



Board Secretariat

Ref:-JKB/BS/F3652/2018/107
Dated: 16th October, 2018

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 and Half year ended 30th September, 2018

Dear Sirs,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of the Reviewed Financial Results of the Bank for the Quarter and Half year ended 30th September, 2018.

The Results were taken on record by the Board of Directors at their meeting held on 16th October, 2018 at Srinagar.

The meeting ended at 6:30 P.M.

Thanking you

Yours faithfully
For The Jammu & Kashmir Bank Ltd.

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

(Mohammad Shafi Mir)
Company Secretary

Limited Review Report

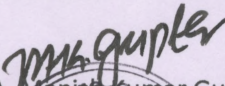
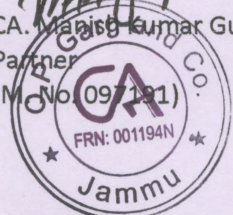
To

The Board of Directors of
The Jammu & Kashmir Bank Ltd.

1. We have reviewed the accompanying statement of unaudited Standalone financial results of The Jammu & Kashmir Bank Limited (the "Bank ") for the quarter/half year ended 30th September 2018. These Financial Results are the responsibility of the Bank's management and have been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.
2. We conducted our review in accordance with Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditor of the Entity". This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review of Interim financial results consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the generally accepted Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
3. The Financial Results incorporate the relevant returns of **40** Branches and Treasury operations reviewed by us , out of which **20** were reviewed through Core Banking System of the bank and management inputs, **495** branches reviewed by other Chartered Accountants and Banks own officials(retired) acting as Concurrent auditors of the Bank and un-reviewed in respect of **421** branches. In the conduct of our Review, in addition to **40** Branches and Treasury operations reviewed by us, we have relied on the review reports in respect of non-performing assets, received from Banks Concurrent Auditors aggregating **495** branches. Apart from these review reports, in the conduct of our review, we have also relied upon various returns received from the branches of the bank. The **40** branches reviewed by us cover **51.18%** of advances portfolio of the Bank and **84.98%** of NPA of the bank.
4. Based on our review conducted as aforesaid, subject to limitations in scope as mentioned in para 2 above, and read with Notes to Accounts nothing has come to our attention that causes us to believe that the accompanying statement of

unaudited financial results prepared in accordance with applicable accounting standards and other prevailing recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement or that it has not been prepared in accordance with the relevant prudential norms issued by the Reserve Bank of India in respect of income recognition, asset classification, provisioning and other related matters.

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


CA. Manish Kumar Gupta
Partner
(M. No. 097191)


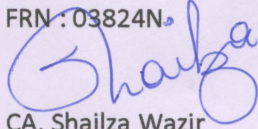
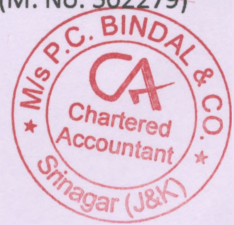
Srinagar,

Dated:16.10.2018

For Verma Associates
Chartered Accountants
FRN : 02717N


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


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


CA. Shailza Wazir
Partner
(M. No. 502279)


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


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


BALANCE SHEET AS AT 30TH SEPTEMBER, 2018

(₹ IN CRORES)

As at
30.09.2018

As at
30.09.2017

CAPITAL AND LIABILITIES

Capital	55.70	55.70
Reserves and Surplus*	6251.86	5997.29
Deposits	81429.22	70384.60
Borrowings	4137.65	1130.53
Other Liabilities and Provisions	2216.19	1792.38

TOTAL :- 94090.62 79360.50

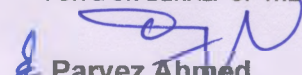
ASSETS

Cash and Balance with Reserve Bank of India	3626.59	3158.24
Balance with Banks & Money at Call & Short Notice ...	183.63	909.95
Investments	20542.22	18905.38
Advances	63691.19	51341.32
Fixed Assets	1603.41	1552.76
Other Assets	4443.58	3492.85

TOTAL :- 94090.62 79360.50

* Includes Profit for the half year Rs.146.34 Crores (Previous corresponding half year Rs.101.83 Crores)

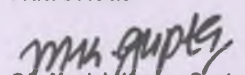
FOR & ON BEHALF OF THE BOARD

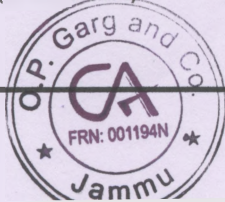

Parvez Ahmed
Chairman & CEO
DIN: 03467232

Place : Srinagar
Dated : 16th October, 2018

In terms of our report of even date annexed

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


CA. Manish Kumar Gupta
Partner
(M. No. 097191)

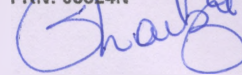


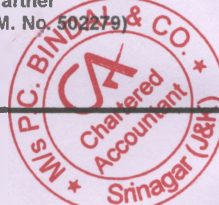
For Verma Associates
Chartered Accountants
FRN: 02717N


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

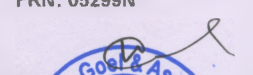


For P C Bindal & Co
Chartered Accountants
FRN: 03824N


CA. Shallza Wazir
Partner
(M. No. 502279)



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


CA. Kamlesh Kumar Goel
Partner
(M. No. 016002)



(₹ in Crores)

Note: The Bank has only one geographical segment i.e. domestic segment.

NOTE:

1. The above standalone financial results have been reviewed by the Audit Committee of the Board in their meeting and approved by the Board of Directors at its meeting held on 16th October, 2018. The same have been approved by the Board of Directors for limited review for the quarter ended 30th September 2018 and for the year ended 31st March 2019.
2. The above results are for the quarter / half year ended 30th September 2018 have been prepared following the same accounting policies that were followed in the preparation of a annual financial statements for the year ended 31st March 2019.
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 Reserve Bank of India.
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 Reserve Bank of India.
5. Reserve Bank of India vide their letter no. DMR, BP, 97302/U21.04.2018/2017-18 dated 27.04.2018 has given an option to the Banks to spread the additional liability on account of the enhancement in gratuity limits from 10.10 crore to 70.20 crore under the Payment of Gratuity Act, 1972, over four quarters beginning with the quarter ended 31st March, 2018. Accordingly, 17.27 crore has been provided in each quarter ended 31.03.2018, 17.27 crore in each quarter ended 30.06.2018 and provision of 12.47 crore is to be provided in the next quarter of the current financial year. The bank has also set aside 140 Crores on estimated basic tools wage revision during the half year ended 30.09.2018.
6. In terms of RBI circular no.DMR.No.BP,BC,U21.06.2020/2015-16 dated 01.07.2015 on "BASEL-III capital requirements" read together with the RBI Circular no. DMR.No.BP,BC, 802/2016 dated 14.12.2016 dated 31.03.2015 on Prudential Guidelines on Capital Adequacy and Liquidity standard amendments requires the banks to disclose the ratio of the capital adequacy ratio and liquidity coverage ratio to the Basel-III framework. The disclosures are being made available on the website www.banknet.net.
7. In compliance to RBI letter no. BVV.BP.8.72012/U21.04.132/2017-18 dated 08 February, 2018 the bank has maintained a provision of 78.95 Crores (5%) against balance outstanding of 1718.91 crores as on 30.09.2018 under Food credit evaluated by State Government of Punjab.
8. In terms of RBI circular no. DMR.No.BP,BC,U21.06.2020/2015-16 dated 01.07.2015 on "BASEL-III capital requirements" read together with the RBI Circular no. DMR.No.BP,BC, 802/2016 dated 14.12.2016 dated 31.03.2015 on Prudential Guidelines on Capital Adequacy and Liquidity standard amendments requires the banks to disclose the ratio of the capital adequacy ratio and liquidity coverage ratio to the Basel-III framework. The disclosures are being made available on the website www.banknet.net.
9. In terms of RBI Circular No. DMR/2017-18/200 DMR, No. SC.BP.1132/U21.04.04/2017-18 dated June 15, 2018 the bank has utilized the option to spread provisioning for mark to market (MTM) losses on investments (G. Sec & Bonds) held in AFS and HTF for the quarter ended September, 2018 as detailed under:
 - a. Total MTM provision required for the Qtr: ended September 2018 - 145.06 Crores
 - b. Provision made for depreciation of investment portfolio - 10.70 Crores
 - c. Provision required to be made in remaining Quarters - 732.31 Crores
10. One of the Advances accounts under SDR in which the bank also had equity shares was classified as NPA and the bank has distributed the depreciation on equity shares acquired under SDR over four calendar quarters from 30th September 2018 to 30th September 2019. The depreciation of 774.19 crores up to 30th September, 2018 and balance of 124.70 crores will be provided in the next quarter of the current financial year.
11. RBI vide circular No DMR.No.BP.151/1992/U21.04.04/2016-17 dated June 23, 2017 has advised banks to make extra provision on accounts where insolvency proceedings has been initiated. Accordingly, the bank has identified such accounts and additional provision of 118.82 crores has been made.
12. In terms of RBI Circular No. DMR.No.BP.151/1992/U21.04.04/2016-17 dated June 23, 2017 has advised banks to make extra provision on accounts where insolvency proceedings has been initiated. Accordingly, the bank has identified such accounts and additional provision of 118.82 crores has been made.
13. The number of investors complaints pending at the beginning of the quarter were nil, and the complaint received during the quarter were 3 (Three) and all have been disposed off.
14. The above results are standalone and do not include that of subsidiary company.
15. 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.

FOR & ON BEHALF OF THE BOARD

Parvez Ahmed
Chairman & CEO
DIN: 03467232

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

Place : Srinagar
Dated : 16th October, 2018