UNITED BANK OF INDIA

Head Office : 11, Hemanta Basu Sarani, Kolkata - 700 001
Tel : 033-22481054; Fax : 033-22485852, Email : co.sec@unitedbank.co.in

Board Sec/FY13-14/ CI-41/NSE/ 45 /2014

May 5, 2014

Sri. Hari K., Vice President
Listing Department
National Stock Exchange of India Ltd.
Plot – C/1, Block – G,
Bandra Kurla Complex, Bandra (E),
Mumbai – 400051.

Scrip Code: UNITEDBNK

Sub: Audited Financial Results for the Quarter and the financial year ended March 31, 2014

Dear Sir,

The Exchange is hereby informed that earlier on date, the Board of Directors of the Bank, at its meeting has inter-alia adopted and approved the audited financial results of the Bank for the quarter and the year ended March 31, 2014. The copies of the audited accounts are enclosed for your kind perusal and records.

The Board did not recommend any dividend for the year 2013-14.

Thanking you,

Bikramjit Bhom
Company Secretary & Compliance Officer

Encl. A/A

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	United Bank of India
2.	Annual Financial Statement for the year ended	31st March 2014
3.	Type of Audit Observations	Matter of Emphasis
4.	Frequency of Observations	Since 2010-11

Sri Deepak Narang
Executive Director

Sri Sanjay Arya
Executive Director

(Sunil Goyal)
Chairman- Audit Committee

(Sanjay Kumar)
Chief Financial Officer

M/s Dinesh Mehta & Co.
Chartered Accountants
FRN No. 000220N

(CA Deepak Malhotra)
Partner
Membership No. 502386

M/s. Ramamoorthy (N) & Co.
Chartered Accountants
FRN 002890S

(CA Suresh Nath Bharathi)
Partner
Membership No. 023837

M/s. S P M R & Associates
FRN 007578N

(CA Pravabati Maheswari)
Partner
Membership No. 085362

M/s. P C Bindal & Co.
FRN 003824N

(CA P. C. Bindal)
Partner
Membership No. 082683

Place: Kolkata
Date: 05.05.2014

INDEPENDENT AUDITOR'S REPORT

To
The President of India
Report On The Financial Statements

1. We have audited the accompanying financial statements of **UNITED BANK OF INDIA** as at **31st March, 2014**, which comprises the Balance Sheet as at **March 31, 2014**, and Profit and Loss Account and the 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 and treasury operations audited by us and 621 branches/retail hub audited by branch auditors. The branches audited by us and those audited by other auditors have been selected by the Bank in accordance with the guidelines issued to the Bank by the Reserve Bank of India. Also incorporated in the Balance Sheet, the Profit and Loss Account and the Cash Flow statement are the returns from 35 Regional Offices. 1354 branches; 1 Staff Training College, 1 Cash Management System and 1 Central Pension Processing Centre which have not been subjected to audit. These unaudited branches account for 7.73% of gross advances, 35.42% of deposits, 4.94% of interest income and 33.61% of interest expense.

Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and to disclose the information as may be necessary to conform to forms 'A & B' respectively of the Third Schedule to the Banking Regulation Act, 1949. These financial statements comply with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement, 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 statements. 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 Company'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 entity'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.

6. **Emphasis of Matter**

   6.1 In accordance with Standard of Audit (SA) 706 "Emphasis of Matter Paragraph", without qualifying our opinion, we draw attention to Note 4.3 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.DBDO.No. BP.BC.77/21.04.018/2013-14 dated 20th December 2013.

M/s. Ramamoorthy (N) & Co. Chartered Accountants Hyderabad
M/s. Dinesh Mehta & Co. Chartered Accountants New Delhi
M/s. P.C. Bindal & Co. Chartered Accountants Jammu (J&K)
M/s. SPMR & Associates Chartered Accountants New Delhi

Pending settlement of the proposed wage revision effective from November 2012, an adhoc provision of ₹170 crores is held as at 31st March 2014.

6.2 In accordance with Standard of Audit (SA) 706 "Emphasis of Matter Paragraph", without qualifying our opinion, we draw attention to Note No.3.4 in Schedule 18 regarding deferment of pension and gratuity liability of the Bank to the extent of ₹89.47 crores pursuant to the exemption granted by the Reserve Bank of India from application of the provisions of Accounting Standard (AS)-15 on "Employee Benefits".

Opinion

7. Subject to what is stated above, in our opinion, and to the best of our information and according to the explanation given to us and as shown by the books of the bank, and read with the Accounting Policies and the Notes on the Accounts, we have to report that:

   (i) The Balance Sheet, is a full and fair Balance Sheet of the Bank containing all the necessary particulars, as required by the Banking Regulation Act 1949 and is properly drawn up so as to exhibit a true and fair view of state of affairs of the Bank as at **31st March, 2014** in conformity with accounting principles generally accepted in India;

   (ii) The Profit and Loss Account, shows a true balance of Loss, in conformity with accounting principles generally accepted in India, for the year covered by the account; 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. In our opinion, the Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949 and is in accordance with the provisions of section 29 of the Banking Regulation Act, 1949.

9. Subject to the limitations of the audit indicated in paragraph 1 to 5 above and as required by the Banking Companies (Acquisition and 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 have been found adequate for the purposes of our audit.

10. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the applicable Accounting Standards.

For Ramamoorthy(N) & Co.	**Dinesh Mehta & Co.**	**P C Bindal & Co.**	**S P M R & Associates.**
Chartered Accountants	Chartered Accountants	Chartered Accountants	Chartered Accountants
FRN:002899S	FRN:000275N	FRN:003774N	FRN:007578N
CA.Surendranath Bharathi	**CA.Deepak Malhotra**	**CA.P.C.Bindal**	**CA. Manish K. Maheshwari**
Partner	Partner	Partner	Partner
M.Mo.023837	M.Mo.502386	M.No.082683	M.No.085362

Date : 5th May 2014
Place: Kolkata

UNITED BANK OF INDIA

HEAD OFFICE:KOLKATA

QUARTERLY REVIEW OF FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH, 2014.

(Rs. in lacs)

	Particulars	Quarter Ended			Year Ended	
		31.03.2014 (Audited)	31.12.2013 (Reviewed)	31.03.2013 (Audited)	31.03.2014 (Audited)	31.03.2013 (Audited)
1	**Interest Earned (a+b+c+d)**	**276204**	**276553**	**233610**	**1059929**	**925149**
	a) Interest/Discount on advances/bills	199723	208284	171876	781656	689927
	b) Income on Investment	68869	66019	58056	259762	225931
	c) Intt. on balance with RBI/Other Banks	5876	2232	1420	14108	6349
	d) Others	1736	18	2258	4403	2942
2	**Other Income**	**31174**	**22127**	**35108**	**120687**	**106657**
3	**Total Income (1+2)**	**307378**	**298680**	**268718**	**1180616**	**1031806**
4	**Interest Expended**	**206369**	**200477**	**177232**	**803647**	**676423**
5	**Operating Expenses (i+ii)**	**46714**	**43695**	**40413**	**170795**	**150392**
	i) Payments to and provisions for employees	26570	26318	24253	101434	93252
	ii) Other operating expenses	20144	17377	16160	69361	57140
6	**Total Expenditure (4)+(5) (Excluding Provision and Contingencies)**	**253083**	**244172**	**217645**	**974442**	**826815**
7	**Operating Profit (3)-(6) (Profit before Provisions and Contingencies)**	**54295**	**54508**	**51073**	**206174**	**204991**
8	**Provisions & Contingencies (Other than tax)**	**26670**	**185783**	**75880**	**361796**	**175939**
9	**Exceptional Items**	**0**	**0**	**0**	**0**	**0**
10	**Profit (+)/Loss(-) from Ordinary Activities before tax (7-8-9)**	**27625**	**(131275)**	**(24807)**	**(155622)**	**29052**
11	**Tax Expenses**	**(19312)**	**(7467)**	**(27925)**	**(34277)**	**(10138)**
12	**Net Profit (+)/Loss(-) from Ordinary Activities after tax (10-11)**	**46937**	**(123808)**	**3118**	**(121345)**	**39190**
13	**Extraordinary Items (net of tax expenses)**	**0**	**0**	**0**	**0**	**0**
14	**Net Profit (+)/Loss(-) for the period**	**46937**	**(123808)**	**3118**	**(121345)**	**39190**
15	Paid-up equity share capital (Face Value of each share Rs.10)	55475	55475	37471	55475	37471
16	Reserves excldg. Revaluation reserves	331901	0	408453	331901	408453
17	**Analytical Ratios**					
	(i) Percentage of Shares held by G.O.I.	88.00%	88.00%	82.23%	88.00%	82.23%
	(ii) Capital Adequacy Ratio %					
	a) Basel-I	N.A.	N.A.	9.77%	N.A.	9.77%
	b) Basel-II	11.46%	9.93%	11.66%	11.46%	11.66%
	c) Basel-III	9.81%	9.01%	N.A.	9.81%	N.A.
	(iii) Earning per Share (EPS)					
	a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the quarter (not annualised)	8.46	(32.25)	0.32	(28.68)	8.64
	b) Basic and diluted EPS after Extraordinary items (net of tax expense) for the quarter (not annualised)	8.46	(32.25)	0.32	(28.68)	8.64
	(iv) (a) Amount of Gross NPAs	711801	854550	296382	711801	296382
	(b) Amount of Net NPAs	466411	562996	196998	466411	196998
	(c) Percentage of Gross NPA	10.47%	10.82%	4.25%	10.47%	4.25%
	(d) Percentage of Net NPA	7.18%	7.44%	2.87%	7.18%	2.87%
	(v) Return on Assets (Annualised) (%)	1.52%	-3.92%	0.12%	-0.99%	0.38%
18	Public Shareholding					
	No. of shares	66,578,299	66,578,299	66,578,299	66,578,299	66,578,299
	Percentage of shareholding	12.00%	12.00%	17.77%	12.00%	17.77%
19	Promoters and promoter group Shareholding					
	a) Pledged/Encumbered					
	No.of shares	Nil	Nil	Nil	Nil	Nil
	Percentage of shares(as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	Percentage of share (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered					
	No. of shares	488,169,792	488,169,792	308,128,640	488,169,792	308,128,640
	Percentage of shares(as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	Percentage of share (as a % of the total share capital of the company)	88.00%	88.00%	82.23%	88.00%	82.23%

M/s. Ramamoorthy (N) & Co. Chartered Accountants Hyderabad

M/s. Dinesh Mehta & Co. Chartered Accountants New Delhi

M/s. P.C. Bindal & Co. Chartered Accountants Jammu (J&K)

M/s. SPMR & Associates Chartered Accountants New Delhi

UNITED BANK OF INDIA		
KOLKATA		
Statement of Assets & Liabilities as on 31st March, 2014		
		(Rs. in lacs)
CAPITAL & LIABILITIES	**As on 31.03.2014**	**As on 31.03.2013**
Capital	135475	117471
Reserves & Surplus	392791	470901
Deposits	11150971	10065154
Borrowings	446023	494270
Other Liabilities and Provisions	385235	313715
Total :	**12510495**	**11461511**
ASSETS	**As on 31.03.2014**	**As on 31.03.2013**
Cash and balances with Reserve Bank of India	626978	384661
Balances with Banks and		
Money at Call and Short Notice	454206	514195
Investments	4487634	3346340
Advances	6576751	6890866
Fixed Assets	93874	85705
Other Assets	271052	239744
Total :	**12510495**	**11461511**

M/s. Ramamoorthy (N) & Co. Chartered Accountants Hyderabad

M/s. Dinesh Mehta & Co. Chartered Accountants New Delhi

M/s. P.C. Bindal & Co. Chartered Accountants

M/s. SPMR & Associates Chartered Accountants New Delhi

Segment Reporting:					
Part A: Business Segments					
					(Rs. in Lacs)
	Quarter Ended			Year Ended	
	31.03.2014	31.12.2013	31.03.2013	31.03.2014	31.03.2013
	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)
1.Segment Revenue:					
a)Treasury Operations	86316	75880	76845	326468	278991
b)Corporate/Wholesale Banking	128325	165100	126961	577605	510149
c)Retail Banking	85916	52907	58416	254386	226672
d)Other Banking operation	5072	4766	4215	17717	12927
e)Unallocated Income	1749	26	2280	4440	3067
Total	**307378**	**298679**	**268717**	**1180616**	**1031806**
Less:Intersegment Revenue	0	0	0	0	0
Total	**307378**	**298679**	**268717**	**1180616**	**1031806**
2.Segment Results:Profit/(Loss)					
a)Treasury Operations	-20508	2368	28360	9409	39115
b)Corporate/Wholesale Banking	87486	50363	28072	211362	143426
c)Retail Banking	44670	21971	9147	95449	92155
d)Other Banking operation	5073	4765	4215	17717	12927
Total	**116721**	**79467**	**69794**	**333937**	**287623**
Less:Unallocable Expenses net off unallocable income	**(62426)**	**(24959)**	**(18721)**	**(127763)**	**(82632)**
Total	**54295**	**54508**	**51073**	**206174**	**204991**
Provision& Contingencies	26670	185783	75880	361796	175939
Profit Before Tax	**27625**	**(131275)**	**(24807)**	**(155622)**	**29052**
Tax Expense	(19312)	(7467)	(27925)	(34277)	(10138)
PAT	**46937**	**(123808)**	**3118**	**(121345)**	**39190**
3.Capital Employed					
a)Treasury Operations	189561	217153	203279	189561	203279
b)Corporate/Wholesale Banking	177273	262030	254445	177273	254445
c)Retail Banking	76455	93370	92966	76455	92966
d)Unallocated	84976	20275	37682	84976	37682
Total	**528265**	**592828**	**588372**	**528265**	**588372**

Note :-

The Bank has only one Geographical Segment i.e Domestic Segment

M/s. Ramamoorthy (N) & Co. Chartered Accountants Hyderabad

M/s. Dinesh Mehta & Co. Chartered Accountants New Delhi

M/s. P.C. Bindal & Co. Chartered Accountants Jammu (J&K)

M/s. SPMR & Associates Chartered Accountants New Delhi

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 meetings held on 5th May 2014 and have been subjected to audit by the Statutory Central Auditors' of the Bank.

2. There has been no material change in the Accounting Policies followed during the quarter/year ended 31st March 2014 as compared to those followed in the preceding financial year ended 31st March 2013.

3. The figures of quarter ended 31st March 2014 are the balancing figures between audited figures in respect of the full financial year and year-to-date figures upto the period ended 31st December 2013.

4. The financial results for the quarter/year ended 31st March 2014 have been arrived at after considering provisions for Non-Performing Assets(Loans), Standard Assets, Restructured Advances and Depreciation on Investments on the basis of prudential norms issued by the Reserve Bank of India(RBI).

5. In terms of the provisions of circular DBOD.No.BP.BC.80/21.4.018/2010-11 dated 9th February 2011 issued by RBI on reopening of Pension Option to employees of Public Sector Banks and enhancement in Gratuity Limits, ₹447.30 crores is being amortised over a period of 5 years with effect from financial year 2010-11. Accordingly, and amount of ₹22.37 crores for the quarter ended 31st March 2014 (₹89.46 crores for the whole year) has been charged to Profit and Loss Account. The unamortised liability as at 31st March 2014 stands at ₹89.46 crores.

6. Pending settlement of the proposed wage revision effective from November 2012, an adhoc provision of ₹170 crores is held as at 31st March 2014, which includes ₹30 crores for the quarter ended 31st March 2014.

7. In terms of RBI circular DBOD.No.BP.BC.88/21.06.201.2012-13 dated 28.03.2013 Banks have been advised to disclose Capital Adequacy Ratio computed under Basel III regulations from the quarter ended 30th June 2013. Accordingly, corresponding details for the previous year/periods are not furnished.

8. During the year, Government of India has subscribed to 1800,41,152 Equity Shares of ₹10/- each of the Bank at a price of ₹38.88 (including a premium of ₹28.88) per share aggregating to ₹700.00 crore through preferential allotment in accordance with regulation 76(1) of SEBI (ICDR) Regulations, 2009. The shareholders approved the issue by a special resolution at the Extraordinary General Meeting of the Bank convened for the purpose on 23rd December, 2013. The Bank completed the allotment on 24th December 2013.

9. During the year, the Bank has raised ₹500.00 Crores through Basel III compliant Tier-2 bonds.

10. Pursuant to Reserve Bank of India's (RBI's) Circular No.DBDO.No.BP.BC.77/21.04.018/2013-14 dated 20th December 2013, the Bank has created Deferred Tax Liability on the Special Reserve under section 36(1)(viii) of the Income Tax Act, 1961. As required by the said RBI Circular, the expenditure, amounting to ₹72.03 due to the creation of DTL on Special Reserve of ₹220.00 Crores as at 31st March 2013, not previously charged to Profit and Loss Account, has now been adjusted directly from the Reserves. Had this amount been charged to the Profit and Loss Account in accordance with the generally accepted accounting principles in India, the amount of Loss for the year would have been higher by such amount.

M/s. Ramamoorthy (N & Co. Chartered Accountants Hyderabad)
M/s. Dinesh Mehta & Co. Chartered Accountants New Delhi
M/s. P.G. Bindal & Co. Chartered Accountants Jammu
M/s. SPMR & Associates Chartered Accountants New Delhi

11. Pursuant to Reserve Bank of India's (RBI's) Circular No.DBDO.No.BP.95/21.04.048/2013-14 dated 7th February 2014, the Bank has utilized 33% of its countercyclical/floating provisions held as at 31st March 2013. As per the said RBI Circular, an amount of `51.97 crores out of floating provision of `157.48 crores held as at 31st March 2013 has been utilized for making specific provisions for non-performing assets, as per the policy approved by the Board.

12. The Provision Coverage Ratio as at 31st March, 2014 is 52.25%.

13. The number of investors' complaint received and disposed-off during the quarter ended 31st March 2014 is as under:

Opening	Received	Disposed off	Closing
1	61	62	-

14. Previous period/year figures have been regrouped/reclassified wherever considered necessary.

Deepak Narang
Executive Director

Sanjay Arya
Executive Director

Sanjay Kumar
General Manager & CFO

In terms of our separate review report of even date.

M/s.Ramamoorthy(N) & Co
Chartered Accountants.
FRN:002899S

CA.Surendranath Bharathi
Partner
M.No.023837

M/s.Dinesh Mehta & Co.
Chartered Accountants.
FRN:000220N

CA.Deepak Malhotra
Partner
M.No.502386

M/s.P C Bindal & Co.
Chartered Accountants.
FRN:003824N

CA.P.C.Bindal
Partner
M.No.082683

M/s.S P M R & Associates
Chartered Accountants.
FRN: 007578N

CA.Pramod Kr. Maheshwari
Partner
M.No.085362

Place :**Kolkata**
Date :**5th May, 2014.**