

**FINANCIAL RESULTS FOR THE QUARTER/YEAR ENDED 31ST MARCH, 2012**

S.No.	PARTICULARS	Year Ended				Description	Year Ended				
		Quarter Ended		Year Ended			Quarter Ended		Year Ended		
		31.03.2012	31.12.2011	31.03.2011	31.03.2011		31.03.2012	31.03.2011	31.03.2011	31.03.2011	
(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)	(Reviewed)	(Audited)	(Audited)	(Audited)			
1	Interest Earned (a+b+c+d)	136754	126663	101386	483658	371313	41391	40320	32609	150061	119768
	a) Interest/Discount on Advances/Bills	96683	88015	71844	339366	262960	52425	42189	32448	174550	139716
	b) Income on Investments	39953	37470	29006	140326	109915	62807	57531	60627	224531	191174
	c) Interest on Balance with R.B.I. & Other Inter Bank Funds	1408	1168	536	3966	1738	1227	827	1013	3823	3459
	d) Others	-	-	-	-	-	-	-	-	-	-
2	Other Income	12227	7363	11902	33412	36476	147881	134016	126637	552965	454115
3	Total Income (1+2)	149031	134016	113288	516970	407789	147961	134016	113288	516970	407789
4	Interest Expended	84144	81574	58812	299722	216547	762	1300	(2099)	3025	(487)
5	Operating Expenses (IH)	20745	20086	23883	80215	75893	25221	21806	11535	90659	59669
	i. Employees Cost	13731	13082	16733	52141	52261	6391	6754	11791	23389	31436
	ii. Other Operating Expenses	8344	7004	7150	23574	23532	962	806	3037	2824	2824
6	Total Expenditure (4+5) (Excluding Provisions & Contingencies) Items exceeding 10% of the total expenditure excluding int. Expenditure	105219	101660	83695	379937	292840	33336	30540	22033	120110	93439
7	Operating Profit before Provisions and Contingencies (3-6)	43812	32356	28593	137033	114949	186744	1757674	1975523	1886744	1975523
8	Provisions (other than tax) and Contingencies	8426	1816	7560	16923	21510	656966	381739	(109603)	656966	(109603)
9	Exceptional Items	-	-	-	-	-	(2134625)	(1732691)	(1518611)	(2134625)	(1518611)
10	Profit (+)/Loss (-) from ordinary activities before tax (7-8-9)	33336	30540	22033	120110	93439	186744	1757674	1975523	1886744	1975523
11	Tax Expenses	12524	9221	8177	39786	31919	656966	381739	(109603)	656966	(109603)
12	Net Profit (+)/Loss (-) from ordinary activities after tax (10-11)	20812	21319	13856	80325	61520	(470222)	(206026)	(179562)	(470222)	(179562)
13	Extraordinary items (net of tax expenses)	-	-	-	-	-	-	-	-	-	-
14	Net Profit (+)/Loss (-) for the period (12-13)	20812	21319	13856	80325	61520	-	-	-	-	-
15	Paid-up Equity Share Capital (Face Value Rs. 10/- per share)	404469	4849	343019	404469	4849	-	-	-	-	-
16	Reserves excluding revaluation reserves	404469	4849	343019	404469	4849	-	-	-	-	-
17	Analytical Ratios										
	(i) Percentage of Shares held by Govt. of J&K (Base-I)	53.17%	53.17%	53.17%	53.17%	53.17%	53.17%	53.17%	53.17%	53.17%	53.17%
	(ii) Capital Adequacy Ratio % (Base-II)	12.53%	13.25%	13.30%	12.53%	13.30%	12.53%	13.30%	12.53%	13.30%	13.30%
	(iii) Earning per share (EPS) ₹	13.36%	13.62%	13.72%	13.36%	13.72%	13.36%	13.72%	13.36%	13.72%	13.72%
	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)	42.93*	43.98*	28.58*	165.69	126.90	42.93*	43.98*	28.58*	165.69	126.90
	b) Basic and diluted EPS after Extraordinary items (for the period, for the year to date and for the previous year (* not annualized))	42.93*	43.98*	28.58*	165.69	126.90	42.93*	43.98*	28.58*	165.69	126.90
	(iv) NPA Ratio's										
	a) Amount of Gross NPAs	51660	54502	51883	51660	51883	51660	54502	51883	51660	51883
	b) Amount of Net NPAs	4834	4693	4934	4834	4934	4834	4693	4934	4834	4934
	c) % of Gross NPAs	1.54%	1.80%	1.95%	1.54%	1.95%	1.54%	1.80%	1.95%	1.54%	1.95%
	d) % of Net NPAs	0.15%	0.16%	0.20%	0.15%	0.20%	0.15%	0.16%	0.20%	0.15%	0.20%
	(v) Return on Assets (Annualized)	1.48%	1.52%	1.10%	1.56%	1.22%	1.48%	1.52%	1.10%	1.56%	1.22%
18	Aggregate of Public Share Holding	2.27	2.27	2.27	2.27	2.27	2.27	2.27	2.27	2.27	2.27
	(i) No. of Shares (in Crores)	46.83%	46.83%	46.83%	46.83%	46.83%	46.83%	46.83%	46.83%	46.83%	46.83%
	(ii) Percentage of Share Holding										
19	Promoters and promoter group Shareholding										
	a) Pledged/Encumbered	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
	- Number of Shares										
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)										
	b) Non-encumbered										
	- Percentage of shares (as a % of the total share capital of the company)										
	- Number of Shares										
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)										
	- Percentage of shares (as a % of the total share capital of the total share capital of the company)										

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

For J&K Bank Ltd. Co.  
 Chartered Accountants  
 Firm No. 02711N  
 Chartered Accountant  
 C.A. Mahesh Kumar Gupta  
 Partner  
 (M. No. 028281)

For P.C. Goel & Associates  
 Chartered Accountants  
 Firm No. 02711N  
 Chartered Accountant  
 C.A. P.C. Goel  
 Partner  
 (M. No. 028281)

For M.S.K. Goel & Associates  
 Chartered Accountants  
 Firm No. 02711N  
 Chartered Accountant  
 C.A. M.S.K. Goel  
 Partner  
 (M. No. 028281)

For K. K. Goel & Associates  
 Chartered Accountants  
 Firm No. 02711N  
 Chartered Accountant  
 C.A. K. K. Goel  
 Partner  
 (M. No. 028281)

Place : Srinagar  
 Dated : 12th May, 2012

### BALANCE SHEET AS AT 31ST MARCH, 2012

	As at 31.03.2012	As at 31.03.2011
	( ₹ IN LACS )	
<b>CAPITAL AND LIABILITIES</b>		
Capital .....	4,849	4,849
Reserves and Surplus .....	404,469	343,019
Deposits .....	5,334,690	4,467,594
Borrowings .....	124,096	110,465
Other Liabilities and Provisions .....	158,818	124,888
<b>TOTAL :-</b>	<b>6,026,922</b>	<b>5,050,815</b>
<b>ASSETS</b>		
Cash and Balance with Reserve Bank of India .....	278,365	297,496
Balance with Banks & Money at Call & Short Notice ...	167,021	57,385
Investments .....	2,162,432	1,969,577
Advances .....	3,307,742	2,619,364
Fixed Assets .....	42,027	39,377
Other Assets .....	69,335	67,616
<b>TOTAL :-</b>	<b>6,026,922</b>	<b>5,050,815</b>

**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 K B Sharma & Co.  
Chartered Accountants  
FRN: 02318N

  
CA. Anshay Kumar  
Partner  
(M. No. 500681)

For Verma Associates  
Chartered Accountants  
FRN: 02717N

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

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

  
CA. P. C. Bindal  
Partner  
(M. No. 082683)

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

  
CA. K. K. Goel  
Partner  
(M. No. 015002)

FOR & ON BEHALF OF THE BOARD

  
( Mushtaq Ahmad )  
Chairman & CEO

Place : Srinagar  
Dated : 12th May, 2012

To

The Shareholders of  
**The Jammu & Kashmir Bank Limited**

1. We have audited the accompanying financial statements of **The Jammu & Kashmir Bank Limited**, which comprise the Balance Sheet as at **31<sup>st</sup> March 2012**, and the Statement of Profit & Loss and the Cash Flow Statement for the year then ended and a summary of significant Accounting Policies and other explanatory information. Incorporated in these financial statements are the returns of 65 Branches/offices audited by us and 572 Branches/Offices audited by Statutory Branch auditors.
2. The Management is responsible for the preparation of these financial statements in accordance with the requirement of the Reserve Bank of India, the provisions of Section 29 of the Banking Regulation Act, 1949 read with Section 211 of the Companies Act, 1956 and recognized accounting policies and practices including the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the financial statements that are free from material misstatement whether due to fraud or error.
3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design the audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.
6. In our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon give information required by the Banking Regulation Act, 1949 as well as the Companies Act, 1956, in the manner so required for the banking companies and give true and fair view in conformity with the accounting principles generally accepted in India:
  - (i) In the case of the Balance Sheet, of the State of Affairs of the Bank as at **31<sup>st</sup> March, 2012**;
  - (ii) In the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
  - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.
7. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 read with Section 211 of the Companies Act, 1956.



8. We report that:

- a. We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory.
- b. The transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
- c. The returns received from the offices and branches of the Bank have been found adequate for the purpose of our audit.

9. In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956.

10. We further report that:

- (i) the Balance Sheet and Profit and Loss Account dealt with by this report, are in agreement with the books of account and the returns.
- (ii) in our opinion, proper books of account as required by law have been kept by the bank so far as appears from our examination of those books.
- (iii) the reports on the accounts of the branches audited by the branch auditors have been dealt with in preparing our report in the manner considered necessary by us.
- (iv) as per information and explanation given to us, the Central Government has, till date, not prescribed any cess payable under section 441A of the Companies Act, 1956.
- (v) on the basis of written representation received from the Directors and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2012 from being appointed as a Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.

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



For K.B.Sharma & Co.  
Chartered Accountants  
FRN:02318N



For verma Associates.  
Chartered Accountants  
FRN:02717N



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



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



Place : Srinagar

Dated : 12<sup>th</sup> May, 2012