

# INVESTOR PRESENTATION

SEPTEMBER 2022

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September 2022



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# OVERVIEW

## ΟΛΕΚΛΙΕΜΑ

## ► 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 30.09.2022



Deposits  
**INR 49,878 CR**



Advances  
**INR 42,702CR**



Net Interest Margin  
**4.02%**



Net NPA  
**2.69%**



Employees  
**5,339**



Branches  
**727**

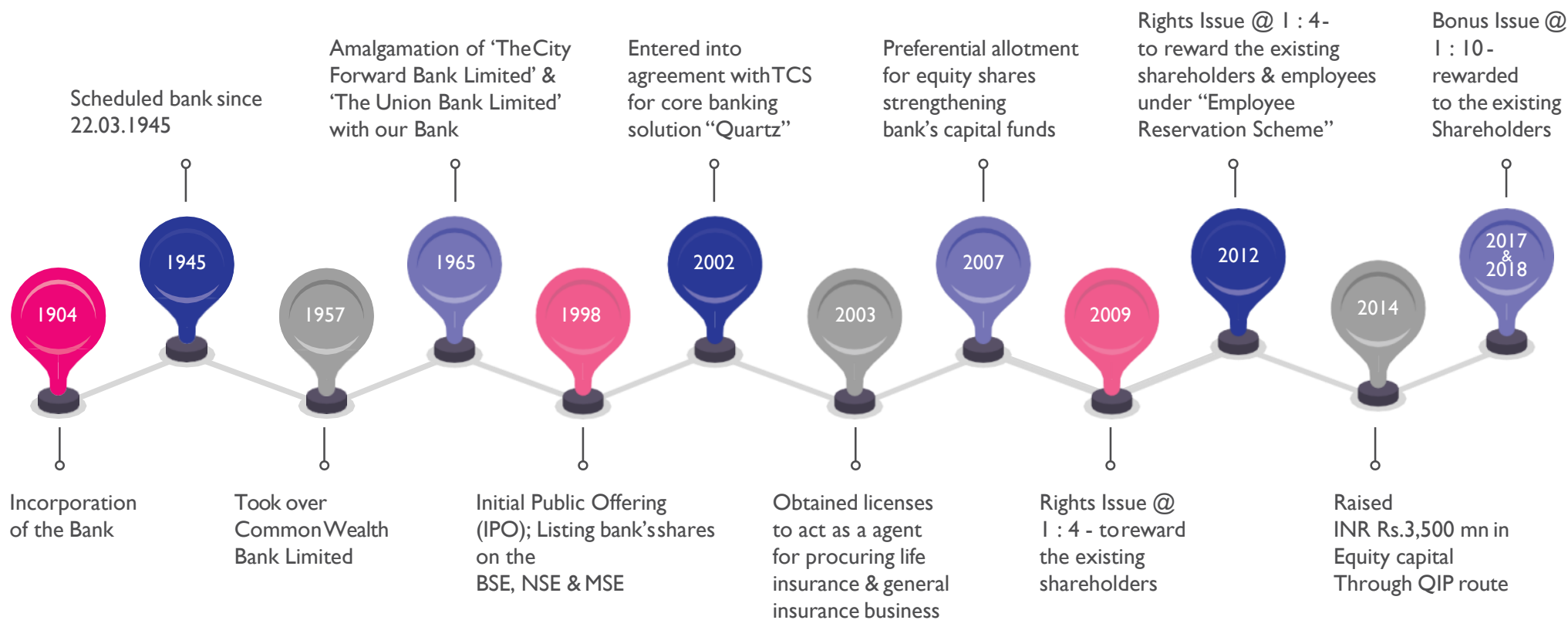


ATM's  
**1,693**



Efficiency Ratio  
**39.10%**

## ▶ KEY MILESTONES



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

### SME / MSME focus

- ▶ SME/MSME specialized business model focusing on large untapped segment
- ▶ Segment consistently delivering higher yields
- ▶ Superior client servicing leading to client retention and low business acquisition costs

10 year CAGR of 15%

### Prudent Risk Management

- ▶ SME exposures' result in granular asset profile
- ▶ Granular deposit base with high retention rates result in stable liability profile
- ▶ SME / MSME Loans result in lower NPA as they are:
  - Additionally collateralised by residential property and personal guarantees etc.
  - Predominantly single banker relationships with minimal exposure to consortium / multiple banking arrangements / infrastructure lendings.

### Invested in Robust Infrastructure

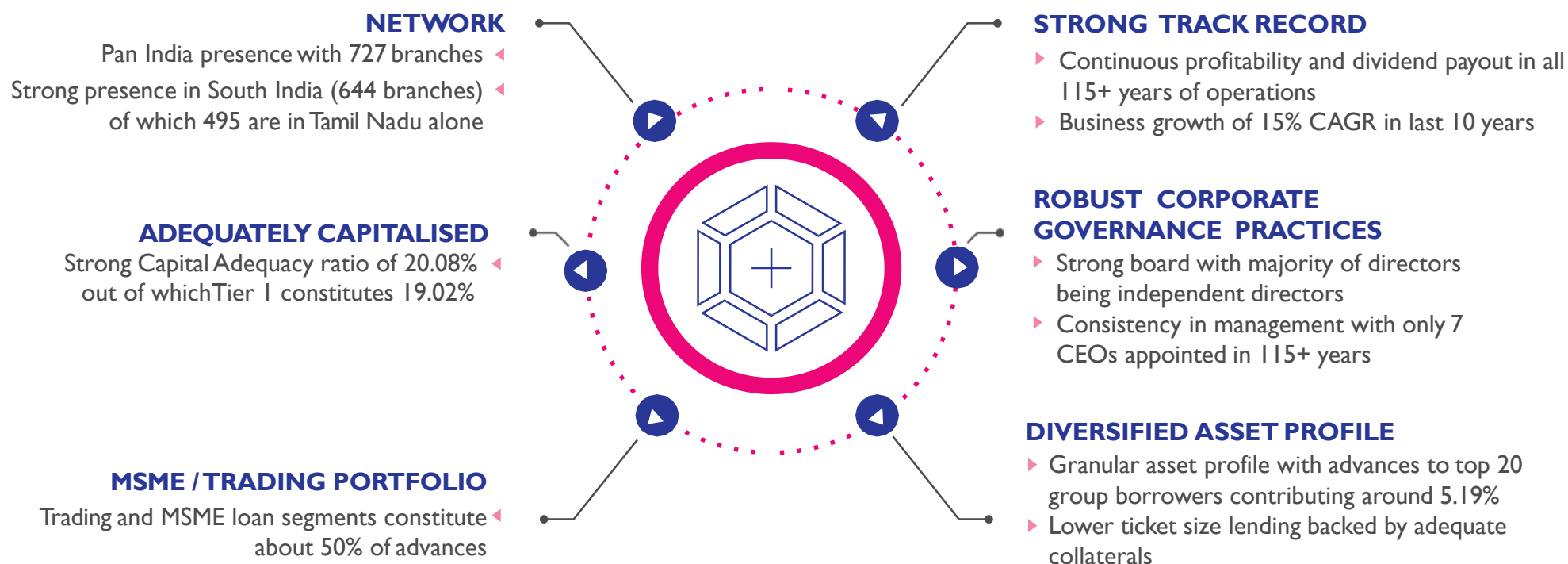
- ▶ Comprehensive employee training and recruitment infrastructure through staff training college
- ▶ All branches and 100% business under CBS from TCS

Consistent Return with Superior ROA, ROE

### Purely retail Liability Franchise

- ▶ No Certificate of Deposit
- ▶ No reliance on Corporate bulk deposits

## ▶ COMPETITIVE ADVANTAGES





## ▶ 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.

# PERFORMANCE HIGHLIGHTS – SEPTEMBER 2022

## ▶ Q2 FY 23 / HI FY 23 PERFORMANCE – A SNAPSHOT

- ▶ Deposits increased by 8% from Rs.463 Bn to Rs.499 Bn Y-o-Y
- ▶ Advances registered a growth of 12% from Rs.380 Bn to Rs.427 Bn Y-o-Y
- ▶ Total business grown by 10% from Rs.843 Bn to Rs.926 Bn Y-o-Y
- ▶ Gross Profit increased by 13% to Rs.4,565 Mn from Rs.4,051 Mn (Q2-Vs-Q2) and 15% from Rs.7,858 Mn to Rs.9,036 Mn (HI-Vs-HI)
- ▶ Net Profit increased by 52% from Rs.1,821 Mn to Rs.2,765 Mn (Q2-Vs-Q2) and 41% to Rs.5,016 Mn from Rs. 3,551 Mn (HI-Vs-HI)
- ▶ Profitability and efficiency ratios :

PARTICULARS	Q2 FY 23	Q2 FY 22	HI FY 23	HI FY 22	FY 2021-22
Return on Assets	1.72%	1.32%	1.59%	1.30%	1.35%
Net Interest Margin	4.09%	4.03%	4.02%	3.95%	3.98%
Return on Equity	15.98%	11.96%	14.80%	11.88%	12.31%
Earning per share	Rs.3.74	Rs.2.46	Rs.6.78	Rs.4.81	Rs.10.29

- ▶ Gross NPA – 4.36% and Net NPA – 2.69%
- ▶ Provision Coverage Ratio – 66%
- ▶ CRAR – 20.08% (Basel III) of which core CRAR – 19.02%

## ▶ Q2 FY 23 VS Q2 FY 22 PERFORMANCE – A SNAPSHOT

(in INR Mn)

**498,776**



**463,161**

**Deposits**

**427,016**



**380,122**

**Advances**

**925,792**



**843,283**

**Total Business**

**156,094**



**134,113**

**CASA**

**4,565**



**4,051**

**Gross Profit**

**2,765**



**1,821**

**Net Profit**

**5,679**



**4,783**

**Net Interest  
Income**

**38.43%**



**40.51%**

**Cost to Income**

**1.72%**

**ROA**

**15.98%**

**ROE**

**4.09%**

**NIM**

**4.36%**

**Gross NPA**

**2.69%**

**Net NPA**

■ Q2 FY 23

■ Q2 FY 22

## ▶ HI FY 23 VS HI FY 22 PERFORMANCE – A SNAPSHOT

(in INR Mn)

**498,776**



8%

**463,161**

Deposits

**427,016**



12%

**380,122**

Advances

**925,792**



10%

**843,283**

Total Business

**156,094**



16%

**134,113**

CASA

**9,036**



15%

**7,858**

Gross Profit

**5,016**



41%

**3,551**

Net Profit

**10,928**



18%

**9,259**

Net Interest  
Income

**39.10%**



**40.49%**

Cost to Income

**1.59%**

ROA

**14.80%**

ROE

**4.02%**

NIM

**4.36%**

Gross NPA

**2.69%**

Net NPA

■ HI FY 23 ■ HI 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

ФИНАНСИЯТЪ БЪКЛОКЪВАНЦЕ & БЪЗНЕСЪЪ БЪКОФИЪ

## ▶ Q2 FY 23 VS Q2 FY 22 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	Q2 FY 23	Q2 FY 22	INC / (DEC)	Growth	Growth %	Q1 FY 23
Deposits	498,776	463,161		35,615	8%	487,721
Advances	427,016	380,122		46,894	12%	409,341
Total Business	925,792	843,283		82,509	10%	897,062
Demand Deposits	43,536	39,210		4,326	11%	46,401
Saving Deposits	112,558	94,903		17,655	19%	107,469
CASA	156,094	134,113		21,981	16%	153,870
Gross NPA	18,618	21,193				19,035
Net NPA	11,287	12,941				11,612
Gross NPA (%)	4.36%	5.58%				4.65%
Net NPA (%)	2.69%	3.48%				2.89%
C R A R (BASEL – III)	20.08%	19.24%				20.48%
- Of which Tier I	19.02%	18.18%				19.42%
CD Ratio	86%	82%				84%
PCR	66%	62%				64%



## ▶ Q2 FY 23 VS Q2 FY 22 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	Q2 FY 23	Q2 FY 22	INC / (DEC)	Growth %	Q1 FY 23
Net Interest Income	5,679	4,783	896	19%	5,249
Other Income	1,735	2,027	-292	-	2,175
Operating Expenses	2,849	2,759	90	3%	2,953
Gross Profit	4,565	4,051	514	13%	4,471
Provisions & Contingencies	1,800	2,230	-430	-	2,220
Net Profit	2,765	1,821	944	52%	2,251
Return on Assets	1.72%	1.32%			1.46%
Return on Equity	15.98%	11.96%			13.57%
Net Interest Margin	4.09%	4.03%			3.95%

## ▶ HI FY 23 VS HI FY 22 PERFORMANCE - A SNAPSHOT

(in INR Mn)







### FINANCIAL PERFORMANCE

PARTICULARS	HI FY 23	HI FY 22	INC / (DEC)	Growth %
Net Interest Income	10,928	9,259	1,669	18%
Other Income	3,910	3,961	-51	-ve
Operating Expenses	5,802	5,361	441	8%
Gross Profit	9,036	7,859	1,177	15%
Provisions & Contingencies	4,020	4,308	-288	-
Net Profit	5,016	3,551	1,465	41%
Return on Assets	1.59%	1.30%		
Return on Equity	14.80%	11.88%		
Net Interest Margin	4.02%	3.95%		

## ► 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	Q2 FY 23	Q2 FY 22	HI FY 23	HI FY 22	FY 21-22
Provision for:					
- Tax	750	750	1,450	1,150	2,250
- Bad Debts	1,050	1,180	2,450	3,510	5,535
- Covid 19	-	-	120	(830)	- 80
- Standard Assets	-	310	-	440	550
- Restructuring / FITL	-	105	-	108	108
- Others	-	(115)	-	(70)	- 11
<b>Total</b>	<b>1,800</b>	<b>2,230</b>	<b>4,020</b>	<b>4,308</b>	<b>8,352</b>

## ▶ Q2 FY 23 VS Q2 FY 22 – INCOME AND EXPENSES BREAKUP

(in INR Mn)

### INTEREST INCOME BREAKUP

PARTICULARS	Q2 FY 23	Q2 FY 22	Growth %
Interest on Loans	9,553	8,632	11%
Interest on Investments	2,134	1,542	38%
Other Interest Income	125	48	162%
<b>Total Interest Income</b>	<b>11,812</b>	<b>10,222</b>	<b>16%</b>

### INTEREST EXPENSES BREAKUP

PARTICULARS	Q2 FY 23	Q2 FY 22	Growth %
Int Exp on Deposits	5,528	5,367	3%
Other Int Expenses	605	72	-
<b>Total Interest Expenses</b>	<b>6,133</b>	<b>5,439</b>	<b>13%</b>

### OTHER INCOME BREAKUP

PARTICULARS	Q2 FY 23	Q2 FY 22	Growth %
CEB & Charges	799	731	9%
Treasury Income	455	519	-
Other Inc incl recoveries in written off a/cs	481	777	-
<b>Total Other Income</b>	<b>1,735</b>	<b>2,027</b>	<b>-</b>

### OPERATING EXPENSES BREAKUP

PARTICULARS	Q2 FY 23	Q2 FY 22	Growth %
Employee Cost	1,412	1,270	11%
Other Operating Expenses	1,437	1,489	-
<b>Total Expenses</b>	<b>2,849</b>	<b>2,759</b>	<b>3%</b>

## ▶ HI FY 23 VS HI FY 22 – INCOME AND EXPENSES BREAKUP

(in INR Mn)

### INTEREST INCOME BREAKUP

PARTICULARS	HI FY 23	HI FY 22	Growth %
Interest on Loans	18,751	17,192	8%
Interest on Investments	4,029	2,905	39%
Other Interest Income	206	100	108%
<b>Total Interest Income</b>	<b>22,806</b>	<b>20,197</b>	<b>13%</b>

### INTEREST EXPENSES BREAKUP

PARTICULARS	HI FY 23	HI FY 22	Growth %
Int Exp on Deposits	10,722	10,772	-
Other Int Expenses	1,156	166	-
<b>Total Interest Expenses</b>	<b>11,878</b>	<b>10,938</b>	<b>9%</b>

### OTHER INCOME BREAKUP

PARTICULARS	HI FY 23	HI FY 22	Growth %
CEB & Charges	1,650	1,411	17%
Treasury Income	664	1,571	-
Other Inc incl recoveries in written off a/cs	1,596	1,002	59%
<b>Total Other Income</b>	<b>3,910</b>	<b>3,984</b>	<b>-</b>

### OPERATING EXPENSES BREAKUP

PARTICULARS	HI FY 23	HI FY 22	Growth %
Employee Cost	2,739	2,563	7%
Other Operating Expenses	3,063	2,799	9%
<b>Total Expenses</b>	<b>5,802</b>	<b>5,362</b>	<b>8%</b>

## ► 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%
<b>Total Interest Income</b>	<b>41,048</b>	<b>41,347</b>	<b>-1%</b>

### INTEREST EXPENSES BREAKUP

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

### 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%
<b>Total Other Income</b>	<b>7,591</b>	<b>6,887</b>	<b>10%</b>

### OPERATING EXPENSES BREAKUP

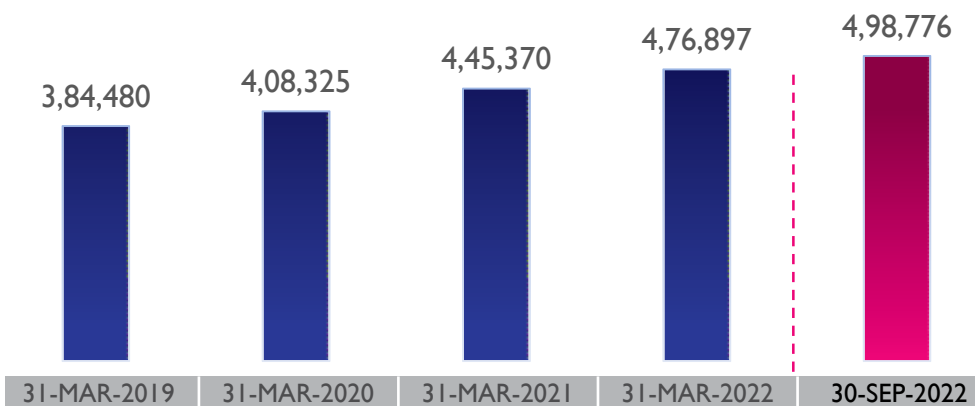
PARTICULARS	FY 2022	FY 2021	Growth %
Employee Cost	5,036	4,637	9%
Other Operating Expenses	5,767	5,869	-2%
<b>Total Operating Expenses</b>	<b>10,803</b>	<b>10,506</b>	<b>3%</b>



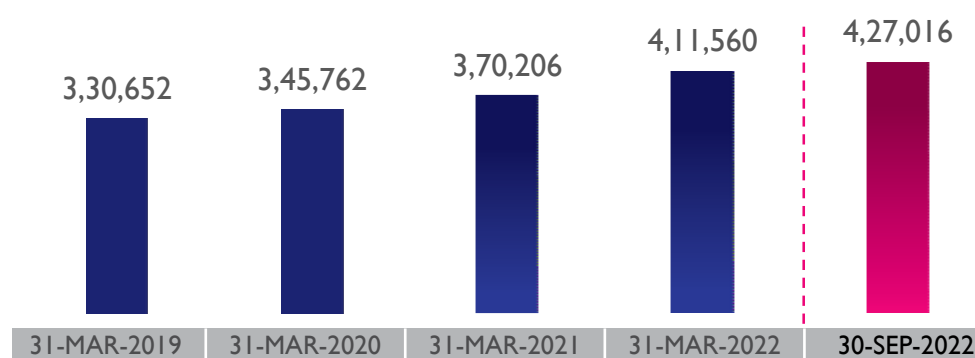
## ▶ STRONG DEPOSITS AND ADVANCES GROWTH

(in INR Mn)

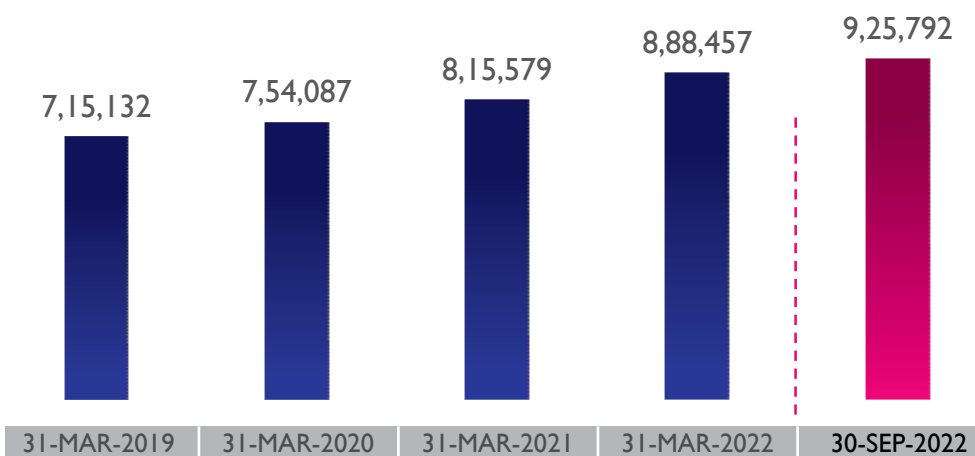
### DEPOSITS



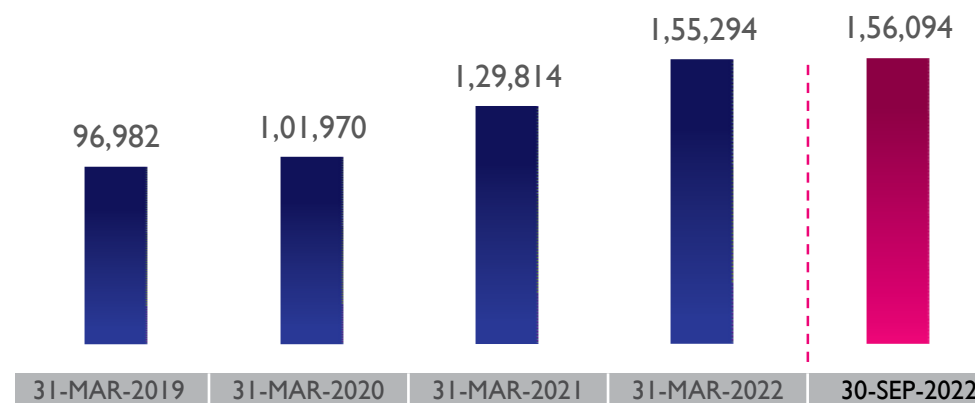
### ADVANCES



### BUSINESS



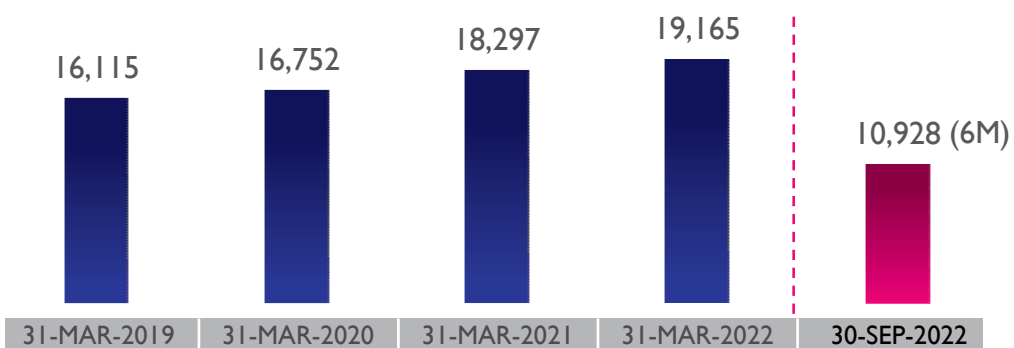
### CASA



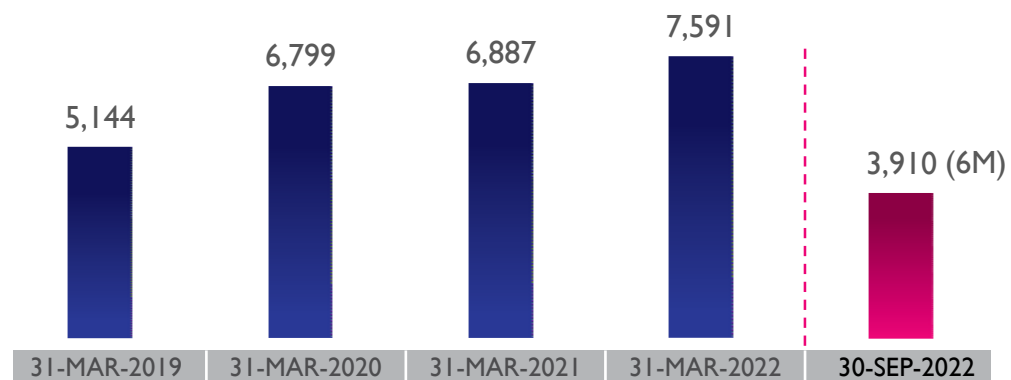
## ▶ INCOME GROWTH OVER THE YEARS...

(in INR Mn)

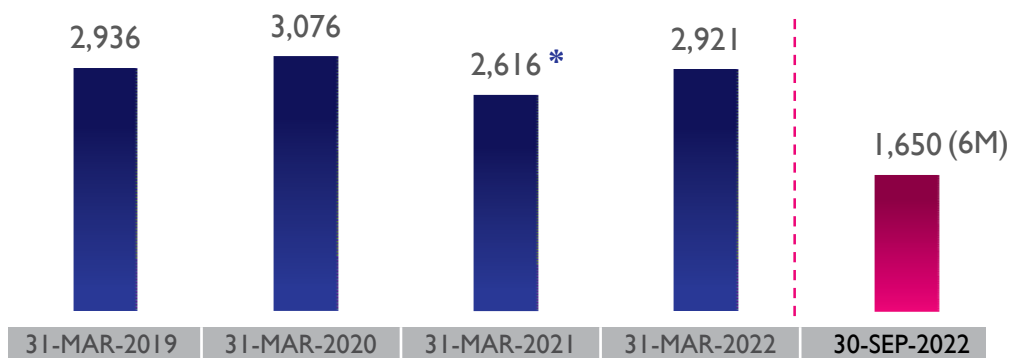
### NET INTEREST INCOME GROWTH



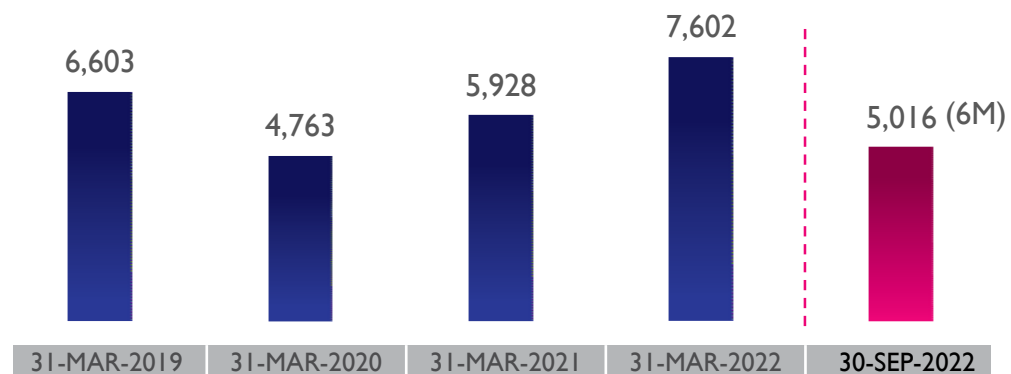
### OTHER INCOME GROWTH



### CEB GROWTH



### NET PROFIT GROWTH



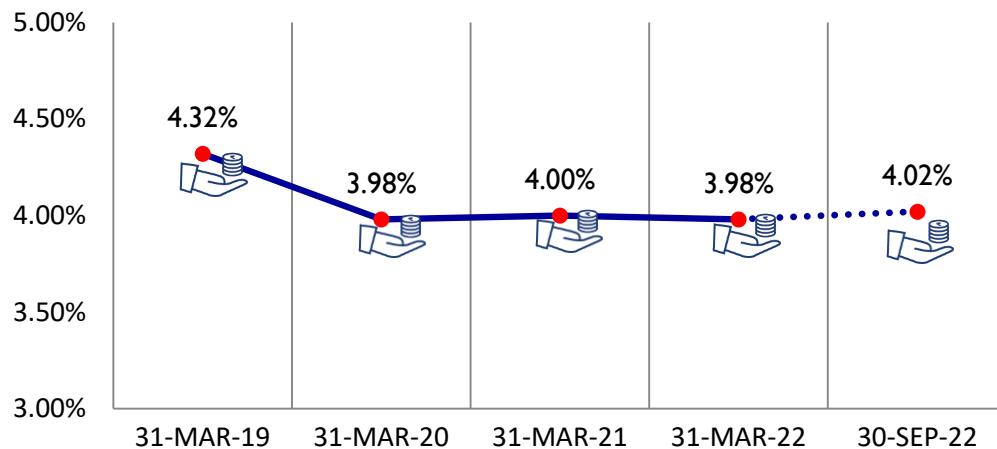
\* Decline in CEB income during FY 20-21 mainly due to restriction by Finance Ministry for waiver of service charges at the time of COVID first wave

## ▶ KEY BUSINESS INDICATORS

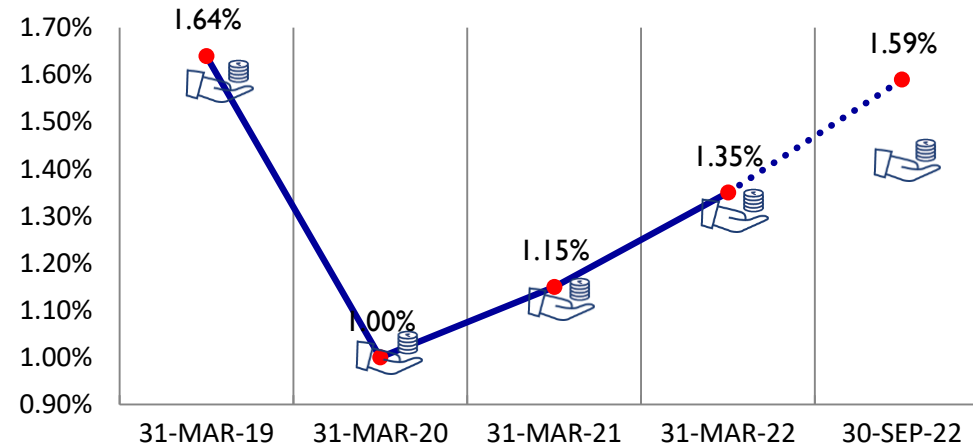
PARTICULARS	Q2 FY 23	Q2 FY 22	HI FY 23	HI FY 22	FY 21-22
Cost of Deposits	4.51%	4.82%	4.47%	4.80%	4.68%
Yield on Advances	9.39%	9.49%	9.22%	9.45%	9.36%
Yield on Investments	5.86%	5.75%	5.84%	5.68%	5.71%
Net Interest Margin	4.09%	4.03%	4.02%	3.95%	3.98%
Cost to Income	38.43%	40.51%	39.10%	40.49%	40.37%
Cost of Funds	3.81%	3.93%	3.77%	4.01%	3.88%
Yield of Funds	7.34%	7.39%	7.24%	7.40%	7.28%
Per Employee Business (in INR Mn)	173.40	148.72	173.40	148.72	165.45
Per Employee Profit (in INR Mn) (Ann)	2.07	1.29	1.88	1.25	1.42
EPS in INR - FV INR Re.1/- share (Not Ann)	3.74	2.46	6.78	4.81	10.29

## ▶ KEY BUSINESS RATIOS – YEARLY TRENDS

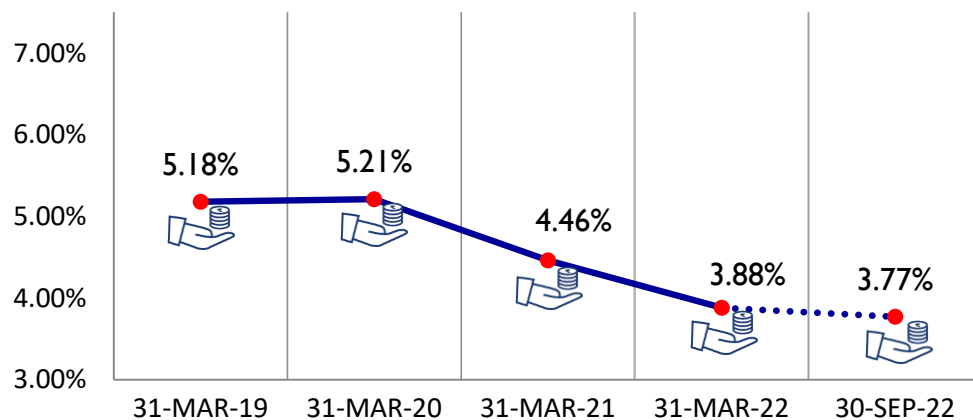
### NET INTEREST MARGIN



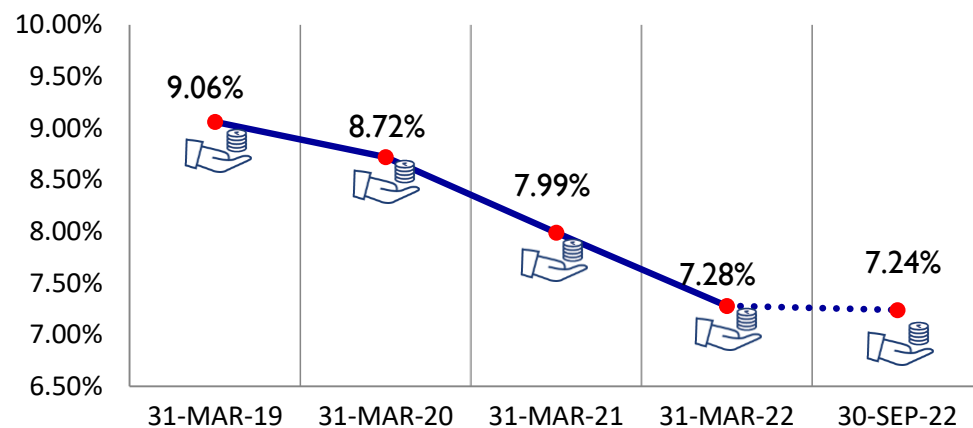
### RETURN ON ASSETS



### COST OF FUNDS

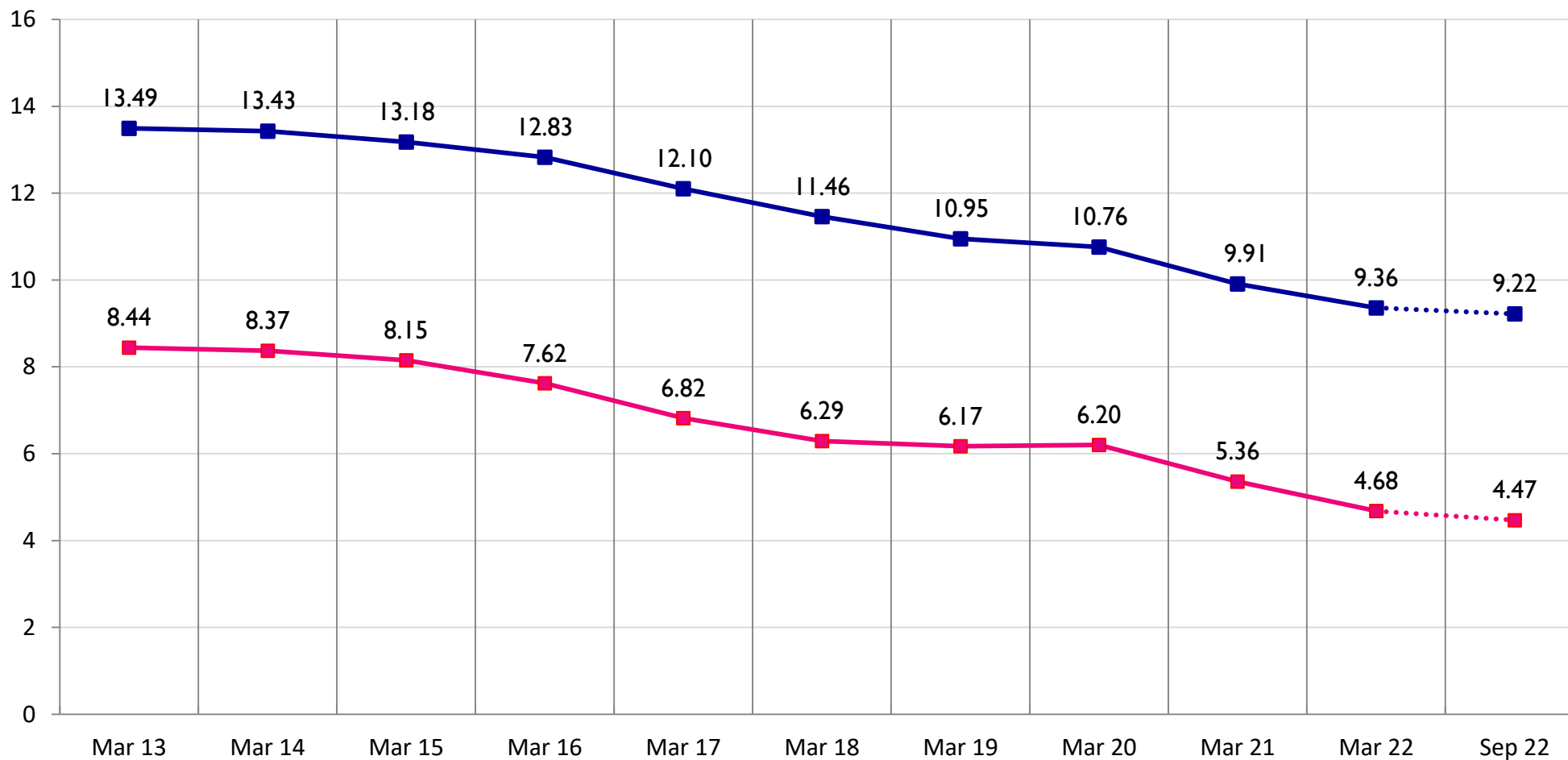


### YIELD ON FUNDS



## ▶ COST OF DEPOSITS & YIELD ON ADVANCES

(in %)

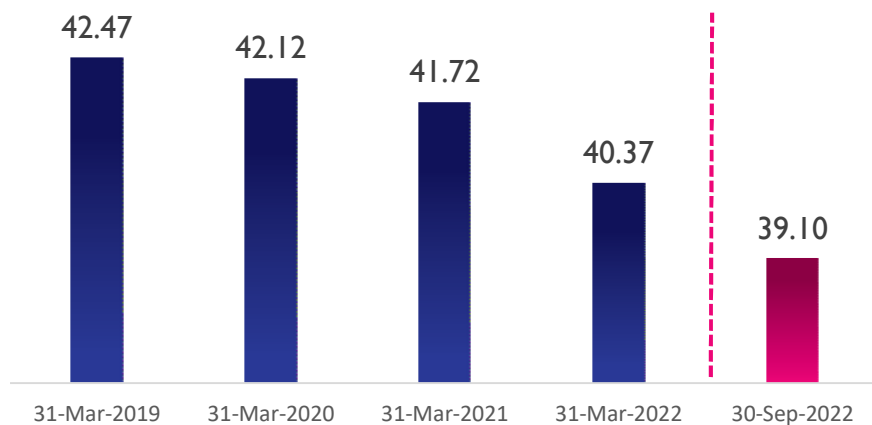


Spread between cost of deposits and yield on advances of our bank maintained in the last 10 years

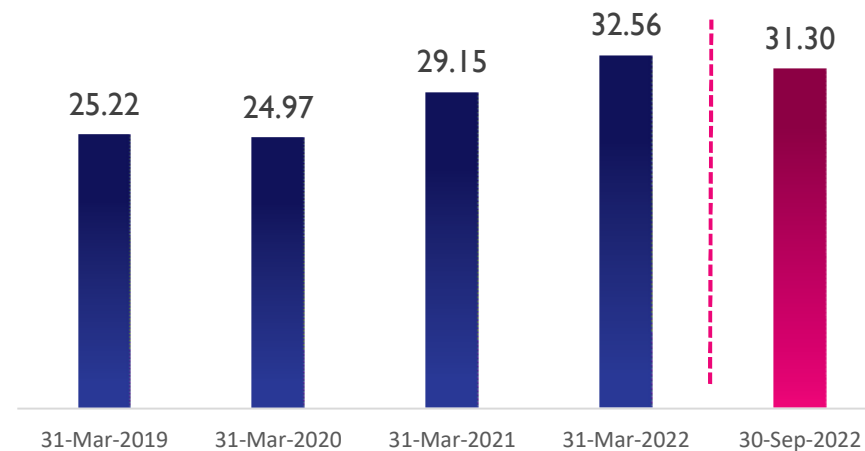
— Yield on Advances  
— Cost of Deposits

## ▶ EFFICIENCY

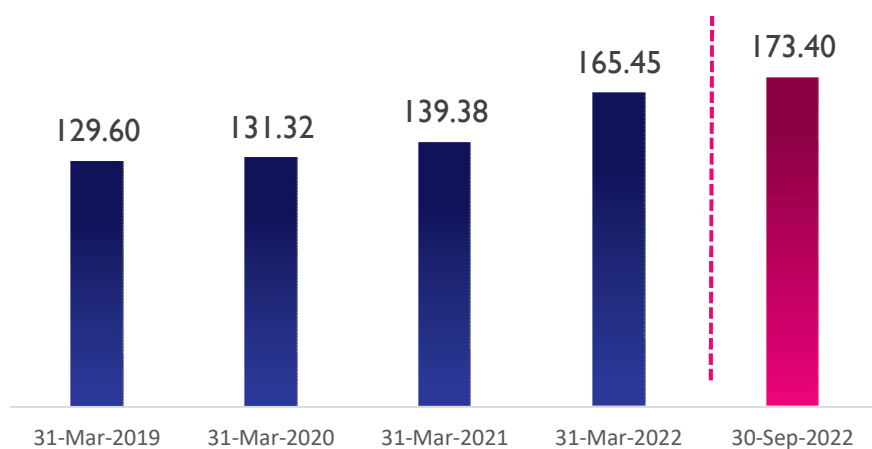
### COST INCOME RATIO (%)



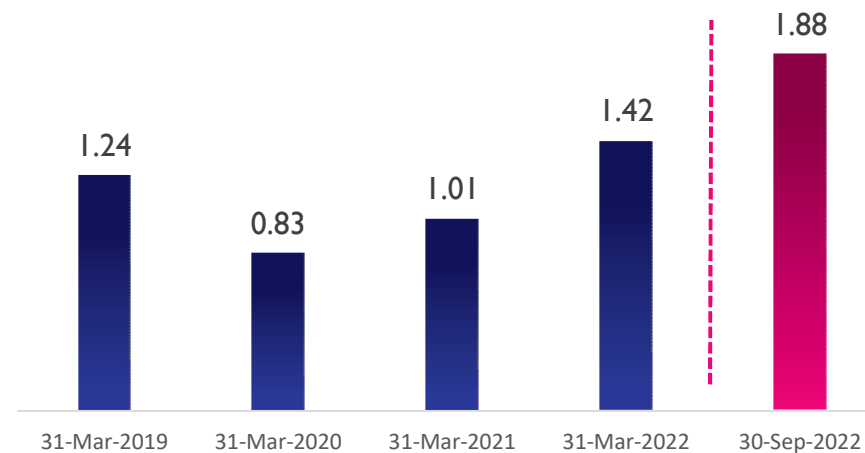
### CASA RATIO (%)



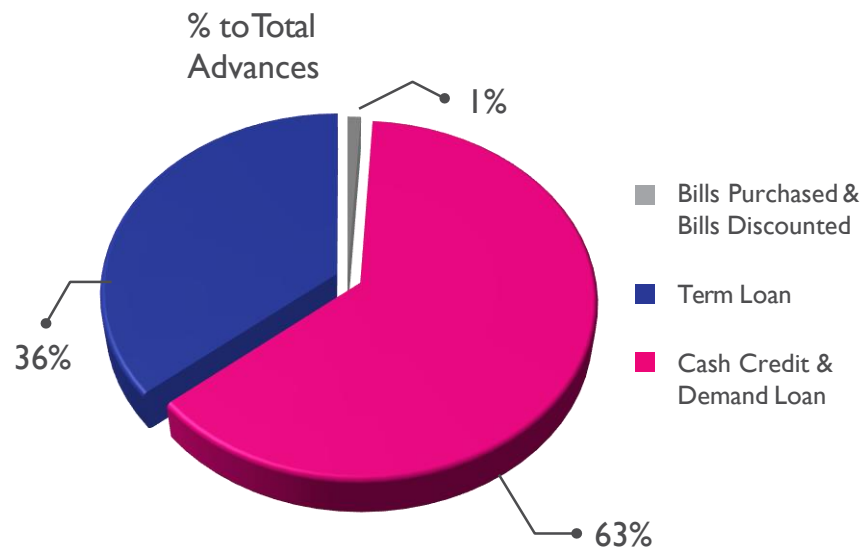
### BUSINESS PER EMPLOYEE (in INR Mn)



### PROFIT PER EMPLOYEE (in INR Mn)



## ▶ LOAN BOOK – PRODUCTS COMPOSITION



Working capital loans yielding higher interest constitute 63% of advances

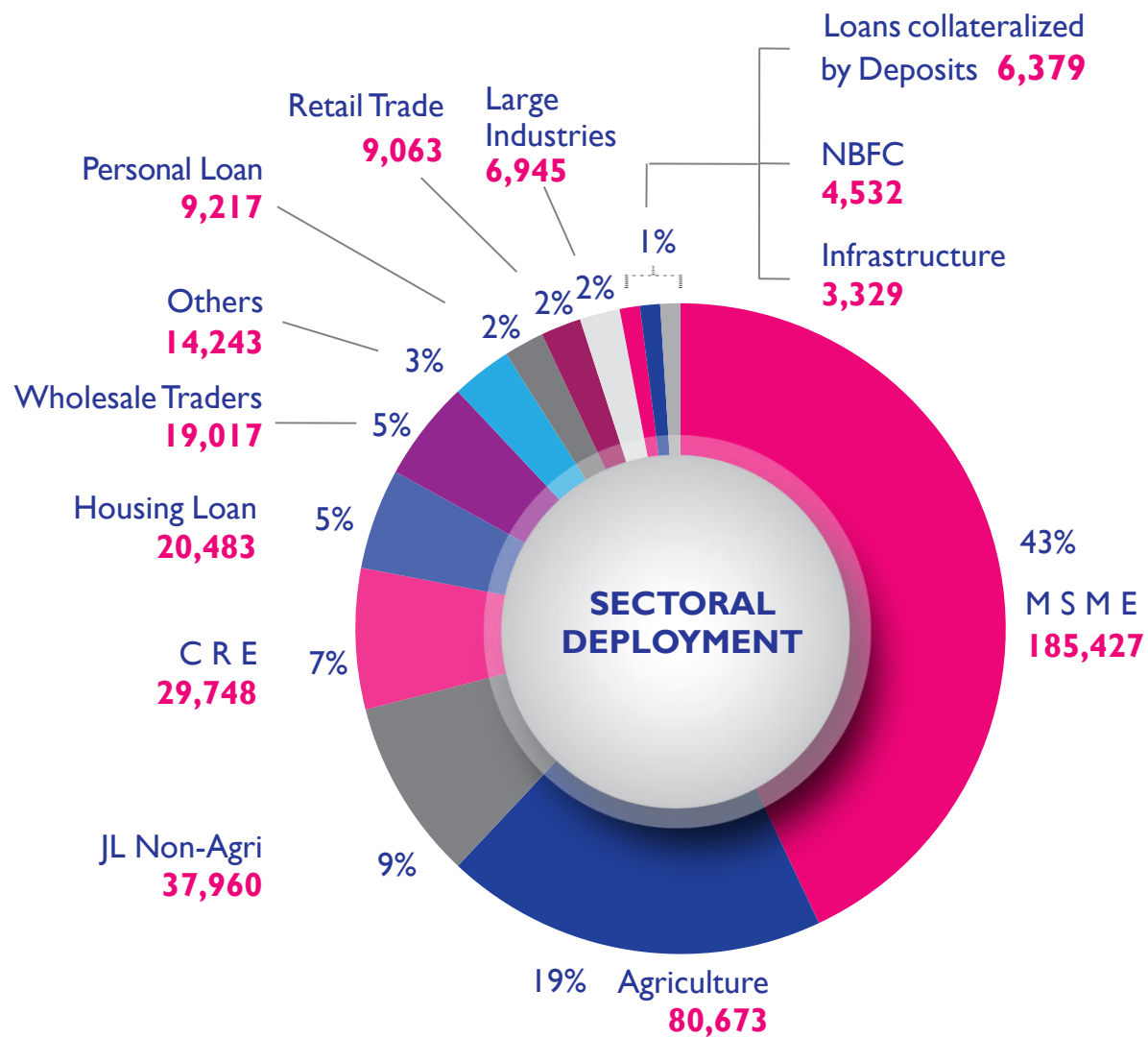


Re-pricing possible at short intervals thus reducing interest rate risk

Loan Book Products Composition	Amount (INR Mn)	% to Total Advances
Cash Credit & Demand Loan	269,728	63%
Term Loan	155,781	36%
Bills Purchased & Bills Discounted	1,507	1%
<b>Gross Loan Total</b>	<b>427,016</b>	<b>100%</b>

# ▶ LOAN BOOK SECTORAL DEPLOYMENT – POSITION AS ON 30.09.2022

(in INR Mn)





## ▶ LOAN BOOK SECTORAL DEPLOYMENT – POSITION AS ON 30.09.2022

(in INR Mn)

### SECURED & UNSECURED ADVANCES

Particulars	Amount (INR Mn)	(%)
Secured Loans	424,322	99%
Unsecured Loans	2,694	1%
<b>Total</b>	<b>427,016</b>	<b>100%</b>



Trading & MSME loans constitute 50% of loan portfolio



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



Unsecured Advances aggregate to 1%

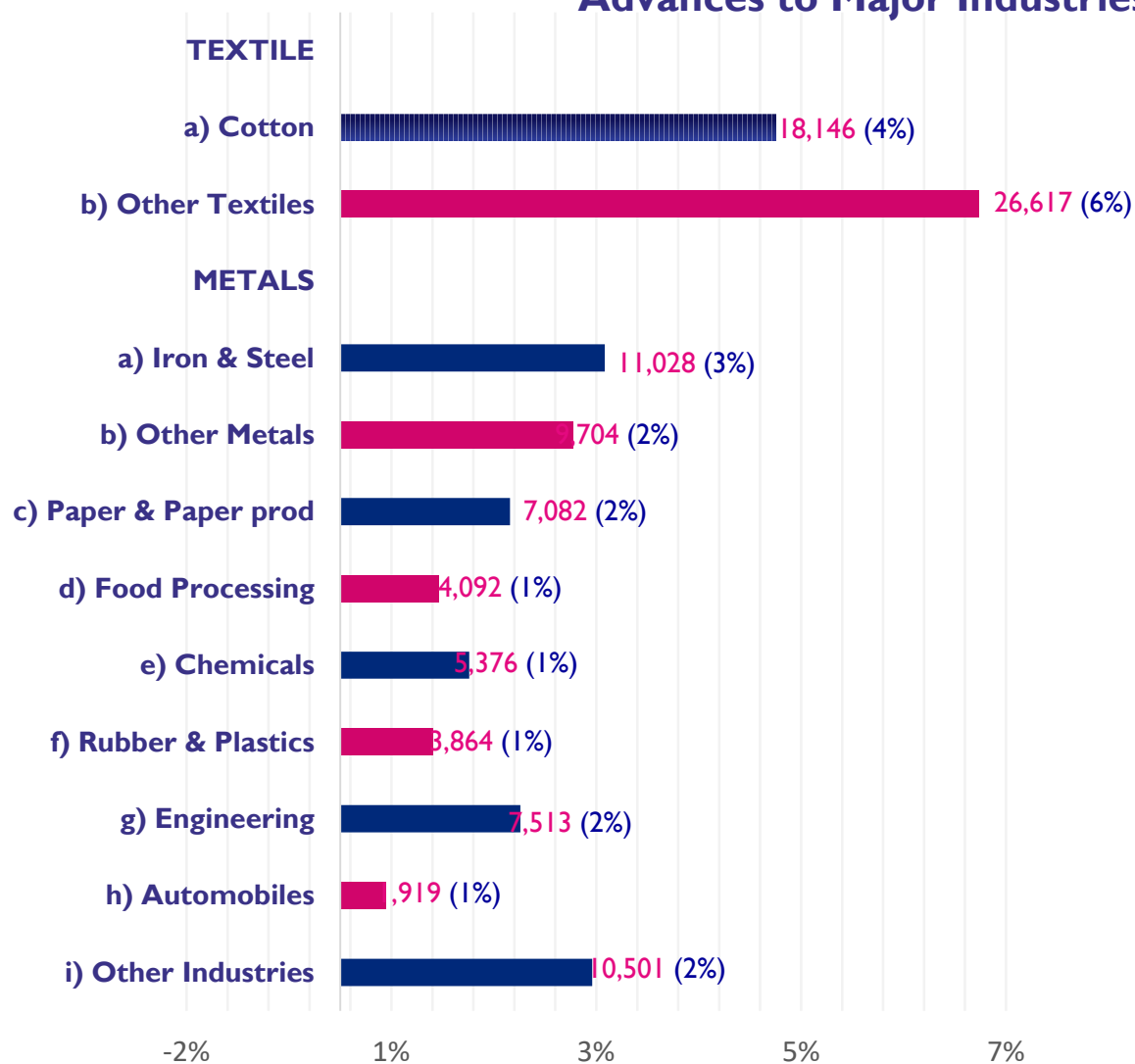


Total Jewel Loan outstanding as on 30.09.2022 – Rs.100,435 Mn

# Loan Book – Advances to Major Industries

(in INR Mn)

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



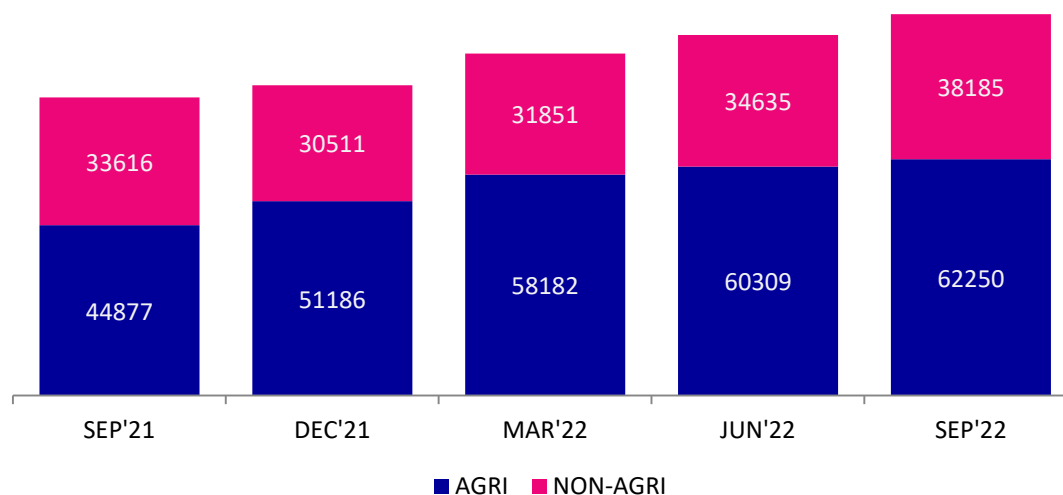
Industry Name	Amount (in INR Mn)	% to Total Advances
Advances to Major Industries	105,842	25%
All other advances (Agri, Trade, Service, Gold Loan, etc.)	321,174	75%
<b>Total Gross Advances</b>	<b>427,016</b>	<b>100%</b>

## ▶ LOAN BOOK - DRIVER TO GROWTH – Q2 FY 23

- ✓ During the last few quarters, we have given more thrust to Gold Loans which is increased by 12% from Rs.78,493 Mn in Q2 FY 22 to Rs.100,435 Mn in Q2 FY 23. Also, the % of Gold Loans portfolio to Gross Advances improved to 24%

(in INR Mn)

GOLD LOAN PORTFOLIO	Sep-22	Mar-22	Sep-21
Gold Loan – Agriculture	62,250	58,182	44,877
Gold Loan – Non-Agriculture	38,185	31,851	33,616
Total Gold Loans	100,435	90,033	78,493
Gross Advances	427,016	411,560	380,122
<b>% of Gold Loans to Gross Advances</b>	<b>24%</b>	<b>22%</b>	<b>21%</b>



Average LTV for Gold Loan at 68%

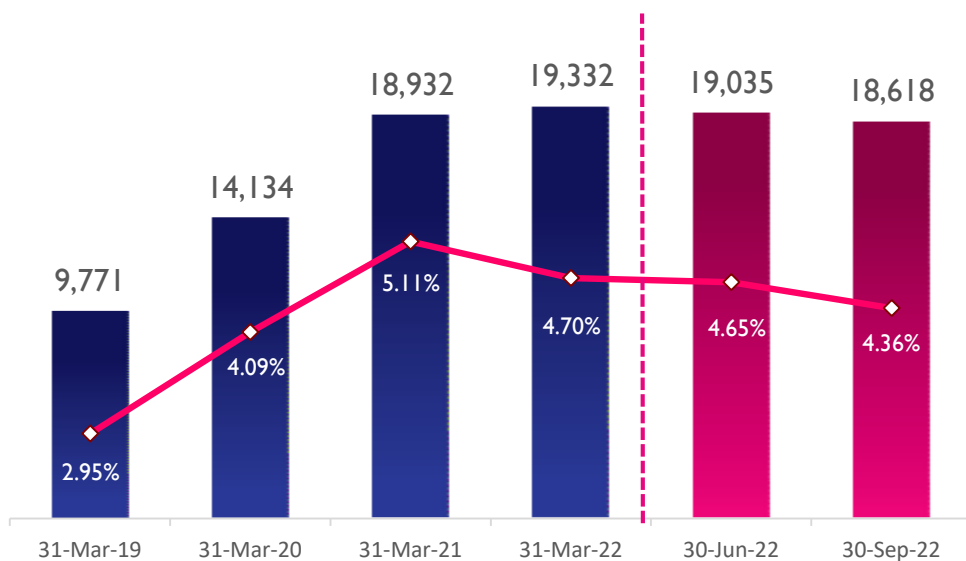


Y-o-Y growth in Gold Loan – 28%  
(Sep-22 Vs Sep-21)

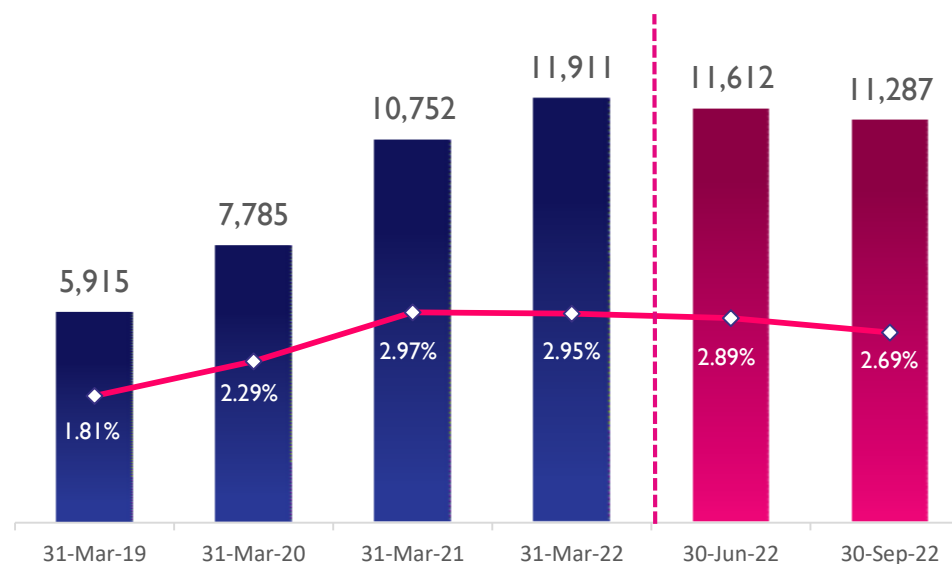
## ▶ ASSET QUALITY

(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	Q2 FY 23	HI 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>19,035</b>	<b>19,332</b>
Additions	A	5,749	6,322	11,104	11,131	12,757	2,615	5,317
Recovery made		1,623	1,980	1,644	1,950	4,424	1,272	2,326
Upgradations		433	496	1,358	264	1,638	619	1,166
Net Addition	B	3,693	3,846	8,102	8,917	6,695	724	1,825
Write-off		1,948	2,640	3,739	4,119	6,295	1,141	2,539
<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>18,618</b>	<b>18,618</b>
Technical Write-off (TW) during the period		1,836	2,565	3,670	3,961	5,734	1,020	2,032
<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>1,050</b>	<b>2,450</b>
TW recovery	D	704	898	1,090	1,033	1,883	392	1,311
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>658</b>	<b>1,139</b>
Gross Advance	F	2,82,386	3,30,652	3,45,762	3,70,205	411,560	427,016	427,016
<b>Additions % of Gross Advance</b>	A / F	<b>2.04</b>	<b>1.91</b>	<b>3.21</b>	<b>3.01</b>	<b>3.10</b>	<b>0.61</b>	<b>1.25</b>
<b>Net Addition % 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>0.17</b>	<b>0.43</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>0.15</b>	<b>0.27</b>
Gross NPA %		3.03	2.95	4.09	5.11	4.70	4.36	4.36
Net NPA %		1.70	1.81	2.29	2.97	2.95	2.69	2.69

## ▶ ASSET QUALITY – GOLD LOAN PORTFOLIO

(In INR MN)	No. of A/cs	Balance
<b>Gold Loan – Total</b>	<b>793,453</b>	<b>100,435</b>
Of which,		
- Standard Accounts	792,880	100,398
- N P A	573	37
Gross NPA		18,618
<b>% of Gold Loan NPA to Gold Loan Portfolio</b>		<b>0.04%</b>
<b>% of Gold Loan NPA to Gross NPA</b>		<b>0.20%</b>

## RESTRUCTURED ACCOUNTS

Quarterwise balance outstanding in respect of Restructured Standard borrowers

(In INR MN)

Type of Restructuring	Sep-21		Dec-21		Mar-22		Jun-22		Sep-22	
	No. of Borrowers	Amt	No. of Borrowers	Amt	No. of Borrowers	Amt	No. of Borrowers	Amt	No. of Borrowers	Amt
M S M E	333	15398	314	15226	395	15032	356	13,595	319	12,940
Non – M S M E	31	220	-	-	-	-	-	-	--	--
Covid-19 Resolution Framework	1612	6860	1563	6795	1518	6812	1474	6,742	1453	6,706
<b>Total</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>	<b>1772</b>	<b>19,646</b>

▶ The above disclosure is in respect of Restructured Standard Accounts excluding NPA

▶ Restructured Standard Advances to Gross Advances – 4.60% as on Sep-22

▶ As of 30.09.2022, the total outstanding restructured Standard borrower accounts was 1,772 in numbers and amounting to Rs.19,646 mn. The Bank hold a standard accounts provision wrt Restructured accounts to the tune of Rs.1,599 mn and Rs.464 mn towards erosion on fair value of accounts.

## ▶ SECURITY RECEIPTS

*During Q2 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
Sep-22	804

- ▶ *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.*
- ▶ *As on 30.09.2022, the total outstanding SRs stood at Rs.804 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 Categorywise

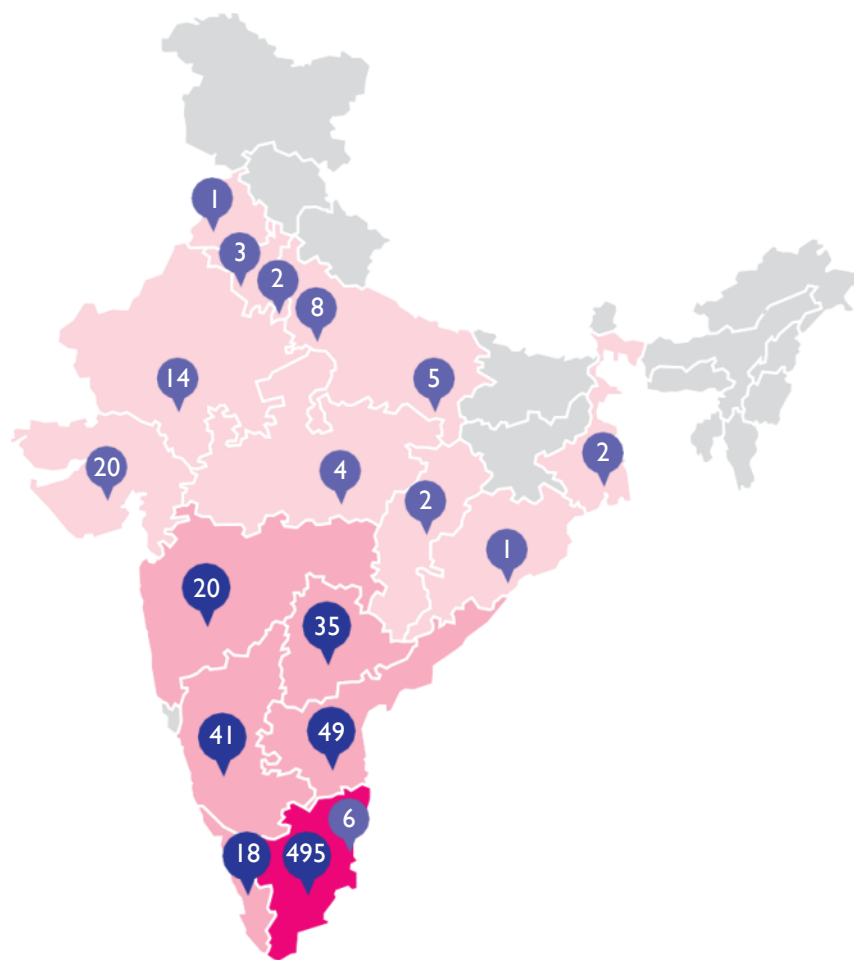
(in INR Mn)

Particulars	SEP 2022	SEP 2021
SLR Securities	146,275	107,089
Non-SLR Securities	1,623	1,902
<b>Total Investments</b>	<b>147,898</b>	<b>108,991</b>
Yield on Investments	<b>5.84%</b>	<b>5.68%</b>
<b>Investments Breakup:</b>		
- AFS	33,426 (23%)	10,966 (10%)
- HTM	114,472 (77%)	98,025 (90%)
- HFT	-	-
<b>Total Investments</b>	<b>147,898</b>	<b>108,991</b>
<b>Modified Duration:</b>		
- AFS	0.99	3.06
- HTM	4.38	4.37
- HFT	-	-
- Overall Portfolio	3.63	4.25

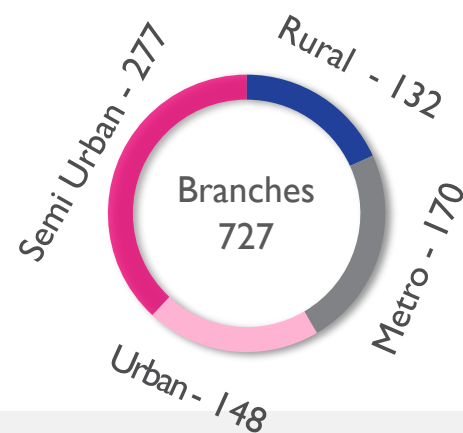
# BRANCH NETWORK

## ▶ STRONG PRESENCE IN THE SOUTH

As of Sept 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	5
Andhrapradesh	49	2	7	5
Telengana	35	3	6	4
Maharashtra	20	3	3	3
Kerala	18	1	2	2
Gujarat	20	1	4	2
Others	49	3	7	5
<b>Total</b>	<b>727</b>			



# Be a part of the Digital Innovation

“ Upgrading our banking to deliver an easy “ DO IT YOURSELF ” self banking operations with seamless digital platform



**CUB**



# New Digital Product Offerings

## Product Offerings

01

02

03

04

05



**New Initiatives**



**Products**



**Technology/  
Automation**

**UPI  
123Pay**

**DHI  
Credit Card**

**Tap & Go**

**Connected  
Banking**

**Voice  
Biometric**

**Whatsapp  
Banking**

**Pay to  
Contact**

**Scan & Pay/  
QR**

**Interoperable  
Card-less Cash  
Withdrawal**

**BBPS**

**API**

**AI/  
Conversational  
BOT**

**Robotic  
Process  
Automation**

**Digital  
Lending**

**Video KYC**



# Strategic Partnerships





## Strategic Partnerships

- **Voice Biometric** – Kaizen Voiz – Voice Biometric authentication for Mobile Banking
- **Corporate Banking Solutions** – Vanghee - Connected Banking solution which connects Net banking and accounting software.
- **Digital Marketing** – Gamooga, Gupshup, Sinch, Karix -- Communication of Products and services through Notifications, SMS, WhatsApp and Mailers
- **Digital Automation** – Digio, e-mudhra, Odyssey - e-stamping and digital certificate solution providers
- **Cards** – 42CS – Technical partner for Credit card issuance
- **Conversational Bot** – Herbie – Interactive Voice Response in Mobile Banking App
- **Merchants/Collections** – Ezswype, PineLabs , ATOS – Point of Sale and UPI QR solution for Merchants
- **Digital Lending** – Namaste Credit – AI/ML based lending solution
- **Customer onboarding** – Transaction Analysts – Digital onboarding of Customers
- **AI/ML** – Zuci Systems, Positive Integers – Predictive analytics / Reporting for business.





# Digital Banking Products

## Retail Banking

- 01 Savings Account Opening
- 02 UPI Scan and Pay
- 03 24\*7 Fund Transfers
- 04 Cardless Withdrawal
- 05 Deposit Online Services
- 06 Card Management
- 07 Wealth Management
- 08 Fee Payment / Bill Pay & Re-charge
- 09 Direct / Indirect Tax Payment
- 10 FASTAG / Easy Buy



## Corporate Banking

- 01 Online Current Account Opening
- 02 Positive Pay
- 03 Digital Signature [Hard / Soft]
- 04 Letter of Credit through Net Banking
- 05 FX-Retail Online
- 06 Connected Banking Services (Integration with Tally/ SAP)
- 07 Online Stock Statement
- 08 Merchant QR / POS
- 09 Digital Banking Products
- 10 Public Financial Management System







# UPI Features



Send Money



Pay to Contact



Request Money



IPO using UPI ID



Scan & Pay using CUB & other Bank A/C



Merchant Payments



Generate QR



Mandate



CUB UPI 123Pay



Cardless Cash Withdrawal in CUB ATMs using UPI Scan

# Financial Inclusion through

## CUB UPI 123PAY

Register for UPI with your Feature/Smart Phone with UPI in 3 Steps



Make an IVR Call to +91 80 4516 3581 and make UPI Payments in 3 simple steps

- .UPI 123PAY is an instant payment system for feature phone users
- .Digital Payment promoted for financial inclusion for semi-urban / rural customers



**CUB**  
Trust and Excellence  
SINCE 1984

# Voice Biometric



**City Union Bank Ltd** is proud to announce its participation as first bank in India in the innovation for rolling out the voice biometrics using 5G technology in association with Kaizen Voiz and Institute for Development and Research in Banking Technology (IDRBT). This Innovation was showcased at the India **Mobile Congress 2022** on 1st - 4th October 2022. at Pragathi Maidan inaugurated by the **Hon'ble Prime Minister, Shri Narendra Modi**

We propose to roll this Voice Biometrics Authentication in our All-in-One Mobile Banking app as another feature of Login to our Customers. The soft launch for the solution is underway and will be rolled out to customers shortly.





**CUB**  
Trust and Excellence  
SINCE 1954

# City Union Bank sets up Digital Banking Unit at Khammam in Telangana

As part of the Union Government's mission of setting up **75 Digital Banking Units (DBUs)** on the occasion of 75 years of Independence,

**Hon'ble Prime Minister  
Shri Narendra Modi**

launched the DBUs virtually on 16th October 2022. The 118-year old tech-savvy **City Union Bank (CUB)** was part of this initiative and opened its **DBU at Khammam in Telangana.**





**CUB**  
Trust and Excellence  
SINCE 1956

# Awards

City Union Bank  
is the proud winner of 2 awards  
@



## IN THE CATEGORIES OF

"Use of Emerging Technologies"



"Digital Transformation Leader"  
to our GM-IT, Shri G.Sankaran





## 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

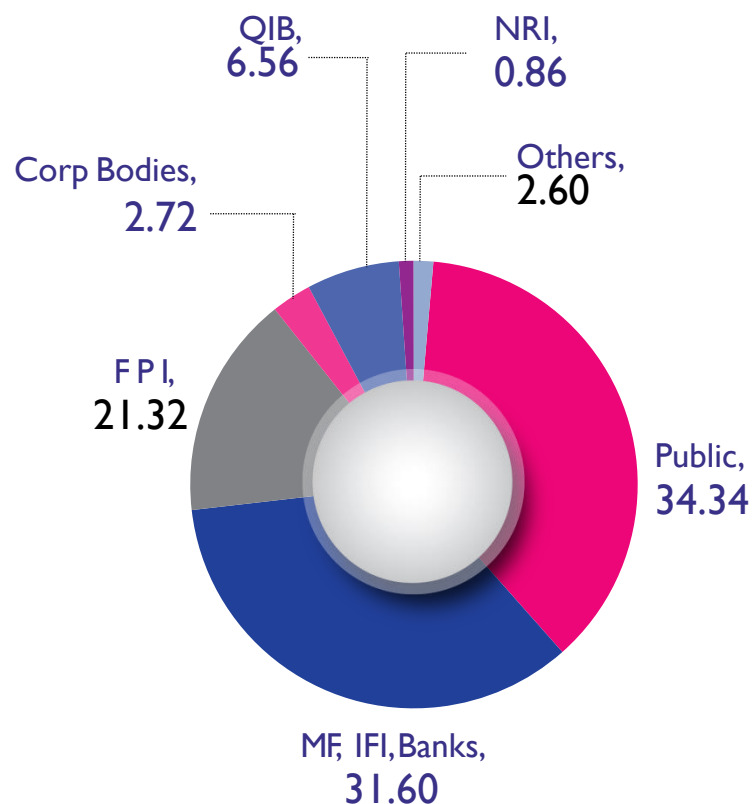


City Union Bank won the  
**"Most Trusted Digital Bank of the Year"**  
Award at International  
Service Pride Award 2022

# SHAREHOLDING PATTERN

# A WELL DIVERSIFIED INVESTOR BASE

Position as on 30-Sep-2022

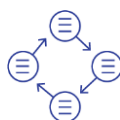


## Major Institutional Shareholders

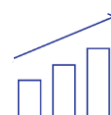
SHAREHOLDERS	HOLDING %
SMALLCAP WORLD FUND, INC	4.95
AXIS MUTUAL	4.82
HDFC TRUSTEE CO LTD	4.47
TEMPLETON INDIA VALUE FUND	3.05
CANARA ROBECO MUTUAL FUND	2.43
SBI NIFTY PRIVATE BANK ETF	2.38
LICI ASM NON PAR	2.34
L AND T MID CAP FUND	2.18
DSP ARBITRAGE FUND	2.10
HDFC LIFE INSURANCE COMPANY LIMITED	2.03
KOTAK MULTICAP FUND	1.66
UTI SMALL CAP FUND	1.50
MAX LIFE INSURANCE COMPANY	1.49
KOTAK FUNDS - INDIA MIDCAP FUND	1.44
ICICI PRUDENTIAL S&P BSE 500 ETF	1.34
PIONEER INVESTMENT FUND	1.31
BANK MUSCAT INDIA FUND	1.22
TATA AIA LIFE INSURANCE CO	1.02



Well diversified ownership of shareholders around 1,39,000 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 ... 18.68%



**CUB**  
Trust and Excellence  
SINCE 1904

# CORPORATE GOVERNANCE

## СОБЪОКВАЛЕ ГОΛΕΚΙΛΑΙΝΕ



## ▶ 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.



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

Shri. Subramaniam Narayanan possesses 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 long time.



**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 holds 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.



**Dr. N. Kamakodi | B.Tech., MBA., Ph.D., 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. 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**

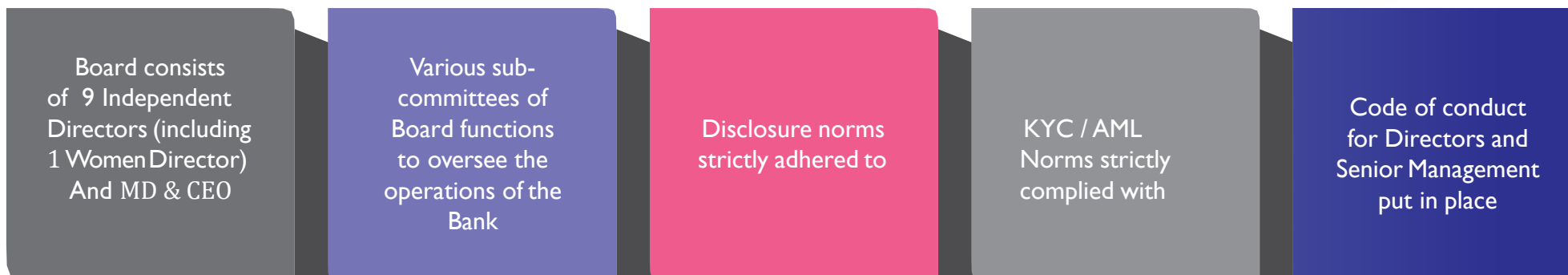
Prof. V Kamakoti holds a Master of Science degree in Bachelor of Engineering from the Indian Institute of Technology – Madras and a doctorate of Philosophy in Computer Science and one of the youngest to adorn the post of Professorship in one of the prestigious Institutions of India namely IIT, Madras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



**Smt. Lalitha Rameswaran | B.Com., FCA, DISA  
Director**

Smt. Lalitha Rameswaran is a practicing Chartered Accountant by profession and also a qualified systems auditor. She has rich experience in both Direct & Indirect taxation and appeared before various Tribunals representing public sector and private sector banks on tax related matters.

## ▶ TRANSPARENT ‘CORPORATE GOVERNANCE’ PRACTICES



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



## CITY UNION BANK LTD

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

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

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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)