



CITY UNION BANK LIMITED

"NARAYANA" Administrative Office,
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PROCEEDINGS OF THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF CITY UNION BANK LIMITED HELD ON SATURDAY, THE 23RD AUGUST 2014 AT 10.35 A.M. AT "RAYA MAHAL", 45-46, GANDHI ADIGAL SALAI, KUMBAKONAM - 612 001.

Members Present

Name (Shri.)	DIN	Designation
S. Balasubramanian	01719374	Chairman
Dr. N. Kamakodi	02039618	MD & CEO
N. Kantha Kumar	00890532	Director
R.G. Chandramogan	00012389	Director
T.K Ramkumar	02688194	Director
Justice S. R. Singharavelu	03022233	Director
C. R. Muralidharan	02443277	Director
Prof. V. Kamakoti	03537382	Director
S. Mahalingam	00121727	Director
R. Mohan	06902614	Director

In Attendance

Shri. V. Ramesh Company Secretary & DGM

1. Shri. S. Balasubramanian, Chairman of the Bank took the chair.
2. Attendance of 750 members including representatives of Corporate Members and 40 proxies was recorded at the venue.
3. The Chairman announced that since the requisite quorum for the meeting was present, the formal proceedings of the meeting could commence.
4. The Chairman then extended a warm welcome to the shareholders of the Annual General Meeting and introduced his colleagues on the Board to the shareholders.
5. The Chairman thereafter read his speech and with the permission of the members, the notice of the meeting was taken as read.
6. The Directors' Report, Auditors' Report, Profit & Loss Account for the year ended 31st March, 2014 and the Balance Sheet as on 31st March, 2014 were taken as read with the permission of the members present.

7. The Chairman informed that pursuant to the provisions of the Companies Act, 2013 and revised Clause 35B of the Listing Agreement, the Bank had provided e-Voting and Postal Ballot facility to its members for the businesses proposed in the AGM Notice through Karvy Computershare Private Limited "KARVY Platform". The e-Voting commenced on August 16, 2014 and ended on August 18, 2014. However, in order to provide an opportunity to the shareholders present in the meeting who could not exercise the e-Voting and Postal Ballot, the Chairman, suo moto, permitted conducting of poll and none of the members opted for any voting.
8. It was informed that Mr. B. Kalyanasundaram of M/s B.K. Sundaram & Associates, Practicing Company Secretaries was appointed as the Scrutinizer for both the e-Voting and Postal Ballot.
9. Chairman then invited queries from the Members on general Business performance of the Bank.
10. Shri. N. Venkatraman (Folio/ID: CUB0004445), Shri. M Raman (Folio/ID: CUB0010203), Shri. J.P. Sargunanathan (Folio/ID: IN300441 - 10775436) and Mr. Ramani (Folio/ID: CUB0012206), member(s) shared their opinion on the performance of the Bank, raised some queries on general banking operations, NPA management, and customer relationship management and offered their suggestions.

Shri. Nachiappan (Folio./ID: 1301440000707243) raised queries relating to several performance parameters and operational performances comparing past year statistics of the Bank.

Thereafter, Chairman addressed all queries one by one to the satisfaction of the shareholders and to the members present in the Annual General Meeting and also thanked them in sharing their views and suggestions for the growth of the Bank.

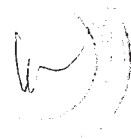
11. The Chairman then declared the voting results based on the Report of the Scrutinizer submitted to the Bank (on voting of all resolutions through e-Voting and Postal Ballot), duly signed by Scrutinizer and two witnesses as required under Section 110 of the Companies Act 2013 r/w Companies (Management and Administration) Rules 2014. The report concluded that all the resolutions proposed in the Notice of the AGM have been duly passed with the requisite majority.

The following resolutions were passed through e-Voting & Postal Ballot which was duly declared by the Chairman at the meeting:

ORDINARY BUSINESS

1. **To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014, Profit & Loss Account for the year ended 31st March, 2014, the Directors' Report and the Auditors' Report thereon.**

The Resolution was passed as an Ordinary Resolution with 99.995% assent.



Votes Cast for the resolution	149048379	99.995%
Votes cast against resolution	309	0.005%
Total valid votes	149048688	100%

2. **To declare dividend for the year 2013-2014.**

The Resolution was passed as an Ordinary Resolution with 99.995% assent.

Votes Cast for the resolution	149049251	99.995%
Votes cast against resolution	309	0.005%
Total valid votes	149049560	100%

3. **Re-appointment of M/s. P.Chandrasekar, Chartered Accountants, Bangalore, as Statutory Central Auditors of the Bank.**

"RESOLVED THAT pursuant to the provisions of the Companies Act, 2013, the Banking Regulation Act, 1949 and the prior approval of RBI vide its letter no. DBS.ARS.No.16408/08.13.005/2013-14 dated 25th June 2014, M/s. P. Chandrasekar, Chartered Accountants, Bangalore, be and are hereby re- appointed as the Statutory Central Auditors of the Bank from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Bank, on such remuneration as may be fixed by the Board of Directors, based on the recommendation of the Audit Committee of the Board".

The Resolution was passed as an Ordinary Resolution with 99.995% assent.

Votes Cast for the resolution	146311467	99.995%
Votes cast against resolution	7594	0.005%
Total valid votes	146319061	100%

SPECIAL BUSINESS

4. **Appointment of Branch Auditors**

"RESOLVED THAT the Board of Directors of the Bank be and is hereby authorized to appoint, in consultation with Statutory Auditors, the Branch Auditors who are qualified to act as Auditors, including Statutory Auditors pursuant to Sec 139, 143 (8) and other applicable provisions of the Companies Act, 2013 and the Rules made there under for the purpose of audit of the branches of the Bank and to decide the Branch Offices to be audited by such Branch Auditors and to fix their remuneration and reimbursement of out of pocket expenses incurred in connection with the Audit, based on the recommendation of the Audit Committee of the Board".

The Resolution was passed as an Ordinary Resolution with 99.995% assent.

Votes Cast for the resolution	148991515	99.995%
Votes cast against resolution	474	0.005%
Total valid votes	148991989	100%

5. Re-Appointment of Shri. S. Balasubramanian as Non Executive (Part Time) Chairman of the Bank

“RESOLVED THAT pursuant to Article 26 of the Articles of Association of the Bank and approval accorded by the Reserve Bank of India in terms of Sec 10 B (1A) (i) of the Banking Regulation Act, 1949 and other applicable provisions of the Companies Act, 2013, the re-appointment of Shri S. Balasubramanian as the Non – Executive (Part-time) Chairman of the Bank with effect from 6th May, 2014 to 3rd May, 2016 (both dates inclusive) as per the following terms and conditions, be and the same is hereby approved”.

TERMS OF APPOINTMENT		
01	Remuneration	Rs.12,00,000/- Per annum (No Sitting fees is to be claimed).
PERQUISITES		
02	Conveyance	Office Car with Driver.
03	Telephone	Provision of Residential Telephone and mobile phone.
04	Traveling and Halting Allowances	As applicable to MD & CEO of the Bank.
05	Insurance Cover	Insurance cover up to Rs 50,00,000/- for journey by Air /Road /Rail for official purpose. (Earlier it was Rs.10,00,000/-).

The Resolution was passed as an Ordinary Resolution with 99.912% assent.

Votes Cast for the resolution	148913400	99.912%
Votes cast against resolution	131360	0.088%
Total valid votes	149044760	100%

6. Approval for appointment of Dr. N Kamakodi as the MD & CEO of the Bank

“RESOLVED THAT pursuant to Article 26 of the Articles of Association of the Bank and approval accorded by the Reserve Bank of India in terms of Sec 35 B of the Banking Regulation Act, 1949 and other applicable provisions of the Companies Act, 2013, the re-appointment of Dr. N Kamakodi as the MD & CEO of the Bank for a period of three years with effect from May 1, 2014 to April 30, 2017 (both dates inclusive) on the following terms and conditions be and the same is hereby approved”.

Sl. No.	TERMS OF APPOINTMENT	
01.	Salary	Rs.48 lakhs per annum.
PERQUISITES		
02.	House Rent Allowance	Provision for free furnished accommodation at Chennai for the family in view of education of children. No claim is made for the residential accommodation available at Kumbakonam.
03.	i) Entertainment Allowance ii) Subscription to Newspaper, Journals, etc.	Reimbursement of actual personal entertainment expenses on production of bills. Entertainment Allowance will be inclusive of entrance fees / subscription to clubs and should be restricted to two clubs / professional institutions. Newspapers and magazines as may be required by the MD & CEO.
04	Other Allowance – Stock Option	Bank may have to approach RBI separately for approval for grant of ESOPs, as and when considered by the Board.
05	Provident Fund	Bank's contribution to Provident fund at 10% of the Basic pay.
06	Pension	As applicable to other officers of the Bank.
MEDICAL BENEFITS		
07	Medical Aid including Hospitalization	Reimbursement of actual medical expenses for self and dependent family members.
	Superannuation medical benefits	Upon the MD & CEO laying down his office, the Bank will reimburse hospitalization and other medical expenses or pay the full premium under suitable medical insurance plan for him and dependent family members.
OTHER BENEFITS		
08	Leave	As per rules applicable to other officers of the Bank. Encashment of privilege leave at credit will be at the time of demitting office.
09	Leave Fare Concession	Once in a year anywhere in India or outside India for self and family by eligible class including incidentals.
10	Gratuity	As applicable to other officers of the Bank. However, as and when actual payment is proposed to be made, prior approval of the RBI should be obtained.
11	Travelling and Halting Allowances	Reimbursement of actual travelling expenses i.e. single fare each way by train by highest class or by air (Executive Class) plus any further transport and other incidental expenses incurred in traveling to and fro the places of meeting / business. Halting Allowances

		Lodging Reimbursement of actual lodging expenses (inclusive of taxes) against production of bills and vouchers.
		Boarding Charges Reimbursement of actual expenses towards boarding (inclusive of taxes).
12	Conveyance	Free use of Bank's car with driver for official purposes. If the car is used for private purposes, the MD & CEO should reimburse the Bank Rs.250/- per month for journeys not exceeding 750 kms in a month. (Journeys from residence to office and vice versa to be treated duty runs). Charges for private use of Bank's car in excess of 750 kms limit will be recoverable from the MD & CEO at 60% of the rate fixed by Regional Transport Authority.
13	Insurance cover	For journeys by air, rail or road on official purposes, the MD & CEO will be provided with insurance cover of Rs.50,00,000/- by the Bank.
14	Communication	Provision of telephone, mobile and internet facility.

The Resolution was passed as an Ordinary Resolution with 99.978% assent.

Votes Cast for the resolution	149013735	99.978%
Votes cast against resolution	32405	0.022%
Total valid votes	149046140	100%

7. Approval for appointment of Shri R. Mohan, as Non Independent Non Executive Director of the Bank

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Sec 10 A and other applicable provisions of the Banking Regulation Act, 1949, Shri R. Mohan, be and is hereby appointed as Non Independent Non Executive Director of the Bank, and that he shall be liable to retire by rotation".

The Resolution was passed as an Ordinary Resolution with 99.941% assent.

Votes Cast for the resolution	148958800	99.941%
Votes cast against resolution	87517	0.059%
Total valid votes	149046317	100%

8. Approval for appointment of Shri R. G. Chandramogan, as an Independent Non Executive Director of the Bank

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Sec 10 A and other applicable provisions of the Banking Regulation Act, 1949, Shri R.G.Chandramogan, be and is hereby appointed as an Independent Non Executive Director of the Bank upto a period of 2 (Two) years and that he shall not be liable to retire by rotation".

The Resolution was passed as an Ordinary Resolution with 78.774% assent.

Votes Cast for the resolution	117408452	78.774%
Votes cast against resolution	31636938	21.226%
Total valid votes	149045390	100%

9. Approval for Appointment of Shri T. K. Ramkumar, as an Independent Non Executive Director of the Bank

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Sec 10 A and other applicable provisions of the Banking Regulation Act, 1949, Shri T.K.Ramkumar, be and is hereby appointed as an Independent Non Executive Director of the Bank upto a period of 3 (Three) years and that he shall not be liable to retire by rotation".

The Resolution was passed as an Ordinary Resolution with 99.940% assent.

Votes Cast for the resolution	148955306	99.940%
Votes cast against resolution	90067	0.060%
Total valid votes	149045373	100%

10. Approval for appointment of Justice (Retd.) S.R.Singaravelu, as an Independent Non Executive Director of the Bank

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Sec 10 A and other applicable provisions of the Banking Regulation Act, 1949, Justice (Retd.) S.R.Singaravelu, be and is hereby appointed as an Independent Non Executive Director of the Bank upto a period of 4 (Four) years and that he shall not be liable to retire by rotation".

The Resolution was passed as an Ordinary Resolution with 99.977% assent.



Votes Cast for the resolution	148956300	99.977%
Votes cast against resolution	34380	0.023%
Total valid votes	148990680	100%

11. Approval for appointment of Shri. C.R. Muralidharan, as an Independent Non Executive Director of the Bank

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Sec 10 A and other applicable provisions of the Banking Regulation Act, 1949, Shri C.R.Muralidharan, be and is hereby appointed as an Independent Non Executive Director of the Bank upto a period of 4 (Four) years and that he shall not be liable to retire by rotation".

The Resolution was passed as an Ordinary Resolution with 99.974% assent.

Votes Cast for the resolution	148915221	99.974%
Votes cast against resolution	38380	0.026%
Total valid votes	148953601	100%

12. Approval for appointment of Prof. V. Kamakoti, as an Independent Non Executive Director of the Bank

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Sec 10 A and other applicable provisions of the Banking Regulation Act, 1949, Prof.V.Kamakoti, be and is hereby appointed as an Independent Non Executive Director of the Bank upto a period of 5 (Five) years and that he shall not be liable to retire by rotation".

The Resolution was passed as an Ordinary Resolution with 99.975% assent.

Votes Cast for the resolution	149007993	99.975%
Votes cast against resolution	37480	0.025%
Total valid votes	149045473	100%

13. Approval for appointment of Shri. S. Mahalingam, as an Independent Non Executive Director of the Bank

"RESOLVED THAT pursuant to Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and pursuant to Sec 10 A and other applicable

provisions of the Banking Regulation Act, 1949, Shri S.Mahalingam, be and is hereby appointed as an Independent Non Executive Director of the Bank upto a period of 5 (Five) years and that he shall not be liable to retire by rotation”.

The Resolution was passed as an Ordinary Resolution with 99.977% assent.

Votes Cast for the resolution	148955250	99.977%
Votes cast against resolution	34430	0.023%
Total valid votes	148989680	100%

14. Alteration in Articles of Association of the Bank

“**RESOLVED THAT** pursuant to Section 14 and other applicable provisions of the Companies Act, 2013 and rules made there under and any statutory modifications or re-enactment thereof for the time being in force, the existing Sub-Article (vi) of Article 4 of the Articles of Association of the Bank be amended as follows:”

EXISTING ARTICLE 4(vi)	PROPOSED AMENDMENTS TO ARTICLE 4(vi)
<p>“(vi) Subject to the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA) (including any modifications or re-enactment thereof), the Companies Act, 1956, the Banking Regulation Act, 1949 and all applicable laws, Regulations, subject to the approval of the Central Government, Reserve Bank of India and such other regulatory authorities, if and to the extent required, the investment by all FIIs put together shall not exceed 35% of the paid up equity capital of the Bank at any period of time, subject however that no individual FIIs or group shall hold at any period of time more than 5% of the paid up capital of the Bank or such other lesser percentages as may be prescribed by the RBI in this regard from time to time.</p> <p>The total /individual shareholding limit in case of all NRIs both on repatriation and non-repatriation</p>	<p>“(vi) Subject to the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA) (including any modifications or re-enactment thereof), the Companies Act, 2013, the Banking Regulation Act, 1949, and all applicable Regulations, subject to the approval of the Central Government, Reserve Bank of India and such other regulatory authorities, if and to the extent required, the investment (whether direct or indirect) by all FIIs/RPFI/QFI put together shall not exceed 40% of the paid up equity share capital of the Bank at any period of time, subject however that no individual FIIs/RPFI/QFI or group shall hold at any period of time more than 5% of the paid up equity capital of the Bank or such other lesser percentages as may be prescribed by the RBI in this regard from time to time.</p> <p>The total /individual shareholding limit in case of all NRIs both on repatriation and non-repatriation basis shall not exceed 5</p>

basis shall not exceed 5 % of the paid up capital of the Bank at any point of time or such other lesser percentage as may be prescribed by RBI from time to time.	% of the paid up capital of the Bank at any point of time or such other lesser percentage as may be prescribed by RBI from time to time.
While allotting further shares and / or transferring or transmitting the shares of the Bank, the Board of Directors shall have the power to exercise its right of refusing / rejecting / restricting allotment of further shares and / or transfer and / or transmission of the shares to one or more persons or entities despite the provisions contained in Section 81, Sections 108 to 111 and other applicable provisions of the Companies Act, 1956, including any amendment thereto, for the purposes of complying with the restrictions contained in the foregoing paragraphs of this Article".	While allotting further shares and / or transferring or transmitting the shares of the Bank, the Board of Directors shall have the power to exercise its right of refusing / rejecting / restricting allotment of further shares and / or transfer and / or transmission of the shares to one or more persons or entities despite the provisions contained in Section 62, Section 56 and other applicable provisions of the Companies Act, 2013, including any amendment thereto, for the purposes of complying with the restrictions contained in the foregoing paragraphs of this Article".

The Resolution was passed as a Special Resolution with 99.989% assent.

Votes Cast for the resolution	148880811	99.989%
Votes cast against resolution	16364	0.011%
Total valid votes	148897175	100%

Shri. R.G. Chandramogan, Director and Shri. Kothandaraman, member proposed a vote of thanks on behalf of the Board and shareholders and the meeting then concluded with the "National Anthem".

Sd/-
(S Balasubramanian)
CHAIRMAN

Date: 23-08-2014

For CITY UNION BANK LTD.


Company Secretary