



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

INDEPENDENT AUDITOR'S REPORT

To
The Executive Director and Country Head
United Overseas Bank Limited, Mumbai Branch

Report on the Financial Statements

1. We have audited the accompanying financial statements of United Overseas Bank Limited, Mumbai Branch ("the Bank"), which comprise the Balance Sheet as at 31 March 2017, the Profit and Loss Account and the Cash Flow Statement for the period then ended, and a summary of significant accounting policies and notes to financial statements.

Management's Responsibility for the Financial Statements

2. The Management of the Bank is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949, accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016 in so far as they apply to the Bank and the guidelines issued by the Reserve Bank of India and in conformity with form A and B (revised) of the Third Schedule to the Banking Regulation Act, 1949, as applicable. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and 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 have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under section 143(10) of the Act. 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

5. In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013, in the manner so required for banking companies and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Bank as at March 31, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Matters

6. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
7. As required sub section (3) of section 30 of the Banking Regulation Act, 1949 and the appointment letter dated 21 March 2017, 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 purpose 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 Bank has only one branch and therefore separate accounting returns for the purpose of preparing financial statements are not to be submitted. We have visited the Bank's Mumbai branch for the purpose of our audit.
8. Further, as required by section 143(3) of the Companies Act, 2013, we further report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules, 2016;
 - (e) Reporting requirement pursuant to Section 164 (2) of the Companies Act 2013, are not applicable considering this is a branch of United Overseas Bank incorporated in Singapore with limited liability;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure 1" to this report; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Bank has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Schedule 12.I, Schedule 18 – Note 4.11, Schedule 19 - Note 5.2 (g) to the financial statements;
 - ii. The Bank has made provision, as required under the applicable law or accounting standards, for material foreseeable losses on long-term contracts including derivative contracts – Refer Schedule 18 – Note 4.11, Schedule 19 – Note 5.2 (g) and 5.21 to the financial statements;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Bank; and
 - iv. The disclosure requirement as envisaged in Notification G.S.R 308(E) dated 30th March 2017 is not applicable to the Bank – Refer Schedule 19 Note 5.24 to the financial statements.

For **S. R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm's Registration Number: 301003E/E300005

Sd/-
per **Viren H. Mehta**
Partner

Membership Number: 048749

Place of Signature: Mumbai
Date: 20 June 2017



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF UNITED OVERSEAS BANK – MUMBAI BRANCH

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

To the Executive Director & Country Head– United Overseas Bank - Mumbai Branch

We have audited the internal financial controls over financial reporting of United Overseas Bank - Mumbai Branch ("the Bank") as of 31 March, 2017 in conjunction with our audit of the standalone financial statements of the Bank for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Bank's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2017, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of the Bank, which comprise the Balance Sheet as at 31 March, 2017, and the related Profit and Loss Account and Cash Flow Statement for the period then ended, and a summary of significant accounting policies and notes to the financial statements, and our report dated 20 June 2017 expressed an unqualified opinion thereon.

For **S. R. BATLIBOI & CO. LLP**
Chartered Accountants
ICAI Firm's Registration Number: 301003E/E300005

Place of Signature: Mumbai
Date: 20 June 2017

Sd/-
per Viren H.Mehta
Partner
Membership Number: 048749



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

Balance Sheet as at 31 March 2017

	Schedule	As at 31 March 2017 (₹ '000s)	As at 31 March 2016 (₹ '000s)
CAPITAL AND LIABILITIES			
Capital	1	7,525,524	7,525,524
Reserves and Surplus	2	634,778	552,421
Deposits	3	2,419,915	4,014,637
Borrowings	4	5,722,977	3,158,738
Other Liabilities and Provisions	5	427,623	398,147
Total		16,730,817	15,649,467
ASSETS			
Cash and balances with Reserve Bank of India	6	227,052	256,441
Balances with Banks and Money at Call and Short Notice	7	28,310	329,263
Investments	8	4,297,387	3,308,076
Advances	9	11,447,021	11,152,194
Fixed Assets	10	16,228	27,042
Other Assets	11	714,819	576,451
Total		16,730,817	15,649,467
Contingent Liabilities	12	14,770,273	31,057,273
Bills for collection		-	-
Significant Accounting Policies	18		
Notes to the accounts	19		

Schedules referred to herein form an integral part of the Balance Sheet.

As per our report of even date attached

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration
No. 301003E/E300005

**For United Overseas Bank Limited -
Mumbai Branch**

Sd/-
per Viren H. Mehta
Partner
Membership No. 048749

Sd/-
P V Ananthakrishnan
Executive Director &
Country Head

Sd/-
Girish Khushalani
First Vice President-
Finance

Place: Mumbai
Date: June 20, 2017

Profit and Loss Account for the year ended 31 March 2017

	Schedule	Year Ended 31 March 2017 (₹ '000s)	Year Ended 31 March 2016 (₹ '000s)
I. INCOME			
Interest earned	13	925,602	1,081,550
Other income	14	121,912	82,426
Total		1,047,514	1,163,976
II. EXPENDITURE			
Interest expended	15	298,081	305,084
Operating expenses	16	235,567	235,153
Provisions and Contingencies	17	431,509	271,253
Total		965,157	811,490
III. PROFIT/(LOSS)			
Net Profit/(Loss) for the period (After Tax)		82,357	352,486
Profit/(Loss) brought forward		400,216	135,851
Total		482,573	488,337
IV. APPROPRIATIONS			
Transfers to / (from)			
Statutory Reserve		20,589	88,121
Remittable Surplus retained in India for CRAR		400,216	-
Balance carried over to Balance sheet		61,768	400,216
Total		482,573	488,337
Significant Accounting Policies	18		
Notes to the Financial Accounts	19		

Schedules referred to herein form an integral part of the Profit and Loss Account.

As per our report of even date attached

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration
No. 301003E/E300005

**For United Overseas Bank Limited -
Mumbai Branch**

Sd/-
per Viren H. Mehta
Partner
Membership No. 048749

Sd/-
P V Ananthakrishnan
Executive Director &
Country Head

Sd/-
Girish Khushalani
First Vice President-
Finance

Place: Mumbai
Date: June 20, 2017



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

Cash Flow Statement for the year ended 31 March 2017

	Year Ended 31 March 2017 (₹ '000s)	Year Ended 31 March 2016 (₹ '000s)
<u>Cash flow from operating activities</u>		
Net Profit for the year before taxes	140,747	619,849
<u>Adjustments for:</u>		
Depreciation on Fixed Assets charge for the year	15,554	15,853
Provision for Standard Advances/Country Risk	(1,542)	12,262
Provision for Unhedged Foreign Currency Exposure	13,790	(8,372)
Provision for NPA	360,871	-
Operating profit before working capital changes	529,420	639,592
Increase/(Decrease) in Deposits	(1,594,722)	2,971,333
Increase/(Decrease) in Borrowings	2,564,239	600,407
Increase/(Decrease) in Other liabilities and provisions	233,978	546,410
(Increase)/Decrease in Investments	(989,311)	(1,474,604)
(Increase)/Decrease in Advances	(655,699)	(2,387,338)
(Increase)/Decrease in Other Assets	(196,757)	(613,138)
Income Tax (paid)/Refund received	(216,750)	(274,500)
Net cash flow from operating activities	(325,602)	8,162
<u>Cash flow from investing activities</u>		
Purchase of fixed assets	(4,740)	(1,445)
Sale of Fixed Assets		
Net cash used in investing activities	(4,740)	(1,445)
<u>Cash flow from financing activities</u>		
Addition to Capital (Infusion/Capitalisation)	-	-
Net cash generated from financing activities	-	-
Net (decrease)/increase in cash and cash equivalents	(330,342)	6,717
Cash and cash equivalents* as at beginning of the year (Refer note below)	585,704	578,987
Cash and cash equivalents* as at end of the year (Refer note below)	255,362	585,704
Note:		
Balance with RBI in Current Account (As per Schedule 6 II)	227,052	256,441
Balance with banks in India in Current Account (As per Schedule 7 I (i) (a))	2,360	11,486
Balance with banks Outside India:		
(i) In Current Account (As per Schedule 7 II (i))	25,950	185,267
(ii) In Other Deposit Accounts (As per Schedule 7 II (ii))	-	-
(iii) Money at call and short notice(As per Schedule 7 II (iii))	-	132,510
Cash and cash equivalents at the end of the year	255,362	585,704
As per our report of even date attached		
For S. R. BATLIBOI & CO. LLP Chartered Accountants ICAI Firm Registration No. 301003E/E300005 Sd/- per Viren H. Mehta Partner Membership No. 048749 Place: Mumbai Date: June 20, 2017	For United Overseas Bank Limited - Mumbai Branch Sd/- P V Ananthkrishnan Executive Director & Country Head	Sd/- Girish Khushalani First Vice President- Finance



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

Schedules forming part of the Balance Sheet as at 31 March 2017

	As at 31 March 2017 (₹ '000s)	As at 31 March 2016 (₹ '000s)
Schedule 1 : Capital		
<u>Head Office Account</u>		
Capital remitted by Head Office	7,525,524	7,525,524
Total	7,525,524	7,525,524
(Deposit in the form of securities at face value kept with the Reserve Bank of India under Section 11 (2) (b) of the Banking Regulation Act, 1949)	180,000	80,000

Schedule 2 : Reserves and Surplus

1 Statutory Reserve		
Opening balance	152,205	64,084
Additions during the year	20,589	88,121
Deductions during the year	-	-
Closing balance	172,794	152,205
2 Capital Reserve	-	-
3 Remittable Surplus retained in India for CRAR purposes	400,216	-
4 Profit and Loss Account		
Opening balance	400,216	135,851
Additions during the year	61,768	264,365
Deductions/Transfer during the year	(400,216)	-
Closing balance	61,768	400,216
Total (1 + 2 + 3 + 4)	634,778	552,421

Schedule 3 : Deposits

A. I Demand Deposits		
i) From banks	2,304	12,087
ii) From others	26,471	14,432
II Savings Bank Deposits	1,140	1,550
III Term Deposits		
i) From banks	-	1,102,068
ii) From others	2,390,000	2,884,500
Total (I + II + III)	2,419,915	4,014,637
B i) Deposits of Branches In India	2,419,915	4,014,637
ii) Deposits of Branches Outside India.	-	-
Total	2,419,915	4,014,637

Schedule 4 : Borrowings

I. Innovative Perpetual Debt Instruments (IPDI) and Tier II Debt		
A. Borrowing in India		
i) IPDI	-	-
ii) Tier II Borrowings	-	-
Total (A)	-	-
B. Borrowings outside India		
i) IPDI	-	-
ii) Tier II Borrowings	-	-
Total (B)	-	-
Total (A+B)	-	-
II Other Borrowings		
A. Borrowings in India		
i) Reserve Bank of India	-	-
ii) Other Banks	1,260,000	5,000
iii) Other Institutions and Agencies	-	-
Total (A)	1,260,000	5,000
B Borrowings Outside India		
i) From banks	4,462,977	3,153,738
ii) From others	-	-
Total (B)	4,462,977	3,153,738
Total (A+B)	5,722,977	3,158,738
Total (I + II)	5,722,977	3,158,738
Secured borrowings included in I and II above	-	-

Schedule 5 : Other Liabilities and Provisions

1 Bills payable	-	-
2 Inter office adjustments Branches in India (net)	-	-
3 Interest accrued	27,078	55,944
4 Provision for Income Tax (Net)	-	653
5 Standard Assets Provision	46,228	48,027
6 Others (including provisions)	354,317	293,523
Total	427,623	398,147

Schedule 6 : Cash and Balances with Reserve Bank of India

I Cash in Hand	-	-
II Balances with Reserve Bank of India		
i) In Current Account	227,052	256,441
ii) In Other Accounts	-	-
TOTAL (I & II)	227,052	256,441

Schedule 7 : Balances with Banks and Money at Call and Short Notice

I. In India		
i) Balance with Banks		
(a) In current accounts	2,360	11,486
(b) In other deposit accounts	-	-
ii) Money at Call and Short Notice		
(a) With Bank	-	-
(b) With other institutions	-	-
Total	2,360	11,486
II. Outside India		
i) In current accounts	25,950	185,267
ii) In other deposit accounts	-	-
iii) Money at call and short notice	-	132,510
Total	25,950	317,777
Total (I + II)	28,310	329,263

Schedule 8 : Investments

I. Investments in India		
i) Government Securities(T-Bill)	4,297,387	3,308,076
ii) Other Approved Securities	-	-
iii) Shares	-	-
iv) Debentures and Bonds	-	-
v) Subsidiaries and/or joint ventures	-	-
vi) Others	-	-
Total Investments in India	4,297,387	3,308,076
II. Investments outside India		
i) Government securities (including local authorities)	-	-
ii) Subsidiaries and/or joint ventures abroad	-	-
iii) Others	-	-
Total Investments outside India	-	-
Total Investment (I + II)	4,297,387	3,308,076

(Includes securities of Face Value ₹ 180,000 ('000) (Previous year ₹ 80,000 ('000)) kept with the Reserve Bank of India (RBI) as required under section 11(2)(b) of the Banking Regulation Act, 1949 and securities pledged with Clearing Corporation of India Limited for availing borrowing as well as clearing and funding facilities of face value ₹ 612,000 ('000) (Previous year ₹ 700,000 ('000)).

Schedule 9 : Advances

A. i) Bills purchased and discounted	323,874	1,610,093
ii) Cash credits, overdrafts and loans repayable on demand	11,123,147	9,542,101
iii) Term loans	-	-
Total	11,447,021	11,152,194
B. i) Secured by tangible assets (including book debts)	4,866,602	1,400,000
ii) Covered by Bank / Government guarantees	118,500	89,362
iii) Unsecured	6,461,919	9,662,832
Total	11,447,021	11,152,194
C. Advances in India		
i) Priority sector	4,194,354	3,187,738
ii) Public sector	-	1,100,000
iii) Banks	-	1,610,093
iv) Others	7,252,667	5,254,363
Total	11,447,021	11,152,194



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

Schedule 10 : Fixed Assets		
I. Premises		
Opening	-	-
Additions during the year	-	-
Deductions during the year	-	-
Gross book value	-	-
Depreciation to date	-	-
Net book value	-	-
II. Other Fixed Assets (including furniture and fixtures)		
Opening	74,033	72,588
Additions during the year	4,740	1,445
Deductions during the year	-	-
Gross book value	78,773	74,033
Depreciation to date	(62,545)	(46,991)
Net book value	16,228	27,042
III. Capital Work-in-progress (including Capital Advances)		
	-	-
Total (I + II + III)	16,228	27,042

Schedule 11 : Other Assets		
I. Interest Accrued	35,565	95,776
II. Advance Tax and Tax Deducted at Source (Net)	1,311	-
III. Stationery and stamps	-	-
IV. Deferred Tax Asset (Net)	187,930	31,534
V. Non-banking assets acquired in satisfaction of claims	-	-
VI. Others	490,013	449,141
Total	714,819	576,451

Schedule 12 : Contingent Liabilities & Capital Commitments		
I. Claims against the bank not acknowledged as debts	-	-
II. Liability for partly paid investments	-	-
III. Liability on account of outstanding derivative and forward exchange contracts	14,564,129	30,830,013
IV. Guarantees given on behalf of constituents		
(i) In India	12,970	-
(ii) Outside India	193,174	174,654
V. Acceptances, endorsements and other obligations	-	52,606
VI. Other items for which the Bank is contingently liable	-	-
Total	14,770,273	31,057,273

Schedules forming part of Profit & Loss Account for the year ended 31 March 2017

	Year Ended 31 March 2017 (₹ '000s)	Year Ended 31 March 2016 (₹ '000s)
Schedule 13 : Interest earned		
I Interest / discount on advances / bills	621,478	896,099
II Income on investments	292,803	171,839
III Interest on balances with Reserve Bank of India and other inter-bank funds	10,746	13,517
IV Others	575	95
Total	925,602	1,081,550

Schedule 14 : Other Income		
I Commission, exchange and brokerage	40,820	56,960
II Profit / (Loss) on Sale of Investments (net)	-	-
III Profit / (Loss) on revaluation of investments (net)	-	-
IV Profit / (Loss) on Sale of Land, Buildings and Other Assets (net)	-	-
V Profit / (Loss) on Exchange Transactions (net)	80,700	25,014
VI Miscellaneous Income	392	452
Total	121,912	82,426

Schedule 15 : Interest expensed		
I Interest on deposits	158,106	224,398
II Interest on Reserve Bank of India / inter-bank borrowings	139,975	67,654
III Others (Swap Premium Amortisation)	-	13,032
Total	298,081	305,084

Schedule 16 : Operating Expenses		
I Payments to and provisions for employees	135,575	135,462
II Rent, taxes and lighting	30,188	31,646
III Printing & Stationery	340	370
IV Advertisement and publicity	-	-
V Depreciation on bank's property	15,554	15,853
VI Directors fees, allowances and expenses	-	-
VII Auditor's fees and expenses	1,752	1,548
VIII Law charges	2,483	1,991
IX Postage, telegrams and telephone etc	3,276	3,370
X Repairs and maintenance	10,625	10,326
XI Insurance	3,067	1,417
XII Other expenditure	32,707	33,170
Total	235,567	235,153

Schedule 17 : Provisions and Contingencies		
I Taxation charge		
i) Current tax expense	214,786	274,469
ii) Deferred tax benefit	(156,396)	(7,106)
II Provision for investments	-	-
III Provision for Standard Assets	(1,800)	12,420
IV Provision for NPA	360,871	-
V Provision / (Write Back) for Country Risk	258	(158)
VI Provision for Unhedged Foreign Currency Exposure	13,790	(8,372)
Total	431,509	271,253

Schedule - 18 : Accounting Policies

1. Background

The accompanying financial statements for the year ended March 31, 2017 comprise of the accounts of the United Overseas Bank Limited - Mumbai Branch ("The Bank"), which is incorporated and registered in Singapore with limited liability.

2. Basis of preparation

The financial statements have been prepared in accordance with statutory requirements prescribed under the Banking Regulation Act, 1949. The accounting and reporting policies of United Overseas Bank Limited - Mumbai Branch used in the preparation of these financial statements is the accrual method of accounting and historical cost convention and it conforms with Generally Accepted Accounting Principles in India ("Indian GAAP"), the Accounting Standards specified under section 133 of the Companies Act, 2013 read with Paragraph 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 2013 ("the 2013 act") and the Companies (Accounting Standards) Amendment Rules 2016 in so far as they apply to banks and the guidelines issued by RBI.

3. Use of estimates

The preparation of financial statements, in conformity with generally accepted accounting principles, requires the management to make estimates and assumptions that affects the reported amounts of assets, liabilities, revenue and expenses and disclosure of contingent liabilities as at the date of the financial statements. Although these estimates are based on management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment in the carrying amounts of assets or liabilities in future periods. Any revisions to accounting estimates are recognized prospectively in the current and future periods.

4. Significant accounting policies

4.1 Transaction involving foreign exchange

- Transactions denominated in foreign currencies are recorded at the rates prevailing on the date of transactions. Exchange differences arising on foreign currency transactions settled during the period are recognized in the profit and loss account of the period.
- Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date are restated at the closing rates notified by the Foreign Exchange Dealers' Association of India (FEDAI) and the resultant exchange differences are recognized in the Profit and Loss Account. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of transaction.

- c) Contingent liabilities on account of foreign exchange contracts, guarantees denominated in foreign currencies are disclosed at the closing exchange rates notified by FEDAI.

4.2 Accounting for derivative transactions

Derivative transactions comprise of forward exchange contracts. The Bank undertakes derivative transactions for trading in Banking book and hedging on-balance sheet assets and liabilities. All trading transactions are marked to market on a periodic basis and the resultant unrealized gains/losses are recognized in the profit and loss account.

Derivative transactions that are undertaken for hedging are accounted for on an accrual basis except for the transaction designated with an asset or liability that is carried at market value or lower of cost or market value in the financial statements, which are accounted similar to the underlying asset or liability.

The requirement for collateral and credit risk mitigation on derivative contracts is assessed based on internal credit policy. Overdues if any, on account of derivative transactions are accounted in accordance with extant RBI guidelines.

As per the RBI guidelines on 'Prudential Norms for Off-balance Sheet Exposures of Banks' a general provision is made on the current gross MTM gain of the contract for all outstanding foreign exchange derivative transactions.

4.3 Investments

The classification and valuation of investments is in accordance with RBI master circular DBR.No.BP.BC.6/21.04.141/2015-16 dated July 1, 2015.

Accounting and Classification

As per the guidelines for investments laid down by RBI, Investments are classified under "Held to Maturity", "Available for Sale" and "Held for Trading" categories.

Valuation

Investments classified under "Held to Maturity" are carried at acquisition cost unless it is more than the face value in which case, the premium is amortised over the period remaining to maturity.

Investments other than Treasury Bills classified under "Available for Sale" and "Held for Trading" are valued at lower of cost or market value, in aggregate for each balance sheet classification and net depreciation in aggregate for each balance sheet classification is recognised in the Profit and Loss Account.

Treasury Bills are valued at carrying cost.

Market value, in case of Government and other approved securities, for which quotes are not available, is determined on the basis of the 'yield to maturity' rates indicated by Primary Dealers Association of India (PDAI) jointly with the Fixed Income Money Market and Derivatives Association of India (FIMMDA).

Investments where interest/dividend is not serviced regularly are classified in accordance with prudential norms for classification, valuation and operation of Investment Portfolio by Banks prescribed by RBI.

Accounting for repos/reverse repo transactions

Repo/Reverse repo transactions (including under Liquidity Adjustment Facility) are accounted for as collateralized borrowing/lending transactions in accordance with RBI guidelines and correspondingly the expense and income thereon are treated as interest.

4.4 Advances and Provisions

Advances are classified into performing and non-performing in terms of prudential norms on asset classification laid down by the RBI. Specific provision for 'Non Performing Advances' is made on the basis of provisioning requirement under the prudential norms as laid down by the RBI, and is deducted from Advances.

General provision on standard advances, provision for country risk and provision for Unhedged Foreign Currency Exposure is made as per guidelines prescribed by RBI and included under 'Other Liabilities and Provisions'.

4.5 Fixed Assets and Depreciation

- a) Fixed Assets are stated at acquisition cost less accumulated depreciation less impairment provision. Cost comprises the purchase price and other attributable costs of bringing the asset to its working condition and for its intended use.

- b) Depreciation is provided on a straight line basis over the estimated useful life of the asset as given below which is in accordance with Schedule 2 of Companies Act, 2013:

Assets	Useful life of fixed assets
Office equipments	5 years
Leasehold improvements	Tenure of lease
Computers and Software	3 years
Furniture & fittings	10 years

- c) The Bank assesses at each balance sheet date whether there is any indication that an asset may be impaired and provides for impairment loss, if any, in the profit and loss account.

4.6 Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An

impairment loss is recognised whenever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of asset's net selling price and value in use. After impairment depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

4.7 Lease Transactions

Assets taken on lease are accounted in accordance with provisions of AS-19 "Leases". Lease payments for assets taken under non-cancelable operating lease are recognized as an expense in the Profit and Loss Account on a straight line basis over the lease term.

4.8 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Bank and the revenue can be reliably measured.

- a) Interest income other than on Non-Performing Assets, is recognised in profit and loss account on accrual basis.
- b) For the year ended March 31, 2017 commission on guarantees issued by the Bank is recognized as income over the period of the guarantee. Till March 31, 2016 the Bank used to amortize on straight-line basis over the period of the LCs / Guarantees except commission up to ₹ 100,000, which was recognized upfront in the year of issuance. Had the Bank followed the earlier method of amortization of guarantee commission, the profit after tax for the current year would have been higher by ₹ 152 thousands.
- c) All other fees are accounted for as and when they become due.

4.9 Employee Benefits

Provident Fund:

The Bank contributes an amount equal to the Employees' contribution on a monthly basis to the Regional Provident Fund Commissioner. The Bank has no liability for future provident fund benefits apart from its monthly contribution which is debited to the Profit and Loss Account.

Gratuity:

The Bank operates a Gratuity Fund Scheme and the contributions are remitted to the Trust established for this purpose. The trust in turn deploys the funds with the Life Insurance Corporation of India, which also administers the scheme and determines the contribution premium required to be paid by the Bank. The Bank provides for gratuity to all its employees. The benefit is in the form of lump sum payments to vested employees on retirement, resignation, death while in employment or on termination of employment for an amount equivalent to 15 days basic salary payable for each completed years of service. Vesting occurs on completion of five years of service. The Bank accounts for the liability for future gratuity benefits based on an actuarial valuation. The net present value of the Bank's obligation towards the same is actuarially determined by independent actuary based on the projected unit credit method as at the Balance Sheet date. Actuarial gains and losses are immediately recognised in the Profit and Loss Account.

Leave encashment and availment:

Provision for Leave encashment including availment is accrued and provided for on the basis of unavailed accumulated leave of employees as at the date of Balance Sheet on a full liability basis in accordance with the rules of the Bank.

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognised during the period when the employee renders the service.

4.10 Taxes on Income

Tax expenses comprise current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred income taxes reflect the impact of the current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier year.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognised only if there is reasonable certainty that they can be realized against future taxable profits. Deferred tax asset in respect of unabsorbed depreciation and carried forward losses are recognized only if there is a virtual certainty supported by convincing evidence of realization of such assets.

At each balance sheet date the Bank re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

4.11 Provisions, Contingent Assets and Contingent Liabilities

The Bank creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may but probably will not require an outflow of resources embodying economic benefit. When there is a possible obligation or a present

obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognised in the financial statements.

4.12 Cash and Cash Equivalents

Cash and cash equivalents include cash in hand, balances with Reserve Bank of India, balances with other banks/ institutions and money at call and short notice.

4.13 Other

Expenses incurred on stationery and stamps are charged off to the Profit and Loss account at the time of purchases.

Schedule - 19 : Notes to the Accounts

5. Notes to Accounts

5.1 Statutory disclosures

(a) Capital adequacy ratio

The capital adequacy ratio of the Bank, calculated as per RBI guidelines (New Capital Adequacy Framework) generally referred to as Basel – III is set out below:

Sr No	Particulars	March 31, 2017	March 31, 2016
i.	Common Equity Tier 1 capital ratio (%)	121.98	149.58
ii	Tier 1 Capital ratio (%)	121.98	149.58
iii	Tier 2 Capital ratio (%)	0.94	0.95
iv	Total Capital ratio (CRAR %)	122.92	150.53
v	Percentage of the shareholding of the Government of India in public sector banks	NA	NA
vi	Amount of Equity Capital raised	-	-
vii	Amount of additional Tier 1 capital raised; of which	-	-
a	PNCPS	-	-
b	PDI	-	-
viii	Amount of Tier 2 capital raised of which	-	-
a	Debt Capital Instruments	-	-
b	Preference Share Capital Instruments/ Perpetual cumulative preference shares/ Redeemable non- cumulative preference shares / Redeemable cumulative preference shares	-	-

(b) Investments

(₹ ' 000)

Particulars	As at 31 March, 2017	As at 31 March, 2016
(1) Value of investments		
(i) Gross value of investments		
(a) In India	4,297,387	3,308,076
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) In India	-	-
(b) Outside India	-	-
(iii) Net value of investments		
(a) In India	4,297,387	3,308,076
(b) Outside India	-	-

(Investments consists of Treasury Bills)

(₹ ' 000)

Particulars	As at 31 March, 2017	As at 31 March, 2016
(2) Movement of provisions held towards depreciation on investments		
(i) Opening balance	-	-
(ii) Add : Provision made during the period	-	-
(iii) Less : Write-off/write-back of excess provisions during the year	-	-
(iv) Closing balance	-	-

(c) Repo Transactions (in face value terms)

(₹ ' 000)

Particulars	Minimum Outstanding during the year	Maximum Outstanding during the year	Daily Average Outstanding during the year	Outstanding as at year end
<u>Securities sold under repos</u>				
i. Government securities	250,000 (156,000)	490,000 (520,000)	37,973 (36,826)	- (-)
ii. Corporate Debt securities	- (-)	- (-)	- (-)	- (-)
<u>Securities purchased under Reverse repos</u>				
i. Government securities	10,000 (10,200)	2,259,837 (1,310,400)	110,571 (179,627)	- (-)
ii. Corporate Debt securities	- (-)	- (-)	- (-)	- (-)

Includes only Liquidity Adjustment Facility with Reserve Bank of India. Nil outstanding on any day is ignored for reckoning minimum outstanding. Previous years' figures are shown in brackets.

(d) Issuer composition of Non-SLR investments:

(₹ '000)

No	Issuer	Amount	Extent of Private Placement	Extent of 'Below Investment Grade' Securities	Extent of 'Unrated' Securities	Extent of 'Unlisted' Securities
(i)	PSUs	- (-)	- (-)	- (-)	- (-)	- (-)
(ii)	FIs	- (-)	- (-)	- (-)	- (-)	- (-)
(iii)	Banks	- (-)	- (-)	- (-)	- (-)	- (-)
(iv)	Private Corporate	- (-)	- (-)	- (-)	- (-)	- (-)
(v)	Subsidiaries / Joint Ventures	- (-)	- (-)	- (-)	- (-)	- (-)
(vi)	Others	- (-)	- (-)	- (-)	- (-)	- (-)
(vii)	Provision held towards depreciation	- (-)				
	Total	- (-)	- (-)	- (-)	- (-)	- (-)

Previous years' figures are shown in brackets.

(e) Non-performing Non-SLR investments

The Bank did not have any Non-performing Non-SLR investments as at March 31, 2017 (2016: Nil).

(f) Sale and transfers to/from HTM category

During the year, the Bank did not have investments in the HTM category and the Bank did not sell or transfer any investments to/from the HTM category during the year ended March 31, 2017 (2016: Nil).

(g) Interest rate swaps and forward rate agreements ('FRA')

The Bank has not entered into any interest rate swaps or forward rate agreements during the year ended March 31, 2017 (2016: Nil).

(h) Exchange traded interest rate derivatives

The Bank did not deal in any exchange traded interest rate derivatives during the year ended 31 March 2017 (2016: Nil). There is no notional principal outstanding in respect of exchange traded interest rate derivatives as at 31 March 2017 (2016: Nil).

(i) Disclosure on Risk exposure in derivatives

The Bank has exposure to derivatives in the form of forward foreign exchange contracts.

Qualitative Disclosures:

1) Structure and organization for management of risk in derivatives trading:

Treasury operations are segregated into three different departments viz. front office, mid office and back office. The primary role of the front office is to book the trades and execute it. It handles the needs of the Bank and its clients with respect to



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

hedging and financing. The mid office function is to ensure control and processing of the transactions, limit monitoring and regulatory compliance. The primary function of the back office is to confirm/process/settle/reconcile the transactions.

The Bank has a Risk Management Committee which reviews/approves policies and procedures and reviews adherence to various risk parameters and prudential limits.

2) Scope and nature of risk measurement, risk reporting and risk monitoring systems:

a) **Risk Measurement:** For forward foreign exchange contracts, risk is measured through a daily report called, Value at Risk (VaR), which computes VaR on the forex gaps.

b) Risk Reporting and Risk monitoring systems:

The Bank has the following reports/systems in place which are reviewed by the top management:

- VaR
- Net open position
- AGL
- Stop loss limits
- Bankline limits

3) Policies for hedging and/or mitigating risk and strategies and processes for monitoring the continuing effectiveness of hedges/mitigants:

The Bank has the following policy papers in place, approved by Local management and Head Office a) Market Risk policy and b) Forex Policy. For derivative contracts in the banking book designated as hedge, the Bank documents at the inception of the relationship between the hedging instrument and the underlying exposure, the risk management objective for undertaking the hedge and ALCO monitors all outstanding hedges on a periodical basis.

4) Accounting policy:

All outstanding derivative transactions are booked as Off Balance Sheet items. The trading positions are revalued on a Marked to Market basis whereas the hedging deals follow the accrual basis of accounting.

Quantitative Disclosure:

(₹ '000)

Sr No	Particulars	Currency 2016-17	Derivatives* 2015-16
1	Derivatives (Notional Principal Amount)		
	a) For hedging	-	-
	b) For trading	14,564,129	30,830,013
2	Marked to Market Positions		
	a) Asset (+)	259,685	223,885
	b) Liability (-)	(259,316)	(218,077)
3	Credit Exposure**	550,968	840,486
4	Likely impact of one percentage change in interest rate (100*PV01)		
	a) on hedging derivatives	-	-
	b) on trading derivatives	196.55	(24.02)
5	Maximum and Minimum of 100*PV01 observed during the year		
	a) on hedging/Minimum/Maximum	—	—
	b) on trading		
	Minimum	-	(676.75)
	Maximum	559.05	144.39

*Currency Derivatives includes foreign exchange contracts only.

**The credit exposure is computed based on the current exposure method specified in the RBI Norms.

(j) Non-Performing Assets

The Bank has following non-performing assets for the year ended March 31, 2017. (2015-16: Nil).

1) Net NPAs to Net Advances %

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Net NPAs to Net Advances %	3.85%	-

2) Movement in NPAs (Gross)

(₹ '000)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening Balance	-	-
Additions (Fresh NPAs) during the year	801,936	-
Sub-total (A)	801,936	-
Less: Reductions :		
i. Upgradations	-	-
ii. Recoveries (excluding recoveries made from upgraded accounts)	-	-
iii. Technical / Prudential Write offs	-	-
iv. Write-offs other than those under (iii) above	-	-
Sub-total (B)	-	-
Gross NPAs as on 31st March (Closing Balance) (A-B)	801,936	-

3) Movement of Net NPAs

(₹ '000)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
v. Opening balance	-	-
vi. Additions during the year	441,065	-
vii. Reductions during the year	-	-
viii. Closing balance	441,065	-

4) Technical / Prudential Write-offs

(₹ '000)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening Balance of Technical/Prudential Writeoffs accounts as on April 1	-	-
Add: Technical/ Prudential Write offs during the year	-	-
Sub-total (A)	-	-
Less: Recoveries made from previously technical / prudential written-off accounts during the year (B)	-	-
Closing Balance as on March 31 (A-B)	-	-

5) Movement of Provisions for NPAs (excluding provisions on standard assets)

(₹ '000)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
(a) Opening balance	-	-
(b) Provisions made during the year	360,871	-
(c) Write-off/write-back of excess provisions	-	-
(d) Closing balance	360,871	-

(k) Details of financial assets sold to securitization/reconstruction company for Asset Reconstruction

There were no instances of sale of financial assets to securitization/reconstruction company for asset reconstruction during the year ended 31 March, 2017 (2016: Nil). Also there were no realizations during the year ended 31 March, 2017 (2016: Nil).

(l) Details of non performing financial assets purchased/sold

There has been no purchase /sale of non-performing assets during the year ended 31 March, 2017 (2016: Nil).

(m) Provision on standard assets

Provision towards standard assets included in Schedule 5 'Other Liabilities and Provisions' of the Financials is:

(₹ '000)

Particulars	As at March 31, 2017	As at March 31, 2016
Provision for Standard Assets	46,228	48,027



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

(n) Details of loan assets subjected to restructuring

(₹ '000)

Sr No	Type of Restructuring Asset Classification	Details	Others					Total
			Standard	Sub Standard	Doubtful	Loss		
1	Restructured Accounts as on April 1, 2016	No of borrowers	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	
2	Fresh restructuring during the year	No of borrowers	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	
3	Upgradations to restructured standard category during 2016-17	No of borrowers	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of 2016-17	No of borrowers	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	
5	Downgradations of restructured accounts during 2016-17	No of borrowers	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	
6	Write-offs of restructured accounts during the FY	No of borrowers	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	
7	Restructured Accounts as on March 31, 2017	No of borrowers	-	-	-	-	-	
		Amount outstanding	-	-	-	-	-	
		Provision thereon	-	-	-	-	-	

There was no account restructured under CDR Mechanism or SME Debt Restructuring Mechanism or any other method.

(o) Details of Book value of Investments in Security Receipts

Particulars	Current year	Previous Year
i. Backed by NPAs sold by the banks as underlying	-	-
ii. Backed by NPAs sold by other banks/financial institutions/ non-banking financial companies as underlying	-	-
Total	-	-

(p) Business ratios/ information

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Interest income as percentage to working funds ¹	6.16%	7.39%
Non - interest income as percentage to working funds ¹	0.81%	0.56%
Operating profits as percentage to working funds ¹	3.42%	4.26%
Return on assets ²	0.55%	2.41%
Business (deposits plus advances) per employee (₹ '000) ³	602,810	610,986
Profit per employee (₹ '000) ³	3,581	15,325

Notes:-

- Working funds are taken as average of total assets (excluding accumulated losses, if any) as reported to RBI in Form X under Section 27 of the Banking Regulation Act, 1949, during the 12 months of the financial year.
- Return on Assets is with reference to average working funds (i.e. total of assets excluding accumulated losses, if any).
- For computation of the above ratios, Deposits, Advances and number of employees as at the year-end has been considered and Interbank Deposits are excluded from Deposits.

(q) Asset Liability Management - Maturity pattern

As at March 31, 2017

(₹ '000)

Particulars	Day 1	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	As at March 31, 2017 Total
Advances	1,066,602	2,658,580	66,000	1,733,060	4,363,214	-	1,118,500	-	441,065	-	11,447,021
Investments	3,023,425	205,552	23,365	-	235,164	794,083	-	15,798	-	-	4,297,387
Deposits	4,430	110,000	-	-	1,280,000	1,000,000	-	25,485	-	-	2,419,915
Borrowings	-	2,116,020	-	972,750	2,634,207	-	-	-	-	-	5,722,977
Foreign Currency Assets	28,035	138,540	-	94,212	2,738,831	-	258,072	-	-	149,155	3,406,845
Foreign Currency Liabilities	-	856,203	-	977,991	2,639,905	-	254,967	6,844	-	-	4,735,910

As at March 31, 2016

(₹ '000)

Particulars	Day 1	2 to 7 days	8 to 14 days	15 to 28 days	29 days to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	As at March 31, 2016 Total
Advances	4,862	-	700,000	95,000	5,537,650	3,030,182	1,784,500	-	-	-	11,152,194
Investments	1,513,333	350,871	-	21,583	950,513	466,395	5,381	-	-	-	3,308,076
Deposits	28,069	1,732,568	980,000	100,000	1,149,500	24,500	-	-	-	-	4,014,637
Borrowings	-	5,000	-	-	1,987,650	1,166,088	-	-	-	-	3,158,738
Foreign Currency Assets	185,267	132,942	-	-	1,987,650	1,160,088	-	-	-	152,387	3,618,334
Foreign Currency Liabilities	13,635	-	-	-	1,988,871	1,167,270	-	-	-	-	3,169,776

Management has made certain estimates and assumptions in respect of behavioral maturities of non-term assets and liabilities while compiling their maturity profile which has been relied upon by the auditors.



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

(r) Securitization exposures

The Bank did not have any securitization exposures during the year ended 31 March, 2017 (2016: Nil).

(s) Disclosure on Single Borrower Limits ('SBL')/Group Borrower Limits ('GBL')

During the year ended March 31, 2017 and March 31, 2016, the Bank has complied with the Reserve Bank of India guidelines on single borrower and borrower group limit. As per the exposure limits permitted under the extant RBI regulation, the Bank can enhance exposure to a single borrower or borrower group by a further 5 percent of capital funds.

During the year, the prudential exposure limits for Individual Borrower for "Steel Authority of India Limited" got exceeded due to impact of MTM on Borrowers' FX contracts(2016:NIL). The excess was ratified by Bank's Management Committee on March 22, 2017.

(t) Unsecured Advances

For determining the amount of unsecured advances, the Bank has recognised the rights, licenses, authorisations, etc., charged to the Bank as collateral in respect of projects (including infrastructure projects) financed by them, as unsecured during the year ended March 31, 2017.

(u) Lending to sensitive sectors

Exposure to real estate

(₹ '000)

Category		As at March 31, 2017	As at March 31, 2016
a)	Direct Exposure		
i)	Residential Mortgages Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans eligible for inclusion in priority sector advances may be shown separately)	-	-
ii)	Commercial Real Estate Lending secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc) Exposure would also include non-fund based (NFB) limits;	-	-
iii)	Investments in Mortgage Backed Securities (MBS) and other securitised exposures -	-	-
	a Residential	-	-
	b Commercial Real Estate	-	-
b)	Indirect Exposure		
	Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance Companies (HFCs)	2,500,000	1,350,000
	Total Exposure to Real Estate Exposure	2,500,000	1,350,000

Exposure to capital market

The Bank has no exposure to the capital market as at March 31, 2017 (2016: Nil).

(v) Risk category wise country exposure

Provision is made by the Bank for country risk exposure since the Bank's country wise net funded exposure exceeds 1% of the total assets. Details of exposure as per risk category classification is as under.

(₹ '000)

Risk Category	As at March 31, 2017		As at March 31, 2016	
	Net Exposure	Provision	Net Exposure	Provision
Insignificant	583,375	365	356,600	223
Low	249,795	116	64,000	-
Moderate	-	-	-	-
High	-	-	-	-
Very High	-	-	-	-
Restricted	-	-	-	-
Off-credit	-	-	-	-
Total	833,170	481	420,600	223

(w) Advances against Intangible assets

The Bank does not have any advances secured by intangible assets (2016: Nil).

(x) Subordinated debt

The Bank has not raised any subordinated debt during the year ended March 31, 2017 (2016: Nil).

(y) Penalties imposed by RBI

No penalties were imposed on the Bank by RBI under the provisions of section 46 (4) of the Banking Regulation Act, 1949 (2016: Nil).

(z) Micro, Small and Medium Enterprises

There are no outstanding dues towards principal amount or interest thereon remaining unpaid to any supplier covered under Micro, Small and Medium Enterprises Development Act, 2006 as at the end of accounting year. Further, no interest was due or payable by the Bank to any supplier during the year under the provisions of the said Act. The determination has been made to the extent such parties were identified based on the available information (2016: Nil).

(aa) Classification of Net Investments under various categories is as under:

(₹ '000)

Particulars	As at March 31, 2017	As at March 31, 2016
Held to Maturity	-	-
Available for Sale	4,297,387	3,308,076
Held for Trading	-	-
Total	4,297,387	3,308,076

5.2 Disclosure Requirement as per Accounting Standards where RBI has issued guidelines in respect of disclosure items for 'Notes to Accounts':

(a) Prior Period Items and Changes in Accounting policies

There are no prior period items for the year ended 31 March 2017. The Bank recognizes income on commission on guarantee over the period of the LCs/ Guarantees. Till March 31, 2016 the Bank used to amortize on straight-line basis over the period of the LCs / Guarantees except commission up to ₹ 100,000, which was recognized upfront in the year of issuance. Had the Bank followed the earlier method of amortization of guarantee commission, the profit after tax for the current year would have been higher by ₹ 152 ('000).

(b) Related parties disclosure

Related party disclosure as required by Accounting Standard 18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are given below:-

1) Relationship during the year:

a) Parent:

United Overseas Bank Limited, Singapore – Head Office.

b) Other related parties in United Overseas Bank Group where common control exists:

United Overseas Bank (Malaysia) Limited.

PT Bank UOB Indonesia

United Overseas Bank (Thai) PCL.

These include only those related parties with whom transactions have occurred during current / previous year.

c) Key management personnel:

P V Ananthkrishnan – Executive Director & Country Head



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

2) Transactions with related parties - United Overseas Bank Group where common control exists in the ordinary course of business.

(₹ '000)

Items / Related Party	Current Year				Previous Year			
	Parent (as per ownership or control)	Subsidiaries of Parent	Whole time directors / individual having significant influence	Relatives of whole time directors / individual having significant influence	Parent (as per ownership or control)	Subsidiaries of Parent	Whole time directors / individual having significant influence	Relatives of whole time directors / individual having significant influence
Deposits								
- Maximum amount during the year	#	4,818	#	N.A.	#	2,911	#	N.A.
- Outstanding	#	32	#	N.A.	#	26	#	N.A.
Investment								
- Maximum amount during the year	#	-	#	N.A.	#	-	#	N.A.
- Outstanding	#	-	#	N.A.	#	-	#	N.A.
FX Notional								
- Maximum amount during the year	#	11,300	#	N.A.	#	1,000	#	N.A.
- Outstanding	#	-	#	N.A.	#	-	#	N.A.
Non-Funded Commitments								
- Maximum amount during the year	#	34,670	#	N.A.	#	32,052	#	N.A.
- Outstanding	#	30,968	#	N.A.	#	32,052	#	N.A.
Interest paid	#	-	#	N.A.	#	-	#	N.A.
Reimbursement of Cost incurred	#	-	#	N.A.	#	-	#	N.A.
Receiving of services	#	-	#	N.A.	#	-	#	N.A.
Rendering of services	#	18	#	N.A.	#	12	#	N.A.
Dividend paid	#	-	#	N.A.	#	-	#	N.A.

During the year under reference, there was only one related party in the said category, hence the Bank has not disclosed the details of transactions in accordance with circular issued by the RBI on March 29, 2003 "Guidance on compliance with the accounting standards by banks"

(c) Employee Benefits

Provident Fund

The Bank has contributed an amount of ₹ 6,374 ('000) (2016: ₹ 5,743 ('000)) towards Provident Fund during the year.

Gratuity

The following table sets out the status of the defined benefit Gratuity Plan as required under AS 15 (Revised 2005):

(₹ '000)

Particulars	As at March 31, 2017	As at March 31, 2016
Assumptions		
Discount Rate	7.30%	7.83%
Future salary increases	8.90%	10.00%
Rate of return (expected) on plan assets	7.90%	8.00%
Attrition Rate	5.13%	8.00%
Mortality IALM		IALM
Retirement	(2006-08) 62 years	(2006-08) 62 years
Changes in present value of obligations		
Present Value of Obligation at beginning of period	4,560	3,134
Interest cost	325	244
Current Service Cost	1,365	1,471
Past Service Cost	-	-
Benefits Paid	(810)	-
Actuarial (gain)/loss on obligation	(157)	(288)
Present Value of Obligation at end of period	5,284	4,560
Changes in fair value of plan assets		
Fair Value of Plan Assets at beginning of period	4,603	2,756
Expected Return on Plan Assets	391	314
Contributions	1,494	1,672
Benefit Paid	(810)	-
Actuarial gain/(loss) on plan assets	(116)	(139)
Fair Value of Plan Assets at end of period	5,561	4,603

Expense recognized in Profit and Loss Account		
Current Service Cost	1,365	1,471
Interest cost	325	244
Expected Return on Plan Assets	(391)	(314)
Net Actuarial (Gain)/Loss recognized for the period	(41)	(149)
Expense recognized in the statement of P & L A/c	1,260	1,252
Position of plan asset / liability		
Present Value of Obligation at end of period	5,284	4,560
Fair Value of Plan Assets at end of period	5,561	4,603
Plan asset / (liability)	277	43

Experience History:

(₹ '000)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015	For the year ended March 31, 2014
(Gain)/ Loss on obligation due to changes in Assumptions	9	(48)	368	(620)
Experience (Gain)/Loss on Obligations	(166)	(241)	(417)	150
Actuarial Gain/(Loss) on Plan Assets	(116)	(140)	(14)	(10)

The Bank is yet to determine future contribution to Gratuity fund for financial year 2016-17.

Leave Encashment

In respect of encashment of privilege leave, the Bank has made provision on actual basis. The year-end provision based on unavailed privilege leave is ₹ 3,586 ('000) (2016: ₹ 3,611 ('000)) and the debit to current year profit and loss account is ₹ Nil (2016: ₹ 651 ('000)).

(d) Segment Reporting

Pursuant to the guidelines issued by RBI on AS-17 (Segment Reporting) - Enhancement of Disclosures dated April 18, 2007, effective from period ending March 31, 2008, the following business segments have been reported.

- Treasury: Includes investments, all financial markets activities undertaken on behalf of the Bank's customers, maintenance of reserve requirements and resource mobilisation from other banks and financial institutions.
- Corporate Banking: Includes lending, deposit taking and other services offered to corporate customers.



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

Business Segments	Treasury		Corporate Banking		Total	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
Revenue	384,824	210,465	662,690	953,511	1,047,514	1,163,976
Result	217,649	107,689	454,540	697,354	672,189	805,043
Unallocated Expenses					158,323	181,303
Operating Profit					513,866	623,740
Provisions and contingencies	1,887	-	371,232	3,890	373,120	3,890
Income Taxes					58,389	267,363
Extraordinary profit/loss					-	-
Net profit/loss					82,357	352,487
Other Information:						
Segment assets	4,990,680	4,117,457	11,494,202	11,261,430	16,484,882	15,378,887
Unallocated assets					245,935	245,581
Total assets					16,730,817	15,649,468
Segment liabilities	5,985,414	3,379,220	2,521,367	4,123,210	8,506,781	7,502,430
Unallocated liabilities					8,224,036	8,147,038
Total liabilities					16,730,817	15,649,468

Geographic Segment:

The Bank is considered to operate only within one geographic segment.

(e) Deferred taxes

In accordance with Accounting Standard 22 on "Accounting for taxes on income", the Bank has recognized Deferred Tax Asset (DTA) on timing differences to the extent there is reasonable/virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Items for which deferred tax has been created are as follows:

(₹ '000)

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred Tax Assets		
Depreciation	7,510	4,514
Employee Benefits	7,957	6,333
Provision on Advances	26,382	21,084
NPA Provision	144,761	-
Other items allowed on payment basis	1,320	2,116
Total	187,930	34,047

(₹ '000)

Particulars	As at March 31, 2017	As at March 31, 2016
Deferred Tax Liability		
Others	-	2,513
Total	-	2,513
Net Deferred tax asset	187,930	31,534

(f) Operating Leases

The Bank has entered into non-cancellable operating leases for premises used primarily for business purposes.

Total operating lease rental of ₹ 28,306 ('000) (2016: ₹ 29,706 ('000)) has been included under Operating expenses- Rent, taxes and lighting in the profit and loss account.

Total future minimum lease payments under non-cancellable leases at the year-end are as follows:

(₹ '000)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Not later than one year	28,966	27,986
Later than one year but not later than five years	2,414	31,379
Later than five years	-	-

The Bank has not sub-leased any of the above assets and the Bank has not entered into any leases falling under the category of finance lease.

(g) Description of Contingent Liabilities (included in Scheduled 12)

Contingent Liability	Brief Description
1. Claims against Bank not acknowledged as debts	The Bank does not have any legal proceedings pending against it. Tax proceedings are in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, results of operations or cash flows.
2. Liability on account of outstanding Foreign Exchange Contracts	The Bank enters into foreign exchange contracts with Inter Bank participants on its own account and for customers. Forward Exchange contracts are commitments to buy/sell foreign currency at a future date at the contracted rate.
3. Guarantees given on behalf of constituents, Acceptances, endorsements and other obligations	As a part of its normal Banking activity, the Bank issues guarantee on behalf of its customers, Correspondent Banks and Head office. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations.
4. Other Items for which Bank is contingently liable	These include estimated amount of contracts remaining to be executed on capital account.

5.3 Additional Disclosures:

(a) Provisions and Contingencies

(₹ '000)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Provision / (write back) towards standard asset	(1,800)	12,420
Provision for NPA	360,871	-
Provision / (write back) towards country risk	258	(158)
Provision / (write back) for Unhedged Foreign Currency Exposure	13,791	(8,372)
Provision for Income tax (net of Deferred Tax)	58,389	267,363
Total	431,509	271,253

(b) Floating Provision

The Bank does not hold floating provisions as at March 31, 2017 (2016: Nil).

(c) Drawdown from Reserves

The Bank has not drawn down any amount from reserves during the year (2016: Nil).

5.4 Customer complaints

(a) Customer Complaints

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
No of complaints pending at the beginning of the period	-	-
No of complaints received during the period	-	-
No of complaints redressed during the period	-	-
No of complaints pending at the end of the period	-	-

(b) Awards Passed By Banking Ombudsman

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
No of unimplemented awards at the beginning of the period	-	-
No of awards passed by the Banking Ombudsman during the period	-	-
No of awards implemented during the period	-	-
No of unimplemented awards at the end of the period	-	-

5.5 Letter of comfort

The Bank has not issued any letter of comfort during the year ended March 31, 2017 (2016: Nil)

5.6 Fixed Assets

During the year ended March 31, 2017, Software capitalized under Fixed Assets was ₹ 1,442 ('000) (2016: Nil)

(₹ '000)

Particulars	For the year ended March 31, 2017	For the year ended March 31, 2016
Opening Balance at Cost	10,952	10,952
Additions during the year	1,442	-
Deductions during the year	-	-
Depreciation to date	11,353	7,649
Net Block	1,041	3,303

5.7 Provision coverage ratio

The provision coverage ratio as computed in accordance with RBI circular no DBOD.No.BP.BC. 64 /21.04.048/2009-10 dated 01 December 2009 is 45% as at March 31, 2017 (2016: Nil).

5.8 Bancassurance income

During the year, the Bank has not earned any income towards Bancassurance business (2016: Nil).

5.9 Concentration of Deposits, Advances, Exposures and NPAs

(a) Concentration of Deposits

(₹ '000)

Particulars	March 31, 2017	March 31, 2016
Total Deposits of twenty largest depositors	2,419,313	4,013,489
Percentage of Deposits of twenty largest depositors to Total Deposits of the bank	99.98%	99.97%

(b) Concentration of Advances

(₹ '000)

Particulars	March 31, 2017	March 31, 2016
Total Advances of twenty largest borrowers	18,651,180	18,231,155
Percentage of Advances of twenty largest borrowers to Total Advances of the bank	87.67%	92.24%



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

(c) Concentration of Exposures

(₹ '000)

Particulars	March 31, 2017	March 31, 2016
Total Exposure of twenty largest borrowers/ customers	18,651,180	18,231,155
Percentage of Exposures of twenty largest borrowers/ customers to Total Exposure of the bank on borrowers/ customers.	87.67%	92.24%

(d) Concentration of NPAs

(₹ '000)

Particulars	March 31, 2017	March 31, 2016
Total Exposure to top four NPA accounts	801,936	Nil
The bank has only one account classified as Non Performing.		

5.10 Overseas Assets, NPAs and Revenue

(₹ '000)

Particulars	March 31, 2017	March 31, 2016
Total Assets	361,441	331,238
Total NPAs Nil	Nil	
Total Revenue	41,188	36,593

5.11 Off Balance Sheet SPV's

The bank has not sponsored any off-balance sheet SPVs (2016: Nil).

5.12 Unamortized Pension and Gratuity Liabilities

The Bank does not have any unamortized Pension / Gratuity Liability as at March 31, 2017 (2016: Nil).

5.13 Disclosures on Remuneration

In accordance with the requirements of the RBI circular no DBOD.NO.BC.72/29.67/001/2011-12 dated 13th January 2012, the Head office of the Bank has submitted a declaration to RBI that the Bank's compensation policies including that of the CEO is in conformity with the Financial Stability Board principles and standards.

5.14 Credit Default Swaps

The Bank has not dealt in Credit default swaps during the year ended March 31, 2017 (2016: Nil).

5.15 Depositor Education and Awareness Fund (DEAF):

There is no amount to the credit of any account which has not been operated upon for a period of ten years or any deposit or any amount remaining unclaimed for more than ten years that needed to be transferred to DEAF under the provisions of Section 26A of Banking Regulation Act 1949 As such the DEAF guidelines not applicable.

5.16 Intra Group Exposures:

RBI Circular No RBI/2013-14/487 DBOD.No.BP.BC.96/21.06.102/2013-14 dated Feb 11, 2014 deals with Management of Intra Group Exposure and Transactions

5.22 Sector wise Advances

(₹ '000)

No	Sector	Current Year			Previous Year		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that sector
A	Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-
2	Industry	-	-	-	-	-	-
3	Services	-	-	-	-	-	-
4	Personal loans	-	-	-	-	-	-
5	Export Finance	4,194,355	-	-	3,187,738	-	-
	Sub-total (A)	4,194,355			3,187,738		
B	Non Priority Sector						
1	Agriculture and allied activities	-	-	-	-	-	-
2	Industry	2,526,936	801,936	31.74%	3,634,363	-	-
	Of Which,						
	Cement	-	-	-	-	-	-
	Telecom	-	-	-	-	-	-
	Engineering	-	-	-	-	-	-
	Co-operative Societies	1,000,000	-	-	1,000,000	-	-
	Power	-	-	-	700,000	-	-
	Paper & Paper Products	835,436	801,936	95.99%	500,000	-	-
	Leather & Leather Products	236,500	-	-	245,000	-	-
	Steel	-	-	-	1,100,000	-	-
	Others	455,000	-	-	89,363	-	-
3	Services	5,086,602	-	-	4,330,093	-	-
	Of Which,						
	NBFC	5,086,602	-	-	2,720,000	-	-
	Banks	-	-	-	1,610,093	-	-
4	Personal loans	-	-	-	-	-	-
	Sub-total (B)	7,613,538	801,936	10.53%	7,964,456		
	Total (A+B)	11,807,893	801,936	6.79%	11,152,194		

As per Point no. 2.4 c on Entities exempted from Definition of Group Entities of the said circular, exposure of Foreign Banks' (operating as branches in India) to their Head Office and overseas branches of the parent bank are not covered under these guidelines (except for proprietary derivative transactions undertaken with them) Also, the Bank has no other Group Entities in India and thus no Intra-Group exposure to be reported as on March 31, 2017. Forward exchange transactions with the head office and branches are economic hedges.

5.17 Unhedged Foreign Currency Exposure

The Bank has in place a policy on managing credit risk arising out of unhedged foreign currency exposures of its borrowers. The objective of this policy is to maximize the hedging on foreign currency exposures of borrowers by reviewing their foreign currency product portfolio and encouraging them to hedge the unhedged portion. In line with the policy, assessment of unhedged foreign currency exposure is a part of assessment of borrowers and is undertaken while proposing limits or at the review stage.

Further, the Bank reviews the unhedged foreign currency exposure across its portfolio on a periodic basis. The Bank also maintains incremental provision towards the unhedged foreign currency exposures of its borrowers in line with the extant RBI guidelines.

(₹ '000)

Particulars	March 31, 2017	March 31, 2016
Incremental / (write back) Provision	13,790	(8,372)
Incremental capital held	441,661	-

5.18 Corporate Social Responsibility

As required under provisions of Companies Act, 2013, Bank is required to contribute 2% of average profits before tax of 3 immediately preceding financial years which works out to ₹ 6,740 ('000). During the year, Bank has not contributed any amount towards CSR.

5.19 Priority sector lending certificate

The Bank has purchased Priority sector lending certificate-Micro Enterprises Certificate (PSLC) on 20th Sep 2016 for value ₹ 310,000 ('000). The purchase of PSLC was made to meet the Priority sector target under the 'other than Exports' category target of 2% of ANBC for FY 2016-17. All PSLCs purchased are valid till 31st March 2017 & expire on 1st April 2017.

5.20 Divergence of NPAs

There was no RBI inspection on the Bank during the period under audit. Accordingly there are no divergence in Bank's assets classification and provisioning from RBI norms.

5.21 Long Term Contracts

The Bank has assessed its long term contracts (including Derivative contracts) for material foreseeable losses and made adequate provisions in the books of accounts, under any law/accounting standards wherever applicable and disclosed the same under the relevant notes in the financial statements.



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

5.23 Liquidity Coverage Ratio

a. Quantitative Disclosures

For the year ended March 31, 2017

Particulars	Current year (₹ '000)							
	Apr 16 - Jun 16		Jul 16 - Sep 16		Oct 16 - Dec 16		Jan 17 - Mar 17	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	2,496,605	2,496,605	4,095,506	4,095,506	4,073,344	4,073,344	4,612,672	4,612,672
Cash Outflows								
2 Retail deposits and deposits from small business customers, of which:								
(i) Stable deposits	(62)	(3)	(1)	-	(1)	-	(1)	(1)
(ii) Less stable deposits	(74)	(7)	-	-	-	-	-	-
3 Unsecured wholesale funding, of which :								
(i) Operational deposits (all counterparties)	(1,456,920)	(717,426)	(465,802)	(189,875)	(426,456)	(173,342)	(200,047)	(87,952)
(ii) Non-operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4 Secured wholesale funding	-	-	-	-	-	-	-	-
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collateral requirements	(4,012,545)	(4,012,545)	(28,471)	(28,471)	(546,701)	(546,701)	(94,870)	(94,870)
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	(2,132,749)	(2,132,749)	(4,004,376)	(4,004,376)	(2,109,101)	(2,109,101)	(1,814,738)	(1,814,738)
7 Other contingent funding obligations	(7,529,672)	(372,231)	(9,952,230)	(493,297)	(10,557,050)	(523,238)	(10,131,292)	(502,400)
8 Total Cash Outflows	(15,132,022)	(7,234,961)	(14,450,880)	(4,716,019)	(13,639,309)	(3,352,382)	(12,240,948)	(2,499,961)
Cash Inflows								
9 Secured lending (eg reverse repos)	-	-	-	-	219,963	-	211,497	-
10 Inflows from fully performing exposures	8,284,883	7,039,307	3,244,064	2,741,187	3,283,691	2,409,131	2,740,676	2,301,343
11 Other cash inflows	3,413,061	21,531	3,442,543	36,271	3,406,962	18,481	2,659,778	1,329,889
12 Total Cash Inflows	11,697,944	7,060,838	6,686,607	2,777,458	6,910,616	2,427,612	5,611,951	3,631,232
Total Adjusted Value	(3,434,078)	(174,123)	(7,764,273)	(1,938,561)	(6,728,693)	(924,770)	(6,628,997)	(1,131,271)
21 TOTAL HQLA		2,496,605		4,095,506		4,073,344		4,612,672
22 Total Net Cash Outflows		1,808,740		1,938,560		924,769		624,990
23 Liquidity Coverage Ratio (%)		138.03%		211.27%		440.47%		738.04%

For the year ended March 31, 2016

Particulars	Current year (₹ '000)							
	Apr 15 - Jun 15		Jul 16 - Sep 15		Oct 15 - Dec 15		Jan 16 - Mar 16	
	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)	Total Unweighted Value (average)	Total Weighted Value (average)
High Quality Liquid Assets								
1 Total High Quality Liquid Assets (HQLA)	1,084,025	1,084,025	991,946	991,946	1,217,929	1,217,929	1,661,726	1,661,726
Cash Outflows								
2 Retail deposits and deposits from small business customers, of which:								
(i) Stable deposits	446	22	434	22	422	21	427	21
(ii) Less stable deposits	-	-	-	-	-	-	-	-
3 Unsecured wholesale funding, of which :								
(i) Operational deposits (all counterparties)	162,028	150,055	596,995	243,704	2,664,728	2,066,602	1,989,196	1,315,319
(ii) Non-operational deposits (all counterparties)	-	-	-	-	-	-	-	-
(iii) Unsecured debt	-	-	-	-	-	-	-	-
4 Secured wholesale funding	-	-	-	-	-	-	-	-
5 Additional requirements, of which								
(i) Outflows related to derivative exposures and other collateral requirements	46,606	46,607	330,990	330,990	841,814	841,814	1,586,581	1,586,581
(ii) Outflows related to loss of funding on debt products	-	-	-	-	-	-	-	-
(iii) Credit and liquidity facilities	-	-	-	-	-	-	-	-
6 Other contractual funding obligations	3,266,157	3,266,157	2,816,026	2,816,026	2,320,034	2,320,034	808,421	808,421
7 Other contingent funding obligations	52,906	2,645	42,690	2,135	76,918	3,846	141,015	4,230
8 Total Cash Outflows	3,528,143	3,465,486	3,787,135	3,392,877	5,903,916	5,232,317	4,525,640	3,714,572
Cash Inflows								
9 Secured lending (eg reverse repos)	-	-	910,000	910,000	-	-	-	-
10 Inflows from fully performing exposures	3,458,889	25,77,432	2,314,749	1,884,947	5,040,852	3,841,497	4,030,022	3,423,879
11 Other cash inflows	39,284	19,642	50,677	25,338	65,065	32,533	65,434	32,717
12 Total Cash Inflows	3,498,173	2,597,074	3,275,426	2,820,285	5,105,917	3,874,030	4,095,456	3,456,596
Total Adjusted Value	(29,970)	(868,412)	(511,710)	(572,591)	(797,999)	(1,358,287)	(430,183)	(257,977)
21 TOTAL HQLA		1,084,025		991,946		1,217,929		1,661,726
22 Total Net Cash Outflows		1,046,352		853,645		1,864,222		1,006,661
23 Liquidity Coverage Ratio (%)		103.60%		116.20%		65.33%		165.07%



UNITED OVERSEAS BANK LTD - MUMBAI BRANCH

(Incorporated in Singapore with limited liability)

b. Qualitative disclosure

The Bank measures and monitors the LCR in line with the Reserve Bank of India's circular dated June 9, 2014 on "Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards". The LCR guidelines aims to ensure that a bank maintains an adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. At a minimum, the stock of liquid assets should enable the bank to survive until day 30 of the stress scenario, by which time it is assumed that appropriate corrective actions can be taken.

The Bank has been maintaining HQLA primarily in the form of SLR investments over and above mandatory requirement and regulatory dispensation allowed up to 11% of NDTL. SLR investments of the Bank considered for HQLA consists of Treasury Bills which provides timely liquidity to the Branch. The Branch does not hold any Level 2A or Level 2B Assets. The Bank has been maintaining high LCR primarily due to higher HQLA in the form of SLR investment over and above regulatory requirements.

Outflows majorly comprise of Term Deposits and Borrowing. The Bank's major source of funding is term deposit and bank borrowing. Term deposits are all corporate deposits and majorly for borrowing, the bank has resorted to Head Office. The Bank has also used call and Repo market for sourcing fund during the year. Inflows majorly consist of Loans.

The derivative outflows are adequately covered by corresponding derivative Inflows. Derivative exposures are restricted to FX Forward and FX Swap deals.

Overall liquidity management including LCR of the Bank is guided by Asset Liability Committee which also strategizes the Balance Sheet profile of the Bank. There is no other material inflow or outflow not captured in the LCR common template.

5.24 Specified Bank Notes

The Bank did not hold or transact in any specified bank notes during the period 8th November 2016 to 30th December 2016.

5.25 Prior period comparatives

Previous year's figures have been regrouped where necessary to conform to current year's classification.

The Schedules referred to above and the attached notes form an integral part of these statements.

As per our report of even date attached

For S. R. BATLIBOI & CO. LLP
Chartered Accountants
ICAI Firm Registration
No. 301003E/E300005

For United Overseas Bank Limited -
Mumbai Branch

Sd/-
per Viren H. Mehta
Partner
Membership No. 048749

Sd/-
P V Ananthkrishnan
Executive Director &
Country Head

Sd/-
Girish Khushalani
First Vice President-
Finance

Place: Mumbai
Date: June 20, 2017