

NOTICE

NOTICE is hereby given that the 74th Annual General Meeting of the Shareholders of The Jammu & Kashmir Bank Limited will be held as under:

Day : Saturday
 Date : 14th July, 2012
 Time : 1100 hours
 Place : Sher-i-Kashmir International Conference Centre (SKICC), Srinagar, J&K

to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the Financial Year ended on that date, together with the Reports of the Board of Directors and Auditors and comments of the Comptroller and Auditor General of India thereon.
2. To declare Dividend on equity shares for the Financial Year 2011-12.
3. To appoint Director in place of Mr. M. I. Shahdad who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint Director in place of Mr. Vikrant Kuthiala, who retires by rotation and being eligible, offers himself for reappointment.
5. To fix the remuneration of Auditors in terms of provisions of Section 224(8) (aa) of the Companies Act, 1956, for the Financial Year 2012-13

By order of the Board of Directors

Abdul Majid Bhat
 Company Secretary

Place: Srinagar
 Dated: 12th May, 2012

NOTES

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE BANK.

PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE RECEIVED BY THE BANK AT IT'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

- b) Shareholders who have not encashed their past Dividend Warrants are requested to do so without any further delay. Unclaimed Amount, in respect of Unpaid/ Unclaimed Dividend Warrants, which is more than seven years old shall be transferred by the Bank to "Investor Education and Protection Fund" established under Sub-Section (1) of Section 205C of the Companies Act, 1956 and thereafter, no claim can be preferred by the shareholders against the Company or the Fund.
- c) The Register of Members and Share Transfer Books of the Company will remain closed from 9th July, 2012 to 14th July, 2012 (both days inclusive).
- d) The payment of Dividend for the FY 2011-2012, if declared at the Annual General Meeting, will be paid in case of physical shareholding to those Members whose names appear on the Register of Members of the Company on 14th July, 2012 and in case of dematerialised Shareholding, to those beneficiaries appearing in the records of National Securities Depository Limited and Central Depository Services (India) Limited, as at the close of working hours on 7th July, 2012, subject to the provisions of Section 206A of the Companies Act, 1956.
- e) Members holding shares in physical form are requested to intimate change, if any, in their


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Registered Address, to the Share Transfer Agent. If the shares are held in Demat form, intimation regarding change of address, if any, has to be notified to the concerned Depository Participant where the Shareholder is maintaining Demat Account.

- f) Requests for transfer of physical shares received during the period of book closure shall be considered only after the reopening of Books and accordingly, requests for share transfers received during book closure period shall not be considered for dividend declared, if any.
- g) Dividend for the year 2011-12, if declared, will not be taxable in the hands of the Shareholders.
- h) National Electronic Clearing Service
 - i. The Reserve Bank of India has introduced the National Electronic Clearing Services i.e. NECS to bring further efficiency and uniformity in electronic credit and has accordingly instructed all banks to move to the NECS platform.

The Advantages of NECS over ECS (Electronic Clearing Services) include faster credit of remittance to beneficiary's account wider coverage with no limitations of location in India besides ease in operations for remitting agencies.

NECS, for the purpose of centralised processing of instructions and efficiency in handling bulk transactions, is operational only for banks/ bank branches leveraging on Core Banking Solution (CBS), which provide 10 or more digit bank account number to their customers.

Accordingly, Shareholders having holding in Physical Form and wishing to avail the NECS facility for credit of dividend amount to their Bank Account directly should send relevant details to our Share Transfer Agent-Karvy Computershare Pvt. Ltd., by filling up the NECS-I Mandate Form, appended to this notice. Further Shareholders having holding in Demat Form and desirous of availing such credit through NECS, may send the requisite details directly to their Depository Participant, by filling up NECS-II Mandate Form appended to this notice.

Disclaimer

The Credit of Dividend through NECS is bona-fide and in compliance with the mandate of Securities & Exchange Board of India (SEBI) in this regard. For effecting this requirement, the Bank relies on the Bank Account data of Shareholders, as provided by the Depositories and on the Clearing System adopted by the Reserve Bank of India. The Bank will not be responsible for credit of dividend to wrong/in-operative Bank Account where it is found that such wrongful credit was due to non-intimation/error in recording the correct Bank Account details.

- ii. In case of Members holding shares in electronic form and who have furnished Bank Account details pertaining to the Branches where NECS facility is not available, the Bank details are furnished by respective Depositories to the Company will be printed on their Dividend Warrants. The Bank will not entertain any direct request from such members for deletion/change in such Bank Account details.
- iii. For Shareholders holding Shares in physical form who have opted for NECS and furnished all relevant/valid information, arrangements have been made to remit Dividend through such mode of payment. Such Shareholders are requested to intimate change, if any, in the details furnished in this regard to the Bank, immediately.

- i) Green Initiatives in the Corporate Governance -Electronic Mode of Service of Documents:

The Bank has implemented the "Green Initiative" of the Ministry of Corporate Affairs (MCA) circulated vide its Circular No. 17/2011 dated 21.04.2011 read with Circular No. 18/2011 dated 29.04.2011, to deliver various documents including Notices, Balance Sheet, Profit & Loss Account, Auditors Report, Directors Report and Explanatory Statement to shareholders through their e-mail addresses available in the records of our Registrar and Share Transfer Agent.

Accordingly, to enable us to send various documents, under the 'Green Initiative' of MCA, through electronic mode, to all the Shareholders, Shareholders who have not registered their email

Ids and are holding shares in Physical Form are requested to register their e-mail Ids quoting their Folio number with our Share Transfer Agent-Karvy Computershare Pvt. Ltd., and those Shareholders having holding in Demat Form are requested to register their e-mail Ids with their Depository Participant quoting their DP ID and Client ID.

- j) Members desirous of getting any information about the accounts and operations of the Bank are requested to write their queries to the Bank at least seven days before the Meeting.
- k) Only registered members/ beneficial owners carrying their attendance slips and holders of valid proxy forms registered with the Bank will be permitted to attend the meeting.
- l) Members are requested to avoid being accompanied by non-members and/or children.
- m) The relative Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 05

FIXATION OF REMUNERATION OF AUDITORS

Though not strictly necessary, Explanatory Statement is being given for Item No. 05 of the Notice, with the view to set-out material facts concerning such business. Prior to Companies Amendment Act, 2000, remuneration payable to Auditors in case of Government Companies was decided by the Central Government on the advice of Comptroller and Auditor General of India. However, consequent to the introduction of Section 224(8)(aa) of the Act, the remuneration of Auditors, appointed by C&AG under Section 619 of the Companies Act, 1956, has to be fixed by the Company in General Meeting or in such manner as the Company in the General Meeting may determine. Members may accordingly fix the remuneration of Auditors for the Financial Year 2012-13 including remuneration for the Limited Review of Quarterly Reviewed Financial Results for the period ending 30th June, 2012, 30th September, 2012 and 31st December, 2012. Directors recommend the adoption of Resolution to be moved at the Meeting in this regard.

No Director of the Bank is in anyway concerned or interested in the Resolution.

Registered Office:
Corporate Headquarters,
M. A. Road,
Srinagar - 190 001

By order of the Board of Directors

Dated: 12th May, 2012

Abdul Majid Bhat
Company Secretary