

Jammu and Kashmir Bank Limited

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Exchange Plaza 5th Floor
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Bandra Kurla Complex
Bandra (E) Mumbai - 400 051
Symbol: J&KBANK

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

SUB:- PRESS RELEASE ON REVIEWED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2024

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 ended 30th June, 2024.

This is for your information and appropriate dissemination.

Thanking you

Yours faithfully
For Jammu and Kashmir Bank Limited

(Mohammad Shafi Mir)
Company Secretary

Board Secretariat



Q1 Financial Results

J&K Bank net profit up by 27%

We are steadily emerging as a lean, agile and digitally driven financial institution. The strategic objective is to become 'Bank for all Generations': MD & CEO

Srinagar, July 27: Announcing a significant increase in quarterly profits, J&K Bank today posted Rs 415.49 Cr as profit-after-tax (PAT) for the April-June quarter of the current financial year, which is up by 27% YoY from Rs 326.45 Cr recorded for the first quarter of previous financial year.

The Bank announced its Q1 results today after the Bank's Board of Directors approved the quarterly numbers in a meeting held here at the Bank's Corporate Headquarters.

Performance Highlights

The Bank's Net interest income (NII) grew by 7% YoY to Rs 1369.22 Cr in the first quarter of current financial year, while as, the Net Interest Margin (NIM) has improved by 9 basis points QoQ to 3.86% from 3.77% registered in Q4 of FY 2023-24.

Core operating profit of the Bank witnessed an increase of 13% YoY and reached Rs 594.67 Cr from Rs 528.05 Cr. The Bank's Return on Assets (RoA) for the June quarter stood at 1.08% as against 0.94% recorded during the Q1 of the last financial year.

Commenting upon the results, MD & CEO of J&K Bank, said, "With improved bottom line, our performance in the first quarter reflects the resilience and strength of the Bank. The key financial metrics have shown notable improvements, reflecting healthy progress. And with our Return on Assets above 1%, we have also maintained the NIM in the upper band of our market guidance, i.e. near 4 percent at 3.86% despite pressure on margins."

Business Growth

Advances of the bank grew over 13% YoY and stood at Rs 95449.77 Cr as against Rs 84475.63 Cr in the corresponding quarter a year ago. The deposits also increased by 9% to Rs 132573.13 Cr from Rs 121297.49 Cr recorded last year. During the quarter, the Bank's CASA Ratio stood at 49.77%.

Commenting on the business growth, MD said, "There is a healthy growth in our advances and deposits, demonstrating the trust and loyalty of our customer base especially in our core operational geography." He further said, "However, on account of the increased outflows of Govt. funds witnessed usually during our first quarter, there is a temporary dip in CASA ratio this time but we are confident to maintain it above 50% annually. And we have already sharpened our focus to augment our strong liability franchise." "We also foresee growth in business, coming from the developmental drive of massive infrastructure being put into place to meet the growing requirements of the increasing tourist inflow into J&K.", he added.

Asset Quality

In sequential terms, the Bank's gross non-performing assets (GNPA) have reduced by 17 basis points to 3.91% from 4.08% registered in March quarter of FY 2023-24. The net NPA for the Q1 has also improved further to 0.76% QoQ as against 0.79% recorded during Q4 of previous financial year. NPA Coverage Ratio for Q1 stood at 91.57% when compared to 87.55% recorded for the Q1 last year.

Board Secretariat



Regarding asset quality, the MD & CEO asserted, “We have brought our GNPA to below 4% this quarter and trend will continue to be healthy in our asset quality, which continues to be our star metric”, adding “Besides, as per our market guidance, we have maintained our NPA Coverage Ratio above 90% level at 91.57%”, he added.

Operational Excellence

MD & CEO also spoke about the steady transformation of the Bank, “In terms of operational excellence, we are steadily emerging as a lean, agile and digitally driven financial institution.”

“During the last many quarters, we have transformed the digital interface of the Bank and are on track to accomplish the goal of becoming 100 percent digital not only in our services framework but also in our internal work processes. By the end of current financial year, we are planning to digitally on-board our remaining products, thereby, opening up infinite possibilities for online journeys within the country's banking sector. The strategic objective is to become 'Bank for all generations'.”

“Our commitment to innovation and customer-centric growth shall continue while delivering value to our customers, stakeholders and maintaining the Bank's position as the leading financial institution in the region and the country”, the MD said.

Capital Position

During the quarter, the Bank's Capital Adequacy Ratio (BASEL III) has improved to 15.07% as against 14.83% recorded last year.

On capital position of the Bank, the MD & CEO remarked, “With CRAR at above 15% level, I think we are adequately capitalized to fund our future growth plans.”