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CITY UNION BANK LIMITED

CENTRAL OFFICE

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

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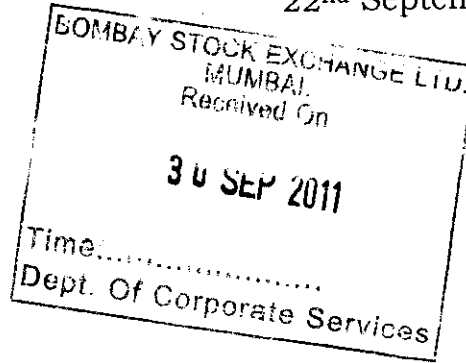
E-mail: co@cityunionbank.com - <http://www.cityunionbank.com>

C.O/ 3477 /2011

22nd September, 2011

Dept: Shares

Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Towers,
25th Floor,
Dalal Street,
Mumbai 400 001.



Update
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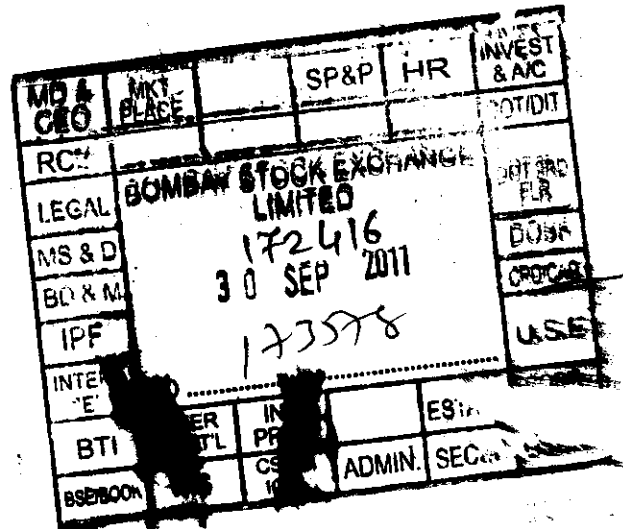
Dear Sirs,

Clause 31 of the Listing Agreement - Scrip Code:532210

In compliance with clause 31(d) of the listing agreement entered into with you, we enclose a copy of the proceedings of the Annual General Meeting of the members of the Bank held on 27th August, 2011.

Yours faithfully

**(V. Ramesh)
AGM & Company Secretary**



1. Steps taken to increase low cost deposits and "CASA"
2. Difference in the amount of advances shown in the Balance Sheet schedule and report
3. Reasons for the decrease in Yield on advances
4. Human Resource Recruitment policy
5. Clarification for the dual power in the top level (Chairman and MD & CEO)
6. Reasons for frequent changes in the Memorandum and Articles of Association
7. QIP –as to whether there exists any "Vested Interests" in allotment of shares to QIB
8. Written off accounts and.
9. Issuance of Identity card for Senior Citizens

5. Adoption of Profit & Loss Account for the year ended 31st March, 2011, Balance Sheet as on 31st March, 2011 and the Directors' and Auditor's Report thereon.

The Directors' Report, the Balance Sheet as on 31st March, 2011, the Profit & Loss Account for the year ended 31st March, 2011 and Auditor's Report were taken as read with the permission of the members present.

Thereafter Shri. B. Venkataraman (Folio / ID: 9328) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT the Profit & Loss Account for the year ended 31st March, 2011, 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. C Govindarajan (Folio / ID : IN30131321306414) seconded it.

As the questions/ queries on the Balance Sheet and Profit & Loss Account have already been answered by the MD and CEO, the resolution was put to vote on show of hands. All voted for and none against it and it was carried unanimously.

6. Declaration of Dividend

Shri. R Ramani (Folio / ID : IN30131320428432) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT a dividend at the rate of ₹ 0.85 per equity share for the financial year ended 31st March, 2011 to the equity shareholders of the Bank whose names appear in the Register of Members as on 27th August, 2011 and to the beneficial owners whose names appear in the list provided by the Depositories, National Securities Depository Limited and Central Depository Services (India) Limited as on 16th August, 2011, be and are hereby declared."

Shri. M Raman (Folio / ID : 12269)seconded it.

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

7. Reappointment of Justice. S R. Singharavelu, as Director

Shri. R Nagarajan (Folio / ID: IN30044110267619) proposed that the following resolution be adopted as an Ordinary Resolution.

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

Shri. P Sarangapani (Folio / ID : IN30131321054398) seconded it.

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

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

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

Shri. N Rangasamy (Folio / ID : IN30131321000199) 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. N Sankaran (Folio / ID : IN30044110158939) seconded it.

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

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

9. Reappointment of Shri R. G. Chandramogan as Director

Shri. Suresh (Folio / ID : IN30081210000012) proposed that the following resolution be adopted as an Ordinary Resolution.

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

Shri .K M Ramachandran (Folio / ID : IN30039414480965) seconded it.

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

Shri. R.G. Chandramogan was declared duly elected as a Director.

10.Appointment of Auditors for the year 2011-2012 & fixation of their remuneration

Shri. K Srinivasan (Folio / ID :IN30131321286814) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT M/s. Jagannathan & Sarabeswaran., Chartered Accountants, Chennai the retiring auditors of the bank, 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 on a remuneration as may be fixed by the Board of Directors of the Bank."

Shri. Balasubramanian (Folio / ID: IN30044110829602) seconded it.

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

resolution was carried unanimously.

M/s. Jagannathan & Sarabeswaran, Chartered Accountants, Chennai were declared duly appointed as Auditors of the Bank from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on a remuneration as may be fixed by the Board of Directors of the Bank."

11. Appointment of Branch Auditors & Fixation of their remuneration

Shri. S. Chandramogan (Folio / ID. 4410) 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 2011-2012 in consultation with Bank's Statutory Central Auditors and fix their remuneration.

Shri. V Sridharan (Folio / ID : IN30044110968090) seconded it.

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

12. Appointment of Prof. V. Kamakoti as Director

Shri. G Sankaran (Folio / ID : IN30044110863723)proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT Prof. V. Kamakoti be and is hereby appointed as a Director of the Bank, liable to retire by rotation."

Shri. Muthukrishnan (Folio / ID : IN30131320636884)seconded it.

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

Pro. V. Kamakoti was declared duly appointed as a Director

13. Appointment of Dr. N. Kamakodi as Managing Director & CEO of the Bank

Shri. S. Kothandaraman (Folio / ID : IN30131321184358) proposed that the following resolution be adopted as an Ordinary Resolution.

"RESOLVED THAT Dr. N. Kamakodi be and is hereby appointed as a Director of the Bank, not liable to retire by rotation."

"RESOLVED FURTHER THAT pursuant to Article 26 (a) (i) of the Articles of Association of the Bank and approval received from Reserve Bank of India under the provisions of the Section 35 B of the Banking Regulation Act, 1949 and other applicable provisions of the Companies Act, 1956, the appointment of Dr. N. Kamakodi as Managing Director & Chief Executive Officer of the Bank for a period of 3 years w.e.f from 01st May, 2011 on the terms and conditions be and is hereby approved."

S.No	Particulars	
01.	Salary	₹. 24 lakh per annum
	Perquisites	
02.	House Rent Allowance	₹.90,000 p.a. or free furnished residential accommodation to be provided by the bank.
03.	i. Entertainment Allowance ii. Subscriptions to news papers / 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. News papers / Magazines as may be required by the MD & CEO
04.	Other Allowances- Stock Option / Performance Bonus	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 Basic pay.
06.	Medical Benefits	
	Medical Aid including Hospitalisation Superannuation medical benefits	Reimbursement of actual medical expenses for self and dependent family members. Upon 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.
07.	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.
08.	Leave Fare Concession	Once in a year anywhere in India or outside India for self and family by eligible class including incidentals.
09.	Gratuity	As applicable to other officers of the bank. However, as and when actual payment is proposed to be made, prior approval of RBI should be obtained.
10.	Travelling and Halting Allowances Lodging and Boarding	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 travelling to and fro the places of meeting / business. <u>The Halting Allowance</u> <u>Lodging</u> : Reimbursement of actual lodging expenses (including taxes) against production of bills and vouchers. <u>Boarding Charges</u> : Reimbursement of actual expenses towards boarding (inclusive of taxes)
11.	Conveyance	Free use of bank's car with driver for official purposes. If car is used for private purposes, the MD/CEO should reimburse the bank ₹.250/- per month for journey not exceeding 750 kms in a month. (Journey from residence to office and vice versa to be treated as 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.
12.	Insurance cover	For journeys by air, rail or road on official purposes, the MD/CEO will be provided with insurance cover of ₹ 10,00,000/- by the bank.
13.	Telephone	Free use of bank's telephone at the residence and mobile phone.

Shri. A Somasundaram (Folio / ID: 10636) seconded it.

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

Dr. N. Kamakodi was declared duly appointed as a Director on the terms and conditions setout in the resolution

14. Appointment of Shri S. Balasubramanian as Non Executive Chairman of the Bank

Shri. Nachiyappan (Folio / ID : IN30108010480314) proposed that the following resolution be adopted as an Ordinary Resolution.

Resolved that pursuant to Article 26(g) of the Articles of Association of the Bank and approval accorded by the Reserve Bank of India under the provisions of Section 10 B of the Banking Regulation Act, 1949 and other applicable provisions of the Companies Act, 1956, the appointment of Shri S Balasubramanian as Non-executive Part-time Chairman of the Bank for a period of 3 years from 06.05.2011 on the following terms and conditions be and is hereby approved.

S.No	Items	Remuneration
1	Remuneration	₹ 12 lakh per annum. (no sitting fee to be claimed)
		Perquisite
2	Conveyance	Office car with driver
3	Telephone	Provision of Residential telephone and mobile phone
4	Travelling & Halting Allowance	As applicable to MD & CEO of the Bank
5	Insurance	Insurance cover up to ₹ 10,00,000 for journey by Air/Road/ Rail for official purpose

Shri. Neelakandan (Folio / ID : IN30177413285266) seconded it.

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

Shri S Balasubramanian was declared duly appointed as a Non Executive Chairman on the terms and conditions setout in the resolution.

15. Issue of Shares through QIP route

Shri. K G Ramanathan(Folio / ID: IN30131320171635) 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 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 ₹ 300 crores by issue of Equity shares of ₹ 1 each at such price or prices including premium on each share, as the Board or the appointed / authorised 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, or the date on which the holder of the securities which are convertible into or exchangeable with Equity shares at a later date becomes entitled to apply for the said shares, as the case may be ("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 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 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. K Sampath (Folio / ID : IN30131320340782) seconded it.

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

Shri. S R Singaravelu 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. Kothandaraman S (Folio / ID : IN30131321184358) shareholder of the Bank proposed vote of thanks to the Chair, other directors and members

Sd/-
Chairman of the Meeting
Date : 27.08.2011

CELEBRATED TRUE COPY

for CITY UNION BANK LTD.


Company Secretary