

Jammu & Kashmir Bank Limited

Corporate Headquarters  
M A Road, Srinagar 190001  
Kashmir, India  
CIN: L65110JK1938SGC000048

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## Board Secretariat

Ref:-JKB/BS/F3652/2020/065  
Date: 10<sup>th</sup> September, 2020

**National Stock Exchange of India Ltd**  
Exchange Plaza 5<sup>th</sup> 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 30<sup>TH</sup> JUNE , 2020 (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 30<sup>th</sup> June, 2020.

The Results were taken on record by the Board of Directors in their meeting held on 10<sup>th</sup> September, 2020.

The Meeting ended at 05:45 P.M.

This is for your information and appropriate dissemination.

Thanking you

Yours faithfully  
For Jammu & Kashmir Bank Ltd.

A handwritten signature in blue ink, appearing to read 'Shafi Mir', is written over a faint blue circular stamp.

(Mohammad Shafi Mir)  
Company Secretary

**Independent Auditor's Review Report on Standalone Unaudited Financial Results for the quarter ended 30<sup>th</sup> June 2020 of the Jammu & Kashmir Bank Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

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

1. We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of **Jammu and Kashmir Bank Limited** ('the Bank') for the quarter ended **30<sup>th</sup> June 2020** 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.
2. This Statement is the responsibility of the Bank's management and has been approved by the Bank's Board of Directors. Our responsibility is to issue a report 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. In the conduct of our Review, in addition to 118 branches and Treasury operations reviewed by us(out of these, 98 branches through information received online as extracted from Core Banking System ('CBS') of the Bank and management inputs), we have relied on the review reports in respect of non-performing assets received from concurrent auditors(consisting of chartered accountants, cost accountants, retired bank employees) of 280 branches. Apart from these review reports, in the conduct of our review, we have also relied upon the returns received from 589 un-reviewed branches of the bank. These review reports cover 80.18 percentage (of which 53.39 % covered by us) of advance portfolio of the bank.
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.
6. We draw attention to note no.13 of the accompanying standalone financial results, which describes the business uncertainties due to the outbreak of COVID-19. In view of these uncertainties, the impact on the Bank's results is significantly dependent on future developments. Our opinion is not modified in respect of this matter.

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



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by **VIKRAM  
GARG**  
Date: 2020.09.10  
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**(CA.Vikram Garg)**  
Partner  
M.No.097038

**UDIN:20097038AAAAEK4380**

**For Verma Associates**  
Chartered Accountants  
FRN:02717N



Digitally signed by **MADAN LAL VERMA**  
DN: cn=CA, o=Verma Associates, ou=Chartered Accountants, email=madan@vermaassociates.com, serial=119005, email-alias=madan@vermaassociates.com, c=IN, postalCode=110005, street=house no2817  
serialNumber=31473436ad588613ad9d730  
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mail.gn@vermaassociates.com=MADAN LAL VERMA,  
streetName=0223261970732327202149  
643104  
Date: 2020.09.10 15:08:00 +05'30'

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

**UDIN: 20081631AAAADO3929**

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



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by **RAJAN GUPTA**  
Date: 2020.09.10  
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**(CA.Rajan Gupta)**  
Partner  
M.No. 090330

**UDIN: 20090330AAAAGS2089**

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

**AMIT  
GOEL**

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by **AMIT GOEL**  
Date: 2020.09.10  
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**(CA.Amit Goel)**  
Partner  
M.No.501373

**UDIN: 20098913AAAACV9168**

Dated: 10<sup>th</sup> September 2020



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

**STANDALONE BALANCE SHEET AS AT 30TH JUNE, 2020**

( ₹ IN CRORES )

		As at 30.06.2020	As at 30.06.2019
<b>CAPITAL AND LIABILITIES</b>			
Capital	1	71.36	55.70
Reserves and Surplus	2	6328.63	6592.27
Deposits	3	99691.41	88963.39
Borrowings	4	2018.48	2622.86
Other Liabilities and Provisions	5	2762.58	2617.08
<b>TOTAL :-</b>		<b>110872.46</b>	<b>100851.30</b>
<b>ASSETS</b>			
Cash and Balance with Reserve Bank of India	6	3686.04	4064.52
Balance with Banks & Money at Call & Short Notice	7	3868.22	576.29
Investments	8	26556.94	21612.09
Advances	9	65169.58	67949.45
Fixed Assets	10	2054.34	1677.10
Other Assets	11	9537.34	4971.85
<b>TOTAL :-</b>		<b>110872.46</b>	<b>100851.30</b>

FOR & ON BEHALF OF THE BOARD

R.K. CHHIBBER

Chairman & Managing Director  
DIN: 08190084

Place : Srinagar  
Dated : 10.09.2020

In terms of our report of even date annexed

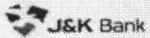
For O. P. Garg & Co.  
Chartered Accountants  
FRN: 001194N  
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VIKRAM GARG  
Date: 2020.09.10  
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CA. Vikram Garg  
Partner  
M.No. 097038

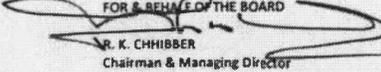
For Verma Associates  
Chartered Accountants  
FRN: 002717N  
 CA Madan Verma  
Partner  
M.No. 081631

For P. C. Bindal & Co.  
Chartered Accountants  
FRN: 003824N  
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Date: 2020.09.10 14:18:01 +05'30'  
CA. Rajan Gupta  
Partner  
M.No. 090330

For K. K. Goel & Associates  
Chartered Accountants  
FRN: 005299N  
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AMIT GOEL  
CA. Amit Goel  
Partner  
M.No. 098913

Date: 10/09/2020

 <b>THE JAMMU &amp; KASHMIR BANK LTD.</b> CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR-190001 CIN: LG5110JK1938GC000048 (Rs. In Crores)					<b>SEGMENT RESULTS</b> (Rs. In Crores)					
<b>STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2020</b>					<b>SEGMENT RESULTS</b>					
S.No.	PARTICULARS	QUARTER ENDED		YEAR ENDED		Description	QUARTER ENDED		YEAR ENDED	
		30.06.2020	31.03.2020	30.06.2019	31.03.2020		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		(REVIEWED)	(AUDITED)	(REVIEWED)	(AUDITED)		(REVIEWED)	(AUDITED)	(REVIEWED)	(AUDITED)
1	Interest Earned (a+b+c+d)	2038.32	2156.09	2072.06	8446.29	1) Segment Revenue (Income)				
	a) Interest/Discount on Advances/Bills	1512.52	1655.98	1624.75	6572.50	i) Treasury Operations	580.05	495.14	450.39	1934.24
	b) Income on Investments	430.40	409.39	405.69	1607.61	ii) Corporate/Wholesale Banking	477.67	601.26	705.43	2611.12
	c) Interest on Balance with R.B.I. & Other Inter Bank Funds	95.40	90.66	41.59	266.03	iii) Retail Banking	1279.16	1348.08	1289.42	5134.45
	d) Others	0.00	0.06	0.04	0.15	iv) Other Banking Business	7.65	17.28	12.61	45.87
2	Other Income	119.62	120.91	184.19	545.92	v) Un-Allocated Business	0.00	0.00	0.00	0.00
3	Total Income [1 + 2]	2157.94	2277.00	2256.25	8992.21	Total	2344.53	2461.76	2497.85	9725.68
4	Interest Expended	1133.97	1166.85	4739.62		Less: Inter Segment Revenue	186.59	184.76	241.60	733.47
5	Operating Expenses (I+II)	693.75	726.01	675.51	2727.54	Net Income from Operations	2157.94	2277.00	2256.25	8992.21
	I. Employees Cost	508.44	489.72	1886.05		2) Segment Results				
	II. Other Operating Expenses	185.31	236.29	211.63	841.49	i) Treasury Operations	59.87	64.69	26.11	165.59
6	Total Expenditure (4+5) (Excluding Provisions & Contingencies)	1627.72	1894.86	1845.40	7467.16	ii) Corporate/Wholesale Banking	11.92	(245.25)	53.27	(1041.54)
7	Operating Profit before Provisions and Contingencies (3-6)	330.22	382.14	410.85	1525.05	iii) Retail Banking	261.17	196.40	275.25	743.53
8	Provisions (other than tax) and Contingencies	266.37	620.49	293.21	2625.10	iv) Other Banking Business	7.20	15.48	12.61	44.07
9	-Of which provisions for NPA (Prov. For Bad & Doubtful Debts)	108.40	586.21	114.44	2522.66	v) Un-Allocated Business	(276.31)	(258.67)	(249.80)	(1011.70)
10	Exceptional Items	0.00	0.00	0.00	0.00	Profit/(Loss) from Ordinary Activities (Before Tax)	63.85	(238.35)	117.64	(1100.05)
11	Profit (+)/Loss (-) from ordinary activities before tax (7-9-10)	63.85	(238.35)	117.64	(1100.05)	Less: Tax Expenses/(credit)	57.35	55.75	95.77	39.36
12	Tax Expenses	57.35	55.75	95.77	39.36	Less: Extraordinary Profit/(Loss)	0.00	0.00	0.00	0.00
	-Income Tax Provisions (incl. current tax)	84.10	71.91	123.16	71.91	Net Profit/(Loss) After Tax	6.50	(294.10)	21.87	(1139.41)
	-Deferred Tax Asset/(Liability)	(26.75)	(16.16)	(27.39)	(32.55)	3) Segment Assets				
13	Profit (+)/Loss (-) from ordinary activities after tax (11-12)	6.50	(294.10)	21.87	(1139.41)	i) Treasury Operations	34905.78	34279.76	29118.20	34279.76
14	Extraordinary Items (net of tax expenses)	0.00	0.00	0.00	0.00	ii) Corporate/Wholesale Banking	24539.84	24521.68	30416.66	24921.68
15	Net Profit (+)/Loss (-) for the period (13-14)	6.50	(294.10)	21.87	(1139.41)	iii) Retail Banking	51426.71	49670.53	41316.29	49670.53
16	Paid-up Equity Share Capital (Face Value Rs. 1/- per share)	71.36	71.36	55.70	71.36	iv) Other Banking Business	0.13	0.13	0.15	0.13
17	Reserves excluding Revaluation Reserves				5326.12	v) Un-Allocated Business	0.00	0.00	0.00	0.00
18	Revaluation Reserves				996.00	Total:-	110872.46	108872.10	100851.30	108872.10
19	Analysal Ratios					4) Segment Liabilities				
(i) Percentage of Shares held by Govt. of J&K		68.18%	68.18%	59.23%	68.18%	i) Treasury Operations	30.73	20.81	32.15	20.81
(ii) Capital Adequacy Ratio % (BASEL III)		11.23%	11.40%	11.76%	11.40%	ii) Corporate/Wholesale Banking	26705.99	27372.64	27197.10	27372.64
(iii) CET1 Ratio		8.23%	8.42%	8.73%	8.42%	iii) Retail Banking	77735.61	75085.10	66873.81	75085.10
(iv) TIER1 Ratio		9.66%	9.88%	10.14%	9.88%	iv) Other Banking Business	0.14	0.07	0.07	0.07
(v) 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 previous year ( * not annualized)		0.09*	(4.12)*	0.39*	(15.97)	Total:-	104472.47	102478.62	94203.33	102478.62
b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year ( * not annualized)		0.09*	(4.12)*	0.39*	(15.97)	5) Capital Employed (Segment assets - Segment Liabilities)				
(vi) NPA Ratios						i) Treasury Operations	34675.05	34258.95	29086.05	34258.95
a) Amount of Gross NPAs		7607.32	7671.63	8030.84	7671.63	ii) Corporate/Wholesale Banking	(2166.15)	(2450.96)	3219.56	(2450.96)
b) Amount of Net NPAs		1996.00	2243.82	2962.30	2243.82	iii) Retail Banking	(26308.90)	(25414.57)	(25857.52)	(25414.57)
c) % of Gross NPAs to Gross Advances		10.73%	10.97%	8.48%	10.97%	iv) Other Banking Business	(0.01)	0.06	(0.12)	0.06
d) % of Net NPAs to Net Advances		3.05%	3.48%	3.48%	3.48%	v) Un-Allocated Business	0.00	0.00	0.00	0.00
(vii) Return on Assets (Annualized)		0.023%	(1.11)%	0.09%	(1.10)%	Total :-	6399.99	6393.48	6647.97	6393.48
20	Aggregate of Public Share Holding									
(i) No. of Shares		227025360	227025360	227025360	227025360					
(ii) Percentage of Share Holding		31.62%	31.62%	40.77%	31.62%					
21	Promoters and promoter group Shareholding									
a) Pledged/Encumbered										
- Number of Shares			Nil	Nil	Nil					
- Percentage of shares (as a % of the total shareholding of promoter and promoter group)			Nil	Nil	Nil					
- Percentage of shares (as a % of the total share capital of the company)			Nil	Nil	Nil					
b) Non-encumbered										
- Number of Shares		486425578	486425578	329833032	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%	59.23%	68.18%					

FOR & BEHALF OF THE BOARD  
  
**R. K. CHHIBBER**  
Chairman & Managing Director  
DIN: 06190084  
Place: Srinagar  
Date: 10.09.2020

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED  
For C. P. Garg & Co.  
Chartered Accountants  
FRN: 001194N  
Digitally signed by VIKRAM GARG  
Date: 2020.09.10 13:41:16 +05'30'  
CA. Viji Garg  
Partner  
M.No. 097038

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

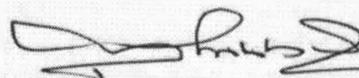
For K. K. Goel & Associates  
Chartered Accountants  
FRN: 005299N  
Digitally signed by AMIT GOEL  
Date: 2020.09.10 12:32:46 +05'30'  
AMIT GOEL  
CA. Amit Goel  
Partner  
M.No. 096913

**“NOTES TO THE STANDALONE FINANCIAL STATEMENT FOR THE QUARTER  
ENDED 30TH JUNE 2020”**

1. The above standalone financial results have been reviewed by the Audit Committee of the Board in their meeting held on 9th September 2020 and approved by the Board of Directors at its meeting held on 10th September, 2020. The same have been reviewed by the Statutory Auditors in accordance with the guidelines issued by RBI and as per the requirement of SEBI Listing regulations.
2. The above results for the quarter have been prepared following the same accounting policies that were followed in the preparation of annual financial statements for the year ended 31<sup>st</sup> March, 2020.
3. 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.
4. Pursuant to the proposed bipartite agreement on wage revision (due with effect from November 2017), a sum of Rs. 80.31 Crores has been provided during the quarter ended 30<sup>th</sup> June 2020 towards wage revision on estimated basis.
5. 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.net. These disclosures have not been subjected to review by the auditors.
6. Pursuant to the Accounting Standard-10 (Revised 2016) on "Property, Plant & Equipment", applicable from 1<sup>st</sup> April 2017, depreciation of Rs.5.92 Crores for the quarter on revalued portion of Fixed Assets has been transferred from the Revaluation Reserve to Revenue Reserve.
7. With the approval of the Board of Directors, the Bank has shifted securities amounting to Rs. 850 Crore (FV) on 18/04/2020 at the cost of acquisition in case of discounted/Par value securities and at the amortized cost in case of securities at the premium, from Held to Maturity (HTM) to Available for Sale (AFS) category. In conformity with regulatory guidelines, after transfer to AFS category revaluation of securities was undertaken immediately.

8. MTM Provision:

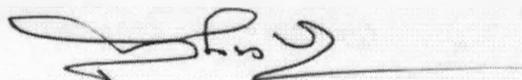
MTM Provision Details	Rs. in Crores
MTM Provision held on 31.03.2020	21.07
MTM Provision required on 30.06.2020	24.96
MTM Provision held on 30.06.2020	24.96



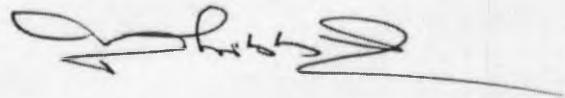
9. Interest amounting to Rs. 39.74 lakhs for the period from 3<sup>rd</sup> November 2019 to 4<sup>th</sup> May 2020 on Tier II Perpetual Bonds to the tune of Rs.11.67 Crores issued to "J & K Grameen Bank" has not been booked as income as the CRAR of the Associate Bank has fallen below the minimum regulatory requirement prescribed by the NABARD/RBI. The interest is non-cumulative in nature.
10. Provision coverage ratio as at 30<sup>th</sup> June 2020 is 80.93% after taking into account the floating provision of Rs. 348.72 crores held by the bank.
11. 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. 1.15 Crores as on 30.06.2020.
12. In Accordance with RBI circular no.DBR.No.BP.BC.18/21.04.048/2018-19 dated 1<sup>st</sup> January 2019 and DOR No.BP.BC.34/21.4.048/2019-20 dated 11<sup>th</sup> February 2020, on "Relief for MSME borrowers either exempted or registered under Goods and Service Tax (GST)" the detail of MSME restructured accounts as on 30.06.2020 is as under:

No of Accounts Restructured	Amount (Rs.in Crores)
28	35.44

13. Covid-19 virus, a global Pandemic continues to spread across several countries including India resulting in a significant volatility in global as well as Indian financial markets and a significant decline in global & local economic activities. The Govt. of India has announced a series of lock down measures which have been extended from time to time. Govt. of India has directed a calibrated and gradual withdrawal of lockdown and partial resumption of economic activities. The situation continues to be uncertain and the bank is evaluating the situation on ongoing basis. The major identified challenges for the bank would arise from eroding cash flows and extended working capital cycles. The bank is gearing itself on all the fronts to meet these challenges. The management believes that no adjustments are required in the financial results as it does not significantly impact the current quarter. Despite these events and conditions, there would not be any significant impact on Bank's results and going concern assumptions.
14. In accordance with RBI guidelines relating to 'COVID 19 Regulatory Package' on asset classification and provisioning, dated 27.03.2020, 17.04.2020, 23.05.2020 and clarification issued by RBI through Indian Banks Association dated 06.05.2020, Bank has granted a moratorium on payment of instalments and /or interest as applicable, falling due between March 1, 2020 and August 31, 2020 to eligible borrowers classified as Standard, even if overdue, as on February 29, 2020 without considering the same as restructuring. The moratorium period, wherever granted, shall be excluded by the Bank from the number of days the account is past due for the purpose of asset classification under RBI's Income Recognition and Asset Classification norms. During the quarter ended 30<sup>th</sup> June 2020, the Bank has made further COVID 19 related provision of Rs. 147.50 Crores (Cumulative provision of Rs. 295 crores) in terms of RBI Guidelines.
15. The number of investor complaints pending at the beginning of the quarter were NIL, and the complaints received during the quarter were NIL and outstanding at the end of the quarter is NIL.



16. The above results are standalone and do not include that of subsidiary companies.
17. The comparative figures for the Quarter ended 31<sup>st</sup> March, 2020 are the balancing figures between the audited figures for the financial year ended 31<sup>st</sup> March, 2020 and reviewed figures up to 31<sup>st</sup> December, 2019.
18. 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.
19. The statement of Assets and Liabilities is appended.

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**Independent Auditor's Review Report on Consolidated Unaudited Financial Results of the Jammu & Kashmir Bank Limited for the quarter ended 30<sup>th</sup> June 2020 Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To  
The Board of Directors of  
**Jammu & Kashmir Bank Limited**  
Srinagar

1. We have reviewed the accompanying Statement of **Consolidated** Unaudited Financial Results of **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 **30<sup>th</sup> June 2020** ("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.
2. 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.
3. 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 consolidated financial statement does not include the financial statement of 'Jammu & Kashmir Asset Reconstruction Ltd.' in which the Bank has subscribed capital to the tune of Rs.98 lakhs and the Government of J&K has subscribed Rs.102 lakhs. The promoters i.e. J&K Government and Jammu & Kashmir Bank Limited are yet to release their respective shares towards the subscribed share capital of the company. In the meantime the promoters have decided to wind up the company and in turn the Bank has approached the Registrar of Companies for removal of the name of the company from the register of companies under section 248 of the Companies Act, 2013.

4. In the conduct of Review of the 'Bank', in addition to 118 branches and Treasury operations reviewed by us (out of these, 98 branches through information received online as extracted from Core Banking System ('CBS') of the Bank and management inputs), we have relied on the review reports in respect of non-performing assets received from concurrent auditors (consisting of chartered accountants, cost accountants, retired bank employees) of 280 branches. Apart from these review reports, in the conduct of our review, we have also relied upon the returns received from 589 un-reviewed branches of the bank. These review reports cover 80.18 percentage (of which 53.39 % covered by us) of advance portfolio of the bank.
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





THE JAMMU & KASHMIR BANK LTD.  
CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR  
CIN:L66110JK1938SGC000048

**CONSOLIDATED BALANCE SHEET AS AT 30TH JUNE, 2020**

( ₹ IN CRORES )

		As at 30.06.2020	As at 30.06.2019
<b>CAPITAL AND LIABILITIES</b>			
Capital	1	71.36	55.70
Reserves and Surplus	2	6304.47	6586.48
Deposits	3	99690.99	88962.40
Borrowings	4	2018.48	2622.86
Other Liabilities and Provisions	5	2771.90	2620.38
<b>TOTAL :-</b>		<b>110857.20</b>	<b>100847.82</b>
<b>ASSETS</b>			
Cash and Balance with Reserve Bank of India	6	3686.04	4064.52
Balance with Banks & Money at Call & Short Notice	7	3875.43	586.30
Investments	8	26517.85	21592.09
Advances	9	65169.58	67949.45
Fixed Assets	10	2054.96	1677.67
Other Assets	11	9553.34	4977.79
<b>TOTAL :-</b>		<b>110857.20</b>	<b>100847.82</b>

FOR & ON BEHALF OF THE BOARD

R.K. CHHIBBER

Chairman & Managing Director  
DIN: 08190084

Place : Srinagar

Dated : 10.09.2020

**In terms of our report of even date annexed**

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

Digitally signed by O.P. GARG  
CA. Vikram Garg  
Partner  
M.No. 097038

Date: 10/09/2020

For Verma Associates  
Chartered Accountants  
FRN: 002717N

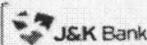
Digitally signed by MADAN VERMA  
CA Madan Verma  
Partner  
M.No. 081631

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

Digitally signed by RAJAN GUPTA  
CA. Rajan Gupta  
Partner  
M.No. 090330

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

Digitally signed by AMIT GOEL  
AMIT GOEL  
CA. Amit Goel  
Partner  
M.No. 098913



THE JAMMU & KASHMIR BANK LTD.  
CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR-190001  
CIN: L65110JK19385QC000048

(Rs. In Crores)

SEGMENT RESULTS

(Rs. In Crores)

CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2020					SEGMENT RESULTS					
S.No.	PARTICULARS	QUARTER ENDED		YEAR ENDED		Description	QUARTER ENDED		YEAR ENDED	
		30.06.2020 (REVIEWED)	31.03.2020 (AUDITED)	30.06.2019 (REVIEWED)	31.03.2020 (AUDITED)		30.06.2020 (REVIEWED)	31.03.2020 (AUDITED)	30.06.2019 (REVIEWED)	31.03.2020 (AUDITED)
1	Interest Earned (a+b+c+d)	2038.32	2158.08	2072.06	9446.29	1) Segment Revenue (Income)				
	a) Interest/Discount on Advances/Bills	1512.52	1655.97	1524.75	6572.50	i) Treasury Operations	580.05	495.14	490.39	1934.24
	b) Income on Investments	430.40	409.39	405.69	1607.61	ii) Corporate/Wholesale Banking	477.67	599.76	706.30	2611.17
	c) Interest on Balance with R.B.I. & Other Inter Bank Funds	95.40	90.66	41.58	298.03	iii) Retail Banking	1281.73	1351.85	1289.72	5136.85
	d) Others	0.00	0.06	0.04	0.15	iv) Other Banking Business	7.65	16.89	12.61	45.87
2	Other Income (Excluding Share of Loss in Associate)	122.19	122.50	165.36	559.37	v) Un-Allocated Business	0.00	0.00	0.00	0.00
3	Total Income (1+2)	2160.51	2278.58	2237.42	9996.66	Total	2347.10	2463.34	2499.02	9730.13
4	Interest Expended	1133.88	1168.80	1169.77	4739.24	Less: Inter Segment Revenue	195.59	184.78	241.00	723.47
5	Operating Expenses (H+I)	695.11	727.36	677.84	2734.57	Net Income from Operations	2160.51	2278.58	2257.42	8996.66
	I. Employees Cost	509.22	490.51	465.41	1890.64	2) Segment Results				
	II. Other Operating Expenses	185.89	236.85	212.43	843.93	i) Treasury Operations	59.87	64.69	26.11	165.59
6	Total Expenditure (4+5) (Excluding Provisions & Contingencies)	1628.99	1696.16	1647.61	7473.81	ii) Corporate/Wholesale Banking	11.84	(249.85)	53.98	(1041.84)
7	Operating Profit before Provisions and Contingencies (3-6)	331.52	362.42	409.61	1522.85	iii) Retail Banking	263.34	200.90	276.02	746.21
8	Provisions (other than tax) and Contingencies	266.37	620.49	293.21	2625.10	iv) Other Banking Business	7.20	15.09	12.61	44.07
9	-Of which provisions for NPA (Prov. For Bad & Doubtful Debts)	108.40	586.21	114.44	2522.68	v) Un-Allocated Business	(277.19)	(268.50)	(251.12)	(1016.28)
10	Exceptional Items	0.00	0.00	0.00	0.00	Profit/(Loss) from Ordinary Activities (Before Tax)	65.15	(238.07)	116.80	(1102.25)
11	Profit (+)/Loss (-) from ordinary activities before tax (7-8-10)	65.15	(238.07)	116.80	(1102.25)	Less: Tax Expenses/(credit)	57.85	55.76	95.45	39.38
12	Tax Expenses	57.85	55.76	95.45	39.38	Less: Extraordinary Profit/(Loss)	0.00	0.00	0.00	0.00
	-Income Tax Provisions (incl. current tax)	84.10	71.91	123.16	71.91	Net Profit/(Loss) before share in profit/(loss) of Associates	7.30	(293.82)	21.15	(1141.61)
	-Deferred Tax Asset/(Liability)	(26.25)	(16.18)	(27.71)	(32.55)	Add/(Less): Share in Profit/(Loss) of Associates	(5.29)	(42.92)	0.00	(41.77)
13	Net Profit (+)/Loss (-) from ordinary activities after tax (11-12)	7.30	(293.82)	21.15	(1141.61)	Net Profit/(Loss) After Tax	2.01	(336.74)	21.15	(1183.38)
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)	7.30	(293.82)	21.15	(1141.61)	i) Treasury Operations*	34866.70	34217.99	29098.20	34217.99
16	Share of Profit/(Loss) From Associate Concerns	(5.29)	(42.92)	0.00	(41.77)	ii) Corporate/Wholesale Banking	24547.04	24931.47	30426.67	24931.47
17	Net Profit (+)/Loss (-) after Share in Associates (15+16)	2.01	(336.74)	21.15	(1183.38)	iii) Retail Banking	51443.33	49679.56	41322.80	49679.56
18	Paid-up Equity Share Capital (Face Value Rs. 1/- per share)	71.36	71.36	55.70	71.36	iv) Other Banking Business	0.13	0.13	0.15	0.13
19	Reserves excluding revaluation reserves				5278.49	v) Un-Allocated Business	0.00	0.00	0.00	0.00
20	revaluation reserves				996.00	Total:-	110857.20	108826.15	100847.82	108826.15
	Analysical Ratios					4) Segment Liabilities				
	(i) Percentage of Shares held by Govt. of J&K	68.18%	68.18%	59.23%	68.18%	i) Treasury Operations *	30.73	20.81	32.15	20.81
	(ii) Capital Adequacy Ratio % (BASEL III)	11.21%	11.38%	11.78%	11.38%	ii) Corporate/Wholesale Banking	26708.68	27374.78	27198.24	27374.78
	(iii) Earning per Share (EPS): (Rs.)	8.20%	8.37%	8.75%	8.37%	iii) Retail Banking	77741.82	75087.64	56974.99	75087.64
	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)	9.63%	9.83%	10.16%	9.83%	iv) Other Banking Business	0.14	0.07	0.26	0.07
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (* not annualized)					v) Un-Allocated Business	0.00	0.00	0.00	0.00
	(iv) NPA Ratio's					Total:-	104481.37	102463.30	94205.64	102463.30
	a) Amount of Gross NPAs	7607.32	7671.63	6030.84	7671.63	5) Capital Employed				
	b) Amount of Net NPAs	1966.00	2243.82	2962.30	2243.82	(Segment assets-Segment Liabilities)				
	c) % of Gross NPAs to Gross Advances	10.73%	10.97%	8.48%	10.97%	i) Treasury Operations	34835.97	34197.18	29096.05	34197.18
	d) % of Net NPAs to Net Advances	3.05%	3.46%	4.36%	3.48%	ii) Corporate/Wholesale Banking	(2161.64)	(2443.31)	3228.43	(2443.31)
	(v) Return on Assets (Annualized)	0.023%	(1.11)%	0.09%	(1.10)%	iii) Retail Banking	(26296.49)	(25408.08)	(25652.19)	(25408.08)
	(vi) Return on Equity (Annualized)					iv) Other Banking Business	(0.01)	0.00	(0.11)	0.00
21	Aggregate of Public Share Holding					v) Un-Allocated Business	0.00	0.00	0.00	0.00
	(i) No. of Shares	227025300	227025360	227025360	227025360	Total :-	6375.63	6345.85	6642.18	6345.85
	(ii) Percentage of Share Holding	31.82%	31.82%	40.77%	31.82%					
22	Promoters and promoter group Shareholding									
	a) Pledged/Encumbered									
	- Number of Shares		Nil	Nil	Nil					
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)		Nil	Nil	Nil					
	- Percentage of shares (as a % of the total share capital of the company)		Nil	Nil	Nil					
	b) Non-encumbered									
	- Number of Shares	486425578	486425578	329833032	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%	59.23%	68.18%					

FOR & BEHALF OF THE BOARD

R. K. CHIBBER  
Chairman & Managing Director  
DIN: 08190084  
Place: Srinagar  
Date: 10.09.2020

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

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

CA. Vikram Garg  
Partner  
M.No. 097038

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. Amit Goel  
Partner  
M.No. 098913

**“NOTES TO THE CONSOLIDATED FINANCIAL STATEMENT FOR THE QUARTER  
ENDED 30<sup>TH</sup> JUNE 2020”**

1. 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 consolidated financial statement does not include the financial statement of ‘Jammu & Kashmir Asset Reconstruction Ltd.’ in which the Bank has subscribed capital to the tune of Rs.98 lakhs and the Government of J&K has subscribed Rs.102 lakhs. The promoters i.e. J&K Government and Jammu & Kashmir Bank Limited are yet to release their respective shares towards the subscribed share capital of the company. In the meantime the promoters have decided to wind up the company and in turn the Bank has approached the Registrar of Companies for removal of the name of the company from the register of companies under section 248 of the Companies Act, 2013.
2. The above financial results represent the consolidated financial results for The Jammu & Kashmir Bank Limited and its subsidiaries/associate constituting the ‘Group’.The above consolidated financial results have been reviewed by the Audit Committee of the Board in the meeting held on 9<sup>th</sup> September 2020 and approved by the Board of Directors on 10<sup>th</sup> September 2020. 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.
3. The above results for the period have been prepared following the same accounting policies that were followed in the preparation of annual financial statements for the year ended 31<sup>st</sup> March, 2020.
4. 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.
5. Pursuant to the proposed bipartite agreement on wage revision (due with effect from November 2017), a sum of Rs. 80.31crores has been provided during the quarter ended 30<sup>th</sup> June 2020 towards wage revision on estimated basis.
6. 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.



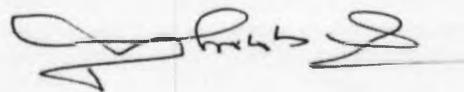
7. Pursuant to the Accounting Standard-10(Revised 2016) on "Property, Plant & Equipment", applicable from 1<sup>st</sup> April 2017, depreciation of Rs. 5.92 crores for the period on revalued portion of Fixed Assets has been transferred from the Revaluation Reserve to Revenue Reserve.
8. With the approval of the Board of Directors, the Bank has shifted securities amounting to Rs. 850 Crore (FV) on 18/04/2020 at the cost of acquisition in case of discounted/Par value securities and at the amortized cost in case of securities at the premium, from Held to Maturity (HTM) to Available for Sale (AFS) category. In conformity with regulatory guidelines, after transfer to AFS category revaluation of securities was undertaken immediately.
9. MTM Provision:

MTM Provision Details	Rs.(in Crores)
<b>MTM Provision held on 31.03.2020</b>	<b>21.07</b>
<b>MTM Provision required on 30.06.2020</b>	<b>24.96</b>
<b>MTM Provision held on 30.06.2020</b>	<b>24.96</b>

10. Provision coverage ratio as at 30<sup>th</sup> June 2020 is 80.93% after taking into account the floating provision of Rs.348.72 Crores held by the bank.
11. 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.1.15 Crores as on 30.06.2020.
12. In Accordance with RBI circular no.DBR.No.BP.BC.18/21.04.048/2018-19 dated 1<sup>st</sup> January 2019 and DOR No.BP.BC.34/21.4.048/2019-20 dated 11<sup>th</sup> February 2020, on "Relief for MSME borrowers either exempted or registered under Goods and Service Tax (GST)" the detail of MSME restructured accounts as on 30.06.2020 is as under:

No of Accounts Restructured	Amount Rs (in Crores)
28	35.44

13. Covid-19 virus, a global Pandemic continues to spread across several countries including India resulting in a significant volatility in global as well as Indian financial markets and a significant decline in global & local economic activities. The Govt. of India has announced a series of lock down measures which have been extended from time to time. Govt. of India has directed a calibrated and gradual withdrawal of lockdown and partial resumption of economic activities. The situation continues to be uncertain and the bank is evaluating the situation on ongoing basis. The major identified challenges for the bank would arise from eroding cash flows and extended working capital cycles. The bank is gearing itself on all the fronts to meet these challenges. The management believes that no adjustments are required in the financial results as it does not significantly impact the current quarter. Despite these events and conditions, there would not be any significant impact on Group's results and going concern assumptions.



14. In accordance with RBI guidelines relating to 'COVID 19 Regulatory Package' on asset classification and provisioning, dated 27.03.2020, 17.04.2020, 23.05.2020 and clarification issued by RBI through Indian Banks Association dated 06.05.2020, Bank has granted a moratorium on payment of instalments and /or interest as applicable, falling due between March 1, 2020 and August 31, 2020 to eligible borrowers classified as Standard, even if overdue, as on February 29, 2020 without considering the same as restructuring. The moratorium period, wherever granted, shall be excluded by the Bank from the number of days the account is past due for the purpose of asset classification under RBI's Income Recognition and Asset Classification norms. During the quarter ended 30<sup>th</sup> June 2020, the Bank has made further COVID 19 related provision of Rs. 147.50 Crores (Cumulative provision of Rs. 295 Crores) in terms of RBI Guidelines.
15. The number of investor complaints pending at the beginning of the quarter were NIL, and the complaints received during the quarter were NIL and outstanding at the end of the quarter is NIL.
16. Interest amounting to Rs.39.74 lakhs for the period from 4<sup>th</sup> November 2019 to 3<sup>rd</sup> May 2020 on Tier II Perpetual Bonds to the tune of Rs.11.67 Crores issued to "J & K Grameen Bank" has not been booked as income as the CRAR of the Associate Bank has fallen below the minimum regulatory requirement prescribed by the NABARD/RBI. The interest is non-cumulative in nature.
17. The comparative figures for the Quarter ended 31<sup>st</sup> March, 2020 are the balancing figures between the audited figures for the financial year ended 31<sup>st</sup> March, 2020 and reviewed figures upto 31<sup>st</sup> December, 2019.
18. 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.
19. The statement of Assets and Liabilities is appended.

