

O.P. Garg & Co.  
Chartered Accountants

Verma Associates  
Chartered Accountants

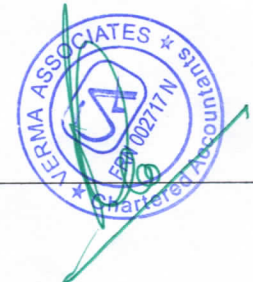
P. C. Bindal & Co.  
Chartered Accountants

K. K. Goel & Associates  
Chartered Accountants

### Limited Review Report

To  
The Board of Directors,  
The Jammu & Kashmir Bank Ltd.  
Corporate Headquarters  
M.A Road Srinagar-190001

1. We have reviewed the accompanying statement of unaudited Standalone financial results of The Jammu & Kashmir Bank Limited (the "Bank") for the quarter ended 31<sup>st</sup> December 2017 ("the Statement"). The disclosures relating to "Pillar-3 under Basel III Capital Regulations", "Leverage Ratio", and "Liquidity Coverage Ratio" as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid statement have not been reviewed by us.
2. This Statement is the responsibility of the Bank's management and have been approved by the Board of Directors. Our responsibility is to issue a report on this statement based on our review.
3. 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 accompanying statements 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 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.
4. The statement incorporate the relevant returns of 30 Branches and Treasury operations reviewed by us, out of which 10 were reviewed through Core banking system of the bank and management inputs, 422 branches reviewed by other Chartered Accountants and Banks own officials(retired) acting as Concurrent auditors of the Bank and un-reviewed in respect of 452 branches. In the conduct of our Review, in addition to 30 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 422 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 30 branches reviewed by us cover 51.10% of advances portfolio of the Bank and 84.62% of NPA of the bank.



5. We draw attention to matter set out in Note No.4, that the bank recognized Deferred Tax Asset(DTA) as per AS-22 on the difference in the provision for NPA as per books of accounts and Income Tax Act, 1961, amounting to Rs.238.18 Crores by including the same in tax expenses with a corresponding credit to extra-ordinary income.
6. Based on our review conducted as aforesaid, subject to limitations in scope as mentioned in para 3 above, nothing has come to our attention that causes us to believe that the accompanying statement 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.

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



CA. Vikram Garg  
Partner  
M. No. 097038




Verma Associates  
Chartered Accountants  
FRN: 02717N



CA. Madan Verma  
Partner  
M. No. 081631



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



CA. Rajan Gupta  
Partner  
M. No. 090330



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



CA. Amit Goel  
Partner  
M. No. 098913



Place : Jammu

Dated : January 31, 2018



**BALANCE SHEET AS AT 31ST DECEMBER, 2017**

( ₹ IN LACS )


	As at 31.12.2017	As at 31.12.2016
<b>CAPITAL AND LIABILITIES</b>		
Capital .....	5570	4849
Reserves and Surplus* .....	606608	529749
Deposits .....	7315506	7418651
Borrowings .....	400453	92157
Other Liabilities and Provisions .....	178316	174490
<b>TOTAL :-</b>	<b>8506453</b>	<b>8219896</b>

**ASSETS**

Cash and Balance with Reserve Bank of India .....	308981	314554
Balance with Banks & Money at Call & Short Notice ...	22897	345552
Investments .....	1849591	2606649
Advances .....	5792869	4508560
Fixed Assets .....	158724	89797
Other Assets .....	373391	354784
<b>TOTAL :-</b>	<b>8506453</b>	<b>8219896</b>

\* Includes Profit/(Loss) for the Nine Months Rs.17430 Lacs Previous corresponding Nine Months Rs.(107799) Lacs


FOR & ON BEHALF OF THE BOARD

  
**Parvez Ahmed**  
 Chairman & CEO  
 DIN: 03467232

  
 Place : Jammu  
 Dated : 31st January, 2018

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

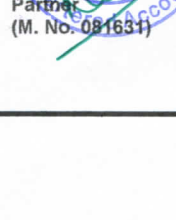
For O P Garg & Co  
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 CA. Vikram Garg  
 Partner  
 (M. No. 097038)

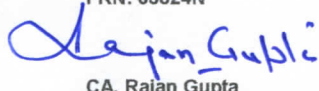


For Verma Associates  
 Chartered Accountants  
 FRN: 02717N

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

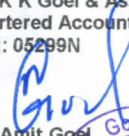


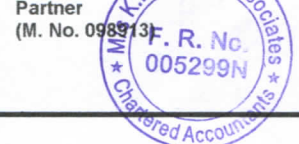
For P C Bindal & Co  
 Chartered Accountants  
 FRN: 03824N

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



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

  
 CA. Amit Goel  
 Partner  
 (M. No. 098913)



**SEGMENT RESULTS**

(₹ In Lacs)

PARTICULARS	3 MONTHS FINANCIAL RESULTS					YEAR ENDED 31.03.2017	3 MONTHS FINANCIAL RESULTS					YEAR ENDED 31.03.2017
	31.12.2017	30.09.2017	31.12.2016	31.12.2015	31.12.2014		31.12.2017	30.09.2017	31.12.2016	31.12.2015	31.12.2014	
1. Interest Earnings (Net)	148327	148443	148633	148833	149033	562438	562438	562438	562438	562438		
2. Interest Expense (Net)	(13089)	(13665)	(14241)	(14817)	(15393)	(13089)	(13665)	(14241)	(14817)	(15393)		
3. Net Interest Income	135238	134778	134392	134016	133640	549349	548773	548197	547621	546845		
4. Provision for Bad Debts	(10828)	(10928)	(11028)	(11128)	(11228)	(10828)	(10928)	(11028)	(11128)	(11228)		
5. Other Income	3324	3324	3324	3324	3324	3324	3324	3324	3324	3324		
6. Total Revenue (4+5)	127634	127174	127392	127212	127316	541845	541569	541593	541517	541521		
7. Total Expense (1+2)	(117807)	(117746)	(117825)	(117891)	(117954)	(117807)	(117746)	(117825)	(117891)	(117954)		
8. Operating Profit Before Provisions and Contingencies (6-7)	98827	99428	100567	100320	99362	393838	393822	393768	393621	393676		
9. Provision for Contingencies	(1385)	(1385)	(1385)	(1385)	(1385)	(1385)	(1385)	(1385)	(1385)	(1385)		
10. Profit (Loss) (9)	97442	98043	99182	98935	97977	392453	392437	392583	392236	392291		
11. Tax Expense	(6816)	(6816)	(6816)	(6816)	(6816)	(6816)	(6816)	(6816)	(6816)	(6816)		
12. Net Profit (Loss) (10-11)	90626	91227	92366	92119	91161	385637	385621	385667	385520	385605		
13. Extraordinary Items (Net of Tax Expense)	7847	7847	7847	7847	7847	7847	7847	7847	7847	7847		
14. Net Profit (Loss) for the period (12+13)	98473	99074	100153	99966	98908	393484	393409	393454	393307	393383		
15. Net Profit (Loss) for the period (13+14)	98473	99074	100153	99966	98908	393484	393409	393454	393307	393383		
16. Reserve according to resolution passed	5570	5570	5570	5570	5570	5570	5570	5570	5570	5570		
17. Analytical Notes												
(i) Percentage of Shares held by Govt of J&K	89.23%	89.23%	89.23%	89.23%	89.23%	89.23%	89.23%	89.23%	89.23%	89.23%		
(ii) Capital Adequacy Ratio %	10.87%	10.87%	10.87%	10.87%	10.87%	10.87%	10.87%	10.87%	10.87%	10.87%		
(iii) CET1 Ratio	8.54%	8.54%	8.54%	8.54%	8.54%	8.54%	8.54%	8.54%	8.54%	8.54%		
(iii) Earning per Share (EPS) ₹	1.30*	1.29*	1.28*	1.27*	1.26*	1.30*	1.29*	1.28*	1.27*	1.26*		
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)	1.30*	1.29*	1.28*	1.27*	1.26*	1.30*	1.29*	1.28*	1.27*	1.26*		
b) Basic and diluted EPS after Extraordinary Items for the period for the year to date and for the previous year ( * Not annualized)	1.30*	1.29*	1.28*	1.27*	1.26*	1.30*	1.29*	1.28*	1.27*	1.26*		
(iv) Key Ratios												
a) Asset to Capital Ratio	63.208	63.208	63.208	63.208	63.208	63.208	63.208	63.208	63.208	63.208		
b) Asset to Net Worth	24676	24676	24676	24676	24676	24676	24676	24676	24676	24676		
c) % of NPAs to Gross Advances	4.29%	4.29%	4.29%	4.29%	4.29%	4.29%	4.29%	4.29%	4.29%	4.29%		
d) % of NPAs to Net Worth	0.98%	0.98%	0.98%	0.98%	0.98%	0.98%	0.98%	0.98%	0.98%	0.98%		
(v) Return on Assets (Normalized)	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380		
(vi) Return on Equity (Normalized)	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%		
(vii) Return on Capital Employed	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380		
(viii) Return on Investment	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%		
(ix) Return on Assets (Normalized)	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380		
(x) Return on Equity (Normalized)	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%		
(xi) Return on Capital Employed	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380	22702380		
(xii) Return on Investment	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%	40.77%		

IN TERMS OF OUR REPORT OF EVEN DATE ANNEXED

**For O P Gang & Co**  
Chartered Accountants  
FRN: 01194N  
*[Signature]*

**For Verma Associates**  
Chartered Accountants  
FRN: 02717N  
*[Signature]*

**For P C Bindal & Co**  
Chartered Accountants  
FRN: 03824N  
*[Signature]*

**For K K Goel & Associates**  
Chartered Accountants  
FRN: 06239N  
*[Signature]*

**FOR & ON BEHALF OF THE BOARD**  
Parvez Ahmed  
Chairman & CEO  
DIN: 03467232  
Place : Jammu  
Date : 31st January, 2018

