



Board Secretariat

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National Stock Exchange of India Ltd
Exchange Plaza 5th Floor
Plot No. C/1 G-Block
Bandra Kurla Complex
Bandra (E) Mumbai - 400 051
Symbol: J&KBANK

The BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai - 400 001
Scrip Code:532209

SUB:- PRESS RELEASE ON REVIEWED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2021

Dear Sirs,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed press release on the Reviewed Financial Results of the Bank for the Quarter and Nine Months ended 31st December, 2021.

This is for your information and appropriate dissemination.

Thanking you

Yours faithfully
For Jammu and Kashmir Bank Ltd.

A handwritten signature in blue ink, appearing to read 'Shafi Mir', is written over a horizontal line.

(Mohammad Shafi Mir)
Company Secretary

Board Secretariat



J&K Bank Q3 net profit jumps up 163% YoY to Rs 173.95 Cr

Bank has devised strategic plans to enhance its performance: MD & CEO

Srinagar, Feb 8: J&K Bank Net Profit has witnessed steep rise of 164% in the December Quarter of FY 2021-22. The bank stated this after its Board of Directors reviewed and approved the numbers for third quarter and nine-months ended December 31, 2021 in a meeting held today at Bank's Zonal Office in Gurgaon, New Delhi.

The profits have more than doubled YoY to **Rs 173.95 Cr** from **Rs 65.94 Cr** recorded for the third quarter of the last financial year, while as in aggregate terms, the bank has earned **Rs 389.36 Cr** net profit for nine-months, which is 235% up against **Rs 116.37 Cr** clocked during nine-months of the last fiscal.

The bank's net interest income, or core income, has increased by 3 % for nine-months YoY to **Rs 2935.73 Cr** from **Rs 2853.36 Cr** recorded for the corresponding period last year. The Net Interest Margin (NIM) has been recorded at a comfortable level of 3.67 % (annualized) for nine-months and the Cost of Deposits has come down by 55 bps to 3.66% from 4.21% recorded last financial year.

The Bank's CASA Ratio continues to remain as one of the industry best at **56.32%**.

Commenting upon the growth numbers, MD & CEO Baldev Prakash said, "We have seen good growth in profits on YoY basis. Our other numbers also depict our performance during the last three quarters of CFY and building upon the steady-momentum of last many quarters we will definitely improve the numbers further as we consolidate and clock our growth numbers for the current financial year (CFY) 2021-22."

The bank's net NPA's as percentage to net Advances ratio is at **3.02%** while as the Gross NPA ratio has been recorded at **8.93%**. Providing sufficiently for its bad loans for the quarter ended December, 2021, the Bank's Provision Coverage Ratio for the reviewed quarter is at **81.45%**.

Regarding the bank's asset-quality, the MD & CEO asserted, "While we have provided sufficiently for our bad loans in the balance sheet, we have put robust institutional measures in place to restrict further slippages in future by instituting early warning systems and pro-active monitoring mechanisms at all operative levels with reviews on monthly basis."

"Besides, we have already initiated a string of measures to bring our NPAs down that include Bank's One Time Settlement (OTS)-2021 Scheme that was launched in the second week of January and is still in vogue. However, going forward, quality lending will be the key feature of our business strategy both in our core area of operations and beyond." he added.

The Bank's advances have increased from **Rs 66545.32 Cr** to **Rs 68365.94 Cr** during the quarter reviewed while as the deposits have shown a steady growth of 5.3% from **Rs 103804.23 Cr** to **Rs 109298.40 Cr**. However, the Bank has witnessed over 10% YoY growth in advances in its core area of operations i.e. J&K & Ladakh

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Regarding the business growth, the MD & CEO said, “With significant enablers like the UT Government’s Industrial Policy and concerted initiatives of attracting large domestic and foreign investment proposals in sectors like real estate, horticulture, tourism and healthcare etc. amounting, as per the Government, to around Rs 60,000 Cr; we foresee higher growth prospects for us in near future.”

The bank’s Capital Adequacy Ratio has further improved YoY to **12.38%**, which is well within the BASEL III norms, as compared to **11.77 %**, recorded as on December 31, 2020.

“While being comfortably cushioned currently, the Bank is expediting its capital augmenting plans (QIP and FPO) to further strengthen its capital position in near future.” said the MD & CEO.

Giving a glimpse of his vision for the Bank on the occasion, the MD & CEO Baldev Prakash said, “I believe, despite being market leader in J&K and Ladakh, we work in a highly competitive banking ecosystem across the country. Therefore, the only sustainable growth path forward is to enhance the trust of all our stakeholders by maximizing our value proposition. Our customers especially the preferred institutional clients must feel the comfort of banking with us quite visibly in the entire gamut of our banking services that have to be of top quality, efficient and consistent.”

“Towards such a direction, a comprehensive review of Bank’s business strategy is underway and we are in the process of reworking our business plans both for our home territory and beyond to optimize the future outcomes in line with the Bank’s long term business goals. We will also focus on leveraging the digital dynamic to blend the customer convenience at large with the commercial imperatives of the Bank”, he said while adding, “The Bank has devised strategic and short-term plans to enhance its performance by improving its net interest income, increasing its digital presence and offerings, adopting Business Process Re-engineering to enhance efficiency & employee productivity.”

On the occasion, MD & CEO expressed his gratitude to the UT Government for its uninterrupted support and thanked the Directors on Bank’s Board for their effective guidance and supervision. He appreciated the Bank’s entire staff for their rich talent, dedication and expressed confidence that besides meeting the business objectives of the Bank, the entire J&K Bank Family will carry forward the Government’s vision of making Jammu and Kashmir a financially empowered and socially inclusive economy in a professional manner.