

Deutsche Bank
Corporate & Investment Bank



Namaste – DB Access India Conference
5-7 March 2012 – Mumbai, India

Passion to Perform

An Overview





Basic Facts

- Incorporated in 1938

- Listed on the NSE and BSE

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

- Four decades of uninterrupted profitability and dividends

- 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

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

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

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

Facets and Roles

- Commercial Bank

- Development Financing Institution

- Financial Services Provider

Regional **Goliath**

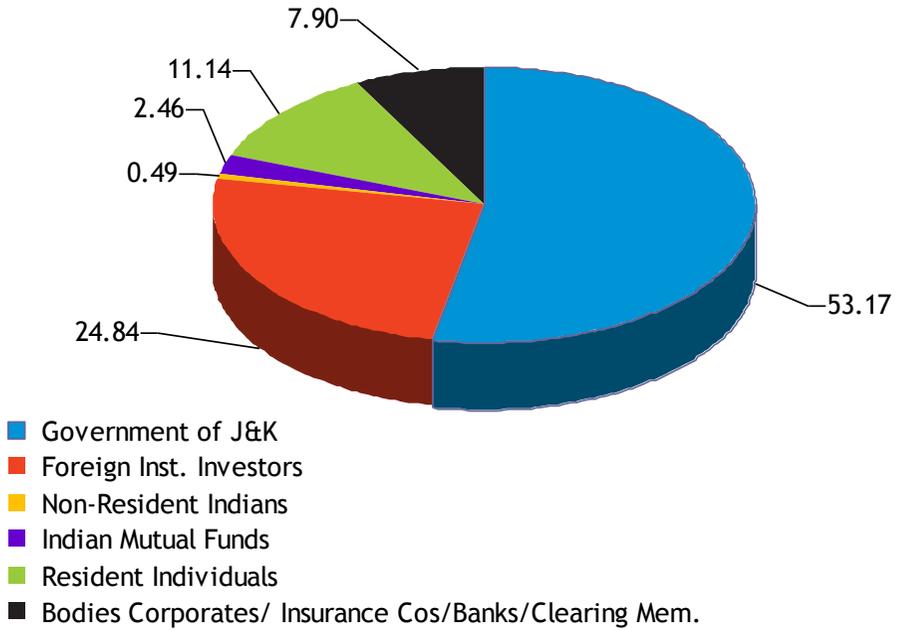
- Dominates a region
 - **455** branches in the state
 - **399** ATMs

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

- Serving a community
 - **86 lakh**
Adult population
 - **47 lakh**
Account holders of J&K Bank

- Business leadership in J&K

Shareholding Pattern (%) (24.02.2012)



Best of both Worlds

- Private Bank in terms of earnings, and

- PSU Bank in terms of cost structure

- Public ownership
 - Stability
 - Safety

- Private functioning
 - Efficiency
 - Growth

Subsidiaries and Investments

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

- Insurance JV with MetLife International

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

- Shareholder in J&K Gramin Bank

Consistent
Growth &
Stability



Decade of Development - I

(in Rupees Crore)

Particulars	Year ended Mar, 02	Year ended Mar, 03	Year ended Mar, 04	Year ended Mar, 05	Year ended Mar, 06
Net Worth	937.08	1242.00	1593.74	1665.40	1799.47
Deposits	12911.1	14674.9	18661.4	21645.0	23484.6
Advances	6423.9	8011.0	9284.9	11517.1	14483.1
Investments	5752.5	6737.8	8451.1	9089.2	8993.8
Total Income	1610.86	1714.56	1822.95	1631.26	1817.10
Net Profit	259.80	337.75	406.33	115.07	176.84
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 Crore)

Particulars	Year ended Mar, 07	Year ended Mar, 08	Year ended Mar, 09	Year ended Mar, 10	Year ended Mar, 11
Net Worth	2008.73	2280.82	2622.86	3010.46	3478.68
Deposits	25194.3	28593.3	33004.1	37237.2	44675.9
Advances	17079.9	18882.6	20930.4	23057.2	26193.6
Investments	7392.2	8757.7	10736.3	13956.3	19695.8
Total Income	2059.54	2679.24	3233.17	3473.11	4077.89
Net Profit	274.49	360.00	409.83	512.38	615.20
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 lakh)	297.7	319.0	394.4	482.5	555.3
Net Profit per Employee (in Rupees lakh)	4.0	4.8	5.7	1.7	2.6
Business Per Branch (in Rupees crore)	43.84	49.97	67.83	78.21	87.28
Net Profit per Branch (in Rupees lakh)	58.9	74.4	98.6	27.1	40.7
Gross NPA's (Rupees lakh)	23700	25300	28600	31725	37019
Net NPA's (Rupees lakh)	12100	12700	13800	16293	13387
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 lakh)	617.4	628.2	707.2	774.1	892.8
Net Profit per Employee (in Rupees lakh)	4.0	4.8	5.4	6.6	7.8
Business Per Branch (in Rupees crore)	93.73	93.46	101.19	112.49	129.32
Net Profit per Branch (in Rupees lakh)	60.9	70.9	76.9	95.6	112.3
Gross NPA's (Rupees lakh)	50183	48523	55927	46231	51883
Net NPA's (Rupees lakh)	19357	20355	28751	6433	5324
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 crores)	4.85	4.85	4.85	4.85	4.85

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 crores)	4.85	4.85	4.85	4.85	4.85



Financial
Results
9M Dec, 2011



Financial Results - December, 2011

(in Rupees Crore)

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	1266.53	934.66	35.51%	1055.91	1155.60	1266.53
Interest Expended	815.74	545.13	49.64%	618.71	721.33	815.74
Net Interest Income	450.79	389.53	15.73%	437.20	434.27	450.79
Other Income	73.63	77.56	-5.07%	67.00	71.22	73.63
Operating Income	524.42	467.09	12.27%	504.20	505.49	524.42
Operating Expenses	200.86	186.26	7.84%	187.82	192.72	200.86
Operating Profit	323.56	280.83	15.22%	316.38	312.77	323.56
Provisions & Contingencies	18.16	30.63	-40.71%	44.48	22.33	18.16
PBT	305.40	250.20	22.06%	271.90	290.44	305.40
Tax Provision	92.21	82.32	12.01%	89.61	90.79	92.21
Net Profit	213.19	167.88	26.99%	182.29	199.65	213.19
Share Capital	48.49	48.49	0.00%	48.49	48.49	48.49
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 Crore)

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%	3478.04	2699.27	28.85%	3713.13
Interest Expended	13.09%	2155.78	1571.34	37.19%	2169.47
Net Interest Income	3.80%	1322.26	1127.93	17.23%	1543.66
Other Income	3.38%	211.85	245.73	-13.79%	364.76
Operating Income	3.74%	1534.11	1373.66	11.68%	1908.42
Operating Expenses	4.22%	581.40	520.10	11.79%	758.93
Operating Profit	3.45%	952.71	853.56	11.62%	1149.49
Provisions & Contingencies	-18.67%	84.97	139.50	-39.09%	215.10
PBT	5.15%	867.74	714.06	21.52%	934.39
Tax Provision	1.56%	272.61	237.42	14.82%	319.19
Net Profit	6.78%	595.13	476.64	24.86%	615.20
Share Capital	0.00%	48.49	48.49	0.00%	48.49
EPS (in Rupees)	6.78%	122.76	98.32	24.86%	126.90
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 Lakh)	847.1	834.2	877.2	953.7	847.1	834.2	892.8
Net Profit per Employee (in Rupees Lakh)	2.3	2.1	2.3	2.5	6.4	6.0	
Annualized	9.2	8.5	9.2	10.1	8.6	8.0	7.8
Business Per Branch (in Rupees Crore)	139.70	123.12	126.56	135.59	139.70	123.12	129.32
Net Profit per Branch (in Rupees Lakh) (Ann.)	151.7	124.8	132.8	143.1	141.2	118.1	112.3
Asset Quality Ratios							
Gross NPAs (in Rupees Lakh)	54502	50383	52833	54190	54502	50383	51883
Net NPAs (in Rupees Lakh)	4693.3	1061.0	5835.0	6303.0	4693.3	1061.0	5324.0
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

Capital Adequacy Ratio Basel I	13.28	14.14	13.72	13.53	13.28	14.14	13.30
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
Capital Adequacy Ratio Basel II	13.62	15.49	14.37	13.61	13.62	15.49	13.72
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	
Annualized	175.91	138.52	150.41	164.74	163.68	131.10	126.90
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

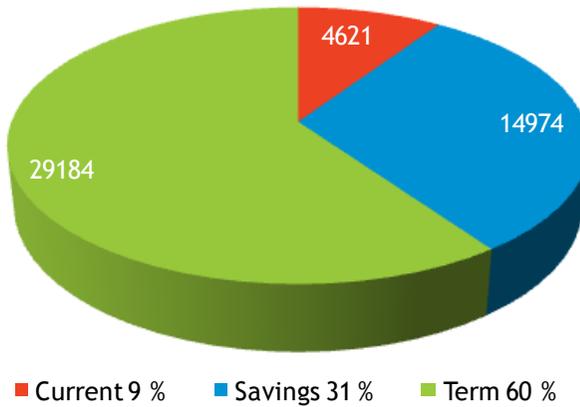
(in Rupees Crore)

		As on Dec 31, 2011			
S. No.	Particulars	From J&K State		From Rest of India	
		Amount	% age	Amount	% age
1	Deposits	32008.2	71	13315.8	29
2	CASA Ratio	-	52	-	13
3	Gross Advances	12006.5	40	18005.3	60
4	Gross Profit (Excluding Controlling Offices)	637.15	71	254.80	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

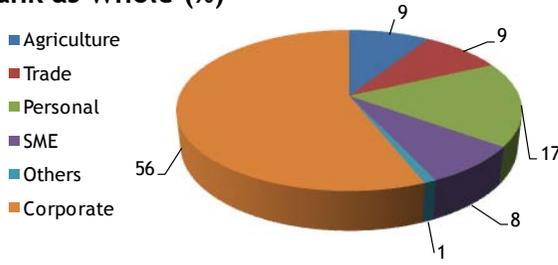
“Rest of India” includes 4 zones from outside J&K State

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

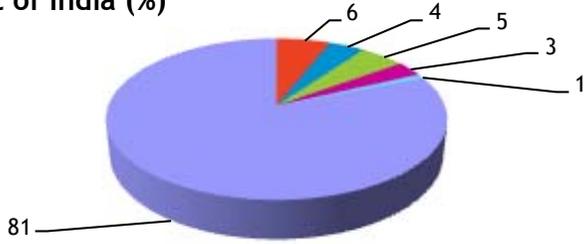


Advances - Sector-wise (Dec 11)

Bank as Whole (%)

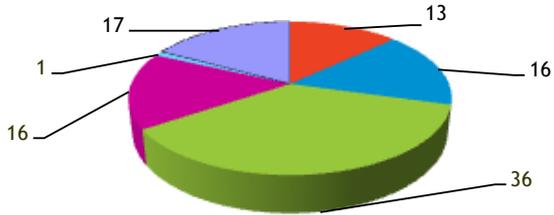


In Rest of India (%)



■ Agriculture
 ■ Trade
 ■ Personal
 ■ SME
 ■ Others
 ■ Corporate

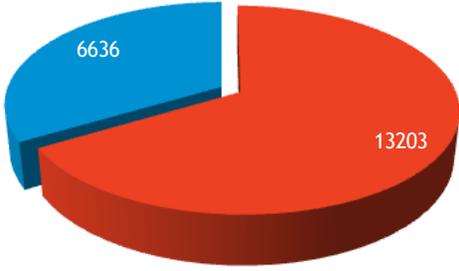
Within J&K (%)



■ Agriculture
 ■ Trade
 ■ Personal
 ■ SME
 ■ Others
 ■ Corporate

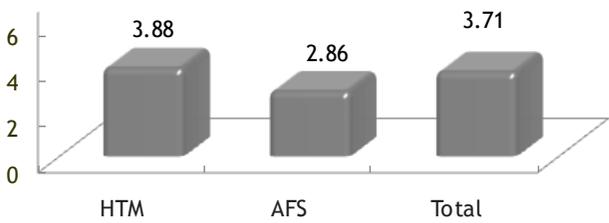
Investments, (Dec 11) - I

(in Rs crore)



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

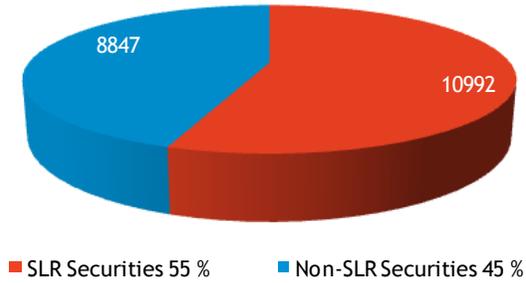
Duration



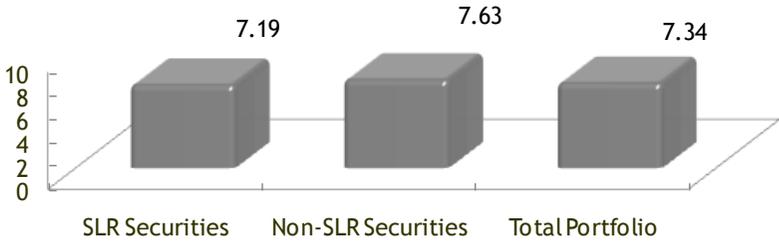
Notes

Investments, (Dec 11) - II

(in Rs. crore)



Yield (on daily average balances for 9M)

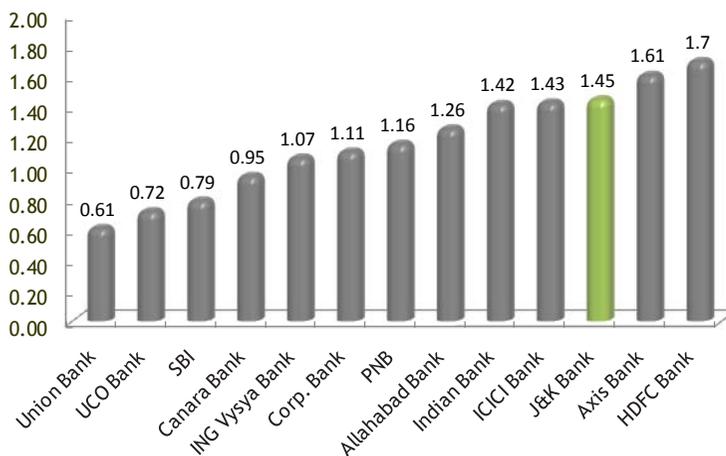


Industry Review



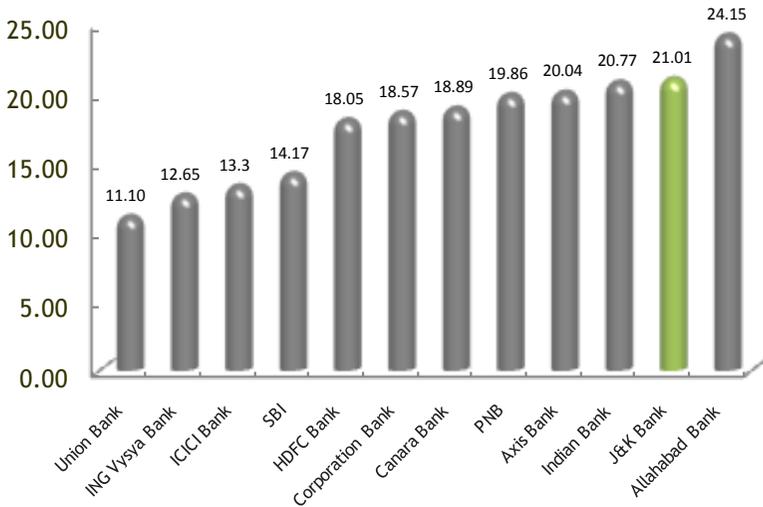
Return on Assets (%)

For 9M ended Dec, 2011



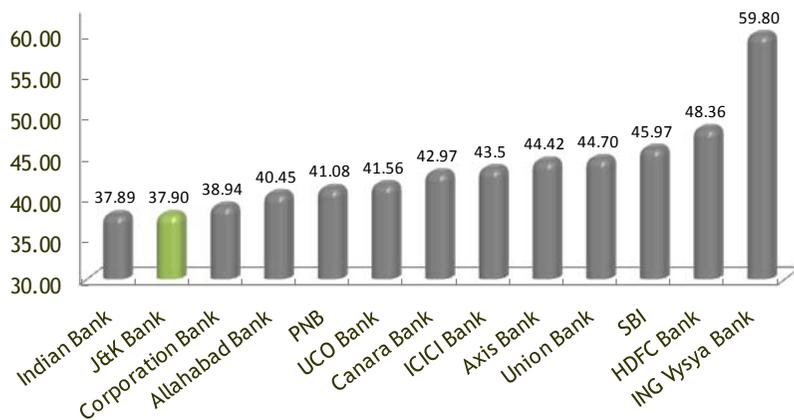
Return on Equity (%)

For 9M ended Dec, 2011

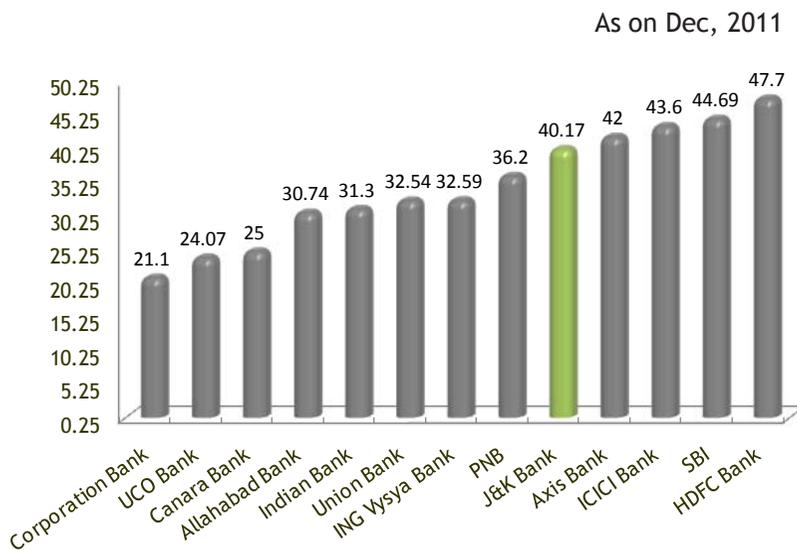


Cost to Income (%)

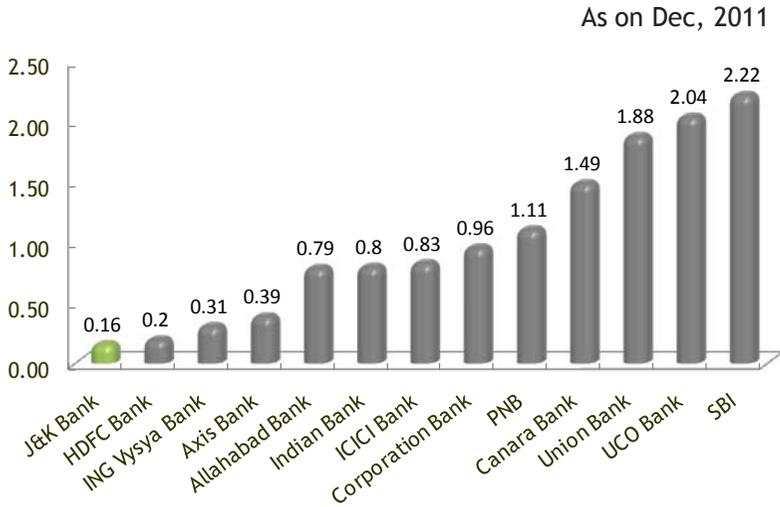
For 9M ended Dec, 2011



CASA Ratio (%)

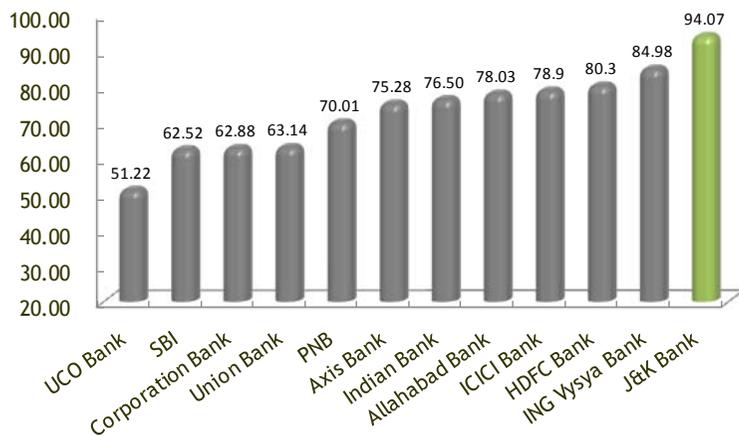


Net Impaired Loans (%)



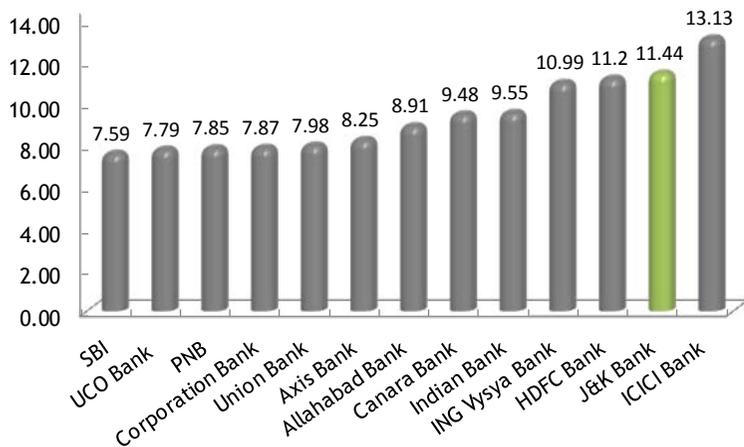
Coverage Ratio (%): Highest in India

As on Dec, 2011



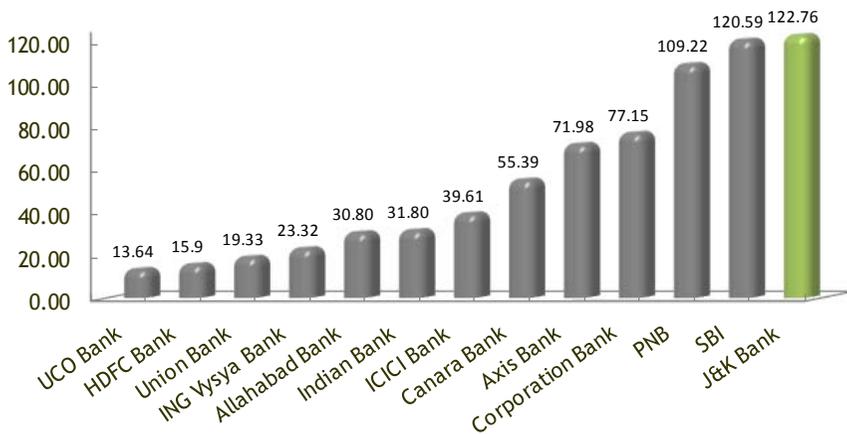
Tier I Capital (%) (Basel II)

As on Dec, 2011



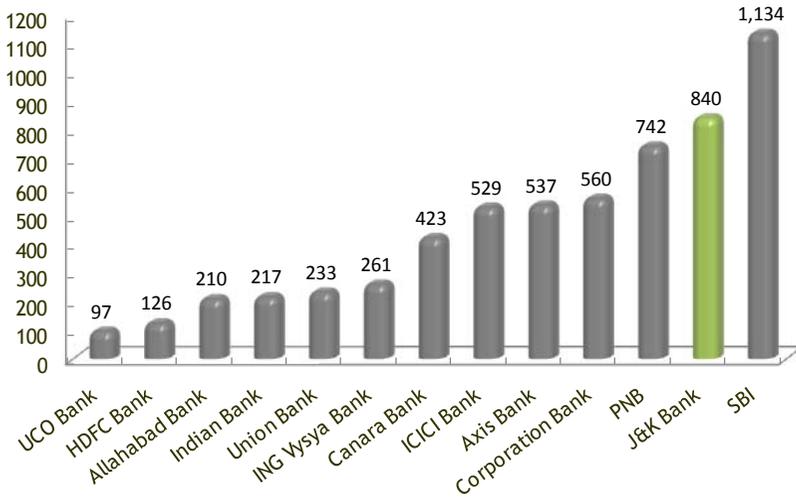
Earnings per Share (Rs.)

For 9M ended Dec, 2011

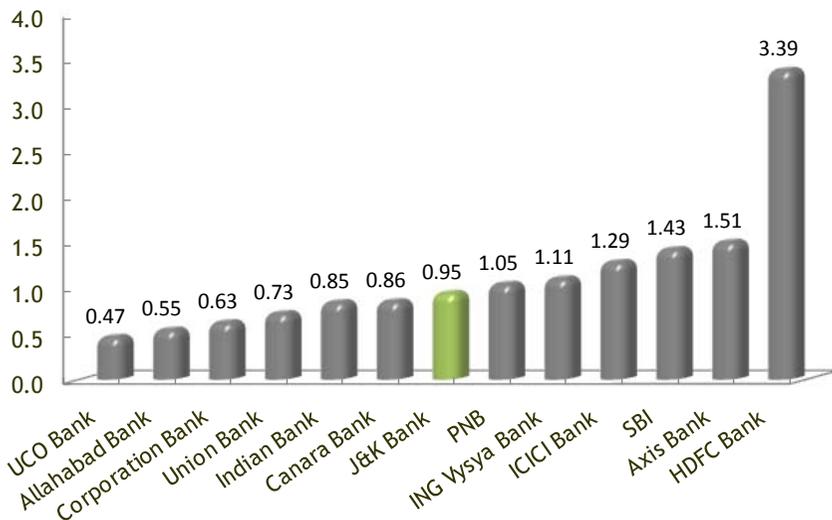


Book Value (Rs.)

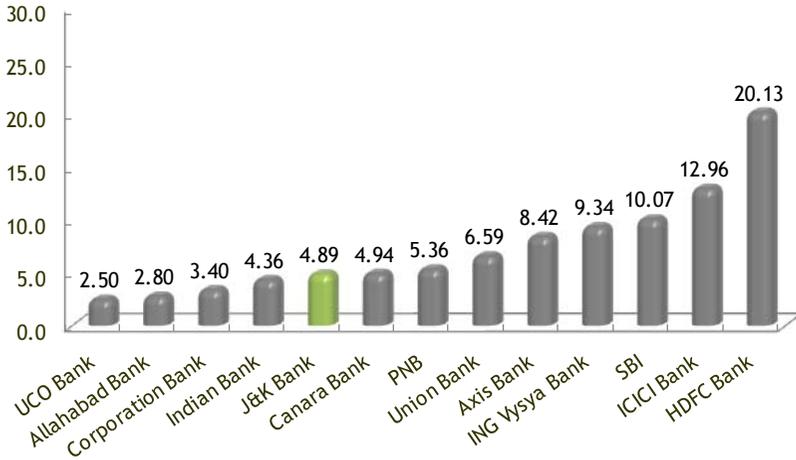
As on Dec, 2011



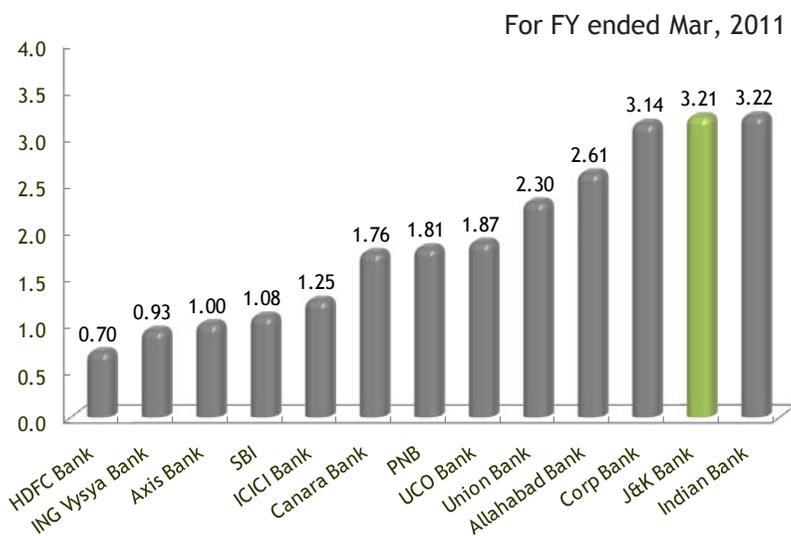
Price to Book Value



PE Ratio



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 600 crore as long-term resource in the form of Tier II capital – Headroom of about Rs 1246 crore 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

- Leveraging our core competence of domain and geographical expertise.

- 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. 1000 crore profit and Rs. 100000 crore 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