



Board Secretariat

Ref:-JKB/BS/F3652/2018/29

Dated: 30th May, 2018

National Stock Exchange of India Ltd

Exchange Plaza 5th Floor

Plot No. C/1 G-Block

Bandra Kurla Complex

Bandra (E) Mumbai - 400 051

Scrip Code: 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
31ST MARCH, 2018**

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 31st March, 2018. The results were taken on record by the Board of Directors at their meeting held on 30th May, 2018 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	31.03.2018	31.03.2017
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 AI+ CRSIL A1+ FAA/ -ve CARE AA -ve BWR AA IND AA	CRSIL AI+ CRSIL A1+ FAA/ -ve CARE AA -ve BWR AA IND AA
2	Gross Profit	1381.88	1294.34
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	6161.21	5676.50
8	Net profit after tax	202.72	(1632.29)
9	Earnings per share	3.64	(33.59)

Thanking you

Yours faithfully

For The Jammu & Kashmir Bank Ltd.

**(Mohammad Shafi Mir)
Company Secretary**

Independent Auditors' Report

To
The Members of
The Jammu & Kashmir Bank Limited

Report on Standalone Financial Statements

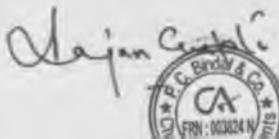
1. We have audited the accompanying standalone financial statements of **THE JAMMU AND KASHMIR BANK LIMITED** (the "Bank") as at **March 31, 2018** which comprise the Balance Sheet as at March 31, 2018 and the Profit and Loss Account and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information. Incorporated in these financial statements are the returns of 61 branches/offices audited by us and 880 branches audited by Statutory Branch Auditors. 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.

Management's Responsibility for the Standalone Financial Statements

2. The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

3. Our responsibility is to express an opinion on these standalone financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.
5. We conducted our audit of the Bank including its branches in accordance with Standards on Auditing ('the Standards') specified under section 143(10) of the Act. 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 of material misstatements.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Bank's preparation of the financial statements that give a true and fair view in order to design 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 Bank's Directors, as well as evaluating the overall presentation of the financial statements.



7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 in the manner so required for banking companies and give a true and fair view in conformity with accounting principles generally accepted in India of the state of affairs of the Bank as at 31st March, 2018, and its profit and its cash flows for the year then ended.

9. Emphasis of Matter

- (i) We draw attention to matter set out in Note No.4, that the Bank recognized Deferred Tax Asset(DTA) as per AS-22 on the difference in the provision for NPA as per books of accounts and Income Tax Act, 1961, amounting to Rs.238.18 crores by including the same in tax expenses with a corresponding credit to extra-ordinary income. Our opinion is not modified in respect of this matter.
- (ii) We also draw attention matter set out in Note No.9 regarding deferment of additional provision requirement on account of the enhancement in gratuity limits as per the amendment dated 29 March 2018 in Payment of Gratuity Act, 1972 in terms of RBI approval vide letter no. DHR.BP.9730/21.04.018/2017-18 dated 27th April, 2018, and the unamortized balance as at 31st March 2018 of Rs.37.42 crores. Our opinion is not modified in respect of this matter.
- (iii) We also draw attention matter set out in Note No.12 regarding Rehabilitated/Restructured advances in view of flood during 2014 and disturbance during 2016, Bank rehabilitated affected borrowal accounts. The total amount of Rehabilitated/Restructured advances stood at Rs.4117.59 crores (Previous year Rs.3265.83 crores). The rehabilitation included funding of loss suffered by the borrowers, deferment of instalments of term loans and funding of interest on these accounts. The Bank has recognized funded interest aggregating Rs.796.02 crores as interest income upto 31st December, 2017. The Bank has capitalized funded interest (net of recoveries) of Rs.510.10 crores by staggering in five quarters beginning with 1st quarter ended 31st March 2018 in compliance of dispensation to the Bank by Reserve Bank of India. Accordingly, the Bank has created Interest Capitalization of Rs.102.62 Crores by corresponding debit to interest income in Profit and Loss account. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

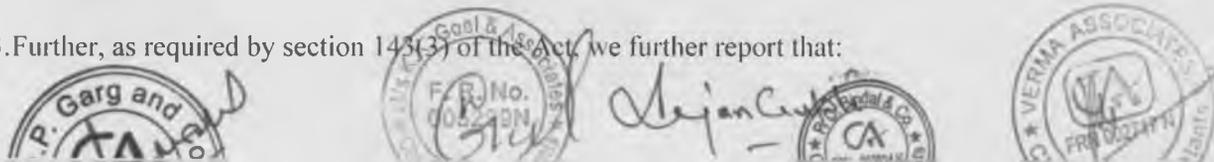
10. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with Section 29 of the Banking Regulation Act, 1949 read with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.

11. The Comptroller and Auditor General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act, 2013, the compliance of which is set out in "Annexure-A" to this Report.

12. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:

- i. 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;
- ii. the transactions of the Bank, which have come to our notice, have been within the powers of the Bank.
- iii. the returns received from the offices; and branches of the Bank have been found adequate for the purposes of our audit.

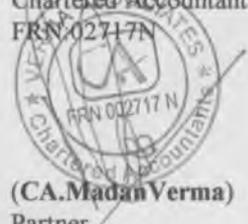
13. Further, as required by section 143(3) of the Act, we further report that:

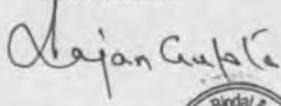


- i. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- ii. in our opinion, proper books of account as required bylaw have been kept by the Bank so far as it appears from our examination of those books.
- iii. the reports on the accounts of the branch offices audited by branch auditors of the Bank under section143(8) of the Companies Act 2013 have been sent to us and have been properly dealt with by us in preparing this report.
- iv. the Balance Sheet, the Profit and Loss Account and theCash Flow Statement dealt with by this report are in agreement with the books of account;
- v. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent they are not inconsistent with the accounting policies prescribed by RBI;
- vi. on the basis of written representations received fromthe directors as on 31st March 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
- vii. with respect to the adequacy of the internal financial controls over financial reporting of the Bank and the operating effectiveness of such controls, refer to our separate Report in “Annexure B” to this report.
- viii. with respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 ofthe Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a) the Bank has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Schedule 12 - Note 26.12 to the financial statements;
 - b) the Bank did not have any, on long term contracts including derivative contracts for which there were any material foreseeable losses;
 - c) there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank.

For O P Garg & Co.
Chartered Accountants
FRN:001194N

(CA. Vikram Garg)
Partner
M.No.097038

For Verma Associates.
Chartered Accountants
FRN:02717N

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

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

(CA.Rajan Gupta)
Partner
M.No.090330


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

(CA.Amit Goel)
Partner
M.No.098913

Place : Srinagar
Dated : 30th May, 2018

BALANCE SHEET AS AT 31ST MARCH, 2018

(₹ IN LACS)

As at 31.03.2018	As at 31.03.2017
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CAPITAL AND LIABILITIES

Capital	5570	5215
Reserves and Surplus	610551	562435
Deposits	8000650	7246309
Borrowings	162834	127605
Other Liabilities and Provisions	189157	260303

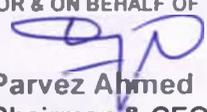
TOTAL :-	8968762	8201867
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ASSETS

Cash and Balance with Reserve Bank of India	432836	359097
Balance with Banks & Money at Call & Short Notice ...	392452	179496
Investments	1888003	2129089
Advances	5691275	4981611
Fixed Assets	161459	154332
Other Assets	402737	398242

TOTAL :-	8968762	8201867
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FOR & ON BEHALF OF THE BOARD


Parvez Ahmed
Chairman & CEO
DIN: 03467232

Place : Srinagar
Dated : 30th May, 2018

in terms of our report of even date annexed

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

CA. Vikrant Singh
Partner
(M. No. 097729)

30/5/18

For Verma Associates
Chartered Accountants
FRN: 02717N

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

30/5/18

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

CA. Rajan Gupta
Partner
(M. No. 090330)


For K K Goel & Associates
Chartered Accountants
FRN: 05298N

CA. Amit Goel
Partner
(M. No. 098913)


SEGMENT RESULTS

(₹ in Lacs)

Sl.No.	PARTICULARS	YEAR ENDED					Description	YEAR ENDED				
		3 Months Ended 31.03.2016	3 Months Ended 31.12.2017	3 Months Ended 31.03.2017	31.03.2018	31.03.2017		3 Months Ended 31.03.2018	3 Months Ended 31.12.2017	3 Months Ended 31.03.2017	3 Months Ended 31.03.2018	
1	Interest Earned (Interest)	159186	168297	167819	662140	668486	1) Segment Revenue (Income)	39416	37480	166339	209155	
2	Income (Discount on Advances/Bills)	122002	130301	115467	497774	478435	2) Treasury Operations	42946	66055	227102	227140	
3	Income on Investments	33977	34311	49838	143159	178261	3) Corporate/Wholesale Banking	110247	98128	316995	316995	
4	Interest on Balance with B.I. & Other Bank Funds	3277	3374	2494	11721	11721	4) Retail Banking	782	846	3198	3321	
5	Others	12	11	163	40	163	5) Other Banking Business	782	846	3198	3321	
6	Total Income (1+2+3+4+5)	172287	179727	12445	49531	49286	6) Un-audited Business	193282	202409	774007	746492	
7	Operating Profit before Provisions and Contingencies (1+6)	173935	180274	12445	49531	49286	7) Net Income from Operations	169879	179077	67749	39436	
8	Interest Expended (1+1)	93991	90278	112054	37061	417386	8) Total Profit before tax	152892	151833	180274	142108	
9	Operating Expenses (1+1)	56158	50525	50313	184243	171046	9) Segment Liabilities	2082	2213	2213	135611	
10	Employee Cost	34789	32781	29956	122654	129699	10) Treasury Operations	4271	12965	26243	124917	
11	Other Operating Expenses	21369	17744	20349	69734	58343	11) Corporate/Wholesale Banking	11300	14712	59804	26834	
12	Total Expenditure (1+4+5) (Excluding Provisions & Contingencies)	148749	140003	152838	57484	588432	12) Retail Banking	727	727	2995	3105	
13	Operating Profit (after tax and contingencies)	25146	38274	27636	138187	129434	13) Other Banking Business	118793	151094	111743	1094	
14	Provisions (Other than tax) and Contingencies	28644	28911	78925	102274	78925	14) Un-audited Business	1539	1539	1539	49189	
15	Profit (Loss) from ordinary activities before tax (1+13-14)	1335	1363	46199	35913	159919	Total Profit before tax	152892	151833	180274	142108	
16	Tax Expenses	1399	1363	46199	6717	13352	1) Treasury Operations	2584618	212826	2541028	2541028	
17	Net Profit (Loss) from ordinary activities after tax (15-11)	2341	781	41500	6717	13352	2) Corporate/Wholesale Banking	2983254	3163709	2718599	2718599	
18	Net Profit (Loss) from extraordinary activities after tax (15-11)	2341	781	41500	6717	13352	3) Retail Banking	3420972	3307789	2942228	2942228	
19	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	4) Other Banking Business	17	17	11	11	
20	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	Total	8888761	8504433	8201867	8201867	
21	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	1) Segment Liabilities	254732	241568	29166	29166	
22	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	2) Treasury Operations	2465488	2353893	2378904	2378904	
23	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	3) Corporate/Wholesale Banking	5612339	5291409	5286370	5286370	
24	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	4) Other Banking Business	71	7405	77	77	
25	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	Total	8352840	7894275	7634417	7634417	
26	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	1) Segment Liabilities	1897398	1897398	2511863	2511863	
27	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	2) Treasury Operations	477755	808516	338995	338995	
28	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	3) Corporate/Wholesale Banking	(2191466)	(2083520)	(2284142)	(2284142)	
29	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	4) Other Banking Business	(54)	(386)	(69)	(69)	
30	Reserves excluding revaluation reserves	2341	781	41500	6717	13352	Total	618121	612178	587850	587850	

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

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

For O P Gang & Co. Chartered Accountants
FRN: 011918
CA. Vikram Gang Partner (M. No. 097038)

For Verna Associates Chartered Accountants
FRN: 02717N
CA. Madan Verma Partner (M. No. 081634)

For P C Bindal & Co. Chartered Accountants
FRN: 03824N
CA. Rajan Gupta Partner (M. No. 090330)

For K K Goel & Associates Chartered Accountants
FR. NO. 05299N
CA. Amit Goel Partner (M. No. 098913)

FOR & ON BEHALF OF THE BOARD
Parvez Ahmed Chairman & CEO
DIN: 03467232
Place: Srinagar
Date: 30th MAY, 2018

NOTES: 31.03.2018

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 30th May, 2018. 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 2018 have been prepared following the same accounting policies that were followed in the preparation of annual financial statements for the year ended 31st March, 2017 except depreciation on the revalued portion of fixed Assets has been transferred from the Revaluation reserve to Revenue Reserve instead of Crediting to Profit and Loss account.
3. The results have been arrived at after considering provision for Standard Assets, Non-Performing Advances, Restructured Advances, SDR/S4 Accounts / Depreciation/ Provision for Investment on the basis of prudential norms and specific guidelines issued by Reserve Bank of India. Further, provision for exposures to entities with Unhedged Foreign Currency Exposures have been made as per RBI guidelines.
4. During the quarter ended 30th June 2017 the bank for the first time recognized Deferred Tax Asset (DTA) as per AS-22 on the difference in the provision for NPA as per books of accounts and Income Tax Act, 1961 amounting to Rs.238.18 crores by including the same in tax expenses with a corresponding credit to extra ordinary income. The revised DTA calculation for the year ended 31st March 2018 worked out to Rs.350.83 crores however, the Bank has restricted the same to Rs.238.18 crores recognized earlier.
5. The bank has on 07.06.2017 allotted 3,55,25,321 equity shares of Rs.1/= each on preferential basis to the Government of Jammu & Kashmir promoter and majority shareholder of the bank at a premium of Rs. 78.38 per equity share for a total consideration of Rs. 282.00 crores.
6. During this year Bank has raised capital Basel III compliant Tier 2 Bonds for augmenting Tier 2 Capital for an amount of Rs. 500 Crores
7. Pursuant to the Revised accounting Standard 10 "Property, plant and Equipment" applicable from 1st April 2017, depreciation of Rs 14.63 Crores on the revalued portion of the fixed assets has been transferred from the Revaluation Reserve to Revenue Reserve instead of crediting to Profit and Loss account.
8. Provision for terminal benefits (Pension, Gratuity and Leave Salary Encashment) has been made as per actuarial valuation.
9. Reserve Bank of India vide their letter no. DBR. BP. 9730/21/21.04.2018/2017-18 dated 27.04.2018 has given an option to the Banks to spread the additional liability on account of the enhancement in gratuity limits from Rs.10 lac to Rs.20 lac under the



Payment of Gratuity Act, 1972, over four quarters beginning with the quarter ended 31st March, 2018. Accordingly, Rs. 12.47 crore has been provided in the quarter ended 31.03.2018 and provision for Rs.37.42 crore deferred to subsequent three quarters of the ensuing financial year.

10. In terms of 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 requires 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 audit by the auditors.
11. In compliance to RBI letter no.DBR.No.BP.13018/21.04.048/2015-16 dated April 12, 2016, bank was required to make a provision @ 15% of the existing outstanding balance under Food credit availed by State Government of Punjab. Subsequently, the RBI vide letter no. BVV.BP.S.7201/21.04.132/2017-18 dated 08 February 2018 allowed banks to write back the provision of 10% and continue to maintain 5% provision. Accordingly, our bank has maintained a provision of Rs.9.09crore against balance outstanding of ` 181.85 crores as on 31.03.2018 under Food credit availed by State Government of Punjab.
12. In view of flood during 2014 and disturbances during 2016, 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 stood at of Rs.4,117.59 Crores (Previous Year 3,265.83 Crores). The rehabilitation included funding of loss suffered by the borrowers, deferment of instalments of term loans and funding of interest on these accounts. The Bank had recognized funded interest aggregating Rs 796.02 Crores as interest income up to 31st December 2017. The bank has capitalized funded interest net of recoveries Rs. 510.10 Crores by staggering in five quarters beginning with 1st quarter ended 31st March 2018 in compliance of dispensation to the bank by RBI Accordingly, the Bank has created Interest Capitalization of Rs.102.62 Crores by corresponding debit to interest income in Profit and Loss account.
13. RBI vide circular No DBR.No.BP.BC.64/21.04.048/2016-17 dated April 18,2017 has advised banks to make provision at higher rates in respect of advances to stressed sector of the economy by formulating a board approved policy. The bank has accordingly formulated a policy and decided to provide the said sector @1% (instead of 0.4% as stipulated) by the end of March 2018. Accordingly, the bank has provided an additional amount of ` 5.82 Crores (additional 0.48%) as at 31st March 2018.
14. On February 12, 2018, RBI issued a revised framework for resolution of stressed assets, which superseded the existing guidelines on SDR, change in ownership outside SDR (except projects under implementation) and S4A with immediate effect. Under the



Mohan Gupta



revised framework, the stand-still benefits for accounts where any of these schemes have been invoked but not yet implemented were revoked and accordingly these accounts have been classified as per the extant RBI norms on income recognition and asset classification.

15. On the basis of special dispensation being allowed by Reserve Bank of India vide circular No.DBR.No.BP.BC.90/12.02.001/2017-18 dated 04/10/2017, the bank has shifted Govt. securities having face value `600.00 crores on 08/12/2017 from HTM to AFS category and Rs 525 Crores on 26thMarch 2018
16. RBI circular DBR.No.BP.BC.IO2/21.04.048/2017-18 dated April 2, 2018 granted banks an option to spread provisioning for mark to market losses on investments held in AFS and HFT category for the quarters ended December 31, 2017 and March 31, 2018. The circular states that the provisioning for each of these quarters may be spread equally over up to four quarters, commencing with the quarter in which the loss was incurred. The Bank has recognised the entire Mark to Market Loss (MTM Loss) on investments in the respective quarters and has not availed the said option.
17. RBI vide circular No DBR.No.BP.15199/21.04.048/2016-17 dated June 23, 2017 has advised banks to make extra provision on accounts where insolvency proceedings has been initiated. Accordingly the bank has identified such accounts and additional provision of Rs. 18.82 crores has been made.
18. In respect of Gems and Jewellery borrower where fraud has been declared by the Bank, a provision has been made in terms of RBI directions vide Master Circular No.DBS.CO.CFMC.BC.No.1/23.04.001/2016-17 dated 01.07.2016 (Updated on 3rd July 2017).
19. Divergence in Assets classification and Provisioning for NPAs in compliance to Risk Assessment Report (RAR) of RBI for the year 2016-17 is reported as under:

S.no	Particulars	Rs.'000'
1.	Gross NPAs as on March 31,2017 as reported by the Bank	60000051
2.	Gross NPAs as on March 31,2017as assessed by RBI	69090051
3.	Divergence in Gross NPAs	9090000
4.	Net NPAs as on March 31, 2017 as reported by the Bank	24253726
5.	Net NPAs as on March 31, 2017 as assessed by RBI	32099226
6.	Divergence in Net NPAs	7845500
7.	Provisions for NPAs as on March 31, 2017 as reported by the Bank	34252936
8.	Provision for NPAs as on March 31, 2017 as assessed by RBI	35497436
9.	Divergence in Provisioning	1244500
10.	Reported Net Profit/(Loss) after Tax (PAT) for the year ended March 31, 2017	(16322930)
11.	Adjusted (notional) Net Profit after Tax (PAT) for the year ended March 31, 2017 after taking into account the divergence in provisioning	(17567430)

The Bank has duly recorded the impact of the above in its working results for the year ended 31st March 2018.



Manoj Gupta



20. Provision coverage ratio as at 31st March, 2018 is 65.83% after taking into account the floating provision of Rs. 348.72 crores held by the bank, the coverage ratio as on 31st March, 2017 was 66.88%.
21. The number of investors complaints pending at the beginning of the quarter were nil, and the complaints received during the quarter were 3 (three) and all have been disposed off.
22. The above results are standalone and do not include that of subsidiary company.
23. 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.
24. The statement of Assets and Liabilities is appended.



Signature in blue ink

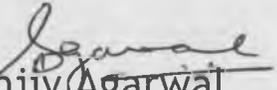


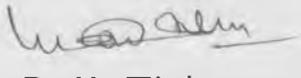
FORM A

Annual Audit Report to be filed with the Stock Exchange

1.	Name of the company	The Jammu & Kashmir Bank Limited
2.	Annual Financial Statement of the year ended	31 st March, 2018
3.	Type of Audit Observation	Un-Qualified
4.	Frequency of Observation	Nil


Parvez Ahmed
Chairman & CEO


Sanjiv Agarwal
Chairman (ACB)


P. K. Tickoo
Chief Financial Officer

For O P Garg & Co
Chartered Accountants



CA Vikram Garg
Partner
(M.No. 097038)

For Verma Associates
Chartered Accountants



CA Madan Verma
Partner
(M.No. 081631)

For P C Bindal & Co
Chartered Accountants



CA Rajan Gupta
Partner
(M.No. 090330)

For K K Goel &
Associates

Chartered Accountants
FRN: 05899N

CA. Anil Goel
Partner
(M.No. 098545)

Place: Srinagar

Date: 30th May, 2018