

Jammu & Kashmir Bank Limited

Corporate Headquarters  
M A Road, Srinagar 190001  
Kashmir, India  
CIN: L65110JK1938SGC000048

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## Board Secretariat

Ref:-JKB/BS/F3652/2019/297  
Dated: 3<sup>rd</sup> August, 2019

**National Stock Exchange of India Ltd.**  
Exchange Plaza 5<sup>th</sup> 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: - Reviewed Financial Results of the Bank for the Quarter ended 30<sup>th</sup> June, 2019  
(Standalone & Consolidated)**

Dear Sirs,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Reviewed Financial Results of the Bank for the Quarter ended 30<sup>th</sup> June, 2019.

The Results were taken on record by the Board of Directors at their meeting held on 3<sup>rd</sup> August, 2019 at Srinagar.

The meeting ended at 02:15 P.M.

Thanking you

Yours faithfully  
For Jammu & Kashmir Bank Ltd.

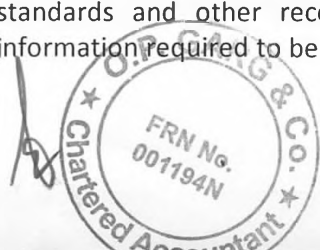
A handwritten signature in blue ink, appearing to read 'Shafi Mir', is written over a faint, larger signature.

(Mohammad Shafi Mir)  
Company Secretary

**Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results of the Jammu & Kashmir Bank Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

**To  
The Board of Directors of  
Jammu and Kashmir Bank Limited**

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **Jammu and Kashmir Bank Limited** ('the Bank') for the quarter ended **30<sup>th</sup> June 2019** being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended), including relevant circular issued by the SEBI from time to time, except for the disclosures relating to Pillar 3 disclosure as at 30 June 2019, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement, and have not been reviewed by us.
2. The Statement, which is the responsibility of the Bank's management and has been approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25, Interim Financial Reporting ('AS 25'), prescribed under Section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time ('the RBI guidelines') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the standalone financial results are free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. The financial results incorporate the relevant returns of 157 branches and Treasury operations reviewed by us, out of which 137 branches were reviewed through Core Banking System('CBS') of the Bank and management inputs, 234 branches reviewed by other Chartered Accountants and Banks' own officials(retired) acting as Concurrent auditors of the Bank and un-reviewed in respect of 553 branches. In the conduct of our Review, in addition to 157 branches and Treasury operations reviewed by us, we have relied on the review reports in respect of non-performing assets received from concurrent auditors of aggregating 234 branches. These review reports cover 80.70% (of which 67.44% covered by us) of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from un-reviewed branches/other offices and generated through centralized database of the Bank's Head Office.
5. Based on our review conducted as above, subject to limitations in scope as mentioned in para 3 above and read with Notes to Accounts, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the



SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement, or that it has not been prepared in accordance with the relevant prudential norms issued by the RBI in respect of income recognition, asset classification, provisioning and other related matters, except for the disclosures relating to Pillar 3 disclosure including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us, or that it contains any material misstatement.

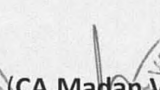
**For O P Garg & Co.**

Chartered Accountants  
FRN:01194N

  
  
(CA. Manish Kumar Gupta)  
Partner  
M.No.097191  
UDIN:19097191AAAABR3349

**For Verma Associates.**

Chartered Accountants  
FRN:02717N

  
  
(CA. Madan Verma)  
Partner  
M.No.081681  
UDIN: 19081631AAAABP1726



**For P C Bindal & Co.**

Chartered Accountants  
FRN:03824N

  
  
(CA. Anil Gupta)  
Partner  
M.No.094713  
UDIN: 19094713AAAABI3198

**For K.K.Goel & Associates.**

Chartered Accountants  
FRN:05299N

  
  
(CA. Shivangni Sharma)  
Partner  
M.No.049234  
UDIN:19049234AAAABR7205

Place : Srinagar

Dated: 3<sup>rd</sup> August 2019

**BALANCE SHEET AS AT 30th JUNE, 2019**

( ₹ IN CRORES )

	As at 30.06.2019	As at 30.06.2018
<b>CAPITAL AND LIABILITIES</b>		
Capital	55.70	55.70
Reserves and Surplus*	6592.27	6158.11
Deposits	88963.39	77419.57
Borrowings	2622.86	3622.74
Other Liabilities and Provisions	2617.08	1836.99
<b>TOTAL :-</b>	<b>100851.30</b>	<b>89093.11</b>
<b>ASSETS</b>		
Cash and Balance with Reserve Bank of India	4064.52	3431.49
Balance with Banks & Money at Call & Short Notice	576.29	47.42
Investments	21612.09	20101.55
Advances	67949.45	59841.05
Fixed Assets	1677.10	1609.57
Other Assets	4971.85	4062.03
<b>TOTAL :-</b>	<b>100851.30</b>	<b>89093.11</b>

\* Includes Profit for the first quarter of Rs. 21.87 Crores. Previous corresponding quarter Rs.52.59 Crores

FOR & ON BEHALF OF THE BOARD



**R.K. CHHIBBER**

Interim Chairman & Managing Director

DIN: 08190084

Place : Srinagar

Dated : 03rd August, 2019

In terms of our report of even date annexed

For O P Garg & Co  
Chartered Accountants  
FRN: 01194N



CA. Manish Kumar Gupta  
Partner  
(M. No. 097191)

For Verma Associates  
Chartered Accountants  
FRN: 02717N



CA. Madan Verma  
Partner  
(M. No. 081631)

For P C Bindal & Co  
Chartered Accountants  
FRN: 03824N



CA. Anil Gupta  
Partner  
(M. No. 094713)

For K K Goel & Associates  
Chartered Accountants  
FRN: 05299N



CA. Shivangni Sharma  
Partner  
(M. No. 049234)

SEGMENT RESULTS

(₹ in Crores)

(₹ in Crores)

S.No.	PARTICULARS	YEAR ENDED				Description	YEAR ENDED			
		3 Months Ended 30.06.2019	3 Months Ended 31.03.2019-Refer Point No.6	3 Months Ended 30.06.2018	31.03.2019		3 Months Ended 30.06.2019	3 Months Ended 31.03.2019-Refer Point No.6	3 Months Ended 30.06.2018	31.03.2019
	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)		(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	
1	Interest Earned (a+b+c+d)	2072.06	2089.90	1762.89	7675.56	1) Segment Revenue (Income)				
	a) Interest/Discount on Advances/Bills	1624.75	1595.28	1327.19	5935.24	i) Treasury Operations	490.39	693.69	444.29	
	b) Income on Investments	405.69	397.58	393.53	1551.99	ii) Corporate/Wholesale Banking	705.43	733.27	569.51	
	c) Interest on Balance with R.B.I. & Other Inter Bank Funds	41.58	49.29	41.42	159.79	iii) Retail Banking	1289.42	1434.14	1067.99	
	d) Others	0.04	27.75	0.75	28.54	iv) Other Banking Business	12.61	13.22	8.45	
2	Other Income	184.19	403.57	134.35	812.83	v) Un-Allocated Business	-	-	-	
3	Total Income (1+2)	2256.25	2473.47	1897.24	8488.19	Total	2497.85	2874.32	2090.24	
4	Interest Expended	1169.89	1138.64	983.70	4291.83	Less: Inter-Segment Revenue	241.60	400.85	193.00	
5	Operating Expenses (H+I)	675.51	734.23	563.81	2478.66	Net Income from Operations	2256.25	2473.47	1897.24	
	I) Employees Cost	463.88	495.61	375.24	1646.18	2) Segment Results (Profit before tax)				
	II) Other Operating Expenses	211.63	238.62	188.57	832.48	i) Treasury Operations	26.11	123.10	44.89	
6	Total Expenditure (4+5) (Excluding Provisions & Contingencies)	1844.40	1872.87	1547.51	6770.29	ii) Corporate/Wholesale Banking	53.27	-2.68	42.16	
7	Operating Profit before Provisions and Contingencies (3-6)	410.85	600.60	349.73	1717.90	iii) Retail Banking	275.25	385.18	187.01	
8	Provisions (other than tax) and Contingencies	293.21	377.95	255.01	1058.17	iv) Other Banking Business	12.61	14.60	7.90	
9	Exceptional Items	-	-	-	-	v) Un-Allocated Business	(249.60)	(267.55)	(187.24)	
10	Profit (+) or Loss (-) from ordinary activities before tax (7-9)	117.64	222.65	94.72	659.73	Total Profit before tax	117.64	222.65	94.72	
11	Tax Expenses	95.77	7.85	42.13	194.85	c) Segment Assets				
12	Net Profit (+) or Loss (-) from ordinary activities after tax (10-11)	21.87	214.80	52.59	464.88	i) Treasury Operations	29118.20	27523.61	23074.29	
13	Extraordinary items (net of tax expenses)	-	-	-	0.00	ii) Corporate/Wholesale Banking	30416.66	31834.11	30762.92	
14	Net Profit (+) or Loss (-) for the period (12+13)	21.87	214.80	52.59	464.88	iii) Retail Banking	41316.29	42048.57	35255.74	
15	Paid-up Equity Share Capital (Face Value Rs. 1/- per share)	55.70	55.70	55.70	55.70	iv) Other Banking Business	0.15	0.00	0.16	
16	Reserves excluding revaluation reserves	-	-	-	5984.65	v) Un-Allocated Business	-	-	-	
	Revaluation Reserve	-	-	-	605.73	Total	100851.30	101406.29	89933.11	
17	Analytical Ratios					d) Segment Liabilities				
(i) Percentage of Shares held by Govt. of J&K	59.23%	59.23%	59.23%	59.23%	i) Treasury Operations	32.15	969.99	2611.34		
(ii) Capital Adequacy Ratio % (BASEL III)	11.76%	12.46%	12.42%	12.46%	ii) Corporate/Wholesale Banking	27197.10	27741.73	23843.25		
(iii) Earning per share (EPS) ₹					iii) Retail Banking	66973.81	66068.47	56423.80		
a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the date and for the previous year (* not annualized)	0.39	3.86	0.94*	8.35	iv) Other Banking Business	0.27	0.00	0.91		
b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (* not annualized)	0.39	3.86	0.94*	8.35	v) Un-Allocated Business	-	-	-		
(iv) NPA Ratios					Total	94203.33	94780.19	82879.30		
a) Amount of Gross NPAs	6030.84	6221.35	6241.67	6221.35	3) Capital Employed					
b) Amount of Net NPAs	2962.30	3239.61	2781.72	3239.61	(Segment assets - Segment Liabilities)					
c) % of Gross NPAs to Gross Advances	8.48%	8.97%	9.83%	8.97%	i) Treasury Operations	29086.05	26553.62	20462.95		
d) % of Net NPAs to Net Advances	4.36%	4.89%	4.65%	4.89%	ii) Corporate/Wholesale Banking	3219.56	4092.38	6919.67		
(v) Return on Assets (Annualized)	0.09%	0.21%	0.24%	0.49%	iii) Retail Banking	(25657.52)	(24019.90)	(21168.06)		
18	Aggregate of Public Share Holding					iv) Other Banking Business	(0.12)	0.00	(0.75)	
(i) No. of Shares	227025360	227025360	227025360	227025360	v) Un-Allocated Business	-	-	-		
(ii) Percentage of Share Holding	40.77%	40.77%	40.77%	40.77%	Total	6647.97	6626.10	6213.81		
19	Promoters and promoter group Shareholding					Total	6647.97	6626.10	6213.81	
a) Pledged/Encumbered										
- Number of Shares	Nil	Nil	Nil	Nil						
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil						
- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil						
b) Non-encumbered										
- Number of Shares	329833032	329833032	329833032	329833032						
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%						
- Percentage of shares (as a % of the total share capital of the company)	59.23%	59.23%	59.23%	59.23%						

(Note: The Bank has only one geographical segment i.e. domestic segment.)

- NOTES:
- The above standalone financial results have been reviewed by the Audit Committee of the Board in their meeting and approved by the Board of Directors at its meeting held on 3<sup>rd</sup> August 2019. The same have been reviewed by the Statutory Auditors in accordance with the guidelines issued by RBI and as per the requirement of listing agreement with Stock Exchange.
  - The above results for the quarter ended 30<sup>th</sup> June 2019 have been prepared following the same accounting policies that were followed in the preparation of annual financial statements for the year ended 31<sup>st</sup> March, 2019.
  - The results have been arrived at after considering provision for Non-Performing Assets on the basis of prudential norms and specific guidelines issued by Reserve Bank of India.
  - Pursuant to the proposed bipartite agreement on wage revision (due with effect from November 2017), a sum of Rs.42 Crores has been provided during the quarter ended 30<sup>th</sup> June 2019 towards wage revision on estimated basis.
  - RBI circular No.DBR.No.BP.BC.1/21.06.2017/2015-16 dated 01.07.2015 on "BASEL-III capital regulations" read together with the RBI Circular No.DBR.No.BP.BC.80/21.06.2017/2014-15 dated 31.03.2015 on Prudential Guidelines on Capital Adequacy and Liquidity Standard Amendments require the banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under BASEL-III framework. Accordingly, these disclosures are being made available on bank's website i.e. www.jkbank.net. These disclosures have not been subjected to review by the auditors.
  - The figures for 3 months ended 31<sup>st</sup> March 2019 represent balancing figures between the audited figures for full financial year ended 31<sup>st</sup> March, 2019 and the unaudited published figures up to 31<sup>st</sup> December 2018 representing nine months period which were subjected to limited review.
  - The bank has classified 54 MSME borrower accounts having aggregate outstanding balance of Rs.35.19 Crores as standard and made additional provision @ 5% against the exposures not classified as NPA in terms of RBI circular DBR.No.BP.BC.108/21.04.048/2017-18 dated June 06, 2018.
  - The Bank has shifted securities amounting to Rs.825 Crores on 20.04.2019 at lower of book value or market value scrip-wise, from Held to Maturity (HTM) to Available for Sale (AFS) category in accordance with RBI Guidelines
- MTM Provision Details
- |                                      |            |
|--------------------------------------|------------|
| MTM Provision held on 31.03.2019     | Rs. Crores |
| 48.44                                |            |
| MTM Provision required on 30.06.2019 | 71.12      |
| MTM Provision held on 30.06.2019     | 71.12      |
- Provision coverage ratio as at 30<sup>th</sup> June, 2019 is 66.61% after taking into account the floating provision of Rs. 348.72 Crores held by the bank.
  - During the Quarter ended 30<sup>th</sup> June 2019 Chairman & CEO of the bank ceased to be director and raids were conducted by Anti-Corruption Bureau on the bank's headquarters. The promoter director on Board of the bank clarified during the investor/analyst call that investigation was ordered by the State government on the basis of some complaints/reports of alleged malpractices and governance issues in the bank so that the facts are brought forth. The management is of the opinion that investigations carried out by Anti-Corruption Bureau shall not materially affect the results.
  - The number of investors complaints pending at the beginning of the quarter were nil, and the complaints received during the quarter were 10(Ten) and all have been disposed off.
  - The above results are standalone and do not include that of subsidiary companies.
  - Figures of previous period/year have been rearranged/reclassified/regrouped wherever considered necessary to make them comparable with the figures of the period under review.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

For O P Garg & Co  
 Chartered Accountants  
 FRN: 01194N

CA. Manish Kumar Gupta  
 Partner  
 (M. No. 097191)

For Verma Associates  
 Chartered Accountants  
 FRN: 02117N

CA. Madan Verma  
 Partner  
 (M. No. 081631)

For P C Bindal & Co  
 Chartered Accountants  
 FRN: 03824N

CA. Anil Gupta  
 Partner  
 (M. No. 094713)

For K K Goel & Associates  
 Chartered Accountants  
 FRN: 05299N

CA. Shivangni Sharma  
 Partner  
 (M. No. 049234)

FOR & ON BEHALF OF THE BOARD

R.K.Chhibber  
 Interim Chairman & Managing Director  
 DIN: 08190084

Place : Srinagar  
 Dated : 03rd August, 2019

**Independent Auditor's Review Report On consolidated unaudited quarterly and year to date financial results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

TO THE BOARD OF DIRECTORS OF  
Jammu & Kashmir Bank Limited

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **Jammu & Kashmir Bank Limited** ("the Parent"/"the Bank") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net loss after tax for the quarter ended **30<sup>th</sup> June 2019** ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures relating to consolidated Pillar 3 disclosure, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us. Attention is drawn to the fact that the consolidated figures for the corresponding quarters ended 30<sup>th</sup> June 2018 and 31<sup>st</sup> March 2019 in respect of subsidiary, as reported in these financial results have not been subjected to review.
2. This Statement, which is the responsibility of the Parent's Management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 "Interim Financial Reporting" ("AS 25"), prescribed under Section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India (RBI) from time to time ("RBI Guidelines") and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatements. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:

Sn.	Name of Company	Relation
1.	The Jammu & Kashmir Bank Ltd	Parent
2.	JKB Financial Services Limited	Subsidiary

The consolidated financial statements of the 'Group' do not include interim financial results of associate/sponsored Regional Rural Bank (J&K Grameen Bank) for the quarter ended 30<sup>th</sup> June 2019.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review reports of the branch auditors and other auditors referred to in paragraph 7 below, **nothing** has come to our attention that causes us to believe that the accompanying



Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Accounting Standard, RBI Guidelines and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, except for the disclosures relating to consolidated Pillar 3 disclosure including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us, or that it contains any material misstatement.

6. Emphasis of Matter

- a. The 'Parent' has not consolidated the financial statements of associate/sponsored Regional Rural Bank (J&K Grameen Bank).

Our conclusion is not modified in respect of this matter as the sponsored Bank was in profits in the immediate preceding financial year ended 31<sup>st</sup> March 2019.

- b. The Bank along with Government of Jammu & Kashmir have incorporated a company 'Jammu and Kashmir Asset Reconstruction Limited on 28.04.2017. The Bank has subscribed capital to the tune of Rs.0.98 Crore whereas the Government of J&K has subscribed Rs.1.02 Crores. The promoters i.e. J&K Government and Jammu & Kashmir Bank Limited are yet to release their respective shares towards the subscribed share capital of the company.

Our conclusion is not modified in respect of this matter

7. We did not review the interim financial results and other financial information of the entity included in the Group, whose results reflect total assets of Rs.19.15 Crores as at 30<sup>th</sup> June 2019 and total revenues of Rs. 1.28 Crores and total net loss after tax of Rs.0.72 Crores for the quarter ended 30<sup>th</sup> June 2019. The interim financial results and other financial information of the entity have been reviewed by the other auditor whose report has been furnished to us by the management and our conclusion in so far as it relates to the amounts and disclosures included in respect of the entity is based solely on the report of other auditor and the procedures performed by us as stated in paragraph 3 above.

Our conclusion on the Statement is not modified in respect of the above matters.

8. The consolidated figures for the corresponding quarters ended June 30, 2018 of and March 31, 2019, of 'Subsidiary' as reported in these financial results have not been subjected to review/audit.

Our conclusion is not modified in respect of these matters.

For O P Garg & Co.  
Chartered Accountants  
FRN:01194N

  
(CA. Manish Kumar Gupta)  
Partner  
FRN No. 001194N  
M.No.097191  
UDIN:19097191AAAAAB55100

Place : Srinagar  
Dated: 3<sup>rd</sup> August 2019

For Verma Associates.  
Chartered Accountants  
FRN:02717N

  
(CA. Madan Verma)  
Partner  
M.No.081631  
UDIN:19081631AAAA  
B08221

For P C Bindal & Co.  
Chartered Accountants  
FRN:03824N

  
(CA. Anil Gupta)  
Partner  
M.No.094713  
UDIN:19094713AAAAABJ7317

For K.K.Goel & Associates.  
Chartered Accountants  
FRN:05299N

  
(CA. Shivagani Sharma)  
Partner  
M.No.049234  
UDIN:19049234AAAAAB55116


**CONSOLIDATED BALANCE SHEET AS AT 30th JUNE, 2019**

( ₹ IN CRORES )

	As at 30.06.2019	As at 30.06.2018
<b>CAPITAL AND LIABILITIES</b>		
Capital	55.70	55.70
Reserves and Surplus*	6586.48	6153.90
Deposits	88962.40	77419.57
Borrowings	2622.86	3622.74
Other Liabilities and Provisions	2620.38	1838.82
<b>TOTAL :-</b>	<b>100847.82</b>	<b>89090.73</b>
<b>ASSETS</b>		
Cash and Balance with Reserve Bank of India	4064.52	3431.49
Balance with Banks & Money at Call & Short Notice	586.30	47.42
Investments	21592.09	20081.55
Advances	67949.45	59843.49
Fixed Assets	1677.67	1609.87
Other Assets	4977.79	4076.91
<b>TOTAL :-</b>	<b>100847.82</b>	<b>89090.73</b>

\* Includes Profit for the first quarter of Rs. 21.15 Crores. Previous corresponding quarter Rs.52.30 Crores

FOR & ON BEHALF OF THE BOARD

  
R.K. CHHIBBER

Interim Chairman & Managing Director

DIN: 08190084

Place : Srinagar

Dated : 03rd August, 2019

In terms of our report of even date annexed

For O P Garg & Co  
Chartered Accountants  
FRN: 01194N

  
CA. Manish Kumar Gupta  
Partner  
(M. No. 097191)

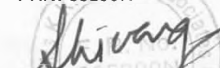
For Verma Associates  
Chartered Accountants  
FRN: 02717N

  
CA. Madan Verma  
Partner  
(M. No. 081631)

For P C Bindal & Co  
Chartered Accountants  
FRN: 03824N

  
CA. Anil Gupta  
Partner  
(M. No. 094713)

For K K Goel & Associates  
Chartered Accountants  
FRN: 05299N

  
CA. Shivangni Sharma  
Partner  
(M. No. 049234)



**SEGMENT RESULTS**

(₹ in Crores)

(₹ in Crores)

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th JUNE, 2019					YEAR ENDED 31.03.2019	Description					
						3 Months Ended 30.06.2019			YEAR ENDED 31.03.2019		
						3 Months Ended 31.03.2019			3 Months Ended 30.06.2018		
S.No	PARTICULARS	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)	(Un-Audited)	(Audited)
1	Interest Earned (a+b+c+d)	2072.06	2069.91	1762.89	7675.57						
	a) Interest/Discount on Advances/Bills	1624.75	1595.28	1327.19	5935.24						
	b) Income on Investments	405.69	397.58	393.53	1551.99						
	c) Interest on Balance with R.B.I & Other Inter Bank Funds	41.58	49.29	41.42	159.79						
	d) Others	0.04	27.75	0.75	28.55						
2	Other Income	185.36	408.42	135.44	817.48						
3	Total Income (1+2)	2257.42	2478.33	1898.33	8493.05						
4	Interest Expended	1169.77	1138.13	983.70	4291.13						
5	Operating Expenses (H+I)	677.84	740.62	565.32	2485.06						
	I. Employees Cost	465.41	499.53	376.24	1650.11						
	II. Other Operating Expenses	212.43	241.09	189.08	834.95						
6	Total Expenditure (4+5) (Excluding Provisions & Contingencies)	1847.61	1878.76	1549.02	6776.19						
7	Over/after Profit before Provisions and Contingencies (3-6)	409.81	599.57	349.31	1716.86						
8	Provisions (other than tax) and Contingencies	293.21	377.95	255.01	1058.18						
9	Exceptional Items	-	-	-	-						
10	Profit (+) / Loss (-) from ordinary activities before tax (7-8-9)	116.60	221.61	94.30	658.68						
11	Tax Expenses	95.45	7.85	41.84	194.88						
12	Net Profit (+) / Loss (-) from ordinary activities after tax (10-11)	21.15	213.76	52.46	463.80						
13	Extraordinary Items (net of tax expenses)	-	-	-	0.00						
14	Net Profit (+) / Loss (-) for the period (12-13)	21.15	213.76	52.46	463.80						
15	Paid-up Equity Share Capital (Face Value Rs. 1/- per share)	55.70	55.70	55.70	55.70						
16	Reserves excluding revaluation reserves				5960.31						
	Revaluation Reserve				605.75						
17	Analytical Ratios										
	(i) Percentage of Shares held by Govt. of J&K	59.23%	59.23%	59.23%	59.23%						
	(ii) Capital Adequacy Ratio % (BASEL II)	11.78%	12.46%	12.42%	12.46%						
	(iii) Earning per share (EPS) ₹										
	a) Basic and diluted EPS before Extraordinary items (net of tax expense) for the period, for the year to date and for the date and for the previous year (* not annualized)	0.39	3.86	0.94*	8.35						
	b) Basic and diluted EPS after Extraordinary items for the period for the year to date and for the previous year (* not annualized)	0.39	3.86	0.94*	8.35						
	(iv) NPA Ratio										
	a) Amount of Gross NPAs	6030.84	6221.35	6241.67	6221.35						
	b) Amount of Net NPAs	2962.30	3239.61	2781.72	3239.61						
	c) % of Gross NPAs to Gross Advances	8.48%	8.97%	9.83%	8.97%						
	d) % of Net NPAs to Net Advances	4.36%	4.89%	4.65%	4.89%						
	(v) Return on Assets (Annualized)	0.09%	0.21%	0.24%	0.49%						
18	Aggregate of Public Share Holding										
	(i) No. of Shares	227025360	227025360	227025360	227025360						
	(ii) Percentage of Share Holding	40.77%	40.77%	40.77%	40.77%						
19	Promoters and promoter group Shareholding										
	a) Pledged/Encumbered										
	- Number of Shares	Nil	Nil	Nil	Nil						
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil						
	Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil						
	b) Non-encumbered										
	- Number of Shares	329833032	329833032	329833032	329833032						
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%						
	Percentage of shares (as a % of the total share capital of the company)	59.23%	59.23%	59.23%	59.23%						

**NOTES:**

- The above consolidated financial results have been reviewed by the Audit Committee of the Board in their meeting and approved by the Board of Directors at its meeting held on 3<sup>rd</sup> August 2019. The same have been reviewed by the Statutory Auditors in accordance with the guidelines issued by RBI and as per the requirement of listing agreement with Stock Exchange.
- The above results for the quarter ended 30<sup>th</sup> June 2019 have been prepared following the same accounting policies that were followed in the preparation of annual financial statements for the year ended 31<sup>st</sup> March, 2019.
- The results have been arrived at after considering provision for Non-Performing Assets on the basis of prudential norms and specific guidelines issued by Reserve Bank of India.
- Pursuant to the proposed bipartite agreement on wage revision (due with effect from November 2017), a sum of Rs.42 Crores has been provided during the quarter ended 30<sup>th</sup> June 2019 towards wage revision on estimated basis.
- RBI circular No. DBR.No.BP.BC.1/21.06.201/2015-16 dated 01.07.2015 on "BASEL-III capital regulations" read together with the RBI Circular No. DBR.No.BP.BC.80/21.06.201/2014-15 dated 31.03.2015 on Prudential Guidelines on Capital Adequacy and Liquidity Standard Amendments require the banks to make applicable Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under BASEL-III framework. Accordingly, these disclosures are being made available on bank's website i.e. www.jkbank.net. These disclosures have not been subjected to review by the auditors.
- The figures for 3 months ended 31<sup>st</sup> March 2019 represent balancing figures between the audited figures for full financial year ended 31<sup>st</sup> March, 2019 and the unaudited published figures up to 31<sup>st</sup> December 2018 representing nine months period which were subjected to limited review.
- The bank has classified 54 MSME borrower accounts having aggregate outstanding balance of Rs.35.19 Crores as standard and made additional provision @ 5% against the exposures not classified as NPA in terms of RBI circular DBR.No.BP.BC.108/21.04.048/2017-18 dated June 06, 2018.
- The Bank has shifted securities amounting to Rs.825 Crores on 20.04.2019 at lower of book value or market value scrip-wise, from Held to Maturity (HTM) to Available for Sale (AFS) category in accordance with RBI Guidelines

MTM Provision Details		Rs. Crores
MTM Provision held on 31.03.2019		48.44
MTM Provision required on 30.06.2019		71.12
MTM Provision held on 30.06.2019		71.12

- Provision coverage ratio as at 30<sup>th</sup> June, 2019 is 66.61% after taking into account the floating provision of Rs. 348.72 Crores held by the bank.
- During the Quarter ended 30<sup>th</sup> June 2019 Chairman & CEO of the bank ceased to be director and a director was conducted by Anti-Corruption Bureau on the bank's headquarters. The promoter director on Board of the bank clarified during the investor/analyst call that investigation was ordered by the State government on the basis of some complaints/reports of alleged malpractices and governance issues in the bank so that the facts are brought forth. The management is of the opinion that investigations carried out by Anti-Corruption Bureau shall not materially affect the results.
- The number of investors complaints pending at the beginning of the quarter were nil, and the complaints received during the quarter were 10(Ten) and all have been disposed off.
- The above results are standalone and do not include that of subsidiary companies.
- Figures of previous period/year have been rearranged/reclassified/regrouped wherever considered necessary to make them comparable with the figures of the period under review.
- The statement of Assets and Liabilities is appended.

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

For O P Garg & Co  
Chartered Accountants  
FRN: 01194N

CA. Manish Kumar Gupta  
Partner  
(M. No. 097191)

For Verma Associates  
Chartered Accountants  
FRN: 02717N

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For K K Goel & Associates  
Chartered Accountants  
FRN: 06299N

CA. Shivangni Sharma  
Partner  
(M. No. 049234)

FOR & ON BEHALF OF THE BOARD

R.K.Chhibber  
Interim Chairman & Managing Director  
DIN: 08190084

Place : Srinagar  
Dated : 03rd August, 2019