

S.No.		PARTICULARS		Year Ended		Quarter Ended		Year Ended	
		31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010	31.03.2011	31.03.2010
<b>FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2011</b>									
<b>SEGMENT RESULTS</b>									
1		PARTICULARS		Audited		Audited		Audited	
a) Interest/Discount on Advances/Bills		75500	371510	234171	21460	32909	21460	119766	91446
b) Income on Investments		262960	262960	70459	23447	31809	23447	136382	112918
c) Interest on Balance with RBI & Other Inter Bank Funds		20649	108615	1058	70459	61266	54605	192508	775566
d) Dividends		536	189	1038	1013	1013	1454	3468	3343
e) Other Income		9011	36476	41623	100966	126697	100966	454115	383763
Total Income (1+2)		1132681	87514	487311	347311	13409	3452	46326	36452
Less: Interest Expended		59812	216847	183754	113268	113268	87514	407389	347311
Operating Expenses (1+1)		23843	175893	57337	2039	(2039)	1277	(4874)	9613
f. Employees Cost		16733	52361	86636	12127	10895	12127	58331	45767
g. Other Operating Expenses		7150	23532	21101	12334	10895	4901	32771	21581
Total Expenditure (1+5) (Excluding Provisions & Contingencies) Items exceeding 10% of the total expenditure excluding int. Expenditure		83695	64041	282840	251491	806	1267	2824	3202
Operating Profit before Provisions and Contingencies (3-6)		24593	23473	114849	55320	22033	19572	93439	78161
Provisions (other than tax) and Contingencies		7569	3801	21510	16558				
Exceptional Items									
Profit (Loss) from ordinary activities before tax (7-8-9)		22033	19572	93439	79161	197523	1452010	1975523	1480310
Tax Expenses		6177	7568	31919	27923	(244630)	85191	(244893)	85191
Net Profit (+) Loss (-) from ordinary activities after tax (10-11)		15856	12004	61520	51238	(173183)	(1546604)	(173183)	(1546604)
Extraordinary Items (net of tax expenses)						559	1103	559	1103
Net Profit (+) Loss (-) for the period (12-13)		15856	12004	61520	51238				
Paid-up Equity, Share Capital (Face Value Rs. 10/- per share)		4849	4849	4849	4849				
Reserves excluding revaluation reserves		343019	296197	343019	296197				
Analytical Ratios									
(i) Percentage of Shares held by Govt. of J&K (Base-I)		53.17%	53.17%	53.17%	53.17%				
(ii) Capital Adequacy Ratio % (Base-II)		13.30%	14.81%	13.30%	14.81%				
(iii) Earning per Share (EPS) (Rs.)		26.38*	24.70*	128.90	105.59				
(iv) Basic and diluted EPS before Extraordinary Items (net of tax expense) for the period, for the year-to date and for the year end for the previous year (not audited)		28.59*	24.70*	128.90	105.59				
(v) Basis and diluted EPS after Extraordinary Items for the period, for the year-to date and for the previous year (not audited)									
(vi) NPA Ratios									
a) Amount of Gross NPAs		51883	46231	51883	46231				
b) Amount of Net NPAs		5324	6433	5324	6433				
c) % of Gross NPAs		1.95%	1.97%	1.95%	1.97%				
d) % of Net NPAs		0.20%	0.28%	0.20%	0.28%				
(vii) Return on Assets (Annualized)		1.40%	1.12%	1.22%	1.20%				
Aggregate of Public Share Holding									
(i) No. of Shares (in Crores)		2.27	2.27	2.27	2.27				
(ii) Percentage of Share Holding		46.83%	46.83%	46.83%	46.83%				
Promoters and promoter group Shareholding									
a) Requested/Encumbered									
- Number of Shares									
- Percentage of Shares (as a % of the total shareholding of promoter and promoter group)									
b) Not-encumbered									
- Number of Shares									
- Percentage of Shares (as a % of the total share capital of the company)									
c) GARG (as promoter group)									
- Number of Shares (as a % of the total share capital of the total share capital of the company)									
d) Other Shareholders									
- Number of Shares (as a % of the total share capital of the total share capital of the company)									

1. The above results have been arrived at after considering provision for Non-Performing Assets as per RBI guidelines. Provision for Taxation including (Deferred Tax and Wealth Tax), Depreciation on Fixed Assets have been made as per requirements.

2. Effective April 1, 2007 the Bank has adopted AS-15 (Revised) issued by ICAI and had recognized the transitional liability for defined Benefits (Gratuity, Pension and Leave Encashment) of Rs.349.70 Crores as an expense on straight line basis over a period of five years. This being the 4th year, accordingly the amount provided on account of transitional liability for the year is Rs. 29.94 crores. The amount unrecognized is Rs. 29.94 crores. Further an additional amount of Rs. 90.71 crore has been charged to Profit and Loss account towards provisions on account of Gratuity, Pension and Leave Salary Encashment as per Actuarial Valuation.

3. Provisioning coverage ratio as at 31.03.2011 works out to 52.71%

4. The number of investors complaints received during the quarter were fewer and all have been disposed off.

5. Previous period figures have been regrouped/recasted wherever necessary, to make them comparable.

6. The above results are stand alone and do not include that of subsidiary company of which the operations have not yet started.

7. The above results for the year ended 31<sup>st</sup> March, 2011 have been taken on record by the board in its meeting held on 14<sup>th</sup> May, 2011.

FOR THE BOARD

Place: Srinagar  
Dated: 14th May, 2011

For P.C. Bhatia & Associates  
Chartered Accountants  
F.R. No. 005299N  
# Chartered Accountants

For K.K. Goel & Associates  
Chartered Accountants  
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For K.K. Goel & Associates  
Chartered Accountants  
F.R. No. 005299N  
# Chartered Accountants



**BALANCE SHEET AS AT 31ST MARCH 2011**

	As at 31.03.2011 (Amount in lacs)	As at 31.03.2010
<b>CAPITAL AND LIABILITIES</b>		
Capital .....	4,849	4,849
Reserves and Surplus .....	343,019	296,197
Deposits .....	4,467,594	3,723,716
Borrowings .....	110,465	110,021
Other Liabilities and Provisions .....	124,888	119,896
<b>TOTAL :-</b>	<b>5,050,815</b>	<b>4,254,679</b>
<b>ASSETS</b>		
Cash and Balance with Reserve Bank of India .....	297,496	274,473
Balance with Banks & Money at Call & Short Notice ...	57,385	186,951
Investments .....	1,969,576	1,395,625
Advances .....	2,619,364	2,305,723
Fixed Assets .....	39,377	20,413
Other Assets .....	67,617	71,494
<b>TOTAL :-</b>	<b>5,050,815</b>	<b>4,254,679</b>

In terms of our report of even date annexed

For P. C. Bindal & Co.  
Chartered Accountants  
FRN: 01194N  
*P. C. Bindal*  
CA. Sanku Gupta  
Partner  
(M. No. 097922)

For K B Sharma & Co.  
Chartered Accountants  
FRN: 02318N  
*K B Sharma*  
CA. Hemant Sharma  
Partner  
(M. No. 503080)

For Varma Associates  
Chartered Accountants  
FRN: 02717N  
*Madan Varma*  
CA. Madan Varma  
Partner  
(M. No. 087801)

For P. C. Bindal & Co.  
Chartered Accountants  
FRN: 03822N  
*P. C. Bindal*  
CA. Verinder K. Mair  
Partner  
(M. No. 088730)

For K K Goel & Associates  
Chartered Accountants  
FRN: 05299N  
*K K Goel*  
CA. A K Kakkar  
Partner  
(M. No. 014493)

FOR & ON BEHALF OF THE BOARD

*Mushtaq Ahmad*  
(Mushtaq Ahmad)  
Chairman & CEO

Place : Srinagar  
Dated : 14th May, 2011