



## Board Secretariat

Ref:-JKB/BS/F3652/2019/238

Dated: 15<sup>th</sup> May, 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:- AUDITED RESULTS FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2019

Dear Sirs,

Pursuant to Regulation 33(3) (d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of the Audited Financial Results of the Bank for the fourth quarter and financial year ended 31<sup>st</sup> March, 2019. The results were taken on record by the Board of Directors at their meeting held on 15<sup>th</sup> May, 2019 at Srinagar.

Further pursuant to Regulation 52(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the detailed information is furnished as under:

(Amount in Crores)

S. No.	Particulars	31.03.2019	31.03.2018
1	Credit rating and change in credit rating (if any): 1. Certificate of Deposits 2. Short Term Deposits 3. Long term Deposits  4. Tier II Sub ordinate Debt	CRSIL A1+ CRSIL A1+ FAA/ -ve  CARE AA -ve BWR AA IND AA -ve	CRSIL A1+ CRSIL A1+ FAA/ -ve  CARE AA -ve BWR AA IND AA
2	Gross Profit	1717.90	1381.87
3	Previous due date for the payment of interest/dividend for non-convertible preference shares/ repayment of principal of non-convertible preference shares/ on convertible debt securities and whether the same has been paid or not;	Not Applicable	Not Applicable
4	Next due date for the payment of interest/ dividend of non - convertible preference shares/ principal along with the amount of interest/ dividend of non-convertible preference shares payable and the redemption amount;	Not Applicable	Not Applicable
5	Outstanding redeemable preference shares(quantity and value)	Not Applicable	Not Applicable
6	Capital redemption reserve/debenture redemption reserve	Not Applicable	Not Applicable
7	Net Worth	6626.09	6161.21
8	Net profit after tax	464.89	202.72
9	Earnings per share	8.35	3.64

The meeting ended at 4:20 P.M.

Thanking you

Yours faithfully

For The Jammu and Kashmir Bank Ltd.

(Mohammad Shafi Mir)  
Company Secretary

**Auditor's Report on Quarterly financial results and Year to date Standalone Financial Results of The Jammu & Kashmir Bank Ltd Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

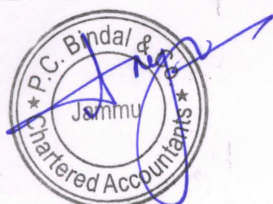
To

**The Board of Directors**

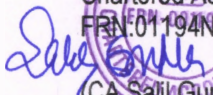
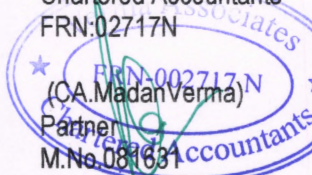
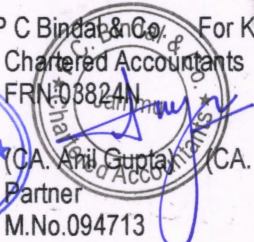

**The Jammu & Kashmir Bank Ltd**

1. We have audited the quarterly standalone financial results of The Jammu & Kashmir Bank Ltd ("The Bank") for the quarter ended March 31, 2019 and for the year ended March 31, 2019, attached herewith, being submitted by the Bank pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. These quarterly standalone financial results as well as the year to date financial results are the responsibility of the bank's management and have been approved by Board of Directors. Our responsibility is to express an opinion on these standalone financial results based on our audit of such standalone financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards specified under Section 133 of the Companies Act, 2013 read with relevant rules issued there under or by the Institute of Chartered Accountants of India and other accounting principles generally accepted in India.
3. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.
4. These financial results incorporate the relevant returns of 61 branches/offices audited by us and 913 branches audited by Statutory Branch Auditors for the year ended on that date. The Branches/offices audited by us and those audited by other auditors have been selected by the Comptroller & Auditor General of India in accordance with the guidelines issued to the Bank by the Reserve Bank of India .
5. **Emphasis of Matter**

Attention is invited to Note No.6 regarding capitalization of interest Rs.265.94 Crores by corresponding debit to interest income in Profit & Loss Account. Our opinion is not modified in respect of this matter.



6. In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results have been presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and give a true and fair view of the net Profit for the quarter ended and for the year ended March 31, 2019.
7. Further, we report that the
- figures for the quarter ended March 31, 2019 represent the derived figures between the audited results in respect of financial year ended March 31, 2019 and published year to date figures up to December 31, 2018 being the date of the end of the third quarter of the current financial year, which were subject to limited review, as required under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

 For O.P Garg & Co. Chartered Accountants FRN:01194N (CA. Salil Gupta) Partner M.No.097922	 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. Kamlesh Kumar Goel) Partner M.No.015002
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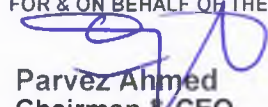
Place : Srinagar  
Dated : 15<sup>th</sup> May 2019

**BALANCE SHEET AS AT 31ST MARCH, 2019**

( ₹ IN CRORES )

	As at 31.03.2019	As at 31.03.2018
<b>CAPITAL AND LIABILITIES</b>		
Capital .....	55.70	55.70
Reserves and Surplus .....	6570.39	6105.51
Deposits .....	89638.90	80006.50
Borrowings .....	2623.96	1628.34
Other Liabilities and Provisions .....	2517.34	1891.57
<b>TOTAL :-</b>	<b>101406.29</b>	<b>89687.62</b>
<b>ASSETS</b>		
Cash and Balance with Reserve Bank of India .....	4874.97	4328.36
Balance with Banks & Money at Call & Short Notice ...	986.91	3924.52
Investments .....	23160.50	18880.03
Advances .....	66271.51	56912.75
Fixed Assets .....	1674.69	1614.59
Other Assets .....	4437.71	4027.37
<b>TOTAL :-</b>	<b>101406.29</b>	<b>89687.62</b>

FOR & ON BEHALF OF THE BOARD

  
Parvez Ahmed  
Chairman & CEO  
DIN: 03467232

Place : Srinagar  
Dated : 15th May, 2019


**In terms of our report of even date annexed**

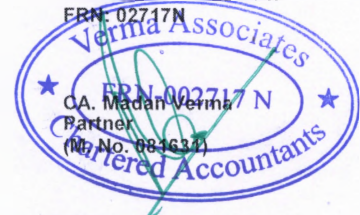
For O P Garg & Co  
Chartered Accountants  
FRN: 01194N


For Verma Associates  
Chartered Accountants  
FRN: 02717N


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

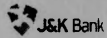
For K K Goel & Associates  
Chartered Accountants  
FRN: 08299N

  
CA. Salil Gupta  
Partner  
(M. No. 097922)

  
CA. Madan Verma  
Partner  
(M. No. 084634)

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

  
CA. Kamlesh Kumar Goel  
Partner  
(M. No. 015002)



SEGMENT RESULTS

(₹ in Crores)

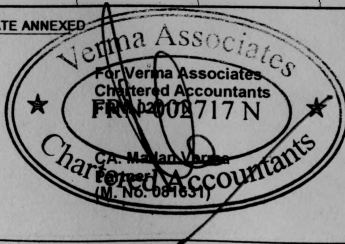
(₹ in Crores)

FINANCIAL RESULTS FOR THE QUARTER & YEAR ENDED 31st MARCH, 2019		3 Months Ended 31.03.2019	3 Months Ended 31.12.2018	3 Months Ended 31.03.2018	YEAR ENDED		Description	3 Months Ended 31.03.2019	3 Months Ended 31.12.2018	3 Months Ended 31.03.2018	YEAR ENDED	
					31.03.2019	31.03.2018					31.03.2019	31.03.2018
S.No.	PARTICULARS	(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)		(Audited)	(Un-Audited)	(Audited)	(Audited)	(Audited)
1	Interest Earned (a+b+c+d)	2069.90	2092.71	1591.68	7675.56	6621.40	1) Segment Revenue (Income)					
	a) Interest/Discount on Advances/Bills	1595.28	1567.85	1220.02	5935.24	4977.74	i) Treasury Operations	693.69	445.59	394.16	1952.74	1693.39
	b) Income on Investments	397.58	399.24	338.77	1551.99	1431.58	ii) Corporate/Wholesale Banking	733.27	711.41	428.46	2672.41	2170.12
	c) Interest on Balance with R.B.I. & Other Inter Bank Funds	49.29	35.62	32.77	211.08	211.08	iii) Retail Banking	1434.14	1224.26	1102.47	4879.67	3838.58
	d) Others	77.75	0.00	0.12	26.54	0.40	iv) Other Banking Business	13.22	10.74	7.82	41.11	31.98
2	Other Income	463.67	163.81	172.27	812.83	495.31	v) Un-Allocated Business	-	-	-	-	-
3	Total Income (1+2)	2473.47	2196.22	1763.95	8488.19	7116.71	Total	2874.32	2392.00	1932.92	9545.93	7734.07
4	Interest Expended	1138.94	1121.08	935.91	4291.63	3750.81	Less: Inter Segment Revenue	400.85	225.78	188.97	1057.74	817.36
5	Operating Expenses (v+vi)	734.23	620.22	561.58	2478.66	1984.23	Net Income from Operations	2473.46	2166.22	1743.95	8488.19	7116.71
6	i. Employees Cost	495.61	407.79	347.89	1646.18	1296.69	2) Segment Results (Profit before tax)					
6	ii. Other Operating Expenses	238.62	212.43	213.69	832.48	687.54	i) Treasury Operations	123.10	24.35	20.82	132.60	54.38
6	Total Expenditure (4+5) (Excluding Provisions & Contingencies)	1872.87	1741.30	1497.49	6770.29	5734.84	ii) Corporate/Wholesale Banking	-	124.41	42.71	350.67	284.23
7	Operating Profit before Provisions and Contingencies (3-6)	600.60	424.92	266.46	1717.90	1381.87	iii) Retail Banking	385.18	231.86	113.30	1024.55	586.04
8	Provisions (other than tax) and Contingencies	377.85	252.82	251.11	1058.16	1022.74	iv) Other Banking Business	14.60	10.31	7.27	41.11	29.35
9	Exceptional Items	-	-	-	-	-	v) Un-Allocated Business	(297.56)	(218.83)	(188.75)	(689.19)	(576.87)
10	Profit (+)/Loss (-) from ordinary activities before tax (7-8-9)	222.65	172.10	15.35	659.74	359.13	Total Profit before tax	222.64	172.10	15.35	659.74	359.13
11	Tax Expenses	7.85	88.35	(13.08)	194.85	(81.77)	c) Segment Assets					
12	Net Profit (+)/Loss (-) from ordinary activities after tax (10-11)	214.80	103.75	28.41	464.89	440.80	i) Treasury Operations	27523.61	26527.76	25846.18	27523.61	25846.18
13	Extraordinary Items (net of tax expenses)	-	-	-	-	238.18	ii) Corporate/Wholesale Banking	31834.11	32346.28	29632.54	31834.11	29632.54
14	Net Profit (+)/Loss (-) for the period (12-13)	214.80	103.75	28.41	464.89	202.72	iii) Retail Banking	42048.57	39478.71	34208.72	42048.57	34208.72
15	Paid-up Equity Share Capital (Face Value Rs. 1/- per share)	55.70	55.70	55.70	55.70	55.70	iv) Other Banking Business	0.00	0.16	0.17	0.00	0.17
16	Reserves excluding revaluation reserves				5964.65	5485.33	v) Un-Allocated Business	-	-	-	-	-
	Revaluation Reserve				805.78	820.18	Total:-	101406.29	98352.91	89687.61	101406.29	89687.61
17	Analytical Ratios						d) Segment Liabilities					
	(i) Percentage of Shares held by Govt. of J&K	59.23%	59.23%	59.23%	59.23%	59.23%	i) Treasury Operations	969.99	4308.83	2547.32	969.99	2547.32
	(ii) Capital Adequacy Ratio % (BASEL III)	12.46%	11.63%	11.42%	12.46%	11.42%	ii) Corporate/Wholesale Banking	27741.73	26217.66	24854.98	27741.73	24854.98
	(iii) Earning per share (EPS) ₹						iii) Retail Banking	66088.47	61414.98	56123.39	66088.47	56123.39
	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)	3.86	1.86*	2.04	8.35	7.91	iv) Other Banking Business	0.00	0.13	0.71	0.00	0.71
	b) Basic and diluted EPS after Extraordinary Items for the period, for the year to date and for the previous year (* not annualized)	3.86	1.86*	2.04	8.35	3.64	v) Un-Allocated Business	-	-	-	-	-
	(iv) NPA Ratio's						Total:-	94780.19	81941.80	83526.40	94780.19	83526.40
	a) Amount of Gross NPAs	6221.35	6859.73	6006.70	6221.35	6006.70	3) Capital Employed					
	b) Amount of Net NPAs	3239.61	3048.18	2791.12	3239.61	2791.12	(Segment assets - Segment Liabilities)					
	c) % of Gross NPAs to Gross Advances	8.97%	9.94%	9.96%	8.97%	9.96%	i) Treasury Operations	26553.62	22218.93	23296.86	26553.62	23296.86
	d) % of Net NPAs to Net Advances	4.89%	4.69%	4.90%	4.89%	4.90%	ii) Corporate/Wholesale Banking	4092.38	6128.62	4777.55	4092.38	4777.55
	(v) Return on Assets (Annualized)	0.21%	0.43%	0.13%	0.49%	0.25%	iii) Retail Banking	(24019.90)	(21936.27)	(21914.66)	(24019.90)	(21914.66)
18	Aggregate of Public Share Holding						iv) Other Banking Business	0.00	0.03	(0.54)	0.00	(0.54)
	(i) No. of Shares	227025360	227025360	227025360	227025360	227025360	v) Un-Allocated Business	-	-	-	-	-
	(ii) Percentage of Share Holding	40.77%	40.77%	40.77%	40.77%	40.77%	Total :-	6628.10	6411.31	6161.21	6628.10	6161.21
19	Promoters and promoter group Shareholding						Note: The Bank has only one geographical segment i.e. domestic segment.					
	a) Pledged/Encumbered											
	- Number of Shares	Nil	Nil	Nil	Nil	Nil						
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil						
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil						
	b) Non-encumbered											
	- Number of Shares	329833032	329833032	329833032	329833032	329833032						
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	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%	59.23%						

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

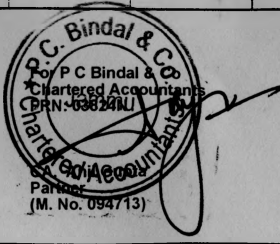
For O P Garg & Co  
Chartered Accountants

FRN: 019479GAG  
CA, Malli Gupta  
Punjab  
FRN: 001134N  
(M. No. 097922)



For Verina Associates  
Chartered Accountants  
FRN: 002717N

CA. Manish Verma  
Punjab  
(M. No. 081631)



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

CA. Pankaj Bindal  
Punjab  
(M. No. 094713)

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

CA. Kamlesh Kumar Goel  
Punjab  
(M. No. 015002)

FOR & ON BEHALF OF THE BOARD

Parvez Ahmed  
Chairman & CEO  
DIN: 03467232

Place : Srinagar  
Dated : 15th May, 2019

NOTES:

1. 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 15th May, 2019. The same have been audited by the statutory Central Auditors of the Bank, in line with the guidelines issued by RBI and as per the requirement of listing agreement with Stock Exchange.

2. The above results for the Quarter and year ended 31st March, 2019 have been prepared following the same accounting policies that were followed in the preparation of annual financial statements for the year ended 31st March, 2018.

3. The results have been arrived at after considering provision for Non-Performing Assets on the basis of prudential norms and specific guidelines issued by the Reserve Bank of India.

4. The bank has set aside ₹90 Crores upto 31st December, 2018 and further ₹80 Crores in current quarter towards wage revision on estimated basis.

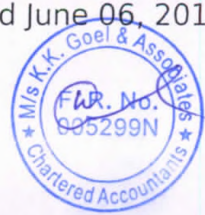
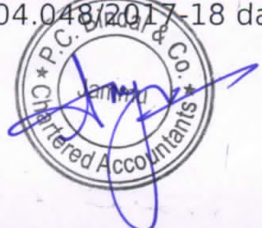
5. RBI circular No.DBR.No.BP.BC.1/21.06.201/2015-16 dated 01.07.2015 on "BASEL-III capital regulations" read together with the RBI Circular No. DBR.No.BP.BC.80/21.06.201/2014-15 dated 31.03.2015 on Prudential Guidelines on Capital Adequacy and Liquidity standard amendments require the banks to make applicable 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.

6. In view of flood during 2014 and disturbances during 2016 in J&K State, Bank rehabilitated affected borrowal accounts under RBI Master Directions issued for Relief Measures by Banks in areas affected by Natural Calamities. The total amount of rehabilitated /restructured advances at Rs. 3701 crores (flood and disturbances) as on 31.03.2019. The bank has recognized funded interest aggregating Rs. 796.02 crores as interest income in these accounts upto 31.12.2017. The bank has capitalized funded interest (net of recoveries) of Rs. 513.10 crores by staggering over five quarters beginning with 1<sup>st</sup> quarter ended 31.03.2018 in compliance of dispensation allowed to the bank by RBI. Accordingly bank has created interest capitalized Rs. 265.94 crores by corresponding debit to interest income in profit and loss account. The interest capitalization stands completed by 31.03.2019

7. In terms of RBI circular No. DBR.No.BP.BC.18/21.04.048/2018-19 dated January 1<sup>st</sup> 2019 banks have been permitted one time restructuring of existing loans to MSME's classified as standard without a downgrade in the asset classification as stated under:

No. of Accounts restructured	Amount in Crores
02	1.10

8. The bank has classified 350 MSME borrower accounts having aggregate outstanding balance of ₹23.95 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.



9. RBI Circular No.DBR.No.BP.BC.113/21.04.048/2017-18,dated June 15,2018 grants banks an option to spread provisioning for mark to market (MTM) losses on investments held in AFS and HFT for the quarter ending June 30,2018 and the provisioning required may be spread equally over upto four quarters, commencing with the quarter ending June30,2018. The Bank has availed the said option since quarter ended June 30, 2018. However, there is no further provision required in respect of MTM losses as on 31.03.2019.

10. Provision coverage ratio as at 31st March, 2019 is 64.30% after taking into account the floating provision of ₹348.72 Crores held by the bank, the coverage ratio as on 31<sup>st</sup> December, 2018 was 65.82%.

11. A penalty of ₹5.05 crores has been imposed on the bank by Reserve Bank during the financial year 31st March 2019 of India (RBI).

12. The number of investors complaints pending at the beginning of the quarter were NIL, and the complaints received during the quarter were 15 (Fifteen) and all have been disposed of.

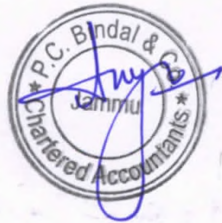
13. In terms of RBI circular No. DBR.BP.BC.No.32/21.04.018/2018-19 dated April 1 2019, the disclosure is as stated hereunder.

(₹ in Thousands)		
S. No.	Particulars	Amount
1	Gross NPAs as on March 31, 2018 as reported by the bank	60067030
2	Gross NPAs as on March 31, 2018 as assessed by RBI	65157030
3	Divergence in Gross NPAs (2-1)	5090000
4	Net NPAs as on March 31,2018 as reported by the bank	27911246
5	Net NPAs as on March 31, 2018 as assessed by RBI	31948246
6	Divergence in Net NPAs (5-4)	4037000
7	Provisions for NPAs as on March 31, 2018 as reported by the bank	31122554
8	Provisions for NPAs as on March 31, 2018 as assessed by the RBI	32175554
9	Divergence in Provisioning (8-7)	1053000
10	Reported Net Profit after Tax (PAT) for the Year ended March 31, 2018	2027198
11	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2018 after taking into account the divergence in provisioning	974198
March 31 2018 is the close of the reference period in respect of which divergences were assessed		



14. The above results are standalone and do not include that of subsidiary companies.

15. 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.





## FORM A

### Annual Audit Report to be filed with the Stock Exchange

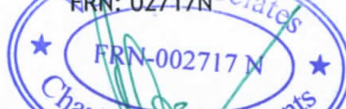
1.	Name of the company	Jammu and Kashmir Bank Limited
2.	Annual Financial Statement of the year ended	31 <sup>st</sup> March, 2019
3.	Type of Audit Observation	Un-Qualified
4.	Frequency of Observation	Nil

  
Parvez Ahmed  
Chairman & CEO

  
Sanjiv Agarwal  
Chairman (ACB)

  
Rakesh Gandotra  
Chief Financial Officer

O. P. Garg & Co.  
Chartered Accountants  
FRN: 01194N  
  
CA Satil Gupta  
Partner  
(M.No. 097922)

Verma Associates  
Chartered Accountants  
FRN: 02717N  
  
CA Madan Verma  
Partner  
(M.No. 081631)

P.C Bindal & Co  
Chartered Accountants  
FRN: 03824N  
  
CA Anil Gupta  
Partner  
(M.No. 094713)

K.K Goel & Associates  
Chartered Accountants  
FRN: 05299N  
  
CA Kamlesh Kumar Goel  
Partner  
(M.No. 015002)

Place: Srinagar  
Date: 15<sup>th</sup> May, 2019