



Board Secretariat

Ref:-JKB/BS/F3652/2021/107
Date: 13th August, 2021

National Stock Exchange of India Ltd
Exchange Plaza 5th Floor
Plot No. C/1 G-Block
Bandra Kurla Complex
Bandra (E) Mumbai - 400 051
Symbol: J&KBANK

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

SUB:- REVIEWED FINANCIAL RESULTS OF THE BANK FOR THE QUARTER ENDED 30TH JUNE , 2021 (Standalone & Consolidated)

Dear Sirs,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith a copy of the Reviewed Financial Results of the Bank for the Quarter ended 30th June, 2021.

The Results were taken on record by the Board of Directors in their meeting held today i.e. 13th August, 2021.

The Meeting started at 03:00 P.M. and ended at 07:30 P.M.

This is for your information and appropriate dissemination.

Thanking you

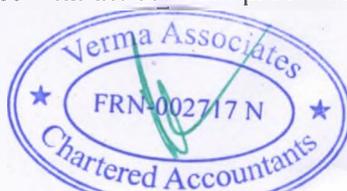
Yours faithfully
For Jammu & Kashmir Bank Ltd.


(Mohammad Shafi Mir)
Company Secretary

Independent Auditor's Review Report on Standalone unaudited Financial Results of the Jammu & Kashmir Bank Limited for the Quarter ended 30th June 2021 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
The Jammu and Kashmir Bank Limited
Srinagar

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of The **Jammu and Kashmir Bank Limited** ('the Bank') for the Quarter ended **30th June 2021** being submitted by the Bank pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015(as amended), including relevant circular issued by the SEBI from time to time, except for the disclosures relating to Pillar 3 disclosures, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement, and have not been reviewed by us.
2. The Statement, which is the responsibility of the Bank's management and has been approved by the Bank's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25, Interim Financial Reporting ('AS 25'), prescribed under Section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time ('the RBI guidelines') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the standalone financial results 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 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 financial results incorporate the relevant returns of 208 branches and Treasury operations reviewed by us, out of which 188 branches were reviewed through Core Banking System ('CBS') of the Bank and management inputs, 196 branches reviewed by other Chartered Accountants, Cost Accountants and Banks' own officials (retired) acting as Concurrent auditors of the Bank and un-reviewed in respect of 543 branches. In the conduct of our Review, in addition to 208 branches and Treasury operations reviewed by us, we have relied on the review reports in respect of non-performing assets received from concurrent auditors of aggregating 196 branches. These review reports cover 79.14 % (of which 54.56 % covered by us) of the advances portfolio of the bank. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from un-reviewed branches/other offices and generated through centralized database of the Bank's Head Office.
5. Based on our review conducted as above, subject to limitations in scope as mentioned in para 3 above and read with Notes to Accounts, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable accounting standards and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), 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 RBI in respect of income



recognition, asset classification, provisioning and other related matters, except for the disclosures relating to Pillar 3 disclosure including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us, or that it contains any material misstatement.

6. **Emphasis of Matter**

We draw attention to Note No.23 of the statement regarding uncertainty of extent of impact of COVID-19 on the bank's operations and financial position. Our conclusion is not modified in respect of this matter.

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



(CA. Salil Gupta)
Partner
M.No.097922
UDIN:

21097922AAAAEN1541
Place: Srinagar
Dated: 13th August 2021

For Verma Associates.
Chartered Accountants
FRN:002717N



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

21081631AAAA
CR3090

For P C Bindal & Co.
Chartered Accountants
FRN:003824N



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

21090330AAAA
KM6001

For K.K.Goel & Associates.
Chartered Accountants
FRN:005299N



(CA. Kamlesh Kumar Goel)
Partner
M.No.015002
UDIN:

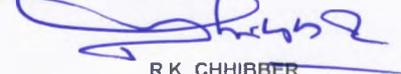
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STANDALONE BALANCE SHEET AS AT 30TH JUNE, 2021

(₹ IN CRORES)

		As at 30.06.2021 (REVIEWED)	As at 31.03.2021 (AUDITED)	As at 30.06.2020 (REVIEWED)
CAPITAL AND LIABILITIES				
Capital	1	71.36	71.36	71.36
Reserves and Surplus	2	6858.57	6754.25	6328.63
Deposits	3	105688.89	108061.15	99691.41
Borrowings	4	2015.20	2015.20	2018.48
Other Liabilities and Provisions	5	3713.63	3389.99	2762.58
TOTAL :-		118347.65	120291.95	110872.46
ASSETS				
Cash and Balance with Reserve Bank of India	6	4923.07	3685.33	3686.04
Balance with Banks & Money at Call & Short Notice	7	3590.67	5812.26	3868.22
Investments	8	30074.92	30814.24	26556.94
Advances	9	66779.52	66841.73	65169.58
Fixed Assets	10	1986.89	2012.41	2054.34
Other Assets	11	10992.58	11125.98	9537.34
TOTAL :-		118347.65	120291.95	110872.46

FOR & ON BEHALF OF THE BOARD



R.K. CHHIBBER

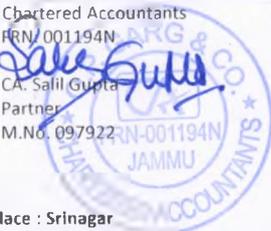
Chairman & Managing Director
DIN: 08190084

Place : Srinagar
Dated : 13/08/2021

In terms of our report of even date annexed

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

CA. Salil Gupta
Partner
M.No. 097922



For Verma Associates
Chartered Accountants
FRN: 002717N



CA. Manish Verma
Partner
M.No. 081631

For P. C. Bindal & Co.
Chartered Accountants
FRN: 003824N

CA. Rajan Gupta
Partner
M.No. 090330

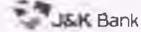


For K. K. Goel & Associates
Chartered Accountants
FRN: 005299N

CA. Kamlesh Kumar Goel
Partner
M.No. 015002



Place : Srinagar
Date : 13/08/2021



THE JAMMU & KASHMIR BANK LTD.
CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR-190001
CIN: L65110JK1938SGC000048

SEGMENT RESULTS

STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021					SEGMENT RESULTS					
					(In Crores)					
S.No.	PARTICULARS	QUARTER ENDED			YEAR ENDED	Description	QUARTER ENDED			YEAR ENDED
		30.06.2021	31.03.2021	30.06.2020	31.03.2021		30.06.2021	31.03.2021	30.06.2020	31.03.2021
1	Interest Earned (a+b+c+d)	1990.47	1951.56	2038.32	8111.09	1) Segment Revenue (Income)				
	a) Interest/Discount on Advances/Bills	1479.75	1429.33	1512.52	6063.02	i) Treasury Operations	608.20	532.08	580.05	2313.34
	b) Income on Investments	428.90	439.78	430.40	1730.79	ii) Corporate/Wholesale Banking	447.95	412.20	477.67	1887.56
	c) Interest on Balance with R.B.I. & Other Inter Bank Funds	81.76	82.42	95.40	317.22	iii) Retail Banking	1347.44	1351.34	1279.16	5440.63
	d) Others	0.06	0.03	0.00	0.06	iv) Other Banking Business	9.11	20.97	7.65	52.98
2	Other Income	221.01	178.09	119.62	718.99	v) Un-Allocated Business	0.00	0.00	0.00	0.00
3	Total Income (1+2)	2211.48	2129.65	2157.94	8830.08	Total	2412.70	2316.59	2344.53	9694.51
4	Interest Expended	1021.18	1034.14	1133.97	4340.31	Less: Inter Segment Revenue	201.22	186.94	186.59	864.43
5	Operating Expenses (I+II)	792.12	781.16	693.75	2878.54	Net Income from Operations	2211.48	2129.65	2157.94	8830.08
	I Employees Cost	588.30	545.00	508.44	2059.38	2) Segment Results				
	II Other Operating Expenses	203.82	236.16	185.31	819.16	i) Treasury Operations	67.30	19.65	59.87	300.67
6	Total Expenditure (4+5)	1813.30	1815.30	1827.72	7218.85	ii) Corporate/Wholesale Banking	212.90	173.01	11.92	(3.99)
	(Excluding Provisions & Contingencies)					iii) Retail Banking	188.49	350.49	261.17	1311.71
7	Operating Profit before Provisions and Contingencies (3-6)	398.18	314.35	330.22	1611.23	iv) Other Banking Business	8.69	20.59	7.20	51.42
8	Provisions (other than tax) and Contingencies	215.82	28.26	268.37	1077.16	v) Un-Allocated Business	(295.02)	(277.65)	(276.31)	(1125.74)
9	Of which provisions for NPA (Prov. For Bad & Doubtful Debts)	93.25	444.68	108.40	1023.15	Profit/(Loss) from Ordinary Activities (Before Tax)	182.36	286.09	83.85	534.07
10	Exceptional Items	0.00	0.00	0.00	0.00	Less: Tax Expenses/(credit)	78.04	(29.66)	57.35	101.95
11	Profit (+)/Loss (-) from ordinary activities before tax (7-8-10)	182.36	286.09	63.85	534.07	Less: Extraordinary Profit/(Loss)	0.00	0.00	0.00	0.00
12	Tax Expenses	78.04	(29.66)	57.35	101.95	Net Profit/(Loss) After Tax	164.32	315.75	6.50	432.12
	-Income Tax Provisions (incl. current tax)	81.77	(162.58)	84.10	36.65	3) Segment Assets				
	-Deferred Tax Asset/(Liability)	(3.73)	132.92	(26.75)	65.30	i) Treasury Operations	38365.71	41397.53	34905.78	41397.53
13	Profit (+)/Loss (-) from ordinary activities after tax (11-12)	104.32	315.75	6.50	432.12	ii) Corporate/Wholesale Banking	20379.16	21197.51	24539.84	21197.51
14	Extraordinary Items (net of tax expenses)	0.00	0.00	0.00	0.00	iii) Retail Banking	59602.67	57696.80	51426.71	57696.80
15	Net Profit (+)/Loss (-) for the period (13-14)	104.32	315.75	6.50	432.12	iv) Other Banking Business	0.11	0.11	0.13	0.11
16	Paid-up Equity Share Capital (Face Value Rs. 1/- per share)	71.36	71.36	71.36	71.36	v) Un-Allocated Business	0.00	0.00	0.00	0.00
17	Reserves excluding Revaluation Reserves				5781.63	Total:-	118347.65	120291.95	110872.48	120291.95
18	Revaluation Reserves				972.82	4) Segment Liabilities				
19	Analytical Ratios					i) Treasury Operations	27.60	43.05	30.73	43.05
	(i) Percentage of Shares held by Govt. of J&K	68.18%	68.18%	68.18%	68.18%	ii) Corporate/Wholesale Banking	25814.77	28063.54	26705.99	28063.54
	(ii) Capital Adequacy Ratio % (BASEL III)	12.01%	12.20%	11.23%	12.20%	iii) Retail Banking	85575.29	85359.69	77735.61	85359.69
	(CET1 Ratio)	8.80%	8.82%	8.23%	8.82%	iv) Other Banking Business	0.06	0.06	0.14	0.06
	(TIER1 Ratio)	10.24%	10.28%	9.66%	10.28%	v) Un-Allocated Business	0.00	0.00	0.00	0.00
	(iii) Earning per Share (EPS) (Rs.)					Total:-	111417.72	113466.34	104472.47	113466.34
	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)	1.46*	4.43*	0.09*	6.06	5) Capital Employed				
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (* not annualized)	1.46*	4.43*	0.09*	6.06	(Segment assets-Segment Liabilities)				
	(iv) NPA Ratio's					i) Treasury Operations	38338.11	41354.48	34875.05	41354.48
	a) Amount of Gross NPAs	6963.73	6954.75	7607.32	6954.75	ii) Corporate/Wholesale Banking	(5435.61)	(6866.03)	(2166.15)	(6866.03)
	b) Amount of Net NPAs	1965.17	1969.33	1986.00	1969.33	iii) Retail Banking	(25972.62)	(27662.89)	(26308.90)	(27662.89)
	c) % of Gross NPAs to Gross Advances	9.69%	9.67%	10.73%	9.67%	iv) Other Banking Business	0.05	0.05	(0.01)	0.05
	d) % of Net NPAs to Net Advances	2.94%	2.95%	3.05%	2.95%	v) Un-Allocated Business	0.00	0.00	0.00	0.00
	(v) Return on Assets (Annualized)	0.35%	1.08%	0.02%	0.38%	Total :-	6929.93	6825.61	6399.99	6825.61
20	Aggregate of Public Share Holding									
	(i) No. of Shares	227025360	227025360	227025360	227025360					
	(ii) Percentage of Share Holding	31.82%	31.82%	31.82%	31.82%					
21	Promoters and promoter group Shareholding									
	a) Pledged/Encumbered									
	- Number of Shares	Nil	Nil	Nil	Nil					
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil					
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil					
	b) Non-encumbered									
	- Number of Shares	486425578	486425578	486425578	486425578					
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%					
	- Percentage of shares (as a % of the total share capital of the total share capital of the company)	68.18%	68.18%	68.18%	68.18%					

[Signature]
FOR & ON BEHALF OF THE BOARD

R. K. CHHIBBER
 Chairman & Managing Director
 DIN: 08190084
 Place: Srinagar
 Date: 13/08/2021

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED
 For O.P. Garg & Co.
 Chartered Accountants
 FRN: 001846
[Signature]
 CA. Sallu Gupta
 Partner
 M.No. 097922

[Signature]
 For Verma Associates
 Chartered Accountants
 FRN: 002717N
 CA. Madan Verma
 Partner
 M.No. 081631

[Signature]
 For P. C. Bindal & Co.
 Chartered Accountants
 FRN: 003824N
 CA. Rajan Gupta
 Partner
 M.No. 090330

[Signature]
 For K. K. Goel & Associates
 Chartered Accountants
 FRN: 005299N
 CA. Kamlesh Kumar Goel
 Partner
 M.No. 015002

Independent Auditor's Review Report on the Consolidated Unaudited Financial Results of the Jammu & Kashmir Bank Limited for the Quarter ended 30th June 2021 pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

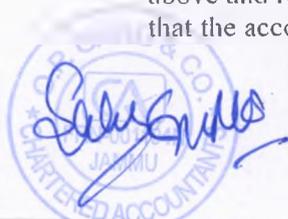
To
The Board of Directors
Jammu and Kashmir Bank Limited
Srinagar

1. We have reviewed the accompanying Statement of **Consolidated** unaudited Financial Results of the **Jammu & Kashmir Bank Limited** ("the Parent"/"the Bank") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), and its share of the net profit/loss after tax for the Quarter ended **30th June 2021** ("the Statement"), being submitted by the Parent pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except for the disclosures relating to Pillar 3 disclosure, including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement, and have not been reviewed by us.
2. The Statement, which is the responsibility of the Parent's management and approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25, Interim Financial Reporting ('AS 25'), prescribed under Section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('the RBI') from time to time ('the RBI guidelines') and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the standalone financial results 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 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 includes the results of the following entities:

S.No	Name of Company	Relation	% of Holding
1.	The Jammu & Kashmir Bank Ltd	Parent	-
2.	JKB Financial Services Limited	Subsidiary	100%
3.	J&K Grameen Bank	Associate	35%

The Bank along with Government of Jammu & Kashmir has incorporated a company 'Jammu and Kashmir Asset Reconstruction Limited on 28.04.2017. The Bank has subscribed capital to the tune of Rs.98 Lakhs whereas the Government of J&K has subscribed Rs.102 Lakhs. The promoters i.e. J&K Government and Jammu & Kashmir Bank Limited have not released their respective shares towards the capital of the company. The company has not yet commenced operations and as such has not been consolidated.

5. Based on our review conducted as above, subject to limitations in scope as mentioned in para 3 above and read with Notes to Accounts, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable accounting standards



and other recognized accounting practices and policies, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), 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 RBI in respect of income recognition, asset classification, provisioning and other related matters, except for the disclosures relating to Pillar 3 disclosure including leverage ratio and liquidity coverage ratio under Basel III Capital Regulations as have been disclosed on the Bank's website and in respect of which a link has been provided in the Statement and have not been reviewed by us, or that it contains any material misstatement.

6. Emphasis of Matter

We draw attention to Note No. 23 of the statement regarding uncertainty of extent of impact of COVID-19 on the bank's operations and financial position. Our conclusion is not modified in respect of this matter

7. We did not review the interim financial results and other financial information of the subsidiary included in the Group, whose results reflect total assets of Rs.33.10 Crores as at 30th June 2021 and total revenues of Rs.2.26 Crores and total net profit after tax of Rs.0.63 Crores for the Quarter ended 30th June 2021. The interim financial results and other financial information of the subsidiary has been reviewed by the other auditor whose report has been furnished to us by the management and our conclusion in so far it relates to the amounts and disclosures included in respect of the entity is based solely on the report of other auditor and the procedures performed by us stated in paragraph 3 above.

Our conclusion on the statement is not modified in respect of the above matter.

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



(CA. Salil Gupta)
Partner

M.No.097922
UDIN:

21097922 AAAA E02268
Place: Srinagar
Dated: 13th August 2021

For Verma Associates.
Chartered Accountants
FRN:002717N



(CA. Madan Verma)
Partner

M.No.081631
UDIN:

21081631 AAAA
CS 8607

For P C Bindal & Co.
Chartered Accountants
FRN:003824N



(CA. Rajan Gupta)
Partner

M.No.090330
UDIN:

21090330 AAAA
KN 3527

For K.K.Goel & Associates.
Chartered Accountants
FRN:005299N



(CA. Kamlesh Kumar Goel)
Partner

M.No.015002
UDIN:

21015002 AAAA LM
4810.



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

CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE, 2021

(₹ IN CRORES)

		As at 30.06.2021 (REVIEWED)	As at 31.03.2021 (AUDITED)	As at 30.06.2020 (REVIEWED)
CAPITAL AND LIABILITIES				
Capital	1	71.36	71.36	71.36
Reserves and Surplus	2	6830.53	6730.91	6304.47
Deposits	3	105680.80	108047.30	99690.99
Borrowings	4	2015.20	2015.20	2018.48
Other Liabilities and Provisions	5	3729.08	3408.10	2771.90
TOTAL :-		118326.97	120272.87	110857.20
ASSETS				
Cash and Balance with Reserve Bank of India	6	4923.07	3685.33	3686.04
Balance with Banks & Money at Call & Short Notice	7	3597.69	5818.37	3875.43
Investments	8	30029.44	30774.10	26517.85
Advances	9	66779.52	66841.73	65169.58
Fixed Assets	10	1987.24	2012.84	2054.96
Other Assets	11	11010.01	11140.50	9553.34
TOTAL :-		118326.97	120272.87	110857.20


FOR & ON BEHALF OF THE BOARD

R.K. CHHIBBER

Chairman & Managing Director
DIN: 08190084

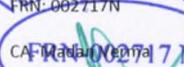
Place : Srinagar
Dated : 13/08/2021

In terms of our report of even date annexed

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


CA. Sallu Gupta
Partner
M.No. 0979221194N
Place : Srinagar
Date: 13/08/2021

For Verma Associates
Chartered Accountants
FRN: 002717N


CA. Madan Verma
Partner
M.No. 081631

For P. C. Bindal & Co.
Chartered Accountants
FRN: 003824N


CA. Rajan Gupta
Partner
M.No. 090330

For K. K. Goel & Associates
Chartered Accountants
FRN: 005299N


CA. Kamlesh Kumar Goel
Partner
M.No. 015002



THE JAMMU & KASHMIR BANK LTD. CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR 190001 CIN: L65110JK1938SGC000048 (₹ In Crores)					SEGMENT RESULTS (₹ In Crores)					
CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2021										
Sl.No	PARTICULARS	QUARTER ENDED			YEAR ENDED	Description	QUARTER ENDED			YEAR ENDED
		30.06.2021	31.03.2021	30.06.2020	31.03.2021		30.06.2021	31.03.2021	30.06.2020	31.03.2021
		(REVIEWED)	(AUDITED)	(REVIEWED)	(AUDITED)		(REVIEWED)	(AUDITED)	(REVIEWED)	(AUDITED)
1	Interest Earned (a+b+c+d)	1990.47	1951.56	2038.32	8111.09	1) Segment Revenue (Income)				
	a) Interest/Discount on Advances/Bills	1479.75	1429.33	1512.52	6063.02	i) Treasury Operations	608.20	532.08	580.05	2313.34
	b) Income on Investments	428.90	429.78	430.40	1730.79	ii) Corporate/Wholesale Banking	447.95	413.42	477.67	1888.79
	c) Interest on Balance with RBI & Other Inter Bank Funds	81.76	82.42	95.40	317.22	iii) Retail Banking	1349.60	1352.41	1281.73	5448.82
	d) Others	0.06	0.03	0.00	0.06	iv) Other Banking Business	9.11	20.97	7.65	52.98
2	Other Income (Excluding Share of Loss in Associate)	223.17	180.38	122.19	728.41	v) Un-Allocated Business	0.00	0.00	0.00	0.00
3	Total Income (1 + 2)	2213.64	2131.94	2160.51	8839.50	Total	2414.86	2318.88	2347.10	9703.93
4	Interest Expended	1021.09	1034.05	1133.88	4339.88	Less: Inter Segment Revenue	201.22	186.94	186.59	864.43
5	Operating Expenses (I+II)	793.39	782.77	695.11	2884.18	Net Income from Operations	2213.64	2131.94	2160.51	8839.50
	I Employees Cost	589.06	545.83	509.22	2062.43	2) Segment Results				
	II Other Operating Expenses	204.33	236.94	185.89	821.73	i) Treasury Operations	67.30	19.65	59.87	300.67
6	Total Expenditure (4+5) (Excluding Provisions & Contingencies)	1814.48	1816.82	1828.99	7224.04	ii) Corporate/Wholesale Banking	212.87	174.12	11.84	(2.99)
7	Operating Profit before Provisions and Contingencies (3-6)	399.16	315.12	331.52	1615.46	iii) Retail Banking	190.25	350.96	263.34	1317.98
8	Provisions (other than tax) and Contingencies	215.83	28.27	286.37	1077.16	iv) Other Banking Business	8.69	20.59	7.20	51.42
9	-Of which provisions for NPA (Prov. For Bad & Doubtful Debts)	93.25	444.68	108.40	1023.15	v) Un-Allocated Business	(295.78)	(278.47)	(277.10)	(1128.78)
10	Exceptional Items	0.00	0.00	0.00	0.00	Profit/(Loss) from Ordinary Activities (Before Tax)	183.33	286.85	65.15	538.30
11	Profit (+)/Loss (-) from ordinary activities before tax (7-8-10)	183.33	286.85	65.15	538.30	Less: Tax Expenses/(credit)	78.38	(29.89)	57.85	103.50
12	Tax Expenses	78.38	(29.89)	57.85	103.50	Less: Extraordinary Profit/(Loss)	0.00	0.00	0.00	0.00
	-Income Tax Provisions (Incl. current tax)	81.77	(162.93)	84.10	36.65	Net Profit/(Loss) before share in profit/(loss) of Associates	104.65	316.74	7.30	434.80
	-Deferred Tax Asset/(Liability)	(3.39)	133.04	(26.25)	66.85	Add/(Less) Share in Profit/(Loss) of Associates	(5.33)	5.48	(5.26)	(6.35)
13	Net Profit (+)/Loss (-) from ordinary activities after tax (11-12)	104.95	316.74	7.30	434.80	Net Profit/(Loss) After Tax	99.62	322.22	2.01	428.45
14	Extraordinary Items (net of tax expenses)	0.00	0.00	0.00	0.00	3) Segment Assets				
15	Net Profit (+)/Loss (-) for the period (13-14)	104.95	316.74	7.30	434.80	i) Treasury Operations	38320.23	41357.38	34866.70	41357.38
16	Share of Profit(+)/Loss(-) From Associate Concerns	(5.33)	5.48	(5.29)	(6.35)	ii) Corporate/Wholesale Banking	20386.17	21203.62	24547.04	21203.62
17	Net Profit (+)/Loss (-) after Share in Associate (15+16)	99.62	322.22	2.01	428.45	iii) Retail Banking	59620.46	57711.76	51443.33	57711.76
18	Paid-up Equity Share Capital (Face Value Rs. 1/- per share)	71.36	71.36	71.36	71.36	iv) Other Banking Business	0.11	0.11	0.13	0.11
19	Reserves excluding revaluation reserves				5758.29	v) Un-Allocated Business	0.00	0.00	0.00	0.00
19	Revaluation Reserves				972.62	Total:-	118326.97	120272.87	110857.20	120272.87
20	Analytical Ratios					4) Segment Liabilities				
	(i) Percentage of Shares held by Govt. of J&K	68.18%	68.18%	68.18%	68.18%	i) Treasury Operations	27.60	43.05	30.73	43.05
	(ii) Capital Adequacy Ratio % (BASEL III)	12.01%	12.20%	11.21%	12.20%	ii) Corporate/Wholesale Banking	25818.59	28068.32	26708.68	28068.32
	(CET1 Ratio)	8.79%	8.82%	8.20%	8.82%	iii) Retail Banking	85578.83	85359.17	77741.82	85359.17
	(TIER1 Ratio)	10.24%	10.27%	9.63%	10.27%	iv) Other Banking Business	0.06	0.06	0.14	0.06
	(iii) Earning per Share (EPS) (Rs)					v) Un-Allocated Business	0.00	0.00	0.00	0.00
	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)	1.40*	4.52*	0.03*	6.01	Total:-	111425.08	113470.60	104481.37	113470.60
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (* not annualized)	1.40*	4.52*	0.03*	6.01	5) Capital Employed (Segment assets-Segment Liabilities)				
	(iv) NPA Ratio's					i) Treasury Operations	38292.63	41314.33	34835.97	41314.33
	a) Amount of Gross NPAs	6963.73	6954.75	7607.32	6954.75	ii) Corporate/Wholesale Banking	(5432.42)	(6864.70)	(2161.64)	(6864.70)
	b) Amount of Net NPAs	1965.17	1969.33	1986.00	1969.33	iii) Retail Banking	(25958.37)	(27647.41)	(26298.49)	(27647.41)
	c) % of Gross NPAs to Gross Advances	9.69%	9.67%	10.73%	9.67%	iv) Other Banking Business	0.05	0.05	(0.01)	0.05
	d) % of Net NPAs to Net Advances	2.94%	2.95%	3.05%	2.95%	v) Un-Allocated Business	0.00	0.00	0.00	0.00
	(v) Return on Assets (Annualized)	0.35%	1.08%	0.02%	0.38%	Total	6901.89	6802.27	6375.83	6802.27
21	Aggregate of Public Share Holding									
	(i) No. of Shares	227025360	227025360	227025360	227025360					
	(ii) Percentage of Share Holding	31.82%	31.82%	31.82%	31.82%					
22	Promoters and promoter group Shareholding									
	a) Pledged/Encumbered									
	- Number of Shares	Nil	Nil	Nil	Nil					
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil					
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil					
	b) Non-encumbered									
	- Number of Shares	486425578	486425578	486425578	486425578					
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%					
	- Percentage of shares (as a % of the total share capital of the total share capital of the company)	68.18%	68.18%	68.18%	68.18%					

[Handwritten Signature]

FOR & ON BEHALF OF THE BOARD
 R. K. CHHIBBER
 Chairman & Managing Director
 DIN: 08190084
 Place: Srinagar
 Date: 13/08/2021

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED
 For O. P. Garg & Co.
 Chartered Accountants
 FRN: 001194N
 O. P. Garg
 Partner
 M.No. 097222

Verma Associates
 For Verma Associates
 Chartered Accountants
 FRN: 002717N
 CA Madan Verma
 Partner
 M.No. 081631
 Chartered Accountants

P. C. Bindal & Co.
 For P. C. Bindal & Co.
 Chartered Accountants
 FRN: 003824N
 CA. Rajan Gupta
 Partner
 M.No. 090330

K. K. Goel & Associates
 For K. K. Goel & Associates
 Chartered Accountants
 FRN: 005299N
 R. No. 005299N
 CA. Kamlesh Kumar Goel
 Partner
 M.No. 015002

**“NOTES TO THE STANDALONE & CONSOLIDATED FINANCIAL STATEMENTS
FOR THE QUARTER ENDED 30th JUNE 2021”**

- The above financial results represent the Standalone and Consolidated financial results for The Jammu & Kashmir Bank Limited and its subsidiaries/associate constituting the 'Group'. The above Standalone and Consolidated financial results have been reviewed by the Audit Committee of the Board in the meeting held on 12th August 2021 and approved by the Board of Directors on 13th August 2021. The same have been subjected to “Limited Review” by the Statutory Auditors of the Bank in accordance with the guidelines issued by RBI and as per the requirement of SEBI Listing regulations.
- The Consolidated financial statement of the ‘Group’ comprise the financial statements of :

S.NO.	Name of Company	Relation
1.	The Jammu & Kashmir Bank Limited	Parent
2.	JKB Financial Services Limited	Subsidiary
3.	J&K Grameen Bank	Associate

The Bank along with Government of Jammu & Kashmir has incorporated a company ‘Jammu and Kashmir Asset Reconstruction Limited on 28.04.2017. The Bank has subscribed capital to the tune of Rs.98 Lakhs whereas the Government of J&K has subscribed Rs.102 Lakhs. The promoters i.e. J&K Government and Jammu & Kashmir Bank Limited have not released their respective shares towards the capital of the company. The company has not yet commenced operations and as such has not been consolidated.

- The above results have been prepared following the same accounting policies that were followed in the preparation of annual financial statements for the year ended 31st March, 2021. The results have been arrived at after considering provision for Non-Performing Assets on the basis of prudential norms and specific guidelines issued by the Reserve Bank of India.
- In accordance to SEBI regulations, for the purpose of quarterly consolidated financial results, minimum eighty percent each of consolidated revenue, assets and profits have been subjected to limited review.
- The J&K Govt. General Administration Department S.O. No. 339 dated 30/10/2020 apportioned the Assets, Liabilities and Posts of the erstwhile State of Jammu and Kashmir between the Union Territory of Jammu and Kashmir and Union Territory of Ladakh w.e.f. 31.10.2020. As per the said notification 8.23% shareholding of Jammu & Kashmir Bank Ltd which amounts to 13.89% of the shareholding of the erstwhile state of Jammu and Kashmir as on 31.10.2019 shall be transferred to the UT of Ladakh and the then remaining 51% of shareholding of erstwhile Jammu and Kashmir state would remain with the UT of Jammu and Kashmir. The Reserve Bank of India vide letter no. DOR.HOL.No.S481/16.01.063/2021-22 dated July 26, 2021, has accorded approval for the said apportionment. The said arrangement is however subject to other necessary legal formalities.
- 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 require the 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.com. These disclosures have not been subjected to review by the auditors.
- Pursuant to the Accounting Standard-10 (Revised 2016) on "Property, Plant & Equipment", depreciation of Rs. 5.67 Crore for the quarter ended 30th June 2021 on revalued portion of Fixed Assets has been transferred from the Revaluation Reserve to General Reserve.
- The Bank has shifted securities amounting to Rs. 1050 Crore (FV) at the cost of acquisition in case of discounted/Par value securities and at the amortized cost in case of securities bought at the premium, from



Held to Maturity (HTM) to Available for Sale (AFS) category. The revaluation of securities was undertaken immediately after transfer of securities to AFS category in conformity with regulatory guidelines. The Bank booked a profit of Rs. 23.86 Crore on direct sale of securities from HTM category amounting to Rs. 935 Crore (FV) during the quarter through open market operations (OMOs) purchase auction by RBI. As such an equivalent amount after netting of taxes and required transfer to statutory reserves from such profit shall be transferred to Capital Reserve Account at the end of financial year.

9. MTM Provision:

MTM Provision Details	Rs.in Crores
MTM Provision held on 31.03.2021	48.70
MTM Provision required on 30.06.2021	86.26
MTM Provision held on 30.06.2021	86.26

10. Fraud cases involving aggregate amount of Rs. 232.42 Crore were detected/reported in the bank which have been fully provided for.
11. Provision coverage ratio as at 30th June 2021 is 82% without taking into account the floating provision of Rs.348.72 Crore held by the bank which is now part of Tier-II Capital.
12. The Bank has estimated the liability for unhedged foreign Currency exposure in terms of RBI Circular DBOD.NO.BP.BC.85/21.06.200/2013-14 dated January 15, 2014 and is holding a provision of Rs.49.43 Lacs as on 30th June 2021.
13. In terms of RBI Letter no. DBR.No.BP.15199/21.04.048/2016-17 dated June 23, 2017 (RBI List-1) and Letter no. DBR.BP.1908/21.04.048/2017-18 dated August 28, 2017 (RBI List-2) for the accounts admitted under the provisions of Insolvency & Bankruptcy Code (IBC), the Bank is holding total provision of Rs.325.87 crore (Aggregate provision of RBI List 1 and List 2 accounts) as on June 30, 2021 (100% of Gross NPA balance)
14. As per RBI notification RBI/2021-22/28 DOR.STR.REC.10/21.04.048/2021-22 dated May 5, 2021, Banks are advised that they are permitted to utilize 100 percent of floating provision/countercyclical provisioning buffer held by them as on December 31, 2020 for making specific provisions for non-performing assets with the prior approval of their respective Boards. RBI allows banks to utilise the held floating Provisions upto 31.03.2022. Bank has not as such utilised any amount of Floating provision.
15. In terms of RBI Circular DBR No. BP. BC 45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets, the Bank has provided additional provision of Rs. 48.48 Crores for the quarter ended June 30, 2021 (Total provision as on June,30,2021 is Rs 403.95 crores) in 4 accounts as detailed below:

(Rs.in Crore)

Amount of loans impacted by RBI Circular	Amount of loans to be classified as NPA	Amount of loans as on 30.06.2021 out of (b) classified as NPA	Provision held as on 31.03.2021	Additional provision made during quarter ended 30.06.2021	Provision held as on 30.06.2021
(a)	(b)	(c)	(d)	(e)	(f)
430.68	430.68	430.68	355.47	48.48	403.95

16. As a matter of prudence, Bank has made an additional provision of Rs.39.52 crore during the quarter for various stressed sectors in standard advances portfolio of the Bank.



17. Details of resolution plan implemented under Resolution Framework for COVID 19 related stress as per RBI Circular dated August 06, 2020 are given below:

(Rs. in Crores)					
Type of Borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) Exposure to accounts mentioned at (A) before implementation of plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Additional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution
Personal Loan	6	16.89	0.00	0.73	0.99
Corporate Persons	9	618.10	0.00	62.52	50.04
Of which, MSMEs	0	0.00	0.00	0.00	0.00
Others	0	0.00	0.00	0.00	0.00
Total	15	634.99	0.00	63.25	51.03

18. In accordance with RBI circular no. DOR.STR.REC.12/21.04.048/2021-22 dated May 05, 2021 on "Resolution Framework 2.0 - Resolution of Covid-19 related stress of Micro, Small and Medium Enterprises" the details of accounts restructured is as under:

(Rs. in Crores)		
No. of Accounts Restructured	Amount involved	Provision held
6	0.33	0.033

19. In accordance with RBI circular no. DOR.STR.REC.11/21.04.048/2021-22 dated May 05, 2021 on "Resolution Framework 2.0 - Resolution of Covid-19 related stress of Individual and Small Business" the details of accounts where resolution plan has been implemented is as under:

(Rs. in Crores)		
No. of Accounts	Amount involved	Provision held
61	5.85	0.58

20. In accordance with RBI circular no. DBR.No.BP.BC.18/21.04.048/2018-19 dated January 01, 2019 DOR.No.BP.BC.34/21.4.048/2019-20 dated February 11, 2020 and DOR.No.BP.BC/4/21.04.048/2020-21 dated August 06, 2020 on "Relief for MSME borrowers either exempted or registered under Goods and Service Tax (GST)" the detail of MSME restructured accounts as on June 30, 2021 is as under:

No. of Borrowers	No. of Accounts Restructured	(Rs. in Crores)	Provision held in Crores
44	118	152.16	26.91

21. "Other Assets" of the bank include Rs.4344.79 Crores as Pension dues from Govt of UT J&K and Govt of UT Ladakh.

22. The number of investor complaints during the quarter are as under:

A	No. of complaints pending at the beginning of the Quarter	Nil
B	No. of complaints received during the Quarter	Nil
C	No. of complaints redressed during the Quarter	Nil
D	No. of complaints pending at the end of the Quarter	Nil



23. In the view of the continuing uncertainties prevailing in the Global and Indian economy consequent to the COVID-19 pandemic, the extent of impact on the Bank's operations and financial position remain uncertain and would depend on several factors including actions taken to mitigate its impact and other regulatory measures. Despite these prevalent conditions, in the opinion of Management there would not be significant impact on Bank's financial results and on going concern assumptions.
24. 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.
25. The statement of Assets and Liabilities is appended.



J&K Bank posts net profit of Rs 104 Cr for Q1

It's really a good going amid the apprehensions of 3rd Covid wave, says CMD

Srinagar, Aug 13: *Building further upon its strong annual performance, J&K Bank posted a Net Profit of Rs 104.32 Cr for the first quarter (Q1) of the Current Financial Year (CFY) 21-22 – a quantum jump compared to Rs 6.50 Cr recorded during the Q1 of last financial year. The results for Q1 were announced after the Bank's Board of Directors approved the quarterly numbers in a meeting held here at the Bank's Corporate Headquarters today.*

Performance Highlights

Growing **16%** Year-on-Year (YoY), the bank's operating income has gone up to **Rs 1190.30 Cr** from **Rs 1023.97 Cr** recorded last year, while as other income has shot up by **85% YoY** to **Rs 221.01 Cr** from **Rs 119.62 Cr**.

UP by **27%** in sequential terms, Bank's operating profit grew by **21 % Y-o-Y** to **Rs 398.18 Cr** as against **Rs 330.22 Cr** recorded on June 30, 2020. The Net Interest Margin (NIM) is **3.62 %** as against **3.43%** in Q4 of last financial year. The Net Interest Income has increased **7% YoY** to **Rs 969.29 Cr** from **Rs 904.35 Cr** recorded on June 30, 2020.

Commenting upon the Bank's results, CMD R K Chhibber said, "It's really a good going amid apprehensions of 3rd Covid wave. With all major performance indicators showing an upward trend, the Q1 numbers are fine and in line with the strategy. Quarter-on Quarter basis, we have improved Cost to Income Ratio and reduced Cost of Deposits further. So we feel quite confident that the bank is on its way to leverage the increasing prospects of growth in coming quarters amid the swift and steady nation-wide vaccination drive".

"In the meantime, guided by a professional Board, the management is laying more emphasis on increasing the operational efficiency and service delivery systems to effectively capitalise on the much anticipated growth momentum of post-vaccination economy", the CMD added.

Maintained Asset Quality

Meanwhile, the bank's net NPA's as percentage to net Advances ratio has declined by 11 basis points **YoY** to **2.94 %** from **3.05 %** while as Gross NPA ratio is down to **9.69 %** from **10.73 %** recorded as on June 30, 2020.

Regarding asset quality, the CMD stated, "Health of every bank is as good as its asset-book and we are actively focused on this aspect. We have steadfastly maintained the quality of our assets which is a healthy sign and is likely to boost future income of the bank", adding that complying with the regulator's directions, we are following the real-time system driven classification and downgrade of accounts.

Business Growth

Overall, deposits have shown growth of **6 %** from **Rs 99691.41 crore** to **Rs 105688.89 Cr** during the quarter reviewed, while as advances have increased YoY from **Rs 65169.58 Cr** to **Rs 66779.52 Cr**. However, the growth of advances and deposits' portfolios in the UT of J&K is at **15%** and **7%** respectively.

The CASA Ratio of the bank during the reviewed quarter stood at **55.83 %**.

Sufficient Provisioning

Creating sufficient provisioning buffer to strengthen its balance sheet further, the Bank's Provision Coverage Ratio for the reviewed quarter has gone up to **82 %** - one of the highest in the industry - as against **80.93 %** recorded during the corresponding period last year.

“As bankers we are acutely aware of providing adequately for a rainy day. Therefore, we have made sufficient provisioning to make our balance sheet stronger to meet any unforeseen challenges”, the CMD remarked

Capital Cushioned

Elaborating upon the Bank's capital position, the CMD stated, “The bank's Capital Adequacy Ratio is at 12.01 %, which is well above the regulatory norm. Our capital is sufficient and will get further cushioned after the infusion of Rs 500 Cr by our promoter and majority stakeholder.”

“Besides, the Bank is offering and allotting upto 7.5 crore equity shares during the Q2 to eligible employees under J&K Bank Employees Stock Purchase Scheme, 2021. It is a healthy industry-wide practice to further reinforce and incentivize the staff commitment by increasing their stakes in the institution. Going forward, the bank also envisages raising of capital through Qualified Institutional Placement (QIP) and BASEL-III compliant Tier II Bonds”, he said.

Meanwhile, to boost the morale of the Bank staff during the course of recently concluded business performance review of zones chaired by senior management, CMD R K Chhibber addressed entire staff of the bank. Commending the entire staff for the bank's annual performance (FY 2020-21), he also spoke about the organizational goals, objectives for the future and shared the roadmap for achieving these.

The CMD said, “An industrial package of Rs 28000 Cr from Central Government to boost the region's economy and create employment opportunities, gradual opening up of the economy after second Covid-wave and growing tourist influx to J&K and Ladakh are the signs that herald the kicking off of growth cycle in the region” adding, “Therefore the Bank is also positioning itself accordingly and planning to enhance its financial and operational capacities to leverage the growth momentum and become the biggest contributor in the fast-track economic development that is about to usher in and help in making Jammu & Kashmir prosperous.”

During the course of deliberations, the CMD stressed upon the operative levels to make all out efforts to increase business while working efficiently and improving the customer service.