



## Board Secretariat

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**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:- PRESS RELEASE ON REVIEWED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31<sup>ST</sup> DECEMBER, 2022**

Dear Sirs,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed press release on the Reviewed Financial Results of the Bank for the Quarter and Nine months ended 31<sup>st</sup> December, 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 Q3 net profit up 79% YoY to Rs 312 Cr

*We remain committed to sustained improvement in our overall functioning and the operating results: Baldev Prakash*

Srinagar, Jan 23: J&K Bank Net Profit witnessed 79% rise year-on-year (YoY) to Rs 311.59 crore for the December Quarter of FY 2022-23 as against Rs 173.95 Cr registered for the same period last financial year. The bank announced the results after its Board of Directors reviewed and approved the numbers for third quarter and nine-months ended December 31, 2022 in a meeting held today at Bank's Gurugram Office in Delhi.

Well on its trajectory to meet annual profitability targets, the bank's profit for nine-months is up 85% to Rs 721.05 Cr from Rs 389.36 Cr clocked during nine-months of the last fiscal.

### Performance Highlights

The Bank's Net Interest Income (NII) surged by 27% YoY to Rs 1257.38 Cr for the December quarter when compared to Rs 993.30 Cr recorded last year, while growing 19% YoY for nine-months to Rs 3495.73 Cr. The Bank's Operating Profit grew by 65% YoY to Rs 544.11 Cr for the December quarter, 2022.

The Bank's NIM has also improved by 54 basis-points (bps) YoY to 4.10% - the highest in last seven years - while as the Return on Assets rose to 0.92% for the December quarter from 0.57% recorded last year. With Yield on Advances improving by 90 bps to 9.34%, the Bank's steadily moderating cost-to-income ratio has come down further to 63.71% for the third quarter.

*Commenting upon the quarterly growth numbers, MD & CEO Baldev Prakash said, "Driven largely by an improving asset-quality through better SMA management and vigorous recoveries, we have achieved a better set of numbers in our December quarter. And we remain committed to sustained improvement in our overall functioning and the operating results as communicated in our financial-year guidelines."*

### Improved Asset-Quality

The Gross NPA Ratio of the Bank has further come down 168 bps YoY and 42 bps QoQ to 7.25% for the quarter, while as the Net NPA ratio has moderated YoY by 94 bps to 2.08%. Provision coverage ratio (PCR) of the Bank stood at 84.83% for the quarter ended December, 2022.

*"Through an ensured institutional focus on the asset-quality, we have brought down our Net NPAs to 2.08%, which is the lowest in last eight years. While each passing quarter is witnessing an improvement in our GNPA figure, we have reduced it further to around 7%, and our Provision Coverage Ratio for the quarter is about 85%", said the MD & CEO regarding the bank's asset-quality.*



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*“And with strict regime of early-warning systems, pro-active monitoring and review mechanisms at all levels coupled with rolling out of timely OTS schemes, we are confident of reducing our gross NPAs to around 6% by the end of fiscal”, he added.*

### **Business Growth**

Meanwhile, the Bank’s net advances are up **14% YoY** and **4% QoQ** to **Rs 77639 Cr** during the quarter reviewed while as the deposits have grown **8%** from **Rs 109298 Cr** to **Rs 117935 Cr**.

However, the Bank witnessed **21% YoY** growth in advances in its operational geographies across Rest-of-India (RoI).

The Bank’s overall business increased by **10%** to **Rs 195574** from **Rs 177664 Cr** recorded last year while as the Bank’s CASA Ratio continues to remain as one of the industry best at about **54%**.

*“Both our advances and deposits have grown by 14% and 8% respectively, which are quite in line with industry averages. However, witnessing growth at 21%, the Rest-of-India share in the overall loan-book has crossed 30% mark during the December quarter in line with the financial-year guidelines”, said MD & CEO while commenting on growth numbers.*

### **Comfortable Capital Cushion**

With tier-II capital augmentation of over Rs 1000 Cr, the bank’s Capital Adequacy Ratio rose up to **13.82%** as against **12.38%** recorded as on December 31, 2021.

*“The capital augmentation through raising of tier-II bonds worth Rs 1021 Cr during the December quarter has cushioned us to comfortably execute our envisaged growth plan especially in rest of India. Our CRAR has improved to 13.82%”, asserted MD & CEO Baldev Prakash.*