

CITY UNION BANK LIMITED

CIN: L65110TN1904PLC001287

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

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NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the members of **CITY UNION BANK LIMITED** will be held on Thursday, the 29th day of August 2019, at 10:00 a.m, at "RAYA MAHAL", 45-46, Gandhi Adigal Salai, Kumbakonam - 612001, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Bank for the Financial Year ended 31st March 2019 and the reports of Directors and Auditors thereon.
2. To declare dividend on equity shares for the Financial Year 2018-19.
3. Appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai as Statutory Central Auditors of the Bank for FY 2019-20.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 as may be applicable and the Banking Regulation Act, 1949 (including any statutory modifications or re-enactments thereof for the time being in force), the Rules, Circulars and Guidelines issued by the Reserve Bank of India from time to time and the approval from RBI vide its letter no. DBS.ARS.No.7003/08.13.005/2018-19 dt. 18th June 2019, approval of the members be and is hereby accorded for the appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai (Firm Registration No.004207S), as Statutory Central Auditors of the Bank for a third term for FY 2019-20 from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Bank on a remuneration of ₹ 29,15,000/- (Rupees Twenty Nine Lakhs Fifteen Thousand only) and

reimbursement of out of pocket expenses that may be incurred by them during the course of Statutory Audit, Tax Audit & LFAR and issuing other certifications prescribed by the Regulators, with the power to the Board including Audit Committee thereof to alter and vary the terms of conditions of appointment, the remuneration etc., including by reason of necessity on account of conditions as may be stipulated by RBI and / or any other authority, in such manner and to such extent as may be mutually agreed with the Statutory Central Auditors."

SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Board of Directors of the Bank be and is hereby authorized to appoint, in consultation with Statutory Central Auditors of the Bank, the Branch Auditors who are qualified to act as Auditors, including Statutory Auditors pursuant to Section 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 for the financial year 2019-20 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."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Article 26 of the Articles of Association of the Bank and the approval of RBI vide its letter no. DBR.APPT.No.8631/08.42.001/2018-19 dt. 10th April 2019 in terms of Section 10B (1A) of the Banking Regulation Act, 1949 and other applicable provisions of Companies Act, 2013, and the Regulation 17 of the SEBI (Listing Obligations and

Disclosure Requirements) Regulations, 2015 (including any statutory modifications or re-enactment thereof for the time being in force), the appointment of **Shri. R. Mohan (DIN 06902614)** as

Part-time Chairman of the Bank for a period of three years w.e.f., 4th May 2019 as per the following terms and conditions approved by RBI, be and is hereby ratified and approved."

Sl.No.	Terms of Appointment	
1	Remuneration	₹ 1,00,000/- per month
2	Sitting Fees for attending Board and Committee Meetings	As applicable to other Directors of the Bank.
3	Conveyance Allowance	Office Car with driver
4	Telephone	Provision of residential, mobile phone and internet facility
5	Travelling and Halting Allowances	As applicable to MD & CEO of the Bank
6	Insurance cover	Insurance cover upto ₹ 50,00,000/- for journey by Air/Road/Rail for official purposes.

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as **Ordinary Resolutions:**

"RESOLVED THAT pursuant to Article 26 of the Articles of Association of the Bank, Section 197 read with Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other applicable rules, applicable provisions of the Banking Regulation Act, 1949 (including any modifications or re-enactments thereof for the time being in force), pursuant to the recommendation of the Compensation and Remuneration Committee of the Board, approval of the Board of Directors of the Bank and the Reserve Bank of India vide its letter no.DBR.Appt.No.3770/08.42.001/2018-19 dt. 31st October 2018, a variable pay of ₹ 3,00,000 (Rupees Three Lakhs only) paid to **Dr. N. Kamakodi (DIN 02039618)** Managing Director & CEO of the Bank for

FY 2016-17 be and is hereby ratified and approved.

RESOLVED FURTHER THAT pursuant to Section 197 of the Companies Act, 2013 and the relevant rules there under; applicable provisions of the Banking Regulation Act, 1949 (including any modifications or re-enactments thereof for the time being in force), the rules, circular, guidelines and directions, if any, issued by the Reserve Bank in this regard, the Articles of Association of the Bank and the approval accorded by the Reserve Bank of India vide its letter no.DBR.Appt.No.8199/08.42.001/2018-19 dt. 29th March 2019, consent of the members be and is hereby accorded for revision in remuneration of Dr. N. Kamakodi from ₹ 81,00,000/- per annum (Rupees Eighty One Lakhs only) to ₹ 84,00,000/- per annum (Rupees Eighty Four Lakhs only) alongwith such other terms as set out in the explanatory statement to the notice w.e.f., 1st May 2018 as per the following terms and conditions approved by RBI."

- A. Revised Compensation w.e.f., 1st May 2018

Sl.No.	Particulars	Revised Pay
	SALARY	
01	Fixed pay	₹ 84 lakh per annum.
	PERQUISITES	
02	House Rent Allowance	Provision for free furnished accommodation or 12% of fixed pay per month

Sl.No.	Particulars	Revised Pay
03	Entertainment Allowance	On actual basis and subscriptions to 2 clubs.
04	Medical aid including hospitalization	Reimbursement of actual medical expenses for self, spouse, dependent children and parents.
05	Subscription to Newspapers / Journals	Reimbursement of actual expenses incurred on subscription to Newspapers & Magazines including e-journals and other media as required.
06	Travelling & Halting including Boarding Allowances	Reimbursement of actual travelling expenses i.e., if by train equivalent to the highest class / by air equivalent to the highest class plus any other transport and incidental expenses incurred while undertaking business travel.
07	Telephone, mobile and internet facility	Reimbursement on actual basis.
08	Education allowance for children	Reimbursement of expenses on actual basis for two children subject to a maximum of ₹ 15.00 lakhs for two children on production of original bill receipts.
09	Leave	As applicable to other Executives of the Bank
10	Encashment of Privilege Leave	As applicable to other Executives of the Bank
11	Leave Fare Concession	Once in a year anywhere in India or outside India for self and family by eligible class including incidentals.
12	Provident Fund	Bank's contribution to provident fund at 10% of the Basic pay
13	Pension	As applicable to other Executives of the Bank
14	Gratuity	As applicable to other officer of the Bank. However, as and when actual payment is proposed to be made, prior approval of RBI should be obtained.
15	Superannuation medical benefits	The Bank will reimburse the actual hospitalization and other medical expenses or pay the full premium under suitable medical insurance plan for him and dependent family members.
16	Conveyance	Free use of two Bank's car with driver for official purposes. If the car is used for private purposes, the MD & CEO should reimburse the Bank @ ₹ 250/- per month for journeys not exceeding 750 kms in a month. Charges for private use of Bank's car beyond 750 kms limit will be recoverable from the MD & CEO @ 60% of the rate fixed by Regional Transport Authority.
17	Insurance cover	For journeys by air, rail or road on official purposes, the MD & CEO will be provided with insurance cover of ₹ 2,00,00,000/-

B. Variable Pay of ₹ 20 Lakhs for FY 2017-18

RESOLVED FURTHER THAT the Board of Directors / respective Committees be and are hereby authorized to make necessary applications with the RBI for revision of remuneration and other terms and conditions of Dr. N. Kamakodi, MD & CEO from time to time and for payment thereof subject to the condition that the total remuneration shall not exceed the maximum ceiling limit prescribed under Schedule V of the Companies Act, 2013."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of the Sections 149, 152 and other applicable provisions, if any, of the Companies Act 2013, read with Companies (Appointment and Qualification of Director) Rules, 2014 and pursuant to Section 10A(2A) of the Banking Regulation Act, 1949 (including any modifications or re-enactments thereof for the time being in force), approval of the members be and is hereby accorded for the appointment of **Shri. Vaidyanathan Kalyanasundaram (DIN 07120706)** who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director on the Board of the Bank for a period of five years **w.e.f. 29th August 2019** and that he shall not be liable to retirement by rotation."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of the Sections 149, 152 and other applicable provisions, if any, of the Companies Act 2013, read with Companies (Appointment and Qualification of Director) Rules, 2014 and pursuant to Section 10A(2A) of the Banking Regulation Act, 1949 (including any modifications or re-enactments thereof for the time being in force), approval of the members be and is hereby accorded for the appointment of **Shri. Thirukkarugavur Krishnamoorthy Ramkumar (DIN 02688194)** who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director on the Board of the Bank for a period of five years **w.e.f. 29th August 2019** and that

he shall not be liable to retirement by rotation."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made there under ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the SEBI Listing Regulations"), Section 10A(2A) and other relevant provisions of the Banking Regulations Act, 1949 ("Banking Act") (including any modifications or re-enactments thereof for the time being in force), Rules, Circulars, Guidelines issued by the Reserve Bank of India ("RBI") as applicable from time to time, provisions of Articles of Association of the Bank and pursuant to the recommendation of the Nomination Committee and the Board of Directors of the Bank, approval of the members be and is hereby accorded for the re-appointment of **Smt. Abarna Bhaskar (DIN 06971635)** as an Independent Director on the Board of the Bank for a second term w.e.f., 25th October 2019 for such remaining period as permitted under the Banking Regulation Act to act as a Director from the date of her first appointment as Director in the Bank or for a maximum period of five years as permitted under the Companies Act, 2013 whichever is earlier."

10. **To authorize the Board to offer, issue and allot shares by way of Qualified Institutions Placement**

To consider and if thought fit, to pass with or without modification(s), the following resolutions as **Special Resolutions:**

"RESOLVED THAT pursuant to the provisions of Section 62 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder (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 SEBI Listing Regulations, 2015 and subject to the provisions of Chapter VI of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2018, 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, SEBI 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 constitute and Board be and is hereby authorized, to offer, issue and allot, by way of Qualified Institutions Placement (QIP), to Qualified Institutional Buyers (QIB), in terms of Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, whether or not such investors are existing members of the Bank, through one or more placements to raise an amount not exceeding ₹ 500 crore by issue of Equity shares of ₹ 1/- each at such price or prices, (whether at prevailing market prices or at permissible discount or premium to market prices in terms of applicable regulations) as the Board or the appointed Committee thereof may determine at its discretion in accordance with the relevant guidelines and where necessary in consultation with Lead Managers and / or Co-Managers and other Advisors.

RESOLVED FURTHER THAT the QIP issue shall be completed within 365 days from the date of this resolution. The Bank may in accordance with applicable law, also offer a discount of such percentage as permitted under applicable law on the price calculated in accordance with the pricing formula provided under the ICDR Regulations.

RESOLVED FURTHER THAT pursuant to Regulation 176 (1) of SEBI ICDR Regulations, the Bank be and is hereby authorised to offer equity shares at a discount of not more than 5% on the issue price or such other percentage as may be permitted under the applicable laws from time to time.

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 or the appointed Committee thereof decide to open the proposed issue as the case may be (“Relevant Date”).

RESOLVED FURTHER THAT minimum 10% of the equity shares to be issued and allotted under QIP pursuant to Chapter VI of SEBI ICDR Regulations shall be allotted to Mutual Fund(s) and if the Mutual Fund(s) do not subscribe to said minimum

percentage or any part thereof, such minimum portion or part thereof may be allotted to other QIBs.

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 paripassu 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 Managers / Co-Managers / Advisors in the offerings 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 Managers / Co-Managers / Advisors and to seek the listing of such securities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to apply for listing of the new Equity shares as may be issued with the BSE Limited and National Stock Exchange of India Limited.

RESOLVED FURTHER THAT the Board be and is hereby authorised to make necessary application(s) 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 shall have all the powers to modify, reapply, redo, make necessary changes, approach and to do all requisite filings / re-submission of any document(s) and other compliances and to do all such acts and deeds that are necessary to comply with the terms and conditions subject to which approvals, sanction, permission etc., as may be provided by the Stock Exchanges, SEBI, RBI, GOI and any other appropriate authority, without being required to seek any further approval of the members and that the members shall be deemed to have given their approval thereto for all such acts, deeds, matters and / or things expressly by the authority of this resolution.

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

11. To alter the Articles of Association of the Bank

To consider and if thought fit, to pass, with or without

modification(s), the following resolutions as **Special Resolutions**:

"RESOLVED THAT pursuant to the provisions of Section 14 of the Companies Act, 2013, and other applicable provisions read with the Rules and Regulations made there under (including any modifications or re-enactments thereof for the time being in force), the existing heading viz "Application of table A" OF ACT 1 OF 1956" be and is hereby deleted and in its place the heading "Application of Table-F of the Companies Act, 2013" be and is hereby inserted:-

RESOLVED FURTHER THAT pursuant to the provisions of Section 14 of the Companies Act, 2013, and other applicable provisions read with the Rules and Regulations made there under (including any modifications or re-enactments thereof for the time being in force), the existing article numbers 2(a), 2(o), 3, 4(iv), 5(1)(ii), 5(3), 6(iv), 9(i), 13(2a)(ii), 13(3), 16(c), 21 and 24 be and are hereby deleted and in its place new articles as detailed hereunder be and are hereby substituted with the respective articles:

Article no.	New Article
2(a)	"The Act" or "the said Act" means The Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.
2 (o)	"Regulatory Agencies" means any authority appointed under the Act or Banking Act or under any other law and includes the Central Government, National Company Law Tribunal (NCLT), the Registrar and the Reserve Bank of India acting through any of its duly authorised officers under the Banking Act or any other authority authorised to exercise any power under any other law for the time being in force.
3	Copies of the Memorandum and Articles of Association of the Company and other documents referred to in Section 94 of the Act shall be furnished to every member at his request within the period and on payment of such sum as may be prescribed under the Act.
4(iv)	In addition to and without derogating from the powers for this purpose conferred on the Directors under Article No.4(ii) the Company in General Meeting may, subject to provisions of Section 62 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered to such persons (whether members of the company or not) in such proportion and on such terms and conditions and either at a premium or at par as such General Meeting may determine and with full powers to give to any person (whether a member of the company or not) the option to call for or be allotted shares of any class of the Company either at par or at a premium, such option being exercisable at such time and for such considerations as may be directed by such General Meeting or the company in General Meeting may, subject to the provisions of Section 62 of the Act, make any other provisions whatsoever for the issue, allotment or disposal of any shares.



Article no.	New Article
5(1)(ii)	The Company shall within two months after allotment or within one month after the application for registration of the transfer of any shares or debentures is completed, deliver the certificates of all the shares and debentures so allotted or transferred.
5(3)	If a certificate is worn out, defaced or if there is no further space on the back thereof for endorsement of transfer, it shall, if required, be replaced by a new certificate upon payment of upto ₹ 20/- per certificate provided however that such new certificates shall not be issued except upon delivery of the said worn out or defaced or used up certificate for the purpose of cancellation.
6(iv)	All securities held by a depository shall be dematerialised and be in fungible form.
9(i)	Shares in the Company shall be transferred by an instrument in writing in the prescribed form and shall in all respects comply with the provisions of the Act and any modifications thereof and the rules prescribed thereunder. No instrument of transfer would be required and the provisions of Section 56 of the Act will not apply if the transfer of shares is effected by the transferor and transferee, both of whom are entered as beneficial owners in the records of the depository.
13(2a) (ii)	The offer aforesaid shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 days from the date of offer and not exceeding 30 days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined.
13(3)	In addition to and without derogating from the powers for the purpose conferred on the Directors under article 4(iv), the company in General Meeting may, in accordance with the provisions of Section 62 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the company) shall be offered to such persons (whether members or holders of debentures of the Company or not) in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to compliance with the provisions of Section 53 of the Act) as such General Meeting shall determine.
16(c)	No business shall be transacted at any General Meeting unless the quorum of members is present at the time when the meeting precedes to business. Save as provided herein the quorum of the General Meetings shall be as provided in Section 103 of the Act.
21	A director need not hold any qualification shares for being appointed or continuing as a Director.
24	A director vacating office for non-attendance at board meetings under Section 167(1)(b) of the Act may be re-appointed by the Board of Directors if they think fit.

RESOLVED FURTHER THAT pursuant to the provisions of Section 14 of the Companies Act, 2013, and other applicable provisions read with the Rules and Regulations made there under (including any modifications or re-enactments thereof for the time being in force), new article No. 16 (h) be and is hereby inserted after the existing Article No. 16(g) of the Articles of Association as detailed hereunder:-

“16(h) A member may exercise his vote at a meeting by electronic means in accordance with Section 108 and shall vote only once.”

RESOLVED FURTHER THAT pursuant to the provisions of Section 14 of the Companies Act, 2013, and other applicable provisions read with the Rules and Regulations made there under (including any modifications or re-enactments thereof for the time being in force), new article No. 35 together with the sub-heading be and is hereby inserted after the existing Article No. 34 of the Articles of Association as detailed hereunder:-

“APPLICABILITY OF AMENDMENTS TO ACTS, REGULATIONS, RULES



35. Any amendments to the Companies Act, 2013, Banking Regulation Act, 1949, Depositories Act, 1996, SEBI Act and other applicable laws to the Bank and its Rules, Regulations, etc shall automatically apply to the Company without modification of the applicable articles of the existing Articles of Association."

RESOLVED FURTHER THAT Shri. V. Ramesh, Company Secretary of the Bank be and is hereby

authorized to carry out necessary alterations, modifications or amendments in the proposed altered Articles of Association as may be suggested / directed by the Registrar of Companies, Chennai and / or such other authorities under the provisions of the Companies Act, 2013, to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts, deeds, matters, including, as may be considered necessary, proper or expedient in order to give effect to the above resolution."

By Order of the Board

For CITY UNION BANK LIMITED

V. Ramesh

Company Secretary

Place : Chennai

Date : 18th July 2019

NOTES:

1. PROXY

A member/beneficial owner entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and vote instead of himself / herself and such a proxy need not be a member of the Bank. A person shall not act as proxy for more than **fifty (50) members** and holding in the aggregate not more than 10% of the total share capital of the Bank carrying voting rights. The proxies in order to be effective should be lodged with the registered office of the Bank not less than 48 hours before the commencement of the meeting.

2. EXPLANATORY STATEMENT

The relative explanatory statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of the Ordinary Business covered under Agenda item No.3 and for all the Special Business is annexed hereto.

3. In case of joint holding, only the first holder will be entitled to vote.
4. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Bank a certified copy of the Board resolution authorizing their representative to attend the Meeting on their behalf.

5. BOOKCLOSURE

The Register of Members and Share Transfer Books of the Bank will remain closed from **22nd August 2019 to 29th August 2019** (both days inclusive).

6. DIVIDEND ENTITLEMENT

Dividend, when approved, will be paid to such members whose names appear in the Register of Members of the Bank as on **Wednesday, the 21st August 2019**.

In respect of shares held in dematerialized form, the dividend will be paid on the basis of beneficial ownership as on **21st August 2019** as per details furnished by the Depositories for this purpose.

members at the registered office of the Bank on all working days between 10:00 a.m. to 12:00 noon upto the date of AGM. This notice and the Annual Report will also be available on the Bank's website **www.cityunionbank.com**, for download.

8. MULTIPLE FOLIOS

If any shareholder is holding more than one folio for the same set of names, the shareholder(s) concerned may please write to the Registrars and Share Transfer Agents of the Bank M/s Karvy Fintech Private Limited, Hyderabad (Karvy), so that their holdings can be consolidated into one folio. This would help the shareholder(s) concerned to effectively monitor their holdings and also the dividend receivable.

9. DEMATERIALIZATION OF SHARES

The shares of the Bank have been traded compulsorily in dematerialized form with effect from 25th June 2001 in the Stock Exchanges. The shareholders who have not so far dematerialized their shares are requested to do so in their own interest having regard to the safety and benefits attached thereto. Further, SEBI has notified that, any investor who is desirous of transferring

shares (which are held in physical form) after 1st April 2019 can do so only after shares are dematerialized.

10. **UNCLAIMED DIVIDENDS / SHARE TRANSFERRED TO IEPF AUTHORITY**

In terms of the relevant provisions of Section 124 and 125 of the Companies Act, 2013 and the relevant Rules of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended from time to time, the unclaimed dividend and the underlying equity shares of the Bank for FY 2010-11 has been transferred to IEPF authority.

The unclaimed dividend for FY 2011-12 and underlying shares is due for transfer during FY 2019-20 pursuant to aforesaid provisions. For details on year wise unclaimed dividends to be transferred / shares already transferred to IEPF, kindly refer to the Corporate Governance section of the Annual Report.

The shareholders are requested to contact Karvy Fintech Private Limited (Karvy) / Bank for claiming their unclaimed Dividend and/ or shares transferred to IEPF Authority and also visit the website of the Bank in this regard.

Further, the dividend warrants if any, lying with the shareholders in respect of such period(s) have to be submitted for revalidation to the Company Secretary, City Union Bank Limited, "NARAYANA", Administrative Office, No. 24-B, Gandhi Nagar, Kumbakonam - 612 001.

11. Members holding shares in electronic form may note that Bank account details registered against their respective depository accounts will be used by the Bank for payment of dividend. The Bank or "Karvy" cannot act on any request received directly from the members holding shares in electronic form for any change of Bank account details or Bank mandates. Such changes are to be advised only through the Depository Participant of the members.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to "Karvy".
13. Members who have not registered their e-mail address so far are requested to register their e-mail address with depository participants or Karvy so that they can receive the Annual Report

and other communication from the Bank electronically.

14. In terms of Section 108 of the Companies Act, 2013 read with the Rules made there under and Regulation 44 of the SEBI Listing Regulations, the Bank is providing remote e-voting facility to its members holding shares in physical / de-mat mode, as on the cut-off date being **21st August 2019**, to exercise their right to vote by electronic means on all business items specified in the accompanying notice. The remote e-voting will commence on **25th August 2019 (9:00 a.m.)**, and close on **28th August 2019 (5:00 p.m.)**. The detailed procedure is appended to this notice.
15. The Board of Directors of the Bank has appointed M/s. B.K. Sundaram & Associates, Practicing Company Secretaries, Tiruchirapalli as Scrutinizer to scrutinize and report the voting process in a fair and transparent manner.
16. The Bank continues to support the "Green Initiative" announced by the Government of India, and in this regard the electronic copies of the Annual Report and Notice along with Attendance Slip and Proxy Form are being sent by e-mail to those shareholders whose e-mail address have been registered with Karvy / their Depository Participants (DP's) unless the member has requested for a hard copy of the same.
17. **Update your KYC : The shareholders holding the shares in Physical / Demat to update their KYC details with the Bank / "Karvy" (RTA) or with their respective Depository Participant (DP) by submitting -**
 - a) **ID Proof : Self Attested copy of PAN Card**
 - b) **Address Proof : Self Attested copy of Passport / Aadhar Card / Bank Pass Book / Voter Card / Driving Licence**
18. **The shareholders are requested to update their Bank ECS Mandate by way of submitting duly signed copy of PAN card along with cancelled cheque leaf with the Bank / "Karvy" (RTA) or with their respective Depository Participant (DP) for receiving the corporate benefits by way of electronic credit to their respective Bank A/c. in time without any hassle.**
19. All relevant papers and documents relating to the subject matters of the meeting notice are open for inspection during normal business hours on all working days at the Registered Office of the Bank till the conclusion of the AGM.



EXPLANATORY STATEMENT

[Pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Item no. 3:

Although not required set out pursuant to the provisions of SEBI Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018

The Members of the Bank in their meeting held on 1st September 2018 had appointed M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai as the Statutory Auditors of the Bank to hold the office until the conclusion of the ensuing Annual General Meeting of the Bank ('AGM').

The RBI vide its letter no.DBS.ARS.No.7003/08.13.005/2018-19 dated 18th June 2019, had approved the appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai (Firm Registration no.004207S) to act as Statutory Central Auditors for FY 2019-20.

The Board recommends the appointment of M/s. Sundaram & Srinivasan, Chartered Accountants, Chennai for a third term to hold the office from the conclusion of the ensuing AGM until the conclusion of the next AGM of the Bank on a remuneration/ fees of ₹ 29,15,000/- (Rupees Twenty Nine Lakhs Fifteen Thousand Only) for conducting Statutory Audit, Tax Audit & LFAR and other Certification matters prescribed by the Regulators at its head office, branches and other offices, plus goods and service tax as applicable, and reimbursement of out of pocket expenses that may be incurred by them during the course of Audit. Further, the above fees / remuneration may vary depending upon the number of branches taken up for Audit by the Statutory Central Auditors for a financial year (including new branches opened, if any during FY 2020) and also on account of any other special assignments handled by them as per the requirements of Regulators, Statutory Authority or otherwise.

M/s. Sundaram & Srinivasan, Chartered Accountants was founded in the year 1943 at Chennai by Shri. T. C. Minakshi Sundaram and Shri. K. V. Srinivasan. The firm has rich experience in diverse industrial segments viz., Banking, Insurance, Telecommunication, Automation etc. The head office is located at Alwarpet, Chennai and has branches at Madurai and Bengaluru.

The Statutory Auditors have confirmed their eligibility to be appointed as Statutory Auditors in terms of Section 141 and Section 139 of the Companies Act, 2013 and other applicable rules.

Approval of the shareholders is sought for the appointment of M/s. Sundaram & Srinivasan as Statutory Central Auditors and fixation of remuneration including authorization to the Audit Committee and the Board of Directors to revise the remuneration of the Auditors, in consultation with the Auditors, pursuant to the complexity and volume of the assignments, during the course of audit.

The Board recommends the Resolution set out at Item No.3 of the Notice for approval by members.

None of the Directors and Key Managerial Personnel and their relatives are concerned or interested in this resolution.

Item No.4

In terms of the provisions of Companies Act, 2013 and the Rules, if any, made there under, the Branch Offices of the Bank have to be audited either by Statutory Central Auditors or other qualified Auditors. The Bank has been seeking the approval of shareholders for this subject matter every year, on a regular basis. Accordingly, Bank intends to entrust the Audit of its Branch Offices either to the Statutory Auditors or to other qualified Auditors in consultation with Statutory Central Auditors on such remuneration and on such terms and conditions as the Board deems fit based on the recommendations of the Audit Committee of the Board.

The Board recommends the Ordinary Resolution set out at Item No.4 of the Notice for approval by members.

None of the Directors and Key Managerial Personnel and their relatives are concerned or interested in this resolution.

Item No.5

The Reserve Bank of India vide its letter no. DBR.APPT.No.13995/08.42.001/2015-16 dt. 6th May 2016 accorded its approval for the appointment of Shri. S. Mahalingam to hold the office in capacity of Part-time Chairman till 3rd May 2019. Shri. Mahalingam retired from the Board of the Bank on 03rd May 2019. To fill the imminent vacancy, the Board of Directors at their meeting held on 28th January 2019, proposed the name of Shri. R. Mohan, Independent Director of the Board to succeed Shri. S. Mahalingam, as Part-time Chairman of the Bank. A thorough evaluation and fit and proper exercise for such appointment was made and recommended to the Board by the Nomination Committee of the Board.