

DIGITAL DRIVE

a way forward...

ANNUAL REPORT 2016-17



UPI



USSD



RuPay



AEPS



e-Wallet



Cards, POS



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DIGITAL DRIVE

Technology in Banking

INTRODUCTION

It won't be an overstatement to describe technology as the bedrock of today's fast evolving world, where the single most ubiquitous thing that comes across in our everyday life is technology in its varied range of ever-fascinating products.

With its dizzying speed, technology has transformed the world in unprecedented ways blurring the lines between virtual and real, bringing societies closer to each other than ever and providing governments with an ever-observing eye to monitor, manage and govern people. Simultaneously, technology empowers people to think big, realize higher values of transparency and accountability and expect more from the service providers.

All this has changed the entire functioning of economy besides scope, significance and substance of banking and finance as we knew it just some years ago. Instant is new minimum in the world of generation Y, who are both fast and futuristic in their attitude.

In this digital world, a click in China, facilitated by some payment processing company in Europe, can effect transfer of huge funds into the account of some Brazilian sitting in Rio de Janeiro. Or a wife in some far off village in Orissa can receive money on her mobile set from her husband working in Middle East through few clicks on his smart phone.

Such a dramatic and disruptive nature of technological innovations during last few years has led to a series of spectacular changes in the Bank-Customer interface. While making the systems impersonal in their functioning, technology has only helped to bring banks closer to their clients.

In a way technology has triggered a revolution in customer experiences across universal business domains, for the digital tools transform customer-facing journeys in powerful ways, often by creating the potential for self-service. Inter-personal nature of the banker-customer interface has completely given way to virtual yet highly personalized form of transactions. The conversations between the companies and customers continue albeit in a way that has enhanced the customer experience besides cutting costs for the companies.

However, all this digital transformation in the world of economy and finance works upon the idea of making payment systems across domains and countries easier, safer and instant; for it's the payment system that remains at the heart of this unfolding digital revolution sweeping the world.

Digitisation

Digitisation, in simpler terms, is converting a physical object into its digital twin, or turning a manual process into an automated workflow. It is like a photo scanned into a computer or a recorded sound saved in digital format. In Banking Digitization process began with the adoption of automation in rendering services and products to the customers.

In its function, Digitisation as a word is transformative. It turns the ordinary into the extraordinary by leveraging digital technologies and experiences to affect how we live, work, and play. Generally we're talking about transformation through digital technology in all areas of a business, resulting in new changes that are fundamentally altering the way companies operate and deliver value to customers.

Digitization in banking is not a recent phenomenon, as it gained popularity with the introduction of ATM (Automated Teller Machines) quite some time ago. The invention of ATMs and subsequently credit cards paved way for the digitization of

the banking services. With the help of ATM technology banks were able to lower their initial transaction costs while offering hassle free services to the customers.

Innovations in ATM technology have come a long way and customer receptiveness has also increased manifold. Banks entered into the race for expansion of ATM networks. Since inception of ATM's, banks have gradually started to offer digitized products thereby enhancing customer experience.

The commercial evolution of the internet in the early 1990s completely overhauled the banking sector introducing the world to the online banking services. This process has facilitated customers to check their account details, pay online bills and transfer funds in a much faster and secure manner. The new customer friendly products designed since, include the most popular ones like e-banking, POS machines, mobile banking and e-wallets.

This steady evolution of digitization has changed the contours and the content of traditional banking. Today banks don't remain confined to certain geography or marketplace, but are accessible to customers from anywhere on different digital platforms.

Digitization has laid foundation for the banks to become more inclusive in their service delivery yet unique in their productization and value proposition. As of now, traditional banking has been taken over by virtual banking, owing to the role played by digitization. With demanding customers, the banks are rolling out new digital products every day.

Changing Global Scenario

The global banking system witnessed dramatic changes and disruptions especially in the succeeding years of 2015 and 2016 in the payments system. As the digital technology is fast becoming central to the functioning of payment system, it no longer remained confined to banks only. Evolving customer behavior, needs and preferences have led new players foray into this domain at regional and global level. Fast growing digital revolution is enabling non-banking institutions to come up with new customer centric, easier ways of carrying out payment transactions.

With the help of technology, the global economy has embarked on meeting challenging goals owing to evolution of more sophisticated customer demands and behaviors. The globalized economy has opened doors for innovations in handling of banking business in a more efficient and sophisticated manner.

The ever increasing number of mobile users has fueled the prospects of digital transactions taking over the conventional banking to a large extent. Globally the number of mobile users using internet is expected to reach 3 billion by the year 2020 which is 65 percent of the adult world population as compared to 1.9 billion in 2015.

The current expanse of banking at global level has been very largely because of the advancements made in technology. The financial institutions too have evolved with advancements in technology and have been adopting the same to meet the challenges of digital economy.

For instance, the evolution of smartphones is enabling new payment capabilities which have revolutionized the payments system. The ongoing disruptive digital

Risk Perception

Since financial depression of 2008, risk has acquired a serious significance in the overall banking and financial architecture of the world. During the last decade, the risk frameworks applied in the banks have been developed to meet the requirements of fast-changing businesses and markets. Few of the major risks need to be evaluated in the context of digital banking as well.

Strategic Risk: The risks that are associated with digital banking should be evaluated in the context of risk management costs against potential returns. Poor planning can increase strategic risks. Articulation of a well-defined plan is of much significance beside execution.

Business Risks: Whether customer characteristics that are peculiar to digital banking as against traditional banking have been evaluated.

Operational Risk: Operational risk arises from processing errors, frauds, system disruptions, or any unanticipated event, which can hamper the institutions ability to deliver the promised services. The digital platform and product has to be backed by robust processing environment and supporting technology. The key to control these is to have policies,

payment systems, entry of non-bank players, more demanding customer expectations and regulations have been catalytic in driving the digital revolution at global level.

The total value of global payments transactions was estimated at USD 16 trillion in the year 2015 which is expected to increase to USD 21 trillion by 2020. In 2015 digital payments contributed 8 percent of overall global retail payments and the same is projected to increase 18 to 24 percent by 2020.

The unprecedented growth in technology and continuous innovations in tapping the customer demands, the financial institutions are looking at new opportunities accompanied by new challenges. However, the existing threat of vulnerability of user data remains one of the major challenges.

Evolving Indian Landscape

Since payments are usually the first and most used of financial services, required by almost the entire population, the payments systems in India has been keeping pace with the developments in digitization of financial economy. With population of 1.25 billion, India is well poised to make most of the digital developments transforming the payments system.

Digitization of payments is a new phenomenon here, however the trend shows an exponential growth.

Rising Smartphone penetration and internet access has ensured consumers remain constantly connected. India currently stands second with one billion mobile subscribers. Of this, more than 240 million use smartphones which is expected to increase to 520 million by 2020.

With increasing 3G and 4G penetration even in the remotest part of country, the internet connectivity is also rapidly expanding. The number of rural internet users via mobile phones is expected to grow to 650 million by 2020 which was 300 million in 2015.

There have been many reasons for India witnessing the growing adoption of digital payments system by people irrespective of geography. The main factors include India climbing on trajectory of going digital, conducive regulatory environment, emergence of next-gen payment service providers and enhanced customer experience.

Over the last few years, digital transactions have shown steady growth of 50 percent YOY (Year Over Year), followed by ATM transactions growing at 15 percent. Not surprisingly, branch based transactions have reduced by 7 percent in the year 2015.

Know Your Customer (KYC) relaxation for small transactions, introduction of Aadhaar as all-inclusive KYC document have complemented the steps enabling digital payments in India. One of examples in this regard is Jan Dhan Scheme of Government of India (GoI) which has witnessed opening of over 270 million accounts.

According to a survey, in 2015 out of total population of 1250 million, 1000 million were mobile phone users. Among those, 300 million were using internet services, while 240 million used internet service on smartphones.

Going forward, the population of India is predicted to increase to 1350 million

procedures and controls that mitigate the risks of the digital products introduced. Information security controls, in particular, become more significant requiring additional processes, tools, expertise, and testing. Thus, taking a strategic and proactive approach to information security and making use of system security management and monitoring acquires unprecedented significance.

Reputational Risk: Digital banking lays more emphasis on reputational risk as the bank needs to safeguard the customer information needs and rights.

Liquidity, interest rate, price risks: Digital banking initiatives may also lead to funding and investment risks depending on pricing and ease of switchover of customer deposits. There is a possibility that digital banking issues may impact customer confidence or market perception of the bank.

Besides taking care of all the above mentioned risks, Business Continuity Planning is of vital importance and must be in place as and when the need arises.

by 2020 which will witness an increase of more 200 million of mobile users. The number of internet users is expected to grow to 650 million and smartphone users will be 520 million.

Increasing smartphone penetration, greater access to internet, rise in consumption and rapid development of payments infrastructure is set to increase digital payments in India in a major way.

Digitisation - Major Triggers and Figures Thereafter

The Government of India's (GoI) recent decision of demonetization and its focus on less-cash economy have proved to be major triggers resulting in unprecedented rise in digital transactions across the country.

Since demonetization, there has been a phenomenal 584 percent increase (from 0.3 to 4.5 million) in transactions made through the Unified Payment Interface (UPI). In this same period, payments using Aadhaar have also seen an unprecedented jump of 1352 percent (from 0.7 to 2.7 million).

Providing a glimpse into the massive transformation underway is also the fact that the BHIM App, the UPI payment App launched by the Prime Minister on 30th December 2016, has been downloaded a record 18 million times since its launch. Besides there has been an increase of nearly 13 percent in the number of PoS machines sold since October 2016 indicating that more number of merchants across the country are accepting digital payments.

As of now more than 8 billion transactions take place annually through digital payment methods. The Government is planning to increase this to 25 billion transactions in the current year.

Keeping current trends in mind, digitization of cash will accelerate in next five years with non-cash transactions overtaking cash much before the earlier estimated 2023. An estimated USD 500 billion will flow through digital payments in India by 2020.

Challenges and Opportunities at J&K Bank

Post Demonetization drive, it was Government's thrust on less-cash economy that proved a real catalyst for a massive digital transformation in the country. Transformation from a completely cash-dependent economy to a digitally empowered and less-cash economy was an uphill task both in technical and procedural sense.

This primarily demanded technological upgradations, scaling up the systems for handling of huge data besides Business Process Re-engineering in some cases. And the advent of Payment banks who were waiting for such an opportunity for grabbing their share of the business, capped all the complications that digitization process entailed.

The Banks' were faced with grave challenges, for the threat of not rising to the occasion due to obsolete systems and processes would have certainly matured into losing the business and the reputation to the competition.

This however, did not come with challenges only, but the transformation presented a host of opportunities as well, which if properly tapped would result in huge costs saving, besides increased earnings.

Digital Channels

Banking Cards (Debit / Credit / Cash / Travel / Others)

Banking cards offer consumers more security, convenience and control than other payment methods. Banking cards give consumers the power to purchase items in stores, on the internet, through mail-order catalogues and over the telephone. They save both time and money, and thus provide users the ease of transaction.

Unstructured Supplementary Service Data (USSD)

The innovative payment service works on Unstructured Supplementary Service Data (USSD) channel. This service allows mobile banking transactions from a simple mobile phone even without internet data facility. Envisioned for inclusion of under-banked society in the mainstream banking services, the key services offered under this service include, interbank account to account fund transfer, balance enquiry, mini statement besides host of other services.

Aadhaar Enabled Payment System (AEPS)

AEPS is a bank led model which allows online inter-operable financial transaction at PoS (Point of Sale / Micro ATM) through the Business Correspondent (BC) of any bank using the Aadhaar authentication.

Unified Payments Interface (UPI)

Unified Payments Interface (UPI) is a system that powers multiple bank accounts into a single mobile application (of any participating bank), merging several banking features, seamless fund routing & merchant payments into one hood. It also caters to the "Peer to Peer" collect request which can be scheduled and paid as per requirement and convenience. Each Bank provides its own UPI App for different operating systems.

J&K Bank being no exception also had its share of challenges, the major ones being:

- i) Lack of Digital literacy among the rural population.
- ii) Timely rollout of new products mandated by DFS like BHIM etc.
- iii) Modifications and multiple realignments of its existing systems.
- iv) Increasing the number of services and products offered through digital channels.
- v) Mass onboarding of customers to digital channels.
- vi) Keeping the systems safe and secure.
- vii) Frequent internet outage in the state of J&K particularly in Kashmir region.

Given the state of readiness and the resources pumped into the project by the competition, all these challenges had to be dealt with, within the shortest possible time. The new initiatives like BHIM were taken up and parallel to this concentrated efforts were put in for creating the digital eco-system within the state which involved mass onboarding of our customers to digital channels and simultaneously spreading the digital literacy.

Every challenge is an opportunity in disguise if faced with right spirit. That is exactly how it turned up for us as an organization.

Our efforts did yield positive results which are reflected by a 13 percent growth in transactions through digital channels, from 17 percent of total transactions before demonetization to 30 percent at the end of FY 2016-17. New products like FD opening, UPI, Pre-paid cards, BBPS and PDD bill payments were offered through digital channels which helped in improving the number of transactions through these channels.

The cost-saving due to this runs into crores of rupees annually, besides increase in revenues by way of Interchange and MDRs (Merchant discount rate).

This increased revenue coupled with cost savings and customer satisfaction are the key benefits of this digital revolution, which going forward has to be sustained and increased further by continuous educative and promotional campaigns besides innovative products and offering through alternate delivery channels.

Our Vision

Generally, the main objective of every financial enterprise is to maximize profits, increase its capital base while remaining engaged with its customer base delivering delight and enhancing the value for all its stake holders. In such a context, Digitisation as a process is the best opportunity in the guise of a challenge for every financial organisation. It not only helps to scale down costs of operations but integrates the different company-customer interfaces into a singularly efficient and delightful customer experience.

However, being at the center of financial architecture of the state of Jammu

Mobile Wallets

A mobile wallet is a way to carry cash in digital format. A customer can link credit or debit card details in mobile wallet application or transfer money online to mobile wallet. Instead of using card to make purchases, one can pay with smartphone, tablet, or smart watch. An individual's account is required to be linked to the digital wallet to load money in it. Most banks have their e-wallets besides some private companies like Paytm.

Point Of Sale

A point of sale (PoS) is a device through which payments are made by swiping a card. It is a point where customer makes payment to the merchant in exchange for goods or after availing a service. After receiving payment, the merchant may issue a receipt for the transaction, which is usually printed, but is mostly dispensed with or sent electronically. On a macro level, a PoS may be a mall, a market or a city.

Internet Banking

Internet banking, also known as online banking, e-banking or virtual banking, is an electronic payment system that enables customers to conduct a range of financial transactions through institution's website. Different types of online financial transactions are:

National Electronic Fund Transfer (NEFT)

National Electronic Fund Transfer (NEFT) is a nation-wide payment system facilitating one-to-one funds transfer. Individuals, firms and corporates can electronically transfer funds from any bank branch to any individual, firm or corporate having an account with any other bank branch in the country participating in the Scheme.

Real Time Gross Settlement (RTGS)

RTGS is defined as the continuous (real-time) settlement of fund transfers individually on an order by order basis (without netting).

Electronic Clearing System (ECS)

ECS is an alternative method for effecting

and Kashmir, J&K Bank is bestowed with responsibilities that consistently challenge its organizational mettle. Ours is an institution that has been building upon the successful blend of commerce with the socio-economic concerns of the people of this state.

In practical terms, J&K Bank not only derives its leverage from the economy of state but drives the economy itself. Therefore, we foresee our role as enablers of a robust digital eco-system across the J&K's financial landscape in a smooth and successful way.

Leveraging optimally our state-of-the-art infrastructure, which has mostly been put in place across the state during the last few months, we shall be leading this transformative project of digitization in the state.

Driven by the right mix of energy and experience across all verticals, our digitization project envisages the complete shift from manual/automated transactions to entirely digital mode of interaction while delivering upon the bank's promise of serving to empower people of this state and beyond.

Filled with the historic spirit of its servant leadership, we foresee J&K Bank as the completely digital bank by 2020. Preferred across generations, the bank shall further build upon its remarkable legacy of uninterrupted profits, sustainable business growth and efficient human resource.

Conclusions

As the grand digital leap sweeps the entire financial and banking landscape of the country, J&K Bank shall be at the forefront of this sweeping transformation in the state of Jammu and Kashmir.

However, in this fast evolving context, wherein banks with huge customer base and massive infra-structure are already setting the agenda and direction of digital banking in the country besides new big players like telecom and fin-tech companies fast moving towards the center of financial business, J&K Bank must take a decisive leap with a deliberate and comprehensive digital strategy, at least in the state, to sustain and further strengthen its business leadership.

Based on the evaluations of futuristic risk-frameworks, the strategy must integrate all its operational and technology verticals under business strategy so as to harness new technologies for improving the customer experience, streamlining business processes further and using advanced data analytics to drive revenues.

Capturing the digital opportunity, the bank must acquire and nurture digital talent and organize it efficiently ensuring both flexibility and speed in its overall professional conduct; for, it must have capacities in digital marketing that can compete effectively with those of big e-commerce players.

Moreover, to deal with the ever-growing concerns about cyber-security, our digital eco-system must be robust enough to meet the present and upcoming security challenges. Finally, we must forge effective partnerships and increasingly learn to operate within the ever-growing ecosystem of partnerships across the country and beyond.

While we engage in implementing the bank's digital vision, we need to remind ourselves that speed is the key. And in order to lead and succeed, we must remain ahead of the pace of change happening across the banking universe.

payment transactions in respect of the utility-bill-payments such as telephone bills, electricity bills, insurance premium, card payments and loan repayments, etc., which would obviate the need for issuing and handling paper instruments and thereby facilitate improved customer service by banks/companies/corporations/ government departments, etc., collecting / receiving the payments.

Immediate Payment Service (IMPS)

IMPS offers an instant, 24X7, interbank electronic fund transfer service through mobile phones. IMPS is an emphatic tool to transfer money instantly within banks across India through mobile, internet and ATM which is not only safe but also economical.

Mobile Banking

Mobile banking is a service provided by a bank or other financial institution that allows its customers to conduct different types of financial transactions remotely using a mobile device such as a mobile phone or tablet. It uses an app, provided by the banks or financial institution for the purpose.

Micro ATMS

Micro ATM is a device used by a Business Correspondents (BC) to deliver basic banking services. The platform enables Business Correspondents (who could be a local shop owner acting as a 'micro ATM') to conduct instant transactions. The basic transaction types supported by micro ATM are Deposit, Withdrawal, Fund transfer and Balance enquiry.

Banks Pre-Paid Cards

It is a card issued by a financial institution that is preloaded with funds and is used like ATM card. A prepaid credit card works in the opposite way of a normal credit card, because instead of buying something with borrowed funds (through credit), you buy things with funds that have already been paid.

NOTICE

NOTICE is hereby given that the 79th Annual General Meeting (AGM) of the Shareholders of The Jammu & Kashmir Bank Limited (the "Bank") will be held as under:

Day : Saturday
Date : 17th June, 2017
Time : 1600 hours
Place : Sher-i-Kashmir International Conference Centre (SKICC), Srinagar, J&K
to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (standalone and consolidated) of the Bank for the financial year ended March 31, 2017 including Balance Sheet as at 31st March, 2017 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 appoint a Director in place of Mr. Azhar-ul-Amin (DIN 07265913), who retires by rotation and being eligible, has offered himself for reappointment.
3. To fix the remuneration of Auditors in terms of provisions of section 142 of the Companies Act, 2013, for the financial year 2017-18.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:
"RESOLVED THAT pursuant to Section 14 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such approvals, consents, permissions and other sanctions, as may be necessary from the Reserve Bank of India and other appropriate authorities, if any, approval of the Members of the Bank, be and is hereby accorded, to the alteration in the Articles of Association of the Bank as under:
A. Article 69 (i) of the Articles of Association of the Bank be amended to read as under:
69 (i) The number of Directors shall not be more than fifteen or less than seven. Not more than three of these shall be appointed by the Jammu and Kashmir Government, who will be called Government Directors; provided that no Director other than a Government Director shall be elected as Chairman of the Board of Directors.
B. Article 70 of the Articles of Association of the Bank be amended to read as under:
70 (i) No person other than a permanent resident of the Jammu and Kashmir State shall be

qualified to act as a Director of the Company except when such person has been appointed as a Director by the Jammu and Kashmir Government or when such person has been co-opted as additional Director by the Board or when appointed as independent director in compliance with the requirements of applicable laws by the shareholders of the Company.

Provided that independent director shall hold office for a term upto 2 consecutive years on the Board of the company from the date of appointment, but shall be eligible for re-appointment in accordance with the provisions of the Companies Act, 2013.

Provided further that the total number of persons not being the permanent resident of Jammu and Kashmir State, excluding persons appointed by the Government of Jammu and Kashmir as Directors on the Board, shall not at any point of time be more than one third of the total strength of the Board.

- 70(ii) Sitting fee payable to a Director other than:
(a) Chairman and Chief Executive Officer,
(b) Additional Director appointed by Reserve Bank of India and who is in the employment of RBI;
(c) Executive Director/s. for attending a meeting of Board or Committee irrespective of the number of days for which the meeting may continue, shall be Rs.40000/-. Besides a fee admissible to a Director for attending the meeting, any Director who comes to attend a Board Meeting or a meeting of a Committee of the Board held at a place other than the place of his usual residence, shall, besides the travelling allowance admissible, be entitled to halage as shown in the Article 70 (A) for the day/s the Director has to stay at such place, in connection with a meeting, and also for any extra day or days or onward or return journey connected with the meeting and involving air and/or rail travel.

RESOLVED FURTHER THAT the Company Secretary of the Bank be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Sections 152, 160 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any

statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to Section 10A(2A) (i) of the Banking Regulation Act, 1949, Mr. Rahul Bansal (DIN 01216833) in respect of whom the Bank has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director on the Board of Directors of the Bank, liable to retire by rotation.

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

"RESOLVED THAT pursuant to the provisions of Sections 152, 160 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to Section 10A(2A)(i) of the Banking Regulation Act, 1949, Mr. Daman Kumar Pandoh (DIN 01332068) in respect of whom the Bank has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director on the Board of Directors of the Bank, liable to retire by rotation.

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to Section 10A(2A) (i) of the Banking Regulation Act, 1949, Mr. Mohammad Maqbool Rather (DIN No.07586779), in respect of whom the Bank has received a notice in writing from a member proposing 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 2 years i.e. up to June 16, 2019 and that he shall not be liable to retire by rotation."

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to Section 10A(2A)(i) of the Banking Regulation Act, 1949, Mr. Mohammad

Ashraf Mir (DIN No.07586792), in respect of whom the Bank has received a notice in writing from a member proposing 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 2 years i.e. up to June 16, 2019 and that he shall not be liable to retire by rotation."

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to Section 10A(2A) (i) of the Banking Regulation Act, 1949, Mr. Pronab Sen in respect of whom the Bank has received a notice in writing from a member proposing 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 2 years i.e. up to June 16, 2019 and that he shall not be liable to retire by rotation."

10. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152, 160 and any other applicable provisions of the Companies Act, 2013 read with Schedule IV to the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to Section 10A(2A)(i) of the Banking Regulation Act, 1949, Mr. Sanjiv Agarwal (DIN No. 00110392), in respect of whom the Bank has received a notice in writing from a member proposing 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 2 years i.e. up to June 16, 2019 and that he shall not be liable to retire by rotation."

11. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23, 41, 42, 62 and 179 and any other applicable provisions of the Companies Act, 2013, rules issued thereunder and any other regulation, circular or notification issued by the Ministry of