



# INVESTOR PRESENTATION

SEPTEMBER 2019

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September 2019



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**CUB**  
Trust and Excellence  
SINCE 1904

# OVERVIEW

## ΟΛΕΚΛΙΕΜ

## ► 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 30.09.2019



Deposits  
**INR 40,451 CR**



Advances  
**INR 33,279 CR**



Net Interest Margin  
**4.01%**



Net NPA  
**1.90%**



Employees  
**5,588**



Branches  
**650**

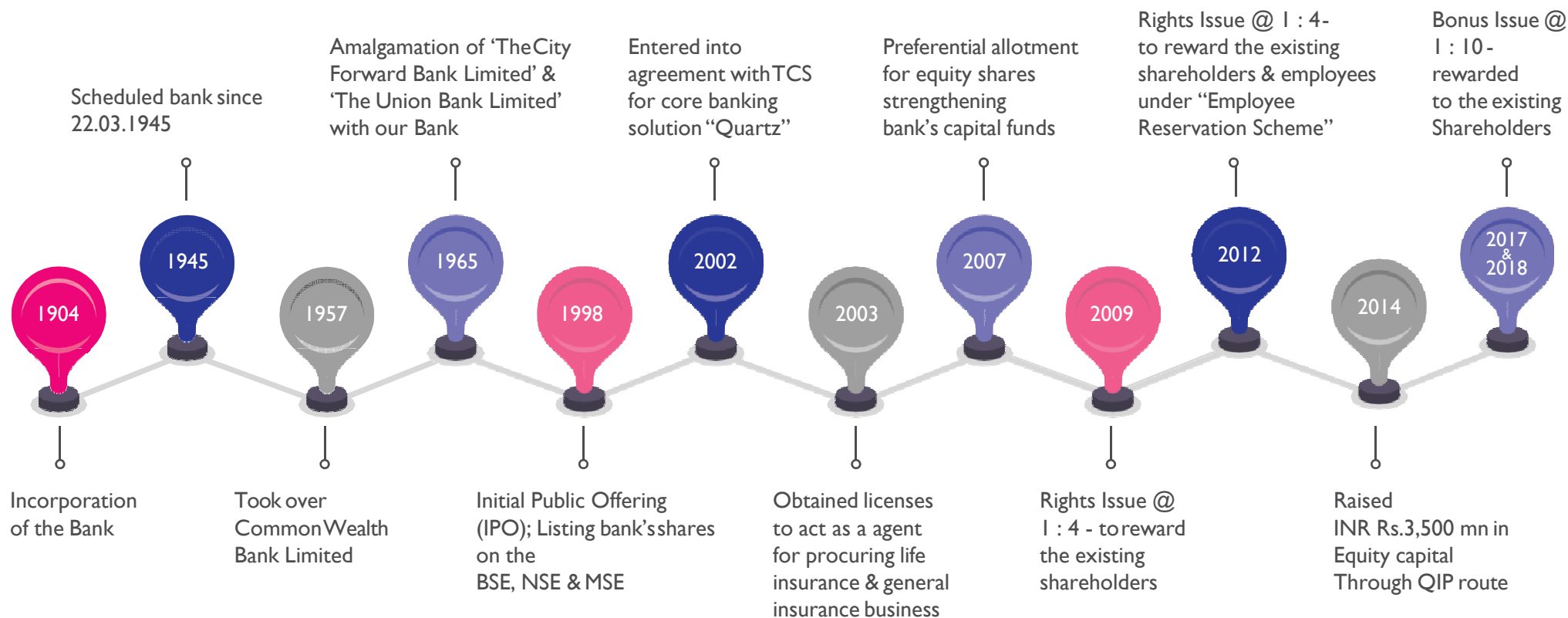


ATM's  
**1,724**



Efficiency Ratio  
**41.19%**

## ▶ 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 20%+**

### 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

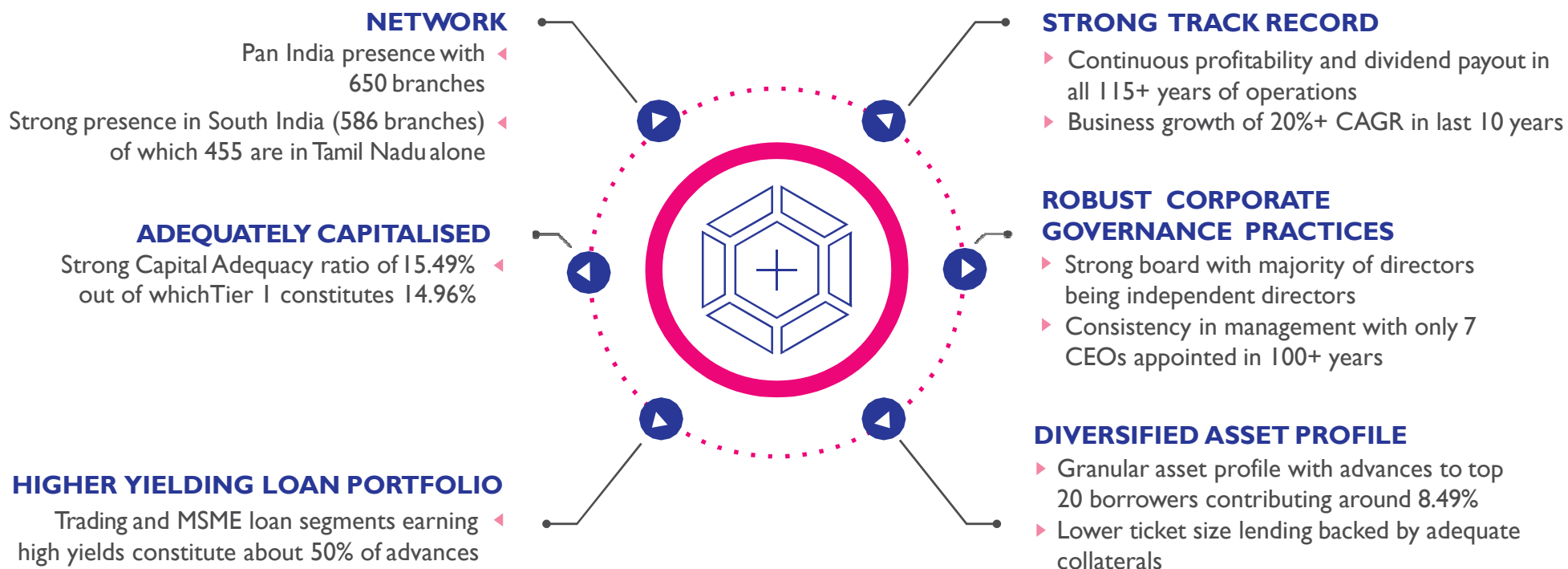
- ▶ Comprehensive employee training and recruitment infrastructure through staff training college
- ▶ All branches and 100% business under CBS from TCS

**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 2019

ΠΕΡΦΟΡΜΑΝΣΗ ΗΓΗΓΙΗΤΣ – ΣΕΠΤΕΜΒΕΡ 2019

## ▶ Q2 / HI FY 2020 PERFORMANCE – A SNAPSHOT

- ▶ Deposits increased by 17% from Rs.345 Bn to Rs.405 Bn Y-o-Y
- ▶ Advances registered a growth of 12% from Rs.298 Bn to Rs.333 Bn Y-o-Y
- ▶ Total business grown by 15% to Rs.737 Bn from Rs.643 Bn Y-o-Y
- ▶ Gross Profit increased by 17% from Rs.2,959 Mn to Rs.3,465 Mn (Q2-Vs-Q2) and 17% from Rs.5,953 Mn to Rs.6,979 Mn (HI-Vs-HI)
- ▶ Net Profit registered a growth of 15% from Rs.1,680 Mn to Rs.1,935 Mn (Q2-Vs-Q2) and 15% from Rs.3,296 Mn to Rs.3,792 Mn (HI-Vs-HI)
- ▶ Profitability and efficiency ratios – at par with the best in industry:

PARTICULARS	Q2 FY 2020	Q2 FY 2019	HI FY 2020	HI FY 2019	FY 2018-19
Return on Assets	1.62%	1.62%	1.62%	1.63%	1.64%
Net Interest Margin	3.91%	4.32%	4.01%	4.28%	4.32%
Return on Equity	15.18%	15.20%	15.21%	15.29%	15.25%
Earning per share	Rs.2.63	Rs.2.30	Rs.5.16	Rs.4.75	Rs.9.57

- ▶ Gross NPA – 3.41% and Net NPA – 1.90%
- ▶ Provision Coverage Ratio – 65%
- ▶ CRAR – 15.49% (Basel III) of which core CRAR – 14.96%

## ▶ Q2 FY 2020 VS Q2 FY 2019 PERFORMANCE – A SNAPSHOT

(All figures in INR Mn)

**404,513**



**345,340**

Deposits

**332,793**



**297,850**

Advances

**737,306**



**643,190**

Total Business

**99,882**



**81,639**

CASA

**3,465**



**2,959**

Gross Profit

**1,935**



**1,680**

Net Profit

**4,115**



**3,980**

Net Interest  
Income

**42.87%**



**42.71%**

Cost to Income

**1.62%**

ROA

**15.18%**

ROE

**3.91%**

NIM

**3.41%**

Gross NPA

**1.90%**

Net NPA

■ Q2 FY 20

■ Q2 FY 19

## ▶ HI FY 2020 VS HI FY 2019 PERFORMANCE – A SNAPSHOT

(All figures in INR Mn)

**404,513**



**345,340**

Deposits

**332,793**



**297,850**

Advances

**737,306**



**643,190**

Total Business

**99,882**



**81,639**

CASA

**6,979**



**5,953**

Gross Profit

**3,792**



**3,296**

Net Profit

**8,284**



**7,728**

Net Interest  
Income

**41.19%**



**41.66%**

Cost to Income

**1.62%**

ROA

**15.21%**

ROE

**4.01%**

NIM

**3.41%**

Gross NPA

**1.90%**

Net NPA

■ HI FY 20   ■ JHI FY 19

## ► FY 2019 VS FY 2018 PERFORMANCE – A SNAPSHOT

(All figures in INR Mn)

**384,480**



**328,526**

Deposits

**330,652**



**282,386**

Advances

**715,132**



**610,912**

Total Business

**96,982**



**79,567**

CASA

**12,400**



**12,077**

Gross Profit

**6,829**



**5,920**

Net Profit

**16,115**



**14,303**

Net Interest  
Income

**41.67%**



**38.46%**

Cost to Income

**1.64%**

ROA

**15.25%**

ROE

**4.32%**

NIM

**2.95%**

Gross NPA

**1.81%**

Net NPA

■ FY19

■ FY18







# FINANCIAL PERFORMANCE & BUSINESS PROFILE

FINANCIAL PERFORMANCE & BUSINESS PROFILE

## ▶ Q2 FY 20 VS Q2 FY 19 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	Q2 FY 2020	Q2 FY 2019	INC / (DEC)	Growth	Growth %	Q1 FY 2020
Deposits	404,513	345,340		59,172	17%	390,768
Advances	332,793	297,850		34,943	12%	322,295
Total Business	737,306	643,190		94,116	15%	713,063
Demand Deposits	31,383	27,150		4,232	16%	28,532
Saving Deposits	68,500	54,489		14,011	26%	63,081
CASA	99,882	81,639		18,243	22%	91,613
Gross NPA	11,354	8,479				10,762
Net NPA	6,241	4,978				6,000
Gross NPA (%)	3.41%	2.85%				3.34%
Net NPA (%)	1.90%	1.69%				1.89%
C R A R (BASEL – III)	15.49%	15.11%				15.68%
- Of which Tier I	14.96%	14.71%				15.17%
CD Ratio	82%	86%				82%
PCR	65%	65%				65%



## ▶ Q2 FY 20 VS Q2 FY 19 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	Q2 FY 2020	Q2 FY 2019	INC / (DEC)	Growth %	Q1 FY 2019
Net Interest Income	4,115	3,980	135	3%	4,169
Other Income	1,950	1,185	765	64%	1,633
Operating Expenses	2,600	2,206	394	18%	2,288
Gross Profit	3,465	2,959	506	17%	3,514
Provisions & Contingencies	1,530	1,279	251	20%	1,658
Net Profit	1,935	1,680	255	15%	1,856
Return on Assets	1.62%	1.62%			1.63%
Return on Equity	15.18%	15.20%			15.22%
Net Interest Margin	3.91%	4.32%			4.11%

## ▶ HI FY 20 VS HI FY 19 PERFORMANCE - A SNAPSHOT

(in INR Mn)







### FINANCIAL PERFORMANCE

PARTICULARS	HI FY 2020	HI FY 2019	INC / (DEC)	Growth %
Net Interest Income	8,284	7,728	556	7%
Other Income	3,583	2,476	1,107	45%
Operating Expenses	4,888	4,251	637	15%
Gross Profit	6,979	5,953	1,026	17%
Provisions & Contingencies	3,187	2,657	530	20%
Net Profit	3,792	3,296	496	15%
Return on Assets	1.62%	1.63%		
Return on Equity	15.21%	15.29%		
Net Interest Margin	4.01%	4.28%		

## ► FY 19 VS FY 18 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	FY 2019	FY 2018	INC / (DEC)	Growth	Growth %
Deposits	384,480	328,526		55,954	17%
Advances	330,652	282,386		48,266	17%
Total Business	715,132	610,912		104,220	17%
Demand Deposits	32,145	27,863		4,282	15%
Saving Deposits	64,837	51,705		13,132	25%
CASA	96,982	79,568		17,414	22%
Gross NPA	9,771	8,566			
Net NPA	5,915	4,748			
Gross NPA (%)	2.95%	3.03%			
Net NPA (%)	1.81%	1.70%			
C R A R (BASEL – III)	15.55%	16.22%			
- Of which Tier I	15.03%	15.79%			
CD Ratio	86%	86%			
PCR	63%	64%			

## ▶ FY 19 VS FY 18 PERFORMANCE - A SNAPSHOT

(in INR Mn)

### FINANCIAL PERFORMANCE

PARTICULARS	FY 2019	FY 2018	INC / (DEC)	Growth %
Net Interest Income	16,115	14,303	1,812	13%
Other Income	5,144	5,321	-177	-ve
Operating Expenses	8,859	7,547	1,312	17%
Gross Profit	12,400	12,077	323	3%
Provisions & Contingencies	5,571	6,157	-586	-ve
Net Profit	6,829	5,920	909	15%
Return on Assets	1.64%	1.60%		
Return on Equity	15.25%	15.37%		
Net Interest Margin	4.32%	4.42%		

## ► PROVISIONS & CONTINGENCIES – BREAKUP

(in INR Mn)

PARTICULARS	Q2 FY 20	Q2 FY 19	HI FY 20	HI FY 19	FY 18-19
Provision for:					
- Tax	450	600	950	1,200	2,420
- Bad Debts	980	470	2,420	1,120	2,700
- Standard Assets	90	27	52	32	215
- Depn on Investments	-	80	-240	160	160
- Depn on Shifting	-	-	-	65	65
- Restructuring / FITL	8	-	8	-	-96
- Others	2	103	-3	80	107
<b>Total</b>	<b>1,530</b>	<b>1,280</b>	<b>3,187</b>	<b>2,657</b>	<b>5,571</b>

## ▶ Q2 FY 20 VS Q2 FY 19 – INCOME AND EXPENSES BREAKUP

(in INR Mn)

### INTEREST INCOME BREAKUP

PARTICULARS	Q2 FY 2020	Q2 FY 2019	Growth %
Interest on Loans	8,618	7,771	11%
Interest on Investments	1,602	1,416	13%
Other Interest Income	148	78	90%
<b>Total Interest Income</b>	<b>10,368</b>	<b>9,265</b>	<b>12%</b>

### INTEREST EXPENSES BREAKUP

PARTICULARS	Q2 FY 2020	Q2 FY 2019	Growth %
Int Exp on Deposits	6,184	5,143	20%
Other Int Expenses	69	142	-ve
<b>Total Interest Expenses</b>	<b>6,253</b>	<b>5,285</b>	<b>18%</b>

### OTHER INCOME BREAKUP

PARTICULARS	Q2 FY 2020	Q2 FY 2019	Growth %
CEB & Charges	759	688	10%
Treasury Income	789	213	270%
Other Inc incl recoveries in written off a/cs	402	284	41%
<b>Total Other Income</b>	<b>1,950</b>	<b>1,185</b>	<b>64%</b>

### OPERATING EXPENSES BREAKUP

PARTICULARS	Q2 FY 2020	Q2 FY 2019	Growth %
Employee Cost	1,131	930	22%
Other Operating Expenses	1,469	1,276	15%
<b>Total Expenses</b>	<b>2,600</b>	<b>2,206</b>	<b>18%</b>

## ▶ HI FY 20 VS HI FY 19 – INCOME AND EXPENSES BREAKUP

(in INR Mn)

### INTEREST INCOME BREAKUP

PARTICULARS	HI FY 2020	HI FY 2019	Growth %
Interest on Loans	17,304	15,197	14%
Interest on Investments	3,013	2,804	7%
Other Interest Income	344	159	116%
<b>Total Interest Income</b>	<b>20,661</b>	<b>18,160</b>	<b>14%</b>

### INTEREST EXPENSES BREAKUP

PARTICULARS	HI FY 2020	HI FY 2019	Growth %
Int Exp on Deposits	12,129	10,155	19%
Other Int Expenses	248	277	-ve
<b>Total Interest Expenses</b>	<b>12,377</b>	<b>10,432</b>	<b>19%</b>

### OTHER INCOME BREAKUP

PARTICULARS	HI FY 2020	HI FY 2019	Growth %
CEB & Charges	1,556	1,447	7%
Treasury Income	1,235	406	204%
Other Inc incl recoveries in written off a/cs	792	623	27%
<b>Total Other Income</b>	<b>3,583</b>	<b>2,476</b>	<b>45%</b>

### OPERATING EXPENSES BREAKUP

PARTICULARS	HI FY 2020	HI FY 2019	Growth %
Employee Cost	2,135	1,803	18%
Other Operating Expenses	2,753	2,448	12%
<b>Total Expenses</b>	<b>4,888</b>	<b>4,251</b>	<b>15%</b>

## ► FY 19 VS FY 18 – INCOME AND EXPENSES BREAKUP

(in INR Mn)

### INTEREST INCOME BREAKUP

PARTICULARS	FY 2019	FY 2018	Growth %
Interest on Loans	31,777	28,404	12%
Interest on Investments	5,536	5,228	6%
Other Interest Income	359	392	-ve
<b>Total Interest Income</b>	<b>37,672</b>	<b>34,024</b>	<b>11%</b>

### INTEREST EXPENSES BREAKUP

PARTICULARS	FY 2019	FY 2018	Growth %
Int Exp on Deposits	21,080	19,271	9%
Other Int Expenses	477	450	6%
<b>Total Interest Expenses</b>	<b>21,557</b>	<b>19,721</b>	<b>9%</b>

### OTHER INCOME BREAKUP

PARTICULARS	FY 2019	FY 2018	Growth %
CEB & Charges	2,936	2,561	15%
Treasury Income	870	1,682	-ve
Other Inc incl recoveries in written off a/cs	1,338	1,078	24%
<b>Total Other Income</b>	<b>5,144</b>	<b>5,321</b>	<b>-ve</b>

### OPERATING EXPENSES BREAKUP

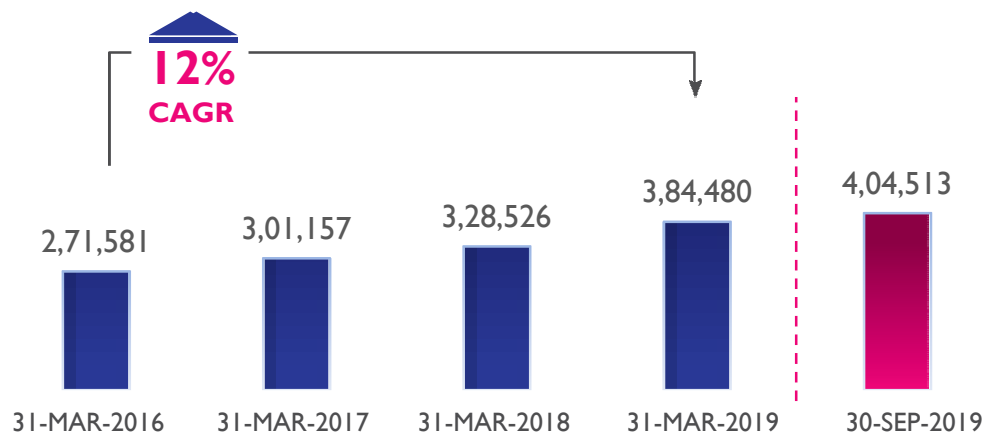
PARTICULARS	FY 2019	FY 2018	Growth %
Employee Cost	3,644	3,159	15%
Other Operating Expenses	5,215	4,388	19%
<b>Total Expenses</b>	<b>8,859</b>	<b>7,547</b>	<b>17%</b>



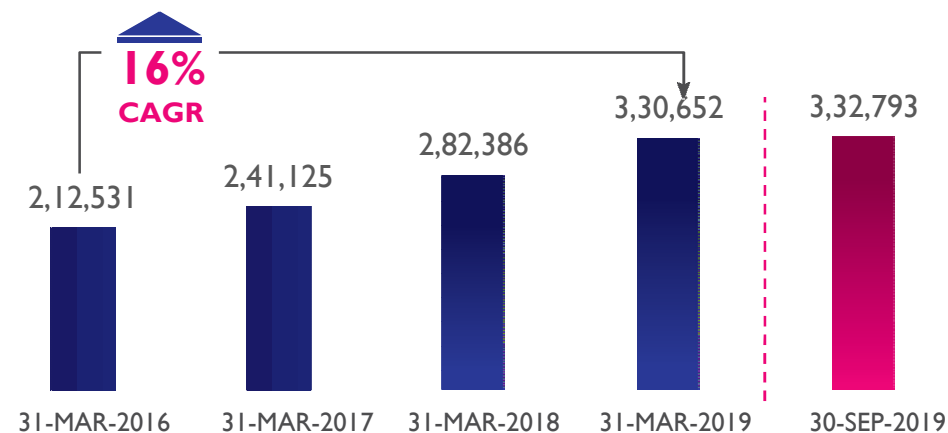
## ▶ STRONG DEPOSITS AND ADVANCES GROWTH

(in INR Mn)

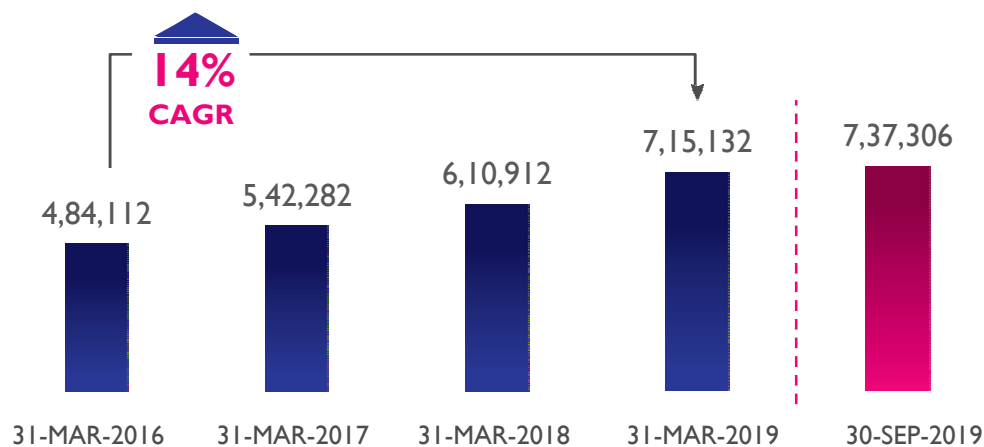
### DEPOSITS



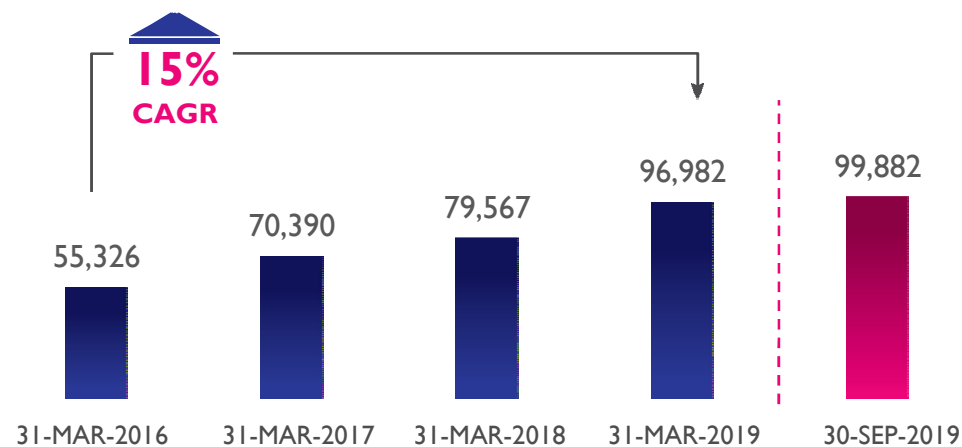
### ADVANCES



### BUSINESS



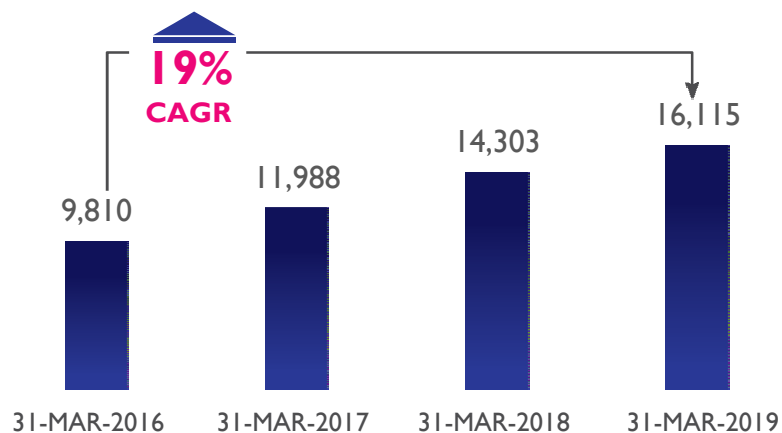
### CASA



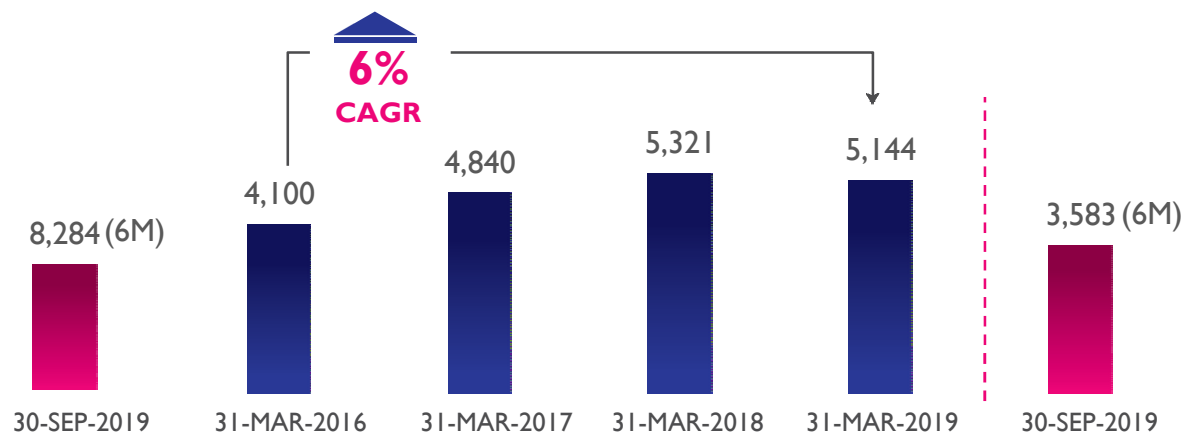
## ▶ INCOME GROWTH OVER THE YEARS...

(in INR Mn)

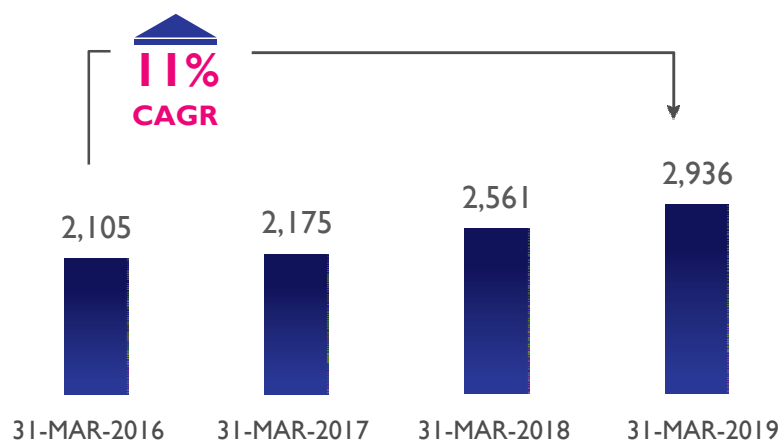
### NET INTEREST INCOME GROWTH



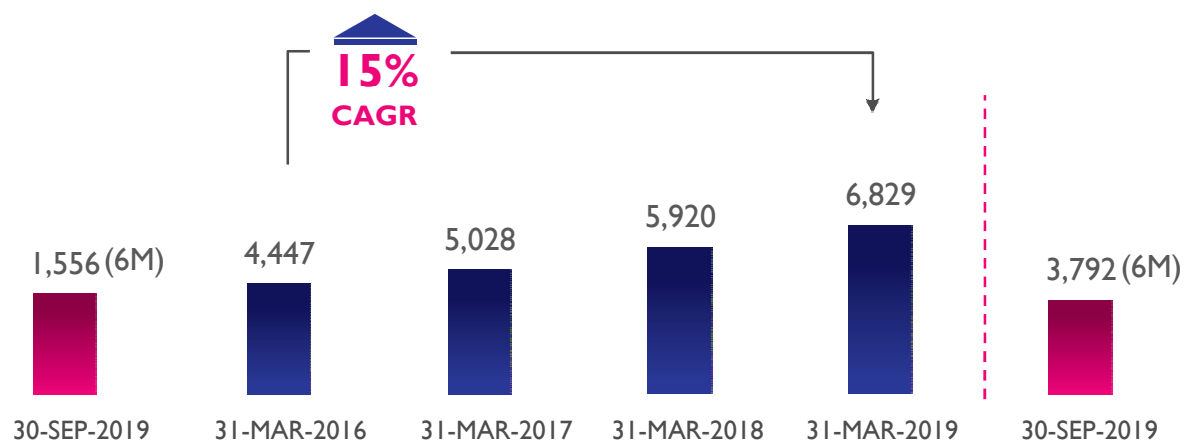
### OTHER INCOME GROWTH



### CEB GROWTH



### NET PROFIT GROWTH

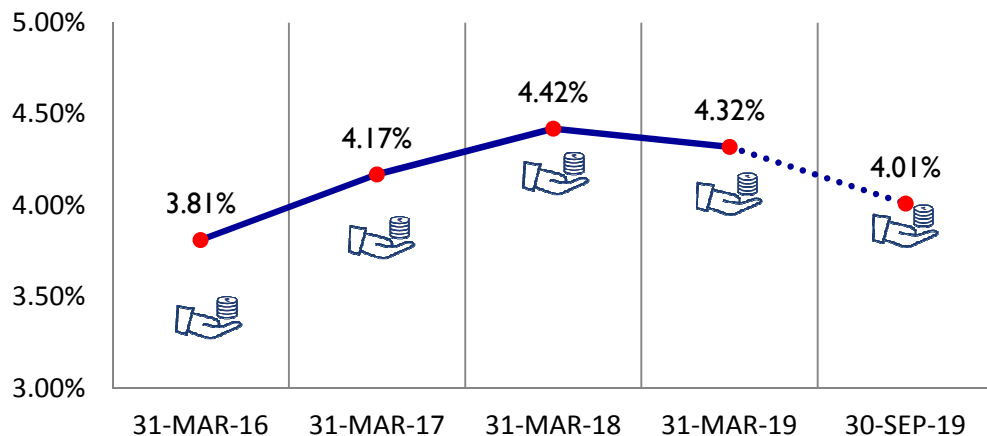


## ▶ KEY BUSINESS INDICATORS

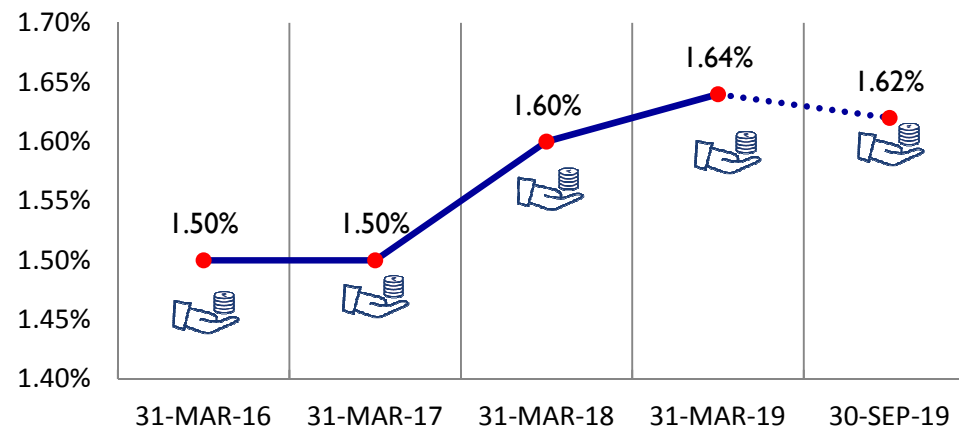
PARTICULARS	Q2 FY 20	Q2 FY 19	HI FY 20	HI FY 19	FY 18-19
Cost of Deposits	6.25%	6.07%	6.24%	6.11%	6.17%
Yield on Advances	10.76%	10.86%	10.86%	10.86%	10.95%
Yield on Investments	6.71%	6.95%	6.81%	6.93%	6.95%
Net Interest Margin	3.91%	4.32%	4.01%	4.28%	4.32%
Cost to Income	42.87%	42.71%	41.19%	41.66%	41.67%
Cost of Funds	5.23%	5.10%	5.30%	5.16%	5.18%
Yield of Funds	8.68%	8.94%	8.85%	8.97%	9.06%
Per Employee Business (in INR Mn)	131.89	118.92	131.89	118.92	129.60
Per Employee Profit (in INR Mn) (Ann)	1.39	1.24	1.36	1.22	1.24
EPS in INR - FV INR Re.1/- share (Not Ann)	2.63	2.30	5.16	4.75	9.57

## ▶ KEY BUSINESS RATIOS – YEARLY TRENDS

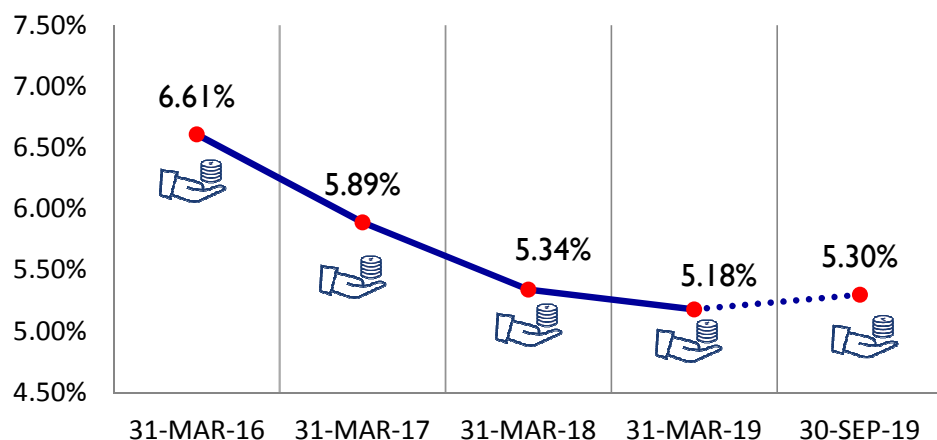
### NET INTEREST MARGIN



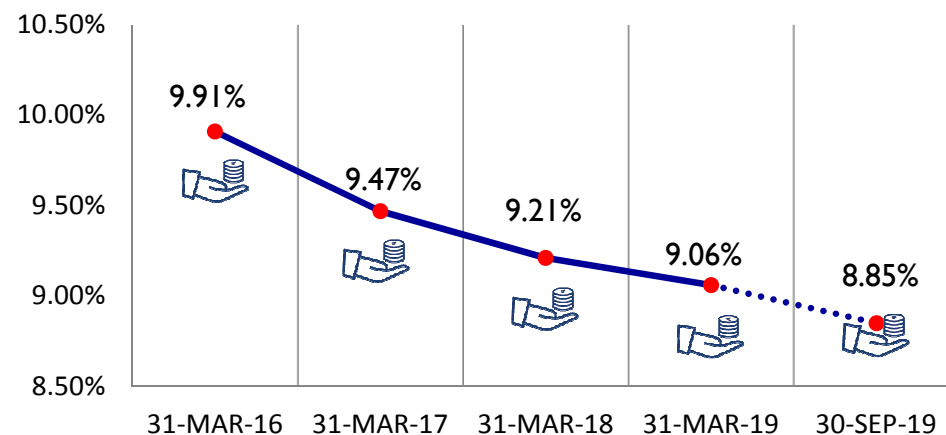
### RETURN ON ASSETS



### COST OF FUNDS

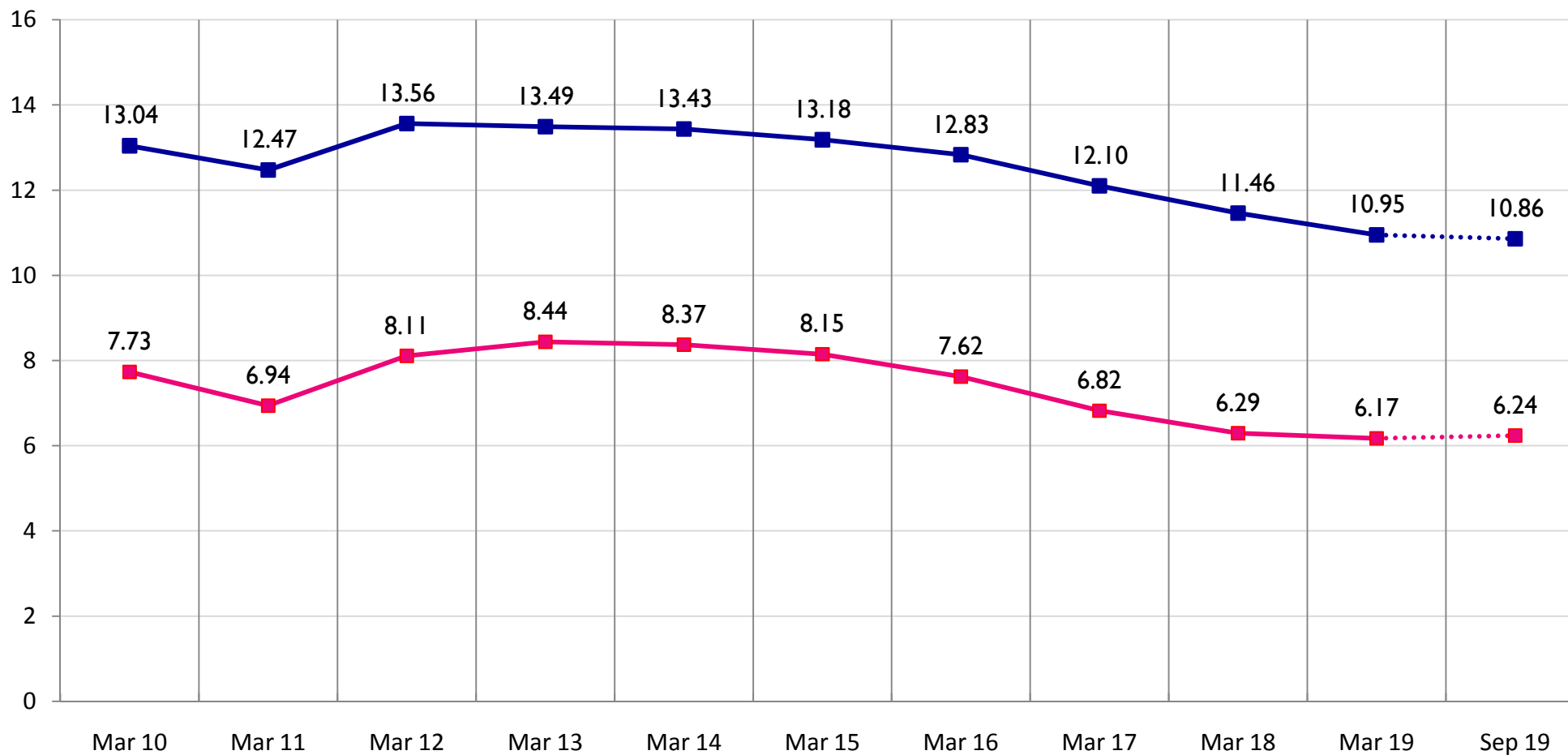


### YIELD ON FUNDS



## ▶ COST OF DEPOSITS & YIELD ON ADVANCES

(in %)

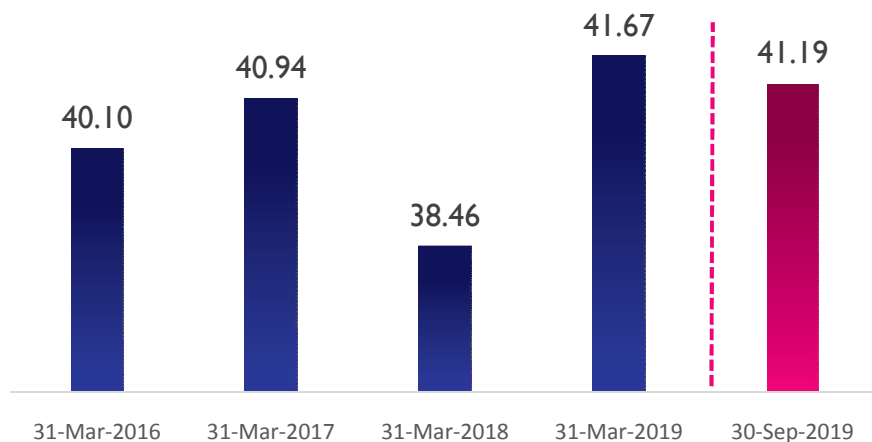


Spread between cost of deposits and yield on advances of our bank maintained in the last 10 years

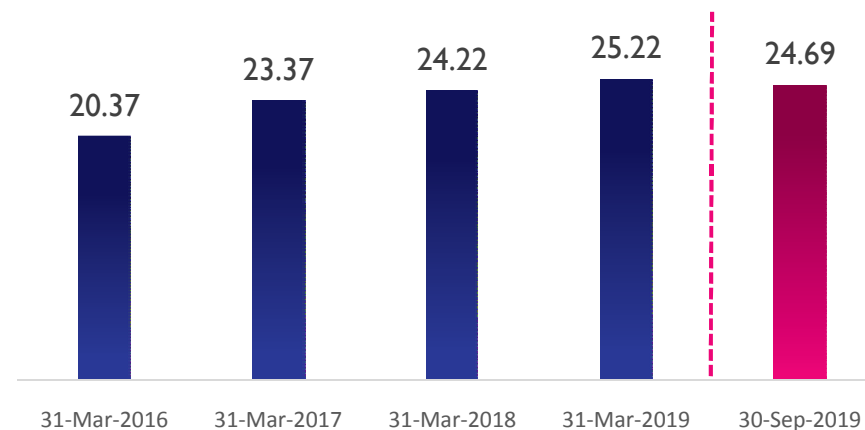
— Yield on Advances — Cost of Deposits

## EFFICIENCY

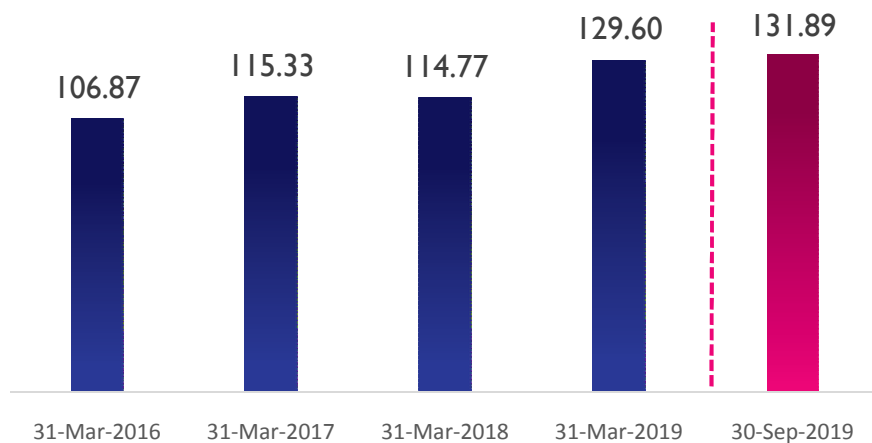
### COST INCOME RATIO (%)



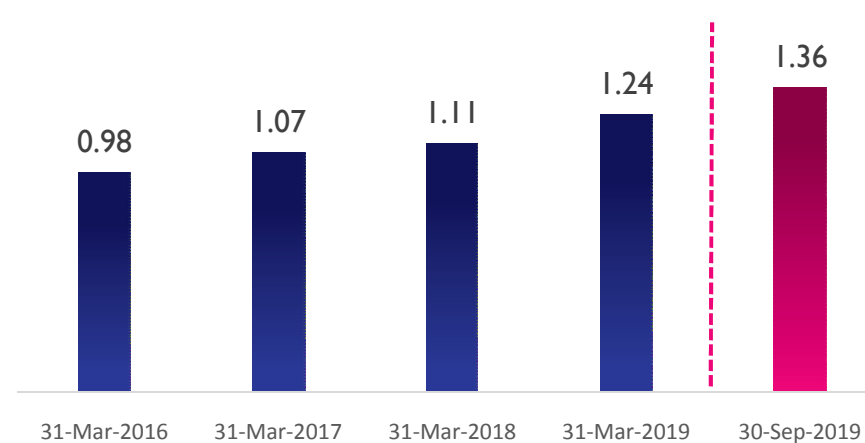
### CASA RATIO (%)



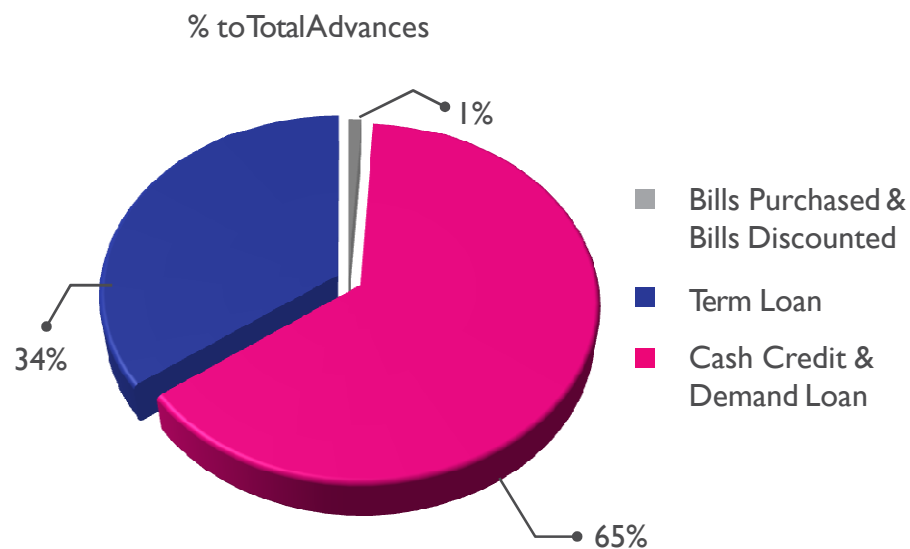
### BUSINESS PER EMPLOYEE (in INR Mn)



### PROFIT PER EMPLOYEE (in INR Mn)



## ▶ LOAN BOOK – PRODUCTS COMPOSITION



Working capital loans yielding higher interest constitute 64% of advances



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

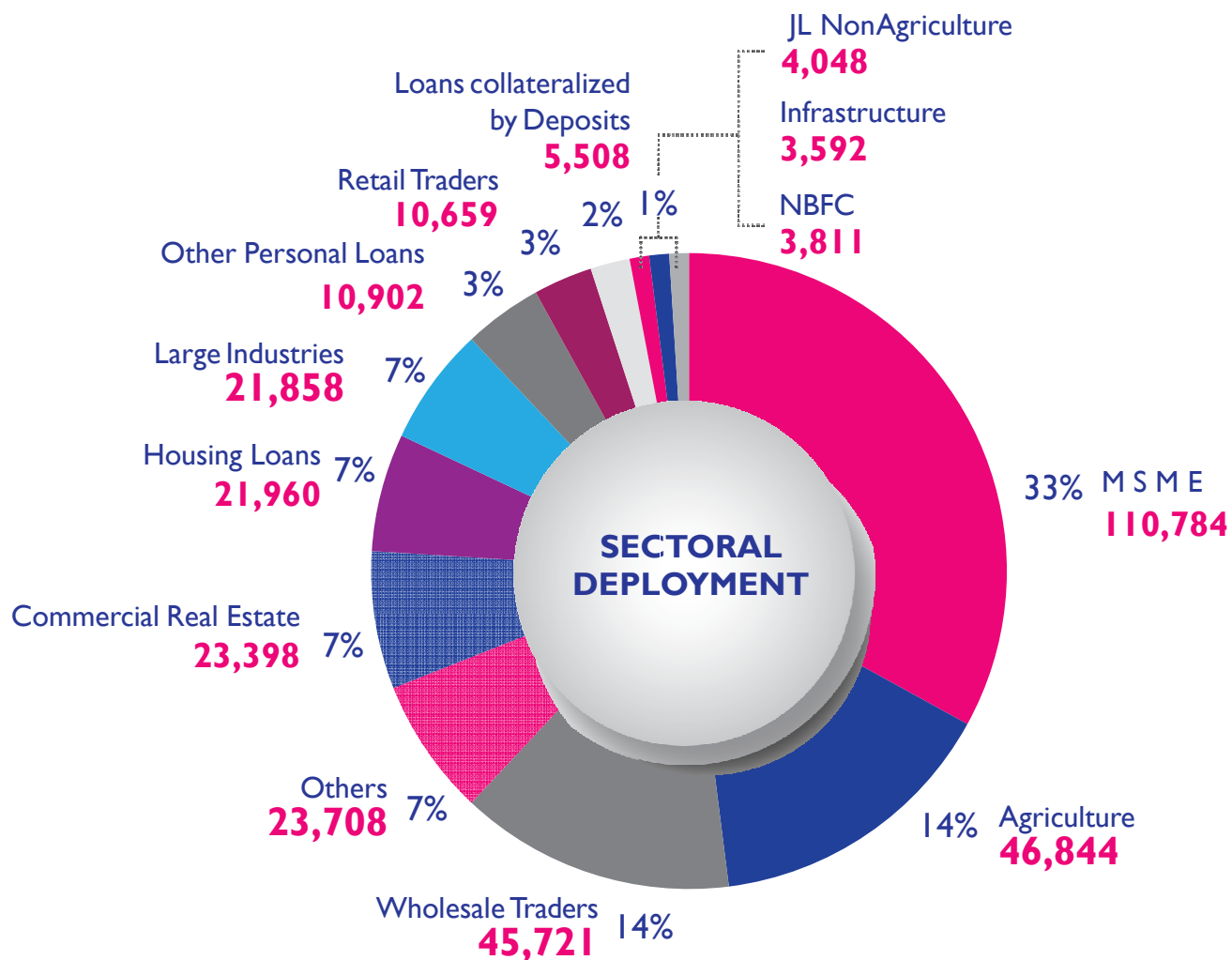


~95% of our loan book is on floating rate basis which reduces interest rate risk

Loan Book Products Composition	Amount (INR Mn)	% to Total Advances
Cash Credit & Demand Loan	214,918	64%
Term Loan	115,764	35%
Bills Purchased & Bills Discounted	2,111	1%
<b>Gross Loan Total</b>	<b>332,793</b>	<b>100%</b>

# ▶ LOAN BOOK SECTORAL DEPLOYMENT – POSITION AS ON 30.09.2019

(in INR Mn)





## ▶ LOAN BOOK SECTORAL DEPLOYMENT – POSITION AS ON 30.09.2019

(in INR Mn)

### SECURED & UNSECURED ADVANCES

Particulars	Amount (INR Mn)	(%)
Secured Loans	330,214	99%
Unsecured Loans	2,579	1%
<b>Total</b>	<b>332,793</b>	<b>100%</b>



Trading & MSME loans earning higher yield constitute about 50%



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



Unsecured Advances aggregate to 1%

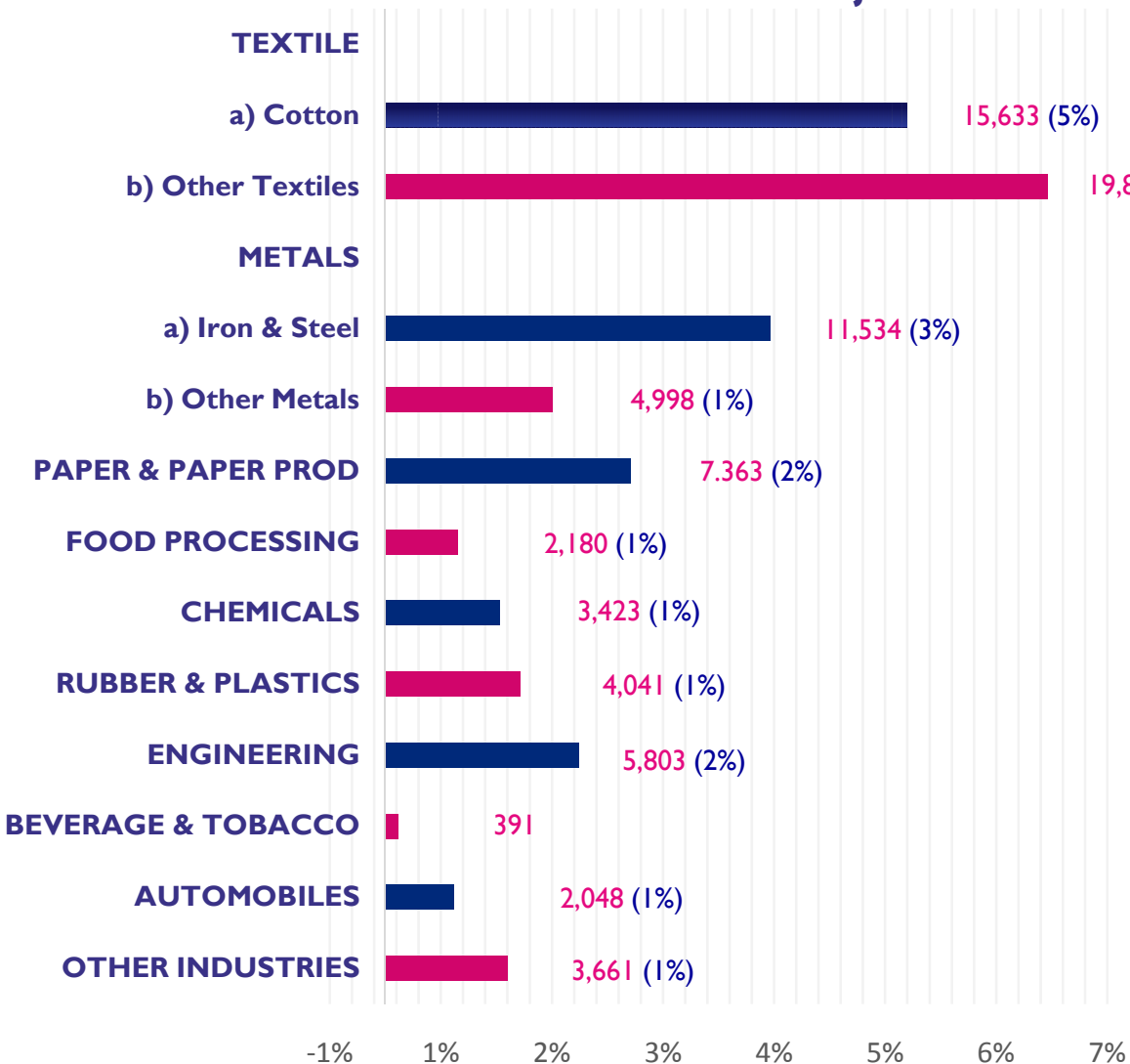


Total Jewel Loan outstanding as on 30.09.2019 – Rs.28,752 Mn

# Loan Book – Advances to Major Industries

(in INR Mn)

## Advances to Major Industries 30<sup>th</sup> September 2019

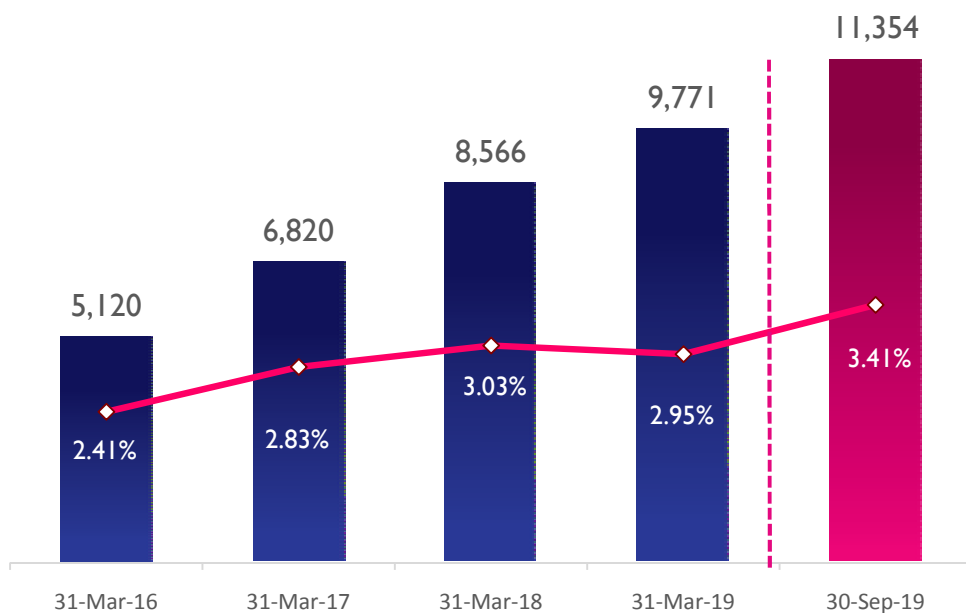


Industry Name	Amount (in INR Mn)	% to Total Advances
Advances to Major Industries	80,936	24%
All other advances (Agri, Trade, Service, Gold Loan, etc.)	251,857	76%
<b>Total Gross Advances</b>	<b>332,793</b>	<b>100%</b>

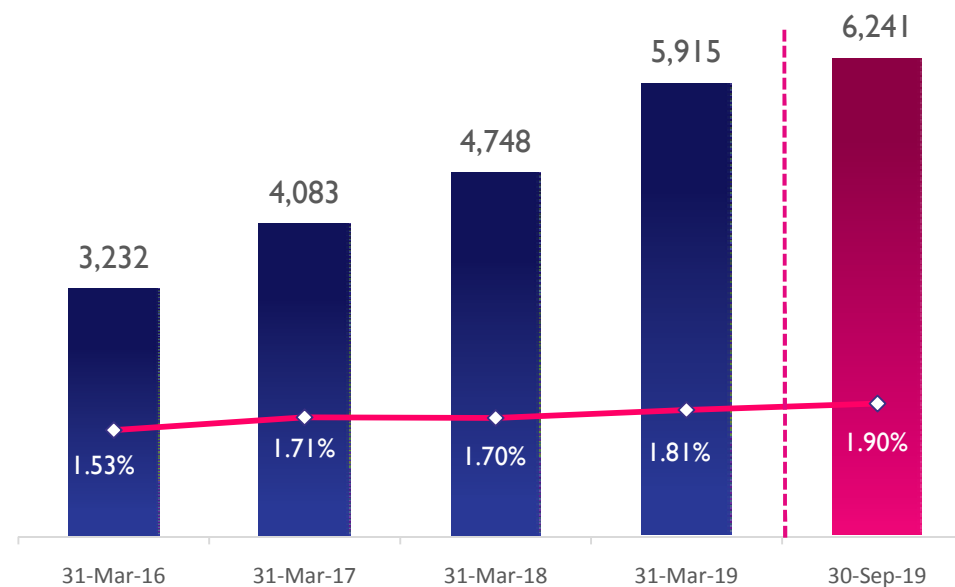
## ▶ ASSET QUALITY

(in INR Mn)

### GROSS NPA QTM & GROSS NPA %



### NET NPA QTM & NET NPA %



## ▶ ASSET QUALITY POSITION – MOVEMENT OVER THE YEARS

(RS IN MN)		FY MAR-16	FY MAR-17	FY MAR-18	FY MAR-19	Q2 FY 2020	HI FY 2020
<b>NPA Opening balance</b>		<b>3,358</b>	<b>5,120</b>	<b>6,820</b>	<b>8,565</b>	<b>10,762</b>	<b>9,771</b>
Additions	A	4,290	4,796	5,749	6,322	2,003	4,002
Recovery / SR *		734	905	1,623	1,980	656	1,024
Upgradations		546	556	433	496	132	244
NetAddition	B	3,010	3,335	3,693	3,846	1,215	2,734
Write-off		1,248	1,635	1,948	2,640	624	1,152
<b>NPA Closing balance</b>		<b>5,120</b>	<b>6,820</b>	<b>8,565</b>	<b>9,771</b>	<b>11,353</b>	<b>11,353</b>
Technical Write-off (TW) during the period		1,189	1,564	1,836	2,565	604	1,118
<b>Provision made during the period</b>	C	<b>2,050</b>	<b>2,515</b>	<b>3,030</b>	<b>2,700</b>	<b>980</b>	<b>2,420</b>
TW recovery	D	370	470	704	898	333	648
Provision made net of TW Recovery	E=C-D	<b>1,680</b>	<b>2,045</b>	<b>2,326</b>	<b>1,802</b>	<b>647</b>	<b>1,772</b>
GrossAdvance	F	2,12,531	2,41,125	2,82,386	3,30,652	3,32,793	3,32,793
<b>Additions % of GrossAdvance</b>	A / F	<b>2.02</b>	<b>1.99</b>	<b>2.04</b>	<b>1.91</b>	<b>0.60</b>	<b>1.20</b>
<b>NetAddition % of Gross Advance</b>	B / F	<b>1.42</b>	<b>1.38</b>	<b>1.31</b>	<b>1.16</b>	<b>0.37</b>	<b>0.82</b>
<b>Credit cost</b>	E / F	<b>0.79</b>	<b>0.85</b>	<b>0.82</b>	<b>0.54</b>	<b>0.19</b>	<b>0.53</b>
Gross NPA %		2.41	2.83	3.03	2.95	3.41	3.41
Net NPA %		1.53	1.71	1.70	1.81	1.90	1.90

✓ There is no sale to ARC under SR Basis since FY 15-16

## ▶ RESTRUCTURED ACCOUNTS

### Balance outstanding as on 30.09.2019 in respect of Restructured Standard borrowers

Type of Restructuring	No. of Borrowers	Amount (in INR Mn)
S M E	71	1012
N S M E	50	165
<b>Total</b>	<b>121</b>	<b>1177</b>

- ▶ The above disclosure is in respect of Restructured Standard Accounts excluding NPA
- ▶ Restructured Standard Advances to Gross Advances – 0.35% as on Sep-19
- ▶ In terms of RBI Circular DBR No.BPBC.18/21.04.048/2018-19 dt 01.01.2019 on MSME Sector - Restructuring of Advances, the bank has restructured 23 Standard accounts to the tune of Rs.491 mn in Q2 FY 2019. As of Q1 FY 19, the total outstanding restructured Standard accounts was 98 in numbers and amounting to Rs.638 mn. The Bank hold a provision of Rs.30 mn against the requirement of Rs.28 mn towards Restructured Standard accounts.
- ▶ No fresh sale to ARC on SR basis during HI FY 20 and amount outstanding in Security Receipts – Rs.3,029 mn. Out of this, 4 a/cs which constitutes 90% of total SRs, the resolution has been finalized and payments has started in all the 4 accounts. The Cash flow of Rs.221 mn received during HI FY 20. Since the repayment term goes upto 2022, we expect there will be continuous cash flows.
- ▶ During Q2 FY 20 , one NPA account which was under OTS has been sold to ARC on Cash basis to the tune of Rs.139 Mn to take advantage of speedy recovery.

## ▶ INVESTMENTS – AT A GLANCE

### Investments Breakup and Categorywise

(in INR Mn)

Particulars	SEP 2019	SEP 2018
SLR Securities	95,685	78,193
Non-SLR Securities	3,545	3,547
<b>Total Investments</b>	<b>99,230</b>	<b>81,740</b>
Yield on Investments	<b>6.81%</b>	<b>6.93%</b>
<b>Investments Breakup:</b>		
- A FS	28,356 (29%)	19,646 (24%)
- HTM	70,874 (71%)	62,094 (76%)
- H FT	-	-
<b>Total Investments</b>	<b>99,230</b>	<b>81,740</b>
<b>Modified Duration:</b>		
- A FS	0.85	1.19
- HTM	4.32	4.96
- H FT	-	-
- Overall Portfolio	3.41	4.18

✓ The Bank has no Direct / Indirect exposures to ILFS and other troubled corporates recently in news.

## ▶ Cross Selling - Tie-up / Arrangements

- ✓ We are in the process of making necessary tie - ups / agreements with Insurance and Mutual Funds distribution with companies like Star Health, Integrated Enterprises, BSE Star MF etc.
- ✓ We don't expect any spectacular increase in third party distribution immediately but we feel these are in needed in the long run.



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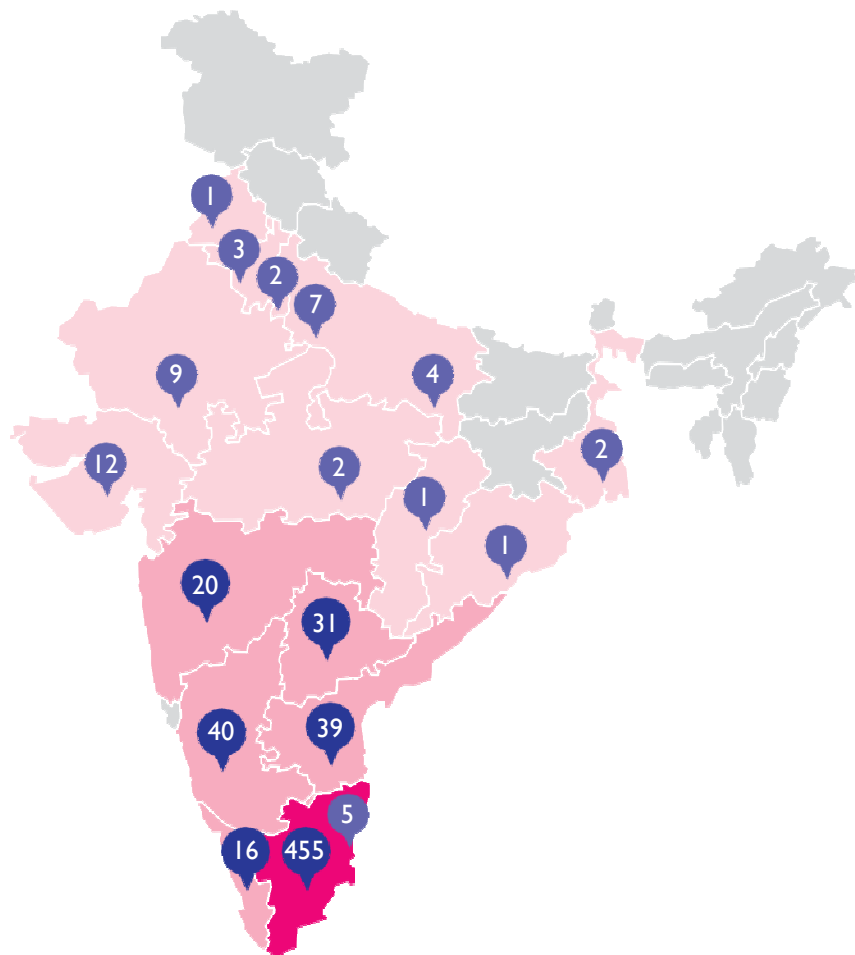
# BRANCH NETWORK

BRANCH NETWORK

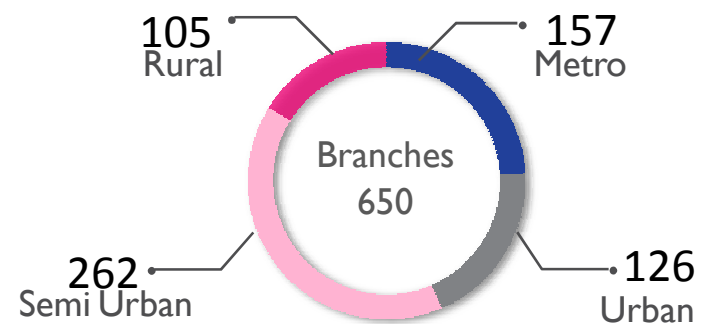


## ▶ STRONG PRESENCE IN THE SOUTH

As of Sep 2019 - 650 branches. 586 branches are located in South India out of which 455 in Tamil Nadu



State	No. of Branches	% of Deposits	% of Advances	% of Business
Tamilnadu	455	79	63	71
Karnataka	40	7	5	7
Andhrapradesh	39	2	8	5
Telengana	31	3	6	4
Maharashtra	20	2	4	3
Kerala	16	2	2	2
Gujarat	12	1	4	2
Others	37	4	8	6
<b>Total</b>	<b>650</b>			





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# SHAREHOLDING PATTERN

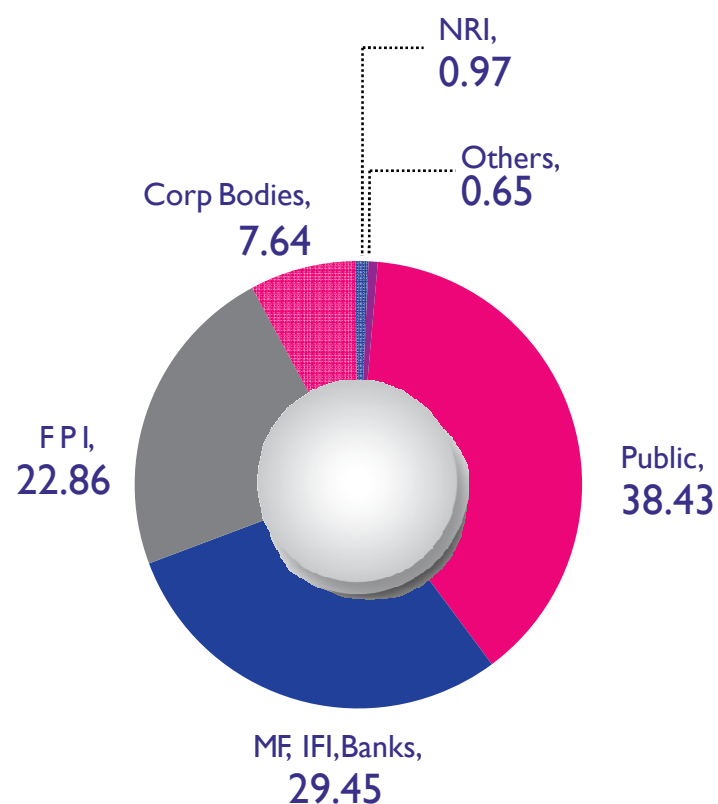
SHAKEHOLDING PATTERN

## ▶ A WELL DIVERSIFIED INVESTOR BASE

Position as on 30-Sep-2019

### Major Institutional Shareholders

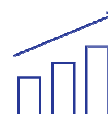
SHAREHOLDERS	HOLDING %
HDFC Midcap Opportunities Fund	4.50
Life Insurance Corporation of India	3.83
Axis Mutual Fund	3.15
L & T Mutual Fund – Midcap Fund	2.37
Smallcap World Fund INC (Capital Group)	2.26
HDFC Life Insurance Co. Ltd.	2.10
DSP Blackrock Midcap Fund	2.09
GKFF Ventures (Argonaut Ventures)	2.05
Franklin Templeton Mutual Fund	1.96
UTI – Equity Fund	1.41
Sundaram Mutual Fund	1.28
Wasatch Core Growth Fund	1.28
Bank Muscat India Fund	1.23
Faering Capital India Evolving Fund	1.10
Reliance Growth Fund	1.10
IDFC Multi Cap Fund	1.08
Tata Midcap Growth Fund	1.07
TVF Fund Limited	1.06



Well diversified ownership of shareholders around 1,04,000 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 ... 16.11%



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# CORPORATE GOVERNANCE

СОКЪОКАТЕ ГОЛЕКИАИСЕ

## ▶ A WELL EXPERIENCED AND STRONG BOARD



**Shri. R. Mohan | B.Sc., MBA, CAIIB**  
**Non-Executive Chairman**

Shri. R. Mohan is a bachelor of Science, Master of Business Administration and a CAIIB. Prior to joining the Board, he served as Chief General Manager of our Bank.



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

Smt. Abarna Bhaskar is a qualified 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. S. Bernard | B.Com. FCA**  
**Director**

Shri. S. Bernard is a graduate in Commerce and Fellow member of the Institute of Chartered Accountants of India. Having worked as an accountant / divisional accountant in Eastern Coal Fields (subsidiary of Coal India Ltd.) and Best & Crompton Engineering for a period of 6 years. He is a practicing Chartered Accountant since 1984.



**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 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 Regulations & 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.



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

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), FCA, FCS, Grad CMA**  
**Director**

Shri. Subramaniam Narayanan possesses rich experience in the area of Finance, Accountancy and Portfolio Managerial Operations in Security Market. He has held the position of CEO of First India Asset Management Co. Ltd. and handled Treasury services for Bank of America and Abu Dhabi Commercial Bank, UAE. He is also the founder Chairman of the Venture Capital Association of India (VCAI). He also has expertise in Business Management, IT Industry, Treasury Management & Risk Management.



**Dr. T.S. Sridhar IAS (Retd.) | M.A., Phd.,**  
**Director**

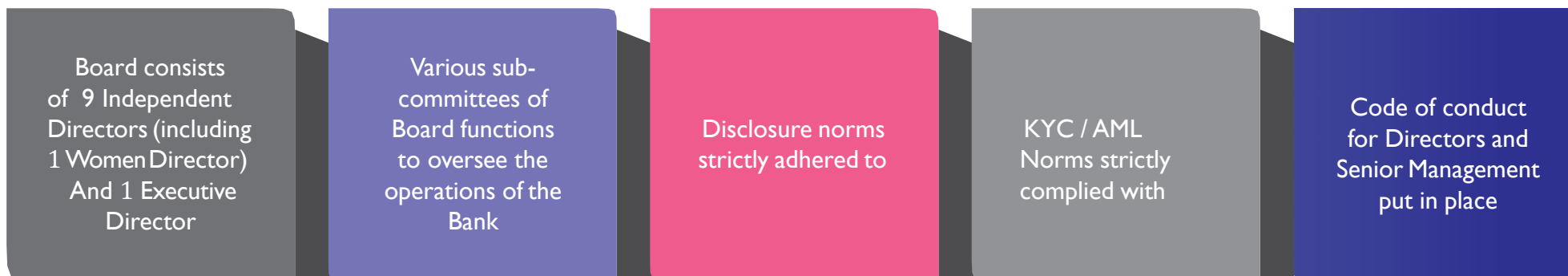
Dr. T.S. Sridhar is a Retd. IAS officer having 35 years of vast experience in all levels of administration and as Principal Secretary, he has expertise and knowledge on Rural economy, farm sector and Industries especially MSME. He was a Director on the Board of NABARD. He holds expertise in Human Resource 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 in Banking law, Company law and Intellectual Property Rights. He is also an active environmentalist.

## ▶ TRANSPARENT ‘CORPORATE GOVERNANCE’ PRACTICES



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



## CITY UNION BANK LTD.

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

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### INVESTOR CONTACT

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