Union Bank of India

Ref: ISD/137/15-16

May 12, 2015

The Deputy General Manager, Corporate Relationships Dept. Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001. Scrip Code 532 477 "Email:corp.relations@bseindia.com" Fax no.2272 3121/2272 3719	The Deputy General Manager, Listing Dept. National Stock Exchange of India Ltd. Exchange Plaza, Plot No.C/1, G Block Bandra-Kurla Complex, Bandra (E), Mumbai-400 051. Scrip Symbol/Series-UNIONBANK-EQ "Email:cmlist@nse.co.in" Fax No.66418124/25/26

Dear Madam /Sir,

Sub: Audited Financial Results for the year ended 31.03.2015 and recommendation of the dividend

Further to our letter No.ISD/124/15-16 dated 27.04.2015 and in terms of clause 20 & 41 of the listing agreement, we submit herewith the Audited Financial Results of the Bank for the year ended 31.03.2015, which have been approved by the Board of Directors at their meeting held on 12th May, 2015.

The Board of the Bank has also recommended dividend of 60 % i.e. Rs. 6 per share and the same will be paid to the shareholders by 6th July, 2015 subject to its approval in the ensuing Annual General Meeting of shareholders of the Bank.

Thanking you,

Yours faithfully,

(Dipak D. Sanghavi)
Deputy General Manager

Encl: As above.

Union Bank of India
निवेशक सेवाएं संभाग, यूनियन बैंक भवन, 239, विधान भवन मार्ग, नरीमन पॉईंट, मुंबई - 400 021.
Investor Services Division, Union Bank Bhavan, 239,Vidhan Bhavan Marg, Nariman Point, Mumbai-400 021.
T: + 91 22 2289 6643/36, F: +91 22 2202 5238, Email: investorservices@unionbankofindia.com

FORM - A

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

1	Name of the Company/Body Corporate	Union Bank of India
2	Annual financial statements for the year ended	31st March, 2015
3	Type of Audit observation	Un-qualified/~~Emphasis of Matter~~
4	Frequency of observation	Not applicable

(MAYANK MEHTA)
GENERAL MANAGER & CFO

(ARUN TIWARI)
CHAIRMAN & MANAGING DIRECTOR

(D.CHATTERJI)
DIRECTOR AND CHAIRMAN OF AUDIT COMMITTEE

FOR V.ROHATGI & CO
CHARTERED ACCOUNTANTS
FIRM REGN.NO.000980C

(BIPUL RASTOGI)
PARTNER (M.NO.072318)

FOR J GUPTA & CO
CHARTED ACCOUNTANTS
FIRM REGN.NO.314010E

(H.K.DATTA)
PARTNER (M.NO.012208)

FOR G P KAPADIA & CO
CHARTERED ACCOUNTANTS
FIRM REGN.NO.104768W

(NIMESH BHIMANI)
PARTNER (M.NO.030547)

FOR ASHWANI & ASSOCIATES

CHARTERED ACCOUNTANTS
FIRM REGN.NO.000497N

(ARVIND JAIN)
PARTNER (M.NO.097549)

FOR GBCA & ASSOCIATES

CHARTERED ACCOUNTANTS
FIRM REGN.NO.103142W

(TANSUKHLAL K CHHEDA)
PARTNER (M.NO.047157)

FOR SUNDAR SRINI & SRIDHAR
CHARTERED ACCOUNTANTS
FIRM REGN.NO.004201S

(S.SRIDHAR)
PARTNER (M.NO.025504)

Place: Mumbai
Date : 12th May, 2015.

To

The Board of Directors
Union Bank of India
Mumbai

Re: Certificate Under Clause 49 of the Listing Agreement

This is to certify that

(a) We have reviewed financial statements and the cash flow statement for the year (2014-15) and that to the best of our knowledge and belief:

(i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Bank during the year which are fraudulent, illegal or violative of the Bank's code of conduct.

(c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Bank pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we were aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the Audit Committee -

(i) significant changes in internal control over financial reporting during the year;

(ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

(iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Bank's internal control system over financial reporting.

For Union Bank of India

(Mayank Mehta)
General Manager & CFO

For Union Bank of India

(Arun Tiwari)
Chairman & Managing Director

Place : Mumbai
Date : 12th May, 2015.

INDEPENDENT AUDITORS' REPORT

To the Members of Union Bank Of India

Report on the Financial Statements

1. We have audited the accompanying financial statements of Union Bank of India as at 31st March, 2015, which comprise the Balance Sheet as at 31st March, 2015, 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 19 branches, 1 Treasury Branch, 18 Regional offices and 29 offices/centers audited by us and 1738 branches including 3 foreign branches and 47 service branches 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 and the Profit and Loss are the returns from 2324 branches and 72 offices/centers which have not been subjected to audit. These unaudited branches account for 5.77 per cent of advances, 20.98 per cent of deposits, 21.92 per cent of interest income and 20.35 per cent of interest expenses.

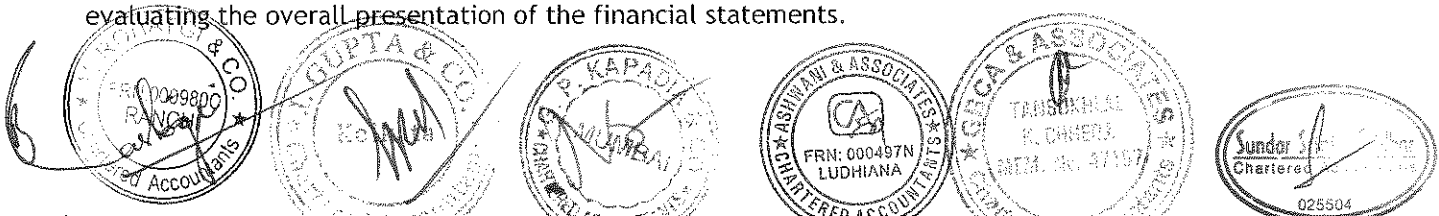
Management's Responsibility for the Financial Statements

2. Management is responsible for the preparation of these financial statements in accordance with Banking Regulation Act 1949. 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.

Auditors' 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 judgment, 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. 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.

Opinion

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

   (i) the Balance Sheet, read with the 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 31st March 2015 in conformity with accounting principles generally accepted in India;

   (ii) the Profit and Loss Account, read with the notes thereon shows a true balance of profit, 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

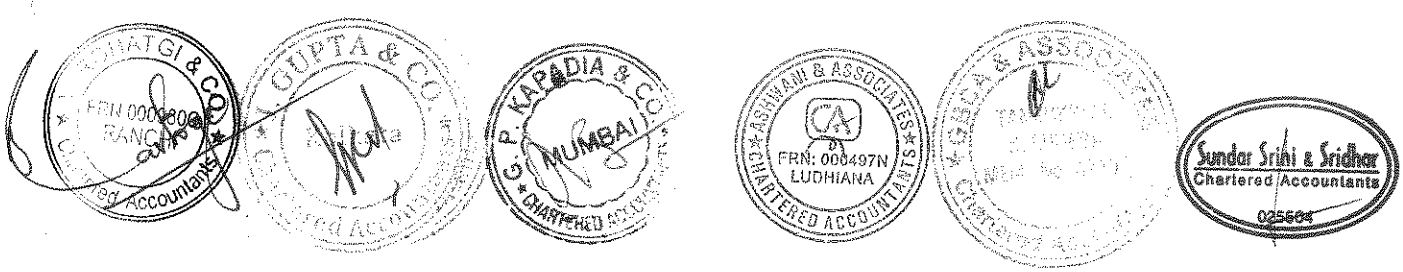
7. The Balance Sheet and the Profit and Loss Account have been drawn up in Forms "A" and "B" respectively of the Third Schedule to the Banking Regulation Act, 1949.

8. 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, 1970/1980, 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.



9. In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement comply with the applicable accounting standards.

FOR V.ROHATGI & CO.
CHARTERED ACCOUNTANTS
FIRM REGNO.NO.000980C

(BIPUL RASTOGI)
PARTNER (M.NO.072318)

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FOR SUNDAR SRINI & SRIDHAR
CHARTERED ACCOUNTANTS
FIRM REGN NO.004201S

(S. SRIDHAR)
PARTNER (M.NO.025504)

Place: MUMBAI
Date : 12th May, 2015

Union Bank of India

AUDITED FINANCIAL RESULTS FOR THE QUARTER / YEAR ENDED 31.03.2015

(₹ in lacs)

Sr. No.	Particulars	STANDALONE				
		Quarter Ended			Year Ended	
		31.03.2015 (Audited)	31.12.2014 (Reviewed)	31.03.2014 (Audited)	31.03.2015 (Audited)	31.03.2014 (Audited)
1	**Interest earned (a+b+c+d)**	824064	804376	767070	3208396	2934939
a)	Interest/discount on advances/bills	608172	602713	576153	2397725	2174036
b)	Income on investments	205241	189530	183564	766887	727045
c)	Interest on balances with RBI and other interbank funds	3588	5067	3988	19005	17853
d)	Others	7063	7066	3365	24779	16005
2	**Other Income**	114307	87724	77425	352300	282154
3	**Total Income (1+2)**	938371	892100	844495	3560696	3217093
4	**Interest Expended**	611959	592253	561847	2364006	2147007
5	**Operating Expenses (i+ii)**	161183	153313	150671	614343	548276
i)	Employees cost	95592	96591	88802	378552	330777
ii)	Other operating expenses	65591	56722	61869	235791	217499
6	**Total Expenditure (4+5)** (excluding provisions & contingencies)	773142	745566	712518	2978349	2695283
7	**Operating Profit {before provisions & contigenies} (3-6)**	165229	146534	131977	582347	521810
8	**Provisions (other than tax) and Contingencies**	100994	85192	92052	304009	314921
9	**Exceptional Items**	0	0	0		0
10	**Profit / (Loss) from Ordinary Activities before tax (7-8-9)**	64235	61342	39925	278338	206889
11	**Tax expense**	19858	31100	(17966)	100174	37269
12	**Net Profit / (Loss) from Ordinary Activities after Tax (10-11)**	44377	30242	57891	178164	169620
13	Extraordinary items (net of tax expense)	0	0	0	0	0
14	**Net Profit / (Loss) for the period (12-13)**	44377	30242	57891	178164	169620
15	**Paid-up equity share capital (face value of Rs. 10 each)**	63578	63578	63031	63578	63031
16	**Reserves excluding Revaluation Reserves** (as per Balance sheet of previous accounting year)	1770154	1627472	1627472	1770154	1627472
17	**Analytical Ratios**					
i)	Percentage of shares held by Government of India	60.47	60.47	60.13	60.47	60.13
ii)	Capital Adequacy Ratio (%) - Basel II	10.74	10.64	11.89	10.74	11.89
	Capital Adequacy Ratio (%) - Basel III	10.22	10.30	10.80	10.22	10.80
iii)	Earning per share(EPS) at face value Rs.10/- (in Rs.)					
	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 (not annualised)	6.98	4.76	9.19	28.05	27.99
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not annualised)	6.98	4.76	9.19	28.05	27.99
iv)	NPA Ratios					
	a) Gross NPA	1303087	1259600	956372	1303087	956372
	b) Net NPA	691897	711840	534008	691897	534008
	c) % Gross NPA	4.96	5.08	4.08	4.96	4.08
	d) % Net NPA	2.71	2.95	2.33	2.71	2.33
	e) Return on Assets (annualised) (Average) (%)	0.47	0.34	0.68	0.49	0.52
18	**Public Shareholding**					
	No. of Shares (in lacs)	2513	2513	2513	2513	2513
	% of Shareholding	39.53	39.53	39.87	39.53	39.87
19	**Promoters and Promoter Group Shareholding**					
(a)	Pledged / Encumbered					
	No. of Shares	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as a percentage of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	Percentage of shares (as a percentage of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil
(b)	Non-encumbered					
	No. of Shares (in lacs)	3844	3844	3790	3844	3790
	Percentage of shares (as a percentage of the total shareholding of promoter and promoter group)	100	100	100	100	100
	Percentage of shares (as a percentage of the total share capital of the company)	60.47	60.47	60.13	60.47	60.13

(RAKESH SETHI) EXECUTIVE DIRECTOR

(K. SUBRAHMANYAM) EXECUTIVE DIRECTOR

(ARUN TIWARI) CHAIRMAN & MANAGING DIRECTOR

SEGMENT REPORTING AS PER ACCOUNTING STANDARD - 17

(₹ in Lacs)

	Business Segment	Standalone				
		Quarter ended			Year ended	
		(Audited)	(Reviewed)	(Audited)	(Audited)	
		31.03.2015	31.12.2014	31.03.2014	31.03.2015	31.03.2014
(a)	**Segment Revenue**					
1	Treasury Operations	262440	240108	210558	945735	851580
2	Retail Banking Operations	255030	289585	270839	1009656	903475
3	Corporate /Wholesale Banking	412128	354765	353874	1573395	1430105
4	Other Banking Operations	9876	8518	9424	34236	33129
5	Unallocated	0	0	0	0	0
	Total	**939474**	**892976**	**844695**	**3563022**	**3218289**
	Less Inter-segment Revenue	1103	**876**	**200**	**2326**	**1196**
	Total Revenue	**938371**	**892100**	**844495**	**3560696**	**3217093**
(b)	**Segment Results**					
1	Treasury Operations	64187	55780	32565	190299	114560
2	Retail Banking Operations	57520	32304	22081	121699	84564
3	Corporate /Wholesale Banking	-62456	-30902	-19298	-50319	-8549
4	Other Banking Operations	4984	4160	4577	16659	16314
5	Unallocated	0	0	0	0	0
	Total Profit Before Tax	**64235**	**61342**	**39925**	**278338**	**206889**
(c)	Income Tax	19858	31100	-17966	100174	37269
(d)	**Net Profit**	**44377**	**30242**	**57891**	**178164**	**169620**
(e)	**Segment Assets**					
1	Treasury Operations	11344055	12061324	11820815	11344055	11820815
2	Retail Banking Operations	10728595	10289466	8708832	10728595	8708832
3	Corporate/Wholesale Banking	15647427	14581577	14777685	15647427	14777685
4	Other Banking Operations	0	0	0	0	0
5	Unallocated Assets	441516	245600	70758	441516	70758
	Total	**38161593**	**37177967**	**35378090**	**38161593**	**35378090**
(f)	**Segment Liabilities**					
1	Treasury Operations	10765406	11378475	11110108	10765406	11110108
2	Retail Banking Operations	10276057	9795525	8231590	10276057	8231590
3	Corporate /Wholesale Banking	14987409	13881595	13967871	14987409	13967871
4	Other Banking Operations	0	0	0	0	0
5	Unallocated Liabilities	156518	143185	220985	156518	220985
6	Capital, Reserves & Surplus	1976203	1979187	1847536	1976203	1847536
	Total	**38161593**	**37177967**	**35378090**	**38161593**	**35378090**

1 *The Bank operates in four segments viz., Treasury, Retail, Corporate / Wholesale and Other Banking Operations. These segments have been identified in line with AS-17 on segment reporting after considering the nature and risk profile of the products and services, the target customer profiles, the organizational structure and the internal reporting system of the bank. The bank has disclosed the business segment as primary segment. The revenue and other parameters prescribed in AS-17 of foreign branch for the period are within the threshold limits as stipulated under AS-17 and hence the bank has only one reportable geographical segment.*

2 *Segment wise income, expenditure, assets and liabilities which are not directly allocable have been allocated to the reportable segments based on assumptions as considered appropriate by the management.*

3 *Previous year's/Twelve Month's/Quarter's figures have been regrouped/recasted wherever considered necessary to correspond with the current Twelve Month's/Quarter's classification/ presentation.*

(RAKESH SETHI)
EXECUTIVE DIRECTOR

(K. SUBRAHMANYAM)
EXECUTIVE DIRECTOR

(ARUN TIWARI)
CHAIRMAN & MANAGING DIRECTOR

यूनियन बैंक ऑफ इंडिया Union Bank of India

Statement of Assets and Liabilities

CAPITAL AND LIABILITIES	(₹ in lacs)	
	As at 31.03.2015 (Audited)	As at 31.03.2014 (Audited)
Capital	63,578	74,130
Reserves and surplus	19,12,510	17,73,405
Deposits	3,16,86,992	2,97,67,564
Borrowings	35,35,998	29,31,662
Other Liabilities and Provisions	9,62,515	8,31,329
Total	**3,81,61,593**	**3,53,78,090**
ASSETS		
Cash and Balances with Reserve Bank of India	15,06,308	18,41,968
Balances with Banks and Money at Call and Short Notice	7,31,494	4,65,319
Investments	94,09,298	93,72,318
Advances	2,55,65,457	2,29,10,443
Fixed Assets	2,68,195	2,60,847
Other Assets	6,80,841	5,27,195
Total	**3,81,61,593**	**3,53,78,090**

NOTES :-

1. The above financial results have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at their meeting held on 12th May, 2015.

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 on prudential norms for income recognition, asset classification and provisioning.

3. The provisions for Gratuity, Pension, Leave encashment, other retirement benefits have been made based on actuarial valuation in terms of AS-15. The provisions for income tax and other usual and necessary provisions have been made as per extant guidelines.

4. During the year, the Bank has allotted 54,72,563 equity shares of ₹10/- each at a conversion price of ₹202.83 per equity share (including premium of ₹192.83 per equity share) to Government of India by conversion of entire Perpetual Non-Cumulative Preference Shares (PNCPS) amounting to ₹111 crore held by the Government of India. Consequently the Government share holding has increased from 60.13% to 60.47%.

5. Towards the proposed wage revision effective from 1st November, 2012 pending settlement, an adhoc provision of ₹464 crore is held as on 31st March, 2015, which includes ₹209 crore provided during the current year.

6. Pursuant to RBI circular DBR.No.BP.BC.79/21.04.048/2014-15 dated 30th March 2015, Bank has utilized 50% of its floating provision held as at 31st December 2014. Accordingly, an amount of ₹293 crore out of floating provision of ₹586 crore held has been utilized towards specific provisions for non performing assets.

7. Provision coverage ratio as at 31st March, 2015 is 59.23%.

8. In accordance with RBI circular DBOD No.BP.BC. 2/21.6.201/2013-14 dated 1st July 2013, banks are required to make half yearly Pillar 3 disclosures under Basel III capital requirements with effect from 30th September, 2013. The disclosures as of 31st March, 2015 are being made available on Bank's website with link: http://www.unionbankofindia.co.in/Basel_Disclosures_III.aspx. The disclosures have not been subjected to audit by the Statutory Auditors of the Bank.

9. The Bank has proposed dividend of 60% (₹6 per share) on the face value of ₹10/- for the year 2014-15 subject to approval of share-holders.

10. The figure for the quarter ended March 31, 2015 and the corresponding quarter ended in the previous year as reported in these financial results are the balancing figure between audited figures in respect of the full financial year and the reviewed year to date figures up to the end of the third quarter of the relevant financial year.

11. Based on available data, financial statements and the declaration from the borrowers wherever received, the Bank has estimated the liability of ₹24.98 crore as on 31.03.2015 towards Unhedged Foreign Currency Exposure to their constituents in terms of RBI DBOD Circulars dated 15.01.2014 and 03.06.2014. The amount is fully provided.

12. Position of investor complaints for quarter ended 31st March, 2015:

	No. of complaints
Pending as on 1st January, 2015	Nil
Received during the quarter	145
Resolved during the quarter	145
Pending as on 31st March, 2015	Nil

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

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

Place: Mumbai.
Date: 12th May, 2015.