.R. No.004135S

**(CA ~~VEERABASANA GOUDA~~)**
PARTNER CA S VENKATKRISHNAN
M.No.~~208698~~ 023488

**For M/s. DOOGAR & ASSOCIATES**
CHARTERED ACCOUNTANTS
F.R. No.000561N

**(CA MUKESH GOYAL)**
PARTNER
M.No.081810

**For M/s. N.SARKAR & CO**
CHARTERED ACCOUNTANTS
F.R. No.301075E

**(CA M. RAY)**
PARTNER
M.No.012940

**For M/s. CHAUDHURI & CO.**
CHARTERED ACCOUNTANTS
F.R. No.301032E

**(CA ANUP BISWAS)**
PARTNER
M.No.050708

**For M/s. B.N.MISRA & CO.**
CHARTERED ACCOUNTANTS
F.R. No.321095E

**(CA S. S. MOHAPATRA )**
PARTNER
M.No.061619

**( GUMAN SINGH )**
**DIRECTOR AND CHAIRMAN OF AUDIT COMMITTEE**

Place : Mumbai
Date: May 10, 2014

| | | |
|---|---|---|
| **KUMAR CHOPRA & ASSOCIATES**<br>B-12 (Ground Floor)<br>Kalindi Colony,<br>Near Maharani Bagh,<br>**New Delhi- 110065** | **P K SUBRAMANIAM & CO**<br>11-5-23,Kartik Complex<br>Above Vijaya Bank,<br>Bresthwarpet<br>**Raichur- 584101,**<br>**Karnataka** | **DOOGAR & ASSOCIATES**<br>13, Community Centre,<br>East of Kailash,<br>**New Delhi - 110065** |
| **N SARKAR & CO**<br>21 Prafulla Sarkar Street<br>2nd floor<br>**Kolkata- 700072,**<br>**West Bengal** | **N CHAUDHURI & CO**<br>10 Old Post Office Street.<br>2nd floor,Room No 61,<br>**Kolkata- 700001,**<br>**West Bengal** | **B N MISRA & CO**<br>S-29 , Maitri Vihar,<br>Phase – II<br>In front of Satyam<br>Development Centre<br>**Bhubaneshwar- 751023,**<br>**Orissa** |

## INDEPENDENT AUDITORS' REPORT

To

The President of India

### Report On The Financial Statements

1. We have audited the accompanying financial statements of Central Bank of India as at March 31, 2014 which comprise the Balance Sheet as at March 31, 2014 and Profit and Loss Account and Cash Flow Statement for the year then ended and a summary of significant Accounting Policies and other explanatory information. Incorporated in these financial statements are the returns of 20 Branches, 38 Regional Offices audited by us out of a total of 4550 branches, 80 Regional Offices, and 1441 branches/ Service Support Branches audited by other branch auditors. Also incorporated in the Balance Sheet and Profit and Loss Account are the returns of 3089 branches, 42 Regional Offices which have not been subjected to audit. The unaudited branches account for 9.98% of advances, 38.61% of deposits, 8.78% of interest income and 31.70% of interest expense. The branches audited by us and those audited by other auditors have been selected by Bank in accordance with the guidelines issued by the Reserve Bank of India.

### Management's Responsibility for the Financial Statements

2. Management of the Bank is responsible for the preparation of these financial statements that give true and fair view of the financial position and financial performance of the Bank in accordance with Banking Regulation Act, 1949 and complying with Reserve Bank of India Guidelines issued from time to time. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that are free from material misstatements, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Emphasis of Matter**

6. In accordance with Standard on Audit (SA) 706 "Emphasis of Matter Paragraph" without qualifying our opinion, we draw attention to –

(i) Note no.10(c) of the Schedule 18 to the financial statements regarding deferment of pension liability and gratuity liability of the Bank, pursuant to the exemption granted by the Reserve Bank of India to the Public Sector banks from application of the provisions of Accounting Standard (AS) 15, Employees Benefits vide circular No.DBOP.BP.BC/80/21.04.018/2010-11 dated 09.02.2011 on "Re-opening of Pension Option to the employees of Public Sector Banks and Enhancement in Gratuity Limits Prudential Regulatory treatment" Accordingly, out of the unamortized amount of Rs.590.77 crore as on 01.04.2013, the Bank has amortised Rs.239.99 crore for Pension and Rs.55.40 crore for Gratuity being proportionate amount for the year ended March 31, 2014 and balance amount to be amortised in future period for Pension is Rs.239.98 crore and for Gratuity is Rs.55.40 crore.

(ii) Note no.10 (g) of Schedule 18 to the financial statements, which describes the accounting treatment of the expenditure on creation of Deferred Tax Liability on Special Reserve under section 36(1) (viii) of the Income Tax Act, 1961 as at 31st March 2013, pursuant to RBI's circular No.DBOD.No.BP.BC. 77/21.04.018/2013-14 dated 20th December, 2013.

**Opinion**

7. In our opinion, as shown by the books of the bank, and to the best of our information and according to the explanations given to us, we report that:

   i. The Balance Sheet read with the Significant Accounting Policies and Notes thereon, is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at March 31, 2014, in conformity with accounting principles generally accepted in India.

   ii. The Profit and Loss Account, read with the Significant Accounting Policies and Notes thereon shows a true balance of loss, in conformity with accounting principles generally accepted in India, for the year covered by the accounts; and

   iii. The Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory requirements**

8. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms 'A' & 'B' respectively of the Third Schedule to the Banking Regulation Act, 1949.

9. Subject to the limitations of the audit indicated in paragraphs 1 to 5 above and as required by the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 and subject also to the limitations of disclosure required therein, we report that:

   a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit and have found them to be satisfactory.

   b) The transactions of the Bank which have come to our notice have been within the powers of the Bank.

   c) The returns received from the Offices and Branches of the Bank, as supplemented with the information furnished by the Management, have been found adequate for the purposes of our audit.