

# +ve to go on...

Being a bank is not an end in itself. It is the beginning. Of hope. Of revival. Of dreams. Of trust. Of catalysing development. Of progressive targets. Of perpetual pursuit.  
Of setting benchmarks that become standards.


## Not for it is easy.

Thriving in the face of challenge. Finding opportunities where they are rare.  
Balancing responsibility with ambition. Going the distance with our strategy.

## But, for it is tough.

Chairman's Speech  
at the 73rd Annual General Meeting





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**MUSHTAQ AHMAD**  
Chairman & CEO



Dear Stakeholders,

It is my privilege to address the 73rd Annual General Meeting of the Shareholders of J&K Bank.

On behalf of the Board of Directors, the management, officers and employees of the Bank I welcome all of you to this AGM.

At the outset, I express my gratitude to you all for your continued support and patronage. The J&K Bank has shaped its glorious path through your trust and support. Your faith in the Bank and expectations from it are a continuous motivation for us to perform and serve.

The financial year 2010-11, as all of us know, has been a turbulent one. The world economy is now on a slow recovery path after the chaotic situation that the economic meltdown caused. It has definitely exhibited a positive change but there are still some concerns, some worries and some question marks.

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The global scenario too has had impact on the Indian economy. It is also confronted with high inflation, particularly in food items and commodities. As a result, the Reserve Bank of India had to intervene to tackle the situation. There are indications of a slowdown in the economy, and achieving a growth rate of 8% in the current year will not be an easy task.

Despite the unstable economic scenario and disturbances in the State, particularly in Kashmir Valley, the J&K Bank has successfully demonstrated its inherent strengths and resilience by recording unprecedented growth in all spheres.

The Annual Report for 2010-11, already in your hands, demonstrates quality in terms of financial results. The results reflect professionalism and excellence of the Bank in the Indian banking industry. The bank recorded a total business of ₹ 70,870 Crores and Net Profit of ₹ 615.20 Crores. The Provisioning Coverage Ratio of 92.71% has been the best in the industry and its Net NPAs are just 0.20%. At the same time, Return on Net Worth at 18.96% and Dividend Yield of 3.21% have made the Bank among the best across the country. This has been possible because of the continuous efforts and high degree of professionalism, and also providing better and improved banking services. Our prime objective is to bring about

transformation in the society driven by social and economic development with J&K at the centre stage. The J&K Bank has been successful in establishing its presence as an iconic institution in the State and the country. With efficient products and services, we have set new standards in customer service and convenience.

The Bank has set an ambitious target for garnering a business of ₹ 100,000 Crores by March 2013 with a Net Profit figure of ₹ 1,000 Crores. Achievement of this important milestone is planned to coincide with the Platinum Jubilee celebrations of the Bank in 2013. We gear up for the next phase of growth through various initiatives. Plans for large-scale increase in branch network, especially in unbanked and under-banked areas in J&K State and at all important commercial centers of the country have been drawn. The increased business volume is targeted for achievement with customer satisfaction, and in consistency with regulatory prescriptions with focused attention on bridging the gap between credit demand and supply in J&K State.

The J&K Bank, in line with its policy stance, envisages providing basic banking services to the unbanked population of the State at their doorsteps through a combination of Brick &

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Mortar and Business Correspondent Model. A comprehensive Financial Inclusion Plan formulated for this purpose will provide basic banking services in 1,250 unbanked villages of the State by March 2013. With a view to supplementing these efforts and providing convenience to its customers, the Bank has undertaken massive expansion of its ATM network.

The J&K Bank is always on the lookout for making effective use of technology in its operations and services. The proliferation of technology has revolutionized every sector including banking. It shall be our endeavor to intensify our efforts aimed at providing the best quality services to our customers through optimum and appropriate use of technology.

At the J&K Bank, we always realize that we are more than a bank. Hence, we have undertaken self-assigned social responsibilities. Our Corporate Social Responsibility initiatives are unparalleled and the State shall continue to act as a platform for these activities. The steps taken in this direction include identification and coaching of talented youth in the field of sports, promoting adventure sports, healthcare and education, tree plantation drives, conservation of environment and promotion of rich culture and heritage of the State.

The Bank is emerging as a strong bank with sound fundamentals. The credit for this achievement goes not only to the top management, but to all employees of the Bank. The dedication and

commitment of the employees has made it possible to effectively encounter the challenges faced by the Bank from time to time.

I acknowledge with gratitude the unstinting support from Government of Jammu & Kashmir. After switching over to the Ways & Means arrangement with Reserve Bank of India, the close bond between the Bank and the State has become stronger. All transactions relating to receipts and payments of State Government business are now being handled by the Bank in its capacity as Agent of Reserve Bank of India.

I also express my gratitude for the valuable guidance and support provided by Reserve Bank of India. The Bank also acknowledges with thanks the assistance and co-operation from NABARD, SIDBI, IBA, Stock Exchanges, Department of Company Affairs, Registrar of Companies, Comptroller & Auditor General and Government of India.

I am grateful to the Board of Directors for their unwavering support and guidance. I take this opportunity to express my gratitude to all our stakeholders, who have reposed their trust in us and extended their constant support.

Looking forward to your valuable co-operation.

Mushtaq Ahmad  
Chairman & CEO