



Board Secretariat

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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:- PRESS RELEASE ON AUDITED FINANCIAL RESULTS FOR THE QUARTER AND FINANCIAL YEAR ENDED 31ST MARCH, 2022

Dear Sirs,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed press release on the Audit Financial Results of the Bank for the Quarter and Financial Year ended 31st March, 2022.

This is for your information and appropriate dissemination.

Thanking you

Yours faithfully
For Jammu and Kashmir Bank Ltd.

(Mohammad Shafi Mir)
Company Secretary

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J&K Bank crosses Rs 500 Cr mark in annual net-profit after seven years

With these results, we have surely strengthened and stabilized as financial institution: MD & CEO

Srinagar, May 12: Posting its highest annual profit after FY 2014-15, J&K Bank today registered annual net-profit of **Rs 501.56 Cr** for the Financial Year 2021-22 witnessing **16% YoY** growth when compared to **Rs 432.12 Cr** recorded last financial year, while delivering net profit of **Rs 112.20 Cr** for Q4 of the current financial year.

The bank declared its annual and Q4 results today after the Bank's Board of Directors approved the numbers in a meeting held here at the bank's Corporate Headquarters.

Performance Highlights

While funding its liabilities including non-financial ones on voluntary basis by making one-time provisioning, J&K Bank today delivered net profit of **Rs 501.56 Cr** for the Financial Year 2021-22 and registered **Rs 112.20 Cr** as net profit for January-March quarter of the FY 2021-22.

During the fourth quarter, the Bank's other income rose **10% YoY** to **Rs 196.45 Cr** while as the total income increased by **7%** to **Rs 1171.95 Cr**.

With Cost of Deposits improving from **4.10%** to **3.65%** on YoY basis, the Bank's NIM was recorded at **3.50%** for the year ended March 2022. CD and CASA Ratios stood at **61.37%** and **56.56%** respectively for the reviewed financial year.

Asset-Quality

The Bank's gross and net NPA as percentages to gross and net advances improved considerably to **8.67 %** and **2.49 %** respectively when compared to **9.67%** and **2.95 %**, recorded last year. NPA Coverage Ratio of the Bank witnessed marked improvement to **84.26%** when compared to **81.97%** a year ago.

Capital-Cushion

After raising over **Rs 1100 Cr** as capital during the FY 2021-22, the Bank's Capital Adequacy Ratio witnessed marked improvement from **12.20%** to **13.23%** thus ensuring availability of growth capital in addition to maintaining the regulatory requirements.

Growing-Business

Posting growth of over **5%** in its business, the Bank's deposits have increased by **6%** to **Rs 114710.38 Cr** while as the Advances have grown to **Rs 70400.68 Cr**. In J&K, the deposits have witnessed **7%** increase while as the advances have grown by **10%**.

MD-Speak

Commenting upon the annual financial results, Bank's MD & CEO Baldev Prakash said, "Well, numbers do tell their own story and the story is that after long we have surely strengthened and stabilized as a financial institution. We have left the worst far behind us as it's after seven long

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years, the Bank has consolidated its balance-sheet and clocked over **Rs 500 Cr** as annual profits. Our **YoY** and **QoQ** growth in business is consistent and provides the Bank requisite drive to grow and leap ahead with more strength and confidence.”

“Preferring stability and consolidation of balance-sheet over profits, the **Q4** numbers express our resolve to strengthen balance-sheet while making sustained profits, as we have provided for our liabilities besides making voluntary provisioning for some non-financial obligations that were not mandated and could be met over a period of next five years as per the board approvals. This has been done consciously to provide ourselves enough head-room for delivering better returns to our investors while going forward”, he added.

Regarding the strategy for achieving Bank’s business goals, he said, “For achieving our growth objectives, a comprehensive strategy review has been completed. As last leg of the reviewing process we organised a maiden but very fruitful Strategy Conclave in Srinagar last week that helped us to conclude the most enriching and exhaustive business strategy review of the Bank and delineate the future course of action by taking the all concerned stakeholders on board.”

He further said, “Although growth in J&K has generally been around **10%** both for Deposits as well as advances even during the crisis situations but the green shoots of shift in stance in our Rest of India (ROI) business strategy have begun appearing with **QoQ** growth of **6%** in our ROI loan book, which has happened after witnessing de-growth during last few consecutive years.”

Summing up his future view of the Bank’s position and performance, MD & CEO said, “With record tourist-inflow this year, Governmental emphasis on increased infra-structure spend and investment climate obtaining favorably in our core geography of J&K and Ladakh, we can see the promising scenario emerging for us as premier financial institution of the region that is expected to grow ahead and gain further significance in short as well as long-term.”