

GST reforms to ease compliance and boost growth, says Finance Minister

OUTLINING A ROADMAP. Sitharaman asks banks to back MSMEs, infra push as India eyes Viksit Bharat 2047

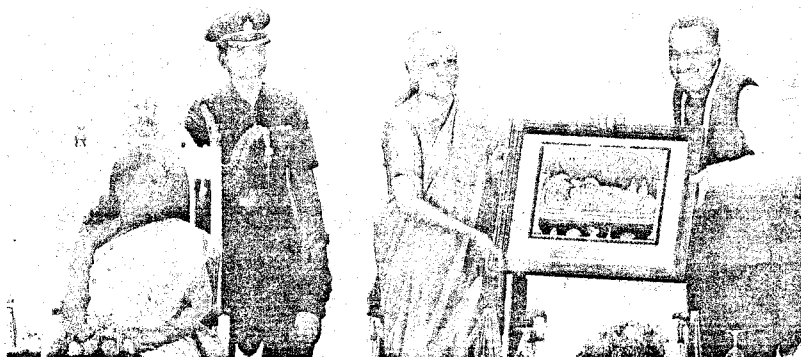
Our Bureau
Chennai

The planned roll out of the next-generation GST reforms will further open up the economy and reduce compliance burden for businesses, said Union Finance Minister Nirmala Sitharaman on Tuesday.

The FM was speaking at the 120th year celebrations of private sector bank City Union Bank in Chennai. The bank celebrated the milestone in the presence of President of India Droupadi Murmu, TN Governor RN Ravi, TN Minister for Social Welfare and Women Empowerment P Geetha Jeevan and other ministers and industrialists.

As India advances towards its Viksit Bharat 2047 goals, banks must support by not just expanding credit but also providing momentum for infrastructure development and timely funding for MSMEs, said the FM.

The FM highlighted the



CELEBRATING A LEGACY. Droupadi Murmu, President of India; Nirmala Sitharaman, Union Finance Minister and N Kamakodi, MD and CEO, City Union Bank, at the 120th year celebration of the private sector lender, in Chennai on Tuesday. BIJOY GHOSH

financial track record of City Union Bank, mentioning that it has not posted even one year of loss. The sectoral deployment of credit of the bank, with the MSME segment constituting 41 per cent of all advances, also benefits the economy, she added.

ASSET QUALITY

The FM also highlighted the

fundamental economic indicators, noting that GDP, inflation and credit rating of the economy are at their best levels currently.

She also drew attention to the improvement in asset quality of Indian scheduled commercial banks.

"Their gross NPAs have come down to multi-decadal level lows. It is at 2.3 per cent as of March 2025, and the net

NPA is reaching 0.5 per cent as of March 2025," she said.

The President of India, in her talk, appreciated the commitment and contribution of City Union Bank's management and staff to nation building in the last 120 years.

"CUB is also helping the country in meeting its financial inclusion targets. I have been told that out of its total

network of branches, over 50 per cent are in rural and semi-urban areas," she said.

Murmu added that banks need to do more for the empowerment of rural and farmer community.

ROBUST SHOW

N Kamakodi, Managing Director & CEO of City Union Bank, said the bank's origins can be traced to the time when the entire banking system was under colonist powers. We have completed 120 years with an "unbroken track record" of profitability and dividend declaration, he said, adding that they have also adapted to today's digital banking needs.

The event also saw the release of a book titled *Bank on the Banks of Cauvery* on the legacy of CUB.

The first copy was unveiled by the FM and presented to the President.

CUB today has 887 branches covering 22 States. It has over 40 lakh customers and over ₹1,20,000 crore of business.