

**PROCEEDINGS OF THE 76<sup>TH</sup> ANNUAL GENERAL MEETING  
OF THE SHAREHOLDERS OF  
THE JAMMU & KASHMIR BANK LIMITED  
HELD ON SATURDAY 2<sup>ND</sup> AUGUST 2013 AT 11.00 AM  
AT SHER-I-KASHMIR INTERNATIONAL CONFERENCE CENTER, SRINAGAR.**

**PRESENT**

- |                                 |   |              |
|---------------------------------|---|--------------|
| 1) Mr. Mushtaq Ahmad            | } | In the Chair |
| 2) Mr. Mohammad Ibrahim Shahdad |   | Directors    |
| 3) Mr. Vikrant Kuthiala         |   |              |
| 4) Prof. Nisar Ali              |   |              |
| 5) Mr. A. M. Matto              |   |              |
| 6) Mr. R. K. Gupta              |   |              |
| 7) Mr. Nihal G. Garware         |   |              |

And 319 Members present in person  
And 100 Members present in proxy  
And 153 Members voted through E-Voting

Mr. B. B. Vyas, IAS Director, Government Nominee Shareholder and Proxy for the Chief Secretary, Govt. of J&K, Mr. Abdul Majid Bhat, Secretary and Mr. DSM Ram, Company Secretaries, DSMR & Associates, Hyderabad, Scrutinizers for the E-voting & Poll Process were also present.

Mr. Mushtaq Ahmad, Chairman and Members of the Board present at the Meeting took their chair. After ascertaining that requisite quorum for the meeting was present, Chairman called the meeting to order.

At the onset Chairman of the Bank addressed to the shareholders which is re-produced hereunder:

*Dear Shareholders,*

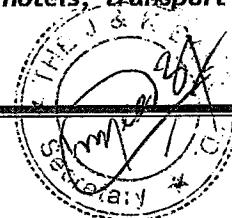
*I have the privilege to address the 76th Annual General Meeting of the Shareholders of J&K Bank.*

*On behalf of the Board of Directors, management, my colleagues and on my personal behalf, I welcome all of you to this AGM.*

*This AGM is being held at a time when there is cautious optimism about a global economic recovery after a long span of dismay and turbulence. Although the main impetus to this recovery is coming from advanced economies, especially the United States, the encouraging signs are also emanating from most economies including the Euro Zone and Emerging and Developing Economies.*

*At domestic level, the change in the Government has fuelled optimism about a modest recovery in FY2014-15, primarily supported by increased investment activity due to revival of stalled projects as also improved business and consumer confidence.*

*Domestic economy, however, continued to remain subdued during the financial year gone by. As per the advance estimates of Central Statistics Office (CSO), the Indian economy registered a dismal growth rate of 4.7 percent in 2013-14 which is not better than the revised estimate of 4.5 percent for 2012-13. This second successive sub-five percent growth, witnessed for the first time since mid eighties, was the result of the continued slowdown in the industrial sector, trade, hotels, transport and communications segment of the services sector.*



**The prolonged slowdown in domestic economy, high proportion of stalled projects, high interest rates and lack of demand severely impaired the repaying capacity of most of the Corporates. As a result of this adverse impact, the stress on assets of the banking industry kept mounting. At 10.13 percent of the gross advances, the total stressed assets of Indian banks (including restructured standard assets) remains a major concern for the banking industry.**

**Amidst these strenuous economic conditions prevailing for most part of last financial year, J&K Bank leveraged intrinsic strength and vivacity of its business model to deliver an excellent performance. The admirable results were crafted through a carefully deployed strategy of prudent liability management including focused maximizing of low cost deposits, judicious credit deployment, efficient risk management and efficient monitoring of assets. Our performance has been outstanding as compared to our peers in the system.**

**Dear Shareholders, I am delighted to present the 76th Annual Report of the bank which reflects our resolute perseverance towards fulfilling your aspirations as well as that of all other stakeholders. It reflects our efficacy in not only withstanding but also successfully prevailing over the most daunting environs. The sterling performance of the bank is amply visible on all key business parameters.**

**The total business of Rs. 1,15,720.46 Crore and a Net Profit Rs. 1182.47 Crore is the highest ever posted by the bank in its history. The bank recorded a healthy increase of 15.91 percent in its net Interest Income, which jumped from Rs. 2316.04 Crore in the previous year to Rs. 2684.48 Crores as on March 31st, 2014. The bank has registered an all round progress in all the areas whether it is management of stressed assets, provisioning levels, return on assets, return on equity, etc. I would specifically mention that the Dividend Yield of 2.65 percent and Dividend Payout ratio of 20.50 percent are amongst the best in the industry.**

**During 2013-14, we continued with the rapid expansion of our multi-delivery channels and added a total of 92 business units to increase our business unit network to 777 at the end of March 2014. Similarly, we added 187 new ATMs to take our total ATM network to 800 as on 31st March 2014. This expansion agenda shall continue in 2014-15 and possibilities shall be explored to venture into new markets including the overseas ones. We also laid emphasis on alternative delivery channels including internet banking, mobile banking and Point-of-Sale machines.**

**As a developmental institution, J&K Bank remains central to the prosperity of J&K State and lays high emphasis on inclusive growth involving the weakest sections of the society. We are relentlessly working to get more and more unbanked and under-banked areas within the formal financial ambit to achieve our objective of total financial inclusion in the J&K State. Right from setting up Rural Self Employment Training Institutes (RSETI's), establishment of Common Service Centres (known as Khidmat centres) to engaging Business Correspondents (BCs), we are pushing the limits within the state.**

**Commitment to Corporate Social Responsibility (CSR) remains one of our core values. Our CSR mission continued to remain agile in 2013-14, recognizing obligations towards society. Through CSR activities, we continued to enhance value creation in the society and the community we operate within through a slew of services, conduct and initiatives aimed at promoting sustained growth in fulfillment of our role as a socially responsible corporate.**

**We provided generous financial assistance to the patients suffering from serious ailments who had no means to meet the expenses for emergency treatments like chemotherapy, dialysis, cardiac ailments, medicines etc. At the same time, we contributed to various health projects undertaken by reputed non-profit organizations, like Cancer society of Kashmir, Society for Hemophilia Care and other organizations dealing with critical diseases. Moreover, to have Institutional form of CSR activities on health front. We**

donated five (05) Dialysis machines to Sher-I-Kashmir Institute of Medical Sciences (SKIMS). In addition, we donated vehicles & provided monetary donations to the NGO's primarily dealing with differently abled children, like Voluntary Medicare Society, Red Cross Home for Handicapped Jammu, and other NGOs of repute in the J&K State.

We also provided support to J&K Yateem foundation to rehabilitate two hundred girls under Girls Upliftment Programme. We facilitated "Soft Skills Programme for Police Personnel" in which five thousand J&k police personnel got benefitted. We also provided sewing machines to women belonging to under-privileged class of society, besides donating a number of three wheelers to differently abled people to empower them and help them become independent.

Esteemed Shareholders, your bank has progressed from strength to strength and each year marks accomplishment of new milestones and setting up of fresh benchmarks. This achievement would not have been possible without your continued patronage and unwavering support which has always been a source of strength and inspiration for us. I also take this opportunity to express gratitude to our promoter, the J&K State Government for their continued patronage and support. I acknowledge and express gratitude to RBI for their guidance. I also thank NABARD, SIDBI, IBA, STOCK Exchanges, Department of Company Affairs, Registrar of Companies and Comptroller & Auditor General of India. Finally, I acknowledge the vital contribution of all the staff members of J&K Bank family whose commitment and dedication has propelled the bank to soaring heights.

2013-14 was a special year as it marked the 75th year of existence of the bank. The year gave us an opportunity to rededicate ourselves to the task of elevating our institution to new heights on the strength of our commitment and enduring value system.

Dear Shareholders, our journey towards excellence shall continue as there is no destination to such a journey. For, excellence is nothing but a perpetual desire to attain perfection. Our odyssey will continue and so will our commitment of 'Serving to Empower'.

Secretary then read out auditor's report along with relevant comments of the Comptroller and Auditor General of India(C&AG) on the Accounts of the Bank, for the year ended 31<sup>st</sup> March, 2014

Secretary then provided brief background of each item for transaction at the meeting.

Thereafter, poll was taken

Scrutinizer thereafter submitted his reports to Chairman for the E-voting facility provided to the shareholders of the Bank on 29<sup>th</sup> Aug. 2014 and poll taken at the Annual General Meeting.

Chairman thereupon declared the results as under:

**ITEM NO: 1**

**CONSIDERATION AND APPROVAL OF ACCOUNTS**

**Type of  
Resolution**

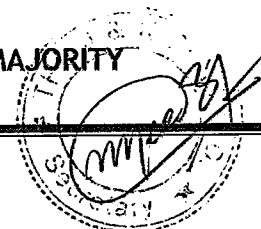
**Ordinary**

**AGMR NO. 1**

**"Resolved that the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and Profit & Loss Account for the period ended on that date, and Auditor's Report thereon, along with the comments of C&AG, as laid before the Members at the Meeting, together with Report of Directors, be and are hereby approved and adopted."**

**RESULT**

**RESOLUTION PASSED WITH REQUISITE MAJORITY**



**ITEM NO : 2****DECLARATION OF DIVIDEND****Type of  
Resolution****Ordinary****AGMR NO. 2**

*“Resolved that Dividend @ 500% (Rs. 50/- per equity share of Rs. 10 each) be declared for the financial year 2013-2014 and paid to the holders of 4,84,77,802 equity shares of Rs. 10/- each, whose names appear on the Register of Members on the date of Annual General Meeting and Register of Beneficial Owners maintained by Depositories, on 25<sup>th</sup> July, 2014.”*

**RESULT****RESOLUTION PASSED WITH REQUISITE MAJORITY****ITEM NO.3:****RE- APPOINTMENT OF DIRECTOR - MR. R. K. GUPTA****Type of  
Resolution****Ordinary****AGMR NO. 3**

*“Resolved that Mr. R. K. Gupta, who retires by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as Director of the bank.”*

**RESULT****RESOLUTION PASSED WITH REQUISITE MAJORITY****ITEM NO. 4****REMUNERATION OF AUDITORS****Type of  
Resolution****Ordinary****AGMR NO. 4**

*“Resolved that pursuant to the provisions of section 135(5) and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors, be and are hereby empowered to pay Remuneration to Statutory Auditors for the financial year ending 31<sup>st</sup> March 2015, as per the schedule of the RBI applicable to Public Sector Banks, including remuneration for the Limited Review of Un-audited Quarterly Financial Results for the period ending 30<sup>th</sup> June, 2014, 30<sup>th</sup> September, 2014 and 31<sup>st</sup> December, 2014.”*

**RESULT****RESOLUTION PASSED WITH REQUISITE MAJORITY****ITEM NO 5.****APPOINTMENT OF MR. VIKRANT KUTHIALA AS  
INDEPENDENT DIRECTOR****Type of  
Resolution****Ordinary****AGMR NO. 5**

*“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.”

**RESULT**

**RESOLUTION PASSED WITH REQUISITE MAJORITY**

**ITEM NO. 6**

**SUB-DIVISION OF EQUITY SHARES**

**Type of  
Resolution**

**Ordinary**

**AGMR NO. 6**

“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 reenactment 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 Rs. 10/- each fully paid-up be sub-divided into 10 (Ten) Equity Shares of the face value of Rs. 1/- each fully paid-up.”

“RESOLVED FURTHER THAT the 10 (Ten) Equity Shares of the face value of Rs. 1/- each on sub-division to be allotted in lieu of existing one equity share of Rs. 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 Rs. 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 Rs. 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.”**

**RESULT**

**RESOLUTION PASSED WITH REQUISITE MAJORITY**

**ITEM NO. 7**

**AMMENDMENT TO MEMORANDUM OF ASSOCIATION**

**Type of  
Resolution**

**Ordinary**

**AGMR NO. 7**

**“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 Rs. 100,00,00,000/- (Rupees One Hundred Crores) divided into 100,00,00,000 (One Hundred Crores) Equity Shares of Rs.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.”**

**RESULT**

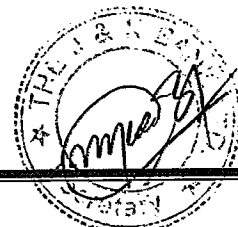
**RESOLUTION PASSED WITH REQUISITE MAJORITY**

**ITEM NO. 8**

**AMMENDMENT TO ARTICALS OF ASSOCIATION**

**Type of  
Resolution**

**Special**



AGMR NO. 8

“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 Rs.100,00,00,000/- (Rupees One Hundred Crores only) divided into 100,00,00,000 (One Hundred Crores) Equity Shares of Rs.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.”

RESULT

RESOLUTION PASSED WITH REQUISITE MAJORITY

ITEM NO. 9

APPOINTMENT OF MR. DILAP KUMAR KAUL AS INDEPENDENT DIRECTOR

Type of Resolution

Ordinary

AGMR NO. 9

“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or reenactment 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. Dalip Kumar Kaul (DIN No.03559330), 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 for a period of 3 years i.e. up to 1st August, 2017 AND THAT he shall not be liable to retire by rotation.”

RESULT

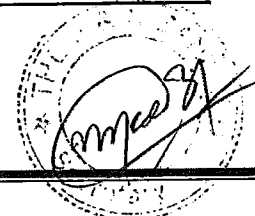
RESOLUTION PASSED WITH REQUISITE MAJORITY

ITEM NO. 10

APPOINTMENT OF MR. KHAVER ALAM JEELANI AS INDEPENDENT DIRECTOR

Type of Resolution

Ordinary



**AGMR NO. 10**

*“RESOLVED that pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or reenactment 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. Khaver Alam Jelani (DIN No.06919567), 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 for a period of 3 years i.e. up to 1st August, 2017 AND THAT he shall not be liable to retire by rotation.”*

**RESULT**

**PASSED UNANIMOUSLY**

This was followed by a Question - Answer session wherein the Chairman replied the various queries of shareholders of the Bank relating to establishment of branches at different locations, future outlook of the bank for expansion of business, lending pattern of the Bank in and outside the J&K State, Customer Relation, and Corporate Social Responsibility of the Bank etc.

Chairman thanked the shareholders for their active participation in the meeting and thereafter, declared the meeting closed.

Recorded By

  
(Abdul Majid Bhat)  
Company Secretary

Date: 9<sup>th</sup> August, 2014