

Basel-III --- Pillar-3 disclosures as on 31.12.2014

Table DF - 2 : Capital adequacy;

1. <u>Qualitative disclosure</u>	
1.1 A summary discussion of the bank's approach to assessing the adequacy of its capital to support current and future activities.	
<p>i) The Bank is subject to Capital Adequacy guidelines of RBI, which are based on the framework of Basel Committee on Banking Supervision. These guidelines on Basel III have been implemented from 1st April 2013 in a phased manner. The minimum capital required to be maintained by the Bank is 9 percent with minimum Common Equity Tier 1 (CET1) of 5 percent. Stress analysis is conducted on half yearly basis or as required to see the movement of capital adequacy ratio (CAR) in medium horizon of 3 years considering the projected growth in business.</p> <p>ii) The Bank assesses its capital requirement based on future business projections in line with the strategic intent of the Bank and opportunities for growth. The business projections are mapped to credit, market and operational risks which allows for assignment of regulatory capital besides providing capital headroom to meet growth projections. As part of the Internal Capital Adequacy Assessment Process (ICAAP), Bank also assesses adequacy of capital under stress conditions for gauging the adequacy of capital to support not only three primary risks of credit, market and operational risk but other residual risks like interest rate risk in banking book, liquidity risk, credit concentration risk, strategic risk and reputational risk.</p>	
2. <u>Quantitative Disclosures</u>	Amount in ₹ million
2.1 Capital requirements for credit risk	• 39780.5
• Portfolio subjected to standardized approach (@9%CRAR)	• 39780.5
• Portfolios subjected to the IRB approaches	• ---
• Securitization exposures	• ---
2.2 Capital requirement for market risk (under Standardized duration approach)	• 2511.3
• Interest rate risk	• 2206.4
• Foreign exchange risk (including gold)	• 19.8
• Equity risk	• 285.1

2.3 Capital requirement for operational risk		• 4348.2	
• Basic indicator approach:		4348.2	
2.4 Common Equity Tier 1, Tier 1 and Total Capital ratios:			
Name of the Entity	Common Equity Tier 1 ratio	Tier 1 ratio	Total capital ratio
J&K Bank Ltd	11.37%	11.37%	12.78%

Table DF – 3: Credit Risk

1. Qualitative Disclosures: The general qualitative disclosure requirement with respect to credit risk including:

1.1.1 Definition of NPA and impaired account

An asset including a leased asset becomes non-performing when it ceases to generate income for the bank. A non performing asset (NPA) is a loan or an advance where:

- a. Interest and/or installment of principal remain overdue for a period of more than 90 days in respect of a term loan.
- b. The account remains 'out of order' as indicated in paragraph 1.1.2 below, in respect of an Overdraft / Cash Credit (OD/CC)
- c. The bill remains overdue for a period of more than 90 days in case of bills purchased and discounted
- d. The installment of principal or interest thereon remains overdue for two crop seasons for short duration crops
- e. The installment of principal or interest thereon remains overdue for one crop season for long duration crops.
- f. In respect of securities, where interest/principal is in arrears for a period of more than 90 days.

An account is also classified as NPA if the interest due and charged during any quarter is not serviced fully within 90 days from the end of the quarter.

1.1.2 'Out of Order' status: An account is treated as 'Out of Order' if the outstanding balance remains continuously in excess of the sanctioned limit / drawing power. In cases where the outstanding balance in the principal operating account is less than the sanctioned limit / drawing power, but there are no credits continuously for 90 days as on the date of Balance

Sheet or credits are not sufficient to cover the interest debited during the same period, these accounts are treated as “out of order”.

1.1.3 Overdue: Any amount due to the bank under any credit facility is ‘overdue’ if it is not paid on the due date fixed by the bank.

1.2 Discussion of the bank’s credit risk management policy.

The credit risk management policy of the bank aims at a sustained growth of healthy loan portfolio. It articulates while evolving a well- defined system to identify measure, monitor and control various risks attached to credit portfolio of the Bank. This entails reducing exposures in high risk areas, concentrating more on the promising industries / sectors / segments, striking balance between risk and return on assets and ensuring optimization of stakeholders value. The policy also seeks to achieve prudent credit growth –both qualitative and quantitative- while adhering to the prudential norms with balanced sectoral deployment of credit to control credit concentration across Industries, sectors, segments and at the same time increasing the market share. The policy also aims at consistency and standardization of credit practices. There is a defined credit appraisal & credit approval authority, reporting cum monitoring / follow-up system and loan review mechanism/ credit audit system in place at the Bank as spelt out in board approved Credit Risk Management Policy.

2. Quantitative Disclosures		Amount in ₹ million
2.1 Total gross credit risk exposures – Fund based and Non-fund based separately, broken down by major types of credit exposures.	a)	On Balance Sheet--- 743778.2
	b)	Off Balance sheet--- 57712.1
	Total -----	801490.3
2.2 Geographic distribution of exposures:		
• Overseas	•	Nil
• Domestic	•	801490.3
2.3 Industrial type distribution of exposure, Fund based and Non-fund based separately.	Major industry type exposure is given separately as per Annexure- A.	
2.4 Residual contractual maturity breakdown of assets,	Residual maturity is provided separately as per Annexure- B.	

2.5 Amount of NPAs (Gross)	•	26578.8
• Substandard	•	19014.8
• Doubtful	•	5440.2
• Loss	•	2123.8
2.6 Net NPAs	•	14281.9
2.7 NPA Ratios		
• Gross NPAs to gross advances	•	5.81%
• Net NPAs to net advances	•	3.22%
2.8 Movement of NPAs (Gross)		
• Opening balance	•	21869.4
• Additions	•	5764.8
• Reductions	•	1055.4
• Closing balance	•	26578.8
2.9 Movement of provisions for NPAs		
• Opening balance	•	10447.0
• Provisions made during the period	•	1385.6
• Write-off	•	0.00
• Write back of excessive provisions	•	---
• Closing balance	•	11832.6
3.0 Amount of non-performing investment	•	2397.1
3.1 Amount of provisions held for non-performing investment	•	1411.5
3.2 Movement of provision for depreciation on investments.		
• Opening balance	•	176.9
• Provisions made during the period	•	0.0
• Write-off	•	7.1
• Write back of excessive provision	•	17.9
• Closing balance	•	151.9

Table DF – 4 : Disclosure for portfolio subject to Standardised Approach

1. Qualitative Disclosures:	
1.1 For portfolio under the standardized approach:	
<ul style="list-style-type: none"> Names of credit rating agencies used, plus reasons for any changes. 	<ul style="list-style-type: none"> The Bank's exposure being mainly domestic, rating agencies like CARE, CRISIL, ICRA, India Ratings, Brickwork Ratings and SMERA have been identified for rating of exposure as per RBI guidelines. Designated rating agencies are used irrespective of types of corporate exposures.
<ul style="list-style-type: none"> Type of exposure for which each agency is used. 	<ul style="list-style-type: none"> For exposures with a contractual maturity of less than or equal to one year (except cash credit, overdraft and other revolving credits), short-term ratings given by approved rating agencies are used. For cash credit, sanctioned overdrafts and other revolving credits (irrespective of the period) and for term loan exposures of over one year, long term ratings are used.
<ul style="list-style-type: none"> A description of the process used to transfer public issues rating onto comparable assets in the banking book 	<ul style="list-style-type: none"> Public issue ratings are used for comparable assets of borrower in the banking book as follows: - <ul style="list-style-type: none"> i) In cases where the borrower has a specific assessment for an issued debt - but the bank's claim is not an investment in this particular debt - the rating applicable to the specific debt (where the rating maps into a risk weight lower than that which applies to an unrated claim) is applied to the bank's unassessed claim if the Bank's exposure ranks <i>pari passu</i> or senior to the specific rated debt in all respects and the maturity of the unrated Bank's claim is not later than the maturity of the rated claim. i) If either the issuer or single issue has been assigned a low quality assessment which maps into a risk weight equal to or higher than that which applies to unrated claims, an unassessed claim on the same counterparty that ranks <i>pari-passu</i> or is subordinated to the rated exposure is assigned the same risk weight as is applicable to the low quality assessment.

2. <u>Quantitative Disclosures</u>	Amount in ₹ million
2.1 Exposure amount after risk mitigation subjected to the standardized approach, amount of bank's outstanding (rated and un-rated) in the following three major risk buckets as well as those that are deducted:	
• Below 100% risk weight	• 480267.0
• 100% risk weight	• 153747.9
• More than 100% risk weight	• 122615.0

Basel III common disclosure template		Amount in ₹ million		
Regulatory Capital				
Sr No	Items		Amounts subject to pre-Basel III treatment	Ref No:
	Common Equity Tier 1 capital (CET1): instruments and reserves			
1	Directly issued qualifying common shares capital plus related stock surplus (Share Premium)	1352.7		a+c
2	Retained Earnings	57943.1		b+d+e+g
3	Accumulated other comprehensive income (and other reserves)	0		
4	Directly issued capital subject to phase out from CET 1 (only applicable to non-joint stock companies)	0		
5	Common share capital issued by subsidiaries and held by third parties (amount allowed in group CET 1)	0		
6	Common Equity Tier 1 capital before regulatory adjustments (sum of rows 1 to 5)	59295.8		
	Common Equity Tier 1 capital : Regulatory adjustments			
7	Prudential valuation adjustments			
8	Goodwill (net of related tax liability)	0		
9	Intangibles other than mortgage servicing rights (net of related tax liability)	0		m
10	Deferred tax assets	156.4		n
11	Cash-flow hedge reserve	0		
12	Shortfall of provisions to expected losses	0		
13	Securitisation gain on sale	0		
14	Gains and losses due to changes in own credit risk on fair valued liabilities	0		
15	Defined-benefit pension fund net assets	0		
16	Investments in own shares (if not already netted off paid-up capital on reported balance sheet)	0		
17	Reciprocal cross-holdings in common equity	0		

18	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued share capital (amount above 10% threshold)	0		
19	Significant investments in the common stock of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions (amount above 10% threshold)	200.0		I
20	Mortgage servicing rights (amount above 10% threshold)	0		
21	Deferred tax assets arising from temporary differences (amount above 10% threshold, net of related tax liability)	0		
22	Amount exceeding the 15% threshold	0		
23	of which: significant investments in the common stock of financial entities	0		
24	of which: mortgage servicing rights	0		
25	of which: deferred tax assets arising from temporary differences	0		
26	National specific regulatory adjustments (26a+26b+26c+26d)	0		
26a	of which: investments in the equity capital of the unconsolidated insurance subsidiaries	0		
26b	of which: investments in the equity capital of unconsolidated non-financial subsidiaries	0		
26c	of which: Shortfall in the equity capital of majority owned financial entities which have not been consolidated with the bank	0		
26d	of which: Unamortised pension fund expenditures	0		
27	Regulatory adjustments applied to Common Equity Tier 1 in respect of amounts subject to Pre-Basel III treatment (<i>please specify the details in remarks column</i>)	0		
	Of which : Investment in equity capital of unconsolidated financial subsidiary			
	Of which: Investment in equity capital of sponsored rural bank			
	Regulatory adjustments applied to Common Equity Tier 1 due to insufficient Additional Tier 1 and Tier 2 to cover deductions	0		
28	Total regulatory adjustments to Common equity Tier 1	356.4		
29	Common Equity Tier 1 capital (CET1)	58939.4		
	Additional Tier 1 capital (AT1) : instruments			

30	Directly issued qualifying Additional Tier 1 instruments plus related stock surplus (31+32)	0		
31	Of which: classified as equity under applicable accounting standards (Perpetual Non-Cumulative Preference Shares- (PNCPS)	0		
32	Of which: classified as liabilities under applicable accounting standards (Perpetual Debt Instruments - PDIs)	0		
33	Directly issued capital instruments subject to phase out from Additional Tier 1	0		
34	Additional Tier 1 instruments (and CET 1 instruments not included in row 5) issued by subsidiaries and held by third parties (amount allowed in group AT1)	0		
35	Of which: instruments issued by subsidiaries subject to phase out	0		
36	Additional Tier 1 capital before regulatory adjustments	0		
	Additional Tier 1 capital: regulatory adjustments			
37	Investments in own Additional Tier 1 instruments	0		
38	Reciprocal cross-holdings in Additional Tier 1 instruments	0		
39	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above 10% threshold)	0		
40	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation(net of eligible short positions)	0		
41	National specific regulatory adjustments (41a+41b)	0		
41 a	Investments in additional Tier 1 capital of unconsolidated insurance subsidiaries	0		
41 b	Shortfall in Additional Tier 1 capital of majority owned financial entities which have not been consolidated with the bank	0		
	Regulatory adjustments applied to Additional Tier 1 in respect of amounts subject to Pre-Basel III treatment	0		
	Of which: (insert type of adjustment)	0		
	Of which: (insert type of adjustment)	0		
42	Regulatory adjustments applied to Additional Tier 1 due to insufficient Tier 2 to cover deductions	0		
43	Total regulatory adjustments to Additional Tier 1 capital	0		
44	Additional Tier 1 capital (AT1) capital	0		
44 a	Additional Tier 1 capital (AT1) reckoned for capital adequacy	0		
45	Tier 1 capital (T1 = CET1 + Admissible AT1)	58939.4		

	Tier 2 capital: instruments and provisions			
46	Directly issued qualifying Tier 2 instruments plus related stock surplus	0		
47	Directly issued capital instruments subject to phase out from Tier 2	4800.0		i
48	Tier 2 instruments (and CET 1 and AT1 instruments not included in rows 5 or 34) issued by subsidiaries and held by third parties (amount allowed in group Tier 2)	0		
49	Of which: instruments issued by subsidiaries subject to phase out	0		
50	Provisions	2613.0		f+j+k
51	Tier 2 capital before regulatory adjustments	7413.0		
	Tier 2 capital: regulatory adjustments			
52	Investments in own Tier 2 instruments	0		
53	Reciprocal cross-holdings in Tier 2 instruments	0		
54	Investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation, net of eligible short positions, where the bank does not own more than 10% of the issued common share capital of the entity (amount above the 10% threshold)	0		
55	Significant investments in the capital of banking, financial and insurance entities that are outside the scope of regulatory consolidation (net of eligible short positions)	116.6		
56	National specific regulatory adjustments (56a+56b)	0		
56 a	Of which: Investments in the Tier 2 capital of unconsolidated subsidiaries	0		
56 b	Of which: Shortfall in Tier 2 capital of majority owned financial entities which have not been consolidated with the bank	0		
	Regulatory adjustments applied to Tier 2 capital in respect of amounts subject to Pre-Basel III treatment	0		
	Of which: Type of Adjustment	0		
	Of which: Type of Adjustment	0		
57	Total regulatory adjustments to Tier 2 capital	116.6		
58	Tier 2 capital (T2)	7296.4		
58 a	Tier 2 capital reckoned for capital adequacy	7296.4		
58 b	Excess Additional Tier 1 capital reckoned as Tier 2 capital	0		
58 c	Total Tier 2 capital admissible for for capital adequacy	7296.4		
59	Total capital (TC = T1 + T2)	66235.8		
	Risk Weighted Assets in respect of amounts subject to Pre-Basel III Treatment			

	Of which --- (Insert type of adjustment)			
	Of which --- (Insert type of adjustment)			
60	Total Risk Weighted Assets (60a+60b+60c)	518223.0		
60 a	Of which: total credit risk weighted assets	442005.9		
60 b	Of which: total market risk weighted assets	27903.6		
60 c	Of which: total operational risk weighted assets	48313.5		
	Capital Ratios			
61	Common Equity Tier 1 (as a percentage of risk weighted assets)	11.37%		
62	Tier 1 (as a percentage of risk weighted assets)	11.37%		
63	Total capital (as a percentage of risk weighted assets)	12.78%		
64	Institution specific buffer requirement (minimum CET 1 requirement plus capital conservation and countercyclical buffer requirements, expressed as a percentage of risk weighted assets)	5.00%		
65	Of which : capital conservation buffer requirement	Nil		
66	Of which : bank specific countercyclical buffer requirement	Nil		
67	of which: G-SIB buffer requirement	Nil		
68	Common Equity Tier 1 available to meet buffers (as a percentage of risk weighted assets)	6.37%		
	National minima (if different from Basel III)			
69	National Common Equity Tier 1 minimum ratio (if different from Basel III minimum)	5.00%		
70	National Tier 1 minimum ratio (if different from Basel III minimum)	6.50%		
71	National total capital minimum ratio (if different from Basel III minimum)	9.00%		
	Amounts below the thresholds for deduction (before risk weighting)			
72	Non-significant investments in the capital of other financial entities	NA		
73	Significant investments in the common stock of financial entities	NA		

74	Mortgage servicing rights (net of related tax liability)	NA		
75	Deferred tax assets arising from temporary differences (net of related tax liability)	NA		
	Applicable caps on the inclusion of provisions in Tier 2			
76	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to standardised approach (prior to application of cap)	2613.0		
77	Cap on inclusion of provisions in Tier 2 under standardised approach	5525.0		
78	Provisions eligible for inclusion in Tier 2 in respect of exposures subject to internal ratings-based approach (prior to application of cap)	NA		
79	Cap for inclusion of provisions in Tier 2 under internal ratings-based approach	NA		
	Capital instruments subject to phase-out arrangements (only applicable between March 31, 2017 and March 31, 2022)	NA		
80	Current cap on CET1 instruments subject to phase out arrangements	NA		
81	Amount excluded from CET1 due to cap (excess over cap after redemptions and maturities)	NA		
82	Current cap on AT1 instruments subject to phase out arrangements	NA		
83	Amount excluded from AT1 due to cap (excess over cap after redemptions and maturities)	NA		
84	Current cap on T2 instruments subject to phase out arrangements	4800		
85	Amount excluded from T2 due to cap (excess over cap after redemptions and maturities)	1200		
	Notes to the Template			
Row no: of the temp	Particulars	(Amount in ₹ million)		

late				
10	Deferred tax assets associated with accumulated losses	156.4		
	Deferred tax assets (excluding those associated with accumulated losses) net of Deferred tax liability	0.00		
	Total as indicated in row 10	156.4		
19	If investments in insurance subsidiaries are not deducted fully from capital and instead considered under 10% threshold for deduction, the resultant increase in the capital of bank	NA		
	of which: Increase in Common Equity Tier 1 capital	NA		
	of which: Increase in Additional Tier 1 capital	NA		
	of which: Increase in Tier 2 capital	NA		
26b	If investments in the equity capital of unconsolidated non-financial subsidiaries are not deducted and hence, risk weighted then:	NA		
	(i) Increase in Common Equity Tier 1 capital	NA		
	(ii) Increase in risk weighted assets	NA		
44a	Excess Additional Tier 1 capital not reckoned for capital adequacy (difference between Additional Tier 1 capital as reported in row 44 and admissible Additional Tier 1 capital as reported in 44a)	NA		
	of which: Excess Additional Tier 1 capital which is considered as Tier 2 capital under row 58b	NA		
50	Eligible Provisions included in Tier 2 capital	2613.0		
	Eligible Revaluation Reserves included in Tier 2 capital	0.00		
	Total of row 50			
58a	Excess Tier 2 capital not reckoned for capital adequacy (difference between Tier 2 capital as reported in row 58 and T2 as reported in 58a)	Nil		

Reconciliation of Regulatory Capital

			Amount in ₹ million
		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation
		As on reporting date	As on reporting date
A	Capital & Liabilities		
i	Paid-up Capital	484.9	
	Reserves & Surplus	60821.1	
	Minority Interest		
	Total Capital	61306.0	
ii	Deposits	639063.4	
	of which: Deposits from banks	68342.9	
	of which: Customer deposits	570720.5	
	of which: Other deposits (pl. specify)		
iii	Borrowings	26800.0	
	of which: From RBI	2200.0	
	of which: From banks	18600.0	
	of which: From other institutions & agencies		
	of which: Others (pl. specify)		
	of which: Capital instruments	6000.0	
iv	Other Liabilities & Provisions	16608.8	
	Total	743778.2	
B	Assets		
i	Cash and balances with Reserve Bank of India	27563.4	
	Balance with banks and money at call and short notice	6797.8	
ii	Investments:	246163.2	

	of which: Government securities	143607.6	
	of which: Other approved securities	69.7	
	of which: Shares	2197.8	
	of which: Debentures & Bonds	18523.8	
	of which: Subsidiaries	200.0	
	Of which Joint Ventures / Associates	456.7	
	of which: Others (Commercial Papers, Mutual Funds etc.)	81107.6	
iii	Loans and advances	443608.4	
	of which: Loans and advances to banks	507.1	
	of which: Loans and advances to customers	443101.3	
iv	Fixed assets	5533.7	
v	Other assets	14111.7	
	of which: Goodwill and intangible assets		
	of which: Deferred tax assets	156.4	
vi	Goodwill on consolidation		
vii	Debit balance in Profit & Loss account		
	Total Assets	743778.2	

			Amount in ₹ million	
		Balance sheet as in financial statements	Balance sheet under regulatory scope of consolidation	Reference no:
		As on reporting date	As on reporting date	
A	Capital & Liabilities			
i	Paid-up Capital	484.9		
	of which: Amount eligible for CET 1	484.9		a
	of which: Amount eligible for AT 1			
	Reserves & Surplus	60821.1		
	Of which:			
	Statutory reserve	17722.6		b
	Share premium	867.8		c
	Revenue & Other reserves	37409.2		d
	Capital reserves	631.2		e
	Investment reserve	120.4		f
	Current financial year profit	4069.9		
	Out of which amount eligible for inclusion in Tier 1 capital	2180.0		g
	Minority Interest			
	Total Capital	61306.0		
ii	Deposits	639063.4		
	Of which: deposits of banks	68342.9		
	of which: Customer deposits	570720.4		
	of which: Other deposits (pl. specify)			
iii	Borrowings	26800.0		
	of which: From RBI	2200.0		
	of which: From banks	18600.0		
	of which: From other institutions & agencies	6000.0		
	of which: Others (pl. specify)			

	of which: Capital instruments	6000.0		h
	Out of which eligible for inclusion in Tier II capital	4800.0		i
iv	Other Liabilities & Provisions	16608.8		
	of which: DTLs related to goodwill			
	of which: DTLs related to intangible assets			
	of which: Standard asset provision included under Tier II	2491.4		j
	of which: Provisions for contingencies included under Tier II	1.2		k
	Total	743778.2		
B	Assets			
i	Cash and balances with Reserve Bank of India	27563.4		
ii	Balance with banks and money at call and short notice	6797.8		
iii	Investments:	246163.2		
	Of which: Government securities	143607.6		
	of which: Other approved securities	69.7		
	of which: Shares	2197.8		
	of which: Debentures & Bonds	18523.8		
	of which: Subsidiaries	200.0		l
	Of which: Joint Ventures / Associates	456.7		
	of which: Others (Commercial Papers, Mutual Funds etc.)	81107.6		
iv	Loans and advances	443608.4		

	of which: Loans and advances to banks	507.1		
	of which: Loans and advances to customers	443101.3		
v	Fixed assets	5533.7		
vi	Other assets	14111.7		
	of which: Goodwill and intangible assets Out of which			m
	Goodwill			
	Other Intangibles (excluding MSRs)			
	Deferred tax assets	156.4		n
vii	Goodwill on consolidation			
viii	Debit balance in Profit & Loss account			
	Total Assets	743778.2		

Main features of regulatory capital Instrument (Common Equity Tier I)		
1	Issuer	Jammu & Kashmir Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE 168/A01041
3	Governing law(s) of the instrument	Applicable Indian statutes and regulatory requirements
	Regulatory treatment	
4	Transitional Basel III rules	Common Equity Tier 1
5	Post-transitional Basel III rules	Common Equity Tier 1
6	Eligible at solo/group/ group & solo	Solo & Group
7	Instrument type	Common Shares
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	₹ 484.9 million
9	Par value of instrument	₹ 1 per share
10	Accounting classification	Shareholders Equity
11	Original date of issuance	Various
12	Perpetual or dated	Perpetual
13	Original maturity date	No maturity
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	Not Applicable
16	Subsequent call dates, if applicable	Not Applicable
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Not Applicable
18	Coupon rate and any related index	Not Applicable
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-Cummulative
23	Convertible or non-convertible	Not Applicable
24	If convertible, conversion trigger(s)	Not Applicable

25	If convertible, fully or partially	Not Applicable
26	If convertible, conversion rate	Not Applicable
27	If convertible, mandatory or optional conversion	Not Applicable
28	If convertible, specify instrument type convertible into	Not Applicable
29	If convertible, specify issuer of instrument it converts into	Not Applicable
30	Write-down feature	No
31	If write-down, write-down trigger(s)	Not Applicable
32	If write-down, full or partial	Not Applicable
33	If write-down, permanent or temporary	Not Applicable
34	If temporary write-down, description of write-up mechanism	Not Applicable
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	Not Applicable
36	Non-compliant transitioned features	Not Applicable
37	If yes, specify non-compliant features	Not Applicable

Main features of regulatory capital Instrument (Lower Tier II bonds of ₹ 6000 million)		
1	Issuer	Jammu & Kashmir Bank
2	Unique identifier (e.g. CUSIP, ISIN or Bloomberg identifier for private placement)	INE168/A01041
3	Governing law(s) of the instrument	SEBI Regulations, 2008
	Regulatory treatment	
4	Transitional Basel III rules	Tier 2
5	Post-transitional Basel III rules	Tier 2
6	Eligible at solo/group/ group & solo	Solo & Group
7	Instrument type	Tier 2 Debt Instruments
8	Amount recognised in regulatory capital (Rs. in million, as of most recent reporting date)	6000 million
9	Par value of instrument	₹ 1000000 per NCD
10	Accounting classification	Liability
11	Original date of issuance	30/12/2009
12	Perpetual or dated	Dated
13	Original maturity date	30/12/2019
14	Issuer call subject to prior supervisory approval	No
15	Optional call date, contingent call dates and redemption amount	N/A
16	Subsequent call dates, if applicable	N/A
	Coupons / dividends	
17	Fixed or floating dividend/coupon	Fixed
18	Coupon rate and any related index	9%
19	Existence of a dividend stopper	No
20	Fully discretionary, partially discretionary or mandatory	Fully discretionary
21	Existence of step up or other incentive to redeem	No
22	Non-cumulative or cumulative	Non-Cummulative

23	Convertible or non-convertible	Non-Convertible
24	If convertible, conversion trigger(s)	N/A
25	If convertible, fully or partially	N/A
26	If convertible, conversion rate	N/A
27	If convertible, mandatory or optional conversion	N/A
28	If convertible, specify instrument type convertible into	N/A
29	If convertible, specify issuer of instrument it converts into	N/A
30	Write-down feature	No
31	If write-down, write-down trigger(s)	N/A
32	If write-down, full or partial	N/A
33	If write-down, permanent or temporary	N/A
34	If temporary write-down, description of write-up mechanism	N/A
35	Position in subordination hierarchy in liquidation (specify instrument type immediately senior to instrument)	N/A
36	Non-compliant transitioned features	No
37	If yes, specify non-compliant features	N/A

Annexure-A
Amount in ₹ million

Industry-wise Deployment of Credit and Investment Exposures		
S.No	Industry	Amount
1	Mining and quarrying (including Coal)	3010
2	Food Processing	13019
	Out of 2	
	Sugar	406
	Edible oils & Vanaspati	1354
	Coffee	236
	Others	11023
3	Beverage & tobacco	1
4	Textiles	15008
	Out of 4	
	Cotton Textiles	2206
	Jute Textiles	89
	Man - Made Textiles	3493
	Other Textiles	9220
5	Leather & Leather Products	1058
6	Wood & Wood Products	544
7	Paper & Paper Products	1176
8	Petroleum, Coal Products and Nuclear fuels	2736
9	Chemicals and Chemical Products	7291
	Out of 9	
	Fertiliser	60
	Drugs & Pharmaceuticals	1378
	Petro Chemicals	4365
	Others	1489
10	Rubber, Plastic & their Products	3176
11	Glass and Glassware	12
12	Cement and Cement Products	8153
13	Basic Metal and Metal Products	26598

	Out of 13	
	Iron & Steel	24763
	Other Metal & Metal Products	1836
14	All Engineering	4133
	Out of 14	
	Electronics	1350
	Others	2783
15	Vehicles, Vehicle Parts and Transport equipment	1002
16	Gems and Jewellery	1436
17	Construction	2017
18	Infrastructure	62807
	Out of 18	
	Power	32212
	Telecommunication	8661
	Roads & Ports	4772
	Other Infrastructure	17162
19	Other Industries	3853
	Total Industry (Micro & Small, Medium and Large)	157030

Annexure -B

Residual contractual maturity of assets as on 31.12.2014

Amount in ₹ million

INFLOWS	Next day	2 to7 days	8 to 14 days	15 to 28 days	29 Days & upto 3 months	Over 3 Months & upto 6 months	Over 6 Months & upto 1 year	Over 1 Year & upto 3 years.	Over 3 Years & upto 5 years.	Over 5 years	Total
1. Cash	3059.9	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3059.9
2. Balance with RBI	0.00	0.00	0.00	1661.8	1270.4	1187.2	2535.8	10569.4	6469.6	809.2	24503.5
3. Balance with other Banks											
(i) Current Account	757.7	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	757.7
(ii) Money at call and short notice, term Deposits and other placements	3000.0	0.00	1000.0	0.00	1500.0	540.0	0.00	0.00	0.00	0.00	6040.0
4. Investments	0.00	4859.0	992.3	6883.9	32035.7	27809.9	23809.5	34760.4	33503.9	81508.6	246163.2
5. Advances (performing)											
(i) Bills purchased & Discounted (including bills under DUPN)	69.7	418.5	488.2	1513.0	4535.1	2435.2	0.00	0.00	0.00	0.00	9459.6
(ii) Cash credits, overdrafts & Loans repayable on demand	500.0	1750.0	1750.0	1750.0	1750.0	2500.0	17674.4	110697.6	0.00	0.00	138372.0
(iii) Term Loans	1450.4	3939.9	8651.7	6818.8	18772.8	20166.4	34923.6	96875.3	54155.8	32925.3	278680.0
(iv) Prepayment of Term Loans	201.1	1206.4	1407.5	0.00	0.00	0.00	0.00	0.00	0.00	0.00	2814.9
6. NPAs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	13655.1	626.8	14281.9
7. Fixed Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	5533.7	5533.7
8. Other Assets											
(i) Inter -office adjustment	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Leased Assets	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii) Others (Tangible Assets)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

9. Reverse Repos	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10. Swaps (Sell/Buy)/	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
11. Expected Increase in Deposits.	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12. Interest receivable/Accrued but not due	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
13. L.C./B.G (Inflows)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14. Export Refinance from RBI	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15. Others (Specify)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	14111.7	14111.7
C. TOTAL INFLOWS	9038.8	12173.8	14289.7	18627.5	59864.0	54638.7	78943.4	252902.8	107784.4	135515.3	743778.2