

Absolutely. Let's break down the history and current standing of City Union Bank Limited (CUB) into a comprehensive overview, highlighting key points, facts, and figures.

I. Historical Foundation and Early Growth (1904-1960s):

- **Incorporation and Initial Focus:**

- CUB was established on October 31, 1904, as "The Kumbakonam Bank Limited," demonstrating its long-standing presence in the Indian banking sector.
- Its initial focus was on serving the local community in Kumbakonam, Tamil Nadu.

- **Branch Expansion in Tamil Nadu:**

- The bank's first branch outside Kumbakonam opened in Mannargudi in 1930, marking the beginning of its expansion.
- Over the next 25 years, branches were established in various towns within Tamil Nadu, including Nagapattinam, Tiruvarur, and Mayuram, solidifying its regional presence.

- **Acquisitions and Amalgamations:**

- In 1957, CUB acquired the assets and liabilities of Common Wealth Bank Ltd., adding five branches to its network.
- In 1965, the amalgamation of City Forward Bank Ltd. and Union Bank Ltd. resulted in the addition of six more branches, leading to the name change to "The Kumbakonam City Union Bank Ltd."

- **Entry into Chennai and Further Expansion:**

- The first branch in Chennai (then Madras) opened in 1965, a significant step in expanding its urban footprint.
- The late 1960s and early 1970s saw rapid branch expansion into major Tamil Nadu cities like Trichy, Madurai, and Coimbatore.

II. National Expansion and Modernization (1970s-2000s):

- **Expansion Beyond Tamil Nadu:**

- In 1980, CUB opened its first branch outside Tamil Nadu in Bangalore, Karnataka, marking its entry into other southern states.
- Branches were also established in Hyderabad and Secunderabad, Andhra Pradesh, further expanding its geographic reach.

- **Name Change and Foreign Exchange Operations:**

- In 1987, the bank's name was changed to "City Union Bank Ltd." to reflect its growing national presence.
- In 1990, the Reserve Bank of India (RBI) granted CUB an Authorized Dealers License, enabling it to conduct foreign exchange business.

- **Technological Advancements and Risk Management:**

- In the early 2000s, CUB established an integrated Treasury Department and

strengthened its credit risk management systems.

- The bank introduced credit rating systems and loan pricing based on borrower ratings, enhancing its risk management practices.
- The bank also expanded its ATM network.

- **Diversification of Services:**

- CUB entered into partnerships with Life Insurance Corporation of India (LIC) and National Insurance Co. Ltd. to offer insurance products.
- The bank also partnered with Western Union for money transfer services.
- The bank obtained licence to function as Depository Participant under National Securities Depository Ltd.

III. Recent Developments and Current Status (2010s-Present):

- **Capital Raising and Bonus Issues:**

- CUB raised capital through rights issues in 2009 and 2012.
- In 2014, the bank raised Rs 350 crore through a Qualified Institutional Placement (QIP).
- Bonus shares were issued in 2017 and 2018.

- **Cybersecurity Incident:**

- In 2018, CUB experienced an international cyberattack on its SWIFT payment system, highlighting the growing challenges of cybersecurity in the banking sector.
- The bank recovered the funds, and enhanced security measures.

- **Continued Branch and ATM Expansion:**

- CUB has consistently expanded its branch and ATM network over the years.
- As of March 31, 2024, the bank has 800 branches and 1,677 ATMs.

- **Financial Performance (FY 2024):**

- Total business reached Rs. 1,02,138 crore.
- Balance sheet size: Rs. 70,826 crore.
- Total deposits: Rs. 55,657 crore (6% growth).
- CASA deposits: Rs 17,050 crore.
- Cost of deposit: 5.59%.
- Total income: Rs. 6,012 crore (9% growth).

- **Digitalization:**

- The bank has tied up with M/s. Newgen Software Technologies Ltd for digitalization of retail lending process and has launched NEWGEN Retail LOS.
- The bank has also expanded its digital offerings through partnerships for mutual fund and health insurance product distribution.

Salient Points and Key Facts:

- CUB has a strong regional presence in South India, with a growing national footprint.
- The bank's focus on MSME and agricultural lending has contributed to its granular asset profile.
- CUB has a history of prudent financial management and consistent growth.

- The bank has adapted to the changing banking landscape by embracing technology and diversifying its services.
- The bank has shown resilience in the face of cyber security threats.
- The bank has shown consistent branch expansion.

Figures and Data:

- 800 branches and 1,677 ATMs as of March 31, 2024.
- Total business of Rs. 1,02,138 crore in 2024.
- Balance sheet size of Rs. 70,826 crore in 2024.
- Total deposits of Rs 55,657 crore in 2024.
- CASA deposits of Rs 17,050 crore in 2024.
- Total income of Rs. 6,012 crore in 2024.

City Union Bank has evolved from a small local bank to a significant player in the Indian banking sector. Its long history, consistent growth, and adaptation to changing market conditions have contributed to its success.