



“City Union Bank Limited's Annual General Meeting”

August 19, 2021



**MANAGEMENT: SHRI R. MOHAN – NON-EXECUTIVE CHAIRMAN
DR. N. KAMAKODI – MANAGING DIRECTOR & CEO
MR. V. RAMESH – CFO & COMPANY SECRETARY**

BOARD OF DIRECTORS PRESENT:

**SMT. ABARNA BHASKAR – INDEPENDENT DIRECTOR
MR. M. NARAYANAN – INDEPENDENT DIRECTOR & CHAIRMAN
- AUDIT COMMITTEE
MR. M. SUBRAMANIAM, INDEPENDENT DIRECTOR
MR. V.N. SIVASHANKAR, INDEPENDENT DIRECTOR
DR. SRIDHAR, INDEPENDENT DIRECTOR
MR. K. VAIDYANATHAN – INDEPENDENT DIRECTOR
MR. T.K. RAMKUMAR, INDEPENDENT DIRECTOR**

SPECIAL INVITES:

**M/S. SUNDARAM & SRINIVASAN, STATUTORY CENTRAL
AUDITORS
M/S. B.K. SUNDARAM & ASSOCIATES, SECRETARIAL
AUDITORS**



Moderator:

Dear Shareholders, good morning and a very warm welcome to the Annual General Meeting of City Union Bank Limited for FY'2021 through video conferencing or other audio-visual facility. As a reminder, for the smooth conduct of the meeting, the members will be in the mute mode and audio and video will be opened when they will speak at the AGM as per the pre-registration. Please note that as per the requirements, the proceedings of the annual general meeting will be recorded and available on the website of the Bank. I now hand over the proceedings to Shri R. Mohan, the Chairman of City Union Bank Limited. Thank you and over to you, sir!

Shri R. Mohan:

Thank you! Let us commence this AGM with Inauguration. I request Shri. Ravi Swaminathan to render the prayer song.

Thank you Ravi! Good morning to all of you. I am R. Mohan, Non-Executive Chairman of the Bank, addressing you through video conference. I have ascertained from NSDL, our service provider, for this e-meeting, and the requisite quorum to conduct the proceedings of this e-meeting, and all members attending this meeting through virtual mode are counted for the purpose of quorum as per circulars issued by the Ministry of Corporate Affairs and Sec.103 of the Companies Act 2013. I therefore call this meeting to order.

Let me now introduce the directors on the board of our Bank. Because of the travel issues on account of the COVID pandemic, some of our directors are participating from their respective places. I'm addressing you from our administrative office at Kumbakonam. To my left is Dr. N. Kamakodi – M.D and CEO. On the screen he is on the right. Two more directors are at our AO; Mr. M. Narayanan and Mr. K. Vaidyanathan. Smt. Abarna Bhaskar is participating from her residence at Bangalore, Mr. N. Subramaniam and Dr. Sridhar are participating from our Bank's T. Nagar Office, Chennai, Mr. V.N. Sivashankar is participating from his residence at Chennai, Mr. T. K. Ramkumar is participating from his residence at Chennai and Mr. V. Ramesh , the CFO and Company Secretary is with me here at AO. The Bank's Statutory Central Auditors M/s. Sundaram & Srinivasan, Chartered Accountants have joined this meeting from Chennai and the Bank's Secretarial Auditor M/s B. K. Sundaram & Associates, Company Secretaries has joined this meeting from Kumbakonam.

Now, I request Mr. Ramesh to provide the general guidance to the shareholders regarding the participation in this meeting.

V. Ramesh:

Hello. Good Morning. Dear members, you are requested to note this. This meeting is held as per the circulars issued by the Ministry of Corporate Affairs and SEBI and the proceedings are being recorded. The members are enabled to join the meeting on first-come-first serve basis, and the appointment of proxies is not applicable. Once the Chairman opens the floor for questions and answers, the audio and video of registered speakers will be enabled by the moderator at that time. Please be noted that the Bank or chairman of this committee reserves the right to limit the number of members asking questions and also a number of questions



depending upon availability of time. Seven of our shareholders have decided to express their views here. Moderator will call them one-by-one. I request the speakers to take maximum of three minutes and talk to the point.

Further, the members participating in this meeting and who have not already cast their votes will be provided an opportunity during this meeting. All documents referred in the notice for this annual general meeting is available for inspection and the members deciding to inspect may draft an e-mail to shares@cityunionbank.in. Thank you very much. Over to Chairman!

Shri R. Mohan: Thank you, Ramesh.

CHAIRMAN SPEECH

Esteemed Shareholders of City Union Bank, my Colleagues on the Board of the Bank, Statutory Central Auditors, Secretarial Auditors and all the shareholders participating in this e-AGM today, through Video Conferencing. Namaskaar and Hearty Welcome to all of you ! I hope all of you and your family members are keeping fine !!

At the outset, let me thank you all for your presence, continued support and faith reposed in the Bank and its Management.

As you may appreciate, this is an important annual event for the Bank where it engages itself with its shareholders and where they are going to vote on our resolutions set out in Notice calling this meeting. However, in view of the statutory directions issued by the Ministry of Corporate Affairs and Securities and Exchange Board of India in the wake of COVID Pandemic we are holding the Annual General Meeting this year also in the virtual mode. The Bank has provided the Annual Report together with the Notice of the Annual General Meeting for the year ended 31st March, 2021 in electronic mode to shareholders. With your kind permission, I shall consider it as read.

Being an e-AGM, considering technical factors / restrictions on participation, I would like to be brief in my speech giving more focus on the financial performance of the Bank for FY 2021 and our Banks continued efforts in overcoming the impact of the pandemic.

GLOBAL ECONOMY

The global economy witnessed an unprecedented downturn in FY 2020-21 due to the Covid-19 pandemic. Central banks across the Globe provided liquidity support along with various credit extension policies to a wide range of borrowers. These measures increased the momentum of economic activity in the latter part of the year. The IMF (International Monetary Fund) predicted in its April 2021 World Economic Outlook that the global economy is projected to grow at 6.0 per cent in the calendar year 2021. Since April 2021, the global economic recovery has been gaining momentum, driven mainly by major advanced economies and massive vaccination drives and stimulus packages. Inflation in major Emerging Market Economies (EME's) has risen above the official targets, due to sustained rise in food and commodity prices. The World Trade Organization has projected an expansion of 8% in Global Merchandise Trade although they will remain below the pre-pandemic level. Cross-border services such as tourism and transportation are likely to remain subdued till the time the pandemic recedes globally, and restrictions on international travel ease resuming confidence of the passengers. A collective global effort to fight the pandemic will bring better results, than individual countries fighting alone & the G20 countries' goal of a strong, sustainable and inclusive growth is within sight and reach.

INDIAN ECONOMY

In India, the second wave of the pandemic has taken a serious toll both in terms of lives and livelihood of many. The recovery that had commenced in the latter half of FY 2020-21 was halted by the second wave of the pandemic that surfaced in April-May 2021. The efforts of the RBI and Government in financial inclusion have helped the State machinery in providing seamless and timely financial support to weaker sections of the society through direct benefit transfers (DBT). The Manufacturing sector & Mining sector suffered the worst with huge losses in Q1.

The pharmaceuticals sector for the obvious reasons, witnessed a boom aided by the production-linked incentive scheme (PLI) introduced for bulk drugs and medical devices, which augmented the domestic pharmaceutical production and medical exports. The services sector suffered heavily in the initial period and so also the contact intensive sectors such as aviation, tourism, and hospitality. The IT sector displayed resilience amidst the pandemic. FASTags, the facility of cashless tolling which was made mandatory in February 2021 resulted in strong growth of National Electronic Toll Collection (NETC). E-commerce platform witnessed robust growth with rising waves of digitization.

With Covid-19 second showing signs of decline in early June 21, and the likely availability of sufficient vaccines by September 2021, growth in second half of FY21-22 is likely to pick up which would trigger positive outcomes for the Indian economy.

BANKING SCENARIO

To mitigate the financial impact of Covid-19 related disruptions, the Reserve Bank of India undertook several policy measures to ease the flow of credit at a lower cost to needy segments. These measures include lowering policy rate, launching on-tap liquidity schemes and channelizing liquidity through All India Financial Institutions to resolve stressed loans to individuals, small businesses and MSME borrowers. Further, with an objective to provide more focus on inclusive development, the RBI broadened the scope of PSL (Priority Sector Lending).

The Reserve Bank of India continued with its accommodative stance and undertook several measures to arrest the downturn in domestic economic activity, to ease financial conditions and the functioning of financial markets while maintaining financial stability and the soundness of payment and settlement systems.

The Reserve Bank of India on the basis of an assessment of the current and evolving macroeconomic situations, made the following changes at its Monetary Policy Committee (MPC) meeting held on August 06, 2021:

- Policy repo rate under the Liquidity Adjustment Facility (LAF) unchanged 4.0 per cent.
- Reverse repo ratio under Liquidity Adjustment Facility (LAF) was maintained at 3.35 percent.
- Marginal Standing Facility (MSF) rate and the Bank Rate maintained at 4.25 per cent.

The health of the Banking Sector emerged as top most priority for the Reserve Bank of India as it sought to provide more cushion to the sector already ravaged by the pandemic. The timely measures of RBI have infused a sense of optimism amongst banks. Containing measures like lockdown and stoppage of transportation, which paralyzed the business enterprises had their impact on banks in terms of loan recoveries. As said earlier plethora of steps taken by RBI and Government of

India like Resolution Plan, ECLGS (Emergency Credit link Guarantee Scheme) etc., would help both banks and their borrowers to overcome the damage caused by the pandemic. These measures along with vaccination drives and a collective effort at the global level to arrest the pandemic are all expected to propel the global economy out of woods in the year ahead.

OUR BANK'S RESPONSE

With the threat of the third wave of the pandemic looming large, the Bank continues to remain cautious. Safety measures like alternative work arrangements, creation of awareness among employees, fully sanitizing the environment, providing health camps for employees and their families, reducing in-person interactions, redesigning working hours through implementation of shift system etc., are taken. During the year our Bank conducted vaccination programmes at several centres including our Administrative Office covering 4663 employees constituting 99% of total eligible workforce. A high level committee by name "Quick Response Team" was also formed as directed by RBI to oversee the entire developments in the context of the spread of COVID 19.

Coming to the credit side, in line with the policies of RBI & Central Government, the Bank has provided credit to MSME sector under Emergency Credit Line Guarantee Scheme (ECLGS) at a concessional rate to help them tide over the economic distress. The Quantum of relief provided under ECLGS is Rs. 1,960 crore covering 8,556 borrowers' upto March 31, 2021. The relief provided to borrowers on repayment of their loan-dues particularly interest burden, pursuant to regulatory directions, is a timely help to them to cope with the pressure on their strained cash flows.

We always extend our support and services to all our customers improvising our products and operational efficiency using the updated technology. At the same time we ensure that our hoary tradition well established by the founders of the Bank is maintained with no compromise on the core values.

MOVING TO PERFORMANCE OF YOUR BANK

In the current market scenario which is largely affected by the Covid-19 pandemic, your Bank recorded a reasonable growth rate during the year in comparison to previous year. In the reporting year, the biggest challenge faced by the Banking system was dealing with mounting stressed assets, restructured debts and NPA accounts. Despite these challenges, the Bank was able to post an 8% growth in its total business, with Deposits growing by 9% and Gross Advances growing by 7%. The total business of the Bank as on 31st March, 2021 stood at Rs. 81,558 crore.

PROFITABILITY

The Net Interest Margin or NIM of your Bank stood at 4% for the year ended March 31, 2021. CASA stood at 29% of Deposits which improved from 25% in the previous year. Credit Deposit Ratio has recorded 83% at the end of the year. As a result, the Net Interest Income rose from Rs. 1,676 to Rs. 1,830 crore registering a growth of 9%. Your Bank's operating profit rose from Rs. 1,341 crore to Rs.1,484 crore. Net Profit rose from Rs. 476 crore to Rs. 593 crore. The return on assets improved to 1.15% from 1% last year.

DEPOSITS

During the year, deposits have increased from Rs.40,832 crore to Rs.44,537 crore as on 31st March 2021 recording a growth rate of 9%. The cost of deposit of the Bank decreased from 6.20% in FY 2020 to 5.36% in FY 2021.

ADVANCES

As for advances, the position increased from Rs. 34,576 crore as on 31st March 2020 to Rs.37,021 crore as on 31st March 2021 registering a growth rate of 7%. The yield on advances decreased from 10.76% to 9.91% during the reporting year on account of the transmission of the cut in the key rates to the borrowers, as expected of us by the Regulator. The priority sector advances stood at Rs. 20,648 crore as at 31st March 2021 as compared to previous year amount of Rs. 17,507 crore and aggregated to 56% of the Bank's adjusted net credit which is well above the regulatory prescription of 40%.

NON PERFORMING ASSETS

The Gross NPA increased from 4.09% to 5.11%. With the Covid restrictions hampering the legal proceedings we could not make much progress during the year in the recovery of bad loans. The Net NPA increased to 2.97% compared to 2.29% last year. As the standstill order was in vogue in the first 9 months, bank as a prudent measure made adhoc Covid provisions every quarter. During Q4 FY21 we utilized a sum of Rs. 309 crore from and out of the same towards provision for bad debts. Thus a net adhoc Covid provision of Rs. 31 crore was made during the year taking the total adhoc Covid provision to Rs. 156 crore.

INVESTMENTS / TREASURY OPERATIONS

During the year under review gross investments has increased from Rs. 9,236 crore to Rs. 9,523 crore. The total Yield on investments worked out to 8.20%. In the midst of a stressed scenario, I must acknowledge here the redemptive role played by our Treasury department. During the reporting year the Bank has booked treasury profit to the tune of Rs. 233.41 crore as against Rs. 159.60 crore last year, a handsome increase of Rs. 74 crore, by effectively manoeuvring the volatile yield movements and timely sale of securities. Further, the Non-interest income of the Bank registered a 4% growth from Rs. 680 crore to Rs. 705 crore mainly on account of increase in treasury income.

NET OWNED FUNDS / CAPITAL ADEQUACY RATIO

The Bank's paid-up capital stood at Rs. 73.88 crore as on 31st March, 2021. The Bank's net worth increased from Rs. 5,253 crore as on 31st March 2020 to Rs. 5,799 crore as on 31st March 2021. The Capital Adequacy Ratio under BASEL III as at 31st March, 2021 stood at 19.52% which is well above the stipulated regulatory norm.

REWARDING SHAREHOLDERS

Your Directors declared an interim dividend of 30% on the equity shares for the financial year 2020-21 during the month of May 2021 itself, in pursuance of its constant philosophy of rewarding shareholders. In addition, your Directors have also recommended final dividend of 20% for FY 2020-21 in line with the extant directions issued by RBI on Dividend issue.

BRANCHES

During the financial year because of the pandemic, the Bank could expand its branch network by adding only two more branches totalling 702 branches and 1,724 ATM's as on 31st March, 2021.

TECHNOLOGY

The Covid 19 pandemic has accelerated the push towards digitalization with greater adoption of digital payments. Keeping in mind the Covid protocols the Bank swiftly introduced “ CUB EASY” a video KYC based account opening Application in the year 2020, which has garnered tremendous response.

The evolution and adoption of newer technology has led to a significant improvement in deepening the digital transmission services. During the year, “Device Binding” in Mobile banking app was introduced as an enhanced security measure to customers whereby mobile banking app can be accessed only from the registered mobile device. Today, Payment System has assumed great importance and it is considered as the lifeline of Digital Banking and in tune with the trend improvisation takes place at our end also. Our “CUB All in One App” is now fully integrated with Unified Payment Interface (UPI) & Scan and pay functionalities. Even Non-CUB customers can use this application for payment purposes.

Investment options have been introduced in Net/Mobile Banking whereby customers can make investments in Sovereign Gold Bonds, Mutual Funds, IPO / Rights Application through ASBA etc. Our Bank has introduced Interoperable Card Less Cash Withdrawal (ICCW) from ATM using UPI in our NCR ATMs whereby customers can withdraw from the ATM without using Debit cards. Moreover during the Covid 19 pandemic and lockdown, some of our staff members were compelled to work from Home. The Bank provided them with secured VPN (Virtual Private Network) connectivity with installation of Antivirus and Patch management solutions.

RISK MANAGEMENT

The Bank has in place, a sound Risk Management Architecture, established by the active involvement and supervision of Board of Directors. The Board of the Bank has constituted a Risk Management Committee, which assesses the Bank's risk profile and key areas of risk in particular. Under the supervision of the Risk Management Committee of the Directors, the Risk Management Committee of Executives functions to ensure that the policy guidelines approved by the Board are implemented and faithfully adhered to.

The Bank has a Risk Management team headed by the Chief Risk Officer, who reports directly to MD & CEO/ Risk Management Committee (RMC) of the Board. The overall risks faced by the Bank and the risk appetite are evaluated by the Risk Management Department which frames policies and procedures, verifying the models that are used for pricing products, identifying new risks etc. Risk Management practices have been aligned with the best industry practices and are adaptable to the dynamic operating environment and market conditions.

The Bank is BASEL II compliant since 31st March, 2009. The Bank has implemented the BASEL III Capital Regulations from 1st April, 2013, by computing the Capital and Risk weighted Assets as per RBI guidelines dated 2nd May, 2012. The Bank presently adopts Standardized Approach for Credit Risk, Standardized Duration Approach for Market Risk and Basic Indicator Approach for Operational Risk. Necessary initiatives have been taken for moving over to advanced approaches under BASEL III as per the timelines indicated by RBI. The Risk Management Department of the Bank effectively functions to measure, monitor and control all risks paving way for effective Enterprise-wide Risk Management.

CORPORATE SOCIAL RESPONSIBILITY

Coming to our commitment to the society I must say that CSR has always remained an integral part of the Bank.

The Bank's CSR wing "Cub Foundation" is continuing to play a vital role in supporting the community in the vital areas like Swatch Bharat, Health care, Literacy, Rural sports, Community Development & Environment sustainability particularly water resource management etc. In the year under report, we have spent a total sum of Rs.10.95 crore towards these activities.

During the year, we prioritized our outgoes under CSR towards containing the spread of Covid 19. We provided Covid Relief Fund to the various municipalities and Government bodies to the extent of Rs.125 lacs. As allowed by a Circular from the Ministry of Corporate Affairs stating that any exgratia given to Temporary / Casual / Daily Wage Workers / Security Guards can be accommodated under CSR, we disbursed a sum of Rs.93 lacs to such workers in our Bank. In the current year, at the onslaught of the second wave of the pandemic, we spent a sum of Rs.3.25 crore towards supply of Oxygen concentrators to various hospitals and towards Chief Ministers Relief Fund.

As in the past, the Bank has continued its contribution towards conservation of Water bodies, & conservation of rainwater for groundwater recharge. The project on recharge of groundwater focused on desiltation of older ponds for collection of water. This was conducted at various districts in Tamilnadu which also covered cleaning and deepening of various lakes and rivers particularly in Kumbakonam, to augment ground water levels and conserve water for agricultural purposes.

HUMAN RESOURCE

As on 31st March, 2021, the Bank had on its roll 5,843 employees including 50 Executives. The Human Resource function continued to build & provide a cordial and safe work atmosphere to all employees by implementing the Covid guidelines issued by Union Health Ministry and State Government on the staff strength at workplace. The commitment and grit shown by our employees during the testing times has been exemplary.

It also needs a mention here that during the reporting year, the management of the Bank considering the risks and efforts made by all employees during hard & continuing phases of COVID pandemic, has granted COVID incentive in monetary terms to all employees of the Bank.

When I acknowledge the sincere services of our employees during the pandemic times, I feel pained to mention that the bank lost six of our Cubians on account of this terrible Covid. I pay my sincere homage to them.

In the context of COVID 19, considering the need to adhere to safety norms & to continue the professional development of its employees, the Bank has developed an e-learning Management System (LMS). LMS is a software application for administration, documentation, tracking, reporting and delivery of educational courses / training programmes. It facilitates online learning process at users' convenience. Initially an audio video lecture series on various fundamental aspects of credit was presented by the MD & CEO of the Bank. This has been made available to all staff members. Audio programmes on various other topics on banking are underway.

Further, during the reporting year, the management of the Bank has entered into pay settlements with CUB Officers Association (CUBOA) and CUB Staff Union (CUBSU) containing various monetary & non-monetary benefits. In fact the settlement which is due in September 2021, was advanced and made effective from 01st January 2021. Further, the pay structure of all Executives was also revised w.e.f. January 2021.

I take pride in expressing the fact that our employees always stand committed to win the trust and confidence of our customers by their courteous service. The tireless efforts of our CUBians under the challenging conditions are truly laudable. The Bank has maintained a healthy work environment right from its inception and it needs to be mentioned here that there are no instances of industrial unrest till date.

ACKNOWLEDGEMENT

Before I conclude, I hereby extend my sincere gratitude to the Reserve Bank of India, all Govt. bodies, Regulatory authorities, Shareholders, Customers, business associates, my colleagues on the Board of the Bank, Executives and Employees of the Bank for their continued support, guidance and patronage extended to the Bank in its growth process. My sincere appreciations to both Employees Union and Officers Association for their role in ensuring a harmonious Industrial relationship.

With the grace of Almighty and with all your support, I am confident that our 116 years old organisation will continue to progress with added vigor touching new horizons of growth and glory in the years to come.

I hope and pray that the world emerges victorious in its undaunted fight against the pandemic very soon.

My best wishes to you all once again.

Moderator: Thank you very much. We will now begin the question and answer session. We will wait for a moment while the question can be assembled.

Moderator: I now invite Mr. Aspi Bhesania CLID 1201250000023508.

Aspi Bhesania: Chairman Sir, I'm from Bombay. Sir Resolution No.8 is the QIP of Rs.500 crores, I request you to come with the rights issue rather than a QIP. The dividend of 50 paisa, that is 50%, I would like to know whether you prefer YES Bank model where to give high dividend and QIP regularly and one fine day everybody knows what happened. Another model is the Kotak Bank which gives less than one rupee dividend on Rs.1,700 share price. Rarely does a QIP and grow with its own funds. Pages 4 of annual report, in each of the five years, deposits are more than advances. If more deposits are coming, reduce the interest rate. Deposit grew by 9% where the advances grew by 7%. During the year Rs.41.7 lakhs of dividend and 14,709 shares were transferred to IEPF. It's the shareholders money. You should try to identify the genuine shareholder. Even if you have to send someone from the nearest branch on 28th September next month Rs.64 lakhs will be transferred to IEPF. In one month do something to reduce this amount. Government is not doing anything with the shareholders money. So, 1.5 crore shares are still held in physical. What are your plans to eliminate physical shares? I also have only two shares in physical and it's not worthwhile demating two shares. During the year,



provisions were Rs.891 crore and net profit was Rs.523 crores. Provisions are more than net profit by Rs.300 crores. NPA will destroy the economy and economy is not likely to grow in the current year, although our government expects 8% growth. RBI imposes a penalty of Rs.1 crore on discrepancies detected towards soil notes remittance. Who will levy penalty for discrepancies to RBI? Somebody has to make even RBI accountable. NIM of 4% is very good in a pandemic year. All three segments have done very well. I hope you will continue to do well in the future also. Our Q1 was also good for which I congratulate the entire management. Sir, I would like you to continue with virtual meeting even when physical AGM starts next year. Sir, thank you and all the best.

Moderator: I now invite Mr. A.V. Mani Sundaram, CLID IN30163741521740.

A.V. Mani Sundaram: I am Mani Sundaram. Welcome all the directors, Chairman and Company Secretary of City Union Bank. This year being a pandemic year, this year also you have given output maximum. My question is what is the NPA comparison for last year and this year ? Any recovery ? Give more dividend sir. Any expansion plan in ATMs and also branches ? Because money violation is very high due to this period of corona pandemic. I appreciate the services by your staff and colleagues. Thank you, sir. That's all.

Moderator: I now invite Mr. J. Abhishek, CLID IN30163741359155.

J Abhishek: I am Abhishek, shareholder of the company. My DP ID:IN30163741359155. Congratulations management on the eve of annual general body meeting. Sir, I would like to know how is our Bank impacted in these past two years of COVID time. After this Corona Virus and subsequent lock down there is no industry untouched after the Covid so any employee have sacked, hired or any salary cut in percentage of any? And was there any salary cut was taken by the management within the pandemic period. What are the cost cutting initiatives that our Bank has taken? What is the view of the management going forward on sustainable and profitable growth remain challenging in the coming quarters? And RBI is keen on telling the Banks to provide moratorium and certain measures they also provided. So, under such circumstances, how do you see the net profits? I would request our management to kindly involve on like the concalls, quarterly presentations with the global investors on a regular basis which will increase the business to the Bank? What are the other expenses, legal charges and the audit fees? Myself and my team are running a legal firm in the name of in Chennai. I request yourself to kindly enroll our firm in the empanelment of the Bank and we will be glad to extend our services. I made a requested last year also but I have not received any revert back from our legal team. Since corona period was existing, I also did not made a presence on this. So I would request your goodself to include us in the empanelment. We are not able to see this year annual general body meeting be conducted now. It is more than 100 years I know that. in the notice also did not mention, in the banner also did not mention about this year annual general body meeting.

Moderator: I now invite Mr. Padmanabhan. CLID IN30131320794645 has registered but not the joined the meeting. I now invite Mr. G. Sankaran. CLID IN30044110863723.

**G. Sankaran:**

Good morning sir. I have lot of questions to ask but our chairman has clarified all the questions. So, it is my duty to appreciate the Bank in this juncture. We hope that we will have a physical meet this year. But unfortunately the hide and seek game of COVID and we are still in the grip of COVID-19. So, globally, so many deaths and as our chairman pointed out we have lost six staff and I regret very much, I convey my deep condolences to the family members. Because of this COVID-19, general psychologically and mentally affected and frustration and fear of death. So, in turn, lack of interest and enthusiasm in purchasing except of day-to-day affairs essentials. So, the entire retail segment and related small scale industries and unorganic sector is much affected. So the people what they will do? They have to survive. Like medical bill and education and so on and so forth. So ultimately they will simply postpone the repayment of the Bank loan. It's easy for them. So the ultimate sufferer is Banking in this, in both ways; one, it is not able to lend further which is the prime activity of the Bank and because of no expansion of business and absence of new ventures. On the other side, the repayment is not forthcoming and more slippages and gross NPA increases. One Mrs. Jaya Vaidyanathan, recently I heard in Hindu, CFO in some organization. She said that NPA will zoom in the near future. Our Bank was very safe because we have not extended advances of big tickets. We used to talk every year in the AGM also. Our concentration and more exposure on retailing business and small scale industries which is struggling now due to pandemic. While this is a temporary phenomenon, last year also I have told, all the accounts, since I was working in this Bank, now retired staff, I know each and every account is backed by either immovable property of either business organization or the residential outs. So, it's a system-driven NPA. Our Bank is fundamentally strong. Even in this bad scenario, critical circumstances, we have done the best possible and I congratulate our M.D. and team of staff for their hard work that they are fundamentally strong. That is why I used to see mutual fund garner in the business organization. The mutual funds are accumulating our share. Their fund managers and business oriented. So they feel fundamentally strong and it is safe and they expect very good return in the long-term. That is why they are accumulating. We pray for the early recovery from this pandemic situation and definitely our Bank will outperform and give very good results in the coming years and I express my whole-hearted Onam greetings to Kerala brothers and sisters and customers. Thank you, sir for giving me the opportunity.

Moderator:

I now invite Mr. Santosh Kumar Saraf. CLID 120678000018019.

Santosh Kumar Saraf:

Respected chairman, all the distinguished board members, and my fellow shareholders, and our staff and employees, my name is Santosh Kumar Saraf. I am from Kolkata. First of all, my namaskar to you, sir. Hope all our directors, all our employees and all our shareholders who are attending today's meeting are safe and in good health. I express my condolence to those employees who left us in the last year COVID time. I wish to god please give me om shanti, om shanti and help family make strong to fight and come out of this hard situation, sir. And sir, thanks management to announce very good dividend in line with RBI guideline. I hope that we will increase in the future sir. Also, I thank the management that last year our CASA deposit increased by 27% to Rs.12,981 crores. In this regard, I want to know how much amount in the savings account sir. Next sir, we have 5,040 employees. Hope all are vaccinated. If anyone not taken, what step are you taking? I request you to those who have not taken vaccine, please stop

them come to office and work. Because in Kerala, the situation is very bad. In India, 50% patients come from Kerala. I hope if they come without vaccine, the others will be affected. I request them to go to the private hospital with their families' sir. Next I want to know what step you have taken for our building. In our building, is there rain water harvesting and use of its water and reduce fresh water consumption. Next sir, regarding renewable energy, I want to know what step you have taken? Are you installing solar panel on the roof or anywhere to become self-dependent in power supply sir? I want to know what steps have you taken in our offices to reduce use of single plastic because single use plastic is bad for our environment sir? How many percentage of our employees still work from home and what infrastructure facilities provided so they can work in coordination with each and other? Sir, lastly, I pray again for my chairman, all my directors, all my company staff, employees, customers for a healthy and safe life, happiness, wellness and prosperous 2021. Last I request you, sir, continue with video conference meeting so I can attend from Kolkata, somebody can attend from Bombay, somebody can attend from Salem. And also, our directors are attending from their homes. I wish and hope you will continue with this. If a physical meeting is held, not possible for video conference meeting. So I request you to please allot 15-20 minutes make a special session for pan India shareholders so they can express their views and wish for you long life, sir. Hope our Bank will improve in your leadership. Thank you sir for giving me time.

Moderator:

I now invite Mr. K.S. Balasubramanian. CLID IN30115113526679.

K.S. Balasubramanian:

I congratulate the management for the satisfactory performance for the year 2021. All the economic parameters like 9% growth in deposits, 8% growth in to business, 7% increase in total asset, 9% growth in net interest income, 11% growth in gross profit, 25% growth in net profit, return on asset at 2.15%, return on equity at 10.73%, net interest margin at 4%, EPS at 8.03, etc., all point to a fairly good performance amidst the impact of pandemic on the Indian economic activities. I also appreciate the need-based manner in which the CSR funds to the extent of Rs.10.95 crores have been spent during the year. Particular mention must be made about desilting of many tanks in Pachiyappan area in Kumbakonam, Thirukollikadu, Thirunagar, etc., on the picture shown in balance sheet before the work started and after the work was over underlines the effective use of the fund and besides the donation of oxygen concentrators to hospitals in Thanjavur, Pudukottai, Nagapattinam and various places. And also, the building community hall at Amar Seva Sangam in Tenkasi area and Swachh Bharat providing toilet facilities at public places and at various schools and stress on waste to energy is a special mention. Net Banking facilities, artificial intelligence usage, mobile Banking, online transfer of funds and digital channels are quite appreciable. Sir, while the cost of deposits reduced to 5.36% from 6.2%, yield on advances declined to 9.91% from 10.76% due to the introduction of the ECLGS scheme with capping of 9.2% and gold loan at lower interest. Please throw more light on this. Segments advances as per guidelines to priority section, agriculture, MSME sector and weaker sections and these sectors, the Bank should exercise more caution. The capital adequacy ratio is much more than the RBI Basel-III norm stipulation. And our paid up capital is Rs.73.81 crores and net worth is Rs.5,799 crores. And there is a deposit growth and collection efficiency also is up to the expectation. In the circumstances, why the Bank seeks the shareholders' approval for issue of equity shares of



Rs.500 crores with the face value of Re.1 and at prevailing market rate to qualified institutional investors. Of course, it is an enabling resolution, but still why should the Bank go in for increasing the capital base? On gross NPA and net NPA, the provisioning made as at 31st March was adequate or any extra provisioning is necessitated by this time, what is the provision coverage ratio at present? Operational efficiency and cost reduction should be the watch word hereafter. Any fresh slippages on the loan book, slippage into a closing advance percentage wise, restructured loan percentage wise, where it stands today. RBI has fined Bank of Rs.1 crore citing non-compliance on lending to agriculture sector, micro, small and medium enterprises, educational loans on account of waiver of margins and security requirements. It is not Rs.1 crore that matters, but certainly a lapse on the part of management. In spite of the corona effect and all these things, the Bank is doing very well and congratulations to all the staff for their excellent work because the Bank has about 6,000 staff as on date and they are all doing very well and I am a regular client of Sivananda Colony, Coimbatore branch and I am happy the customer service is excellent. So, I take this opportunity to record my sincere thanks to the management. Thanking you, sir.

Moderator:

That was the last question. I will now hand over to M.D. and CEO to proceed further.

Dr. N. Kamakodi:

Esteemed shareholders of our Bank, chairman and colleagues on the board of the Bank, Statutory Auditors, Secretarial Auditors and each and every one of you participating in this e-AGM today, I convey my namaskaars to all of you for participating in this meeting.

Answering the questions from the shareholders during the annual general body meeting had always been a pleasure for me. It in fact reinforces the amount of the affection. Each and every shareholders and every stakeholder is an asset of our Bank. And I take this opportunity to thank all the shareholders who have now come to express their opinion. And I would like to give my answers and explanations for all the questions possible as much as I could record during your discussions.

So we had Mr. Bhesania who is first. He in fact made a point on regulations and particularly on the QIP resolution, “Why we are going for QIP, why not for the rights issue?” “And what is the model of the dividend which we are looking into basically compared with a couple of other Banks?” Basically, as we have told in the notice which is basically on enabling resolution. For the past six or seven years, every year we are getting your approval. But we use it only when it is absolutely necessary and also depending upon the opportunities available. Sometimes let's say for various reasons raising capital through QIP may be beneficial to the Bank. We will consider all the aspects and also take your view and also went through a couple of rights issue in the past. So we keep all the options open and take a call depending upon what is in the best interest of the Bank. Anyway, this is only an enabling resolution. We will use it only when it is absolutely necessary and also compare favorably with the other options. So, we are just taking it as an enabling resolution. It doesn't really mean that we will be utilizing it this year or not. We don't know. Let's say we keep all the paper works ready so that if at all it is needed, we may go for it. But it is only an enabling resolution.

Mr. Bhesania also spoke about the deposit growth is more than the advance growth rate. “Why don't you reduce the rate of interest for the deposits and all?” It's a very fine balance. Let's say our ALCO committee looks into this aspect on continuous basis. It is very difficult to align your deposit growth and advances growth in absolute harmony. So sometimes your deposit grows than the advance growth rate actually. Also, we have to take into consideration the general economic environment, interest rate cycle and all such things depending upon that we do. But whenever there is a decreasing interest rate cycle, our deposit rates also aligns with the overall interest rate cycle and you have seen the cost of deposits and funds also have come down in the last year which is our chairman also spoke during his address. At the same time, depositors will feel that like they are getting a raw deal. So we have to balance everything in tune with the market realities and the interest rate cycle. We will be taking a call, but your point is well taken and we will keep it for our future references.

And Mr. Bhesania also added about “The fund is going to particularly the unclaimed dividend and all and also shares are getting transferred to the investor educational fund and all and it's the shareholders money which we have to take extra efforts and all?” Absolutely sir ! We are doing everything under our control to contact those shareholders. Sometimes, let's say the shareholders have moved away from their address on the record, there are various reasons which are beyond our control. Only when it is becoming absolutely not possible for us to identify the shareholder, we are doing everything possible including going for the advertisements and contacting through various other options available and all, we are doing that. And it is getting transferred only when it is absolutely becoming impossible for us to trace them and give it to that. But your point is well taken on that.

On eliminating the physical shares also, we are continuously taking all our efforts but as you yourself agreed, ultimately it becomes the choice of the shareholder, the cost which he feels whether it is worth or not and all. So, we are taking our efforts, but since it has become any transfer of securities, particularly through market sale and all, since it can happen only through the demat form, it is only matter of time before all physical shares getting converted into electronic format, but we are also taking all our efforts.

You also spoke about the provisioning. Yes, it was a very difficult year. We had a total provision of Rs.865 crores for the financial year '19-20 which increased to Rs.891 crores for financial year '20-21, of which financial year '19-20, we had about Rs.631 crores for NPA and Rs.125 crores provision for COVID. This year we made about Rs.599 crores for the NPA and Rs.31 crores for infusion for COVID. As chairman also mentioned, since you had moratorium for first nine months and also during the COVID pandemic there were backlogs in the court procedures because courts and all were locked. So there is some slackness in terms of the recovery of the NPA which will get normalized as we proceed forward.

And also, Mr. Saraf spoke about RBI penalty on cash deposits. And also congratulated on 4% net interest margin. And congratulated for performance in all segments. And also congratulated for the first quarter performance. And also he expressed that to continue to the virtual AGM. So, we will take a call depending upon the instructions made available by the

both Department Of Company Affairs, SEBI and all. All the norms will be taken into account before taking a call. Anyway, we keep your suggestion on mind.

Then, we had Mr. Mani Sundaram who gave comparison provisions which I just gave the numbers to you. And also, wanted us whether we can give more dividend and all. Banking is a business when the assets grow and the Bank grows, you need the continuous infusion of the capital particularly for both future growth and also for the future requirement. And there are also clear cut guideline from RBI metrics on how much dividend we are giving and all. We take into account particularly like what is the regulatory guideline and also the requirement of the future and all. Fortunately, since we had adequate capital even during the onset of the pandemic, when many Banks had to go for capital raising on urgent basis, we had a luxury of not diluting the capital particularly during this pandemic year. So we take all the contingencies into account and all the regulatory factors into account and we take a call on that.

“Expansion plan on branches?” Till financial year '19 for the previous years, we had about incremental branches of 50 per year. Our chairman said we had only two branches got opened in the last year. So, this year we are waiting and watching. We will be firming up how much of branch we will be opening in the fourth quarter and all. We also need to take into account how the third wave if at all any going to be there. So we will take appropriate call looking into the environment on step-by-step basis. And Mr. Mani Sundaram also asked about “What are all the necessary steps the Bank had taken to take care of the staffs on COVID.?” Chairman explained in detail what are all the steps we have taken. In fact, we worked closely with the government and arranged for vaccination and all. We also explained to you that 99% of the staff members who are eligible have already been vaccinated and things like that. During the lockdown period, we had enabled working from home, reduced man hours, working in shifts and also taking the COVID vaccination. The chairman also outlined in his speech. So, thanks for your concern for our employees particularly on this front. We took whatever in our capacity to take care of these things.

We had Mr. Abhishek who is also a lawyer. He also congratulated the Bank on the performance, dividend, the profit and multiple things. He also asked about “What are all the plans the Bank has for the COVID and all?” I explained, we are keeping a close watch on that. He also asked, “Any salary cut or sacking of employees and all?” No. It will be totally inhuman to talk about the salary cut or sacking and all, particularly during the period of pandemic, particularly the employees who are with us in a dedicated passion for so many years and all and who plan to have their careers with us and all. Banking being a service industry particularly when the employees need to have a direct contact with the staff members, those options may be discussed only when it becomes absolutely necessary, by god's grace, things did not happen so that. In fact, chairman also explained how we took care of even contract employees and watchmen and all when government allowed CSR funds can be utilized for giving some COVID-related incentives to them. We also used about Rs.90 lakhs to Rs.1 crore for that particular thing. So, we did not think of any salary cuts or sacking. Even though there was a shot in the financial year '19-20, we were able to show increased growth and also the

profitability even better than what we originally thought during the year beginning. So we did not consider any salary cuts or sacking or whatever it is.

On “cost cutting front?” we have tried various efforts. Wherever the efficiency is needed particularly including things like the rent, using the productivity of technology and all, we have been doing that and some amount of benefit we were able to see that on that front.

He has asked about “How the financial year '21-22 will be and particularly on moratorium what was given in the last year and all?” The things have definitely improved in the current year despite we had the COVID second wave. We hope the COVID third wave should not be there, we pray for that. And even if there is a COVID wave, we believe because of the vaccination and other things, the impact will be much lower and all, I think we should be able to have a reasonably good financial year '21-22 in all parameters including growth, slippages and all. The transcript and all are available in our website which we are continuously doing which will also help you to have an idea of what we are thinking basically on a continuous basis.

And he also suggested “Interactions with the global investors and all should go.” Yes, we are on a continuous discussion. Earlier and all, we used to go in person. Now the virtual meetings have enabled us to have discussions with more and more number of the global investors. So we are doing that and we are able to keep a constant communication open with the global investors and also domestic investors by and large.

And he has asked, “What are all the things we have made to reduce the legal and audit fees and all?” We are continuously evaluating that in the coming days, we feel we are reasonably managing them. There are also a trade-off. So we cannot compromise on the quality also. When you need quality, some amount of extra premium you have to give. We take all those things into account. And we hope when we are compared with the peers and other Banks in the industry, we are keeping at track on that and ensure that no unnecessary flab is there.

And thanks for offering your empanelment. If needed, we will definitely get in touch with you.

Mr. Abhishek asked, “Which year AGM and all?” See, Kumbakonam Bank which was started in the year 1904. Then there were amalgamation of four Banks including one City Forward Bank, one Union Bank and also one Bank called, Commonwealth Bank who's assets and liabilities were taken somewhere in the mid-50s. And in, initial portion the Companies Act of 1881 or 1882 required in those years there were no annual general meeting but they were conducted once in two years and things like that. So, that's why we always mentioned the year in which the annual general meeting is there. And since we had multiple Banks which got amalgamated, as a practice, we are giving only the annual general meeting year and not 115th meeting or 116th meeting, like that we don't give because right from the beginning, this has been the practice of our Bank.

We had Mr. G. Sankaran who spoke at length about “The impact of COVID particularly on the impact on the Banking industry, how it has reduced the capacity to lend and also the sight of repayment, the mounting NPAs and all problems during the pandemic year and all?” And also, “Despite being in the pandemic year, he acknowledged the Bank has given its performance to the best” Thank you, Mr. Sankaran for your wishes. Particularly being a retired chief manager of the Bank, it means a lot to us and all current employees feel inspired by your wishes as always.

We had Then Mr. Santosh Kumar Saraf. “He offered condolences to our CUBians who passed away during the COVID.”

“He thanked for the Dividend.”

“He also congratulated for the CASA increase of 27%.”

He also wanted to look into “What is the savings Bank balance?” Savings Bank balance on 31st, March was Rs.9,228 crores.

He also asked about “The steps taken for the employees during the COVID.”

And also, “He suggested not to allow people without vaccination into the branches and all.”

As told by the chairman, over 99% of our people had their vaccination, and some of them are waiting for the second vaccination and all. Particularly, we thank the governments both the state government and central government and particularly the government of Tamil Nadu for helping us to get all of our team members vaccinated.

I also earlier spoke about the other facilities like work-from-home. We currently don't have anybody working from home; everybody has started attending the office.

And he also spoke about “Many of the important green initiatives like rainwater harvesting, renewable energy for which what are all the steps we have taken?”

“What are all the steps we have taken for not to use the single use plastics and all?”

I have to thank him for bringing this important point, particularly when people talk about the global warming, very important things for the sustainability and we should aspire to live in a better planet for next generations. At all our own premises, we have our rainwater harvesting thing. Wherever we are in rented premises, and where the premises where we don't have direct control, we are not in a position to do anything on that front, but we take it very seriously and all our own premises, where we have the entire building, the rainwater harvesting has been undertaken. In fact, it became a law almost 10-years back every building should have rainwater harvesting and all. We are fully in compliance with that.



On renewable energy, we started making our own attempts a few years back. We had got handful of branches, where we went for solar panels. So, we encountered certain technical issues. That was our plan to go for solar panels wherever it is possible, but there are certain issues on that. At the same time, we are planning to have our panels with the solar roof on a new proposed building which is expected to come up in Guindy, Chennai. So we are very serious about it and we are taking steps and doing everything which is under our control.

And we happily lend for the renewable energy sources like both solar and wind. Though both the segments are doing reasonably well and all, when the windmill started in a big way about a decade back we had a good portfolio on that. And we did not have much NPA from that segment also. Similarly, after the solar started coming, we are very active in that particular segment which I want to inform you at this particular point of time. And thanks for all the wishes.

Mr. Saraf also spoke about “Whether we can have over AGM through virtual mode and all.” Let's see how things pan out. Depending upon the instructions from the regulator and the government and also how things move forward, we keep your point in in our mind and we will do the best job possible on this particular agenda.

We had finally Mr. K.S. Balasubramaniam who congratulated the Bank for a reasonably good 2021 and all business growth in all parameters. And also he wishes for CSR spending in water tank desilting, providing oxygen concentrator and all the things he congratulated us Thank you very much, sir.

And also, for the technology initiatives, he appreciated.

He asked the “Cost of deposits and the yield on advances have come down.” He asked us to explain.

Basically, it happens in tune with the interest rate cycle. As you all know the central Bank and particularly directed by the monetary policy committee, they tried to have a hold on the interest rate cycle. So, in the interest rate, is moved upward or downward and handled by various instruments by the monetary policy committee to ensure that on the mandate available to the Bank to take care of the inflation to support the growth, all such things they take decisions on moving the interest rate up or down. Depending upon that the market interest rate, liquidity and all will change which is a market-driven parameter. So, we are into a decreasing interest rate scenario, looks like finally, it is getting stabilized. When the interest rate cycle comes down, automatically both the deposits rates and also yields will come down, and there will be surplus liquidity in the market. Because of the lower cost, once again, the economy will start picking up. That is the way with which things are managed. So, we have to just follow what is happening and align our market rate in tune with the market rates both on cost of deposits and yield on advances front.

Mr. Balasubramaniam also asked, why are we going for equity infusion. And he also acknowledges this is only an enabling resolution.

Once again we need this enabling resolution because whenever we have right opportunity or we need not waste time in other paperwork and all. Any permission by the shareholders, the approval will be valid for one full year. That's why we have been taking your permission for the last seven, eight years. It is almost for the last six, seven years we have not utilized that, we will use it when it is absolutely necessary.

And he asked "Whether the adequate provisions have been made?" Yes, all the provisions have been made as per the regulatory norms and as per the auditors' requirement and all.

And he asked "About the provision coverage ratio." As we have disclosed the current provision coverage ratio, including the technical written off accounts as per the RBI guidelines, is currently about 63.57 percentage. The annual slippage ratio to closing advances for the last five years is already given. In fact, we shared with the investors and it is also on our website during our conference calls with the investors along with our fourth quarter results, we may be having almost equal to whatever we had last year, but we feel the things should get better and we are doing our best to have everything under control.

He also spoke about RBI penalty on agri loan, MSME. And he also mentioned that the penalty amount is not important, it's an indication on the lapse on the management. Sir, the point is well taken, we are doing our best to keep us as one of the compliant Banks complying with the all regulatory prescriptions and the law of the land. So this is one exception, which happened which were beyond our control. We take your point and we will do our best to ensure that such an embarrassing situation will not come in future. We are doing our best to do that. I want to record it at this particular point.

So he also congratulated the management on the overall performance. So, I think we have discussed about the points almost raised by all the shareholders. I once again thank every shareholder for that.

Mr. Padmanabhan since he couldn't join because of the technical problem, he has given about four, five questions, which I probably will answer. "What is your dividend policy?" So, basically, there are regulatory prescriptions on how much portion of the net profit can be shared with the shareholders as a dividend. That is the broader prescription. We don't have any choice. We have to be in full compliance with that regulatory prescription. Apart from that, we also continuously make at track, we ensure what is going to be the future growth rate. The point is, as I explained earlier, Banks will have growth on a continuous basis and it will always require growth capital. Even the first speaker, Mr. Bhesania told, if you give more dividend, once again you have to collect it back as a share capital because the capital requirement will be on a continuous basis. So, we take into account all the future capital requirements and take a call both in terms for the growth and also for the other requirement over and above the basic regulatory prescription whatever that is available, we take a call on that. To answer your

question straight, it is determined by the regulatory prescription on the cap which can be shared as the dividend.

“Why the market prices of our company gone down below Rs.150 recently?” This is something which we don't have any control. We can only do our duty like what Lord Krishna gave in the Bhagavad Gita, “Karmanye Vadhikaraste, Ma Phaleshou Kada Chana” So, our job is to do our duty, we are doing everything possible in our control to improve the business, keep everything in the most efficient manner, to have the efficiency and profitability ratios close to the best and all. So, to the market you fit, basically it has a lead or lag effect and other demand and supply and so many general perceptions. So, I can only say that on the performances front, we are doing our best. Even in performance also, some of the things are beyond our control, but whatever it is, we are doing our best to do a best job. When I joined the Bank way back in 2003 over the last 18 years, earlier the market used to give us the price-to-book value multiple of only 0.5. So, currently, the price-to-book value is close to about two. That expansion has happened over a period of time. And the market has taken its time and rewarded the Bank. What we do is that we do our best possible in terms of the performance and then leave it to god which means the market is god. The market will decide and we hope the market will reward it at appropriate juncture.

“Why gross and net NPA is going up?” So for this particular year, it is because of the pandemic, you had a lockdown for many months. It's the industry phenomenon. On slippage front, showing some amount of upward and recovery is also not happening to the phase who would like to see because the courts and all were also shut down. And now only things are getting slowly back to the normal. So we hope things will start improving from the financial year '22-23. Once the court procedures improve, the recoveries will improve. We are also reaching towards the end of the bad impact by COVID pandemic. So we hope the incremental slippage ratio in the second half will come down assuming that there won't be any third wave of COVID. So, things should stabilize and improve from whatever we have currently.

“What are all the steps taken to improve your business and net profit and all? As I told you, taking care of the existing customers, we are trying to improve our efficiency in each and every line item on a continuous basis. So, the growth also needs to pick up because we had almost one and a half, two year period of lull growth and all. So, we are now taking care of everything and also taking steps to improve the NPA recovery through various means. So, once the growth starts and also the slippages stabilizes and recovery improve, all parameters otherwise the track will come back to the normalcy. So, I request all the shareholders... this is one request I normally used to place in the AGM to include the welfare of the employees in your morning prayers, it is very much required on taking things forward.

And with this, I think I have answered the questions that were discussed by the shareholders and also one e-mail from Mr. Padmanabhan who had registered earlier but could not join. So, with this a few words, I once again thank all the shareholders for the affection and ownership, which you show on us. I trust this affection will continue. Your wishes and prayer will



definitely take the Bank from strength-to-strength and improve all the parameters in that way the shareholders wealth also. Thank all of you to participate in this AGM.

Shri R. Mohan:

I hope you are happy with our M.D. and CEO for his response. I thank our M.D. and CEO for his replies.

Let me now move on to the resolution part. I would like to inform you that pursuant to Sec.108 of the Companies Act 2013 and rules made thereunder, Reg.44 of SEBI listing regulations 2015, the Bank provided remote e-voting facility from 15th August till 18th August 2021 to enable the members to vote on all the resolutions to be passed at this AGM. The Bank has appointed Shri. B. Kalyanasundaram of M/s B.K. Sundaram & Associates, Practicing Company Secretaries as scrutinizer for conducting the voting process in a fair and transparent manner. I thank all the shareholders for participating in the remote e-voting process.

Going further, for the members who have not cast their votes through remote voting can cast the vote during this meeting, and there will be no separate time to vote after the close of this meeting.

The voting results on the resolutions contained in the notice calling the AGM shall be declared appraising the report of the scrutinizer within 48-hours of conclusion of the AGM. In this regard, Shri.V. Ramesh, Company Secretary of the Bank shall be authorized to declare the voting results, intimate stock exchanges and host the same in the web site of the Bank. Thank you. I will now request our Director, Mr. Vaidyanathan to offer the vote of thanks.

K. Vaidyanathan:

Good afternoon. I have the pleasure duty of proposing a vote of thanks on the annual general meeting of the City Union Bank Limited. Our Chairman, R. Mohan, dealt with the national and international economic scenario and also the challenges before the Banking industry and also that of our Bank during the period of pandemic. I thank you for your thought-provoking speech.

Dr. N. Kamakodi, the Managing Director and CEO has vividly summarized his explanation on various points raised on the clarification sought based on the annual report and also functioning on the Bank. Thank you, sir, for the same.

And my fellow directors in the board for their directional guidance to the management of the Bank.

Also needs a special mention that all the directors have attended all the meetings with nil absence during the year 2020-21. This needs a special thanks to my co-directors.

I thank the statutory and secretarial auditors Mr. Sundaram and Srinivasan, Chartered Accountants, particularly, Shri Meenakshi Sundaram and Shri. Ramkumar and the team for the professional approach in their audit work and also providing a clean report with no qualification.



Continuing COVID-19 situation in the country have given an opportunity to the members located at lot of places to attend the annual general meeting through video conferencing and other audio-visual means. Based on this, the large number of members from out-locations have logged on to this meeting. I thank all of them for their continued association with our Bank and the keen interest they have taken in the affairs of the Bank.

Some of the members have raised questions and elicited clarification on the annual report of the Bank. I thanks these speakers for their deep involvement.

I thank NSDL, who are the e-voting service providers. I also thank you a large number of members who have already cast their votes through NSDL e-voting system.

Thanks also to M/s. Integrated Registry Management Services Private Limited, the registrar and share transfer agent for their timely dispatch of annual report to the stakeholders as specified by the Companies Act and prompt attention to shareholders for transfer of shares and also for resolving the shareholders complaints promptly.

I thank M/s. B.K. Sundaram & Associates, Practising Company Secretary who is the Secretarial Auditors of the Bank and also acting as a scrutinizer for the voting process.

This video conferencing facility is arranged through Chorus Call Conferencing Services Limited needs a special mention. But for their tireless effort, this meeting would not have gone so smoothly and seamlessly and their efforts need a special plan.

Finally, I thank all the CUBians and other stakeholders who have worked for making this meeting a great success.

While I am attempting to thank all the persons and the agencies involved, it is possible there might be some unintentional omission. I thank all those invisible omissions also. Finally, big thanks to all of you. Thank you and namaskar.

The meeting concluded with the National Anthem.