



# CITY UNION BANK LIMITED

CIN - L65110TN1904PLC001287

Regd. Office, No. 149, TSR-(Big) Street, Kumbakonam - 612 001.

Phone : 0435 - 2432322 : Fax : 0435 - 2431746

E-mail : shares@cityunionbank.com : Website: www.cityunionbank.com

C.O/Shares/LR-2/5/2017-18

29<sup>th</sup> May 2017

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E),  
**Mumbai 400 051**

BSE Ltd.,  
DCS – CRD,  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street,  
**Mumbai 400 001**

**Scrip Code: CUB**

**Scrip Code: 532210**

Dear Madam / Sir,

Sub: Outcome of Board Meeting held on 29<sup>th</sup> May 2017

This is in continuation to our communication dated 15<sup>th</sup> May 2017.

In terms of Regulation 33 of SEBI Listing Regulations 2015, we forward herewith a copy of annual audited accounts (standalone) for the financial year ended 31<sup>st</sup> March 2017, which have been approved by the Board of Directors of the Bank at its meeting held today. Further pursuant to Reg.33 of SEBI (LODR) (Amendment) Regulations 2016 enclosed herewith a disclosure on unqualified audit opinion on such standalone financial results.

The Board at the above meeting also recommended the following:

1. A dividend @ Re.0.30 paisa per equity share i.e., 30% on face value of Re.1/- per equity share of the Bank, subject to requisite approvals.
2. Issue of bonus shares in the ratio of 1:10 i.e., one equity share of Re.1/- each for every ten fully paid up equity shares held as on the record date, subject to the approval of the members of the Bank. The proposal for issue of bonus shares was not part of the original agenda for the Board meeting held today and was decided during the course of the meeting.

Further, Pursuant to Regulation 30 of SEBI Listing Regulations 2015, please find below disclosure regarding issue of Bonus shares:

Whether bonus is out of free reserves created out of profits or securities premium account	The bonus shares will be issued out of securities premium of the Bank available as at March 31, 2017. Bonus shares to be allotted shall rank pari-passu in all respects with the existing shares.
Bonus Ratio	1:10 i.e. 1 (one) equity shares of Re.1/- each for every 10 (ten) fully paid-up equity shares already held as on the record date to be decided.
Details of share capital – pre and post bonus issue	The pre-bonus paid-up share capital as on the date of this letter is 60,10,64,881



	<p>consisting of 60,10,64,881 equity shares of Re.1/- each.</p> <p>The post-bonus paid-up share capital is expected to be around 66,11,71,369 consisting of 66,11,71,369 equity shares of Re.1/- each. The actual number of bonus shares to be issued will be determined based on the paid-up share capital as on the record date as well as the adjustments which will need to be done to the outstanding unexercised grant of stock options on the record date.</p>
Free reserves and/ or share premium required for implementing the bonus issue	Rs.6.01 crore (based on estimated bonus shares as per item above). The actual amount will be determined based on the paid-up share capital as on the record date as well as the adjustments which will need to be done outstanding unexercised grant of stock options on the record date.
Free reserves and/ or share premium available for capitalization and the date as on which such balance is available	Securities premium of Rs.820.33 crores at March 31, 2017.
Whether the aforesaid figures are audited	The securities premium amount is audited at March 31, 2017.
Estimated date by which such bonus shares would be credited / dispatched	Within 2 months from the date of Board approval i.e. by July 29, 2017.

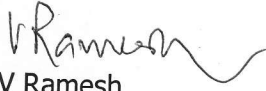
A copy of the financial results is being uploaded in the Bank's website [www.cityunionbank.com](http://www.cityunionbank.com) and an extract of the same shall be published in a manner as prescribed under SEBI Listing Regulations.

Time of commencement of Board meeting : 9.30 am  
Time of closure of Board meeting : 11.05 am

Kindly take note of the above.

Thanking you

Yours faithfully  
for **CITY UNION BANK LIMITED**

  
V Ramesh  
General Manager – CFO & CS



Encl.: a/a

**Independent Auditor's Report****To the Board of Directors of City Union Bank Limited**

1. We have audited the financial statements of **City Union Bank Limited** ( "the Bank"), for the quarter ended 31<sup>st</sup> March 2017, and the standalone financial results for the year ended 31<sup>st</sup> March 2017, together with the notes thereon (hereinafter referred to as the "Statement") attached herewith being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the disclosures relating to "Pillar 3 under Basel III Capital Regulations" and "Leverage Ratio" as have been disclosed on the Bank's website and in respect of which a link have been provided in the aforesaid Statement, both of which have neither been reviewed nor been audited by us. The quarterly standalone financial results are the derived figures between the audited figures in respect of the year ended 31<sup>st</sup> March 2017 and the published year to date figures up to 31<sup>st</sup> December 2016, being the date of the end of the third quarter of the current financial year, which were subject to limited review. The standalone financial results for the quarter ended 31<sup>st</sup> March 2017 have been prepared on the basis of the standalone financial results for the nine-month period ended 31<sup>st</sup> December 2016, the audited annual standalone financial statements as at and for the year ended 31<sup>st</sup> March 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and are the responsibility of the Bank's management and have been approved by the Board of Directors of the Bank. Our responsibility is to express an opinion on these standalone financial results based on our review of the standalone financial results for the nine-month period ended 31<sup>st</sup> December 2016 which were prepared in accordance with the recognition and measurement principles laid down in Accounting Standard (AS) 25, Interim Financial Reporting, specified under the Section 133 of the Companies Act 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 (together referred to as the "accounting principles generally accepted in India"), as applicable to Banks, provisions of Section 29 of the Banking Regulation Act, 1949, and the Guidelines issued by the Reserve Bank of India, our audit of the annual standalone financial statements as at and for the year ended 31<sup>st</sup> March 2017, and the relevant requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, basis which the above Statement containing the annual audited financial results has been prepared. Our responsibility is to express an opinion on the presentation of the Statement and the standalone financial results for the year ended 31<sup>st</sup> March 2017.

These financial results incorporate the relevant returns of 5 branches / offices of the Bank audited by us and 548 branches/offices audited by the other auditors, specially appointed for this purpose. These reports cover 100% of advances portfolio of the Bank.



2. We conducted our audit in accordance with the standards laid out on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis of our opinion.
3. In our opinion and to the best of our information and according to the explanations given to us, these standalone quarterly financial results as well as the year to date results :
  - i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - ii) the standalone financial results give a true and fair view in conformity with the aforesaid Accounting Standards and other accounting principles generally accepted in India of the net profit and other financial information of the Bank for the year ended 31<sup>st</sup> March 2017 and
  - iii) Further, read with paragraph 1 above, we report that the figures for the quarter ended 31<sup>st</sup> March 2017 represent the derived figures between the audited figures in respect of the financial year ended 31<sup>st</sup> March 2017 and the published year-to-date figures upto 31<sup>st</sup> December 2016, being the date of the end of the third quarter of the current financial year, which were subjected to a limited review as stated in paragraph 1 above, as required under Regulation 33 of the SEBI ( Listing Obligations and Disclosure Requirements), Regulations, 2015.

For **P.CHANDRASEKAR**

Chartered Accountants

(Firm's Registration No.000580S)



P Chandrasekaran

Partner

(Membership No.26037)

Chennai, 29 May 2017.



**CITY UNION BANK LTD.,**

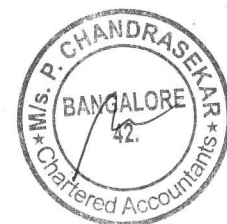
CIN NO.L65110TN1904PLC001287

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

**AUDITED FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31st MARCH, 2017**

Particulars	(Rs in Lakhs)				
	Quarter ended			Year ended	
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
	Audited	Reviewed	Audited	Audited	
<b>1. Interest earned (a+b+c+d)</b>	<b>79990.46</b>	<b>81100.52</b>	<b>75626.29</b>	<b>317378.73</b>	<b>294420.78</b>
a) Interest/Discount on Advances/Bills	65199.12	65655.23	61379.90	259021.47	236759.63
b) Income on Investments	13553.01	13915.24	13359.53	53850.39	54097.09
c) Interest on balances with RBI and other Inter Bank funds	763.68	1060.34	405.47	2725.68	1289.66
d) Others	474.65	469.71	481.39	1781.19	2274.40
2. Other Income	12584.59	14280.22	10725.58	48394.67	40997.77
<b>3. Total Income ( 1 + 2 )</b>	<b>92575.05</b>	<b>95380.74</b>	<b>86351.87</b>	<b>365773.40</b>	<b>335418.55</b>
4. Interest Expended	48934.56	50402.06	49181.21	197502.06	196317.39
5. Operating Expenses (i) + (ii)	18876.63	17620.55	14766.33	68897.49	55772.85
(i) Employees Cost	7777.87	8033.11	5273.20	29813.68	21316.84
(ii) Other Operating expenses	11098.76	9587.44	9493.13	39083.81	34456.01
<b>6. Total Expenditure (4) + (5) excluding provisions and contingencies</b>	<b>67811.19</b>	<b>68022.61</b>	<b>63947.54</b>	<b>266399.55</b>	<b>252090.24</b>
<b>7. Operating Profit before provisions and contingencies (3) - (6)</b>	<b>24763.86</b>	<b>27358.13</b>	<b>22404.33</b>	<b>99373.85</b>	<b>83328.31</b>
8. Provisions (other than tax) and contingencies	7126.00	9196.00	7081.00	30096.97	23059.00
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00
10. Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	17637.86	18162.13	15323.33	69276.88	60269.31
11. Tax Expenses	4750.00	5500.00	4100.00	19000.00	15800.00
<b>12. Net Profit / (Loss) from Ordinary Activities after tax (10) - (11)</b>	<b>12887.86</b>	<b>12662.13</b>	<b>11223.33</b>	<b>50276.88</b>	<b>44469.31</b>
13. Extra ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00
<b>14. Net Profit / (Loss) for the period (12) - (13)</b>	<b>12887.86</b>	<b>12662.13</b>	<b>11223.33</b>	<b>50276.88</b>	<b>44469.31</b>
15. Paid up equity share Capital (Face value of Re.1/- each)	6010.65	6010.65	5981.91	6010.65	5981.91
16. Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)				351009.10	299217.66
<b>17. Analytical ratios</b>					
i) % of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
ii) Capital Adequacy Ratio (%) - Basel III	15.83%	14.88%	15.58%	15.83%	15.58%
iii) Earning Per Share (EPS)					
Basic EPS - before/after extra ordinary items (Not annualised) (Rs.)	2.14	2.12	1.88	8.39	7.44
Diluted EPS - before/after extra ordinary items (Not annualised) (Rs.)	2.10	2.07	1.83	8.24	7.27
iv) NPA Ratios					
(a) Gross NPA	68198.27	64993.10	51198.18	68198.27	51198.18
(b) Net NPA	40834.36	37066.40	32315.40	40834.36	32315.40
(c) % of Gross NPA	2.83	2.98	2.41	2.83	2.41
(d) % of Net NPA	1.71	1.72	1.53	1.71	1.53
v) Return on Assets - Annualised	1.50%	1.45%	1.46%	1.50%	1.50%

Statement of Assets & Liabilities	(Rs in Lakhs)	
	31.03.2017	31.03.2016
<b>Capital and Liabilities</b>	<b>(Audited)</b>	
Capital	6010.65	5981.91
Reserves & Surplus	351009.10	299217.66
Deposits	3011573.84	2715813.13
Borrowings	53099.73	66454.57
Other Liabilities & Provisions	105384.28	92928.86
<b>Total</b>	<b>3527077.60</b>	<b>3180396.13</b>
<b>Assets</b>		
Cash & Balance with RBI	148418.52	141256.81
Balances with Banks and Money at Call	139478.99	123750.29
Investments	703145.04	682645.14
Advances	2383269.94	2105691.62
Fixed Assets	21508.00	21755.60
Other Assets	131257.11	105296.67
<b>Total</b>	<b>3527077.60</b>	<b>3180396.13</b>



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For **CITY UNION BANK LTD.**

  
 Company Secretary

Notes :

- 1 The above financial results for the year ended March 31, 2017 have been reviewed and recommended by the Audit Committee of the Board and approved by the Board of Directors at their meeting held on May 29, 2017. The same have been subjected to audit by the Statutory Central Auditors of the Bank in line with the guidelines issued by Reserve Bank of India and as per listing agreement with the Stock Exchanges.
- 2 For the preparation of these financial results, the Bank has followed the same accounting policies and practices adopted for the preparation of the audited financial statements for the previous year.
- 3 The figures for the quarter ended 31st March 2017 and corresponding quarter ended in the previous year as reported in these financial results are the balancing figure between audited figures in respect of the full financial year and the year to date figures upto the end of the third quarter of the relevant financial year.
- 4 The above working results for the quarter and year ended 31st March 2017 have been arrived at after making provisions for Standard Assets, Non Performing Assets and Depreciation on Investments, Employee benefits, taxes & other usual and necessary provisions.
- 5 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 have been made available on the Bank's website ([www.cityunionbank.com](http://www.cityunionbank.com)). These disclosures have not been subjected to review/audit by the Statutory Central Auditors.
- 6 During the year, the bank has allotted 28,73,602 shares of Re.1/- each to employees pursuant to the exercise of stock option by the employees.
- 7 In accordance with the RBI guidelines, the bank has shifted Securities amounting to Rs.589.65 cr from HTM to AFS category and Rs.80.10 cr from AFS to HTM category. The resulting depreciation of Rs.33 lakhs has been charged to Profit & Loss account during the first quarter of the current financial year.
- 8 Pursuant to RBI circular DBR.BP.BC.No.63/21.04.018/2016-17 dated 18th April, 2017 on "Divergence in the asset classification and provisioning", the Bank has incorporated the disclosures prescribed in the aforesaid circular in the Notes to the Audited Financial Statements for the year ended 31st March 2017. The Bank has also duly considered the impact of such divergencies in the Audited Financial Statements for the year ended 31st March 2017.
- 9 Pursuant to RBI circular FMRD.DIRD.10/14.03.002/2015-16 dated May 19, 2016, as amended, the Bank has with effect from November 26, 2016 considered its repo/reverse repo transactions under Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) of RBI as Borrowings/Lendings, as the case may be. Hitherto, the repo/reverse repo transactions were included under investments. Figures for the previous period's/year have been regrouped/reclassified to conform to current period's/year classification. The above regrouping/reclassification has no impact on the profit of the Bank for the quarter/year ended 31st March 2017 or the previous periods/year.
- 10 The business of the bank has been classified into four segments i.e. i) Treasury, ii) Corporate & Wholesale Banking, iii) Retail Banking and iv) Other banking operations. Since the Bank does not have any overseas branch, reporting under geographic segment does not arise. Segment assets have been identified and segment liabilities have been allocated on the basis of segment assets. The segment results are annexed.
- 11 The Board of Directors recommend a dividend of Rs.0.30 per equity share of Re.1/- each for the year 2016-17, subject to the approval of the members at the ensuing Annual General Meeting. In accordance with AS 4, Contingencies and Events occurring after the Balance Sheet date notified by the MCA on March 30, 2016, the proposed dividend has not been shown as appropriation from the Profit and Loss appropriation account as of March 31, 2017 and correspondingly not reported under Other Liabilities and Provisions as at March 31, 2017. For computation of capital adequacy ratio as at 31.03.2017, Bank has adjusted the proposed dividend and tax thereon for determining capital funds.

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For CITY UNION BANK LTD.

  
Company Secretary



- 12 The Board of Directors at its meeting held on 29th May 2017 approved issue of Bonus shares, in the proportion of 1 : 10, i.e. 1 (one) bonus equity share of Re.1/- each for every 10 (ten) fully paid-up equity shares held as on the record date, subject to approval by the members of the Bank.
- 13 Number of Investor complaints pending at the beginning of the quarter - Nil. Received during the quarter - 1 : Disposed of during the quarter - 1 : Pending complaints as on 31st March 2017 : Nil
- 14 Figures of the corresponding period's/year's have been reclassified/regrouped, wherever considered necessary.

By order of the Board



**Dr. N. KAMAKODI**  
MD & CEO

Place : Chennai  
Date : 29<sup>th</sup> May 2017

This is the statement referred to in our report of even date.

for M/s. P. Chandrasekar,  
Chartered Accountants,  
Firm No. 00580 - S



**P. Chandrasekaran,**  
Partner.  
M.No.26037

Place : Chennai  
Date : 29th May 2017



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For **CITY UNION BANK LTD.**



**Company Secretary**

**CITY UNION BANK LTD., CENTRAL OFFICE, KUMBAKONAM**

**SEGMENT REPORTING FOR THE YEAR ENDED 31.03.2017**

**Segmentwise Results**

(Rs in Lakhs)

Particulars	Quarter ended			Year ended	
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
	Audited	Reviewed	Audited	Audited	
<b>Segment Revenue</b>					
a) Treasury	18357	23380	17753	78919	70253
b) Corporate / wholesale banking	29930	24604	25343	98833	86864
c) Retail Banking	43728	47114	42906	186919	177529
d) Other Banking Operations	560	283	350	1102	773
Total	92575	95381	86352	365773	335419
Less : Inter segment revenue	-	-	-	-	-
Total	92575	95381	86352	365773	335419
<b>Segment Results</b>					
a) Treasury	9628	10015	10797	36961	30339
b) Corporate / wholesale banking	7112	8279	7149	26268	23413
c) Retail Banking	7568	8882	4181	35428	29093
d) Other Banking Operations	456	182	277	717	483
Total	24764	27358	22404	99374	83328
<b>Operating Profit</b>	<b>24764</b>	<b>27358</b>	<b>22404</b>	<b>99374</b>	<b>83328</b>
<b>Other Provisions &amp; Contingencies</b>	7126	9196	7081	30097	23059
Exceptional items	0	0	0	0	0
<b>Profit Before Tax</b>	17638	18162	15323	69277	60269
Taxes including Deferred Tax	4750	5500	4100	19000	15800
<b>Net Profit</b>	<b>12888</b>	<b>12662</b>	<b>11223</b>	<b>50277</b>	<b>44469</b>
<b>Segmental Assets:</b>					
a) Treasury	936527	1090544	893202	936527	893202
b) Corporate / wholesale banking	857146	760078	720719	857146	720719
c) Retail Banking	1640740	1532061	1491751	1640740	1491751
d) Unallocated	92665	105407	74724	92665	74724
<b>Total Assets</b>	<b>3527078</b>	<b>3488090</b>	<b>3180396</b>	<b>3527078</b>	<b>3180396</b>
<b>Segmental Liabilities:</b>					
a) Treasury	874324	993154	847533	874324	847533
b) Corporate / wholesale banking	766903	690959	643384	766903	643384
c) Retail Banking	1467994	1392623	1331676	1467994	1331676
d) Unallocated	60837	67221	52603	60837	52603
<b>Total</b>	<b>3170058</b>	<b>3143957</b>	<b>2875196</b>	<b>3170058</b>	<b>2875196</b>
<b>Capital Employed:</b>					
<b>Segment Assets - Segment Liabilities</b>					
a) Treasury	62203	97390	45669	62203	45669
b) Corporate / wholesale banking	90243	69119	77335	90243	77335
c) Retail Banking	172746	139438	160075	172746	160075
d) Unallocated	31828	38186	22121	31828	22121
<b>Total</b>	<b>357020</b>	<b>344133</b>	<b>305200</b>	<b>357020</b>	<b>305200</b>

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

**PART B : GEOGRAPHIC SEGMENTS:**

The bank operates only in India

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For CITY UNION BANK LTD.

*Ramesh*  
Company Secretary







# CITY UNION BANK LIMITED

CIN - L65110TN1904PLC001287

Regd. Office, No. 149, TSR (Big) Street, Kumbakonam - 612 001.

Phone : 0435 - 2432322 : Fax : 0435 - 2431746

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C.O/Shares/LR-2/5/2017-18

29<sup>th</sup> May 2017

National Stock Exchange of India Ltd.,  
Exchange Plaza, 5<sup>th</sup> Floor,  
Plot No.C/1, G Block,  
Bandra-Kurla Complex,  
Bandra (E),  
**Mumbai 400 051**

BSE Ltd.,  
DCS – CRD,  
Phiroze Jeejeebhoy Towers,  
25<sup>th</sup> Floor, Dalal Street,  
**Mumbai 400 001**

**Scrip Code: CUB**

**Scrip Code: 532210**

Dear Madam / Sir,

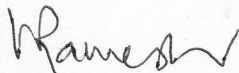
Sub: Declaration under Regulation 33/52 of SEBI LODR Amendment Regulations 2016

Pursuant to SEBI circular no.CIR/CFD/CMD/56/2016 dated 27<sup>th</sup> May 2016, we hereby confirm that M/s P Chandrasekar, Chartered Accountants, the Statutory Central Auditors of the Bank, have provided un-qualified audit opinion on the standalone financial results of the Bank for the year ended 31<sup>st</sup> March 2017.

This is for your information and records please.

Thanking you

Yours faithfully  
for **CITY UNION BANK LIMITED**

  
V Ramesh  
General Manager – CFO & CS

