

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 2020

Particulars	(Rs in Lakhs)				
	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	(Audited)	(Reviewed)	(Audited)	(Audited)	
1. Interest earned (a+b+c+d)	104167.82	106086.50	98455.42	416860.28	376716.66
a) Interest/Discount on Advances/Bills	88059.81	88359.74	83833.95	349457.62	317765.50
b) Income on Investments	14546.84	16312.81	13489.06	60991.77	55359.81
c) Interest on balances with RBI and other Inter Bank funds	1358.06	1187.72	867.75	5481.34	2331.45
d) Others	203.11	226.23	264.66	929.55	1259.90
2. Other Income	17930.53	14237.44	14688.93	67994.62	51438.87
3. Total Income (1 + 2)	122098.35	120323.94	113144.35	484854.90	428155.53
4. Interest Expended	62218.10	63359.83	56395.24	249341.19	215567.74
5. Operating Expenses (i) + (ii)	26371.44	26120.95	22971.09	101373.97	88588.62
(i) Employees Cost	9383.40	11335.95	9139.54	42065.36	36443.71
(ii) Other Operating expenses	16988.04	14785.00	13831.55	59308.61	52144.91
6. Total Expenditure (4) + (5) excluding provisions and contingencies	88589.54	89480.78	79366.33	350715.16	304156.36
7. Operating Profit before provisions and contingencies (3) - (6)	33508.81	30843.16	33778.02	134139.74	123999.17
8. Provisions (other than tax) and contingencies	45038.00	8100.00	9067.32	75508.19	31514.03
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00
10. Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	-11529.19	22743.16	24710.70	58631.55	92485.14
11. Tax Expenses	-2000.00	3500.00	7200.00	11000.00	24200.00
12. Net Profit / (Loss) from Ordinary Activities after tax (10) - (11)	-9529.19	19243.16	17510.70	47631.55	68285.14
13. Extra ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00
14. Net Profit / (Loss) for the period (12) - (13)	-9529.19	19243.16	17510.70	47631.55	68285.14
15. Paid up equity share Capital (Face value of Re.1/- each)	7373.19	7358.14	7345.01	7373.19	7345.01
16. Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)				522233.54	476730.74
17. Analytical ratios					
i) % of shares held by Government of India	Nil	Nil	Nil	Nil	Nil
ii) Capital Adequacy Ratio (%) - Basel III	16.76%	15.41%	15.55%	16.76%	15.55%
iii) Earning Per Share (EPS)					
Basic EPS - before/after extra ordinary items (Not annualised) (Rs.)	-1.29	2.62	2.39	6.48	9.57
Diluted EPS - before/after extra ordinary items (Not annualised) (Rs.)	-1.28	2.58	2.37	6.41	9.49
iv) NPA Ratios					
(a) Gross NPA	141339.56	118542.92	97705.34	141339.56	97705.34
(b) Net NPA	77848.55	64940.78	59145.92	77848.55	59145.92
(c) % of Gross NPA	4.09	3.50	2.95	4.09	2.95
(d) % of Net NPA	2.29	1.95	1.81	2.29	1.81
v) Return on Assets - Annualised	-0.77%	1.57%	1.63%	1.00%	1.64%

Statement of Assets & Liabilities	(Rs in Lakhs)	
	31.03.2020	31.03.2019
Capital and Liabilities	(Audited)	
Capital	7373.19	7345.01
Reserves & Surplus	522233.54	476730.74
Deposits	4083249.36	3844794.85
Borrowings	203240.31	48090.85
Other Liabilities & Provisions	157256.91	148927.38
Total	4973353.31	4525888.83
Assets		
Cash & Balance with RBI	203036.77	199312.09
Balances with Banks and Money at Call	269128.00	97016.36
Investments	911678.61	771220.06
Advances	3392744.61	3267334.08
Fixed Assets	24516.20	25003.31
Other Assets	172249.12	166002.93
Total	4973353.31	4525888.83

Notes :

- The above financial results for the quarter / year ended 31st March 2020 have been reviewed by the Audit Committee of the Board at its meeting held on 17th June 2020 and approved by the Board of Directors at its meeting held on 18th June 2020. The same have been audited by the Statutory Central Auditors of the Bank in line with the guidelines issued by Reserve Bank of India and as per the requirements

of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 who have expressed an unmodified opinion.

- 2 There has been no change in the accounting policies followed during the quarter / year ended 31st March 2020 as compared to those followed in the preceeding financial year ended 31st March 2019.
- 3 The figure for the quarter ended 31st March 2020 and 31st March 2019 are the balancing figures between audited figures in respect of the full financial year and the unaudited published year to date figures upto the end of the third quarter of the respective financial years, which was subject to Limited Review by the Statutory Central Auditors of the Bank.
- 4 The above working results for the quarter / year ended 31st March 2020 have been arrived at after considering various provisions as per RBI guidelines for Standard Assets, Non Performing Assets, Restructured accounts and Depreciation on Investments, Employee benefits, taxes & other usual and necessary provisions.
- 5 Other Income relates to income from non-fund based banking activities including commission, fees, gains from securities transactions, ATM sharing fees, income from PSLC certificates (Net), recoveries from accounts written off and other miscellaneous income.
- 6 In terms of RBI Circular DBR No.BP.BC.18/21.04.048/2018-19 dt 01.01.2019 on MSME Sector - Restructuring of Standard Advances, during Q4 FY 20 the bank restructured 25 Standard accounts amounting to Rs.118.12 crs. As of 31st March 2020, the total number of restructured accounts was 151 in numbers amounting to Rs.297.14 crs and required provision of Rs.8.68 crs has been fully provided.
- 7 During the year ended 31st March 2020, the Bank has sold securities from HTM category exceeding 5% of the book value of investments held in HTM category at the beginning of the year, with due approval from Investment Committee. The book value of HTM investment sold during the year ended 31st March 2020 was Rs.2571.08 cr (excluding OMO sale worth Rs.890.94 cr). The market value of investments under HTM category was at Rs.7880.96 cr and was higher than the book value to an extent of Rs.196.49 cr as on March 31, 2020.
- 8 COVID 19 pandemic continues to spread across several countries including India resulting in a significant volatility in global and Indian financial markets and a significant decline in global and local economic activities. World Health Organization (WHO) has declared COVID 19 as Global pandemic. The Government of India had announced a series of lock-down measures from March 24, 2020 onwards which have been extended from time to time upto June 30, 2020. Government of India has directed a calibrated and gradual withdrawal of lock down and partial resumption of economic activity in spite of some of the major economic centers still continuing under strict lockdown. The revival of economic activities largely depends upon the intensity and spread of the disease. Government of India announced various stimulus packages and regulatory relief measures. The Bank has sufficient capital and adequate liquidity to support its business growth and would continue to be the focus area of the bank during this period.

In accordance with the 'COVID-19 Regulatory Packages' announced by the RBI on March 27, 2020, April 17, 2020 and May 22, 2020 with regard to providing relief to borrowers on account of COVID-19 pandemic whose accounts were standard as on February 29, 2020, the Bank, in accordance with the Board approved policy the bank had offered moratorium on repayment of loan instalments and / or deferment of interest due between March 1, 2020 to August 31, 2020 including relaxation in certain parameters, to all eligible borrowers, without considering the same as restructuring.

In accordance with the RBI guidelines, as on 29th Feb 2020 in respect of such borrowers whose accounts amounts to Rs.125.61 Crores, though classified as standard as on March 31, 2020, would have become non-performing but for these benefits/relaxations extended as per RBI guidelines. The Bank, based on basic available information at this point of time and as a prudent measure, has made a provision of Rs.125 Crores in the current quarter which includes an adhoc COVID-19 provision of Rs.102 cr over and above the RBI prescribed norms.

- 9 The Board of Directors at their meeting on March 19, 2020 approved an Interim Dividend of Rs.0.50 paise per equity share (Previous year : dividend Rs.0.50 paise per equity share) for the current year. As per RBI circular No.DOR.BP.BC.No.64/21.02.067/2019-20 dated April 17, 2020 directing all banks not to make any further dividend pay-outs from the profits pertaining to the financial year ended March 31, 2020 until further instructions. The Bank has complied in this regard.
- 10 The bank has allotted 15,05,413 equity shares during the current quarter & 28,18,403 equity shares during the FY 19-20 of face value of Re.1/- each to employees pursuant to the exercise of stock options by the employees.
- 11 In accordance with the RBI circular DBOD. No.BP.BC.1/21.06.201/2015-16 dated 1st July 2015, read together with RBI circular DBR.No. BP.BC.80/21.06.201/2014-15 dated 31.03.2015, Banks are required to make Pillar III disclosures under Basel III capital regulations. Accordingly, Pillar 3 disclosures under Basel III capital regulations is available on the Bank's website (www.cityunionbank.com). These disclosures have not been subjected to audit by the Statutory Central Auditors.
- 12 Provision Coverage Ratio calculated as per Reserve Bank of India guidelines is 65% as on 31st March 2020.
- 13 Number of Investor complaints pending at the beginning of the quarter - NIL. Received during the quarter - 2 : Disposed of during the quarter - 2. Pending complaints as on 31st March 2020 : NIL
- 14 The figures for the quarter ended 31st March 2020, are the balancing figures between reviewed figures in respect of Nine months period ended December 2019 and the published year to date figures upto 31st March 2020.
- 15 In computing the Segment information, certain estimates and assumptions have been made by the Management, which have been relied upon by the Statutory Central Auditor.
- 16 Figures of the corresponding period's/year's have been reclassified/regrouped, wherever considered necessary.

By the Order of Board

SEGMENT REPORTING FOR THE QUARTER/YEAR ENDED 31.03.2020

Particulars	Quarter ended			Year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	(Audited)	(Reviewed)	(Audited)	(Audited)	
Segment Revenue					
a) Treasury	23801	21679	16917	90895	66393
b) Corporate / wholesale banking	32766	32019	34147	132797	125184
c) Retail Banking	64866	66050	61299	258882	234484
d) Other Banking Operations	666	575	782	2281	2095
Total	122099	120323	113145	484855	428156
Less : Inter segment revenue	-	-	-	-	-
Total	122099	120323	113145	484855	428156
Segment Results					
a) Treasury	11473	12026	10292	47258	36533
b) Corporate / wholesale banking	10857	6679	10128	35906	32394
c) Retail Banking	10656	11710	12702	49268	53468
d) Other Banking Operations	523	428	656	1708	1604
Total	33509	30843	33778	134140	123999
Operating Profit	33509	30843	33778	134140	123999
Other Provisions & Contingencies	45038	8100	9067	75508	31514
Exceptional items	0	0	0	0	0
Profit Before Tax	-11529	22743	24711	58632	92485
Net Profit	-9529	19243	17511	47632	68285
Segmental Assets:					
a) Treasury	1242213	1150568	929307	1242213	929307
b) Corporate / wholesale banking	1214371	1229078	1244980	1214371	1244980
c) Retail Banking	2354535	2295657	2203652	2354535	2203652
d) Unallocated	162234	173010	147950	162234	147950
Total Assets	4973353	4848313	4525889	4973353	4525889
Segmental Liabilities:					
a) Treasury	1106755	1020815	826344	1106755	826344
b) Corporate / wholesale banking	1097874	1109763	1131416	1097874	1131416
c) Retail Banking	2128659	2072696	2002637	2128659	2002637
d) Unallocated	110458	107293	81416	110458	81416
Total	4443746	4310567	4041813	4443746	4041813
Capital Employed:					
Segment Assets - Segment Liabilities					
a) Treasury	135458	129753	102963	135458	102963
b) Corporate / wholesale banking	116497	119315	113564	116497	113564
c) Retail Banking	225876	222961	201015	225876	201015
d) Unallocated	51776	65717	66534	51776	66534
Total	529607	537746	484076	529607	484076

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

PART B : GEOGRAPHIC SEGMENTS:

The bank operates only in India