



CITY UNION BANK

Trust and Excellence  
SINCE 1904

# INVESTOR PRESENTATION

JUNE 2022

## Disclaimer

No representation or warranty, express or implied is made as to, and no reliance should be placed on the fairness, accuracy, completeness or correctness of such information or opinions contained herein. The information contained in this presentation is only current as of its date. Certain statements made in this presentation may not be based on historical information or facts and may be “forward looking statements”, including those relating to the bank’s general business plan’s and strategy, its future financial condition and growth prospects and future developments in the industry and regulatory environment. Actual results may differ materially from these forward-looking statements due to a number of factors, including future changes or developments in the bank’s business, its competitive environment and political, economic, legal and social conditions in India. This communication is for general information purpose only, without regard to specific objectives, financial situations and needs of any particular person. This presentation does not constitute an offer or invitation to purchase or subscribe for any shares in the bank and neither any part of it shall form the basis of or be relied upon in connection with any contract or commitment whatsoever. The bank may alter, modify or otherwise change in any manner the content of this presentation, without obligation to notify any person of such revisions or changes. This presentation should not be copied and/or disseminated in any manner.

# TABLE OF CONTENTS



4

Overview



10

Performance Highlights –  
June 2022



14

Financial Performance &  
Business Profile



39

Branch Network



41

Technology Initiatives



48

Shareholding Pattern



50

Corporate Governance

# OVERVIEW

ΟΛΕΚΑΙΕΛΛΑ

## ►OVERVIEW

City Union Bank Ltd., the oldest Private Sector Bank in India, was founded on October 31, 1904 and is headquartered at Kumbakonam, Tamil Nadu, India.

The main focus of the Bank – lending to MSME, Retail / Wholesale Trade with granular asset profile including providing short term and long term loans to agricultural sector.

## ►FACTS & FIGURES

Position as on 30.06.2022



Deposits  
**INR 48,772 CR**



Advances  
**INR 40,934 CR**



Net Interest Margin  
**3.95%**



Net NPA  
**2.89%**



Employees  
**5,333**



Branches  
**727**

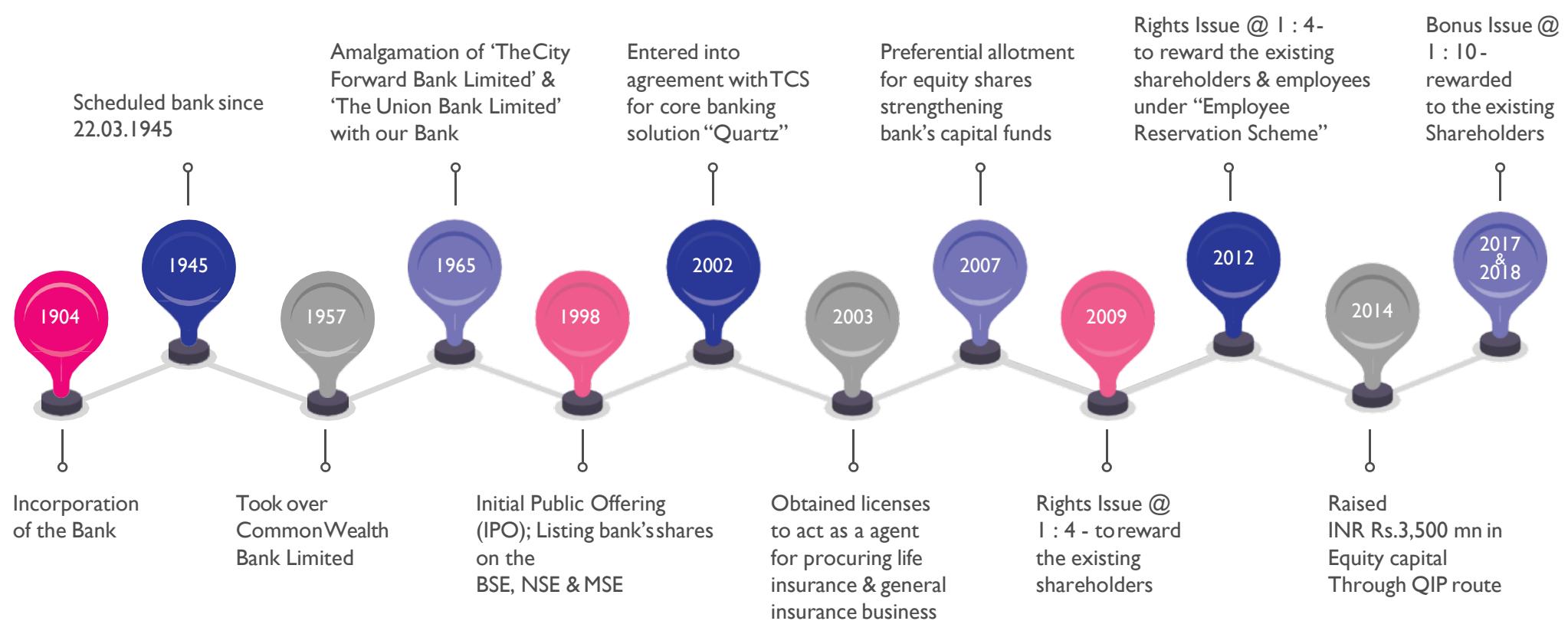


ATM's  
**1,691**

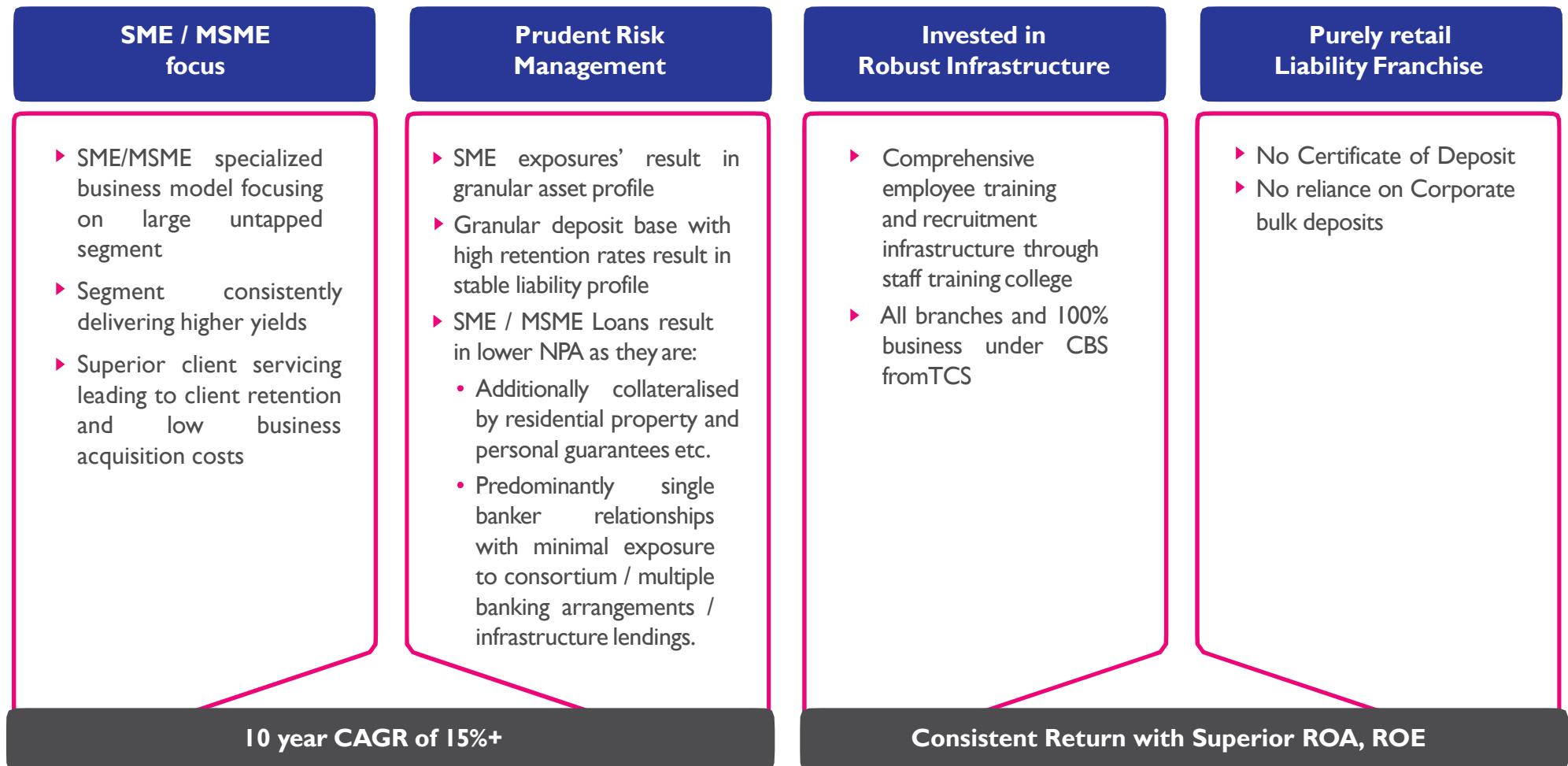


Efficiency Ratio  
**39.78%**

## ► KEY MILESTONES



## ► CITY UNION BANK - A SPECIALIZED BANKING MODEL ALIGNED TO TARGET SEGMENT – SME / MSME

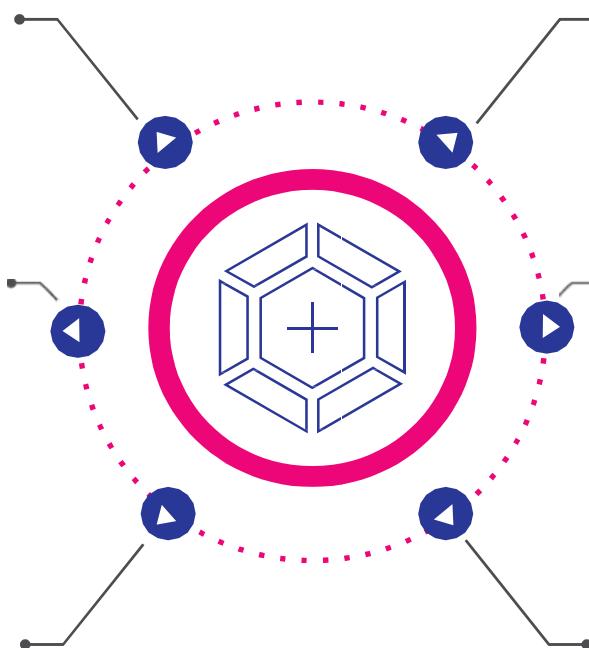


## ► COMPETITIVE ADVANTAGES

**NETWORK**  
Pan India presence with 727 branches  
Strong presence in South India (644 branches) of which 495 are in Tamil Nadu alone

**ADEQUATELY CAPITALISED**  
Strong Capital Adequacy ratio of 20.48% out of which Tier I constitutes 19.42%

**MSME / TRADING PORTFOLIO**  
Trading and MSME loan segments constitute about 51% of advances



### **STRONG TRACK RECORD**

- ▶ Continuous profitability and dividend payout in all 115+ years of operations
- ▶ Business growth of 20%+ CAGR in last 10 years

### **ROBUST CORPORATE GOVERNANCE PRACTICES**

- ▶ Strong board with majority of directors being independent directors
- ▶ Consistency in management with only 7 CEOs appointed in 115+ years

### **DIVERSIFIED ASSET PROFILE**

- ▶ Granular asset profile with advances to top 20 group borrowers contributing around 5.36%
- ▶ Lower ticket size lending backed by adequate collaterals

## ► CREDIT RATING

**ICRA** has assigned

- ▶ “**AA-**” for Long Term - issuers with this rating are considered to have “**High Degree of Safety**” regarding timely servicing of financial obligations.
- ▶ “**A1+-**” for **Certificate of Deposits (CD)** - issuers with this rating are considered to have “**Strong Degree of Safety**” regarding timely payment of financial obligations.

**CRISIL** has assigned

- ▶ “**A1+**” for **Certificate of Deposits (CD)** - issuers with this rating are considered to have “**Very Strong Degree of Safety**” regarding timely payment of financial obligations.



**CUB**  
Trust and Excellence  
SINCE 1904

# PERFORMANCE HIGHLIGHTS – JUNE 2022

## PERFORMANCE HIGHLIGHTS – JUNE 2022

## ► Q1 FY 2023 PERFORMANCE – A SNAPSHOT

- ▶ Deposits increased by 9% from Rs.446 Bn to Rs.488 Bn Y-o-Y
- ▶ Advances registered a growth of 12% from Rs.364 Bn to Rs.409 Bn Y-o-Y
- ▶ Total business grown by 11% from Rs.810 Bn to Rs.897 Bn Y-o-Y
- ▶ Gross Profit increased by 17% to Rs.4,471 Mn from Rs.3,808 Mn (Q1-Vs-Q1)
- ▶ Net Profit increased by 30% from Rs.1,730 Mn to Rs. 2,251Mn (Q1-Vs-Q1)
- ▶ Profitability and efficiency ratios :

PARTICULARS	Q1 FY 23	Q1 FY 22	Q4 FY 22	FY 2021-22	FY 2020-21
Return on Assets	1.46%	1.29%	1.42%	1.35%	1.15%
Net Interest Margin	3.95%	3.86%	4.01%	3.98%	4.00%
Return on Equity	13.57%	11.81%	13.15%	12.31%	10.73%
Earning per share	Rs.3.04	Rs.2.34	Rs.2.83	Rs.10.29	Rs.8.03

- ▶ Gross NPA – 4.65% and Net NPA – 2.89%
- ▶ Provision Coverage Ratio – 64%
- ▶ CRAR – 20.48% (Basel III) of which core CRAR – 19.42%

## ► Q1 FY 2023 VS Q1 FY 2022 PERFORMANCE – A SNAPSHOT

(in INR Mn)

**487,721**



**446,059**

**Deposits**

**409,341**



**363,955**

**Advances**

**897,062**



**810,014**

**Total Business**

**153,870**



**122,991**

**CASA**

**4,471**



**3,808**

**Gross Profit**

**2,251**



**1,730**

**Net Profit**

**5,249**



**4,476**

**Net Interest  
Income**

**39.78%**



**40.60%**

**Cost to Income**

**1.46%**

**ROA**

**13.57%**

**ROE**

**3.95%**

**NIM**

**4.65%**

**Gross NPA**

**2.89%**

**Net NPA**

Q1 FY 23

Q1 FY 22

## ► FY 2022 VS FY 2021 PERFORMANCE – A SNAPSHOT

(in INR Mn)

**476,897**



7%

**445,373**

Deposits

**411,560**



11%

**370,206**

Advances

**888,457**



9%

**815,579**

Total Business

**155,294**



20%

**129,814**

CASA

**15,953**



9%

**14,678**

Gross Profit

**7,602**



28%

**5,928**

Net Profit

**19,165**



5%

**18,297**

Net Interest  
Income

**40.37%**



**41.72%**

Cost to Income

**1.35%**

ROA

**12.31%**

ROE

**3.98%**

NIM

**4.70%**

Gross NPA

**2.95%**

Net NPA

FY 22

FY 21

# FINANCIAL PERFORMANCE & BUSINESS PROFILE

FINANCIAL PERFORMANCE & BUSINESS PROFILE

## ► Q1 FY 23 VS Q1 FY 22 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	Q1 FY 2023	Q1 FY 2022	INC / (DEC)	Growth	Growth %
Deposits	487,721	446,059	█	41,662	9%
Advances	409,341	363,955	█	45,386	12%
Total Business	897,062	810,014	█	87,048	11%
Demand Deposits	46,401	33,370	█	13,031	39%
Saving Deposits	107,469	89,621	█	17,848	20%
CASA	153,870	122,991	█	30,879	25%
Gross NPA	19,035	20,354	█	-1,319	-6%
Net NPA	11,612	12,422			
Gross NPA (%)	4.65%	5.59%			
Net NPA (%)	2.89%	3.49%			
C R A R (BASEL – III)	20.48%	19.58%			
- Of which Tier I	19.42%	18.51%			
CD Ratio	84%	82%			
PCR	64%	63%			

## ► Q1 FY 23 VS Q1 FY 22 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	Q1 FY 2023	Q1 FY 2022	INC / (DEC)	Growth %	Q4 FY 2022
Net Interest Income	5,249	4,476	773	17%	5,007
Other Income	2,175	1,934	241	12%	2,029
Operating Expenses	2,953	2,602	351	13%	2,638
Gross Profit	4,471	3,808	663	17%	4,398
Provisions & Contingencies	2,220	2,078	142	7%	2,309
Net Profit	2,251	1,730	521	30%	2,089
Return on Assets	1.46%	1.29%			1.42%
Return on Equity	13.57%	11.81%			13.15%
Net Interest Margin	3.95%	3.86%			4.01%

## ► FY 22 VS FY 21 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	FY 2022	FY 2021	INC / (DEC)	Growth	Growth %
Deposits	476,897	445,373		31,524	7%
Advances	411,560	370,206		41,354	11%
Total Business	888,457	815,579		72,878	9%
Demand Deposits	46,193	37,537		8,656	23%
Saving Deposits	109,101	92,277		16,824	18%
CASA	155,294	129,814		25,480	20%
Gross NPA	19,332	18,932			
Net NPA	11,911	10,752			
Gross NPA (%)	4.70%	5.11%			
Net NPA (%)	2.95%	2.97%			
C R A R (BASEL – III)	20.85%	19.52%			
- Of which Tier I	19.78%	18.45%			
CD Ratio	86%	83%			
PCR	64%	64%			

## ► FY 22 VS FY 21 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	FY 21-22	FY 20-21	INC / (DEC)	Growth %
Net Interest Income	19,165	18,297	868	5%
Other Income	7,591	6,887	704	10%
Operating Expenses	10,803	10,506	297	3%
Gross Profit	15,953	14,678	1,275	9%
Provisions & Contingencies	8,351	8,750	-399	-4%
Net Profit	7,602	5,928	1,674	28%
Return on Assets	1.35%	1.15%		
Return on Equity	12.31%	10.73%		
Net Interest Margin	3.98%	4.00%		

## ► PROVISIONS & CONTINGENCIES – BREAKUP

(in INR Mn)

PARTICULARS	Q1 FY 23	Q1 FY 22	FY 21-22	FY 20-21
<b>Provision for:</b>				
- Tax	700	400	2,250	1,000
- Bad Debts	1,400	2,330	5,535	5,990
- Contingency / Covid 19	120	-830	- 80	310
- Standard Assets	-	130	550	1,045
- Restructuring / FITL	-	3	107	265
- Others	-	45	-11	140
<b>Total</b>	<b>2,220</b>	<b>2,078</b>	<b>8,351</b>	<b>8,750</b>

## ► Q1 FY 23 VS Q1 FY 22 – INCOME AND EXPENSES BREAKUP

(in INR Mn)

### INTEREST INCOME BREAKUP

PARTICULARS	Q1 FY 2023	Q1 FY 2022	Growth %
Interest on Loans	9,018	8,560	5%
Interest on Investments	1,895	1,363	39%
Other Interest Income	81	51	57%
Total Interest Income	10,994	9,974	10%

### INTEREST EXPENSES BREAKUP

PARTICULARS	Q1 FY 2023	Q1 FY 2022	Growth %
Int Exp on Deposits	5,194	5,405	-4%
Other Int Expenses	* 551	93	491%
Total Interest Expenses	5,745	5,498	4%

### OTHER INCOME BREAKUP

PARTICULARS	Q1 FY 2023	Q1 FY 2022	Growth %
CEB & Charges	850	680	25%
Treasury Income	209	1,029	-80%
Other Inc incl recoveries in written off a/cs	# 1,116	225	397%
Total Other Income	2,175	1,934	12%

### OPERATING EXPENSES BREAKUP

PARTICULARS	Q1 FY 2023	Q1 FY 2022	Growth %
Employee Cost	1,327	1,292	3%
Other Operating Expenses	1,626	1,310	24%
Total Expenses	2,953	2,602	13%

# Increase in Other Income including recoveries in written off a/cs because of recoveries in TW accounts to the tune of Rs.918 Mn Vs Rs.186 Mn last year.

\* Increase in Other Interest expenses mainly due to increase in Refinance and borrowings in Q1 FY 23

## ► FY 22 VS FY 21 – INCOME AND EXPENSES BREAKUP

(in INR Mn)

### INTEREST INCOME BREAKUP

PARTICULARS	FY 2022	FY 2021	Growth %
Interest on Loans	34,540	35,078	-2%
Interest on Investments	6,305	5,828	8%
Other Interest Income	203	441	-54%
Total Interest Income	41,048	41,347	-1%

### INTEREST EXPENSES BREAKUP

PARTICULARS	FY 2022	FY 2021	Growth %
Int Exp on Deposits	21,197	22,348	-5%
Other Int Expenses	686	703	-2%
Total Interest Expenses	21,883	23,051	-5%

### OTHER INCOME BREAKUP

PARTICULARS	FY 2022	FY 2021	Growth %
CEB & Charges	2,920	2,616	12%
Treasury Income	2,461	3,093	-20%
Other Inc incl recoveries in written off a/cs	2,210	1,178	88%
Total Other Income	7,591	6,887	10%

### OPERATING EXPENSES BREAKUP

PARTICULARS	FY 2022	FY 2021	Growth %
Employee Cost	5,036	4,637	9%
Other Operating Expenses	5,767	5,869	-2%
Total Operating Expenses	10,803	10,506	3%

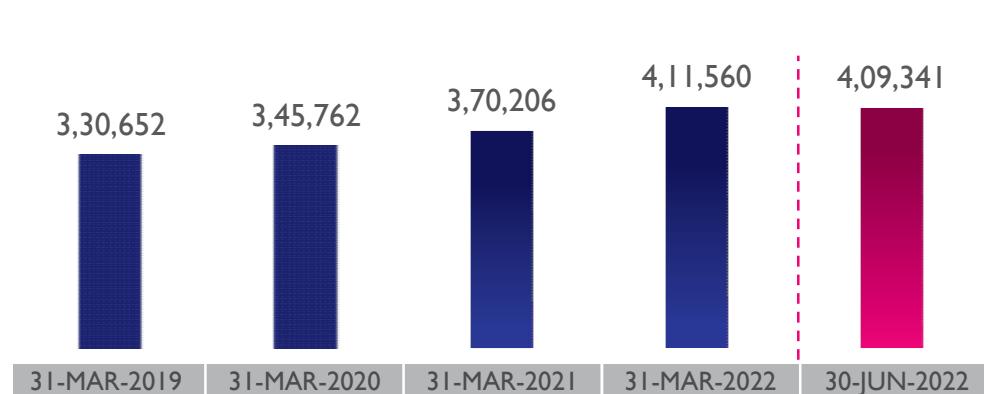
## ► STRONG DEPOSITS AND ADVANCES GROWTH

(in INR Mn)

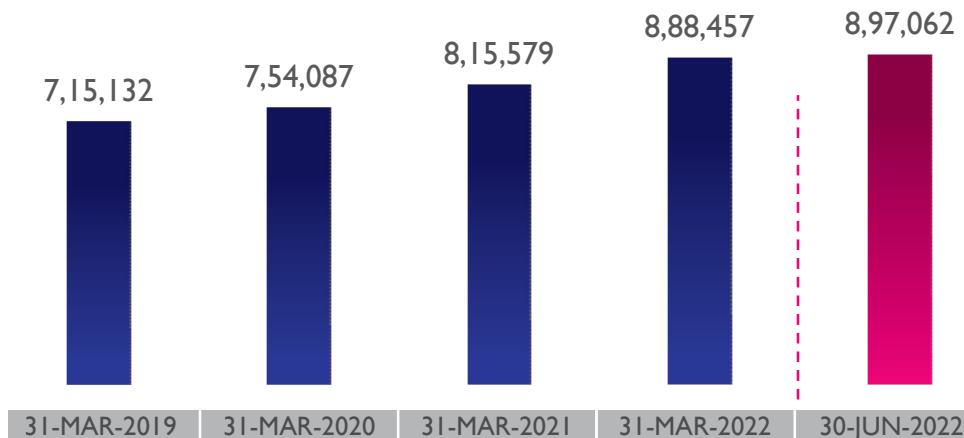
### DEPOSITS



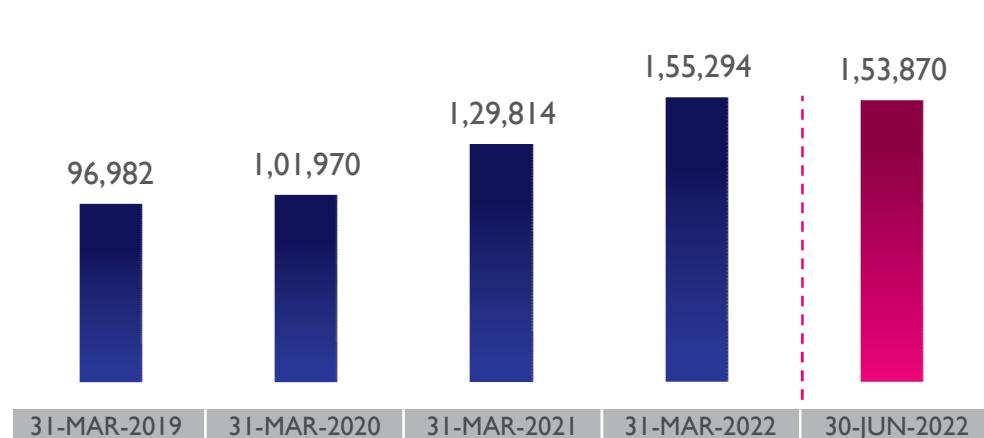
### ADVANCES



### BUSINESS



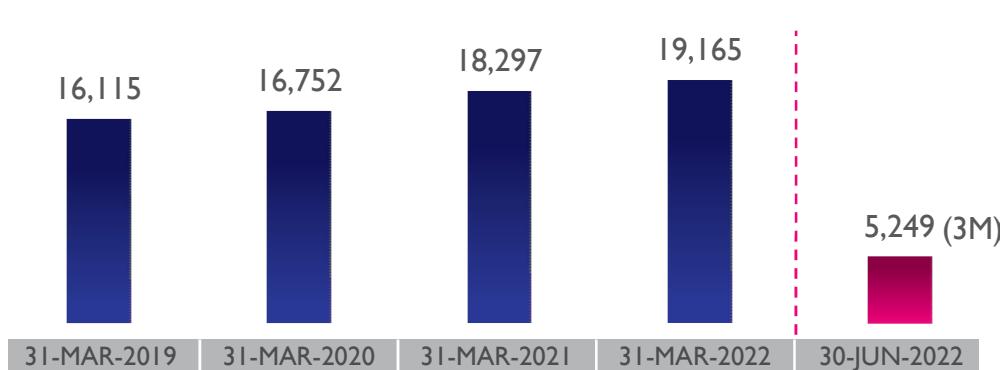
### CASA



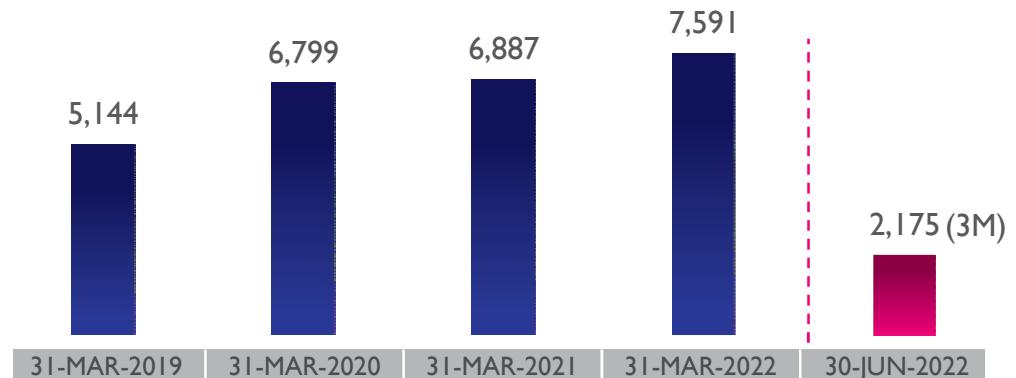
## ► INCOME GROWTH OVER THE YEARS...

(in INR Mn)

### NET INTEREST INCOME GROWTH



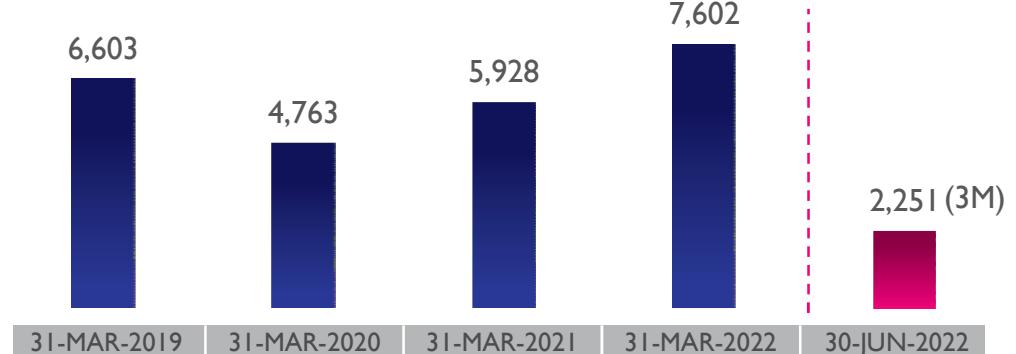
### OTHER INCOME GROWTH



### CEB GROWTH



### NET PROFIT GROWTH



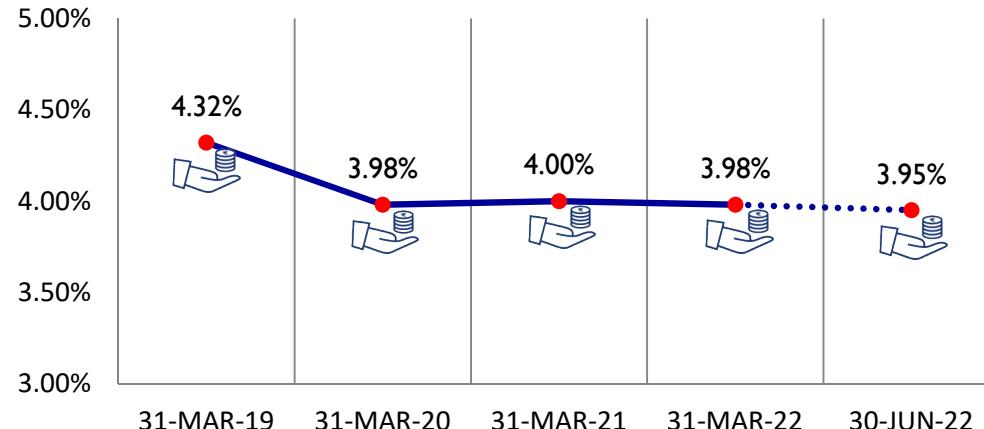
\* Decline in CEB income during FY 20-21 mainly due to restriction by Finance Ministry for waiver of service charges at the time of COVID first wave

## ► KEY BUSINESS INDICATORS

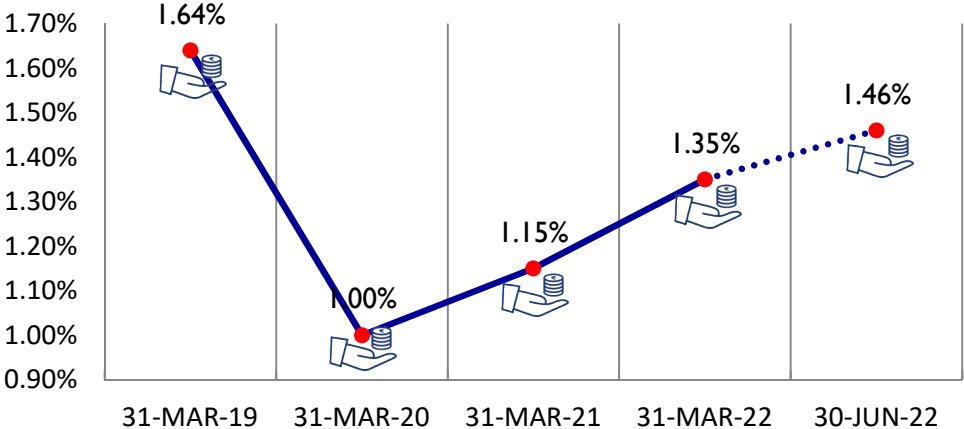
PARTICULARS	Q1 FY 23	Q1 FY 22	Q4 FY 22	FY 21-22	FY 20-21
Cost of Deposits	4.43%	4.95%	4.54%	4.68%	5.36%
Yield on Advances	9.04%	9.40%	9.26%	9.36%	9.91%
Yield on Investments	5.82%	5.61%	5.70%	5.71%	5.86%
Net Interest Margin	3.95%	3.86%	4.01%	3.98%	4.00%
Cost to Income	39.78%	40.60%	37.49%	40.37%	41.72%
Cost of Funds	3.73%	4.09%	3.74%	3.88%	4.46%
Yield of Funds	7.13%	7.42%	7.16%	7.28%	7.99%
Per Employee Business (in INR Mn)	167.73	138.94	165.45	165.45	139.38
Per Employee Profit (in INR Mn) (Ann)	1.69	1.19%	1.56	1.42	1.01
EPS in INR - FV INR Re.1/- share (Not Ann)	3.04	2.34	2.83	10.29	8.03

## ► KEY BUSINESS RATIOS – YEARLY TRENDS

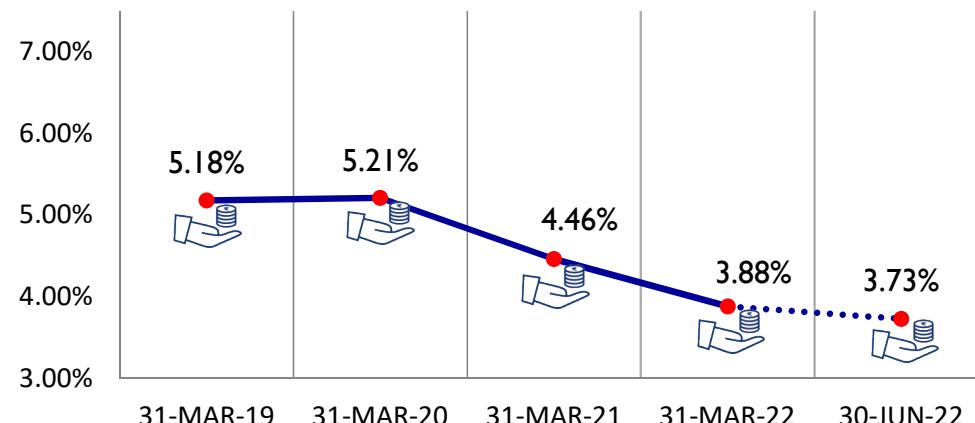
### NET INTEREST MARGIN



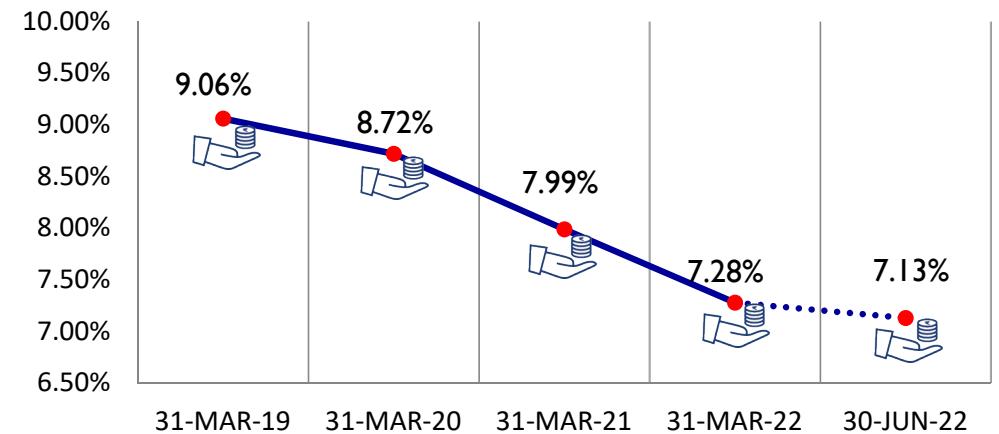
### RETURN ON ASSETS



### COST OF FUNDS

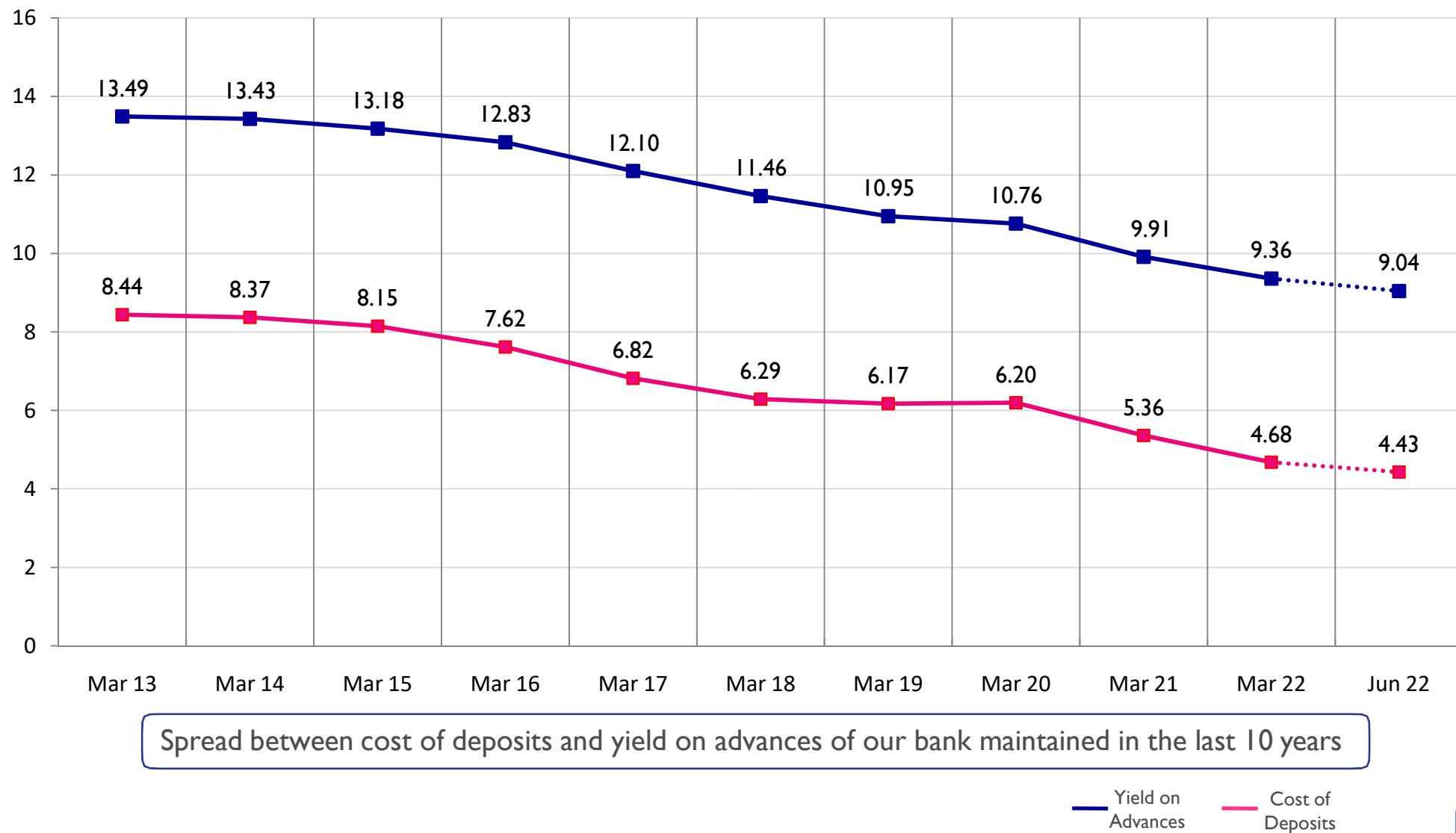


### YIELD ON FUNDS



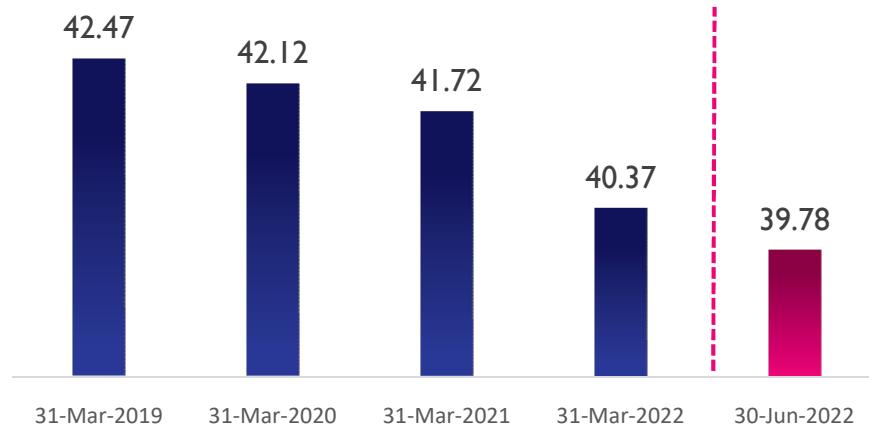
## ► COST OF DEPOSITS & YIELD ON ADVANCES

(in %)

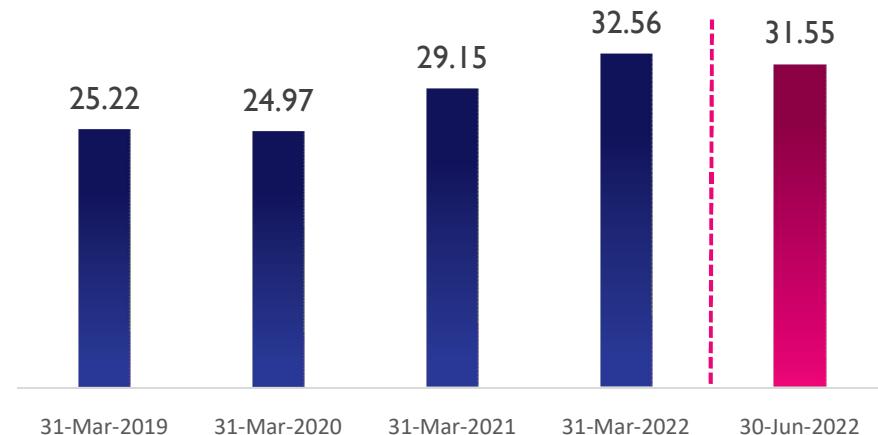


## ► EFFICIENCY

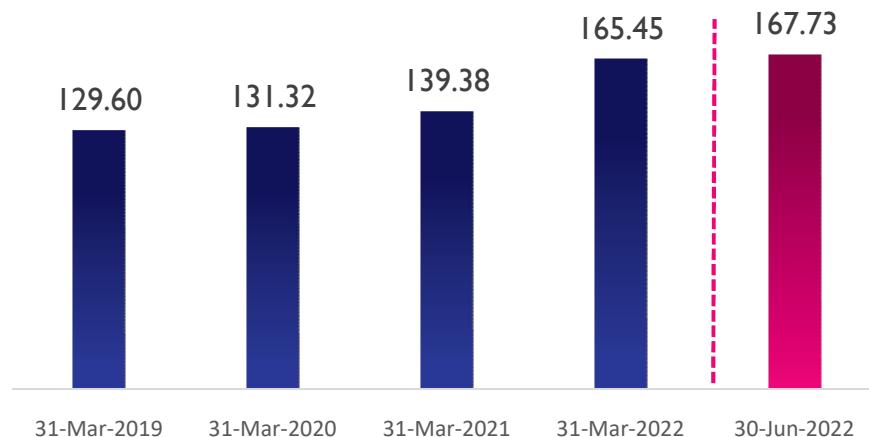
### COST INCOME RATIO (%)



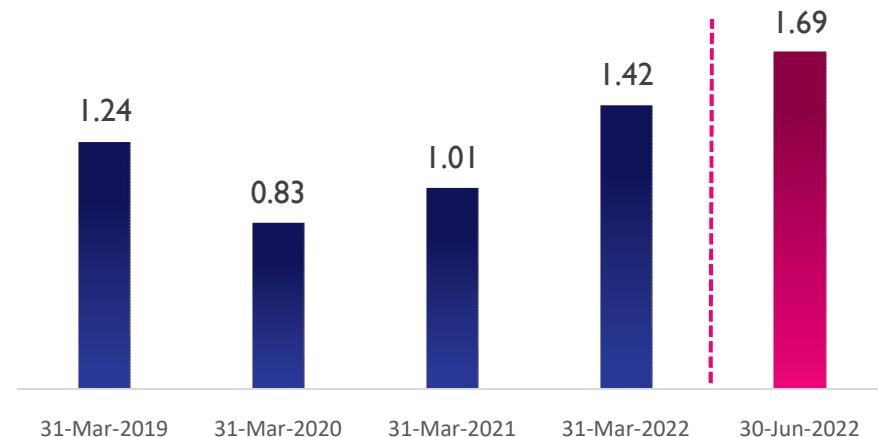
### CASA RATIO (%)



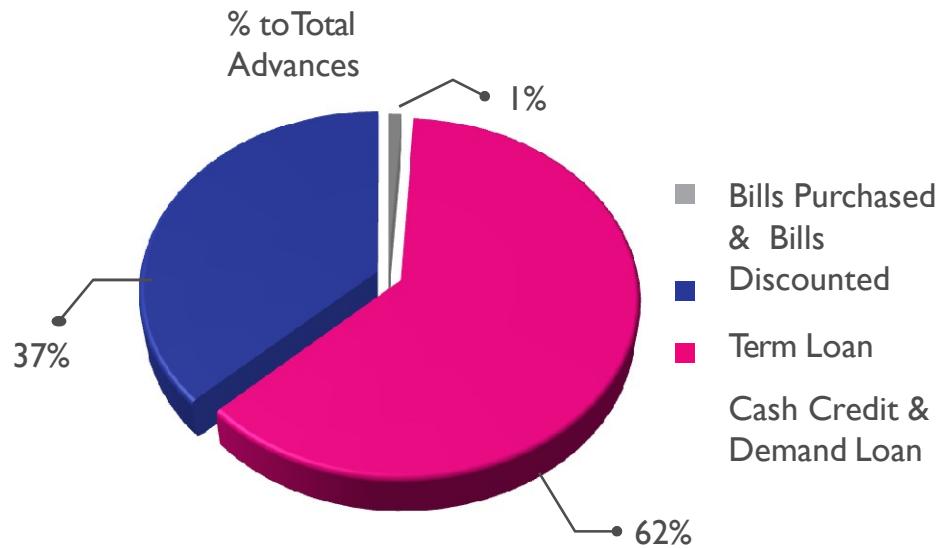
### BUSINESS PER EMPLOYEE (in INR Mn)



### PROFIT PER EMPLOYEE (in INR Mn)



## ► LOAN BOOK – PRODUCTS COMPOSITION



Working capital loans yielding higher interest constitute 62% of advances



Re-pricing possible at short intervals thus reducing interest rate risk

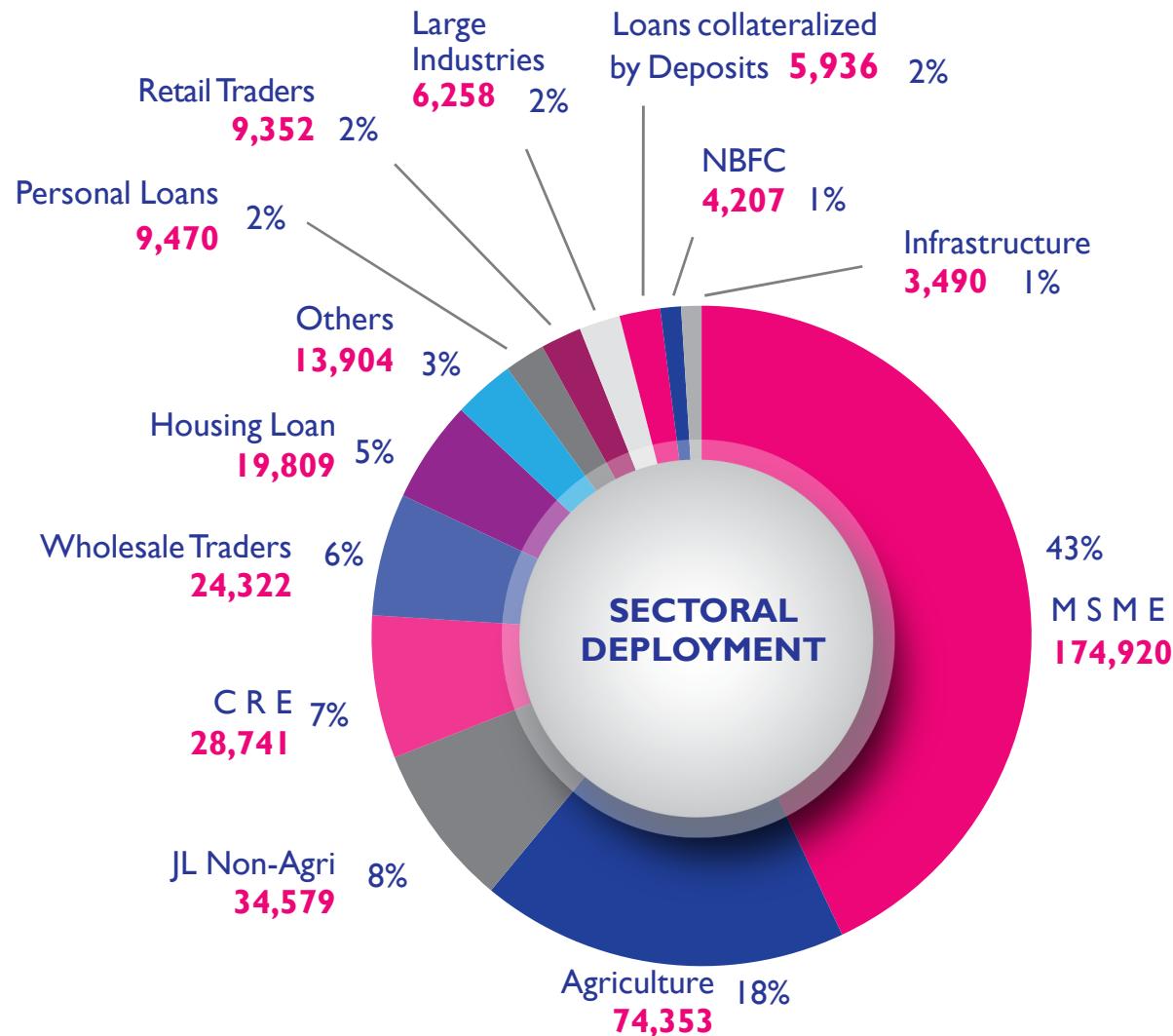


~90% of our loan book is on floating rate basis which reduces interest rate risk

Loan Book Products Composition	Amount (INR Mn)	% to Total Advances
Cash Credit & Demand Loan	256,204	62%
Term Loan	151,333	37%
Bills Purchased & Bills Discounted	1,804	1%
<b>Gross Loan Total</b>	<b>409,341</b>	

## ► LOAN BOOK SECTORAL DEPLOYMENT – POSITION AS ON 30.06.2022

(in INR Mn)



Based on the new definition of MSME vide RBI guideline FIDD.MSME & NFS.I2/06.02.31/2017-18 dated 07.07.2021, accounts registered on Udyam Registration portal has been classified as MSME and hence the MSME portfolio stands increased to 43% in Q1 FY 23 Vs 39% in Q4 FY 22.

## ► LOAN BOOK SECTORAL DEPLOYMENT – POSITION AS ON 30.06.2022

(in INR Mn)

### SECURED & UNSECURED ADVANCES

Particulars	Amount (INR Mn)	(%)
Secured Loans	406,735	99%
Unsecured Loans	2,606	1%
<b>Total</b>	<b>409,341</b>	



Trading & MSME loans constitute about 51%



Diversified credit portfolio reduces credit risk and Lower ticket size  
backed by adequate collaterals



Unsecured Advances aggregate to 1%



Total Jewel Loan outstanding as on 30.06.2022 – Rs.94,944 Mn

## Loan Book – Advances to Major Industries

(in INR Mn)

### Advances to Major Industries 30<sup>th</sup> June 2022

#### TEXTILE

a) Cotton  17,877 (4%)

b) Other Textiles  23,674 (6%)

#### METALS

a) Iron & Steel  8,692 (2%)

b) Other Metals  7,416 (2%)

PAPER & PAPER PROD  6,256 (2%)

FOOD PROCESSING  5,605 (1%)

CHEMICALS  4,388 (1%)

RUBBER & PLASTICS  3,756 (1%)

ENGINEERING  6,132 (1%)

AUTOMOBILES  1,597 (1%)

OTHER INDUSTRIES  8,361 (2%)

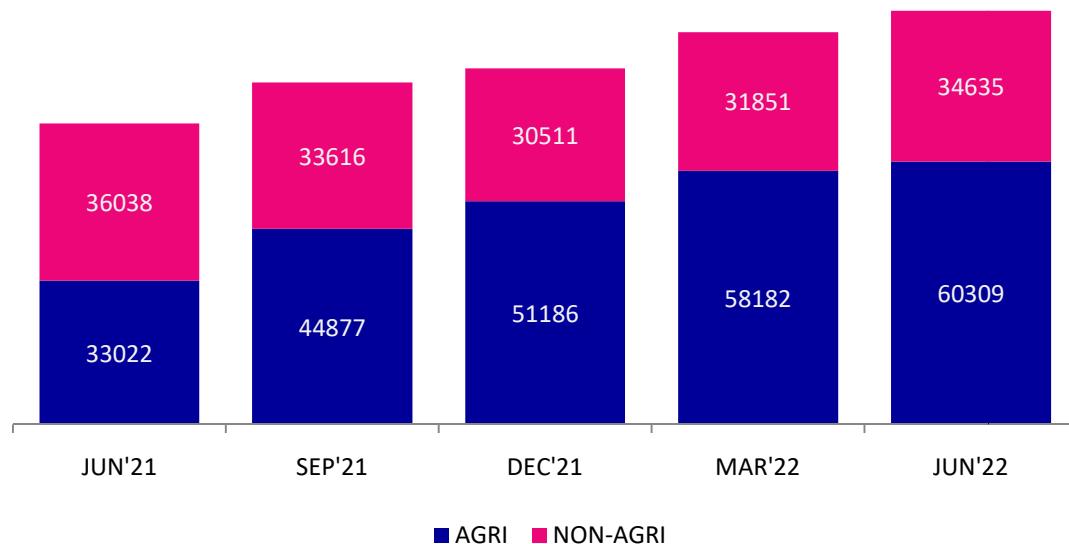
-1% 1% 2% 3% 4% 5% 6% 7%

Industry Name	Amount (in INR Mn)	% to Total Advances
Advances to Major Industries	93,754	23%
All other advances (Agri, Trade, Service, Gold Loan, etc.)	315,587	77%
<b>Total Gross Advances</b>	<b>409,341</b>	<b>100%</b>

## ► LOAN BOOK - DRIVER TO GROWTH – Q1 FY 23

- ✓ During the last few quarters, we have given more thrust to Gold Loans which is increased by 37% from Rs.69,060 Mn in Q1 FY 22 to Rs.94,944 Mn in Q1 FY 23. Also, the % of Gold Loans portfolio to Gross Advances improved to 23%

GOLD LOAN PORTFOLIO	Jun-22	Mar-22	Jun-21
Gold Loan – Agriculture	60,309	58,182	33,022
Gold Loan – Non-Agriculture	34,635	31,851	36,038
Total Gold Loans	94,944	90,033	69,060
Gross Advances	409,341	411,560	363,955
<b>% of Gold Loans to Gross Advances</b>	<b>23%</b>	<b>22%</b>	<b>19%</b>



Average LTV for Gold Loan at 68%

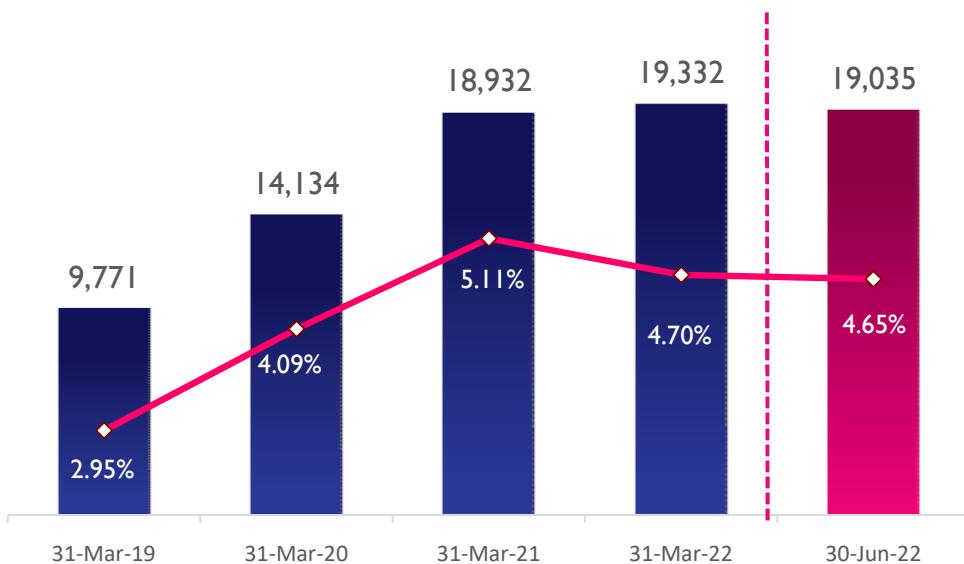


Y-o-Y growth in Gold Loan – 37%  
(Jun-22 Vs Jun-21)

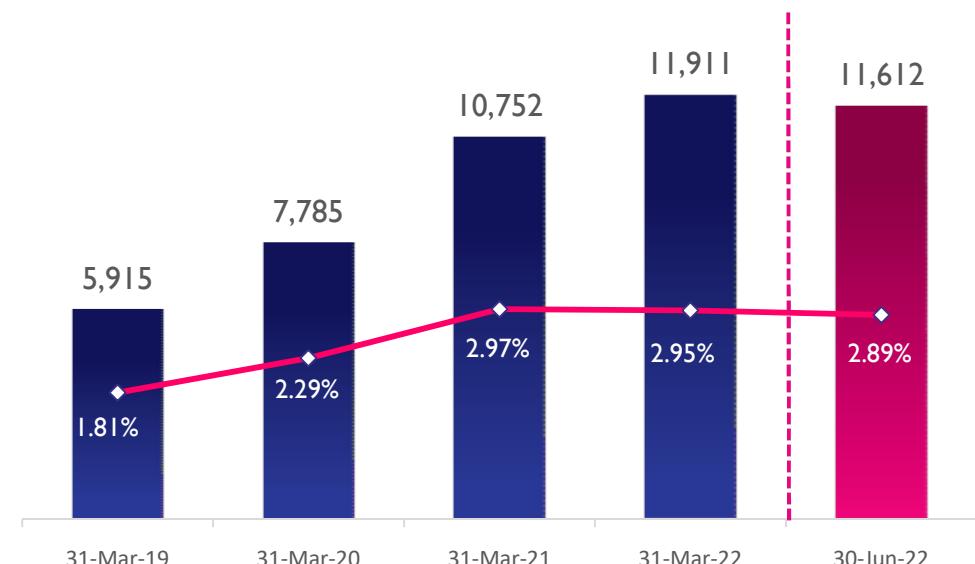
## ► ASSET QUALITY

(in INR Mn)

**GROSS NPA QTM & GROSS NPA %**



**NET NPA QTM & NET NPA %**



## ► ASSET QUALITY POSITION – MOVEMENT OVER THE YEARS

(In INR MN)		FY MAR-18	FY MAR-19	FY MAR-20	FY MAR-21	FY MAR-22	Q1 FY 23
<b>NPA Opening balance</b>		<b>6,820</b>	<b>8,565</b>	<b>9,771</b>	<b>14,134</b>	<b>18,932</b>	<b>19,332</b>
Additions	A	5,749	6,322	11,104	11,131	12,757	2,702
Recovery made		1,623	1,980	1,644	1,950	4,424	1,054
Upgradations		433	496	1,358	264	1,638	547
NetAddition	B	3,693	3,846	8,102	8,917	6,695	1,101
Write-off		1,948	2,640	3,739	4,119	6,295	1,398
<b>NPA Closing balance</b>		<b>8,565</b>	<b>9,771</b>	<b>14,134</b>	<b>18,932</b>	<b>19,332</b>	<b>19,035</b>
Technical Write-off (TW) during the period		1,836	2,565	3,670	3,961	5,734	1,012
<b>Provision made during the period</b>	C	<b>3,030</b>	<b>2,700</b>	<b>6,310</b>	<b>5,990</b>	<b>5,535</b>	<b>1,400</b>
TW recovery	D	704	898	1,090	1,033	1,883	919
Provision made net of TW Recovery	E=C-D	<b>2,326</b>	<b>1,802</b>	<b>5,220</b>	<b>4,957</b>	<b>3,652</b>	<b>481</b>
GrossAdvance	F	2,82,386	3,30,652	3,45,762	3,70,205	411,560	409,341
<b>Additions % of GrossAdvance</b>	A / F	<b>2.04</b>	<b>1.91</b>	<b>3.21</b>	<b>3.01</b>	<b>3.10</b>	<b>0.66</b>
<b>NetAddition % of Gross Advance</b>	B / F	<b>1.31</b>	<b>1.16</b>	<b>2.34</b>	<b>2.41</b>	<b>1.63</b>	<b>0.27</b>
<b>Credit cost</b>	E / F	<b>0.82</b>	<b>0.54</b>	<b>1.51</b>	<b>1.34</b>	<b>0.89</b>	<b>0.12</b>
Gross NPA %		3.03	2.95	4.09	5.11	4.70	4.65
Net NPA %		1.70	1.81	2.29	2.97	2.95	2.89

The Net slippages narrowed down to Rs. 182 Mn in Q1 FY 23 after considering Upgradation / Recovery including TW collection.

## ► ASSET QUALITY – GOLD LOAN PORTFOLIO

Position as on 30 <sup>th</sup> June 2022	(In INR MN)	No. of A/cs	Balance
<b>Gold Loan – Total</b>	<b>762,316</b>	<b>94,944</b>	
<hr/>			
Of which,			
- Standard Accounts	761,776	94,866	
- NPA	540	78	
<hr/>			
<b>Gross NPA</b>			<b>19,035</b>
<hr/>			
<b>% of Gold Loan NPA to Gold Loan Portfolio</b>			<b>0.08%</b>
<hr/>			
<b>% of Gold Loan NPA to Gross NPA</b>			<b>0.41%</b>

## ► RESTRUCTIONED ACCOUNTS

**Quarterwise balance outstanding in respect of Restructured Standard borrowers**

(In INR MN)

Type of Restructuring	Jun-21		Sep-21		Dec-21		Mar-22		Jun-22	
	No. of Borrowers	Amt								
MSME	299	12629	333	15398	314	15226	395	15032	356	13,595
Non – MSME	33	218	31	220	-	-	-	-	-	-
Covid-19 Resolution Framework	1356	6996	1612	6860	1563	6795	1518	6812	1474	6,742
<b>Total</b>	<b>1688</b>	<b>19843</b>	<b>1976</b>	<b>22478</b>	<b>1877</b>	<b>22021</b>	<b>1913</b>	<b>21844</b>	<b>1830</b>	<b>20,337</b>

- The above disclosure is in respect of Restructured Standard Accounts excluding NPA
- Restructured Standard Advances to Gross Advances – 4.97% as on Jun-22
- As of Q1 FY 23, the total outstanding restructured Standard borrower accounts was 1830 in numbers and amounting to Rs.20,337 mn. The Bank hold a standard accounts provision wrt Restructured accounts to the tune of Rs.1,558 mn and Rs..464 mn towards erosion on fair value of accounts.

## ► SECURITY RECEIPTS

During Q1 FY 23, we have not sold any accounts to ARC.

### Balance outstanding of Security Receipts wrt NPA sold to ARC

Period ended	Amount (in INR Mn)
Mar-20	2474
Dec-20	1444
Mar-21	1429
Jun-21	1308
Sep-21	1177
Dec-21	1118
Mar-22	917
Jun-22	819

- In the FY 13-14 & 14-15, we had sold some of the NPA accounts to ARC on SR basis to the tune of Rs.3,747 Mn.
- With our constant follow-up with the ARCs, the recoveries started showing significant results in the last 3 years.
- For Q1 FY 23, the total outstanding SRs stood at Rs.819 Mn and we have made full provision for those accounts which has completed 8 years and the amount was Rs.778 Mn.

## ► INVESTMENTS – AT A GLANCE

### Investments Breakup and Category-wise

(in INR Mn)

Particulars	JUN 2022	JUN 2021
SLR Securities	136,619	99,516
Non-SLR Securities	1,492	1,784
<b>Total Investments</b>	<b>138,111</b>	<b>101,300</b>
Yield on Investments	<b>5.82%</b>	<b>5.61%</b>
<b>Investments Breakup:</b>		
- A FS	28,379 (21%)	7,334 (7%)
- HTM	109,732 (79%)	93,966 (93%)
- H FT	-	-
<b>Total Investments</b>	<b>138,111</b>	<b>101,300</b>
<b>Modified Duration:</b>		
- A FS	1.21	2.50
- HTM	4.52	4.39
- H FT	-	-
- Overall Portfolio	3.86	4.28

The MTM loss for Q1 FY 23 wrt G-Sec stood at Rs.304 Mn against which we already held a provision of Rs.56 Mn in FY 2022. During Q1 FY 23, we have made an additional provision requirement of Rs.425 Mn which includes Rs.250 Mn towards G-Sec, Rs.140 Mn towards Security Receipts and Rs.35 Mn towards shifting of securities from AFS to HTM in April. Out of Rs.304 Mn of MTM loss in G-Sec, an amount of Rs.40 Mn will be released by Q4 FY 23 and another sum of Rs.140 Mn will be by FY 23-24. Also, we wish to mention a point here that even though the MTM loss as of Jun 2022 stood at Rs.300 Mn, the requirements came down to Rs.240 Mn as of 5th of August mainly because of dip in 10yr YTM to 7.30% from 7.45% in Jun 2022.



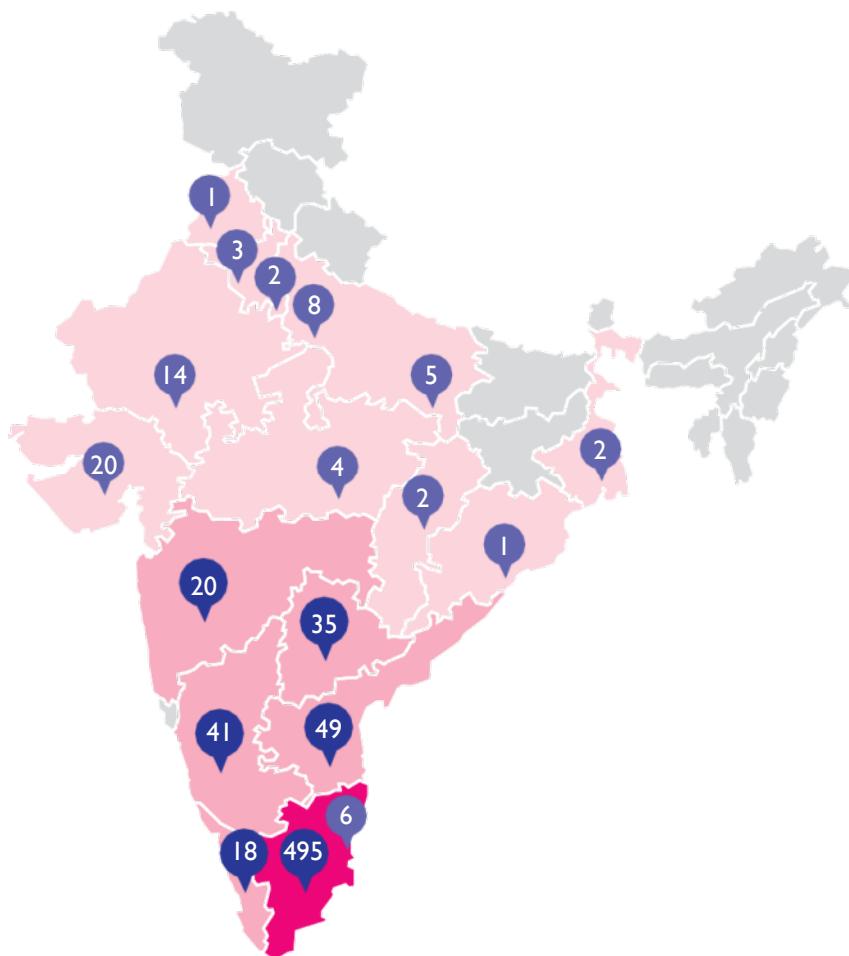
**CJB**  
Trust and Excellence  
SINCE 1904

# BRANCH NETWORK

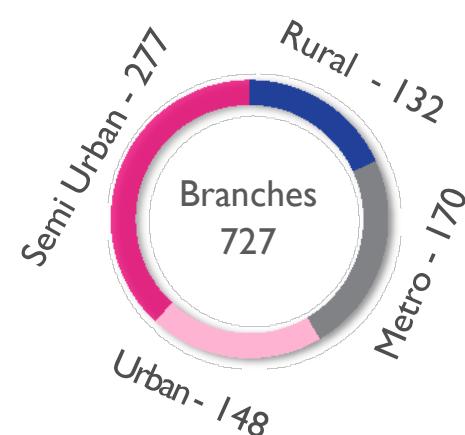
BRANCH NETWORK

## ► STRONG PRESENCE IN THE SOUTH

**As of June 2022 - 727 branches. 644 branches are located in South India out of which 495 in Tamil Nadu.**



State	No. of Branches	% of Deposits	% of Advances	% of Business
Tamilnadu	495	81	66	74
Karnataka	41	6	5	6
Andhraapradesh	49	2	8	5
Telengana	35	3	6	4
Maharashtra	20	2	3	2
Kerala	18	2	2	2
Gujarat	20	1	3	2
Others	49	3	7	5
<b>Total</b>	<b>727</b>			

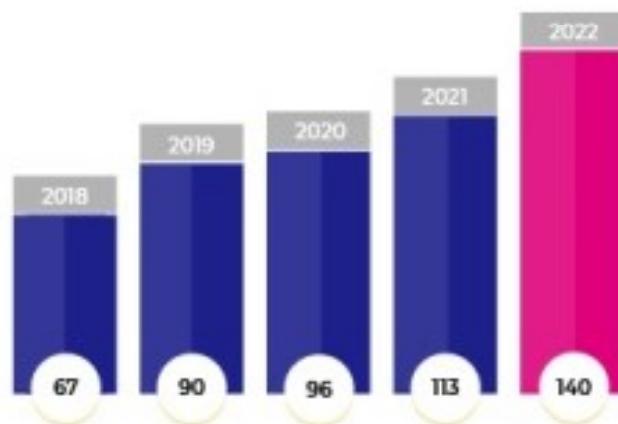


# DIGITAL BANKING INITIATIVES

# Digital Transaction Growth



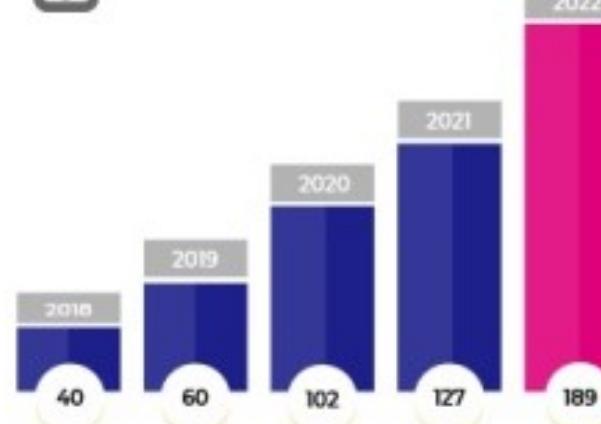
Net Banking  
Transaction Volume



Average transaction per month  
(Volume in Rs Lakhs)



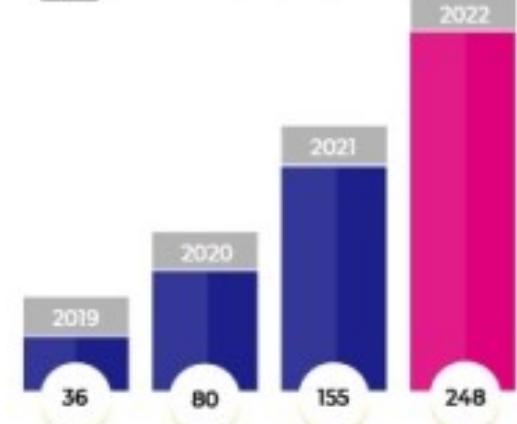
Mobile Banking  
Transaction Volume



Average transaction per month  
(Volume in Rs Lakhs)



UPI Transaction  
Volume



Average transaction per month  
(Volume in Rs Lakhs)



Transaction through  
Alternate Channel



Accounts Opened  
Digitally

26.31 |   
Net Banking

Registered Users (Volume in Lakhs)

20.04 |   
Mobile Banking

# New Product Offerings

Product Offerings	01	02	03	04	05
 New Initiatives	UPI 123 Pay	DHI Credit Card	Tap & Go	Connected Banking	Easy Buy
 Products	Whatsapp Banking	Pay to Contact	Scan & Pay/ QR	Card-less cash withdrawal (ICCW)	BBPS
 Technology/ Automation	API	AI / Conversational BOT	Robotic Process Automation	Digital Lending	Video KYC

# Digital Banking Products

## Retail Banking

Savings Account Opening Using Video KYC

Online Address Change Request

24\*7 Fund Transfers

Cardless Withdrawal

Deposit Online Services

Card Management

Wealth Management

Fee Payment

Direct / Indirect Tax Payment

FASTAG

## Corporate Banking

Online Current Account Opening

Positive Pay

Digital Signature [Hard / Soft]

Letter of Credit through Net Banking

FX-Retail Online

Connected Banking Services  
(Integration with Tally/ SAP)

Online Stock Statement

Merchant QR / POS

Corporate Debit Card

Public Financial Management System



**CUB**  
Trust and Excellence  
SINCE 1934

# Strategic Partnerships

## Fintech Partnerships



## Payment Aggregators





**CUB**  
Trust and Excellence  
SINCE 1904

# CUB UPI 123PAY

UPI 123PAY is an instant payment system  
for feature phone users

Digital Payment promoted for financial inclusion  
for semi-urban / rural customers



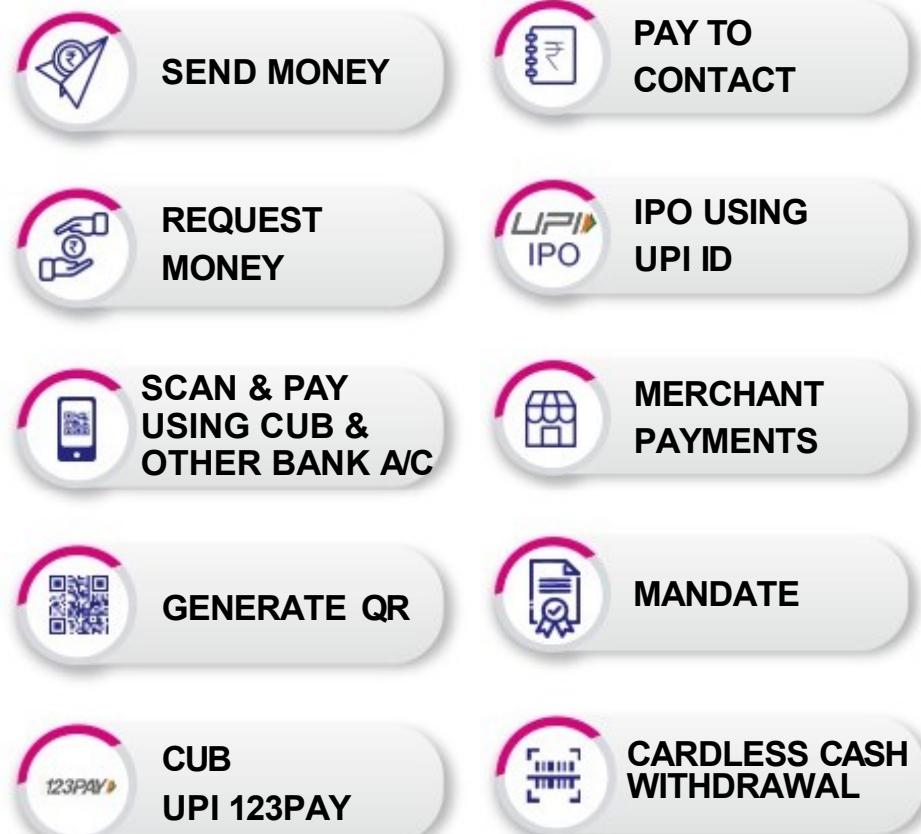
Register for UPI with your  
Feature/Smart Phone

- 1 Call
- 2 Choose
- 3 Pay

Make an IVR Call to  
**+ 91 80 4516 3581**

and make UPI Payment in  
3 Simple Steps

## UPI Features



# AWARDS



**City Union Bank received  
Finnoviti Awards 2022  
for 'UPI 123 Pay' by Banking Frontiers**



**City Union Bank received Economic Times  
"DATA CON AWARD"  
Under the category of Holistic  
Large Data Management**



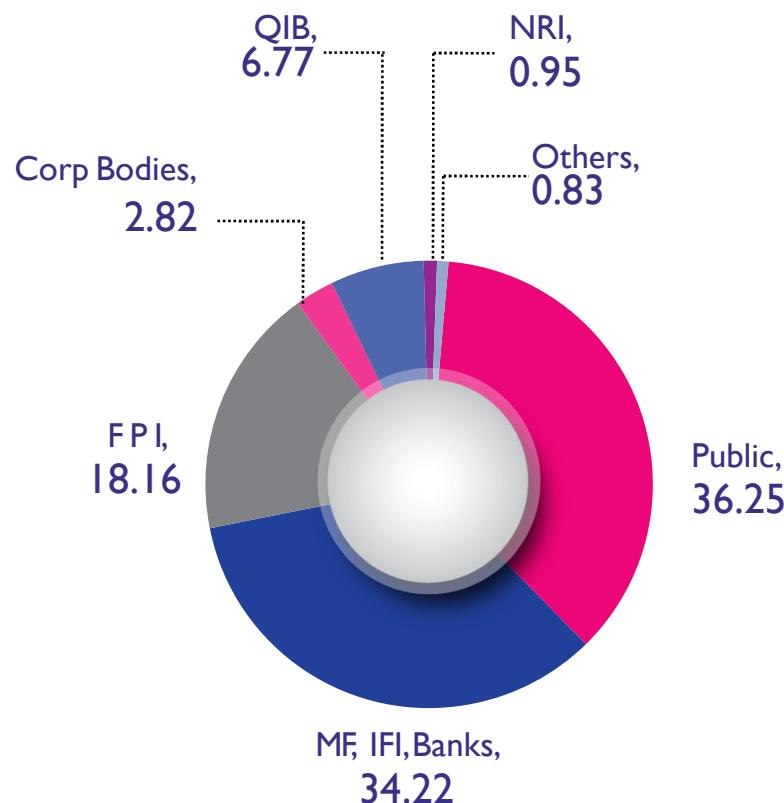
**City Union Bank won the  
"Most Trusted Digital Bank of the Year" Award  
at International Service Pride Award 2022**

# SHAREHOLDING PATTERN

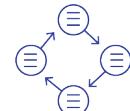


## ► A WELL DIVERSIFIED INVESTOR BASE

Position as on 30-Jun-2022



Well diversified ownership of shareholders around 1,48,000 Approx



Long term investors ensuring stability and support to management



Limit on FII / FPI ownership increased to 40%



Higher Participation from FPI's



Head room available for FII / FPI ... 21.84%

### Major Institutional Shareholders

SHAREHOLDERS	HOLDING %
HDFC MID – CAP OPPORTUNITIES FUND	4.48
AXIS MUTUAL FUND	4.06
FRANKLIN INDIA EQUITY SAVINGS FUND	3.94
LIFE INSURANCE CORPORATION OF INDIA	3.20
SMALLCAP WORLD FUND, INC	3.04
DSP ARBITRAGE FUND	2.70
SBI ETF FUND	2.48
ICICI PRUDENTIAL PRIVATE BANKS	2.42
CANARA ROBECO MUTUAL FUND	2.18
KOTAK MULTICAP FUND	2.08
HDFC LIFE INSURANCE COMPANY LIMITED	2.03
UTI SMALL CAP FUND	1.77
KOTAK FUNDS - INDIA MIDCAP FUND	1.44
L & T ARBITRAGE OPPORTUNITIES FUND	1.42
BANK MUSCAT INDIA FUND	1.22
TATA AIA LIFE INSURANCE CO LTD	1.04

# CORPORATE GOVERNANCE

CORPORATE GOVERNANCE

## ► A WELL EXPERIENCED AND STRONG BOARD



**Shri. M. Narayanan | B.Sc. FCA, Grad CMA, DISA**

**Non-Executive Chairman**

Shri. M. Narayanan is a practicing Chartered Accountant by profession and has handled Finance, Accounts and Taxation at various levels upto CFO while in service for over 20 years in companies of repute viz. BHEL, Dalmia Cements, Fenner, Ramco Cements and Dishnet etc. He is also an agriculturist and a qualified system Auditor.



**Smt. Abarna Bhaskar | BA., FCA**

**Director**

Smt. Abarna Bhaskar is a practicing Chartered Accountant by profession and the first woman director of the Bank. She has served in senior positions with Foreign Banks abroad and a large private sector bank in India. She also holds expertise in Risk Management.



**Shri. V.N. Shiva Shankar | B.Com, ACS, ACMA, BL**

**Director**

Shri. V.N. Shiva Shankar is a qualified Lawyer, Company Secretary and Cost Management Accountant with over 25 years of rich experience in Indian Corporate Law. He is also the founder of M/s VNS Legal Corporate Law firm based in Chennai which focuses on legal advisory services on Capital Market Regulation, Takeover Offers, Corporate Litigation, etc. He is a member of the Executive Committee in Southern India Chamber of Commerce. He has expertise in SEBI matters & Risk Management.



**Shri. K. Vaidyanathan | B.Sc., FCMA, FCS**

**Director**

Shri K. Vaidyanathan is a Fellow member of the Institute of Cost Management Accountants of India and also the Institute of Company Secretaries of India. He has over 40 years of rich domain experience in Financial and Management Accounting, Corporate Finance, Auditing and Regulatory Compliance. He is a Practicing Company Secretary. He also holds expertise in Compliance and Business management.



**Prof. V. Kamakoti | B.E, M.S, Ph.D**

**Additional Director**

Prof. V Kamakoti holds a Master of Science degree in Bachelor of Engineering from the Indian Institute of Technology – Madras and a doctorate of Philosophy in Computer Science and one of the youngest to adorn the post of Professorship in one of the prestigious Institutions of India namely IIT, Madras and presently he is the Director. His forte is Information Technology related Secured Systems Engineering and Security related Software Engineering.



**Dr N. Kamakodi | B.Tech., MBA., PhD., CAIIB  
M.D. & C.E.O.**

Dr. N. Kamakodi is serving as MD & CEO of the Bank from May 2011. He joined the Bank as DGM in the year 2003 and was elevated as GM in 2005 and later as Executive Director in 2006.



**Shri. Subramaniam Narayanan |  
PGDM-IIM(A), Chartered Accountant, FCS, CMA**

**Director**

Shri. Subramaniam Narayanan posses rich experience in the areas of Business Management, Private Equity, Finance, Accountancy, Treasury & Risk Management, Information Technology and Payment & Settlements. He has held the position of CEO in First India Asset Management Company Ltd., and handled treasury services for Bank of America and Abu Dhabi Commercial Bank, UAE. Besides, he has been associated as Director in IT / Fintech Companies of repute for a longtime.



**Dr.T.S. Sridhar IAS (Retd.) | M.A., Ph.D.**

**Director**

Dr T.S. Sridhar is a Retd. IAS officer having 35 years of vast experience in all levels of administration and as Principal Secretary, he has expertise and knowledge on Rural economy, farm sector and Industries especially MSME. He was a Director on the Board of NABARD. He hold expertise in Human Resource and Economics as well.



**Shri. T.K. Ramkumar | B.Com., B.L.**

**Director**

Shri. T.K. Ramkumar is one of the leading Lawyers in Chennai possessing special knowledge and expertise in Banking law, Company law and Intellectual Property Rights. He is also an active environmentalist.



**Shri. G. Mahalingam | M.Sc., MBA., CAIIB  
Additional Director**

Shri. Gurumoorthy Mahalingam was co-opted as an Additional Director on the Board of the Bank w.e.f 06th July, 2022 to hold office till the ensuing Annual General Meeting. He is a career Regulator in the Financial Sector having worked for 34 years in RBI holding the position of Executive Director at the time of retirement and 5 years in Securities and Exchange Board of India ("SEBI") as Whole Time Board Member. He holds a Masters degree in Statistics and Operations Research from IIT Kanpur and MBA in International Banking from the UK. He has extensive experience in Banking Regulation and Supervision as well as in market regulation and operations.

## ► TRANSPARENT ‘CORPORATE GOVERNANCE’ PRACTICES

Board consists of 9 Independent Directors (including 1 Women Director) And 1 Executive Director

Various sub-committees of Board functions to oversee the operations of the Bank

Disclosure norms strictly adhered to

KYC / AML Norms strictly complied with

Code of conduct for Directors and Senior Management put in place

## WE HAVE EMINENT PERSONALITIES ON OUR BOARD WITH DIVERSE PROFESSIONAL EXPERTISE

Practicing Chartered Accountant , qualified system Auditor and Agriculturist

Practicing Chartered Accountant & Risk Management . First Women Director of the Bank

Private Equity Fund Manager, Risk Management, IT and Treasury Management

Practicing Advocate, Compliance function and Risk Management

Retired IAS Officer, Rural Economy, MSME, Business Management, Human resource and Economics.

Practicing Company Secretary, Business Management, IT & Compliance

Advocate in Banking Law & Environmental Activist

Director – IIT Madras and expertise in IT related security systems

Career Regulator in Financial Sector – Retired ED of RBI and Whole Time Board Member of SEBI

## CITY UNION BANK LTD

Regd. Office : 149, TSR Big Street, Kumbakonam – 612001, Tamil Nadu.

Admin Office : "Narayana" No.24 B, Gandhi Nagar, Kumbakonam - 612001, Tamil Nadu.

Tel : 0435-2402322, 2401622, | FAX: 0435-2431746 | [www.cityunionbank.com](http://www.cityunionbank.com)



### INVESTOR CONTACT

Name : K.Jayaraman, GM

Mob : +91 9344303740

Email :

[jayaraman@cityunionbank.com](mailto:jayaraman@cityunionbank.com)



For any queries regarding presentation, please write to  
[Investor.relations@cityunionbank.com](mailto:Investor.relations@cityunionbank.com)