



CITY UNION BANK

CIN - L65110TN1904PLC001287

Regd. Office, No. 149, TSR (Big) Street, Kumbakonam - 612 001.

Phone : 0435 - 2432322 : Fax : 0435 - 2431746

E-mail : shares@cityunionbank.com : Website: www.cityunionbank.com

C.O/Shares/2018-19

31st May, 2018

National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor,
Plot No.C/1, G Block,
Bandra-Kurla Complex,
Bandra (E),
Mumbai 400 051

BSE Ltd.,
DCS – CRD,
Phiroze Jeejeebhoy Towers,
25th Floor, Dalal Street,
Mumbai 400 001

Scrip Code: CUB

Scrip Code: 532210

Dear Madam / Sir,

Sub: Issue of Bonus shares - Passing of Resolution(s) by Postal Ballot

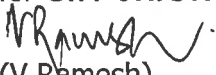
In continuation to our letter dated 24th May, 2018, please find enclosed herewith a copy of Postal Ballot Notice along with the Explanatory Statement and Postal Ballot Form being dispatched to the shareholders of the Bank seeking consent of its shareholders through Postal Ballot pursuant to Section 110 and other applicable provisions of the Companies Act, 2013, read with Companies (Management and Administration) Rules, 2014.

Remote e-voting period will commence on Saturday, the 2nd June, 2018 at 09:45 am and close on Sunday, the 1st July, 2018 at 05:00 pm. During this period members of the Bank, holding shares either in Physical Form or in Dematerialized Form, as on the cut-off date being 18th May 2018 shall be entitled to avail the facility of remote e-voting / Postal Ballot Form. Last date & time for receipt of Postal Ballot Form by the Scrutinizer is Sunday, the 1st July, 2018 at 05:00 pm.

The above disclosure is in compliance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the provisions of the Companies Act, 2013 and the same may be disseminated by the exchange to all concerned.

Thanking you,

Yours faithfully
for **CITY UNION BANK LTD**


(V Ramesh)

General Manager – CFO & CS
Encl : a/a



CITY UNION BANK LIMITED

CIN: L65110TN1904PLC001287

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

Phone: 0435-2402322 Fax: 0435-2431746

E-mail: shares@cityunionbank.com; website: www.cityunionbank.com

POSTAL BALLOT NOTICE

Dear Members,

NOTICE is hereby given pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), read with Rule 22 of the Companies (Management and Administration) Rules, 2014 including any statutory modification or re-enactment thereof for the time being in force, the guidelines issued by the Reserve Bank of India for issue of Bonus Shares by Private Sector Banks and subject to other applicable laws and regulations, that the resolutions appended below for issue of Bonus Shares, is proposed to be passed by the Members through Postal Ballot / Remote Electronic Voting (e-voting).

The Explanatory Statement pursuant to Section 102 and 110 of the Act pertaining to the aforesaid resolutions setting out the material facts concerning such item and the reasons thereof are annexed hereto with this notice for your perusal.

The Board of Directors of the Bank, at its meeting held on **24.05.2018**, has appointed M/s. B. K. Sundaram & Associates, Practicing Company Secretaries, Tiruchirapalli, as the Scrutinizer for conducting the Postal Ballot and e-voting process in a fair and transparent manner. Members have the option to vote either by Postal Ballot or through e-voting. Members desiring to exercise their vote by Postal Ballot are requested to carefully read the instructions printed in the Postal Ballot Form and return the same duly completed in the enclosed Self-Addressed Business Reply Postage Prepaid Envelope. Postal Ballot Form(s), if sent by courier or by Registered Post / Speed Post at the expense of the Member(s) will also be accepted. The Postal Ballot Form(s) may also be deposited personally at the address given thereon. The duly completed Postal Ballot Form(s) should reach the Scrutinizer not later than 5:00 p.m. on 01.07.2018 to be eligible for being considered, failing which it will be strictly considered that no reply has been received from the Member.

Members desiring to opt for e-voting are requested to read the e-voting instructions ("Voting through electronic means") mentioned at the end of this notice.

The Scrutinizer will submit his report to the Chairman or the Company Secretary after completion of scrutiny of the Postal Ballots (including e-voting). The results of such voting shall be declared on or before **03.07.2018** at any time before 5:00 p.m and will be communicated to the Stock Exchanges within the statutory time limits, uploaded in website of the Bank (www.cityunionbank.com) and Karvy (<https://evoting.karvy.com>).

AGENDA ITEM

Issue of Bonus Shares

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

RESOLVED that pursuant to the provisions of Section 63 and other applicable provisions of the Companies Act, 2013 and the rules made there under, the Securities and Exchange Board of India (SEBI) (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable regulations and guidelines



issued by SEBI and Reserve Bank of India (RBI) from time to time, the relevant provisions of the Articles of Association of the Bank, and the recommendation of the Board of Directors of the Bank, and subject to such approvals as may be required in this regard, approval of the Members be and is hereby accorded to the Board of Directors of the Bank (hereinafter referred to as the Board and which expression shall be deemed to include a Committee of the Board) for capitalization of such sums standing to the credit of the Securities Premium Account, as may be considered appropriate by the Board, for the purpose of the issue of Bonus equity shares of ₹ 1/- each to those members whose name appears in the Register of Members / Beneficial Owners' on a date (Record Date) to be decided by the Board and that such shares credited as fully paid-up equity shares to the holders of the existing equity shares of the Bank in consideration of their said holding in the proportion of 1 (one) equity shares of ₹ 1/- each for every 10 (ten) equity shares of ₹ 1/- each held by the Members.

RESOLVED FURTHER that no fractions arising out of the issue and allotment of bonus equity shares shall be allotted by the Bank and the Bank shall not issue any certificate or coupon in respect thereof but all such fractional entitlements shall be consolidated and the bonus equity shares, in lieu thereof, shall be allotted by the Board to the Nominee(s) appointed by the Board, who shall hold the same as Trustees for the Members entitled thereto, and sell the said equity shares so arising at the then prevailing market rate and pay to the Bank net sale proceeds thereof, after adjusting there from the cost and expenses in respect of such sale, for distribution to Members in proportion to their fractional entitlement.

RESOLVED FURTHER that pursuant to the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and any amendments thereto from time to time, with respect to the Employee Stock Options outstanding on the record date, the Board and / or the Compensation and Remuneration Committee of the Board be authorised to make appropriate adjustments with respect to exercise price and the number of Stock Options and decide on the allotment of such number of additional Stock Options as Bonus Options to the employees who have been granted Stock Options in the same proportion as the Bonus equity shares being issued.

RESOLVED FURTHER that no allotment letters shall be issued to the allottees of the Bonus equity shares and that the certificate(s) in respect of Bonus equity shares shall be completed and thereafter be dispatched to the allottees, except in respect of those allottees who hold shares in Dematerialized Form, within the period prescribed or that may be prescribed in this behalf, from time to time.

RESOLVED FURTHER that the Bonus equity shares so allotted shall rank pari-passu in all respects with the fully-paid up equity shares of the Bank as existing on the record date and shall be entitled to participate in full in any dividends to be declared after the Bonus shares are allotted.

RESOLVED FURTHER that the issue and allotment of the said Bonus equity shares to the extent they relate to Non-Resident Indians (NRIs), Persons of Indian Origin (PIO), Foreign Portfolio Investors (FPIs), Overseas Corporate Bodies (OCBs) and other foreign investors of the Bank will be subject to the approval of the RBI, as may be necessary.

RESOLVED FURTHER that the Board and / or the Company Secretary of the Bank be and is hereby authorized to take necessary steps for obtaining In-principle approvals, Listing of such Bonus equity Shares on the Stock Exchanges where the equity shares of the Bank are listed, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable Law, Guidelines, Rules and Regulations.

RESOLVED FURTHER that the Board of the Bank be and is hereby authorized to take such steps as may be necessary including the delegation of all or any of its powers herein conferred to any Director(s), the Company Secretary, or any other Officer(s) of the Bank for obtaining necessary approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental



thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Bank and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.

By Order of Board
for **CITY UNION BANK LTD.**

V Ramesh
Company Secretary

Place: Chennai
Date: 24.05.2018

NOTES :

1. The relevant Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013 in respect of the aforesaid items set out in the Notice is annexed hereto.
2. The Postal Ballot Notice is being sent to the Members whose names appear on the Register of Members / List of Beneficial Owners as received from NSDL and CDSL as on **18.05.2018**. The Postal Ballot Notice is being sent to Members in electronic form to the e-mail IDs registered with their Depository Participant (in case of electronic shareholding) / the Bank's Registrar and Transfer Agents (RTA) (in case of physical shareholding). In case of Members whose e-mail ID is not registered, physical copy of Postal Ballot Notice and Form is being sent by permitted mode along with Self-Addressed Business Reply Postage Prepaid Envelope (BRE).
3. The Members whose name appears on the Register of Members / List of Beneficial Owners as on **18.05.2018** will be considered for the purpose of voting.
4. Resolutions passed by the Members through Postal Ballot will be deemed to have been passed as if the same have been passed at a general meeting of the Members.
5. The Members can opt for only one mode of voting, i.e. either by Physical Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by remote e-voting shall prevail and votes cast through Physical Postal Ballot Form will be treated as invalid.
6. In case a Member is desirous of obtaining a duplicate copy of a Postal Ballot Form, the shareholder may send an e-mail to einward.ris@karvy.com or shares@cityunionbank.com. The RTA/ Bank shall forward the same along with Self-Addressed Business Reply Postage Prepaid Envelope (BRE).
7. Voting through electronic means :

In compliance with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 108, 110 and other applicable provisions of the Companies Act, 2013 read with the related rules, the Bank is pleased to provide e-voting facility to all its Members, to enable them to cast their votes electronically instead of dispatching the physical Postal Ballot Form by post. The Bank has engaged the services of Karvy Computershare Private Limited for the purpose of providing remote e-voting facility to all its Members.



Instructions:

A. In case a Member receiving an email from Karvy [for Members whose email IDs are registered with the Company/Depository Participant(s)]:

- i) Launch internet browser by typing the URL: <https://evoting.karvy.com>.
- ii) Enter the login credentials (i.e., User ID and password mentioned herein). Your Folio No. / DP ID-Client ID No. will be your User ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote. The standard password for first time login is mentioned herein.
- iii) After entering these details appropriately, Click on "LOGIN".
- iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- v) You need to login again with the new credentials.
- vi) On successful login, the system will prompt you to select the "EVENT" i.e., City Union Bank Limited.
- vii) On the voting page, enter the number of shares (which represents the number of votes) as on the Cut Off Date under "FOR / AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR / AGAINST" taken together should not exceed your total shareholding as mentioned hereinabove. If the shareholder does not indicate either "FOR" or "AGAINST" it will be treated as invalid and the shares held will not be counted under either head.
- viii) Shareholders holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
- ix) You may then cast your vote by selecting an appropriate option and click on "Submit".
- x) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, members can login any numbers of times till they have voted on the Resolution(s).
- xi) Corporate / Institutional Members (i.e. other than Individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution(s) / Authority Letter, etc. together with attested specimen signature(s) of the duly Authorized Representative(s), to the Scrutinizer at e-mail ID: bkksoffice@gmail.com, with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format "CUB_ EVENT NO."



B. In case of Members receiving physical copy of the Notice by Post [for Members whose email IDs are not registered with the Bank / Depository Participant(s)]:

- i. User ID and initial password as provided at the bottom of postal ballot form.
 - ii. Please follow all steps from Sr. No. (i) to (xi) as mentioned in (A) above, to cast your vote.
8. The e-voting period commences on **02.06.2018 at 9:45 A.M. and ends on 01.07.2018 at 5:00 P.M.** During this period, the Members of the Bank holding Shares in physical form or in dematerialized form, as on the cut-off date for the purpose of voting / remote e-voting being **18th May, 2018**, may cast their vote by electronic means in the manner and process set out above. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently.
9. In case of any query pertaining to remote e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com> (Karvy's website) or contact Mr. M. Prem Kumar, Manager, Karvy Computershare Pvt. Ltd at **040-67161592 or at 1800 345 4001 (toll free)**.
10. Last date for receipt of Postal Ballot Form by Scrutinizer is **01.07.2018 (before the close of the working hours i.e. 5:00 p.m.)**.



EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

The present Authorized Share Capital of the Bank is ₹ 100 crore out of which share capital of ₹ 66.47 crore is paid up. As on 31st March, 2018, the Free Reserves were ₹ 838.87 crore. To capitalize a portion of reserves, your Board at its meeting held on 24th May, 2018, recommended issue of Bonus shares in proportion of one share for every ten existing equity shares held by the member on the Record Date by capitalizing around a sum of ₹ 6,64,72,920/- from Free Reserve as per audited accounts of the Bank for the financial year ended 31st March, 2018 and the same is proposed to be applied in full at par by issuing at par 6,64,72,920 equity shares of ₹ 1/- each.

The proposed issue of Bonus shares will be made in line with the provisions of Section 63 of the Companies Act, 2013, Securities & Exchange Board of India (SEBI) Rules and Regulations and subject to such approvals, if required, from the Statutory or Regulatory Authorities.

Further, it is necessary to authorize the Board of Directors / Committee of the Board of the Bank to complete all the regulatory formalities prescribed by the RBI, MCA, SEBI, Stock Exchanges on which the Bank's securities are listed and any other Regulatory / Statutory Authority in connection with issue and allotment of the Bonus shares.

The Board of Director of the Bank recommends the Ordinary Resolution as set out in the accompanied Notice for approval of the shareholders through Postal Ballot / remote e-voting.

No Directors, Key Managerial Personnel and / or their relatives, is / are interested or concerned, financially or otherwise in the resolution except they may be deemed to be concerned or interested in the proposed resolution to the extent of their shareholding in the Bank.



CITY UNION BANK LIMITED

CIN No :L65110TN1904PLC001287

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

Phone: 0435-2402322, Fax: 0435-2431746

E-mail: shares@cityunionbank.com Website: www.cityunionbank.com

POSTAL BALLOT FORM

(Please read the instruction printed overleaf carefully before completing this form)

Serial No. :

1. Name of Member (in Block letters) :
Registered Address of the Sole / First named
Member

2. Name(s) of the Joint Shareholder(s) if any :

3. Folio No. / DP ID - Client ID No. :

4. Number of Shares held :

I / We hereby exercise my / our vote in respect of the Ordinary Resolution to be passed through Postal Ballot for the business stated in the Notice of the Bank dated 24.05.2018 by conveying my / our assent or dissent to the said Resolution by placing the tick (✓) mark in the appropriate box below.

Item No.	Description	No. of Shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
1.	Issue of Bonus Shares			

Place :

Date :

(Signature of the Shareholder)

Electronic Voting Particulars

EVEN (e-Voting Event Number)	USER ID	PASSWORD / PIN

Note: Last date / time for receipt of Postal Ballot Form by the Scrutinizer is 01.07.2018, 05.00 p.m.



INSTRUCTIONS

1. A member desirous to exercise vote by Postal Ballot may complete this Postal Ballot Form in all respect and send it to the Scrutinizer in the attached Self-Addressed Business Reply Postage Prepaid Envelope, which shall be properly sealed with adhesive or adhesive tape. Postage will be borne and paid by the Bank. However, envelopes containing Postal Ballots Form deposited in person or sent by courier at the expense of the member will also be accepted. Members who have not received Postal Ballot Form may approach Registrar and Share Transfer Agents of the Bank (Karvy) / Bank at inward.ris@karvy.com / shares@cityunionbank.com to obtain duplicate of the same.
2. The Self-Addressed Business Reply Postage Prepaid Envelope bears the postal address of the Scrutinizer appointed by the Board of Directors of the Bank.
3. This Postal Ballot Form should be completed and signed by the shareholder as per specimen signature registered with Karvy / Depository Participant as the case may be. Unsigned Postal Ballot Forms will be rejected.
4. The Bank is also offering remote e-voting as an alternative for all members to enable them to cast their votes electronically. The detailed procedure forms part of Postal Ballot Notice.
5. In case the shares are held jointly, this form should be completed and signed by their first named member and his / her absence, by the next named member. The exercise of vote by Postal Ballot is not permitted through proxy.
6. A tick mark (✓) should be put in the relevant box signifying assent / dissent for the resolution(s), as the case may be, before mailing the Postal Ballot Form. Incomplete, unsigned, improperly or incorrectly tick (✓) marked Postal Ballot Form will be rejected. Postal Ballot Form bearing tick marks in both the columns will also render the Postal Ballot Form invalid.
7. Completed Postal Ballot Form should reach the Scrutinizer before 05.00 p.m. on **01.07.2018**. Postal Ballot Form received after the said date and time will be treated as if the reply from such member has not been received and shall not be counted for the purpose of passing resolution.
8. Members are entitled to cast their votes differently i.e., all the votes in favour or against or partly in favour or partly against.
9. In case of shares held by Companies, Trusts, Societies, etc., the duly completed Postal Ballot Form should be accompanied by a certified copy of the Board Resolution / Authority Letter together with attested specimen signatures of the duly Authorised Signatory (ies).
10. Members are requested not to send any extraneous papers alongwith the Postal Ballot Form in the enclosed Business Reply Postage Prepaid Envelope as the same would not be considered and would be destroyed by the Scrutinizer.
11. There will be only one Postal Ballot Form for each Folio No. / DP - Client ID No. irrespective of the number of joint members.
12. Scrutinizer's decision on the validity of the Postal Ballot Form will be final.
13. The result of the Postal Ballot will be declared at the Registered Office of the Bank as specified in the notice. The results thereafter will be published in the newspapers and hosted on the website of the Bank, for information to the members.
14. Votes will be considered invalid on the following grounds:
 - a. If it is unsigned.
 - b. If the members signature does not tally.
 - c. If the member has marked all his shares both in favour and also as against.
 - d. If voting is done through any other form.
 - e. If the Ballot Paper is received in torn, defaced or mutilated condition to an extent that it is difficult for the Scrutinizer to identify either the member or the number of votes casted or as to whether the votes are in favour or against or if the signature could not be checked or on one or more of the above grounds.

