

ओरियन्टल बैंक ऑफ़ कॉमर्स

(भारत सरकार का उपक्रम)

प्रधान कार्यालय : प्लॉट सं. 5, इंस्टीट्यूशनल एरिया,
सेक्टर-32, गुरुग्राम-122001



ओ.बी.सी.

ORIENTAL BANK OF COMMERCE

(A GOVERNMENT OF INDIA UNDERTAKING)

Head Office : Plot No. 5, Institutional Area,
Sector - 32, Gurugram-122001

HO/MBD/2018

25.10.2018

Scrip Code: ORIENTBANK	Scrip Code: 500315
The Executive Director, National Stock Exchange of India Ltd. , Exchange Plaza, 5 th Floor, Bandra Kurla Complex, Bandra (E), Mumbai-400051	General Manager, Dept. of Corporate Services, Bombay Stock Exchange Limited , Phiroze Jeejeebhoy Towers, Mumbai- 400001

Dear Sir,

Reg. Meeting of Board of Directors to inter alia consider and approve the Reviewed Financial Results of the Bank for the quarter/half year ended 30th September, 2018

Further to our letter dated 18.10.2018, we wish to inform that pursuant to Regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015, the Board of Directors of the Bank in the meeting held on Thursday, 25th October, 2018 at Corporate Office, Gurugram have approved the Reviewed Financial Results of the Bank along with the Limited Review Report for the quarter/half year ended 30th September, 2018 and the same is enclosed for your kind perusal and record.

The meeting of the Board of Directors commenced at 11.30 a.m. and concluded at 12.45 p.m.

Yours faithfully,

Company Secretary & Compliance Officer
Encl.: as above

ORIENTAL BANK OF COMMERCE
CORPORATE OFFICE, GURUGRAM

Unaudited (Reviewed) Financial Results for the Quarter /Half-year ended September 30, 2018

(₹ in Lakhs)

S.No.	Particulars	Quarter ended			Half-Year ended		Year ended
		30.09.2018	30.06.2018	30.09.2017	30.09.2018	30.09.2017	31.03.2018
		(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1	Interest Earned (a)+(b)+(c)+(d)	428957	426924	445246	855881	889018	1739889
a)	Interest/discount on advances/bills	288130	293346	318989	581476	630322	1212827
b)	Income on investments	133200	125537	111575	258737	229109	481700
c)	Interest on balances with Reserve Bank of India and other Inter Bank Funds	903	1667	8081	2570	16331	19307
d)	Others	6724	6374	6601	13098	13256	26055
2	Other Income	67772	46034	106924	113806	184596	278236
A.	TOTAL INCOME (1+2)	496729	472958	552170	969687	1073614	2018125
3	Interest Expended	301474	293162	320073	594636	649209	1288813
4	Operating Expenses (a)+(b)+(c)	98006	107371	76959	205377	168439	358994
a)	Employees Cost	49751	54087	29011	103838	79377	175662
b)	Rent, Taxes & Lighting	9189	9115	8704	18304	17024	33621
c)	Other operating expenses	39066	44169	39244	83235	72038	149711
B.	TOTAL EXPENDITURE (3)+(4) (excluding Provisions & Contingencies)	399480	400533	397032	800013	817648	1647807
C.	OPERATING PROFIT (A-B) (Profit before Provisions and Contingencies)	97249	72425	155138	169674	255966	370318
D.	Provisions (other than tax) and Contingencies	107375	153946	328128	261321	475076	979760
	Of which, provisions for Non-Performing Assets	83203	122251	314692	205454	473840	949808
E.	Exceptional Items	0	0	0	0	0	0
E(I)	Net Profit/Loss (-) from Ordinary activities before tax (C-D-E)	-10126	-81521	-172990	-91647	-219110	-609442
F.	Tax Expense	-20300	-42200	2000	-62500	4500	-22268
a)	Current and Deferred Tax	-20300	-42200	2000	-62500	4500	-22200
b)	Adjustment related to earlier years	0	0	0	0	0	-68
G.	Net Profit/Loss (-) from Ordinary activities after tax (E(I)-F)	10174	-39321	-174990	-29147	-223610	-587174
H.	Extraordinary items (net of tax expense)	0	0	0	0	0	0
I.	Net Profit/Loss (-) for the period (G-H)	10174	-39321	-174990	-29147	-223610	-587174
5	Paid-up equity share capital (Face value of each share ₹10/-)	63277	63277	34617	63277	34617	63277
6	Reserves excluding Revaluation Reserves (as per Balance Sheet of Previous Year)						974937
7	Analytical Ratios						
(i)	Percentage of shares held by Government of India	77.23	77.23	58.38	77.23	58.38	77.23
(ii)	Capital Adequacy Ratio - BASEL III (%)	10.35	10.25	10.60	10.35	10.60	10.50
	(a) CET 1 Ratio (%)	7.18	7.13	6.50	7.18	6.50	7.46
	(b) Additional Tier 1 Ratio (%)	0.15	0.15	1.34	0.15	1.34	0.15
(iii)	Earning per share(EPS) (in ₹) (Not Annualised)						
	a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the previous year	1.61	-6.21	-50.55	-4.61	-64.60	-168.09
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year	1.61	-6.21	-50.55	-4.61	-64.60	-168.09
(iv)	NPA Ratios						
	(a) Amount of gross non-performing assets	2567331	2614128	2643186	2567331	2643186	2613364
	(b) Amount of net non-performing assets	1379523	1426204	1412829	1379523	1412829	1428286
	(c) % of gross NPAs	17.24	17.89	16.30	17.24	16.30	17.63
	(d)% of net NPAs	10.07	10.63	9.44	10.07	9.44	10.48
(v)	Return on Assets (annualised) (%)	0.16	-0.65	-2.76	-0.24	-1.76	-2.31

2
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ORIENTAL BANK OF COMMERCE

CORPORATE OFFICE, GURUGRAM

Segment Reporting for the Quarter/Half-Year ended September 30, 2018

(₹ in Lakhs)

Part A : Business Segments	Quarter ended			Half-Year ended		Year ended
	30.09.2018 (Reviewed)	30.06.2018 (Reviewed)	30.09.2017 (Reviewed)	30.09.2018 (Reviewed)	30.09.2017 (Reviewed)	31.03.2018 (Audited)
1 Segment Revenue						
(a) Treasury Operations	141337	134771	189607	276108	357972	619278
(b) Corporate/Wholesale Banking Operations	221071	208959	252824	430030	499773	972696
(c) Retail Banking Operations	206540	206219	197104	412759	398293	772780
(d) Other Banking Business Operations	14082	16675	8440	30757	20745	44314
(e) Unallocated	1001	25	48	1026	118	392
Total	584031	566649	648023	1150680	1276901	2409460
Less: Inter Segment Revenue	87302	93691	95853	180993	203287	391335
Income from operations	496729	472958	552170	969687	1073614	2018125
2 Segment Results [Profit / Loss (-)] before tax and interest						
(a) Treasury Operations	18863	3769	72773	22632	148810	162777
(b) Corporate/Wholesale Banking Operations	-72626	-116229	-287322	-188855	-421401	-817183
(c) Retail Banking Operations	37729	25034	41558	62763	47262	29338
(d) Other Banking Business Operations	4908	5977	-33	10885	6145	15303
(e) Unallocated	-	-	-	-	-	-
Total	-11126	-81449	-173024	-92575	-219184	-609765
Less:						
(i) interest	-	-	-	-	-	-
(ii) Other Un-allocable Expenditure net off unallocable income	-1000	72	-34	-928	-74	-323
(iii) Taxes	-20300	-42200	2000	-62500	4500	-22268
Total Profit / Loss (-) after Tax	10174	-39321	-174990	-29147	-223610	-587174
3 Segment Assets						
(a) Treasury Operations	7835353	7511718	7035932	7835353	7035932	7287587
(b) Corporate/Wholesale Banking Operations	8745873	8591501	10518881	8745873	10518881	9237118
(c) Retail Banking Operations	6514945	6439787	6042332	6514945	6042332	6288934
(d) Other Banking Business Operations	352965	327134	293268	352965	293268	239639
(e) Unallocated	345178	323769	269581	345178	269581	281126
Total	23794314	23193909	24159994	23794314	24159994	23334404
4 Segment Liabilities						
(a) Treasury Operations	7735316	7410424	6899190	7735316	6899190	7175898
(b) Corporate/Wholesale Banking Operations	8343732	8184847	10004918	8343732	10004918	8767490
(c) Retail Banking Operations	6215383	6134978	5747098	6215383	5747098	5969196
(d) Other Banking Business Operations	336735	311650	278938	336735	278938	227455
(e) Unallocated	14164	13200	42157	14164	42157	15690
Total	22645330	22055099	22972301	22645330	22972301	22155729
5 Capital Employed						
(a) Treasury Operations	100037	101294	136742	100037	136742	111689
(b) Corporate/Wholesale Banking Operations	402141	406654	513963	402141	513963	469628
(c) Retail Banking Operations	299562	304809	295234	299562	295234	319738
(d) Other Banking Business Operations	16230	15484	14330	16230	14330	12184
(e) Unallocated	331014	310569	227424	331014	227424	265436
Total Capital Employed	1148984	1138810	1187693	1148984	1187693	1178675

Notes:

- The Bank has only one geographical segment i.e Domestic Segment.
- Previous period's /year's figures have been regrouped/reclassified wherever considered necessary.

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Summarised Balance Sheet as on September 30, 2018:

(₹ in Lakhs)

Capital & Liabilities	As on 30.09.2018	As on 30.09.2017	As on 31.03.2018
Capital	63277	34617	63277
Reserves & Surplus	1085707	1153076	1115399
Deposits	20644077	21448739	20734606
Borrowings	1450804	1011202	969406
Other Liabilities and Provisions	550449	512360	451716
Total	23794314	24159994	23334404

(₹ in Lakhs)

Assets	As on 30.09.2018	As on 30.09.2017	As on 31.03.2018
Cash & Balances with Reserve Bank of India	1014037	1024059	1225484
Balances with Banks and Money at Call & Short Notice	114943	86140	142659
Investments	7491421	6561640	6990227
Advances	13704869	14984405	13636787
Fixed Assets	250023	245454	254963
Other Assets	1219021	1258296	1084284
Total	23794314	24159994	23334404

Notes:

1. The above financial results have been reviewed by the Audit Committee of the Board and approved by the Board of Directors of the Bank in their meeting held on October 25, 2018. The same have been subjected to "Limited Review" by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and as per the requirements of SEBI (Listing Obligations & Disclosures Requirement) Regulation, 2015.
2. The Bank has followed the same Accounting Policies in the preparation of the interim financial results as were followed in the Annual Financial Statements for the year ended March 31, 2018.
3. The financial results for the quarter and half-year ended September 30, 2018 have been arrived at after considering provisions on standard assets, non performing advances, non-performing investments, depreciation on investments and provision for exposure to entities with unhedged foreign currency on the basis of extant guidelines/directives issued by the Reserve Bank of India. Provisions for Employee Benefits (except for pension which has been made on actuarial valuation basis), Income Tax (including Deferred Tax) and other usual and necessary provisions have been made on estimated basis and are subject to adjustments, if any, at the year end.

4. Reserve Bank of India circular DBR No. BP.BC.113/21.04.048/2017-18 dated June 15, 2018 grants banks an option to spread provisioning for mark to market (MTM) losses on investments held in AFS and HFT for the quarter ended June 30, 2018 equally over up to four quarters, commencing with the quarter ended June 30, 2018. Accordingly, during the quarter and half-year ended September 30, 2018 ₹ 144.34 crore and ₹ 288.68 crore respectively have been charged to the profit and loss account towards such MTM losses and the balance unamortised MTM loss as on September 30, 2018 is ₹ 288.68 crore.
5. RBI vide Circular no. DBR.No.BP.BC.108/21.04.048/2017-18 dated June 6, 2018 permitted banks to continue the exposures to MSME borrowers to be classified as standard assets where the dues between September 1, 2017 and December 31, 2018 are paid not later than 180 days from their respective original due dates. Accordingly, the Bank has retained MSME exposure of ₹ 279.07 crore as standard asset as on September 30, 2018. In accordance with the provisions of the circular, the Bank has not recognised interest income of ₹ 9.03 crore and is maintaining a standard asset provision of ₹ 14.03 crore as on September 30, 2018 in respect of such borrowers.
6. In view of reasonable certainty of availability of future taxable income against which timing difference arising on account of regulatory provisions for performing loan assets, provision for bad & doubtful debts (NPA), employees benefits etc. can be realized and accordingly, the Bank has recognized deferred tax asset of ₹ 203 crore on account of provision for bad & doubtful debts (NPA) during the quarter ended September 30, 2018 thereby recognizing an aggregate amount of ₹ 625 crore during the half year ended September 30, 2018.
7. RBI vide its communication DBR.No. BP.BC. 9730/21.04.018/2017-18 dated April 27, 2018 has given the option to Banks to spread additional liability on account of enhancement in gratuity limits from ₹ 10 lakhs to ₹ 20 lakhs from March 29, 2018 under the Payment of Gratuity Act, 1972, over four quarters beginning with the quarter ended March 31, 2018. The Bank exercised that option and had charged ₹ 19.98 crore out of an unamortised portion of ₹ 59.95 crore as on March 31, 2018 to the profit and loss account during the quarter ended June 30, 2018 and the unamortised gratuity expenditure as at June 30, 2018 was ₹ 39.97 crore to be provided in subsequent two quarters. However, the Bank has charged the full amount of ₹ 39.97 crore during the quarter ended September 30, 2018.
8. Pursuant to RBI Circular no. DBR.No.BP.BC.1/21.06.201/2015-16 dated July 01, 2015; banks are required to make quarterly Pillar 3 disclosures under Basel III requirement. The disclosures are being made available on the bank's website with the link <https://www.obcindia.co.in/obcnew/site/regulatorydisclosures.aspx>. These disclosures have not been subjected to limited review by the Statutory Central Auditors of the Bank

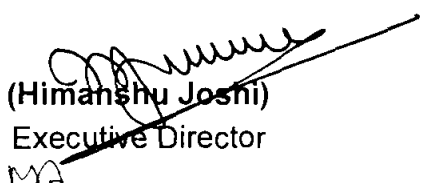
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9. The Provision Coverage Ratio of the Bank as on September 30, 2018 is 65.31%.

10. Position of number of investors complaints for the quarter ended September 30, 2018:

- (i) Outstanding at the beginning of the quarter: 1
- (ii) Received during the quarter: 13
- (iii) Disposed-off during the quarter: 14
- (iv) Outstanding at the end of the quarter: NIL

11. Figures of the corresponding previous period have been regrouped/rearranged, wherever considered necessary to conform to current period's classification.


(Himanshu Joshi)
Executive Director


(Mukesh Kumar Jain)
Managing Director & CEO

Place: Gurugram

Date: October 25, 2018

V. K. DHINGRA & CO.

Chartered Accountants
1-E/15, Jhandewalan Extn.
NEW DELHI - 110055

SUDIT K. PAREKH & CO.

Chartered Accountants
6th Floor, Urmi Axis, Famous Studio Lane, Dr. E. Moses Road,
Mahalaxmi
MUMBAI - 400011

V. K. LADHA & ASSOCIATES

Chartered Accountants
36, David Marg Kshirsagar Colony
UJJAIN - 456006

B.C.JAIN & CO.

Chartered Accountants
16/77A, Civil Lines
KANPUR- 208001

Independent Auditors' Limited Review Report

To

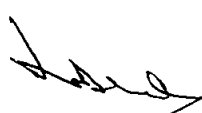
**The Board of Directors
Oriental Bank of Commerce
Gurugram**

1. We have reviewed the accompanying statement of unaudited financial results of **Oriental Bank of Commerce** (the "Bank") for the Quarter/Half Year ended September 30, 2018. The disclosures relating to "Pillar 3 under Basel III Capital Regulations", "Leverage Ratio" and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid financial results have not been reviewed by us. This Statement of unaudited financial results is the responsibility of the Bank's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on this statement of unaudited financial results based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of Interim Financial Information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. The financial results incorporate the relevant returns of 20 branches reviewed by us and unreviewed returns in respect of 2367 branches. The Bank has no foreign branch. In the conduct of our review, we have taken note of the certificates in respect of non-performing assets submitted by the concurrent auditors of 527 branches to the Bank's Management. These review reports and certificates cover 76 per cent of the advances portfolio and 89 per cent of non-performing advances of the Bank as on September 30, 2018. Apart from these review reports and certificates, in the conduct of our review, we have also relied upon various information and returns received from the unreviewed branches/other offices of the Bank.



4. Without qualifying our conclusion, we draw attention to Note no. 4 forming part of unaudited financial results regarding exercise of the option by the Bank by spreading the provision for Mark to Market (MTM) losses for the quarter ended June 30, 2018, equally over four quarters resulting into carrying forward of un-amortized MTM losses of ₹288.68 crores as at September 30, 2018, for amortization in remaining quarters of the current financial year.
5. Based on our review conducted as aforesaid, subject to limitations in scope as mentioned in Para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results together with the notes thereon, prepared in accordance with applicable Accounting Standards issued by the Institute of Chartered Accountants of India and other prevailing recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Reserve Bank of India Circular Ref. No. RBI/2016-17/29-DBS.ARS.No.BC.2/08.91.001/2016-17 dated 28.07.2016 with respect to Half yearly/Quarterly review of accounts of the Public Sector Banks, including the manner in which it is to be disclosed, or that it contains any material mis-statement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

For V. K. DHINGRA & CO.
Chartered Accountants
FRN 000250N



(Lalit Ahuja)
Partner
M. No. 085842

For SUDIT K. PAREKH & CO.
Chartered Accountants
FRN 110512W



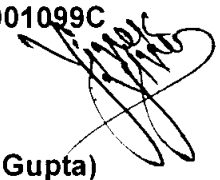
(Durgaprasad S Khatri)
Partner
M. No.016316

For V.K. LADHA & ASSOCIATES
Chartered Accountants
FRN 002301C



(V.K. Ladha)
Partner
M. No. 071501

For B.C.Jain & CO.
Chartered Accountants
FRN:001099C



(Vivek Gupta)
Partner
M.No.075244

Place: Gurugram

Dated: October 25, 2018