J&K Bank

REVIEWED FINANCIAL RESULTS FOR THE HALF YEAR ENDED 30TH SEPT. 2008

S.No.	PARTICULARS (Rs. in Lakhs)	Quarter Ended 30.09.2008 (Reviewed)	Quarter Ended 30.09.2007 (Reviewed)	Half Year Ended 30.09.2008 (Reviewed)	Half Year Ended 30.09.2007 (Reviewed)	For the year 31.03.2008 (Audited)
1	Interest Earned (a+b+c+d)	74776	58669	139918	117175	243423
	a) Interest/Discount on Advances/Bills	58002	45990	109477	90021	187756
	b) Income on Investments	15896	13249	30426	25914	54135
	c) Interest on Balance with R.B.I. & Other Inter Bank Funds	878	422	1015	1240	1532
	d) Others	-	-	-	-	-
2	Other Income	4105	5808	10593	9390	24501
3	Total Income [1 + 2]	78881	66477	150511	126565	267924
4	Interest Expended	48645	40157	91162	78701	162179
5	Operating Expenses (i+ii)	11479	10340	22442	19765	40361
	I. Employees Cost	6639	5985	13484	12085	22577
	II. Other Operating Expenses	4840	4355	8958	7680	17784
6	Total Expenditure (4+5) (Excluding Provisions & Contingencies)	60124	50497	113604	98466	202740
7	Operating Profit before Provisions and Contingencies (3-6)	18757	14980	36907	28099	65184
8	Provisions and Contingencies	2427	400	6571	2300	7586
9	Exceptional Items	-	-	-	-	-
10	Profit (+)/Loss (-) from ordinary activities before tax (7-8-9)	16330	14580	30336	25799	57598
11	Tax Expenses	4738	3800	9288	6694	21598
12	Net Profit (+)/Loss (-) from ordinary activities after tax (10-11)	11592	10780	21048	19104	36000
13	Extraordinary Items (net of tax expenses)	-	-	-	-	-
14	Net Profit (+)/Loss (-) for the period (12-13)	11592	10780	21048	19104	36000
15	Paid-up Equity Share Capital (Face Value Rs. 10/-)	4849	4849	4849	4849	4849
16	Reserves excluding revaluation reserves (As per Balance Sheet of Previous Accounting year)	223234	196024	223234	196024	223234
17	Analytical Ratios					
	(i) Percentage of Shares held by Govt. of J&K	53.17%	53.17%	53.17%	53.17%	53.17%
	(ii) Capital Adequacy Ratio %	12.44%	12.86%	12.44%	12.86%	12.80%
	(iii) Earning per Share -Basic/Diluted (Amt. in Rs) (Face value per share Rs.10/-)* Not Annualized	23.91*	22.24*	43.42*	39.41*	74.25*
	(iv) NPA Ratio's					
	a. Amount of Gross NPAs	49,311	47,779	49,311	47,779	48,523
	b. Amount of Net NPAs	20,500	16,521	20,500	16,521	20,355
	c. % of Gross NPAs	2.29%	2.59%	2.29%	2.59%	2.53%
	d. % of Net NPAs	0.96%	0.91%	0.96%	0.91%	1.06%
	(v) Return on Assets (Annualized)	1.32%	1.47%	1.20%	1.30%	1.12%
18	Aggregate of Public Share Holding					
	(i) No. of Shares (in Crores)	2.27	2.27	2.27	2.27	227
	(ii) Percentage of Share Holding	46.83%	46.83%	46.83%	46.83%	46.83%

SEGMENT RESULTS

(Rs. in Lakhs) Description	Half Year Ended 30.09.2008 (Reviewed)	For the year 31.03.2008 Audited
a) Segment Revenue (Income)		
i) Treasury Operations	31893	64358
ii) Corporate/Wholesale Banking	45876	93906
iii) Retail Banking	71806	107257
iv) Other Banking Business	936	2404
Net Income from Operations	150511	267924
b) Segment Results (Profit before tax)		
i) Treasury Operations	(3771)	9
ii) Corporate/Wholesale Banking	15707	30119
iii) Retail Banking	17568	25259
iv) Other Banking Business	832	2211
Total Profit before tax	30336	57598
c) Segment Assets		
i) Treasury Operations	1081705	1039356
ii) Corporate/Wholesale Banking	1271253	1117075
iii) Retail Banking	1167594	1118785
iv) Other Banking Business	225	383
Total:-	3520777	3275599
d) Segment Liabilities		
i) Treasury Operations	289820	235793
ii) Corporate/Wholesale Banking	1091389	953627
iii) Retail Banking	2139565	2086176
iv) Other Banking Business	3	3
Total:-	3520777	3275599
e) Net Segment Assets/ Liabilities		
i) Treasury Operations	791884	803562
ii) Corporate/Wholesale Banking	179865	163449
iii) Retail Banking	(971971)	(967391)
iv) Other Banking Business	222	380
Total :-	0.00	0.00

1) The above results have been arrived at after considering provision for Non-Performing and Standard Assets as per RBI guidelines.

2) Effective April 1, 2007 the Bank has adopted AS-15 issued by ICAI and had recognised the transitional liability for defined Benefits(Gratuity, Pension and Leave Encashment of Rs. 149.70 crores as an expense on straight line basis over a period of five years. It being the 2nd quarter of Second year, accordingly the amount provided on account of transitional liability for this quarter is Rs. 7.48 Crores. The amount unrecognized is Rs. 104.80 Crores. Further liability for the current quarter has been provided.

3) Provisions for taxes include adjustment of Deferred tax in accordance with AS-22 issued by ICAI.

4) The figures of Segment Results relating to corresponding half year / quarter of previous year are not comparable with the figures for this half year/ quarter of current year, hence not given.

5) The number of investor complaints received during the quarter were 18 and all have been disposed off. 6) Previous period figures have been regrouped / recasted wherever necessary to make them comparable.

7) In terms of RBI guidelines, the bank has implemented the Agriculture Debt Waiver and Debt Relief Scheme, 2008 and preliminary claim of Rs. 21.20 Crores has been preferred with RBI. Further an amount of Rs. 4.56 Crores is eligible for relief under the said scheme and our claims in this regard have been submitted on September 30, 2008. The claims are subject to verification by Central Statutory Auditors.

8) The above results for the quarter/half year ended 30th September 2008 have been taken on record by the Board in its meeting held on 30.10.2008.

In Terms of our report of even date annexed

For Gupta Gupta & Associates
Chartered Accountants

CA. Lalit Nagora
Partner
[088613]

For Verma Associates
Chartered Accountants

CA. Sanjeev Verma
Partner
[088613]

For Baweja & Kaul
Chartered Accountants

CA. Sushil K. Gurtoo
Partner
[M. No. 080758]

FOR / ON BEHALF OF THE BOARD

[Dr. Haseeb A. Drabu]
Chairman

Place: Delhi
Dated: 30.10.2008