



CITY UNION BANK LIMITED
CENTRAL OFFICE

149, T.S.R. (Big) Street, Kumbakonam - 612 001.

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**PROCEEDINGS OF THE ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF
CITY UNION BANK LIMITED HELD ON FRIDAY, THE 30TH AUGUST 2013 AT 10.15
A.M. AT "RAYA MAHAL", 45-46, GANDHI ADIGAL SALAI, KUMBAKONAM - 612 001.**

Present

1. Shri. S. Balasubramanian Chairman
2. Dr. N. Kamakodi MD & CEO
3. Shri. S. Bernard Director
4. Shri. N. Kantha Kumar Director
5. Shri. T.K Ramkumar Director
6. Justice S. R. Singaravelu Director
7. Shri. C. R. Muralidharan Director
8. Prof. V. Kamakoti Director
9. Shri. S. Mahalingam Director
10. 722 Members (in person)
11. 28 Members (by proxy)

In Attendance

Shri. V. Ramesh DGM & Company Secretary

1. Shri. S. Balasubramanian, Chairman of the Bank took the chair.
2. The Chairman announced that since the requisite quorum for the meeting was present, the formal proceedings of the meeting could commence.
3. 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.
4. The Chairman thereafter read his speech with the permission of the members, the notice of the meeting was taken as read. Thereupon, the Auditor's Report was taken as read with the permission of the Members.
5. Adoption of Profit & Loss Account for the year ended 31st March, 2013 Balance Sheet as on 31st March, 2013 and the Directors' and Auditor's Report thereon.

The Director's Report, Auditor's Report, Profit & Loss Account for the year ended 31st March, 2013 and the Balance Sheet as on 31st March, 2013 were taken as read with the permission of the members present.



The Managing Director & CEO invited the shareholders for their comments on the Balance Sheet and Profit & Loss Account which were answered by the MD & CEO.

Prof. S. Venkataraman greeted the Shareholders, Board of Directors, Chairman and MD & CEO and appreciated the Bank's progress in the Financial Year 2012-13. He also detailed about the Profit & Loss Account and Balance Sheet.

Shri. R Ramani thanked all the members present in the meeting and spoke about in detail the progress of the bank during the past decade. He also applauded our erstwhile Chairman of the Bank Shri. V Narayanan and the newly built administrative office in the name of "Narayana" recently opened by, His Excellency the Governor of Tamil Nadu Shri. Rosaiah on 29.07.2013. He also requested for higher payment of dividend in the forthcoming years and also for increasing the interest rate on deposits for super senior citizens.

Shri Vasudevan commented about the NPA levels of the Bank. He also expressed his views about the NPAs of several banks in India. The Industrial sector which are facing stress levels and how to minimize / curtail the NPA on advances during the forthcoming quarters, also to view that no additional slippages on advances should be added. Shri Vasudevan also commented on the security aspect in front of the Bank branches, coin vending machines to be added and sufficient supply of coins to be made available for dispensing and also for increase of bandwidth for easier and smooth functioning of transactions by the customers.

His views were appreciated by MD & CEO of the Bank.

Shri.C. Govindarajan (Folio/ID : IN301313-21306414) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT the Profit & Loss Account for the year ended 31st March, 2013, the Balance Sheet as on that date, the Report of the Directors and Auditors as laid before the members at this meeting be and are hereby approved and adopted."

Shri. P Sarangapani (Folio/ID : IN301313 – 21054398) seconded it.

The Chairman invited the shareholders for their comments and queries on the Balance Sheet and Profit & Loss Account.

Thereafter the resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

6. Reappointment of Prof. V. Kamakoti as Director

Shri. N R Kothandaraman (Folio/ID : CUB0009210) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT Prof. V. Kamakoti, who retires by rotation and being eligible for reappointment, be and is hereby re-elected as a director of the Bank."

Shri.R Nagarajan (Folio/ID :IN301313 – 20806257) seconded it.



The resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

Prof. V. Kamakoti was declared duly elected as a Director.

7. Reappointment of Justice S. R. Singaravelu as Director

Shri. R Sivaraman (Folio/ID : IN301313-20954668) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT Justice. S. R. Singaravelu, who retires by rotation and being eligible for reappointment, be and is hereby re-elected as a director of the Bank."

Shri. Prof. S. Venkatraman (Folio/ID : IN301313 – 20689865) seconded it.

The resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

Justice. S. R. Singaravelu was declared duly elected as a Director.

8. Reappointment of Shri. C. R. Muralidharan, as Director

Shri. G Sadagopan (Folio/ID : IN300441 – 10789826) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT Shri. C. R. Muralidharan, who retires by rotation and being eligible for reappointment, be and is hereby re-elected as a director of the Bank."

Shri. R. Ramani (Folio/ID : IN301313 – 20428432) seconded it.

The resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

Shri.C. R. Muralidharan was declared duly elected as a Director.

9. Appointment of Auditors for the year 2013-2014 & fixation of their remuneration

Shri. K.M. Ananthan (Folio/ID : IN301356 – 20119638) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT M/s. P. Chandrasekar, Chartered Accountants, Bangalore be and are hereby appointed as the Statutory Central Auditors of the Bank in the place of the retiring Auditor M/s. Jagannathan & Sarabeswaran, Chartered Accountants, Chennai from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Bank at a remuneration as may be fixed by the Board of Directors of the Bank."

Shri. T S Venkatasubban (Folio/ID : IN301313 – 20210137) seconded it.

The resolution was put to vote on show of hands. All voted for and none against it and it was

carried unanimously.

M/s. P. Chandrasekar, Chartered Accountants, Bangalore were declared duly appointed as Auditors for the year 2013-2014.

10. Appointment of Branch Auditors & Fixation of their remuneration

Shri. N. Sankar (Folio/ID : CUB0051100) proposed that the following resolution be adopted as on Ordinary Resolution.

"RESOLVED THAT in terms of Section 228 of the Companies Act, 1956 the Board of Directors be and is hereby authorised, to appoint the Branch Auditors for audit of all branches / offices of the Bank for the year 2013-2014 in consultation with Bank's Statutory Central Auditors and fix their remuneration.

Shri.S. Manickavasagam (Folio/ID : CUB0011134) seconded it.

The resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

11. Appointment of Shri. S. Mahalingam as Director

Shri. K.S. Raman (Folio / ID :IN300441 – 10560494) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT Shri. S. Mahalingam be and is hereby appointed as a Director of the Bank, liable to retire by rotation."

Shri. VR. Arunachalam (Folio / ID : IN301313 – 21350103) seconded it.

The resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

Shri. S. Mahalingam was declared duly appointed as Director

12. Amendment in the Articles of Association

Shri. Subbu Subramanian (Folio/ID : IN303786 – 10000318) proposed that the following resolution be adopted as a Special Resolution.

RESOLVED THAT pursuant to Section 31 and other applicable provisions of the Companies Act, 1956, the existing Sub-Article (vi) of Article 4 of the Articles of Association be and is hereby replaced with the following Article.

"(vi) Subject to the applicable provisions of the Foreign Exchange Management Act, 1999 (FEMA) (including any modifications or re-enactment thereof) the Banking Regulation Act, 1949, the Companies Act, 1956 and all applicable laws, regulations and 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

share capital of the Bank at any period of time, subject however that no individual FII's or group shall hold at any period of time more than **5%** of the paid up share capital of the Bank or such other lesser percentages as may be prescribed by the RBI in this regard from time to time.

The total /individual shareholding limit in case of all NRIs both on repatriation and non-repatriation 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.

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".

Shri. Pawan Alhuwalia C/o. Laburnam Capital Advisors Pvt. Ltd .(Folio / ID : IN300214 - 15884277) seconded it.

The resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

13. Issue of Shares through QIP route

Shri. N. Vasudevan (Folio/ID : IN301774 - 10480840) proposed that the following resolution be adopted as a Special Resolution.

RESOLVED THAT pursuant to Section 81 (1A) and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) and enabling provisions of the Memorandum and Articles of Association of the Bank, the Listing Agreements entered into with the Stock Exchanges and subject to the provisions of Chapter VIII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 the provisions of the Foreign Exchange Management Act, 1999, applicable rules, regulations, guidelines or laws and/or any approval, consent, permission or sanction of the Central Government, Reserve Bank of India and any other appropriate authorities, institutions or bodies (hereinafter collectively referred to as the "appropriate authorities") and subject to such conditions as may be prescribed by any one of them while granting any such approval, consent, permission and / or sanction (hereinafter referred to as the "requisite approvals") which may be agreed to by the Board of Directors of the Bank (herein after called the "Board" which term shall be deemed to include any Committee which the Board may have constituted or Board be and is hereby authorized, to offer, issue and allot, by way of Qualified Institutional Placement (QIP), to Qualified Institutional Buyers (QIB), in terms of Chapter VIII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, whether or not such investors are existing members of the Bank, through one or more placements to raise an amount not exceeding ₹ 350 crore by issue of Equity shares of ₹ 1/- each at such price or prices including premium on each share, as the Board or the appointed Committee thereof may determine in accordance with the Guidelines and where necessary in consultation with Lead Managers and / or other Advisors.



RESOLVED FURTHER THAT the QIP issue shall be completed within 12 months from the date of this resolution.

RESOLVED FURTHER THAT the allotment to each Qualified Institutional Buyer (QIB) in the proposed QIP issue will not exceed 5% of the post issue paid-up capital of the Bank.

RESOLVED FURTHER THAT the relevant date for the determination of applicable price for the issue of the QIP Securities shall be the date on which the Board of the Bank decide to open the proposed issue ("Relevant date").

RESOLVED FURTHER THAT such of shares to be issued as are not subscribed may be disposed of by the Board to such persons and in such manner and on such terms as the Board in its absolute discretion thinks fit in accordance with the provisions of law.

RESOLVED FURTHER THAT the Equity shares so issued shall rank pari passu with the existing Equity shares of the Bank in all respects.

RESOLVED FURTHER THAT the Equity shares to be offered and allotted to the QIBs shall be in dematerialized form.

RESOLVED FURTHER THAT for the purpose of giving effect to any offer, issue or allotment of Equity shares the Board or a Committee be and is hereby authorized on behalf of the Bank to do all such acts, deeds, matters and things as it may, in absolute discretion, deem necessary or desirable for such purpose, including without limitation, the determination of the terms thereof, for entering into arrangements for managing, underwriting, marketing, listing and trading, to issue placement document(s) and to sign all deeds, documents and writings and to pay any fees, commissions, remuneration, expenses relating thereto and with power on behalf of the Bank to settle all questions, difficulties or doubts that may arise in regard to such offer(s) or issue (s) or allotment(s) as it may, in its absolute discretion, deem fit.

RESOLVED FURTHER THAT the Board or the Committee be and is hereby authorized to appoint the Lead Manager in offering of securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with Lead Manager and to seek the listing of such securities

RESOLVED FURTHER THAT the Bank to apply for listing of the new Equity shares as may be issued with the Madras Stock Exchange Limited, Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

RESOLVED FURTHER THAT the Bank do make an application to the National Securities Depository Limited and/or Central Depository Services (India) Limited for admission of the above said Equity shares to be allotted on QIP basis.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or the Managing Director and Chief Executive Officer or any other Officer / Authorised representative of the Bank to give effect to the aforesaid resolution.

Shri. N. Raman (Folio / ID : CUB0012358) seconded it.



The resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

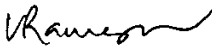
Shri. C.R. Muralidharan, Director of the Bank thanked the shareholders for the interest evidenced by them in the growth of the Bank and also the members of the staff for the initiatives that they have taken for the bank's development.

Shri. S. Kothandaraman (Folio / ID: IN301313 - 21184358) shareholder of the Bank proposed vote of thanks to the Chair, other directors and members.

Sd/-
Chairman of the Meeting
Date : 30.08.2013

CERTIFIED TRUE COPY.

CITY UNION BANK LTD.


Company Secretary