





# An Overview





## Basic Facts

- Incorporated in 1938

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- Listed on the NSE and BSE

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- Rated P1+ by S&P: highest degree of safety

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- Four decades of uninterrupted profitability and dividends

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- Adjudged Best Bank in the Old Private Sector Banks category by Financial Express for FY ended March 2011



## One of a Kind

- Private sector bank, despite government's majority holding

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- Only private sector bank designated as RBI's agent for banking business

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- Conducts banking business of the Central Government:
  - Direct Tax collection
  - Indirect Tax collection
  - Utility payment collection

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- Interest Subvention Scheme applicable to Public Sector Banks also extended to the Bank recently

## Facets and Roles

- Commercial Bank

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- Development Financing Institution

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- Financial Services Provider

## Regional **Goliath**

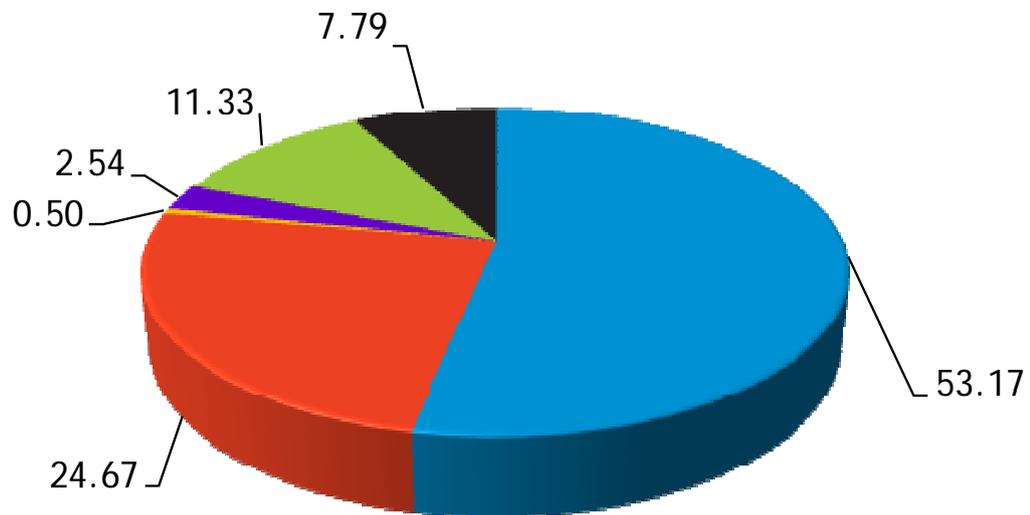
- Dominates a region
  - 455 branches in the state
  - 399 ATMs

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- Controls a geography
  - Branches in every block of J&K

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- Serving a community
  - 8.6 million  
Adult population
  - 4.7 million  
Account holders of J&K Bank

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- Business leadership in J&K

## Shareholding Pattern (%) (20.01.2012)



- Government of J&K
- Foreign Inst. Investors
- Non-Resident Indians
- Indian Mutual Funds
- Resident Individuals
- Bodies Corporates/ Insurance Cos/Banks/Clearing Mem.

## Best of both Worlds

- Private Bank in terms of earnings, and

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- PSU Bank in terms of cost structure

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- Public ownership
  - Stability
  - Safety

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- Private functioning
  - Efficiency
  - Growth

## Subsidiaries and Investments

- J&K Bank Financial Services Ltd
  - Providing Depository Services
  - Offering Stock Broking Services

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- Insurance JV with MetLife International

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- Distributor of
  - Life Insurance products;  
partner: MetLife
  - General Insurance;  
partner: Bajaj Allianz

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- Shareholder in J&K Gramin Bank

Consistent  
Growth &  
Stability



## Decade of Development - I

(in Rupees Million)

Particulars	Year ended Mar, 02	Year ended Mar, 03	Year ended Mar, 04	Year ended Mar, 05	Year ended Mar, 06
Net Worth	9370.8	12420.0	15937.4	16654.0	17994.7
Deposits	129111	146749	186614	216450	234846
Advances	64239	80110	92849	115171	144831
Investments	57525	67378	84511	90892	89938
Total Income	16108.6	17145.6	18229.5	16312.6	18171.0
Net Profit	2598.0	3377.5	4063.3	1150.7	1768.4
EPS (in Rupees)	53.6	69.6	83.8	23.7	36.5
Book Value (in Rupees)	193.2	256.1	328.6	343.5	371.2
Dividend (%)	50	60	100	80	80
No. of Branches/Offices	441	454	475	500	517
Personnel	6495	7112	7085	6873	6833

## Decade of Development - I

(in Rupees Million)

Particulars	Year ended Mar, 07	Year ended Mar, 08	Year ended Mar, 09	Year ended Mar, 10	Year ended Mar, 11
Net Worth	20087.3	22808.2	26228.6	30104.6	34786.8
Deposits	251943	285933	330041	372372	446759
Advances	170799	188826	209304	230572	261936
Investments	73922	87577	107363	139563	196958
Total Income	20595.4	26792.4	32331.7	34731.1	40778.9
Net Profit	2744.9	3600.0	4098.3	5123.8	6152.0
EPS (in Rupees)	56.6	74.3	84.5	105.7	126.9
Book Value (in Rupees)	414.4	476.3	541.0	621.0	717.6
Dividend (%)	115	155	169	220	260
No. of Branches/Offices	520	556	575	580	594
Personnel	6847	7558	7627	7789	7938

## Decade of Development - II

(%)

Ratios	Year ended Mar, 02	Year ended Mar, 03	Year ended Mar, 04	Year ended Mar, 05	Year ended Mar, 06
Net Interest Margins	3.61	3.67	3.58	2.90	2.83
Interest Spread	3.20	3.34	3.26	2.61	2.61
Yield on Advances	11.43	10.53	9.50	8.42	8.48
Yield on Investments	11.66	10.01	8.75	7.38	6.23
Cost of Deposits	7.30	6.27	5.26	4.61	4.55
Return on Assets	1.77	2.01	1.92	0.47	0.67
Return on period end Net Worth	27.72	27.19	25.50	6.91	9.83
Return on Average Net Worth	31.75	31.00	28.66	7.06	10.21
Gross Profit to AWF	3.36	3.52	3.31	1.62	1.78
Net Profit to AWF	1.90	2.14	2.14	0.50	0.70

## Decade of Development - II

(%)

Ratios	Year ended Mar, 07	Year ended Mar, 08	Year ended Mar, 09	Year ended Mar, 10	Year ended Mar, 11
Net Interest Margins	2.98	2.94	3.10	3.04	3.62
Interest Spread	2.79	2.64	2.84	2.79	3.32
Yield on Advances	8.58	10.44	11.53	10.65	10.68
Yield on Investments	6.20	6.70	6.79	5.71	6.34
Cost of Deposits	4.50	5.85	6.22	5.24	5.05
Return on Assets	0.96	1.10	1.09	1.20	1.22
Return on period end Net Worth	13.66	15.59	15.63	17.02	17.68
Return on Average Net Worth	14.42	16.68	16.62	18.19	18.96
Gross Profit to AWF	2.02	2.12	2.20	2.39	2.47
Net Profit to AWF	1.00	1.17	1.16	1.28	1.32

## Decade of Development - III

Ratios	Year ended Mar, 02	Year ended Mar, 03	Year ended Mar, 04	Year ended Mar, 05	Year ended Mar, 06
Cost to Income Ratio (%)	33.68	31.94	31.81	47.59	43.32
CD Ratio (%)	49.75	54.59	49.75	53.21	61.67
CASA Ratio (%)	34.05	33.39	30.26	32.00	34.17
Business per Employee (in Rupees million)	29.77	31.90	39.44	48.25	55.53
Net Profit per Employee (in Rupees million)	0.40	0.48	0.57	0.17	0.26
Business Per Branch (in Rupees million)	438.40	499.70	678.30	782.10	872.80
Net Profit per Branch (in Rupees million)	5.89	7.44	9.86	2.71	4.07
Gross NPA's (Rupees million)	2370.0	2530.0	2860.0	3172.5	3701.9
Net NPA's (Rupees million)	1210.0	1270.0	1380.0	1629.3	1338.7
Gross NPA Ratio (%)	3.62	3.11	3.03	2.72	2.51
Net NPA Ratio (%)	1.88	1.58	1.49	1.41	0.92
NPA Coverage Ratio (%)	48.95	49.80	58.51	57.99	70.26
Gross NPA to Net Worth Ratio (%)	25.29	20.37	17.95	19.05	20.57
Net NPA to Net Worth Ratio (%)	12.91	10.23	8.66	9.78	7.44

## Decade of Development - III

Ratios	Year ended Mar, 07	Year ended Mar, 08	Year ended Mar, 09	Year ended Mar, 10	Year ended Mar, 11
Cost to Income Ratio (%)	40.13	38.24	37.81	37.60	39.77
CD Ratio (%)	67.79	66.04	63.42	61.92	58.63
CASA Ratio (%)	37.02	39.16	38.11	40.69	40.48
Business per Employee (in Rupees million)	61.74	62.82	70.72	77.41	89.28
Net Profit per Employee (in Rupees million)	0.40	0.48	0.54	0.66	0.78
Business Per Branch (in Rupees million)	937.30	934.60	1011.9	1124.9	1293.2
Net Profit per Branch (in Rupees million)	6.09	7.09	7.69	9.56	11.23
Gross NPA's (Rupees million)	5018.3	4852.3	5592.7	4623.1	5188.3
Net NPA's (Rupees million)	1935.7	2035.5	2875.1	643.3	532.4
Gross NPA Ratio (%)	2.89	2.53	2.64	1.97	1.95
Net NPA Ratio (%)	1.13	1.08	1.37	0.28	0.20
NPA Coverage Ratio (%)	67.10	66.05	60.79	90.13	92.71
Gross NPA to Net Worth Ratio (%)	24.98	21.02	21.32	15.36	14.91
Net NPA to Net Worth Ratio (%)	9.64	8.82	10.96	2.14	1.53

## Decade of Development - IV

(%)

Ratios	Year ended Mar, 02	Year ended Mar, 03	Year ended Mar, 04	Year ended Mar, 05	Year ended Mar, 06
Operating Expenses to AWF	1.71	1.65	1.54	1.41	1.36
Operating Expenses to Total Income	14.54	15.16	16.08	19.62	19.00
Operating expenses to Other Income	91.10	90.49	97.17	336.00	259.00
Staff Cost to Total Income	8.95	9.24	9.24	10.87	10.46
Interest Earned to AWF	9.87	9.06	8.01	6.79	6.71
Non Interest Income to AWF	1.88	1.82	1.59	0.42	0.52
Capital Adequacy Ratio Basel I	15.46	16.48	16.88	15.15	13.52
Capital Adequacy Ratio Basel II					

## Decade of Development - IV

(%)

Ratios	Year ended Mar, 07	Year ended Mar, 08	Year ended Mar, 09	Year ended Mar, 10	Year ended Mar, 11
Operating Expenses to AWF	1.35	1.31	1.34	1.44	1.63
Operating Expenses to Total Income	18.08	15.06	14.56	16.62	18.61
Operating expenses to Other Income	232.47	164.73	192.15	138.71	208.06
Staff Cost to Total Income	10.69	8.43	8.62	10.55	12.84
Interest Earned to AWF	6.89	7.93	8.44	7.62	7.98
Non Interest Income to AWF	0.58	0.80	0.74	1.04	0.78
Capital Adequacy Ratio Basel I	13.24	12.80	13.46	14.81	13.30
Capital Adequacy Ratio Basel II			14.48	15.89	13.72

## Decade of Development - V

Ratios	Year ended Mar, 02	Year ended Mar, 03	Year ended Mar, 04	Year ended Mar, 05	Year ended Mar, 06
Earning per Share (in Rupees)	53.57	69.64	83.78	23.74	36.48
Net Asset Value / Book Value (in Rupees)	193.21	256.08	328.61	343.54	371.20
Adjusted Book Value (in Rupees)	168.27	229.90	300.16	309.93	343.58
Price to Book Value Ratio	0.38	0.44	1.50	1.06	1.21
Price to Adjusted Book Value Ratio	0.44	0.50	1.64	1.17	1.31
Price Earning Ratio	1.37	1.63	5.89	15.29	12.36
Market Capital to Deposits (%)	2.76	3.76	12.82	8.13	9.31
Dividend Payout Ratio (%)	9.33	8.62	11.94	33.70	21.93
Dividend Yield (%)	6.82	5.27	2.03	2.20	1.77
Economic Value Addition (%)	20.91	21.92	23.47	4.71	8.05
Market Price (in Rupees)	73.35	113.85	493	363	451
No. of Shares (in millions)	48.50	48.50	48.50	48.48	48.48

## Decade of Development - V

Ratios	Year ended Mar, 07	Year ended Mar, 08	Year ended Mar, 09	Year ended Mar, 10	Year ended Mar, 11
Earning per Share (in Rupees)	56.62	74.26	84.54	105.69	126.90
Net Asset Value / Book Value (in Rupees)	414.36	476.28	541.04	621.00	717.58
Adjusted Book Value (in Rupees)	374.43	434.30	481.74	607.73	706.60
Price to Book Value Ratio	1.73	1.35	0.91	1.22	1.13
Price to Adjusted Book Value Ratio	1.91	1.48	1.02	1.25	1.15
Price Earning Ratio	12.64	8.65	5.80	7.18	6.38
Market Capital to Deposits (%)	13.77	10.89	7.21	9.88	8.79
Dividend Payout Ratio (%)	20.31	20.87	20.00	20.81	20.49
Dividend Yield (%)	1.61	2.41	3.45	2.90	3.21
Economic Value Addition (%)	12.06	13.18	12.18	14.12	14.47
Market Price (in Rupees)	716	642	491	759	810
No. of Shares (in millions)	48.48	48.48	48.48	48.48	48.48



Financial  
Results  
9M Dec, 2011



# Financial Results - December, 2011

(in Rupees Million)

Financial Results Analysis (Quarter to Quarter and Nine Months ended Dec, 2011)						
Particulars	Q 3 2011-12	Q 3 2010-11	% Change	Q 1 2011-12	Q 2 2011-12	Q 3 2011-12
Interest Earned	12665.3	9346.6	35.51	10559.1	11556.0	12665.3
Interest Expended	8157.4	5451.3	49.64	6187.1	7213.3	8157.4
Net Interest Income	4507.9	3895.3	15.73	4372.0	4342.7	4507.9
Other Income	736.3	775.6	-5.07	670.0	712.2	736.3
Operating Income	5244.2	4670.9	12.27	5042.0	5054.9	5244.2
Operating Expenses	2008.6	1862.6	7.84	1878.2	1927.2	2008.6
Operating Profit	3235.6	2808.3	15.22	3163.8	3127.7	3235.6
Provisions & Contingencies	181.6	306.3	-40.71	444.8	223.3	181.6
PBT	3054.0	2502.0	22.06	2719.0	2904.4	3054.0
Tax Provision	922.1	823.2	12.01	896.1	907.9	922.1
Net Profit	2131.9	1678.8	26.99	1822.9	1996.5	2131.9
Share Capital	484.9	484.9	0.00	484.9	484.9	484.9
EPS (in Rupees)	43.98	34.63	26.99	37.60	41.18	43.98
Net Interest Margins (%)	0.91	0.93	-	0.95	0.92	0.91
Net Interest Margins (Annualized) (%)	3.63	3.70	-	3.82	3.69	3.63

# Financial Results - December, 2011

(in Rupees Million )

Financial Results Analysis (Quarter to Quarter and Nine Months ended Dec, 2011)					
Particulars	% Change Q3 over Q2	9 M Dec, 11	9 M Dec, 10	% Change	Year end Mar, 11
Interest Earned	9.60	34780.4	26992.7	28.85	37131.3
Interest Expended	13.09	21557.8	15713.4	37.19	21694.7
<b>Net Interest Income</b>	<b>3.80</b>	<b>13222.6</b>	<b>11279.3</b>	<b>17.23</b>	<b>15436.6</b>
Other Income	3.38	2118.5	2457.3	-13.79	3647.6
<b>Operating Income</b>	<b>3.74</b>	<b>15341.1</b>	<b>13736.6</b>	<b>11.68</b>	<b>19084.2</b>
Operating Expenses	4.22	5814.0	5201.0	11.79	7589.3
<b>Operating Profit</b>	<b>3.45</b>	<b>9527.1</b>	<b>8535.6</b>	<b>11.62</b>	<b>11494.9</b>
Provisions & Contingencies	-18.67	849.7	1395.0	-39.09	2151.0
<b>PBT</b>	<b>5.15</b>	<b>8677.4</b>	<b>7140.6</b>	<b>21.52</b>	<b>9343.9</b>
Tax Provision	1.56	2726.1	2374.2	14.82	3191.9
<b>Net Profit</b>	<b>6.78</b>	<b>5951.3</b>	<b>4766.4</b>	<b>24.86</b>	<b>6152.0</b>
Share Capital	0.00	484.9	484.9	0.00	484.9
<b>EPS (in Rupees)</b>	<b>6.78</b>	<b>122.76</b>	<b>98.32</b>	<b>24.86</b>	<b>126.90</b>
Net Interest Margins (%)	-	2.73	2.75	-	-
Net Interest Margins (Annualized) (%)	-	3.64	3.67	-	3.62

# Ratio Analysis - I

(%)

Profitability Ratios	Quarter ended Dec, 11	Quarter ended Dec, 10	Quarter ended Jun, 11	Quarter ended Sep, 11	9 M ended Dec, 11	9 M ended Dec, 10	Year ended Mar, 11
Net Interest Margins	0.91	0.93	0.95	0.92	2.73	2.75	
Annualized	3.63	3.70	3.82	3.69	3.64	3.67	3.62
Interest Spread	0.84	0.85	0.88	0.85	2.51	2.53	
Annualized	3.34	3.40	3.51	3.40	3.35	3.38	3.32
Yield on Advances (Av)	3.04	2.68	2.85	2.95	8.71	7.89	
Annualized	12.15	10.71	11.42	11.80	11.62	10.53	10.68
Yield on Investments (Av)	1.89	1.63	1.58	1.81	5.14	4.98	
Annualized	7.57	6.53	6.32	7.22	6.86	6.64	6.34
Cost of Deposits (Av)	1.66	1.28	1.34	1.54	4.46	3.83	
Annualized	6.62	5.12	5.38	6.17	5.95	5.11	5.05
Return on Assets	0.39	0.36	0.37	0.38	1.09	1.03	
Annualized	1.56	1.45	1.49	1.50	1.45	1.37	1.22
Return on period end Net Worth	5.23	4.81	4.98	5.17	14.61	13.67	
Annualized	20.93	19.26	19.92	20.69	19.48	18.22	17.68
Return on Average Net Worth	5.37	4.93	5.11	5.31	15.76	14.67	
Annualized	21.50	19.73	20.43	21.23	21.01	19.56	18.96
Gross Profit to AWF	0.60	0.61	0.64	0.61	1.81	1.92	
Annualized	2.40	2.45	2.54	2.45	2.41	2.56	2.47
Net Profit to AWF	0.40	0.37	0.37	0.39	1.13	1.07	
Annualized	1.58	1.47	1.47	1.56	1.51	1.43	1.32

## Ratio Analysis - II

Efficiency Ratios	Quarter ended Dec, 11	Quarter ended Dec, 10	Quarter ended Jun, 11	Quarter ended Sep, 11	9 M ended Dec, 11	9 M ended Dec, 10	Year ended Mar, 11
Cost to Income Ratio (%)	38.30	39.88	37.25	38.13	37.90	37.86	39.77
CD Ratio (%)	60.96	62.05	61.29	59.54	60.96	62.05	58.63
CASA Ratio (%)	40.17	39.57	40.40	38.18	40.17	39.57	40.48
Business per Employee (in Rupees Million)	84.71	83.42	87.72	95.37	84.71	83.42	89.28
Net Profit per Employee (in Rupees Million)	0.23	0.21	0.23	0.25	0.64	0.60	
<b>Annualized</b>	<b>0.92</b>	<b>0.85</b>	<b>0.92</b>	<b>1.01</b>	<b>0.86</b>	<b>0.80</b>	<b>0.78</b>
Business Per Branch (in Rupees Million)	1397.03	1231.23	1265.60	1355.92	1397.03	1231.23	1293.24
Net Profit per Branch (in Rupees Million) (Ann.)	15.17	12.48	13.28	14.31	14.12	11.81	11.23
<b>Asset Quality Ratios</b>							
Gross NPAs (in Rupees Million)	5450.20	5038.30	5283.30	5419.00	5450.20	5038.30	5188.30
Net NPAs (in Rupees Million)	469.33	106.10	583.50	630.30	469.33	106.10	532.40
Gross NPA Ratio (%)	1.80	1.95	1.97	1.89	1.80	1.95	1.95
Net NPA Ratio (%)	0.16	0.04	0.22	0.22	0.16	0.04	0.20
NPA Coverage Ratio (%)	94.07	98.42	92.46	92.00	94.07	98.42	92.71
Gross NPA to Net Worth Ratio (%)	13.38	14.45	14.43	14.04	13.38	14.45	14.91
Net NPA to Net Worth Ratio (%)	1.15	0.30	1.59	1.63	1.15	0.30	1.53

## Ratio Analysis - III

(%)

Operating Ratios	Quarter ended Dec, 11	Quarter ended Dec, 10	Quarter ended Jun, 11	Quarter ended Sep, 11	9 M ended Dec, 11	9 M ended Dec, 10	Year ended Mar, 11
Operating Expenses to AWF (Ann.)	1.49	1.63	1.51	1.51	1.47	1.56	1.63
Operating Expenses to Total Income	14.99	18.40	16.73	15.71	15.76	17.66	18.61
Operating Expenses to Other Income	272.80	240.15	280.33	270.60	274.44	211.66	208.06
Staff Cost to Total Income	9.76	12.61	11.38	10.23	10.41	12.10	12.84
Interest Earned to AWF (Annualized)	9.39	8.16	8.49	9.05	8.81	8.09	7.98
Non Interest Income to AWF (Annualized)	0.55	0.68	0.54	0.56	0.54	0.74	0.78
<b>Capital Adequacy Ratio Basel I</b>	<b>13.28</b>	<b>14.14</b>	<b>13.72</b>	<b>13.53</b>	<b>13.28</b>	<b>14.14</b>	<b>13.30</b>
Tier I	11.15	11.69	11.30	11.26	11.15	11.69	10.99
Tier II	2.13	2.45	2.42	2.27	2.13	2.45	2.31
<b>Capital Adequacy Ratio Basel II</b>	<b>13.62</b>	<b>15.49</b>	<b>14.37</b>	<b>13.61</b>	<b>13.62</b>	<b>15.49</b>	<b>13.72</b>
Tier I	11.44	12.80	11.83	11.32	11.44	12.80	11.33
Tier II	2.18	2.69	2.54	2.29	2.18	2.69	2.39

## Ratio Analysis - IV

Valuation Ratios	Quarter ended Dec, 11	Quarter ended Dec, 10	Quarter ended Jun, 11	Quarter ended Sep, 11	9 M ended Dec, 11	9 M ended Dec, 10	Year ended Mar, 11
Earnings per Share (in Rupees)	43.98	34.63	37.60	41.18	122.76	98.32	
<b>Annualized</b>	<b>175.91</b>	<b>138.52</b>	<b>150.41</b>	<b>164.74</b>	<b>163.68</b>	<b>131.10</b>	<b>126.90</b>
Net Asset Value (in Rupees)	840.35	719.32	755.18	796.37	840.35	719.32	717.58
Adjusted Book Value (in Rupees)	830.66	717.13	743.15	783.37	830.66	717.13	706.60
Price to book value ratio	0.95	1.01	1.15	1.06	0.95	1.01	1.13
Price to adjusted book value ratio	0.96	1.01	1.17	1.08	0.96	1.01	1.15
Price Earning Ratio (On Annualized EPS)	4.55	5.22	5.76	5.11	4.89	5.52	6.38
Market Capital To Deposits (%)	7.95	8.58	9.76	8.61	7.95	8.58	8.79
Dividend Payout Ratio (%)							20.49
Dividend Yield (%)							3.21
Economic Value Addition (%)							14.47
Market price (in Rupees) on NSE	799.95	723.15	867.00	842.50	799.95	723.15	809.90
Market price as on	27.01.12	27.01.11	29.07.11	31.10.11	27.01.12	27.01.11	13.05.11
Number of Shares	48477802	48477802	48477802	48477802	48477802	48477802	48477802

## Geographical Break-up

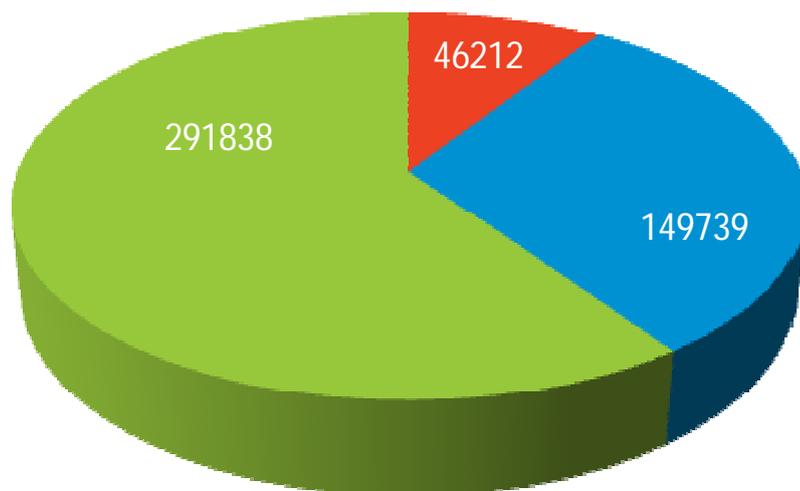
(in Rupees Million)

S. No.	Particulars	As on Dec 31, 2011			
		From J&K State		From Rest of India	
		Amount	% age	Amount	% age
1	Deposits	320082	71	133158	29
2	CASA Ratio	-	52	-	13
3	Gross Advances	120065	40	180053	60
4	Gross Profit (Excluding Controlling Offices)	6371.5	71	2548.0	29
5	Net Interest Margin	-	6.00	-	2.50
6	Number of Branches	455	81	107	19

“J&K State” includes 7 zones in J&K State and Moving Secretariat Branch

“Rest of India” includes 4 zones from outside J&K State

## Deposits, Compositional Break-up (Dec 11) (in Rs million)

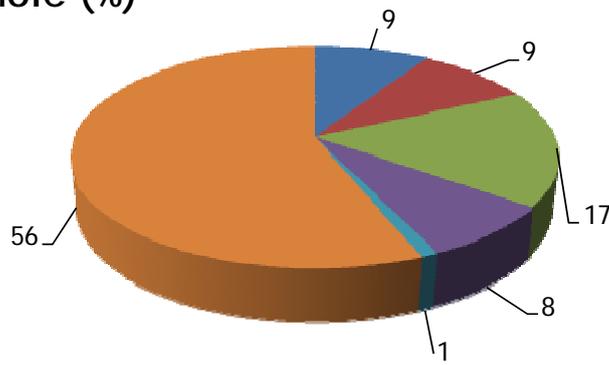


■ Current 9 %   ■ Savings 31 %   ■ Term 60 %

# Advances - Sector-wise (Dec 11)

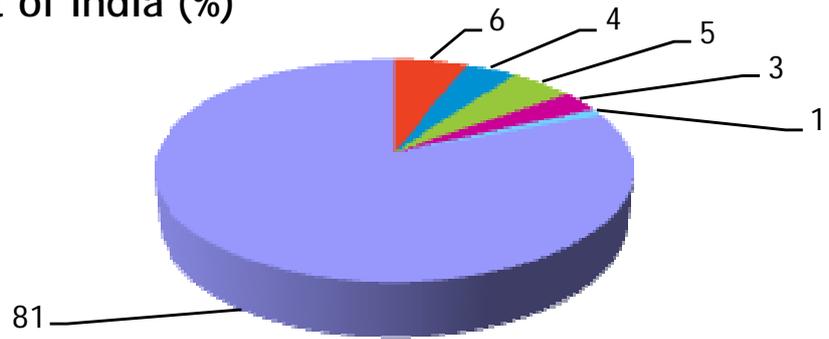
Bank as Whole (%)

- Agriculture
- Trade
- Personal
- SME
- Others
- Corporate



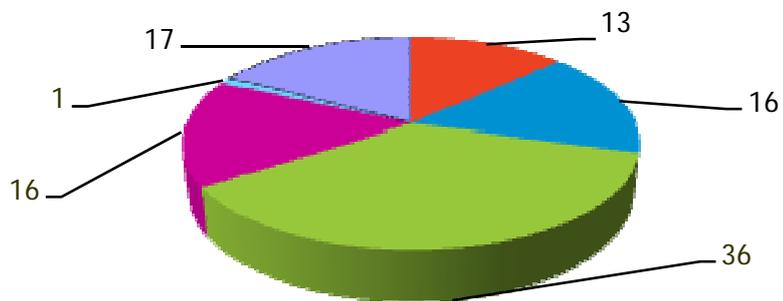
In Rest of India (%)

- Agriculture
- Trade
- Personal
- SME
- Others
- Corporate



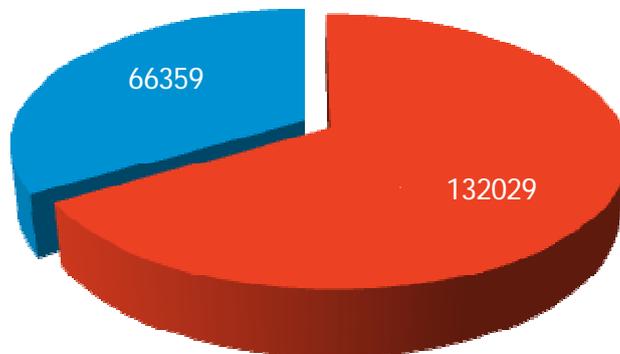
Within J&K (%)

- Agriculture
- Trade
- Personal
- SME
- Others
- Corporate



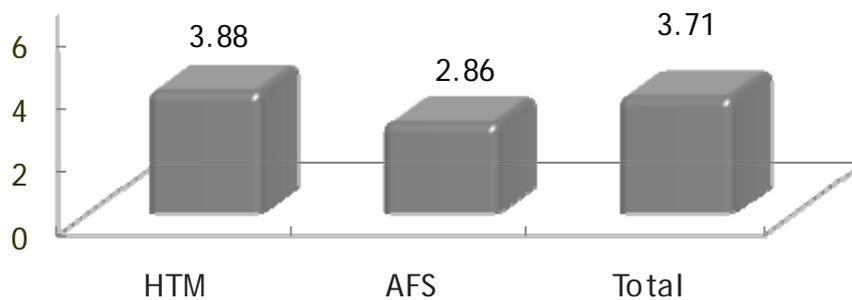
# Investments, (Dec 11) - I

(in Rs million)



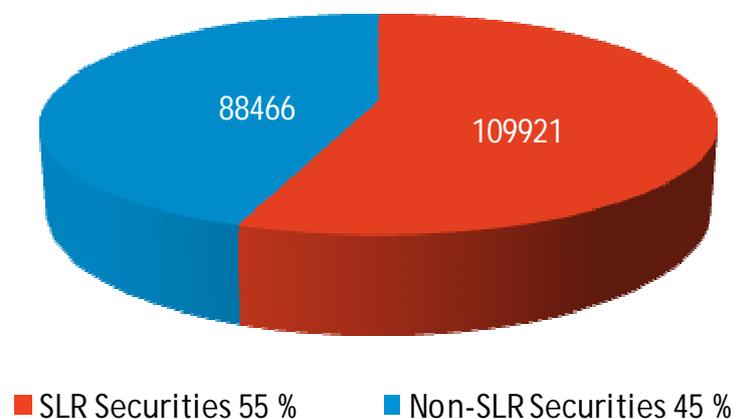
■ Held to Maturity 67 %    ■ Available for Sale 33 %

## Duration

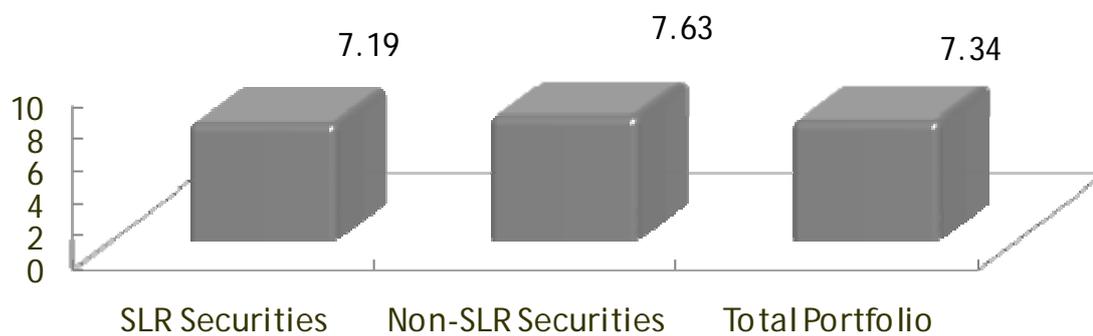


## Investments, (Dec 11) - II

(in Rs. million)



### Yield (on daily average balances for 9M)

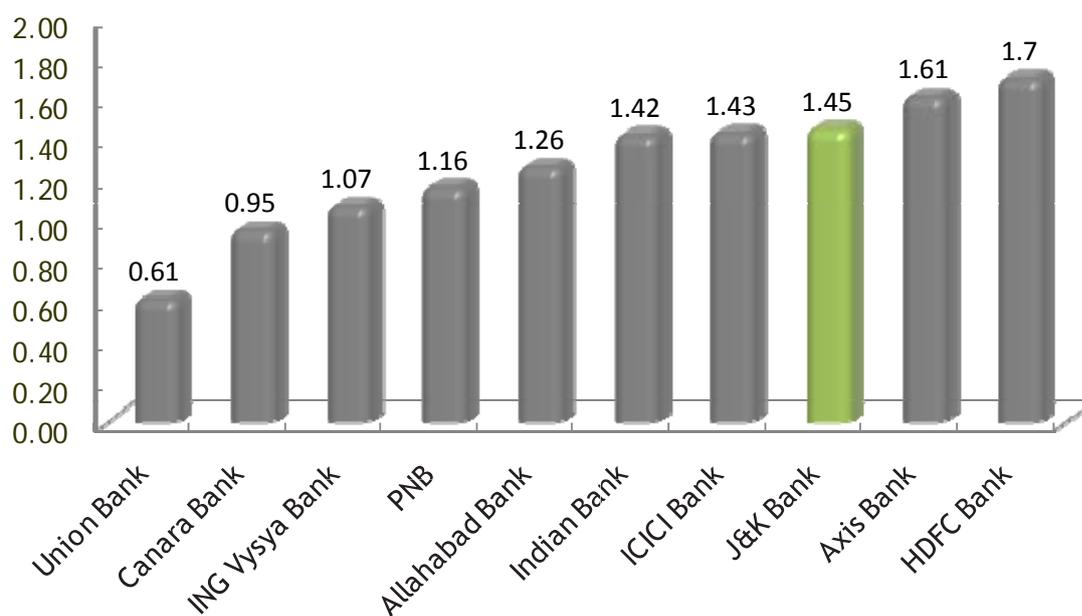


# Industry Review



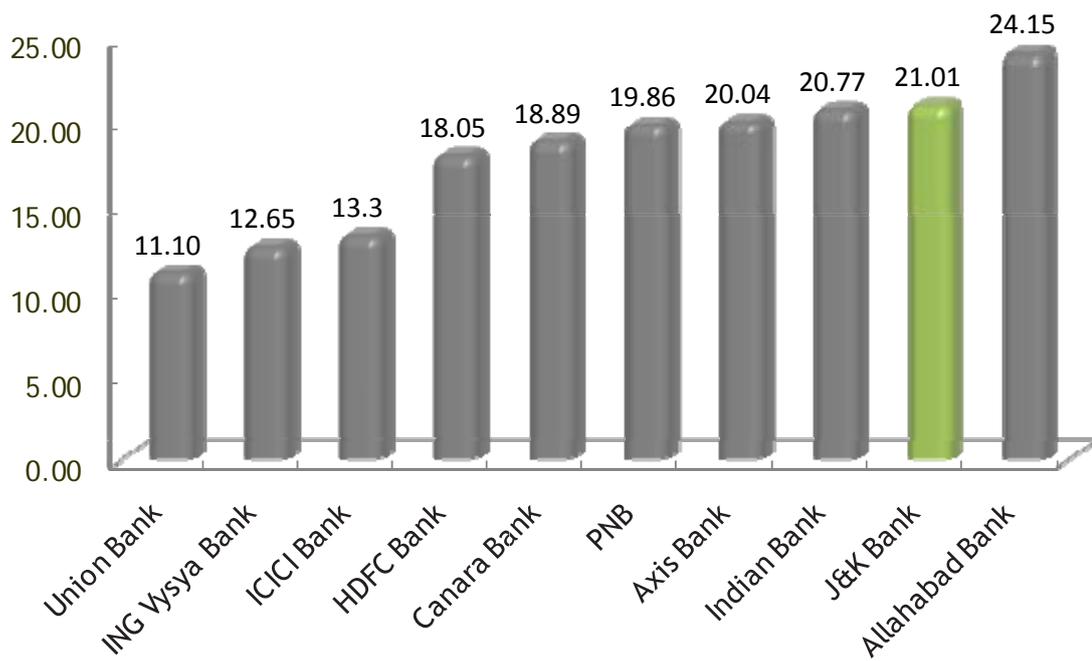
## Return on Assets (%)

For 9M ended Dec, 2011



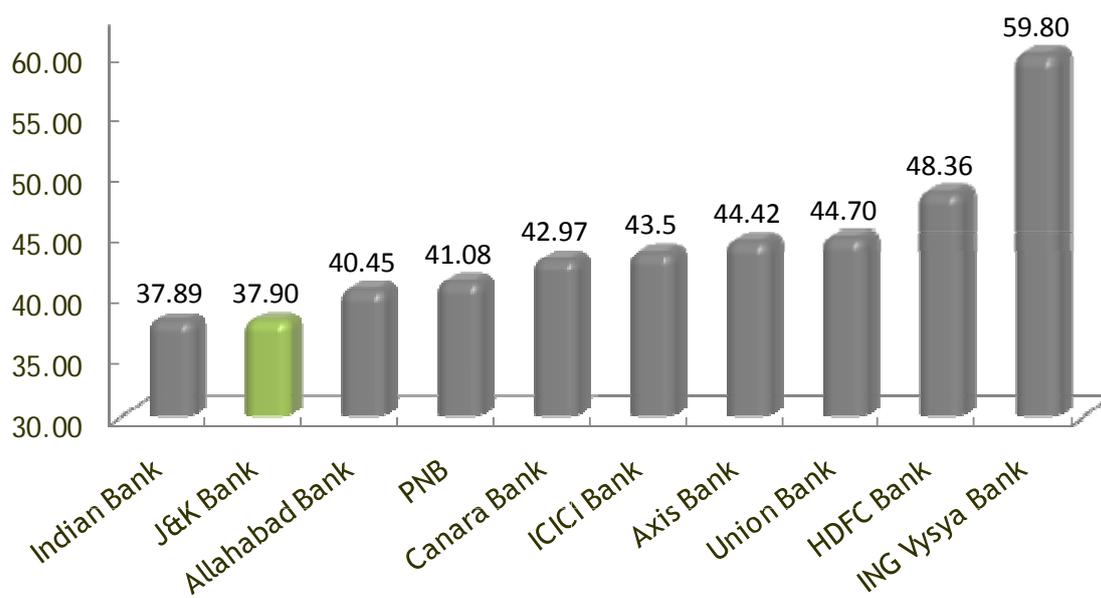
# Return on Equity (%)

For 9M ended Dec, 2011

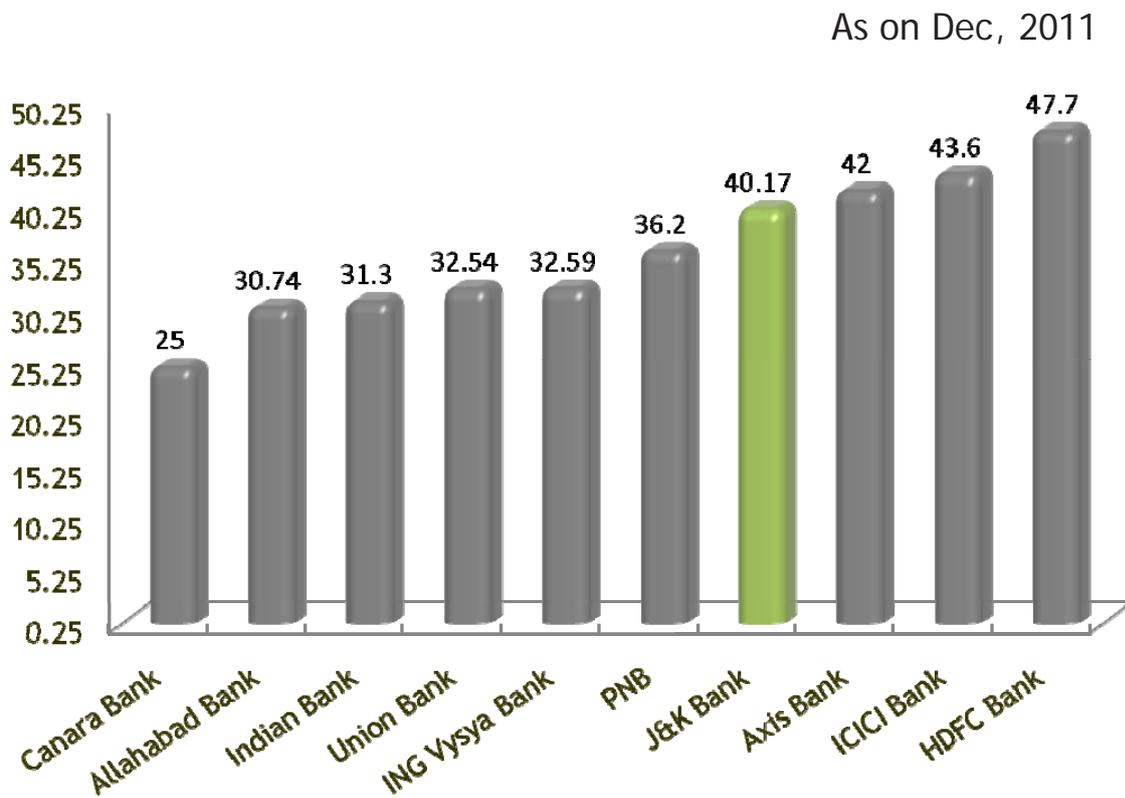


## Cost to Income (%)

For 9M ended Dec, 2011

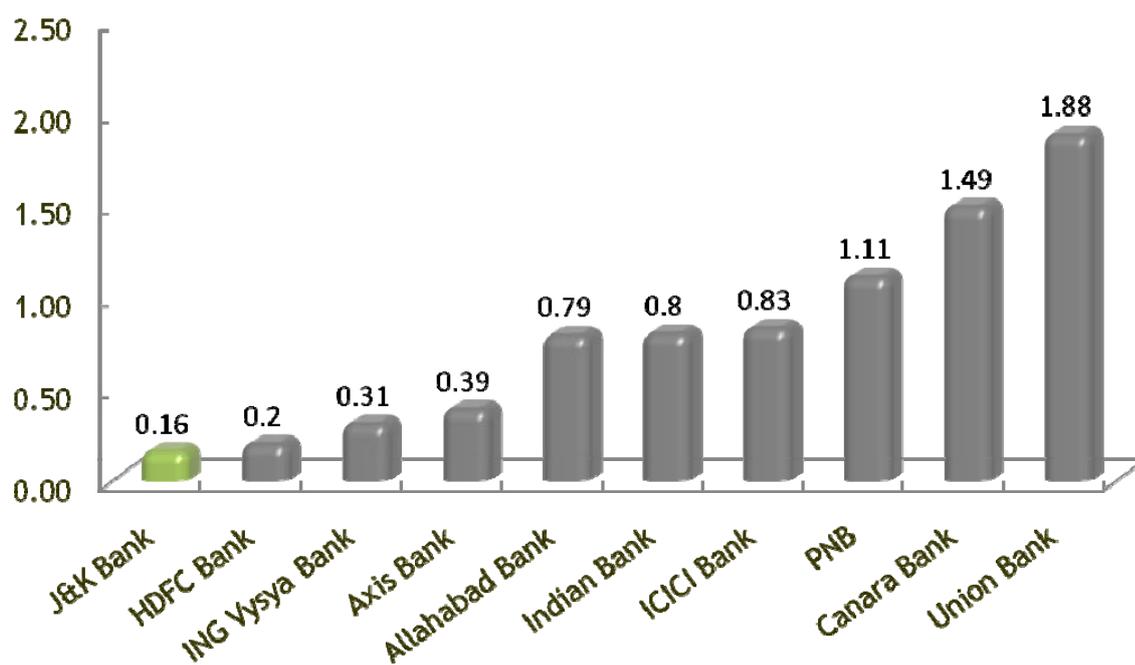


## CASA Ratio (%)



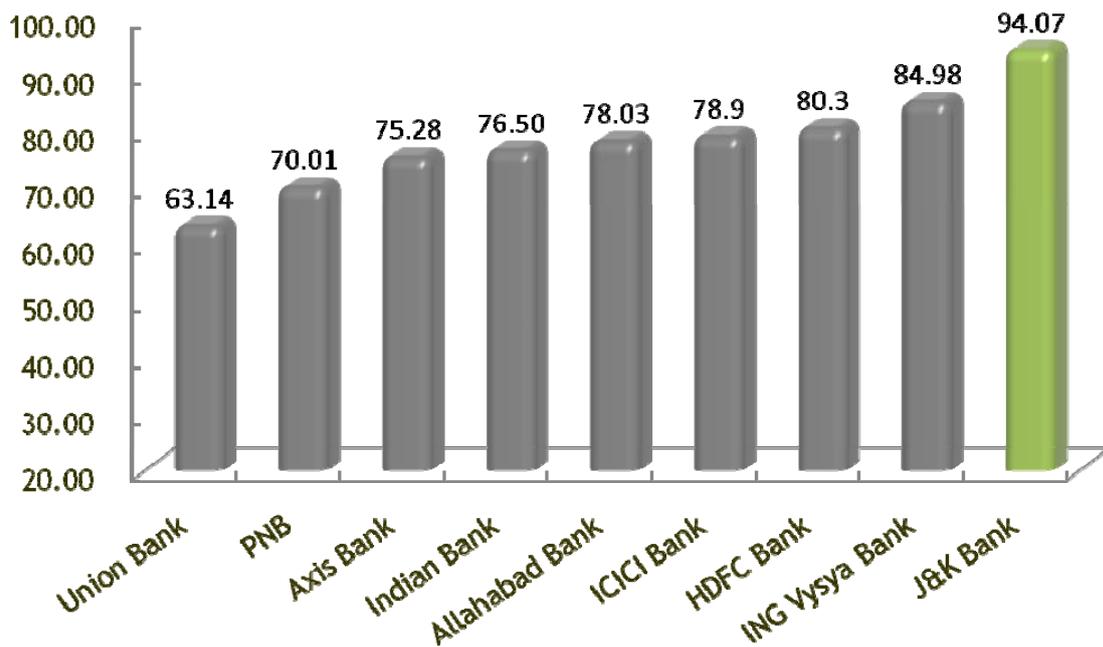
## Net Impaired Loans (%)

As on Dec, 2011



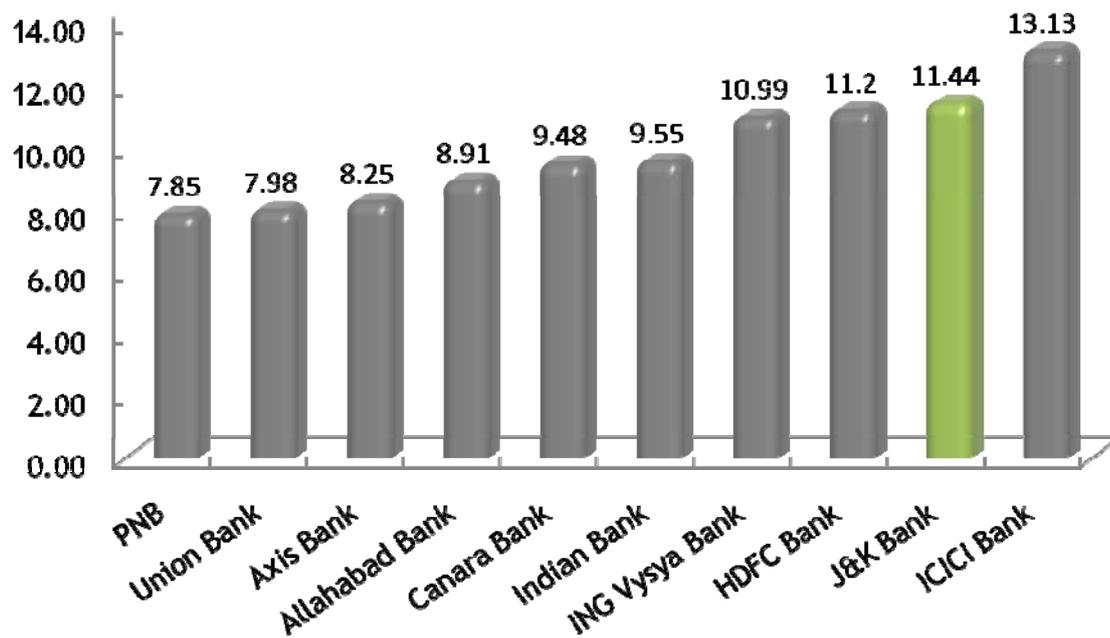
## Coverage Ratio (%): Highest in India

As on Dec, 2011



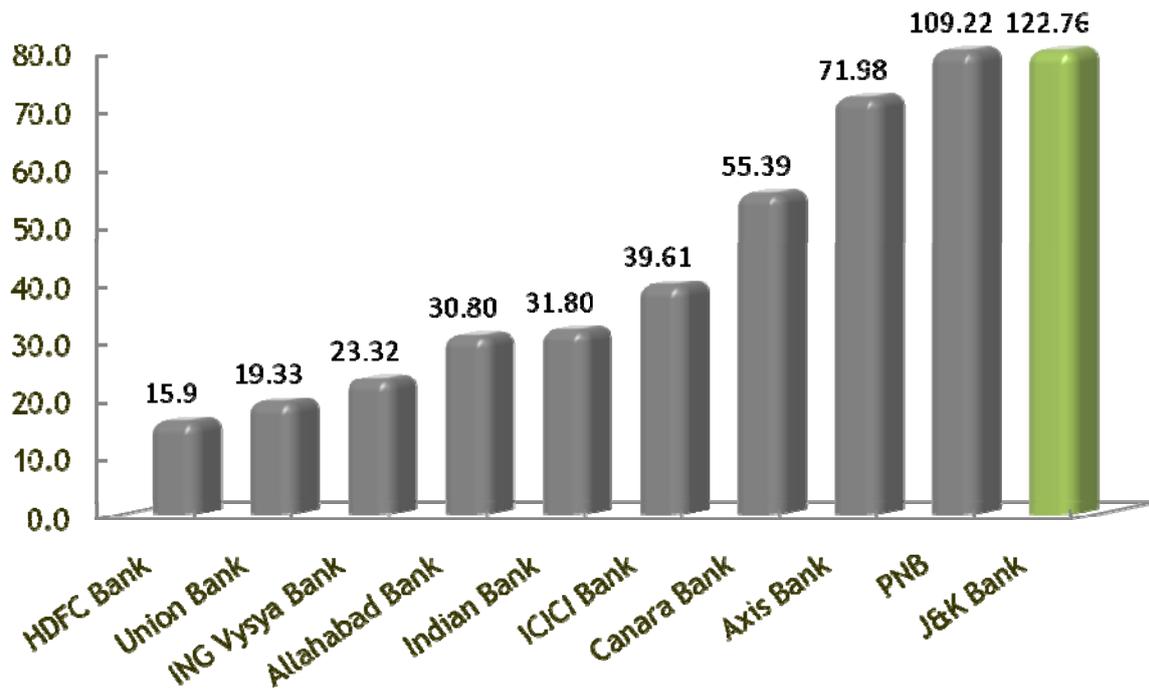
## Tier I Capital (%) (Basel II)

As on Dec, 2011



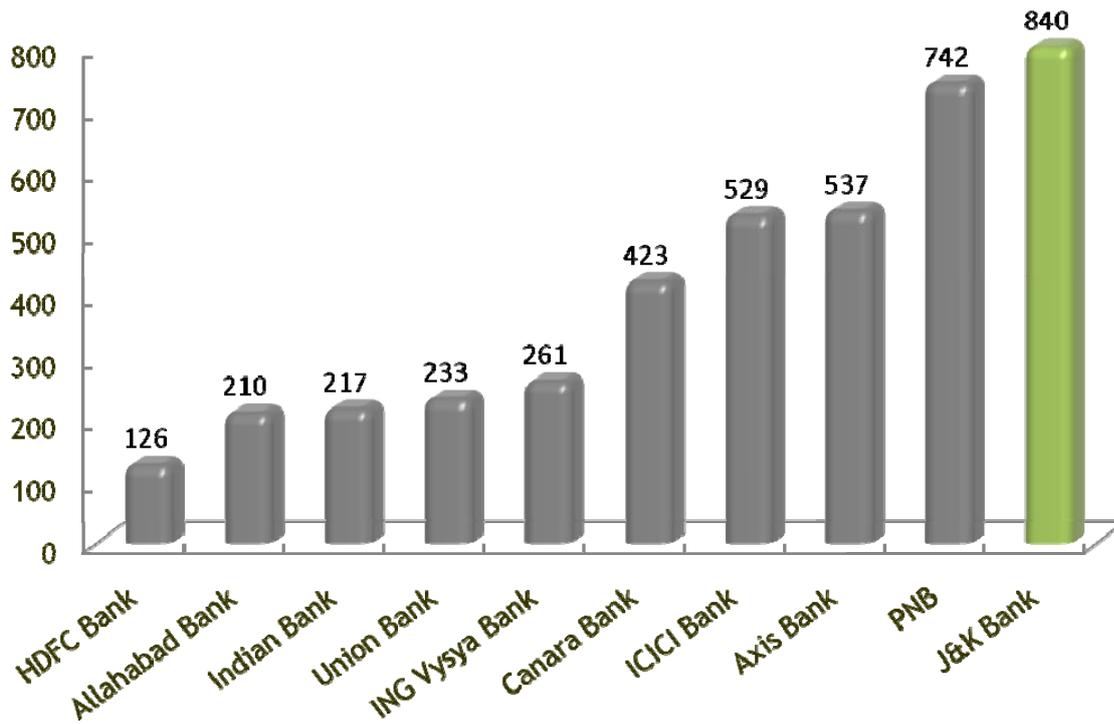
# Earnings per Share (Rs.)

For 9M ended Dec, 2011

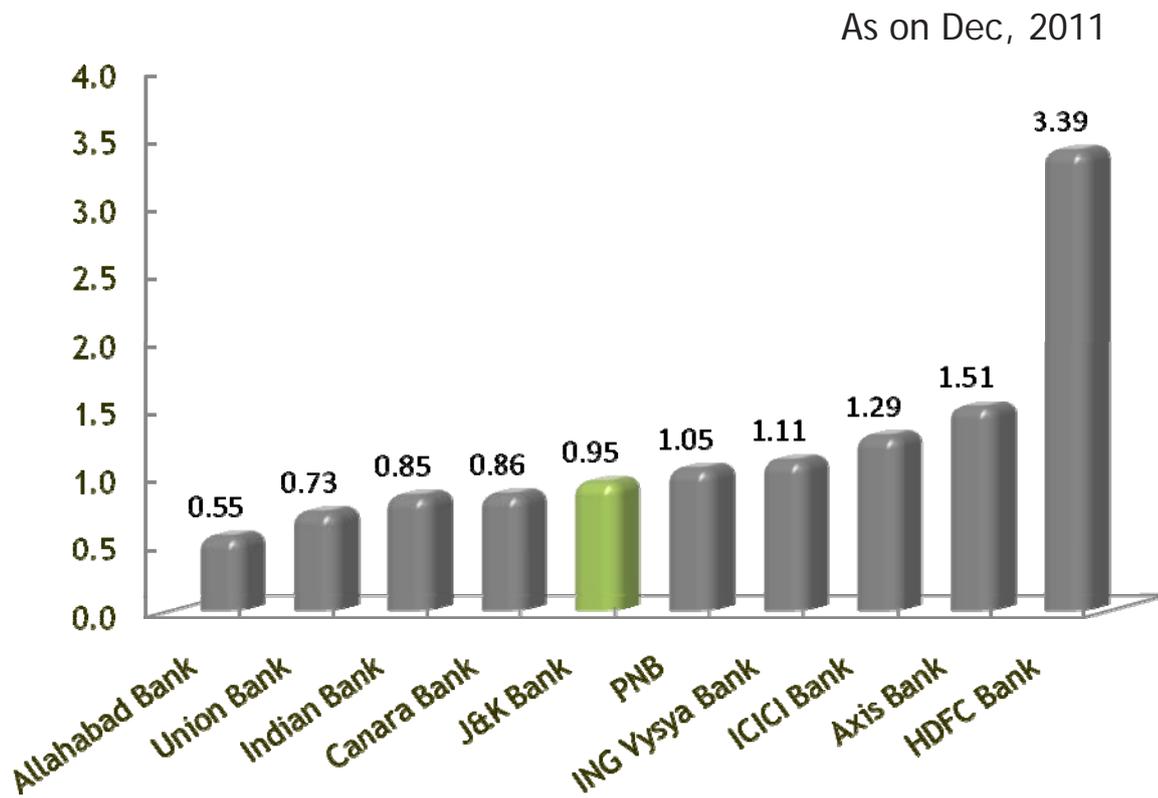


# Book Value (Rs.)

As on Dec, 2011

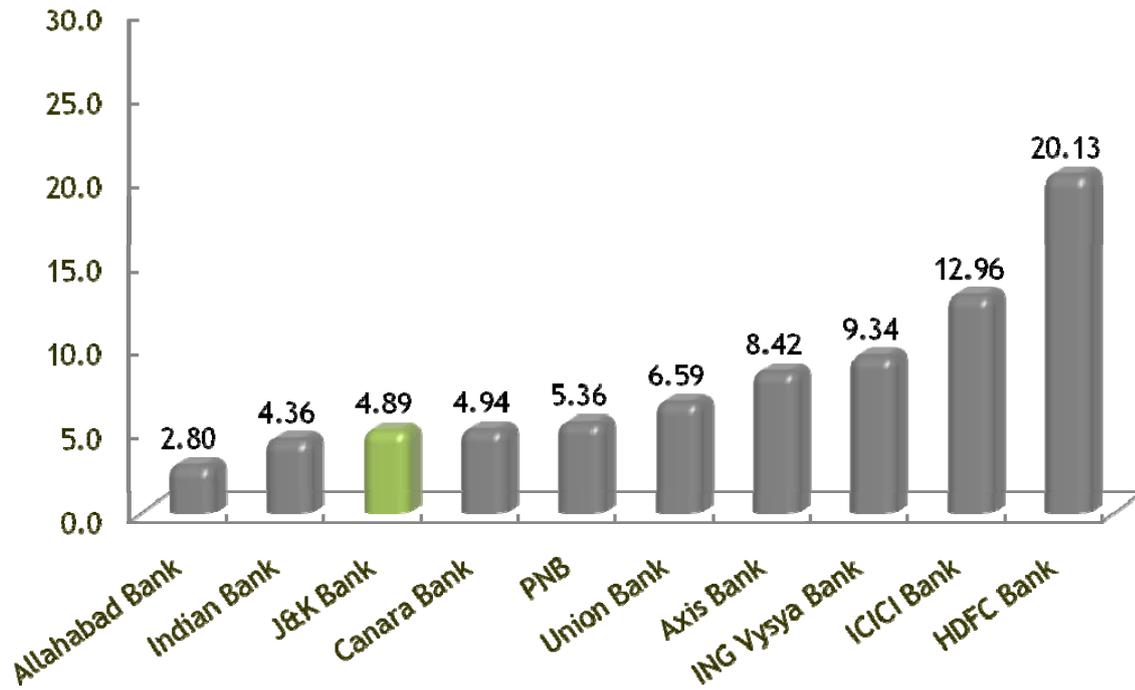


# Price to Book Value

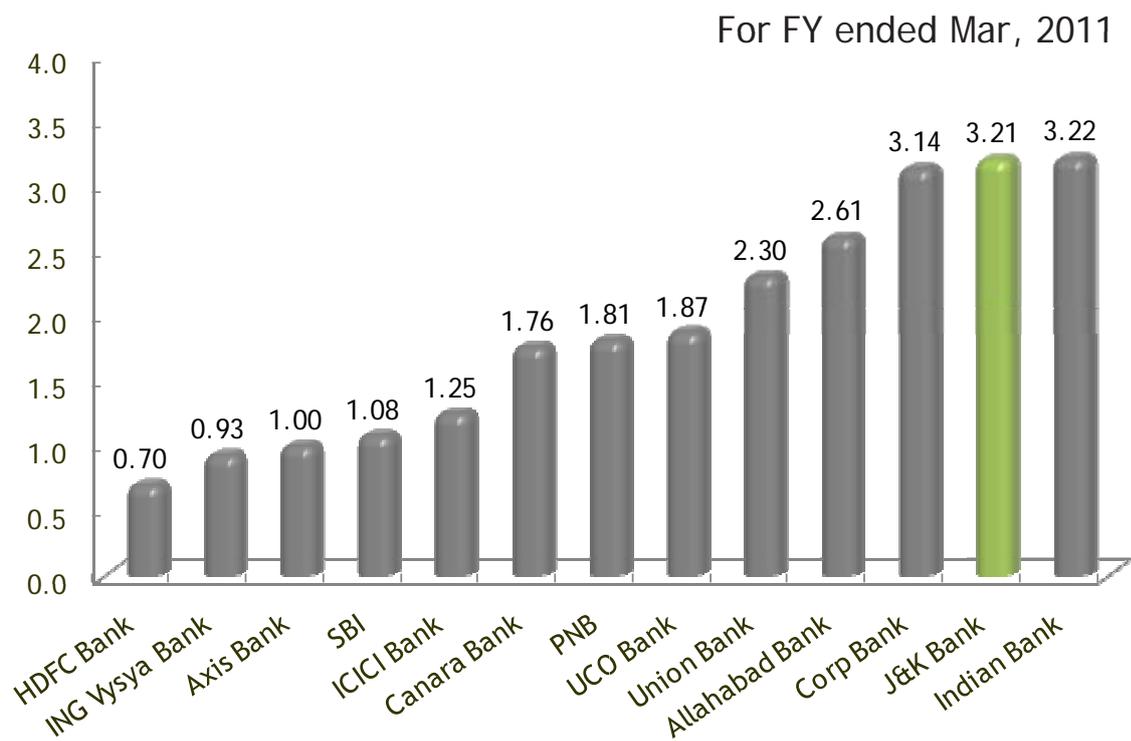


# PE Ratio

As on Dec, 2011



## Dividend Yield (%)



Road Ahead



## J&K Bank - Ground work done for growth

- Capital Adequacy at 13.62%, Tier I 11.43% & Tier II 2.19% – No constraints for raising additional Tier I capital
- 
- Raised Rs 6 billion as long-term resource in the form of Tier II capital – Headroom of about Rs 12.46 billion more available
- 
- Made liabilities the driver
- 
- Insulated earnings from external volatility by:
    - Linking assets to local needs
    - Linking liabilities to local sources

## J&K State - Potential

- J&K accounts for 0.6% of India's GDP, and yet absorbs only 0.30% of total national credit
- 
- J&K accounts for 1% of India's population and yet accounts for only 0.2% of India's personal credit
- 
- Credit in J&K needs to increase five-fold and Personal Credit in J&K has to triple to catch up with the national average

# J&K State - Business Strategy

- Increase lending in J&K, which is high margin, low volume

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- Leveraging our core competence of domain and geographical expertise and 1400 Common Services Centres as banking correspondents

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- Bridging Credit Gap in J&K with focus on potential and under-serviced sectors

# Outside State - Business Strategy

## National focus on

- Rebuilding Corporate Loan Book
- 
- Improving WC to TL Ratio
- 
- Impetus on SME / Retail sector lending in smaller cities

## Road Ahead - up to March 2013

- To achieve Rs. 10 billion profit and Rs. 1000 billion business by 2013

### Targets

- CASA 40% to 45%
- NIMs 3.5% to 4%+
- ROA 1.3% to 1.5%+
- ROE 19% to 22%
- Advances 25% CAGR
- Deposits 20% CAGR
- Cost/Income 35-40%
- Loan/Deposit 60% to 65%
- PCR Above 90%

# Notes







[www.jkbank.net](http://www.jkbank.net)