

City Union Bank Ltd.,

CIN NO.L65110TN1904PLC001287

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

REVIEWED FINANCIAL RESULTS FOR THE QUARTER / HALF YEAR ENDED 30th SEPTEMBER, 2020

Particulars	(Rs in Lakhs)					
	Quarter ended			Half Year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Reviewed)			(Reviewed)		(Audited)
1. Interest earned (a+b+c+d)	106095.33	104935.93	103682.20	211031.26	206605.96	416860.28
a) Interest/Discount on Advances/Bills	89882.06	89217.93	86175.68	179099.99	173038.07	349457.62
b) Income on Investments	15215.56	14008.41	16023.88	29223.97	30132.12	60991.77
c) Interest on balances with RBI and other Inter Bank funds	820.28	1524.24	1236.15	2344.52	2935.56	5481.34
d) Others	177.43	185.35	246.49	362.78	500.21	929.55
2. Other Income	16932.17	16058.94	19497.31	32991.11	35826.65	67994.62
3. Total Income (1 + 2)	123027.50	120994.87	123179.51	244022.37	242432.61	484854.90
4. Interest Expended	58581.73	61239.72	62527.55	119821.45	123763.26	249341.19
5. Operating Expenses (i) + (ii)	25979.17	24151.52	26003.98	50130.69	48881.58	101373.97
(i) Employees Cost	11987.23	11642.42	11309.00	23629.65	21346.01	42065.36
(ii) Other Operating expenses	13991.94	12509.10	14694.98	26501.04	27535.57	59308.61
6. Total Expenditure (4) + (5) excluding provisions and contingencies	84560.90	85391.24	88531.53	169952.14	172644.84	350715.16
7. Operating Profit before provisions and contingencies (3) - (6)	38466.60	35603.63	34647.98	74070.23	69787.77	134139.74
8. Provisions (other than tax) and contingencies	17700.00	15700.00	10795.00	33400.00	22370.19	75508.19
9. Exceptional Items	0.00	0.00	0.00	0.00	0.00	0.00
10. Profit / (Loss) from Ordinary Activities before tax (7)-(8)-(9)	20766.60	19903.63	23852.98	40670.23	47417.58	58631.55
11. Tax Expenses	5000.00	4500.00	4500.00	9500.00	9500.00	11000.00
12. Net Profit / (Loss) from Ordinary Activities after tax (10) - (11)	15766.60	15403.63	19352.98	31170.23	37917.58	47631.55
13. Extra ordinary items (Net of Tax Expense)	0.00	0.00	0.00	0.00	0.00	0.00
14. Net Profit / (Loss) for the period (12) - (13)	15766.60	15403.63	19352.98	31170.23	37917.58	47631.55
15. Paid up equity share Capital (Face value of Re.1/- each)	7384.01	7373.19	7352.78	7384.01	7352.78	7373.19
16. Reserves excluding revaluation reserves (as per balance sheet of previous accounting year)						522233.54
17. Analytical ratios						
i) % of shares held by Government of India	Nil	Nil	Nil	Nil	Nil	Nil
ii) Capital Adequacy Ratio (%) - Basel III	17.36%	16.77%	15.49%	17.36%	15.49%	16.76%
iii) Earning Per Share (EPS)						
Basic EPS - before/after extra ordinary items (Not annualised) (Rs.)	2.14	2.09	2.63	4.23	5.16	6.48
Diluted EPS - before/after extra ordinary items (Not annualised) (Rs.)	2.12	2.07	2.60	4.19	5.09	6.41
iv) NPA Ratios						
(a) Gross NPA	122058.12	134608.66	113543.56	122058.12	113543.56	141339.56
(b) Net NPA	63144.11	71635.35	62408.16	63144.11	62408.16	77848.55
(c) % of Gross NPA	3.44	3.90	3.41	3.44	3.41	4.09
(d) % of Net NPA	1.81	2.11	1.90	1.81	1.90	2.29
v) Return on Assets - Annualised	1.23%	1.23%	1.62%	1.23%	1.62%	1.00%

Statement of Assets & Liabilities	(Rs in Lakhs)	
	30.09.2020	30.09.2019
Capital and Liabilities	(Reviewed)	
Capital	7384.01	7352.78
Reserves & Surplus	549751.47	510768.14
Deposits	4142063.58	4045124.77
Borrowings	167601.87	96708.98
Other Liabilities & Provisions	191517.23	167219.23
Total	5058318.16	4827173.90
Assets		
Cash & Balance with RBI	198851.83	211686.49
Balances with Banks and Money at Call	94804.87	154028.45
Investments	1070253.14	979587.22
Advances	3482477.75	3276030.51
Fixed Assets	23781.90	26067.27
Other Assets	188148.67	179773.96
Total	5058318.16	4827173.90

Notes :

- The above financial results for the quarter/half year ended 30th September 2020 have been reviewed by the Audit Committee of the Board and approved by the Board of Directors at its meeting held on 02nd November 2020. The same have been subjected to limited review 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
- There has been no change in the accounting policies followed during the quarter/half year ended 30th September 2020 as compared to those followed in the preceeding financial year ended 31st March 2020.
- The above working results for the quarter/half year ended 30th September 2020 have been arrived at after considering various provisions as per RBI guidelines for Standard Assets, Non Performing Assets, Restructured accounts, Depreciation on Investments, Employee benefits, taxes and other usual & necessary provisions.
- Other Income relates to income from non-fund based banking activities including commission, fees, gains from securities transactions, ATM sharing fees, recoveries from accounts written off and other miscellaneous income.
- In terms of RBI Circular DOR No.BP.BC.34/21.04.048/2019-20 dt 11.02.2020 and DOR.No.BP.BC/4/21.04.048/2020-21 dated August 6, 2020 - Restructuring of Standard Advances, during Q2 FY 21 the bank had restructured 11 accounts amounting to Rs.79.37 crs. As of 30th Sep 2020, the total number of restructured accounts was 175 accounts amounting to Rs.477.98 crs and required provision of Rs.13.11 Crores is fully provided.
- COVID 19 pandemic continues to spread and has impacted 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) had 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 30th September, 2020. Government of India has directed a calibrated and gradual withdrawal of lock down and partial resumption of economic activity but some of the major economic centers still continue under lockdown. The revival of economic activities largely depends upon the intensity and spread of the pandemic. Government of India has announced various stimulus packages and regulatory relief measures. The Bank has sufficient Capital and adequate liquidity to support its business growth.

In accordance with the 'COVID-19 Regulatory Packages' announced by the RBI on March 27, 2020, April 17, 2020 and May 22, 2020 to provide 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 had offered moratorium to all eligible borrowers for repayment of loan instalments and / or deferment of interest due between March 1, 2020 to August 31, 2020 including relaxation in certain parameters, without considering the same as restructuring.

During the current quarter, the bank has made an additional provision of Rs.115 Crores including an interest reversal of Rs.25 crs to meet any future contingency arising out of Covid pandemic and the total provision held by the bank as on 30th September 2020 is Rs.330 Crores which is over and above the RBI requirement.

- The disclosures as required under RBI circular DOR.No.BP.BC.63/21.04.048/2019-20 dated April 17, 2020 is given below for the half year ended as on September 30, 2020:

	Amount Rs. (In Crores)
Amounts in SMA/overdue categories, where the moratorium/deferment was extended (As of March 31, 2020) *	2744.51
Amount where asset classification benefits is extended (As of September 30, 2020)	114.31
Provisions made during the quarter ended March 31, 2020 and June 30, 2020 (Mandatory 10% Provision)	13.00
Additional Adhoc Provision made during the quarter ended March 31, 2020 and June 30, 2020	202.00
Additional Adhoc Provision made during the quarter ended September 30, 2020	115.00
Provisions adjusted during the half year ended September 30, 2020 against Non-Performing Assets (NPA)	-

* As on 30th Sep 2020, out of these accounts, balance in SMA-0 amounts to Rs.66 Cr, SMA-1 amounts to Rs.232 Cr and SMA-2 amounts to Rs.114 Cr.

- The Honourable Supreme Court in a writ petition bearing No.825 of 2020 by Gajendra Sharma Vs Union of India & Anr had vide its interim order dated September 3, 2020 has directed the Banks that the accounts which were not declared as Non-Performing Assets (NPA) till August 31, 2020 shall not be declared as NPA till further orders. Pursuant to the said order, the Bank has not declared any account as NPA, which was not declared as NPA till August 31, 2020. As a matter of prudence in the current quarter the bank has made a provision of Rs 25 Crores.
- Disclosures as per RBI circular DOR. No. BP. BC.72/21.04.048/2019-20 dated 23rd May 2020 and DOR. No. BP. BC. 62/21.04.048/2019-20 dated 17th April 2020 in respect of account where the resolution period was extended for the half year ended 30th September 2020

No. of accounts in which resolution period was extended	Nil
Amount involved (Rs in lakh)	Nil

- In accordance with RBI Circular RBI/2020-21/61 DOR.No.BP.BC.26/21.04.048/2020-21 dated October 26, 2020 and Ministry of Finance directive F.No.2/12/2020-BOA-I dated 23rd October 2020, the Bank is processing the scheme for grant of ex-gratia payments for borrowers for the period from 1st March 2020 till 31st August 2020 for eligible accounts. As per the Circular the payments have to be credited to the borrowers accounts on or before 5th November 2020 and claim for reimbursement is to be made on or before 15th December 2020. The Bank is in the process of doing the needful.

In the absence of any direction from Reserve Bank of India or any other authority, interest on interest (Compound Interest) during moratorium period is continued to be recognised as income on the basis of Income Recognition norms of RBI. However the matter is subjudice.

- Reporting on subsequent developments relating to certain improper transactions which had happened during FY 2017-18 amounting to Rs 31.55 Crores through VISA, MASTER & NPCI networks through ATM switch which were approved outside the Bank's network. The Bank had a Cyber Insurance Cover for Rs 25 crores and insurance claim was lodged. The Bank had fully provided for the same. The insurance company on October 20, 2020 had signed the settlement agreement and discharge with the Bank for an amount of Rs. 15 Crores. The Bank is in receipt of the amount in line with the agreement.
- The bank has allotted 10,81,858 equity shares during the current quarter of face value of Re.1/- each to employees pursuant to the exercise of stock options by the employees.
- 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.
- Provision Coverage Ratio calculated as per Reserve Bank of India guidelines is 70% as on 30th September 2020

15 Number of Investor complaints pending at the beginning of the quarter - NIL. Received during the quarter - 2 : Disposed of during the quarter - 1. Pending complaints as on 30th September 2020 : 1

16 Figures of the corresponding period's/year's have been reclassified/regrouped, wherever considered necessary.

By the Order of Board

Place : Kumbakonam

Dated : 02nd November 2020

Dr N. KAMAKODI
MD & CEO

SEGMENT REPORTING FOR THE QUARTER/HALF YEAR ENDED 30.09.2020

(Rs in Lakhs)

Particulars	Quarter ended			Half Year ended		Year ended
	30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
	(Reviewed)			(Reviewed)		(Audited)
Segment Revenue						
a) Treasury	22893	26374	25146	49267	45415	90895
b) Corporate / wholesale banking	33488	31632	33938	65120	68012	132797
c) Retail Banking	66054	62855	63489	128909	127966	258882
d) Other Banking Operations	592	134	607	726	1040	2281
Total	123027	120995	123180	244022	242433	484855
Less : Inter segment revenue	-	-	-	-	-	-
Total	123027	120995	123180	244022	242433	484855
Segment Results						
a) Treasury	13010	16209	13634	29219	23759	47258
b) Corporate / wholesale banking	11394	8344	8773	19738	18370	35906
c) Retail Banking	13621	11058	11782	24679	26902	49268
d) Other Banking Operations	441	-7	459	434	757	1708
Total	38466	35604	34648	74070	69788	134140
Operating Profit	38466	35604	34648	74070	69788	134140
Other Provisions & Contingencies	17700	15700	10795	33400	22370	75508
Profit Before Tax	20766	19904	23853	40670	47418	58632
Taxes including Deferred Tax	5000	4500	4500	9500	9500	11000
Net Profit	15766	15404	19353	31170	37918	47632
Segmental Assets:						
a) Treasury	1230743	1181463	1205541	1230743	1205541	1242213
b) Corporate / wholesale banking	1191799	1192647	1227000	1191799	1227000	1214371
c) Retail Banking	2456956	2384916	2230454	2456956	2230454	2354535
d) Unallocated	178820	167443	164179	178820	164179	162234
Total Assets	5058318	4926469	4827174	5058318	4827174	4973353
Segmental Liabilities:						
a) Treasury	1087017	1046727	1070804	1087017	1070804	1106755
b) Corporate / wholesale banking	1067356	1071738	1113871	1067356	1113871	1097874
c) Retail Banking	2200408	2143040	2024801	2200408	2024801	2128659
d) Unallocated	146402	124398	99577	146402	99577	110458
Total	4501183	4385903	4309053	4501183	4309053	4443746
Capital Employed:						
Segment Assets - Segment Liabilities						
a) Treasury	143726	134736	134737	143726	134737	135458
b) Corporate / wholesale banking	124443	120909	113129	124443	113129	116497
c) Retail Banking	256548	241876	205653	256548	205653	225876
d) Unallocated	32418	43045	64602	32418	64602	51776
Total	557135	540566	518121	557135	518121	529607

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

PART B : GEOGRAPHIC SEGMENTS:

The bank operates only in India