O.P. Garg & Co.
Chartered Accountants

Verma Associates
Chartered Accountants

P. C. Bindal & Co. Chartered Accountants K. K. Goel & Associates Chartered Accountants

Limited Review Report

To
The Board of Directors,
The Jammu & Kashmir Bank Ltd.
Corporate Headquarters
M.A Road Srinagar-190001

- 1. We have reviewed the accompanying statement of unaudited Standalone financial results of The Jammu & Kashmir Bank Limited (the "Bank") for the quarter ended 31st December 2017 ("the Statement"). The disclosures relating to "Pillar-3 under Basel III Capital Regulations", "Leverage Ratio", and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid statement have not been reviewed by us.
- 2. This Statement is the responsibility of the Bank's management and have been approved by the Board of Directors. Our responsibility is to issue a report on this statement based on our review.
- 3. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". This standard requires that we plan and perform the review to obtain moderate assurance as to whether the accompanying statements are free of material misstatement. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
- 4. The statement incorporate the relevant returns of 30 Branches and Treasury operations reviewed by us, out of which 10 were reviewed through Core banking system of the bank and management inputs, 422 branches reviewed by other Chartered Accountants and Banks own officials(retired) acting as Concurrent auditors of the Bank and un-reviewed in respect of 452 branches. In the conduct of our Review, in addition to 30 Branches and Treasury operations reviewed by us, we have relied on the review reports in respect of non-performing assets, received from Banks Concurrent Auditors aggregating 422 branches. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank. The 30 branches reviewed by us cover 51.10% of advances portfolio of the Bank and 84.62% of NPA of the bank.



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- 5. 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.
- 6. Based on our review conducted as aforesaid, subject to limitations in scope as mentioned in para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with applicable accounting standards and other prevailing recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

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

CA. Vikram Garg

Partner

M. No. 097038 &

Place: Jammu

Dated: January 31, 2018

Verma Associates Chartered Accountants FRN 92717N

CA. Madan Verma Partner

M. No. 081631

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

CA. Rajan Gupta

Partner

M. No. 090330

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

CA. Amit Goel

Partner M. No. 098913

F. R. No. 005299N

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THE JAMMU & KASHMIR BANK LTD. CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR CIN:L65110JK1938SGC000048

BALANCE SHEET AS AT 31ST DECEMBER. 2017

TOTAL :-	8506453	821989
Other Assets	373391	35478
Fixed Assets	158724	8979
Advances	5792869	450856
Investments	1849591	260664
Balance with Banks & Money at Call & Short Notice	22897	3455
Cash and Balance with Reserve Bank of India	308981	3145
ASSETS		
TOTAL :-	8506453	821989
Other Liabilities and Provisions	178316	17449
Borrowings	400453	921
Deposits	7315506	74186
Reserves and Surplus*	606608	52974
Capital	5570	484
CAPITAL AND LIABILITIES		
	31.12.2017	31.12.20
	As at	As
		(₹ IN LACS

^{*} Includes Profit/(Loss) for the Nine Months Rs.17430 Lacs Previous corresponding Nine Months Rs.(107799) Lacs

FOR & ON BEHALF OF THE BOARD

Parvez Ahmed Chairman & CEO DIN: 03467232

Place: Jammu

Dated: 31st January, 2018

In terms of our report of even date annexed

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

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

For Vernia Associates Chartered Accountants FRV: 02717N

Partn (M. No. 081631) For P C Bindal & Co Chartered Accountants FRN: 03824N

CA. Rajan Gupta

Partner (M. No. 090330) inda/ d

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

CA. Amit Goe

601 & A Partner Partner (M. No. 098913F. R. No.

005299N

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THE JAMMI CORPORATE HEADQUAL CIN:185	THE JAMMU & KASHMIR BANK LTD. CORPORATE HEADQUARTERS M. A. ROAD. SRINAGAR-190001 CIN:L85110JK1938SGC000048). IAGAR-190001				(₹ in Lacs)	SEGMENT RESULTS	RESULTS		(₹in Lacs	acs)		
				NINE MONTHS ENDED	SENDED			a Months Endad	9 Months Godad	T Hooths Endad	NINE MONTHS ENDED	ENDED	VEAR ENDED
FINANCIAL RESULTS FOR THE GUARTIER & PRINE MORY PIS ENDED	3 Months Ended 31.12.2017	3 Months Ended 30.09.2017	3 Months Ended 31.12.2016	31.12.2017	31.12.2016	YEAR ENDED 31.03.2017	Description	31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
PARTICULARS	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)		(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Un-Audited)	(Audited)
1 Interest Earned (s+b+c+d)	168297	166643	164953	502972	500761	668580	1) Segment Revenue (Income)						
	130601	124450	116253	375772	362948	478435	 Treasury Operations 	37480	42442	52771	129923	153022	209155
b) income on investments	34311	36375	45633	109281	128423	178261	_	66055	57177	49510	174166	173172	227140
c) Interest on Balance with R.B.I. & Other Inter Bank Funds	3374	5811	2968	17891	9227	11721		97575	91375	77092	272293	240118	315478
d) Others	11	7	99	28	163	163	 Other Banking Business 	1399	1260	837	3733	2967	4529
2 Other Income	10780	10503	12067	32304	36831	49286	Total	202509	192254	180210	580115	569279	756302
3 Total Income (1+2)	179077	177146	177020	535276	537592	717866	Less: Inter Segment Revenue	23432	15108	3190	44839	31687	38436
4 Interest Expended	90278	94381	108655	281470	315063	417386	Net income from Operations	179077	177148	177020	535278	537582	717866
6 Operating Expenses (I+II)	50525	46347	41061	142265	120731	171046	Segment Results (Profit before tax)						
Employees Cest	32781	30802	27606	93900	82288	112254	 Treesury Operations 	(8)	(515)	(12942)	(4344)	(15772)	(13561)
II. Other Operating Expenses	17744	15545	13455	48365	38443	58792	ii) Corporate/Wholesale Banking	7554	8904	(16313)	24001	(47105)	(73304)
6 Total Expenditure (4+6) (Excluding Provisions & Contingencies)	140803	140728	147716	423735	435794	588432	iii) Retail Barking	4976	3108	(14253)	13418	(39614)	(64169)
7 Operating Profit before Provisions and Contingencies (3-6)	38274	36418	29304	111541	101798	129434	F	13263	12131	(43324)	34378	(101408)	(150597)
8 Provisions (other than tax) and Contingencies	25011	24287	72628	77163	203206	280031	3) Capital Employed						
9 Exceptional Rems							(Segment assets-Segment Liabilities)						
10 Profit (+)/loss (-) from ordinary activities before tax (7-8-9)	13263	12131	(43324)	34378	(101408)	(150597)	i) Treasury Operations	1887368	2216540	3167855	1887368	3167855	2511863
11 Tax Expenses	6016	4967	6523	(6870)	6391	12632	 Corporate/Wholesale Banking 	808616	439867	(168894)	808816	(168894)	339424
12 Net Profit (+)/Loss (-) from ordinary activities after tax (10-11)	7247	7164	(49847)	41248	(107799)	(163229)	III) Retail Benising	(2083620)	(2051027)	(2464246)	(2083620)	(2464246)	(2282248)
13 Extraordinary items (net of tax expenses)				23818			(v) Other Banking Business	(386)	(80)	(116)	(386)	(116)	(1389)
14 Net Profit (+)/Loss (-) for the period (12-13)	7247	7164	(49847)	17430	(107799)	(163229)	Total:-	612178	605300	534599	612178	534599	567650
15 Paid-up Equity Share Capital (Face Value Rs. 1 /- per share)	5570	5570	4849	5570	4849	5215			Note: The Bank	has only one geographic	Note: The Bank has only one geographical segment i.e. domestic segment	c segment.	
-						562435	Notes: 1. The above standalone financial results have	been reviewed by the A	udit Committee of the B	oard in their meeting he	dd on 30th January, 2011	and approved by the B	pard of Directors
17 Arrelytical Ratios (i) Percentage of Shares held by Govt. of JBK	59.23%	59.23%	53.17%	59.23%	53.17%	56.45%	The bow equals for the support of the property of the support of t	same have been subject ting agreement with Stoc nonths ended 31st Decen 131st March, 2017.	iddit Contrinities of the by ed to Limited review by it is Exchange. It is Exchange. The contribution of t	the Statutory Central Au the Statutory Central Au the Statutory Central Au	ad on sour Jenuary, 2015 Iditors of the Bank, in lin me accounting policies t	e with the guidelines iss hat were followed in the	preparation of
(ii) Capitat Adequacy Ratio % (BASEL III)	10.87%	11.09%	10.28%	10.87%	10.28%	10.80%	 The results have been arrived at after considerations and investment on the basis of prudential norms are 	dering provision for Stand nd specific guidelines issu	lard Assets, Non-Perforr aed by Reserve Bank of I	ning Advances, Restruc ndia. Further, provision	for exposures to entities	Accounts / Depreciation with Unhedged Foreign	/ Provision for Currency
(CET1 Ratio)	8.54%	9.19%	8.99%	8.54%	8.99%	8.70%	Exparises have been made as per RBI guidelines. Provision for Taxation (including) deferred Tay) has been calculated on actual basis. 4. During the quarker ended 36th, lyne, 2017 the sain K exparises/Deferred Tay. Assist (TDA) as a PA-2.20 in the affirement in the provision for NPA as per books of accounts and income	nes. Provision for Taxation ne bank recognizediDefer	n (including Deferred Ta) red Tax Asset (DTA) as p	 has been calculated o xer AS-22 on the difference 	on actual basis. nce in the provision for N	IPA as per books of acco	unts and income
(iii) Earning per share (EPS) ₹							Tay Act, 1961 amounting to 7381.89 crows by including the same in tax expenses with a corresponding credit to extra ordinary income. 5. The bank has no 70, 26, 2013, allocked 3, 9, 5, 3, 3, a cylicy shares of 721, each on preferential basis to the Government of lammure. Kashmir promoter and majority shareholder of the	including the same in tax 5.321 equity shares of ₹1.	x expenses with a corres /= each on preferential t	ponding credit to extra basis to the Governmen	ordinary income. t of Jammu & Kashmir pr	omoter and majority sha	reholder of the
 a) Basic and diluted EPS before Extraordinary items 							bank at a premium of ₹78.38 per equity share for a total consideration of ₹282.00 crores.	for a total consideration of	of ₹282.00 crores.	1 coorse and deprecia	tion (amortization on re	valued value of land an	Sounting to 50 58
(net of tax expense) for the period, for the year to date and for the							o, During the Current queries, Represented in termined introduction of resonance and depresented and depresented an intermediate of the control of the contr	rve Fixed Assets account	and will be a ferring and a second	rational and majories	Contraction of the	ARISED ARISED OF PRINCIPLE	and the second
date and 'or the previous year (* not annualized)	1.30*	1.29*	(10.28)*	7.41*	(22.24)*	(33.59)	7. Provision for terminal banefits (Pension, Gratuity and Leave Salary Encestment) has been made as per actuarial valuation. 8. Provision for terminal banefits (Pension, Gratuity and Leave Salary Encestment) has been made as per actuarial valuation. 8. Provision for terminal banefits (Pension, Gratuity and Leave Salary Encestment) has been made as per actuarial valuation. 8. Provision for terminal banefits (Pension, Gratuity and Leave Salary Encestment) has been made as per actuarial valuation.	tuity and Leave Salary Er ar. 2017 is 69.51% after t	aking into account the fi	oating provision of ₹348	ation. 3.72 crores held by the b	ank, the coverage ratio	vs on 31st
 b) Basic and diluted EPS after Extraordinary items for the period, 							December, 2016 was 61.73%.	21 06 201/2015-16 dated	01 07 2015 on "RASEL	Il capital regulations" re	and together with the RR	Circular No	
for the year to date and for the previous year (* not annualized) ((v) NPA Ratio's	1.30*	1.29*	(10.28)*	3,13	(22.24)*	(33.59)	DBA, No. RP SC 80/21.06.201/2014-1.5 dated 31.03.2015 on Prudentia Guidelinas 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.	.03.2015 on Prudential G ty coverage ratio under B	uidelines on Capital Ade ASEL-III framework. Acc	quacy and Liquidity star ordingly, these disclosur	ndard ämendments requ res are being made avai	ires banks to make appl able on bank's website i	icable Pillar 3 e.
(V) NTA REBOS							disclosures including leverage ratio and riduid	cy coverage ratio union in	WALL-III HOUSE MAN ACC	ordingry, criese discress	the are possed freed aver	Spin Oil Pality a standard	1000

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

(y) Return on Assets (Annualized)
Aggregate of Public Share Holding
(i) No. of Shares

227025360 40.77%

227025360 46.83%

disciplanter including leavange into a off liquidity covinage at sto under 8.65.L.H intravenor. A accordingly, these disciplanter including leavange into a design at some state of the required 2.65.57 but increased including the same disciplanter in the way to the same of 152.19.2 Forces as on 21.2 to one for or mit water leaf by 254.8 do serving with 2.20.15. but it is required 1.20% by 0.7.20.6 in terms of 674.8 p. 15.20% under force create water by 254.8 do serving with 2.20.15. but is required 1.20% upon 7.20% in terms of 674.8 but 1.20% under force create water by 254.8 do serving with 2.20% upon 7.20% in the 15.20% upon 7.20% upon 7.2

0.48%), On JAS C. 501/2012.001/2017-18 did 04/10/2017, the bank shifted Govt, securities thing of depreciation on investments of the bank by an amount of *C\$4.00 crores, gmenting if the 1 capital fire an amount of *B\$0.00 crores, that to make extra provision on accounts where introlvency proceedings has been roses has been made.

parable with the figures of the period under

sion at higher rates in respect of advances to stressed sector of the wide the said sector @1% (instead of 0.4% as stipulated) by the end of rowal accounts of JGK state except those which are overdue as or sa. Accordingly Bank has rehabilitabed/restructured borrowal is been reliabilitated / restructured for which an amount of mount which was ₹4069.95 crores as on 30th September, 2017 ion of ₹27.40 crores being 15% of the existing outstanding

623208 248765 10.08% 4.29% 0.36%

598287 244259 10.87% 4.76% 0.36%

571491 269914 11.84% 5.99% (2.43%)

623208 248765 10.08% 4.29% 0.29%

571491 269914 11.84% 5.99% (1.81%)

Date No.p Par. J. 21, 20, 51, 2015.15 detailed 0, 07, 2015 on "\$48.Ell including linguisticant" read together with the 8EI Circular No. 1014.15 detail 31, 03, 2015 on Prodestal Colosidines on Capital Adequacy and Liquidity Sandard simendimenta requires bons to make a policable Pillar 3 as to a xxii quickly coverage stato under 48.Ell. If farmework. Accordingly, these disclosures are being made available on bank's webtite i.e.

b) Amount of Net NPAs
c) % of Gross NPAs to Gross Advances
d) % of Net NPAs to Net Advances

(ii) Percentage of Share Holding Promoters and promoter group Shareholding a) Pedged/Encumbered - Number of Shares

Percentage of shares (as a % of the total shareholding of prom and promoter group) Percentage of shares (as a % of the total share capital of the o

* PANAGO	CA. Vikrapy Stiff & Partner (M. New OST 1958)	For O P Garg & Co Chartered Accountants FRN: 01194N

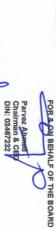








53.17%



Place : Jammu Dated : 31st January, 2018