

City Union Bank Ltd.,

CIN NO.L65110TN1904PLC001287

Regd.Office: 149 T.S.R. (Big) Street, Kumbakonam 612001

UNAUDITED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30TH SEPTEMBER 2019

Particulars	(Rs in Lakhs)					
	Quarter ended			Half Year ended		
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	(Reviewed)			(Reviewed)		
	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Reviewed)	(Audited)
1. Interest earned (a+b+c+d)	103682.20	102923.76	92648.86	206605.96	181599.06	376716.66
a) Interest/Discount on Advances/Bills	86175.68	86862.39	77711.87	173038.07	151965.62	317765.50
b) Income on Investments	16023.88	14108.24	14154.54	30132.12	28042.79	55359.81
c) Interest on balances with RBI and other Inter Bank funds	1236.15	1699.41	450.03	2935.56	888.83	2331.45
d) Others	246.49	253.72	332.42	500.21	701.82	1259.90
2. Other Income	19497.31	16329.34	11855.44	35826.65	24766.54	51438.87
3. Total Income (1 + 2)	123179.51	119253.10	104504.30	242432.61	206365.60	428155.53
4. Interest Expended	62527.55	61235.71	52846.48	123763.26	104319.14	215567.74
5. Operating Expenses (i) + (ii)	26003.98	22877.60	22062.92	48881.58	42510.91	88588.62
(i) Employees Cost	11309.00	10037.01	9300.21	21346.01	18030.03	36443.71
(ii) Other Operating expenses	14694.98	12840.59	12762.71	27535.57	24480.88	52144.91
6. Total Expenditure (4) + (5) excluding provisions and contingencies	88531.53	84113.31	74909.40	172644.84	146830.05	304156.36
7. Operating Profit before provisions and contingencies (3) - (6)	34647.98	35139.79	29594.90	69787.77	59535.55	123999.17
8. Provisions (other than tax) and contingencies	10795.00	11575.19	6796.00	22370.19	14571.71	31514.03
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
10. Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	23852.98	23564.60	22798.90	47417.58	44963.84	92485.14
11. Tax Expenses	4500.00	5000.00	6000.00	9500.00	12000.00	24200.00
12. Net Profit / (Loss) from Ordinary Activities after tax (10) - (11)	19352.98	18564.60	16798.90	37917.58	32963.84	68285.14
13. Extra ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00	0.00
14. Net Profit / (Loss) for the period (12) - (13)	19352.98	18564.60	16798.90	37917.58	32963.84	68285.14
15. Paid up equity share Capital (Face value of Re.1/- each)	7352.78	7345.01	7318.88	7352.78	7318.88	7345.01
16. Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)						476730.74
17. Analytical ratios						
i) % of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii) Capital Adequacy Ratio (%) - Basel III	15.49%	15.68%	15.11%	15.49%	15.11%	15.55%
iii) Earning Per Share (EPS)						
Basic EPS - before/after extra ordinary items (Not annualised) (Rs.)	2.63	2.53	2.30	5.16	4.75	9.57
Diluted EPS - before/after extra ordinary items (Not annualised) (Rs.)	2.60	2.49	2.29	5.09	4.74	9.49
iv) NPA Ratios						
(a) Gross NPA	113543.56	107621.58	84788.03	113543.56	84788.03	97705.34
(b) Net NPA	62408.16	59996.02	49778.43	62408.16	49778.43	59145.92
(c) % of Gross NPA	3.41	3.34	2.85	3.41	2.85	2.95
(d) % of Net NPA	1.90	1.89	1.69	1.90	1.69	1.81
v) Return on Assets - Annualised	1.62%	1.63%	1.62%	1.62%	1.63%	1.64%

Statement of Assets & Liabilities	(Rs in Lakhs)	
	30.09.2019	30.09.2018
Capital and Liabilities	(Reviewed)	
Capital	7352.78	7318.88
Reserves & Surplus	510768.14	439777.77
Deposits	4045124.77	3453400.59
Borrowings	96708.98	102633.55
Other Liabilities & Provisions	167219.23	149928.03
Total	4827173.90	4153058.82
Assets		
Cash & Balance with RBI	211686.49	168866.69
Balances with Banks and Money at Call	154028.45	65445.79
Investments	979587.22	802211.06
Advances	3276030.51	2942509.54
Fixed Assets	26067.27	22723.38
Other Assets	179773.96	151302.36
Total	4827173.90	4153058.82

Notes :

- 1 The above financial results for the quarter/half year ended 30th September 2019 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on 07th November 2019. The same have been subjected to "Limited Review" by the Statutory Central Auditors of the Bank in line with the guidelines issued by Reserve Bank of India and as per the requirements of SEBI (LODR) Regulations, 2015.
- 2 There has been no change in the accounting policies followed during the quarter / half year ended 30th September 2019 as compared to those followed in the preceeding financial year ended 31st March 2019.
- 3 The above working results for the quarter / half year ended 30th September 2019 have been arrived after considering various provisions as per RBI guidelines, for Standard Assets, Non Performing Assets and Depreciation on Investments, Income Tax, Employee benefits and other necessary provisions.
- 4 Other Income relates to income from non-fund based banking activities including commission, fees, gains from securities transactions, ATM sharing fees, income from PSLC certificates (Net), recoveries from accounts written off and other miscellaneous income.
- 5 In terms of RBI Circular DBR No.BP.BC.18/21.04.048/2018-19 dt 01.01.2019 on MSME Sector - Restructuring of Standard Advances, till 30th Sep 2019 the bank has restructured 121 Standard accounts amounting to Rs.117.75 crs and the required provision of Rs.2.80 crs has been fully provided.
- 6 In terms of RBI circular No.DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1, 2019 banks are required to disclose the divergence in asset classification and provisioning consequent to RBI's Annual Supervisory Review Process in their "Notes to Accounts" to the financial statement if such divergence exceeds the threshold prescribed by the RBI. Since, the divergences identified by RBI for the Financial Year ended March 31, 2019 are less than the prescribed thresholds hence there is no disclosure required relating to Asset Classification & provisioning on NPA.
- 7 In accordance with the RBI circular DBOD. No.BP.BC.1/21.06.201/2015-16 dated 1st July 2015, read together with RBI circular DBR.No.BP.BC.80/21.06.201/2014-15 dated 31.03.2015, Banks are required to make Pillar III disclosures under Basel III capital regulations. Accordingly, Pillar 3 disclosures under Basel III capital regulations is available on the Bank's website (www.cityunionbank.com). These disclosures have not been subjected to audit by the Statutory Central Auditors.
- 8 The Government of India vide Ordinance No.15 of 2019 dated September 20, 2019 amended the income tax provisions by inserting sec.115BAA. As per the amended provisions, the Bank has opted to pay tax @ 22% plus applicable surcharge and cess subject to the conditions mentioned under the amended provisions and recognized the effect of change by revising the annual effective income tax rate. Due to reduced tax rate, the bank remeasured its net Deferred Tax Liability and Assets as at April 01, 2019 and the impact of this change has been fully recognized in the statement of profit and loss account under "Tax expense".
- 9 The figures related to Cash Flow Statement for the comparative period ended 30th September, 2018 is neither audited nor reviewed by Statutory Central Auditors.
- 10 The bank has allotted 7,77,341 equity shares during the current quarter of face value of Re.1/- each to employees pursuant to the exercise of stock options by the employees.
- 11 Number of Investor complaints pending at the beginning of the quarter - 1. Received during the quarter - 2 : Disposed of during the quarter - 3. Pending complaints as on 30th September 2019 : NIL
- 12 Figures of the corresponding period's/year's have been reclassified/regrouped, wherever considered necessary.

By the Order of Board

Place : Chennai
Dated : 07th November 2019

Dr N. KAMAKODI
MD & CEO

CASH FLOW STATEMENTS FOR THE HALF YEAR ENDED 30TH SEPTEMBER 2019

	(Rs in Lakhs)	
	Period ended	
	30.09.2019	30.09.2018
	(Reviewed)	
Cash flow from Operating Activities		
Net Profit as per P&L account	3791757	3296384
Adjustments for		
Depreciation	374017	297226
Provisions & Contingencies - Tax	950000	1200000
Provisions & Contingencies - Others	2237019	1457171
Profit on sale of Investments	-871410	-144749
Profit on sale of Assets	-1631	-1524
Foreign exchange fluctuations	-363335	-261630
Operating Profit before working capital changes	6116417	5842878
Adjustments for		
Funds advanced to Customers	-3297143	-16843097
Other Operating Assets	-26887	-1241638
Deposit from Customers	20032992	16813842
Borrowing from Banks	4861813	-7095450
Other operating liabilities	1052751	1817730
Purchase and sale of investments (Net)	-19727559	-1510367
Cash Generated from Operations	9012384	-2216102
Taxation - Income Tax	-1215080	-167261
Net cash flow from Operating Activities - A	7797304	-2383363
Cash flow from Investing activities		
Purchase of Fixed Assets	-480212	-342863
Sale of Fixed Assets	3664	4212
Net cash used in Investing Activities - B	-476548	-338651
Cash flow from Financing activities:		
Proceeds from issue of Share Capital	777	624
Proceeds from share premium	55191	45003
Dividend Paid	-362506	-211669
Tax on distributed profits	-75569	-45133
Net cash flow from Financing Activities - C	-382107	-211175
Net increase in Cash and Cash equivalents A+B+C	6938649	-2933189
Cash and Cash equivalents at the beginning of the year	29632845	26364437
Cash and Cash equivalents at the end of Period	36571494	23431248

SEGMENT REPORTING FOR THE QUARTER/HALF YEAR ENDED 30.09.2019

Particulars (Rs in Lakhs)	Quarter ended			Half Year ended		Year ended
	30.09.2019	30.06.2019	30.09.2018	30.09.2019	30.09.2018	31.03.2019
	(Reviewed)			(Reviewed)		(Audited)
Segment Revenue						
a) Treasury	25146	20269	16736	45415	32994	66393
b) Corporate / wholesale banking	33938	34074	32505	68012	60092	125184
c) Retail Banking	63489	64477	54897	127966	112672	234484
d) Other Banking Operations	607	433	367	1040	608	2095
Total	123180	119253	104505	242433	206366	428156
Less : Inter segment revenue	-	-	-	-	-	-
Total	123180	119253	104505	242433	206366	428156
Segment Results						
a) Treasury	13634	10125	8941	23759	16935	36533
b) Corporate / wholesale banking	8773	9597	6970	18370	14901	32394
c) Retail Banking	11782	15120	13440	26902	27333	53468
d) Other Banking Operations	459	298	244	757	367	1604
Total	34648	35140	29595	69788	59536	123999
Operating Profit	34648	35140	29595	69788	59536	123999
Other Provisions & Contingencies	10795	11575	6796	22370	14572	31514
Exceptional items	0	0	0	0	0	0
Profit Before Tax	23853	23565	22799	47418	44964	92485
Taxes including Deferred Tax	4500	5000	6000	9500	12000	24200
Net Profit	19353	18565	16799	37918	32964	68285
Segmental Assets:						
a) Treasury	1205541	1085581	924646	1205541	924646	929307
b) Corporate / wholesale banking	1227000	1196668	1146427	1227000	1146427	1244980
c) Retail Banking	2230454	2170136	1954312	2230454	1954312	2203652
d) Unallocated	164179	159926	127674	164179	127674	147950
Total Assets	4827174	4612311	4153059	4827174	4153059	4525889
Segmental Liabilities:						
a) Treasury	1070804	965277	816835	1070804	816835	826344
b) Corporate / wholesale banking	1113871	1082698	1036057	1113871	1036057	1131416
c) Retail Banking	2024801	1963352	1766123	2024801	1766123	2002637
d) Unallocated	99577	98344	86947	99577	86947	81416
Total	4309053	4109671	3705962	4309053	3705962	4041813
Capital Employed:						
Segment Assets - Segment Liabilities						
a) Treasury	134737	120304	107811	134737	107811	102963
b) Corporate / wholesale banking	113129	113970	110370	113129	110370	113564
c) Retail Banking	205653	206784	188189	205653	188189	201015
d) Unallocated	64602	61582	40727	64602	40727	66534
Total	518121	502640	447097	518121	447097	484076

There are no significant residual operations carried on by the bank.

PART B : GEOGRAPHIC SEGMENTS:

The bank operates only in India