



CITY UNION BANK LIMITED

CIN : L65110TN1904PLC001287

Regd. Office: 149, T.S.R. (Big) Street, Kumbakonam - 612001, Thanjavur District, Tamil Nadu

Telephone No: 0435-2402322 Fax: 0435-2431746

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

C.O/Shares/LR-5/2022-2023

December 20, 2022

National Stock Exchange of India Limited,
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (east)
Mumbai 400 051

BSE Ltd.
DCS – CRD
Phiroze Jeejeebhoy Towers
25th Floor, Dalal Street
Mumbai 400 001

Scrip Code: CUB

Scrip Code: 532210

Dear Sir/Madam,

Sub : Disclosure of divergence in the asset classification and provisioning

Ref: 1. RBI circular no.DBR.BP.No.63/21.04.018/2016-17 dt.18-04-2017
2. RBI circular no.DBR.BP.No.32/21.04.018/2018-19 dt.01-04-2019
3. SEBI circular no.CIR/CFD/CMD1/120/2019 dt.31-10-2019

The Reserve Bank of India has conducted the on-site Inspection for Supervisory Evaluation (ISE) for the Financial Year 2021-22 from October 7, 2022 to November 18, 2022 and the final meeting concluded on December 19, 2022. As per its final report on Risk Assessment it has inter-alia reported divergence in additional gross NPA for the said financial year amounting to Rs.259 cr, in accordance with the circulars cited above.

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended, we submit herewith the details on divergence identified by RBI in prescribed format (enclosed).

This is for your kind information and records please.

Yours faithfully
for **CITY UNION BANK LIMITED**

V. RAMESH
(Senior General Manager – CFO & CS)

Encl. a.a



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Divergence in Asset Classification and Provisioning for NPAs

Reserve Bank of India has conducted the on-site Inspection for Supervisory Evaluation (ISE) for the FY 2021-22 from October 7, 2022 to November 18, 2022 and the final meeting concluded on December 19, 2022. Based on the findings of RBI AFI, we have given hereunder the Divergence in Asset Classification and provisioning for NPAs as laid out in the SEBI circular No.CIR/CFD/CMD/120/2019 dated October 31, 2019.

(Rs in Crs)

Sr.	Particulars	Amount
1	Gross NPAs as on March 31, 2022 as reported by the Bank	1933
2	Gross NPAs as on March 31, 2022 as assessed by RBI	2192
3	Divergence in Gross NPAs (2-1)	259
4	Net NPAs as on March 31, 2022 as reported by the Bank	1191
5	Net NPAs as on March 31, 2022 as assessed by RBI	1450
6	Divergence in Net NPAs (5-4)	259
7	Provisions for NPAs as on March 31, 2022 as reported by the Bank	742
8	Provisions for NPAs as on March 31, 2022 as assessed by RBI	782
9	Divergence in Provisioning (8-7)	40
10	Reported Net Profit after Tax (PAT) for the year ended March 31, 2022	760
11	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2022 after taking into account the divergence in provisioning	719

The divergence to the tune of Rs.259 crs consists of 13 borrower accounts (o/s balance > Rs.1 cr) for an amount of Rs.230 crs and 218 borrowers (o/s balance < Rs.1 cr) for an amount of Rs.29 crs.

Out of the above,

- a) 4 accounts (o/s balance > Rs.1 cr) for Rs.60.41 crs and 1 account (o/s balance < Rs.1 cr) with the balance of Rs.0.36 crs totaling to Rs.61 crs were already classified as NPA by the bank during H1 FY 2023.
- b) 2 accounts (o/s balance > Rs.1 cr) for Rs.4.07 crs and 55 accounts (o/s balance < Rs.1 cr) for Rs.9 crs totaling to Rs.13 crs were stands closed as on date.