



CIN NO. L65110TN1904PLC001287  
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## CUB - PRESS RELEASE

### 1<sup>st</sup> Quarter - Performance Results, Financial year 2022-23

**Kumbakonam, on 8<sup>th</sup> August 2022 – City Union Bank Limited** announced today its performance results for the 1<sup>st</sup> Quarter of Financial Year 2022-23. Earlier, during the day, the Board of Directors of City Union Bank approved the working results.

#### **Financial Performance Q1 FY 23 vs Q1 FY 22:**

(Rs in Cr)

Particulars	Q1 FY 23	Q1 FY 22	Growth (%)
Interest Income	1,099.44	997.43	10%
Non-Interest Income	217.54	193.37	12%
Total Income	1,316.98	1,190.80	11%
Interest Expense	574.53	549.83	4%
Operating Expense	295.31	260.23	13%
Total Expense	869.84	810.06	7%
Net Interest Income	524.91	447.60	17%
Operating Profit	447.14	380.74	17%
Profit After Tax	225.14	172.99	30%

#### **Key Balance sheet Items:**

(Rs in Cr)

	Q1 FY 23	Q1 FY 22	Inc/(Dec)	Growth (%)
Deposits	48,772	44,606	4,166	9%
Advances	40,934	36,395	4,539	12%
Total Business	89,706	81,001	8,705	11%
CASA	15,387	12,299	3,088	25%
Balance Sheet size	62,230	53,213	9,017	17%

**Asset Quality:**

(Rs in Cr)	Q1 FY 23	Q1 FY 22
Gross NPA	1,904	2,035
Gross NPA (%)	4.65%	5.59%
Net NPA	1,161	1,242
Net NPA (%)	2.89%	3.49%

**Key Financial Ratios:**

	Q1 FY 23	Q1 FY 22
Cost of Deposits	4.43%	4.95%
Yield on Advances	9.04%	9.40%
Net Interest Margin	3.95%	3.86%
Return on Assets	1.46%	1.29%
Return on Investments	5.83%	7.65%
Cost to Income Ratio	39.78%	40.60%
Capital Adequacy Ratio	20.48%	19.58%

**Financial Performance Q1 FY 2023:****1. Net Interest Income**

The Bank earned a Net Interest Income of Rs.525 cr as against Rs.447 cr for the same period as compared to last year with a growth rate of 17%.

**2. Non Interest Income**

Non Interest Income of the Bank is at Rs.217 cr in Q1 FY 23 as against Rs. 193 cr for Q1 FY 22. Starting from December 2021, the depreciation on Investments is charged to P&L instead of making provision as per the extant guidelines. We have provided Rs.42 cr towards provision for depreciation on investments for Q1 FY 23. Amount collected from T/W accounts was Rs.92 crs in the current quarter.

**3. Operating Expenses**

The operating expense for Q1 FY 23 is at Rs.295 cr as against Rs. 260 crs for the corresponding period of last year.

#### **4. Operating Profit**

Thus, the Operating Profit for Q1 FY 23 was Rs.447 Cr as against Rs.381 Cr for the same period as compared to the last year.

#### **5. Provisions**

The Bank made a provision of Rs.222 cr as of 30.06.2022. The total provision towards bad and doubtful debts is Rs.140 crs in Q1 FY 23 as against Rs.233 crs in the corresponding quarter last of year.

#### **6. Net Profit**

The Bank's Profit after Tax was at Rs.225 cr in Q1 FY 23 as against Rs.173 cr in Q1 FY 22.

#### **7. Deposits**

Total Deposits of the bank increased by 9% for Q1 FY 23 to Rs.48,772 cr from Rs.44,606 cr for the same period as compared to last year. CASA increased by 25% from Rs.12,299 crs to Rs.15,387 cr (Y-o-Y). CASA portion stood at 32% to total deposits. Cost of Deposits decreased to 4.43% in Q1 FY 23 from 4.95% in Q1 FY 22.

#### **8. Advances**

Total Advances increased by 12% for Q1 FY 23 to Rs.40,934 crs from Rs.36,395 crs in Q1 FY 22. We are looking forward a growth rate of 15% - 18% for FY 23 and growth will be more in second half. Credit Deposit ratio stood at 84%. The yield on Advances decreased to 9.04% in Q1 FY 23 from 9.40% in Q1 FY 22 in line with the market trend.

#### **9. Asset Quality**

The Gross NPA as on June 30, 2022 was reduced to 4.65% from 5.59% in Q1 FY 22 and Net NPA was decreased to 2.89% from 3.49%. The Provision Coverage Ratio as on June, 2022 was at 64%.

#### **10. Net Interest Margin**

Net Interest Margin stood at 3.95% in Q1 FY 23 Vs 3.86% in Q1 FY 22.

## **11. Return on Assets**

Return on assets for Q1 FY 23 is 1.46% as against 1.29% for the same period of last year. For FY 22 the ROA stood at 1.35%.

## **12. Return on Equity**

Return on Equity was at 13.57% in Q1 FY 23 as compared to 11.81% in Q1 FY 22.

## **13. Cost Income Ratio**

Cost to Income Ratio marginally reduced to 39.78% in Q1 FY 23 from 40.60% for the corresponding period last year.

## **14. Capital Adequacy**

The Bank's capital adequacy as on 30<sup>th</sup> June 2022 as per Reserve Bank of India (RBI) guidelines on Basel III norms is 20.48% and Tier-1 capital adequacy was 19.42%, well above regulatory requirements.

## **15. Technology:**

### **CUB Dhi Visa Credit Card:-**

We have rolled out our own Credit Card "CUB Dhi Visa Credit Card" to our customers. This new credit card will have all features available in the Industry

### **Pay to Contacts:-**

We have introduced a new facility in our All in one Mobile banking App called "Pay to Contacts". This feature allows the customer to do payment directly to mobile number through UPI instead of Account number/VPA/QR. It is like sending amount to mobile number. There will be an icon in the home page of UPI called "Pay to Contact". By clicking the same, the beneficiary name will be displayed. Customers can check the name of the beneficiary displayed and can initiate the payment.

**About the Bank:**

City Union Bank is an old sector private sector bank with 727 branches across 16 states and three Union territories. It is a scheduled commercial Bank regulated by the Reserve Bank of India. It is professionally managed and governed. City Union Bank has contemporary technology and infrastructure including ATMs, Net Banking, Mobile Banking, E-Wallet, social Media Banking for personal as well as business banking customers. The Bank's business segments are SMEs, Traders, Agri, Housing, Retail, mid-corporate, Microfinance, Government, Public Sector, Indian Banks, Co-Operative Banks and Non Banking Companies (NBFC),

**Conference call details:** City Union Bank will hold an earnings conference call on 8<sup>th</sup> August 2022 at 6.00 p.m. IST to discuss our performance for the first quarter ended June 2022. The transcript of the management discussions and the question and answer session will be available online and will be accessible in the Investor Relations section of our website at [www.cityunionbank.com](http://www.cityunionbank.com)

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