

## Notice

NOTICE is hereby given that the **76<sup>th</sup> Annual General Meeting** of the Shareholders of **The Jammu & Kashmir Bank Limited** will be held as under:

Day	:	Saturday
Date	:	2 <sup>nd</sup> August, 2014
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 Financial Statements as on 31st March, 2014 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 2013-2014.
3. To appoint Director in place of Mr. R. K. Gupta (DIN No. 02802973) who retires by rotation at this Annual General Meeting and being eligible has offered himself for reappointment.
4. To fix the remuneration of Statutory Auditors in terms of provisions of Section 142 of the Companies Act, 2013, for the financial year 2014-2015.

### SPECIAL BUSINESS:

5. **To consider and pass with or without modification(s), the following resolution, as an ordinary Resolution:**

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, and subject to Section 10A (2-A)(i) of the Banking Regulation Act, 1949, Mr. Vikrant Kuthiala (DIN No.02802750), Director of the Company who retires by rotation at the Annual General Meeting and in respect of whom the Bank has received a notice in writing signifying his

candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Bank to hold the office up to 25th September, 2017 AND THAT he shall not be liable to retire by rotation.”

6. **To consider and pass with or without modification(s), the following resolution, as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 61 read with Section 64 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force) read with Companies (Share Capital and Debentures) Rules, 2014 and subject to such approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authorities including the Reserve Bank of India and subject to such conditions as may be agreed by the Board of Directors of the Bank (which expression also includes a committee thereof), each Equity Share of the Bank having a face value of ₹10/- each fully paid-up be sub-divided into 10 (Ten) Equity Shares of the face value of ₹1/- each fully paid-up.”

“RESOLVED FURTHER THAT the 10 (Ten) Equity Shares of the face value of ₹ 1 each on sub-division to be allotted in lieu of existing one equity share of ₹10/- each shall be subject to the terms of the Memorandum and Articles of Association of the Bank and shall rank pari passu in all respects with the existing fully paid shares of ₹ 10 each of the Bank and shall be entitled to participate in full in any dividends to be declared after the sub-divided equity shares are allotted.”

“RESOLVED FURTHER THAT upon sub-division of Equity Shares as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of the face value of ₹10 each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record date and the Bank may, without requiring the surrender of the existing share certificate(s), issue and dispatch the new share certificate(s) of the Bank in lieu of such existing share certificate(s) subject to the provisions of the Companies (Share



Capital and Debentures) Rules, 2014 and in the case of Shares held in the dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the Shareholders with the depository participants, in lieu of the existing credits representing the Equity Shares of the Bank before sub-division.

"RESOLVED FURTHER THAT the Company Secretary be and is hereby authorized to take such steps, as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the aforesaid resolutions 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 aforesaid Resolutions."

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

"RESOLVED THAT pursuant to the provisions of Section 13 and all other applicable provisions of the Companies Act, 2013 and subject to such other approval(s), consent(s), permission(s) and sanction(s) as may be necessary from the concerned Statutory Authority (ies), including the Reserve Bank of India, existing clause V of the Memorandum of Association of the Bank relating to Capital be replaced by the following Clause :

V. The capital of the Company is ₹ 100,00,00,000/- (Rupees One Hundred Crores) divided into 100,00,00,000 (One Hundred Crores) Equity Shares of ₹1/- (Rupee One only) each.

"RESOLVED FURTHER THAT the Company Secretary be and is hereby authorized to take such steps, as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the aforesaid resolution 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 aforesaid Resolutions."

**8. To consider and pass with or without modification(s), the following resolution, as a Special Resolution:**

"RESOLVED THAT pursuant to Section 14 and all other applicable provisions, if any, of the Companies Act, 2013, and subject to such other approvals or consents as may be required under applicable law or from concerned Statutory Authority(ies), approval be and is hereby accorded for the amendment of existing Regulation 5 of the Articles of Association of the Bank, with the following regulation"

5. The capital of the Company is ₹100,00,00,000/- (Rupees One Hundred Crores only) divided into 100,00,00,000 (One Hundred Crores) Equity Shares of ₹1/- (Rupee One only) each.

"RESOLVED FURTHER THAT the Company Secretary be and is hereby authorized to take such steps, as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the aforesaid resolution 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 aforesaid Resolutions."

**By order of the Board of Directors**

Place: Srinagar  
Dated: 12th June, 2014

**Abdul Majid Bhat**  
Company Secretary

**Registered Office:**

Corporate Head Quarters  
M. A. Road, Srinagar, Kashmir - 190001  
Phone: +91-194-2481930-35 Ext. 1540-1547  
Fax: + 91-194-2481928  
Email id: sharedeptt\_gc@jkbmail.com  
Website: www.jkbank.net  
CIN: L65110JK1938SGC000048

## 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 ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.

A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE BANK CARRYING VOTING RIGHTS.

A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE BANK, CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.

- 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 Bank or the Fund.
- c) Pursuant to Clause 16 read with Section 91 of the Companies Act, 2013 the Register of Members and Share Transfer Books of the Company will remain closed from 28th July, 2014 to 2nd August, 2014 (both days inclusive).
- d) The payment of Dividend for the financial year 2013 - 2014, 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 2nd August, 2014 and in case of dematerialized 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 25th July, 2014, subject to the provisions of Section 126 of the Companies Act, 2013.

- e) Members holding shares in physical form are requested to intimate change, if any, in their 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 F.Y. 2013-14, if declared, will not be taxable in the hands of the Shareholders.
- h) Brief Profile of Directors retiring by rotation at the Annual General Meeting and being eligible for reappointment as required under Clause 49 of the Listing Agreement forms part of the Corporate Governance Report .
- i) 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 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.
  - j. In accordance with Section 101 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, the Annual Report (Audited Financial Statements, Directors Report, Auditors Report etc.) is being sent to the shareholders in electronic form to the email address registered with their Depository Participant (in case of electronic shareholding)/the Bank's Registrar and Share Transfer Agents (in case of physical shareholding).
- We, therefore request and encourage you to register your email ID in the records of your Depository Participant (in case of electronic holding)/the Bank's Registrar and Share Transfer Agents (in case of physical shareholding) mentioning your folio no./ demat account details.
- However, in case you wish to receive the above shareholder communication in paper form, you may write to the Bank's Registrar and Share Transfer Agents, Karvy Computershare Private Limited, Unit: The Jammu & Kashmir Bank Limited, Plot No. 17 to 24, Vittalrao Nagar, Madhapur, Hyderabad - 500081, or send an email at [Krishnan.s@karvy.com](mailto:Krishnan.s@karvy.com) mentioning your folio no. / demat account details.
- The soft copy of the Annual Report 2013 - 2014 can also be downloaded from the bank's website i.e., [www.jkbank.net](http://www.jkbank.net).
- k. Members desirous of getting any information about the accounts and operations of the Bank are requested to write their queries to the Bank atleast seven days before the Annual General Meeting.
  - l. 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.
  - m. Members are requested to avoid being accompanied by non-members and/or children.
  - n. The Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
  - o. Shareholders may avail the nomination facility under Section 72 of the Companies Act, 2013. The relevant nomination form is appended to this notice

- p. SEBI has made it mandatory for every participant in the securities / capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with a Photocopy of both sides of the PAN card, duly attested, to the Registrar and Share Transfer Agents of the Bank.
- q. E-Voting: The Bank is pleased to provide E-voting facility through Karvy Computershare Pvt Ltd., for all shareholders of the Bank to enable them to cast their votes electronically on the items mentioned in this notice of the 76th Annual General Meeting of the Bank. The Bank has appointed Shri D. S. M. Ram, Company Secretary, DSMR & Associates, Company Secretaries, Hyderabad as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Bank, subject to the provisions of the Banking Regulation Act, 1949, as on the cut-off date of 4th July, 2014.

The instructions for E-Voting are as under:

- I. (i) To use the following URL for e-voting:

From Karvy website: <http://evoting.karvy.com>

- (ii) Shareholders of the Bank holding shares either in physical form or in dematerialized form, as on the cut-off date, may cast their vote electronically.
- (iii) Enter the login credentials [i.e., user id and password mentioned in the attendance slip/email to be forwarded by a separate letter/ email].
- (iv) After entering the details appropriately, click on LOGIN.
- (v) You will reach the 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. The system will prompt you to change your password and update any contact details like mobile, email etc on first login. You may also enter the secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vi) You need to login again with the new credentials.
- (vii) On successful login, the system will prompt you to select the EVENT i.e., J&K Bank.
- (viii) On the voting page, enter the number of shares as on the cut-off date under FOR/ AGAINST or alternately you may enter partially any number in FOR and partially in AGAINST but the total number in FOR/ AGAINST taken together should not exceed the total shareholding. You may also choose the option ABSTAIN.
- (ix) Shareholders holding multiple folios / demat account shall choose the voting process separately for each folios / demat account.
- (x) Cast your vote by selecting an appropriate option and click on SUBMIT. 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, shareholders can login any number of times till they have voted on the resolution.
- (xi) Once the vote on the resolution is cast by the shareholder, he shall not be allowed to change it subsequently.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested



specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail ram.devata@gmail.com with a copy marked to evoting@karvy.com.

- (xiii) The e-voting period commences on Tuesday, 29th July, 2014 at 9:00 A.M. and will end at 6:00 P.M. on the same day. During this period shareholders' of the Bank, holding shares either in physical form or in dematerialized form, as on the cut-off date of 4th July, 2014 may cast their vote electronically. The e-voting module shall be disabled by Karvy for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. Further, the shareholders who have cast their vote electronically shall not be able to vote by way of poll at the AGM.
- (xiv) In case of any queries, you may refer the Frequently Asked Questions (FAQs) for shareholders and e-voting User Manual for shareholders available at the download section of <http://evoting.karvy.com> or contact Karvy Computershare Pvt. Ltd at Tel No.1800 345 4001 (toll free).

- II. The Scrutinizer shall within a period not exceeding three working days from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Bank and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Bank.
- III. The Results on resolutions shall be declared on or after the AGM of the Bank and shall be deemed to be passed on the date of the AGM. The Results declared alongwith the Scrutinizer's Report shall be placed on the Bank's website [www.JKBank.net](http://www.JKBank.net) and on the website of Karvy within two days of passing of the resolutions at the AGM of the Bank and communicated to the Stock Exchanges.
- IV. Shareholder who has not cast his vote through e-voting facility, may attend the AGM and cast his vote. The Ballet Paper shall be issued to the members/ proxies, at the registration counters along with entry passes. The members/ proxies are requested to drop their ballet paper in the ballet boxes available at the venue.

## Annexure to Notice

### STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### ITEM NO. 04

##### FIXATION OF REMUNERATION OF AUDITORS

Though not strictly necessary, Statement as required under the provisions of Section 102 of the Companies Act, 2013 is being given for Item No. 05 of the Notice, with the view to set-out material facts concerning such business. Pursuant to the provisions of Section 142 of the Companies Act, 2013, the remuneration of Auditors, appointed by C&AG under Section 139(5) of the Companies Act, 2013 has to be fixed by the members in the 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 2014-2015 including remuneration for the Limited Review of Un-audited Quarterly Financial Results for the period ending 30th June, 2014, 30th September, 2014 and 31st December, 2014.

Directors recommend the adoption of Resolution to be moved at the Meeting in this regard.

None of the Directors, Key Managerial Personnel and their relatives are financially or otherwise concerned with or interested in the resolution at Item No. 4 of the Notice.

#### ITEM NO. 05

##### APPOINTMENT OF INDEPENDENT DIRECTOR

Mr. Vikrant Kuthiala is a Non-Executive Independent Director of the Bank. He joined the Board of Directors of the Bank in September, 2009 and was reappointed by the Shareholders in 2012. Mr. Vikrant Kuthiala retires by rotation at the ensuing Annual General Meeting under the erstwhile applicable provisions of Companies Act, 1956.

In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. Vikrant Kuthiala being eligible and offering himself for appointment, is proposed to be appointed as an Independent Director up to 25th September, 2017 pursuant to Section 10A(2-A) (i) of the Banking Regulation Act, 1949, which provides that no director (other than Managing or Whole - time director) of a

banking company can continuously hold office for a period exceeding 8 years from the date of appointment.

In the opinion of the Board, Mr. Vikrant Kuthiala fulfils the conditions specified in the Companies Act, 2013 and rules made thereunder for his appointment as an Independent Director of the Bank and is independent of the management. The Board considers that his continued association would be of immense benefit to the Bank and it is desirable to continue to avail services of Mr. Kuthiala as an Independent Director. Accordingly, the Board recommends the resolution in relation to appointment of Mr. Vikrant Kuthiala as an Independent Director, for the approval by the shareholders of the Bank. The above independent Director is not liable to retire by rotation.

Except Mr. Vikrant Kuthiala, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

This Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange

#### Item Nos. 06, 07 and 08

##### SUB-DIVISION OF SHARES AND CONSEQUENT AMENDMENTS IN THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE BANK

The Equity shares of your Bank are listed and actively traded on the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited (BSE/NSE). With a view to increase liquidity of Bank's Shares and to make equity shares of the Bank affordable for small retail investors, the Board of Directors had considered and approved the sub-division of each equity share of the Bank having a face value of ₹ 10/- (Rupees Ten Only) into 10 (Ten only) equity shares of face value of ₹ 1/- (Rupee One only) each, subject to the approval of shareholders and any other statutory and regulatory approvals, as applicable. The record Date for the aforesaid sub-division of the Equity shares will be fixed by the Board after approval of shareholders is obtained.

The sub-division of shares as aforesaid would require consequential amendments to the existing Clause V of



the Memorandum of Association and Regulation 5 of the Articles of Association of the Bank.

Accordingly, the Resolutions at Item Nos. 06 to 08 seeking approval of the Shareholders for the proposed sub-division of face value of the Equity Shares and the consequent amendments to the existing Clause V of the Memorandum of Association and Regulation 5 of the Articles of Association of the Bank.

The Board of Directors is of the opinion that the aforesaid sub-division of the face value of Equity Shares, is in the best interest of the Bank and the investors and hence recommends passing of the Resolutions at Item Nos. 06 and 07 as ordinary Resolution and item No 08 as Special Resolution.

A copy of the existing Memorandum and Articles of Association of the Bank along with the proposed draft amendments is available for inspection by any shareholder at the Registered Office of the Bank between 11 A.M. to 2.00 P.M. on all working days (except Saturdays, Sundays and Public Holidays) upto 30th July, 2014 and on 2nd August, 2014 till the conclusion of the Annual General Meeting.

None of the Directors, Key Managerial Personnel and their relatives are financially or otherwise concerned with or interested in the resolutions at item Nos. 06, 07 and 08 of the notice except to the extent of their shareholding in the Bank.

**By order of the Board of Directors**

Place: Srinagar  
Dated: 12th June, 2014

**Abdul Majid Bhat**  
Company Secretary

**Registered Office:**

Corporate Head Quarters  
M. A. Road, Srinagar, Kashmir - 190001  
Phone: +91-194-2481930-35 Ext. 1540-1547  
Fax: + 91-194-2481928  
Email id: sharedeptt\_gc@jkbmail.com  
Website: www.jkbank.net  
CIN: L65110JK1938SGC000048