Jammu and Kashmir Bank Limited

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

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Board Secretariat

Ref:-JKB/BS/F3652/2026/132
Date: 22nd September, 2026

National Stock Exchange of India Limited
Exchange Plaza 5th Floor
Plot No. C/1 G-Block
Bandra Kurla Complex
Bandra (E) Mumbai – 400 051
Symbol: J&KBANK

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Scrip Code:532209

SUB:- FINANCIAL RESULTS OF THE BANK AUDITED BY COMPTROLLER & AUDITOR GENERAL OF INDIA FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026 (STANDALONE & CONSOLIDATED)

Dear Sirs,

Pursuant to Regulation 33 and Regulation 52 read with the Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith copy of the Financial Results (Consolidated and Standalone) of the Bank audited by Comptroller and Auditor General of India for the Financial Year ended 31st March, 2026.

This is for your information and appropriate dissemination.

Thanking you

Yours faithfully
For Jammu and Kashmir Bank Limited

Mohammad Shafi Mir

Digitally signed by Mohammad Shafi Mir
Date: 2026.09.22 16:15:56 +05'30'

(Mohammad Shafi Mir)
Company Secretary

Gupta Gupta & Associates LLP, Chartered Accountants, 142/3 Trikuta Nagar, Jammu-180012	J C R & Co. LLP, Chartered Accountants, 2nd Floor, Corner Building, Opposite Hope Medicate, Ziyarat Batamaloo, Srinagar-190009
Dhar Tiku & Co., Chartered Accountants, 2nd Floor, "The Mall" SDA Complex, Court Road, Lal Chowk Srinagar - 190001	Gupta Sharma & Associates, Chartered Accountants, Ground Floor, 142 Sector 3, Trikuta Nagar, Jammu - 180012

Independent Auditor's Report on Standalone Financial Results for the year ended March 31, 2026 of Jammu & Kashmir Bank Limited pursuant to Regulation 33 and Regulation 52 read with Regulation 63(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Jammu & Kashmir Bank Limited

Report on the Audit of the Standalone Financial Results

Opinion

1. We have audited the accompanying Standalone Financial Results of Jammu & Kashmir Bank Limited ("the Bank") for the quarter and year ended March 31, 2026, the Standalone Statement of Assets and Liabilities as on that date and the Standalone Statement of Cash Flows for the year ended on that date, which are included in the accompanying 'Standalone Financial Results for the quarter and year ended March 31, 2026 (the "Standalone Financial Results"), being submitted by the Bank pursuant to the requirement of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), except for the disclosures related to Pillar 3 disclosures as at March 31, 2026, including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations issued by Reserve Bank of India as disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement (Note No.9) and which have not been audited by us.
   The Statement includes returns for the year ended on that date of:
   a) the Head Office, 2 Zonal offices, IBR Department and 84 branches audited by us; and
   b) 956 branches/offices audited by the respective statutory branch auditors.
   The appointment in respect of branches audited by us and those audited by other auditors was made by the Comptroller and Auditor General of India.

2. In our opinion and to the best of our information and according to the explanations given to us, the Standalone Financial Results:

   (i) are presented in accordance with the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations except for the disclosures relating to Pillar 3 disclosures as at March 31, 2026 including Leverage Ratio, Liquidity Coverage Ratio and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulation as have been disclosed on the Bank's website and in respect of which a link has been provided in the aforesaid Statement (Note no.9) and which have not been audited by us; and

   (ii) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") read

Gupta & Associates LLP Chartered Accountants

JCR & CO. LLP FRN: 105270W/W100846 CHARTERED ACCOUNTANTS

DHAR TIKU & CO. FRN: 003423N Chartered Accountants

GUPTA SHARMA & ASSOCIATES FRN. 001466N Chartered Accountants

with relevant rules issued thereunder, the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India ('RBI') from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, of the net profit and other financial information for the quarter and year ended March 31, 2026.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Results' section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Standalone Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to:
   a) Notes no. 25(a) and 25(b) regarding the Bank's investment of Rs. 345.92 crores in its associate, Jammu & Kashmir Grameen Bank, pursuant to amalgamation, and the provision for impairment of Rs. 228.65 crores recognised based on valuation by an independent registered valuer in accordance with RBI Directions, 2025.
   b) Note no. 34 regarding transfer of Rs. 23.94 Crores from General Reserve to Statutory Reserve consequent to the final comments of the Comptroller & Auditor General of India (C&AG) for the financial year ended March 31, 2025, to take care of the prior period appropriation of Rs. 95.76 crore from Revaluation Reserve to General Reserve pertaining to the financial years 2017-18 to 2022-23.
   c) Note no. 36 regarding recovery of the prior period interest paid to the beneficiaries under the Ladli Beti Scheme on a value dated basis by corresponding debit to the Interest expense and booking of the balance amount of Rs. 46.08 crores against this expense as Recoverable from Government.
   d) Note no. 39 relating to recognition of Deferred Tax Asset (DTA) on the excess provision for bad and doubtful debts created over and above the limit prescribed under section36(1)(viia) of the Income Tax Act, 1961 based on the presumption that in future the write-off of bad and doubtful debts will be adjusted against such provision in accordance with Section 36(2)(v) read with Section 36(1)(vii) of the Income Tax Act, 1961.

Our conclusion is not modified in respect of these matters.

Board of Directors' Responsibilities for the Standalone Financial Results

5. These Standalone Financial Results have been compiled from the audited annual standalone financial statements. The Bank's Board of Directors are responsible for the preparation of these Standalone Financial Results that give a true and fair view of the net profit and other financial information, the Standalone Statement of Assets and Liabilities and the Standalone Statement of Cashflows in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, the RBI Guidelines and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Banking Regulation Act, 1949 for safeguarding of the assets of the Bank and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy

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and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the Standalone Financial Results, the Board of Directors is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

7. The Board of Directors is also responsible for overseeing the Bank's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Results

8. Our objectives are to obtain reasonable assurance about whether the Standalone Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Standalone Financial Results.

9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Standalone Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls with reference to Standalone Financial Statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

- Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Standalone Financial Results, including the disclosures, and whether the Standalone Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

10. Materiality is the magnitude of the misstatements in the statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the statement.

Gupta & Associates LLP Chartered Accountants

JCR & CO. LLP FRN: 105270W / W100846 CHARTERED ACCOUNTANTS

DHAR TIKU & CO. FRN: 003423N Chartered Accountants

GUPTA SHARMA & ASSOCIATES FRN. 001466N Chartered Accountants

11. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Other Matters

13. We did not audit the financial statements / information of 956 branches/ offices included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of Rs. 1,05,204.70 Crore as at March 31, 2026 and total revenue of Rs. 11,594.85 Crore for the year ended on that date, as considered in the standalone financial statements. These branches cover 66.16% of advances, 86.40 % of deposits and 16.34 % of non-performing assets as at March 31, 2026 and 88.21 % of revenue for the year ended March 31, 2026. The financial statements / information of these branches has been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors.

14. The Standalone Financial Results include the results for the quarter ended March 31, 2026 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which were subject to Limited Review.

15. The standalone Financial Results of the Bank for the year ended March 31, 2025 were jointly audited by Gupta Gupta and Associates LLP; Dhar Tiku & Co. and J C R & Co LLP who vide their report dated May 05, 2025, expressed an unmodified opinion on those standalone financial results.

Our opinion on the Standalone Financial Results is not modified in respect of above matters.

For Gupta Gupta & Associates LLP Chartered Accountants FRN 001728N/N500321 (CA Akshay Magotra) Partner M No 559146 UDIN:26559146QQPAPB2261	For J C R & Co. LLP Chartered Accountants FRN 105270W/W100846 (CA Rakesh Kaushik) Partner M No 089562 UDIN:26089562WPQMQB2177
For Dhar Tiku & Co. Chartered Accountants FRN 003423N (CA S. K. Shah) Partner M No 532394 UDIN:26532394XHMZMB4091	For Gupta Sharma & Associates Chartered Accountants FRN 001466N (CA Vinay Saraf) Partner M No 087262 UDIN: 26087262AQCNSH5016

Place: Srinagar
Date: 5th May, 2026

J&K Bank

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

STANDALONE BALANCE SHEET AS AT 31st MARCH, 2026

(₹ IN CRORES)

	Schedule	As at 31.03.2026 (AUDITED)	As at 31.03.2025 (AUDITED)
CAPITAL AND LIABILITIES			
Capital	1	110.13	110.13
Reserves and Surplus	2	16,639.73	14,141.81
Deposits	3	1,65,354.00	1,48,569.46
Borrowings	4	3,431.00	2,382.84
Other Liabilities and Provisions	5	3,659.13	4,264.23
TOTAL :-		1,89,193.99	1,69,468.47
ASSETS			
Cash and Balance with Reserve Bank of India	6	7,621.87	7,385.48
Balance with Banks & Money at Call & Short Notice	7	203.93	2,374.37
Investments	8	40,821.86	41,212.66
Advances	9	1,22,641.02	1,04,198.72
Fixed Assets	10	2,532.49	2,191.22
Other Assets	11	15,372.82	12,106.02
TOTAL :-		1,89,193.99	1,69,468.47

FOR & ON BEHALF OF THE BOARD

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989
Place : Srinagar
Dated: 5th May, 2026

In terms of our report of even date annexed

FOR GUPTA GUPTA & ASSOCIATES LLP
Chartered Accountants
FRN: 001728N/N500321
CA. Akshay Magotra
Partner
M.No. 559146
UDIN: 26559146QQPAPB2261

FOR J C R & CO LLP
Chartered Accountants
FRN: 105270W/W100846
CA. Rakesh Kaushik
Partner
M.No. 089562
UDIN: 26089562WPQMQB2177

FOR DHAR TIKU & CO
Chartered Accountants
FRN: 003423N
CA. S.K Shah
Partner
M.No. 532394
UDIN: 26532394XHMZMB4091

FOR GUPTA SHARMA & ASSOCIATES
Chartered Accountants
FRN: 001466N
CA. Vinay Saraf
Partner
M.No. 087262
UDIN: 26087262AQCNSH5016

Place : Srinagar
Dated: 5th May, 2026

J&K Bank

THE JAMMU & KASHMIR BANK LTD.
CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR-190001
CIN: L65110JK1938SGC000048

(₹ In Crores)

STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2026

S.No.	PARTICULARS	QUARTER ENDED			YEAR ENDED	
		31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
		(AUDITED)	(REVIEWED)	(AUDITED)	(AUDITED)	(AUDITED)
1	**Interest Earned (a+b+c+d)**	**3,271.67**	**3,313.44**	**3,211.85**	**13,145.20**	**12,535.86**
	a) Interest/Discount on Advances/Bills	2,452.17	2,435.10	2,384.14	9,708.31	9,422.99
	b) Income on Investments	685.36	745.93	713.95	2,921.62	2,669.23
	c) Interest on Balance with R.B.I & Other Inter Bank Funds	8.63	8.74	16.77	52.73	50.02
	d) Others	125.51	123.67	96.99	462.54	393.62
2	**Other Income**	**259.39**	**277.91**	**401.68**	**939.85**	**1,130.36**
3	**Total Income (1 + 2)**	**3,531.06**	**3,591.35**	**3,613.53**	**14,085.05**	**13,666.22**
4	**Interest Expended**	**1,784.19**	**1,824.56**	**1,731.86**	**7,269.42**	**6,742.04**
5	**Operating Expenses (I+II)**	**836.08**	**986.54**	**1,081.65**	**3,829.13**	**3,994.39**
	I. Employees Cost	509.16	658.72	734.33	2,479.12	2,789.66
	II. Other Operating Expenses	326.92	327.82	347.32	1,350.01	1,204.73
6	**Total Expenditure (4+5) (Excluding Provisions & Contingencies)**	**2,620.27**	**2,811.10**	**2,813.51**	**11,098.55**	**10,736.43**
7	**Operating Profit before Provisions and Contingencies (3-6)**	**910.79**	**780.25**	**800.02**	**2,986.50**	**2,929.79**
8	**Provisions (other than tax) and Contingencies**	**50.27**	**(25.81)**	**(9.16)**	**28.62**	**(3.91)**
9	**-Of which provisions for NPA (Prov. For Bad & Doubtful Debts)**	**46.16**	**(77.93)**	**58.04**	**5.92**	**29.50**
10	**Exceptional Items**	-	-	-	-	-
11	**Profit (+)/loss (-) from ordinary activities before tax (7-8-10)**	**860.52**	**806.06**	**809.18**	**2,957.88**	**2,933.70**
12	**Tax Expenses**	**62.72**	**219.33**	**224.64**	**594.40**	**851.24**
	-Income Tax Provisions (Incl. current tax)	198.32	225.37	211.13	745.77	686.06
	-Deffered Tax Asset/(Liability)	(135.60)	(6.04)	13.51	(151.37)	165.18
13	**Profit (+)/loss (-) from ordinary activities after tax (11-12)**	**797.80**	**586.73**	**584.54**	**2,363.48**	**2,082.46**
14	**Extraordinary items (net of tax expenses)**	-	-	-	-	-
15	**Net Profit (+)/Loss (-) for the period (13-14)**	**797.80**	**586.73**	**584.54**	**2,363.48**	**2,082.46**
16	**Paid-up Equity Share Capital (Face Value Rs. 1 /- per share)**	**110.13**	**110.13**	**110.13**	**110.13**	**110.13**
17	**Reserves excluding Revaluation Reserves**				**15,119.10**	**12,903.12**
18	**Revaluation Reserves**				**1,520.63**	**1,238.69**
19	**Analytical Ratios**					
	(i) Percentage of Shares held by Govt. of J&K	59.40%	59.40%	59.40%	59.40%	59.40%
	(ii) Capital Adequacy Ratio % (BASEL III)	16.55%	15.00%	16.29%	16.55%	16.29%
	(CET1 Ratio)	13.54%	11.84%	12.95%	13.54%	12.95%
	(TIER1 Ratio)	14.44%	12.77%	13.96%	14.44%	13.96%
	(iii) Earning per Share (EPS) (Rs.)					
	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)	7.24*	5.33*	5.31*	21.46	18.91
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (* not annualized)	7.24*	5.33*	5.31*	21.46	18.91
	(iv) NPA Ratio's					
	a) Amount of Gross NPAs	3,124.84	3,487.12	3,604.84	3,124.84	3,604.84
	b) Amount of Net NPAs	785.13	776.36	818.07	785.13	818.07
	c) % of Gross NPAs to Gross Advances	2.50%	3.00%	3.37%	2.50%	3.37%
	d) % of Net NPAs to Net Advances	0.64%	0.68%	0.79%	0.64%	0.79%
	(v) Return on Assets (Annualized)	1.78%	1.35%	1.44%	1.78%	1.32%
	(vi) Net worth	15,045.86	14,525.47	13,013.26	15,045.86	13,013.26
	(vii) Outstanding redeemable preference shares	-	-	-	-	-
	(viii) Capital redemption reserve/Debenture redemption reserve	-	-	-	-	-
	(ix) Debt-equity ratio	0.16	0.16	0.18	0.16	0.18
	(x) Total Debts to total assets	0.02	0.01	0.01	0.02	0.01
	(xi) Operating Margin (%) (Operating Profit/Total Income)	25.79%	21.73%	22.14%	21.20%	21.44%
	(xii) Net Profit Margin (%) (Net Profit after tax/Total Income)	22.59%	16.34%	16.18%	16.78%	15.24%
20	**Aggregate of Public Share Holding**					
	(i) No. of Shares	44,70,84,183	44,70,84,183	44,70,84,183	44,70,84,183	44,70,84,183
	(ii) Percentage of Share Holding	40.60%	40.60%	40.60%	40.60%	40.60%
21	**Promoters and promoter group Shareholding**					
	a) Pledged/Encumbered					
	- Number of Shares	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	Nil	Nil	Nil	Nil	Nil
	- Percentage of shares (as a % of the total share capital of the company)	Nil	Nil	Nil	Nil	Nil
	b) Non-encumbered					
	- Number of Shares	65,40,98,280	65,40,98,280	65,40,98,280	65,40,98,280	65,40,98,280
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	59.40%	59.40%	59.40%	59.40%	59.40%

FOR & ON BEHALF OF THE BOARD

Amitava Chatterjee
Managing Director & CEO
DIN: 07082988

Place : Srinagar.
Dated: 5th May, 2026

In terms of our report of even date annexed

FOR GUPTA GUPTA & ASSOCIATES LLP
Chartered Accountants
FRN: [illegible]
CA. [illegible]
Partner
M.No. 559146
UDIN: 26559146QQPAPB2261

FOR J C R & CO LLP
Chartered Accountants
FRN: 105270W/W100846
CA. Rakesh Kaushik
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M.No. 089562
UDIN: 26089562WPQMQB2177

FOR DHAR TIKU & CO
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CA. S.K Shah
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FOR GUPTA SHARMA & ASSOCIATES
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FRN: 001466N
CA. Vinay Saraf
Partner
M.No. 087262
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Place : Srinagar.
Dated: 5th May, 2026

J&K Bank

THE JAMMU & KASHMIR BANK LTD.
CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR-190001
CIN: L65110JK1938SGC000048

(₹ In Crores)

STANDALONE SEGMENT REPORTING FOR THE QUARTER AND YEAR ENDED 31ST MARCH 2026	QUARTER ENDED			YEAR ENDED	
	31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
PARTICULARS	(AUDITED)	(REVIEWED)	(AUDITED)	(AUDITED)	(AUDITED)
1) SEGMENT REVENUE (INCOME)					
i) Treasury Operations	822.91	924.05	842.05	3,594.34	3,236.23
ii) Corporate/Wholesale Banking	706.67	715.38	664.01	2,617.82	2,692.27
iii) Retail Banking	2,238.66	2,188.40	2,408.77	8,993.49	8,992.00
(a) Digital Banking	0.04	0.04	0.03	0.17	0.12
(b) Other Retail Banking	2,238.62	2,188.36	2,408.74	8,993.32	8,991.88
iv) Other Banking Business	30.21	24.51	31.82	102.61	106.50
v) Un-Allocated Business	-	-	-	-	-
Total	**3,798.45**	**3,852.34**	**3,946.65**	**15,308.26**	**15,027.00**
Less: Inter Segment Revenue	267.40	260.97	333.12	1,223.21	1,360.78
Net Income from Operations	**3,531.05**	**3,591.37**	**3,613.53**	**14,085.05**	**13,666.22**
2) Segment Results	-	-			
i) Treasury Operations	32.29	85.90	26.78	215.16	148.55
ii) Corporate/Wholesale Banking	473.55	557.41	509.95	1,781.07	1,776.13
iii) Retail Banking	472.56	441.48	599.44	1,884.18	2,313.80
(a) Digital Banking	(0.21)	(0.22)	(0.23)	(0.89)	(0.89)
(b) Other Retail Banking	472.77	441.70	599.67	1,885.07	2,314.69
iv) Other Banking Business	20.66	15.16	31.36	82.35	104.64
v) Un-Allocated Business	(138.56)	(293.88)	(358.35)	(1,004.89)	(1,409.63)
Profit/(Loss) from Ordinary Activities (Before Tax)	**860.50**	**806.07**	**809.18**	**2,957.87**	**2,933.69**
Less: Tax Expenses/(credit)	62.72	219.33	224.64	594.40	851.24
Less: Extraordinary Profit/(Loss)	-	-	-	-	-
Net Profit/(Loss) After Tax	**797.78**	**586.74**	**584.54**	**2,363.47**	**2,082.45**
3) Segment Assets					
i) Treasury Operations	54,929.51	53,702.77	54,017.34	54,929.51	54,017.34
ii) Corporate/Wholesale Banking	46,984.66	39,052.70	34,993.32	46,984.66	34,993.32
iii) Retail Banking	87,279.82	84,703.54	80,456.59	87,279.82	80,456.59
(a) Digital Banking	0.32	0.33	0.37	0.32	0.37
(b) Other Retail Banking	87,279.50	84,703.21	80,456.22	87,279.50	80,456.22
iv) Other Banking Business	-	8.01	1.22	-	1.22
v) Un-Allocated Business	-	-	-	-	-
Total:-	**1,89,193.99**	**1,77,467.02**	**1,69,468.47**	**1,89,193.99**	**1,69,468.47**
4) Segment Liabilities					
i) Treasury Operations	2,928.78	3,479.32	1,666.61	2,928.78	1,666.61
ii) Corporate/Wholesale Banking	46,069.25	43,131.69	41,621.33	46,069.25	41,621.33
iii) Retail Banking	1,23,446.09	1,15,109.80	1,11,926.76	1,23,446.09	1,11,926.76
(a) Digital Banking	2.80	2.46	2.14	2.80	2.14
(b) Other Retail Banking	1,23,443.29	1,15,107.34	1,11,924.62	1,23,443.29	1,11,924.62
iv) Other Banking Business	-	4.75	1.83	-	1.83
v) Un-Allocated Business	-	-	-	-	-
Total:-	**1,72,444.12**	**1,61,725.56**	**1,55,216.53**	**1,72,444.12**	**1,55,216.53**
5) Capital Employed			-		
(Segment assets-Segment Liabilities)			-		
i) Treasury Operations	52,000.73	50,223.45	52,350.73	52,000.73	52,350.73
ii) Corporate/Wholesale Banking	915.41	(4,078.99)	(6,628.01)	915.41	(6,628.01)
iii) Retail Banking	(36,166.27)	(30,406.26)	(31,470.17)	(36,166.27)	(31,470.17)
(a) Digital Banking	(2.48)	(2.13)	(1.77)	(2.48)	(1.77)
(b) Other Retail Banking	(36,163.79)	(30,404.13)	(31,468.40)	(36,163.79)	(31,468.40)
iv) Other Banking Business	-	3.26	(0.61)	-	(0.61)
v) Un-Allocated Business	-	-	-	-	-
Total :-	**16,749.87**	**15,741.46**	**14,251.94**	**16,749.87**	**14,251.94**

1) Figures of the previous period have been re-grouped/re-classified wherever necessary.

FOR & ON BEHALF OF THE BOARD

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Place : Srinagar.
Dated: 5th May, 2026

In terms of our report of even date annexed

FOR GUPTA GUPTA & ASSOCIATES LLP
Chartered Accountants
CA. Akshay Magotra
Partner
UDIN: 265591460QGAFB2261

FOR J C R & CO LLP
Chartered Accountants
FRN: 105270W/W100846
CA. Rakesh Kaushik
Partner
M.No. 089562
UDIN: 26089562WPQMQB2177

FOR DHAR TIKU & CO
Chartered Accountants
FRN: 003423N
CA. S.K Shah
Partner
M.No. 532394
UDIN:26532394XHMZMB4091

FOR GUPTA SHARMA & ASSOCIATES
Chartered Accountants
FRN: 001466N
Partner
M.No. 087262

Place : Srinagar
Dated: 5th May, 2026

J&K Bank STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2026

		YEAR ENDED 31.03.2026 (AUDITED) (₹ In Crores)	YEAR ENDED 31.03.2025 (AUDITED) (₹ In Crores)
A	CASH FLOW FROM OPERATING ACTIVITIES	(1,131.86)	2,718.32
B	CASH FLOW FROM INVESTING ACTIV ITIES	(302.25)	(101.57)
C	CASH FLOW FROM FINANCING ACTIVITIES	(499.93)	(1,034.38)
	NET CHANGE IN CASH AND CASH EQUIVALENTS	(1,934.04)	1,582.37
D	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	9,759.85	8,177.48
E	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	7,825.80	9,759.85
A.	CASH FLOW FROM OPERATING ACTIVITIES:		
	Net Profit after Taxes	2,363.47	2,082.46
	Add : Provision for Taxes	594.40	851.25
	Net profit before taxes (i)	2,957.87	2,933.71
	Adjustment for :		
	Depreciation charges	128.06	167.83
	Provision for NPA's	5.92	29.50
	Provision on Standard Assets	87.33	84.67
	Increase in Reserves on account of fair valuation of investments	(176.36)	170.51
	Depreciation/Impairment on investment	189.32	(49.02)
	Provision for Non-Performing investment	(42.18)	(90.27)
	Other provisions	(22.46)	(27.81)
	Interest paid on subordinate Bonds (Financing Activities)	263.18	297.67
	Total Adjustment (ii)	432.81	583.08
	Operating profit before change in Operating assets & liabilities (i) + (ii)	3,390.68	3,516.78
	Adjustment for changes in Operating Assets & Liabilities		
	Increase / (Decrease) in Deposits	16,784.54	13,794.56
	Increase / (Decrease) in Borrowings	1,048.16	(2.16)
	Increase / (Decrease) in Other liabilities & provisions	(639.07)	(468.19)
	(Increase) / Decrease in Investments	567.15	(6,086.66)
	(Increase) / Decrease in Advances	(18,422.12)	(10,431.23)
	(Increase) / Decrease in Other Assets	(3,098.09)	3,124.80
	Net Cash flow from Operating activities (iii)	(3,759.43)	(68.88)
	Cash generated from operation (i + ii + iii)	(368.75)	3,447.91
	Less : Tax paid	763.11	729.59
	TOTAL : (A)	(1,131.86)	2,718.32
B.	CASH FLOW FROM INVESTING ACTIVITIES :		
	a) Fixed Assets	(469.33)	(101.57)
	b) Investment in Subsidiary/Sponsored Institution	(143.73)	-
	c) Revaluation Reserve	310.81	
	TOTAL : (B)	(302)	(101.57)
C.	CASH FLOW FROM FINANCING ACTIVITIES:		
	a) Share Capital/Reserve	-	-
	b) Share Application Money	-	-
	b) Share Premium	-	0.05
	c) Tier I & II Bonds	-	(500.00)
	d) Dividend Paid	(236.75)	(236.75)
	e) Interest paid on Bonds	(263.18)	(297.67)
	TOTAL :(C)	(499.93)	(1,034.37)
D.	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (1st April)		
	a) Cash in hand & Balance with R.B.I	7,385.48	7,250.08
	b) Balance with Banks & Money at Call & Short Notice	2,374.37	927.40
	TOTAL :(D)	9,759.85	8,177.48
E.	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	a) Cash in hand & Balance with R.B.I	7,621.87	7,385.48
	b) Balance with Banks & Money at Call & Short Notice	203.93	2,374.37
	TOTAL :(E)	7,825.80	9,759.85

For and on behalf of the Board

Amitava Chatterjee
Managing Director & CEO

Place : Srinagar
Dated: 5th May, 2026

In terms of our report of even date

FOR GUPTA GUPTA & ASSOCIATES
Chartered Accountants
FRN: 001724N/N500321

CA. Akshay Malhotra
Partner
M.No. 559146
UDIN: 26559146QQPAPB2261

FOR J C R & CO LLP
Chartered Accountants
FRN: 105270W/W100846

CA. Rakesh Kaushik
Partner
M.No. 089562
UDIN: 26089562WPQMQB2177

FOR DHAR TIKU & CO
Chartered Accountants
FRN: 003423N

CA. S.K Shah
Partner
M.No. 532394
UDIN: 26532394XHMZMB409

FOR GUPTA SHARMA & ASSOCIATES
Chartered Accountants
FRN: 001466N

CA. Vinay Saraf
Partner
M.No. 087262
UDIN: 26087262[illegible]SH5016

Place : Srinagar
Dated: 5th May, 2026

Gupta Gupta & Associates LLP, Chartered Accountants, 142/3 Trikuta Nagar, Jammu-180012	**J C R & Co. LLP,** Chartered Accountants, 2nd Floor, Corner Building, Opposite Hope Medicate, Ziyarat Batamaloo, Srinagar-190009
Dhar Tiku & Co., Chartered Accountants, 2nd Floor, "The Mall" SDA Complex, Court Road, Lal Chowk Srinagar - 190001	**Gupta Sharma & Associates**, Chartered Accountants, Ground Floor, 142 Sector 3, Trikuta Nagar, Jammu - 180012

Independent Auditor's Report on Consolidated Financial Results for the year ended March 31, 2026 of Jammu & Kashmir Bank Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Directors
Jammu & Kashmir Bank Limited

Report on the Audit of the Consolidated Financial Results

Opinion

1. We have audited the accompanying Consolidated Financial Results of Jammu & Kashmir Bank Limited (hereinafter referred to as the "Parent" or the "Bank") and its subsidiaries (the Parent and its subsidiaries together referred to as the "Group") and its associates for the quarter and year ended March 31, 2026, comprising the Consolidated Statement of Assets and Liabilities as at that date and the Consolidated Statement of Cash Flows for the year then ended (collectively referred to as the "Consolidated Financial Results").These Consolidated Financial Results are being submitted by the Bank pursuant to the requirements of Regulation 33 and Regulation 52 read with Regulation 63(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended. The aforesaid Consolidated Financial Results exclude disclosures relating to consolidated Pillar 3 disclosures as at March 31, 2026, including Leverage Ratio, Liquidity Coverage Ratio (LCR) and Net Stable Funding Ratio (NSFR) under Basel III Capital Regulations issued by the Reserve Bank of India, which have been disclosed on the Bank's website and in respect of which a reference link has been provided in Note No. 9 to the Consolidated Financial Results. These disclosures have not been audited by us.

2. In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on separate audited financial information of subsidiaries, the Consolidated Financial Results:
   a) include the financial results of the following entities:

S.No.	Name of Entity	Relation
1	Jammu & Kashmir Bank Limited	Parent
2	JKB Financial Services Limited	Subsidiary
3	Jammu & Kashmir Grameen Bank	Associate

   b) are presented in accordance with the requirements of Regulation 33 and 52 of the Listing Regulations, except for the disclosures relating to Pillar 3 under Basel III Capital Regulations as at March 31, 2026, including leverage ratio, liquidity coverage ratio and net stable funding ratio that have not been audited by us, but those would be disclosed on the Bank's website and in respect of which a link has been provided in the Consolidated Financial Results; and

Gupta Gupta & Associates LLP Chartered Accountants

J C R & CO. LLP FRN: 105270W / W100846 CHARTERED ACCOUNTANTS

DHAR TIKU & CO. FRN: 003423N Chartered Accountants

GUPTA SHARMA & ASSOCIATES FRN: 001466N Chartered Accountants

c) give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act "), the relevant provisions of the Banking Regulation Act, 1949, the circulars, guidelines and directions issued by the Reserve Bank of India from time to time ("RBI Guidelines") and other accounting principles generally accepted in India, of the consolidated net profit and other financial information of the Group and its associates for the quarter and year ended March 31, 2026.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ("ICAI"). Our responsibilities under those Standards are further described in the "Auditors' Responsibilities for the Audit of the Consolidated Financial Results" section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the ICAI together with the ethical requirements that are relevant to our audit of the Consolidated Financial Results under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in paragraph 13 of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

4. We draw attention to:
   a) Notes no. 25(a) and 25(b) regarding the Bank's investment of Rs. 345.92 crores in its associate, Jammu & Kashmir Grameen Bank, pursuant to amalgamation, and the provision for impairment of Rs. 228.65 crores recognised based on valuation by an independent registered valuer in accordance with RBI Directions, 2025.

   b) Note no. 34 regarding transfer of Rs. 23.94 Crores from General Reserve to Statutory Reserve consequent to the final comments of the Comptroller & Auditor General of India (C&AG) for the financial year ended March 31, 2025, to take care of the prior period appropriation of Rs 95.76 crores from Revaluation Reserve to General Reserve pertaining to the financial years 2017-18 to 2022-23.

   c) Note no. 36 regarding recovery of the prior period interest paid to the beneficiaries under the Ladli Beti Scheme on a value dated basis by corresponding debit to the Interest expense and booking of the balance amount of Rs. 46.08 crores against this expense as Recoverable from Government.

   d) Note No. 39 to the Consolidated Financial Results relating to recognition of Deferred Tax Asset (DTA) on the excess provision for bad and doubtful debts created over and above the limit prescribed under Section 36(1) (viia) of the Income-tax Act, 1961. The recognition of such DTA is based on the assumption that, in future, the write-off of bad and doubtful debts will be adjusted against such provision in accordance with the provisions of Section 36(2)(v) read with Section 36(1)(vii) of the Income-tax Act, 1961.

   Our conclusion is not modified in respect of these matters.

Board of Directors' Responsibilities for the Consolidated Financial Results

5. These Consolidated Financial Results have been compiled from the audited annual consolidated financial statements. The Bank's Board of Directors are responsible for the preparation and presentation of these Consolidated Financial Results that give a true and fair view of the consolidated net profit and other financial information, the Consolidated Statement of Assets and Liabilities and the Consolidated Statement of Cash Flows of the Group in accordance with the recognition and measurement principles laid down in Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder, the RBI Guidelines and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52 read with Regulation 63(2) of the Listing Regulations. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Banking Regulation Act, 1949 for safeguarding of the assets of the Group and for preventing and detecting frauds and other

Gupta Gupta & Associates LLP Chartered Accountants

JCR & CO. LLP FRN: 105270W / W100846 Chartered Accountants

Dhar Tiku & Co. FRN: 003423N Chartered Accountants

Gupta Sharma & Associates FRN. 001466N Chartered Accountants

irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Results that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Results by the Board of Directors of the Bank, as aforesaid.

6. In preparing the Consolidated Financial Results, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group and its associates to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its associates or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group and its associates are also responsible for overseeing the financial reporting process of the Group.

Auditors' Responsibilities for the Audit of the Consolidated Financial Results

8. Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high-level assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Results.

9. As part of an audit in accordance with SAs, we exercise professional skepticism throughout the audit. We also:

   • Identify and assess the risks of material misstatement of the Consolidated Financial Results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   • Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Bank and its subsidiaries incorporated in India, has adequate internal financial controls with reference to consolidated Financial Results in place and the operating effectiveness of such controls.

   • Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.

   • Conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group and its associates to cease to continue as going concern.

   • Evaluate the overall presentation, structure and content of the Consolidated Financial Results, including the disclosures, and whether the Consolidated Financial Results represent the underlying transactions and events in a manner that achieves fair presentation.

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Dhar Tiku & Co. FRN 003423N Chartered Accountants

Gupta Sharma & Associates FRN. 001466N Chartered Accountants

• Obtain sufficient appropriate audit evidence regarding the financial information of the companies within the Group and its associates to express an opinion on the Consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such companies included in the Consolidated Financial Results, of which we are the independent auditors. For the other companies included in the Consolidated Financial Results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

10. Materiality is the magnitude of the misstatements in the Consolidated Financial Results that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatement in the Consolidated Financial Results.

11. We communicate with those charged with governance of the Bank and such other companies included in the Consolidated Financial Results, of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

12. We also provide those charged with governance of the Bank with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

13. We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33(8) of the Listing Regulations, as amended, to the extent applicable.

Other Matters

14. The Consolidated Statement includes the audited financial result of subsidiary, JKB Financial Services Ltd., whose financial results reflect the Group's share of total assets of Rs. 87.21 crore as at March 31, 2026, Group's share of total revenue of Rs. 5.76 crore and Rs. 19.92 Crore and Group's share of total net profit after tax of Rs. 1.38 crore and Rs. 4.10 crore for the quarter and year ended March 31, 2026 respectively, which have been audited by another Auditor. The Consolidated Statement also includes the results in respect of the Associate, Jammu & Kashmir Grameen Bank (Holding 35%) for which financial results for the quarter and year ended March 31, 2026, have been audited by another auditor. The statement includes the group's share of net loss of Rs. 15.60 Crore and Rs. 23.08 crore for the quarter and year ended March 31, 2026 respectively in respect of the associate. The independent auditor's reports on the financial results of the subsidiary and associate have been furnished to us by the Management of the Bank and our opinion on the statement, in so far as it relates to the amounts and disclosures included in respect of the entity, is based solely on the report of such auditor and the procedures performed by us are as stated in paragraph above.
Our opinion on the Consolidated Financial Results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Financial Results/financial information certified by the Board of Directors.

15. The Consolidated Financial Results of the Bank for the year ended March 31, 2025 by Gupta Gupta and Associates LLP; Dhar Tiku & Co. and J C R & Co LLP, who vide their report dated May 05, 2025, expressed an unmodified opinion on those Consolidated Financial results.

16. The Consolidated Financial Results include the results for the quarter ended March 31, 2026 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Gupta Gupta & Associates LLP Chartered Accountants FRN 001728N/N500321 (CA Akshay Magotra) Partner M No 559146 UDIN:26559146KEJTSN1434	For J C R & Co. LLP Chartered Accountants FRN 105270W/W100846 (CA Rakesh Kaushik) Partner M No 089562 UDIN:26089562BGVUQG5940
For Dhar Tiku & Co. Chartered Accountants FRN 003423N (CA S. K. Shah) Partner M No 532394 UDIN:26532394KRJHIS5927	For Gupta Sharma & Associates Chartered Accountants FRN 001466N (CA Vinay Saraf) Partner M No 087262 UDIN:26087262BYPLEB9989

Place: Srinagar

Date: 5th May, 2026

J&K Bank
Serving To Empower

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

CONSOLIDATED BALANCE SHEET AS AT 31ST MARH, 2026

(₹ IN CRORES)

	As at 31.03.2026 (REVIEWED)	As at 31.03.2025 (AUDITED)
CAPITAL AND LIABILITIES		
Capital	110.13	110.13
Reserves and Surplus	16,389.65	14,098.18
Minority Interest	-	-
Deposits	1,65,342.45	1,48,552.02
Borrowings	3,431.00	2,382.84
Other Liabilities and Provisions	3,686.52	4,280.37
TOTAL :-	1,88,959.75	1,69,423.54
ASSETS		
Cash and Balance with Reserve Bank of India	7,621.87	7,385.48
Balance with Banks & Money at Call & Short Notice	233.37	2,397.67
Investments	40,520.36	41,121.71
Advances	1,22,632.61	1,04,183.82
Fixed Assets	2,532.96	2,191.84
Other Assets	15,418.58	12,143.02
TOTAL :-	1,88,959.75	1,69,423.54

FOR & ON BEHALF OF THE BOARD

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Place : Srinagar
Dated: 5th May, 2026

In terms of our report of even date annexed

FOR GUPTA GUPTA & ASSOCIATES LLP
Chartered Accountants
FRN: 001728N/N500321
CA. Akshay Maggotra
Partner
M.No. 559146
UDIN:26559146KEJTSN4434

FOR J C R & CO LLP
Chartered Accountants
FRN: 105270W/W100846
CA. Rakesh Kaushik
Partner
M.No. 089562
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FOR DHAR TIKU & CO
Chartered Accountants
FRN: 003423N
CA. S.K Shah
Partner
M.No. 532394
UDIN: 26532394KRJHIS5927

FOR GUPTA SHARMA & ASSOCIATES
Chartered Accountants
FRN: 001466N
CA. Vinay Sharma
Partner
M.No. 087726
UDIN: 26087726BYPLEB9989

Place : Srinagar
Dated: 5th May, 2026

J&K Bank

THE JAMMU & KASHMIR BANK LTD.
CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR-190001
CIN: L65110JK1938SGC000048

(₹ In Crores)

S.No.	CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31st MARCH 2026	QUARTER ENDED			YEAR ENDED	
		31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
	PARTICULARS	(AUDITED)	(REVIEWED)	(AUDITED)	(AUDITED)	(AUDITED)
1	**Interest Earned (a+b+c+d)**	**3,273.34**	**3,314.94**	**3,213.39**	**13,150.73**	**12,541.08**
	a) Interest/Discount on Advances/Bills	2,452.17	2,435.10	2,384.14	9,708.31	9,422.99
	b) Income on Investments	685.36	745.93	713.95	2,921.62	2,669.23
	c) Interest on Balance with R.B.I. & Other Inter Bank Funds	8.28	8.51	16.45	51.71	48.58
	d) Others	127.53	125.40	98.85	469.09	400.28
2	**Other Income**	**262.45**	**280.38**	**403.20**	**950.65**	**1,140.49**
3	**Total Income (1 + 2)**	**3,535.79**	**3,595.32**	**3,616.59**	**14,101.38**	**13,681.57**
4	**Interest Expended**	**1,784.00**	**1,824.35**	**1,731.67**	**7,268.62**	**6,741.26**
5	**Operating Expenses (I+II)**	**839.20**	**989.57**	**1,084.42**	**3,840.57**	**4,005.55**
	I. Employees Cost	511.21	660.71	735.98	2,486.83	2,797.18
	II. Other Operating Expenses	327.99	328.86	348.44	1,353.74	1,208.37
6	**Total Expenditure (4+5) (Excluding Provisions & Contingencies)**	**2,623.20** -	**2,813.92** -	**2,816.09**	**11,109.19**	**10,746.81**
7	**Operating Profit before Provisions and Contingencies (3-6)**	**912.59**	**781.40**	**800.50**	**2,992.19**	**2,934.76**
8	**Provisions (other than tax) and Contingencies**	**50.26**	**(25.81)**	**(9.17)**	**28.61**	**(3.92)**
9	**-Of which provisions for NPA (Prov. For Bad & Doubtful Debts)**	**46.16**	**(77.93)**	**58.04**	**5.92**	**29.50**
10	**Exceptional Items**	-	-	-	-	-
11	**Profit (+)/loss (-) from ordinary activities before tax (7-8-10)**	**862.33**	**807.20**	**809.67**	**2,963.58**	**2,938.68**
12	**Tax Expenses**	**63.18**	**219.69**	**224.74**	**596.00**	**852.43**
	-Income Tax Provisions (Incl. current tax)	198.83	225.68	211.24	747.35	687.41
	-Deffered Tax Asset/(Liability)	(135.65)	(5.99)	13.50	(151.35)	165.02
13	**Net Profit (+)/Loss (-) from ordinary activities after tax (11-12)**	**799.15**	**587.51**	**584.93**	**2,367.58**	**2,086.25**
14	**Extraordinary items (net of tax expenses)**	-	-	-	-	-
15	**Net Profit (+)/Loss (-) for the period (13-14)**	**799.15**	**587.51**	**584.93**	**2,367.58**	**2,086.25**
16	**Share of Proft(+)/Loss(-) From Associate Concerns**	**(0.59)**	**(6.02)**	**(3.02)**	**(8.07)**	**(4.46)**
17	**Share of Minority**	-	-	-	-	-
16	**Net Profit (+)/Loss (-)after Share in Associates(15+16)**	**798.56**	**581.49**	**581.91**	**2,359.51**	**2,081.79**
18	**Paid-up Equity Share Capital (Face Value Rs. 1 /- per share)**	**110.13**	**110.13**	**110.13**	**110.13**	**110.13**
19	**Reserves excluding revaluation reserves**				**14,869.02**	**12,859.49**
20	**Revaluation Reserves**				**1,520.63**	**1,238.69**
21	**Analytical Ratios**					
	(i) Percentage of Shares held by Govt. of J&K	59.40%	59.40%	59.40%	59.40%	59.40%
	(ii) Capital Adequacy Ratio % (BASEL III)	16.41%	15.04%	16.38%	16.41%	16.38%
	(CET1 Ratio)	13.38%	11.87%	13.00%	13.38%	13.00%
	(TIER1 Ratio)	14.28%	12.80%	14.02%	14.28%	14.02%
	(iii) Earning per Share (EPS) (Rs.)					
	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)	7.25*	5.28*	5.28*	21.42	18.91
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (* not annualized)	7.25*	5.28*	5.28*	21.42	18.91

FOR & ON BEHALF OF THE BOARD

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Place : Srinagar.
Dated: 5th May, 2026

In terms of our report of even date annexed

FOR GUPTA GUPTA & ASSOCIATES LLP
Chartered Accountants
FRN: 001728N/N500321

CA. Akshay Magotra
Partner
M.No. 559146
UDIN: 26559146KEJTSN1434

FOR J C R & CO LLP
Chartered Accountants
FRN: 105270W/W100846

CA. Rakesh Kaushik
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UDIN: 26089562BGVUQG5940

FOR DHAR TIKU & CO
Chartered Accountants
FRN: 003423N

CA. S.K Shah
Partner
M.No. 532394
UDIN: 26532394KRJHIS5927

FOR GUPTA SHARMA & ASSOCIATES
Chartered Accountants
FRN: 001466N

CA. Vinay Saraf
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M.No. 087262
UDIN: 26087262BYPLEB9989

Gupta Sharma & Associates FRN. 001466N Chartered Accountants

Gupta Gupta & Associates LLP Chartered Accountants

JCR & CO. LLP FRN: 105270W / W100846 Chartered Accountants

Dhar Tiku & Co. FRN:003423N Chartered Accountants

J&K Bank

THE JAMMU & KASHMIR BANK LTD.
CORPORATE HEADQUARTERS, M. A. ROAD, SRINAGAR-190001
CIN: L65110JK1938SGC000048

(₹ In Crores)

CONSOLIDATED SEGMENT REPORTING FOR THE QUARTER AND YEAR ENDED 31st MARCH 2026	QUARTER ENDED			YEAR ENDED	
	31.03.2026	31.12.2025	31.03.2025	31.03.2026	31.03.2025
PARTICULARS	(AUDITED)	(REVIEWED)	(AUDITED)	(AUDITED)	(AUDITED)
1) SEGMENT REVENUE (INCOME)					
i) Treasury Operations	822.91	924.05	842.05	3,594.34	3,236.23
ii) Corporate/Wholesale Banking	708.36	716.88	665.57	2,623.39	2,697.54
iii) Retail Banking	2,241.72	2,190.86	2,410.27	9,004.26	9,002.08
(a) Digital Banking	0.04	0.04	0.03	0.17	0.12
(b) Other Retail Banking	2,241.68	2,190.82	2,410.24	9,004.09	9,001.96
iv) Other Banking Business	30.21	24.51	31.82	102.61	106.50
v) Un-Allocated Business	-	-	-	-	-
Total	**3,803.20**	**3,856.30**	**3,949.71**	**15,324.60**	**15,042.35**
Less: Inter Segment Revenue	267.40	260.97	333.12	1,223.21	1,360.78
Net Income from Operations	**3,535.80**	**3,595.33**	**3,616.59**	**14,101.39**	**13,681.57**
2) Segment Results	-	-			
i) Treasury Operations	32.29	85.90	26.78	215.16	148.55
ii) Corporate/Wholesale Banking	475.06	558.79	511.35	1,786.31	1,781.18
iii) Retail Banking	474.92	443.21	600.17	1,892.34	2,321.24
(a) Digital Banking	(0.21)	(0.22)	(0.23)	(0.89)	(0.89)
(b) Other Retail Banking	475.13	443.43	600.40	1,893.23	2,322.13
iv) Other Banking Business	20.66	15.16	31.36	82.35	104.84
v) Un-Allocated Business	(140.61)	(295.86)	(359.98)	(1,012.60)	(1,417.12)
Profit/(Loss) from Ordinary Activities (Before Tax)	**862.32**	**807.20**	**809.68**	**2,963.56**	**2,938.69**
Less: Tax Expenses/(credit)	**63.18**	**219.69**	**224.74**	**596.00**	**852.43**
Less: Extraordinary Profit/(Loss)	-	-	-	-	-
Net Profit/(Loss) before share in profit/(loss) of Associates	**799.14**	**587.51**	**584.94**	**2,367.56**	**2,086.25**
Add/(Less): Share in Profit/(Loss) of Associates	**(0.59)**	**(6.02)**	**(3.02)**	**(8.07)**	**(4.46)**
Net Profit/(Loss) After Tax	**798.55**	**581.49**	**581.92**	**2,359.49**	**2,081.79**
3) Segment Assets					
i) Treasury Operations	54,628.01	53,401.88	53,926.40	54,628.01	53,926.40
ii) Corporate/Wholesale Banking	47,014.22	39,071.08	35,016.82	47,014.22	35,016.82
iii) Retail Banking	87,317.54	84,738.92	80,479.10	87,317.54	80,479.10
(a) Digital Banking	0.32	0.33	0.37	0.32	0.37
(b) Other Retail Banking	87,317.22	84,738.59	80,478.73	87,317.22	80,478.73
iv) Other Banking Business	-	8.01	1.22	-	1.22
v) Un-Allocated Business	-	-	-	-	-
Total:-	**1,88,959.77**	**1,77,219.89**	**1,69,423.54**	**1,88,959.77**	**1,69,423.54**
4) Segment Liabilities					
i) Treasury Operations	2,928.78	3,479.32	1,666.61	2,928.78	1,666.61
ii) Corporate/Wholesale Banking	46,077.67	43,136.05	41,625.80	46,077.67	41,625.80
iii) Retail Banking	1,23,453.53	1,15,109.15	1,11,920.99	1,23,453.53	1,11,920.99
(a) Digital Banking	2.80	2.46	2.14	2.80	2.14
(b) Other Retail Banking	1,23,450.73	1,15,106.69	1,11,918.85	1,23,450.73	1,11,918.85
iv) Other Banking Business	-	4.75	1.83	-	1.83
v) Un-Allocated Business	-	-	-	-	-
Total:-	**1,72,459.98**	**1,61,729.27**	**1,55,215.23**	**1,72,459.98**	**1,55,215.23**
5) Capital Employed					
(Segment assets-Segment Liabilities)					
i) Treasury Operations	51,699.23	49,922.56	52,259.79	51,699.23	52,259.79
ii) Corporate/Wholesale Banking	936.55	(4,064.97)	(6,608.98)	936.55	(6,608.98)
iii) Retail Banking	(36,135.99)	(30,370.23)	(31,441.89)	(36,135.99)	(31,441.89)
(a) Digital Banking	(2.48)	(2.13)	(1.77)	(2.48)	(1.77)
(b) Other Retail Banking	(36,133.51)	(30,368.10)	(31,440.12)	(36,133.51)	(31,440.12)
iv) Other Banking Business	-	3.26	(0.61)	-	(0.61)
v) Un-Allocated Business	-	-	-	-	-
Total :-	**16,499.79**	**15,490.62**	**14,208.31**	**16,499.79**	**14,208.31**

1) Figures of the previous period have been re-grouped/re-classified wherever necessary.

FOR & ON BEHALF OF THE BOARD

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Place : Srinagar.
Dated: 5th May, 2026

In terms of our report of even date annexed

FOR GUPTA GUPTA & ASSOCIATES LLP
Chartered Accountants
FRN: 001728N/N500021

CA. Akshay Magotra
Partner
M.No. 559146
UDIN: 26559146KEJTSN1434

Place : Srinagar.
Dated: 5th May, 2026

FOR J C R & CO LLP
Chartered Accountants
FRN: 105270W/W100846

CA. Rakesh Kaushik
Partner
M.No. 089562
UDIN: 26089562BGVUQG5940

FOR DHAR TIKU & CO
Chartered Accountants
FRN: 003423N

CA. S.K Shah
Partner
M.No. 532394
UDIN:26532394KRJHIS5927

FOR GUPTA SHARMA & ASSOCIATES
Chartered Accountants
FRN: 001466N

CA. Vinay Saraf
Partner
M.No. 087262
UDIN: 26087262BYPLEB9989

J&K Bank

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2026

		YEAR ENDED 31.03.2026 (AUDITED)	YEAR ENDED 31.03.2025 (AUDITED)
		(₹ In Crores)	
A	**CASH FLOW FROM OPERATING ACTIVITIES**	**(1,125.68)**	**2,723.15**
B	**CASH FLOW FROM INVESTING ACTIV ITIES**	**(302.29)**	**(102.10)**
C	**CASH FLOW FROM FINANCING ACTIVITIES**	**(499.93)**	**(1,034.38)**
	NET CHANGE IN CASH AND CASH EQUIVALENTS	**(1,927.90)**	**1,586.67**
D	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR**	**9,783.15**	**8,196.48**
E	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**	**7,855.24**	**9,783.15**
A.	**CASH FLOW FROM OPERATING ACTIVITIES:**		
	Net Profit after Taxes	2,359.50	2,081.79
	Add : Provision for Taxes	596.00	852.43
	Net profit before taxes (i)	**2,955.50**	**2,934.22**
	Adjustment for :		
	Depreciation charges	128.25	168.01
	Provision for NPA's	5.92	29.50
	Provision on Standard Assets	87.33	84.67
	Increase in Reserves on account of fair valuation of investments	(176.36)	170.51
	Depreciation on investment	189.32	(49.02)
	Provision for Non-Performing investment	(42.18)	(90.27)
	Accmulated losses on account of JKGB due to EDB Merger (Effecting directly in Reserves)	(202.47)	-
	Other provisions	(22.46)	(27.81)
	Interest paid on subordinate Bonds (Financing Activities)	263.18	297.67
	Total Adjustment (ii)	**230.53**	**583.26**
	Operating profit before change in Operating assets & liabilities (i) + (ii)	**3,186.03**	**3,517.48**
	Adjustment for changes in Operating Assets & Liabilities		
	Increase / (Decrease) in Deposits	16,790.43	13,788.79
	Increase / (Decrease) in Borrowings	1,048.16	(2.16)
	Increase / (Decrease) in Other liabilities & provisions	(627.80)	(484.35)
	(Increase) / Decrease in investments	777.69	(6,082.19)
	(Increase) / Decrease in Advances	(18,428.62)	(10,422.24)
	(Increase) / Decrease in Other Assets	(3,106.12)	3,138.88
	Net Cash flow from Operating activities (iii)	**(3,546.26)**	**(63.27)**
	Cash generated from operation (i + ii + iii)	**(360.23)**	**3,454.21**
	Less : Tax paid	765.44	731.04
	TOTAL : (A)	**(1,125.67)**	**2,723.17**
B.	**CASH FLOW FROM INVESTING ACTIVITIES :**		
	a) Fixed Assets	(469.37)	(102.10)
	b) Investment in Subsidiary/Sponsored Institution	(143.73)	-
	c) Revaluation Reserve	310.81	
	TOTAL : (B)	**(302)**	**(102.10)**
C.	**CASH FLOW FROM FINANCING ACTIVITIES:**		
	a) Share Capital/Reserve	-	-
	b) Share Application Money	-	-
	b) Share Premium	-	0.05
	c) Tier I & II Bonds	-	(500.00)
	d) Dividend Paid	(236.75)	(236.75)
	e) Interest Paid on Subordinate Debt	(263.18)	(297.67)
	TOTAL :(C)	**(499.93)**	**(1,034.37)**
D.	**CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (1st April)**		
	a) Cash in hand & Balance with R.B.I	7,385.48	7,250.08
	b) Balance with Banks & Money at Call & Short Notice	2,397.67	946.40
	TOTAL :(D)	**9,783.15**	**8,196.48**
E.	**CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR**		
	a) Cash in hand & Balance with R.B.I	7,621.87	7,385.48
	b) Balance with Banks & Money at Call & Short Notice	233.37	2,397.67
	TOTAL :(E)	**7,855.24**	**9,783.15**

For and on behalf of the Board

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Place : Srinagar.
Dated: 5th May, 2026

In terms of our report of even date

FOR GUPTA GUPTA & ASSOCIATES LLP
Chartered Accountants
FRN: 001728N/N500321
CA. Akshay Magotra
Partner
M.No. 559146
UDIN: 26559146KEJTSN1434
Place : Srinagar.
Dated: 5th May, 2026

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J&K Bank

NOTES TO THE STANDALONE & CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2026

1. The above Standalone and Consolidated financial results have been reviewed by the Audit Committee of the Board in the meeting held on 04-05-2026 and approved by the Board of Directors on 05-05-2026.

2. The above standalone and consolidated financial results have been Audited by the Statutory Central Auditors of the Bank in line with the guidelines issued by the Reserve Bank of India and are in compliance with SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015.

3. The Bank has followed, in all material respects, the same significant accounting policies in the preparation of these financial results as those applied in the preparation of the annual financial statements for the year ending March 31, 2025.

4. The Consolidated financial statements of the 'Group' comprise the financial statements of:

S. No.	Name of the Entity	Relation	Proportion of Ownership
1.	The Jammu & Kashmir Bank Ltd	Parent	-
2.	JKB Financial Services Ltd	Subsidiary	100%
3.	Jammu & Kashmir Grameen Bank	Associate	35%

5. The financial results for the Year ended 31st March, 2026 have been arrived after considering provisions for Non-Performing Assets (NPA), Non- Performing Investments (NPI), standard advances, restructured advances, exposures to entities with unhedged foreign currency exposure, taxes on income, depreciation on fixed assets, and other usual and necessary provisions, based on prudential norms, estimates, and specific guidelines issued by Reserve Bank of India.

The provision for NPA includes provisions on NPA covered by CGTMSE, CRGFTLIH, ECGC and NCGTC schemes, as per the Bank's policy. Provisions for employee benefits, viz. pension, gratuity and leave encashment, have been made based on actuarial valuation.

In addition, the Bank has made additional provision on sub-standard accounts (secured & unsecured), Doubtful I (secured), and Doubtful II (secured) categories at 10% over and above the prescribed norms amounting Rs. 125.94 Crores. The additional provision on account of NPA covered by CGTMSE, CRGFTLIH, ECGC and NCGTC is Rs 163.90 crores.

6. Other income includes commission income from non-fund-based Banking activities, exchange and brokerage income, profit/loss on sale of fixed assets, profit/loss (including revaluation) from investments, earnings from foreign exchange, recoveries from accounts previously written off, dividend income, Bank charges, etc.

7. These financial results have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standards issued by the Institute of Chartered Accountants of India and prescribed under section 133 of the Companies Act, 2013, the relevant provisions of the Banking Regulation Act, 1949, the Circulars, Guidelines and Directions issued by the Reserve Bank of India from time to time and other Accounting Principles generally accepted in India, and is in compliance with the presentation and disclosure requirements of the Regulation 33 & Regulation 52 read with Regulation 63(2) of the SEBI (listing obligation and disclosure requirements)

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Regulations, 2015, as amended, including the relevant Circulars issued by SEBI from time to time.

8. Based on the available financial statements and declarations from its borrowers, the Bank has estimated the liability towards unhedged foreign currency exposure to their constituents in terms of RBI (Credit Risk Management) Directions, 2025 issued vide Circular no.DOR.CRE.REC.76/07-02-001/2025-26 dated November 28, 2025 and holds a provision of Rs. 18.23 crore on March 31, 2026.

9. Reserve Bank of India(Commercial Banks: Prudential Norms on Capital Adequacy) Directions, 2025 and Reserve Bank of India(Commercial Banks: Asset Liability Management) Directions, 2025 read together with Reserve Bank of India(Commercial Banks: Presentation and Disclosures) Directions, 2025 require the Bank 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 the Bank's website i.e. https://jkb.bank.in. These disclosures have not been subjected to Audit by the Statutory Central Auditors of the bank.

10. In terms of RBI Letter no. DBR.No.BP.15199/21.04.048/2016-17 dated June 23, 2017 and Letter no. DBR.BP.1908/21.04.048/2017-18 dated August 28, 2017 for the accounts admitted under the provisions of Insolvency & Bankruptcy Code (IBC), the Bank is holding a total provision of Rs. 126.41 crores against the balance outstanding of Rs. 126.41 crores as on 31st March, 2026 in respect of NPA Borrowal accounts reflected in aforesaid circular.

11. Provision coverage ratio as on March 31, 2026 is 90.33% without taking into account the floating provision of Rs. 190.48 Crore held by the Bank as on March 31, 2026 which is part of Tier-II Capital.

12. The Bank has estimated the additional liability on account of revision in family pension for employees as per IBA Joint Note dated November 11, 2020, amounting to Rs. 72.50 crores. However, RBI vide their Circular RBI/2021-22/105 DOR.ACC.REC.57/21.04.018/2021-22 dated 4th October 2021, has permitted Banks to amortize the said additional liability over a period of not exceeding 5 (five) years, beginning with financial year ended 31 March 2022, subject to a minimum of 1/5th of the total amount being expensed every year. Bank has opted the said provision of RBI, charged an amount of Rs. 3.625 crore to the Profit & Loss account for the Quarter ended 31st March 2026, and consequently no un-amortised balance remains to be outstanding as at year end.

13. The Government of India has notified the New Labour Codes with effect from 21st November, 2025. The Actuary appointed by the bank has factored the liability coming out of New Labour Codes, in respect of contract employees eligible for Gratuity amounting to Rs. 0.53 crores.

14. Pursuant to the Accounting Standard-10 (Revised 2016) "Property, plant and equipment" applicable from 1st April 2017, depreciation of Rs 28.87 Crores for the year ended 31st March, 2026 (Previous year Rs 30.03 Crores) on the revalued portion of the fixed assets has been transferred from the Revaluation reserve to General reserve.

15. During the year ended March 31st, 2026, the Bank has identified and reported 25 fresh fraud cases to Reserve Bank of India (RBI). The aggregate amount involved is Rs. 170.18 crores. An amount of Rs. 0.36 crore was revised in 4 fraud cases pertaining to the FY 2024-25 and the current year. Thus, aggregate amount involved is Rs. 170.54 crores, out of which an amount of Rs. 3.22 crores has been recovered. The Bank is holding 100% provision amounting to Rs. 167.32 crores against the net fraud amount involved.

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Gupta Sharma & Associates FRN: 001466N Chartered Accountants

16. During the year ended March 31, 2026, the Reserve Bank of India and other Regulators have levied the following penalties on the Bank:

S. No.	Nature of Penalty	Number of instances	Cumulative Amount (₹)
1.	Penalty imposed by RBI on Currency chests*	57	2,76,631.67
2.	Penalty imposed by RBI on ATM Cash Outs*	19	1,90,000.00
3.	Penalty imposed on Branches*	05	50,000.00
4.	Penalty on non-compliances to Regulatory guidelines**	08	1,33,81,219.75
	Total	89	1,38,97,851.42

*The amount marked with (*) have been recovered from the concerned employees. Out of the penalties mentioned at serial No. 1 & 2 above, 04 instances amounting to ₹0.35 lacs, have been waived/reversed by RBI.

**Out of penalty mentioned at Serial Number 4, an amount of Rs.29,35,313.49 pertaining to 02 instances has been recovered from the vendor M/S Mobileware.

Further, under Serial No. 4, there are 02 instances of GST amounting to ₹4,79,316 wherein the GST authorities have declared Input Tax Credit (ITC) availed on invoices of M/S TRIG Detective P Ltd. as ineligible due to retrospective cancellation of their Uttarakhand GST Registration. The Finance Vertical has filed an appeal in this regard.

17. The number of investor complaints during the year ended March 31st, 2026 are as under:

No. of complaints pending at the beginning of the financial year	No. of complaints received during the financial year	No. of complaints redressed during the financial year	No. of complaints pending at the end of the financial year
0	164	164	0

18. In terms of RBI Guidelines DBOD No. BP. BC 28/21.04.141/2009-10 dated August 4, 2009 and DBOD No. BP.BC.57/62-88 dated December 31, 1988, and Reserve Bank of India (Commercial Banks – Transfer and Distribution of Credit Risk) Directions, 2025 dated 28th November, 2025, the Bank has not participated in Inter Bank Participation Certificates (IBPC) for the quarter and year ended March 31st, 2026.

19. Disclosure under RBI Circular FIDD.CO.Plan.BC.23/04.09.01/2015-16 dated April 7, 2016 and Reserve Bank of India Circular DOR.ACC.REC.No.86/21.04.018/2025-26 dated November 28, 2025 (Commercial Banks-Financial Statements: Presentation and Disclosures) Directions, 2025 on Sale & Purchase of Priority Sector Lending Certificates (PSLCs)

DETAILS OF PRIORITY SECTOR LENDING CERTIFICATES PURCHASED DURING FY 2025-26 TO AUGMENT PSL ACHIEVEMENTS		
Type of PSLCs	No. of Units (Unit of Rs. 25 Lacs)	Currency face Value in Rs crores
Marginal & Small Farmers	10000	2500.00
DETAILS OF PRIORITY SECTOR LENDING CERTIFICATES SOLD DURING FY 2025-26 TO AUGMENT PSL ACHIEVEMENTS		
Type of PSLCs	No. of Units (Unit of Rs. 25 Lacs)	Currency face Value in Rs crores
NIL		

Gupta & Associates LLP Chartered Accountants

JCR & CO. LLP FRN: 105270W / W100846 CHARTERED ACCOUNTANTS

DHAR TIKU & CO. FRN:003423N Chartered Accountants

GUPTA SHARMA & ASSOCIATES FRN: 001466N Chartered Accountants

20. In terms of RBI Circular DOR.STR.REC.84/29.04.048/2025-26 dated 28th November, 2025 Reserve Bank of India (Commercial Bank) - Resolution of Stressed Assets, Directions, 2025 the detail for further provisions for the quarter and year ended March 31st, 2026 is detailed below:

Amount of loans impacted by RBI Circular (a)	Amount Of loans to be classified as NPA (b)	Amount of loans as on 31.03.2026 out of (b) classified as NPA (c)	Additional provision required for Loans covered under RBI Circular (d)	Provision held as on 31.03.2026 (e)
NIL				

21. I) Details of loans transferred/acquired during the year ended March 31,2026 in accordance with Reserve Bank of India (Commercial Banks-Transfer and Distribution of Credit Risk) Directions, 2025 and Reserve Bank of India (Commercial Banks-Financial Statements: Presentation and Disclosures) Directions, 2025.

Details of stressed loans transferred during the period 01.04.2025 to 31.03.2026 in respect of loans classified SMA is tabulated hereunder:

(all amounts in ₹ crore)	To Asset Reconstruction Companies (ARCs)	To permitted transferees	To other transferees
No: of accounts	NIL	NIL	NIL
Aggregate principal outstanding of loans transferred			
Weighted average residual tenor of the loans transferred			
Net book value of loans transferred (at the time of transfer)			
Aggregate consideration			
Additional consideration realised in respect of accounts transferred in earlier years			

Details of stressed loans acquired during the period 01.04.2025 to 31.03.2026 in respect of loans classified as NPA and SMA are tabulated hereunder:

(all amounts in ₹ crore)	From SCBs, RRBs, Co-operative Banks, AIFIs, SFBs and NBFCs including Housing Finance Companies (HFCs)	From ARCs
Aggregate principal outstanding of loans acquired	NIL	
Aggregate consideration paid		
Weighted average residual tenor of loans acquired		

II) NPA Accounts transferred during the period 01.04.2025 to 31.03.2026:

The details of the Non-Performing Assets transferred during the period 01.04.2025 to 31.03.2026 are given below:

Particulars	Current Year FY 2025-26			Previous year FY 2024-25		
(all amounts in crore)	To Asset Reconstruction Companies (ARCs)	To Permitted transferees	To other transferees (NARCL)	To Asset Reconstruction Companies (ARCs)	To Permitted transferees	To other transferees (NARCL)
No of Accounts	0	X	1	0	X	1
Aggregate principal outstanding of loans transferred	0	X	50.06	0	X	115.27
Weighted average residual tenor of the loans transferred	0	X	7	0	X	12
Net book value of loans transferred (at the time of transfer)	0	X	0	0	X	0
Aggregate consideration	0	X	30.61	0	X	125.04
Additional consideration realized in respect of Accounts transferred in earlier years	0	X	0	0	X	0

Provision amounting to Rs.50.06 Crore on sale of NPAs to Securitization Company (SC)/Reconstruction Company (RC) has been accounted for in the Profit & Loss Account.

22. Distribution of the Security Receipts (SRs) held across the various categories of Recovery Ratings assigned to such SRs by the credit rating agencies as on March 31, 2026. (Amount in Rs crore)

Recovery Rating Band	Book Value as on 31.03.2026	Book Value as on 31.03.2025
RR1+	0.00	13.39
RR1	212.48	80.18
RR3	0.00	0.00
RR4	0.00	0.00
NA	13.72	120.97
Rating not assigned	0.00	0.00
Total	226.20	214.54

23. During the year ended 31st March 2026, the following incomes earned (under the head Miscellaneous Income) was more than 1% of the Total income:

S. No.	Income category	Amount (Rs. in crore)
1.	Income on Card Business	163.27
2.	Release from Provisioning (Technical Write off)	224.15

24. Other Assets:

The following items under the head 'Others' in Schedule 11- Other Assets exceed 1% of the total assets:

S. No.	Particulars	Amount (Rs. in crore)
1.	Investment in NABARD Refinance	3503.7525
2.	Investment in RIDF Refinance	3087.6931
3.	Investment in SIDBI Refinance	5037.1943

25. a. The investment of the Bank (Sponsor) in its Associate, i.e. Jammu & Kashmir Grameen Bank after amalgamation of J&K Grameen Bank and Ellaquai Dehati Bank (EDB) with effect from 1st May, 2025, vide Ministry of Finance (Department of Financial Services) Notification no. S.O. 1625(E) dated 5th April, 2025 published in the Gazette of India (CG-DL-E-07042025-262329) no. 1604 on 7th April 2025 stood at Rs. 345.92 crores, which represents 35% of the total Share Capital of the new amalgamated entity, i.e. Jammu & Kashmir Grameen Bank. This amount takes into account the payment of Rs. 139.62 crores at face value of Rs. 10 per share to State bank of India for transfer of their shareholding in the erstwhile EDB.

b. The bank's Investment in Jammu & Kashmir Grameen Bank has been subjected to valuation by an independent registered valuer as provided under RBI (Commercial bank- Classification, Valuation and Operation of Investment Portfolio) Directions, 2025. An impairment amounting to Rs. 228.66 crores has been provided for by recognising it as an expense in the profit and loss account.

26. In terms of Reserve Bank of India(Commercial Banks – Classification, Valuation, and Operation of Investment Portfolio) Directions, 2025, the Bank is required to maintain Investment Fluctuation Reserve (IFR) at least at 2 % of its Available For Sale (AFS) and Fair Value Through Profit or Loss (FVTPL including Held For Trading - HFT) Portfolio. The total IFR as at March 31st, 2026 stood at Rs. 263.64 crore.

27. There are no Pension dues from Government of UT of J&K as at 31.03.2026.

28. The Bank has implemented a special Rehabilitation package on September 06, 2025 which has been completed by on or before December 31, 2025 in UT J&K & January 31, 2026 in UT Ladakh. The Rehabilitation package has been in line with Master Direction- Reserve bank of India FIDD.CO.FSD.BC.No.10/05.10.001/ 2018-19 (Relief measures by Banks in Areas Affected by Natural Calamities) Directions 2018 dated October 17, 2018.

Details of "REHABILITATION PACKAGE-2025 FOR BORROWERS HIT BY DISTURBANCES IN J&K FOR Q-4 OF FY 2025-26"

(Number of Actual, Amt.in Crores)

	STANDARD			NPA			TOTAL		
PARTICULARS	NUMBER OF A/CS	BOS	PROVISIONS	NUMBER OF A/CS	BOS	PROVISIONS	NUMBER OF A/CS	BOS	PROVISIONS
REHABILITATED A/CS #	11202	1271.40	62.21	22	2.21	0.59	11224	1273.61	62.80
ADDITIONAL FINANCE	1829	102.39	5.12	7	0.16	0.04	1836	102.55	5.16
FITL	2720	32.08	0.00	6	0.02	0.00	2726	32.10	0.00
Grand Total	**15751**	**1405.87**	**67.33**	**35**	**2.39**	**0.63**	**15786**	**1408.26**	**67.96**

One Rehabilitated Account of Rs.36.77Crores is 100% provided for separately. Further, Accounts Rehabilitation under the package have been provided for with 5% general provision as applicable to restructured advances.

29. The Bank has initiated the process of capturing the data relating to enterprises which have been providing goods and services to the entities, falling within the purview of Micro, Small and Medium Enterprises Development Act, 2006, in the accounting system. Pending the system augmentation, the disclosure in respect of the amount payable to such Micro and Small Enterprises as at March 31, 2026 has not been made in the financial statements. In the opinion of the management of Bank, the impact of interest, if any, that may be payable in accordance with provisions of the Act, is not expected to be material.

30. In terms of Reserve bank of India (Commercial Bank- Transfer and distribution of Credit Risk) directions, 2025, necessary details of Co-Lending Arrangements (CLAs) on an aggregate basis are as under:

(Amount in₹ crores)

S. No	Particulars	As of March 31, 2026
1	Number of CLA partners	02
2	Quantum of CLA	8.40
3	Weighted average ROI	10.30%
4	Servicing fee	0.10% of loan amount
5	Broad Sectors	Gold Loan and Housing Finance
6	Performance of loans under CLA	Satisfactory
7	Details of Default Loss Guarantee	Not provided by any partner

31. Disclosure related to Project Finance

As per the Reserve Bank of India (Commercial Banks - Financial Statements: Presentation and Disclosures) Directions, 2025 issued vide their reference number. RBI/DOR/2025-26/167/DOR.ACC.REC.NO.86/21.04.018/2025-26 on November 28, 2025, the disclosure related to project Finance is as under:

Sl. No	Item Description	Number of accounts	Total outstanding (in ₹ crore)
1	Projects under implementation accounts at the beginning of the quarter.	36	1625.00
2	Projects under implementation accounts sanctioned during the quarter.	4	9.70
3	Projects under implementation accounts where DCCO has been achieved during the quarter	8	305.40
4	Projects under implementation accounts at the end of the quarter. (1+2-3)	32	1329.30
5	Out of '4' – accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked.	2	8.14
5.1	Out of '5' – accounts in respect of which Resolution plan has been implemented.	1	7.14
5.2	Out of '5' – accounts in respect of which Resolution plan is under implementation.	1	1.00
5.3	Out of '5' – accounts in respect of which Resolution plan has failed.	NIL	NIL

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Sl. No	Item Description	Number of accounts	Total outstanding (in ₹ crore)
6	Out of '5', accounts in respect of which resolution process involving extension in original / extended DCCO, as the case may be, has been invoked due to change in scope and size of the project.	NIL	NIL
7	Out of '5', account in respect of which cost overrun associated with extension in original / extended DCCO, as the case may be, was funded	NIL	NIL
7.1	Out of '7', accounts where SBCF was sanctioned during financial closure and renewed continuously	NIL	NIL
7.2	Out of '7', accounts where SBCF was not pre- sanctioned or renewed continuously	NIL	NIL
8	Out of '4' – accounts in respect of which resolution process not involving extension in original / extended DCCO, as the case may be, has been invoked.	NIL	NIL
8.1	Out of '8' – accounts in respect of which Resolution plan has been implemented.	NIL	NIL
8.2	Out of '8' – accounts in respect of which Resolution plan is under implementation.	NIL	NIL
8.3	Out of '8' – accounts in respect of which Resolution plan has failed.	NIL	NIL

32. Details of resolution plan implemented under the Resolution Framework for COVID 19 related stress as per RBI Circular dated August 06, 2020 (Resolution Framework 1.0) and May 05, 2021 (Resolution Framework 2.0) and to be disclosed as per RBI (Commercial banks- Financial Statements: Presentation and disclosure) Directions, 2025 - as at March 31, 2026 are given below:

Amount in Rs. Crores

Type of borrower	Exposure to accounts classified as Standard consequent to implementation of resolution plan – Position as at the end of the previous half-year i.e September 30, 2025 (A)	Of (A), aggregate debt that slipped into NPA during the half- year ended March 31, 2026	Of (A) amount written off during the half-year	Of (A) amount paid by the borrowers during the half year	Exposure to accounts classified as standard consequent to implementation of resolution plan – Position as at the end of this half-year i.e. March 31, 2026
Personal Loans	34.72	0.00	0.00	1.05	33.67
Corporate Persons*	137.87	0.00	0.00	75.95	61.92
Of which MSMEs	67.06	0.00	0.00	60.07	6.99
Others	84.26	1.62	0.00	7.57	75.07
Total	**256.85**	**1.62**	**0.00**	**84.57**	**170.66**

* As defined in Section 3(7) of the Insolvency and Bankruptcy Code, 2016

33. Details of Related Party transactions for the HY (01.10.2025 to 31.03.2026)

Rs. In Crores

Details of the counterparty			Type of related party transaction	Details of other related party transaction	Value of the transaction during reporting period
Name	PAN	Relationship of the counter party with the listed entity or its subsidiary			
JKB Financial Services Ltd	AAACJ1029M	100% Subsidiary	Interest Paid		0.40
JKB Financial Services Ltd	AAACJ1029M	100% Subsidiary	Interest Received		0.25
JKB Financial Services Ltd	AAACJ1029M	100% Subsidiary	Any other transaction	Reimbursement of Revenue Expenditure	0.20
JKB Financial Services Ltd	AAACJ1029M	100% Subsidiary	Any other transaction	Outstanding with subsidiary	0.04
Jammu and Kashmir Grameen Bank	AAAAJ7859H	Associate	Interest Paid	kept in the shape of Fixed Deposit	65.85
Jammu and Kashmir Grameen Bank	AAAAJ7859H	Associate	Interest received	Secured Overdraft Facility (SOD)	0.53
Jammu and Kashmir Grameen Bank	AAAAJ7859H	Associate	Any other transaction	I T Support services (Provision)	0.65
Mr. Amitava Chatterjee	ADGPC0424R	MD & CEO	Remuneration		0.90**
Mr. Baldev Prakash	AAQPP0237N	Ex MD & CEO	Payments of varial pay pertaining to previous FYs		0.36*
Mr. Sudhir Gupta	ABYPG7709D	Executive Director	Remuneration		0.50**
Mr. Pratik D Punjabi	AQPPP5045M	Ex CFO	Payments of varial pay pertaining to previous FYs		0.11*
Mr. Ketan Kumar Joshi	ACWPJ7559H	CFO	Remuneration		0.23
Mr. Mohammad Shafi Mir	ALKPM5652R	Company secretary	Remuneration		0.17
Total					70.19

* This said amount is the variable pay of previous FYs due and paid in FY 2025-26

** This amount includes salary of FY 2025-26 & the Variable pay of previous FYs due and paid in FY 2025-26.

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34. Consequent to the final comments of the Comptroller & Auditor General of India (C&AG) for the financial year ended 31st March 2025, the Bank has affected a prior period appropriation of Rs. 23.94 Crores by transferring the said amount from General Reserve to Statutory Reserve to take care of the prior period appropriation of Rs 95.76 crore from Revaluation Reserve to General Reserve pertaining to the financial years 2017-18 to 2022-23.

35. Central GST Commissionerate, Jammu has raised a demand of GST Liability amounting to Rs.200.20 crores in addition to previous year figure of Rs. 8130.66 crores for the period 2019-20 to 2023-24 u/s 74(1) of CGST act-2017 and UTGST/JKGST Act -2017 read with section 20 of IGST Act-2017 to be paid along with interest U/s 50(1) of the CGST Act- 2017 and UTGST/JKGST Act -2017 read with section 20 of IGST Act-2017. An equivalent demand of penalty has also been raised. The Bank is taking legal measures by filing a Writ Petition before the Hon'ble High Court of J&K and Ladakh in line with earlier such cases, to effectively contest the demand, as the Hon'ble High Court previously granted a stay in a similar matter, and Bank expects positive outcome. Demand has been raised treating transfer price interest transactions between Branches and Corporate Headquarters as taxable, which are not taxable and as such the demand has been raised on futile grounds hence infructuous.

36. Under the Ladli Beti Scheme, which is a flagship scheme of Govt. of UT of J&K to provide financial security to the girl child from lower income backgrounds, a recurring monthly contribution is made by the government into the beneficiaries' accounts. The bank has been crediting the interest to beneficiaries' accounts on a value dated basis by corresponding debit as an Interest expense. The bank has recovered prior period interest from government for the period 01.04.2016 to 31.03.2025 amounting to Rs. 131.72 crores in addition to interim amount of Rs. 18.28 crores out of the total recoverable amount of Rs 64.36 crores for current year. The bank has booked the balance amount of Rs. 46.08 crores against this expense as Recoverable from Government.

37. Pursuant to section 135 of the Companies Act 2013, Specified companies covered under section 135(1) of the Companies Act 2013 are required to spend at least 2% of the average net profits made during the three immediately preceding financial years in pursuance of their Corporate Social Responsibility Policy. Accordingly, amount spent towards CSR during the year and recognized as expense in the profit and loss account on CSR related activities is Rs. 45.66 crore, including the amount of Rs. 24.35 crore pertaining to ongoing projects provided in the books of accounts. Out of Rs 24.35 crore, an amount of Rs. 1.05 crore was spent towards ongoing projects upto 24th April 2026 and the remaining amount of Rs. 23.30 crore was transferred to J&K Bank's "Unspent CSR JK Bank FY 2025-26" on 24th April 2026 to be utilized towards ongoing project/program(s) in line with the provisions of the companies (Corporate Social responsibility Policy) Amendment rules, 2021.

38. As no dividend has been proposed for the year, the requirement under section 15(1) of the Banking Regulation Act, 1949 relating to write-off of intangible assets does not arise. Accordingly, the Bank has not written off the entire carrying value of intangible assets. The said intangible assets are being amortised in accordance with the Bank's accounting policy on a straight-line basis at the rate of 33.33%.

39. Bank has recognized Deferred Tax Asset (DTA) on the excess provision for bad and doubtful debts over and above the limit prescribed under section36(1)(viia) of the Income Tax Act, 1961. This recognition is based on the presumption that in future the write-off of bad and doubtful debts will be adjusted against such provision in compliance with Section 36(2)(v) read with Section 36(1)(vii) of the Income Tax Act, 1961.

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J&K Bank

40. The figures of the last quarter of each financial year represent the balancing figures between the audited figures for the full financial year and the published year-to-date figures up to the end of the third quarter of the respective financial year.

41. Figures of the previous period have been rearranged/regrouped/reclassified, wherever necessary, to conform current year period's classification.

For and on behalf of Board of Directors

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

M/s Gupta Gupta & Associates LLP Chartered Accountants FRN: 001728N/N500321	M/s JCR & Co. LLP Chartered Accountants FRN: 105270W/W100846	M/s Dhar Tiku & Co. Chartered Accountants FRN: 003423N	M/s Gupta Sharma & Associates Chartered Accountants FRN: 001466 N
(CA Akshay Magotra) Partner M. No. 559146	(CA Rakesh Kaushik) Partner M. No. 089562	(CA S.K.Shah) Partner M. No. 532394	(CA Vinay Saraf) Partner M. No. 087262

Place: Srinagar
Date: 05-05-2026

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Chief Financial Officer

J&K Bank

Date: 05th May, 2026

National Stock Exchange of India Limited
Exchange Plaza 5th Floor
Plot No. C/1 G-Block
Bandra Kurla Complex
Bandra (E) Mumbai – 400 051
Symbol: J&KBANK

The BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Scrip Code: 532209

SUB:- DECLARATION OF UNMODIFIED OPINION

Dear Sir's,

Pursuant to Regulation 33, 52 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, it is declared that the Auditor's Report on the Audited Financial Statements of the Bank (Standalone and Consolidated) for the quarter and Financial Year ended 31st March, 2026, as approved by Bank's Board of Directors in their meeting on 05th May, 2026 are with Unmodified Opinion.

Yours faithfully
For Jammu and Kashmir Bank Limited

J&K Bank
Chief Financial Officer

(Ketan Kumar Joshi)
Chief Financial Officer

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF 'THE JAMMU & KASHMIR BANK LIMITED' FOR THE YEAR ENDED ON 31 MARCH 2026

The preparation of financial statements of **'The Jammu & Kashmir Bank Limited'** (Bank) for the year ended on **31 March 2026** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Bank. The Statutory Auditors appointed by the Comptroller & Auditor General of India under Section 139(5) of the Companies Act, 2013 are responsible for expressing opinion on these financial statements under Section 143 of the Companies Act, 2013 based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 5 May 2026.

I, on the behalf of the Comptroller & Auditor General of India, have conducted a supplementary audit of the financial statements of **'The Jammu & Kashmir Bank Limited'** for the year ended on **31 March 2026** under Section 143(6)(a) of the Act. The supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Bank personnel and a selective examination of some of accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act, which have come to my attention and which, in my view, are necessary for enabling a better understanding of the financial statements and the related Audit Report:

A. Comments on Financial Position

A.1 Assets

Balance with Banks and Money at Call and Short Notice (Schedule 7): ₹ 203.93 crore
Outside India: ₹176.85 crore

Above includes 11 Nostro Accounts of the Bank in foreign banks with balance of ₹87.36 crore as on 31 March 2026. As per Bank's records, there were corresponding 20 Mirror Accounts with balance of ₹36.26 crore as on 31 March 2026, leading to a variation of ₹51.10 crore. However, despite the above variation, the reconciliation statement was not prepared.

B. Comments on Cash Flow

Cash Flow Statement
Cash Flow from Investing Activities-(₹ 302.24 crore)

The above has been arrived at after considering the gross increase (₹ 469.33 crore) in the value of fixed assets (purchases: ₹ 158.52 crore *plus* increase due to revaluation: ₹ 310.81 crore) as 'cash outflow' and netting off the same to the extent of increase in 'Revaluation Reserve' (₹ 310.81 crore) by treating this increase as 'cash inflow'. Since the increase in revaluation reserve is a 'non-cash item', the same should not have been shown in the Cash Flow Statement in terms of Accounting Standard-3.

Thus, to derive the 'cash flow from investing activities' while preparing the 'cash flow statements', the net outflow of cash on purchase of fixed assets (₹ 158.52 crore) should only be considered.

C. Comments on Disclosure

Principal Accounting policies (Schedule 17)
D.3: Advances

1. The Bank has not disclosed its accounting policy with regard to additional provisioning towards balance outstanding in respect of advances covered by any existing or future schemes/guarantees launched by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and National Credit Guarantee Trustee Company (NCGTC). Despite the issue being pointed out by way of CAG's comments on the financial statements of the Bank for the year 2024-25, no corrective action was taken by the Bank.

Notes on Standalone Accounts (Schedule 18)
Note 15-Disclosure Requirements as per the Accounting Standards
AS-22 'Accounting for taxes on Income' – Deferred Tax (Note no. 15 (h)(b)

2. During 2025-26, the Bank adopted the Board approved (5 May 2026) Policy on recognition of Deferred Tax Assets (DTA) on the provision for doubtful debts. Accordingly, the Bank started recognising DTA on actual disallowance (100 *per cent*) of the provision for doubtful debts by the Income Tax Department instead of recognizing the same at 50 *per cent* of the disallowed portion of the provision for doubtful debts, as per the past practice. Due to the adoption of new accounting policy, DTA of the Bank has increased from ₹ 69.96 crore to ₹188.69 crore resulting in a net impact of ₹118.73 crore on profitability for the current year, which has not been disclosed in the Notes to Accounts-18 contrary to the requirement of AS-1.

Further, the new Accounting Policy adopted by the Bank during 2025-26 as mentioned above, has also not been disclosed under 'Standalone Schedule 17-Principal Accounting Policies', as required under Accounting Standard 1.

D. Other Comments

As per Section 394 read with provisions of Section 395 of the Companies Act, 2013, the Annual Report on the working and affairs of the Company, is required to be prepared within three months of the Annual General Meeting before which the comments of the CAG and the audit report is placed and as soon as after such preparation, be laid before both Houses of Parliament and the State Legislature together with the audit report and the comments of the CAG thereon.

Though the Bank forwarded (September 2025) its Annual Report for FY 2024-25 to the Finance Department, Government of Jammu & Kashmir for placement before the UT Legislature, the same was not forwarded to UT of Ladakh for its placement before the Parliament in terms of section 394 of the Companies Act as the Government of India is also member of the Bank through UT of Ladakh (shareholding of 4.16 *per cent*).

Further, Annual Report of the Bank for the year 2024-25 was neither placed before Parliament nor the UT Legislature in violation of section 394 and 395 of the Companies Act, 2013.

For and on the behalf of the
Comptroller & Auditor General of India

Date: 19 August 2026
Place: Srinagar

Principal Accountant General (Audit)
Jammu and Kashmir

COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE CONSOLIDATED FINANCIAL STATEMENTS OF 'THE JAMMU & KASHMIR BANK LIMITED' FOR THE YEAR ENDED ON 31 MARCH 2026

The preparation of consolidated financial statements of **The Jammu & Kashmir Bank Limited** (Bank) for the year ended on **31 March 2026** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the Management of the Bank. The Statutory Auditors appointed by the Comptroller & Auditor General of India under Section 139(5) read with Section 129 (4) of the Act are responsible for expressing opinion on these financial statements under Section 143 read with Section 129 (4) of the Act based on independent audit in accordance with the Standards on Auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 5 May 2026.

I, on the behalf of the Comptroller & Auditor General of India, have conducted a supplementary audit of the consolidated financial statements **The Jammu & Kashmir Bank Limited** for the year ended on **31 March 2026** under Section 143(6)(a) read with Section 129 (4) of the Act. We conducted a supplementary audit of the financial statements of **The Jammu & Kashmir Bank Limited (**Parent company). The supplementary audit of the financial statements of *JKB Financial Services Limited* (Subsidiary) for the year ended on 31 March 2026 was conducted as the financial statements of the Subsidiary Company were audited by the Statutory Auditors appointed by the C&AG of India. Further, section 139 (5) and 143 (6)(b) of the Act are not applicable to *J&K Grameen Bank* (Associate Bank) for appointment of their statutory auditors and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the statutory auditors nor conducted the supplementary audit of the Associate Bank. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Bank personnel and a selective examination of some of accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) read with section 129 (4) of the Act, which have come to my attention and which, in my view, are necessary for enabling a better understanding of the financial statements and the related Audit Report:

A. Comments on Financial Position

Balance Sheet
Assets
Balance with Banks and Money at Call and Short Notice (Schedule 7): ₹233.37 crore
Outside India: ₹ 176.86 crore

Above includes 11 Nostro Accounts of the Bank in foreign banks with balance of ₹87.36 crore as on 31 March 2026. As per Bank's records, there were corresponding 20 Mirror Accounts with balance of ₹36.26 crore as on 31 March 2026, leading to a variation of ₹51.10 crore. However, despite the above variation, the reconciliation statement was not prepared.

B. Comments on Cash Flow

Cash Flow Statement

Cash Flow from Investing Activities-(₹ 302.29 crore)

The above has been arrived at after considering the gross increase (₹ 469.37 crore) in the value of fixed assets (purchases: ₹ 158.56 crore *plus* increase due to revaluation: ₹ 310.81 crore) as 'cash outflow' and netting off the same to the extent of increase in 'Revaluation Reserve' (₹ 310.81 crore) by treating this increase as 'cash inflow'. Since the increase in revaluation reserve is a 'non-cash item', the same should not have been shown in the Cash Flow Statement in terms of Accounting Standard-3.

Thus, to derive the 'cash flow from investing activities' while preparing the 'cash flow statements', the net outflow of cash on purchase of fixed assets (₹ 158.56 crore) should only be considered.

C. Comments on Disclosure

Principal Accounting policies (Consolidated Schedule 17)
D.3 Advances

1. The Bank has not disclosed its accounting policy with regard to additional provisioning towards balance outstanding in respect of advances covered by any existing or future schemes/guarantees launched by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and National Credit Guarantee Trustee Company (NCGTC). Despite the issue being pointed out by way of CAG's comments on the financial statements of the Bank for the year 2024-25, no corrective action was taken by the Bank.

Notes on Consolidated Accounts (Schedule 18)
Note 15-Disclosure Requirements as per the Accounting Standards
AS-22-Accounting for taxes on Income Deferred Tax (Note 15 (h) (b)

2. During 2025-26, the Bank adopted the Board approved (5 May 2026) Policy on recognition of Deferred Tax Assets (DTA) on the provision for doubtful debts. Accordingly, the Bank started recognising DTA on actual disallowance (100 *per cent*) of the provision for doubtful debts by the Income Tax Department instead of recognising the same at 50 *per cent* of the disallowed portion of the provision for doubtful debts, as per the past practice. Due to the adoption of new accounting policy, DTA of the Bank has increased from ₹ 69.96 crore to ₹ 188.70 crore resulting into a net impact of ₹ 118.74 crore on profitability for the current year, which has not been disclosed in the Notes to Accounts-18 contrary to the requirement of AS-1.

Further, the new Accounting Policy adopted by the bank during 2025-26 as mentioned above, has also not been disclosed under 'Consolidated Schedule 17-Principal Accounting Policies', as required under Accounting Standard 1.

D. Other Comments

As per Section 394 read with provisions of Section 395 of the Companies Act, 2013, the Annual Report on the working and affairs of the Company, is required to be prepared within three months of the Annual General Meeting before which the comments of the CAG and the audit report is placed and as soon as after such preparation, be laid before both Houses of Parliament and the State Legislature together with the audit report and the comments of the CAG thereon.

Though the Bank forwarded (September 2025) its Annual Report for FY 2024-25 to the Finance Department, Government of Jammu & Kashmir for placement before the UT Legislature, the same was not forwarded to UT of Ladakh for its placement before the Parliament in terms of section 394 of the Companies Act as the Government of India is also member of the Bank through UT of Ladakh (shareholding of 4.16 *per cent*).

Further, Annual Report of the Bank for the year 2024-25 was neither placed before the Parliament nor the UT Legislature in violation of section 394 and 395 of the Companies Act, 2013.

For and on the behalf of the
Comptroller & Auditor General of India

Date: 19 August 2026
Place: Srinagar

Principal Accountant General (Audit)
Jammu and Kashmir

Comments of C&AG

The Comptroller and Auditor General of India has issued Comments under Section 143 (6) of the Companies Act, 2013 on the Standalone and Consolidated Financial Statements of the Bank for the year ended March 31, 2026 a

The Bank's replies to the comments are furnished below

ON THE STANDALONE FINANCIAL STATEMENTS

S. No.	CAG Comments	Auditors'/Banks' Remarks
1	**Comments on Financial Position** **Balance with Banks and Money at Call and Short Notice (Schedule 7): ₹203.93 crore** **Outside India: ₹176.85 crore** Above includes 11 Nostro Accounts of the Bank in foreign banks with balance of ₹87.36 crore as on March 31, 2026. As per Bank's records, there were corresponding 20 Mirror Accounts with balance of ₹36.26 crore as on March 31, 2026, leading to a variation of ₹51.10 crore. However, despite the above variation, the reconciliation statement was not prepared.	The Bank receives Nostro account statements from its correspondent banks on a T+1 basis due to differences in global time zones and settlement cycles. Accordingly, the balances in the corresponding mirror accounts maintained in the Bank's Core Banking System (CBS-Finacle) are updated on the next business day by uploading the Nostro statements received from the correspondent banks. Bank undertakes reconciliation process on daily basis and the statement of unreconciled entries as on March 31, 2026 has been drawn and the pending entries are being followed up on an ongoing basis as per the extant guidelines of the Bank. Details of the pending entries are being placed to the ACB for review on quarterly basis. Majority of credits appearing in the Nostro accounts relate to inward remittances or other receipts on behalf of the Bank's customers. Such credits are recognized in the mirror accounts only after the corresponding Nostro statement is received and the transactions are processed by Treasury Operations. Consequently, customer accounts are credited on a T+1 basis. Conversely, in the case of outward remittances, the Bank records the transaction in its books on the date of payment by crediting the mirror account and simultaneously debiting the Nostro account. Owing to these differences in the timing of accounting entries, the balances appearing in the Nostro accounts maintained by correspondent banks and the corresponding mirror accounts maintained in the Bank's CBS do not necessarily match at the close of business on any particular day. The audit observation states that the balance under "Balances with Banks in Current Accounts outside India" disclosed under Schedule 7 amounts to ₹87.36 crore. This does not represent the balance disclosed in the Bank's books of account. As on March 31, 2026, the position is as follows: • The balance of ₹87.36 crore represents the INR equivalent of the foreign currency balances appearing in the Nostro account statements received from the correspondent banks, translated at the applicable FEDAI closing exchange rates as on March 31, 2026. The statement was received on 02.04.2026 and was updated in the system on 02.04.2026 only. • The balance of ₹36.26 crore represents the corresponding balances in the mirror accounts maintained in the Bank's CBS (Finacle), translated using the same FEDAI closing exchange rates. • The mirror accounts maintained in the CBS constitute the Bank's General Ledger and books of account and, therefore, form the basis for preparation of the financial statements and disclosure under Schedule 7 of the Balance Sheet and not from the external correspondent bank statements. Accordingly, the balance of ₹36.26 crore disclosed under Schedule 7 correctly represents the Bank's balances with banks outside India as recorded in its books of account as on March 31, 2026. The difference between the Nostro statement balances and the mirror account balances arises solely due to timing differences resulting from differences in international time zones / settlement cycles. Transactions reflected by correspondent banks after the close of business in India are accounted for in the mirror accounts on the following business day (T+1) upon receipt and processing of the relevant Nostro statements as per the Bank's established accounting process. Such timing differences are temporary in nature, constitute part of the normal settlement mechanism for cross-border foreign exchange transactions and are regularly identified and cleared through the Bank's daily Nostro reconciliation process. Further the daily Nostro reconciliation process is independently reviewed, and all outstanding entries are monitored through exception reports with prescribed ageing limits.

S. No.	CAG Comments	Auditors'/Banks' Remarks
		Accordingly, the difference does not represent unreconciled items, accounting deficiencies or loss of funds, but merely reflects the distinction between: • The balances appearing in the books of the correspondent banks (Nostro statements), and • The balances recorded in the Bank's own books of account (mirror accounts) as at the reporting date. Therefore, the amount disclosed under Schedule 7 appropriately reflects the balances as per the Bank's books of account and presents a true and fair view of the Bank's financial position as on March 31, 2026.
2	**Comments on Cash Flow** **Cash Flow Statement** **Cash Flow from Investing Activities-(₹302.24 crore)** The above has been arrived at after considering the gross increase (₹469.33 crore) in the value of fixed assets (purchases: ₹158.52 crore plus increase due to revaluation: ₹310.81 crore) as 'cash outflow' and netting off the same to the extent of increase in 'Revaluation Reserve' (₹310.81 crore) by treating this increase as 'cash inflow'. Since the increase in revaluation reserve is a 'non-cash item', the same should not have been shown in the Cash Flow Statement in terms of Accounting Standard-3. Thus, to derive the 'cash flow from investing activities' while preparing the 'cash flow statements', the net outflow of cash on purchase of fixed assets (₹158.52 crore) should only be considered.	During the year, the Bank reported a net movement in Fixed Assets of ₹469.33 crore, which included a non-cash increase of ₹310.81 crore arising from the revaluation of assets. To provide transparent disclosure of this material non-cash transaction, the Bank separately disclosed the subsequent net increase in the revaluation reserve and showed the resultant cash movement in total. This presentation in the Cash Flow Statement was intended to isolate the impact of the revaluation, ensuring that only actual cash outflows for acquiring fixed assets were reflected in net investing activities. Because this ₹310.81 crore adjustment is strictly non-cash, it does not affect the Bank's net cash flows, and its separate disclosure and reconciliation help readers match it with fixed asset movements. Consequently, this presentation correctly states the cash flows without causing any overstatement or understatement of cash, cash equivalents, profits, reserves, net worth, or the overall financial position of the Bank.
3	**Comments on Disclosure** **Principal Accounting policies (Schedule 17)** **D.3: Advances** 1. The Bank has not disclosed its accounting policy with regard to additional provisioning towards balance outstanding in respect of advances covered by any existing or future schemes/guarantees launched by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and National Credit Guarantee Trustee Company (NCGTC). Despite the issue being pointed out by way of CAG's comments on the financial statements of the Bank for the year 2024-25, no corrective action was taken by the Bank.	The additional provision maintained by the Bank in respect of guarantee-covered advances is specifically disclosed in Para 15(a) of Schedule 18. The provisioning itself is in excess of the minimum requirements prescribed under the applicable RBI norms and the relevant information has been disclosed appropriately.
	Notes on Standalone Accounts (Schedule 18) **Note 15-Disclosure Requirements as per the Accounting Standards** **AS-22 'Accounting for taxes on Income' – Deferred Tax (Note no. 15 (h)(b)** 2. During 2025-26, the Bank adopted the Board approved (5 May 2026) Policy on recognition of Deferred Tax Assets (DTA) on the provision for doubtful debts. Accordingly, the Bank started recognising DTA on actual disallowance (100 per cent) of the provision for doubtful debts by the Income Tax Department instead of recognizing the same at 50 per cent of the disallowed portion of the provision for doubtful debts, as per the past practice. Due to the adoption of new accounting policy, DTA of the Bank has increased from ₹69.96 crore to ₹188.69 crore resulting in a net impact of ₹118.73 crore on profitability for the current year, which has not been disclosed in the Notes to Accounts-18 contrary to the requirement of AS-1. Further, the new Accounting Policy adopted by the Bank during 2025-26 as mentioned above, has also not been disclosed under 'Standalone Schedule 17-Principal Accounting Policies', as required under Accounting Standard 1.	The basis of recognition and measurement of deferred tax, as set out in Item D-9 of Schedule 17 and governed by AS-22, has remained unchanged. During the year, the Bank's assessment of the extent to which the bad-debt provision disallowed in earlier years is expected to be adjusted against future write-offs and, upon attaining reasonable certainty, and accordingly the corresponding Deferred Tax Asset was recognized. The policy approved on 05.05.2026 merely provides the operational guidance regarding the assessment of recoverability of deferred tax assets arising on account of disallowed provision for bad and doubtful debts by segregating the General ledger to align the same with applicability of Section 36(2)(v)(b) of Income Tax Act read with Section 36(1)(vii). Consequently, this represents a change in accounting estimate rather than a change in accounting policy under AS 5. The corresponding Deferred Tax Asset has been recognized prospectively, its financial impact has been duly disclosed in the accounts, and the treatment remains fully consistent with both AS-22 and the Bank's stated accounting policy.

S. No.	CAG Comments	Auditors'/Banks' Remarks
4	**Other Comments** As per Section 394 read with provisions of Section 395 of the Companies Act, 2013, the Annual Report on the working and affairs of the Company, is required to be prepared within three months of the Annual General Meeting before which the comments of the CAG and the audit report is placed and as soon as after such preparation, be laid before both Houses of Parliament and the State Legislature together with the audit report and the comments of the CAG thereon. Though the Bank forwarded (September 2025) its Annual Report for FY 2024-25 to the Finance Department, Government of Jammu & Kashmir for placement before the UT Legislature, the same was not forwarded to UT of Ladakh for its placement before the Parliament in terms of section 394 of the Companies Act as the Government of India is also member of the Bank through UT of Ladakh (shareholding of 4.16 per cent). Further, Annual Report of the Bank for the year 2024-25 was neither placed before Parliament nor the UT Legislature in violation of section 394 and 395 of the Companies Act, 2013.	The comments of the CAG are noted and going forward, copy of the Annual Report of the Bank shall also be forwarded to UT of Ladakh for its placement before the Parliament. Further, Bank shall make proper follow-up with the Governments of the UT's of J&K and Ladakh for placement of the Annual Report before the UT Legislature and the Parliament respectively.

ON THE CONSOLIDATED FINANCIAL STATEMENTS

S. No.	CAG Comments	Auditors'/Banks' Remarks
1	**Comments on Financial Position** **Balance with Banks and Money at Call and Short Notice (Schedule 7): ₹233.37 crore** **Outside India: ₹176.86 crore** Above includes 11 Nostro Accounts of the Bank in foreign banks with balance of ₹87.36 crore as on March 31, 2026. As per Bank's records, there were corresponding 20 Mirror Accounts with balance of ₹36.26 crore as on March 31, 2026, leading to a variation of ₹51.10 crore. However, despite the above variation, the reconciliation statement was not prepared.	The Bank receives Nostro account statements from its correspondent banks on a T+1 basis due to differences in global time zones and settlement cycles. Accordingly, the balances in the corresponding mirror accounts maintained in the Bank's Core Banking System (CBS-Finacle) are updated on the next business day by uploading the Nostro statements received from the correspondent banks. Bank undertakes reconciliation process on daily basis and the statement of unreconciled entries as on March 31, 2026 has been drawn and the pending entries are being followed up on an ongoing basis as per the extant guidelines of the Bank. Details of the pending entries are being placed to the ACB for review on quarterly basis. Majority of credits appearing in the Nostro accounts relate to inward remittances or other receipts on behalf of the Bank's customers. Such credits are recognized in the mirror accounts only after the corresponding Nostro statement is received and the transactions are processed by Treasury Operations. Consequently, customer accounts are credited on a T+1 basis. Conversely, in the case of outward remittances, the Bank records the transaction in its books on the date of payment by crediting the mirror account and simultaneously debiting the Nostro account. Owing to these differences in the timing of accounting entries, the balances appearing in the Nostro accounts maintained by correspondent banks and the corresponding mirror accounts maintained in the Bank's CBS do not necessarily match at the close of business on any particular day. The audit observation states that the balance under "Balances with Banks in Current Accounts outside India" disclosed under Schedule 7 amounts to ₹87.36 crore. This does not represent the balance disclosed in the Bank's books of account. As on March 31, 2026, the position is as follows: • The balance of ₹87.36 crore represents the INR equivalent of the foreign currency balances appearing in the Nostro account statements received from the correspondent banks, translated at the applicable FEDAI closing exchange rates as on March 31, 2026. The statement was received on 02.04.2026 and was updated in the system on 02.04.2026 only. • The balance of ₹36.26 crore represents the corresponding balances in the mirror accounts maintained in the Bank's CBS (Finacle), translated using the same FEDAI closing exchange rates.

S. No.	CAG Comments	Auditors'/Banks' Remarks
		• The mirror accounts maintained in the CBS constitute the Bank's General Ledger and books of account and, therefore, form the basis for preparation of the financial statements and disclosure under Schedule 7 of the Balance Sheet and not from the external correspondent bank statements. Accordingly, the balance of ₹36.26 crore disclosed under Schedule 7 correctly represents the Bank's balances with banks outside India as recorded in its books of account as on March 31, 2026. The difference between the Nostro statement balances and the mirror account balances arises solely due to timing differences resulting from differences in international time zones / settlement cycles. Transactions reflected by correspondent banks after the close of business in India are accounted for in the mirror accounts on the following business day (T+1) upon receipt and processing of the relevant Nostro statements as per the Bank's established accounting process. Such timing differences are temporary in nature, constitute part of the normal settlement mechanism for cross-border foreign exchange transactions and are regularly identified and cleared through the Bank's daily Nostro reconciliation process. Further the daily Nostro reconciliation process is independently reviewed, and all outstanding entries are monitored through exception reports with prescribed ageing limits. Accordingly, the difference does not represent unreconciled items, accounting deficiencies or loss of funds, but merely reflects the distinction between: • The balances appearing in the books of the correspondent banks (Nostro statements), and • The balances recorded in the Bank's own books of account (mirror accounts) as at the reporting date. Therefore, the amount disclosed under Schedule 7 appropriately reflects the balances as per the Bank's books of account and presents a true and fair view of the Bank's financial position as on March 31, 2026.
2	**Comments on Cash Flow** **Cash Flow Statement** **Cash Flow from Investing Activities-(₹302.29 crore)** The above has been arrived at after considering the gross increase (₹469.37 crore) in the value of fixed assets (purchases: ₹158.56 crore plus increase due to revaluation: ₹310.81 crore) as 'cash outflow' and netting off the same to the extent of increase in 'Revaluation Reserve' (₹310.81 crore) by treating this increase as 'cash inflow'. Since the increase in revaluation reserve is a 'non-cash item', the same should not have been shown in the Cash Flow Statement in terms of Accounting Standard-3. Thus, to derive the 'cash flow from investing activities' while preparing the 'cash flow statements', the net outflow of cash on purchase of fixed assets (₹158.56 crore) should only be considered.	During the year, the Bank reported a net movement in Fixed Assets of ₹469.37 crore, which included a non-cash increase of ₹310.81 crore arising from the revaluation of assets. To provide transparent disclosure of this material non-cash transaction, the Bank separately disclosed the subsequent net increase in the revaluation reserve and showed the resultant cash movement in total. This presentation in the Cash Flow Statement was intended to isolate the impact of the revaluation, ensuring that only actual cash outflows for acquiring fixed assets were reflected in net investing activities. Because this ₹310.81 crore adjustment is strictly non-cash, it does not affect the Bank's net cash flows, and its separate disclosure and reconciliation help readers match it with fixed asset movements. Consequently, this presentation correctly states the cash flows without causing any overstatement or understatement of cash, cash equivalents, profits, reserves, net worth, or the overall financial position of the Bank.

S. No.	CAG Comments	Auditors'/Banks' Remarks
3	**Comments on Disclosure** **Principal Accounting policies (Schedule 17)** **D.3: Advances** 1. The Bank has not disclosed its accounting policy with regard to additional provisioning towards balance outstanding in respect of advances covered by any existing or future schemes/guarantees launched by Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) and National Credit Guarantee Trustee Company (NCGTC). Despite the issue being pointed out by way of CAG's comments on the financial statements of the Bank for the year 2024-25, no corrective action was taken by the Bank.	The additional provision maintained by the Bank in respect of guarantee-covered advances is specifically disclosed in Para 15(a) of Schedule 18. The provisioning itself is in excess of the minimum requirements prescribed under the applicable RBI norms and the relevant information has been disclosed appropriately.
	Notes on Consolidated Accounts (Schedule 18) **Note 15-Disclosure Requirements as per the Accounting Standards** **AS-22 'Accounting for taxes on Income' – Deferred Tax (Note no. 15 (h)(b)** 2. During 2025-26, the Bank adopted the Board approved (5 May 2026) Policy on recognition of Deferred Tax Assets (DTA) on the provision for doubtful debts. Accordingly, the Bank started recognising DTA on actual disallowance (100 per cent) of the provision for doubtful debts by the Income Tax Department instead of recognising the same at 50 per cent of the disallowed portion of the provision for doubtful debts, as per the past practice. Due to the adoption of new accounting policy, DTA of the Bank has increased from ₹69.96 crore to ₹188.70 crore resulting into a net impact of ₹118.74 crore on profitability for the current year, which has not been disclosed in the Notes to Accounts-18 contrary to the requirement of AS-1. Further, the new Accounting Policy adopted by the bank during 2025-26 as mentioned above, has also not been disclosed under 'Consolidated Schedule 17-Principal Accounting Policies', as required under Accounting Standard 1.	The basis of recognition and measurement of deferred tax, as set out in Item D-9 of Schedule 17 and governed by AS-22, has remained unchanged. During the year, the Bank's assessment of the extent to which the bad-debt provision disallowed in earlier years is expected to be adjusted against future write-offs and, upon attaining reasonable certainty, and accordingly the corresponding Deferred Tax Asset was recognized. The policy approved on 05.05.2026 merely provides the operational guidance regarding the assessment of recoverability of deferred tax assets arising on account of disallowed provision for bad and doubtful debts by segregating the General ledger to align the same with applicability of Section 36(2)(v)(b) of Income Tax Act read with Section 36(1)(vii). Consequently, this represent a change in accounting estimate rather than a change in accounting policy under AS 5. The corresponding Deferred Tax Asset has been recognized prospectively, its financial impact has been duly disclosed in the accounts, and the treatment remains fully consistent with both AS-22 and the Bank's stated accounting policy.
4	**Other Comments** As per Section 394 read with provisions of Section 395 of the Companies Act, 2013, the Annual Report on the working and affairs of the Company, is required to be prepared within three months of the Annual General Meeting before which the comments of the CAG and the audit report is placed and as soon as after such preparation, be laid before both Houses of Parliament and the State Legislature together with the audit report and the comments of the CAG thereon. Though the Bank forwarded (September 2025) its Annual Report for FY 2024-25 to the Finance Department, Government of Jammu & Kashmir for placement before the UT Legislature, the same was not forwarded to UT of Ladakh for its placement before the Parliament in terms of section 394 of the Companies Act as the Government of India is also member of the Bank through UT of Ladakh (shareholding of 4.16 per cent). Further, Annual Report of the Bank for the year 2024-25 was neither placed before the Parliament nor the UT Legislature in violation of section 394 and 395 of the Companies Act, 2013.	The comments of the CAG are noted and going forward, copy of the Annual Report of the Bank shall also be forwarded to UT of Ladakh for its placement before the Parliament. Further, Bank shall make proper follow-up with the Governments of the UT's of J&K and Ladakh for placement of the Annual Report before the UT Legislature and the Parliament respectively.