



Committed to

Driving Growth & Delivering Excellence

**ANNUAL
REPORT**
2024-25



J&K Bank
Serving To Empower

Your Bank
Since **1938**

JAMMU AND KASHMIR BANK LIMITED

Registered office: Corporate Headquarters, M.A.Road, Srinagar 190001, J&K-India
CIN: L65110JK1938SGC000048; **T:** +91 (0)194 2481 930-35; **F:** +91 (0)194 248 1928;
E: board.sectt@jkbmail.com; **W:** www.jkbank.com

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QUICK INFORMATION

S.No	Particulars	Details
1.	Day, Date and Time of AGM	Tuesday, August 26, 2025 at 11:00 A. M.
2.	Venue	Sher-i-Kashmir International Conference Centre (SKICC), Srinagar, J&K - 190001
3.	Cut-Off Date for E-Voting	Tuesday, August 19, 2025
4.	Remote E-Voting Start Date and Time	Saturday, August 23, 2025 at 09:00 A.M
5.	Remote E-Voting End Date and Time	Monday, August 25, 2025 at 05:00 P.M
6.	Remote E-Voting Website	https://www.evoting.nsdl.com/
7.	Name of E-Voting Service Provider	M/s National Securities Depository Limited (NSDL)
8.	Name of Registrar and Share Transfer Agent	M/s Kfin Technologies Limited
9.	Name of Scrutinizer	CS Ghulam Jeelani Reshi
10.	Dividend	215% i.e. Rs.2.15 per Equity Share of Face Value Re.1/- (Subject to approval of Shareholders)
11.	Record Date for Dividend Payment	Tuesday, August 19, 2025





MD & CEO, Mr Amitava Chatterjee calls upon Hon'ble Union Finance Minister Ms. Nirmala Sitaraman.



MD & CEO, Mr Amitava Chatterjee calls upon Hon'ble Lieutenant Governor, J&K UT- Mr Manoj Sinha.



MD & CEO, Mr Amitava Chatterjee calls upon Hon'ble Chief Minister, J&K UT- Mr Omar Abdullah.



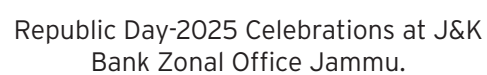
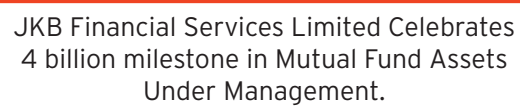
86th Annual General Meeting of Shareholders at J&K Bank Corporate Headquarters.



Independence Day 2024 Celebrations at J&K Bank Corporate Headquarters.



16th Meeting of J&K UT Level Banker's committee.





Launch of JKB-mTrade Application for
JKB Financial Services Limited.



Celebrating Reception of Cyber Security
Award (Received at IBA CISO Summit).



Observance of Vigilance Day 2024 at J&K Bank
Corporate Headquarters.



Launch of Wall Calendar 2025.



Inauguration of J&K Bank Wakad Branch Pune, Maharashtra.



Inauguration of J&K Bank Umarabad HMT branch.



Strategy Meet-I.



Strategy Meet-I.



Launch of Revamped J&K Bank Corporate Website.



CSR THROUGH THE LENS

COMMITTED TO PEOPLE AND PLANET

(FY 2024-25)



J&K Bank MD & CEO being felicitated by Hon'ble Defence Minister Shri Rajnath Singh for Bank's contribution to Armed Forces Flag Day Fund.



Hon'ble LG J&K Shri Manoj Sinha flagging off Voter Awareness Vehicles provided to Election Commission J&K.



Improving accessibility to education by providing 10 buses to remote Degree Colleges of J&K at the hands of Hon'ble Chief Minister J&K Mr.Omar Abdullah and Hon'ble Minister of Education J&K Ms.Sakina Itoo.



Initiative for hearing and speech impaired through assessment, therapy and assistive devices.



Providing Apheresis Kits to SK Institute of Medical Sciences for treatment of children with blood dysfunctional diseases.



e-Vehicles provided under Bank's Green Campus Initiative.



Project Mamta: Promoting maternal health among tribal women.



Notebooks provided to underprivileged students in Kalakote, Rajouri.



Handing over school bus to Army Goodwill School (Pinewoods) at Hamirpur in Poonch.



Inaugurating smart classrooms established at University of Kashmir.



Aiming for Zero TB in Kargil through distribution of Nutritional baskets to TB patients under PM-TB Mukht Bharat Abhiyaan.



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87TH
ANNUAL
GENERAL
MEETING
(AGM)
OF THE SHAREHOLDERS



MESSAGE FROM MD & CEO



Amitava Chatterjee
Managing Director & CEO

Esteemed Shareholders,

I hope this message finds you in the best of health and spirits. It gives me great pleasure to present to you the 87th Annual Report of Jammu & Kashmir Bank Limited for the financial year 2024-25, which is another landmark year for the Bank. As this is my first address in the Annual Report since assuming the role of MD & CEO of this esteemed institution, I take this opportunity to reflect on the Bank's performance, the prevailing economic landscape, and our strategic direction for the future. I am committed to carrying forward the rich legacy of this institution with a renewed sense of purpose. I would also like to extend my sincere gratitude to all our

shareholders for their belief and confidence in this Bank, which has been instrumental in Bank's journey of success. The Bank continues to be fundamentally strong and evolve consistently - towards enhanced efficiency and deeper digital integration with a sharp customer focus. The strong foundations that have been built are now translating into consistent performances and we are well-poised to sustain this momentum in the days to come.

Economic Overview

The global economy is currently facing considerable uncertainty and headwinds due to ongoing geopolitical tensions, fluctuating commodity prices, shifting trade dynamics, and disrupted capital flows. These challenges are likely to weigh on global GDP, which may see a moderation in growth in 2025. Despite this uncertain environment, the Indian economy continues to demonstrate resilience.

India's economy continues to grow at a steady and confident pace, standing out as the fastest growing major economy in the world. As per latest NSO estimates, real GDP growth of the country stood at 6.5% for FY2025, underpinned by continued public investment and structural reforms. As per RBI, this momentum is expected to continue in FY2026 with similar projections, supported by consumption, capital spending, and a benign inflation outlook. The sustained performance is being driven by vibrant domestic demand, infrastructure investments, increased consumer spending and digital transformation. Improved fiscal metrics and robust policy support from the Reserve Bank of India have contributed to a resilient economic trajectory.

Inflation has moderated to less than 3%, offering relief to both businesses and households. In June 2025, the year-on-year inflation rate based on the Consumer Price Index (CPI) stood at 2.10 per cent. This marks the lowest year-on-year inflation after January 2019. It also reflects a drop of 72 basis points from the previous month.

Our home territories of Jammu & Kashmir and Ladakh have also witnessed renewed activity supported by large-scale infrastructure investments, increased tourist influx, and rising investments in critical sectors including horticulture, handicrafts, renewable energy, and logistics. The region's Gross State Domestic Product (GSDP) has shown meaningful growth, aided by higher public expenditure and private participation. Employment generation, industrial promotion, tourism, and digital initiatives have begun to yield tangible outcomes. Although there has been some disruption following a terrible terror incident where innocent lives of our countrymen were lost. But, I feel that the worst is over as the tourism sector is regaining its pace slowly and steadily. Your Bank remains committed to facilitating the developmental transformation of this region by offering financial solutions tailored to local needs.

The financial system remains stable with the banking sector continuing its growth momentum with improved credit offtake, better asset quality, and increased capital buffers. Widespread adoption of digital banking, enhanced governance standards, and regulatory focus on cyber security have also contributed to a stronger banking ecosystem.

Performance of J&K Bank

Our Bank has delivered another year of consistent and sustainable performance in FY2024-25. We stayed true to our ethos of trust, customer service, and socio-economic development.

The Bank recorded a hat-trick of lifetime high annual profits posting its highest ever annual net profit of ₹2082 Crores, reflecting an 18% year-on-year growth. Total business surpassed ₹2.5 Lakh Crores with deposits of ₹1.49 Lakh Crore and gross advances of ₹1.07 Lakh Crore. Both Deposits and Net advances registered a double-digit growth of 10.2% and 11.1% respectively. Net Interest Margin remained stable at 3.92%, while the Cost-to-Income Ratio declined significantly by 451 basis points to 57.73% and Return on Assets improved to 1.32%.

Asset quality metrics also improved with Gross NPA ratio reducing to 3.37% and Net NPA remaining at 0.79%, indicating improved underwriting standards and recovery efforts. CRAR of the Bank stood at a healthy 16.29%, with CET I capital at 12.95%, reflecting a strong standing and adequate buffers.

Digital transformation continues to be a key area of focus. Enhancements were made to mPay and Net Banking platforms and end-to-end digital loan journeys were rolled out for retail customers. We deepened our outreach with 15 new branches, 21 ATMs/CRMs, and an expanded BC network of around 1940.

Strategic Initiatives

During the FY2024-25, our Bank has continued undertaking strategic initiatives to achieve various business milestones for realizing long-term goals. Some of the important strategic initiatives undertaken by our Bank are:

To further strengthen the capabilities offered by latest technology under lending, entire lending value chain has been developed for end-to-end digital solutions for customer on-boarding, application processing, underwriting, sanction & disbursement. Straight through processing journeys for personal loans give us an edge in marketplace by reducing TAT and improving customer experience.

Streamlining credit dispensation of retail loans through automation and centralization remains the top priority of the Bank. All flagship retail schemes viz. Car loan, Housing Loan, Education Loan, LAP etc. have been rolled out on the RLOS platform through retail CPCs. In the near future, under short-term plan, Bank envisions to roll-out Agri, MSME and Corporate Loans on LOS platform which shall bring uniformity and standardization in loan appraisal and underwriting across the Bank.

The Bank has embraced open-banking and API gateway initiative which reinforces our commitment to digital excellence and customer-centric innovation. This strategic milestone allows secure integration with trusted FinTech partners which enable seamless ERP integration, automated payment processing, real-time cash flow visibility, and instant reconciliation—driving smarter financial management for our corporate customers.

The Bank has also installed interactive signage kiosks to promote communication and customer engagement. In addition to displaying video content and information about various products and service of the Bank, interactive content has been made available for self-service of customers for services like Bill payments, Internet Banking, Products & Services, dispute resolution for digital transactions, loyalty rewards etc.

To enable prompt and quick digital payment reconciliation, the Bank has rolled out advanced reconciliation solution for end-to-end digital transaction reconciliation life-cycle. This advanced platform helps the Bank in maximizing automation and reducing manual effort in the process of reconciliation of all digital channels.

The Bank has also implemented digital Insurance solution which enables our existing customers as well as prospective customers to buy Insurance products from our insurance partners digitally ensuring convenience and efficiency.

The Bank has also revamped its website to enhance the digital presence of the Bank. The redesigned website aligns with the Banks' corporate theme, providing an attractive, user-friendly, and easy-to-navigate platform to showcase the bank's products and services for current and prospective clients.

Way Forward

Our goal is to be the 'Bank of Choice,' delivering unparalleled value to customers, employees, and stakeholders. Looking ahead, FY 2026 will be a year of transformation. Our focus will be on expanding quality credit, enhancing digital capabilities, elevating customer service, promoting financial inclusion, and developing future-ready human capital.

On the technology front, Bank is making substantial investments in IT infrastructure and capabilities to accelerate digital transformation and keep pace with industry advancements in order to deliver superior and seamless services to our customers

With over 4500+ touch-points, we are committed to delivering a superior, unified experience across all channels. Investment in CRM solutions, digital on-boarding, customized journeys, leveraging data analytics and product innovation will drive customer satisfaction and retention.

Developing human capital remains a strategic priority. A skilled workforce is key to success and executing our growth plans. Bank shall continue to invest in its human resources for their up-skilling and competence building.

We reaffirm our commitment to financial inclusion, reaching the underserved through Business Correspondents and Brick and Mortar banking outlets. Our approach is to ensure access to essential financial services across the last mile.

Dear Stakeholders

None of these achievements would have been possible without the unwavering support of our stakeholders. I extend my heartfelt gratitude to our valued customers for their continued trust, to our shareholders for their support and belief, to our Board of Directors for their strategic guidance, and to our employees for their dedication and hard work.

I extend my gratitude to the Reserve Bank of India, Government of India, Government of Jammu & Kashmir, Government of Ladakh and other regulatory institutions for their continued cooperation and direction.

We are on the cusp of a promising new chapter. With strategic clarity, robust fundamentals, and a passionate team, J&K Bank is well-positioned to deliver sustainable and inclusive growth. Let us continue to work together with determination and purpose to build a stronger, future-ready institution.

Warm regards,

Amitava Chatterjee
 (Managing Director & CEO)



BOARD OF DIRECTORS



Mr. Amitava Chatterjee
Managing Director & CEO



Dr. Pawan Kotwal (IAS)
Non-Executive Non-Independent
Director



Mr. Santosh D. Vaidya (IAS)
Non-Executive Nominee
Director



Dr. Mandeep K Bhandari, (IAS)
Non-Executive Non-Independent
Director



Mr. Sanjiv Dayal
Non-Executive Nominee
Director



Mr. R.K. Chhibber
Non-Executive Non-Independent
Director



Mr. Umesh Chandra Pandey
Non-Executive Independent
Director



Mr. Anil Kumar Goel
Non-Executive Independent
Director



Mr. Anand Kumar
Non-Executive Independent
Director



Mr. Sudhir Gupta
Executive Non-Independent
Director



Ms. Shahla Ayoub
Non-Executive Independent
Director



Mr. S. Krishnan
Non-Executive Independent
Director





STATUTORY REPORT

Jammu and Kashmir Bank Limited

Registered Office: Corporate Headquarters, M. A. Road Srinagar - Jammu & Kashmir - 190001 **Tel:** +91-194-2481930-35
Email: board.sectt@jkbmail.com **Web:** www.jkbank.com
CIN: L65110JK1938SGC000048

Notice

NOTICE is hereby given that the 87th (Eighty Seventh) Annual General Meeting ("AGM") of the Shareholders of the Jammu and Kashmir Bank Limited (the "Bank") will be held on Tuesday, August 26, 2025 at 11:00 A.M at Sher-i-Kashmir International Conference Centre (SKICC), Srinagar, J&K - 190001, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements (Standalone and Consolidated) of the Bank for the Financial Year ended 31st March, 2025 including Balance Sheet as at 31st March, 2025 and the Profit & Loss Account for the Financial Year ended on that date, together with the Reports of the Board of Directors and Auditors and comments of the Comptroller and Auditor General of India thereon.
2. To declare dividend on Equity Shares of the Bank.
3. To appoint a Director in place of Dr. Pawan Kotwal, IAS (DIN: 02455728), who retires by rotation and being eligible, has offered himself for re-appointment.
4. To appoint a Director in place of Dr. Mandeep K Bhandari, IAS (DIN: 07310347), who retires by rotation and being eligible, has offered himself for re-appointment.
5. To authorise the Board of Directors of the Bank to fix the remuneration of Auditors appointed by the Comptroller & Auditor General of India, in terms of provisions of Section 142 of the Companies Act, 2013, for the Financial Year 2025-26.

SPECIAL BUSINESS:

6. To appoint M/s D K Pandoh & Associates, Company Secretaries as Secretarial Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") (including any modification(s) or re-enactment(s) thereof), Section 204 of the Companies Act, 2013 ("Act") and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions of applicable laws (including any statutory amendment(s), modification(s), variation(s) and /

or re-enactment(s) thereto, for the time being in force), and based on the recommendations of the Audit Committee and the Board of Directors, the approval of the Members of the Bank, be and is hereby, accorded for the appointment of M/s D K Pandoh & Associates, Company Secretaries (ICSI Firm Registration No. S2016JK420900) and holding a valid Peer Review Certificate (certificate no. 4401/2023) issued by the Institute of Company Secretaries of India (the "ICSI"), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Secretarial Auditors of the Bank, to conduct secretarial audit of the Bank for a period of 5 (Five) consecutive years i.e. from FY 2025-26 till and including FY 2029-30 and to provide such other services as permissible under applicable laws and as approved by the Board of Directors of the Bank (hereinafter referred to as the "Board", which term shall be deemed to include any Committee(s) of the Board or any other persons to whom powers are delegated by the Board as permitted under the Act and / or rules made thereunder).

RESOLVED FURTHER THAT the audit fees payable to M/s D K Pandoh & Associates, shall be ₹90,000 (Rupees Ninety Thousand) per annum in addition to out of pocket expenses and taxes as applicable, for conducting secretarial audit of the Bank as prescribed under relevant provisions of the Act, Listing Regulations and other applicable provisions of law (including any statutory amendments, modifications, variations or re-enactments thereto, from time to time).

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolution, the Board be and is hereby authorised on behalf of the Bank, to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary for such purpose and with power on behalf of the Bank, to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution including but not limited to determination of roles and responsibilities / scope of work of the Secretarial Auditors, negotiating, finalising, amending, signing, delivering, executing the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Bank."

By order of the Board of Directors

Mohammad Shafi Mir
 Company Secretary

Place: Srinagar
 Dated: August 02, 2025



NOTES

1. Appointment of Proxy

A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote on his behalf and the proxy need not be a Member of the Bank. Proxies, in order to be valid and effective, must be received by the Bank at its Registered Office not less than 48 hours before the time fixed for the meeting. A person can act as proxy on behalf of not more than fifty Members and holding in the aggregate not more than ten (10) percent of the total share capital of the Bank carrying voting rights.

A Member holding more than ten (10) percent of the total share capital of the Bank, carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Shareholder.

Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the board resolution to the Bank, authorising their representatives to attend and vote on their behalf at the meeting.

2. Explanatory Statement and Regulatory Disclosures

A statement pursuant to Section 102(1) of the Companies Act, 2013 ("Act"), setting out all material facts relating to the relevant businesses as set out in the Notice convening the 87th Annual General Meeting ("Notice") is annexed herewith and the same should be taken as part of this Notice. Explanation to ordinary business mentioned under Resolution No. 5 has been provided on a voluntary basis. Further, as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") and the provisions of the Secretarial Standard 2 on General Meetings issued by the Institute of Company Secretaries of India ("SS-2 on General Meetings"), the required details of the Directors proposed to be re-appointed are annexed to this Notice. For Directors Profile, refer to Corporate Governance Section of the Annual Report.

3. Nomination Facility

Members can avail of the facility of nomination in respect of shares held by them in physical form pursuant to Section 72 of the Companies Act, 2013. Members desiring to avail this facility may send their nomination duly filled in the prescribed Form SH-13 in duplicate to the Registrar & Share Transfer Agent "RTA" at the address mentioned below. Such Members who desire to opt out or cancel the earlier nomination and record a fresh nomination, may submit the same in Form ISR-3 or SH-14 as the case may be, and submit the same to RTA. The prescribed forms, in this regard, are available on the website of the Bank at <https://www.jkbank.com/Investor/shareholder-information> and on the website of the RTA at <https://ris.kfintech.com/clientservices/isc/default.aspx> and are attached and form part of Corporate Governance Report.

Members holding shares in electronic form are requested to contact their Depository Participants directly for the above purposes.

4. Updation of Details

Members holding shares in dematerialized form are requested to intimate any change in their name, address, e-mail, telephone/mobile no., PAN or bank account details (including 9 digit MICR no., 11 digit IFSC and bank account no.) etc., to their respective Depository Participants with whom they are maintaining demat accounts.

Members holding shares in physical form are requested to send the complete ISR Forms in original, duly signed by all the holder(s), intimating the above changes to the Registrar & Share Transfer Agent/Bank along with the self-attested copy of their PAN Card(s), cancelled Cheque leaf of an active bank account and the copy of the supporting documents evidencing above changes. Communication details of Registrar & Share Transfer Agent are as under:

M/s KFin Technologies Limited

Unit : Jammu and Kashmir Bank Limited.

Selenium Tower B, Plot 31-32,

Financial District, Nanakramguda,

Serilingampally Mandal,

Hyderabad - 500 032,

Telangana - India.

Toll Free Number: 1-800-309-4001

Email: einward.ris@kfintech.com

5. Dividend related Information:

The Record Date for determining the names of Members eligible for dividend on Equity Shares, if declared at the AGM, is Tuesday, August 19, 2025.

Dividend as recommended by the Board of Directors, if approved at the AGM, will be paid on or after Wednesday, August 27, 2025, by way of electronic mode, to those Members whose names appear on the Register of Members/statements of beneficial position received from NSDL and/or CDSL at the close of business hours on Tuesday, August 19, 2025.

SEBI, vide its master circular no. SEBI/HO/MIRSD/POD-1/P/CIR/2024/37 dated 7 May, 2024 has mandated that holders of physical securities, whose folio(s) are not updated with any of the KYC details viz., PAN, nomination, contact details, mobile number, bank account details or specimen signature, shall be eligible for payment of dividend in respect of such folios, only through electronic mode with effect from 1 April, 2024. Please refer SEBI FAQs by accessing the link: https://www.sebi.gov.in/sebi_data/faqfiles/sep-2024/1727418250017.pdf (FAQ Nos. 38 & 39). Accordingly, dividend payable to Members holding shares in physical mode, whose KYC details are not updated shall be withheld by the Bank. Members are therefore advised to update their KYC details on priority, if not done already.

6. Tax Deducted at Source (TDS) on Dividend

Members may be aware that as per the Income Tax Act, 1961 ("IT Act"), as amended by the Finance Act, 2020, dividends paid or distributed by the Bank after April 1, 2020, shall be taxable in the hands of the shareholders and the Bank shall be required to deduct tax at source (TDS) at the prescribed rates from the dividend to be paid to shareholders, subject to approval of dividend by the shareholders at this AGM. The TDS rate would vary depending on the residential status of the shareholder and the documents submitted by them and accepted by the Bank. In order to enable the Bank to determine the appropriate TDS rate as applicable, Members are requested to submit relevant documents, in accordance with the provisions of the IT Act.

7. Dispute Resolution

The SEBI has established a common Online Dispute Resolution Portal ("ODR Portal" - <https://smartodr.in/login>) which harnesses online conciliation and online arbitration for resolution of disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievances with the RTA/Bank directly and through SCORES platform, if the shareholder is not satisfied with the outcome, they can initiate dispute resolution through the ODR Portal. Link to access ODR portal is available on Bank's website at <https://www.jkbank.com/Investor/shareholder-information>.

8. Availability of Notice and Annual Report for FY 2024-25

The Notice and the Annual Report for FY 2024-25 are available on the Bank's website at - <https://www.jkbank.com/Investor/financial-information/annual-reports> and on the websites of the Stock Exchanges i.e. The BSE Limited at www.bseindia.com and National Stock Exchange of India Limited at www.nseindia.com. The Notice is also available on the website of the e-voting service provider engaged by the Bank viz. National Securities Depository Limited ("NSDL") at <https://www.evoting.nsdl.com>.

9. Receipt of Notice and Annual Report

In compliance with the applicable guidelines / circulars / rules issued by the Ministry of Corporate Affairs ("MCA") inter alia including General Circular No. 09/2024 dated September 19, 2024, applicable provisions of the Act and the rules made thereunder and in accordance with various circulars issued by SEBI inter alia including Circular dated October 3, 2024 (collectively referred to as "Applicable Circulars"), electronic copies of this Notice and Annual Report for FY 2024-25 are being sent by e-mail to those Members whose e-mail addresses have been made available to the Bank's Registrar and Transfer Agent i.e. M/s KFin Technologies Limited and Depository Participants.

Shareholders who have not registered their e-mail address:

A letter providing the web-link, including the exact path and QR Code for accessing this Notice and the Annual Report has been sent by the Bank to such shareholders.

Physical Copy of Notice and Annual Report:

Shareholders may request for a physical copy of the Notice and Annual Report for FY 2024-25 by sending a request via e-mail to sharedeptt_gc@jkmail.com.

10. Queries on Financial Statements

Members desiring any information relating to financial statements of the Bank or responses to any other queries or questions are requested to send an e-mail to the Bank at sharedeptt_gc@jkmail.com / investorrelations@jkmail.com, at least 7 (Seven) days before the Annual General Meeting ("AGM") mentioning their name, folio no. / client ID and DP ID. This would enable the Bank to keep the responses ready at the AGM.

11. Inspection of Documents

Up to the date of AGM

All documents referred to in this Notice and other statutory registers shall be open for inspection by the Members at the registered office of the Bank on all working days between 10:00 a.m. and 2:00 p.m. from the date hereof up to the date of the AGM. The said documents would also be available for virtual inspection on all working days. Members seeking to inspect such documents need to send an e-mail to sharedeptt_gc@jkmail.com mentioning their name, folio no./client ID and DP ID and the documents they wish to inspect.

During the AGM

The documents would also be available for inspection during the AGM.

General Inspection

Members seeking to inspect documents permitted under the Act, during the year, can inspect the same:

- Physically at the registered office of the Bank on all working days between 10:00 a.m. and 2:00 p.m.; and
- Virtually on all working days.

Members seeking to inspect such documents need to send an e-mail to sharedeptt_gc@jkmail.com requesting the said inspection and mode thereof.

12. Important communication to Members

As per the provisions of Companies Act, 2013 and Regulation 36 of the Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, electronic copy of the Annual Report and this Notice, inter alia indicating the process and manner of remote e-voting along with attendance slip and proxy form are being sent by e-mail to those Members whose e-mail addresses have been registered/made available to the Bank/Depository Participants for this purpose unless the Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, a letter providing the web-link, including the exact path and QR Code for accessing this Notice and the Annual Report which contains the process and manner of remote e-voting along with attendance slip and proxy form and other documents has been sent by the Bank to such shareholders.



The Bank hereby requests Members who have not updated their email IDs to update the same with their respective Depository Participant(s) or Registrar & Share Transfer Agent of the Bank. Further, Members holding shares in electronic mode are also requested to ensure to keep their email addresses updated with the Depository Participants/Registrar & Share Transfer Agent of the Bank. Members holding shares in physical mode are also requested to update their email addresses by sending the requisite ISR documentation to the Registrar & Share Transfer Agent of the Bank quoting their folio number(s).

- a) Only Registered Members/Beneficial Owners carrying their attendance slips and holders of valid proxy forms registered with the Bank will be permitted to attend the meeting. Also Members/Proxy holders are requested to:
 - i. Please carry photo ID card for identification/verification purposes.
 - ii. Note that briefcases, mobile phones, bags, helmets, eatables and other belongings will not be allowed to be taken inside the venue of the meeting for security reasons and members/proxy holders will be required to take care of their belongings.
 - iii. Note that no gifts will be distributed at the AGM.
 - iv. Note that members present in person or through registered proxy shall only be entertained.
 - v. Note that the attendance slip/proxy form should be signed as per the specimen signature registered with the Registrar & Share Transfer Agent/Depository Participant.
 - vi. Quote their Folio/DP & Client Id No. in all correspondences with the Registrar & Share Transfer Agent/Bank.
 - vii. Avoid being accompanied by non-members and/or children.
- b) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote during the AGM, provided the votes are not already cast by remote e-voting by the first holder.
- c) The route map and QR Code for the AGM venue is provided at the backend cover page of the annual report.
- d) **E-Voting:**
 - i. Pursuant to Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, SS-2, Regulation 44 of the SEBI Listing Regulations and the circulars issued from time to time, the Bank is pleased to provide facility of remote e-voting to the Members to cast votes electronically on all resolutions set forth in this notice of 87th AGM of the Bank. The Bank has engaged services of National Securities

Depository Limited ("NSDL") for the same. E-voting is optional and Members can opt for only one mode for voting i.e. either by remote e-voting or vote at the AGM. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Bank as on the record date i.e. Tuesday, August 19, 2025.

- ii. The Bank has appointed CS Ghulam Jeelani Reshi, Practising Company Secretary (Membership no. FCS-8720 and Certificate of Practice No. 10020) as the scrutinizer to scrutinize process of remote e-voting and e-voting during the AGM in a fair and transparent manner.
- iii. The remote e-voting facility shall be available during the following period:
 - **Commencement of remote e-voting:** Saturday, August 23, 2025 [9:00 am (IST)]
 - **End of remote e-voting:** Monday, August 25, 2025 [5:00 pm (IST)]
 - The remote e-voting module shall be disabled by NSDL thereafter.
- iv. The voting results in respect of the resolutions as set out in this notice of the AGM, along with the scrutinizer's report will be communicated to the stock exchanges and will be uploaded on the website of the Bank i.e., www.jkbank.com and of NSDL i.e. <https://evoting.nsdl.com/>. The said results will also be displayed at the registered / corporate office of the Bank, in accordance with SS-2.
- v. Any person holding shares in physical form and non-individual Members, who becomes a Member of the Bank after dispatch of this notice or who has not registered their e-mail addresses with the Bank / DP and holds shares as on the record date, may obtain the User ID and Password by sending a request to evoting@nsdl.com.
- vi. Individual members holding shares in demat mode, who becomes a Member of the Bank after dispatch of this notice and holds shares as on the record date, may follow steps mentioned below for casting their vote through e-voting or participating in the AGM.
- vii. A person who is not a Member as on the record date should treat this notice solely for information purposes.
- viii. In case of joint holders, the Member whose name appears higher in the order of names as per the register of members of the Bank will be entitled to vote at the AGM, provided the votes are not already cast through remote e-voting.
- ix. The process to vote electronically on NSDL e-voting system is mentioned below:

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting for Individual shareholders holding securities in demat mode:

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	- For OTP based login you can click on https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp. You will have to enter your 8-digit DP ID, 8-digit Client Id, PAN No., Verification code and generate OTP. Enter the OTP received on registered email id/mobile number and click on login. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. - Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsdl.com either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS Portal" or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp - Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period. - Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.
	NSDL Mobile App is available on  App Store   Google Play 



Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	- Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login Easi /Easiest are requested to visit CDSL website www.cdslindia.com and click on login icon & New System Myeasi Tab and then user your existing my easi username & password. - After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly. - If the user is not registered for Easi/Easiest, option to register is available at CDSL website www.cdslindia.com and click on login & New System Myeasi Tab and then click on registration option. - Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.com or call at 022 - 4886 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800-21-09911

B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

1. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.
2. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.com mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically on NSDL e-Voting system.

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period.
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/ JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csjeelani@gmail.com with a copy marked to sharedeptt_gc@jkbmail.com and evoting@nsdl.com. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their



Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "Upload Board Resolution / Authority Letter" displayed under "e-Voting" tab in their login.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on : 022 - 4886 7000 or send a request to Ms. Pallavi Mhatre at evoting@nsdl.com.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode, please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned

copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to sharedeptt_gc@jkbmail.com or einward.ris@kfintech.com.

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of consolidated account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to sharedeptt_gc@jkbmail.com or einward.ris@kfintech.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.com for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

As required under Section 102 of the Companies Act, 2013, the following statement sets out all material facts relating to the special business mentioned at Item No. 6 of this Notice. Explanation to ordinary business mentioned at Item No. 5 has been provided on a voluntary basis.

ITEM NO. 05

Though not strictly necessary, Explanatory Statement is being given for Item No. 05 of the Notice, with the view to set-out material facts concerning such business. Pursuant to the provisions of Section 142 of the Companies Act, 2013, the remuneration of Auditors, appointed by C&AG under Section 139(5) of the Companies Act, 2013, has to be fixed by the Bank in General Meeting or in such manner as the Bank in the General Meeting may determine.

Historically, the Shareholders of the Bank at Annual General Meetings have been empowering the Board of Directors of the Bank to pay remuneration to Statutory Auditors for the yearly audit and quarterly review of financial results for the relevant financial year.

Members may accordingly authorize the Board of Directors to fix the remuneration of Auditors as per the best industry practices among the peer banks for the financial year 2025-26 including remuneration for the Limited Review of Quarterly Financial Results for the period ending 30th June, 2025, 30th September, 2025 and 31st December, 2025.

The Board of Directors recommends the passing of the proposed Resolution at Item No.05 as an ordinary resolution.

No Director, Key Managerial Personnel of the Bank or their relatives is in anyway concerned or interested in the Resolution.

ITEM NO. 06

The Securities and Exchange Board of India (the "SEBI"), vide its notification dated 13 December 2024, amended Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "SEBI Listing Regulations"). As per the revised regulation, listed entities are required to appoint a Secretarial Auditor who is a peer reviewed company secretary, and meets the eligibility criteria, as specified in Regulation 24A of the SEBI Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31 December 2024.

In compliance with these regulations, the Bank after following the due process and line with the CVC guidelines shortlisted the candidature of M/s D K Pandoh & Associates as the Secretarial Auditors of the Bank, for a period of five consecutive years from fiscal 2026 to fiscal 2030. The Board of Directors of the Bank (the "Board") at its meeting held on 25th July, 2025, based on the recommendation of the Audit Committee (the "Committee"), recommended the appointment of M/s D K Pandoh & Associates, Company Secretaries, as the Secretarial Auditors of the Bank, for a period of five consecutive years from FY 2025-26 till and including FY 2029-30, for the approval of the Members of the Bank.

M/s D K Pandoh & Associates, bearing Firm Registration No. S2016JK420900 and holding a valid Peer Review Certificate (certificate no. 4401/2023) issued by the Institute of Company Secretaries of India (the "ICSI"), possesses extensive expertise and experience in conducting secretarial audits for large listed entities.

M/s D K Pandoh & Associates has also conducted the secretarial audit of the Bank for the Financial Year 2024-25. It may be noted that in terms of the revised Regulation 24A of the SEBI Listing Regulations, any association of the Secretarial Auditor before 31st March, 2025 shall not be considered for the purpose of calculating the tenure.

M/s D K Pandoh & Associates have consented to the said appointment and confirmed their eligibility for appointment as the Secretarial Auditors of the Bank and that this appointment, if made, would be within the limit specified by the ICSI.

M/s D K Pandoh & Associates have confirmed that they satisfy the eligibility criteria, have no disqualifications or conflicts of interest as prescribed under the SEBI Listing Regulations read with the SEBI circular no. SEBI/HO/CFD/CFD-PoD-2/CIR/P/2024/185 dated 31st December, 2024. They also do not provide any services to the Bank, directly or indirectly, which have been restricted by the SEBI, thereby ensuring their independence and alignment with regulatory requirements, as mandated by the SEBI.

The remuneration payable to M/s D K Pandoh & Associates for conducting secretarial audit for Financial Year 2024-2025 is `1,05,000.00 plus applicable taxes and out of pocket expenses. The Board, based on the recommendation of the Audit Committee, has proposed a yearly remuneration of `90,000.00 plus applicable taxes and reimbursement of out of pocket expenses for conducting the secretarial audit from FY 2025-26 till and including FY 2029-30.

The Board of Directors recommends the passing of the proposed Ordinary Resolution at Item No.06.

No Director, Key Managerial Personnel of the Bank or their relatives is in anyway concerned or interested in the Resolution.

Profile and other details:

D.K. Pandoh & Associates is one of the leading Company Secretary firms based in the Union Territory of Jammu & Kashmir, India. Founded in 1997 by CS Dhaman Kumar Pandoh (FCS, LLB, PGDBM), the firm has built a reputation for integrity, professionalism, and excellence in corporate compliance and governance. The firm is Peer Reviewed having firm registration number as S2016JK420900.

The firm has successfully handled assignments and strategic collaborations for over 2,000 businesses across multiple sectors demonstrating sector-agnostic expertise. The assignments handled include Company Incorporation & Registrations, Secretarial & Legal Compliance, Corporate Governance & Advisory, Due Diligence & Legal Opinions, Business Structuring & Consultancy, Taxation & Accounting Services, Merger & Amalgamations, Liquidations and FEMA related assignments.

The Firm has strength of diverse team of professionals. The firm comprises experienced and dedicated professionals, including, Qualified Company Secretaries, CS Management Trainees, Law Graduates, MBA Graduates and a committed team handling accounts, compliance, secretarial and administrative operations.

With over three decades of experience, the firm is a trusted advisor and compliance partner to a diverse portfolio of clients, including listed companies, business entities, government corporations, public sector undertakings, large corporations, NBFCs, NGOs, start-ups and professional firms across the Northern Region of India including UT of Jammu & Kashmir, UT of Ladakh, Punjab, Himachal Pradesh and Delhi NCR.



Details of Directors seeking re-appointment at the 87th Annual General Meeting as per SS - 2 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Particulars	Details of Directors seeking re-appointment at the 87 th Annual General Meeting	
Name	Dr. Pawan Kotwal, IAS	Dr. Mandeep K Bhandari, IAS
Category	Non-Executive Non-Independent Director	Non-Executive Non-Independent Director
DIN	02455728	07310347
Date of Birth	04-12-1965	14-12-1974
Qualification	MBBS, IAS	MBBS, IAS
Nature of Expertise / Experience	Administration, Finance, Banking and SSI	Administration, Banking and Human Resource
Terms and conditions of appointment	Re-appointment as Directors liable to retire by rotation.	
Details of Remuneration paid and last drawn remuneration (including sitting fees) during Financial Year 2025-2026 till the date of this notice	Nil	Nil
Remuneration proposed to be paid	Since Dr. Pawan Kotwal, IAS is presently in the full time employment of Government of Ladakh, he shall not be entitled to sitting fees or any remuneration from the Bank	Since Dr. Mandeep K Bhandari, IAS is presently in the full time employment of Government of J&K, he shall not be entitled to sitting fee or any remuneration from the Bank
Date of First Appointment on the Board	24 th July, 2023	20 th October, 2023
Shareholding in the Bank	Nil	Nil
Relationship with other Directors, Key Managerial Personnel	Nil	Nil
No. of Board Meetings attended during the financial year 2025-2026 till the date of this notice¹	Attended 03 out of 05 Board meetings held during the Financial Year 2025-2026	Attended 0 out of 05 Board meetings held during the Financial Year 2025-2026
No. of Committee Meetings attended during the financial year 2025-2026 till the date of this notice	NA	NA
Directorships, Membership / Chairmanship of Committees of other Boards	Nil	Nil

1. The details of the Board meetings held during Financial Year 2024-25 and attendance thereto are provided in the Corporate Governance Report.
2. For Profile of the above mentioned Directors, refer to Corporate Governance Section of the Annual Report.

Director's Report

Dear Members,

Your Board of Directors (the "Board") is pleased to present its 87th Annual Report on the performance of the Bank, together with the audited Balance Sheet, Profit and Loss Account and the report on business and operations for the year ended 31st March, 2025.

Performance at a Glance

- The aggregate business of the Bank stood at `252768.18 Crore at the end of the FY2024-25.
- The total deposits of the Bank grew by `13793.14 Crore from `134776.32 Crore as on 31st March, 2024 to `148569.46 Crore as on 31st March, 2025, a growth of 10.23 percent.
- CASA deposits of the Bank at `69843.42 Crore constituted 47.01 percent of total deposits of the Bank.
- Cost of deposits for current FY stood at 4.75 percent.
- Net advances of the Bank stood at `104198.72 Crore as on 31st March, 2025.
- Yield on advances for the current FY stood at 9.56 percent.
- Average Priority Sector advances stood at `46048.17 Crore as on 31st March, 2025.
- The Bank effected cumulative cash recovery, up-gradation of NPAs and recoveries in technical write-off of `1288.09 Crore during FY 2024-25.
- Investment portfolio of the Bank stood at `41212.66 Crore as on 31st March, 2025.

Insurance Business

The Bank earned a commission income of `106.09 Crore from insurance business by mobilizing a business of `738.98 Crore in life insurance (including fresh retail life business of `201.61 Crore, Credit life business of `93.92 Crore and renewal business of `443.45 Crore) and `253.73 Crore (gross business) in non-life insurance during financial year 2024-25.

Income Analysis

- The Interest income of the Bank stood at `12535.86 Crore in the year 2024-25. Interest expenses stood at `6742.04 Crore for FY 2024-25. The Net Interest Income stood at `5793.82 Crore for FY 2024-25.
- The Net Income from operations [Interest Spread plus Non-interest Income] stood at `6930.63 Crore in the FY 2024-25.
- The Operating Expenses registered an increase of `248.55 Crore during the financial year 2024-25 and stood at `4000.84 Crore as compared to `3752.29 Crore in financial year 2023-24.
- The Cost to Income ratio (Operating Expenses to Net Operating Income) stood at 57.73 percent in the financial year 2024-25.

Operating Profit

Operating Profit for the financial year 2024-25 stood at `2929.79 Crore.

Provisions

The Provision for Loan Losses, Standard Assets, Taxation and others aggregated to `847.33 Crore in the financial year 2024-25.

Net Profit/Loss

The Bank registered a Net Profit of `2082.46 Crore for the financial year 2024-25.

Dividend

In view of the overall performance of the Bank and while retaining capital to support future growth, the Board at its meeting held on 5th May, 2025, recommended dividend of 215 per cent for the financial year 2024-25 for approval of the Shareholders at the 87th Annual General Meeting. If approved, the total outflow on account of dividend for the financial year 2024-25 will be `236.75 Crores. The record date for payment of dividend is mentioned in the notice of the 87th AGM of the Bank.

In terms of the Income Tax Act, 1961, the dividend income is taxable in the hands of the Members. Therefore, the dividend will be paid to the Members after deduction of applicable taxes, if any.

In terms of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Bank has formulated and adopted a Dividend Distribution Policy with the objective of appropriately rewarding Shareholders through dividends while retaining the capital required for meeting regulatory capital requirements, maintaining adequate buffers and supporting its future growth. The said Policy has been hosted on the website of the Bank at <https://www.jkbank.com/investor/stockExchangeIntimation/corporateGovernancepolicies.php>.

Branch/ATM Network

During the financial year 2024-25, 15 new branches were established, thereby taking the number of branches to 1019 (including IARBs) as on 31.03.2025, spread over 18 states and 4 union territories. The area-wise breakup of the branch network (excluding extension counters/ mobile branches and service branches) on the basis of census 2011 as at the end of FY 2024-25 is as under:

Area	Branches (including IARBs)
Metro	191
Urban	111
Semi-Urban	165
Rural	552
Total	1019



During the financial year FY 2024-25, 3 Easy Banking Units ("EBUs") were established taking the total number of EBUs to 97 and 14 ATMs were opened in FY 2024-25 taking the ATM network of the Bank to 1424 as on 31.03.2025. Besides 7 CRMs (Cash Recycler Machines) were opened in FY 2024-25 taking the total number of CRMs to 156 as on 31.03.2025.

Capital

The capital management framework of the Bank includes a comprehensive internal capital adequacy assessment process conducted periodically, which determines the adequate level of capitalization needed to meet the regulatory norms and current and future business needs.

The capital management framework of the Bank is complemented by the risk management framework, which covers the business and capital plans and stress testing results integrated with the internal capital adequacy assessment process while assessing its impact on the capital ratios and adequacy of capital buffers for current and future periods.

As at March 31, 2025, the Subscribed and Paid-up Capital of the Bank stood at ₹110,11,82,463.00 comprising of ₹110,11,82,463 equity shares, which is same as at March 31, 2024.

Net Worth and Capital Adequacy Ratio (CRAR)

- The Net Worth of the Bank stood at ₹13013.26 Crore on 31st March 2025.
- Adjusted Book Value per Share for the financial year 2024-25 stood at ₹110.75.
- CRAR of the Bank stood at 16.29% as on 31.03.2025. Tier-I capital stood at 13.96%.

Board of Directors

Your Bank has Twelve (12) Directors consisting of Managing Director & Chief Executive Officer, Executive Director and 10 Non-Executive Directors as on 31st March, 2025.

Independent and Non-Independent

Non-Independent Executive Directors

Mr. Amitava Chatterjee (DIN: 07082989), Non Independent Executive Director has been serving as the MD & CEO of the Bank since December 30, 2024, with the approval of the Reserve Bank of India (RBI). Mr. Sudhir Gupta (DIN: 09614492), Non Independent Executive Director has been serving as the Executive Director of the Bank since December 14, 2022 with the approval of the Reserve Bank of India (RBI).

Non-Independent Non-Executive Directors

Dr. Pawan Kotwal, IAS (DIN: 02455728), Mr. Santosh Dattatraya Vaidya, IAS (DIN: 05340193), Dr. Mandeep K Bhandari, IAS (DIN: 07310347), Mr. Sanjiv Dayal (DIN: 10926091), RBI appointed Additional Director and Mr. Rajesh Kumar Chhibber (DIN: 08190084) are the Non-Independent Non-Executive Directors of the Bank.

Independent Non-Executive Directors

In terms of the definition of 'Independent Director' as prescribed under Regulation 16(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149(6) of the Companies Act, 2013 and

based on the declarations/disclosures received from the Directors, the following Non-Executive Directors are Independent Directors:-

- Mr. Umesh Chandra Pandey (DIN: 01185085)
- Mr. Anil Kumar Goel (DIN: 00672755)
- Mr. Anand Kumar (DIN: 03041018)
- Ms. Shahla Ayoub (DIN: 09834993)
- Mr. Sankarasubramanian Krishnan (DIN: 07261965)

All Independent Directors of the Bank have given their respective declarations stating that they meet the criteria of independence as laid down under the applicable laws and in the opinion of the Board, the Independent Directors meet the said criteria.

Appointments/Resignations from the Board of Directors

During the FY 2024-25, there were following changes in the composition of the Board:

- Mr. Amitava Chatterjee (DIN: 07082989) was appointed as a Managing Director & Chief Executive Officer of the Bank w.e.f. December 30, 2024 in place of Mr. Baldev Prakash (DIN: 09421701) who ceased to be the Managing Director & Chief Executive Officer of the Bank on December 29, 2024.
- Mr. Sanjiv Dayal (DIN: 10926091) was appointed as Additional Director by RBI on the Board of the Bank w.e.f. January 20, 2025.
- Dr. Rajeev Lochan Bishnoi (DIN: 00130335) ceased to be an Independent Director on the Board of the Bank on January 20, 2025 after completion of his second term.
- Mr. Naba Kishore Sahoo (DIN: 07654279) ceased to be an Independent Director on the Board of the Bank on February 28, 2025 after completion of his second term.
- Mr. Sankarasubramanian Krishnan (DIN: 07261965) was appointed as an Independent Director on the Board of the Bank w.e.f. March 27, 2025.

Board of Directors placed on record their deep appreciation for the valuable services rendered by the ex-directors during their tenure as Directors of the Bank.

Changes in the Board of Directors after the Closure of Financial Year

There were no changes in the Board of Directors after the closure of Financial Year.

Directors seeking appointment/re-appointment at AGM

Dr. Pawan Kotwal, IAS (DIN: 02455728) and Dr. Mandeep K Bhandari, IAS (DIN: 07310347), who are retiring by rotation, have offered themselves for re-appointment. The profile and necessary details of the above mentioned Directors have been included in the Notice of AGM and Corporate Governance Report.

Appointments/Resignations of the Key Managerial Personnel

During the financial year 2024-25, Mr. Baldev Prakash, (DIN: 09421701) Managing Director & Chief Executive Officer (Up to December 29, 2024), Mr. Amitava Chatterjee, (DIN: 07082989) Managing Director & Chief Executive Officer (From December

30, 2024), Mr. Sudhir Gupta, (DIN: 09614492) Executive Director, Mr. Pratik D Punjabi, Chief Financial Officer (Up to April 05, 2024), Mr. Fayaz Ahmad Ganai, Chief Financial Officer (From April 16, 2024) and Mr. Mohammad Shafi Mir, Company Secretary were the Key Managerial Personnel of the Bank.

Mr. Amitava Chatterjee (DIN: 07082989) was appointed as Managing Director & Chief Executive Officer of the Bank w.e.f. December 30, 2024 in place of Mr. Baldev Prakash (DIN: 09421701) who ceased to be the Managing Director & Chief Executive Officer of the Bank on December 29, 2024 after completion of his term.

Mr. Fayaz Ahmad Ganai was appointed as Chief Financial Officer of the Bank on April 16, 2024 in place of Mr. Pratik D Punjabi, who resigned from the services of the Bank w.e.f. April 05, 2024 in order to explore professional opportunities outside the Bank.

Changes in the Key Managerial Personnel after the Closure of Financial Year

Mr. Ketan Kumar Joshi was appointed as Chief Financial Officer of the Bank with effect from July 17, 2025 in place of Mr. Fayaz Ahmad Ganai.

Number of Meetings of the Board

During the year under review, fifteen (15) Board Meetings were held in due compliance with statutory provisions, on the following dates:

16.04.2024, 04.05.2024, 12.06.2024, 09.07.2024, 27.07.2024, 13.09.2024, 25.10.2024, 19.11.2024, 07.12.2024, 13.12.2024, 25.12.2024, 18.01.2025, 20.01.2025, 25.02.2025, 26.03.2025.

Committees of the Board

The Bank has following Committees of the Board:

- 1) Management Committee
- 2) Audit Committee
- 3) Special Committee of the Board for Monitoring and Follow-up of Cases of Frauds
- 4) Stakeholders Relationship Committee
- 5) Information Technology Strategy Committee
- 6) Corporate Social Responsibility & Environmental, Social and Governance Committee
- 7) Integrated Risk Management Committee
- 8) Customer Service Committee
- 9) Nomination and Remuneration Committee
- 10) Legal and Impaired Assets Resolution Committee

The compositions, powers, roles, terms of reference, etc. of aforesaid Committees are given in detail in the statement on Corporate Governance annexed to this report.

Selection and Appointment of Directors

The selection and appointment of Directors of the Bank is carried out in accordance with the applicable provisions of the Companies Act, 2013 and the rules made thereunder, the Banking Regulation Act, 1949, the guidelines issued by the Reserve Bank of India (RBI), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Articles of Association of the Bank.

In alignment with the above statutory and regulatory framework, the Bank has adopted a structured and comprehensive approach towards Board composition. The following policies and plans have been formulated to ensure an effective, diverse, and future-ready Board:

- Succession Plan for the Board of Directors
- Policy on Appointment of Directors
- Board Diversity Policy
- Policy for Training of Directors

These frameworks aim to ensure that the Board comprises individuals with appropriate balance of skills, experience, and diversity, and that there is a seamless transition and continuity in the leadership of the Board.

Performance Evaluation of the Board

The Nomination and Remuneration Committee (NRC) has approved a framework / policy for evaluation of the Board, Committees of the Board and the individual Members of the Board (including the Chairperson). In conformity with the said policy requirements, following is the process of evaluation:

- The performance evaluation of all the Independent Directors is conducted by the entire Board excluding the Director being evaluated.
- Independent Directors evaluate the performance of Non-Independent Directors, Chairperson of the Board, Whole Time Directors and Board as a whole and submit the report to the Board alongwith necessary comments and suggestive course of action arising out of the evaluation.
- The performance evaluation of the Committees of the Board is conducted by the entire Board.

A questionnaire for the evaluation of the Board, its Committees and the individual Members of the Board (including the Chairperson) designed in accordance with the said framework and covering various aspects of the performance relating to the following is forwarded to individual Directors:

Board	Board Composition & Quality, Board Meetings & Procedures, Board Development, Board Strategy & Risk Management, Board & Management Relations, Succession Planning and Stakeholder Value & Responsibility, etc.
Committees of the Board	Functions & Duties, Management Relations, Committee Meetings & Procedures, etc.
Chairman of the Board	Managing Relationships, Leadership, Role & Responsibility, etc.
Whole Time Directors	Participation at Board / Committee Meetings, Managing Relationships, Knowledge and Skills, Personal Attributes, Contribution towards growth, Leadership and Initiative.
Individual Directors	Participation in meetings, Managing Relationships, Knowledge & Skills and Personal Attributes, etc.

The responses received to the questionnaires on evaluation of the Board, its Committees, individual Directors including Chairperson are consolidated and discussed by the Board.

Your Bank has in place a process, wherein, declarations are obtained from the Directors regarding fulfilment of the 'fit and proper' criteria in accordance with the RBI guidelines/



Companies Act, 2013. The declarations from the Directors other than Members of the NRC are placed before the NRC and the declarations of the Members of the NRC are placed before the Board. Assessment on whether the Directors fulfil the said criteria is made by the NRC / Board on an annual basis.

Fiscal Year

The Fiscal Year for the Bank is reckoned as starting from 01st April to 31st March every year.

Lead Bank Responsibility

J&K Bank is the only Private Sector Bank in the Country assigned with responsibility of convening State/ UT Level Bankers Committee-SLBC/ UTLBC meetings. Bank continues to satisfactorily discharge its Lead Bank Responsibility in 12 districts of UT of J&K, i.e. Srinagar, Ganderbal, Budgam, Baramulla, Bandipora, Kupwara, Anantnag, Kulgam, Pulwama, Shopian, Poonch and Rajouri. Lead bank responsibility in other 8 districts of the UT, i.e. Jammu, Samba, Kathua, Udhampur, Reasi, Doda, Ramban and Kishtwar is assigned to State Bank of India.

The Annual Credit Plan 2024-25 for UT of J&K, which was launched on 1st April, 2024, envisaged a total credit target of `51,839.99 Crore for 16,66,432 beneficiaries. During the FY 2024-25, banks operating in UT of J&K have disbursed total credit of `69,777.77 Crore in favour of 18,43,976 beneficiaries, registering an achievement of 135% in financial terms and 111% in physical terms. This includes disbursement of `36,575.27 Crore in favour of 11,54,988 beneficiaries against the annual target of `39,765.21 Crore for 13,28,858 beneficiaries under Priority Sector and `33,202.50 Crore in favour of 6,88,988 beneficiaries against the annual target of `12,074.77 Crore for 3,37,574 beneficiaries under Non- Priority Sector thereby registering achievement of 92% and 275% in financial terms respectively.

Bank was assigned annual target of `23,748.13 Crore for 8,14,584 beneficiaries under Priority and Non-Priority Sectors of economy during FY 2024-25 against which `43,320.46 Crore were disbursed in favour of 13,20,160 beneficiaries registering an achievement of 182% in financial terms and 162% in physical terms.

Convening of meetings of J&K UTLBC and Sub-Committees of J&K UTLBC during FY 2024-25:

Three meetings of J&K UTLBC and six meetings of various Sub-Committees of J&K UTLBC were held during the financial year 2024-25 with special focus on implementation of following schemes/ programmes:

- ❖ Coverage of unbanked centres with banking Touch Points
- ❖ Prime Ministers Vishwakarma Scheme for socio-economic development and betterment of artisans and craftsmen.
- ❖ SWAMITVA scheme to provide an integrated property validation solution for rural India.
- ❖ Pledge financing for agriculture commodities through electronic negotiable warehouse receipt (e-NWR) to help farmers to seek loans from banks against their NWR.
- ❖ Financing of Farmers Producer Organizations (FPO) by banks.

- ❖ Expanding and deepening of digital payment ecosystem for 100% digital onboarding of saving bank and business accounts.

Convening of District Level/ Block level meetings as per Lead Bank Scheme

Lead Bank ensured that District-level and block level meetings, such as DCC/ DLRC/ BLBC, and other related meetings under Lead Bank Scheme are held as per the schedule in all the 20 districts of UT of J&K during the FY 2024-25.

The Fora discussed and reviewed wide range of banking sector issues in blocks and districts including preparation of Annual District Credit Plans using bottom up approach and review progress thereof on regular intervals.

Implementation of Financial Inclusion Plans (FIPs):

All the phases of Financial Inclusion Plan of GoI/ RBI have been successfully accomplished in Union Territory of J&K. The identified unbanked centers stand covered by providing banking service outlets in the form of Bank Branches/ Banking Correspondents or other Modes of coverage.

As part of strengthening banking presence across all the rural pockets of J&K, UTLBC J&K is making efforts to saturate all the Gram Panchayats (GPs) by onboarding Village Level Entrepreneurs (VLEs), Common Service Centers (CSCs) or Self-Help Group (SHG) members as Business Correspondents (BCs).

1,853 Gram Panchayats have been identified in J&K for providing banking services through Banking Correspondents of which 932 GPs have been allocated to J&K Bank alone. J&K Bank has saturated 751 GPs.

Responsibility of setting up of RSETIs in UT of J&K:

In terms of guidelines issued by Ministry of Rural Development, Government of India, setting up the Rural Self Employment Training Institutes (RSETIs) in all the districts of UT of J&K was assigned by J&K UTLBC to two banks, viz. J&K Bank and State Bank of India as per their Lead Bank responsibility. Accordingly, J&K Bank has set up 12 RSETIs in its allocated 12 lead districts (Anantnag, Bandipora, Baramulla, Budgam, Ganderbal, Kulgam, Kupwara, Poonch, Pulwama, Rajouri, Shopian and Srinagar). Performance of RSETIs in conducting training programmes and the number of candidates benefited through credit linkage is being reviewed in Quarterly UTLBC meetings.

Responsibility of setting up of FLCs in UT of J&K:

In terms of RBI guidelines for setting up of Financial Literacy Centres (FLCs) in all the districts of UT of Jammu and Kashmir, J&K Bank has made 12 FLCs operational in its 12 allocated lead districts viz. Srinagar, Ganderbal, Budgam, Baramulla, Bandipora, Kupwara, Anantnag, Kulgam, Pulwama, Shopian, Poonch and Rajouri and SBI having made 8 FLCs operational in its 8 allocated lead districts of UT of J&K, viz. Jammu, Samba, Kathua, Udhampur, Reasi, Doda, Ramban, Kishtwar. In addition, PNB, JKGB, EDB and J&K State Cooperative Bank have also established 6, 2, 2 & 1 FLCs respectively, in various districts of UT of J&K, which as on 31.03.2025 takes the total number of FLCs in UT of J&K to 31. The performance of FLCs in conducting the Financial Literacy Camps as per the guidelines from RBI is being reviewed at various forums including quarterly UTLBC meetings.

100% Saturation Drive for KCC

J&K Bank launched programmes like Kisan Ka Samman and Kisan Adhikar Abhiyan during FY 2024-25 for saturation of farmers under KCC Scheme. Banks have issued 1.34 Lac fresh KCCs (Crop and AH&F) during FY 2024-25 bringing the total number of KCCs to 11.34 Lac with credit sanction of `10,101 Crore.

Performance of Associate /Subsidiary Companies:

Associate:

Regional Rural Bank (Sponsored by J&K Bank): J&K Grameen Bank

The J&K Grameen Bank has come into existence on 30th June 2009 with the issuance of statutory notification by Department of Financial Services, Ministry of Finance, Government of India with its Head Office at Jammu and has commenced its business with effect from 01.07.2009. With more than 70% of J&K's population living in rural areas, it presents a vast yet under-tapped opportunity for the banking sector in J&K. J&K Grameen Bank has a distinctive competitive advantage with its vast presence in rural areas. The bank is playing an important role in the economic prosperity of rural populace of J&K with its credit dispensation to small and marginal farmers, agricultural labourers, socio-economically weaker section of population for development of agriculture, trade, commerce, small scale industry and other productive activities in rural areas. The bank mobilizes resources and deploy the same locally, thus playing a significant role in developing agriculture and rural economy.

Capital Structure:

The issued and paid up capital of the J&K Grameen Bank as on 31st March 2025 is ` 589.44 Crores being fully subscribed by the Central Government, State/ UT Government and Sponsor Bank in the ratio of 50:15:35 respectively and is tabulated below:

Authorised Capital	`2,000 Crores		
Particulars	Subscribed and Paid up Share Capital up to FY 2023-24	Share Capital paid during FY 2024-25	Issued, Subscribed and Paid up Share Capital as on 31.03.2025
Share of Government Of India	294.72	0	294.72
Share of Government of UT of J&K	88.42	0	88.42
Share of J&K Bank (Sponsor Bank)	206.30	0	206.30

Tier II Perpetual Bonds:

Out of total cost outlay of `23.34 Crores for implementation of 100% CBS by JKGB, 50% i.e. `11.67 crore has been shared by J&K Bank (Sponsor Bank).

Date of issue: 04-12-2014

Area of Operation:

The area of operation of the J&K Grameen Bank comprises of 13 districts of the UT of J&K and UT of Ladakh viz. Baramulla, Bandipora, Kupwara, Ganderbal, Srinagar, Jammu, Kathua, Rajouri, Poonch, Samba, Kishtwar, Leh and Kargil.

No. of Branches (as on 31st March, 2025) : 216

No. of Employees (as on 31st March, 2025) : 1204 (includes 8 officials on deputation from J&K Bank - Sponsor Bank).

Business Performance of the J&K Grameen Bank as on 31.03.2025

Total Business:

The total business of the bank as on 31st March 2025 stood at `10450.25 Crores against `9364.33 Crores as on 31st March 2024, thereby registering a growth of 11.60% during the financial year 2024-25.

Deposits:

The deposits of the bank have increased from `5710.15 Crores as on 31<sup>st</sup> March 2024 to `6299.36 Crores during the financial year 2024-25, thereby registering a growth rate of 10.32%.

Advances:

The gross advances of the Bank as on 31st March 2025 stood at `4150.89 Crores as against `3654.18 Crores as on the corresponding date of the previous year recording a growth of 13.59%.

CD Ratio:

The C.D. Ratio of the bank has increased from 63.99% as on 31st March 2024 to 65.89% as on 31st March, 2025.

Priority Sector Advances:

The Priority Sector Advances outstanding as on 31st March 2025 stood at `3181.91 Crores against `2845.64 Crores outstanding as on 31st March 2024, registering a growth of 11.82 % on Y-o-Y basis. JKGB has Priority sector advances to total advances outstanding percentage at 76.66% as on 31st March, 2025 which is well above the prescribed target of 75% for RRBs.

NPA Management:

Gross NPAs of the Bank as on 31st March, 2025 stood at `157.70 Crores (3.80%) against `148.70 Crores (4.07%) as on 31st March, 2024. Accordingly, Net NPAs as on 31st March, 2025 stood at `50.51 Crores (1.25%) against `45.45 Crores (1.28%) as on 31st March, 2024.

Business per Employee:

The business per employee as on 31st March 2025 stood at `8.68 Crores against `7.64 Crores as on corresponding date of the previous year.

Business per Branch:

The business per branch as on 31st March 2025 stood at `48.38 Crores against `43.35 Crores as on corresponding date of the previous year.



• **Profitability:**

The bank has registered a net loss of ₹12.75 Crores as on 31st March, 2025 as against a net profit of ₹3.76 Crores as on 31st March, 2024.

Under Government's 'One State One RRB' policy regarding amalgamation of 26 Regional Rural Banks (RRBs), J&K Grameen Bank (JKGB) and Ellaquai Dehati Bank (EDB) have also been amalgamated into one Regional Rural Bank under the name "Jammu and Kashmir Grameen Bank" from May 1, 2025 under the sponsorship of J&K Bank, vide Gazette Notification No. CG-DL-E-07042025-262329 dated April 7, 2025, issued by the Department of Financial Services (DFS), Government of India.

Subsidiary: JKB Financial Services Limited (JKBFSL)

As on March 31, 2025, the Bank has one unlisted wholly owned subsidiary namely, JKB Financial Services Limited (JKBFSL) which was incorporated on August 27, 2008. JKB Financial Services Limited was floated with the objective to primarily meet the para-banking requirements of J&K Bank customers in particular and other customers of the UT of J&K in general. JKBFSL is a member of the National Stock Exchange (NSE) & Bombay Stock Exchange (BSE). JKBFSL ensures the people of J&K in general and J&K Bank clientele in particular have easy access to financial services like depository, share trading and mutual fund investments through their reliable and trustworthy brand "The J&K Bank". The establishment of the subsidiary is part of our ongoing commitment and obligation towards our customers, being the dominant player in this geography and being the proud owner of the priceless emotional equity of the local populace. The Bank is committed for making available reliable and cost effective financial services to the people through its branch network especially in this geography through a Collaborative Business Model (CBM) with JKBFSL. The CBM is aimed at maximizing the business value and customer satisfaction.

As a leading broking entity in the Union Territory of J&K & Ladakh, JKBFSL at present provides a wide range of financial services to its clients which includes:

- a) **Equity Broking Services:** JKBFSL provides broking services in equity (cash/delivery, intra-day, futures and option). It plans to include BSE FO (Sensex and Bankex contracts) Commodity Trading and Pro Trading along with debt products to its kitty. As a part of broking services offered by the company, it facilitates opening of Demat accounts for its clients. JKBFSL has taken the membership of NSE, BSE, NSDL and CDSL for providing broking and Demat services.
- b) **Margin Trading Facility:** JKBFSL is providing margin-trading facility to its clients for leveraging their eligible collaterals by funding their requirements on the cash-delivery segment of equities in NSE. The exposure is provided as per the norms set by SEBI and exchanges.
- c) **Gold ETF:** JKBFSL is providing the facility to its customers for buying and selling Gold ETF. This product being an exchange-traded fund can be bought and sold only on stock exchanges, thus saving investors from the trouble of keeping physical gold. The transparency in pricing/purity is another advantage. Exchange Traded Funds are open-ended mutual fund schemes based on

the ever-fluctuating cost of gold. Gold ETFs give investors exposure to the gold market, offering an excellent choice of investment.

- d) **Initial Public Offer:** To complement its broking services, JKBFSL has been facilitating client participation in IPOs through the ASBA platform of J&K Bank in offline mode. However, with the rollout of its new and advanced trading application JKBmTRADE, the company now offers a seamless online IPO application facility. This new feature enables clients to apply for IPOs directly through the app, with real-time lien marking of funds, significantly enhancing the convenience and efficiency of the investment process.
- e) **Third Party Product Distribution:** JKBFSL undertakes distribution of third party products like mutual funds and ETFs according to its client's requirements. The company provides such distribution through online channels as well as through the BSE Star Mutual Fund platform.
- f) **Launch of mobile application mTrade:**
During the FY2024-25, JKBFSL launched a mobile app called JKB mTrade, which offers comprehensive features, an all-in-one digital platform designed to provide a seamless and advanced trading experience for both experienced and first-time investors.

Performance highlights of the company during the financial year 2024-25:

Income:

- The company's total income exceeded ₹1900.00 lakhs during the financial year 2024-25, reflecting a growth of 27% from ₹1,514.56 lakhs as on 31st March 2024 to ₹1,918.38 lakhs as on 31st March, 2025.
- Income from Margin Trade Funding (MTF) increased to ₹487.65 lakhs in the financial year 2024-25, up from ₹285.24 lakhs in FY 2023-24, registering a year-on-year (YoY) growth of 71%.
- The Company recorded an Assets under Management (AUM) growth of approximately 106% YoY, with mutual fund commissions increasing from ₹97.72 lakhs in 2023-24 to ₹201.14 lakhs in 2024-25, reflecting 106% YoY growth.
- Income from equity broking for the financial year 2024-25 stood ₹878.94 lakhs, compared to ₹770.37 lakhs in FY 2023-24, representing a YoY growth of 14%. The Company's total trading volumes increased to ₹4424.61 Crores as on 31st March, 2025 from ₹3389.59 Crores as on 31st March 2024, achieving a 31% growth.
- Depository income for the financial year 2024-25 recorded ₹91.13 lakhs, as against ₹172.88 lakhs in the previous financial year. The depository income during the financial year 2024-25 has witnessed a considerable decline of 47% compared to the previous financial year, primarily on account of regulatory changes introduced by the SEBI vide circular dated June 28, 2024, mandated the categorization of investors under Basic Service Demat Account (BSDA) Framework.

Expenditure:

- The total expenses for the financial year 2024-25 amounted to ₹1421.46 lakhs, compared to ₹1163.51 lakhs

in the previous financial year, representing a year-on-year (YoY) increase of 22%.

- The significant rise in total costs on a YoY basis is primarily attributable to increased employment costs due to the regularization of employee services and wages paid to outsourced staff.
- Most of the expenses under other administrative categories are variable and fluctuate in accordance with production levels and other developments.

Profits:

- The company registered a profit before tax of `496.88 lakhs during the given financial year and the net profit earned was `378.65 lakhs during the same period.

Advertising and Publicity

During the FY 2024-25, we have further strengthened the bond of trust with all our stakeholders by leveraging all the means and channels available for uninterrupted and effective communication throughout the financial year. The Bank's products, services and facilities were successfully advertised and publicized through a series of multi-media mass campaigns across the operational geographies of the Bank. Also, the advertising campaigns initiated by the Bank to increase its overall business, while meeting the set targets, were duly publicized with proper follow-up communications.

Further, the functioning and accomplishments of the Bank were effectively communicated to relevant target audiences including major stake-holders, customers, shareowners and general public through customized and efficiently packaged messages/hand-outs using mass media within J&K and Ladakh, besides rest of the country to enhance our credibility and brand image.

Leveraging the power of internet in reaching out to a wider audience, we successfully increased our presence manifold in the social-media universe by strengthening and streamlining our online presence through highly popular mediums of social connectivity tools especially Facebook, Twitter, Instagram, YouTube and LinkedIn.

Brand Building

Brand perception forms the fulcrum of any communication plan, which is devised to complement the Bank's business strategy. Therefore, in line with the Bank's vision to scale up its business and expand presence in rest of the country while deepening its foot-prints in Jammu & Kashmir and Ladakh (JKL), we aligned the Brand Building campaigns accordingly to better leverage Bank's success in financial and institutional terms. With an established identity and image in the JKL market, our focus remained to enhance Bank's brand equity and boost its brand appeal in aesthetically vibrant terms to complement its financial standing. While as in rest of the country, we successfully increased our brand exposure activities during the FY 2024-25 both on and off-line thereby enhancing Bank's brand awareness, deepening its brand perception and increasing its brand value.

During the FY 2024-25, the Bank undertook various promotional activities to position its brand further favourably among the people, complementing ever-strengthening significance of our institution on financial landscape of JKL

and beyond. While Brand J&K Bank continues to hold the sway among the people, Bank has ensured to put an effective and efficient communication strategy in place to reinforce the brand recall.

During the FY, the Bank successfully ran a highly charged brand-deepening series - 'Yadoon Ki Jama Poonji - A heartfelt journey through the memories as markers of our making.' In this campaign, the Bank celebrated its 86-year legacy of love and unwavering bond with its valued customers and dedicated employees through an audio-visual tell-tale series on social media by presenting a treasure trove of memories as recounted by customers/employees highlighting the deep foundations of their trust and commitment with the Bank.

While the thrust for using digital channels to communicate to the people has been mandated in the face of ever changing technological landscape with Bank enhancing its digital footprints by leveraging its presence on social media platforms, it has increased usage of traditional advertisement genres like outdoor advertising (OOH) through hoardings, bus branding, airport trolley branding and barricades to garner better mileage in terms of brand visibility and reach. A well-drilled brand visibility enhancing activity was carried out by displaying Bank's products and schemes at ATMs/CRMs & Branches while making sure Glow Signboards-an important tool of brand identity-are properly maintained. Hoardings were placed in twin cities of Jammu and Srinagar, major railway stations, national highways and other key locations across all major towns and areas of JKL and rest of the country.

Moreover, people-centric, cyber security and environment-friendly initiatives during FY2024-25 were properly highlighted by using a blend of diverse media mix to enhance public awareness, strengthen the trust and bond between Bank and its stakeholders, thereby, enabling a continuity in the positive perception about the Bank.

While doing all this, the key components of brand identity like logo, its colors, font, and other aspects were properly utilized and placed to deepen the brand perception and loyalty among the stakeholders.

Awards & Certifications received by the Bank during FY 2024-25

Throughout its illustrious history of more than eight and half decades, J&K Bank has been decorated with awards and accolades at prestigious platforms nationally as well as internationally. Over the years, the Bank has enriched its legacy by collecting numerous honours in various categories.

During the FY 2024-25, the Bank outperformed its competitors to win following major awards and grab the headlines in following categories:

1. Honoured with the 'Best Innovation in Digital Lending' award at the 1st Indian PSU Achievers' Awards 2025.
2. Honoured by Union Minister of Defence, Shri. Rajnath Singh for generous financial contribution under its Corporate Social Responsibility (CSR) towards the education of children of ex-servicemen and war widows.
3. Honoured as the winner in the category of Best Bank for Creating Awareness among MSMEs (Private Sector) awards at the MSME Banking Excellence Awards-2024.



Also secured the position of Runner-Up in Best MSME Bank (Private Sector).

4. Won the coveted 'Best Digital Sales, Payments and Engagements' award in the 'Medium Size Banks Category' at the 20th IBA Annual Banking Technology Conference and Citations - 2024.
5. Bank's Football Club won the prestigious 18th Christmas Gold Cup 2024-25.
6. Won the SKOCH Gold Award for 'Corporate Governance' at the summit themed 'New Dimensions of Inclusive Growth'.
7. Honoured with "Best Performance on Profitability" award in the category of Private Sector Bank (Mid-Size) at the 2nd ICC Emerging Asia Banking Conclave & Awards 2024.
8. Received 'Outstanding Performance Award' for agriculture financing at the 15th Agriculture Leadership Conclave and the 'Award of Excellence' for enrolling the maximum number of APY beneficiaries under the 'Mission Upgrade' campaign of the Pension Fund Regulatory & Development Authority (PFRDA) for the financial year 2024.
9. Won the prestigious Platinum Award at Infosys Finacle Innovation Awards - 2024 in the process innovation category for Bank's transformation in Business Correspondent (BC)/Khidmat Centre Channel.

Corporate Social Responsibility (CSR)

As a responsible corporate entity, J&K Bank remains committed to aligning its strategic objectives with the broader needs of society, thereby fostering an inclusive, sustainable, and equitable environment. This commitment forms the cornerstone of the Bank's Corporate Social Responsibility (CSR) policy and is embedded in its core philosophy of contributing meaningfully to the communities it serves.

Guided by the founding principles of its CSR policy, the Bank consistently undertakes and promotes initiatives aimed at uplifting underprivileged and marginalized sections of society. These efforts also extend to supporting community-driven actions that contribute to a more compassionate, resilient, and sustainable world. In pursuit of this vision, the Bank continued its 'social investment' efforts during FY 2024-25 by implementing diverse CSR projects addressing social welfare, healthcare, education, livelihood enhancement, environmental sustainability, disaster relief etc. These initiatives have not only helped to mitigate the challenges faced by various communities but have also strengthened the Bank's emotional equity, brand affinity and public goodwill.

Throughout the financial year, the Bank remained steadfast in its mission of "Serving to Empower" by fostering value creation across the Union Territories of Jammu & Kashmir and Ladakh. While many of the CSR interventions directly impacted large segments of the population, several eco-centric projects have played a pivotal role in promoting renewable energy adoption and reducing the overall carbon footprint.

Statutory disclosures related to the activities of the CSR&ESG Committee of the Board, including a comprehensive report on CSR implementation are enclosed as part of this report as

Annexure 1. The key areas of intervention and the activities undertaken under CSR by the Bank during the FY 2024-25 are detailed in Corporate Functions Report.

Corporate Governance

The Bank has established a tradition of exemplary practices in corporate governance. It encompasses not only regulatory and legal requirements, but also several voluntary practices, aimed at high level business ethics, effective supervision and enhancement of stakeholder volume. Several matters have been voluntarily included in the statement on corporate governance annexed to this report, besides certificate from the Secretarial Auditors regarding compliance of conditions of Corporate Governance as stipulated by the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015.

Management Discussion and Analysis

The Management Discussion and Analysis Report for the year is presented in a separate section forming part of this report.

Whistle Blower Policy & Vigil Mechanism

The Bank has a Whistle Blower mechanism in place which enhances transparency in the organization by encouraging the employees/ Directors/ other specified stakeholders to report any wrongdoing, which comes to their knowledge in the day-to-day performance of their duties or interaction with other fellow-colleagues/ Bank staff without fear of retaliation, victimization and unfair-treatment. The Bank has formulated the "Whistle Blower Policy" to guarantee them protection from any adverse departmental proceedings.

The Policy is compliant to regulatory requirements under Section 177 (9) of the Companies Act 2013, and SEBI Listing Regulations. The policy document is available on the Bank's official website under link:

<https://www.jkbank.com/investor/stockExchangeIntimation/corporateGovernancepolicies.php>

Further, the mechanism adopted by the Bank encourages the Whistle Blower to report genuine concerns or grievances and also provides for direct access to Chairman of the Audit Committee of the Board, in exceptional cases.

The grievance under Whistle Blower mechanism can be lodged on the Bank's official website under link: <https://www.jkbank.com/others/common/wbGrievances.php>

It is hereby affirmed that the Bank has not denied any of its personnel access to the Chairman of the Audit Committee of the Board and that the policy contains adequate provisions for protecting whistle blowers from unfair termination and other unfair prejudicial employment practices.

In the FY 2024-25, Twelve (12) complaints received under Whistle Blower Mechanism were placed before the Audit Committee of Board.

Protected Disclosure Scheme:

The Bank in line with the RBI prescribed framework, has devised a Policy Document on the "Protected Disclosure Scheme." The complaints under the Scheme cover the areas such as corruption, misuse of office, criminal offences, suspected/ actual fraud, failure to comply with existing rules and regulations such as Reserve Bank of India Act, 1934,

Banking Regulation Act 1949, etc. and acts resulting in financial loss/ operational risk, loss of reputation, etc. detrimental to depositors' interest/ public interest. Reserve Bank of India (RBI) will be the Nodal Agency to receive complaints under the Scheme.

The complaint under the Scheme should be sent in a closed/ secured envelope addressed to The Chief General Manager, Reserve Bank of India, Department of Banking Supervision, Fraud Monitoring Cell, Third Floor, World Trade Centre, Centre 1, Cuffe Parade, Mumbai 400005. The envelope should be superscripted "Complaint under Protected Disclosures Scheme for Banks". Complaints can also be made to RBI through e-mail: dbspd@rbi.org.in by giving full details as specified above.

The policy document is available on the intranet page of the Bank as well as on the Bank's official website under link: https://www.jkbank.com/pdfs/policy/latest/Policy_protected.pdf

It is hereby affirmed that no unfair treatment will be meted out to a Complainant by virtue of his/her having reported a Disclosure under this Policy. The Bank, as a policy, condemns any kind of discrimination, harassment, victimization or any other unfair employment practice being adopted against Complainant(s). Complete protection will, therefore, be given to Complainant(s) against any unfair practice like retaliation, threat or intimidation of termination/suspension of service, disciplinary action, transfer, demotion, refusal of promotion, including any direct or indirect use of authority to obstruct the Complainant's right to continue to perform his/ her duties/functions including making further Disclosure under the policy. In FY 2024-25, the Bank has not received any complaint under the "Protected Disclosure Scheme".

Risk Management

Risk is an integral part of banking business. Bank has exerted focused efforts in building a robust, and sustainable risk governance framework and to create risk awareness culture across all tiers of the organisation's hierarchy and is continuing to do so. Risk Management underscores the fact that the survival of an organisation depends heavily on its capabilities to be proactive and prepare for the change rather than just be reactive for the change. The objective of risk management is not to prohibit or prevent risk taking activity, but to ensure that the risks are consciously taken with full knowledge, purpose and clear understanding so that it can be measured and mitigated.

Bank has a well-defined and comprehensive risk management framework in place to strengthen its capacity to recognise and address risks. This framework is clearly based on systematic identification and understanding of different risks, disciplined risk assessment, measurement procedures, mitigation and continuous monitoring. Risk Management is an integral part of the Bank's organizational structure and plays vital part in formulation of business strategy. It allows greater control in achieving an appropriate balance between acceptable risks and expected returns, while at the same time maintaining the sound financial position. The Bank's Risk Management framework focuses on the management of key areas of Risk such as Credit Risk, Market Risk, Operational Risk, Liquidity Risk and Pillar II Risks; quantification and mitigation thereof.

The Bank has also put in place a Risk Appetite Framework (RAF) that articulates the risk appetite and drills down the same into a limit framework for various risk categories. Risk appetite defines the levels and types of risk that are acceptable, within risk capacity, in order to achieve strategic objectives and business plans. The risk appetite framework, which is approved by the Board, bolsters effective risk management by promoting sound risk-taking through a structured approach, within agreed boundaries. The Risk Appetite applies to Bank at an enterprise level, branches, offices and other departments. With the objective of aptly integrating risk appetite into business functions, Bank aims to maintain an effective risk management process which sets out key elements for risk appetite framework which is not limited to credit, market, liquidity and operational risks, but incorporates all major risks faced by the Bank. This includes reputational, concentration and strategic risks, as well as risks that do not appear to be significant in isolation, but when combined with other risks could lead to material losses.

The key components of the Bank's Risk Management architecture rely on the risk governance structure, comprehensive processes and internal control mechanism based on approved policies and guidelines. The Bank's risk management processes are guided by way of policies adopted appropriately for various risk categories, independent risk oversight and periodic monitoring by Board of Directors, Committee of the Board of Directors (Integrated Risk Management Committee of Board) and Senior Management Committees - Credit Risk Management Committee, Market Risk Management Committee, Operational Risk Management Committee and Asset Liability Committee (ALCO). The policies approved from time to time by Board of Directors, Committee of Board (IRMC) form the basis for governing framework for each type of risk. The risk management policies and procedures established are updated on continuous basis in compliance with RBI guidelines and benchmarked to the best practices. The Board sets the overall risk appetite and philosophy for the Bank and has an oversight of all the risks assumed by the Bank.

Bank has an independent Risk Management Vertical headed by the Chief Risk Officer, who reports to IRMC of Board and monitors the development and implementation of methodologies for risk identification, assessment, measurement, monitoring and mitigation for all risks. The Board of Directors with its Committee-Integrated Risk Management Committee (IRMC) reviews risk management policies of the Bank pertaining to Credit, Operational, Liquidity, Market and Pillar II Risks that includes strategic risk and reputational risk, Internal Capital Adequacy Assessment Process (ICAAP) and stress testing. The Management Level Committees - Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC) and Market Risk Management Committee (MRMC) for Credit Risk, Operational Risk and Market Risk operate within the broad risk management framework of the Bank to assess and minimize these risks. Information security and business continuity plan also forms part of risk management function in the Bank. Treasury activities are separately monitored by mid office which reports to Risk Management Vertical. The Bank has Stress Testing Policy to measure impact of adverse stress scenarios on the adequacy of capital. The stress scenarios are idiosyncratic, generic and a combination of both.



Business Responsibility and Sustainability Report (BRSR)

In terms of Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, top 1000 Listed Entities based on their market capitalization as on 31st March every year are required to submit their Business Responsibility and Sustainability Report (BRSR) on the environmental, social and governance disclosures as a part of the Annual Report. The Bank's BRSR is annexed as **Annexure-6** to this report.

Information under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Bank does not engage in any form of child labour / forced labour / involuntary labour and does not adopt any discriminatory employment practices. The Bank has duly constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention and Redressal) Act, 2013 and the rules made thereunder dealing with complaints of harassment or discrimination. The Committee functions in line with the relevant Act passed by the Parliament in 2013. The Committee ensures that all complaints are resolved within defined timelines. During the year, two complaints were lodged before the Internal Complaints Committee. Accordingly, due inquiry proceedings were conducted in the cases, as stipulated in the Act and adequate opportunity was provided to both complainants and respondents to present/defend their case. Both the complaints were disposed of within the requisite time frame of 90 days.

Employee accidental deaths

During the Financial Year 2024-25, one accidental death has occurred on 28th May, 2024 (Late Prem. Lal - Banking Attendant, Code No: 21059). The employee was covered for an amount of Rs. 20.00 lacs, which has been settled by the Insurer (Bajaj Accidental Insurance).

Loans, Guarantees & Investment in Securities

Pursuant to Section 186(11) of the Act, the provisions of Section 186 of the Act, except sub-section (1), do not apply to a loan made, guarantee given, or security provided by a banking company in the ordinary course of its business. The particulars of investments made by the Bank are disclosed in schedule 8 of the financial statements as per the applicable provisions of the Banking Regulation Act, 1949.

Contracts or Arrangements with Related Parties

Considering the nature of the Industry in which the Bank operates, transactions with related parties of the Bank are in the ordinary course of business and are also at arm's length basis. There was no materially significant related party transaction entered by the Bank with Promoters, Directors, Key Managerial Personnel or other persons which may have a potential conflict with the interests of the Bank. The policy on Related Party Transactions and dealing with related parties as approved by the Audit Committee and the Board of Directors is uploaded on the website of the Bank and the link for the same is below: <https://www.jkbank.com/investor/stockExchangeIntimation/corporateGovernancepolicies.php> Statement of related party transactions under sub section (1) of Section 188 of the Companies Act, 2013 is annexed as Annexure 5 to this report.

Information under Insolvency and Bankruptcy Code, 2016

The Bank as on 31st March, 2025 has cases under the IBC resolution, the details whereof along with existing status is tabulated as under:

(Amt. in Rs Crs)

S. No.	No. of Accounts	Stage of Process	NPA / NPI Outstanding	Recoveries during the year, if any
1	26	Resolution Process (Pending with NCLT)	1539.57	14.39
2	22	Liquidation Process	1914.06	18.82
3	1	Resolution approved/ implemented during the year.	126.22	77.37

Frauds reported by the Bank

The Bank during the financial year 2024-25 has detected/ reported 35 cases of frauds to the Reserve Bank of India involving an amount of `198.15 Crores.

Out of the above 35 frauds, 1 fraud case involving an amount of `27.60 Crore was deactivated from fraud portfolio on 01.08.2024 (originally declared as fraud in year 2021) in compliance to court order dated 27.05.2024 passed by Hon'ble High Court of Punjab and Haryana at Chandigarh. RBI while acknowledging the deactivation vide its mail date 16.08.2024 advised the Bank to ensure compliance to the judgement dated March 27, 2023 of the Hon'ble Supreme Court, judgement dated May 27, 2024 of the Hon'ble Court of Punjab & Haryana and of Para 2.1.1 of the Master Directions on Fraud Risk Management in commercial banks dated July 15, 2024, while re-examining the account from angle of fraud. The Bank following principles of natural justice, particularly the rule of audi alteram partem, issued Show-Cause notices to the borrowers' and after re-examining their replies in light of the already conducted internal investigation and Forensic Audit Report, the account was again re-classified as fraud in FY 2024-25.

Also in FY 2024-25, the fraud amounts in three fraud cases pertaining to FY 2023-24 were revised by an amount of `59.56 Lacs, `51.48 Lacs and in one case fraud amount was reduced by `30.76 lacs. The fraud amounts in these cases were thus respectively revised to `170.94 Lacs, `199.11 Lacs & `95.58 Lacs.

Frauds reported by Auditors

During the year under review, one fraud was reported by the statutory auditors under Section 143 (12) of the Companies Act, 2013 to the Ministry of Corporate Affairs, Govt. of India.

Consolidated Financial Statements

Pursuant to Section 129 of the Companies Act, 2013, the Bank has prepared Consolidated Financial Statements of the Bank, its Subsidiary (JKB Financial Services Ltd.) and also its Associate (J&K Grameen Bank) which shall be laid before Shareholders at the 87th Annual General Meeting of the Bank along with Bank's Financial Statements under sub-section (2) of Section 129 i.e. Standalone Financial Statements of the Bank. Further, pursuant to the provisions of Accounting Standard (AS) 21 - Consolidated Financial Statements notified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules 2014 issued by the Ministry of Corporate Affairs, the Consolidated Financial

Statements of the Bank along with its Subsidiary/Associate for the year ended March 31, 2025 form part of this Annual Report. The statement in form AOC-1 pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules 2014 is annexed as **Annexure-4** to this report.

Statutory Auditors

The Statutory Central and Branch auditors of the Bank are appointed by the Comptroller & Auditor General of India (C&AG) pursuant to Section 139 (5) of the Companies Act, 2013. The Bank had three (3) Statutory Central Auditors appointed by the C&AG of India for the year under report as given below:

1. M/s Gupta Gupta & Associates LLP, Chartered Accountants
2. M/s JCR & Co. LLP, Chartered Accountants
3. M/s Lunawat & Co., Chartered Accountants (Only for Q1 FY 2024-25)
4. M/s Dhar Tikun & Co., Chartered Accountants (From Q2-Q4 FY 2024-25)

Statutory Central Auditor's Report

For the FY 2024-25, there are no qualifications, reservation or adverse remarks made by the Statutory Central Auditors in the audit report.

Fees paid to Statutory Auditors

The details of total fees (excluding taxes), for all services, paid by the Bank on a consolidated basis to the Statutory Central Auditors are tabulated below:

(Amount in Rs.)

S. No.	Particular	M/s Gupta Gupta & Associates	M/s JCR & Co LLP	M/s Lunawat & Co	M/s Dhar Tikun & Co.	Total
1	Fee payment by Bank to Central Statutory Auditors	96,95,436	96,29,436	20,94,957	76,55,479	2,90,75,308
2	Certification /Other fee	1,61,791	3,37,791	90,000	83,791	6,73,373

Comments of C & AG

As on date of this report, the Bank has not received the comments under Section 143 (6) of the Companies Act, 2013 from the Comptroller and Auditor General of India on the accounts of the Bank for the year ended 31st March, 2025 and the same alongwith Bank's reply to the comments shall be read out at the 87th Annual General Meeting.

Secretarial Auditors & Secretarial Audit Report

Pursuant to Section 204 of the Companies Act 2013, your Bank has appointed CS Dhaman Kumar Pandoh, Proprietor of M/s D K Pandoh & Associates, Company Secretaries as its Secretarial Auditor to conduct the Secretarial Audit of the Bank for the FY 2024-25. The Bank provided all assistance and facilities to the Secretarial Auditor for conducting the

audit. The report of Secretarial Auditor for the FY 2024-25 is annexed to this report as **Annexure 3**. The Bank's replies to the comments of Secretarial Auditor are furnished as under:

S. No.	Observations of the Secretarial Auditor	Response of the Bank
01	As required under the RBI circular No.DOR. GOV.REC.8/29.67.001/2021-22 dated April 26, 2021 on Corporate Governance in Banks, the Bank did not have a part-time Non-Executive Chairman. However, the meetings of the Board were chaired by Non-Executive Independent Director in compliance to the Circular.	Statement of fact. Though, the Board meetings are chaired by the Independent Director as required under the said RBI circular. Nevertheless, the Bank is in the process of appointing the Part-Time Chairman.
02	During the Financial Year 2024-25, the Reserve Bank of India has imposed the penalties as per the details mentioned hereunder: + Penalty of `1,50,900.00 on Currency Chests. + Penalty of `6,60,000.00 on ATM Cash Outs. Out of which an amount of `2,20,000.00 have been waived-off and reversed by RBI. + Penalty of `3,31,80,000.00 due to the following reasons: i. To comply with RBI directions on Basic Savings Bank Deposit (BSBD) Accounts; ii. To Identify Beneficial Owners for Accounts of Legal Persons who are not natural persons; iii. To close small accounts, that were allowed to remain operational even after 24 months from the date of opening of those accounts; and iv. For sanctioning a Working Capital Demand Loan against amount receivable from the Government by way of subsidies.	Statement of fact.
03	An Administrative warning letter was issued by SEBI vide letter dated 14.01.2025 on delayed submission of RBI approval regarding appointment of MD&CEO. In terms of the records placed before the Board in its meeting held on 18.01.2025, the Bank had intimated the stock exchanges within the stipulated time period. Accordingly, the Board directed to approach the SEBI for revocation of the Administrative warning relating to non-compliance with the provisions of SEBI (LODR) Regulations, 2015.	Statement of fact.
04	As on date of the Report, the Bank has yet to fill a vacancy of an Independent Director arising due to completion of term of Mr. Naba Kishore Sahoo, who completed his second term as an Independent Director on the Board of the Bank on 28.02.2025.	The Bank is in the process of filing up the vacancy of the Independent Director in order to achieve the compliance to the applicable Regulations.

Further, the Audit Committee and the Board of Directors of the Bank at their respective meetings held on July 25, 2025 have recommended the appointment of M/s D K Pandoh & Associates, Practicing Company Secretaries (ICSI Firm



Registration No. S2016JK420900), as Secretarial Auditors of the Bank at an overall audit fees of Rs. 90,000 (Rupees Ninety Thousands) per annum in addition to out of pocket expenses, outlays and taxes as applicable, to conduct secretarial audit of the Bank for a period of 5 (Five) years i.e. from FY 2025-26 till (and including) FY 2029-30.

The resolution in this regard is being proposed at ensuing AGM for approval of the Members.

Compliance with Secretarial Standards

The Bank is in compliance with all applicable Secretarial Standards as notified from time to time.

Change in the nature of business

During the year under review, there has been no change in the nature of business of the Bank.

Plan and Status of Ind AS implementation

The RBI had issued a circular in February 2016 requiring banks to implement Indian Accounting Standards ("Ind AS") and prepare standalone and consolidated Ind AS financial statements with effect from 1 April, 2018. Banks were also required to report the comparative financial statements for fiscal 2018, to be published along with the financial statements for the year beginning 1 April, 2018. However, the RBI in its press release issued on 5 April, 2018 deferred the applicability of Ind AS by one year (i.e., 1 April, 2019) for scheduled commercial banks. Further, RBI in a circular issued on 22 March, 2019 has deferred the implementation of Ind AS till further notice.

The Bank had undertaken a preliminary diagnostic analysis of the GAAP differences between Indian GAAP vis-à-vis Ind AS. The Bank has also identified and evaluated data gaps, processes and system changes required to implement Ind AS. The Bank is in the process of implementing necessary changes in its IT systems wherever required and other processes in a phased manner. The Bank is also submitting proforma Ind AS financial statements to RBI on a half-yearly basis.

Also, in line with the RBI guidelines on Ind AS implementation, the Bank has formed a Ind AS Project Steering Committee comprising of members from the concerned functional areas, headed by the Executive Director. The Steering Committee reviews the proforma Ind AS financial statements. Accounting impact on the application of Ind AS shall be recognised as and when it becomes statutorily applicable to banks and in the manner so prescribed.

Material changes and commitments affecting financial position of the Bank

There are no material changes and commitments, affecting the financial position of the Bank which has occurred between the end of the financial year of the Bank i.e. March 31, 2025 and the date of the Directors' Report i.e. August 02, 2025.

Ratings of various debt instruments

The Credit Rating and change/revision in the Credit Ratings for various debt instruments issued by the Bank from time to time are provided in the Corporate Governance Report forming part of the Annual Report.

Employee Remuneration

The statement containing particulars of employees as required under Section 197(12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in "Annexure 2" forming part of this report.

Statutory Disclosures

1. The disclosures to be made under sub-section (3) (m) of Section 134 of the Companies Act, 2013 read with rule (8) (3) of the Companies (Accounts) Rules, 2014 by your Bank are explained as under:

A. Conservation of energy

The Bank is committed to environmental sustainability and achieving a low-carbon footprint through various energy conservation initiatives integrated within our technology strategy. Our technological advancements are designed not only to enhance operational efficiency and customer service but also to contribute meaningfully to our broader ESG goals.

The extensive digitalization of our processes, as detailed in the Technology Absorption section, forms the cornerstone of our energy conservation efforts. Initiatives such as our end-to-end digital loan origination journeys, the bank-wide e-Office solution, and online account opening solution substantially reduced paper consumption, the need for physical document transport, and energy use associated with printing. Furthermore, by empowering customers with comprehensive digital channels like mPay Delight+ and internet banking, we reduce the frequency of branch visits, leading to a lower carbon footprint for both the Bank and its customers. The deployment of Interactive Signage Kiosks as an alternative to paper notices further supports this goal by using low-power LED displays.

In our infrastructure, we prioritize energy efficiency. The Bank's Data Center is located in a highly energy-efficient facility in Noida, and our Disaster Recovery Center is housed in Asia's largest Rated 4 Hyper-scale Datacenter, which is USGBC LEED Platinum Certified.

We are strategically investing in cloud computing and virtual servers, which optimize energy consumption compared to traditional on-premise hardware. Across all our offices and banking outlets, we consistently procure Energy Star compliant computing and communication hardware to significantly reduce power consumption. These concerted efforts in adopting green IT practices demonstrate our dedication to promoting sustainability across all our operations.

B. Technology Absorption

At J&K Bank, our strategic focus remains firmly on harnessing the power of technology to deliver a superior, secure, and seamless banking experience. In our continuous pursuit of digital excellence and customer-centric innovation, we have launched several key initiatives during the financial year. These advancements not only place our services at the forefront of the industry but also enhance operational efficiency, strengthen our risk management framework, and contribute to our sustainability goals.

Our key achievements in technology absorption are categorized as follows:

(i) Enhancing Digital Customer Experience

We have significantly upgraded our digital platforms to provide an enriched and convenient "Bank-in-a-Pocket" experience for our customers.

- **Revamp of Digital Platforms:** To enhance our digital presence, we launched a redesigned corporate website (jkbank.com) with a user-friendly interface, Search Engine Optimization (SEO), social media integration, and geo-coordinate feature for branch locators. We also implemented a new Digital Insurance platform, allowing customers to browse, compare, and purchase insurance products from our partners through an assisted journey at branches, with future integration planned for our mobile and internet banking channels.
- **Major Enhancements in mPay Delight+:** Our flagship mobile application, mPay Delight+, saw numerous upgrades. Key new features include a native UPI 'Scan & Pay' function accessible even from the pre-login screen, a comprehensive credit card management module, cardless cash withdrawals at ATMs, online submission of Form 15G/15H and download of TDS/Interest certificates, and the ability to subscribe to social security schemes. A simplified 'mPay Lite' version was also introduced for elderly and non-tech-savvy users.
- **Expansion of Digital Payment Channels:** We rolled out a new, scalable cloud-hosted UPI platform, significantly reducing transaction failures and enabling advanced features like Aadhaar OTP-based registration and UPI Lite. On an average the platform processes over 15 crore UPI transactions per month valued at over `8k crores. We also introduced UPI-QR SoundBox for instant audio payment alerts to merchants and enabled dynamic UPI QR payments on our POS terminals.

(ii) Driving Process Automation and Efficiency

Automating and re-engineering internal processes has been a core focus, leading to improved turnaround times (TAT) and operational efficiency.

- **Digital Loan Origination Journeys:** We have transformed our retail lending capabilities by rolling out end-to-end automated online journeys for key products, including Housing Loans, Two-Wheeler Loans, Car Loans, and Credit Card Onboarding. These journeys automate credit decisioning, improve processing TAT, and offer unparalleled convenience to customers.
- **Introduced Online Journey for Kissan Credit Card (KCC) Renewals:** We have completely transformed the renewal process for KCC Loans by introducing a paperless, Do-It-Yourself (DIY) journey. Customers can submit their renewal consent either through a dedicated web portal or simply by sending an SMS from their registered mobile number, with requests processed within

30 Minutes.

- **Enterprise-Wide Automation:** A state-of-the-art Enterprise Reconciliation Solution was implemented to automate the reconciliation lifecycle for all digital channels, minimizing manual intervention and ensuring greater accuracy. To strengthen governance, a Self-Audit Continuous Control Monitoring Solution (CCM) was introduced to identify and address operational deficiencies in real-time. Furthermore, the bank-wide rollout of the eOffice application suite has automated file and correspondence management, with significant percentage of notes achieving same-day decisioning.
- **Vehicle Hypothecation Management:** A new portal integrated with the RTO/Vahan system allows branch staff to manage vehicle hypothecation (addition, cancellation, and extension) in real-time, starting with the cancel-hypothecation service in Jammu, Kashmir, and Delhi.

(iii) Strengthening Core Infrastructure and Fostering Innovation

Our commitment to innovation is reflected in the modernization of our core technology and our collaborative approach to building a robust financial ecosystem.

- **Core Banking System (CBS) Enhancement:** To improve system performance, Capacity Augmentation, Performance Tuning of critical services of CBS was undertaken. In addition, other measures for improving the transaction processing speed at the CBS, In-Memory caching solution initiative has been undertaken which shall substantially off-load the load from CBS and shall serve as the first step towards our journey of hollowing out the core.
- **Launch of Open Banking & API Gateway:** A significant milestone was the launch of our Open Banking and API Gateway platform, enabling secure and seamless integration with trusted fintech partners and corporate clients. Multiple API integrations with Corporate clients and fintech partners have been successfully delivered.
- **Cloud Adoption and Modernization:** We successfully set up a Cloud Landing Zone, establishing a virtual Data Center on the cloud to reduce turnaround time for new projects. The migration of our UPI and IMPS solutions to the cloud now supports a growth of 20 crore transactions monthly and has been recognized with the "Best Cloud Futurist Award".

C. Foreign Exchange Earnings and Outgo

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflow:

1. During the Year ended 31.03.2025, the Bank earned `198.47 lakhs and spent `176.88 lakhs in foreign currency. This does not include foreign currency cash flow in



- derivatives and foreign currency exchange transactions.
2. Except as reported in para 16 (m) of Schedule 18, no significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status of the Bank's operations in future.
3. No Stock options were issued to the Directors of your Bank.
4. There has been no change in the nature of business of the Bank.
5. Being a banking company, the disclosures relating to deposits as required under rule 8 (5)(v) & (vi) of the Companies (Accounts) Rules, 2014, read with section 73 and 74 of the Companies Act, 2013 are not applicable.
6. There is no application or proceeding pending against the Bank under the Insolvency and Bankruptcy Code, 2016 during the year under report.
7. There was no instance of one-time settlement with any other Bank or financial institution during the year under report.

Annual Return

In accordance with the provisions of Companies Act, 2013, the Annual Return of the Bank for the financial year 2024-25 in the prescribed Form MGT-7 is available on the website of the Bank at: <https://www.jkbank.com/investor/financials/annualReturns.php>.

Directors Responsibility Statement

Pursuant to Section 134 (3) (c) of the Companies Act, 2013, the Board of Directors hereby state that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) accounting policies have been selected and applied consistently. Reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Bank at the end of the financial year and of the profit and loss of the Bank for that period;
- (c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Bank and for preventing and detecting fraud and other irregularities;
- (d) the annual accounts have been prepared on a going concern basis;
- (e) internal financial controls have been laid down to be followed by the Bank and such internal financial controls are adequate and operating effectively; and
- (f) proper and adequate systems are in place to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Adequacy of Internal Financial Controls related to Financial Statements

The Bank has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with Generally Accepted Accounting Principles. These controls and processes are driven through various policies, procedures and certifications. The control

environment of the Bank is adequate enough to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the Bank's financial statements. The processes and controls are reviewed periodically.

Requirement for maintenance of Cost Records

The cost records as specified by the Central Government under section 148(1) of the Companies Act, 2013 are not required to be maintained by the Bank.

CEO & CFO Certification

Certificate issued by Managing Director & CEO and Chief Financial Officer of the Bank, for the financial year under review, was placed before the Board of Directors in their meeting held on May 05, 2025 in terms of the Regulation 17(8) of the Listing Regulations.

Divergence in asset classification and provisioning for NPAs

Based on the condition mentioned in RBI circular, no disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the financial year ended March 31, 2025.

Customer complaints and grievance redressal

Details of customer complaints and grievance redressal is reported in Schedule 18 - Notes on Accounts of the Financial Statements, which form part of the Annual Report.

Compliance on Maternity Benefit Act, 1961

The Bank has complied with the applicable provisions of Maternity Benefit Act, 1961 for female employees of the Bank with respect to leaves and maternity benefits thereunder.

Acknowledgements

The Directors thank the valued customers, shareholders, well-wishers and correspondents of the Bank in India and abroad for their goodwill, patronage and support. The Directors acknowledge with gratitude the valuable and timely advice, guidance and support received from Government of India, Government of UTs of Jammu & Kashmir and Ladakh, Reserve Bank of India, Securities and Exchange Board of India (SEBI), Insurance Regulatory Developmental Authority (IRDA), NABARD, SIDBI, IBA, FIMMDA, FEDAI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, Comptroller & Auditor General of India, Financial Institutions and the Central Statutory Auditors of the Bank in the functioning of the Bank.

The Directors place on record their deep appreciation of the valuable contribution of the members of the staff at all levels for the progress of the Bank during the year and look forward to their continued cooperation in realization of the corporate goals in the years ahead.

For and on behalf of the Board of Directors

S. Krishnan
Independent Director

Place: Chennai
Date: August 01, 2025

Amitava Chatterjee
MD & CEO

Place: Jammu (J&K)
Date: August 01, 2025

Annexure 1

Annual Report on CSR activities for the financial year ended 31st March 2025

1. Brief outline on CSR Policy of the Company:

The Corporate Social Responsibility (CSR) policy of J&K Bank embodies a vision of inclusive development, sustainable progress, and socio-economic empowerment of underprivileged communities. It goes beyond mere compliance, aiming to foster a vibrant, equitable, and environmentally responsible ecosystem. Rooted in its founding principles, the Bank's CSR framework supports initiatives that meaningfully improve the quality of life for marginalized sections of society while contributing to broader societal efforts toward a more compassionate and sustainable world.

In alignment with this vision, the Bank continued its commitment to 'social investment' during the financial year by extending financial assistance and support to various sectors. These efforts not only created a tangible social impact but also reinforced the Bank's emotional equity, deepened stakeholder trust, and strengthened its brand reputation across communities. These interventions reflect the Bank's enduring commitment to responsible corporate citizenship and its role in shaping a more inclusive and resilient future.

2. Composition of Corporate Social Responsibility and Environmental, Social & Governance (CSR&ESG) Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR&ESG Committee held during the year	Eligible to attend	Number of meetings of CSR&ESG Committee attended during the year
1	Ms Shahla Ayoub	Chairperson	05	05	05
2	Mr Baldev Prakash	Member	05	03	03
3	Mr Amitava Chatterjee	Member	05	02	02
4	Mr Umesh Chandra Pandey	Member	05	05	05
5	Mr Anil Kumar Goel	Member	05	05	05
6	Mr Anand Kumar	Member	05	05	05
7	Mr Sudhir Gupta	Member	05	05	05

The CSRESG Committee met five (05) times during the financial year 2024-25. Mr. Baldev Prakash, who served as a member of the Committee until the end of his tenure on 29.12.2024, attended three meetings. Mr. Amitava Chatterjee, who became a member of the Committee on 30.12.2024, attended two meetings up to 31.03.2025.

3. Provide the web-link(s) where the Composition of CSR&ESG Committee, CSR Policy, and CSR Projects approved by the board are disclosed on the website of the company.

<https://www.jkbank.com/CSR>

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

Nil/Not Applicable

5.

- | | |
|---|--------------------------|
| a) Average net profit of the company as per sub-section (5) of section 135. | = Rs. 1584.87 Cr. |
| b) Two percent of average net profit of the company as per sub-section (5) of section 135. | = Rs. 31.70 Cr. |
| c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. | = NIL |
| d) Amount required to be set-off for the financial year, if any. | = NIL |
| e) Total CSR obligation for the financial year [(b)+(c)-(d)]. | = Rs. 31.70 Cr. |

6.

- | | |
|--|-----------------------------|
| a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). | = Rs. 22,51,66,936/- |
| b) Amount spent in Administrative Overheads. | = Rs. 47,96,439/- |
| c) Amount spent on Impact Assessment, if applicable. | = NIL/Not Applicable |
| d) Total amount spent for the Financial Year [(a)+(b)+(c)]. | = Rs. 22,99,63,375/- |



e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in INR)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per the second provision to sub-section (5) of section 135.		
	Amount. (in INR)	Date of transfer.	Name of the Fund	Amount.	Date of transfer.
22,99,63,375	8,70,36,625	30-04-2025	Not Applicable	NIL	Not Applicable

f) Excess amount for set-off, if any:

Sl. No.	Particular	Amount (in INR)
(1)	(2)	(3)
i.	Two percent of the average net profit of the company as per sub-section (5) of section 135	31,70,00,000
ii.	Total amount spent for the Financial Year	22,99,63,375
iii.	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
v.	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6	7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any	(Amount remaining to be spent in succeeding Financial Years (in Rs	Deficiency, if any
					Amount (in Rs)	Date of Transfer	
1	FY21-22	NIL	NIL	63,00,000.00	NIL	Not Applicable	NIL
2	FY22-23	NIL	NIL	1,18,00,000.00	NIL	Not Applicable	NIL
3	FY23-24	NIL	NIL	18,91,00,000.00	NIL	Not Applicable	NIL

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year = No

If Yes, enter the number of Capital assets created/ acquired = NIL

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility, amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of creation	Amount of CSR spent	Details of the entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
	Not Applicable (NA)	NA	NA	NA	NA	NA	NA

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified, and also the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section-5 of section 135 of the Companies Act, 2013.

Out of the total mandatory CSR budget of Rs.31,70,00,000, the Bank spent an amount of Rs.22,99,63,375. The balance amount of Rs.8,70,36,625, earmarked for ongoing projects, has been duly transferred to the 'Unspent CSR Account' for utilization in accordance with the applicable regulatory guidelines.

Amitava Chatterjee
MD & CEO

Shahla Ayoub
Chairperson CSR&ESG Committee.



ANNEXURE 2

A. PARTICULARS OF EMPLOYEES AS PER RULE 5(2) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 FOR THE YEAR ENDED 31st MARCH, 2025, ARE AS UNDER:

- I. Employed throughout the Financial Year and in Receipt of Remuneration Aggregating Rs. 1.02 Crore or more Per Annum: **NIL**
- II. Employed for a Part of the Financial Year and in Receipt of Remuneration Aggregating Rs. 8.50 Lakhs or more Per Month: **NIL**
- III. Employed throughout the financial year or part thereof and in receipt of remuneration which in aggregate or the rate of which in aggregate is in excess of that drawn by managing director or whole time or manager and holds by himself or along with his spouse and dependent children, not less than 2% of the equity shares of the company: **NIL**

B. List of top ten employees (other than MD & CEO and ED) in terms of remuneration drawn during the FY 2024-25 with following fields:

S. No.	Name	Code No.	Designation (as on 31 st March, 2025)	Remuneration drawn	Nature of employment (whether contractual or otherwise)	Qualification/ Experience	Date of Joining	Age	Last employment held before joining the Bank	% of equity shares	Whether any such employee is a relative of any Director or Manager of the company and if so, name of such Director or Manager
1	NARJAY GUPTA	004161	General Manager	5086091	Regular Employee	BSC (Non-Medical)/ LLB (Law)/CAIIB	25/10/1989	57	---	0.0027	---
2	PEER MASOOD AHMAD	004128	General Manager	4985865	Regular Employee	BSC (Medical)/DIP. TREASURY INVST; RISK MGT /CAIIB	18/10/1989	57	---	0	---
3	SYED RAIS MAQBOOL	004125	General Manager	4971449	Regular Employee	BSC (Medical)/JAIIB/ CAIIB	18/10/1989	58	---	0.0031	---
4	SYED SHUJAAT HUSSAIN ANDRABI	004118	General Manager	4936013	Regular Employee	BSC (Non-Medical)	17/10/1989	59	---	0.0027	---
5	SHAREESH SHARMA	004115	General Manager	4920624	Regular Employee	BSC (Non-Medical)/ MSC (Maths)/CAIIB	26/10/1989	59	---	0.0010	---
6	IMTIYAZ AHMAD BHAT	004154	General Manager	4847496	Regular Employee	Bachelor of Arts (ENGLISH LITERATURE)/PG Dip in Comp Applications /Master of Business Admin (Banking; Finance)/BSC (Medical)/CAIIB	20/10/1989	56	---	0.0016	---
7	SUSHIL KUMAR GUPTA	004120	General Manager	4834314	Regular Employee	BSC (Non-Medical)/ CAIIB	18/04/1988	59	---	0.0022	---
8	SUNIT KUMAR	004162	General Manager	4732124	Regular Employee	Pg. Dip. Comp.Sc;	27/10/1989	58	---	0.0025	---
9	RAKESH KOUL	004116	General Manager	4664169	Regular Employee	BSC (Non-Medical)/ JAIIB	25/10/1989	58	---	0.0006	---
10	ANAND PAL SINGH	004108	General Manager	4620370	Regular Employee	BA(LLB) ()/BSC (Non-Medical)/JAIIB	26/10/1989	58	---	0	---

- C) The ratio of the remuneration of each director to the median remuneration of employees and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

Sl. No.	Requirements	Disclosure	
I	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	MD & CEO	7.60X
		Executive Director	3.07X
		Mr. Sanjiv Dayal	0.07X ¹
		Mr. R K Chhibber	2.48X
		Dr. Rajeev Lochan Bishnoi	2.19X ²
		Mr. Naba Kishore Sahoo	2.41X ³
		Mr. Umesh Chandra Pandey	2.33X
		Mr. Anil Kumar Goel	2.45X
		Mr. Anand Kumar	2.67X
II	The percentage increase in remuneration of each director, CFO, CEO, CS in the financial year*	MD & CEO	32.16%
		Executive Director	23.50%
		CFO	16.82%
		CS	20.11%
III	The percentage increase in the median remuneration of employees in the financial year	The median remuneration of the employees in the financial year was increased by 17.45% .	
IV	The number of permanent employees on the rolls of the Bank	There were 12,505 employees as on March 31, 2025.	
V	Average percentile increase already made in the salaries of the employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase already made in the salaries of the employees other than the Managerial personnel is 17.00% . There is no exceptional increase in the salary of employees or management.	
VI	Affirmation that the remuneration is as per the remuneration policy of the Bank	Yes, it is confirmed	

1 Mr. Sanjiv Dayal was appointed as RBI Nominee Director on 20th January, 2025.

2 Dr. Rajeev Lochan Bishnoi ceased to be Independent Director on 20th January, 2025.

3 Mr. Naba Kishore Sahoo ceased to be Independent Director on 28th February, 2025.

* The Non-Executive Directors of the Bank including RBI appointed Additional Director (except Govt. Nominated Directors, Directors who are in the employment of Govt.) were paid Rs.40,000 as sitting fee for each Board /Committee Meetings attended by them.

In addition to above, the Non-Executive Directors (except Govt./RBI Nominated/Appointed Directors, Directors who are in the employment of Govt.) were paid fixed remuneration subject to maximum of Rs. 10 Lakhs per annum per Director for the relevant financial year as per RBI Circular No.DoR.HGG.GOV.REC.75/29.67.001/ 2023-24 dated February 9, 2024.

The details of payments made to the Non-Executive Directors are provided in the Corporate Governance Report.



Annexure 3

FORM NO MR 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR FROM 1ST APRIL, 2024 TO 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Jammu and Kashmir Bank Limited
CIN: L65110JK1938SGC000048
Corporate Head Quarters, M A Road
Srinagar, J&K - 190001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Jammu and Kashmir Bank Limited (CIN: L65110JK1938SGC000048) (hereinafter referred to as the 'Bank').

The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Bank's statutory registers, books, papers, minute books, forms and returns filed and other records maintained by the Bank and also the information provided by the Bank, its officers, agents and authorized representatives during the conduct of secretarial audit,

We, hereby report that in my opinion, the Bank has, during the audit period covering the financial year ended on March 31, 2025 complied with the statutory provisions listed hereunder and also that the Bank has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We, have examined the books, papers, minute books, forms and returns filed and other records maintained by the Bank for the audit period 1st April, 2024 to 31st March, 2025 the Bank has complied with all the provisions of the Act's, Rule's, Notification's, Guideline's and other direction's issued from time to time under:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ("Listing Regulations").
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (To the extent applicable)
 - (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Bank during the period under review).
 - (e) Securities and Exchange Board of India (Share Based Employee Benefits & Sweat Equity) Regulations, 2021; (Not applicable to the Bank during the period under review)
 - (f) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Bank during the period under review)
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; - (Not applicable to the Bank during the period under review)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Bank during the period under review)
 - (i) The Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009

- (j) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 (to the extent applicable to the Bank)
- (k) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, (to the extent applicable to the Bank)
- (vi) List of other laws specifically applicable to the Bank:
 - a) Securities and Exchange Board of India (Bankers to the Issue) Regulations, 1994.
 - b) The Insolvency and Bankruptcy code, 2016 and amendments thereof.
 - c) The Banking Regulation Act, 1949, and Rules framed thereunder as amended.
 - d) The deposit insurance and credit Guarantee Corporation Act, 1961.
 - e) Master Directions, Notifications, Guidelines and Circulars issued by RBI from time to time.

We, have also examined the RBI circulars issued from time to time and found that there are RBI compliance which are pending / under process and penalties imposed by the RBI during the period under review which are as under:

- ***As required under the RBI circular No.DOR.GOV.REC.8/29.67.001/2021-22 dated April 26, 2021 on Corporate Governance in Banks, the Bank did not have a part-time Non-Executive Chairman. However, the meetings of the Board were chaired by Non-Executive Independent Director in compliance to the Circular.***
- ***During the Financial Year 2024-25, the Reserve Bank of India has imposed the penalties as per the details mentioned hereunder:***
 - ❖ **Penalty of ` 1,50,900.00 on Currency Chests.**
 - ❖ **Penalty of ` 6,60,000.00 on ATM Cash Outs. Out of which an amount of ` 2,20,000.00 have been waived-off and reversed by RBI.**
 - ❖ **Penalty of ` 3,31,80,000.00 due to the following reasons:**
 - i. **To comply with RBI directions on Basic Savings Bank Deposit (BSBD) Accounts;**
 - ii. **To Identify Beneficial Owners for Accounts of Legal Persons who are not natural persons;**
 - iii. **To close small accounts, that were allowed to remain operational even after 24 months from the date of opening of those accounts; and**
 - iv. **For sanctioning a Working Capital Demand Loan against amount receivable from the Government by way of subsidies.**

We have also examined compliance with the applicable clauses of the following:

1. Secretarial Standards - SS-1 (related to Board Meetings) and SS-2 (related to General Meetings) issued by The Institute of Company Secretaries of India.
2. The Bank has complied with all the provisions of the listing agreement and the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. However, an administrative warning was issued to the bank by SEBI vide letter dated 14.01.2025 for
 - ***An Administrative warning letter was issued by SEBI vide letter dated 14.01.2025 on delayed submission of RBI approval regarding appointment of MD&CEO. In terms of the records placed before the Board in its meeting held on 18.01.2025, the Bank had intimated the stock exchanges within the stipulated time period. Accordingly, the Board directed to approach the SEBI for revocation of the Administrative warning relating to non-compliance with the provisions of SEBI (LODR) Regulations, 2015.***
 - ***As on date of the Report, the Bank has yet to fill a vacancy of an Independent Director arised due to completion of term of Mr. Naba Kishore Sahoo, who completed his second term as an Independent Director on the Board of the Bank on 28.02.2025.***

We further report that: The Board of Directors of the Bank is duly constituted with proper balance of Executive, Non-Executive and Independent Directors. **(Except not having a part-time Non-Executive Chairman.)**

- a) The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- b) Adequate notice was given to all directors at least seven days in advance to the scheduled Board/Committee Meetings except in those cases where the meetings were conducted at shorter notice. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.



- c) Majority decisions were carried through while the dissenting members' views were captured and recorded as part of the minutes.

We further report that, the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors **(except not having a part-time Non-Executive Chairman)**. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that - During the audit period the company on 27.12.2024 has redeemed redeemable debenture of Rs. 500 Crores (Rupees Five Hundred Crores). However, this redemption has no bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

We further report that: there are adequate systems and processes in the Bank commensurate with the size and operations of the Bank to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that the compliance by the Bank of the applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts has not been reviewed in this Audit since the same have been subject to review by Statutory Central Auditors and other designated professionals.

For D K Pandoh & Associates
Company Secretaries

CS Dhaman Kumar Pandoh
(Proprietor)

Place: Jammu
Date: 17.06.2025

FCS No.: 6934; C P No.: 2647
Peer Review Certificate Number: 4401/2023
UDIN: F006934G000613199

This Report is to be read with Annexure A and Forms an integral part of this report.

Annexure A

To,
 The Members,
JAMMU AND KASHMIR BANK LIMITED
 CIN: L65110JK1938SGC000048
 CORPORATE HEAD QUARTERS,
 M.A ROAD SRINAGAR
 J&K, - 190001

Our Secretarial Audit Report for the Financial Year ended 31st March, 2025 of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Bank. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records during the period of my audit. The audit process was carried on the basis of documents, reports and records made available to me, which were relied upon as audit evidence for conducting the audit.
3. The verification was done on test check basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
4. Wherever required, I have obtained the management representation about list of applicable laws, compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations and standards is the responsibility of management. My examination was limited to the verification of procedure on test check basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Bank nor of the efficacy or effectiveness with which the management has conducted the affairs of the Bank.

For D K Pandoh & Associates
 Company Secretaries

Place: Jammu
 Date: 17.06.2025

CS Dhaman Kumar Pandoh
 (Proprietor)
 FCS No.: 6934; C P No.: 2647
 Peer Review Certificate Number: 4401/2023
 UDIN: F006934G000613199



Annexure 4

Form AOC - I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Statement containing salient features of the financial statement of subsidiaries/associate company/joint ventures

Part 'A' of Subsidiaries.

Sl. No.	Particulars	Remarks (31.03.2025)
1.	Name of the subsidiary	JKB Financial Services Ltd.
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	NA
4.	Share capital	`4,000.00
5.	Reserves & Surplus	`731.68
6.	Total Assets	`7,866.21
7.	Total Liabilities	`7,866.21
8.	Investments	0
9.	Turnover	`1,918.38
10.	Profit before taxation	`496.88
11.	Tax Expenses	`118.23
12.	Profit after taxation	`378.65
13.	Proposed Dividend	0
14.	% of shareholding	100%

Note: The following information shall be furnished at the end of the statement:

1.	Names of subsidiaries which are yet to commence operations	NIL
2.	Names of subsidiaries which have been liquidated or sold during the year.	NIL

Part 'B': Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures Name of Associates		The J&K Grameen Bank (Associate)	Jammu & Kashmir Asset Reconstruction Ltd.
1.	Latest audited Balance Sheet Date	31.03.2025	NA
2.	Shares of Associate/Joint Ventures held by the Bank on the year end:		
	Number Amount Extend of Holding %	2063 Lakhs ` 20630 Lakhs 35%	00. 00. 00.
3.	Description of how there is significant influence	The J&K Bank is the sponsor Bank of the J&K Grameen Bank, holding 35 % of its Share Capital	As per note below*
4.	Reason why the associate is not consolidated		
5.	Net worth attributable to Shareholding as per latest audited Balance Sheet	`355,56.19 lakh	As per note below*
6.	Profit / Loss for the year	(` -1275.11) Lakhs	
7.	Considered in Consolidation	Yes	No
8.	Not Considered in Consolidation	No	Yes

*The Jammu & Kashmir Asset Reconstruction Limited was incorporated jointly by Government of J&K and Jammu & Kashmir Bank Ltd on 28.04.2017. The Bank has subscribed capital to the tune of Rs 98 lakhs whereas Government of J&K has subscribed Rs 102 lakhs. In the meantime the promoters have decided to windup the company and the Bank in turn has approached the Registrar of Companies (ROC) for removal of the name of the company from the register of companies under Section 248 of the Companies Act, 2013. The application of the Bank is under consideration with ROC.

Amitava Chatterjee
 Managing Director & CEO
 DIN: 07082989

Rajesh Kumar Chhibber
 Director
 DIN: 08190084

Anil Kumar Goel
 Director
 DIN: 00672755

Umesh Chandra Pandey
 Director
 DIN: 01185085

Anand Kumar
 Director
 DIN: 03041018

Shahla Ayoub
 Director
 DIN: 09834993

Sankarasubramanian Krishnan
 Director
 DIN: 07261965

Fayaz Ahmad Ganai
 Chief Financial Officer

Mohammad Shafi Mir
 Company Secretary

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

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

(CA. Rakesh Kaushik)
 Partner
 M.No. 089562

FOR DHAR TIKU & CO
 Chartered Accountants
 FRN: 003423N

(CA. S. K. Shah)
 Partner
 M.No. 532394

Place : Srinagar
 Dated: 5th May, 2025



Annexure 5

Form AOC-2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis:

-----Not Applicable-----

2. Details of material contracts or arrangement or transactions at arm's length basis.

(a)	Name(s) of the related party and nature of relationship	As per table "A" below
(b)	Nature of contracts/ arrangements/ transactions	
(c)	Duration of the contracts/arrangements/transactions	-
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	-
(e)	Date(s) of approval by the Board, if any:	NA
(f)	Amount paid as advances, if any:	NA

TABLE "A"

(Amount in Crores)

Items/Related Party		J&K Grameen Bank (Associate)	JKB Financial Services Ltd. (Subsidiary)	Jammu & Kashmir Asset Reconstruction Limited
Deposits	Balance as on date	1,875.35	17.44	* As per note below
	Maximum Balance during the year	1,875.35	17.44	
Advances	Balance as on date	11.67*	14.90	
	Maximum Balance during the year	66.48		
Investments	Balance as on date	206.31	40.00	
	Maximum Balance during the year	206.31	40.00	
Interest Paid		133	0.79	
Interest/Commission Received		0.45	1.99	
Sale of Fixed Assets		0.00	0.00	
Reimbursement on behalf of Associate/Subsidiary		0.00	0.42	
Deputation Staff Salary		0.00	0.64	
Transfer of Current Assets/ Liabilities (Net)		0.00	0.00	
IT Support Services		1.09 (`0.83 Crores have been paid for three quarter and 0.26 Crore have been kept as provision for the last quarter ended March 2025)	0.00	
Outstanding with Associate/Subsidiary		NIL	0.03	

Advances are shown as borrowings from the sponsor bank in shape of SOD, LAD and Perpetual Bonds.

*Rs.11.67 crore is 50 % share of Sponsor Bank for implementation of CBS by JKGB in the form of Investment in Tier II perpetual bonds.

*The Jammu & Kashmir Asset Reconstruction Limited was incorporated jointly by Government of J&K and Jammu & Kashmir Bank Ltd on 28.04.2017. The Bank has subscribed capital to the tune of ` 98 lakhs whereas Government of J&K has subscribed `102 lakh. In the meantime the promoters have decided to windup the company and the Bank in turn has approached the Registrar of Companies (ROC) for removal of the name of the company from the register of companies under Section 248 of the Companies Act, 2013. The application of the Bank is under consideration with ROC.

Salary to Key Managerial Person (KMP)

	Mr. Baldev Prakash (Ex. MD & CEO)	Mr. Amitava Chatterjee (MD & CEO)	Mr. Sudhir Gupta (Executive Director)	Mr. Pratik D Punjabi (Ex. CFO)	Mr. Fayaz Ahmad Ganai (CFO)	Mr. Mohammad Shafi Mir (Company Secretary)
Period for which post held during FY 2024-25	From 01.04.2024 to 29.12.2024	From 31.12.2024 to 31.03.2025	From 01.04.2024 to 31.03.2025	From 01.04.2024 to 05.04.2024	From 01.05.2024 to 31.03.2025	From 01.04.2024 to 31.03.2025
Salary	101.35*	25.44	50.06**	1.17	35.09***	39.65****

*The amount includes the Variable Pay of Rs 29.06 Lakhs of Previous FYs due and paid in FY 2024-25.

**The amount includes the Variable Pay of Rs 5.05 Lakhs & Wage Revision Arrears of Rs 0.36 Lakhs of Previous FYs due and paid in FY 2024-25.

*** The amount includes the Wage Revision Arrears of Rs 5.25 Lakhs of Previous FYs due and paid in FY 2024-25.

****The amount includes the Wage Revision Arrears of Rs 4.20 Lakhs of Previous FYs due and paid in FY 2024-25.

Note: Mr Pratik D. Punjabi also received remuneration of Rs 1.17 Lakhs as CFO from 01/04/2024 to 05/04/2024.

FOR & ON BEHALF OF THE BOARD

Amitava Chatterjee
 Managing Director & CEO
 DIN: 07082989

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

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

(CA. Rakesh Kaushik)
 Partner
 M.No. 089562

FOR DHAR TIKU & CO
 Chartered Accountants
 FRN: 003423N

(CA. S. K. Shah)
 Partner
 M.No. 532394

Place : Srinagar
 Dated: 5th May, 2025



Annexure 6

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING FORMAT

SECTION A: GENERAL DISCLOSURES

I. DETAILS OF THE LISTED ENTITY

1.	Corporate Identity Number (CIN) of the Listed Entity	:	L65110JK1938SGC000048
2.	Name of the Listed Entity	:	Jammu and Kashmir Bank Limited
3.	Year of incorporation	:	1938
4.	Registered office address	:	Corporate Headquarters, M. A. Road, Srinagar, Kashmir -190001
5.	Corporate address	:	Corporate Headquarters, M. A. Road, Srinagar, Kashmir -190001
6.	E-mail	:	board.sectt@jkbmail.com
7.	Telephone	:	0194-248-1930-35
8.	Website	:	www.jkbank.com
9.	Financial year for which reporting is being done	:	2024-2025
10.	Name of the Stock Exchange(s) where shares are listed	:	National Stock Exchange of India Limited & The BSE Limited.
11.	Paid-up Capital	:	₹11011.82 lacs
12.	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	Mohammad Shafi Mir Company Secretary & Compliance Officer 0194-2481928 board.sectt@jkbmail.com
13.	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	:	The disclosures made in this report are on a standalone basis.
14.	Name of assurance provider	:	Not Applicable
15.	Type of assurance obtained	:	Not Applicable

II. PRODUCTS/SERVICES

16. Details of business activities (accounting for 90% of the turnover):

S. No	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
01	Banking and Financial Services (Commercial Bank)	Banking activities viz. retail, corporate banking, investments, cross-selling etc.	100%

17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S.No.	Product/Service	NIC Code	total contributed Turnover
	J&K Bank operates in three major segments: Retail, Corporate & Treasury. Under Retail Business, Bank caters to a varied client base which includes individuals, NRIs, employees, professionals, small businesses, and Non-Resident Indians (NRIs). The offerings under retail are CASA Accounts, term deposits, housing loans, car loans, mortgage loans, personal loans, KCC, LAP, Debit / Credit, Cards cross-selling - Insurance and Mutual fund Products and remittance services etc. Under corporate, Bank serves a diverse clientele including Corporates, Government, PSUs, SMEs etc. Bank's Treasury Department looks after investments in various securities, market instruments etc. and manages Bank's liquidity requirements.	64191	100

III. OPERATIONS

18. Number of locations where plants and/or operations/offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	--	1019 branches, 97 Easy Banking Units (USBs) 23 Extension counters and has 50 Offices which include Corporate Office, Zonal Offices, Cluster Offices, RCCs etc.	1189
International	--	--	--

19. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	18 States , 4 Union Territories
International (No. of Countries)	--

b. What is the contribution of exports as a percentage of the total turnover of the entity?

The Bank ordinarily doesn't directly contribute to the exports. However the Bank has customized products and services for its customers relating to their foreign exchange related requirements, viz. Exports, Imports, other overseas payments and inward remittances. Bank provides pre and post shipment credit facilities. Packing Credit Loan, both in Rupee and Foreign Currency, thereby enabling the customers for procurement of their raw materials and Post shipment credit facilities, viz. Export Bills negotiation under LC terms, advance against export bills, etc.

c. A brief on types of customers

The Bank caters to a diverse range of customers including Individuals, Central and State/UT Governments, PSUs, Educational Institutions/Universities, Employees, MSMEs, Corporates, Artisans, Farmers, Start-ups etc.

IV. EMPLOYEES

20. Details as at the end of Financial Year:

a. Employees and workers (including differently abled)

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
EMPLOYEES						
1.	Permanent (D)	12251	9108	74.35	3143	25.65
2.	Other thanPermanent (E)	254	217	85.44	37	14.56
3.	Total employees(D + E)	12505	9325	74.57	3180	25.43
WORKERS						
4.	Permanent (F)		Not Applicable			
5.	Other than Permanent (G)					
6.	Total workers (F + G)					

b. Differently abled Employees and workers:

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
DIFFERENTLY ABLED EMPLOYEES						
1.	Permanent (D)	101	89	88.12	12	11.88
2.	Other than Permanent (E)	0	0	0	0	0



S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
3.	Total differently abled employees (D + E)	101	89	--	12	--
DIFFERENTLY ABLED WORKERS						
4.	Permanent (F)	Not Applicable				
5.	Other than permanent (G)					
6.	Total differently abled workers (F + G)					

21. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	12	01	8.33
Key Management Personnel	04	0	0.0

22. Turnover rate for permanent employees and workers

(Disclose trends for the past 3 years)

	FY 2024-25 (Turnover rate in current FY)			FY 2023-24 (Turnover rate in previous FY)			FY 2022-23 (Turnover rate in the year prior to the previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	0.46	0.44	0.45	1.07	1.14	1.09	0.92	0.86	0.90
Permanent Workers	--	--	--	--	--	--	--	--	--

V. HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES (INCLUDING JOINT VENTURES)

23. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
01	JKB Financial Services Limited	Subsidiary	100	No
02	J&K Grameen Bank	Associate	35	No
03	Jammu & Kashmir Asset Reconstruction Limited	Associate	*	No

*The Jammu & Kashmir Asset Reconstruction Limited was incorporated jointly by Government of J&K and Jammu & Kashmir Bank Ltd on 28.04.2017. The Bank has subscribed capital to the tune of `98 lakhs whereas Government has subscribed `102 lakh. In the meantime the promoters have decided to windup the company and the Bank in turn has approached the Registrar of Companies (ROC) with an application to remove the name of the company from the register of companies under Section 248 of the Companies Act, 2013. The application of the Bank is under consideration with ROC.

VI. CSR DETAILS

24. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) Yes

(ii) Turnover `1,36,72,67,51,680.80

(iii) Net worth `1,30,13,25,73,852.97

VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

25. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place Yes/No (If Yes, then provide web-link for grievance redress policy)	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	--	--	--	--	--	--	--
Investors (other than shareholders)	--	--	--	--	--	--	--
Investors (other than shareholders)	--	--	--	--	--	--	--
Shareholders	Yes	26	00	--	304	00	--
Employees and workers	--	--	--	https://reports.jkbank.com/jkbcms/login	--	--	--
Customers	Yes	94447	1414	https://www.jkbank.com/sites/default/files/2025-04/Customer-Service-Policy-2022-updated-09-07-2024.pdf	3497	398	--
Value Chain Partners	--	--	--	--	--	--	--
Other (please specify)	--	--	--	--	--	--	--

26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Climate Change	Risk	The Bank recognizes that a portion of its credit portfolio is exposed to sectors and assets vulnerable to climate-related risks, both as primary financed assets and as collateral. Climate change presents a growing challenge to the long-term sustainability of these businesses, potentially affecting asset quality and creditworthiness.	The Bank has identified climate risk as a material risk requiring dedicated attention within its risk management framework. To effectively assess the materiality of this evolving risk, a comprehensive climate risk assessment framework is currently under development. A core component of this framework will be the application of scenario and sensitivity analysis, enabling the Bank to thoroughly evaluate the potential impact of key climate risk drivers across its business operations and financial exposures.	Negative



S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
2	Climate Finance	Opportunity	With the transition towards a low-carbon economy gaining momentum, supported by strong government initiatives promoting renewable and cleaner sources of energy, the Bank recognizes a significant opportunity in the domain of climate finance. In alignment with national priorities and global sustainability goals, the Bank is actively monitoring this evolving landscape and is in the process of developing customized products and services to cater to the emerging needs of climate-aligned financing. This strategic focus positions the Bank to play a pivotal role in supporting green and sustainable economic growth.	NA	Positive
3	Social Responsibility	Risk	The business should stay connected to and aligned with the community's needs. If the company harms or ignores community interests, it could damage its reputation and reduce its ability to create long-term value.	Bank is committed to fulfilling its social responsibility by actively engaging with and supporting the communities in which it operates. This includes fostering inclusive community development, generating employment opportunities, facilitating skill enhancement initiatives, and supporting local relief and rehabilitation efforts during times of crisis. Additionally, the Bank ensures full compliance with tax regulations, contributing to national development. These efforts reflect the Bank's long-term commitment to social impact, resilience, and sustainable growth, thereby reinforcing trust and maintaining meaningful connections with the community.	Negative
4	Social Responsibility	Opportunity	Improve the bank brand equity by promoting/ structuring products and services to uplift society and improve social/living standards	Bank has created products for promoting education, housing, MSME, Agri and Micro segments, targeting its responsibility towards upliftment of society. Bank is also extending loans to SHG/JLG to cater the needs of weaker section of society. Bank supports employment generation schemes of GOI and GOJK on commitment basis besides deepening Financial Inclusion in our area of operations.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

Disclosure Questions		P1	P2	P3	P4	P5	P6	P7	P8	P9																												
Policy and management processes																																						
1.	a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y																												
	b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	N	Y	Y																												
	c. Web Link of the Policies, if available	The policies are available on the Banks website www.jkbank.com.																																				
2.	Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	N	Y	Y																												
3.	Do the enlisted policies extend to your value chain partners? (Yes/No)	No, however in cases where the policies have been incorporated specifically in the Memorandum of Understanding executed between Bank and value chain partners same extend to them.																																				
4.	Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	No specific National or International codes, certifications, labels, standards are applicable for the policies framed, nonetheless same comply with the applicable statutory & regulatory guidelines.																																				
5.	Specific commitments, goals and targets set by the entity with defined timelines, if any.	The company is engaged in the banking business. It is not in the business of manufacturing or activities related to manufacturing/ factories. Nonetheless, the Bank is committed for enhancing the business and other core activities with least bearings to environment and society. The Bank has employed digitization of its activities with a view to reduce the dependence on natural resources and lessening the carbon emissions.																																				
6.	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Bank provides a widespread banking services/products to satisfaction of its customers through comprehensive infrastructure consisting of branches, ATMs, CDMs and through digital channels like Mobile Banking, WhatsApp Banking, Internet Banking, and Point of sale services and UPI. Use of digital channels facilitates the customers to do banking activities, without being physically present at Bank's branch/ office, thereby contributing towards reducing the carbon footprints, unnecessary travel, wastage of time and energy. The Bank has also adopted Document Management System and e-office as part of Go Green Initiative. All such initiatives are being taken to achieve minimal usage of material resources which affects the environment and society as a whole.																																				
Governance, leadership and oversight																																						
7.	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure)																																					
8.	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	The Board of the Bank through respective Committees.																																				
9.	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes, the Bank has Corporate Social Responsibility & Environmental Social and Governance Committee of the Bank which is responsible for decision making on the sustainability related issues. The Members of the Committee are as under: <table><tr><th>S. No</th><th>Name</th><th>DIN</th><th>Designation</th></tr><tr><td>01</td><td>Ms. Shahla Ayoub</td><td>09834993</td><td>Chairperson</td></tr><tr><td>02</td><td>Mr. Amitava Chatterjee</td><td>07082989</td><td>Member</td></tr><tr><td>03</td><td>Mr. Umesh Chandra Pandey</td><td>01185085</td><td>Member</td></tr><tr><td>04</td><td>Mr. Anil Kumar Goel</td><td>00672755</td><td>Member</td></tr><tr><td>05</td><td>Mr. Anand Kumar</td><td>03041018</td><td>Member</td></tr><tr><td>06</td><td>Mr. Sudhir Gupta</td><td>09614492</td><td>Member</td></tr></table>									S. No	Name	DIN	Designation	01	Ms. Shahla Ayoub	09834993	Chairperson	02	Mr. Amitava Chatterjee	07082989	Member	03	Mr. Umesh Chandra Pandey	01185085	Member	04	Mr. Anil Kumar Goel	00672755	Member	05	Mr. Anand Kumar	03041018	Member	06	Mr. Sudhir Gupta	09614492	Member
S. No	Name	DIN	Designation																																			
01	Ms. Shahla Ayoub	09834993	Chairperson																																			
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04	Mr. Anil Kumar Goel	00672755	Member																																			
05	Mr. Anand Kumar	03041018	Member																																			
06	Mr. Sudhir Gupta	09614492	Member																																			
10.	Details of Review of NGRBCs by the Company:																																					
Subject for Review		Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify)																											
		P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9																			



Performance against above policies and follow up action	The Bank complies with all the policies. The Board of the Bank and its Committees meet periodically inter-alia for evaluating the performance of the Bank and to review the policies and per the timelines stipulated in the policies.	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances		
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	No	

12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)	Not Applicable								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1 Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

Essential Indicators

1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by awareness programmes
Board of Directors	04	1. Master Class on 'Building Better Boards' 2. Program for Non-Executive Chairman & Directors on the Board of Banks, NBFCs, FIs 3. Workshop on Climate Change Risk & Sustainability for the Board Members of Banks, NBFCs & FIs 4. Program on Know Your Customer (KYC) and Anti Money Laundering (AML)	67%
Key Managerial Personnel	05	1. Workshop on Climate Change Risk & Sustainability for the Board Members of Banks, NBFCs & FIs 2. Program for Non-Executive Chairman & Directors on the Board of Banks, NBFCs, FIs 3. Master Class on 'Building Better Boards'. 4. Conference on Emerging roles & dimensions for CFO's; 5. Conference for Statutory Auditors and CFO's of commercial banks.	50%
Employees other than BoD and KMPs	180	Capacity building and skill upgradation	63%
Workers	Not Applicable		

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI

(Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	--	Reserve Bank of India	`1,50,900	Penalty imposed by RBI on Currency Chests / Branches	No
	--	Reserve Bank of India	`6,60,000	Penalty imposed by RBI on ATM cash outs.	Yes
	--	Reserve Bank of India	`3,31,80,000	i. The bank allowed certain BSBDAs holders to also open Savings Bank Deposit Accounts; ii. The bank did not identify beneficial owner for opening accounts of certain Legal Persons, who were not natural persons; iii. The bank allowed operations in certain small accounts that did not meet the regulatory requirements; and iv. The bank sanctioned a working capital demand loan to a Corporation against amounts receivable by way of subsidies from Government.	No
	--	--	--	--	--
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	--	--	--	--	--
Punishment	--	--	--	--	--

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
Penalty imposed by RBI on ATM Cash Outs, the Bank represented to RBI for waiver of penalty and 22 instances amounting to `2.20 lacs have been waived -off and reversed by RBI.	Reserve Bank of India

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

There is no policy for anti-corruption or anti-bribery policy in our Bank, however, rules regarding prohibition of corruption/ bribery, find a place in the Bank's Officers Service Manual (OSM-2022) under the title 'Conduct Rules'. The OSM is available on the Bank's Intranet for information of employees. Further, the Bank has put in place the following measures to check corruption or bribery:

The Bank has a functional Vigilance Vertical which is headed by Independent Chief Vigilance Officer (CVO), who reports to MD & CEO of the Bank, looks into vigilance activities of the Bank, identifies corruption prone areas within the Bank and collects information about corruption or malpractices within the Bank by way of surprise visits and offsite surveillance done through Vigilance officers posted at 03 Divisions of the Bank.

The Bank has also in place a "Whistle-Blower Mechanism" which is compliant with regulatory requirements under Section 177 (9) of the Companies Act 2013, and Clause 49 of Equity Listing Agreement as amended by the Securities and Exchange Board of India vide its circular No. CIR/CFD/ Policy Cell/2/2014 dated April 17, 2014.

The Bank has also in place "Protected Disclosures Scheme" which is compliant with RBI directions conveyed vide Circular No. DO DBS. FRMC No. BC 5 /23.02.011 /2006-07 dated April 18, 2007.

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:



Case Details	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Directors	Nil	Nil
KMPs	Nil	Nil
Employees	Nil	Nil
Workers	Not Applicable	

6. Details of complaints with regard to conflict of interest:

	FY 2024-25 (Current Financial Year)		FY 2023-24 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	NA	Nil	NA
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	--	--	--	--

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Observed Act/omission	Steps taken to address the non-compliances
The bank allowed certain BSBD holders to also open Savings Bank Deposit Accounts;	Bank has placed system level checks in CBS to prevent opening of more than one BSBD account for a single customer, except in cases where a minor's account is opened under the parent's Cust-ID. Additionally, the system also restricts BSBD account holder from maintaining any other saving account simultaneously.
The bank did not identify beneficial owner for opening accounts of certain Legal Persons, who were not natural persons;	There is proper mechanism in place wherein beneficial owner details are identified in terms of RBI guidelines. KYC/AML Department follows up with the branches on regular basis and ensures beneficial owner details are added in all the eligible legal entity accounts.
The bank allowed operations in certain small accounts that did not meet the regulatory requirements;	Following system checks were implemented in CBS in the month of May 2023 to freeze such accounts at EOD if they exceed the following prescribed limits: i. The aggregate of all credits in a Financial Year exceeds `1,00,000. ii. The aggregate of all withdrawals and transfers in a month exceeds `10,000. iii. The balance in small account at any point of time exceeds `50,000. After 12 months of operations, additional checks ensure that accounts without KYC are frozen. Customization allows users to unfreeze the account only after KYC is updated. The system permits a small account without KYC to remain operational for an initial period of 12 months. If no valid documentation is submitted within this period, the account is automatically frozen. In line with regulatory directions, a new drop-down menu "KYC applied" (80KYC) has been created in Finacle, allowing customers to operate the account for an additional 12 months if proof of valid OVD application is provided. These accounts remain frozen until the KYC status is updated to either "KYC Submitted" or "KYC Applied." After 24 months, accounts marked with "KYC Applied" status are frozen again, and unfreezing is only allowed once KYC is obtained and updated in the system.
The bank sanctioned a working capital demand loan to a corporation against amounts receivable by way of subsidies from Government.	In order to avoid any such instances in future, Bank will take more cautious approach and diligently peruse RBI guidelines, and also seek clarification from RBI in case of any request for loan where revenues of the borrower also include of Govt. grants/ subsidies.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Number of days accounts payables	--	--

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers and related parties along-with loans

and advances & investments, with related parties in the following format:

Parameter	Metrics	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	NA	NA
	b. Number of trading houses where purchases are made from	NA	NA
	c. Purchases from top 10 trading houses as% of total purchases from trading houses	NA	NA
Concentration of Sales	a. Sales to dealers / distributors as % of total sales	NA	NA
	b. Number of dealers / distributors to whom sales are made	NA	NA
	c. Sales to top 10 dealers/ distributors as % of total sales to dealers / distributors	NA	NA
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	NA	NA
	b. Sales (Sales to related parties/ Total Sales)	NA	NA
	c. Loans & advances (Loans & advances given to related parties/Total loans & advances)	0.014%	0.006%
	d. Investments(Investments in related parties/Total Investments made)	0.61%	0.72%

Leadership Indicators

- Awareness programmes conducted for value chain partners on any of the Principles during the financial year:

Total number of awareness programmes held	Topics / principles covered under the training	%age of value chain partners covered (by value of business done with such partners) under the awareness programmes
--		

- Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/No)
If yes, provide details of the same.

Yes, the Bank has in place a process to monitor/manage conflict of interests involving Members of the Board. As part of the process, the Bank obtains declaration on an annual basis from the Board of Directors. Besides the Bank has formulated and adopted working Code of Conduct for Board of Directors & Senior Management of the Bank. The Code inter-alia prescribes the circumstances which may likely lead to conflict of interest.

PRINCIPLE 2 Businesses should provide goods and services in a manner that is sustainable and safe

Essential Indicators

- Percentage of R&D and capital expenditure (Capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and Capex investments made by the entity, respectively.

	Current Year Financial	Previous Year Financial	Details of improvements in environmental and social impacts
R&D	Not Applicable		
Capex			

- Does the entity have procedures in place for sustainable sourcing? (Yes/No) No
 - If yes, what percentage of inputs were sourced sustainably? Not Applicable
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.
The Bank is providing financial services and is not engaged in any manufacturing activity. The Bank follows the sustainable waste management practices and procedures for the effective disposal of generated waste.
- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same. Not Applicable



Leadership Indicators

- Has the entity conducted Life Cycle Perspective/Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

NIC Code	Name of the Product/ Service	%of total Turnover contributed	Boundary for which the Life Cycle Perspective/ Assessment as conducted	Whether conducted by independent external agency (Yes/No)	Results communicated in public domain (Yes/No) If yes, provide the web-link.
----------	------------------------------	--------------------------------	--	---	--

Not Applicable

- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Name of Product / Service	Description of the risk / concern	Action Taken
---------------------------	-----------------------------------	--------------

Not Applicable

- Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate input material	Recycled or re-used input material to total material	
	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year

Not Applicable

- Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Re-Used	Recycled	Safely Disposed	Re-Used	Recycled	Safely Disposed
Plastics (including packaging)	Not applicable. However waste generated during routine operations is disposed through Local/ Municipal bodies. E-waste is returned to the supplier under buy-back scheme. No hazardous waste is generated keeping in view the nature of activity.					
E-waste						
Hazardous waste						
Other waste						

- Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
---------------------------	---

Not Applicable

PRINCIPLE 3 Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

- a. Details of measures for the well-being of employees:

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
		Permanent employees									
Male	9108	*	*	9108	100	--	--	9108	100	--	--
Female	3143	*	*	3143	100	3143	100	NA	NA	--	--

Total	12251	*	*	12251	100	3143	25.65	9108	74.34	--	--
Other than Permanent employees											
Male	217	--	--	217	10	--	--	--	--	--	--
Female	37	--	--	37	100	--	--	--	--	--	--
Total	254	--	--	254	100	--	--	--	--	--	--

*Active employees are covered under Medical Reimbursement Scheme of the Bank in line with IBA norms.

** Active employees are covered under Group Accidental Insurance Cover (in case of accidental death).

- b. Details of measures for the well-being of workers: Not Applicable
- c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format-

	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Cost incurred on wellbeing measures as a % of total revenue of the company	0.59%	0.54%

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	35.40	--	Y	35.60	--	Y
Gratuity	100	--	Y	100	--	Y
ESI	--	--	--	--	--	--
Others - please specify	--	--	--	--	--	--

3. Accessibility of workplaces

Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

As per the regulatory requirements, branch/office premises are designed and provided for easy access to differently abled employees. Ramps are facilitated wherever possible in the premises of Bank branches and ATMs.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Equal opportunity Policy as per the Rights of Persons with Disabilities Act, 2016 is not in place. However, the Bank ensures that employees with disabilities are provided equal opportunity within the organization.

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	--	--
Female	100%	100%	--	--
Total	100%	100%	--	--

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	--
Other than Permanent Workers	--



Permanent Employees	Yes, a dedicated Grievance Redressal portal has been implemented within the Banks HRMS solution wherein all employees can lodge their grievances.
Other than Permanent Employees	

7. Membership of employees and worker in association(s) or Unions recognised by the listed entity:

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees	12251	11851	96.73	12415	12167	98
- Male	9108	8722	95.76	9260	9050	97.73
- Female	3143	3129	99.55	3155	3117	98.80
Total Permanent Workers	Not Applicable					
- Male						
- Female						

8. Details of training given to employees and workers:

Category	FY 2024-25 Current Financial Year					Total (D)	FY 2023-24 Previous Financial Year			
	Total (A)	On Health and safety measures		On Skill up-gradation			On Health and safety measures		On Skill up-gradation	
		No.(B)	% (B/A)	No.(C)	% (C/A)		Number (E)	%(E/D)	Number (F)	%(F/D)
	Employees									
Male	9108	0	0	4204			9260	0	4557	49
Female	3143	0	0	1556			3155	0	1665	53
Total	12251	0	0	5760			12415	0	6222	0
	Workers									
Male	Not Applicable									
Female										
Total										

9. Details of performance and career development reviews of employees and worker:

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No.(B)	%(B/A)	Total (C)	No.(D)	%(D/C)
Employees						
Male	9108	9108	100	9260	9260	100
Female	3143	3143	100	3155	3155	100
Total	12251	12251	100	12415	12415	100
Workers						
Male	Not Applicable					
Female						
Total						

10. Health and safety management system:

- a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

The Bank's premises have been provided adequate infrastructure to ensure mitigation of risks associated with Electrical/Fire safety. We have a dedicated doctor at our Corporate Office and Zonal Office -Jammu who are on site for 3 hours daily on three working days from Monday to Friday. All employees and their dependent families are eligible for hospitalization coverage. The Bank also has enhanced the employee benefits for protection of health and well-being such as Group term Life insurance and Group term accidental Insurance.

- b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

The Bank takes into consideration the standard work-related hazards associated with electrical/fire and other related incidents. The Bank has put in place an effective security measures to deter miscreants and protect employees/workplaces. Some of the risk mitigation measures in place include-

- Physical security for access control measures at Branches/offices.
- CCTV monitoring
- Adequate lighting arrangements
- Fire-fighting arrangements

- c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Not Applicable

- d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category*	FY 2024-25 Current Financial Year	FY2023-24 Previous Financial Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	Nil	Nil
	Workers	NA	NA
Total recordable work-related injuries	Employees	Nil	Nil
	Workers	NA	NA
No. of fatalities	Employees	Nil	Nil
	Workers	NA	NA
High consequence work-related injury or ill-health (excluding fatalities)	Employees	Nil	Nil
	Workers	NA	NA

*including in the contract workforce

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

The Bank ensures the safety and health of its employees by ensuring that the workplace environment is equipped with necessary infrastructure. Especially in wake of the recent Pandemic, the Bank ensured that Employees resort to COVID related standard operating Procedures for to ensure that there is no spread of COVID or other pathogens amongst each other in the office. The Bank also takes into consideration the standard Work related hazards associated with Electrical/ Fire related incidents, and necessary infrastructure has been deployed at Offices/Branches to mitigate the associated risks. In order to provide safety to the Female employees of the Bank, an internal committee has been formulated by the he Bank in accordance with the Sexual Harassment of Women at workplace (Prevention, prohibition and Redressal) Act, 2013.

13. Number of Complaints on the following made by employees and workers:

Benefits	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	--	--	--	--	--	--
Health & Safety	--	--	--	--	--	--



14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Nil
Working Conditions	Nil

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

Not Applicable

Leadership Indicators

1. Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N)

(A) Employee: Yes, the Bank provides compensatory package in the form of Group insurance cover as well as group accidental insurance cover to all its regular employees.

(B) Workers: Not applicable

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

With respect to employees, the Bank ensures that the taxes as applicable on their income is deducted and deposited in accordance with regulatory guidelines.

3. Provide the number of employees / workers having suffered high consequence work-related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
Gender	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Employees	Nil	Nil	Nil	Nil
Workers	NA	NA	NA	NA

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No): No

5. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	Nil
Working Conditions	Nil

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

Not Applicable

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders**Essential Indicators**

1. Describe the processes for identifying key stakeholder groups of the entity.

The key stakeholders are promoters (Govt. of Union territories of J&K & Ladakh) shareholders, investors, employees, customers and public at large.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others - please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Customers & General Public	No	Connect with customers and general public maintained through regular media communications including press releases, advertisements, public notices etc. through all available platforms.	Ongoing	Following its basic analysis, feedback received through print electronic and digital/ social media platforms is forwarded to relevant departments of the Bank to ensure its proper registration and resolution.
Employees	No	Email, SMS, Banks Intranet, Internal Meetings	Fortnightly/ Monthly/ Half yearly/Annually	Review/official communication / seeking employee feedback.
Investors/ Shareholders/ Analyst	No	E-mail, website, newspaper releases, Analyst meets and conference calls, Annual General Meeting, publications, letters, and social media	Ongoing	To provide the information about the financial health of the Bank and to comply the regulatory requirements.
Institutions & Industry Bodies	No	Meetings, discussions, Newspaper and website	Ongoing	To appraise about the customized products and services.
Governments & Regulatory Authorities	No	Letters, Emails, website, publication press release	Ongoing	In case of Bank the Govt.'s of UTs of J&K Ladakh are the promoters having Majority shareholding as such they are required to be updated and informed. The regulatory authorities are informed to achieve the required compliances
Communities & Civil Society/ GOs	No	Email, Newspaper, Advertisements, publications, website and social media,	Ongoing	Support CSR projects, Financial inclusion and other relevant matters affecting the public at large.
Suppliers	No	Website, advertisements, email, letters	Ongoing	Vendor assessment and review, service and business related issues.

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

Beyond customer interactions, the Bank integrates stakeholder perspectives through its Corporate Social Responsibility (CSR) framework. As part of its CSR engagement process, the Bank collaborates regularly with NGOs, government departments, community-based organizations, and local institutions to identify region-specific socio-economic and environmental issues. The feedback from these engagements helps the Bank ensure alignment of its CSR strategy with local development priorities and supports the Board's understanding of ground realities.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes/No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

The Board recognizes the importance of customer feedback and takes it seriously in its decision-making processes. By involving the Customer Service Committee, the Board ensures that customer perspectives and concerns are given due consideration when formulating strategies and making important decisions. This approach helps the Bank align its actions with the expectations and needs of its customers, fostering a stronger relationship and better service delivery. Overall, the Bank places high value on stakeholder engagement, particularly with customers, and has established a structured process to capture their feedback and incorporate it into the decision-making at the Board level. This commitment reflects the Bank's dedication to maintaining open and transparent communication with stakeholders and delivering on their expectations.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Bank through Corporate Governance and disclosures is committed to being transparent to its stakeholders. The Bank on regular basis engages with its stakeholders particularly customers and responsibly deliver on various issues and concerns about the bank and its future endeavours. Furthermore, The Bank's CSR efforts are strategically directed toward



improving the lives of vulnerable and marginalized groups, in line with its commitment to inclusive development. Special focus is placed on supporting low-income communities, women, people with disabilities, tribal populations, and those residing in conflict-affected or remote regions. The projects are planned with community involvement, thereby deepening the Bank's engagement with marginalized stakeholders in a meaningful and impactful manner.

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Total (A)	No. of employees / workers covered (B)	%(B/A)	Total (C)	No. of employees / workers covered (D)	%(D / C)
Employees						
Permanent	12251	5760	47	12415	1862	15
Other than permanent	--	--	--	--	--	--
Total Employees						
Workers						
Permanent	Not Applicable					
Other than permanent						
Other than permanent						
Total Workers						

2. Details of minimum wages paid to employees and workers, in the following format:

Category		FY 2024-25 Current Financial Year				FY 2023-24 Previous Financial Year				
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B /A)	No. (C)	% (C / A)		No. (E)	% (E / D)	No. (F)	%(F/D)
Employees										
Permanent	12251	--	--	12251	100	12415	--	--	12415	100
Male	9108	--	--	9108	100	9260	--	--	9260	100
Female	3143	--	--	3143	100	3155	--	--	3155	100
Other than Permanent	254	--	--	254	100	434	--	--	434	100
Male	217	--	--	217	100	368	--	--	368	100
Female	37	--	--	37	100	66	--	--	66	100
Workers										
Permanent	Not Applicable									
Male										
Female										
Other than Permanent										
Male										
Female										

3. Details of remuneration/salary/wages

- a. Median Remuneration/ Wages:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD) (Excluding Whole-time Directors ¹)	09	26.80	01	NA
Key Managerial Personnel (includes MD&CEO and ED)	04	63.19	0	NA
Employees other than BoD and KMP	9108	15.15	3143	15.81

1. Remuneration is paid to 6 out of 10 Non-Executive Directors, whereas 04 directors, including the Woman Independent Director are not entitled to receive remuneration as per Articles of Association of the Bank.

b. Gross wages paid to females as% of total wages paid by the entity in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Gross wages paid to females as % of total wages	26.24%	23.09%

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No) Yes

Yes, the Head of Human Resources who is responsible for the human resources function and the Industrial Relations Officer (IRO) oversee and address any issue arising from any human rights impact or issues caused or contributed to by the business.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Bank has deployed an "Employee grievance" portal on the Bank's Intranet for employees to record and register their grievance.

The Bank has deployed an "Employee grievance" portal on the Bank's Intranet for employees to record and register their grievance.

6. Number of Complaints on the following made by employees and workers:

	FY2024-25 Current Financial Year			FY 2023-24 Previous Financial Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	02	0	--	2	0	--
Discrimination at workplace	0	0	--	0	0	--
Child Labour	0	0	--	0	0	--
Forced Labour/ Involuntary Labour	0	0	--	0	0	--
Wages	0	0	--	0	0	--
Other human rights related issues	0	0	--	0	0	--

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH)	02	02
Complaints on POSH as a % of female employees / workers	0.06	0.06
Complaints on POSH upheld	00	00

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

Cases related to prevention of sexual harassment at work place are treated with utmost sensitivity and confidentiality in



line with the guidelines of the Sexual Harassment of Women at Work Place (prevention, prohibition and redressal) Act 2013. Further, the Bank provides protection against discrimination to employees who makes disclosure or raises a concern under the whistle blower policy. The Company strictly prohibits any attempt of retaliation by anyone against any employee who raises a concern. Human rights requirements form a part of the Bank's business agreements and contracts as and where relevant.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No) Yes

10. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	Nil
Forced/involuntary labour	
Sexual harassment	
Discrimination at workplace	
Wages	
Others - please specify	

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.

NA

Leadership Indicators

1. Details of a business process being modified / introduced as a result of addressing human rights grievances/ complaints.

NA

2. Details of the scope and coverage of any Human rights due-diligence conducted.

Nil

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

As per the regulatory requirements, branch/office premises are designed and provided for easy access to differently abled employees. Ramps are facilitated wherever possible in the premises of Bank branches and ATMs.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Sexual Harassment	Nil
Discrimination at workplace	Nil
Child Labour	Nil
Forced Labour/Involuntary Labour	Nil
Wages	Nil
Others - please specify	Nil

5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

NA

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
From renewable sources		
Total electricity consumption (A)	--	--
Total fuel consumption (B)	--	--
Energy consumption through other sources (C)	0.0052x10 ¹⁴	0.0052x10 ¹⁴
Total energy consumed from renewable sources (A+B+C)	0.0052x10¹⁴	0.0052x10¹⁴
From non-renewable sources		
Total electricity consumption (D)	0.8549x10 ¹⁴	0.7969x10 ¹⁴
Total fuel consumption (E)	0.5117x10 ¹⁴	0.5433x10 ¹⁴
Energy consumption through other sources (F)	--	--
Total energy consumed from non-renewable sources (D+E+F)	1.3666x10¹⁴	1.3402x10¹⁴
Total energy consumed (A+B+C+D+E+F)	1.3718x10¹⁴	1.3454x10¹⁴
Energy intensity per rupee of turnover (Total energy consumed / Revenue from operations)	1137 joules	1121 joules
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed/Revenue from operations adjusted for PPP)	--	--
Energy intensity in terms of physical output	--	--
Energy intensity (optional) - the relevant metric may be selected by the entity		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. (N)

- Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any. (N)
- Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Total water consumption / Revenue from operations)		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)		
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)		
Water intensity in terms of physical output		
Water intensity (optional) - the relevant metric may be selected by the entity		
Water intensity in terms of physical output		
Water intensity (optional) - the relevant metric may be selected by the entity		



Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. (N)

4. Provide the following details related to water discharged:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	Not Applicable	
- No treatment		
- With treatment - please specify level of treatment		
(ii) To Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) To Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. (N)

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. (N)

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
NOx	Not Applicable (Being a banking company, the activities/operations carried out do not lead to emission of effluent gases)		
SOx			
Particulate matter (PM)			
Persistent organic pollutants (POP)			
Volatile organic compounds (VOC)			
Hazardous air pollutants (HAP)			
Others - please specify			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. (N)

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Applicable (Being a banking company, the activities/operations carried out do not lead to emission of effluent gases)	
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent		
Total Scope 1 and Scope 2 emission intensity per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)			
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)			
Total Scope 1 and Scope 2 emission intensity in terms of physical output			
Total Scope 1 and Scope 2 emission intensity (optional) - the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. (N)

8. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details. No
9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Plastic waste (A)	Not Applicable	
E-waste (B)		
Bio-medical waste (C)		
Construction and demolition waste (D)		
Battery waste (E)		
Radioactive waste (F)		
Other Hazardous waste. Please specify, if any. (G)		
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)		
Total (A+B + C + D + E + F + G +H)		
Waste intensity per rupee of turnover (Total waste generated/Revenue from operations)		
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)		
Waste intensity in terms of physical output		
Waste intensity (optional) - the relevant metric may be selected by the entity		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		



Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Category of waste	Not Applicable	
(i) Recycled		
(ii) Re-used		
(iii) Other recovery operations		
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste	Not Applicable	
(i) Incineration		
(ii) Landfilling		
(iii) Other disposal operations		
Total		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. (N)

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. Not Applicable
11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
Not Applicable			

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Not Applicable					

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law/ regulation/ guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective Action taken, if any
Not Applicable				

Leadership Indicators

1. Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):
For each facility / plant located in areas of water stress, provide the following information:
 - (i) Name of the area
 - (ii) Nature of operations
 - (iii) Water withdrawal, consumption and discharge in the following format:

Parameter	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water	Not Applicable	
(ii) Groundwater		
(iii) Third party water		
(iv) Seawater / desalinated water		
(v) Others		
Total volume of water withdrawal (in kilolitres)		
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Water consumed / turnover)		
Water intensity (optional) - the relevant metric may be selected by the entity		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	Not Applicable	
- No treatment		
- With treatment - please specify level of treatment		
(ii) Into Groundwater		
- No treatment		
- With treatment - please specify level of treatment		
(iii) Into Seawater		
- No treatment		
- With treatment - please specify level of treatment		
(iv) Sent to third-parties		
- No treatment		
- With treatment - please specify level of treatment		
(v) Others		
- No treatment		
- With treatment - please specify level of treatment		
Total water discharged (in kilolitres)		

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. (N)

2. Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Unit	FY 2024-25 (Current Financial Year)	FY 2023-24 (Previous Financial Year)
Total Scope 3 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	Not Applicable	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) - the relevant metric may be selected by the entity			

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency. (N)



3. With respect to the ecologically sensitive areas reported at Question 11 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities. Not Applicable
4. If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

S. No.	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
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5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Business continuity plan (BCP) is a plan developed to maintain or resume operations, including service to customers, in the event of abnormal/unintended disruption. The objectives of a BCP is to minimize financial loss to the institution, continue to serve customers and financial market participants, and mitigate the negative effects of disruptions which can impact the institutional strategic plans, reputation, operations, liquidity, credit quality, market position, and ability to remain in compliance with applicable laws and regulations.

Bank has aligned its BCP with ISO 22301 standards. As per the requirements of the standard the Bank has completed all the necessary training programmes of all the concerned officials, conducted BIA of all the applications and processes, developed recovery plans, identified scenarios for crisis management plan and has completed the audit of its Business Continuity Management System (BCMS). Further as per the requirements of the ISO 22301 standards Bank's existing BCP has been bifurcated into Four (4) documents viz-

- BCP policy,
- Business Continuity plan,
- Crisis Management Plan
- Business Continuity Management System Scope Document

A brief description of these documents is given as under:

1. BCP policy:

The purpose of this policy is to develop and strengthen Bank's Business Continuity Program.

Bank's approach to Business Continuity Management (BCM) is integrated, streamlined & sustainable for managing not only disruptions but also operational responses where possible that may impact the organization. Bank aims to maintain continuity of operations and Client/Business priorities while minimizing the impact of disruptions and safeguarding its people, clients, shareholders, business and overall brand.

This policy communicates Bank's commitment to building continuity through sound principles and ongoing governance to ensure the organization can quickly adapt and respond to disruptions.

2. Business Continuity plan:

A business continuity plan (BCP) is a plan developed to maintain or resume operations, including service to customers, in the event of abnormal/unintended disruption. The business continuity plan identifies and defines the criticality of the processes and accordingly prioritizing the activities to be resumed in the event of disruption. The business continuity plan aims to carry Business Impact Analysis (BIA) of all the business processes and applications required to run these processes. The BIA helps in defining the Recovery Time Objective (RTO) and Recovery Point Objective (RPO) for all the applications. Based on the outcome of BIA, the activities/functions of the Bank were classified as Critical, Essential and Desirable and accordingly their recovery time Objective (RTO) and Recovery Point Objective (RPO) has been established. Critical functions are the business functions, which if interrupted or unavailable for some time, can completely jeopardize the business and cause heavy damages. Essential functions are those functions, whose loss would affect the bank's business in the long run. Desirable functions are those functions that are normally required for achieving business and strategy objectives of the organization. Within the "Critical" category, the processes are further classified into two levels which would help in prioritizing the recovery operation.

3. Crisis Management Plan:

The objective of the Crisis Management plan is to provide an incident crisis management structure by defining responsibilities and response procedures to be followed and preventing an incident from escalating into crisis. This will help the Bank's incident management team to return to a normal service level, as quickly as possible with minimum disruption to the business.

4. Business Continuity Management System Scope Document:

The scope of Business Continuity Management System (BCMS) is applicable to bank at enterprise level.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

NA

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.

NA

8. How many Green Credits have been generated or procured:

a. By the listed entity : Nil

b. By the top 10 (in terms of value of purchases and sales, respectively) value chain partners: Nil

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.
- b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/ National).
1	Indian Banks Association	National
2	Fixed Income Money Market & Derivatives Association of India (FIMMDA)	National
3	Foreign Exchange Dealers Association of India (FEDAI)	National
4	Federation of Indian Chambers of Commerce & Industry (FICCI)	National
5	Kashmir Chamber of Commerce & Industry (KCCI)	State

2. Provide details of corrective action taken or underway on any issues related to anticompetitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
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Leadership Indicators

1. Details of public policy positions advocated by the entity:

The Bank does not participate in policy advocacy but is involved in consultation/ discussion forums with the government and other bodies in the banking industries.

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year. Nil
2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity: Not Applicable
3. Describe the mechanisms to receive and redress grievances of the community.

Bank has put in place Complaint Management System named as Customer Service Request Tracking System (CSRTS). The said portal has customer interface and is accessible to the customers through Bank's Website, mPay and ebanking channels. Customer registers his/her grievance/ Service Request on the CSRTS Portal and gets the acknowledgement instantly with Unique ID for further reference. The TAT for resolution of complaint is 30 days. In case, the complaint is rejected, it is escalated to Internal Ombudsman for his opinion. In case, he upholds the Bank's decision to reject the complaint, response is sent to the customer that the complaint has been examined by Bank's Internal Ombudsman also



and if he/she is not satisfied with the Bank's decision, he/she can approach RBIO.

Customer complaints are also received through other portals such as JK Samadhan, CPGRAMS, DFS & NCH. Besides, complaints are received through Post and Email which are processed through the CSRTS Portal.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

Not Applicable

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	FY 2024-25 Current Financial Year	FY 2023-24 Previous Financial Year
Rural	36.06%	35.60%
Semi-urban	16.04%	16.08%
Urban	26.88%	26.92%
Metropolitan	21.02%	21.40%

(Place to be categorized as per RBI Classification System - rural / semi-urban / urban / metropolitan)

Leadership Indicators

- Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above): NA
- Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

S. No.	State	Aspirational District	Amount spent (In INR)
01	J&K	Kupwara	Nil
02	J&K	Baramulla	1,12,00,000

- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) No
 - From which marginalized /vulnerable groups do you procure? NA
 - What percentage of total procurement (by value) does it constitute? NA
- Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge: NA
- Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved. NA
- Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1	Four 08-seater E-Vehicles to AIIMS Jammu	Over 100000 annually (at an average of 300 persons a day)	100% Beneficiaries are the patients visiting the Hospital for treatment
2	Trolley and Wheelchairs to SKIMS, Narayana Hospital, B&J Hospital, GMC Anantnag	Over 100000 (calculated as per one beneficiary of the item per day- total 291 items)	90% (Govt.-run hospitals are mostly frequented by economically weaker sections and people belonging to other marginalized and vulnerable sections of society)
3	A multi-purpose vehicle to Shri Amarnath Shrine Board (SASB)	Not quantifiable	Not quantifiable
4	40 KW on-grid Solar power system to BALGRAN, a Charitable Home for Destitute Children	200 (being the total enrollment at the Balgran School and hostel)	100% (The organization caters to economically weaker, orphans and destitute only)

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
5	Four 08 Seater E-Vehicles to IIM Jammu	Over 1800 annually (being number of students enrolled in IIM)	25% (conservative estimates of the percentage of specially-abled students and students from other marginalized/ vulnerable sections of the society)
6	Platelet therapy kits for children suffering from blood dysfunctional diseases at the Paediatric Oncology Department of SKIMS, Soura.	Upto 200	100%
7	Waste Bins at Pahalgam	Not quantifiable	Not quantifiable
8	Digital awareness campaign for pensioners through pamphlets on the Jeevan Pramaan App	Not quantifiable	Not quantifiable
9	Two Vehicles for the Election Commission J&K for Voter Education	Not quantifiable	Not quantifiable
10	Support to Bhartiya Shiksha Samiti (One bus for school at Kathua and One library-on-wheels vehicle for Ladakh)	32 (Being the number of students benefitting from the school bus. Numbers for library-on-wheels are not quantifiable.	100%
11	Financial Cum Digital Literacy Campaign through Informative Videos and dissemination on various media.	Over 650000 (being the total impressions made on social media)	Not quantifiable
12	IT equipment to the Press Club of Kashmir	Not quantifiable	Not quantifiable
13	Nutritional support to TB Patients of Kargil under PM's TB Mukht Abhiyan	97	100%
14	Four 08 Seater E-Vehicles to IIT Jammu	Over 1700 annually (being number of students enrolled in IIT)	25% (conservative estimates of the percentage of specially-abled students and students from other marginalized/ vulnerable sections of the society)
15	Community Development initiative in Heritage Village 'Karcheykhar' Kargil through District Administration	Not quantifiable	Not quantifiable
16	Nutritional support to TB patients of Leh Ladakh under PM's TB Mukht Bharat Abhiyaan	105	100%
17	Assessment and treatment of persons with hearing and speech impairment through the Voluntary Medicare Society	21800 (being the number of persons who benefitted from assessment camps and received free-of-cost hearing aids)	100%
18	Project on Maternal and Infant Health among Tribal population through SPVLG Foundation	30000 (being the number of women who benefitted from counselling sessions, health check-ups, and awareness sessions)	100%
19	TB Eradication Initiative through Multi-Purpose Awareness Vehicle - Support to District Tuberculosis Center Kargil	Not quantifiable	Not quantifiable
20	Promotion of Sports -Contribution to Football Academies of the Bank	40 (Number of trainees in the academies during the year)	Not quantifiable
21	Infrastructure support to schools run by Punjab Waqf Board and Haryana Waqf Board	Over 1500 (students studying at the two schools)	100%
22	Providing 01 School Bus to the Army Goodwill School (Pinewoods), Hamirpur, Poonch	32 (The number of students who will be availing the transport facility)	100%
23	Providing Notebooks to 700 Underprivileged Students in Kalakote	700	100%



S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
24	Enhancing Support for Children with Cognitive Disabilities through the Autism Welfare trust	38 (being the number of specially abled children enrolled at the facility)	100%
25	Green Campus Initiative: E-Vehicles to Jammu University and Institute of Technology (UoK), Zakura	Over 4100 annually (being number of students enrolled in two institutions)	25% (conservative estimates of the percentage of specially-abled students and students from other marginalized/ vulnerable sections of the society)
26	Tuberculosis Elimination Campaign under PM's TB Mukht Bharat Abhiyaan (Food baskets to 400 TB patients of Jammu and SMS awareness Campaign)	400	100%
27	Project Vasundhara - Walnut plantation for livelihood generation of marginal farmers through Sewa Bharti	300 (being the number of people who received walnut saplings under the project)	100%
28	Providing 300KV on-grid and 90KV hybrid Solar Photovoltaic Power Plant to Islamic University of Science and Technology	Not quantifiable	Not quantifiable
29	Support to JK's Health Infra (Medical Equipment, Mobility Items and Ambulances to various Hospitals)	Not quantifiable	Not quantifiable
30	Providing Modern Zoo Management System and 10 E-vehicles to Jambu Zoo	Not quantifiable	Not quantifiable
31	Green Campus Initiative at SKUAST-K	Not quantifiable	Not quantifiable
32	Skill Development - Collaboration with CIIT Baramulla and CIIT Jammu	3000 (being the number of people who will receive training at the two centers)	100%
33	Contribution to JKBRSETI Society	11726 (being the number of people trained in the RSETIs during the year)	Not quantifiable
34	Contribution to Armed Forces Flag Day Fund for education of 834 children of ex-servicemen and war widows	834	100%
35	Contribution to Shri Mata Vaishno Devi Charitable Society for medical equipment	Not quantifiable	Not quantifiable
36	Preservation of the cultural and archaeological heritage of J&K through IUST Awantipora	Not quantifiable	Not quantifiable
37	Contribution to RamaKrishna Mission for Physiotherapy Equipment and Elevator at their Health Center	12000 (being the average annual footfall of patients at the health center)	100% (as the health center is focused towards the welfare of the poor, elderly and underprivileged.
38	Providing 30-seater buses to 10 Degree colleges in J&K	300 (being the number of students who will avail the facility)	100% (all degree colleges are located in remote areas)
39	Financial/Digital literacy & Cyber Security Campaign on Social Media	Over 30000000 (being the number of impressions the videos made across social media platforms)	Not quantifiable
40	Upgradation of Chatravas 'Drishti' hostel at Pauni Chak run by Sewa Bharti	24 (being the number of poor children enrolled at the facility)	100%
41	Support Vehicle to 'The Sara' (NGO) to enhance community outreach	Not quantifiable	Not quantifiable
42	Upgradation of Infrastructure at the Special Care facility run by Specially Abled Children Trust	15 (being the number of children enrolled at the facility)	100%

S. No.	CSR Project	No. of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
43	Upgradation of Viraj Bal Bhawan School at Khanpur Nagrota, run by Sewa Bharti	29 (being the number of economically weaker children enrolled at the facility)	100%
44	Financial Empowerment for Farmers: Awareness on Prompt Repayment Incentive (PRI) through multimedia	Not quantifiable	Not quantifiable
45	Swachh Kranti - JK Bank's contribution to Swachh Bharat Kosh (SBK)	Not quantifiable	Not quantifiable
46	Contribution to Prime Minister's National Relief Fund (PMNRF)	Not quantifiable	Not quantifiable
47	Three 08-Seater E Vehicles to the University of Kashmir	Over 4000 annually (being number of students enrolled in two institutions)	25% (conservative estimates of the percentage of specially-abled students and students from other marginalized/ vulnerable sections of the society)
48	Support to Kisan Sathi Chatbot through the Agriculture Production Department, J&K	Not quantifiable	Not quantifiable
49	Infrastructure Development at Gulshan Mehal hostel (Orphanage) run by JK Yateem Trust	55 (being the number of orphan children enrolled at the facility)	100%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

- Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Bank has put in place Complaint Management System named as Customer Service Request Tracking System (CSRTS). The said portal has customer interface and is accessible to the customers through Bank's Website, Mpay and ebanking channels. Customer registers his/her grievance/ Service Request on the CSRTS Portal and gets the acknowledgement instantly with Unique ID for further reference. The TAT for resolution of complaint is 30 days. In case, the complaint is rejected, it is escalated to Internal Ombudsman for his opinion. In case, he upholds the Bank's decision to reject the complaint, response is sent to the customer that the complaint has been examined by Bank's Internal Ombudsman also and if he/she is not satisfied with the Bank's decision, he/she can approach RBIO.

Customer complaints are also received through other portals such as JK Samadhan, CPGRAMS, DFS & NCH. Besides, complaints are received through Post and Email which are processed through the CSRTS Portal.

- Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	Not Applicable
Safe and responsible usage	
Recycling and/or safe disposal	

- Number of consumer complaints in respect of the following:

	FY 2024-25 (Current Financial Year)		Remarks	FY 2023-24 (Previous Financial Year)		Remarks
	Received during the year	Pending resolution at the end of year		Received during the year	Pending resolution at the end of year	
Data Privacy	24	0		47	01	
Advertising	0	0		0	0	
Cyber Security	361	0		22	02	
Delivery of essential services	898	17		388	07	
Restrictive Trade Practices	0	0		0	0	
Unfair trade practices	0	0		0	0	
Other	93164	1397		3040	388	



4. Details of instances of product recalls on account of safety issues: NA
5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.
Yes, a Board approved Cyber Security Policy is in place.
6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services. NA
7. Provide the following information relating to data breaches:
 - a. Number of instances of data breaches along-with impact. Nil
 - b. Percentage of data breaches involving personally identifiable information of customers. Nil
 - c. Impact if any of the data breaches. Nil

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).
Products & Services Information of the Bank is made available through multimedia channels/platforms that include Bank's social media handles:
Facebook: <https://www.facebook.com/jnkbank/>
X (formerly twitter): <https://x.com/JandKBank>
Instagram: <https://www.instagram.com/jkbankofficial/>
YouTube: https://www.youtube.com/c/JKBankofficial?sub_confirmation=1
LinkedIn: <https://www.linkedin.com/company/jandkbank/>
In addition to it, the information is also available on Bank's website (<https://www.jkbank.com>) and WhatsApp banking / Chatbot.
2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.
Besides Information about our various products and services, advisories are prominently displayed on Bank's social media handles viz. Facebook, X formerly Twitter, Instagram, YouTube, LinkedIn. And in line with the directions from the Information Security department, information related to Cyber Awareness is published in Print Media & across Bank's Social Media Platforms.
3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.
In the event of any disruption or discontinuation of essential services, the Bank ensures prompt and transparent communication through a range of channels, including Print, Electronic & Social Media, emails, SMS alerts and scrolling notifications on the official website of the Bank.
4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/ Not Applicable) If yes, provide details in brief.
In addition to displaying the information about the products and services of the Bank on its website, Bank displays the information about its products and services on social media, LCDs installed in branch / office premises, Digital Signages at various branches etc.
Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)
Yes, Bank has conducted Customer Satisfaction Survey in June-July, 2024 regarding services and products offered by the Bank. The survey was conducted through an External Agency and respondents gave NPS of 8.06 (on scale on 1 - 10) to the Bank.

Management Discussion & Analysis-2025

Global Economic Outlook

The global economy is facing substantial headwinds, emanating largely from an increase in trade tensions, heightened global policy uncertainty and ongoing geopolitical tensions. The recent trade tariff related measures have exacerbated uncertainties clouding the economic outlook across regions, posing new headwinds for global growth and inflation. The broader implications of these tariffs and the individual policy responses of different countries could result in prolonged instability, inefficient global supply chains, a slowdown in international trade and lower investment confidence, ultimately jeopardizing the prospects of global economic recovery.

Intensifying downside risks dominate the outlook, amid escalating trade tensions and financial market adjustments. Divergent and swiftly changing policy positions or deteriorating sentiment could lead to even tighter global financial conditions. Ratcheting up of the trade war and heightened trade policy uncertainty may further hinder both short-term and long-term growth prospects. Scaling back international cooperation could jeopardize progress towards a more resilient global economy.

In its *Global Macro Outlook 2025-26 (May Update)*, Moody's observed that global growth is being hampered by heightened US policy shifts, trade frictions, and financial market volatility. It highlighted that investors and businesses are now recalibrating their global strategies in response to changing geopolitical dynamics—a trend likely to elevate costs and curb investment sentiment. Accordingly, global growth and trade projections have been revised downwards by multilateral agencies. World Bank has projected Growth at 2.3% in 2025, a significant downgrade from previous forecasts. As per IMF report on Global Economic Outlook, global economy is projected to grow at 2.8 percent in 2025.

Disinflationary path is expected to continue but at a slower pace with advanced economies likely to reach their targets earlier than emerging economies. Accordingly, many central banks have pivoted to an easing cycle, while remaining cautious of escalating trade tensions, lingering geopolitical uncertainties, global financial market volatility and climate change risks. Policymakers face the daunting task of suitably calibrating monetary and fiscal policies to support growth, while safeguarding financial and macroeconomic stability. Global cooperation is needed to restore a more stable global trade environment and scale up support for vulnerable countries, including those in fragile and conflict situations.

Domestic Economic Outlook

Amidst a challenging global economic environment, the Indian economy is poised to sustain its position as the fastest growing major economy during 2025-26, supported by pickup in private consumption, healthy balance sheets of banks and corporates, easing financial conditions and the government's continued thrust on capital expenditure. As per the data released by National Statistical Office (NSO) of Ministry of Statistics and Programme Implementation (MOSPI), India's

GDP growth during FY2025-26 is estimated at 6.5% which is highest among major economies.

Going forward, economic activity is expected to continue to maintain the momentum in 2025-26. The sustained rural economic activity bodes well for rural demand, while continued expansion in services sector is expected to support the revival in urban demand. Investment activity is expected to improve in light of higher capacity utilization, improving balance sheets of financial and non-financial corporates, and government's capital expenditure push. Trade policy uncertainty continues to weigh on merchandise exports prospects, while the conclusion of free trade agreement (FTA) with the United Kingdom and progress with other countries is supportive of trade activity.

The Reserve Bank of India, in its June Monetary Policy Committee (MPC) meeting has projected the real GDP growth for 2025-26 at 6.5 per cent. The World Bank has pegged India's economic growth projection at 6.3 per cent for the Financial Year 2025-26, stating that the country is projected to maintain the fastest growth rate among the world's largest economies. The IMF projects India's GDP to grow at 6.3% in 2025-26. S&P Global Ratings has lowered India's GDP growth forecast for 2025-26 to 6.3% from 6.5%. Moody's Ratings lowered India's GDP growth forecast for 2025 to 6.3%, down from its earlier projection of 6.5%, citing a rise in global policy uncertainty and intensifying trade restrictions. The agency identified geopolitical tensions and global macroeconomic shifts as significant contributors to this downward revision. Despite this, India is still expected to retain its position as the fastest-growing major economy. However, spillovers emanating from protracted geopolitical tensions, and global trade and weather-related uncertainties pose downside risks to growth.

The easing of supply chain pressures, softening of global commodity prices and higher agricultural production on the back of a likely above-normal south-west monsoon augur well for the inflation outlook in 2025-26. While food inflation outlook remains soft, core inflation is expected to remain benign with easing of international commodity prices in line with the anticipated global growth slowdown. The inflation outlook for the year has been revised downwards by RBI from the earlier forecast of 4.0 per cent to 3.7 per cent.

J&K Economy

Jammu and Kashmir's economic trajectory is undergoing a significant transformation, driven by structural shifts, sectoral diversification, and an emphasis on resilience. According to the 2025 Economic Survey Report tabled in the Jammu & Kashmir Assembly, the size of J&K's economy is estimated at ₹2.65 lakh crore and its real GSDP is estimated to be about ₹1.45 lakh crore during 2024-25. J&K's economy is estimated at 7.06% in FY2024-25. GDP for the year 2025-26 has been projected at ₹2.88 lakh crore, with a growth of 9.5 % during FY2025-26 over the previous year, which signals a promising phase of development. The newly launched rail link connecting the Kashmir Valley with the rest of India is expected to be a game changer for the economy of Jammu and Kashmir by



giving much needed boost to tourism and trade. The service is expected to enhance connectivity, streamline supply chains, and facilitate the movement of goods and passengers. It is expected to energise the local economy, with improved connectivity expected to eliminate logistical bottlenecks, reduce spoilage, and attract greater investment. Sustainable growth necessitates an alignment between policy frameworks and global economic trends, fostering technological adoption, and strengthening human capital to build a self-reliant and globally competitive economy.

Five major sectors are contributing to the region's economy, which include agriculture and horticulture, tourism, handicrafts, industries and government jobs. The economy of the UT of J&K is predominately agriculture dependent and nearly 70% of population is directly or indirectly engaged in agricultural and allied occupations which is based on Small Land Holdings. The second sector is tourism, which varies but on average employs about a million people. The third is handicrafts and handlooms, or the artisanal sector, which provides employment to around 4.22 lakh artisans. The handicraft sector plays an important role in the state's economic structure, and its high-quality craftsmanship, appealing designs, and functional utility have earned it international fame. Fourth is the industry sector, which is in its early stages of development. About 5 lakh people are employed by the government.

Agriculture remains a cornerstone of Jammu and Kashmir's economy, providing employment to a significant portion of the workforce and ensuring food security. The sector has witnessed substantial progress, particularly with the implementation of the Rs 5,013 crore Holistic Agriculture Development Program (HADP), which aims to modernize farming techniques, boost productivity, and diversify crop production. High-value horticulture produce, including apples, pears, walnuts, almonds etc, contribute significantly to the economy of the region & also present export opportunities. The region accounts for over 70% of India's total apple production, making it a key contributor to agricultural revenues. The Economic Survey report 2025, has suggested that the Horticulture sector employs 35 lakh people directly or indirectly supporting about seven lakh families.

The tourism sector has also been playing a significant role in the region's economy as it makes an enormous contribution to the region's local economies through job creation and sustainable development. It is the largest service industry in the UT and is significantly contributing to the GSDP.

Banking Sector Outlook

FY2025 was an eventful year for the banking sector. The banking industry witnessed record profitability, declining bad loans, and bolstered capital positions, setting a robust foundation for future growth. This significant improvement underscored the sector's focused efforts in risk management and debt recovery. Sustained credit growth, increased digital adoption, and supportive government policies were instrumental in revitalizing the sector and fortifying its resilience.

With a keen focus on innovation, adaptive strategies, and prudent risk management, the Indian banking sector strives for a future characterized by sustained progress and resilience. Moody's has given stable outlook for India's banking

system, "backed by sound economic growth and strong bank fundamentals". Fitch ratings expects Indian Banks loan growth to rebound to 12%-13% in FY26 on accommodative monetary policy and easing funding conditions

Looking ahead, the outlook for the sector appears positive, supported by a conducive domestic macroeconomic environment that is likely to drive further growth in both credit and earnings. Easing liquidity conditions, decent GDP growth & declining inflation could positively influence lending and deposit activities. RBI in its latest Monetary Policy Report announced to cut Cash Reserve Ratio (CRR) by a huge 1%, in four equal tranches ending November 29, 2025, which will unlock `2.5 lakh crore liquidity to the banking system for lending to productive sectors of the economy. The move is likely to strengthen liquidity in the banking system and improve credit flow to the economy. According to a report, cut in the CRR is expected to create room for additional credit growth of 1.4-1.5 per cent.

Going forward rising geopolitical tensions, global market volatility interest rates and a potential GDP slowdown poses some key challenges to Banking sector. Additionally, the increased reliance on technology exposes banks to heightened cybersecurity threats, urging stringent security measures.

The sector's resilient foundation—strengthened asset quality, robust capitalization, and record profitability—positions it favourably to navigate uncertainties. Indian banks are poised for increased loan growth, fuelled by record profitability, reduced provisions and improved liquidity due to reduction in CRR.

Banking Sector in J&K

Role of banks operating in J&K and Ladakh assumes extra significance as they play a crucial role to bail out the region from economic backwardness and bring in prosperity in all sectors of economy. The institutional structure of banking in J&K consists of several institutions, namely, commercial banks, regional rural banks and co-operative banks. Banks are meeting the financial requirements particularly of the un-organized sector and the self-employed in the micro and small business sectors. To meet the objective of financial inclusion, banks are deepening and broadening their network apart from diversifying domain of their activities and jurisdiction.

There has been notable improvement in the banking services with the increase in the bank branches over the years in J&K. The region has developed a robust banking network with 2197 branches as at the end of March 31, 2025, spread across its nook and corner. The banking sector consists of 37 banks and financial institutions, which includes 12 public sector banks, 11 private sector banks, 10 Cooperative banks, two regional rural banks, one State Financial Corporation and India Posts Payment bank.

The Annual Credit Plan 2024-25 for UT of J&K, which was launched on 1st April, 2024, envisaged a total credit target of Rs. 51,839.99 Crore for 16,66,432 beneficiaries. During FY 2024-25 banks operating in UT of J&K have disbursed total credit of Rs. 69,777.77 Crore in favour of 18,43,976 beneficiaries, registering an achievement of 135% in financial terms and 111% in physical terms. This includes disbursement of Rs.36,575.27 Crore in favour of 11,54,988 beneficiaries against the annual target of Rs. 39,765.21 Crore for 13,28,858

beneficiaries under Priority Sector and Rs. 33,202.50 Crore in favour of 6,88,988 beneficiaries against the annual target of Rs. 12,074.77 Crore for 3,37,574 beneficiaries under Non-Priority Sector thereby registering achievement of 92% and 275% in financial terms respectively.

J&K Bank -Business Strategy

Based on the economic outlook, the principal goal of the business strategy of the Bank is to build a strong balance sheet reflecting growth, better asset quality, good prospects of maximization of returns and better capital structure. During the period, bank shall focus on the following:

Business Process Reengineering initiatives (BPR)

Bank has continuously endeavored to align its operations with contemporary business environment and adapt latest technologies and standards with regards to various business aspects. In this direction, bank shall undertake initiatives under BPR to streamline the processes and banking operations by way of adoption of best in class technologies and standards.

Focus on retail lending as well as corporate lending

The risk associated with corporate lending outside the UTs of J&K and Ladakh has been mitigated by shifting the focus to AAA rated PSUs and high rated corporate borrowers (small & mid segment) and retail lending with targets being allocated for corporate sector in alignment with the risk profile and risk appetite of the Bank. Bank is also strategizing to build retail portfolio outside the UTs of J&K and Ladakh through engagement of DSAs, tie-ups with builders and housing finance companies etc.

Focus on digital channels

Banking industry is fast transforming from a system driven by conservative delivery channels to a system hugely supplemented by IT enabled alternate delivery channels. The digital vision of the Bank is to provide the facility of seamless digital payments to all its customers in a convenient, easy, affordable, quick & secure manner. The Bank offers various products and services through multiple digital channels to cater to the diverse preferences and needs of its customers. These channels include: Debit Card, Credit Card, Internet Banking, Mobile Banking, UPI, Phone Banking, Online Account Opening, Chatbot, social media, DBUs, and third party partnerships. The Bank has collaborated with various FinTech companies through partnerships or formal agreements for various facilities on its Credit Cards, POS services, FASTag, BBPS services, Loyalty Management, Direct Debit arrangements etc.

Risk Management

Bank has a well-defined and comprehensive risk management framework in place to strengthen its capacity to recognise and address risks. This framework is clearly based on systematic identification and understanding of different risks, disciplined risk assessment, measurement procedures, mitigation and continuous monitoring. Risk Management is an integral part of the Bank's organizational structure and plays vital part in formulation of business strategy. It allows greater control in achieving an appropriate balance between acceptable risks and expected returns, while at the same time maintaining the sound financial position. The key components of the Bank's

Risk Management architecture rely on the risk governance structure, comprehensive processes and internal control mechanism based on approved policies and guidelines.

Liability Mobilization

Bank shall identify different segments of customers and provide them the facilities as per their requirement by introduction of new products & updation of existing products so as to synergize them with the Current market trends and demands. Technology shall be leveraged for launching of specific deposit products wherein online account opening, etc. shall be enabled to target customers preferring digital onboarding. Besides Corporate Salary Package launched by the Bank for employees of the corporates shall be aggressively promoted & renowned private firms/educational institutions will be pursued for onboarding under the Corporate Salary Package.

Liquidity Risks

Bank has established a comprehensive and proactive liquidity risk management framework to ensure uninterrupted fulfilment of financial obligations, even under stressed market conditions. This framework emphasizes rigorous monitoring of daily cash flows, careful assessment of funding sources and timely forecasting of liquidity requirements. The Bank regularly conducts stress testing across a range of adverse scenarios to evaluate the adequacy of available liquidity buffers. The bank has a well-defined Contingency Funding Plan (CFP) which ensures a bank has adequate sources of liquidity in place to fund normal operations under various contingent liquidity event scenarios. Bank carefully manages and matches the maturities of their assets and liabilities to avoid sudden imbalances in cash flows. These measures enable the bank to mitigate liquidity risk by ensuring that the funds are available as and when needed to meet the financial obligations.

Business Contingency Plan (BCP)

Bank as a part of its Risk Management initiative has established and implemented a BCP framework complying to the requirements of the ISO22301 standard, enabling it to proactively identify any disruptive events which may affect the activities that support the provision of its products and services and thereby put in place arrangements to mitigate the impact of such events. It aims at providing a framework for setting business continuity objectives which includes commitment to satisfy applicable requirements and continual improvement of the management system.

As per the requirements of the ISO 22301, Bank has put in place BCP policy, Business Continuity plan and Business Continuity Management System Scope Document. The main objectives are to minimize financial loss to the institution, continue to serve customers and financial market participants, and mitigate the negative effects of disruptions which can impact the institution's strategic plans, reputation, operations, liquidity, credit quality, market position, and ability to remain in compliance with applicable laws and regulations.

Cyber Security

In today's digital age, the banking industry faces unprecedented cybersecurity challenges. The banking industry faces



unprecedented cybersecurity challenges arising from rapid technological advancements. The Bank remains firmly committed to safeguarding customers' financial assets, ensuring the integrity of its banking systems, and preserving its reputation by establishing a robust and dynamic cybersecurity framework. To address the risks associated with emerging technologies such as cloud computing, mobile banking, encrypted services, and social media, the Bank is implementing comprehensive systems, policies, governance structures, and response mechanisms. These measures are designed to effectively identify, prevent, and mitigate cyber threats. The Bank actively coordinates with national and sectoral cybersecurity advisory centres, regulatory bodies, and peer banks to ensure timely sharing of information on existing and potential threats. This collaborative approach enhances situational awareness and supports proactive, preventive, and protective action. The Bank continues to promote cyber awareness by organizing regular employee training programs and conducting customer-facing security literacy campaigns through electronic and social media channels. These initiatives are aimed at equipping all stakeholders with the knowledge and vigilance required to navigate the digital landscape safely.

Succession Planning

The Bank recognizes the importance of the process to Succession Planning to ensure continuity in the smooth functioning of the organization. The Bank has put in place a policy on Succession Planning for the Board as well as the Senior Management. The policy formalizes a long term and Short term succession plan for a prudent transition process, capable of finding and preparing successors. The Succession planning process involves the identification of Competency requirements of critical roles and leadership positions, assessment of potential candidates and development of required competency through planned development and learning initiatives.

Customer Centricity

The Bank observes customer centricity through service excellence, integrity and transparency, and a comprehensive range of innovative products and services responsive to customer needs to ensure customer satisfaction for retaining existing customers and attracting new customers. For facilitating hassle free escalation of grievances & service requests, Bank has notified various communication channels in the public domain which include on-line grievance portal on website, mPay and eBanking channels where the customer complaints/Service Requests are processed and disposed-off within defined TAT and response/ reply is sent to the complainant/ customer through Portal/ Email/SMS. Root cause analysis of complaints is performed so as to plug the gaps, if any, and avoid recurrence of complaints on similar grounds. The Bank also conducts Customer Advisory Forum (CAF) meetings at all Branches at monthly intervals. These meetings help us obtain first hand feedback about our products and services and in turn facilitate necessary changes/ improvements as per customer expectations.

Economizing Service delivery

It has been the endeavour of Bank to leverage technology for providing convenient digital services to our customers.

Adoption of latest banking technologies not only facilitates better customer experience & ensures customer relationship management but also plays an important role in reduction in cost of operations. Bank has introduced End to End Automation of Phone-Pe Loan to MOU Employees without any manual intervention through Straight through Processing (STP) platform. Bank recently upgraded its mobile banking application 'J&K Bank mPay Delight Plus' which enables customers to view their account, scan QR, transfer funds, open fixed/recurring deposit accounts, apply for loans, pay utility bills, manage credit cards etc. The Bank also undertook deployment of UPI QR Code in mission mode, leading to good presence of our UPI QR Code at merchant locations, particularly in J&K and Ladakh. Besides Bank is expected to widen the ambit of centralization & automation of loan processing by including Housing Loan, SME, Agri, Corporate Loans and Forex & Trade Finance to reduce TaT, increase employee productivity and enrich customer experience. Online Account Opening Facility of the Bank along with Video KYC enables the prospective customers to open a Bank Account 24x7 at their convenience and comfort without any geographical barriers within country and without the need for visiting a Bank Branch.

New Products & Services on the anvil

Review of existing asset/liability products & introduction of fresh products is an ongoing process. This activity is being undertaken by the bank in line with business objectives with due consideration to competitive landscape, micro and macro-economic factors, target customers, socio-economic obligation and likewise. It remains an endeavour on the part of the bank to come up with competitive and customer friendly offerings so as to evade competition and make available innovative product offerings to our customers. Bank's Product Development and Approval Policy provides for involvement of multiple functionaries in the product development and approval process, so that the best new offering can be created with due consideration to regulatory and legal aspects, competitive factors, customer demographics, geographical factors etc. Technology shall be leveraged for launching of some deposit products wherein online account opening, etc. shall be enabled to target customers preferring digital onboarding.

Governance Initiatives

Various governance initiatives undertaken taken by the Bank during financial year 2024-25 include the following:

- Result oriented Performance evaluation of the Directors of the Bank by the Board and committees of the Board.
- Conduct of customised training / capacity building programmes for the Directors of the Bank in the reputed institutes of learning with a view to enrich the members of the Board.
- Strengthening of Board Independence and Board Diversity.
- Increased effective and meaningful stakeholder arrangement.
- Formulation and review of various policies aimed at reaffirming and re-aligning of Corporate Governance structure of the Bank.

ESG initiatives

Bank, one of India's oldest Private sector banks, operating in an ecologically fragile region of Jammu Kashmir and Ladakh, is cognizant of its responsibility in steering the Union Territories and the nation towards sustainable development. Environment, Social & Governance (ESG) has become an area of heightened focus and has changed bank's outlook towards its business as it aims to align its ESG approach with its strategic goals. Bank has thus adopted "Environment, Social and Governance (ESG) Policy", which seeks to adopt sustainable business practices that ensure accomplishment of Bank's long term strategies and have a positive impact on the environment and society. The ESG policy outlines the approach taken to manage Bank's Business, environmental and social performance in an integrated manner and help ensure that industry accepted standards and best practices are applied when identifying, assessing and monitoring environmental, social and governance risks with respect to the Bank's business operations.

J&K Bank Financial Performance w.r.t Operations performance

During the fiscal 2024-25, the total income was recorded at Rs.13672.67 Crore compared to Rs. 12037.85 Crore for the FY 2023-24 in line with the interest rate scenario, reflecting an increase of 13.58%. Interest income stood at Rs. 12535.86 Crore for the FY 2024-25 as against Rs. 11212.37 Crore for the previous FY recording a YoY increase of 11.80%. The non-interest income was Rs. 1136.81 Crore for the FY 2024-25 as against Rs. 825.48 Crore for the previous FY. Interest expended increased to Rs. 6742.04 Crore in the fiscal 2024-25 from Rs. 6008.68 Crore in the previous fiscal, recording a YoY increase of 12.21%

The Bank's operating expenses stood at Rs. 4000.84 Crore for FY 2024-25 as compared to Rs. 3752.29 Crore for FY 2023-24. Operating Profit stood at Rs. 2929.79 Crore for FY 2024-25 as compared to Rs 2276.88 Crore for FY 2023-24, growth of 28.68% YoY.

NPA Coverage Ratio of the Bank stood at 90.28% as on March 31, 2025 as compared to 91.58% as on March 31, 2024. Gross NPA Ratio stood at 3.37% as on March 31, 2025 as compared to 4.08% as on March 31, 2024. Net NPA Ratio stood at 0.79% as on March 31, 2024 and March 31, 2025.

The Bank posted a Net Profit of Rs. 2,082.46 Crore for the financial year ended Mar, 2025 as compared to Net Profit of Rs. 1,767.27 Crore during the financial year ended Mar, 2024.

The aggregate business of the bank stood at Rs. 252768.18 Crore at the end of the financial year 2024-25.

The Bank recorded deposit growth of 10.23% and net advances growth of 11.13% during the current year.

Cost of deposits has increased to 4.75 % for FY 2024-25 from 4.57% for FY 2023-24, while, CASA stood at 47.01% for FY 2024-25.

Segment-wise and Product-wise performance of the Bank

The segment wise and product wise performance both in the Deposits and Credit is furnished below:-

Deposits	Amount (in Cr.)	Net Advances	Amount (in Cr.)
Demand	16239.66	Cash Credits, Overdrafts & Demand Loans	31,570.88
Savings	53603.75	Bills Purchased & discounted	181.18
Term	78726.04	Term Loans	72,446.66
Total	148569.46	Total	1,04,198.72

- Total deposits of the Bank grew by Rs. 13793.14 Crore from Rs. 134776.32 Crore as on March 31, 2024 to Rs. 148569.46 Crore as on March 31, 2025, a growth of 10.23% percent. CASA deposits of the Bank at Rs. 69,843.42 Crore constituted 47.01% percent of total deposits of the Bank.
- Average deposits stood at Rs.135499.71 Crore during FY 2024-25, compared to Rs. 1,24,464.97 Crore during FY 2023-24 recording a growth rate of 8.87%
- During the year, Gross Credit increased from Rs. 96,981.86 Crore (FY 2023-24) to Rs. 106985.49 Crore (FY 2024-25), registering a growth of 10.31%.
- Average advances increased by Rs.8354.77 Crore at Rs.98599.46 Crore during FY 2024-25 compared to Rs. 90,244.68 Crore during FY 2023-24. The average yield on advances was 9.56 % for the current fiscal against 9.54% during the previous fiscal.

The Bank has the following business segments viz. Treasury, Corporate/wholesale banking, Retail banking and other banking operations. The segment-wise results of the Bank are furnished elsewhere in the report.

Opportunities and Threats

The banking sector serves as a vital pillar for India's economic development. Amidst robust macroeconomic fundamentals, favorable demographics, and rapid digitalization, India's financial ecosystem is poised for transformative growth. Further, macro stress tests done by the Reserve Bank reveal that the banking sector will continue to remain resilient even under stress scenarios. These dynamics, coupled with structural shifts in savings behavior, technological evolution, and regulatory initiatives, are reshaping how banks and financial institutions operate and navigate risks.

India's financial landscape is undergoing a profound transformation. Advancements in technologies, expanding digital infrastructure, and evolving consumer behavior have significantly altered traditional banking operations. The rise in smartphone usage, deeper internet penetration, and reoriented digital payment systems have enabled institutions to extend services to previously unserved and underserved segments. These demand-side shifts—such as rising customer expectations for seamless, digital-first experiences—combined with supply-side enablers like regulatory support and FinTech innovation, have created new avenues for growth and efficiency. However, the proliferation of alternative business models and technology-enabled platforms also introduces



complexity. Institutions are required to adapt to rapid change while safeguarding consumer trust and complying with evolving regulatory frameworks. This dual mandate creates a challenging environment that demands strategic agility and technological resilience.

On the deposit-credit front, a growing divergence between loan growth and deposit mobilization has emerged as a key structural concern. While some gap between the two is expected, the current mismatch—where credit growth significantly outpaces deposit inflows—could lead to potential liquidity constraints. Traditionally, households relied on banks to park their savings. However, recent trends show a shift towards capital markets and other financial intermediaries, including mutual funds, insurance, and pension products. Although bank deposits remain a dominant component of household financial assets, their share is gradually declining. To bridge the credit-deposit gap, banks are increasingly depending on market borrowings such as CDs and short-term funds. This trend heightens banks' sensitivity to interest rate volatility and introduces added liquidity risk.

The continued migration of funds from low-cost CASA (Current Account and Savings Account) deposits to higher-yielding instruments also affects interest margins and financial stability. Banks must therefore enhance their deposit mobilization strategies, recalibrate asset-liability management, and improve credit pricing and risk assessment practices to safeguard systemic integrity.

On the technology front, Cybersecurity has emerged as a critical domain as digital channels dominate service delivery. India's digital payments ecosystem, particularly the Unified Payments Interface (UPI), has seen exponential growth and is projected to account for 90% of total retail digital transactions by FY27. While this expansion underlines the success of digital adoption, it also elevates the risk of cyber threats. Globally, financial institutions face an upsurge in cyber attacks, necessitating continuous investment in robust cybersecurity architecture and incident response frameworks. The rise of cyber threats poses a significant risk to the security of financial transactions, demanding robust cybersecurity measures.

Another area of concern is the increasing number of digital frauds. Many of these stem from social engineering tactics targeting customers, but an alarming trend is the misuse of mule accounts for laundering illicit funds. These frauds not only entail financial losses but also pose substantial reputational and operational risks. Strengthening customer onboarding protocols, real-time transaction monitoring, and suspicious activity detection systems is essential to mitigate these risks and preserve public confidence.

In the current business environment, outsourcing has become a strategic necessity for banks to remain cost-effective and agile. However, third-party arrangements must be governed by rigorous oversight and due diligence. Banks must institute strong governance mechanisms to monitor vendor performance, data security, and service continuity to ensure that outsourcing does not become a vulnerability.

The banking ecosystem is also contending with regulatory complexities. Changes in compliance requirements—ranging from capital adequacy norms to evolving disclosure standards—necessitate constant organizational alignment.

This shifting landscape can strain operational bandwidth and profitability. Banks must, therefore, establish dynamic compliance functions equipped with modern tools and skilled personnel to remain compliant while maintaining operational efficiency.

Opportunities, nonetheless, remain abundant. Technological innovations offer significant potential to elevate customer service, expand financial inclusion, and enhance internal efficiencies. Collaborations with FinTechs, deployment of AI and machine learning in credit underwriting and risk management, and digitization of backend processes can collectively redefine the future of banking.

Banks and financial institutions are strategically placed to steer India's next wave of economic advancement. With strong capital buffers, improved asset quality, and healthy profitability metrics, Banks are well-equipped to support the expanding needs of the economy. The emphasis, however, must be on balanced growth—leveraging innovation while maintaining strong governance, sound risk management, and regulatory compliance.

While the Indian banking sector is positioned at the cusp of significant growth, it must navigate a complex landscape of emerging risks and competitive pressures. Success will depend on the industry's ability to harness technology, address liquidity imbalances, fortify cybersecurity, manage operational risks, and adapt to regulatory demands.

Risks & Concerns

Risk is an integral part of banking business. Bank has exerted focused efforts in building a robust, and sustainable risk governance framework and to create risk awareness culture across all tiers of the organization's hierarchy and is continuing to do so. Risk Management underscores the fact that the survival of an organization depends heavily on its capabilities to be proactive and prepare for the change rather than just be reactive for the change. The objective of risk management is not to prohibit or prevent risk taking activity, but to ensure that the risks are consciously taken with full knowledge, purpose and clear understanding so that it can be measured and mitigated.

Bank has a well-defined and comprehensive Risk Management framework in place to strengthen our capacity to recognize and address risks. This framework is clearly based on systematic identification and understanding of different risks, disciplined risk assessment, measurement procedures, mitigation and continuous monitoring. Risk Management is an integral part of the Bank's organizational structure and plays vital part in formulation of business strategy. It allows greater control in achieving an appropriate balance between acceptable risks and expected returns, while at the same time maintaining the sound financial position. The Bank has also put in place a Risk Appetite Framework (RAF) that articulates the risk appetite and drills down the same into a limit framework for various risk categories. The Risk Appetite applies to J&K Bank at an enterprise level, branches, offices and other departments.

The key components of the Bank's Risk Management architecture rely on the risk governance structure, comprehensive processes and internal control mechanism based on approved policies and guidelines. The risk management policies and procedures established are updated

on continuous basis in compliance with RBI guidelines and benchmarked to the best practices. Bank has an independent Risk Management Vertical headed by the Chief Risk Officer, who reports to IRMC of Board and monitors the development and implementation of methodologies for risk identification, assessment, measurement, monitoring and mitigation for all risks. The Board of Directors with its Committee-Integrated Risk Management Committee (IRMC) reviews risk management policies of the Bank pertaining to credit, market, liquidity, operational & Pillar II risks that includes strategic risk and reputational risk, Internal Capital Adequacy Assessment Process (ICAAP) and stress testing. The Senior Management Committees - Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC) and Market Risk Management Committee (MRMC) for credit risk, operational risk and market risk operate within the broad risk management framework of the Bank to assess and minimize these risks. Information security and business continuity plan also forms part of risk management function in the Bank. Treasury activities are separately monitored by mid office which reports to Risk Management Vertical. The Bank has Stress Testing Policy to measure impact of adverse stress scenarios on the adequacy of capital.

Internal Control and Systems Adequacy

To strengthen effective controls for compliance to systems & procedures and policy decisions on various operational aspects of day-to-day banking, the bank has well defined internal control measures in place which are commensurate to its size as also the complexity of operations. Audit Committee of Board provides directions / oversees the audit function of the bank including the statutory / external audit of the bank and inspections of RBI. It reviews the internal inspections / audit functions of the bank vis-a-vis systems, their quality and effectiveness in terms of follow up. In compliance to RBI guidelines, the Bank has already put in place Audit system to strengthen various measures for effective controls for compliance to systems & procedures and policy decisions on various operational aspects of day-to-day banking. Supervision, Control & Audit department, Corporate Headquarters examines, identifies and finalizes the Branches/ other Operational Offices for the purpose of various Audits from time to time. The vertical is headed by General Manager who is also the Head of Internal Audits (HIA) and has a vast experience of over 35 years in the banking industry. As per the approved Audit Policies, annual audit plans are devised for smooth conduct of various Audits like RBIA, Concurrent Audit, Credit Audit, Legal audit, Information Systems Audit, Stock Audit, etc. The Audits serve as one of the effective tools/modes of (i) early-warning system for detection of irregularities and lapses in daily operations of bank's Branches; and (ii) checking recurrence of irregularities, infirmities and deficiencies in banking operations thereby facilitating their detection, diagnosis and initiating desired steps for their rectification, improvement of systems & procedures besides compliance to internal and regulatory guidelines and controlling risks/ preventing frauds. The S, C & Audit department also conducts investigations for various lapses/issues reported from various operative levels and external agencies/complaints. The external agencies include the complaints from customers as well as non-customers, State & Central government agencies, print media, CAG and RBI. In the light of the fast changing dynamics of today's

banking environment and in tune with the extant guidelines the bank has adopted Risk Based Internal Audit, which includes, in addition to selective transaction testing, an evaluation of the risk management systems and control procedures prevailing in various areas of the bank's operations. The implementation of risk-based internal audit means that greater emphasis is placed on the internal auditor's role in mitigating risks. While focusing on effective risk management and controls, in addition to appropriate transaction testing, the risk-based internal audit not only offers suggestions for mitigating current risks but also anticipates areas of potential risks and plays an important role in protecting the bank from various risks. The Branches and other offices of the bank are also subjected to other audits viz Concurrent Audit, Risk based Information Systems Audit, Credit Audit, Legal Audit, Stock Audit, Forex Audit, Risk based Management Audit which form part of the internal control mechanism.

All the critical operations of the Bank such as Treasury Operations, Centralized Processing Units, Data Centers, Contact Centre, Government Business Department, KYC/ AML Department, Terminal Benefits Department, Payments & Settlement Department, etc. are subjected to audit. Core Banking Solution (CBS) and all other major information technology assets / applications, besides concurrent audit, are also subjected to other various audits while as departments at controlling offices are also subjected to various audits.

Risk Based Internal Audit (RBIA)

S, C and Audit department undertakes review of the operations of branches through Risk Based Internal Audit (RBIA), an adjunct to Risk Based Supervision, as per RBI directives. The Risk Based Internal Audit is conducted for all branches and various offices of the Bank covering the business operations. The said audit covers all active loan & deposit accounts along with other areas aspects of branch management/controls. As such, risk assessment of the branches is carried out by allotting risk weightage to audit areas/observations and based on the risk score calculated, risk rating is assigned to the branches on completion of audit. Accordingly, the frequency of next audits is determined based on the risk rating assigned to the branch in its previous audit.

Credit Audit

The Bank undertakes Credit Audit to review all large value standard borrowal accounts with credit exposure of `5.00 crore & above and 15% sample of accounts with credit exposure of Rs.1.00 crore to less than Rs.5.00 crore are audited yearly on rotational basis so that all accounts are covered within at least 5 years. Credit Audit evaluates portfolio quality including audit of appraisals, sanction and follow-up process on an ongoing basis. The loan review mechanism under credit audit has been designed to provide feedback on effectiveness of credit sanction and identify early deterioration, if any, in eligible borrowal accounts.

Management Audit

Management Audit is a systematic examination of decisions and actions of the management. It involves the review of managerial aspects like organizational objective, policies, procedures, structure, control and system in order to check the efficiency or performance of activities. Management Audit focuses on results, evaluating the effectiveness and



suitability of controls vis-a-vis underlying rules, procedures and methods. Management audit is conducted for all the verticals/ departments at Corporate Headquarters and various departments of Zonal offices by in-house auditors.

Foreign Exchange (Forex) Audit

Foreign Exchange business of the Bank being conducted across the country is exposed to a number of risks. Foreign currency prices are subject to change on account of monetary policies of the Reserve Bank and other domestic, international and overall global economic factors. It is an independent assurance to the management about the efficiency and efficacy of risk control measures to mitigate the inherent risks in business activities, evaluation of risk management systems and control procedures, identification of potential risks and suggesting measures for mitigation of risks.

Information Systems (IS) Audit

Information Systems Audit is a part of the overall audit process, which is one of the facilitators for good corporate governance. Information System (IS) audit is a systematic independent examination of the information systems and the environment to ascertain whether the objectives, set out to be met, have been achieved. IS Audit is the process of collecting and evaluating evidence to determine whether a computer system (information system) is safeguarding the assets, maintaining data integrity and operating effectively to achieve organizational goals. IS Audit in the bank is also risk based and is conducted for all branches, various offices/ departments and certain third party suppliers of the Bank covering the business operations. As such, risk assessment of the branches is carried out by allotting risk weightage to audit areas/observations and based on the risk score calculated, risk rating is assigned to the branches on completion of audit. Accordingly, the frequency of next audits is determined based on the risk rating assigned to the branch in its previous audit.

Concurrent Audit

Concurrent audit aims to shorten the interval between a transaction and its examination/monitoring by an independent person and involved in process and documentation of that transaction to ensure sound internal accounting control. The Bank has put in place concurrent audit system carried out round the year 24x7 at selected branches on an ongoing basis. Concurrent audit is an independent appraisal activity conceived as a systematic examination of all financial transactions at branches to ensure accuracy and compliance of internal systems and procedures as laid down by the bank. It aims at minimizing the incidence of serious errors and fraudulent manipulations as it is intended to be undertaken concurrently. The Bank has engaged Chartered Accountant Firms in addition to the experienced retired bank officers and in-service officers for conducting the said audit. Concurrent Auditors are placed at branches/offices to identify shortcomings/irregularities at a very early stage.

Legal Audit

Legal Audit in Bank covers scrutiny of the loan and security related documents of borrowers with credit exposure of `5 crore and above. The legal audit is a control function, carried out by in-house team of internal auditors or through panel advocates to ensure that there are no shortcomings in the documents or creation of security in favour of your Bank. The

purpose of Legal Audit is to identify the potential, present and prospective legal problems so that required steps are taken by the bank to safeguard its interests at right time. Legal Audit is a preventive strategy to ensure that the bank while taking securities against a particular loan has not been cheated in any manner whatsoever and the securities offered to, and accepted by the bank, do not suffer any defect related to due diligence, genuineness of the documents and laws relating to creation and enforcement of securities.

Stock Audit

Stock audit is one of the important tools of credit monitoring for the bank. Apart from ensuring safety of realizable security, it helps the bank to discipline the borrower or may act as a warning signal against probable future NPA. Accordingly, for monitoring and ensuring the end use of working capital finance, a system of periodical stock audit has been devised by the Bank, whereby the annual stock audit (including of book debts) is got conducted for all eligible accounts (`5 crore & above and accounts exhibiting high risk characteristics) as per the existing Stock Audit policy of the Bank. The main objectives of the stock audit are to help the bank to ensure proper end use of bank funds / monitor the funds flow, to determine the sufficiency of the primary security cover for working capital limits & to provide timely inputs about inclinations of malicious borrowers towards diversion of working capital funds and prevention of fraud events.

Human Resources and Industrial relations

Bank believes that its greatest assets are its human resources and training is a long term investment in people development for organizational excellence. Bank has updated all policies related to HR as part of transformation journey.

Business per Employee and Net Profit per Employee were at Rs.20.18 crore and Rs.16.65 lakh respectively for the financial year ended March 31, 2025 compared to Rs.17.81 crore and Rs.13.75 lakh for the financial year ended March 31, 2024.

Training

Human Resource plays an important role in organizational development and its profitability. In order to keep the employees updated and relevant in the market, besides sharpening their skill set and knowledge, new techniques, procedures and technologies are introduced in the Organization. In line with organizational vision & goals and in order to develop leadership qualities and inculcate the sense of motivation and responsibility among its staff, trainings (both on job as well as off job) are imparted to the staff for which services of various Institutes are being utilized.

Bank's own Staff Training Colleges at Srinagar and Jammu also cater to the sizeable training needs of the organization. Offline/Online trainings are conducted both in-house as well as at external training institutes. In FY 2024-25, 5760 officials were imparted training in different banking related fields.

- The highest number of trainings were imparted in Credit function where 2153 employees were trained during the year.
- Leadership Development programmes in collaboration with top institutions was conducted for Senior Management of the Bank.

J&K Bank, apart from being among the four banks having stake in National Institute of Banking Studies & Corporate Management (NIBSCOM), is also an Associate Member of below mentioned institutions/ bodies and officers of the Bank regularly participate in the trainings, seminars and workshops organised by them.

- i. National Institute of Banking Management (NIBM).
- ii. Federation of Indian Chambers of Commerce & Industry of India (FICCI).
- iii. The Associated Chambers of Commerce & Industry of India (ASSOCHAM)
- iv. Indian Institute of Banking & Finance (IIBF).
- v. Confederation of Indian Industry (CII)

Capacity Building

In order to encourage and groom its staff to acquire further knowledge and skill sets for disposal of assignments diligently and in a professional way, the Bank has taken a step ahead and enlisted courses contemporary to banking landscape as per RBI's guidelines. The officials successfully completing these courses are being reimbursed actual course fee and honorarium in case of Diplomas and MBA (B&F). As many as Seven Diploma courses and Seven Certificate courses offered by IIBF, besides certification/re-certification courses in IT conducted by Cisco/Solaris/Oracle/Microsoft/Sun Java have been enlisted.

Under RBI's Capacity Building Programme, following Eleven courses have been enlisted in order to develop a resource pool in critical areas viz Risk, Forex, Treasury etc.

1. Certified Credit Professional Course
2. Certified Treasury Professional Course
3. Certified Banking Compliance Professional Course
4. Certified Examination in Risk in Financial Services
5. Diploma in IFRS (DiplFR- International Financial Reporting) by ACCA (Association of Chartered Certified Accountants)
6. The Chartered Financial Analyst Program
7. Certification Course in Foreign Exchange Operations
8. Certified Accounting and Audit Professional
9. Advanced Management Programme in Banking & Finance offered by IIBF (Indian Institute of Banking and Finance)
10. Certified Financial Planner Certification (under Fast Track pathway) offered by FPSB India (Indian Subsidiary of Financial Planning Standards Board Ltd, USA)

11. Anti-Money Laundering Specialist Course" offered by Global Compliance Institute (GCI)

During FY 2024-25, the Bank conducted Training cum Certification exclusively for the employees of the Bank to create a pool of certified resources in sensitive and critical Banking domains of Credit, Forex, Treasury, Risk Management and Audit & Accounting.

e-Pathshala

During FY 2024-25, the Banks 'e-Pathshala', a software application which is accessible over Internet through PCs & Laptops, in addition to already uploaded courses on Information Security, Information Security, KYC AML Certification, Risk Management, Treasury, International Trade Finance, Credit Monitoring & Credit, new advanced courses on Risk Management and Treasury were uploaded on the system and made available to the employees for enhancing their knowledge.

Manpower Planning

Manpower planning encompasses the process that identifies the number of employees that is required in terms of high quality and quantity, hence it is seen as an ongoing process of regular and structured planning.

HR always takes into consideration the growth of the Bank by transforming the current manpower position into desired manpower position through planning and management to have the right employee at the right position to ensure effective utilization of manpower, thereby to achieve the long term objectives/targets.

The man-power Planning is resorted to in a professional manner to ensure proper staffing that is placing the right person at the right position. In order to adopt industry best practices, the Bank hired the services of a consultant (KPMG) for conducting an organization wide manpower assessment in the FY2023-24. The Bank shall implement the recommendations of the consultant over the period of next 3-5 years to support Bank's various initiatives involving Succession planning, expansion etc. Based on the recommendations of the consultant, the Long term manpower planning shall be primarily driven by Technology maturity, outsourcing and automation of processes which shall be achieved in phased manner over the course of next 3 to 5 years.

Details of significant changes (i.e. change of 25% or more as compared to the immediately previous FY) in key financial ratios.

Nil



Corporate Functions Report FY2024-25

Major Corporate Social Responsibility (CSR) Activities in the FY2024-25

As a responsible corporate entity, J&K Bank remains committed to aligning its strategic objectives with the broader needs of society, thereby fostering an inclusive, sustainable, and equitable environment. This commitment forms the cornerstone of the Bank's Corporate Social Responsibility (CSR) policy and is embedded in its core philosophy of contributing meaningfully to the communities it serves.

Guided by the founding principles of its CSR policy, the Bank consistently undertakes and promotes initiatives aimed at uplifting underprivileged and marginalized sections of society. These efforts also extend to supporting community-driven actions that contribute to a more compassionate, resilient, and sustainable world. In pursuit of this vision, the Bank continued its 'social investment' efforts during FY2024-25 by implementing diverse CSR projects addressing social welfare, healthcare, education, livelihood enhancement, environmental sustainability, disaster relief etc. These initiatives have not only helped mitigate the challenges faced by various communities but have also strengthened the Bank's emotional equity, brand affinity, and public goodwill.

Throughout the financial year, the Bank remained steadfast in its mission of "Serving to Empower" by fostering value creation across the Union Territories of Jammu & Kashmir and Ladakh. While many of the CSR interventions directly impacted large segments of the population, several eco-centric projects have played a pivotal role in promoting renewable energy adoption and reducing the overall carbon footprint.

Statutory disclosures related to the activities of the CSR & ESG Committee of the Board, including a comprehensive report on CSR implementation, are enclosed as part of this report (Annexure 1). Additionally, **Annexure 2** contains the responsibility statement of the CSR & ESG Committee, along with detailed project-wise information on CSR expenditure incurred during the year.

Key areas of intervention under the CSR programme

- Healthcare & Hygiene
- Education
- Community Development/Welfare
- Ecology & Environment
- Skill Development & Livelihood Generation
- Rural Development
- Promotion of Sports
- Art, Culture & Heritage
- Disaster Relief

CSR&ESG Committee of the Board

• Ms Shahla Ayoub	Chairperson
• Mr Amitava Chatterjee	Member
• Mr Umesh Chandra Pandey	Member
• Mr Anil Kumar Goel	Member
• Mr Anand Kumar	Member
• Mr Sudhir Gupta	Member

Responsibility statement of the CSR&ESG Committee

As a premier financial institution deeply embedded in the social and economic fabric of the region, J&K Bank views Corporate Social Responsibility (CSR) as a core commitment rather than a peripheral obligation. The Bank leverages its CSR policy as a strategic instrument to drive inclusive and sustainable development across the Union Territories of Jammu & Kashmir and Ladakh—and, wherever relevant, beyond.

Through this lens, J&K Bank envisions the creation of a socially empowered and environmentally responsible society. The overarching objective of its CSR policy is to uplift the marginalized, support the underprivileged, foster skill development and entrepreneurship, and contribute meaningfully to ecological preservation. These efforts reflect the Bank's unwavering dedication to building a more equitable, resilient, and sustainable future for all.

Details of activities undertaken under CSR during the FY 2024-25

A. Healthcare & Hygiene

SDG 3 - "Ensure healthy lives and promote well-being for all at all ages"

1. Supporting J&K's Health Infrastructure

A robust healthcare system is essential for any society, and given the significant pressure on government-run healthcare facilities, especially in J&K, it has become crucial for responsible corporates like J&K Bank to step in. By supporting the Government's efforts through innovative CSR projects, J&K Bank aims to complement public health initiatives. In this context, a project was developed to enhance the existing healthcare infrastructure by providing patient-transport trolleys and wheelchairs to various government hospitals in J&K. Under this initiative, the Bank provided the following items to SKIMS Soura, SMVD Charitable Society, GMC Anantnag, and B&J Hospital Srinagar:

- 39 Hydraulic Trolleys
- 124 Stretcher-on-trolleys
- 128 Foldable wheelchairs

The initiative augmented the Health Infrastructure, especially of Hospitals, in the larger interest of patient care.

2. Platelet/Apheresis kits for children suffering from blood dysfunctional diseases

The incidence of blood cancer has surged alarmingly in the Kashmir Valley over recent years, creating an urgent need for Apheresis Kits (Platelet/Therapeutic kits with ACD and saline) to support effective treatment for patients. Unfortunately, many underprivileged individuals struggle to afford

these essential kits, as the associated costs are not covered under the "Ayushman Bharat/Golden Card Scheme."

Recognizing this critical need, J&K Bank partnered with SK Institute of Medical Sciences, Srinagar (SKIMS) to make a meaningful impact. The Bank provided 200 apheresis kits to support the treatment of children suffering from cancer and other blood disorders, bringing relief to families facing financial challenges. Notably, SKIMS is the only hospital in J&K dedicated to pediatric oncology, serving approximately 350 young cancer patients annually from the regions of Jammu, Kashmir, and Ladakh.

3. Support to TB Patients of Kargil under PM's TB Mukht Abhiyan

The Government of India, through the Pradhan Mantri TB Mukht Bharat Abhiyaan, is dedicated to eradicating TB by 2025. In its effort to reach this target, the Union Health Ministry launched a campaign in September 2022, encouraging citizens, NGOs, and the corporate sector to sponsor monthly food baskets for TB patients. These patients require quality nutrition to strengthen their resistance against the infection. Sponsors can fund specific food baskets designed for adults and children through district-level TB program officials.

Aligned with this mission and following directives from the Ministry of Health and Family Welfare, J&K Bank partnered with Kargil Health Authorities to support 97 TB patients for six months.

4. Bringing Hope to the Heights: Supporting TB Patients of Leh Ladakh under PM's TB Mukht Bharat Abhiyaan

In line with the national mission to eliminate tuberculosis, J&K Bank extended its support to 105 TB patients in the Leh region by providing monthly nutritional food baskets for a continuous period of five months. This intervention was crucial for the high-altitude region, where medical access is limited and nutritional deficiency is common among such patients. The food kits were tailored to meet the dietary needs of TB patients, aiming to aid faster recovery and improved adherence to treatment regimens. The initiative also aligns with national goals of public health strengthening through community-based support.

5. Sound of Hope to Persons with Hearing and Speech Impairment

J&K Bank collaborated with a reputed implementing agency to organize over 15 health camps across Jammu, Kashmir, and Ladakh, focused on assessing and rehabilitating individuals with hearing and speech impairments. More than 17,000 people were assessed/screened, and over 1,500 individuals were provided high-quality hearing aids free of cost. Additionally, speech therapy was made available to those who needed further assistance. This initiative significantly improved the quality of life for many

beneficiaries by enabling better communication, inclusion in daily social interactions, and greater confidence.

6. Project MAMTA (Maternal Assistance through Monitoring and Treatment Assurance): An initiative for Tribal Mothers and their little ones

To support maternal and child health in underprivileged areas, J&K Bank initiated a project targeting tribal communities in the Anantnag and Rajouri districts. In collaboration with healthcare professionals and NGOs, training was imparted to birth attendants, empowering them with knowledge and skills for safe deliveries. Free nutritional supplements and essential medicines were provided to pregnant women, alongside routine diagnostic tests. The initiative aimed to address high maternal and infant mortality rates while ensuring healthcare access to the most vulnerable sections of the population.

7. Chasing Zero TB in Kargil

As part of its commitment to tuberculosis eradication, J&K Bank provided a fully equipped vehicle to the District Tuberculosis Center in Kargil for awareness purposes in the region. This mobile unit enabled the health department to conduct extensive outreach programs in remote areas, spreading awareness about TB symptoms, prevention strategies, and available treatments. The vehicle also facilitated health screenings and interactive sessions with local communities. This initiative played a key role in bridging the information gap and promoting early diagnosis in a geographically difficult region.

8. Nutritional support to TB patients in Jammu under PM's TB Mukht Bharat Abhiyaan

Further strengthening the national TB eradication program, the Bank supported 400 TB patients in Jammu by providing food baskets for two months. In addition to nutritional support, an SMS-based awareness campaign was also rolled out, reaching more than 5.2 million people across the region. The messages focused on busting myths around TB, encouraging timely treatment, and highlighting the importance of adherence to prescribed regimens. This two-pronged approach ensured both physical support for patients and mass awareness across the public.

9. Healing with Purpose: Uplifting Health Infrastructure in J&K

In one of its largest healthcare contributions, J&K Bank provided 251 hydraulic trolleys, 894 stretcher trolleys, and 610 wheelchairs to all district and sub-district hospitals across Jammu & Kashmir. These items were aimed at improving patient care and movement within emergency and general hospital facilities. In addition, the Bank donated ambulances to GMC Anantnag and GMC Udhampur. Specialized medical equipment was also provided to the Pulmonary Rehabilitation Department at GMC



Baramulla and to IMHANS Srinagar, boosting their capacity to deliver quality medical services.

10. **Strengthening Hope: Contributing medical equipment to Shri Mata Vaishno Devi Charitable Society**

J&K Bank supported the Shri Mata Vaishno Devi Charitable Society by providing essential medical equipment for their newly established medical college at Katra. The support aimed to build the college's capacity to deliver advanced medical education and healthcare services to the region. This intervention also aligns with the Bank's long-term vision of promoting quality healthcare infrastructure and human resource development in the medical field.

11. **Physiotherapy & Accessibility Support to the needy**

J&K Bank extended support to the Ramakrishna Mission Health Centre in Jammu by equipping their physiotherapy unit with the latest rehabilitation machinery. Recognizing the need for inclusive infrastructure, the Bank also facilitated the installation of a lift, making the facility more accessible for elderly and differently-abled patients. This initiative has significantly enhanced the center's ability to cater to poor and underprivileged individuals who depend on affordable physiotherapy services for recovery and well-being.

B. Education

SDG 4 - "Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all"

1. **Digital Awareness For Pensioners Promoting Jeevan Pramaan App**

As part of its commitment to digital literacy and ease of access for senior citizens, J&K Bank, under its CSR, raised awareness about the Jeevan Pramaan app, a government initiative for pensioners. The Bank distributed 1.25 lakh posters across its zonal offices, providing clear instructions on how to download and use the app, which enables pensioners to submit their digital life certificates from the comfort of their homes.

This initiative underscores J&K Bank's dedication to enhancing digital inclusion among pensioners, making it easier for them to access essential services without the need to visit branches in person. By promoting the Jeevan Pramaan app, the Bank supports both the welfare of pensioners and the Government's broader digital transformation agenda.

2. **Two Vehicles For the Election Commission J&K For Voter Education**

In support of electoral awareness and civic engagement, J&K Bank provided two vehicles to the Election Commission of Jammu & Kashmir to promote voter education and electoral literacy. These vehicles played a significant role in raising

awareness during the recent assembly elections, reaching communities across the region to encourage informed participation in the democratic process.

The vehicles will continue to serve as mobile information centers for future elections, including panchayat and other local body elections, helping to spread key messages on voting rights and responsibilities. This initiative reflects J&K Bank's commitment to community development and democratic participation, empowering citizens through sustained electoral awareness and literacy efforts across Jammu & Kashmir.

3. **Empowering Young Minds: Strengthening Education in Kathua & Leh**

As part of its focus on inclusive and accessible education, J&K Bank supported Bhartiya Shiksha Samiti by enhancing infrastructure at its schools located in Kathua (Jammu region) and Choglamsar (Leh). A dedicated school bus was provided to the Kathua campus to facilitate the daily commute of students from surrounding villages. Meanwhile, a "Library on Wheels" was introduced for the Leh School, allowing students from remote areas to access educational resources. This mobile library also supports literacy promotion through outreach to communities lacking library infrastructure.

4. **Financial Cum Digital Literacy Campaign**

Recognizing the importance of financial literacy and digital awareness in today's evolving economy, J&K Bank launched a comprehensive campaign across multiple platforms. The initiative included informative video capsules aired on television, radio (FM and AIR), newspapers, and social media. Topics ranged from digital banking safety, cyber fraud prevention, savings management, and use of government financial schemes. The campaign empowered citizens with essential knowledge, particularly in rural and semi-urban areas, to make informed and secure financial decisions.

5. **Fuelling Futures: Mobility Support to Army Goodwill School in Poonch**

In support of underprivileged students in border and remote regions, the Bank provided a school bus to the Army Goodwill School in Hamirpur, Poonch. The intervention ensured that children from nearby difficult terrains had a safe and reliable mode of transport to school. This initiative aligns with the Bank's commitment to supporting education in sensitive and underserved areas, contributing to peace and stability through inclusive development.

6. **Project FinLit: Learn to Grow and Thrive with Safety and Security**

Considering the rise in cyber frauds, J&K Bank initiated an online awareness campaign aimed at educating citizens on key topics such as mobile banking security, prevention of cyber scams, effective savings management, and utilization

of government financial schemes. The initiative disseminated information about various aspects of secure banking through the bank's social media platforms.

7. **Pages of Hope: Notebooks for Young Minds in Kalakote**

On the occasion of Republic Day, J&K Bank distributed approximately 700 notebooks among students from low-income families in Kalakote. The initiative aimed to support school-going children with essential learning materials and promote a culture of education within the economically weaker communities. This seemingly small but impactful gesture helped motivate students and their families to continue prioritizing education.

8. **With Gratitude & Pride: Backing Our Brave Hearts Through the Flag Day Fund**

As a mark of respect and support for the families of India's armed forces, J&K Bank contributed to the Armed Forces Flag Day Fund. This donation helped support the education of 834 children of war martyrs for a full academic year. The initiative reflects the Bank's commitment to national solidarity and its acknowledgment of the sacrifices made by the armed forces and their families.

9. **Wheels of Change: Boosting Student Mobility Across Jammu & Kashmir**

To improve access to higher education for students in rural and remote areas, the Bank provided buses to 10 government degree colleges across J&K. These institutions often cater to students who face significant transportation challenges. The availability of dedicated buses has increased regular attendance, improved safety, and contributed to reducing dropout rates, particularly among female students.

10. **From Cash to Clicks: Navigating the Digital World Safely and Smartly**

As part of its digital CSR efforts, J&K Bank launched a targeted awareness campaign through its social media platforms. The initiative disseminated engaging and educational video capsules focused on financial literacy, digital transactions, cyber safety, and banking best practices. Designed for all age groups, the campaign enhanced digital readiness and security awareness among the Bank's diverse customer base in J&K and Ladakh.

11. **Upgraded Drishti Hostel, Uplifts Underprivileged Girls**

The Bank supported infrastructure upgrades at the 'Drishti' hostel in Pauni Chak, which provides comprehensive care, including education, shelter, food, and clothing, to underprivileged girls. Improvements were carried out in lodging facilities, lighting, sanitation, and learning spaces. The intervention was aimed at fostering a safe and nurturing environment for the holistic development

of these young girls, enabling them to pursue education with dignity.

12. **Viraj Bal Bhawan School Upgraded for Brighter Learning**

To create a more conducive learning environment, J&K Bank facilitated infrastructural upgrades at the Viraj Bal Bhawan School for underprivileged children in Khanpur, Nagrota. The work included improvements in classroom facilities, electrical fittings, sanitation units, and recreational areas. This initiative ensured that children from low-income families had access to basic and dignified education infrastructure.

C. **Community Development/Welfare**

1. **A Multi-Purpose Vehicle To Shri Amarnathji Shrine Board (SASB)**

The annual Amarnath Temple Pilgrimage, conducted by Shri Amarnathji Shrine Board (SASB), is a challenging journey undertaken by millions of devotees from across India through the remote and rugged Kashmir Himalayas. Situated at an altitude of 3,888 meters, the Amarnath Cave Shrine attracts over 500,000 pilgrims each year, requiring extensive logistical support to ensure safe and efficient passage. In response to this need, SASB coordinates with government departments, security forces, and NGOs to provide essential services, maintaining accessible, safe, and clean facilities along the pilgrimage route.

To further support these efforts, J&K Bank provided a multi-purpose vehicle to assist in the safe transportation of ill, injured, or deceased pilgrims, as well as essential Yatra-related supplies. This vehicle will play a crucial role in enhancing safety, convenience, and operational efficiency for the pilgrimage.

2. **Clean Surroundings through the provision of Waste Bins at Pahalgam**

In support of environmental stewardship and community welfare, J&K Bank collaborated with the Pahalgam Development Authority to enhance waste management in the popular tourist destination of Pahalgam. Recognizing the impact of tourism on local ecosystems, the Bank provided 15 waste bins to help maintain cleanliness and preserve the natural beauty of the area.

These waste bins, strategically placed in high-traffic areas, aim to encourage responsible disposal practices among visitors, reduce litter, and promote a cleaner, healthier environment. This initiative aligns with J&K Bank's commitment to sustainable community development and reflects its proactive role in supporting environmental conservation efforts in Jammu & Kashmir.

3. **Enabling Stories, Enhancing Connectivity: Support to Kashmir's Press Club**

As part of its efforts to foster community development and support free press, J&K Bank



donated IT equipment to the Press Club of Kashmir. This included personal computers and printers to enhance the working infrastructure for journalists and media personnel. The initiative aimed to promote responsible journalism by providing a modern and efficient work environment. By empowering local media, the Bank contributes to the broader goal of a well-informed society.

4. **Reviving Roots: Community intervention in the remote, heritage village of Karcheykhar, Kargil**

In a holistic effort to improve the quality of life in one of Ladakh's remotest heritage villages, J&K Bank implemented a comprehensive development program at Karcheykhar in Kargil. The project included the facelift and exterior renovation of 64 traditional houses, construction of solar passive toilet blocks, and a new community hall. A fully equipped ambulance (Eco Van) was provided to ensure timely medical help in emergencies. Additionally, a full-fledged computer lab with five systems, a 5KV solar power bank, and a solar water heater was installed at the local government middle school, bringing sustainable education infrastructure to the area. Waste management was also strengthened through the installation of 64 waste bins across the village.

5. **Building Futures: Strengthening Schools in Punjab & Haryana**

J&K Bank supported two schools operated under the Punjab and Haryana Waqf Boards by upgrading their educational infrastructure. This included the installation of smart classrooms, air-conditioners, ceiling fans, and computers, providing students with a modern and comfortable learning environment. The initiative was part of the Bank's vision to support minority institutions and enhance access to quality education for all sections of society.

6. **Brighter Minds, Better Future: Strengthening Support Through Learning Edge**

The Bank provided infrastructural and therapeutic support to the 'Learning Edge' centre, an initiative of Autism Welfare Trust, catering to children with cognitive and developmental challenges. The support included physiotherapy and vocational therapy equipment, solar panels for clean energy use, and other learning aids tailored for special children. This intervention was aimed at creating a more inclusive environment and empowering these children to lead more independent and confident lives.

7. **Community Outreach Vehicle for 'The Sara'**

To strengthen the outreach capacity of 'The Sara'—an organization involved in humanitarian aid, relief distribution, and disaster response—J&K Bank provided a dedicated vehicle. This enabled the organization to distribute food kits, respond to emergencies, and carry out relief operations more effectively, particularly in remote and underserved

areas. The intervention improved last-mile delivery of aid and fostered resilience within local communities.

8. **Special Care for the Specially-abled**

J&K Bank extended support to the special care facility 'Exceptional Minds,' run by the Specially Abled Children Trust, to enhance the services provided to children with special needs. The initiative involved supplying physiotherapy tools, kitchen appliances for basic life skill training, and vocational therapy equipment. The project focused on skill-building, therapy, and day-to-day functional development for differently-abled children, contributing to their long-term well-being.

9. **Creating Safe Spaces: Infrastructure Upgrade at Gulshan Mehal Hostel**

Recognizing the need for safe and structured living for orphaned and underprivileged children, J&K Bank supported the Gulshan Mehal hostel run by the J&K Yateem Trust. The support involved the construction of a vital retention wall to prevent flooding and land erosion, as well as the development of a sports infrastructure within the hostel campus. These efforts aimed to improve both safety and recreational facilities for the children, fostering holistic development and well-being.

D. **Ecology & Environment**

SDG 11 - "Make cities and human settlements inclusive, safe, resilient, and sustainable"

SDG 13 - "Take urgent action to combat climate change and its impacts"

1. **E-Vehicles To AIIMS Jammu**

J&K Bank provided four electric vehicles to AIIMS Jammu to enhance mobility support for patients, women, and individuals with disabilities. These e-vehicles offer a convenient and accessible mode of transportation within the hospital premises spread across a vast area, ensuring that patients and visitors can move around with ease and comfort, especially those with mobility challenges. This initiative aligns with the Bank's commitment to improving healthcare accessibility and supporting inclusive infrastructure.

Beyond patient mobility, the e-vehicles will also serve hospital staff, facilitating efficient movement across the expansive AIIMS campus and contributing to a more sustainable and eco-friendly environment. Through this partnership, J&K Bank demonstrates its dedication to community welfare and environmental responsibility by investing in green mobility solutions that enhance the quality of healthcare services in Jammu.

2. **E-Vehicles To the Indian Institute of Management Jammu**

J&K Bank recently donated four electric vehicles to IIM Jammu to enhance campus mobility for

students, with a special focus on supporting female students and those with disabilities. These e-vehicles provide a reliable and accessible mode of transport within the campus, ensuring that students can move around comfortably and safely, particularly benefiting those who face mobility challenges. This initiative underscores the Bank's commitment to fostering an inclusive and supportive educational environment.

The introduction of these eco-friendly vehicles aligns with J&K Bank's dedication to sustainability and community development. By promoting green mobility, the Bank not only contributes to reducing the campus's carbon footprint but also helps create a more inclusive atmosphere that caters to the diverse needs of IIM Jammu's student community. This collaboration highlights J&K Bank's ongoing commitment to empowering educational institutions and supporting students across Jammu & Kashmir.

3. Empowering Lives with Sunshine: BALGRAN Home Goes Solar

J&K Bank funded the installation of a 40 KW on-grid solar power system at BALGRAN, a charitable home and school for orphaned and destitute children in Jammu. The move towards renewable energy not only reduced operational costs but also made the institution more self-sufficient. It ensured uninterrupted electricity supply for the hostel and classrooms, fostering a better environment for both living and learning.

4. IIT Jammu Boosts Mobility with E-Vehicles

To support green mobility and create an inclusive campus, the Bank provided three 08-seater electric vehicles to IIT Jammu. These vehicles are used for intra-campus transportation of students and staff, with a focus on accessibility for female students and persons with disabilities. The initiative reflects the Bank's broader commitment to sustainability and promoting eco-friendly practices in premier academic institutions.

5. E-Vehicles propel sustainability at Jammu University & IOT Zakura

In continuation of its sustainability agenda, J&K Bank provided one electric bus to the University of Jammu and two electric vehicles to the Institute of Technology, Zakura (University of Kashmir). These vehicles facilitate daily in-campus mobility for students, faculty, and especially female and specially-abled individuals. The initiative supports the institutions' green campus mission and enhances student safety and comfort.

6. Planting seeds of livelihood with Project Vasundhara

Under Project Vasundhara, J&K Bank distributed over 4,500 high-yield hybrid walnut saplings to 300 rural and marginal farming families across the districts of Kishtwar, Udhampur, and Kathua. This initiative aimed to promote sustainable

agriculture, long-term economic empowerment, and environmental conservation. The project not only contributes to enhancing farmers' incomes but also supports ecological restoration in hilly areas by encouraging tree-based livelihoods.

7. Bright Horizons: Solar Power Fuels the Future at IUST

As part of its green energy CSR initiatives, J&K Bank funded the installation of a 300KW on-grid and 90KW hybrid solar photovoltaic power plant at IUST, Awantipora. This 390KW solar system is designed to reduce the university's dependence on non-renewable sources, cut operational costs, and contribute to a cleaner, more sustainable academic ecosystem. The initiative reinforces the Bank's role as a responsible corporate partner in the region's transition toward renewable energy.

8. Innovating Nature: Jambu Zoo Goes High-Tech with Modern Management and E-vehicles

To promote wildlife conservation and eco-tourism, J&K Bank provided financial support to Jambu Zoo, Jammu, for the implementation of a modern Zoo Management Information System (ZMIS) and the procurement of 10 electric vehicles for in-campus transit. These additions enhanced the zoo's operational efficiency, enriched the visitor experience, and reinforced the Bank's commitment to sustainability and biodiversity preservation.

9. Eco Excellence: Green Campus Initiative blossoms at SKUAST-Kashmir

J&K Bank supported Sher-e-Kashmir University of Agricultural Sciences and Technology - Kashmir (SKUAST-K) under its Green Campus initiative. The project involved funding of waste management systems, organic waste composting units, plastic recycling infrastructure, solar lighting, and provision of electric vehicles. The initiative aimed to instill environmental responsibility among students and staff, making SKUAST-K a model of sustainability in the academic space.

10. Cleaning Up For A Cause: Swachh Kranti Boosts Swachh Bharat Kosh

Reinforcing its commitment to the Government of India's flagship sanitation program, J&K Bank contributed to the Swachh Bharat Kosh (SBK). This financial support contributed to building sanitation infrastructure and conducting awareness campaigns, particularly in rural and underserved regions. By participating in this nationwide mission, the Bank emphasized the importance of cleanliness, hygiene, and public health.

11. E-Vehicles Boost Green Transport at KU campus

As part of its sustainable mobility initiative, J&K Bank provided three 08-seater electric vehicles to the University of Kashmir. These vehicles were deployed for intra-campus transportation with a special focus on safe and accessible transit for



female students and physically challenged-abled individuals. The project not only supports inclusivity but also contributes to reducing the campus's carbon footprint.

E. Skill Development & Livelihood Generation

SDG 8 - "Decent work and economic growth"

1. Bridging Talent Gaps: Collaborative Skill Development with CIITs

To address unemployment and skill gaps among youth, J&K Bank partnered with the Centres for Invention, Innovation, Incubation, and Training (CIIT) in Baramulla and Jammu. The Bank supported skill development programs in cutting-edge domains such as robotics, electronics, and information technology. These programs empower young people, particularly from rural backgrounds, with market-relevant skills, improving their employability and entrepreneurship potential.

2. Empowering Rural Youth with JKBRSETI

J&K Bank extended financial support to JKBRSETI Society, which runs 12 Rural Self-Employment Training Institutes (RSETIs) across Jammu and Kashmir. These institutes provide free vocational training in sectors like tailoring, retail, hospitality, and agriculture to unemployed rural youth. The Bank's support ensures continuity of these programs, fostering entrepreneurship, self-reliance, and sustainable livelihoods.

F. Rural Development

SDG 1 - "End poverty in all its forms everywhere"

1. Reap Rewards, Not Just Crops: Awareness Campaign for Farmers

To promote financial literacy and responsible borrowing among farmers, J&K Bank launched a region-wide awareness campaign on Prompt Repayment Incentive (PRI). The campaign, disseminated through TV, radio, and social media, educated farmers about interest subvention benefits linked to timely loan repayments. This initiative aimed to reduce defaults and strengthen the credit culture in the agriculture sector.

2. 'Kisan Sathi': A Smart Step Towards Smart Farming

J&K Bank supported the development and deployment of the 'Kisan Sathi' AI-powered chatbot, launched by the Agriculture Production Department. This digital assistant helps farmers access real-time information on crops, government schemes, market prices, and weather forecasts. The initiative represents a leap toward digital agriculture and strengthens the knowledge base of J&K's farming community.

G. Promotion Of Sports

SDG 3 - "Ensure healthy lives and promote well-being for all at all ages"

1. Scoring Goals, Shaping Futures: Promoting Football in J&K

Recognizing the role of sports in youth development and social cohesion, J&K Bank continued supporting its twin football academies in Jammu and Srinagar. These academies provide professional coaching, nutrition, and training facilities to budding footballers across the region. The initiative nurtures local talent and promotes a healthy lifestyle, discipline, and teamwork among the youth.

H. Art, Culture & Heritage

SDG 11 - "Make cities and human settlements inclusive, safe, resilient, and sustainable."

1. Echoes of the Past: Preserving the Cultural Soul of J&K

In a unique CSR intervention, J&K Bank funded the digitization of rare artefacts and heritage objects at the SPS Museum and Dogra Art Museum. The Bank also supported 3D mapping and digital documentation of six archaeological sites across Jammu & Kashmir. Additionally, an ethnographic gallery was established at the SPS Museum to promote public awareness and scholarly access to the region's rich cultural legacy. This initiative underscores the Bank's role in heritage preservation and cultural education.

I. Disaster Relief

SDG 11 - "Make cities and human settlements inclusive, safe, resilient, and sustainable."

1. Contribution To Prime Minister's National Relief Fund (PMNRF)

As part of its disaster relief and emergency response mandate, J&K Bank contributed to the Prime Minister's National Relief Fund. The fund supports victims of natural disasters, major accidents, and other emergencies across the country. This contribution reflects the Bank's solidarity with affected communities and its dedication to humanitarian causes.

Awards & Certifications received by the Bank during FY 2024-25

Throughout its illustrious history of more than eight and half decades, J&K Bank has been decorated with awards and accolades at prestigious platforms nationally as well as internationally. Over the years, the Bank has enriched its legacy by collecting numerous honours in various categories.

During the FY 2024-25, the Bank outperformed its competitors to win following major awards and grab the headlines in following categories:

- Honoured with the 'Best Innovation in Digital Lending' award at the 1st Indian PSU Achievers' Awards 2025.
- Honoured by Union Minister of Defence Rajnath Singh for generous financial contribution

under its Corporate Social Responsibility (CSR) towards the education of children of ex-servicemen and war widows.

3. Honoured as the winner in the category of Best Bank for Creating Awareness among MSMEs (Private Sector) awards at the MSME Banking Excellence Awards-2024. Also secured the position of Runner-Up in Best MSME Bank (Private Sector).
4. Won the coveted 'Best Digital Sales, Payments and Engagements' award in the 'Medium Size Banks Category' at the 20th IBA Annual Banking Technology Conference and Citations - 2024.
5. Bank's Football Club won the prestigious 18th Christmas Gold Cup 2024-25
6. Won the SKOCH Gold Award for 'Corporate Governance' at the summit themed 'New Dimensions of Inclusive Growth'.
7. Honoured with "Best Performance on Profitability" award in the category of Private Sector Bank (Mid-Size) at the 2nd ICC Emerging Asia Banking Conclave & Awards 2024.
8. Received 'Outstanding Performance Award' for agriculture financing at the 15th Agriculture Leadership Conclave and the 'Award of Excellence' for enrolling the maximum number of APY beneficiaries under the 'Mission Upgrade' campaign of the Pension Fund Regulatory & Development Authority (PFRDA) for the financial year 2024.
9. Won the prestigious Platinum Award at Infosys Finacle Innovation Awards - 2024 in the process innovation category for Bank's transformation in Business Correspondent (BC)/Khidmat Centre Channel.

HR initiatives for the Financial Year 2024-25

In today's dynamic business environment, human assets differentiate an organization from its competitors. Understanding the vital role played by the motivated manpower in nurturing the organisation, it has remained our major priority to continuously improve employee efficiency, performance and strive to institutionalise globally competitive HR practices in the Bank.

As employees' are our first customers, we constantly strive to improve overall processes, systems and infrastructure. Ensuring the highest degree of ease and transparency, the HR processes are mainly managed through the technology. To use HR data proactively and assure lucidity, HR system is managed through a robust HRMS viz., Peoples' system, a centrally occupied tool for managing internal HR functions. Another HRMS tool SOLUS is in place to manage Centralized Attendance system.

The Bank has rolled out a KPI Based Performance Management System (PMS) across the Organization as one of the HR Transformation Initiatives launched in Financial Year 2022-23, which has been further streamlined in the year

2024-25. The new KPI based appraisal System is envisaged to quantify and measure the organizational goals and establish the bar in terms of the specific deliverables employees will produce and provide a means to measure the effectiveness and outcomes of their efforts. The HRMS solution of the Bank has also been upgraded, which has resulted in end to end automation of major HR Processes. During FY 2024-25, new advanced courses on Risk Management and Treasury were added to the learning platform for Bank's employees "JKB e-Pathshala", in addition to already uploaded courses on Information Security, Information Security, KYC AML Certification, Risk Management, Treasury, International Trade Finance, Credit Monitoring & Credit for enhancing their knowledge. 'e-Pathshala' is a digital learning application which is accessible to all employees over Internet through PCs & Laptops as well as has now been made available as a mobile application also.

Under the Bank's Compassionate appointment policy, 2 Banking Attendants, 2 Assistant Banking Associates and 5 Banking Associates were appointed in the services of the Bank during FY 2024-25.

In the FY 2024-25, revised 'Policy on J&K Bank Employees Acceptance of Post Retirement Employment.', 'Officers Promotion Policy', and 'Sportspersons Recruitment Policy' have been approved by the Board.

During FY 2024-25, the Bank conducted a Promotion process across all cadres wherein 1500 officers and 350 Banking associates were promoted.

During the period, the Bank has conducted training modules through online/offline training classes/ sessions/workshops etc. Around 5760 officials have been imparted training in different banking related fields.

Under RBI's Capacity Building Programme, several courses have been enlisted in order to develop a resource pool in critical areas viz. Risk, Forex, Treasury etc. A good number of officials of the Bank have been enrolling for these courses and subsequent to completion of any of these courses, actual fee is reimbursed in favour of successful officials, besides travelling allowance and classroom/training fee is also borne by the Bank wherever applicable.

During the year 2024-25, the Bank introduced various new initiatives to further improve the efficiency of the trainings imparted by the bank. Some of these are enumerated as under:

- Programme on Prevention of Frauds for Branch Managers was conducted, wherein faculty was invited from "Advisory Board for Banking and Financial Frauds"
- Programme on Cash Flow Based Analysis in collaboration with "CRISIL"
- Customized Programme on Forex Business was conducted in collaboration with "NIBSCOM"
- Capacity Building courses in Credit, Audit & Accounting, Risk Management & Treasury in collaboration with "IIBF"

In an endeavor to bring in transformational change in the Attendance system, the Bank upgraded its Biometric Solution to the latest version and is in the final stage of launching a GPS enabled 'Geo fencing' based mobile attendance



application/solution, which shall enable the field staff to mark their attendance at one or more approved locations.

Risk Management:

Risk is an integral part of banking business. Bank has exerted focused efforts in building a robust, and sustainable risk governance framework and to create risk awareness culture across all tiers of the organisation's hierarchy and is continuing to do so. Risk Management underscores the fact that the survival of an organisation depends heavily on its capabilities to be proactive and prepare for the change rather than just be reactive to the change. The objective of risk management is not to prohibit or prevent risk taking activity, but to ensure that the risks are consciously taken with full knowledge, purpose and clear understanding so that it can be measured and mitigated.

Bank has a well-defined and comprehensive risk management framework in place to strengthen its capacity to recognise and address risks. This framework is clearly based on systematic identification and understanding of different risks, disciplined risk assessment, measurement procedures, mitigation and continuous monitoring. Risk Management is an integral part of the Bank's organizational structure and plays vital part in formulation of business strategy. It allows greater control in achieving an appropriate balance between acceptable risks and expected returns, while at the same time maintaining a sound financial position. The Bank's Risk Management framework focuses on the management of key areas of Risk such as Credit Risk, Operational Risk, Liquidity Risk, Market Risk and Pillar II Risks; quantification and mitigation thereof.

The key components of the Bank's Risk Management architecture rely on the risk governance structure, comprehensive processes and internal control mechanism based on approved policies and guidelines. The Bank's risk management processes are guided by way of policies adopted appropriately for various risk categories, independent risk oversight and periodic monitoring by Board of Directors, Committee of the Board of Directors (Integrated Risk Management Committee of Board) and Senior Management Committees - Credit Risk Management Committee, Market Risk Management Committee, Operational Risk Management Committee and Asset Liability Committee (ALCO). The policies approved from time to time by Board of Directors, Committee of Board (IRMC) form the basis for governing framework for each type of risk. The risk management policies and procedures established are updated on continuous basis in compliance with RBI guidelines and benchmarked to the best practices. The Board sets the overall risk appetite and philosophy for the Bank and has an oversight of all the risks assumed by the Bank.

Bank has an independent Risk Management Vertical headed by the Chief Risk Officer, who reports to IRMC of Board and monitors the development and implementation of methodologies for risk identification, assessment, measurement, monitoring and mitigation for all risks. The Board of Directors with its Committee-Integrated Risk Management Committee (IRMC) reviews risk management policies of the Bank pertaining to Credit, Operational, Liquidity, Market and Pillar II Risks that includes strategic risk and reputational risk, Internal Capital Adequacy Assessment Process (ICAAP) and stress testing. The Senior Management

Committees - Credit Risk Management Committee (CRMC), Operational Risk Management Committee (ORMC) and Market Risk Management Committee (MRMC) for Credit Risk, Operational Risk and Market Risk operate within the broad risk management framework of the Bank to assess and minimize these risks. Information security and business continuity plan also forms part of risk management function in the Bank. Treasury activities are separately monitored by mid office which reports to Risk Management Vertical. The Bank has Stress Testing Policy to measure impact of adverse stress scenarios on the adequacy of capital.

Credit Risk Management:

Credit risk, defined as the possibility of losses associated with diminution in the credit quality of borrowers or counterparties. These losses can arise from a customer's inability or unwillingness to meet commitments across lending, trading, settlement, and other financial transactions. To address this, the Bank has established a distinct credit risk management framework, complete with robust policies, procedures, and systems.

The Bank's credit risk management system is highly sensitive and responsive to any emerging credit risk. Effective credit risk management is a critical component of our comprehensive risk management strategy, essential for the Bank's long-term success. Our Credit Risk Management Policy outlines the guidelines, principles, and approach for managing credit risk. It establishes a clear framework to identify, assess, measure, monitor, and control credit risk exposures in a timely and effective manner. This policy addresses both short-term implementation and a long-term approach to achieve desired business goals. It is guided by principles of commercial prudence, high ethical standards, and key requirements from RBI directives.

Furthermore, the Bank maintains a well-defined limit management framework. This framework specifies segment-wise, borrower category-wise, and product-wise exposure limits, which are diligently monitored to address concentration risk.

Our credit risk governance framework clearly defines the responsibilities and approach through which the Board of Directors and the Bank's management oversee credit risk management. This effective governance structure ensures the independence of the credit risk function (risk managing) from the business function (risk taking). Through a Board-approved framework, the Bank ensures adequate risk oversight, management, monitoring, and control of credit risk.

The Bank employs a comprehensive risk scoring/rating system to consistently assess diverse risk factors of counterparties. The output of these credit rating and scoring models directly influences credit sanctioning, pricing, and loaning powers, as well as the audit, review, and monitoring of the credit portfolio. In line with our objective of process automation and enhanced compliance, the Bank has launched various digital retail lending products for different customer segments. These products leverage rule-based, system-driven processing and sanctioning, supported by separate scorecards developed to assess their specific risks.

To facilitate early detection of deteriorating loan health, the Bank has an Early Warning Signal (EWS) monitoring framework

for advances. Additionally, Stress Tests are conducted on the credit portfolio every half-year. Stress scenarios are regularly updated to align with RBI guidelines, industry best practices, and changes in macroeconomic variables. This proactive approach serves as an early warning system, prompting potential actions. Various stress tests have been conducted to evaluate their impact on our portfolio.

The credit audit system and loan review mechanism function is independent of the credit processing and approval systems. This independence ensures effective loan monitoring and robust management of credit risk within the loan portfolio.

Operational Risk Management:

Operational Risk Management is emerging as an important component of sound risk management in the wake of

phenomenal increase in the business volumes, competition, high degree of structural changes, complex products, and emergence of E-commerce and Cross selling of products. Bank has a comprehensive framework comprising policies, processes and systems for the measurement and management of operational risks. The Operational Risk Management framework of Bank is driven by a strong organizational culture and sound operating procedures that involves corporate values, competencies, comprehensive system of internal controls and contingency planning. The Bank has implemented a robust and comprehensive Operational Risk Management Framework in sync with Board-approved Operational Risk Management Policy to identify, assess and monitor risks, strengthen controls and minimise Operational Risk losses.

• Operational Risk Management has been built on three pillars.

- a. Prepare and Protect
- b. Build Resilience
- c. Learn and Adapt

Broad areas/ topics across these pillars		
Pillar 1: Prepare and Protect	Pillar 2: Build Resilience	Pillar 3: Learn and Adapt
- Governance and Risk Culture - Responsibilities of Board of Directors and Senior Management - Risk Management: Identification and Assessment - Change Management - Monitoring and Reporting - Control and Mitigation	- Business Continuity, Planning and Testing - Mapping Interconnections & Interdependencies - Third Party dependency Management - Incident Management - ICT including cyber security	- Disclosure and Reporting - Lessons Learned, Exercise and Adapting - Continuous improvement through Feedback Systems

Bank's Organizational structure for managing operational risks consists of the following three lines of defence:-

- First line of Defence: consists of functions that own and manage risk which in the Bank consists of the Vertical Heads, Zonal Heads, Cluster Heads, Branch Managers and Sectional Heads through adherence to the laid down procedures.
- Second Line of Defence: consists of functions that oversee risks which is performed by Risk Management vertical and Compliance Department. They ensure the First Line of Defence of the Bank is properly designed, in place and operating as intended through regular reporting to ORMC, IRMC of the Board/ACB/Board.
- Third Line of Defence: The third line of defence reviews are carried out by internal and/or external audit which may also involve suitably qualified independent third parties.

The Bank has a robust Business Continuity plan that ensures uninterrupted operations in case of disruption and is periodically tested to ensure that it can meet any operational contingencies. Bank's Board has the ultimate responsibility and oversight over BCP activity. The Board approves the Business Continuity Policy of bank. Senior Management is responsible for overseeing the BCP process. Bank's Board and

Senior Management ensures BCP is independently reviewed and approved at least annually.

There is an independent Information Security department headed by Chief Information Security officer (CISO) that addresses Cyber risks and ensures employee sensitization exercises. CISO reports to the Chief Risk Officer (CRO) of the Bank.

The central vigilance team oversees implementation of fraud prevention measures. Frauds are investigated to identify the root cause and relevant corrective steps are taken to prevent recurrence. Fraud prevention committees at the senior management and Board level also deliberate on material fraud events and initiate preventive action. Periodic reports are submitted to the Board and senior management committees.

Liquidity Risk:

The Bank's Asset-Liability Management (ALM) framework is a comprehensive and adaptive structure designed to measure, monitor, and manage liquidity and funding risks under both normal and stressed conditions. It takes into account evolving market dynamics, such as interest rate movements, exchange rate volatility, and macroeconomic shifts, with the objective of ensuring the Bank's ability to meet its obligations as they fall due, without incurring unacceptable losses. ALM framework is anchored on robust policies and guidelines that govern



liquidity risk management. These are aligned with regulatory expectations and industry best practices, and are periodically reviewed and approved by the Board. Oversight is exercised through the Asset Liability Management Committee (ALCO), which meets regularly to assess the Bank's liquidity profile, evaluate funding strategies, and review maturity mismatches across the balance sheet.

To ensure proactive liquidity management, the Bank follows a structured approach, incorporating both quantitative and qualitative metrics. This includes rigorous cash flow forecasting, scenario analysis, and stress testing under varied assumptions. Risk limits are set and monitored in accordance with Board-approved policies to prevent excessive reliance on any single source of funding and to maintain a diversified funding base. As part of the ALM process, the Bank uses multiple tools and indicators to manage liquidity risk. These include gap analysis, ratios analysis, liquidity buffers, and early warning indicators. These tools help highlight potential liquidity concerns and facilitate timely corrective action.

The Bank remains fully compliant with all regulatory requirements related to liquidity. The Liquidity Coverage Ratio (LCR), as prescribed under Basel III guidelines, is actively monitored to ensure sufficient high-quality liquid assets (HQLA) are maintained to cover potential net cash outflows over a 30-day stress scenario. Additionally, the Net Stable Funding Ratio (NSFR) is tracked to maintain a stable funding profile over a one-year horizon, promoting long-term resilience. These ratios are closely monitored and reported regularly to ensure transparency and early intervention when necessary.

Market Risk Management:

Market risk "defined as risk to earnings and capital resulting from movements in market prices, particularly changes in interest rates, foreign exchange rates and equity and commodity prices, including the volatilities resulting from those changes" is robustly managed by the Bank's market risk management framework.

The Bank's market risk management framework is comprehensive and guided by well-defined policies, guidelines, and processes aimed at identifying, measuring, monitoring, and reporting exposures against established risk limits aligned with the Bank's risk appetite. The Risk Management Department independently monitors investment and trading portfolios, ensuring adherence to predefined risk limits and promptly reporting any deviations. Bank has defined various internal limits like Net Overnight Open Position, Modified Duration, Stop Loss, VaR Limits, PV01 Limit, and Concentration & Exposure Limits and ensures adherence thereof on continuous basis for managing market risk in trading book of the Bank.

Ratings:

Bank's rating for its fixed deposits and Tier II Bonds (Basel III Compliant) assigned by RBI accredited rating entities is as follows:

Instruments	Rating	Rating Agency	Comments
Certificate of Deposit Programme	CRISIL A1+	CRISIL	Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.

Pillar II Risks:

The Bank has a structured framework in the form of Internal Capital Adequacy Assessment Process (ICAAP) to assess capital position vis-a-vis identified risks and also the future capital requirement of the Bank. ICAAP is to identify, assess and manage all risks that may have a material impact on business / financial position / capital adequacy and ensure that a bank is aware of its risk profile and has systems in place to assess, quantify, manage and monitor these risks. One of the objectives of ICAAP is to determine the economic capital required to cover all risks faced. While Regulatory Capital is the capital that the regulator requires a bank to maintain, Economic Capital is the capital that a bank needs to maintain and is, in general, estimated using internal assessment of all the risks including residual risks. Additionally, the Board approved Stress Testing Policy entails the use of regulatory specified & internal scenarios to assess potential vulnerability to extreme but plausible stressed business conditions.

The ICAAP document addresses the following issues:

- Capital Planning and Management considering the material risks faced by the Bank and future capital requirement of the Bank basis growth strategies, macroeconomic environment and market share of the Bank.
- Changes in the Bank's risk levels based on on/ off balance sheet positions assessed under assumed scenarios using sensitivity factors that generally relate to their impact on profitability and capital adequacy.
- Identification and assessment of all types of material risks, capital requirement thereof and capital position under stress scenarios.

The Bank has a stress testing policy in place to measure impact of adverse stress scenarios on the adequacy of capital. Periodic stress testing is undertaken on portfolio to gauge the impact of stress scenarios on the health of portfolio, profitability and capital adequacy. The stress scenarios are idiosyncratic, market wide and a combination of both. Stress testing enables a Bank in forward looking assessment of risks, which overcome the limitations of statistical risk measures or models based mainly on historical data and assumptions. It also facilitates internal and external communication and helps senior management understand the condition of the Bank in the stressed time. Stress testing forms an integral part of the Internal Capital Adequacy Assessment Process (ICAAP), which requires banks to undertake rigorous, forward-looking stress testing that identifies severe events or changes in market conditions that could adversely impact the Bank.

Instruments	Rating	Rating Agency	Comments
Short Term Fixed Deposit Programme	CRISIL A1+	CRISIL	Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations. Such instruments carry lowest credit risk.
Fixed Deposit Programme	AA-	CRISIL	This rating indicates that the degree of safety regarding timely payment of interest and principal is strong.
Tier II Bonds (under Basel III)	IND AA-/ Stable	India Ratings	Instruments with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
	Care AA-/ Stable	Care Rating	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instruments carry very low credit risk.
Additional Tier 1 Bonds (under Basel III)	BWR A	Brickwork	Instruments with this rating are considered to have adequate degree of safety regarding timely servicing of financial obligations. Such instrument carry low credit risk.

IT Initiatives during FY 2024-25

1. Open Banking & API Gateway (Release of Open Banking Services):

Reinforcing our commitment to digital excellence and customer-centric innovation, we launched the Open Banking and API Gateway initiative. This strategic milestone allows secure integration with trusted fintech partners. For our corporate clients, it enables seamless ERP integration, automated payment processing, real-time cash flow visibility, and instant reconciliation—driving smarter financial management.

2. Feature Enhancements in mPay Delight+:

Our flagship mobile banking app, mPay Delight+, received major upgrades across Play Store and App Store versions. Newly added features include; UPI Scan & Pay, Native Electricity Bill Payments, Virtual ATM Access, Online Submission of Form 15G/15H, Download of TDS & Interest Certificates

3. Roll out of Self Audit Tool-Continuous Control Monitoring Solution (CCM):

A focused Continuous Control Monitoring Solution (CCM) viz. Self-Audit - CCM has been introduced in the bank to put in place a self-audit tool that detects/identifies deficiencies in routine day to day business operations of the bank and reduce the risks emanating from the lapses by addressing irregularities on an ongoing basis thereby making the audit process more effective for early detection of irregularities, promoting a culture of compliance & accountability and further minimizing chances of frauds.

4. Rollout of Online Journeys for Housing Loan, Credit Card Onboarding, Two-Wheeler Loan Journey

To further strengthen the capabilities offered in Retail Loan Origination System and continue with the overall transformation journey, end to end automated processing of all major loan schemes including Housing Loan, Auto Loans, Education loan has been rolled out. The journey automates credit decisioning, provides convenience to customers, improves processing TaT and makes the overall loan processing cost effective and efficient.

5. Roll out of Digital Insurance Platform (<https://insurance.jkbank.com>):

A new Digital Insurance solution has been implemented which offers existing as well as prospective customers of the Bank to buy Insurance products of the insurers having Corporate Agency tie-up with the Bank. Solution has the functionality of listing insurance products with features, premium calculation, policy data submission, associated document upload, policy status and policy issuance through Bank's and Insurer's API integration. The solution has been made live for assisted journeys for buying insurance at Branches and also is being integrated with Bank's Mobile App, Internet Banking, Website etc. for DIY journeys.

6. Enterprise Reconciliation System:

As part of our initiative to streamline processes, increase operational efficiency and enhance the customer experience, a new Enterprise Reconciliation Solution has been rolled out. This Reconciliation solution is based on end to end digital transaction Reconciliation life-cycle. This advanced platform helps the Bank in maximizing automation and reducing manual effort in the process of reconciliation of all digital channels while ensuring efficient book keeping/tallying.

7. Rollout of Interactive Signage:

An Interactive signage kiosk solution has been rolled out which is being used to promote communication and customer engagement. In addition to displaying video content and information, interactive tiles have been made available for self-service of customers for services like Bill payments, Internet Banking, Products & Services, Raise a dispute for digital transactions, loyalty rewards and more. These interactive signages shall bring in several business benefits including creating customer awareness about digital banking, increase in digital transaction volumes, enhanced customer engagement & experience and increased service efficiency.

8. Revamp of Corporate Website:

To enhance the digital presence of the Bank, we have launched a redesigned and revamped corporate website, accessed over URL: <https://www.jkbank.com>. The



redesign aligns with the corporate theme, providing an attractive, user-friendly, and easy-to-navigate platform to showcase the bank's products and services for current and prospective clients. Additionally, it ensures compliance with industry standards and regulatory guidelines from the Reserve Bank of India, Ministry of Finance, and MeitY.

Digital Banking Achievements during FY2024-25

The rapid advancement of digital technology continues to reshape how banks engage with customers. In recent years, the financial services industry has transitioned from traditional delivery models to integrated, IT-enabled digital channels. These digital platforms have proven instrumental in reducing operational costs, lowering branch footfall, and enabling frontline staff to shift focus toward sales and customer relationship management.

The ability to deliver services through digital channels is now a key differentiator for banks, driving enhanced customer experiences and sustaining competitive advantage. Our digital transformation efforts have significantly improved operational efficiency, facilitated business growth, and enhanced convenience for customers, while also broadening our outreach to prospective clients.

Our strategic priorities remain centered on customers, technology, and talent, as we work toward building a future-ready financial institution. We are capitalizing on emerging opportunities and strengthening our brand by offering seamless customer experiences, innovative products tailored to customer needs, and meaningful community engagement.

We remain committed to enhancing customer experience by focusing on the end-to-end customer journey, driving automation, and developing a robust, innovative ecosystem of digital products and services.

Outlined below are our key achievements in Digital Banking for FY 2024-25:

- a) 'Best Innovation in Digital Lending' award at the 1st Indian PSU Achiever's Awards 2025, held at the Main Convention Centre, SCOPE Complex in New Delhi in March 2025.
- b) 'Best Digital Sales, Payments and Engagements' award in the 'Medium Size Banks Category' at the 20th IBA Annual Banking Technology Conference and Citations - 2024 held at Mumbai in January 2025.
- c) The digital transaction percentage of the Bank for the FY 2024-25 reached to 92.46 percent.
- d) As part of the Bank's commitment to innovation and enhanced customer experience the Bank launched

"Passbook Printing" and "Cheque Deposit" facility in self-service mode at Multi-Functional Kiosks (MFKs) installed in the two Digital Banking Units of the Bank.

- e) In line with the bank's digital transformation initiatives, the Bank introduced its new e-Banking platform with Omni channel banking experience. The new e-Banking offers an easy-to-use, secure browser-based solution with Omni-channel banking experience to manage the banking needs efficiently. Omni channel e-Banking solution complements bank's mobile banking platform - mPay Delight+, offering our customer's enhanced flexibility and convenience to manage their banking needs from any device (smartphone, tablet, or computer) anywhere, anytime.
- f) The bank introduced a Unified Account Opening Solution/Facility for on boarding Savings Bank (SB) Individual Customers at Branches was rolled out. The facility is designed to streamline the customer on-boarding process through a unified interface for Savings Bank Account Opening, Document Storage & automated CKYC upload.
- g) The Bank rolled out Automated CASA Customer On boarding/Account Opening facility for Non-Individuals/ Legal Entities (including Partnership Firms, Companies, HUFs, and Bodies of Individuals) which facilitates the end-to-end account opening journey for Non-Individuals through the Omni-App platform, integrating processes for Customer On boarding, Document Management and Automated CKYC Upload.
- h) In line with its digital transformation strategy and ongoing commitment to providing enhanced digital convenience for its customers, the Bank is launched its J&K Bank Virtual ATM (vATM) facility. J&K Bank Virtual ATM (vATM) is a card-less cash withdrawal facility in which the customer's smartphone acts as a virtual ATM card, while the vATM agent's smartphone serves as the ATM. Customers can use the mPay Delight+ app to withdraw cash from designated vATM agent outlets.
- i) In alignment with its digital mission to offer customers seamless, cost-effective, and secure digital banking solutions, the Bank launched its Open Banking Platform. This platform provides standardized APIs that allow seamless and controlled access to banking services, while ensuring compliance with regulatory guidelines and the Bank's security protocols. The initiative supports the development of new digital products and services, driving agility and expanding the Bank's digital ecosystem.

Digital User/Transaction Summary report for the FY 2024-25:

Digital Channels	Q4 FY 2023-24	Q1 FY 2024-25	Q2 FY 2024-25	Q3 FY 2024-25	Q4 FY 2024-25
Debit Card Users	43,06,879	44,16,888	46,06,417	47,39,308	48,56,558
m-Pay Users	24,35,581	25,52,222	26,78,189	21,03,650	23,55,085
UPI Users	19,82,207	21,40,526	22,56,571	22,35,388	24,03,491
Internet Banking Users	6,67,189	6,76,855	6,87,755	6,97,350	7,07,380
QR Merchants	4,36,553	5,27,074	5,41,478	5,91,902	6,26,739

Digital Channels	Q4 FY 2023-24	Q1 FY 2024-25	Q2 FY 2024-25	Q3 FY 2024-25	Q4 FY 2024-25
Credit Card Users	1,17,847	1,20,788	1,23,425	1,25,283	1,28,113
POS Users	14,304	14,311	14,319	14,349	14,474
Total Digital Transactions	24,95,25,448	29,70,32,078	29,98,51,112	31,15,65,353	32,49,43,893
Total Transactions	27,62,42,345	32,30,48,603	32,54,10,346	33,72,85,122	34,82,69,380
% age Digital Transactions	90.33	91.95	92.15	92.37	93.30

Financial Inclusion

Background:

Financial inclusion has received a lot of attention from the Policy Makers and the Regulators alike for inclusive growth and equitable development of economy. Reserve Bank of India has adopted a bank-led model to deepen Financial Inclusion and to make Banking services available across all population segments and geographies.

Financial Inclusion, initially considered a regulatory compulsion, has, over time, become an important business function for the Banks. Accordingly, the Business Correspondent Channel is now being recognised as an important 'Alternate Banking Channel' owing to the geographical overreach of the Business Correspondent network as well as its cost-effectiveness.

Financial Inclusion function in the Bank

Financial Inclusion has remained a prime focus area of the Bank all along. The Business Correspondent Network of the bank, popularly known as the Khidmat Centre Network, has received focused attention from the Management of the bank and as a result the network has emerged as one of the important alternate channels of the Bank besides helping in achieving the national Financial Inclusion milestones in J&K.

The Bank, in December 2023, adopted a new technology software for Kiosk Banking which has resulted not only in stabilizing the Kiosk Banking platform but has also added a large number of services available to the customers of the bank through the BC network.

Apart from that, a slew of management decisions and operational initiatives have increased the efficiency of the Business Correspondent Channel manifold. The Business correspondent network has been able to cater to the financial needs of the unbanked and under banked populations and spaces by providing a large number of banking services to the general public.

Financial Inclusion Strategy: In the Financial Year 2024, the Bank adopted a three-dimensional strategy to rejuvenate the BC network and leverage fully. The three concurrent phases, 1) Turnaround; 2) Accelerate and 3) Transform were implemented simultaneously for better and speedier results.

Impact: Review of Performance

A. BC Network:

Performance Parameter	Performance		
	FY23	FY24 (YoY Growth)	FY25 (YoY Growth)
1. No. of Active BCs	805	935 (16%)	1280 (37%)

At the end of FY2025 there were 1280 active Business Correspondents as against that of 935 for FY24 registering

a YoY growth of 37%. In the Financial Year 2024 the number of active BCs increased to 935 BCs as compared 805 in the preceding year, registering thereby a yoy increase of 16%.

B. Transactions Performed by BCs: Numbers

Performance Parameter	Performance		
	FY23	FY24 (YoY Growth)	FY25 (YoY Growth)
1. Carded	15,36,512	16,13,319 (5%)	18,87,215 (17%)
2. AePS	4,52,477	27,18,289 (500%)	53,31,735 (96%)
3. IMPS	0	3,693	1,18,429
4. Third Party Deposit	0	79,252	15,79,736
5. Bill Payment	0	76,974	7,18,138

Five types of financial transactions can be performed at the BC outlets. The last three types were, however, added in the last quarter of FY 24 consequent to adoption of new technology solution.

There has been a thrust on AePS transactions because these are done on behalf of those customers who are either illiterate or are technology disabled. The AePS transactions have, thus, seen a phenomenal YoY growth of 96% on the back of 53.32 Lakh transactions done at BC outlets in FY 25. Pertinent to mention that only 4.52 lakh such transactions had been performed in FY 23. In the year 2023-2024 the number of AePS transactions were 27.18 lakh; a growth of 500% over the preceding year.

The Card-based transactions had a YoY growth rate of only 17% in FY 25 clocking more than 18 lakh transaction. The relatively slower YoY growth is also because of customers preferring AePS mode for transaction over carded mode even if they being cardholders.

For IMPS, Third Party Deposit and Bill Payment transactions, there is no historical data available since they were made available at the Kiosk towards the end of FY24.

C. Account Opening

I. No. of accounts opened by BCs

Performance Parameter	Performance		
	FY23 (YoY Growth)	FY24 (YoY Growth)	FY25 (YoY Growth)
1. Savings Bank	19,862 (-42)	24,957 (26%)	51,885 (108%)
2. Fixed Deposit	0	172	843
3. Cash Certificate	0	0	1587



Performance Parameter	Performance		
	FY23 (YoY Growth)	FY24 (YoY Growth)	FY25 (YoY Growth)
4. Monthly Yield Deposit	0	250	41
5. Recurring Deposit	0	78	884

The previously used software solution allowed for opening of only Small Savings Bank Accounts and partial opening of General Savings Bank accounts. The current software application allows opening of all types of SB accounts, Fixed Deposit Accounts for a maximum of Rs 1,00,000/- and Recurring Deposit accounts.

A YoY growth of 108% was witnessed in FY 25 for total Savings Bank accounts opened by the BCs.

II. Basic Savings Bank Accounts:

The number of PMJDY accounts along with the amount of deposit lying in the accounts at the end of FY 24 and FY25 is tabulated hereunder:

As on 31.03.2024		As on 31.03.2025	
No. of Accounts	Amount (In Cr.)	No. of Accounts	Amount (In Cr.)
17,95,501	1400.10	13,20,992	1223.47

III. OD facility in Basic Savings Bank Account:

In accordance with the regulatory guidelines, the bank has kept an option of overdraft upto Rs.10,000/- in all the PMJDY Accounts. The position of OD outstanding in Basic Savings Bank Account as on 31.03.2025 is as under:

Gender	As on 31.03.2024		As on 31.03.2025	
	No. of Accounts	Amount (Rs in Lakh)	No. of Accounts	Amount (Rs in Lakh)
Male	4779	276.58	4058	119.51
Female	4945	145.57	3587	209.08
Total	9724	422.15	7645	328.59

D. Ease Services: A number of Ease Services like Cheque Book Request, Check Stop Request, Card Block Request, SMS Alert Subscription, Passbook Printing, Mini Statement etc. are also now available through Kiosk Banking Platform.

E. Social Security Schemes:

PMSBY is an Accidental Insurance Scheme offering accidental death and disability cover of Rs. 2.00 Lakh for death or permanent disability and a cover of Rs. 1.00 lakh for partial disability for SB Account holders in the 18-70 age group. The scheme is renewable from year to year.

PMJJBY offers Life Insurance cover, renewable every year, of Rs 2.00 lakh for death due to any reason for all savings Bank Account Holders in the age group of 18-50 years. The bank achieved a yoy growth of 24 % in enrollments under the scheme in FY25.

Atal Pension Yojana is a government-backed pension scheme targeted at the unorganized sector in the age group of 18-40. The Bank enrolled 11,635 beneficiaries under APY in FY 25.

Performance Parameter		Performance	
		FY24	FY25 (YoY Growth)
1.	Pradhan Mantri Surakhsha Bima Yojana-PMSBY	2,46,874	2,46,463 (0%)
2.	Pradhan Mantri Jeevan Jyoti Bima Yojana- PMJJBY	84,996	1,05,120 (24%)
3.	Atal Pension Yojana- APY	3,156	11,635 (269%)

Claims settled under PMJJBY and PMSBY:

The cumulative position of insurance claims as on 31.03.2025 is tabulated herein-below:

Scheme	Insurer	Claims Received During FY25	Claims Settled	Claims Rejected
PMSBY	New India Assurance Co.	143	129	2
PMJJBY	LIC of India	393	150	41

Financial Literacy Camps:

Camps conducted by Rural Branches: In compliance to regulatory guidelines, the Bank conducts awareness camps through Rural Branches. Each rural branch is required to conduct at least one such camp every month. Special Camps are conducted for newly included people in the Financial system while as Targeted Camps are conducted for specific target groups like farmers, SHGs, senior citizens, school children etc. The summary of such camps conducted in FY25 is as under:

Year	FY24	FY25
Number of Camps	6187	5335

Camps Conducted by FLCCs: In compliance to regulatory guidelines, the Bank has set up Financial Literacy cum Credit Counseling Centres (FLCC) in its 12 lead districts. The FLCCs conduct financial literacy camps to promote financial education, digital literacy among various population segments like School/College students, SHGs, rural women, bank clients etc. The summary of the camps conducted by the FLCCs is presented as under:

FY 24			FY25		
Special Camps	Target Camps	Total	Special Camps	Target Camps	Total
314	1132	1446	350	1150	1500

Camps conducted by CFLs

In compliance to the instruction of the Reserve Bank of India, The Bank has established 56 Centres for Financial Literacy (CFL) in collaboration with CRISIL Foundation and Responsenet Development Services- Non Governmental

Organizations nominated by Reserve Bank of India. The CFLs have been established in various blocks of the lead Districts of the Bank. The number of financial literacy camps conducted by the CFLs is summarized below.

Particulars	FY24	FY25
Number of camps	9562	4238

Prompting Compliance

Bank has implemented robust compliance processes in accordance with guidelines set by the Reserve Bank of India (RBI) and the bank's internal governance standards. Our commitment to accountability, transparency, and business ethics is evident in our adoption of industry best practices. We have established a comprehensive Group compliance policy to identify and mitigate compliance risks effectively.

To ensure compliance, the bank strictly adheres to all statutory provisions outlined in various legislations, including the Banking Regulation Act, RBI Act, FEMA, and other regulatory

guidelines. Furthermore, we have implemented internal policies that align with these requirements, continually updated to reflect changes as necessary. Our enterprise-wide compliance framework establishes clear roles and responsibilities to maintain adherence.

Further, In order to foster a strong compliance culture, we have established a dedicated "Compliance" Department at the apex level. The Compliance function of the Bank is being headed by a senior officer of the rank of General Manager designated as Group Compliance Officer whose overall responsibility is coordinating the efforts of identification and management of Bank's Compliance Risk and supervising the activities of other Compliance Function staff.

Additionally, we have implemented the CERMO+ and TasC applications, which enable us to monitor regulatory guidelines and ensure compliance accordingly. These measures strengthen our overall compliance efforts and demonstrate our commitment to regulatory compliance.



FINANCIAL **STATEMENTS**

STANDALONE

Independent Auditors Report

To
The Members of
Jammu & Kashmir Bank Limited.

Report on Audit of the Standalone Financial Statements.

Opinion

1. We have audited the accompanying standalone financial statements of Jammu & Kashmir Bank Limited ('the Bank') which comprise the standalone Balance Sheet as at 31st March 2025, the standalone Profit & Loss Account and the standalone Statement of Cash Flow for the year then ended & notes to the financial statements including a summary of significant accounting policies and other explanatory information in which are included the Returns of 63 branches/offices audited by us and 981 branches audited by Statutory Branch Auditors for the year ended on that date. The Branches/offices audited by us and those audited by other auditors have been selected by the Comptroller & Auditor General of India in accordance with the guidelines issued to the Bank by the Reserve Bank of India.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 ('the Act') in the manner so required for banking Companies and are in conformity with accounting principles generally accepted in India and give a true and fair view of the state of affairs of

the Bank as at 31st March 2025, and its profit and its cash flows for the year ended on that date.

Basis for Opinion

2. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements 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.

Key Audit Matters

3. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements the year ended March 31,2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters prescribed below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
i.	Classification of Advances, Income Recognition, Identification of and provisioning for non-performing Advances (Refer Schedule 9 read with Note 3 of Schedule 17 to the financial statements): Advances include Bills purchased and discounted, Cash credits, Overdrafts, Loans repayable on demand and Term loans. These are further categorised as secured by Tangible assets (including advances against Book Debts), covered by Bank/Government Guarantees and Unsecured advances. Advances constitute 61.48 % of the Bank's total assets. They are, inter alia, governed by income recognition, asset classification and provisioning (IRAC) norms and other circulars and directives issued by the RBI from time to time which provides guidelines related to classification of Advances into performing and non-performing Advances (NPA), classification of advances and provisioning thereof is made as per RBI guidelines. The Bank classifies these Advances based on IRAC norms as per its accounting policy No. 3. Identification of performing and non-performing Advances involves establishment of proper mechanism. The Bank accounts for all the transactions related to Advances in its Information Technology System (IT System) viz. Core Banking Solution (CBS) which identifies whether the advances are performing or non-performing.	Our audit approach towards advances with reference to the Income Recognition and asset classification (IRAC) norms and other related circulars/directives issued by the RBI and also internal policies and procedures of the Bank includes the testing of controls on sample basis a. The accuracy of the data input in the system for income recognition, classification into performing and non-performing Advances and provisioning in accordance with the IRAC norms in respect of the branches audited by us; b. Existence and effectiveness of monitoring mechanisms by way of various internal audits as per the policies and procedures of the Bank; c. Examination of advances including stressed advances on a sample basis with respect to compliance with the RBI Master Directions/ Guidelines; d. We have examined the efficacy of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with the observations of the various audits conducted as per the monitoring mechanism of the Bank and RBI SPARC,IRAR and RMP.



Sr. No.	Key Audit Matters	How the matter was addressed in our audit
	The bank is in the continuous process to upgrade existing & implement new IT applications in various areas of its business operations, including income recognition and asset classification in terms of RBI guidelines. These applications require detailed testing, verifications and User Acceptance Testing (UAT) before final implementation. The financial impact pending such implementation is not likely to be material as per the management. The carrying value of these advances (net of provisions) may be materially misstated if, either individually or in aggregate, the IRAC norms are not properly followed. Considering the nature of the transactions, regulatory requirements, existing business environment, estimation/ judgement involved in valuation of securities and calculation of provisions, it is a matter of high importance for the intended users of the Standalone Financial Statements. Considering these aspects, we have determined this as a Key Audit Matter. Accordingly, our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the materiality of the balances.	e. In carrying out substantive procedures at the branches audited by us, we have examined large advances/ stressed advances while other advances have been examined on a sample basis including review of valuation reports of independent valuers provided by the Bank's management. f. We assessed and evaluated the process of identification of NPAs and corresponding reversal of income and creation of provision; g. Reliance is also placed on Audit Reports of other Statutory Branch Auditors. h. Bank has laid down detailed Standard Operating Procedure to ensure control over processes. We have relied on these Standard Operating Procedures and have conducted our testing based on these Standard Operating Procedures.
ii.	Classification and Valuation of Investments, Identification of and provisioning for Non-Performing Investments (Schedule 8 read with Note 2 of Schedule 17 to the financial statements): Investments include investments made by the Bank in various Government Securities, other approved securities, Shares, Debentures & Bonds, subsidiaries & sponsored Institutions, and other approved securities. Investments constitute 24.32 % of the Bank's total assets. These are governed by the circulars and directives of the RBI. These directions of RBI, inter-alia, cover valuation of investments, classification of investments, identification of non-performing investments, the corresponding non-recognition of income and provision thereof. Considering the complexities and extent of judgement involved in the valuation, volume of transactions, investments on hand and degree of regulatory focus, this has been determined as a Key Audit Matter. Accordingly, our audit was focused on valuation of investments, classification, identification of non-performing investments and provisioning related to investments.	Our audit approach towards Investments with reference to the RBI Master directions included the understanding of internal controls and substantive audit procedures in relation to valuation, classification, identification of non-performing investments (NPIs), provisioning/depreciation related to Investments. In particular; a. We understood and evaluated the Bank's internal control system to comply with relevant RBI guidelines regarding valuation, classification, identification of NPIs, provisioning/ depreciation related to investments; b. For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master directions by re-performing valuation for each category of security. Samples were selected after ensuring that all the categories of investments (based on nature of security) were covered in the sample; c. We assessed and evaluated the process of identification of NPIs and corresponding reversal of income and creation of provision; d. We carried out substantive audit procedures to recompute independently the provision to be maintained and depreciation to be provided in accordance with RBI guidelines.
iii.	Assessment of Provisions and Contingent liabilities in respect of certain litigations on Taxes, various claims filed by other parties not acknowledged as debt (Schedule 12 read with Note 15(k)(i) of Schedule 18 to the financial statements): There is high level of judgement required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgement, past experience, and advice from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and state of affairs presented in the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgement in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/ interpretation of law involved.	Our audit approach involved: a. Understanding the current status of the litigations/ tax assessments including the status upto the date of auditor's report; b. Examining recent orders and/or communication received from various tax authorities/judicial forums and follow up action thereon; c. Review and analysis of evaluation of the contentions of the Bank through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues; and d. Verification of disclosures related to significant litigations and taxation matters.

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
iv.	Information Technology ("IT") Systems and Controls impacting Financial Reporting The Bank's IT environment comprises a multitude of autonomous and interdependent IT System that are utilized to process and record a substantial volume of transactions in the course of business operators. Consequently, the Bank's financial reporting process is highly critical and reliant on these information technology systems. Appropriate IT general controls and IT application controls are necessary to ensure that such IT systems can process the data in a consistent, comprehensive and accurate manner as required for dependable financial reporting. We have identified specific critical IT Systems that significantly influence the financial reporting process and associated control testing. These systems are considered a critical audit matter due to several factors, including the Bank's extensive use of automation, the complex nature on its IT architecture, and the influence it has on the financial records and financial reporting process.	Our protocols pertaining to this issue comprised of the following measures: Technology specialist assisted in the evaluation of the controls governing the Bank's IT systems by gaining knowledge of the IT infrastructure, IT environment, and IT systems. We assessed and examined the pertinent IT general controls on the critical IT Systems and IT dependencies that were determined to be significant for our examination of the Bank's standalone financial statement and financial reporting process. Important general controls in information technology have been evaluated for the critical IT systems in the following domains: programme change management encompassing the transfer of programme modifications to the production environment in accordance with established protocols. While also ensuring the appropriate segregation of environment. Programme development encompassing the establishment of controls pertaining to the development or implementation of IT applications and the associated infrastructure, upon which financial reporting is dependent. IT operations, encompassing tasks such as backup and recovery, monitoring and job scheduling. In addition, we assessed the operational efficiency and design of critical IT dependencies that are integral to the critical business process. This encompassed the testing of interfaces, automated controls, accounting procedures, calculations, segregation of duties, and system generated reports, where applicable. We established communication with individuals responsible for governance and management and when required we implemented alternative audit procedures and/or tested a combination of compensating controls or remedied controls.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

- The Bank's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

- The Bank's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Bank in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.



In preparing the standalone financial statements, Bank's 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 Bank's Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the audit of the Financial Statements

7. Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the Bank has adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's 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 financial statements 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of the misstatements in the standalone financial statements that, individually or aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning of 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 financial statements.

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.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

8. We did not audit the financial statements / information of 981 branches and processing centres included in the standalone financial statements of the Bank whose financial statements / financial information reflect total assets of Rs. 105993.15 crores as at 31st March 2025 and total revenue of Rs. 9249.57 for the year ended on that date, as considered in the standalone financial statements. These branches and processing centres cover 92.99% of advances, 92.09% % of deposits and 90.20 % of non-performing assets as at 31st March 2025 and 67.65 % of revenue for the year ended 31st March 2025. 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.

9. The standalone financial statements of the Bank for the year ended March 31, 2024 were jointly audited by Gupta Gupta and Associates LLP; Lunawat & Co and JCR & Co LLP who vide their report dated May 04, 2024, expressed an unmodified opinion on those standalone financial statements.
10. The annual financial results include the results for the quarter ended 31st March 2025 being the balancing figure 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 subjected to limited review by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

11. The Balance Sheet and the Profit and Loss Account have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Companies Act, 2013.
12. The Comptroller and Auditor General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act, 2013, the compliance of which is set out in "Annexure-A" to this Report.
13. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:
 - (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
 - (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
 - (c) the returns received from the offices; and branches of the Bank have been found adequate for the purposes of our audit;
 - (d) the profit and loss account shows a true balance of profit for the year then ended.
14. Further, as required by section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion, proper books of account as required by law have been kept by the Bank so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us;
 - c) the reports on the accounts of the branch offices of the bank audited under section 143(8) of the Act by branch auditors of the Bank have been sent to us and have been properly dealt with by us in preparing this report;
 - d) the Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with in this report are in agreement with the books of account and with the returns received from the branches not visited by us.
 - e) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, to the extent they are not inconsistent with the accounting policies prescribed by RBI;
 - f) As per Notification No. GSR 463(E) dated 05.06.2015 Section 164(2) of Companies Act, 2013 is not applicable to Jammu & Kashmir Bank Limited being a Government Company.
 - g) with respect to the adequacy of the internal financial controls over financial reporting with reference to the standalone financial statements of the Bank and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
 - h) as per the Notification No. GSR 463(E) dated 05.06.2015 Section 197 of Companies Act, 2013 is not applicable to The Jammu & Kashmir Bank Limited, being a Government Company.
 - i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Bank has disclosed the impact of pending litigations on its financial position in its financial statements - in Schedule 12., to the financial statements;
 - ii) the Bank has made Nil provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long term contracts including derivative contracts.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank;
 - iv) (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Bank to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by



- or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Bank from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Bank shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- c) Based on such audit procedures that were considered reasonable and appropriate by us in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub clause (a) and (b) contain any material misstatement.
- v) the dividend declared and paid during the year by the bank is in compliance with section 123 of the Companies Act 2013.
- vi) the bank has used such accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per the statutory requirements for record retention.

For Gupta Gupta & Associates LLP.

Chartered Accountants
FRN: 001728N/N500321

For JCR & Co. LLP

Chartered Accountants
FRN:105270W/W100846

For Dhar Tikku & Co

Chartered Accountants
FRN: 003423N

(CA. Akshay Magotra)

Partner
M.No. 559146
UDIN: 25559146BMJPEK7838

(CA Rakesh Kaushik)

Partner
M.No 089562
UDIN:25089562BMNTIS8681

(CA S.K.Shah)

Partner
M.No.532394
UDIN:25532394BMJOFV9910

Place: Srinagar
Date: 05/05/2025

Annexure-A to Para 12 of Independent Auditor's Report of even date on the standalone Financial Results of Jammu & Kashmir Bank Limited.

Directions of Comptroller and Auditor General of India under Section 143(5) of Companies Act 2013 for the Financial Year 2024-2025

S. No.	Directions/Sub directions	Auditor's comments including action taken wherever required	Impact on accounts and financial statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implication, if any may be stated.	As per information and explanation given to us the bank has system in place to process all the accounting transactions through IT.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/ write off of debts /loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a government company, then this direction is also applicable for statutory auditor of lender company).	a) The restructuring of loan was done as per the guidelines of the Reserve Bank of India and Bank's own policy on Restructuring of loans. b) Principal Waiver/ write-off of debts/ loans amounting to Rs. 18.70 Crores and waiver of unapplied interest of Rs. 172.56 Crores on account of negotiated settlement with the borrowers.	a) Refer Schedule 18 Note 4(c) and 4(g) b) Principal Waiver /write-off resulted in loss of Rs. 18.70 Crores and in respect of waiver of unapplied interest, there is no impact as the same has not been treated as income.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Subsidy received for disbursement to eligible borrowers has been disbursed/ utilised in accordance with the stipulated guidelines.	Nil

For Gupta Gupta & Associates LLP.

Chartered Accountants
FRN: 001728N/N500321

(CA. Akshay Magotra)

Partner
M.No. 559146
UDIN: 25559146BMJPEK7838

Place: Srinagar
Date: 05/05/2025

For JCR & Co. LLP

Chartered Accountants
FRN:105270W/W100846

(CA Rakesh Kaushik)

Partner
M.No 089562
UDIN:25089562BMNTIS8681

For Dhar Tikku & Co

Chartered Accountants
FRN: 003423N

(CA S.K.Shah)

Partner
M.No.532394
UDIN:25532394BMJOFV9910



Annexure B to the Independent Auditor's Report of even date on the standalone financial statements of Jammu & Kashmir Bank Limited

(Referred to in paragraph 14(g) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

1. We have audited the internal financial controls over financial reporting of The Jammu & Kashmir Bank Limited ('the Bank') as at 31 March 2025 in conjunction with our audit of the standalone financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls over Financial Reporting

2. The Bank's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Bank's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Bank's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial reporting ('the Guidance Note') and the Standards on Accounting ('the standards'), issued by the ICAI and deemed to be prescribed under section 143 (10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial control over financial reporting included obtaining

an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Bank's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A bank's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A bank's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the bank are being made only in accordance with authorisations of management and directors of the bank; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statement.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. Our aforesaid report in so far as it relates to the operating effectiveness of internal financial controls over financial reporting of 981 branches/offices is based on the corresponding reports of the respective branch auditors of those branches.

Our opinion is not modified in respect of this matter.

For Gupta Gupta & Associates LLP.

Chartered Accountants
FRN: 001728N/N500321

(CA. Akshay Magotra)

Partner
M.No. 559146
UDIN: 25559146BMJPEK7838

Place: Srinagar
Date: 05/05/2025

For JCR & Co. LLP

Chartered Accountants
FRN:105270W/W100846

(CA Rakesh Kaushik)

Partner
M.No 089562
UDIN:25089562BMNTIS8681

For Dhar Tikku & Co

Chartered Accountants
FRN: 003423N

(CA S.K.Shah)

Partner
M.No.532394
UDIN:25532394BMJOFV9910



Standalone Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
CAPITAL AND LIABILITIES			
Capital	1	11,01,326	11,01,326
Reserves and Surplus	2	14,14,18,109	12,12,55,497
Deposits	3	1,48,56,94,591	1,34,77,63,170
Borrowings	4	2,38,28,443	2,88,50,015
Other Liabilities and Provisions	5	4,26,42,190	4,62,95,888
TOTAL :-		1,69,46,84,659	1,54,52,65,896
ASSETS			
Cash and Balance with Reserve Bank of India	6	7,38,54,771	7,25,00,801
Balance with Banks & Money at Call & Short Notice	7	2,37,43,728	92,74,028
Investments	8	41,21,26,568	34,98,67,091
Advances	9	1,04,19,87,193	93,76,25,111
Fixed Assets	10	2,19,12,176	2,25,74,772
Other Assets	11	12,10,60,223	15,34,24,093
TOTAL :-		1,69,46,84,659	1,54,52,65,896
Contingent Liabilities	12	5,71,55,675	4,84,48,743
Bills for Collection		1,36,49,798	1,51,32,708
Principal Accounting Policies	17		
Notes on Accounts	18		

The schedules referred to above form an integral part of the Balance Sheet.

For and on behalf of the Board

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Rajesh Kumar Chhibber
Director
DIN: 08190084

Anil Kumar Goel
Director
DIN: 00672755

Umesh Chandra Pandey
Director
DIN: 01185085

Anand Kumar
Director
DIN: 03041018

Shahla Ayoub
Director
DIN: 09834993

Sankarasubramanian Krishnan
Director
DIN: 07261965

Fayaz Ahmad Ganai
Chief Financial Officer

Mohammad Shafi Mir
Company Secretary

In terms of our report of even date annexed

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

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

FOR DHAR TIKU & CO
Chartered Accountants
FRN: 003423N

CA. Akshay Magotra
Partner
M.No. 559146
UDIN: 25559146BMJPEK7838

CA. Rakesh Kaushik
Partner
M.No. 089562
UDIN: 25089562BMNTIS8681

CA. S. K. Shah
Partner
M.No. 532394
UDIN: 25532394BMJOFV9910

Place : Srinagar
Dated: 5th May, 2025

Schedules to Standalone Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
SCHEDULE 1 - CAPITAL			
Authorised Capital			
1,850,000,000 (P.Y. 1,850,000,000)			
Equity Shares of Rs.1/- each		18,50,000	18,50,000
Issued :-			
1,101,400,463 (P.Y. 1,101,400,463) Equity Shares of Rs.1/= each		11,01,400	11,01,400
Subscribed and Paid-up Capital			
1,101,182,463 (P.Y. 1,101,182,463)			
Equity Shares of Rs. 1/- each		11,01,182	11,01,182
Add Forfeited Equity Shares (218,000) (P.Y. 218,000)		144	144
TOTAL		11,01,326	11,01,326
SCHEDULE 2 - RESERVES & SURPLUS			
I. Statutory Reserves			
Opening Balance		3,14,49,054	2,70,30,883
Additions during the year		54,85,601	44,18,171
Deductions during the year		-	-
Closing Balance		3,69,34,655	3,14,49,054
II. Capital Reserves			
a) Revaluation Reserve Fixed Assets			
Opening Balance		1,26,89,123	1,28,12,625
Additions during the year on account of Revaluation Reserve		-	1,79,256
Deduction during the year (depreciation)		(3,02,262)	(3,02,758)
Closing Balance		1,23,86,861	1,26,89,123
b) Others			
Opening Balance		28,88,472	28,88,472
Additions during the year		-	-
Deductions during the year		-	-
Closing Balance		28,88,472	28,88,472
III. Share Premium			
Opening Balance		2,91,94,503	2,18,24,157
Additions during the year		453	73,70,346
Deductions during the year		-	-
Closing Balance		2,91,94,956	2,91,94,503
IV AFS Reserve			
Opening Balance		-	-



Schedules to Standalone Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
Additions during the year		10,19,862	-
Deductions during the year		-	-
Closing Balance		10,19,862	-
V) Revenue and other Reserves			
a) Investment Fluctuation Reserve			
Opening Balance		20,95,800	20,95,800
Additions during the year		8,14,200	-
Deductions during the year		-	-
Closing Balance		29,10,000	20,95,800
b) Special Reserve (u/s 36 (i) (viii) of I.Tax Act, 1961			
Opening Balance		14,76,600	12,31,600
Additions during the year		3,54,500	2,45,000
Deductions during the year		-	-
Closing Balance		18,31,100	14,76,600
c) Other Reserve			
Opening Balance		4,14,61,945	3,05,17,220
Additions during the year		1,27,90,258	1,09,44,725
Deductions during the year		-	-
Closing Balance		5,42,52,203	4,14,61,945
TOTAL (I, II, III, IV & V)		14,14,18,109	12,12,55,497
SCHEDULE 3 - DEPOSITS			
A I. Demand Deposits			
i) From Banks		10,08,328	11,14,430
ii) From Others		16,13,88,308	14,71,23,147
TOTAL (i & ii)		16,23,96,636	14,82,37,577
II. Saving Bank Deposits		53,60,37,521	53,24,88,529
III. Term Deposits			
i) From Banks		3,12,81,242	2,82,80,883
ii) From Others *		75,59,79,192	63,87,56,181
TOTAL (I & ii)		78,72,60,434	66,70,37,064
TOTAL A (I+II+III)		1,48,56,94,591	1,34,77,63,170
B. I. Deposits of branches in India		1,48,56,94,591	1,34,77,63,170
II. Deposits of branches outside India		-	-
TOTAL B (I+II)		1,48,56,94,591	1,34,77,63,170

* The relevant figures of the amount of deposits on which lien has been marked could not be extracted. However, staff security deposits amounting to Rs. 1.19 Crore (Previous year Rs. 1.42 Crore which were parked in Schedule 5 " Other Liabilities and Provisions" have been reflected here in Schedule 3.)

Schedules to Standalone Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
SCHEDULE 4 - BORROWINGS			
I. Borrowings in India			
i) Reserve Bank of India		-	-
ii) Other Banks		-	-
iii) Unsecured Redeemable Debentures/Bonds (BASEL III for Tier I & Tier II Capital)		2,38,10,000	2,88,10,000
iv) Other Institutions & Agencies		18,443	40,015
TOTAL (i to iv)		2,38,28,443	2,88,50,015
II. Borrowings outside India		-	-
GRAND TOTAL (I & II)		2,38,28,443	2,88,50,015
Secured borrowings included in I & II above		Nil	Nil
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS			
i) Bills Payable		26,70,743	38,26,531
ii) Inter Office Adjustments (Net)		-	-
iii) Interest Accrued		13,55,218	14,50,490
iv) Deferred Tax Liability (Net)		1,00,615	-
v) Provision Against Standard Assets		51,60,695	43,13,990
vi) Other (Including Provisions)		3,33,54,919	3,67,04,877
TOTAL (i to vi)		4,26,42,190	4,62,95,888
SCHEDULE 6 - CASH & BALANCES WITH RESERVE BANK OF INDIA			
I. Cash in Hand (Including Foreign Currency Notes)		64,59,639	61,56,011
II. Balance with Reserve Bank of India			
a) In Current Account		5,63,95,132	5,83,44,790
b) In Other Accounts		1,10,00,000	80,00,000
TOTAL (I & II)		7,38,54,771	7,25,00,801
SCHEDULE 7 - BALANCE WITH BANKS AND MONEY AT CALL AND SHORT NOTICE			
I. In India			
i) Balance with Banks			
a) In Current Accounts		1,85,692	1,64,555
b) In Other Deposit Accounts		10	10
TOTAL (i) of (a & b)		1,85,702	1,64,565
II. Money At Call and Short Notice			
a) With Banks		10,00,000	-
b) With Other Institutions		2,12,54,620	79,95,576
TOTAL (ii) of (a & b)		2,22,54,620	79,95,576
TOTAL (I & II)		2,24,40,322	81,60,141



Schedules to Standalone Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
II. Outside India			
i) In Current Accounts		2,77,706	5,30,052
ii) In Other Deposit Accounts		-	-
iii) Money at Call & Short Notice		10,25,700	5,83,835
TOTAL II of (i, ii & iii)		13,03,406	11,13,887
GRAND TOTAL (I&II)		2,37,43,728	92,74,028
SCHEDULE 8 - INVESTMENTS			
I. Investments in India in			
i) Government Securities		32,08,29,700	29,92,05,666
ii) Other Approved Securities		-	-
iii) Shares (Pref. + Equity)		9,63,698	10,05,292
iv) Debentures and Bonds		2,58,05,989	75,66,743
v) Subsidiaries and/or Joint Ventures		4,00,000	4,00,000
vi) Sponsored Institutions		21,79,726	21,79,726
vi) Others :			
a) Certificate of Deposit		5,98,90,805	3,92,60,750
b) Suitfile		-	-
c) Venture Capital		239	239
d) Commercial Paper		-	-
e) Security Receipts		19,98,500	2,48,675
f) Mutual Funds		57,911	-
g) INVIT		-	-
TOTAL (I)		41,21,26,568	34,98,67,091
II. Investments Outside India in			
i) Government Securities (including local authorities)		Nil	Nil
ii) Subsidiaries and/or Joint Ventures abroad		Nil	Nil
iii) Others investments		Nil	Nil
TOTAL (II)		-	-
TOTAL (I & II)		41,21,26,568	34,98,67,091
III. Investments Category-Wise			
i) Held to Maturity		26,40,47,835	29,06,95,663
ii) FVTPL		34,99,014	-
iii) FVTPL (HFT) / Held for Trading		2,46,688	6,421
iv) Available for Sale		14,17,53,305	5,91,65,007
v) Investment in Joint Venture and subsidiary (ISJ)		25,79,726	-
TOTAL (III)		41,21,26,568	34,98,67,091

Schedules to Standalone Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
SCHEDULE 9 - ADVANCES			
A i) Bills Purchased and Discounted		18,11,835	18,61,700
ii) Cash Credits, Overdrafts and Loans Repayable on Demand		31,57,08,779	26,72,53,699
iii) Term Loans		72,44,66,579	66,85,09,712
TOTAL (i to iii)		1,04,19,87,193	93,76,25,111
B i) Secured by Tangible Assets (includes advances against book debts)		71,28,08,621	64,90,18,028
ii) Covered by Bank/Govt. Guarantees		30,78,108	31,40,303
iii) Unsecured		32,61,00,464	28,54,66,780
TOTAL (i to iii)		1,04,19,87,193	93,76,25,111
C I. Advances in India			
i) Priority Sector		35,96,44,346	35,20,44,234
ii) Public Sector		1,10,50,009	1,10,66,140
iii) Banks		1,176	3,414
iv) Others		67,12,91,662	57,45,11,323
TOTAL (i to iv)		1,04,19,87,193	93,76,25,111
II. Advances Outside India			
i) Due from Banks		-	-
ii) Due from Others		-	-
GRAND TOTAL (I & II)		1,04,19,87,193	93,76,25,111
SCHEDULE 10 - FIXED ASSETS			
I. Premises			
a) At cost as at 31 st March of the preceding year		2,16,88,242	2,14,49,425
Additions during the year		23,870	4,32,942
		2,17,12,112	2,18,82,367
Deductions during the year		-	1,94,125
		2,17,12,112	2,16,88,242
Depreciation to date		36,59,491	32,97,120
Total (a)		1,80,52,621	1,83,91,122
b) Constructions work in progress		3,89,515	4,07,100
TOTAL (I) [a+b]		1,84,42,136	1,87,98,222
II. Other Fixed Assets (Including Furniture & Fixtures)			
a) At cost as at 31 st March of the preceding year		1,80,48,220	1,62,84,878
Additions during the year		8,48,737	18,62,862
		1,88,96,957	1,81,47,740
Deductions during the year		33,412	99,520
		1,88,63,545	1,80,48,220



Schedules to Standalone Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 ` "000" omitted	As at 31-03-2024 ` "000" omitted
Depreciation to date		1,56,59,499	1,43,59,568
TOTAL (II)		32,04,046	36,88,652
b) Capital work in progress		2,65,994	87,898
TOTAL (II) [a+b]		34,70,040	37,76,550
GRAND TOTAL (I & II)		2,19,12,176	2,25,74,772
SCHEDULE 11 - OTHER ASSETS			
I. Interest Accrued		93,38,229	79,48,147
II. Inter Office Adjustment (Net)		39,789	7,00,609
III. Tax paid in Advance/Tax Deducted at Source (Net of Provisions)		10,63,798	6,28,514
IV. Stationery and Stamps		46,575	51,679
V. Deferred Tax Asset (Net)		-	15,51,197
VI. Non-Banking Assets acquired in satisfaction of claims		-	-
VII. Others *		11,05,71,832	14,25,43,947
TOTAL (I to VII)		12,10,60,223	15,34,24,093
* Includes deposits placed with NABARD/SIDBI/NHB/RIDF/MUDRA amounting to Rs. 94049249 thousand (Previous year Rs. 97258125 thousand)			
SCHEDULE 12 - CONTINGENT LIABILITIES			
I. Claims against the Bank not acknowledged as debts		34,35,365	35,92,693
II. Liability for partly paid investments		-	-
III. Liability on account of outstanding Forward Exchange Contracts		1,93,77,067	1,39,80,447
IV. Guarantees given on behalf of constituents:-			
a) In India		2,55,21,663	2,27,54,491
b) Outside India		4,12,576	2,63,457
V. Acceptances, Endorsements & Other Obligations		49,06,907	50,56,171
VI. Other items for which the Bank is Contingently liable (DEAF)		35,02,097	28,01,484
TOTAL (I to VI)		5,71,55,675	4,84,48,743

Standalone Profit and Loss Account

for the year ended 31st March, 2025

	Schedule	Year Ended 31-03-2025 ` "000" omitted	Year Ended 31-03-2024 ` "000" omitted
I INCOME			
Interest Earned	13	12,53,58,630	11,21,23,623
Other Income	14	1,13,68,121	82,54,789
TOTAL		13,67,26,751	12,03,78,412
II EXPENDITURE			
Interest Expended	15	6,74,20,429	6,00,86,768
Operating Expenses	16	4,00,08,392	3,75,22,857
Provisions and Contingencies		84,73,304	50,96,105
TOTAL		11,59,02,125	10,27,05,730
III NET PROFIT / (LOSS)		2,08,24,626	1,76,72,682
TOTAL		13,67,26,751	12,03,78,412
IV APPROPRIATIONS			
TRANSFERED TO			
i) Statutory Reserve (See Note No. 17 of Schedule -18)		54,85,601	44,18,170
ii) Capital Reserve		-	-
iii) Revenue and Other Reserve		1,18,02,783	1,06,41,970
iv) Investment Fluctuation Reserve		8,14,200	-
v) Special Reserve		3,54,500	2,45,000
vi) Proposed Dividend		23,67,542	23,67,542
TOTAL		2,08,24,626	1,76,72,682
Principal Accounting Policies	17		
Notes on Accounts	18		
Earnings per Share (in Rs.) (Basic/Diluted)		18.91	16.80

The schedules referred to above form an integral part of the Profit and Loss account.

For and on behalf of the Board

Amitava Chatterjee
 Managing Director & CEO
 DIN: 07082989

Rajesh Kumar Chhibber
 Director
 DIN: 08190084

Anil Kumar Goel
 Director
 DIN: 00672755

Umesh Chandra Pandey
 Director
 DIN: 01185085

Anand Kumar
 Director
 DIN: 03041018

Shahla Ayoub
 Director
 DIN: 09834993

Sankarasubramanian Krishnan
 Director
 DIN: 07261965

Fayaz Ahmad Ganai
 Chief Financial Officer

Mohammad Shafi Mir
 Company Secretary

In terms of our report of even date annexed

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

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

FOR DHAR TIKU & CO
 Chartered Accountants
 FRN: 003423N

CA. Akshay Magotra
 Partner
 M.No. 559146
 UDIN: 25559146BMJPEK7838

CA. Rakesh Kaushik
 Partner
 M.No. 089562
 UDIN: 25089562BMNTIS8681

CA. S. K. Shah
 Partner
 M.No. 532394
 UDIN: 25532394BMJOFV9910

Place : Srinagar
 Dated: 5th May, 2025



Schedules to Standalone Profit & Loss Account

for the year ended 31st March, 2025

	Schedule	YEAR ENDED 31.03.2025 '000' Omitted	YEAR ENDED 31.03.2024 '000' Omitted
SCHEDULE 13 - INTEREST EARNED			
I. Interest/Discount on Advances/Bills		9,42,29,879	8,60,86,671
II. Income on Investments (Net of Amortization)		2,66,92,332	2,26,54,302
III. Interest on Balances with R.B.I and other Inter Bank Funds		5,00,199	3,69,059
IV. Others		39,36,220	30,13,591
TOTAL (I to IV)		12,53,58,630	11,21,23,623
SCHEDULE 14 - OTHER INCOME			
I. Commission, Exchange & Brokerage		25,38,082	23,80,283
II. Profit /(Loss) on Sale of Investments (Net)		10,24,305	5,75,221
<i>Profit on Sale of Investments</i>		13,07,767	5,75,221
<i>Less: Loss on sale of investments</i>		(2,83,462)	-
III. Profit /(Loss) on revaluation of Investments (Net)		(4,90,170)	4,58,561
<i>Profit on revaluation of Investments</i>		20,782	5,14,705
<i>Less: loss on revaluation of investments</i>		(5,10,952)	(56,144)
IV. Profit/(Loss) on Sale of Land, Buildings & Other Assets (Net)		9,938	10,670
<i>Profit on Sale of Land, Buildings & Other Assets</i>		11,001	10,838
<i>Less: Loss on Sale of Land, Buildings & Other Assets</i>		(1,063)	(168)
V. Profit /(Loss) on Exchange Transactions (Net)		1,34,141	1,22,264
<i>Profit on Exchange Transactions</i>		1,35,334	1,23,645
<i>Less: Loss on E/Transactions</i>		(1,193)	(1,381)
VI. Income earned by way of Dividends etc. from Subsidiaries, Companies and/or Joint Venture abroad/in India		-	-
VII. Miscellaneous Income		81,51,825	47,07,790
TOTAL (I to VII)		1,13,68,121	82,54,789
SCHEDULE 15 - INTEREST EXPENDED			
I. Interest on Deposits		6,43,79,717	5,68,61,121
II. Interest on RBI/Inter-Bank Borrowings		64,011	3,75,672
III. Others		29,76,701	28,49,975
TOTAL (I to III)		6,74,20,429	6,00,86,768
SCHEDULE 16 - OPERATING EXPENSES			
I. Payments to and provisions for Employees		2,78,03,622	2,57,15,586
II. Rent, Taxes and Lighting		12,28,649	11,29,150
III. Printing and Stationery		1,23,517	1,24,976
IV. Advertisement and Publicity		1,21,802	1,14,278

Schedules to Standalone Profit & Loss Account

for the year ended 31st March, 2025

	Schedule	YEAR ENDED 31.03.2025 '000' Omitted	YEAR ENDED 31.03.2024 '000' Omitted
V. Depreciation on Bank's Property		16,78,310	21,75,456
VI. Directors Fees, Allowances and Expenses		36,370	32,892
VII. Auditors Fees & Expenses (Including Branch Auditor's fees & Expenses)		1,80,294	1,70,731
VIII. Law Charges		1,70,747	1,73,667
IX. Postage, Telegrams, Telephones etc.		41,410	53,457
X. Repairs and Maintenance		4,02,216	3,92,509
XI. Insurance		18,15,962	16,35,985
XII. Other Expenditure		64,05,493	58,04,170
TOTAL (I to XII)		4,00,08,392	3,75,22,857



Schedule 17

"Principal Accounting Policies"

A. Overview

Jammu and Kashmir Bank Limited (the Bank) is a Scheduled Commercial Bank and one of the oldest private sector banks in India, incorporated in 1938. J&K Bank is listed on both NSE and BSE and has its Corporate Headquarters at Srinagar. The Bank functions as a leading bank in the Union Territories of Jammu & Kashmir and Ladakh and is designated by Reserve Bank of India as agency bank for carrying out banking business for the Governments of the Union Territories of Jammu & Kashmir and Ladakh. J&K Bank caters to banking requirements of various customer segments which includes Business enterprises, employees of government, semi-government and autonomous bodies, farmers, artisans, public sector organizations and corporate clients. Group companies of the Bank include JKB Financial Services Limited (wholly owned subsidiary) and J&K Grameen Bank (Associate RRB). The Bank offers a wide range of retail credit products, including home finance, personal loans, education loans, agriculture lending, trade credit and consumer credit and a number of unique financial products tailored to the needs of various customer segments.

B. Basis of preparation of Financial Statements

The accompanying financial statements are prepared on historical cost basis, except as otherwise stated, following the "Going Concern" concept and conform to the Generally Accepted Accounting Principles (GAAP) in India, applicable statutory provisions and regulatory norms prescribed by the Reserve Bank of India (RBI), statutory guidelines of the Banking Regulation Act, 1949 (the BR Act), applicable mandatory Accounting Standards (AS)/Guidance Notes/pronouncements issued by the Institute of Chartered Accountants of India (ICAI) and practices prevailing in the banking industry in India.

The financial statements have been prepared in accordance with the requirements under the Third Schedule of the Banking Regulation Act, 1949.

C. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that are considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses for the reporting period. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

D. Significant Accounting Policies

1. Revenue Recognition

- 1.1 Income and expenditure are accounted on accrual basis, unless otherwise stated.
- 1.2 Interest / Discount income from Non-Performing Assets (NPAs) including investments is recognized in the Profit and Loss Account on realization basis, as per the prudential norms prescribed by RBI.
- 1.3 Partial recovery in Non-Performing Assets is appropriated first towards principal and thereafter towards interest.
- 1.4 Fee, commission (other than insurance commission & Government business), exchange income, locker rent, insurance claims, dividend on shares and income from units in Mutual Fund and interest on refund of income tax are accounted for on receipt basis.
- 1.5 Interest on overdue Term Deposits is provided at the rate of interest applicable to Savings Bank Deposits.
- 1.6 Unforeseen income/ expenses are accounted for in the year of receipt/ payment.
- 1.7 Stationery issued to branches has been considered as consumed.

2. Investments

Investments are accounted for in accordance with the extant RBI guidelines on investment classification and valuation, as given below:

2.1. Classification of Investments by Banks Categorization of investments

- (a) The entire investment portfolio (except investments in subsidiary and associates) is classified under three categories, viz., Held to Maturity (HTM), Available for Sale (AFS) and Fair Value through Profit and Loss (FVTPL). Held for Trading (HFT) is a separate investment subcategory within FVTPL. The category of the investment is decided by the bank before or at the time of acquisition and this decision is properly documented.
- (b) Banks continues to present the investments in the Balance Sheet as set out in The Third Schedule to the BR Act (Form A, Schedule 8 - Investments) as under:
 - (i) Government securities

Schedule 17

"Principal Accounting Policies"

- (ii) Other approved securities
- (iii) Shares
- (iv) Debentures & Bonds
- (v) Subsidiaries and / or joint ventures
- (vi) Others

2.2. Basis of classification:

HTM

- (a) Securities that fulfil the following conditions are classified under HTM:
 - (i) The security is acquired with the intention and objective of holding it to maturity, i.e., the financial assets are held with an objective to collect the contractual cash flows; and the contractual terms of the security give rise to cash flows that are solely payments of principal and interest on principal outstanding ('SPPI criterion') on specified dates.

AFS

- (a) Securities that meet the following conditions are classified under AFS:
 - (i) The security is acquired with an objective that is achieved by both collecting contractual cash flows and selling securities; and
 - (ii) the contractual terms of the security meet the 'SPPI criterion'

FVTPL

Securities that do not qualify for inclusion in HTM or AFS are classified under FVTPL.

FVTPL (HFT)

Securities that are to be fair valued on daily basis are classified as HFT within FVTPL

2.3 Valuation:

HTM

- (a) Securities held in HTM are carried at cost and not be marked to market (MTM) after initial recognition. However, they are subjected to income Recognition, asset classification and provisioning norms formulated by RBI.
- (b) Any discount or premium on the securities under HTM are amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.

AFS

- (a) The securities held in AFS are fair valued on quarterly basis. Any discount or premium on the acquisition of debt securities under AFS is amortized over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.
- (b) The valuation gains and losses across all performing investments, irrespective of classification (i.e., Government securities, Other approved securities, Bonds and Debentures, etc.), held under AFS is aggregated. The net appreciation or depreciation are directly credited or debited to a reserve named AFS Reserve without routing through the Profit & Loss Account.
- (c) Securities under AFS are subjected to income recognition, asset classification and provisioning norms formulated by RBI.
- (d) The AFS-Reserve is reckoned as Common Equity Tier (CET) 1. The unrealised gains transferred to AFS-Reserve are not available for any distribution such as dividend and coupon on Additional Tier 1.
- (e) Upon sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS-Reserve are transferred from the AFS Reserve and recognized in the Profit and Loss Account under item II Profit on sale of investments under Schedule 14: Other Income.

Schedule 17

"Principal Accounting Policies"

- (f) In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments is not to be transferred from AFS-Reserve to the Profit and Loss Account. Instead, such gain or loss is transferred from AFS-Reserve to the Capital Reserve.

FVTPL

- (a) The securities held in FVTPL are fair valued and the net gain or loss arising on such valuation are directly credited or debited to the Profit and Loss Account.
- (b) Securities that are classified under the HFT sub-category within FVTPL are fair valued on a daily basis, whereas other securities in FVTPL are fair valued quarterly.
- (c) Any discount or premium on the acquisition of debt securities under FVTPL is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.
- (d) Securities under FVTPL are subject to income recognition, asset classification and provisioning norms formulated by RBI.

Subsidiary and Associate

- (a) Investment in subsidiary is held at acquisition cost.
- (b) Investment in Associate is valued and subject to impairment as per RBI guidelines.
- (c) Any discount or premium on the acquisition of debt securities of subsidiaries and associate is amortized over the remaining life of the instrument. The amortized amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned'.

Quoted Securities:

The fair value for the quoted securities is the prices declared by the Financial Benchmarks India Private Ltd. (FBIL) in accordance with RBI circular FMRD.DIRD.7/14.03.025/2017-18 dated March 31, 2018, as amended from time to time. For securities whose prices are not published by FBIL, the fair value of the quoted security is based upon quoted price as available from the trades/ quotes on recognized stock exchanges, reporting platforms or trading Platforms authorized by RBI/SEBI or prices declared by the Fixed Income Money Market and Derivatives Association of India (FIMMDA).

In respect of unquoted securities, the procedure adopted is as under:

Category of Securities	Value
Central/ State Government Securities	At Prices/YTM rates published by Financial Benchmarks India Pvt. Ltd. (FBIL)
Other Approved Securities	On YTM basis by adding prescribed mark-up above the yields of the Central Government Securities of equivalent maturity put out by FBIL
Debentures and Bonds	At YTM rates for Central Government Securities as put out by FBIL/FIMMDA after applying appropriate mark-up, subject to prescribed conditions.
Equity Shares	At Break-up value (without considering revaluation reserves) to be ascertained from the company's latest balance sheet. The date as on which the latest balance sheet is drawn up shall not precede the date of valuation by more than 18 months. In case, the latest balance sheet is not available, the shares are valued at Re.1 per company.
Mutual Fund Units	At latest re-purchase price declared by the Mutual Fund in respect of each scheme. In case of funds with a lock-in period or any other fund, where repurchase price is not available, units are valued at Net Asset Value (NAV) of the scheme. If NAV is not available, these are valued at cost, till the end of the lock-in period.
Treasury Bills, Commercial Papers and Certificate of Deposits	At carrying cost
Preference Shares	When a preference share has been traded on exchange within 15 days prior to the valuation date, the value shall not be higher than the price at which the share was traded. The valuation of unquoted preference shares is done on YTM basis with appropriate mark-up over the YTM rates for Central Government Securities of equivalent maturity put out by the FBIL subject to such preference share not being valued above its redemption value. The mark-up is graded according to the ratings assigned to the preference shares by the rating agencies.

Schedule 17

"Principal Accounting Policies"

- 2.4 Investment in security receipts (SRs) and other instruments issued by an Asset Reconstruction Company (ARC):
 In respect of investments in SRs and other instruments issued by ARCs, the bank values the SRs as per the requirements of Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021, as amended from time to time.
- 2.5 Non-performing Investments are not considered for netting valuation gains and losses and MTM appreciation in the security is ignored.
- 2.6 The provision for impairment is recognized in the Profit and Loss Account as expense irrespective of the category, i.e., HTM, AFS or FVTPL (including HFT) in which the investment has been placed as per RBI Guidelines.
- 2.7 Investments in Government securities and Government guaranteed investments:**
 Investments in Central Government Securities and State Government Securities are not classified as NPI. In case of Central Government guaranteed securities, the investments are also not classified as NPI until the Central Government has repudiated the guarantee when invoked. In respect of such securities held in AFS and FVTPL, the bank shall continue to recognize MTM gains/losses in AFS-Reserve and Profit and Loss respectively. However, any income shall be recognized only on realization basis. However, prudential norms for identification of NPI and provisioning are attracted for investment in State Government guaranteed securities, when interest/ instalment of principal (including maturity proceeds) or any other amount due to the bank remains unpaid for more than 90 days.
- 2.8 Profit or loss on sale of investments is taken to the Profit and Loss account. However, in case of profit on sale of investments in "Held to Maturity" category, an equivalent amount of profit, net of taxes and the amount required to be transferred to Statutory reserve, is appropriated to the "Capital Reserve Account".
- 2.9 Broken period interest paid/received on debt instruments is treated as interest expense/income and is excluded from cost/sale consideration.
- 2.10 Brokerage paid on securities purchased is charged to revenue account except for equity investment operations where the same is added to the cost of purchase of investment.
- 2.11 In accordance with RBI circular No. FMRD.DIRD.01/14.03.038/2018-19 dated July 24, 2018, the Bank has made changes in accounting for Repo/ Reverse Repo transactions including Triparty Repo (Other than transactions under the liquidity adjustment facility (LAF) with the RBI). Accordingly, the securities sold and purchased under Repo/Reverse Repo are accounted for as collateralized lending and borrowing transactions. However, securities are transferred as in the case of normal outright sale/purchase transactions and such movement of securities are reflected using Repo/Reverse Repo accounts and contra entries. The above entries are reversed on the date of maturity. Cost and revenue are accounted as interest expenditure/Income as the case may be. Balance in Repo account is classified under schedule 4 (Borrowing) and balance in Reverse Repo account is classified under schedule 7 (Balance with Banks & money at call & short notice).
- 2.12 In respect of Non-Performing Securities, income is not recognized and appropriate provision is made for depreciation in the value of such securities as per Reserve Bank of India guidelines.

3. Advances

- 3.1** Classification of Advances and Provisions thereof have been made as per the Income Recognition, Asset Classification and Provisioning Norms formulated by the RBI viz., Standard, Sub-Standard, Doubtful and Loss Assets. The Bank has made provisions on Non-Performing Assets as per the prudential norms prescribed by the RBI as under:

Category of Assets	Provision norms
Sub-Standard	15% on Secured Exposure 25% on Unsecured Exposure 20% on Unsecured Exposure in respect of Infrastructure loan accounts where certain safeguards such as escrow accounts are available
Doubtful-I	25% on Secured 100% on Unsecured
Doubtful-II	40% on Secured 100% on Unsecured
Doubtful-III	100% on Secured 100% on Unsecured
Loss	100%



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"Principal Accounting Policies"

To be more prudent, the Bank is making an additional provision @ 10 percent on the balances outstanding on account of non-performing assets held in sub-standard category (both secured/unsecured) and Doubtful I and Doubtful II category (secured portion only) over and above the abovementioned prescribed norms. In case of NPAs in credit cards, the provision is made at 100%.

- 3.2** Advances are shown net of unrealized interest and provisions/ Technical write offs made in respect of non-performing advances. Provisions on standard advances are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions - Others" and are not considered for arriving at the Net NPAs.
- 3.3** Restructuring of Advances and provisioning thereof have been made as per RBI guidelines.
- 3.4** Amounts recovered against debts written off in earlier years are recognized as revenue in the year of recovery.
- 3.6** Appropriation of recoveries in NPAs are made in order of priority as under:
 - i. Principal Due
 - ii. Charges, Costs, Commission etc.
 - iii. Unrealized Interest/ Interest.

4. Floating Provisions

In accordance with the RBI guidelines, the Bank has an approved policy for creation and utilization of floating provisions for advances. The quantum of floating provisions to be created is assessed at the end of each quarter. These provisions are utilized only for contingencies under extraordinary circumstances specified in the policy with prior permission of Reserve Bank of India.

5. Fixed Assets and Depreciation

- 5.1** Fixed Assets, other than premises, are carried at cost less accumulated depreciation and impairment, if any. Freehold premises are carried at revalued amount, being fair value at the date of revaluation less accumulated depreciation.
- 5.2** Cost includes cost of purchase, freight, duties, taxes and all expenditure such as site preparation, installation costs and professional fees incurred on the asset before it is put-to-use. Subsequent expenditure(s) incurred on the assets put-to-use are capitalized only when it increases the future benefits from such assets or their functioning capability. The fixed assets are depreciated as per straight line method, considering residual value at 5% of original cost, as per the provisions of Companies Act 2013 based on the useful life of the assets prescribed in Part C of the Schedule II of the Companies Act 2013 as given hereunder:

Description of Fixed Assets	Useful Life (Years)
Buildings (With RCC Frame Structure)	60
Buildings (Other than RCC Frame Structure)w	30
Boundary Wall	5
Plant and Machinery	15
Furniture and Fixtures	10
Vehicles	8
Others (Including temporary structures etc.)	3

Depreciation on computers (including ATMs/CDMs) along with software, forming integral part of the computers is computed at 33.33% on straight line method in terms of RBI guidelines issued vide letter no BP:1660/21.04.018/2001 dated 01.02.2001, taking the residual value as Nil.

Useful life of the mobile phones is considered to be 2 years and the depreciation is charged in straight line method as per provisions of Companies Act 2013 with no residual value.

In compliance with Section 15(1) of Banking Regulation Act, 1949, the Bank writes off the entire amount of intangible assets.

- 5.3** In respect of assets acquired during the year, depreciation is charged on proportionate basis for the number of days the assets have been put-to-use during the year.

Schedule 17

"Principal Accounting Policies"

5.4 Premium paid for leasehold properties is amortized over the period of lease.

5.5 The Bank revalues freehold immovable assets every three years. The increase in Net Book Value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account. However, where such an increase is a reversal of any previous decrease arising on revaluation which has been charged to profit and loss account, such increase is credited to profit and loss account to the extent that it offsets the previously recorded decrease. A decrease in net book value arising on revaluation of fixed assets is charged to profit and loss account except that, to the extent such a decrease is related to a previous increase on revaluation that is included in Revaluation Reserve, it is charged against that earlier increase. Additional Depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to General Reserve. The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.

5.6 Assets costing less than Rs.1000 each are charged off in the year of purchase.

6. Employee Benefits

6.1 Short Term Employee Benefits:

The undiscounted amounts of short-term employee benefits which are expected to be paid in exchange for the services rendered by employees are recognized during the period when the employee renders the service.

6.2 Long Term Employee Benefits:

i. Defined Contribution Plan:

Provident Fund: Provident Fund is a defined contribution scheme as the bank pays fixed contribution at pre-determined rates. The obligation of the Bank is limited to such fixed contribution. The contributions are charged to profit and loss account. The Bank is paying matching contribution towards those employees who have not opted for the pension.

ii. Defined Benefit Plan

Gratuity

The Bank pays gratuity, a defined benefit plan, to vested employees on retirement or resignation or on death while in employment or on termination of employment. The Bank makes contribution to recognized trust which administers the funds on its own account or through insurance companies. Actuarial valuation of the gratuity liability is determined by an independent actuary appointed by the Bank. Actuarial valuation of gratuity liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognized in the profit and loss account.

Pension

The Bank provides for pension to all eligible employees. The Bank makes contribution to a trust which administers the funds on its own account or through insurance companies. The plan provides for pension payment including dearness relief on a monthly basis to these employees based on the respective employee's years of service with the Bank and applicable salary. Actuarial valuation of the pension liability is determined by an independent actuary appointed by the Bank. Actuarial valuation of pension liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognized in the profit and loss account. Employees covered by the pension plan are not eligible for employer's contribution under the provident fund plan.

The Bank also operates a New Pension Scheme (NPS) for all employees joining the Bank on or after 1st August, 2010 (Such new joiners not being entitled to become members of the existing pension scheme). As per the scheme, these employees contribute 10% of their salary and the Bank contributes 14% of the employee's salary. The amount contributed by the Bank to NPS during the year is recognized in the profit and loss account.

Leave Salary

The Bank provides for compensated absence based on actuarial valuation conducted by an independent actuary, appointed by the Bank.



Schedule 17

"Principal Accounting Policies"

7. Transactions Involving Foreign Exchange

- 7.1 Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of transaction.
- 7.2 Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India (FEDAI) closing (spot/forward) rates.
- 7.3 Monetary Assets and Liabilities as on balance sheet date have been translated using closing rate as at year-end announced by FEDAI.
- 7.4 Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognized as income or as an expense in the period in which they arise.
- 7.5 Outstanding foreign exchange spot and forward contracts held for trading are revalued at the exchange rates notified by FEDAI for specified maturities and the resulting Profit or Loss is recognized in the Profit and Loss Account.

8. Segment Reporting

The Bank recognizes the business segment as the primary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 issued by Institute of Chartered Accountants of India.

9. Taxes on Income

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22- "Accounting for taxes on Income" respectively. Deferred Tax adjustments comprises of changes in the deferred tax assets or liabilities during the year. Deferred tax assets and liabilities are recognized by considering the impact of timing differences between taxable income and accounting income for the current year and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognized in the profit and loss account.

10. Provisions, Contingent Liabilities and Contingent Assets

10.1 In conformity with AS 29 - "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India, the Bank recognizes provisions only when it has a present obligation because of a past event, and would result in a probable outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

10.2 No provision is recognized for

- I. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or
- II. Any present obligation that arises from past events but is not recognized because:
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities.

10.3 The Bank has made 100% provision for redemption against the accumulated reward points in respect of standard credit card holders.

10.4 Contingent Assets are not recognized in the financial statements.

11. Impairment of Assets

Fixed assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

Schedule 17

"Principal Accounting Policies"

12. Share Issue Expenses

Share issue expenses are charged to the Share premium Account.

13. Earnings per Share

13.1 The Bank reports basic and diluted earnings per share in accordance with AS 20 - "Earnings per Share" issued by the ICAI. Basic Earnings per Share are computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

13.2 Diluted Earnings per Share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted Earnings per Share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at year end.



Schedule 18

"Notes on Standalone Accounts"

1. Regulatory Capital

1.1 a) Composition of Regulatory Capital

(Amount in ` crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Common Equity Tier 1 capital (CET 1)	12827.72	11180.59
ii)	Additional Tier 1 capital	1000.00	1000.00
iii)	Tier 1 capital (i + ii)	13827.72	12180.59
iv)	Tier 2 capital	2316.89	2084.79
v)	Total capital (Tier 1+Tier 2)	16144.60	14265.38
vi)	Total Risk Weighted Assets (RWAs)	99087.69	93028.60
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)	12.95%	12.02%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	13.95%	13.09%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	2.34%	2.24%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	16.29%	15.33%
xi)	Leverage Ratio	7.93%	7.60%
xii)	Percentage of the shareholding of a) Government of India	Nil	Nil
xiii)	Amount of paid-up equity capital raised during the year	Nil	6.97
xiv)	Amount of non-equity Tier 1 capital raised during the year	Nil	Nil
xv)	Amount of non-equity Tier 2 capital raised during the year	Nil	Nil

Revaluation Reserve has been reckoned as CET1 capital at a discount of 55% in line with RBI guidelines.

b) Drawdown from Reserves

(Amount in ` crore)

S. No.	Reserves	Amount Drawn	Purpose
1	Revaluation Reserve	30.22	Depreciation on revalued portion of fixed assets amounting to ` 30.03 crore has been transferred to General Reserve from revaluation reserve. In addition an amount of ` 0.19 crores has been transferred from revaluation reserve to Profit & Loss account against appropriation of devaluation of land.

2. Asset Liability Management:

a) Maturity pattern of certain items of assets and liabilities

Maturity Pattern of Assets and Liabilities as on 31.03.2025 (Standalone)

	Day one	2 to 7 Days	8 to 14 Days	15 to 30 Days	31 days to 2 Months	Over 2 months and upto 3 month	Over 3 months and upto 6 months	Over 6 months and upto 1 years	Over 1 years and upto 3 years	Over 3 years and upto 5 years	Over 5 years	TOTAL
Deposits	1073.78	5012.31	3370.38	3404.27	4120.54	3907.89	8180.92	16063.77	52554.68	34565.83	16315.09	148569.46
Advances	653.59	1734.30	1972.15	863.11	1797.37	2887.19	3456.02	7022.57	53491.05	17068.86	13252.51	104198.72
Investments	4281.89	2.80	0.00	49.98	2079.79	972.84	1814.49	5696.22	6073.57	6948.60	13292.47	41212.66
Borrowings	0.00	0.00	0.00	0.00	0.00	1000.00	0.00	0.00	1.84	1381.00	0	2382.84
Foreign Currency Assets	72.53	554.14	3.60	179.20	0.00	164.29	103.76	127.87	11.26	0.00	0.00	1216.66
Foreign Currency Liabilities	72.53	554.14	3.60	179.20	0.00	164.29	103.76	127.87	11.26	0.00	0.00	1216.66

Schedule 18

"Notes on Standalone Accounts"

Note* Classification of assets and liabilities under the maturity buckets is based on the same estimates and assumptions as used by the bank for compiling the Liquidity Report submitted to RBI.

b) Liquidity Coverage Ratio (LCR)

Liquidity Coverage Ratio (LCR) guidelines were implemented by the Banks with an objective to maintain adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a time-horizon up to 30 calendar days under a significantly severe liquidity stress scenario.

$$\text{LCR} = \frac{\text{Stock High Quality Liquid Assets (HQLAs)}}{\text{Total Net Cash Outflows over the next 30 calendar days}}$$

HQLA comprise of liquid assets that can be readily encashed or used as collateral to obtain cash in a range of stress scenarios.

There are two categories of assets included in the stock of HQLAs, viz. Level 1 and Level 2 (Level 2A and Level 2B) assets. While Level 1 assets are with 0% haircut, Level 2A and Level 2B assets are with 15% and 50% haircuts respectively.

The Total Net Cash Outflows are the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days.

LCR COMPONENTS		Quarter March 2025		Quarter December 2024		Quarter September 2024		Quarter June 2024		Quarter March 2024	
		Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)
1	Total High Quality Liquid Assets (HQLA)	33623.51	33390.67	32940.65	32845.33	29875.37	29796.05	29722.05	29710.03	29743.37	29724.46

Cash Outflows

2	Retail deposits and deposits from small business customers, of which	102366.93	7995.10	100808.98	7790.79	95062.07	7422.78	95031.80	7414.29	92434.94	6981.69
(i)	Stable deposits	44829.40	2241.40	45721.38	2282.25	43615.82	2180.55	43143.49	2225.46	45235.86	2261.78
(ii)	Less stable deposits	57537.53	5753.70	55087.60	5508.54	51446.25	5242.23	51888.31	5188.83	47199.08	4719.91
3	Unsecured wholesale funding, of which	31624.24	16239.89	30928.76	15782.88	36685.74	16106.88	31274.03	16470.24	21135.25	11447.50
(i)	Operational Deposits (all counterparties)	0.00	0.00	0.00	0.00	0.00	0.00	0.00		0.00	0.00
(ii)	Non-Operational deposits (all counterparties)	31624.24	16239.89	30928.76	15782.88	36685.74	16106.88	31274.03	16470.24	21135.25	11447.50
(iii)	Unsecured debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Secured Wholesale funding	0	0	0.00	0.00	0.00	0.00	258.29	0.00	0.00	0.00
5	Additional requirements of which	114.64	114.64	69.27	69.27	90.94	90.94	78.41	78.41	79.11	79.11
(i)	Outflows related to derivative exposure and other collateral requirements	114.64	114.64	69.27	69.27	90.94	90.94	78.41	78.41	79.11	79.11
(ii)	outflows related to loss of funding on debt products	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	credit and liquidity facilities	0	0	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Other contractual funding Obligations	8608.15	781.18	7924.13	680.78	7881.83	691.57	7697.08	681.20	7332.07	562.68
7	Other contingent funding Obligations	8178.02	531.00	8433.02	940.14	8127.03	936.33	8053.26	664.08	5221.12	204.72
8	Total cash outflows	150891.98	25661.81	148164.16	25263.86	147847.61	25248.50	142392.87	25308.22	126202.49	19275.70



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"Notes on Standalone Accounts"

LCR COMPONENTS	Quarter March 2025		Quarter December 2024		Quarter September 2024		Quarter June 2024		Quarter March 2024	
	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)
Cash Inflows										
9	secured Lending (e.g., Reverse Repo)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Inflows from fully performing exposure	1790.08	962.97	1274.70	798.28	1687.50	877.52	971.11	496.47	692.85
11	Other cash inflows	183.02	91.51	266.79	136.17	157.10	78.55	56.01	28.01	190.19
12	Total cash inflows	1973.10	1054.48	1541.49	934.45	1844.60	956.07	1027.12	524.48	883.04
13	TOTAL HQLA	33623.51	33390.67	32940.65	32845.33	29875.37	29796.05	29722.05	29710.03	29743.37
14	Total Net Cash Outflows	148918.88	24607.33	146622.67	24329.41	146003.01	24292.43	141365.75	24783.74	125319.45
15	Liquidity Coverage Ratio (%)		135.69%		135.00%		122.66%		119.88%	

In accordance with RBI guidelines vide circular no. RBI/2014-15/529 DBR. No. BP.BC.80/21.06.201/2014-15 dated 31st March 2015, average weighted and unweighted amounts have been calculated taking simple daily average. The bank has considered 61 data points for the quarter March 2025.

Bank's LCR was at 135.69% based on daily average of past three months (Q4 FY24-25). The position remained above the minimum regulatory requirement of 100%. Average HQLA held during the quarter was Rs 33390.67 Cr which were mostly in the form of level 1 assets. The weighted average total net cash outflows were to the tune of Rs 24607.33 Cr.

Liquidity Management in the Bank is driven by RBI guidelines and Bank's ALM Policy. ALCO has been empowered by the Bank's Board to formulate the funding strategies to ensure that the funding sources are well diversified and is consistent with the operational requirements of the Bank. In addition to daily / monthly LCR reporting, Bank also prepares daily Structural Liquidity Statement to assess the liquidity needs of the Bank on an ongoing basis.

c) Net Stable Funding Ratio (NSFR)

Net Stable Funding Ratio (NSFR) guidelines ensure reduction in funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress. The NSFR is defined as the amount of Available Stable Funding relative to the amount of Required Stable Funding.

$$\text{NSFR} = \frac{\text{Available Stable Funding (ASF)}}{\text{Required Stable Funding (RSF)}} \geq 100\%$$

Bank's NSFR comes to 141.71% as at the end of the quarter ended March 2025 and is above the minimum regulatory requirement of 100%. The Available Stable Funding (ASF) as on 31.03.2025 stood at Rs. 124334.84 crores and amount for Required Stable Funding (RSF) as on 31.12.2025 was Rs 87739.54 crores.

The Available Stable Funding (ASF) is primarily driven by the total regulatory Capital as per Basel III capital adequacy guidelines stipulated by RBI and the deposits from retail customers, small business customers and non-financial corporate customers.

Under the Required Stable Funding (RSF), the primary drivers are unencumbered performing loans with residual maturities of one year or more.

Schedule 18

"Notes on Standalone Accounts"

The following tables contain unweighted and weighted values of NSFR components as on March 31, 2025, December 31, 2024, September 30, 2024 and June 30, 2024.

NSFR components as on March 31, 2025

(Amount In Crores)

NSFR Disclosure Template						
S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	14176.63	1000.00	0.00	13222.94	28399.57
2	Regulatory capital	14176.63	1000.00	0.00	1381.00	16557.63
3	Other capital instruments/term deposit with res maturity of 1 year or more	0	0	0	11841.94	11841.94
4	Retail deposits and deposits from small business customers: (5+6)	54224.37	23853.87	16817.65	0.00	87370.33
5	Stable deposits	34927.50	2932.67	1420.43	0	37316.57
6	Less stable deposits	19296.87	20921.20	15397.22	0	50053.76
7	Wholesale funding: (8+9)	0.00	14272.72	7299.42	0.00	8564.94
8	Operational deposits	0.00	0.00	0.00	0	0.00
9	Other wholesale funding	0.00	14272.72	7299.42	0.00	8564.94
10	Other liabilities: (11+12)	0.00	0.65	0.15	15135.02	0.00
11	NSFR derivative liabilities		0.65	0.15	0.00	
12	All other liabilities and equity not included in the above categories	0	0	0	15135.02	0
13	Total ASF (1+4+7+10)					124334.84
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					1744.21
15	Deposits held at other financial institutions for operational purposes	68.67	0.00	0.00	0.00	34.33
16	Performing loans and securities: (17+18+19+21+23)	2899.49	18575.04	17696.80	71839.16	70508.34
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	2225.462	100	0	0	383.8193
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	13753.053	14324.252	56965.63	54795.19
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	8875.9078	5769.34007
21	Performing residential mortgages, of which:	0	0	0	13427.393	9673.22
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	8700.3215	5655.208975
23	Securities that are not in default and do not qualify as HQLA, including exchange- traded equities	674.03	4721.99	3372.55	1446.13	5656.11
24	Other assets: (sum of rows 25 to 29)	2868.05	0.00	0.00	11880.73	14727.16
25	Physical traded commodities, including gold	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	31.40	0.00	0.00	112.78	122.5540115
27	NSFR derivative assets		0	0	1.9797062	1.979706233
28	NSFR derivative liabilities before deduction of variation margin posted		0	0	0.3806296	0.380629555
29	All other assets not included in the above categories	2836.65	0.00	0.00	11765.60	14602.2482
30	Off-balance sheet items	15534.91	0.00	0.00	0.00	725.50
31	Total RSF (14+15+16+24+30)					87739.54
32	Net Stable Funding Ratio (%)					141.71%



Schedule 18

"Notes on Standalone Accounts"

NSFR components as on December 31, 2024

(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	12344.37	1000.00	0.00	9559.91	22904.28
2	Regulatory capital	12344.37	1000.00	0.00	1381.00	14725.37
3	Other capital instruments/termdeposit with res maturity of 1 year or more	0	0	0	8178.91	8178.91
4	Retail deposits and deposits from small business customers: (5+6)	67601.74	29463.11	19233.95	0.00	108138.30
5	Stable deposits	37540.74	16426.13	15420.68	0	65918.17
6	Less stable deposits	30061.00	13036.98	3813.28	0	42220.14
7	Wholesale funding: (8+9)	0.00	6843.45	8265.34	0.00	7167.92
8	Operational deposits	0.00	0.00	0.00	0	0.00
9	Other wholesale funding	0.00	6843.45	8265.34	0.00	7167.92
10	Other liabilities: (11+12)	1364.10	0.65	0.15	0.00	0.00
11	NSFR derivative liabilities		0.65	0.15	0.00	
12	All other liabilities and equity not included in the above categories	1364.1	0	0	0	0
13	Total ASF (1+4+7+10)					138210.50
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					1725.79
15	Deposits held at other financial institutions for operational purposes	68.67	0.00	0.00	0.00	34.33
16	Performing loans and securities: (17+18+19+21+23)	192.88	22285.79	10734.94	70066.30	66679.65
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	1884.6432	0	0	317.69648
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	13575.17041	10083.47732	55542.14127	51878.58
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	9210.2204	5986.64326
21	Performing residential mortgages, of which:	0	0	0	13266.1718	9535.93
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	8701.573	5656.02245
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	192.88	6825.97	651.46	1257.99	4947.45
24	Other assets: (sum of rows 25 to 29)	3417.43	0.00	0.00	10656.69	14053.01
25	Physical traded commodities, including gold	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	29.23	0.00	0.00	111.56	119.67252
27	NSFR derivative assets		0	0	0.5657	0.5657
28	NSFR derivative liabilities before deduction of variation margin posted		0	0	0.1943	0.1943
29	All other assets not included in the above categories	3388.20	0.00	0.00	10544.37	13932.5761
30	Off-balance sheet items	15774.19	0.00	0.00	0.00	732.08
31	Total RSF (14+15+16+24+30)					83224.87
32	Net Stable Funding Ratio (%)					166.07%

Schedule 18

"Notes on Standalone Accounts"

NSFR components as on Sept 30, 2024

(Amount In Crores)

NSFR Disclosure Template						
S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	12314.69	0.00	1000.00	10508.13	23822.82
2	Regulatory capital	12314.69	0.00	1000.00	1381.00	14695.69
3	Other capital instruments/termdeposit with res maturity of 1 year or more	0	0	0	9127.13	9127.13
4	Retail deposits and deposits from small business customers: (5+6)	67032.11	7707.74	36097.80	0.00	102984.26
5	Stable deposits	37504.28	4688.41	22414.85	0	61377.17
6	Less stable deposits	29527.83	3019.33	13682.95	0	41607.09
7	Wholesale funding: (8+9)	0.00	7187.33	10696.33	0.00	7915.96
8	Operational deposits	0.00	0.00	0.00	0	0.00
9	Other wholesale funding	0.00	7187.33	10696.33	0.00	7915.96
10	Other liabilities: (11+12)	312.50	0.11	0.00	0.00	0.00
11	NSFR derivative liabilities		0.11	0.00	0.00	
12	All other liabilities and equity not included in the above categories	312.4966	0	0	0	0
13	Total ASF (1+4+7+10)					134723.04
RSF Item						
14	Total NSFR high-quality liquid assets (HQLA)					1657.38
15	Deposits held at other financial institutions for operational purposes	68.67	0.00	0.00	0.00	34.33
16	Performing loans and securities: (17+18+19+21+23)	2210.99	19845.37	25506.81	53611.41	70668.39
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	200	0	0	65
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	14051.449	25307.5447	39935.372	56604.09
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	9714.9886	6314.74259
21	Performing residential mortgages, of which:	0	0	0	12551.9407	9038.26
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	8154.4416	5300.38704
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	2210.99	5593.92	199.27	1124.10	4961.04
24	Other assets: (sum of rows 25 to 29)	2816.47	0.00	0.00	11426.55	14221.84
25	Physical traded commodities, including gold	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	29.23	0.00	0.00	112.00	120.04788
27	NSFR derivative assets		0	0	0.5657	0.5657
28	NSFR derivative liabilities before deduction of variation margin posted		0	0	0.1943	0.1943
29	All other assets not included in the above categories	2787.24	0.00	0.00	11313.79	14101.0283
30	Off-balance sheet items	0.00	0.00	7801.65	0.00	335.00
31	Total RSF (14+15+16+24+30)					86916.94
32	Net Stable Funding Ratio (%)					155.00%



Schedule 18

"Notes on Standalone Accounts"

NSFR components as on June 30, 2024

(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	12201.61	0.00	1000.00	10541.04	23742.65
2	Regulatory capital	12201.61	0.00	1000.00	1381.00	14582.61
3	Other capital instruments/term deposit with res maturity of 1 year or more	0	0	0	9160.04	9160.04
4	Retail deposits and deposits from small business customers: (5+6)	65900.19	16896.53	23986.82	0.00	99240.11
5	Stable deposits	36776.40	10956.95	14965.17	0	59563.60
6	Less stable deposits	29123.78	5939.58	9021.65	0	39676.51
7	Wholesale funding: (8+9)	0.00	8787.75	8345.80	0.00	7716.46
8	Operational deposits	0.00	0.00	0.00	0	0.00
9	Other wholesale funding	0.00	8787.75	8345.80	0.00	7716.46
10	Other liabilities: (11+12)	312.50	0.00	0.00	0.00	0.00
11	NSFR derivative liabilities		0.00	0.00	0.00	
12	All other liabilities and equity not included in the above categories	312.4966	0	0	0	0
13	Total ASF (1+4+7+10)					130699.22

RSF Item

14	Total NSFR high-quality liquid assets (HQLA)					1360.46
15	Deposits held at other financial institutions for operational purposes	68.67	0.00	0.00	0.00	34.33
16	Performing loans and securities: (17+18+19+21+23)	2430.75	15616.64	26509.43	53554.29	69240.80
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	0	0	0	0
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	14336.82162	24007.82398	40788.64071	56852.66
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	9592.5019	6235.126235
21	Performing residential mortgages, of which:	0	0	0	12028.0489	8650.23
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	7868.0508	5114.23302
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	2430.75	1279.82	2501.61	737.60	3737.91
24	Other assets: (sum of rows 25 to 29)	2816.47	0.00	0.00	12771.51	15364.06
25	Physical traded commodities, including gold	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	29.23	0.00	0.00	1463.59	1268.897
27	NSFR derivative assets		0	0	7.2632	7.2632
28	NSFR derivative liabilities before deduction of variation margin posted		0	0	0.1569	0.1569
29	All other assets not included in the above categories	2787.24	0.00	0.00	11300.50	14087.7451
30	Off-balance sheet items	0.00	0.00	9777.04	0.00	432.14
31	Total RSF (14+15+16+24+30)					86431.81
32	Net Stable Funding Ratio (%)					151.22%

* Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

As per the extant RBI Guidelines, the banks are required to make Pillar 3 disclosures including Leverage Ratio, Liquidity Coverage Ratio and Net Stable funding ratio under the BASEL III Framework. Accordingly, these disclosures are being made available on the Bank's website i.e. www.jkbank.com. These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.

Schedule 18

"Notes on Standalone Accounts"

3. Investments

a) Composition of Investment Portfolio

As at 31st March, 2025

(Amount in crore)

Particulars	Investments in India						Investments outside India			
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others
Held to Maturity										
Gross	26105.1870	0	0	299.5965	0	0	26404.7835	0	0	0
Less: Provision for non-performing investments (NPI)	0	0	0	0	0	0	0.0000	0	0	0
Net	26105.1870	0	0	299.5965	0	0	26404.7835	0	0	0
Available for Sale										
Gross	5956.6124	0	0	2493.3024	0	6037.3234	14487.2382	0	0	0
Less: Provision for depreciation and NPI	0	0	0	263.6648	0	48.2429	311.9077	0	0	0
Net	5956.6124	0	0	2229.6376	0	5989.0805	14175.3305	0	0	0
FVTPL										
Gross	0	0	523.8251	51.3649	0	220.3535	795.5435	0	0	0
Less: Provision for non-performing investments (NPI)	0	0	430.9535	0	0	14.6886	445.6421	0	0	0
Net	0	0	92.8716	51.3649	0	205.6649	3499.014	0	0	0
Held for Trading										
Gross	21.1706	0	3.4982	0	0	0	24.6688	0	0	0
Less: Provision for depreciation and NPI	0	0	0	0	0	0	0.0000	0	0	0
Net	21.1706	0	3.4982	0	0	0	24.6688	0	0	0
ISJ (Investment in subsidiary & joint venture (Associates))										
Gross	0	0	0.00	0	257.9726	0	257.9726	0	0	0
Less: Provision for non-performing investments (NPI)	0	0	0	0	0	0	0.0000	0	0	0
Net	0	0	0.00	0	257.9726	0	257.9726	0	0	0
Total Investments	32082.9700	0	527.3233	2844.2638	257.9726	6257.6769	41970.2066	0	0	0
Less: Provision for non-performing investments	0	0	430.9535	263.6648	0	62.9315	757.5498	0	0	0
Less: Provision for depreciation and NPI										
Net	32082.9700	0	96.3698	2580.5990	257.9726	6194.7454	41212.6568	0	0	0



Schedule 18

"Notes on Standalone Accounts"

As at 31 st March, 2024		(Amount in crore)									
Particulars	Investments in India						Investments outside India				
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India
Held to Maturity											
Gross	28811.5937	0.0000	0.0000	0.0000	257.9726	0.0000	29069.5663	0	0	0	0
Less: Provision for non-performing investments (NPI)	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0	0	0	0
Net	28811.5937	0.0000	0.0000	0.0000	257.9726	0.0000	29069.5663	0	0	0	0
Available for Sale											
Gross	1108.9729	0.0000	555.1959	1141.8730	0.0000	4127.5777	6933.6195	0	0	0	0
Less: Provision for depreciation and non-performing investments (NPI)	0.0000	0.0000	455.3088	385.1987	0.0000	176.6113	1017.1188	0	0	0	0
Net	1108.9729	0.0000	99.8871	756.6743	0.0000	3950.9664	5916.5007	0	0	0	0
Held for Trading											
Gross	0.0000	0.0000	0.6525	0.0000	0.0000	0.0000	0.6525	0	0	0	0
Less: Provision for depreciation and non-performing investments (NPI)	0.0000	0.0000	0.0104	0.0000	0.0000	0.0000	0.0104	0	0	0	0
Net	0.0000	0.0000	0.6421	0.0000	0.0000	0.0000	0.6421	0	0	0	0
Total Investments	29920.5666	0.0000	555.8484	1141.8730	257.9726	4127.5777	36003.8383	0	0	0	0
Less: Provision for non-performing investments	0.0000	0.0000	453.4902	384.4227	0.0000	52.7887	890.7016	0	0	0	0
Less: Provision for depreciation and NPI	0.0000	0.0000	455.3192	385.1987	0.0000	176.6113	1017.1292	0	0	0	0
Net	29920.5666	0.0000	100.5292	756.6743	257.9726	3950.9664	34986.7091	0	0	0	0

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"Notes on Standalone Accounts"

For Classification measurement and valuation of Investments, new guidelines have been followed as per Board approved policy mandated by Reserve Bank of India vide its Master Direction Classification. Valuation and Operation of Investment Portfolio of Commercial Banks (Directions) 2023 issued on 12th September, 2023.

Thus, from 1st April 2024, investment portfolio (except investments in subsidiary, joint venture & associates) has been classified in Held to Maturity (HTM), Available for sale (AFS) and Fair value through Profit & Loss (FVTPL) with Held for Trading (HFT) as a separate investment sub category within FVTPL.

On transition to the framework on 1st April, 2024, the Bank has recognized a net gain of ` 26.31 crores (net of tax of ` 8.85 crores) which has been credited/effectuated to General Reserve.

In view of above, income/profit or loss from investments for the year ended March 31, 2025 is not comparable with that of the previous periods.

a) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ` crore)

Particulars	Current Year	Previous Year
i.) Movement of provisions held towards depreciation on investments		
a. Opening balance		176.83
b. Add: Provisions made during the year	-*	4.67
c. Less: Write off / write back of excess provisions during the year		55.07
d. Closing balance		126.43
ii.) Movement of Investment Fluctuation Reserve (IFR)		
a. Opening balance	209.58	209.58
b. Add: Amount transferred during the year	81.42	0.00
c. Less: Drawdown	0.00	0.00
d. Closing balance	291.00	209.58
iii.) Closing balance in IFR as a percentage of closing balance of investments in AFS and FVTPL including HFT	2.00	3.54

*Due to change in investment policy, there is no movement towards provision for depreciation on investment in the current year.

b) Sale and Transfers to/from Held to Maturity (HTM) Category

There was portfolio transfer during the FY 2024-25, with the approval of Board of Directors and in consonance with the RBI master direction RBI/DOR/2023-24/104 DOR.MRG.36/21.04.141/2023-24 dated September 12, 2023. There was reclassification of Investment portfolio with the introduction of FVTPL category. Treasury Operations also reclassified its portfolio as per directions laid down in master directions ibid. No Direct sale in HTM category were made during the FY 2024-25.

c) Non-SLR Investment Portfolio

i) Non-performing non-SLR investments

(Amount in ` crore)

S. No.	Particulars	Current Year	Previous Year
a)	Opening balance	903.76	870.39
b)	Additions during the year since 1 st April	11.48	47.37
c)	Reductions during the above period	150.74	14.00
d)	Closing balance	764.50	903.76
e)	Total provisions held excluding floating provision of ` 2.76 Crores and including ` 29.57 crore of interest capitalized)	757.55	890.70



Schedule 18

"Notes on Standalone Accounts"

ii) Issuer composition of non-SLR investments

(Amount in ` crore)

Sn.	Issuer	Amount		Extent of Private Placement		Extent of Below Investment Grade securities*		Extent of unrated Securities*		Extent of unlisted Securities*	
1	2	3		4		5		6		7	
Particulars		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
a)	PSUs	110.10	119.32	110.10	119.32				-		-
b)	Fis (incl. NBFC's AIFI'S)	2001.87	1447.28	1270.45	657.49	7.96	114.33		-		-
c)	Banks (incl. CD's)	5780.11	3211.96	492.10	0.00	0.00	0.00		-		-
d)	Private Corporates (incl. CP's)	1516.86	893.51	971.61	318.34	205.19	216.47	19.92	23.03	19.92	23.03
e)	Subsidiaries/Joint Ventures	257.97	257.97	-	-	-	-		-		-
f)	Others (SRs)	220.33	153.23	-	-	-	-		-		-
Total (A)		9887.24	6083.27	2844.26	1095.15	213.15	330.80	19.92	23.03	19.92	23.03
g)	Less: Provision held towards depreciation/NPI/ Interest Capitalized (B)**	757.55	1017.13	-	-	-	-		-		-
Total (A-B) **		9129.69	5066.14	2844.26	1090.15	213.15	330.80	19.92	23.03	19.92	23.03

*Investments in Equity, Equity Oriented Mutual Funds, Venture Capital, Rated Assets Backed Securities, Central and State Government Securities are not segregated under these categories as these are exempt from rating/listing guidelines.

** Excludes floating provision of `2.76 Crores

d) Repo transactions (in face value and market value terms)

(Amount in ` crore)

	Minimum outstanding during the year		Maximum outstanding during the year		Daily average outstanding during the year		Outstanding as on March 31	
	FV ¹	MV ²	FV	MV	FV	MV	FV	MV
i) Securities sold under repo								
a) Government securities	60.00	60.89	1512.00	1500.49	30.04	29.78	0.00	0.00
b) Corporate debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Any other securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Securities purchased under reverse repo								
a) Government securities	200.00	204.20	2669.00	2641.06	102.08	103.75	0.00	0.00
b) Corporate debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Any other securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note: 1 FV : Face Value

2 MV : Market Value

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"Notes on Standalone Accounts"

e) Government Security Lending (GSL) transactions (in market value terms)

Particulars		FY 2024-25				
		Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Total volume of transactions During the year	Outstanding as on 31 st March 25
a)	Securities lent through GSL transactions	0.00	0.00	0.00	0.00	0.00
b)	Securities borrowed through GSL transactions	0.00	0.00	0.00	0.00	0.00
c)	Securities placed as collateral under GSL transactions	0.00	0.00	0.00	0.00	0.00
d)	Securities received as collateral under GSL Transactions	0.00	0.00	0.00	0.00	0.00

Particulars		FY 2023-24			
		Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31 st March, 2024
a)	Securities lent through GSL transactions	0.00	0.00	0.00	0.00
b)	Securities borrowed through GSL transactions	0.00	0.00	0.00	0.00
c)	Securities placed as collateral under GSL transactions	0.00	0.00	0.00	0.00
d)	Securities received as collateral under GSL Transactions	0.00	0.00	0.00	0.00

- f) Investments in J&K Grameen Bank, sponsored institution (Associate) has been subject to valuation by an independent registered valuer. The impairment amounting to Rs. 48.89 crore has been provided for by recognising it as an expense in the Profit & Loss Account.
- g) The total investment of the Bank in PNB Met-life India Insurance Company Ltd stood at Rs.61.08 Crores as on 31.03.2025 (Previous year Rs.61.08 Crores). In compliance with RBI Letter No. DBOD.BP/-17099/21.4.141/ 2008-09 dated 9th April 2009, the investment stands transferred to FVTPL (FVT) Category on April 1st, 2025 as per RBI master direction RBI/DOR/2023-24/104 DOR.MRG.36/21.04.141/2023-24 dated September 12, 2023. The valuation has been carried out at an average of two independent valuation reports obtained from Category I Merchant Bankers as per RBI guidelines & the consequent appreciation has been ignored in view of the Accounting Policy in respect of such investments.

h) Floating Provisions (Investments)

Particulars	Current Year	Previous Year
Opening balance	2.76	2.76
Additions made during the year	0.00	0.00
Utilization made during the year	0.00	0.00
Closing Balance	2.76	2.76



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"Notes on Standalone Accounts"

4. Asset Quality

PARTICULARS	FY 2024-25						FY 2023-24 (01.04.2023-31.03.2024)					
	Standard			Non-Performing			Standard			Non-Performing		
	Total Standard Advances	Sub standard	Doubtful	Loss	Total Non Performing Advances	Total	Total Standard Advances	Sub standard	Doubtful	Loss	Total Non Performing Advances	Total
Gross Standard Advances and NPAs												
Opening Balance	93025.66	426.74	2750.82	778.64	3956.19	96981.86	80951.21	787.82	3434.83	981.78	5204.43	86155.64
Add: Additions during the year					952.91						1111.62	
Less: Reductions during the year					1304.26						2359.86	
Closing balance	103380.65	464.53	2489.38	650.93	3604.84	106985.49	93025.66	426.74	2750.82	778.64	3956.19	96981.86
*Reductions in Gross NPAs due to:		399.60	659.73	244.93	1304.26			882.45	1263.05	214.35	2359.86	
i) Upgradation					368.28						903.23	
ii) Recoveries (excluding recoveries from upgraded accounts)					511.57						843.95	
iii) Technical/ Prudential Write-offs					330.54						506.86	
iv) Write-offs other than those under (iii) above					18.38						22.60	
e) Due to Compromise/ settlement					75.45						83.23	
e) Interest Reversal					0.03						0.00	
Provisions (excluding Floating Provisions)												
Opening balance of provisions held	431.40	115.04	2262.68	778.64	3156.36	3587.76	546.08	134.15	2642.06	981.78	3757.99	4304.07
Add: Fresh provisions made during the year					29.10						-72.73	
Less: Excess provision reversed/ Write-off loans					477.16						528.90	
Closing balance of provisions held	516.07	124.62	1932.84	650.84	2708.30		431.40	115.04	2262.68	778.64	3156.36	

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"Notes on Standalone Accounts"

Asset Quality	FY 2023-24 (01.04.2023-31.03.2024)						
	FY2024-25				Standard		
	Standard	Non-Performing			Total	Non-Performing	
	Total Standard Advances	Sub standard	Doubtful	Loss	Total Non Performing Advances	Total Standard Advances	Total Non Performing Advances
Net NPAs							
Opening Balance		311.33	425.52	0.00	736.85		
Add: Fresh additions during the year					923.80		
Less: Reductions during the year					827.10		
Closing Balance ***		339.52	478.50	0.00	818.03		
	*** Closing Balance has been arrived after subtracting ICAP of Rs 13.36Cr (Rs 40.27 Cr as at 31.03.2024 and Rs 53.63 Cr as at 31.03.2025) and subtracting ECG/CGTMSE/NCGTC of Rs 2.16 Cr (Rs 22.72 Cr as at 31.03.2024 and Rs 24.88 cr as on 31.03.2025)						
Floating Provisions							
Opening Balance					124.48		124.48
Add: Additional provisions made during the year					66.00		0.00
Less: Amount drawn down during the year					0.00		0.00
Closing balance of floating provisions					190.48		124.48
Technical Write-Offs and the recoveries made thereon							
Opening balance of Technical/ Prudential written-off accounts					4794.96		4461.84
Add: Technical/ Prudential write-offs during the year					330.54		506.86
Less: Recoveries made from previously technical/ prudential written-off accounts during the year					314.37		173.74
Closing balance					4811.13		4794.96



Schedule 18

"Notes on Standalone Accounts"

Ratios	Current Year	Previous Year
Gross NPA to Gross Advances	3.37%	4.08%
Net NPA to Net Advances	0.79%	0.79%
Provision coverage ratio	90.28%	91.58%

b) Sector-wise Advances and Gross NPAs

(Amounts in ` crore)

S. No.	Sector	Current Year			Previous Year		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector
i)	Priority Sector						
1	Agriculture & Allied Activities	9828.19	353.06	3.59	9133.80	426.55	4.67
2	Advances to Industries sector eligible as priority sector lending	4088.33	343.35	8.4	3918.68	249.79	6.37
2.a	Manufacturing	4038.77	342.19	8.47	3866.73	248.42	6.42
3	Services	17870.61	779.05	4.36	17346.96	668.81	3.86
3.a	Services	7789.31	351.27	4.51	7485.44	263.92	3.53
3.b	Trade	9393.25	427.79	4.55	9438.58	404.89	4.29
4	Personal Loans	5111.24	47.56	0.93	5673.58	44.98	0.79
4.a	Personal	4323.77	40.83	0.94	5056.39	38.66	0.76
4.b	Micro-credit	787.47	6.73	0.86	617.19	6.32	1.02
	Sub-Total (i)	36898.37	1523.03	4.13	36073.02	1390.13	3.85
ii)	Non-Priority Sector						
1	Agriculture & Allied Activities	299.17	0.05	0.02	287.03	0.05	0.02
2	Industry	15009.05	433.09	2.89	11460.98	656.47	5.73
2.a	Manufacturing	3313.96	262.66	7.93	3697.25	442.58	11.97
2.b	Infrastructure	11687.78	168.54	1.44	7760.60	211.75	2.73
3	Services	16140.64	1361.09	8.43	15661.45	1641.89	10.48
3.a	Services	1820.35	345.43	18.98			
3.b	Trade	1989.96	351.50	17.66	2091.41	417.09	19.94
3.b	Financial Market	10477.63	488.90	4.67	10867.30	625.24	5.75
4	Personal loans	38638.25	287.58	0.74	33499.38	267.66	0.80
4.a	personal	36328.63	286.89	0.79	31952.92	267.00	0.84
	Sub-Total (ii)	70087.12	2081.81	2.97	60908.85	2566.07	4.21
	Total (i + ii)	106985.49	3604.84	3.37	96981.86	3956.19	4.08

Sub sectors have been shown where the outstanding advances exceeds 10% of the outstanding total advances to that sector.

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"Notes on Standalone Accounts"

c) Particulars of resolution plan and restructuring

Restructuring of advances in terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019

In terms of RBI Circular DBR No. BP. BC 45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets, the Bank has made additional provisions during previous quarters as per prescribed rates under the framework without any requirements for further provisions for the quarter ended March 31, 2025 as detailed below (Rs. in Crores):

Amount of loans impacted by RBI Circular (a)	Amount of loans to be classified as NPA (b)	Amount of loans as on 31.03.2025 out of (b) classified as NPA (c)	Provisions held as on 31.03.2025 (d)	Additional provision made during the year ended 31.03.2025 (e)	Provision held as on 31.03.2025 (f)
NIL					

d) Divergence in asset classification and provisioning:

No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2025, based on the conditions mentioned in RBI circular No. DBR.BP.BC. No.31/21.04.018/2018-19 dated 1st April, 2019.

e) Disclosure of transfer of loan accounts (SMAs & NPAs) in terms of RBI Circular No.DOR.STR.REC.51/21.04.048/2021-22 dated 24th September 2021, the details of loans transferred/acquired (Loan not in default) during the year Period 01-04-2024 to 31-03-2025

i) NPA accounts transferred during the period 01.04.2024 to 31.03.2025:

The details of the Non-Performing Assets transferred during the period 01.04.2024 to 31.03.2025 are given below:

(` In Crore)

S No	Particulars	Current Year			Previous Year		
		To ARCs	To permitted transferees	To other transferees	To ARCs	To permitted transferees	To other transferees
a.	No of accounts	0	X	1	0	X	0
b.	Aggregate principal outstanding of	0	X	115.27	0	X	0
c.	Weighted average residual tenor of the loans transferred (Years)	0	X	12	0	X	0
d.	Net book value of loans transferred (at the time of transfer)	0	X	0	0	X	0
e.	Aggregate consideration (` In Crore)	0	X	125.04	0	X	0
f.	Additional consideration realized in respect of accounts transferred in earlier years	0	X	0	0	X	0

Provision amounting to Rs. 115.27 Crore (cash & SR component of the sale) on sale of NPAs to Securitization Company (SC)/ reconstruction Company (RC) has been accounted for in the Profit & Loss Account.

- ii. The Bank has not acquired any stressed loan or NPA during the year.
- iii. The Bank has not transferred any Special Mention Account (SMA) and loan not in default.
- iv. Bank has not acquired any "Loan not in default" through assignment of loans.
- v. Bank has not acquired any stressed loans and not transferred any loan not in default/Special Mention Account (SMA).
- vi. Bank has not invested in Security Receipts (SR) issued by Asset Reconstruction Companies (ARC) in respect of stressed loans transferred to ARCs.
- vii. 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, 2025



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"Notes on Standalone Accounts"

(` In Crore)

Recovery Rating Band	Book Value as on 31.03.2025	Book Value as on 31.03.2024
RR1+	13.39	13.39
RR1	80.18	80.18
RR3	0.00	0.00
RR4	0.00	38.27
NA	120.97	21.40
Rating not assigned	0.00	0.00
Total	214.54	153.24

f) Fraud accounts

(` In Crore)

Particulars	Current year	Previous Year
Number of frauds reported	35	35
Amount involved in fraud (` Crore)	198.15*	241.76
Amount of provision made for such frauds	196.37	237.72
Amount of Unamortised provision debited from 'other reserves' as at the end of the year)	Nil	Nil

*During the FY 2024-25, the total number of fresh fraud cases declared/reported is 35 and amount involved was revised in 3 Fraud cases pertaining to Q4 of FY 2023-24, with aggregate total amount involved being `198.15 crores out of which an amount of `1.78 crores was recovered. Further the fraud amount of `198.15 crores includes one fraud reported in 2020-21 for an amount of ` 27.60 crores. It was deactivated because of Court ruling to give opportunity to the borrower as law of natural justice in the year 2024-25. However, after an opportunity to the borrower it has been reclassified as fraud during the year itself.

g) Resolution Framework for COVID-19 related stress

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) as at March 31, 2025 are given below:

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.	Of (A), aggregate debt that slipped into NPA during the half- year ended March 31, 2025	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, 2025
Personal Loans	43.68	0.51	0.00	5.22	37.95
Corporate persons*	237.80	0.00	0.00	43.16	194.64
Of which MSMEs	28.22	0.00	0.00	8.65	19.57
Others	117.01	5.39	0.00	11.49	100.12
Total	398.49	5.90	0.00	59.87	332.71

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

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"Notes on Standalone Accounts"

5. Exposures

a) Exposure to real estate sector

(Amount in Rs. Crores)

S. No	Particulars	Current Year	Previous Year
1.	Direct Exposure	17669.36	15962.28
	(i) Residential Mortgages	15980.49	14169.49
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	-	-
	Of which individual housing loans eligible for inclusion in priority sector advances	3760.90	4579.99
	(ii) Commercial Real Estate	1688.87	1792.79
	Landings secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-
	(iii) Investment in Mortgage-Backed Securities (MBS) and other securitized exposures:	-	-
	(a) Residential	-	-
	(b) Commercial real estate	-	-
2.	Indirect Exposure		
	Fund based and non-fund-based exposures on National housing Bank and Housing Finance Corporation	4916.55	3468.69
	Total Exposure to Real Estate Sector	22585.91	19430.97

b) Exposure to capital market

Particulars	(Amount in Crores of Rs.)	
	Current Year	Previous Year
i) Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	82.51	75.50
ii) Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	0.00	0.00
iii) Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	0.03	0.05
iv) Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	0.00	0.00
v) Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	25.00	15.00
vi) Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	0.00	0.00
vii) Bridge loans to companies against expected equity flows / issues;	0.00	0.00



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"Notes on Standalone Accounts"

Particulars	(Amount in Crores of Rs.)	
	Current Year	Previous Year
viii) Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	0.00	0.00
ix) Financing to stockbrokers for margin trading;	0.00	0.00
x) All exposures to Venture Capital Funds (both registered and unregistered)	0.03	0.00
Total exposure to capital market	107.57	90.55

c) Risk category-wise country exposure

(` in Crores)

Risk Category	Exposure (net) as at	Provisions held as at	Exposure (net) as at	Provisions held as at
	Mar-25	Mar-25	Mar-24	Mar-24
Insignificant	800.55	0.00	615.32	0.00
Low	42.81	0.00	76.12	0.00
Moderately Low	3.86	0.00	4.98	0.00
Moderate	1.48	0.00	0.00	0.00
Moderately High	0.00	0.00	1.53	0.00
High	0.00	0.00	2.03	0.00
Very high	0.00	0.00	0.00	0.00
Total	848.70	0.00	699.97	0.00

d) Unsecured Advances

(Amounts in ` crore)

Particulars	Current year	Previous Year
Total unsecured advances of the bank	29850.94	24683.27
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	Nil	Nil
Estimated value of such intangible securities	NA	NA

e) Factoring exposures

The Factoring Exposures of the Bank for the FY 2024-25 is NIL (Previous Year - Nil)

f) Intra-group exposures

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total Amount of intra-group Exposure	94.00	15.00
Total Amount of top-20 intra group exposures	94.00	15.00
Percentage of intra -group exposures to total exposures of the bank on borrowers/ customers	0.07%	0.01%
Details of breach of limit on intra-group exposures and regulatory action thereon, if any	NIL	NIL

g) Unhedged foreign currency exposure

In accordance with RBI circular no DBOD .BP.BC.85/21.06.200/2013-14 dated 15th January, 2014 and circular no DBOD. BP.BC.116/21.06.200/2013-14 dated 3rd June 2014, banks are required to make an additional provision in respect of borrowers with Un-hedged Foreign Currency Exposures (UFCE) from April 1, 2014 onwards. Accordingly, our bank has made the necessary provisions.

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"Notes on Standalone Accounts"

(Amounts in ` crore)

Particulars	Provision Held	
	Current Year 31.03.2025	Previous Year 31.03.2024
Opening balance	4.54	3.76
Additions during the Year	5.66	6.14
Deductions during the Year	0.68	5.35
Closing balance	9.52	4.54

The incremental capital held by the Bank towards the foreign currency exposure as on 31.03.2025 amounts to ` 0.89 Crores (previous year ` 1.13 crores)

6. Concentration of deposits, advances, exposures and NPAs

a) Concentration of Deposits

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total Deposits of 20 largest depositors	14469.9	13164.34
Percentage of 20 largest deposits to total Deposits of the Bank	9.74%	9.77%

b) Concentration of Advances

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total Advances to the twenty largest borrowers	18866.41	17692.73
Percentage of advances to twenty largest borrowers to total advances of the bank	16.87%	13.79%

c) Concentration of Exposures

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total exposure to the twenty largest borrowers/customers	18866.41	16071.68
Percentage of exposures to the twenty largest borrowers /customers to the total exposure of the bank on borrowers/customers	14.94%	15.19%

d) Concentration of NPAs

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total Exposure to the top twenty NPA accounts	1612.70	1811.70
Percentage of Exposure to the twenty largest NPA exposure to total Gross NPAs.	44.74%	45.79%

7. Derivatives

a) Forward rate agreement/Interest rate swap

(Amounts in ` crore)

Particulars	Current Year	Previous Year
i) The notional principal of swap agreements	0.00	0.00
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	0.00	0.00
iii) Collateral required by the bank upon entering into swaps	0.00	0.00
iv) Concentration of credit risk arising from the swaps	0.00	0.00
v) The fair value of the swap book	0.00	0.00



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"Notes on Standalone Accounts"

b) Exchange traded interest rate derivatives

(Amounts in ` crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument wise)	0.00	0.00
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 st March (instrument wise)	0.00	0.00
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)	0.00	0.00
iv)	Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)	0.00	0.00

c) Disclosures on risk exposures in derivatives

i) Qualitative disclosures

The only derivatives traded by the Bank in the foreign exchange market are forward contracts. Forward contracts are being used to hedge /cover the exposure in foreign exchange arising out of Merchant transactions and trading positions.

To cover the risks arising out of above derivatives, various limits like AGL, IGL and stop loss have been prescribed in the trading policy of the bank which are monitored through VaR.

Outstanding forward exchange contracts held for trading are revalued at the exchange rates for appropriate maturity rates as announced by FEDAI at the year-end exchange rates and the resultant gain/ loss is taken to revenue.

ii) Quantitative Disclosures

(Amounts in ` crore)

Sr. No	Particulars Currency Derivatives	Current Year		Previous Year	
		Interest Rate Derivatives	Currency Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
	a) For Hedging	NIL	NIL	NIL	NIL
	b) For Trading	NIL	NIL	NIL	NIL
(ii)	Marked to Market Position				
	a) Asset (+)	NIL	NIL	NIL	NIL
	b) Liability (-)	NIL	NIL	NIL	NIL
(iii)	Credit Exposure (2)	NIL	NIL	NIL	NIL
(iv)	Likely Impact of 1% change in interest rate (100*PV01)				
	a) On hedging derivatives	NIL	NIL	NIL	NIL
	b) On Trading derivatives	NIL	NIL	NIL	NIL
(v)	Maximum & minimum of 100*PV01 observed during the year				
	a) On hedging	NIL	NIL	NIL	NIL
	b) On Trading	NIL	NIL	NIL	NIL

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"Notes on Standalone Accounts"

d) Credit default swaps

Bank did not enter in any credit default swap.

e) Forward Exchange contracts as on 31-03-2025

(Amounts in ` crore)

Period	Current Year	Previous year
Up to 14 days	1043.74	349.89
Beyond 14 day	893.97	1048.15
Total	1937.71	1398.04

8. Disclosures relating to securitisation

(Amounts in ` crores)

S.no	Particulars	Mar 31 (Current Year)	Mar 31 (Previous Year)
1.	No of SPEs holding assets for securitisation transactions originated by the originator	Nil	Nil
2.	Total amount of securitised assets as per books of the SPEs	Nil	Nil
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	Nil	Nil
	a) Off-balance sheet exposures	Nil	Nil
	• First loss		
	• Others		
	On-balance sheet exposures	Nil	Nil
	First loss		
	Others		
4.	Amount of exposures to securitisation transactions other than MRR	Nil	Nil
	a) Off-balance sheet exposures	Nil	Nil
	i) Exposure to own securitisations		
	• First loss		
	• Others		
	ii) Exposure to third party securitisations		
	• First loss		
	• Others		
	b) On-balance sheet exposures	Nil	Nil
	i) Exposure to own securitisations		
	• First loss		
	• Others		
	ii) Exposure to third party securitisations		
	• First loss		
	• Others		
5.	Sale consideration received for the securitized assets and gain/loss on sale on account of securitization	Nil	Nil
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.	Nil	Nil
	(a) Amount paid		
	(b) Repayment received		
	(c) Outstanding amount		
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Nil	Nil



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"Notes on Standalone Accounts"

9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.	Nil	Nil
10.	Investor complaints (a) Directly/Indirectly received and; (b) Complaints outstanding	Nil	Nil

9. Off balance sheet SPVs sponsored

The bank has not floated any off balance Sheet SPV.

10. Transfers to Depositor Education and Awareness Fund (DEA Fund)

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Opening balance of amounts transferred to DEA Fund	280.15	273.93
Add: Amounts transferred to DEA Fund during the year	83.06	34.98
Less: Amounts reimbursed by DEA Fund towards claims	13.46	28.76
Closing balance of amounts transferred to DEA Fund	349.75	280.15

The Closing balance of amounts transferred to DEA Fund as disclosed above are also included under schedule 12 - Contingent Liabilities - other items for which the bank is contingently liable.

11. Disclosure of complaints

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

Sr. No	Particulars	Previous year (FY 2023-24)	Current year (FY 2024-25)
--------	-------------	----------------------------	---------------------------

Complaints received by the bank from its customers

1.	Number of complaints pending at beginning of the year	2324	1545
2.	Number of complaints received during the year	54686	94447
3.	Number of complaints disposed during the year	55465	94595
3.1	Of which, number of complaints rejected by the Bank	8273	37387
4.	Number of complaints pending at the end of the year	1545	1397

Maintainable complaints received by the bank from OBOs

5.	Number of maintainable complaints received by the bank from OBOs	616	357
5.1.	Of 5, number of complaints resolved in favour of the bank by BOs	589	141
5.2.	Of 5, number of complaints resolved through conciliation / mediation / advisories issued by BOs	29	216
5.3.	Of 5, number of complaints resolved after passing of Awards by BOs against the bank	0	0
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note : Maintainable complaints refer to complaints on the grounds specifically mentioned in BO Scheme 2006 and covered within the ambit of the Scheme

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"Notes on Standalone Accounts"

Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
		Current Year			
Ground - 1 (Internet/Mobile/Electronic Banking)	1221	81078	57.94	958	1
Ground - 2 (Loans and Advances)	135	6096	335.11	185	2
Ground - 3 (ATM/Debit Cards)	30	1650	859.30	54	0
Ground - 4 (Credit Cards)	12	924	488.53	21	0
Ground - 5 (Account opening/difficulty in operation of accounts)	21	649	329.80	19	0
Other Grounds • Staff Misbehaviour • Deficiency of services • Insurance • Leakage of Account Info • Non-Linkage of Aadhaar • Unauthorised Debits • Pension and facilities for Senior citizens/differently abled • Others	126	4050	174.94	160	7
\Total	1545	94447	72.70	1397	10
		Previous Year			
Ground - 1 (Internet/Mobile/Electronic Banking)	2291	51332	0.2	1221	0
Ground - 2 (Loans and Advances)	8	1401	129	135	0
Ground - 3 (ATM/Debit Cards)	1	172	161	30	0
Ground - 4 (Credit Cards)	1	157	59	12	0
Ground - 5 (Account opening/difficulty in operation of accounts)	1	151	26	21	0



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"Notes on Standalone Accounts"

Other Grounds	22	1473	110	126	1
• Staff Misbehaviour • Deficiency of services • Insurance • Leakage of Account Info • Non-Linkage of Aadhaar • Unauthorised Debits • Pension and facilities for Senior citizens/differently abled • Others					
Total	2324	54686	3	1545	1

12. Disclosure of penalties imposed by the Reserve Bank of India

During the year ended March 31, 2025, Reserve Bank of India (RBI) in exercise of the powers vested under the provisions of Section 47A(1)(c) read with Sections 46(4)(i) and 51(1) of the Banking Regulation Act, 1949 has levied following monetary penalties on the Bank:

(` In Crore)

S No.	Nature of Penalty	Number of Instances	Cumulative Amount
1.	Penalty imposed by RBI on Currency Chests/Branches*	34	`0.01509
2.	Penalty imposed by RBI on ATM Cash Outs**	66	`0.066
3.	Penalty on non-compliances	01	`3.318
	Total	101	`3.39909

*This amount has been recovered from the concerned employees.

** Out of penalty mentioned at serial 2, 22 instances amounting to Rs. 2.20 lakhs have been waived-off and reversed by RBI.

13. Disclosures on remuneration

Type of disclosure	Information	
Qualitative	a) Information relating to the composition and mandate of the Remuneration Committee.	Bank has constituted the Nomination and Remuneration Committee of the Board pursuant to the requirement of the Reserve Bank of India and the Companies Act, 2013, which constituted of following members of the Board as on 31.03.2025. Mr. Anand Kumar (Chairman N&RC) Ms. Shahla Ayoub Mr. Sankarasubramaniam Krishnan

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Type of disclosure	Information	
b)	Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.	The major objective of Banks' Compensation Policy are: - To ensure effective governance of compensation. - Actively oversee the compensation systems design and operation. - Monitor and review the compensation system to ensure the system operates as intended. - Employees engaged in financial system and control must be independent, have necessary authority and must be compensated in a manner that is Independent of the business areas they oversee and commensurate with their key role in the Bank. - To ensure effective alignment of compensation with prudent risk taking: - Compensation must be adjusted for all types of risks. - Compensation outcome must be symmetric with risk outcomes. - Compensation pay out schedules must be sensitive to the time horizon of risks. - The proportion of cash, equity and other forms of compensation must be consistent with risk alignment. - To comply with the regulatory directives whereby all private sector banks are required to formulate and adopt a comprehensive Compensation Policy covering all their employees and conduct annual review thereof. - To attract, develop and retain high-performing and motivated employees The Compensation Policy of the Bank is in line with the regulatory guidelines, however as per Board directions, the policy shall be considered for implementation once the Bank reaches a cost to income ratio of 50% or below, in-line with the peer banks. The Bank being a member bank of Indian Banks' Association (IBA), as such the compensation structure of the Banks' employees is currently guided by the IBA stipulated pay structure. However, in the case of Contractual Senior Employees viz. MD & CEO, ED and the CFO, the compensation structure (for the FY 2023-24) is aligned as per the compensation policy.
c)	Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	The Compensation Policy of the Bank is in line with the regulatory guidelines, however as per Board directions, the policy shall be considered for implementation once the Bank reaches a cost to income ratio of 50% or below, in-line with the peer banks. The Bank being a member bank of Indian Banks' Association (IBA), as such the compensation structure of the Banks' employees is currently guided by the IBA stipulated pay structure, without any performance linked variable components. However, in the case of Contractual Senior Employees viz. MD & CEO, ED and the CFO, the compensation structure (for the FY 2023-24) is aligned as per the compensation policy, wherein performance linked Variable pay is included within the remuneration. As per the Compensation Policy, various types of risks are to be taken into account by the Bank in its remuneration process. A wide variety of measures of credit, market, liquidity and various other risks shall be used by the bank in implementation of risk adjustment which shall involve both quantitative and judgmental elements. In order to manage current and future risks, the compensation policy stipulates variable pay as a component of the compensation structure of Whole Time Directors, Material Risk Takers (MRTs) and Control function staff. The variable portion of the compensation comprises of cash and non-cash (share linked instruments) components which is deferred over a period of 3 years so that the compensation is adjusted for all types of risks that the Bank may be exposed to. The compensation policy also stipulates 'malus' and 'clawback' options to take into account specific crystallised risk, adverse performance outcomes including those related to misconduct and deterioration in financial performance of the Bank.



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"Notes on Standalone Accounts"

Type of disclosure		Information	
	d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	As per the compensation policy, the variable component of remuneration (wherever applicable) is assessed by the Bank based on the individual performance in relation to KRAs for a reference performance year. KRAs take into consideration both the quantitative (financial aspects) and qualitative (nonfinancial aspects) parameters. The quantum of Variable Pay is a function of the Bank's and the individual's performance with due adjustment for risks involved.
	e)	A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.	As per the bank's compensation policy, deferral and vesting of variable remuneration shall apply to the MD & CEO/Whole Time Directors (WTDs), Material Risk Takers (MRTs) and control Function staff. The Material Risk Takers (MRTs) and Control Function Staff designated by the Bank within the policy include the following: a) Material Risk Takers (MRTs) The following officials have been identified as MRTs based on the RBI stipulated qualitative and quantitative criteria for identification of MRTs. General Managers within the following domains. 1. Consumer & Commercial Banking (CCB)/Corporate Banking (including Divisional Heads in business line function) 2. Central Banking Operations (CBO) 3. Govt. Banking & Treasury Ops. 4. Strategy & IT 5. BSD, Insurance 6. Human Resources 7. IAPM 8. Law

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"Notes on Standalone Accounts"

Type of disclosure	Information
	b) Control Function Staff The following officials have been identified as the Control Function Staff: 1. Chief Compliance Officer (CCO)/GCO 2. Head of Internal Audit (HIA) 3. Chief Risk Officer (CRO) 4. CIV/CVO 5. Company Secretary 6. Finance/CFO In line with the RBI guidelines, the Bank's compensation policy stipulates the following principles for Deferral / vesting of variable remuneration for WTDs/CEO, MRTs: • At least 50% of Total Pay, should be variable. • The variable pay can be in the form of share-linked instruments or a mix of cash and share-linked instruments. There should be proper balance between the cash and share-linked components in the variable pay. Only in cases where the compensation by way of share-linked instruments is not permitted by law/regulations, the entire variable pay can be in cash. • A minimum of 50% of the Total Variable Pay shall be paid via non-cash instruments. • The compensation policy stipulates that the total variable pay of the MD & CEO to be limited to a maximum of 100% of the fixed pay (as against the maximum permissible regulatory ceiling of 300% of the fixed pay), to be allocated equally (50%) between the cash component and non-cash component. The said ceiling being the minimum would apply to the MRTs and Control Function staff as well. • Cash Component: (a) Upfront payment shall be 50% of cash component of Variable Pay (b) Deferred payment shall be 50% of cash component of Variable Pay • Non-cash Components (share-linked instruments): (a) ESOP/ESOS: The monetary value, of grant of share-linked instruments shall not exceed 50% of Variable Pay • Period of Deferral Arrangement: The deferral period shall be a minimum of three years. This would be applicable to both the cash and non-cash components of the variable pay. However, in cases where the cash component of variable pay is under INR 25 lakhs, deferral requirements for cash component will not apply. Members of staff engaged in financial and risk control, including internal audit, should be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the bank. The mix of fixed and variable compensation for control function personnel should be weighted in favour of fixed compensation, as such the requirement of minimum 50% of total compensation to be paid in the form of variable pay will not be applicable for this category of staff. However, a reasonable proportion of compensation has to be in the form of variable pay, so that exercising the options of malus and/or clawback, when warranted, is not rendered infructuous. The Compensation policy stipulates Malus and Clawback clauses for adjusting deferred remuneration before & after vesting (applicable for WTDs, CEO, MRTs and Control function Staff): Malus: Payment of all or part of amount of deferred variable pay can be prevented Clawback: Previously paid or already vested deferred variable pay can also be recovered under this clause.



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Type of disclosure	Information
	FRAMEWORK TO INVOKE MALUS / CLAWBACK CLAUSES: The variable pay shall be subject to ex-post risk adjustment measures to take into account specific crystallised risk or adverse performance outcome including those relating to misconduct. It shall include reduction of current year awards (in-year adjustment), the application of malus (reducing or cancelling deferred pay that have not yet vested), and clawback (recouping already vested awards). The 'malus' and 'clawback' clause will be invoked when the employee demonstrates fraudulent behavior, moral turpitude, lack of integrity, flagrant breach of company policies and statutory norms resulting in financial or non- financial losses. Malus and clawback will be applied basis informed judgment of NRC for following conduct/risk related circumstances: - Any act which exposes the bank to substantial risk. - Non-disclosure of material conflict of interest by the employee or any misuse of official powers. - Any misconduct pertaining to moral turpitude, theft, misappropriation, corruption, forgery, embezzlement or an act of a felonious or criminal nature. - Fraud, breach of trust, dishonesty, or wrongful disclosure by the employee of any confidential information pertaining to the bank or any of its affiliates. - Wilful misinterpretation / misreporting of financial performance of the bank. - Material failure in risk management controls or material losses due to negligent risk-taking which are attributable to the employee, whether directly or indirectly. - An act of wilful, reckless or grossly negligent conduct which is detrimental to the interest or reputation of the bank or any of its affiliates, monetarily or otherwise. - Material breach of: - Code of Conduct - Any Non-Disclosure Agreement - Regulatory procedures - Internal rules and regulations or any other such instance for which the NRC, in its discretion, deems it necessary to apply malus or / and clawback provisions. - Violation of guidelines for Anti Hedging and guidelines for Prevention of Insider Trading. The occurrence of any/some/all of the above conditions/events shall trigger a review by the Nomination and Remuneration Committee for the application of the Malus or the Clawback arrangement. Malus may be applied to the following additional circumstances: - In the event of deterioration in financial performance in form of drop in Profit After Tax (PAT) from one financial year to the next by 30% or more, the NRC shall evaluate and decide if Malus needs to be applied on none, part or all of the unvested deferred variable compensation. For the evaluation, the NRC may take into consideration conditions leading to the deterioration in financial performance, including changes in regulations, industry performance and others.

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"Notes on Standalone Accounts"

Type of disclosure	Information	
		ii. In the event when there is a deterioration of more than 5% in the operating profit and/or net Non- Performing Asset (NPA)/to net Advances exceeds 0.75%, and deterioration in any other specific performance criteria that may be laid down by the Nomination and Remuneration Committee (NRC). The NRC will review the performance taking into consideration the macroeconomic environment as well as the internal performance indicators and accordingly decide whether any part of the deferred tranche belonging to a financial year merits a withdrawal. iii. In the event where the assessed divergence in Bank's provisioning for Non-Performing Assets (NPAs) or asset classification exceeds the prescribed threshold for public disclosure, the Bank shall not pay the unvested portion of the variable compensation for the assessment year under 'Malus' clause. Such a scenario can also lead to the invoking of the 'Clawback' clause. Further, in such situations, no proposal for increase in variable pay (for the assessment year) shall be entertained. In case the Bank's post assessment Gross NPAs are less than 2.0%, these restrictions will apply only if criteria for public disclosure are triggered either on account of divergence in provisioning or both provisioning and asset classification. Final decision to invoke malus and/or clawback shall be approved by NRC. In deciding the application of malus / clawback to any part or all of variable pay or incentives (whether paid, vested or unvested), the NRC will follow due process and adhere to the principles of natural justice and proportionality. Further, in assessing the quantum of cancellation / withdrawal, the NRC will take into consideration all relevant factors, including inter alia, internal factors such as role and responsibilities of the employee, culpability and proximity to the misconduct as well as any external factors that may have been beyond the control of the concerned employee. Prior to yearly pay out of the deferred components of Total Variable Pay, NRC shall review the release of the pay-out. In the event where the clawback clause is invoked, the employee will agree to return the previously received Total Variable Pay back to the Bank, taking into account relevant regulatory/ statutory stipulations. In case the vested stock options have already been exercised, the employee shall return fair value of options at the time of grant, using Black-Scholes model
f)	Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the bank utilizes and the rationale for using these different forms.	The compensation policy of the Bank stipulates the following components of performance linked variable pay: • Cash component • Non-cash component (share linked instruments). This shall be granted to employees, in the form of Employee Stock Options (ESOPs). The Bank shall have in place an Employee Stock Option Scheme (ESOS), formulated in accordance with the SEBI- SBEBSE (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. ESOS shall have an inbuilt deferral design; grant immediately following the reference performance year with no immediate vesting, 30% vesting after end of first year following the reference performance year, next 30% vesting after end of second year & balance 40% vesting after the end of third year, which is intended to spread and manage risk. • Employee stock options shall be fair valued on the date of grant by the Bank using Black-Scholes model.



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"Notes on Standalone Accounts"

		Particulars	Current Year	Previous Year
Quantitative Disclosures (The quantitative disclosures should only cover Whole Time Directors/ Chief Executive Officer/Material Risk Takers)	g)	Number of meetings held by the Nomination and Remuneration	The Committee met ten times during the year and total sitting fee of `11,60,000* was paid to the Members of the Committee. (*It is pertinent to mention that in addition to the above fee, GST @ 18% has been paid, out of which 9% has been claimed as input credit.	The Committee met ten times during the year and total sitting fee of `12,00,000.00* was paid to the Members of the Committee. (*It is pertinent to mention that in addition to the above fee, GST @ 18% has been paid, out of which 9% has been claimed as input credit.
	h)	i) Number of employees having received a variable remuneration award during the financial year.	3	NIL
		ii) Number and total amount of sign-on awards made during the financial year.	NIL	NIL
		i) Details of guaranteed bonus, if any, paid as joining / sign on bonus	NIL	NIL
		ii) Details of severance pay, in addition to accrued benefits, if any.	NIL	NIL
	i)	i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	*Cash (Deferred): ` 0.36 Cr *Non-Cash/ ESOP (Deferred): ` 1.22 Cr *pertains to the assessment of variable pay for the reference performance year (FY 2021-22 & 2022-23 & 2023-24).	*Cash (Deferred): ` 0.12 Cr *Non-Cash/ ESOP (Deferred): ` 0.35 Cr *pertains to the assessment of variable pay for the reference performance year (FY 2021-22 & 2022-23).
		ii) Total amount of deferred remuneration paid out in the financial year.	` 5,33,895	NIL
	j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	Total Fixed Salary: ` 1.43* Total Variable Pay: Nil** *MD & CEO/WTM **Variable Pay assessment for MD & CEO/WTM for FY 2024- 25 is pending.	Total Fixed Salary: ` 4.86 Cr Total Variable Pay: Nil* *Variable Pay assessment for MD & CEO/WTM/MRT for FY 2023-24 is pending.
		i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	NIL	NIL

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"Notes on Standalone Accounts"

		Particulars	Current Year	Previous Year
	k)	ii) Total amount of reductions during the financial year due to ex post explicit adjustments.	NIL	NIL
		iii) Total amount of reductions during the financial year due to ex post implicit adjustments.	NIL	NIL
	l)	Number of MRTs identified	9* *Identified as per the Compensation Policy of the Bank	10* *Identified as per the Compensation Policy of the Bank
	m)	(i) Number of cases where malus has been exercised	NIL	NIL
		(ii) Number of cases where clawback has been exercised	NIL	NIL
		(iii) Number of cases where both malus and clawback have been exercised.	NIL	NIL
General Quantitative Disclosure	(n)	The mean pay for the Bank as a whole (excluding sub- staff) and the deviation of the pay of each of its WTDs from the mean pay.	➤ Mean pay for the Bank as a whole for all employees (excluding sub-staff) who were in employment for FY2024-25 was ` 16.96 lacs Ratio of pay of WTD to the mean pay for the bank as a whole (for FY 2024-25): 6.78X ➤ Mean pay for the Bank as a whole for all employees (excluding sub-staff) who were in employment for FY2023-24 was ` 14.44 lacs Ratio of pay of WTD to the mean pay for the bank as a whole (for FY 2023-24): 9.53X	

Private sector banks shall also disclose remuneration paid to the non-executive directors on an annual basis at the minimum, in their Annual Financial Statements.

Details of Remuneration paid to Non - Executive Directors during FY 2024-25

Name	Sitting Fee	Fixed Remuneration (FY 2023-24)	Total
Mr. R K Chhibber	22,00,000	10,00,000	32,00,000
Dr. Rajeev Lochan Bishnoi	17,20,000	10,00,000	27,20,000
Mr. Naba Kishore Sahoo	20,80,000	10,00,000	30,80,000
Mr. Umesh Chandra Pandey	19,60,000	10,00,000	29,60,000
Mr. Anil Kumar Goel	21,60,000	10,00,000	31,60,000
Mr. Anand Kumar	25,20,000	10,00,000	35,20,000
Mr. Saniv Dayal	1,20,000	0	1,20,000
Total	1,27,60,000	60,00,000	1,87,60,000

14. Other Disclosures

a) Business ratios



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"Notes on Standalone Accounts"

Particulars	Current Year	Previous Year
Interest Income as a percentage to Working Funds	7.94%	7.76%
Non-Interest Income as a percentage to Working Funds	0.72%	0.57%
Cost of Deposits	4.75%	4.57%
Net Interest Margin	3.92%	3.92%
Operating Profit as a percentage to Working Funds	1.86%	1.58%
Return on Assets	1.32%	1.22%
Business (deposits plus advances) per employee(in ` crore)	20.18	17.81
Profit per employee (in ` crore)	0.17	0.14

* Working funds and Assets are the average of monthly total assets as reported to RBI in Form X.

** Net Interest Margin is the Net Interest Income divided by average Earning Assets. Net Interest Income is the difference between the Interest Income and the Interest Expenses

*** Deposits (other than inter-bank deposits) & Gross Advances are as at the close of the year.

b) Bancassurance business

Fees/brokerage earned in respect of the insurance broking, agency and bancassurance business

(Amounts in ` crore)

Name of the Company	Current Year FY2024-25	Previous Year FY2023-24
PNB MetLife	48.42	55.69
Life Insurance Corporation of India	0.94	1.67
Bajaj Allianz Life Insurance Company Limited	28.15	22.17
Bajaj Allianz General Insurance Company Limited	23.89	22.73
IFFCO TOKIO General Insurance Company	4.24	3.51
New India Assurance Company Limited	0.45	0
Total	106.09	105.77

c) Marketing and distribution

The details of fees / remuneration received in respect of the marketing and distribution function (excluding bancassurance business) are as under:

S. No	Nature of income	Current Year	Previous Year
1	Commission from JKBFSL on opening DEMAT Accounts	0.48	0.16
2	Commission from JKBFSL on mobilizing Mutual Funds	0.06	0.12
3	Service Charges from PMFBY	0.22	0.42
Total		0.76	0.70

d) Disclosures regarding Priority Sector Lending Certificates (PSLCs)

The Bank has purchased the following PSLCs during the year:

(in ` crore)

Category	Current Year (Currency Face Value)	Previous Year (Currency Face Value)

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"Notes on Standalone Accounts"

PSLC Small and Marginal Farmers	NIL	1708.00
Total	NIL	1708.00

The Bank has sold the following PSLCs during the year:

(in ` crore)

Category	Current Year (Currency Face Value)	Previous Year (Currency Face Value)
PSLC Small and Marginal Farmers	NIL	0.00
Total	NIL	0.00

e) Provisions and contingencies

(in ` crore)

S. No	STANDALONE DETAILS OF PROVISIONS	YEAR ENDED 31.03.2025	YEAR ENDED 31.03.2024
1	Provision for Taxes (A+B)	851.25	617.30
	A. Income Tax	686.06	588.79
	B. Deferred Tax	165.18	28.51
2	Provision for Bad & Doubtful Debts	29.50	(73.61)
3	Provision for Standard Assets	84.67	(114.68)
4	Provision for Non Performing Investment	(90.27)	75.88
5	Provision for diminution in the fair value of restructured/rescheduled advances	(34.48)	0.00
6	Provision for Contingent Liabilities	(0.14)	0.10
7	Provision for excess debit in IBR	3.76	-
8	Provision for Frauds/ Embezzlements (other than Advances)	3.05	4.62
	Total :-	847.33	509.61

f) Implementation of IFRS converged Indian Accounting Standards (Ind AS)

IND AS roadmap for scheduled commercial banks (excluding regional rural banks), insurers/insurance companies and nonbanking financial companies (NBFCs) was issued by Union Ministry of Corporate Affairs (MCA) through press release dated 18 January 2016. IND AS was applicable to the Bank in accordance with the MCA press release from financial year 2018-19 which was deferred to financial year 2019-20 vide RBI's Press Release (2017-18/2642) dated 5 April 2018. RBI has further deferred implementation of IND AS till further notice vide its Circular no DBR.BP.BC.No. 29/21.07.001/2018-19 dated 22.03.2019. The Bank accordingly, has appointed a Consultant to assist in implementation of the Ind AS. The Board & is being apprised of the progress made from time to time. Further, Bank is submitting the Proforma Ind AS Financial Statements to the RBI.

g) Payment of DICGC Insurance Premium

(Amount in ` crore)



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S. no	Particulars	Current Year	Previous Year
i)	Payment of DICGC Insurance Premium	152.18	143.24
ii)	Arrears in payment of DICGC premium	Nil	Nil

h) Disclosure on amortisation of expenditure on account of enhancement in of employees of banks

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 ₹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 ending 31st 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 ₹ 3.625 Crores and ₹ 14.50 crores to the Profit & Loss account for the quarter & Year ended 31st March 2025 respectively and the balance unamortized expense of ₹ 14.50 Crores has been carried forward. Had the Bank charged the entire additional liability to the profit & loss account, the consequential net profit for the year ended March 31, 2025 would have been ₹ 2067.96 crores.

i) Disclosure of Letters of Comfort (LoCs) issued by banks (CCB / Forex)

The Bank has not issued any letter of comfort on behalf of the customers or on its behalf in respect of trade credits during the FY 2024-25.

j) Portfolio-level information on the use of funds raised from green deposits

(Amount in ₹ crore)

Particulars	Current Financial Year	Previous Financial Year	Cumulative*
Total green deposits raised (A)			
Use of green deposit funds**			
(1) Renewable Energy	No such scheme is available for the reference period. However, the Bank is in process to roll out the Green Deposit scheme.		
(2) Energy Efficiency			
(3) Clean Transportation			
(4) Climate Change Adaptation			
(5) Sustainable Water and Waste Management			
(6) Pollution Prevention and Control			
(7) Green Buildings			
(8) Sustainable Management of Living Natural Resources and Land Use			
(9) Terrestrial and Aquatic Biodiversity Conservation			
Total Green Deposit funds allocated (B = Sum of 1 to 9)			
Amount of Green Deposit funds not allocated (C = A - B)			
Details of the temporary allocation of green deposit proceeds pending their allocation to the eligible green activities/projects			

* This shall contain the cumulative amount since the RE started offering green deposits. For example, if a bank has commenced raising green deposits from June 1, 2023, then the annual financial statement for the period ending March 31, 2025, would contain particulars of deposits raised and allocated from June 1, 2023, till March 31, 2025. Further, the actual amount of green deposits raised during the year and use of such funds shall be given under this disclosure.

**Under each category, REs may provide sub-categories based on the funds allocated to each sub-sector. For example, REs may provide sub-categories like solar energy, wind energy, etc. under "Renewable Energy".

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"Notes on Standalone Accounts"

15. Disclosure Requirements as per the Accounting Standards

a) Accounting Standard 5: Net Profit or Loss for the period, Prior Period Items, and Changes in Accounting Policies

- During the year, there were no material prior period income/expenditure items.
- (i) To be more prudent the Bank has made additional provision of Rs. 133.89 crore on its secured portion at the rate of 10% on its non-performing assets held in sub-standard, D-1, & D-2 Category over and above the prescribed norms.

b) Accounting Standard - 15 "Employee Benefits"

The bank has recognized in its books of accounts the liability arising out of employee benefits as the sum of the present value of obligation as reduced by fair value of plan assets on the balance sheet date, as under:

I - Principal Actuarial Assumptions as the Balance Sheet date:

Actuarial Assumptions	PENSION		GRATUITY		LEAVE ENCASHMENT	
Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Discount Rate	7.05%	7.20%	6.85%	7.20%	6.85%	7.20%
Expected Return on Plan Assets	7.05%	7.20%	6.85%	7.20%	6.85%	NA
Rate of Escalation in salary	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Attrition Rate	1%	1%	1%	1%	1%	1%

II - Changes in Present value of the obligation (PVO)-Reconciliation of Opening & Closing Balance

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Present value of Obligation 01.04.2024	3440.67	906.39	510.93
Interest Cost	247.73	65.26	36.79
Current Service Cost	75.64	36.10	14.58
Benefits paid	(434.97)	(67.69)	(41.67)
Actuarial loss/ (gain) on obligations (Balancing figure)	742.21	(3.64)	70.26
Present Value of Obligations, 31.03.2025	4071.28	936.42	590.89

III -Changes in the Fair Value of the Plan Assets-Reconciliation of Opening & Closing Balances:

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Fair Value of Plan Assets 01.04.2024	3440.55	1149.46	0.00
Expected return on Plan assets	247.72	82.76	14.17
Contributions by Bank	830.71	-	618.70
Benefits paid	(434.97)	(67.69)	(41.67)
Actuarial (loss)/ gain on Plan Assets (Balancing figure)	(12.73)	1.25	(0.31)
Fair Value of Plan Assets, 31.03.2025	4071.28	1165.78	590.89

IV -Actual return on Plan Assets

(` In Crore)



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"Notes on Standalone Accounts"

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Expected return on Plan Assets	247.72	82.76	14.17
Actuarial (loss)/ gain on Plan Assets	(12.73)	1.25	(0.31)
Actual Return on Plan Assets	234.99	84.01	13.86

V - Net Actuarial Gain/ (loss) recognized

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Actuarial (Gain)/loss for the period - Obligation	742.21	(3.64)	70.26
Actuarial (Gain)/ loss for the period - Plan Assets	12.73	(1.25)	0.31
Total (Gain)/Loss for the period	754.94	(4.89)	70.57
Actuarial (Gain) or loss recognized in the period	754.94	(4.89)	70.57
Unrecognized Actuarial gain/ (loss) at the end of the year	0.00	0.00	0.00

VI -Amount recognized in Balance Sheet & Related Analysis

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
(Present value obligation, 31.03.2025)	(4071.28)	(936.42)	(590.89)
Fair Value of Plan Assets, 31.03.2025	4071.28	1,165.78	590.89
Difference	0.00	229.36	0.00
Unrecognized Transitional Liability	0.00	0.00	0.00
Unrecognized Past Service cost-vested benefits-Carried Forward	0.00	0.00	0.00
Liability Recognized in the Balance Sheet	0.00	(229.36)	0.00
Negative amount determined under Paragraph 55 of AS-15(R)	-	-	-
Present value of available refunds and reductions in future contributions	-	-	-
Resulting asset as per Paragraph 59 (b) of AS-15 (R)	-	229.36	-

VII -Expense recognized in Profit and Loss Statement

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Current Service Cost	75.64	36.10	14.58
Interest Cost	247.73	65.26	36.79
Expected return on Plan assets	(247.72)	(82.76)	(14.17)
Net Actuarial (Gain)/loss recognized in the year	754.94	(4.89)	70.57
Past Service Cost-Recognized	0.00	0.00	0.00
Expenses recognized in the statement of profit and loss	830.59	13.71	107.77

VIII-Movement in Net liability to be recognized in Balance Sheet

(` In Crore)

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Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Opening Net Liability	0.12	(243.07)	510.93
Expenses	830.59	13.71	107.77
(Employer's Contributions)	(830.71)	-	(618.70)
Closing Net Liability /(Asset) (Liability recognized in B/S in current period)	0.00	(229.36)	0.00

IX -Amount for the Current Period

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Defined Benefit Obligation	4071.28	936.42	590.89
Plan Assets	4071.28	1165.78	590.89
Surplus/(Deficit)	0.00	229.36	0.00
Experience adjustments on plan liabilities	1419.60	(34.26)	51.74
Actuarial loss/(gain) due to change in financial assumptions	(677.39)	30.62	18.52
Experience adjustments on plan assets	(12.73)	1.25	(0.31)
Net actuarial loss/ (gain) for the year	754.94	(4.89)	70.57

X -Major Categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	PENSION (%)	GRATUITY (%)
Government of India Securities	1%	6.08%
State Government Securities	0	42.58%
High Quality Corporate Bonds	0	38.74%
Equity Shares of listed companies	0	5.04%
Funds managed by Insurer	99%	0.22%
Other- Bank Deposits and CD's	0	7.34%
Treasury Bills	0	0
Total	100	100.00

XI -Best Estimate of contribution during next year

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Bank's best estimate of Contribution during next year	875	25	100

Particular Basis of assumption:

Discount rate: Discount rate has been determined by reference to market yields on the balance sheet date on Government Bonds of term consistent with estimated term of the obligations as per para 78 of AS-15(R).

Expected rate of return on plan assets: The expected return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

Rate of escalation in salary: The estimates of future salary increases considered in actuarial valuations taking into account



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inflation, seniority, promotion and other relevant factors mentioned in paras 83-91 of AS-15R.

Attrition rate: Attrition rate has been determined by reference to past and expected future experience and includes all types of withdrawals other than death but including those due to disability.

*The above information is based on the information certified by the actuary except para XI above.

Hitherto, the Bank has been doing Investments in annuities for its pension payments with return on capital. However, from this year, the Bank has opted for investments for pension payments with non-return on capital. Accordingly, the actuarial valuation for pension liability for the year has reduced by Rs.112 crores. Consequently an amount of Rs.112 crores has been credited to "Payment & Provision for Employees" during the year. Figures of previous year not comparable to that extent

c) Accounting Standard - 17 "Segment Reporting"

- i) The Bank has recognized business segment as its primary reportable segment under AS-17 classified into treasury, Corporate/ Wholesale banking, Retail banking and other banking Business. The necessary disclosure is given below:

STANDALONE SEGMENT REPORTING FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2025	YEAR ENDED (₹ In Crore)	
	31.03.2025	31.03.2024
PARTICULARS	(AUDITED)	(AUDITED)
1) SEGMENT REVENUE (INCOME)		
i) Treasury Operations	3187.34	2719.30
ii) Corporate/Wholesale Banking	2741.16	2477.36
iii) Retail Banking	8998.45	7931.88
(a) Digital Banking	0.12	0.08
(b) Other Retail Banking	8998.33	7931.80
iv) Other Banking Business	106.50	106.77
v) Un-Allocated Business	0.00	0.00
Total	15033.45	13235.31
Less: Inter Segment Revenue	1360.78	1197.46
Net Income from Operations	13672.67	12037.85
2) Segment Results		
i) Treasury Operations	99.66	139.69
ii) Corporate/Wholesale Banking	1820.59	1394.06
iii) Retail Banking	2308.94	2062.31
(a) Digital Banking	(0.89)	(0.77)
(b) Other Retail Banking	2309.83	2063.08
iv) Other Banking Business	104.84	105.34
v) Un-Allocated Business	(1400.33)	(1316.83)
Profit/(Loss) from Ordinary Activities (Before Tax)	2933.70	2384.57
Less: Tax Expenses/(credit)	851.24	617.30
Less: Extraordinary Profit/(Loss)	0.00	0.00
Net Profit/(Loss) After Tax	2082.46	1767.27
3) Segment Assets		
i) Treasury Operations	54017.34	46444.45
ii) Corporate/Wholesale Banking	34993.32	29973.41
iii) Retail Banking	80456.59	78107.55
(a) Digital Banking	0.37	0.47

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STANDALONE SEGMENT REPORTING FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2025	YEAR ENDED (` In Crore)	
	31.03.2025 (AUDITED)	31.03.2024 (AUDITED)
PARTICULARS		
(b) Other Retail Banking	80456.22	78107.08
iv) Other Banking Business	1.22	1.18
v) Un-Allocated Business	0.00	0.00
Total:-	169468.47	154526.59
4) Segment Liabilities		
i) Treasury Operations	1666.61	405.35
ii) Corporate/Wholesale Banking	41621.33	38309.90
iii) Retail Banking	111926.76	103573.19
(a) Digital Banking	2.14	1.35
(b) Other Retail Banking	111924.62	103571.84
iv) Other Banking Business	1.83	2.47
v) Un-Allocated Business	0.00	0.00
Total:-	155216.53	142290.91
5) Capital Employed		
(Segment assets-Segment Liabilities)		
i) Treasury Operations	52350.73	46039.10
ii) Corporate/Wholesale Banking	(6628.01)	(8336.49)
iii) Retail Banking	(31470.17)	(25465.64)
(a) Digital Banking	(1.77)	(0.88)
(b) Other Retail Banking	(31468.40)	(25464.76)
iv) Other Banking Business	(0.61)	(1.29)
v) Un-Allocated Business	0.00	0.00
Total :-	14251.94	12235.68

ii) As the Bank does not have any overseas branch there is no requirement as to reporting of Geographical Segment.

d) Accounting Standard - 18 "Related Party Disclosures"

1. Related Parties

(` In Crore)



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Items/Related Party		J&K Grameen Bank (Associate)	JKB Financial Services Ltd. (Subsidiary)	Jammu & Kashmir Asset Reconstruction Limited
		March 31-2025	March 31-2025	
Deposits	Balance as on date	1875.35	17.44	The Jammu & Kashmir Asset Reconstruction Limited was incorporated jointly by Government of J&K and Jammu & Kashmir Bank Ltd on 28.04.2017. The Bank has subscribed capital to the tune of Rs 98 lakhs whereas Government of J&K has subscribed Rs 102 lakh. In the meantime the promoters have decided to windup the company and the Bank in turn has approached the Registrar of Companies (ROC) for removal of the name of the company from the register of companies under Section 248 of the Companies Act, 2013. The application of the Bank is under consideration with ROC.
	Maximum Balance during the year	1875.35	17.44	
Advances	Balance as on date	11.67*	14.90	
	Maximum Balance during the year	66.48		
Investments	Balance as on date	206.31	40.00	
	Maximum Balance during the year	206.31	40.00	
Interest Paid		133.00	0.79	
Interest/Commission Received		0.45	1.99	
Sale of Fixed Assets		NIL	NIL	
Reimbursement on behalf of Associate/ Subsidiary		NIL	0.42	
Deputation Staff Salary		0.00	0.64	
Transfer of Current Assets/ Liabilities(Net)		NIL	NIL	
IT Support Services		1.09 (Rs 0.83 Crore have been paid for three quarter and 0.26 Crores have been kept as provision for the last quarter ended March 2025)	NIL	
Outstanding with Associate/Subsidiary		NIL	0.03	

Advances are shown as borrowings from the sponsor bank in shape of SOD, LAD and Perpetual Bonds.

*Rs.11.67 crore is 50 % share of Sponsor Bank for implementation of CBS by JKGB in the form of Investment in Tier II perpetual bonds.

Salary to Key Managerial Person (KMP)

(Amount in ` Lakhs)

	Mr. Baldev Prakash (EX MD & CEO)	Mr. Amitava Chatterjee (MD & CEO)	Mr. Sudhir Gupta (Executive Director)	Mr. Pratik D. Punjabi (Ex CFO)	Mr. Fayaz Ahmad Ganai (CFO)	Mr. Mohammad Shafi Mir (Company Secretary)
Period for which post held during FY 2024-25	From 01.04.2024 to 29.12.2024	From 31.12.2024 to 31.03.2025	From 01.04.2024 to 31.03.2025	From 01.04.2024 to 05.04.2024	From 01.05.2024 to 31.03.2025	From 01.04.2024 to 31.03.2025
Salary)	101.35*	25.44	50.06**	1.17	35.09***	39.65****

Schedule 18

"Notes on Standalone Accounts"

*The amount includes the Variable Pay of Rs 29.06 Lakhs of Previous FYs due and paid in FY 2024-25.

**The amount includes the Variable Pay of Rs 5.05 Lakhs & Wage Revision Arrears of Rs 0.36 Lakhs of Previous FYs due and paid in FY 2024-25

*** The amount includes the Wage Revision Arrears of Rs 5.25 Lakhs of Previous FYs due and paid in FY 2024-25.

****The amount includes the Wage Revision Arrears of Rs 4.20 Lakhs of Previous FYs due and paid in FY 2024-25. Note: Mr Pratik D. Punjabi also received remuneration of Rs 1.17 Lakhs as CFO from 01/04/2024 to 05/04/2024.

e) Accounting Standard - 19 "Leases"

The properties taken on lease/rental basis are renewable / cancellable at the option of the Bank.

The lease entered into by the Bank are for agreed period with an option to terminate the leases even during the currency of lease period by giving agreed calendar month's notice in writing.

Lease rent paid for operating leases are recognized as an expense in the Profit & Loss account in the year to which it relates. The lease rent recognized during the year is ` 90.40 crores (previous year being ` 83.56 crores)

f) Accounting Standard - 20 "Earnings per Share"

The Bank reports basic and diluted earnings per equity share in accordance with Accounting Standard 20 - "Earnings per Share". Basic Earnings per Share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year.

Particulars	Current Year	Previous Year
Number of Equity Shares outstanding at the beginning of the year	1101182463	1031479861
Number of Equity Shares issued during the year	0	69702602
Number of Equity Shares outstanding at the end of the year	1101182463	1101182463
Weighted average number of equity shares used in computing basic earnings per share	1101182463	1052047842
Weighted average number of equity shares used in computing diluted earnings per share	1101182463	1052047842
Net profit / (loss) (` In Crore)	2082.46	1767.27
Basic earnings per share (`)	18.91	16.80
Diluted earnings per share (`)	18.91	16.80

g) Accounting Standard - 21 "Consolidated Financial Statements"

The Bank has a fully owned subsidiary company "JKB Financial Services Ltd.". The investment towards the capital of subsidiary company is ` 40.00 Crores (Previous Year ` 40.00 Crores). The consolidated financial statements are placed accordingly in terms of AS 21.

h) Accounting Standard - 22 "Accounting for Taxes on Income"

a) Current Tax:

During the year, the Bank has debited to Profit & Loss Account `686.06 crore (Previous Year ` 588.79 crore) on account of current tax including `53.29 crores tax provision for cases in litigations. The current tax has been calculated in accordance with the provisions of Income Tax Act, 1961.

The Bank has exercised the option of lower tax permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 from the financial year 2019-20 onwards.

b) Deferred Tax:

During the year, ` 165.18 crore has been debited to Profit & Loss Account (Previous Year debit ` 28.51 crore) on account of deferred tax.

The major components of DTA and DTL are given below



Schedule 18

"Notes on Standalone Accounts"

(` In Crore)

Timing Difference	Current Year		Previous Year	
	Deferred Tax Asset	Deferred Tax Liabilities	Deferred Tax Asset	Deferred Tax Liabilities
Depreciation on Assets	0.00	8.27	0.00	6.27
Leave Encashment/Gratuity/Pension/Bonus	0.00	0.00	128.59	0.00
Special Reserve	0.00	46.08	0.00	37.16
AFS Reserve	0.00	25.67	0.00	0.00
Bad & Doubtful Assets	69.96	0.00	69.96	0.00
Total	69.96	80.02	198.55	43.43

c) During the year, Bank has transferred ` 35.45 crores to Special Reserve created u/s 36 (1) (viii) of Income Tax Act, 1961, and consequential effect in Deferred Tax Liability amounts to 8.92 crores has been created on this amount.

i) Accounting Standard - 23 "Accounting for Investments in Associates in CFS"

The Bank has a sponsored Bank "J&K Grameen Bank". The investment towards the capital of associate concern is ` 217.97\* Crores (Previous Year ` 217.97 Crores). The consolidated financial statements are placed accordingly in terms of AS 23.

*Includes investment in TIER II perpetual bonds amounting to Rs. 11.67 crores.

j) Accounting Standard - 28 "Impairment of Assets"

Majority of Fixed Assets of the Bank are considered as Corporate Assets and not cash generating assets and in the opinion of Management there is no material impairment in these Fixed Assets. Regarding other Fixed Assets generating cash there is no material impairment. As such no provision is required as per AS-28.

k) Accounting Standard - 29 "Provisions, Contingent Liabilities and Contingent Assets"

i) Description of Contingent Liabilities

Sr. No.	Particulars	Brief Description
1	Claims against the Bank not acknowledged as debts	The Bank is a party to various proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, result of operations or cash flows. The Bank is also a party to various taxation matters in respect of which appeals are pending.
2	Liability on partly paid-up investments	This represents amount remaining unpaid towards liability for partly paid investments.
3	Liability on account of outstanding forward exchange contracts	The Bank enters into foreign exchange contracts in its normal course of business to exchange currencies at a pre-fixed price at a future date. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. The derivative instruments become favourable or unfavourable as a result of fluctuations in market rates.
4	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial banking activities, the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the Bank's customers. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations.
5	Other items for which the Bank is contingently liable	These include: a) Bills rediscounted by the Bank; b) Capital commitments; c) Investment purchases pending settlement; d) Amount transferred to the RBI under the Depositor Education and Awareness Fund (DEAF); e) Other sundry contingent liabilities.

The Contingent Liabilities mentioned above are dependent upon the outcome of Court/arbitration/ out of Court settlements, disposal of appeals, the amount being called up, terms of contractual obligations, devolvement and raising of demand by concerned parties, as the case may be.

ii) Movement of provisions against Contingent Liabilities

The movement of provisions against contingent liabilities given in the table below:

Schedule 18

"Notes on Standalone Accounts"

(` In Crore)

Particulars	Current Year	Previous Year
Opening balance	22.38	16.62
Additions during the year	12.49	5.89
Amount utilised/reversed during the year	10.30	0.13
Closing balance	24.57	22.38

16. Additional Disclosures

a) Payment to Micro, Small & Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006

There have been no reported cases of delayed payments of the principal amount or interest due thereon to Micro, Small & Medium Enterprises.

b) Office Accounts

Reconciliation/adjustment of inter-bank/inter-branch transactions, branch suspense, Government Transactions, NOSTRO, System Suspense, Clearing, and Sundry Deposits is in progress on an ongoing basis. The impact, in the opinion of the management of the un-reconciled entries, if any, on the financial statements would not be material.

c) Provision on accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC):

In terms of RBI letter no. DBR,No.BO.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 covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of `126.55 crore (Aggregate provision of RBI List 1 and List 2 accounts) against the balance outstanding of ` 126.55 crores as on March 31, 2025 in respect of NPA Borrowal accounts referred in aforesaid circular.

d) Previous year figures have been regrouped/reclassified/Recasted, wherever necessary, to conform to current year classification.

e) Miscellaneous Income:

During the year the following incomes earned (under the head Miscellaneous Income) were more than 1% of the Total Income: -

(` In Crore)

S No	Income Category	Amount
1.	Recovery in Technically Written Off Accounts	392.88
2.	Income On Card Business	155.68

f) Other Liabilities and provisions/ Other Assets:

Following items under the head others in Schedule 11 - Other Assets exceeds 1% of the total assets

(` in Crores)

S No	Particulars	Amount
1.	Investment in NABARD Refinance	1823.29
2.	Investment in RIDF Refinance	2814.49
3.	Investment in SIDBI Refinance	3501.79

g) Tax paid in advance/Tax deducted at source includes amount adjusted by Income Tax Department in respect of various disputed demands. Based on the orders and interpretation of law, a provision of `53.29 crores has been considered by the management in respect of the disputed demands.

h) Fixed Assets



Schedule 18

"Notes on Standalone Accounts"

- a) Documentation formalities are pending in respect of certain immovable properties held by the bank valued at Rs. 8.69 Crore (Previous year Rs. 8.90 crores). In respect of immovable properties valued at Rs. 45.67 Crore (Previous year Rs. 47.24 crores) as on 31.03.2025, the Bank holds agreement to sell along with the possession of the properties

Properties not having clear title/lease deeds for freehold & lease lands of the Bank:-

S. No	Particulars	Category	Area.	Value of property as on 31.03.2025 (Rs. In Crore)
1	Premises of Business Unit Vashi, Mumbai (1 st Floor)	NR-RCC	5400 Sq. ft.	7.36
2	Land at Currency Chest, Budgam	Own land	4 Kanals & 05 Marlas.	0.14
3	Ansai Plaza.	NR-RCC	17925 Sq. ft.	45.67
4	Land at Kargil .	Own land	1 Kanal 4 Marlas.	0.99
5	Land at Kulgam .	Own land	2 Kanals.	0.2
TOTAL				54.36

- Pursuant to the Accounting Standard-10 "Property, Plant and Equipment" applicable from 1st April 2017, depreciation of Rs. 30.03 crores for the Financial Year 2024-25 (Previous year Rs. 30.09 crores) on revalued portion of the fixed assets (being Premises & Land) has been transferred from the Revaluation Reserve to General/ Revenue Reserve.
- In addition an amount of Rs. 0.19 crores has been transferred from Revaluation Reserve to Profit & Loss Account against appropriation of devaluation of land.
- Further, Depreciation on Bank's property includes amortization in respect of leased properties amounting to ` 0.76 Crores (previous year ` 0.76 crores).

i) Corporate Social Responsibility (CSR)

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, the Bank was required to spend an amount of ` 31.70 crores (Previous Year `18.91 crores) on CSR activities during FY 2024-25, against which the Bank has spent an amount of `31.70 crores (Previous year ` 18.91 crores) including an amount of ` 10.70 crore provided for in the books of accounts. Out of the total provisioned amount, 8.70 crore has been earmarked for ongoing CSR projects.

j) Provision Coverage Ratio (PCR)

Provision coverage ratio as on March 31, 2025 is 90.28% (previous year 91.58%) without taking into account the floating provision of Rs.190.48 Crores held by the Bank as on March 31, 2025 which is part of Tier-II Capital.

k) Investor Complaints

The details of investor complaints for the year ended March 31, 2025 are as under:

S No	Particulars	Number
1	No of complaints pending at the beginning of the financial year	0
2	No. of complaints received during the financial year	26
3	No. of complaints disposed during the financial year	26
4	No. of complaints pending at the end of the financial year	0

- l) In accordance with the approved accounting policy in respect of intangible assets and in compliance with Section 15(1) of Banking Regulation Act 1951, The Bank has written off the entire amount of intangible assets amounting to Rs. 30.33 Crores (Previous year Rs. 77.68 crore).

- m) Central GST Commissionerate, Jammu has raised a demand of GST Liability amounting to Rs.8130.66 crore for the period from 08.07.2017 to 31.03.2020 to be paid along with interest U/s 50(1) of the GST Act. An equivalent demand of penalty has also been raised. The operations of impugned order vide which demand has been raised stands stayed by Hon'ble High Court of Jammu & Kashmir and Ladakh. In the opinion of management this demand is not even contingent as there is no probable outflow. 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.

n) Proposed Dividend

The Board of Directors at its meeting held on May 04, 2025 proposed a dividend of ` 2.15 per share (previous year Rs. 2.15 per share), subject to approval of the members at the ensuing Annual General Meeting. Effect of the proposed dividend has been reckoned in determining capital funds in the computation of capital adequacy ratios as at March 31, 2025.

17. Apart from the appropriation to Statutory Reserve from Net Profit of the year, the bank has further appropriated to Statutory Reserve for the amounts directly transferred to General Reserve from Revaluation Reserve as well as from transition in investments amounting to Rs. 7.56 crore & Rs. 12.82 crore (net of tax) respectively. Prior period appropriation has also been accounted for on account of transfer from Revaluation to General Reserve which works out to be Rs. 7.57 crore.
18. There are no Pension dues from Government of UT of J&K as at 31.03.2025.

Amitava Chatterjee
 Managing Director & CEO
 DIN: 07082989

Rajesh Kumar Chhibber
 Director
 DIN: 08190084

Anil Kumar Goel
 Director
 DIN: 00672755

Umesh Chandra Pandey
 Director
 DIN: 01185085

Anand Kumar
 Director
 DIN: 03041018

Shahla Ayoub
 Director
 DIN: 09834993

Sankarasubramanian Krishnan
 Director
 DIN: 07261965

Fayaz Ahmad Ganai
 Chief Financial Officer

Mohammad Shafi Mir
 Company Secretary

In terms of our report of even date annexed

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

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

FOR DHAR TIKU & CO
 Chartered Accountants
 FRN: 003423N

CA. Akshay Magotra
 Partner
 M.No. 559146
 UDIN: 25559146BMJPEK7838

CA. Rakesh Kaushik
 Partner
 M.No. 089562
 UDIN:25089562BMNTIS8681

CA. S. K. Shah
 Partner
 M.No. 532394
 UDIN:25532394BMJOFV9910

Place : Srinagar
 Dated: 5th May, 2025



STANDALONE CASH FLOW STATEMENT

for the year ended 31st March, 2025

	YEAR ENDED 31.03.2025 '000' Omitted	YEAR ENDED 31.03.2024 '000' Omitted
A CASH FLOW FROM OPERATING ACTIVITIES	2,71,83,174	(85,14,863)
B CASH FLOW FROM INVESTING ACTIVITIES	(10,15,714)	(25,71,263)
C CASH FLOW FROM FINANCING ACTIVITIES	(1,03,43,790)	40,74,334
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,58,23,670	(70,11,792)
D CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8,17,74,829	8,87,86,621
E CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9,75,98,499	8,17,74,829
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit after Taxes	2,08,24,626	1,76,72,682
Add : Provision for Taxes	85,12,451	61,73,005
Net profit before taxes (i)	2,93,37,077	2,38,45,687
Adjustment for :		
Depreciation charges	16,78,310	21,75,456
Provision for NPA's	2,95,008	(7,36,088)
Provision on Standard Assets	8,46,705	(11,46,839)
Increase in Reserves on account of fair valuation of investments	17,05,075	-
Depreciation on investment	(4,90,170)	4,58,561
Provision for Non-Performing investment	(9,02,728)	7,58,834
Other provisions	(2,78,132)	47,193
Interest paid on subordinate Bonds (Financing Activities)	29,76,701	28,49,975
Total Adjustment (ii)	58,30,769	44,07,092
Operating profit before change in Operating assets & liabilities (i) + (ii)	3,51,67,846	2,82,52,779
Adjustment for changes in Operating Assets & Liabilities		
Increase / (Decrease) in Deposits	13,79,45,642	12,73,85,786
Increase / (Decrease) in Borrowings	(21,572)	(73,043)
Increase / (Decrease) in Other liabilities & provisions	(46,81,925)	(6,53,46,035)
(Increase) / Decrease in investments	(6,08,66,579)	(20,77,287)
(Increase) / Decrease in Advances	(10,43,12,272)	(11,40,34,510)
(Increase) / Decrease in Other Assets	3,12,47,957	2,20,28,878
Net Cash flow from Operating activities (iii)	(6,88,749)	(3,21,16,211)
Cash generated from operation (i + ii + iii)	3,44,79,097	(38,63,432)
Less : Tax paid	72,95,923	46,51,431
TOTAL : (A)	2,71,83,174	(85,14,863)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
a) Fixed Assets	(10,15,714)	(18,55,585)
b) Investment in Subsidiary/Sponsored Institution	-	(7,15,678)
TOTAL : (B)	(10,15,714)	(25,71,263)

STANDALONE CASH FLOW STATEMENT

for the year ended 31st March, 2025

	YEAR ENDED 31.03.2025 '000' Omitted	YEAR ENDED 31.03.2024 '000' Omitted
C. CASH FLOW FROM FINANCING ACTIVITIES:		
a) Share Capital/Reserve	-	69,703
b) Share Application Money	-	-
b) Share Premium	453	73,70,346
c) Tier I & II Bonds	(50,00,000)	-
d) Dividend Paid	(23,67,542)	(5,15,740)
e) Interest paid on Bonds	(29,76,701)	(28,49,975)
TOTAL :(C)	(1,03,43,790)	40,74,334
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (1st April)		
a) Cash in hand & Balance with R.B.I	7,25,00,801	7,79,40,577
b) Balance with Banks & Money at Call & Short Notice	92,74,028	1,08,46,044
TOTAL :(D)	8,17,74,829	8,87,86,621
E. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
a) Cash in hand & Balance with R.B.I	7,38,54,771	7,25,00,801
b) Balance with Banks & Money at Call & Short Notice	2,37,43,728	92,74,028
TOTAL :(E)	9,75,98,499	8,17,74,829

For and on behalf of the Board

Amitava Chatterjee
 Managing Director & CEO
 DIN: 07082989

Rajesh Kumar Chhibber
 Director
 DIN: 08190084

Anil Kumar Goel
 Director
 DIN: 00672755

Umesh Chandra Pandey
 Director
 DIN: 01185085

Anand Kumar
 Director
 DIN: 03041018

Shahla Ayoub
 Director
 DIN: 09834993

Sankarasubramanian Krishnan
 Director
 DIN: 07261965

Fayaz Ahmad Ganai
 Chief Financial Officer

Mohammad Shafi Mir
 Company Secretary

In terms of our report of even date annexed

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

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

FOR DHAR TIKU & CO
 Chartered Accountants
 FRN: 003423N

CA. Akshay Magotra
 Partner
 M.No. 559146
 UDIN: 25559146BMJPEK7838

CA. Rakesh Kaushik
 Partner
 M.No. 089562
 UDIN:25089562BMNTIS8681

CA. S. K. Shah
 Partner
 M.No. 532394
 UDIN:25532394BMJOFV9910

Place : Srinagar
 Dated: 5th May, 2025



FINANCIAL **STATEMENTS**

CONSOLIDATED

Independent Auditors Report

To

The Members of

Jammu & Kashmir Bank Limited.

Report on Audit of the Consolidated Financial Statements.

Opinion

1. We have audited the accompanying consolidated financial statements of Jammu and Kashmir Bank Limited ('the Bank') and its subsidiary & associate (together, 'the Group') which comprise the consolidated Balance Sheet as at 31st March 2025, the consolidated Profit and Loss Account, and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information (herein after referred to as 'the consolidated financial statements'). The consolidated financial statements included the Returns for the year ended on that date of:

- (i) Audited Standalone financial statements of the Bank with 63 branches/offices audited by us and 981 branches/offices audited by Statutory Branch Auditors.
- (ii) One subsidiary audited by the subsidiary company auditor; and
- (iii) One associate audited by the associate appointed auditor.

The branches/offices audited by us and those audited by the other Auditors have been selected by the Comptroller and Auditor General of India in accordance with the Guidelines issued to the bank by the Reserve Bank of India.

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 reports of other auditor on separate audited financial statements / financial information of the subsidiary, associate and branches, as referred to in paragraphs 9 to 12 below, the aforesaid consolidated Financial Results:

- (i) includes the annual financial results of the following entities:

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

(ii) gives the information required by the Banking Regulation Act, 1949 as well as the Companies Act, 2013 in the manner so required for banking Companies and the applicable accounting standards in the manner so required for the group and are in conformity with accounting principles generally accepted in India and:

- a) the Balance Sheet read with the notes thereon is a full and fair Balance Sheet containing all the necessary particulars, is properly drawn up so as to exhibit a true and fair view of the state of affairs of the Bank as at 31st March, 2025;
- b) the Profit and Loss Account read with the notes thereon shows a true balance of profits; and
- c) the Cash Flow Statement gives a true and fair view of the cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Bank in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Consolidated financial statements 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.

Key Audit Matters

4. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements the year ended March 31, 2025. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters prescribed below to be the key audit matters to be communicated in our report.



Sr. No.	Key Audit Matters	How the matter was addressed in our audit
i.	Classification of Advances, Income Recognition, Identification of and provisioning for non-performing Advances (Refer Schedule 9 read with Note 3 of Schedule 17 to the financial statements): Advances include Bills purchased and discounted, Cash credits, Overdrafts, Loans repayable on demand and Term loans. These are further categorized as secured by Tangible assets (including advances against Book Debts), covered by Bank/Government Guarantees and Unsecured advances. Advances constitute 61.49 % of the Bank's total assets. They are, inter alia, governed by income recognition, asset classification and provisioning (IRAC) norms and other circulars and directives issued by the RBI from time to time which provides guidelines related to classification of Advances into performing and non-performing Advances (NPA), classification of advances and provisioning there of is made as per RBI guidelines. The Bank classifies these Advances based on IRAC norms as per its accounting policy No.3. Identification of performing and non-performing Advances involves establishment of proper mechanism. The Bank accounts for all the transactions related to Advances in its Information Technology System (IT System) viz. Core Banking Solution (CBS) which identifies whether the advances are performing or non-performing. The bank is in the continuous process to upgrade existing & implement new IT applications in various areas of its business operations, including income recognition and asset classification in terms of RBI guidelines. These applications require detailed testing, verifications and User Acceptance Testing (UAT) before final implementation. The financial impact pending such implementation is not likely to be material as per the management. The carrying value of the advances (net of provisions) may be materially misstated if, either individually or in aggregate, the IRAC norms are not properly followed. Considering the nature of the transactions, regulatory requirements, existing business environment, estimation/ judgement involved in valuation of securities and calculation of provisions, it is a matter of high importance for the intended users of the Standalone Financial Statements. Considering these aspects, we have determined this as a Key Audit Matter. Accordingly, our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the materiality of the balances.	Our audit approach towards advances with reference to the Income Recognition and asset classification (IRAC) norms and other related circulars/directives issued by the RBI and also internal policies and procedures of the Bank includes the testing of controls on sample basis - The accuracy of the data input in the system for income recognition, classification into performing and non-performing Advances and provisioning in accordance with the IRAC norms in respect of the branches audited by us; - Existence and effectiveness of monitoring mechanisms by way of various internal audits as per the policies and procedures of the Bank; - Examination of advances including stressed advances on a sample basis with respect to compliance with the RBI Master Directions/ Guidelines; - We have examined the efficacy of various internal controls over advances to determine the nature, timing and extent of the substantive procedures and compliance with the observations of the various audits conducted as per the monitoring mechanism of the Bank and RBI SPARC, IRAR and RMP. - In carrying out substantive procedures at the branches audited by us, we have examined large advances/ stressed advances while other advances have been examined on a sample basis including review of valuation reports of independent valuers provided by the Bank's management. - We assessed and evaluated the process of identification of NPAs and corresponding reversal of income and creation of provision; - Reliance is also placed on Audit Reports of other Statutory Branch Auditors. - Bank has laid down detailed Standard Operating Procedure to ensure control over processes. We have relied on these Standard Operating Procedures and have conducted our testing based on these Standard Operating Procedures.
ii.	Classification and Valuation of Investments, Identification of and provisioning for Non-Performing Investments (Schedule 8 read with Note 2 of Schedule 17 to the financial statements): Investments include investments made by the Bank in various Government Securities, other approved securities, Shares, Debentures & Bonds, subsidiaries & sponsored Institutions, and other approved securities. Investments constitute 24.27 % of the Bank's total assets. These are governed by the circulars and directives of the RBI. These directions of RBI, inter-alia, cover valuation of investments, classification of investments, identification of non-performing investments, the corresponding non-recognition of income and provision thereof.	Our audit approach towards Investments with reference to the RBI Master directions included the understanding of internal controls and substantive audit procedures in relation to valuation, classification, identification of non-performing investments (NPIs), provisioning/depreciation related to Investments. In particular; - We understood and evaluated the Bank's internal control system to comply with relevant RBI guidelines regarding valuation, classification, identification of NPIs, provisioning/ depreciation related to investments; - For the selected sample of investments in hand, we tested accuracy and compliance with the RBI Master directions by re-performing valuation for each category of security. Samples were selected after ensuring that all the categories of investments (based on nature of security) were covered in the sample;

Sr. No.	Key Audit Matters	How the matter was addressed in our audit
	Considering the complexities and extent of judgement involved in the valuation, volume of transactions, investments on hand and degree of regulatory focus, this has been determined as a Key Audit Matter. Accordingly, our audit was focused on valuation of investments, classification, identification of non-performing investments and provisioning related to investments.	c. We assessed and evaluated the process of identification of NPIs and corresponding reversal of income and creation of provision; d. We carried out substantive audit procedures to recompute independently the provision to be maintained and depreciation to be provided in accordance with RBI guidelines.
iii.	Assessment of Provisions and Contingent liabilities in respect of certain litigations on Taxes, various claims filed by other parties not acknowledged as debt (Schedule 12 read with Note 15(k)(i) of Schedule 18 to the financial statements): There is high level of judgement required in estimating the level of provisioning. The Bank's assessment is supported by the facts of matter, their own judgement, past experience, and advice from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported profit and state of affairs presented in the Balance Sheet. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of these matters which requires application of judgement in interpretation of law. Accordingly, our audit was focused on analysing the facts of subject matter under consideration and judgements/interpretation of law involved.	Our audit approach involved: a. Understanding the current status of the litigations/ tax assessments including the status upto the date of auditor's report; b. Examining recent orders and/or communication received from various tax authorities/judicial forums and follow up action thereon; c. Review and analysis of evaluation of the contentions of the Bank through discussions, collection of details of the subject matter under consideration, the likely outcome and consequent potential outflows on those issues; and d. Verification of disclosures related to significant litigations and taxation matters.
iv.	Information Technology ("IT") Systems and Controls impacting Financial Reporting The Bank's IT environment comprises a multitude of autonomous and interdependent IT System that are utilized to process and record a substantial volume of transactions in the course of business operations. Consequently, the Bank's financial reporting process is highly critical and reliant on these information technology systems. Appropriate IT general controls and IT application controls are necessary to ensure that such IT systems can process the data in a consistent, comprehensive and accurate manner as required for dependable financial reporting. We have identified specific critical IT Systems that significantly influence the financial reporting process and associated control testing. These systems are considered a critical audit matter due to several factors, including the Bank's extensive use of automation, the complex nature on its IT architecture, and the influence it has on the financial records and financial reporting process.	Our protocols pertaining to this issue comprised of the following measures: Technology specialist assisted in the evaluation of the controls governing the Bank's IT systems by gaining knowledge of the IT infrastructure, IT environment, and IT systems. We assessed and examined the pertinent IT general controls on the critical IT Systems and IT dependencies that were determined to be significant for our examination of the Bank's standalone financial statement and financial reporting process. Important general controls in information technology have been evaluated for the critical IT systems in the following domains: programme change management encompassing the transfer of programme modifications to the production environment in accordance with established protocols. While also ensuring the appropriate segregation of environment. Programme development encompassing the establishment of controls pertaining to the development or implementation of IT applications and the associated infrastructure, upon which financial reporting is dependent. IT operations, encompassing tasks such as backup and recovery, monitoring and job scheduling. In addition, we assessed the operational efficiency and design of critical IT dependencies that are integral to the critical business process. This encompassed the testing of interfaces, automated controls, accounting procedures, calculations, segregation of duties, and system generated reports, where applicable. We established communication with individuals responsible for governance and management and when required we implemented alternative audit procedures and/or tested a combination of compensating controls or remedied controls.



Information Other than the consolidated Financial Statements and Auditor's Report Thereon

6. The Bank's Board of Directors is responsible for the other information. The other information comprises the Corporate Governance Report (but does not include the consolidated financial statements and our auditor's report thereon).

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance or conclusion thereon.

In connection with our audit of the Consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the consolidated Financial Results

7. These consolidated Financial Results have been prepared on the basis of the consolidated annual financial statements and reviewed quarterly consolidated Financial Results up to the end of the third quarter. The Bank's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these consolidated financial results that give a true and fair view of the financial position, financial performance and cash flows of the group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, and provisions of Section 29 of the Banking Regulation Act, 1949 and circulars and guidelines issued by the Reserve Bank of India ('RBI') from time to time. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act 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 and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements 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 consolidated financial statements by the Directors of the Bank as aforesaid.

In preparing the consolidated financial results, respective Board of Directors of the entities included in the Group are responsible for assessing the Bank's ability of the Group to continue as a going concern, disclosing, as applicable,

matters related to going concern and using the going concern basis of accounting unless Management and Board of Directors either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so. The respective Board of Directors of the entities included in the Group are also responsible for overseeing the Bank's financial reporting process of the Group

Auditor's 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 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 consolidated Financial Results.

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, 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 Companies Act, 2013, we are also responsible for expressing our opinion on whether the group has adequate internal financial controls system 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 management.
- Conclude on the appropriateness of management's 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 group'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 financial statements 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 group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, 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.

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 consolidated financial statements 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.

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.

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. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

9. We did not audit the financial statements/information of 981 branches/ offices included in the consolidated

Financial Results of the Group whose financial statements/ financial information reflect total assets of Rs. 105993.15 crores including total advances of Rs. 103956.89 Crores and total revenue of Rs. 9249.57 Crores as at 31st March 2025, as considered in the consolidated financial statements. The financial statements / information of these branches has been audited by the branch auditors whose reports have been furnished to us, and in 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. Our opinion on the financial statements does not cover the other information and the Basel-III disclosure and we do not express any form of assurance conclusion thereon.

10. The accompanying consolidated Financial Results include the audited financial results of 1 subsidiary whose financial statements/ results/ financial information reflects Group's share of total revenues of Rs. 19.18 crores, and Group's share of total net profit after tax of Rs. 3.79 crores for the year ended on that date, which has been audited by other auditor, which financial statements, other financial information and Auditor report have been furnished to us by the management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, is based solely on the reports of such other auditor.
11. The consolidated Financial Results includes Bank's share Loss of Rs. 3.02 crores for the quarter ended March 31, 2025 and loss of Rs. 4.46 crores for the year ended March 31, 2025, as considered in the Statement, in respect of one associate, whose financial statements have not been audited by us. These financial statements have been audited by other independent auditor whose report on financial statements has been furnished to us by the management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the report of such auditor. The Auditor has qualified the report of the Associate.
12. We did not incorporate The Jammu & Kashmir Asset Reconstruction Limited which has been incorporated by Government of J&K and J&K Bank Ltd on 28.04.2017. The Bank has subscribed capital to the tune of Rs. 98 lakhs whereas Government of J&K has subscribed Rs. 102 lakhs. The Bank has incurred Rs. 7632730/- towards incorporation expenses for the company. The promoters i.e. J&K Government and Jammu & Kashmir Bank Limited have not released their respective shares towards the capital of the company. In the meantime, the promoters have decided to wind up the company and in turn the Bank has approached the Registrar of Companies (J&K) (RoC) for removal of the name of the company from the Register of Companies under Section 248 of the Companies Act, 2013. The application of the Bank is pending with ROC.

Our opinion is not modified in respect of these matters.



Report on Other Legal and Regulatory Requirements

13. The consolidated Balance Sheet, Profit and Loss Account and Cash flow statement have been drawn up in accordance with the provisions of Section 29 of the Banking Regulation Act, 1949 and Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014.
14. The Comptroller and Auditor General of India has issued directions indicating the areas to be examined in terms of sub-section (5) of section 143 of the Companies Act, 2013, the compliance of which is set out in "Annexure-A" to this Report.
15. As required by sub-section (3) of section 30 of the Banking Regulation Act, 1949, we report that:
 - (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit and have found them to be satisfactory;
 - (b) the transactions of the Bank, which have come to our notice, have been within the powers of the Bank;
 - (c) the returns received from the offices; and branches of the Bank have been found adequate for the purposes of our audit;
 - (d) the consolidated profit and loss account shows a true balance of profit for the year then ended.
16. Further, as required by section 143(3) of the Act, we report that:
 - a) the other auditor whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the consolidated financial statements;
 - b) in our opinion, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books;
 - c) the reports on the accounts of the branch offices of the Group audited under section 143(8) of the Act by branch auditors of the Bank have been sent to us/ the other auditor whose report we have relied upon and have been properly dealt with by us in preparing this report;
 - d) the consolidated Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
 - e) in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, to the extent they are not inconsistent with the accounting policies prescribed by RBI;
 - f) on the basis of written representations received from the directors as on 31st March 2025 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - g) with respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
 - h) as per the Notification No. GSR 463(E) dated 05.06.2015 Section 197 of Companies Act, 2013 is not applicable to Jammu & Kashmir Bank Limited, being a Government Company;
 - i) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i) the Bank has disclosed the impact of pending litigations on its financial position in its financial statements -in Schedule 12., to the financial statements;
 - ii) The Group did not have any longterm contracts including derivative contracts for which there were any material foreseeable losses and
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Bank;

For Gupta Gupta & Associates LLP.

Chartered Accountants
FRN: 001728N/N500321

(CA. Akshay Magotra)

Partner
M.No. 559146
UDIN:25559146BMJPEL5104

For JCR & Co. LLP

Chartered Accountants
FRN:105270W/W100846

(CA Rakesh Kaushik)

Partner
M.No 089562
UDIN:25089562BMNTIT7168

For Dhar Tikun & Co

Chartered Accountants
FRN: 003423N

(CA S.K.Shah)

Partner
M.No.532394
UDIN:25532394BMJOFV2157

Place: Srinagar
Date: 05/05/2025

Annexure-A to Para 14 of Independent Auditor's Report of even date on the consolidated Financial Results of Jammu and Kashmir Bank Limited.

Directions of Comptroller and Auditor General of India under Section 143(5) of Companies Act 2013 for the Financial Year 2024-2025

S. No.	Directions/Sub directions	Auditor's comments including action taken wherever required	Impact on accounts and financial statements
1	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implication, if any may be stated.	As per information and explanation given to us the bank has system in place to process all the accounting transactions through IT.	Nil
2	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. made by a lender to the company due to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for? (In case, lender is a Government company, then this direction is also applicable for statutory auditor of lender company).	a) The restructuring of loan was done as per the guidelines of the Reserve Bank of India and Bank's own policy on Restructuring of loans. b) Principal Waiver/ write-off of debts/ loans amounting to Rs. 18.70 Crores and waiver of unapplied interest of Rs. 172.56 Crores on account of negotiated settlement with the borrowers.	a) Refer Schedule 18 Note 4(c) and 4(g) Principal Waiver /write-off resulted in loss of Rs. 18.70 Crores and in respect of waiver of unapplied interest, there is no impact as the same has not been treated as income.
3	Whether funds (grants/subsidy etc.) received/receivable for specific schemes from Central/State Government or its agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Subsidy received for disbursement to eligible borrowers has been disbursed/ utilised in accordance with the stipulated guidelines.	Nil

For Gupta Gupta & Associates LLP.
 Chartered Accountants
 FRN: 001728N/N500321

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

For Dhar Tikku & Co
 Chartered Accountants
 FRN: 003423N

(CA. Akshay Magotra)
 Partner
 M.No. 559146
 UDIN:25559146BMJPEL5104

(CA Rakesh Kaushik)
 Partner
 M.No 089562
 UDIN:25089562BMNTIT7168

(CA S.K.Shah)
 Partner
 M.No.532394
 UDIN:25532394BMJOFV2157

Place: Srinagar
 Date: 05/05/2025



Annexure B to the Independent Auditor's Report of even date on the consolidated financial statements of Jammu and Kashmir Bank Limited

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

1. We have audited the internal financial controls over financial reporting of The Jammu & Kashmir Bank Limited ('the Bank') as at 31 March 2025 in conjunction with our audit of the consolidated financial statements of the Bank for the year ended on that date.

Management's Responsibility for Internal Financial Controls over Financial Reporting

- 2.2. The respective Board of Directors of the group is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Group's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ('the Act').

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Group's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial control over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based

on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

6. A bank's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A bank's internal financial controls over financial reporting includes those policies and procedures that
 - a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the bank;
 - b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the bank are being made only in accordance with authorisations of management and directors of the bank; and
 - c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the bank's assets that could have a material effect on the financial statement.

Inherent Limitations of Internal Financial Controls over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Bank has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2025, based on the internal control over consolidated financial reporting criteria established by the Bank considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. Our aforesaid report in so far as it relates to the operating effectiveness of internal financial controls over financial reporting of 981 branches/offices and entities in the Group is based on the corresponding reports of the respective branch auditors of those branches and auditors of other entities.

Our opinion is not modified in respect of this matter.

For Gupta Gupta & Associates LLP.

Chartered Accountants
FRN: 001728N/N500321

(CA. Akshay Magotra)

Partner
M.No. 559146
UDIN:25559146BMJPEL5104

Place: Srinagar
Date: 05/05/2025

For JCR & Co. LLP

Chartered Accountants
FRN:105270W/W100846

(CA Rakesh Kaushik)

Partner
M.No 089562
UDIN:25089562BMNTIT7168

For Dhar Tiku & Co

Chartered Accountants
FRN: 003423N

(CA S.K.Shah)

Partner
M.No.532394
UDIN:25532394BMJOFV2157



Consolidated Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
CAPITAL AND LIABILITIES			
Capital	1	11,01,326	11,01,326
Reserves and Surplus	2	14,09,81,781	12,08,25,934
Minority Interest	2A	-	-
Deposits	3	1,48,55,20,226	1,34,76,46,579
Borrowings	4	2,38,28,443	2,88,50,015
Other Liabilities and Provisions	5	4,28,03,595	4,66,21,958
TOTAL :-		1,69,42,35,371	1,54,50,45,812
ASSETS			
Cash and Balance with Reserve Bank of India	6	7,38,54,771	7,25,00,801
Balance with Banks & Money at Call & Short Notice	7	2,39,76,693	94,63,996
Investments	8	41,12,17,072	34,90,02,224
Advances	9	1,04,18,38,200	93,75,65,965
Fixed Assets	10	2,19,18,395	2,25,77,497
Other Assets	11	12,14,30,240	15,39,35,329
TOTAL :-		1,69,42,35,371	1,54,50,45,812
Contingent Liabilities	12	5,71,55,675	4,84,48,743
Bills for Collection		1,36,49,798	1,51,32,708
Principal Accounting Policies	17		
Notes on Accounts	18		

The schedules referred to above form an integral part of the Balance Sheet.

For and on behalf of the Board

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Rajesh Kumar Chhibber
Director
DIN: 08190084

Anil Kumar Goel
Director
DIN: 00672755

Umesh Chandra Pandey
Director
DIN: 01185085

Anand Kumar
Director
DIN: 03041018

Shahla Ayoub
Director
DIN: 09834993

Sankarasubramanian Krishnan
Director
DIN: 07261965

Fayaz Ahmad Ganai
Chief Financial Officer

Mohammad Shafi Mir
Company Secretary

In terms of our report of even date annexed

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

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

FOR DHAR TIKU & CO
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CA. Rakesh Kaushik
Partner
M.No. 089562
UDIN:25089562BMNTIT7168

CA. S. K. Shah
Partner
M.No. 532394
UDIN:25532394BMJOFV2157

Place : Srinagar
Dated: 5th May, 2025

Schedules to Consolidated Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 ` "000" omitted	As at 31-03-2024 ` "000" omitted
SCHEDULE 1 - CAPITAL			
Authorised Capital			
1,850,000,000 (P.Y. 1,850,000,000)			
Equity Shares of Rs.1/- each		18,50,000	18,50,000
Issued :-			
1,101,400,463 (P.Y. 1,101,400,463) Equity Shares of Rs.1/= each		11,01,400	11,01,400
Subscribed and Paid-up Capital			
1,101,182,463 (P.Y. 1,101,182,463)			
Equity Shares of Rs. 1/- each		11,01,182	11,01,182
Add Forfeited Equity Shares (218,000) (P.Y. 218,000)		144	144
TOTAL		11,01,326	11,01,326
SCHEDULE 2 - RESERVES & SURPLUS			
I. Statutory Reserves			
Opening Balance		3,14,49,054	2,70,30,883
Additions during the year		54,85,601	44,18,171
Deductions during the year		-	-
Closing Balance		3,69,34,655	3,14,49,054
II. Capital Reserves			
a) Revaluation Reserve Fixed Assets			
Opening Balance		1,26,89,123	1,28,12,625
Additions during the year on account of Revaluation Reserve		-	1,79,256
Deduction during the year (depreciation)		(3,02,262)	(3,02,758)
Closing Balance		1,23,86,861	1,26,89,123
b) Others			
Opening Balance		28,88,472	28,88,472
Additions during the year		-	-
Deductions during the year		-	-
Closing Balance		28,88,472	28,88,472
III. Share Premium			
Opening Balance		2,91,94,503	2,18,24,157
Additions during the year		453	73,70,346
Deductions during the year		-	-
Closing Balance		2,91,94,956	2,91,94,503
IV AFS Reserve			
Opening Balance		-	-
Additions during the year		10,19,862	-
Deductions during the year		-	-
Closing Balance		10,19,862	-



Schedules to Consolidated Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 ` "000" omitted	As at 31-03-2024 ` "000" omitted
V Revenue and other Reserves			
a) Investment Fluctuation Reserve			
Opening Balance		20,95,800	20,95,800
Additions during the year		8,14,200	-
Deductions during the year		-	-
Closing Balance		29,10,000	20,95,800
b) Special Reserve (u/s 36 (i) (viii) of I.Tax Act, 1961			
Opening Balance		14,76,600	12,31,600
Additions during the year		3,54,500	2,45,000
Deductions during the year		-	-
Closing Balance		18,31,100	14,76,600
c) Other Reserve			
Opening Balance		4,10,32,382	3,00,48,092
Additions during the year		1,27,83,493	1,09,84,290
Deductions during the year		-	-
Closing Balance		5,38,15,875	4,10,32,382
TOTAL (I,II,III & IV)		14,09,81,781	12,08,25,934
SCHEDULE 3 - DEPOSITS			
A I. Demand Deposits			
i) From Banks		10,08,328	11,14,430
ii) From Others		16,13,83,944	14,71,16,556
TOTAL (i & ii)		16,23,92,272	14,82,30,986
II. Saving Bank Deposits		53,60,37,521	53,24,88,529
III. Term Deposits			
i) From Banks		3,12,81,242	2,82,80,883
ii) From Others *		75,58,09,191	63,86,46,181
TOTAL (i & ii)		78,70,90,433	66,69,27,064
TOTAL A (I+II+III)		1,48,55,20,226	1,34,76,46,579
B. I. Deposits of branches in India		1,48,55,20,226	1,34,76,46,579
II. Deposits of branches outside India		-	-
TOTAL B (I+II)		1,48,55,20,226	1,34,76,46,579
* The relevant figures of the amount of deposits on which lien has been marked could not be extracted. However, staff security deposits amounting to Rs. 1.19 Crore (Previous year Rs. 1.42 Crore which were parked in Schedule 5 " Other Liabilities and Provisions" have been reflected here in Schedule 3.)			
SCHEDULE 4 - BORROWINGS			
I. Borrowings in India			
i) Reserve Bank of India		-	-
ii) Other Banks		-	-

Schedules to Consolidated Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
iii) Unsecured Redeemable Debentures/Bonds (BASEL III for Tier I & Tier II Capital)		2,38,10,000	2,88,10,000
iv) Other Institutions & Agencies		18,443	40,015
TOTAL (i to iv)		2,38,28,443	2,88,50,015
II. Borrowings outside India		-	-
GRAND TOTAL (I & II)		2,38,28,443	2,88,50,015
Secured borrowings included in I & II above		NIL	Nil
SCHEDULE 5 - OTHER LIABILITIES AND PROVISIONS			
i) Bills Payable		26,70,743	38,26,531
ii) Inter Office Adjustments (Net)		-	-
iii) Interest Accrued		13,55,218	14,50,490
iv) Deferred Tax Liability (Net)		97,560	-
v) Provision Against Standard Assets		51,60,695	43,13,990
vi) Other (Including Provisions)		3,35,19,379	3,70,30,947
TOTAL (i to vi)		4,28,03,595	4,66,21,958
SCHEDULE 6 - CASH & BALANCES WITH RESERVE BANK OF INDIA			
I. Cash in Hand (Including Foreign Currency Notes)		64,59,639	61,56,011
II. Balance with Reserve Bank of India			
i) In Current Account		5,63,95,132	5,83,44,790
ii) In Other Accounts		1,10,00,000	80,00,000
TOTAL (I & II)		7,38,54,771	7,25,00,801
SCHEDULE 7 - BALANCE WITH BANKS AND MONEY AT CALL AND SHORT NOTICE			
I. In India			
i) Balance with Banks			
a) In Current Accounts		2,21,082	1,96,648
b) In Other Deposit Accounts		1,97,585	1,57,885
TOTAL (i) of (a & b)		4,18,667	3,54,533
ii) Money At Call and Short Notice			
a) With Banks		10,00,000	-
b) With Other Institutions		2,12,54,620	79,95,576
TOTAL (ii) of (a & b)		2,22,54,620	79,95,576
TOTAL (i & ii)		2,26,73,287	83,50,109
II. Outside India			
i) In Current Accounts		2,77,706	5,30,052
ii) In Other Deposit Accounts		-	-
iii) Money at Call & Short Notice		10,25,700	5,83,835
TOTAL II of (i, ii & iii)		13,03,406	11,13,887
GRAND TOTAL (I&II)		2,39,76,693	94,63,996



Schedules to Consolidated Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
SCHEDULE 8 - INVESTMENTS			
I. Investments in India in			
i) Government Securities		32,08,29,700	29,92,05,666
ii) Other Approved Securities		-	-
iii) Shares (Pref. + Equity)		9,63,698	10,05,292
iv) Debentures and Bonds		2,58,05,989	75,66,743
v) Subsidiaries and/or Joint Ventures		-	-
vi) Sponsored Institutions		16,70,230	17,14,859
vi) Others :			
a) Certificate of Deposit		5,98,90,805	3,92,60,750
b) Suitfile		-	-
c) Venture Capital		239	239
d) Commercial Paper		-	-
e) Security Receipts		19,98,500	2,48,675
f) Mutual Funds		57,911	-
g) INVIT		-	-
TOTAL (I)		41,12,17,072	34,90,02,224
II. Investments Outside India in			
i) Government Securities		Nil	Nil
ii) Subsidiaries and/or Joint Ventures abroad		Nil	Nil
iii) Others investments		Nil	Nil
TOTAL (II)		-	-
TOTAL (I & II)		41,12,17,072	34,90,02,224
III. Investments Category-Wise			
i) Held to Maturity		26,40,47,835	28,98,30,796
ii) FVTPL		34,99,014	-
ii) FVTPL (HFT) / Held for Trading		2,46,688	6,421
iii) Available for Sale		14,17,53,305	5,91,65,007
iv) Investment in Joint Venture and subsidiary (ISJ)		16,70,230	-
TOTAL (III)		41,12,17,072	34,90,02,224
SCHEDULE 9 - ADVANCES			
A i) Bills Purchased and Discounted		18,11,835	18,61,700
ii) Cash Credits, Overdrafts and Loans Repayable on Demand		31,55,59,786	26,71,94,553
iii) Term Loans		72,44,66,579	66,85,09,712
TOTAL (i to iii)		1,04,18,38,200	93,75,65,965
B i) Secured by Tangible Assets (includes advances against book debts)		71,26,59,628	64,89,58,882
ii) Covered by Bank/Govt. Guarantees		30,78,108	31,40,303
iii) Unsecured		32,61,00,464	28,54,66,780
TOTAL (i to iii)		1,04,18,38,200	93,75,65,965

Schedules to Consolidated Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
C I. Advances in India			
i) Priority Sector		35,96,44,346	35,20,44,234
ii) Public Sector		1,09,01,016	1,10,06,994
iii) Banks		1,176	3,414
iv) Others		67,12,91,662	57,45,11,323
TOTAL (i to iv)		1,04,18,38,200	93,75,65,965
II. Advances Outside India			
i) Due from Banks		NIL	NIL
ii) Due from Others		NIL	NIL
(a) Bills purchased and discounted			
(b) Syndicated Loans			
(c) Others			
GRAND TOTAL (I & II)		1,04,18,38,200	93,75,65,965
SCHEDULE 10 - FIXED ASSETS			
I. Premises			
a) At cost as at 31 st March of the preceding year		1,64,14,926	2,14,49,425
Additions during the year		23,870	4,32,942
		1,64,38,796	2,18,82,367
Deductions during the year		-	1,94,125
		1,64,38,796	2,16,88,242
Depreciation to date		32,14,084	32,97,120
Total (a)		1,32,24,712	1,83,91,122
b) Constructions work in progress		3,89,515	4,07,100
TOTAL (I) [a+b]		1,36,14,227	1,87,98,222
II. Other Fixed Assets (Including Furniture & Fixtures)			
a) At cost as at 31 st March of the preceding year		1,80,73,349	1,10,27,488
Additions during the year		8,54,013	18,64,544
		1,89,27,362	1,28,92,032
Deductions during the year		33,412	92,031
		1,88,93,950	1,28,00,001
Depreciation to date		1,56,83,685	1,40,33,082
TOTAL (II)		32,10,265	(12,33,081)
IIA. Leased Assets			
a) At cost as at 31 st March of the preceding year		52,73,316	52,81,128
Additions during the year		-	-
		52,73,316	52,81,128
Deductions during the year		-	7,812
		52,73,316	52,73,316
Depreciation to date		4,45,407	3,48,858
TOTAL (IIA)		48,27,909	49,24,458



Schedules to Consolidated Balance Sheet

as at 31st March, 2025

	Schedule	As at 31-03-2025 `"000" omitted	As at 31-03-2024 `"000" omitted
III. Capital Work in progress (Including Leased Assets) net of Provisions		2,65,994	87,898
GRAND TOTAL (I,II, IIA & III)		2,19,18,395	2,25,77,497
SCHEDULE 11 - OTHER ASSETS			
I. Interest Accrued		93,38,229	79,48,147
II. Inter Office Adjustment (Net)		39,789	7,00,609
III. Tax paid in Advance/Tax Deducted at Source (Net of Provisions)		10,73,014	6,36,736
IV. Stationery and Stamps		46,575	51,679
V. Deferred Tax Asset (Net)		-	15,52,595
VI. Non-Banking Assets acquired in satisfaction of claims		-	-
VII. Others *		11,09,32,633	14,30,45,563
TOTAL (I to VII)		12,14,30,240	15,39,35,329
* Includes deposits placed with NABARD/SIDBI/NHB/RIDF/MUDRA amounting to Rs. 94049249 thousand (Previous year Rs. 97258125 thousand)			
SCHEDULE 12 - CONTINGENT LIABILITIES			
I. Claims against the Bank not acknowledged as debts		34,35,365	35,92,693
II. Liability for partly paid investments		-	-
III. Liability on account of outstanding Forward Exchange Contracts		1,93,77,067	1,39,80,447
IV. Guarantees given on behalf of constituents:-			
a) In India		2,55,21,663	2,27,54,491
b) Outside India		4,12,576	2,63,457
V. Acceptances, Endorsements & Other Obligations		49,06,907	50,56,171
VI. Other items for which the Bank is Contingently liable (DEAF)		35,02,097	28,01,484
TOTAL (I to VI)		5,71,55,675	4,84,48,743

Consolidated Profit and Loss Account

for the year ended 31st March, 2025

	Schedule	YEAR ENDED 31-03-2025 ` "000" omitted	YEAR ENDED 31-03-2024 ` "000" omitted
I INCOME			
Interest Earned	13	12,54,10,824	11,21,32,032
Other Income	14	1,14,69,367	83,76,732
TOTAL		13,68,80,191	12,05,08,764
II EXPENDITURE			
Interest Expended	15	6,74,12,570	6,00,79,311
Operating Expenses	16	4,01,20,003	3,76,25,563
Provisions and Contingencies		84,85,127	51,04,807
TOTAL		11,60,17,700	10,28,09,681
III PROFIT			
Consolidated Net Profit for the year		2,08,62,491	1,76,99,083
Share of earnings/loss in Associates (net)		(44,629)	13,162
Consolidated Net profit/(loss) for the year before deducting Minorities Interest		2,08,17,862	1,77,12,245
Less: Minorities Interest		-	-
Consolidated Net profit/(loss) for the year attributable to the group		2,08,17,862	1,77,12,245
Add: Brought forward consolidated profit/(loss) attributable to the group		-	-
Profit available for Appropriation		2,08,17,862	1,77,12,245
IV APPROPRIATIONS			
TRANSFERED TO			
i) Statutory Reserve (See Note No. 17 of Schedule -18)		54,85,601	44,18,170
ii) Capital Reserve		-	-
iii) Revenue and Other Reserve		1,17,96,019	1,06,81,533
iv) Investment Fluctuation Reserve		8,14,200	-
v) Special Reserve		3,54,500	2,45,000
vi) Proposed Dividend		23,67,542	23,67,542
TOTAL		2,08,17,862	1,77,12,245
Principal Accounting Policies	17		
Notes on Accounts	18		
Earnings per Share (Basic/Diluted)		18.91	16.84
The schedules referred to above form an integral part of the Profit & Loss Account.			

For and on behalf of the Board

Amitava Chatterjee
 Managing Director & CEO
 DIN: 07082989

Rajesh Kumar Chhibber
 Director
 DIN: 08190084

Anil Kumar Goel
 Director
 DIN: 00672755

Umesh Chandra Pandey
 Director
 DIN: 01185085

Anand Kumar
 Director
 DIN: 03041018

Shahla Ayoub
 Director
 DIN: 09834993

Sankarasubramanian Krishnan
 Director
 DIN: 07261965

Fayaz Ahmad Ganai
 Chief Financial Officer

Mohammad Shafi Mir
 Company Secretary

In terms of our report of even date annexed

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

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

FOR DHAR TIKU & CO
 Chartered Accountants
 FRN: 003423N

CA. Akshay Magotra
 Partner
 M.No. 559146
 UDIN:25559146BMJPEL5104

CA. Rakesh Kaushik
 Partner
 M.No. 089562
 UDIN:25089562BMNTIT7168

CA. S. K. Shah
 Partner
 M.No. 532394
 UDIN:25532394BMJOFV2157

Place : Srinagar
 Dated: 5th May, 2025



Schedules to Consolidated Profit & Loss Account

for the year ended 31st March, 2025

	Schedule	YEAR ENDED 31-03-2025 ` "000" omitted	YEAR ENDED 31-03-2024 ` "000" omitted
SCHEDULE 13 - INTEREST EARNED			
I. Interest/Discount on Advances/Bills		9,42,29,879	8,60,86,671
II. Income on Investments (Net of Amortization)		2,66,92,332	2,26,54,302
III. Interest on Balances with R.B.I and other Inter Bank Funds		4,85,837	3,67,187
IV. Others		40,02,776	30,23,872
TOTAL (I to IV)		12,54,10,824	11,21,32,032
SCHEDULE 14 - OTHER INCOME			
I. Commission, Exchange & Brokerage		26,40,575	24,64,271
II. Profit /(Loss) on Sale of Investments (Net)		10,24,305	5,75,221
<i>Profit on Sale of Investments</i>		13,07,767	5,75,221
<i>Less: Loss on sale of investments</i>		(2,83,462)	-
III. Profit /(Loss) on revaluation of Investments (Net)		(4,90,170)	4,58,561
<i>Profit on revaluation of Investments</i>		20,782	5,14,705
<i>Less: loss on revaluation of investments</i>		(5,10,952)	(56,144)
IV. Profit/(Loss) on Sale of Land, Buildings & Other Assets (Net)		9,938	10,670
<i>Profit on Sale of Land, Buildings & Other Assets</i>		11,001	10,838
<i>Less: Loss on Sale of Land, Buildings & Other Assets</i>		(1,063)	(168)
V. Profit /(Loss) on Exchange Transactions (Net)		1,34,141	1,22,264
<i>Profit on Exchange Transactions</i>		1,35,334	1,23,645
<i>Less: Loss on E/Transactions</i>		(1,193)	(1,381)
VI. Income earned by way of Dividends etc. from Subsidiaries, Companies and/or Joint Venture abroad/in India		-	-
VII a) Lease finance Income b) Lease management fee c) Overdue charges d) Interest on lease rent receivables		-	-
VIII. Miscellaneous Income		81,50,578	47,45,745
TOTAL (I to VIII)		1,14,69,367	83,76,732
SCHEDULE 15 - INTEREST EXPENDED			
I. Interest on Deposits		6,43,71,858	5,68,53,664
II. Interest on RBI/Inter-Bank Borrowings		64,011	3,75,672
III. Others		29,76,701	28,49,975
TOTAL (I to III)		6,74,12,570	6,00,79,311

Schedules to Consolidated Profit & Loss Account

for the year ended 31st March, 2025

	Schedule	YEAR ENDED 31-03-2025 `"000" omitted	YEAR ENDED 31-03-2024 `"000" omitted
SCHEDULE 16 - OPERATING EXPENSES			
I. Payments to and provisions for Employees		2,78,78,784	2,57,89,798
II. Rent, Taxes and Lighting		12,30,305	11,29,500
III. Printing and Stationery		1,23,696	1,25,194
IV. Advertisement and Publicity		1,21,802	1,15,760
V. (a) Depreciation on Bank's Property other than Leased Assets		15,83,547	20,79,245
(b) Depreciation on Leased Assets		96,550	96,986
VI. Directors Fees, Allowances and Expenses		36,490	32,982
VII. Auditors Fees & Expenses (Including Branch Auditor's fees & Expenses)		1,80,844	1,71,260
VIII. Law Charges		1,71,363	1,74,209
IX. Postage, Telegrams, Telephones etc.		41,643	53,646
X. Repairs and Maintenance		4,02,595	3,93,178
XI. Insurance		18,16,002	16,36,025
XII. Amortisation of Goodwill, if any		-	-
XII. Other Expenditure		64,36,382	58,27,780
TOTAL (I to XII)		4,01,20,003	3,76,25,563



SCHEDULE 17

"Principal Accounting Policies"

A. Overview

Jammu and Kashmir Bank Limited (the Bank) is a Scheduled Commercial Bank and one of the oldest private sector banks in India, incorporated in 1938. J&K Bank is listed on both NSE and BSE and has its Corporate Headquarters at Srinagar. The Bank functions as a leading bank in the Union Territories of Jammu & Kashmir and Ladakh and is designated by Reserve Bank of India as agency bank for carrying out banking business for the Governments of the Union Territories of Jammu & Kashmir and Ladakh. J&K Bank caters to banking requirements of various customer segments which includes Business enterprises, employees of government, semi-government and autonomous bodies, farmers, artisans, public sector organizations and corporate clients. Group companies of the Bank include JKB Financial Services Limited (wholly owned subsidiary) and J&K Grameen Bank (Associate RRB). The Bank offers a wide range of retail credit products, including home finance, personal loans, education loans, agriculture lending, trade credit and consumer credit and a number of unique financial products tailored to the needs of various customer segments.

B. Basis of preparation of Financial Statements

The accompanying financial statements are prepared on historical cost basis, except as otherwise stated, following the "Going Concern" concept and conform to the Generally Accepted Accounting Principles (GAAP) in India, applicable statutory provisions and regulatory norms prescribed by the Reserve Bank of India (RBI), statutory guidelines of the Banking Regulation Act, 1949 (the BR Act), applicable mandatory Accounting Standards (AS)/Guidance Notes/pronouncements issued by the Institute of Chartered Accountants of India (ICAI) and practices prevailing in the banking industry in India.

The financial statements have been prepared in accordance with the requirements under the Third Schedule of the Banking Regulation Act, 1949.

C. Use of Estimates

The preparation of financial statements requires the management to make estimates and assumptions that are considered in the reported amount of assets and liabilities (including contingent liabilities) as on the date of financial statements and the reported income and expenses for the reporting period. The management believes that the estimates used in the preparation of the financial statements are prudent and reasonable.

D. Significant Accounting Policies

1. Revenue Recognition

- 1.1 Income and expenditure are accounted on accrual basis, unless otherwise stated.
- 1.2 Interest / Discount income from Non-Performing Assets (NPAs) including investments is recognized in the Profit and Loss Account on realization basis, as per the prudential norms prescribed by RBI.
- 1.3 Partial recovery in Non-Performing Assets is appropriated first towards principal and thereafter towards interest.
- 1.4 Fee, commission (other than insurance commission & Government business), exchange income, locker rent, insurance claims, dividend on shares and income from units in Mutual Fund and interest on refund of income tax are accounted for on receipt basis.
- 1.5 Interest on overdue Term Deposits is provided at the rate of interest applicable to Savings Bank Deposits.
- 1.6 Unforeseen income/ expenses are accounted for in the year of receipt/ payment.
- 1.7 Stationery issued to branches has been considered as consumed.

2. Investments

Investments are accounted for in accordance with the extant RBI guidelines on investment classification and valuation, as given below:

2.1. Classification of Investments by Banks Categorization of investments

- (a) The entire investment portfolio (except investments in subsidiary and associates) is classified under three categories, viz., Held to Maturity (HTM), Available for Sale (AFS) and Fair Value through Profit and Loss (FVTPL). Held for Trading (HFT) is a separate investment subcategory within FVTPL. The category of the investment is decided by the bank before or at the time of acquisition and this decision is properly documented.
- (b) Banks continues to present the investments in the Balance Sheet as set out in The Third Schedule to the BR Act (Form A, Schedule 8 - Investments) as under:
 - (i) Government securities

SCHEDULE 17

"Principal Accounting Policies"

- (ii) Other approved securities
- (iii) Shares
- (iv) Debentures & Bonds
- (v) Subsidiaries and / or joint ventures
- (vi) Others

2.2. Basis of classification:

HTM

- (a) Securities that fulfil the following conditions are classified under HTM:
 - (i) The security is acquired with the intention and objective of holding it to maturity, i.e., the financial assets are held with an objective to collect the contractual cash flows; and the contractual terms of the security give rise to cash flows that are solely payments of principal and interest on principal outstanding ('SPPI criterion') on specified dates.

AFS

- (a) Securities that meet the following conditions are classified under AFS:
 - (i) The security is acquired with an objective that is achieved by both collecting contractual cash flows and selling securities; and
 - (ii) the contractual terms of the security meet the 'SPPI criterion'

FVTPL

Securities that do not qualify for inclusion in HTM or AFS are classified under FVTPL.

FVTPL (HFT)

Securities that are to be fair valued on daily basis are classified as HFT within FVTPL

2.3 Valuation:

HTM

- (a) Securities held in HTM are carried at cost and not be marked to market (MTM) after initial recognition. However, they are subjected to income Recognition, asset classification and provisioning norms formulated by RBI.
- (b) Any discount or premium on the securities under HTM are amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.

AFS

- (a) The securities held in AFS are fair valued on quarterly basis. Any discount or premium on the acquisition of debt securities under AFS is amortized over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.
- (b) The valuation gains and losses across all performing investments, irrespective of classification (i.e., Government securities, Other approved securities, Bonds and Debentures, etc.), held under AFS is aggregated. The net appreciation or depreciation are directly credited or debited to a reserve named AFS Reserve without routing through the Profit & Loss Account.
- (c) Securities under AFS are subjected to income recognition, asset classification and provisioning norms formulated by RBI.
- (d) The AFS-Reserve is reckoned as Common Equity Tier (CET) 1. The unrealised gains transferred to AFS-Reserve are not available for any distribution such as dividend and coupon on Additional Tier 1.
- (e) Upon sale or maturity of a debt instrument in AFS category, the accumulated gain/ loss for that security in the AFS-Reserve are transferred from the AFS Reserve and recognized in the Profit and Loss Account under item II Profit on sale of investments under Schedule 14: Other Income.



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- (f) In the case of equity instruments designated under AFS at the time of initial recognition, any gain or loss on sale of such investments is not to be transferred from AFS-Reserve to the Profit and Loss Account. Instead, such gain or loss is transferred from AFS-Reserve to the Capital Reserve.

FVTPL

- (a) The securities held in FVTPL are fair valued and the net gain or loss arising on such valuation are directly credited or debited to the Profit and Loss Account.
- (b) Securities that are classified under the HFT sub-category within FVTPL are fair valued on a daily basis, whereas other securities in FVTPL are fair valued quarterly.
- (c) Any discount or premium on the acquisition of debt securities under FVTPL is amortised over the remaining life of the instrument. The amortised amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned' with a contra in Schedule 8: 'Investments'.
- (d) Securities under FVTPL are subject to income recognition, asset classification and provisioning norms formulated by RBI.

Subsidiary and Associate

- (a) Investment in subsidiary is held at acquisition cost.
- (b) Investment in Associate is valued and subject to impairment as per RBI guidelines.
- (c) Any discount or premium on the acquisition of debt securities of subsidiaries and associate is amortized over the remaining life of the instrument. The amortized amount is reflected in the financial statements under item II 'Income on Investments' of Schedule 13: 'Interest Earned'.

Quoted Securities:

The fair value for the quoted securities is the prices declared by the Financial Benchmarks India Private Ltd. (FBIL) in accordance with RBI circular FMRD.DIRD.7/14.03.025/2017-18 dated March 31, 2018, as amended from time to time. For securities whose prices are not published by FBIL, the fair value of the quoted security is based upon quoted price as available from the trades/ quotes on recognized stock exchanges, reporting platforms or trading Platforms authorized by RBI/SEBI or prices declared by the Fixed Income Money Market and Derivatives Association of India (FIMMDA).

In respect of unquoted securities, the procedure adopted is as under:

Category of Securities	Value
Central/ State Government Securities	At Prices/YTM rates published by Financial Benchmarks India Pvt. Ltd. (FBIL)
Other Approved Securities	On YTM basis by adding prescribed mark-up above the yields of the Central Government Securities of equivalent maturity put out by FBIL
Debentures and Bonds	At YTM rates for Central Government Securities as put out by FBIL/FIMMDA after applying appropriate mark-up, subject to prescribed conditions.
Equity Shares	At Break-up value (without considering revaluation reserves) to be ascertained from the company's latest balance sheet. The date as on which the latest balance sheet is drawn up shall not precede the date of valuation by more than 18 months. In case, the latest balance sheet is not available, the shares are valued at Re.1 per company.
Mutual Fund Units	At latest re-purchase price declared by the Mutual Fund in respect of each scheme. In case of funds with a lock-in period or any other fund, where repurchase price is not available, units are valued at Net Asset Value (NAV) of the scheme. If NAV is not available, these are valued at cost, till the end of the lock-in period.
Treasury Bills, Commercial Papers and Certificate of Deposits	At carrying cost
Preference Shares	When a preference share has been traded on exchange within 15 days prior to the valuation date, the value shall not be higher than the price at which the share was traded. The valuation of unquoted preference shares is done on YTM basis with appropriate mark-up over the YTM rates for Central Government Securities of equivalent maturity put out by the FBIL subject to such preference share not being valued above its redemption value. The mark-up is graded according to the ratings assigned to the preference shares by the rating agencies.

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"Principal Accounting Policies"

- 2.4 Investment in security receipts (SRs) and other instruments issued by an Asset Reconstruction Company (ARC):
 In respect of investments in SRs and other instruments issued by ARCs, the bank values the SRs as per the requirements of Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021, as amended from time to time.
- 2.5 Non-performing Investments are not considered for netting valuation gains and losses and MTM appreciation in the security is ignored.
- 2.6 The provision for impairment is recognized in the Profit and Loss Account as expense irrespective of the category, i.e., HTM, AFS or FVTPL (including HFT) in which the investment has been placed as per RBI Guidelines.
- 2.7 Investments in Government securities and Government guaranteed investments:**
 Investments in Central Government Securities and State Government Securities are not classified as NPI. In case of Central Government guaranteed securities, the investments are also not classified as NPI until the Central Government has repudiated the guarantee when invoked. In respect of such securities held in AFS and FVTPL, the bank shall continue to recognize MTM gains/losses in AFS-Reserve and Profit and Loss respectively. However, any income shall be recognized only on realization basis. However, prudential norms for identification of NPI and provisioning are attracted for investment in State Government guaranteed securities, when interest/ instalment of principal (including maturity proceeds) or any other amount due to the bank remains unpaid for more than 90 days.
- 2.8 Profit or loss on sale of investments is taken to the Profit and Loss account. However, in case of profit on sale of investments in "Held to Maturity" category, an equivalent amount of profit, net of taxes and the amount required to be transferred to Statutory reserve, is appropriated to the "Capital Reserve Account".
- 2.9 Broken period interest paid/received on debt instruments is treated as interest expense/income and is excluded from cost/sale consideration.
- 2.10 Brokerage paid on securities purchased is charged to revenue account except for equity investment operations where the same is added to the cost of purchase of investment.
- 2.11 In accordance with RBI circular No. FMRD.DIRD.01/14.03.038/2018-19 dated July 24, 2018, the Bank has made changes in accounting for Repo/ Reverse Repo transactions including Triparty Repo (Other than transactions under the liquidity adjustment facility (LAF) with the RBI). Accordingly, the securities sold and purchased under Repo/Reverse Repo are accounted for as collateralized lending and borrowing transactions. However, securities are transferred as in the case of normal outright sale/purchase transactions and such movement of securities are reflected using Repo/Reverse Repo accounts and contra entries. The above entries are reversed on the date of maturity. Cost and revenue are accounted as interest expenditure/Income as the case may be. Balance in Repo account is classified under schedule 4 (Borrowing) and balance in Reverse Repo account is classified under schedule 7 (Balance with Banks & money at call & short notice).
- 2.12 In respect of Non-Performing Securities, income is not recognized and appropriate provision is made for depreciation in the value of such securities as per Reserve Bank of India guidelines.

3. Advances

- 3.1** Classification of Advances and Provisions thereof have been made as per the Income Recognition, Asset Classification and Provisioning Norms formulated by the RBI viz., Standard, Sub-Standard, Doubtful and Loss Assets. The Bank has made provisions on Non-Performing Assets as per the prudential norms prescribed by the RBI as under:

Category of Assets	Provision norms
Sub-Standard	15% on Secured Exposure 25% on Unsecured Exposure 20% on Unsecured Exposure in respect of Infrastructure loan accounts where certain safeguards such as escrow accounts are available
Doubtful-I	25% on Secured 100% on Unsecured
Doubtful-II	40% on Secured 100% on Unsecured
Doubtful-III	100% on Secured 100% on Unsecured
Loss	100%



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To be more prudent, the Bank is making an additional provision @ 10 percent on the balances outstanding on account of non-performing assets held in sub-standard category (both secured/unsecured) and Doubtful I and Doubtful II category (secured portion only) over and above the abovementioned prescribed norms. In case of NPAs in credit cards, the provision is made at 100%.

- 3.2** Advances are shown net of unrealized interest and provisions/ Technical write offs made in respect of non-performing advances. Provisions on standard advances are reflected in Schedule 5 of the Balance Sheet under the head "Other Liabilities & Provisions - Others" and are not considered for arriving at the Net NPAs.
- 3.3** Restructuring of Advances and provisioning thereof have been made as per RBI guidelines.
- 3.4** Amounts recovered against debts written off in earlier years are recognized as revenue in the year of recovery.
- 3.6** Appropriation of recoveries in NPAs are made in order of priority as under:
 - i. Principal Due
 - ii. Charges, Costs, Commission etc.
 - iii. Unrealized Interest/ Interest.

4. Floating Provisions

In accordance with the RBI guidelines, the Bank has an approved policy for creation and utilization of floating provisions for advances. The quantum of floating provisions to be created is assessed at the end of each quarter. These provisions are utilized only for contingencies under extraordinary circumstances specified in the policy with prior permission of Reserve Bank of India.

5. Fixed Assets and Depreciation

- 5.1** Fixed Assets, other than premises, are carried at cost less accumulated depreciation and impairment, if any. Freehold premises are carried at revalued amount, being fair value at the date of revaluation less accumulated depreciation.
- 5.2** Cost includes cost of purchase, freight, duties, taxes and all expenditure such as site preparation, installation costs and professional fees incurred on the asset before it is put-to-use. Subsequent expenditure(s) incurred on the assets put-to-use are capitalized only when it increases the future benefits from such assets or their functioning capability. The fixed assets are depreciated as per straight line method, considering residual value at 5% of original cost, as per the provisions of Companies Act 2013 based on the useful life of the assets prescribed in Part C of the Schedule II of the Companies Act 2013 as given hereunder:

Description of Fixed Assets	Useful Life (Years)
Buildings (With RCC Frame Structure)	60
Buildings (Other than RCC Frame Structure)w	30
Boundary Wall	5
Plant and Machinery	15
Furniture and Fixtures	10
Vehicles	8
Others (Including temporary structures etc.)	3

Depreciation on computers (including ATMs/CDMs) along with software, forming integral part of the computers is computed at 33.33% on straight line method in terms of RBI guidelines issued vide letter no BP.1660/21.04.018/2001 dated 01.02.2001, taking the residual value as Nil.

Useful life of the mobile phones is considered to be 2 years and the depreciation is charged in straight line method as per provisions of Companies Act 2013 with no residual value.

In compliance with Section 15(1) of Banking Regulation Act, 1949, the Bank writes off the entire amount of intangible assets.

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- 5.3** In respect of assets acquired during the year, depreciation is charged on proportionate basis for the number of days the assets have been put-to-use during the year.
- 5.4** Premium paid for leasehold properties is amortized over the period of lease.
- 5.5** The Bank revalues freehold immovable assets every three years. The increase in Net Book Value of the asset due to revaluation is credited to the Revaluation Reserve Account without routing through the Profit and Loss Account. However, where such an increase is a reversal of any previous decrease arising on revaluation which has been charged to profit and loss account, such increase is credited to profit and loss account to the extent that it offsets the previously recorded decrease. A decrease in net book value arising on revaluation of fixed assets is charged to profit and loss account except that, to the extent such a decrease is related to a previous increase on revaluation that is included in Revaluation Reserve, it is charged against that earlier increase. Additional Depreciation on the revalued asset is charged to the Profit and Loss Account and appropriated from the Revaluation Reserves to General Reserve. The revalued asset is depreciated over the balance useful life of the asset as assessed at the time of revaluation.
- 5.6** Assets costing less than Rs.1000 each are charged off in the year of purchase.

6. Employee Benefits

6.1 Short Term Employee Benefits:

The undiscounted amounts of short-term employee benefits which are expected to be paid in exchange for the services rendered by employees are recognized during the period when the employee renders the service.

6.2 Long Term Employee Benefits:

i. Defined Contribution Plan:

Provident Fund: Provident Fund is a defined contribution scheme as the bank pays fixed contribution at pre-determined rates. The obligation of the Bank is limited to such fixed contribution. The contributions are charged to profit and loss account. The Bank is paying matching contribution towards those employees who have not opted for the pension.

ii. Defined Benefit Plan

Gratuity

The Bank pays gratuity, a defined benefit plan, to vested employees on retirement or resignation or on death while in employment or on termination of employment. The Bank makes contribution to recognized trust which administers the funds on its own account or through insurance companies. Actuarial valuation of the gratuity liability is determined by an independent actuary appointed by the Bank. Actuarial valuation of gratuity liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognized in the profit and loss account.

Pension

The Bank provides for pension to all eligible employees. The Bank makes contribution to a trust which administers the funds on its own account or through insurance companies. The plan provides for pension payment including dearness relief on a monthly basis to these employees based on the respective employee's years of service with the Bank and applicable salary. Actuarial valuation of the pension liability is determined by an independent actuary appointed by the Bank. Actuarial valuation of pension liability is determined based on certain assumptions regarding rate of interest, salary growth, mortality and staff attrition as per the projected unit credit method. The actuarial gains or losses arising during the year are recognized in the profit and loss account. Employees covered by the pension plan are not eligible for employer's contribution under the provident fund plan.

The Bank also operates a New Pension Scheme (NPS) for all employees joining the Bank on or after 1st August, 2010 (Such new joiners not being entitled to become members of the existing pension scheme). As per the scheme, these employees contribute 10% of their salary and the Bank contributes 14% of the employee's salary. The amount contributed by the Bank to NPS during the year is recognized in the profit and loss account.



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Leave Salary

The Bank provides for compensated absence based on actuarial valuation conducted by an independent actuary, appointed by the Bank.

7. Transactions involving Foreign Exchange

- 7.1 Foreign currency transactions are recorded on initial recognition in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency on the date of transaction.
- 7.2 Foreign currency monetary items are reported using the Foreign Exchange Dealers Association of India (FEDAI) closing (spot/forward) rates.
- 7.3 Monetary Assets and Liabilities as on balance sheet date have been translated using closing rate as at year-end announced by FEDAI.
- 7.4 Exchange difference arising on the settlement of monetary items at rates different from those at which they were initially recorded are recognized as income or as an expense in the period in which they arise.
- 7.5 Outstanding foreign exchange spot and forward contracts held for trading are revalued at the exchange rates notified by FEDAI for specified maturities and the resulting Profit or Loss is recognized in the Profit and Loss Account.

8. Segment Reporting

The Bank recognizes the business segment as the primary reporting segment in accordance with the RBI guidelines and in compliance with the Accounting Standard 17 issued by Institute of Chartered Accountants of India.

9. Taxes on Income

Income tax expense is the aggregate amount of current tax and deferred tax expense incurred by the Bank. The current tax expense and deferred tax expense are determined in accordance with the provisions of the Income Tax Act, 1961 and as per Accounting Standard 22- "Accounting for taxes on Income" respectively. Deferred Tax adjustments comprises of changes in the deferred tax assets or liabilities during the year. Deferred tax assets and liabilities are recognized by considering the impact of timing differences between taxable income and accounting income for the current year and carry forward losses. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted at the balance sheet date. The impact of changes in deferred tax assets and liabilities is recognized in the profit and loss account.

10. Provisions, Contingent Liabilities and Contingent Assets

10.1 In conformity with AS 29 - "Provisions, Contingent Liabilities and Contingent Assets" issued by the Institute of Chartered Accountants of India, the Bank recognizes provisions only when it has a present obligation because of a past event, and would result in a probable outflow of resources to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

10.2 No provision is recognized for

- I. Any possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Bank; or
- II. Any present obligation that arises from past events but is not recognized because:
 - It is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - A reliable estimate of the amount of obligation cannot be made.

Such obligations are recorded as Contingent Liabilities.

10.3 The Bank has made 100% provision for redemption against the accumulated reward points in respect of standard credit card holders.

10.4 Contingent Assets are not recognized in the financial statements.

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11. Impairment of Assets

Fixed assets are reviewed for impairment whenever events or changes in circumstances warrant that the carrying amount of an asset may not be recoverable. Impairment to be recognized is measured by the amount by which the carrying amount of the asset exceeds the fair value of the asset.

12. Share Issue Expenses

Share issue expenses are charged to the Share premium Account.

13. Earnings per Share

13.1 The Bank reports basic and diluted earnings per share in accordance with AS 20 - "Earnings per Share" issued by the ICAI. Basic Earnings per Share are computed by dividing the Net Profit after Tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding for the year.

13.2 Diluted Earnings per Share reflect the potential dilution that could occur if securities or other contracts to issue equity shares were exercised or converted during the year. Diluted Earnings per Share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at year end.



Schedule 18

"Notes on Consolidated Accounts"

Disclosures made by Parent Company

Name of the Entity	Relationship	Country of incorporation	% voting power held as at	
			31.03.2025	31.03.2024
JKB Financial Services Ltd	Subsidiary	India	100%	100%
J&K Grameen Bank	Associate	India	35%	35%

1. Regulatory Capital

1.1 a) Composition of Regulatory Capital

(Amount in ` crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Common Equity Tier 1 capital (CET 1)	12824.08	11177.63
ii)	Additional Tier 1 capital	1000.00	1000.00
iii)	Tier 1 capital (i + ii)	13824.08	12177.63
iv)	Tier 2 capital	2328.55	2096.46
v)	Total capital (Tier 1+Tier 2)	16152.64	14274.09
vi)	Total Risk Weighted Assets (RWAs)	98620.75	92578.19
vii)	CET 1 Ratio (CET 1 as a percentage of RWAs)	13.00%	12.07%
viii)	Tier 1 Ratio (Tier 1 capital as a percentage of RWAs)	14.02%	13.15%
ix)	Tier 2 Ratio (Tier 2 capital as a percentage of RWAs)	2.36%	2.26%
x)	Capital to Risk Weighted Assets Ratio (CRAR) (Total Capital as a percentage of RWAs)	16.38%	15.42%
xi)	Leverage Ratio	7.93%	7.60%
xii)	Percentage of the shareholding of a) Government of India	Nil	Nil
xiii)	Amount of paid-up equity capital raised during the year	Nil	6.97
xiv)	Amount of non-equity Tier 1 capital raised during the year	Nil	Nil
xv)	Amount of non-equity Tier 2 capital raised during the year	Nil	Nil

Revaluation Reserve has been reckoned as CET1 capital at a discount of 55% in line with RBI guidelines.

b) Drawdown from Reserves

S No.	Reserves	Amount Drawn	Purpose
1	Revaluation Reserve	30.22	Depreciation on revalued portion of fixed assets amounting to ` 30.03 crore has been transferred to General Reserve from revaluation reserve. In addition an amount of ` 0.19 crores has been transferred from revaluation reserve to Profit & Loss account against appropriation of devaluation of land.

Schedule 18

"Notes on Consolidated Accounts"

2. Asset Liability Management:

a) Maturity pattern of certain items of assets and liabilities

Maturity Pattern of Assets and Liabilities as on 31.03.2025

(Amount in ` crore)

	Day one	2 to 7 Days	8 to 14 Days	15 to 30 Days	31 days to 2 Months	Over 2 months and upto 3 month	Over 3 months and upto 6 months	Over 6 months and upto 1 years	Over 1 years and upto 3 years	Over 3 years and upto 5 years	Over 5 years	TOTAL
Deposits	1073.78	5012.31	3370.38	3404.27	4120.54	3907.89	8180.92	16063.77	52554.24	34565.83	16298.09	148552.02
Advances	653.59	1734.30	1972.15	863.11	1797.37	2887.19	3456.02	7022.57	53476.15	17068.86	13252.51	104183.82
Investments	4281.89	2.80	0.00	49.98	2079.79	972.84	1814.49	5696.22	6073.57	6948.60	13201.52	41121.71
Borrowings	0.00	0.00	0.00	0.00	0.00	1000.00	0.00	0.00	1.84	1381.00	0	2382.84
Foreign Currency Assets	72.53	554.14	3.60	179.20	0.00	164.29	103.76	127.87	11.26	0.00	0.00	1216.66
Foreign Currency liabilities	72.53	554.14	3.60	179.20	0.00	164.29	103.76	127.87	11.26	0.00	0.00	1216.66

Note* Classification of assets and liabilities under the maturity buckets is based on the same estimates and assumptions as used by the bank for compiling the Liquidity Report submitted to RBI.

b) Liquidity Coverage Ratio (LCR)

Liquidity Coverage Ratio (LCR) guidelines were implemented by the Banks with an objective to maintain adequate level of unencumbered High Quality Liquid Assets (HQLAs) that can be converted into cash to meet its liquidity needs for a time-horizon up to 30 calendar days under a significantly severe liquidity stress scenario.

$$LCR = \frac{\text{Stock High Quality Liquid Assets (HQLAs)}}{\text{Total Net Cash Outflows over the next 30 calendar days}}$$

HQLA comprise of liquid assets that can be readily encashed or used as collateral to obtain cash in a range of stress scenarios.

There are two categories of assets included in the stock of HQLAs, viz. Level 1 and Level 2 (Level 2A and Level 2B) assets. While Level 1 assets are with 0% haircut, Level 2A and Level 2B assets are with 15% and 50% haircuts respectively.

The Total Net Cash Outflows are the total expected cash outflows minus total expected cash inflows for the subsequent 30 calendar days.

LCR COMPONENTS		Quarter March 2025		Quarter December 2024		Quarter September 2024		Quarter June 2024		Quarter March 2024	
		Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)
1	Total High Quality Liquid Assets (HQLA)	33623.51	33390.67	32940.65	32845.33	29875.37	29796.05	29722.05	29710.03	29743.37	29724.46

Cash Outflows

2	Retail deposits and deposits from small business customers, of which	102366.93	7995.10	100808.98	7790.79	95062.07	7422.78	95031.80	7414.29	92434.94	6981.69
(i)	Stable deposits	44829.40	2241.40	45721.38	2282.25	43615.82	2180.55	43143.49	2225.46	45235.86	2261.78
(ii)	Less stable deposits	57537.53	5753.70	55087.60	5508.54	51446.25	5242.23	51888.31	5188.83	47199.08	4719.91
3	Unsecured wholesale funding, of which	31624.24	16239.89	30928.76	15782.88	36685.74	16106.88	31274.03	16470.24	21135.25	11447.50



Schedule 18

"Notes on Consolidated Accounts"

LCR COMPONENTS		Quarter March 2025		Quarter December 2024		Quarter September 2024		Quarter June 2024		Quarter March 2024	
		Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)	Total Unweighted value (Average)	Total Weighted value (Average)
(i)	Operational Deposits (all counterparties)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(ii)	Non Operational deposits (all counterparties)	31624.24	16239.89	30928.76	15782.88	36685.74	16106.88	31274.03	16470.24	21135.25	11447.50
(iii)	Unsecured debt	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4	Secured Wholesale funding	0.00	0.00	0.00	0.00	0.00	0.00	258.29	0.00	0.00	0.00
5	Additional requirements of which	114.64	114.64	69.27	69.27	90.94	90.94	78.41	78.41	79.11	79.11
(i)	Outflows related to derivative exposure and other collateral requirements	114.64	114.64	69.27	69.27	90.94	90.94	78.41	78.41	79.11	79.11
(ii)	outflows related to loss of funding on debt products	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
(iii)	credit and liquidity facilities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6	Other contractual funding Obligations	8608.15	781.18	7924.13	680.78	7881.83	691.57	7697.08	681.20	7332.07	562.68
7	Other contingent funding Obligations	8216.68	569.66	8467.02	974.14	8166.88	976.18	8095.27	706.09	5263.12	246.72
8	Total cash outflows	150930.64	25700.47	148198.16	25297.86	147887.46	25288.35	142434.88	25350.23	126244.49	19317.70
Cash Inflows											
9	Secured Lending (e.g., Reverse Repo)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10	Inflows from fully performing exposure	1790.08	962.97	1274.70	798.28	1687.50	877.52	971.11	496.47	692.85	355.95
11	Other cash inflows	183.02	91.51	266.79	136.17	157.10	78.55	56.01	28.01	190.19	95.09
12	Total cash inflows	1973.10	1054.48	1541.49	934.45	1844.60	956.07	1027.12	524.48	883.04	451.04
13	TOTAL HQLA	33623.51	33390.67	32940.65	32845.33	29875.37	29796.05	29722.05	29710.03	29743.37	29724.46
14	Total Net Cash Outflows	148957.54	24645.99	146656.67	24363.41	146042.86	24332.28	141407.76	24825.75	125361.45	18866.66
15	Liquidity Coverage Ratio (%)		135.48%		134.81%		122.45%		119.67%		157.55%

In accordance with RBI guidelines vide circular no. RBI/2014-15/529 DBR. No. BP.BC.80/21.06.201/2014-15 dated 31st March 2015, average weighted and unweighted amounts have been calculated taking simple daily average. We have considered 61 data points for the quarter ended March 2025.

Bank's LCR was at 135.48% based on daily average of past three months (Q4 FY24-25). The position remained above the minimum regulatory requirement of 100%. Average HQLA held during the quarter was Rs 33390.67 Cr which were mostly in the form of level 1 assets. The weighted average total net cash outflows were to the tune of Rs 24645.99 Cr.

Liquidity Management in the Bank is driven by RBI guidelines and Bank's ALM Policy. ALCO has been empowered by the Bank's Board to formulate the funding strategies to ensure that the funding sources are well diversified and is consistent with the operational requirements of the Bank. In addition to daily / monthly LCR reporting, Bank also prepares daily Structural Liquidity Statement to assess the liquidity needs of the Bank on an ongoing basis.

c) Net Stable Funding Ratio (NSFR)

Net Stable Funding Ratio (NSFR) guidelines ensure reduction in funding risk over a longer time horizon by requiring banks to fund their activities with sufficiently stable sources of funding in order to mitigate the risk of future funding stress. The NSFR is defined as the amount of Available Stable Funding relative to the amount of Required Stable Funding.

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$$\text{NSFR} = \frac{\text{Available Stable Funding (ASF)}}{\text{Required Stable Funding (RSF)}} \geq 100\%$$

Bank's NSFR comes to 141.74% as at the end of the quarter ended March 2025 and is above the minimum regulatory requirement of 100%. The Available Stable Funding (ASF) as on 31.03.2025 stood at Rs. 124291.21 crores and amount for Required Stable Funding (RSF) as on 31.03.2025 was Rs 87691.54 crores.

The Available Stable Funding (ASF) is primarily driven by the total regulatory Capital as per Basel III capital adequacy guidelines stipulated by RBI and the deposits from retail customers, small business customers and non-financial corporate customers.

Under the Required Stable Funding (RSF), the primary drivers are unencumbered performing loans with residual maturities of one year or more.

The following tables contain unweighted and weighted values of NSFR components as on March 31,2025, December 31,2024, September 30,2024 and June 30, 2024.

NSFR components as on March 31, 2025

(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to > 1yr	≥ 1yr	
1	Capital: (2+3)	14132.99	1000.00	0.00	13222.94	28355.94
2	Regulatory capital	14132.99	1000.00	0.00	1381.00	16513.99
3	Other capital instruments/term deposit with res maturity of 1 year or more	0	0	0	11841.94	11841.94
4	Retail deposits and deposits from small business customers: (5+6)	54224.37	23853.87	16817.65	0.00	87370.33
5	Stable deposits	34927.50	2932.67	1420.43	0	37316.57
6	Less stable deposits	19296.87	20921.20	15397.22	0	50053.76
7	Wholesale funding: (8+9)	0.00	14272.72	7299.42	0.00	8564.94
8	Operational deposits	0.00	0.00	0.00	0	0.00
9	Other wholesale funding	0.00	14272.72	7299.42	0.00	8564.94
10	Other liabilities: (11+12)	0.00	0.65	0.15	15135.02	0.00
11	NSFR derivative liabilities		0.65	0.15	0.00	
12	All other liabilities and equity not included in the above categories	0	0	0	15135.02	0
13	Total ASF (1+4+7+10)					124291.21

RSF Item

14	Total NSFR high-quality liquid assets (HQLA)					1744.21
15	Deposits held at other financial institutions for operational purposes	68.67	0.00	0.00	0.00	34.33
16	Performing loans and securities: (17+18+19+21+23)	2899.49	18575.04	17696.80	71743.16	70460.34
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	2225.462	100	0	0	383.8193
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	13753.053	14324.252	56869.63	54747.19
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	8875.9078	5769.34007
21	Performing residential mortgages, of which:	0	0	0	13427.393	9673.22
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	8700.3215	5655.208975
23	Securities that are not in default and do not qualify as HQLA, including exchange- traded equities	674.03	4721.99	3372.55	1446.13	5656.11
24	Other assets: (sum of rows 25 to 29)	2868.05	0.00	0.00	11880.73	14727.16



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25	Physical traded commodities, including gold	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	31.40	0.00	0.00	112.78	122.5540115
27	NSFR derivative assets		0	0	1.9797062	1.979706233
28	NSFR derivative liabilities before deduction of variation margin posted		0	0	0.3806296	0.380629555
29	All other assets not included in the above categories	2836.65	0.00	0.00	11765.60	14602.2482
30	Off-balance sheet items	15534.91	0.00	0.00	0.00	725.50
31	Total RSF (14+15+16+24+30)					87691.54
32	Net Stable Funding Ratio (%)					141.74%

NSFR components as on December 31, 2024

(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6months	6 months to < 1yr	≥ 1yr	
1	Capital: (2+3)	12344.37	1000.00	0.00	9593.95	22938.32
2	Regulatory capital	12344.37	1000.00	0.00	1381.00	14725.37
3	Other capital instruments/termdeposit with res maturity of 1 year or more	0	0	0	8212.95	8212.95
4	Retail deposits and deposits from small business customers: (5+6)	67601.74	29463.11	19233.95	0.00	108138.30
5	Stable deposits	37540.74	16426.13	15420.68	0	65918.17
6	Less stable deposits	30061.00	13036.98	3813.28	0	42220.14
7	Wholesale funding: (8+9)	0.00	6843.45	8265.34	0.00	7167.92
8	Operational deposits	0.00	0.00	0.00	0	0.00
9	Other wholesale funding	0.00	6843.45	8265.34	0.00	7167.92
10	Other liabilities: (11+12)	1364.10	0.65	0.15	0.00	0.00
11	NSFR derivative liabilities		0.65	0.15	0.00	
12	All other liabilities and equity not included in the above categories	1364.1	0	0	0	0
13	Total ASF (1+4+7+10)					138244.54

RSF Item

14	Total NSFR high-quality liquid assets (HQLA)					1725.79
15	Deposits held at other financial institutions for operational purposes	68.67	0.00	0.00	0.00	34.33
16	Performing loans and securities: (17+18+19+21+23)	192.88	22278.15	10734.94	70066.30	66675.83
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	1884.6432	0	0	317.69648
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	13567.53041	10083.47732	55542.14127	51874.76
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	9210.2204	5986.64326
21	Performing residential mortgages, of which:	0	0	0	13266.1718	9535.93
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	8701.573	5656.02245
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	192.88	6825.97	651.46	1257.99	4947.45
24	Other assets: (sum of rows 25 to 29)	3417.43	0.00	0.00	10656.69	14053.01

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(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to > 1yr	≥ 1yr	
25	Physical traded commodities, including gold	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	29.23	0.00	0.00	111.56	119.67252
27	NSFR derivative assets		0	0	0.5657	0.5657
28	NSFR derivative liabilities before deduction of variation margin posted		0	0	0.1943	0.1943
29	All other assets not included in the above categories	3388.20	0.00	0.00	10544.37	13932.5761
30	Off-balance sheet items	15774.19	0.00	0.00	0.00	732.08
31	Total RSF (14+15+16+24+30)					83221.05
32	Net Stable Funding Ratio (%)					166.12%

NSFR components as on September 30, 2024

(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to > 1yr	≥ 1yr	
1	Capital: (2+3)	12314.69	0.00	1000.00	10548.19	23862.88
2	Regulatory capital	12314.69	0.00	1000.00	1381.00	14695.69
3	Other capital instruments/termdeposit with res maturity of 1 year or more	0	0	0	9167.19	9167.19
4	Retail deposits and deposits from small business customers: (5+6)	67032.11	7707.74	36097.80	0.00	102984.26
5	Stable deposits	37504.28	4688.41	22414.85	0	61377.17
6	Less stable deposits	29527.83	3019.33	13682.95	0	41607.09
7	Wholesale funding: (8+9)	0.00	7187.33	10696.33	0.00	7915.96
8	Operational deposits	0.00	0.00	0.00	0	0.00
9	Other wholesale funding	0.00	7187.33	10696.33	0.00	7915.96
10	Other liabilities: (11+12)	312.50	0.11	0.00	0.00	0.00
11	NSFR derivative liabilities		0.11	0.00	0.00	
12	All other liabilities and equity not included in the above categories	312.4966	0	0	0	0
13	Total ASF (1+4+7+10)					134763.10

RSF Item

14	Total NSFR high-quality liquid assets (HQLA)					1657.38
15	Deposits held at other financial institutions for operational purposes	68.67	0.00	0.00	0.00	34.33
16	Performing loans and securities: (17+18+19+21+23)	2210.99	19845.37	23989.45	53611.41	69909.71
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	200	0	0	65
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	14051.449	23790.1847	39935.372	55845.41
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	9714.9886	6314.74259
21	Performing residential mortgages, of which:	0	0	0	12551.9407	9038.26



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"Notes on Consolidated Accounts"

(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to > 1yr	≥ 1yr	
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	8154.4416	5300.38704
23	Securities that are not in default and do not qualify as HQLA, including exchange- traded equities	2210.99	5593.92	199.27	1124.10	4961.04
24	Other assets: (sum of rows 25 to 29)	2816.47	0.00	0.00	11426.55	14221.84
25	Physical traded commodities, including gold	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	29.23	0.00	0.00	112.00	120.04788
27	NSFR derivative assets		0	0	0.5657	0.5657
28	NSFR derivative liabilities before deduction of variation margin posted		0	0	0.1943	0.1943
29	All other assets not included in the above categories	2787.24	0.00	0.00	11313.79	14101.0283
30	Off-balance sheet items	0.00	0.00	7801.65	0.00	335.00
31	Total RSF (14+15+16+24+30)					86158.26
32	Net Stable Funding Ratio (%)					156.41%

NSFR components as on June 30, 2024

(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to > 1yr	≥ 1yr	
1	Capital: (2+3)	12201.61	0.00	1000.00	10583.04	23784.65
2	Regulatory capital	12201.61	0.00	1000.00	1381.00	14582.61
3	Other capital instruments/termdeposit with res maturity of 1 year or more	0	0	0	9202.04	9202.04
4	Retail deposits and deposits from small business customers: (5+6)	65900.19	16896.53	23986.82	0.00	99240.11
5	Stable deposits	36776.40	10956.95	14965.17	0	59563.60
6	Less stable deposits	29123.78	5939.58	9021.65	0	39676.51
7	Wholesale funding: (8+9)	0.00	8787.75	8345.80	0.00	7716.46
8	Operational deposits	0.00	0.00	0.00	0	0.00
9	Other wholesale funding	0.00	8787.75	8345.80	0.00	7716.46
10	Other liabilities: (11+12)	312.50	0.00	0.00	0.00	0.00
11	NSFR derivative liabilities		0.00	0.00	0.00	
12	All other liabilities and equity not included in the above categories	312.4966	0	0	0	0
13	Total ASF (1+4+7+10)					130741.22

RSF Item

14	Total NSFR high-quality liquid assets (HQLA)					1360.46
15	Deposits held at other financial institutions for operational purposes	68.67	0.00	0.00	0.00	34.33
16	Performing loans and securities: (17+18+19+21+23)	2430.75	15616.64	26509.43	53554.29	69240.80
17	Performing loans to financial institutions secured by Level 1 HQLA	0	0	0	0	0

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(Amount In Crores)

S. No.	ASF Item	Unweighted value by residual maturity				Weighted value
		No maturity	< 6 months	6 months to > 1yr	≥ 1yr	
18	Performing loans to financial institutions secured by non-Level 1 HQLA and unsecured performing loans to financial institutions	0	0	0	0	0
19	Performing loans to non- financial corporate clients, loans to retail and small business customers, and loans to sovereigns, central banks and PSEs, of which:	0	14336.82162	24007.82398	40788.64071	56852.66
20	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	9592.5019	6235.126235
21	Performing residential mortgages, of which:	0	0	0	12028.0489	8650.23
22	With a risk weight of less than or equal to 35% under the Basel II Standardised Approach for credit risk	0	0	0	7868.0508	5114.23302
23	Securities that are not in default and do not qualify as HQLA, including exchange-traded equities	2430.75	1279.82	2501.61	737.60	3737.91
24	Other assets: (sum of rows 25 to 29)	2816.47	0.00	0.00	12771.51	15364.06
25	Physical traded commodities, including gold	0				0
26	Assets posted as initial margin for derivative contracts and contributions to default funds of CCPs	29.23	0.00	0.00	1463.59	1268.897
27	NSFR derivative assets		0	0	7.2632	7.2632
28	NSFR derivative liabilities before deduction of variation margin posted		0	0	0.1569	0.1569
29	All other assets not included in the above categories	2787.24	0.00	0.00	11300.50	14087.7451
30	Off-balance sheet items	0.00	0.00	9777.04	0.00	432.14
31	Total RSF (14+15+16+24+30)					86431.81
32	Net Stable Funding Ratio (%)					151.27%

* Items to be reported in the 'no maturity' time bucket do not have a stated maturity. These may include, but are not limited to, items such as capital with perpetual maturity, non-maturity deposits, short positions, open maturity positions, non-HQLA equities, and physical traded commodities.

As per the extant RBI Guidelines, the banks are required to make Pillar 3 disclosures including Leverage Ratio, Liquidity Coverage Ratio and Net Stable funding ratio under the BASEL III Framework. Accordingly, these disclosures are being made available on the Bank's website i.e. www.jkbank.com. These disclosures have not been subjected to audit or review by the Statutory Central Auditors of the Bank.



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"Notes on Consolidated Accounts"

3. Investments

a) Composition of Investment Portfolio

As at 31st March, 2025

(Amount in crore)

Particulars	Investments in India						Investments outside India				Total Investments	
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others		Total Investments outside India
Held to Maturity												
Gross	26105.1870	0	0	299.5965	0	0	26404.7835	0	0	0	0	0
Less: Provision for non-performing investments (NPI)	0	0	0	0	0	0	0.0000	0	0	0	0	0
Net	26105.1870	0	0	299.5965	0	0	26404.7835	0	0	0	0	0
Available for Sale												
Gross	5956.6124	0	0	2493.3024	0	6037.32	14487.2382	0	0	0	0	0
Less: Provision for depreciation and NPI	0	0	0	263.6648	0	48.2429	311.9077	0	0	0	0	0
Net	5956.6124	0	0	2229.6376	0	5989.08	14175.3305	0	0	0	0	0
Held for Trading												
Gross	21.1706	0	3.4982	0	0	0	24.6688	0	0	0	0	0
Less: Provision for depreciation and NPI	0	0	0	0	0	0	0.0000	0	0	0	0	0
Net	21.1706	0	3.4982	0	0	0	24.6688	0	0	0	0	0
FVTPL												
Gross	0	0	523.8251	51.3649	0	220.3535	795.5435	0	0	0	0	0
Less: Provision for non-performing investments (NPI)	0	0	430.9535	0	0	14.6886	445.6421	0	0	0	0	0
Net	0	0	92.8716	51.3649	0	205.6649	349.9014	0	0	0	0	0
ISJ (Investment in Subsidiary & Joint Venture)												
Gross	0	0	0.00	0	167.04	0	167.04	0	0	0	0	0
Less: Provision for non-performing investments (NPI)	0	0	0	0	0	0	0.0000	0	0	0	0	0
Net	0	0	0.00	0	167.04	0	167.04	0	0	0	0	0
Total Investments	32082.9700	0	527.3233	2844.2638	167.04	6257.6769	4879.2740	0	0	0	0	0
Less: Provision for non-performing investments	0	0	430.9535	263.6648	0	62.9315	757.5498	0	0	0	0	0
Net	32082.9700	0	96.3698	2580.599	167.04	6194.7454	41121.7242	0	0	0	0	0

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As at 31 st March, 2024		(Amount in crore)									
Particulars	Investments in India						Investments outside India				Total Investments
	Government Securities	Other Approved Securities	Shares	Debentures and Bonds	Subsidiaries and/or joint ventures	Others	Total Investments in India	Government securities (including local authorities)	Subsidiaries and/or joint ventures	Others	Total Investments outside India
Held to Maturity											
Gross	28811.5937	0	0	0	171.4859	0	28983.0796	0	0	0	0
Less: Provision for non-performing investments (NPI)	0	0	0	0	0	0	0.0000	0	0	0	0
Net	28811.5937	0	0	0	171.4859	0	228983.0796	0	0	0	0
Available for Sale											
Gross	1108.9729	0	0	1141.8730	0	4127.5777	6933.6195	0	0	0	0
Less: Provision for depreciation and NPI	0	0	455.3192	385.1987	0	176.6113	1017.1292	0	0	0	0
Net	1108.9729	0	99.8767	756.6743	0	3950.9664	5916.4903	0	0	0	0
Held for Trading											
Gross	0	0	0.6525	0	0	0	0.6525	0	0	0	0
Less: Provision for depreciation and NPI	0	0	0.0104	0	0	0	0.0104	0	0	0	0
Net	0	0	0.6421	0	0	0	0.6421	0	0	0	0
Total Investments	29920.5666	0	555.8484	1141.8730	171.4859	4127.5777	35917.3516	0	0	0	0
Less: Provision for non-performing investments	0	0	453.4902	384.4227	0	52.7887	890.7016	0	0	0	0
Less: Provision for depreciation and NPI	0	0	455.3192	385.1987	0	176.6113	1017.1292	0	0	0	0
Net	29920.5666	0.0000	100.5292	756.6743	171.4859	3950.9664	34900.2224	0	0	0	0

For Classification measurement and valuation of Investments, new guidelines have been followed as per Board approved policy mandated by Reserve Bank of India vide its Master Direction Classification. Valuation and Operation of Investment Portfolio of Commercial Banks (Directions) 2023 issued on 12th September, 2023.



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Thus, from 1st April 2024, investment portfolio (except investments in subsidiary, joint venture & associates) has been classified in Held to Maturity (HTM), Available for sale (AFS) and Fair value through Profit & Loss (FVTPL) with Held for Trading (HFT) as a separate investment sub category within FVTPL.

On transition to the framework on 1st April, 2024, the Bank has recognized a net gain of ₹ 26.31 crores (net of tax of ₹ 8.85 crores) which has been credited/effectuated to General Reserve.

In view of above, income/profit or loss from investments for the year ended March 31, 2025 is not comparable with that of the previous periods.

b) Movement of Provisions for Depreciation and Investment Fluctuation Reserve

(Amount in ₹ crore)

Particulars	Current Year	Previous Year
i.) Movement of provisions held towards depreciation on investments		
a. Opening balance		176.83
b. Add: Provisions made during the year	—*	4.67
c. Less: Write off / write back of excess provisions during the year		55.07
d. Closing balance		126.43
ii.) Movement of Investment Fluctuation Reserve (IFR)		
a. Opening balance	209.58	209.58
b. Add: Amount transferred during the year	81.42	0.00
c. Less: Drawdown	0.00	0.00
d. Closing balance	291.00	209.58
iii.) Closing balance in IFR as a percentage of closing balance of investments in AFS and FVTPL including HFT	2.00	3.54

*Due to change in investment policy, there is no movement towards provision for depreciation on investment in the current year.

a) Sale and Transfers to/from Held to Maturity (HTM) Category

There was portfolio transfer during the FY 2024-25, with the approval of Board of Directors and in consonance with the RBI master direction RBI/DOR/2023-24/104 DOR.MRG.36/21.04.141/2023-24 dated September 12, 2023. There was reclassification of Investment portfolio with the introduction of FVTPL category. Treasury Operations also reclassified its portfolio as per directions laid down in master directions ibid. No Direct sale in HTM category were made during the FY 2024-25.

b) Non-SLR Investment Portfolio

i) Non-performing non-SLR investments

(Amount in ₹ crore)

S. No.	Particulars	Current Year	Previous Year
a)	Opening balance	903.76	870.39
b)	Additions during the year since 1 st April	11.48	47.37
c)	Reductions during the above period	150.74	14.00
d)	Closing balance	764.50	903.76
e)	Total provisions held excluding floating provision of ₹ 2.76 Crores and including ₹ 29.57 crore of interest capitalized)	757.55	890.70

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ii) Issuer composition of non-SLR investments

(Amount in ` crore)

Sn.	Issuer	Amount		Extent of Private Placement		Extent of Below Investment Grade securities*		Extent of unrated Securities*		Extent of unlisted Securities*	
1	2	3		4		5		6		7	
Particulars		Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
a)	PSUs	110.10	119.32	110.10	119.32				-		-
b)	Fis (incl. NBFC's AIFI'S)	2001.87	1447.28	1270.45	657.49	7.96	114.33		-		-
c)	Banks (incl. CD's)	5780.11	3211.96	492.10	0.00	0.00	0.00		-		-
d)	Private Corporates (incl. CP's)	1516.86	893.51	971.61	318.34	205.19	216.47	19.92	23.03	19.92	23.03
e)	Subsidiaries/Joint Ventures	257.97	257.97	-	-	-	-		-		-
f)	Others (SRs)	220.33	153.23	-	-	-	-		-		-
Total (A)		9887.24	6083.27	2844.26	1095.15	213.15	330.80	19.92	23.03	19.92	23.03
g)	Less: Provision held towards depreciation/NPI/ Interest Capitalized (B)**	757.55	1017.13	-	-	-	-		-		-
Total (A-B) **		9129.69	5066.14	2844.26	1095.15	213.15	330.80	19.92	23.03	19.92	23.03

*Investments in Equity, Equity Oriented Mutual Funds, Venture Capital, Rated Assets Backed Securities, Central and State Government Securities are not segregated under these categories as these are exempt from rating/listing guidelines.

** Excludes floating provision of `2.76 Crores

c) Repo transactions (in face value and market value terms)

(Amount in ` crore)

	Minimum outstanding during the year		Maximum outstanding during the year		Daily average outstanding during the year		Outstanding as on March 31	
	FV ¹	MV ²	FV	MV	FV	MV	FV	MV
i) Securities sold under repo								
a) Government securities	60.00	60.89	1512.00	1500.49	30.04	29.78	0.00	0.00
b) Corporate debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Any other securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
ii) Securities purchased under reverse repo								
a) Government securities	200.00	204.20	2669.00	2641.06	102.08	103.75	0.00	0.00
b) Corporate debt securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) Any other securities	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Note: 1 FV : Face Value

2 MV : Market Value



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"Notes on Consolidated Accounts"

d) Government Security Lending (GSL) transactions (in market value terms)

Particulars		FY 2024-25				
		Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Total volume of transactions During the year	Outstanding as on 31 st March 25
a)	Securities lent through GSL transactions	0.00	0.00	0.00	0.00	0.00
b)	Securities borrowed through GSL transactions	0.00	0.00	0.00	0.00	0.00
c)	Securities placed as collateral under GSL transactions	0.00	0.00	0.00	0.00	0.00
d)	Securities received as collateral under GSL Transactions	0.00	0.00	0.00	0.00	0.00

Particulars		FY 2023-24			
		Minimum outstanding during the year	Maximum outstanding during the year	Daily Average outstanding during the year	Outstanding as on 31 st March, 2024
a)	Securities lent through GSL transactions	0.00	0.00	0.00	0.00
b)	Securities borrowed through GSL transactions	0.00	0.00	0.00	0.00
c)	Securities placed as collateral under GSL transactions	0.00	0.00	0.00	0.00
d)	Securities received as collateral under GSL Transactions	0.00	0.00	0.00	0.00

- f) Investments in J&K Grameen Bank, sponsored institution (Associate) has been subject to valuation by an independent registered valuer. The impairment amounting to Rs. 48.89 crore has been provided for by recognising it as an expense in the Profit & Loss Account.
- g) The total investment of the Bank in PNB Met-life India Insurance Company Ltd stood at Rs.61.08 Crores as on 31.03.2025 (Previous year Rs.61.08 Crores). In compliance with RBI Letter No. DBOD.BP/-17099/21.4.141/ 2008-09 dated 9th April 2009, the investment stands transferred to FVTPL (FVT) Category on April 1st, 2025 as per RBI master direction RBI/DOR/2023-24/104 DOR.MRG.36/21.04.141/2023-24 dated September 12, 2023. The valuation has been carried out at an average of two independent valuation reports obtained from Category I Merchant Bankers as per RBI guidelines & the consequent appreciation has been ignored in view of the Accounting Policy in respect of such investments.

e) Floating Provisions (Investments)

Particulars	Current Year	Previous Year
Opening balance	2.76	2.76
Additions made during the year	0.00	0.00
Utilization made during the year	0.00	0.00
Closing Balance	2.76	2.76

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"Notes on Consolidated Accounts"

4. Asset Quality

PARTICULARS	FY 2024-25						FY 2023-24 (01.04.2023-31.03.2024)					
	Standard		Non-Performing			Total	Standard		Non-Performing			Total
	Total Standard Advances		Sub standard	Doubtful	Loss	Total Non Performing Advances	Total Standard Advances		Sub standard	Doubtful	Loss	Total Non Performing Advances
Gross Standard Advances and NPAs												
Opening Balance	93025.66		426.74	2750.82	778.64	3956.19	80951.21		787.82	3434.83	981.78	5204.43
Add: Additions during the year						952.91						1111.62
Less: Reductions during the year						1304.26						2359.86
Closing balance	103380.65		464.53	2489.38	650.93	3604.84	93025.66		426.74	2750.82	778.64	3956.19
*Reductions in Gross NPAs due to:			399.60	659.73	244.93	1304.26			882.45	1263.05	214.35	2359.86
i) Upgradation						368.28						903.23
ii) Recoveries (excluding recoveries from upgraded accounts)						511.57						843.95
iii) Technical/ Prudential Write-offs						330.54						506.86
iv) Write-offs other than those under (iii) above						18.38						22.60
e) Due to Compromise/ settlement						75.45						83.23
e) Interest Reversal						0.03						0.00
Provisions (excluding Floating Provisions)												
Opening balance of provisions held	431.40		115.04	2262.68	778.64	3156.36	546.08		134.15	2642.06	981.78	3757.99
Add: Fresh provisions made during the year						29.10						
Less: Excess provision reversed/ Write-off loans						477.16						528.90
Closing balance of provisions held	516.07		124.62	1932.84	650.84	2708.30	431.40		115.04	2262.68	778.64	3156.36
												4304.07



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"Notes on Consolidated Accounts"

Asset Quality	FY 2023-24 (01.04.2023-31.03.2024)									
	FY2024-25					FY 2023-24 (01.04.2023-31.03.2024)				
	Standard	Non-Performing			Total	Standard	Non-Performing			Total
	Total Standard Advances	Sub standard	Doubtful	Loss	Total Non Performing Advances	Total Standard Advances	Sub standard	Doubtful	Loss	Total Non Performing Advances
Net NPAs										
Opening Balance		311.33	425.52	0.00	736.85		641.93	692.31	0.00	1334.24
Add: Fresh additions during the year					923.80					1184.35
Less: Reductions during the year					827.10					1830.96
Closing Balance ***		339.52	478.50	0.00	818.03		311.33	425.52	0.00	736.84
	*** Closing Balance has been arrived after subtracting ICAP of Rs 13.36Cr (Rs 40.27 Cr as at 31.03.2024 and Rs 53.63 Cr as at 31.03.2025) and subtracting ECGC/CGTMSE/NCGTC of Rs 2.16 Cr (Rs 22.72 Cr as at 31.03.2024 and Rs 24.88 Cr as on 31.03.2025)					*** Closing Balance has been arrived after adding ICAP of Rs 51.85 Cr (Rs 92.12 as on 31.03.2023 and Rs 40.27 Cr on 31.03.2024) and subtracting ECGC/CGTMSE of Rs 2.65 Cr (Rs 20.39 Cr as on 31.03.2023 and Rs 22.72 Cr as on 31.03.2024)				
Floating Provisions										
Opening Balance					124.48					124.48
Add: Additional provisions made during the year					66.00					0.00
Less: Amount drawn down during the year					0.00					0.00
Closing balance of floating provisions					190.48					124.48
Technical Write-Offs and the recoveries made thereon										
Opening balance of Technical/ Prudential written- off accounts					4794.96					4461.84
Add: Technical/ Prudential write-offs during the year					330.54					506.86
Less: Recoveries made from previously technical/ prudential written-off accounts during the year					314.37					173.74
Closing balance					4811.13					4794.96

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"Notes on Consolidated Accounts"

Ratios	Current Year	Previous Year
Gross NPA to Gross Advances	3.37%	4.08%
Net NPA to Net Advances	0.79%	0.79%
Provision coverage ratio	90.28%	91.58%

a) Sector-wise Advances and Gross NPAs

(Amounts in ` crore)

S. No.	Sector	Current Year			Previous Year		
		Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector	Outstanding Total Advances	Gross NPAs	Percentage of Gross NPAs to Total Advances in that Sector
i)	Priority Sector						
1	Agriculture & Allied Activities	9828.19	353.06	3.59	9133.80	426.55	4.67
2	Advances to Industries sector eligible as priority sector lending	4088.33	343.35	8.4	3918.68	249.79	6.37
2.a	Manufacturing	4038.77	342.19	8.47	3866.73	248.42	6.42
3	Services	17870.61	779.05	4.36	17346.96	668.81	3.86
3.a	Services	7789.31	351.27	4.51	7485.44	263.92	3.53
3.b	Trade	9393.25	427.79	4.55	9438.58	404.89	4.29
4	Personal Loans	5111.24	47.56	0.93	5673.58	44.98	0.79
4.a	Personal	4323.77	40.83	0.94	5056.39	38.66	0.76
4.b	Micro-credit	787.47	6.73	0.86	617.19	6.32	1.02
	Sub-Total (i)	36898.37	1523.03	4.13	36073.02	1390.13	3.85
ii)	Non-Priority Sector						
1	Agriculture & Allied Activities	299.17	0.05	0.02	287.03	0.05	0.02
2	Industry	15009.05	433.09	2.89	11460.98	656.47	5.73
2.a	Manufacturing	3313.96	262.66	7.93	3697.25	442.58	11.97
2.b	Infrastructure	11687.78	168.54	1.44	7760.60	211.75	2.73
3	Services	16140.64	1361.09	8.43	15661.45	1641.89	10.48
3.a	Services	1820.35	345.43	18.98			
3.b	Trade	1989.96	351.50	17.66	2091.41	417.09	19.94
3.b	Financial Market	10477.63	488.90	4.67	10867.30	625.24	5.75
4	Personal loans	38638.25	287.58	0.74	33499.38	267.66	0.80
4.a	personal	36328.63	286.89	0.79	31952.92	267.00	0.84
	Sub-Total (ii)	70087.12	2081.81	2.97	60908.85	2566.07	4.21
	Total (i + ii)	106985.49	3604.84	3.37	96981.86	3956.19	4.08

Sub sectors have been shown where the outstanding advances exceeds 10% of the outstanding total advances to that sector.



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"Notes on Consolidated Accounts"

b) Particulars of resolution plan and restructuring

i. Restructuring of advances in terms of RBI Circular DBR.No.BP.BC.45/21.04.048/2018-19 dated 7th June 2019

In terms of RBI Circular DBR No. BP. BC 45/21.04.048/2018-19 dated June 7, 2019 on Prudential Framework for Resolution of Stressed Assets, the Bank has made additional provisions during previous quarters as per prescribed rates under the framework without any requirements for further provisions for the quarter ended March 31, 2025 as detailed below (Rs. in Crores):

Amount of loans impacted by RBI Circular	Amount of loans to be classified as NPA	Amount of loans as on 31.03.2025 out of (b) classified as NPA	Provisions held as on 31.03.2025	Additional provision made during the year ended 31.03.2025	Provision held as on 31.03.2025
(a)	(b)	(c)	(d)	(e)	(f)
NIL					

c) Divergence in asset classification and provisioning:

No disclosure on divergence in asset classification and provisioning for NPAs is required with respect to RBI's supervisory process for the year ended March 31, 2025, based on the conditions mentioned in RBI circular No. DBR.BP.BC. No.31/21.04.018/2018-19 dated 1st April, 2019.

d) Disclosure of transfer of loan accounts (SMAs & NPAs) in terms of RBI Circular No.DOR.STR.REC.51/21.04.048/2021-22 dated 24th September 2021, the details of loans transferred/acquired (Loan not in default) during the year Period 01-04-2024 to 31-03-2025

i) NPA accounts transferred during the period 01.04.2024 to 31.03.2025:

The details of the Non-Performing Assets transferred during the period 01.04.2024 to 31.03.2025 are given below:

(` In Crore)

S No	Particulars	Current Year			Previous Year		
		To ARCs	To permitted transferees	To other transferees	To ARCs	To permitted transferees	To other transferees
a.	No of accounts	0	X	1	0	X	0
b.	Aggregate principal outstanding of loans transferred	0	X	115.27	0	X	0
c.	Weighted average residual tenor of the loans transferred (Years)	0	X	12	0	X	0
d.	Net book value of loans transferred (at the time of transfer)	0	X	0	0	X	0
e.	Aggregate consideration (` In Crore)	0	X	125.04	0	X	0
f.	Additional consideration realized in respect of accounts transferred in earlier years	0	X	0	0	X	0

Provision amounting to Rs. 115.27 Crore (cash & SR component of the sale) on sale of NPAs to Securitization Company (SC)/reconstruction Company (RC) has been accounted for in the Profit & Loss Account.

- ii. The Bank has not acquired any stressed loan or NPA during the year.
- iii. The Bank has not transferred any Special Mention Account (SMA) and loan not in default.
- iv. Bank has not acquired any "Loan not in default" through assignment of loans.
- v. Bank has not acquired any stressed loans and not transferred any loan not in default/Special Mention Account (SMA).
- vi. Bank has not invested in Security Receipts (SR) issued by Asset Reconstruction Companies (ARC) in respect of stressed loans transferred to ARCs.
- vii. 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, 2025

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(` In Crore)

Recovery Rating Band	Book Value as on 31.03.2025	Book Value as on 31.03.2024
RR1+	13.39	13.39
RR1	80.18	80.18
RR3	0.00	0.00
RR4	0.00	38.27
NA	120.97	21.40
Rating not assigned	0.00	0.00
Total	214.54	153.24

f) Fraud accounts

(` In Crore)

Particulars	Current year	Previous Year
Number of frauds reported	35	35
Amount involved in fraud (` Crore)	198.15*	241.76
Amount of provision made for such frauds	196.37	237.72
Amount of Unamortised provision debited from 'other reserves' as at the end of the year)	Nil	Nil

*During the FY 2024-25, the total number of fresh fraud cases declared/reported is 35 and amount involved was revised in 3 Fraud cases pertaining to Q4 of FY 2023-24, with aggregate total amount involved being `198.15 crores out of which an amount of `1.78 crores was recovered. Further the fraud amount of `198.15 crores includes one fraud reported in 2020-21 for an amount of `27.60 crores. It was deactivated because of Court ruling to give opportunity to the borrower as law of natural justice in the year 2024-25. However, after an opportunity to the borrower it has been reclassified as fraud during the year itself.

f) Resolution Framework for COVID-19 related stress

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) as at March 31, 2025 are given below: (Credit Monitoring)

(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, 2024 (A)	Of (A), aggregate debt that slipped into NPA during the half- year ended March 31, 2025	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, 2025
Personal Loans	43.68	0.51	0.00	5.22	37.95
Corporate persons*	237.80	0.00	0.00	43.16	194.64
Of which MSMEs	28.22	0.00	0.00	8.65	19.57
Others	117.01	5.39	0.00	11.49	100.12
Total	398.49	5.90	0.00	59.87	332.71

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



Schedule 18

"Notes on Consolidated Accounts"

5. Exposures

a) Exposure to real estate sector

(Amount in Rs. Crores)

S. No	Particulars	Current Year	Previous Year
1.	Direct Exposure	17669.36	15962.28
(i)	Residential Mortgages	15980.49	14169.49
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented;	-	-
	Of which individual housing loans eligible for inclusion in priority sector advances	3760.90	4579.99
(ii)	Commercial Real Estate	1688.87	1792.79
	Lendings secured by mortgages on commercial real estates (office buildings, retail space, multi-purpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	-	-
(iii)	Investment in Mortgage-Backed Securities (MBS) and other securitized exposures:	-	-
(a)	Residential	-	-
(b)	Commercial real estate	-	-
2.	Indirect Exposure		
	Fund based and non-fund-based exposures on National housing Bank and Housing Finance Corporation	4916.55	3468.69
	Total Exposure to Real Estate Sector	22585.91	19430.97

b) Exposure to capital market

Particulars		(Amount in Crores of Rs.)	
		Current Year	Previous Year
i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	82.51	75.50
ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds;	0.00	0.00
iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	0.03	0.05
iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	0.00	0.00
v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	25.00	15.00
vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	0.00	0.00
vii)	Bridge loans to companies against expected equity flows / issues;	0.00	0.00

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"Notes on Consolidated Accounts"

Particulars		(Amount in Crores of Rs.)	
		Current Year	Previous Year
viii)	Underwriting commitments taken up by the banks in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds;	0.00	0.00
ix)	Financing to stockbrokers for margin trading;	0.00	0.00
x)	All exposures to Venture Capital Funds (both registered and unregistered) Total exposure to capital market	0.03	0.00
	Total exposure to capital market	107.57	90.55

c) Risk category-wise country exposure

(` in Crores)

Risk Category	Exposure (net) as at	Provisions held as at	Exposure (net) as at	Provisions held as at
	Mar-25	Mar-25	Mar-24	Mar-24
Insignificant	800.55	0.00	615.32	0.00
Low	42.81	0.00	76.12	0.00
Moderately Low	3.86	0.00	4.98	0.00
Moderate	1.48	0.00	0.00	0.00
Moderately High	0.00	0.00	1.53	0.00
High	0.00	0.00	2.03	0.00
Very high	0.00	0.00	0.00	0.00
Total	848.70	0.00	699.97	0.00

d) Unsecured Advances

(Amounts in ` crore)

Particulars	Current year	Previous Year
Total unsecured advances of the bank	29850.94	24683.27
Out of the above, amount of advances for which intangible securities such as charge over the rights, licenses, authority, etc. have been taken	Nil	Nil
Estimated value of such intangible securities	NA	NA

e) Factoring exposures

The Factoring Exposures of the Bank for the FY 2024-25 is NIL (Previous Year - Nil)

f) Intra-group exposures

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total Amount of intra-group Exposure	94.00	15.00
Total Amount of top-20 intra group exposures	94.00	15.00
Percentage of intra -group exposures to total exposures of the bank on borrowers/ customers	0.07%	0.01%
Details of breach of limit on intra-group exposures and regulatory action thereon, if any	Nil	NIL

g) Unhedged foreign currency exposure

In accordance with RBI circular no DBOD .BP.BC.85/21.06.200/2013-14 dated 15th January, 2014 and circular no DBOD. BP.BC.116/21.06.200/2013-14 dated 3rd June 2014, banks are required to make an additional provision in respect of borrowers with Un-hedged Foreign Currency Exposures (UFCE) from April 1, 2014 onwards. Accordingly, our bank has made the necessary provisions.



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"Notes on Consolidated Accounts"

(Amounts in ` crore)

Particulars	Provision Held	
	Current Year 31.03.2025	Previous Year 31.03.2024
Opening balance	4.54	3.76
Additions during the Year	5.66	6.14
Deductions during the Year	0.68	5.35
Closing balance	9.52	4.54

The incremental capital held by the Bank towards the foreign currency exposure as on 31.03.2025 amounts to ` 0.89 Crores (previous year ` 1.13 crores)

6. Concentration of deposits, advances, exposures and NPAs

a) Concentration of Deposits

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total Deposits of 20 largest depositors	14469.9	13164.34
Percentage of 20 largest deposits to total Deposits of the Bank	9.74%	9.77%

b) Concentration of Advances

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total Advances to the twenty largest borrowers	18866.41	17692.73
Percentage of advances to twenty largest borrowers to total advances of the bank	16.87%	13.79%

c) Concentration of Exposures

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total exposure to the twenty largest borrowers/customers	18866.41	16071.68
Percentage of exposures to the twenty largest borrowers /customers to the total exposure of the bank on borrowers/customers	14.94%	15.19%

d) Concentration of NPAs (IAPM)

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Total Exposure to the top twenty NPA accounts	1612.70	1811.70
Percentage of Exposure to the twenty largest NPA exposure to total Gross NPAs.	44.74%	45.79%

7. Derivatives

a) Forward rate agreement/Interest rate swap

(Amounts in ` crore)

Particulars	Current Year	Previous Year
i) The notional principal of swap agreements	0.00	0.00
ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements	0.00	0.00
iii) Collateral required by the bank upon entering into swaps	0.00	0.00
iv) Concentration of credit risk arising from the swaps	0.00	0.00
v) The fair value of the swap book	0.00	0.00

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"Notes on Consolidated Accounts"

b) Exchange traded interest rate derivatives

(Amounts in ` crore)

Sr. No.	Particulars	Current Year	Previous Year
i)	Notional principal amount of exchange traded interest rate derivatives undertaken during the year (instrument wise)	0.00	0.00
ii)	Notional principal amount of exchange traded interest rate derivatives outstanding as on 31 st March (instrument wise)	0.00	0.00
iii)	Notional principal amount of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)	0.00	0.00
iv)	Mark to market value of exchange traded interest rate derivatives outstanding and not 'highly effective' (instrument wise)	0.00	0.00

c) Disclosures on risk exposures in derivatives

i) Qualitative disclosures

The only derivatives traded by the Bank in the foreign exchange market are forward contracts. Forward contracts are being used to hedge /cover the exposure in foreign exchange arising out of Merchant transactions and trading positions.

To cover the risks arising out of above derivatives, various limits like AGL, IGL and stop loss have been prescribed in the trading policy of the bank which are monitored through VaR.

Outstanding forward exchange contracts held for trading are revalued at the exchange rates for appropriate maturity rates as announced by FEDAI at the year-end exchange rates and the resultant gain/ loss is taken to revenue.

ii) Quantitative Disclosures

(Amounts in ` crore)

Sr. No	Particulars	Current Year		Previous Year	
		Currency Derivatives	Interest Rate Derivatives	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)				
a)	For Hedging	NIL	NIL	NIL	NIL
b)	For Trading	NIL	NIL	NIL	NIL
(ii)	Marked to Market Position				
a)	Asset (+)	NIL	NIL	NIL	NIL
b)	Liability (-)	NIL	NIL	NIL	NIL
(iii)	Credit Exposure (2)	NIL	NIL	NIL	NIL
(iv)	Likely Impact of 1% change in interest rate (100*PV01)				
a)	On hedging derivatives	NIL	NIL	NIL	NIL
b)	On Trading derivatives	NIL	NIL	NIL	NIL
(v)	Maximum & minimum of 100*PV01 observed during the year				
a)	On hedging	NIL	NIL	NIL	NIL
b)	On Trading	NIL	NIL	NIL	NIL



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"Notes on Consolidated Accounts"

d) Credit default swaps

Bank did not enter in any credit default swap.

e) Forward Exchange contracts as on 31-03-2025

(Amounts in ` crore)

Period	Current Year	Previous year
Up to 14 days	1043.74	349.89
Beyond 14 day	893.97	1048.15
Total	1937.71	1398.04

8. Disclosures relating to securitisation

(Amounts in ` crores)

S.no	Particulars	Mar 31 (Current Year)	Mar 31 (Previous Year)
1.	No of SPEs holding assets for securitisation transactions originated by the originator	Nil	Nil
2.	Total amount of securitised assets as per books of the SPEs	Nil	Nil
3.	Total amount of exposures retained by the originator to comply with MRR as on the date of balance sheet	Nil	Nil
	a) Off-balance sheet exposures	Nil	Nil
	• First loss		
	• Others		
	a) On-balance sheet exposures	Nil	Nil
	• First loss		
	• Others		
4.	Amount of exposures to securitisation transactions other than MRR	Nil	Nil
	a) Off-balance sheet exposures	Nil	Nil
	i) Exposure to own securitisations		
	• First loss		
	• Others		
	ii) Exposure to third party securitisations		
	• First loss		
	• Others		
5.	Sale consideration received for the securitized assets and gain/loss on sale on account of securitization	Nil	Nil
6.	Form and quantum (outstanding value) of services provided by way of, liquidity support, post-securitisation asset servicing, etc.	Nil	Nil
7.	Performance of facility provided. Please provide separately for each facility viz. Credit enhancement, liquidity support, servicing agent etc. Mention percent in bracket as of total value of facility provided.	Nil	Nil
	(a) Amount paid		
	(b) Repayment received		
	(c) Outstanding amount		
8.	Average default rate of portfolios observed in the past. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans etc	Nil	Nil
9.	Amount and number of additional/top up loan given on same underlying asset. Please provide breakup separately for each asset class i.e. RMBS, Vehicle Loans, etc.	Nil	Nil
10.	Investor complaints	Nil	Nil
	(a) Directly/Indirectly received and;		
	(b) Complaints outstanding		

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9. Off balance sheet SPVs sponsored

The bank has not floated any off balance Sheet SPV.

10. Transfers to Depositor Education and Awareness Fund (DEA Fund) (BRANCHES)

(Amounts in ` crore)

Particulars	Current Year	Previous Year
Opening balance of amounts transferred to DEA Fund	280.15	273.93
Add: Amounts transferred to DEA Fund during the year	83.06	34.98
Less: Amounts reimbursed by DEA Fund towards claims	13.46	28.76
Closing balance of amounts transferred to DEA Fund	349.75	280.15

The Closing balance of amounts transferred to DEA Fund as disclosed above are also included under schedule 12 - Contingent Liabilities - other items for which the bank is contingently liable.

11. Disclosure of complaints

a) Summary information on complaints received by the bank from customers and from the Offices of Ombudsman

Sr. No	Particulars	Previous year (FY 2023-24)	Current year (FY 2024-25)
--------	-------------	----------------------------	---------------------------

Complaints received by the bank from its customers

1.	Number of complaints pending at beginning of the year	2324	1545
2.	Number of complaints received during the year	54686	94447
3.	Number of complaints disposed during the year	55465	94595
3.1	Of which, number of complaints rejected by the Bank	8273	37387
4.	Number of complaints pending at the end of the year	1545	1397

Maintainable complaints received by the bank from OBOs

5.	Number of maintainable complaints received by the bank from OBOs	616	357
5.1.	Of 5, number of complaints resolved in favour of the bank by BOs	589	141
5.2.	Of 5, number of complaints resolved through concil-iation / mediation / advisories issued by BOs	29	216
5.3.	Of 5, number of complaints resolved after passing of Awards by BOs against the bank	0	0
6.	Number of Awards unimplemented within the stipulated time (other than those appealed)	0	0

Note : Maintainable complaints refer to complaints on the grounds specifically mentioned in BO Scheme 2006 and covered within the ambit of the Scheme

Top five grounds of complaints received by the bank from customers

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
		Current Year			
Ground - 1 (Internet/Mobile/Electronic Banking)	1221	81078	57.94	958	1
Ground - 2 (Loans and Advances)	135	6096	335.11	185	2
Ground - 3 (ATM/Debit Cards)	30	1650	859.30	54	0
Ground - 4 (Credit Cards)	12	924	488.53	21	0



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Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase / decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
Ground - 5 (Account opening/difficulty in operation of accounts)	21	649	329.80	19	0
Other Grounds	126	4050	174.94	160	7
• Staff Misbehaviour • Deficiency of services • Insurance • Leakage of Account Info • Non-Linkage of Aadhaar • Unauthorised Debits • Pension and facilities for Senior citizens/differently abled • Others					
\Total	1545	94447	72.70	1397	10
		Previous Year			
Ground - 1 (Internet/Mobile/Electronic Banking)	2291	51332	0.2	1221	0
Ground - 2 (Loans and Advances)	8	1401	129	135	0
Ground - 3 (ATM/Debit Cards)	1	172	161	30	0
Ground - 4 (Credit Cards)	1	157	59	12	0
Ground - 5 (Account opening/difficulty in operation of accounts)	1	151	26	21	0
Other Grounds	22	1473	110	126	1
• Staff Misbehaviour • Deficiency of services • Insurance • Leakage of Account Info • Non-Linkage of Aadhaar • Unauthorised Debits • Pension and facilities for Senior citizens/differently abled • Others					
Total	2324	54686	3	1545	1

12. Disclosure of penalties imposed by the Reserve Bank of India

During the year ended March 31, 2025, Reserve Bank of India (RBI) in exercise of the powers vested under the provisions of Section 47A(1)(c) read with Sections 46(4)(i) and 51(1) of the Banking Regulation Act, 1949 has levied following monetary penalties on the Bank:

(` In Crore)

S No.	Nature of Penalty	Number of Instances	Cumulative Amount
1.	Penalty imposed by RBI on Currency Chests/Branches*	34	`0.01509
2.	Penalty imposed by RBI on ATM Cash Outs**	66	`0.066
3.	Penalty on non-compliances	01	`3.318
Total		101	`3.39909

*This amount has been recovered from the concerned employees.

** Out of penalty mentioned at serial 2, 22 instances amounting to Rs. 2.20 lakhs have been waived-off and reversed by RBI.

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"Notes on Consolidated Accounts"

13. Disclosures on remuneration

Type of disclosure	Information	
Qualitative	a) Information relating to the composition and mandate of the Remuneration Committee.	Bank has constituted the Nomination and Remuneration Committee of the Board pursuant to the requirement of the Reserve Bank of India and the Companies Act, 2013, which constituted of following members of the Board as on 31.03.2025. Mr. Anand Kumar (Chairman N&RC) Ms. Shahla Ayoub Mr. Sankarasubramaniam Krishnan
	b) Information relating to the design and structure of remuneration processes and the key features and objectives of remuneration policy.	The major objective of Banks' Compensation Policy are: - To ensure effective governance of compensation. - Actively oversee the compensation systems design and operation. - Monitor and review the compensation system to ensure the system operates as intended. - Employees engaged in financial system and control must be independent, have necessary authority and must be compensated in a manner that is Independent of the business areas they oversee and commensurate with their key role in the Bank. - To ensure effective alignment of compensation with prudent risk taking: - Compensation must be adjusted for all types of risks. - Compensation outcome must be symmetric with risk outcomes. - Compensation pay out schedules must be sensitive to the time horizon of risks. - The proportion of cash, equity and other forms of compensation must be consistent with risk alignment. - To comply with the regulatory directives whereby all private sector banks are required to formulate and adopt a comprehensive Compensation Policy covering all their employees and conduct annual review thereof. - To attract, develop and retain high-performing and motivated employees The Compensation Policy of the Bank is in line with the regulatory guidelines, however as per Board directions, the policy shall be considered for implementation once the Bank reaches a cost to income ratio of 50% or below, in-line with the peer banks. The Bank being a member bank of Indian Banks' Association (IBA), as such the compensation structure of the Banks' employees is currently guided by the IBA stipulated pay structure. However, in the case of Contractual Senior Employees viz. MD & CEO, ED and the CFO, the compensation structure (for the FY 2023-24) is aligned as per the compensation policy.
	c) Description of the ways in which current and future risks are taken into account in the remuneration processes. It should include the nature and type of the key measures used to take account of these risks.	The Compensation Policy of the Bank is in line with the regulatory guidelines, however as per Board directions, however as per Board directions, the policy shall be considered for implementation once the Bank reaches a cost to income ratio of 50% or below, in-line with the peer banks. The Bank being a member bank of Indian Banks' Association (IBA), as such the compensation structure of the Banks' employees is currently guided by the IBA stipulated pay structure, without any performance linked variable components. However, in the case of Contractual Senior Employees viz. MD & CEO, ED and the CFO, the compensation structure (for the FY 2023-24) is aligned as per the compensation policy, wherein performance linked Variable pay is included within the remuneration. As per the Compensation Policy, various types of risks are to be taken into account by the Bank in its remuneration process. A wide variety of measures of credit, market, liquidity and various other risks shall be used by the bank in implementation of risk adjustment which shall involve both quantitative and judgmental elements.



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Type of disclosure		Information	
			In order to manage current and future risks, the compensation policy stipulates variable pay as a component of the compensation structure of Whole Time Directors, Material Risk Takers (MRTs) and Control function staff. The variable portion of the compensation comprises of cash and non-cash (share linked instruments) components which is deferred over a period of 3 years so that the compensation is adjusted for all types of risks that the Bank may be exposed to. The compensation policy also stipulates 'malus' and 'clawback' options to take into account specific crystallised risk, adverse performance outcomes including those related to misconduct and deterioration in financial performance of the Bank.
	d)	Description of the ways in which the bank seeks to link performance during a performance measurement period with levels of remuneration.	As per the compensation policy, the variable component of remuneration (wherever applicable) is assessed by the Bank based on the individual performance in relation to KRAs for a reference performance year. KRAs take into consideration both the quantitative (financial aspects) and qualitative (nonfinancial aspects) parameters. The quantum of Variable Pay is a function of the Bank's and the individual's performance with due adjustment for risks involved.
	e)	A discussion of the bank's policy on deferral and vesting of variable remuneration and a discussion of the bank's policy and criteria for adjusting deferred remuneration before vesting and after vesting.	As per the bank's compensation policy, deferral and vesting of variable remuneration shall apply to the MD & CEO /Whole Time Directors (WTDs), Material Risk Takers (MRTs) and control Function staff. The Material Risk Takers (MRTs) and Control Function Staff designated by the Bank within the policy include the following: a) Material Risk Takers (MRTs) The following officials have been identified as MRTs based on the RBI stipulated qualitative and quantitative criteria for identification of MRTs. General Managers within the following domains. 1. Consumer & Commercial Banking (CCB)/Corporate Banking (including Divisional Heads in business line function) 2. Central Banking Operations (CBO) 3. Govt. Banking & Treasury Ops. 4. Strategy & IT 5. BSD, Insurance 6. Human Resources 7. IAPM 8. Law b) Control Function Staff The following officials have been identified as the Control Function Staff: 1. Chief Compliance Officer (CCO)/GCO 2. Head of Internal Audit (HIA) 3. Chief Risk Officer (CRO) 4. CIV/CVO 5. Company Secretary 6. Finance/CFO

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"Notes on Consolidated Accounts"

Type of disclosure	Information
	In line with the RBI guidelines, the Bank's compensation policy stipulates the following principles for Deferral / vesting of variable remuneration for WTDs/CEO, MRTs: • At least 50% of Total Pay, should be variable. • The variable pay can be in the form of share-linked instruments or a mix of cash and share-linked instruments. There should be proper balance between the cash and share-linked components in the variable pay. Only in cases where the compensation by way of share-linked instruments is not permitted by law/regulations, the entire variable pay can be in cash. • A minimum of 50% of the Total Variable Pay shall be paid via non-cash instruments. • The compensation policy stipulates that the total variable pay of the MD & CEO to be limited to a maximum of 100% of the fixed pay (as against the maximum permissible regulatory ceiling of 300% of the fixed pay), to be allocated equally (50%) between the cash component and non-cash component. The said ceiling being the minimum would apply to the MRTs and Control Function staff as well. • Cash Component: (a) Upfront payment shall be 50% of cash component of Variable Pay (b) Deferred payment shall be 50% of cash component of Variable Pay • Non-cash Components (share-linked instruments): (a) ESOP/ESOS: The monetary value, of grant of share-linked instruments shall not exceed 50% of Variable Pay • Period of Deferral Arrangement: The deferral period shall be a minimum of three years. This would be applicable to both the cash and non-cash components of the variable pay. However, in cases where the cash component of variable pay is under INR 25 lakhs, deferral requirements for cash component will not apply. Members of staff engaged in financial and risk control, including internal audit, should be compensated in a manner that is independent of the business areas they oversee and commensurate with their key role in the bank. The mix of fixed and variable compensation for control function personnel should be weighted in favour of fixed compensation, as such the requirement of minimum 50% of total compensation to be paid in the form of variable pay will not be applicable for this category of staff. However, a reasonable proportion of compensation has to be in the form of variable pay, so that exercising the options of malus and/or clawback, when warranted, is not rendered infructuous. The Compensation policy stipulates Malus and Clawback clauses for adjusting deferred remuneration before & after vesting (applicable for WTDs, CEO, MRTs and Control function Staff): Malus: Payment of all or part of amount of deferred variable pay can be prevented Clawback: Previously paid or already vested deferred variable pay can also be recovered under this clause. FRAMEWORK TO INVOKE MALUS / CLAWBACK CLAUSES: The variable pay shall be subject to ex-post risk adjustment measures to take into account specific crystallised risk or adverse performance outcome including those relating to misconduct. It shall include reduction of current year awards (in-year adjustment), the application of malus (reducing or cancelling deferred pay that have not yet vested), and clawback (recouping already vested awards).



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"Notes on Consolidated Accounts"

Type of disclosure	Information
	The 'malus' and 'clawback' clause will be invoked when the employee demonstrates fraudulent behavior, moral turpitude, lack of integrity, flagrant breach of company policies and statutory norms resulting in financial or non- financial losses. Malus and clawback will be applied basis informed judgment of NRC for following conduct/risk related circumstances: - Any act which exposes the bank to substantial risk. - Non-disclosure of material conflict of interest by the employee or any misuse of official powers. - Any misconduct pertaining to moral turpitude, theft, misappropriation, corruption, forgery, embezzlement or an act of a felonious or criminal nature. - Fraud, breach of trust, dishonesty, or wrongful disclosure by the employee of any confidential information pertaining to the bank or any of its affiliates. - Wilful misinterpretation / misreporting of financial performance of the bank. - Material failure in risk management controls or material losses due to negligent risk-taking which are attributable to the employee, whether directly or indirectly. - An act of wilful, reckless or grossly negligent conduct which is detrimental to the interest or reputation of the bank or any of its affiliates, monetarily or otherwise. - Material breach of: - Code of Conduct - Any Non-Disclosure Agreement - Regulatory procedures - Internal rules and regulations or any other such instance for which the NRC, in its discretion, deems it necessary to apply malus or / and clawback provisions. - Violation of guidelines for Anti Hedging and guidelines for Prevention of Insider Trading. The occurrence of any/some/all of the above conditions/events shall trigger a review by the Nomination and Remuneration Committee for the application of the Malus or the Clawback arrangement. Malus may be applied to the following additional circumstances: - In the event of deterioration in financial performance in form of drop in Profit After Tax (PAT) from one financial year to the next by 30% or more, the NRC shall evaluate and decide if Malus needs to be applied on none, part or all of the unvested deferred variable compensation. For the evaluation, the NRC may take into consideration conditions leading to the deterioration in financial performance, including changes in regulations, industry performance and others. - In the event when there is a deterioration of more than 5% in the operating profit and/or net Non-Performing Asset (NPA)/to net Advances exceeds 0.75%, and deterioration in any other specific performance criteria that may be laid down by the Nomination and Remuneration Committee (NRC). The NRC will review the performance taking into consideration the macroeconomic environment as well as the internal performance indicators and accordingly decide whether any part of the deferred tranche belonging to a financial year merits a withdrawal. - In the event where the assessed divergence in Bank's provisioning for Non-Performing Assets (NPAs) or asset classification exceeds the prescribed threshold for public disclosure, the Bank shall not pay the unvested portion of the variable compensation for the assessment year under 'Malus' clause. Such a scenario can also lead to the invoking of the 'Clawback' clause. Further, in such situations, no proposal for increase in variable pay (for the assessment year) shall be entertained. In case the Bank's post assessment Gross NPAs are less than 2.0%, these restrictions will apply only if criteria for public disclosure are triggered either on account of divergence in provisioning or both provisioning and asset classification.

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"Notes on Consolidated Accounts"

Type of disclosure	Information	
		Final decision to invoke malus and/or clawback shall be approved by NRC. In deciding the application of malus / clawback to any part or all of variable pay or incentives (whether paid, vested or unvested), the NRC will follow due process and adhere to the principles of natural justice and proportionality. Further, in assessing the quantum of cancellation / withdrawal, the NRC will take into consideration all relevant factors, including inter alia, internal factors such as role and responsibilities of the employee, culpability and proximity to the misconduct as well as any external factors that may have been beyond the control of the concerned employee. Prior to yearly pay out of the deferred components of Total Variable Pay, NRC shall review the release of the pay-out. In the event where the clawback clause is invoked, the employee will agree to return the previously received Total Variable Pay back to the Bank, taking into account relevant regulatory/ statutory stipulations. In case the vested stock options have already been exercised, the employee shall return fair value of options at the time of grant, using Black-Scholes model
f)	Description of the different forms of variable remuneration (i.e. cash, shares, ESOPs and other forms) that the bank utilizes and the rationale for using these different forms.	The compensation policy of the Bank stipulates the following components of performance linked variable pay: Cash component Non-cash component (share linked instruments). This shall be granted to employees, in the form of Employee Stock Options (ESOPs). The Bank shall have in place an Employee Stock Option Scheme (ESOS), formulated in accordance with the SEBI-SBEBSE (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. ESOS shall have an inbuilt deferral design; grant immediately following the reference performance year with no immediate vesting, 30% vesting after end of first year following the reference performance year, next 30% vesting after end of second year & balance 40% vesting after the end of third year, which is intended to spread and manage risk. - Employee stock options shall be fair valued on the date of grant by the Bank using Black-Scholes model.

		Particulars	Current Year	Previous Year
Quantitative Disclosures (The quantitative disclosures should only cover Whole Time Directors/ Chief Executive Officer/Material Risk Takers)	g)	Number of meetings held by the Nomination and Remuneration Committee during the financial year and remuneration paid to its members.	The Committee met ten times during the year and total sitting fee of ₹11,60,000* was paid to the Members of the Committee. (*It is pertinent to mention that in addition to the above fee, GST @ 18% has been paid, out of which 9% has been claimed as input credit.	The Committee met ten times during the year and total sitting fee of ₹12,00,000.00* was paid to the Members of the Committee. (*It is pertinent to mention that in addition to the above fee, GST @ 18% has been paid, out of which 9% has been claimed as input credit.
	h)	i) Number of employees having received a variable remuneration award during the financial year.	3	NIL
		ii) Number and total amount of sign-on awards made during the financial year.	NIL	NIL
		i) Details of guaranteed bonus, if any, paid as joining / sign on bonus	NIL	NIL
		ii) Details of severance pay, in addition to accrued benefits, if any.	NIL	NIL



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"Notes on Consolidated Accounts"

		Particulars	Current Year	Previous Year
	i)	i) Total amount of outstanding deferred remuneration, split into cash, shares and share-linked instruments and other forms.	*Cash (Deferred): ` 0.36 Cr *Non-Cash/ ESOP (Deferred): ` 1.22 Cr *pertains to the assessment of variable pay for the reference performance year (FY 2021-22 & 2022-23 & 2023-24).	*Cash (Deferred): ` 0.12 Cr *Non-Cash/ ESOP (Deferred): ` 0.35 Cr *pertains to the assessment of variable pay for the reference performance year (FY 2021-22 & 2022-23).
		ii) Total amount of deferred remuneration paid out in the financial year.	` 533895	NIL
	j)	Breakdown of amount of remuneration awards for the financial year to show fixed and variable, deferred and non-deferred.	Total Fixed Salary: ` 1.43 Cr.* Total Variable Pay: Nil** *MD & CEO/WTd **Variable Pay assessment for MD & CEO/WTd for FY 2024-25 is pending.	Total Fixed Salary: ` 4.86 Cr Total Variable Pay: Nil* *Variable Pay assessment for MD & CEO/WTd/MRT for FY 2023-24 is pending.
		i) Total amount of outstanding deferred remuneration and retained remuneration exposed to ex post explicit and/or implicit adjustments.	NIL	NIL
	k)	ii) Total amount of reductions during the financial year due to ex post explicit adjustments.	NIL	NIL
		Total amount of reductions during the financial year due to ex post implicit adjustments.	NIL	NIL
	l)	Number of MRTs identified	9* *Identified as per the Compensation Policy of the Bank	10* *Identified as per the Compensation Policy of the Bank
	m)	(i) Number of cases where malus has been exercised	NIL	NIL
		(ii) Number of cases where clawback has been exercised	NIL	NIL
		(iii) Number of cases where both malus and clawback have been exercised.	NIL	NIL
General Quantitative Disclosure	(n)	The mean pay for the Bank as a whole (excluding sub-staff) and the deviation of the pay of each of its WTDs from the mean pay.	➤ Mean pay for the Bank as a whole for all emplo (excluding sub-staff) who were in employment FY2024-25 was ` 16.96 lacs Ratio of pay of WTD to the mean pay for the ba whole (for FY 2024-25): 6.78X</li> <li>➤ Mean pay for the Bank as a whole for all emplo (excluding sub-staff) who were in employment FY2023-24 was ` 14.44 lacs Ratio of pay of WTD to the mean pay for the ba whole (for FY 2023-24): 9.53X	

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Details of Remuneration paid to Non - Executive Directors during FY 2024-25

Name	Sitting Fee	Fixed Remuneration (FY 2023-24)	Total
Mr. R K Chhibber	22,00,000	10,00,000	32,00,000
Dr. Rajeev Lochan Bishnoi	17,20,000	10,00,000	27,20,000
Mr. Naba Kishore Sahoo	20,80,000	10,00,000	30,80,000
Mr. Umesh Chandra Pandey	19,60,000	10,00,000	29,60,000
Mr. Anil Kumar Goel	21,60,000	10,00,000	31,60,000
Mr. Anand Kumar	25,20,000	10,00,000	35,20,000
Mr. Saniv Dayal	1,20,000	0	1,20,000
Total	1,27,60,000	60,00,000	1,87,60,000

14. Other Disclosures

a) Business ratios

Particulars	Current Year	Previous Year
Interest Income as a percentage to Working Funds	7.94%	7.76%
Non-Interest Income as a percentage to Working Funds	0.72%	0.57%
Cost of Deposits	4.75%	4.57%
Net Interest Margin	3.92%	3.92%
Operating Profit as a percentage to Working Funds	1.86%	1.58%
Return on Assets	1.32%	1.22%
Business (deposits plus advances) per employee(in ` crore)	20.18	17.81
Profit per employee (in ` crore)	0.17	0.14

* Working funds and Assets are the average of monthly total assets as reported to RBI in Form X.

** Net Interest Margin is the Net Interest Income divided by average Earning Assets. Net Interest Income is the difference between the Interest Income and the Interest Expenses

*** Deposits (other than inter-bank deposits) & Gross Advances are as at the close of the year.

b) Bancassurance business

Fees/brokerage earned in respect of the insurance broking, agency and bancassurance business

(Amounts in ` crore)

Name of the Company	Current Year FY2024-25	Previous Year FY2023-24
PNB MetLife	48.42	55.69
Life Insurance Corporation of India	0.94	1.67
Bajaj Allianz Life Insurance Company Limited	28.15	22.17
Bajaj Allianz General Insurance Company Limited	23.89	22.73
IFFCO TOKIO General Insurance Company	4.24	3.51
New India Assurance Company Limited	0.45	0
Total	106.09	105.77



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c) Marketing and distribution

The details of fees / remuneration received in respect of the marketing and distribution function (excluding bancassurance business) are as under:

S. No	Nature of income	Current Year	Previous Year
1	Commission from JKBFSL on opening DEMAT Accounts	0.48	0.16
2	Commission from JKBFSL on mobilizing Mutual Funds	0.06	0.12
3	Service Charges from PMFBY	0.22	0.42
Total		0.76	0.70

d) Disclosures regarding Priority Sector Lending Certificates (PSLCs)

The Bank has purchased the following PSLCs during the year:

(in ` crore)

Category	Current Year (Currency Face Value)	Previous Year (Currency Face Value)
PSLC Small and Marginal Farmers	NIL	1708.00
Total	NIL	1708.00

The Bank has sold the following PSLCs during the year:

(in ` crore)

Category	Current Year (Currency Face Value)	Previous Year (Currency Face Value)
PSLC Small and Marginal Farmers	NIL	0.00
Total	NIL	0.00

e) Provisions and contingencies

(Amount in ` crore)

STANDALONE DETAILS OF PROVISIONS		YEAR ENDED 31.03.2025	YEAR ENDED 31.03.2024
1	Provision for Taxes (A+B)	852.43	618.17
	A. Income Tax	687.41	589.75
	B. Deferred Tax	165.02	28.42
2	Provision for Bad & Doubtful Debts	29.50	-73.61
3	Provision for Standard Assets	84.67	-114.68
4	Provision for Non Performing Investment	-90.27	75.88
5	Provision for diminution in the fair value of restructured/rescheduled advances	-34.48	-
6	Provision for Contingent Liabilities	-0.14	0.10
7	Provision for excess debit in IBR	3.76	-
8	Provision for Frauds/ Embezzlements (other than Advances)	3.05	4.62
Total :-		848.51	510.48

f) Implementation of IFRS converged Indian Accounting Standards (Ind AS)

IND AS roadmap for scheduled commercial banks (excluding regional rural banks), insurers/insurance companies and nonbanking financial companies (NBFCs) was issued by Union Ministry of Corporate Affairs (MCA) through press release dated 18 January 2016. IND AS was applicable to the Bank in accordance with the MCA press release from financial year 2018-19 which was deferred to financial year 2019-20 vide RBI's Press Release (2017-18/2642) dated 5 April 2018. RBI

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has further deferred implementation of IND AS till further notice vide its Circular no DBR.BP.BC.No. 29/21.07.001/2018-19 dated 22.03.2019. The Bank accordingly, has appointed a Consultant to assist in implementation of the Ind AS. The Board & is being apprised of the progress made from time to time. Further, Bank is submitting the Proforma Ind AS Financial Statements to the RBI.

g) Payment of DICGC Insurance Premium

(Amount in ` crore)

S. no	Particulars	Current Year	Previous Year
i)	Payment of DICGC Insurance Premium	152.18	143.24
ii)	Arrears in payment of DICGC premium	Nil	Nil

h) Disclosure on amortisation of expenditure on account of enhancement in of employees of banks HR

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 `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 ending 31st 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 ` 3.625 Crores and ` 14.50 crores to the Profit & Loss account for the quarter & Year ended 31st March 2025 respectively and the balance unamortized expense of ` 14.50 Crores has been carried forward. Had the Bank charged the entire additional liability to the profit & loss account, the consequential net profit for the year ended March 31, 2025 would have been ` 2067.29 crores.

i) Disclosure of Letters of Comfort (LoCs) issued by Banks

The Bank has not issued any letter of comfort on behalf of the customers or on its behalf in respect of trade credits during the FY 2024-25.

j) Portfolio-level information on the use of funds raised from green deposits

(Amount in ` crore)

Particulars	Current Financial Year	Previous Financial Year	Cumulative*
Total green deposits raised (A)			
Use of green deposit funds**			
(1) Renewable Energy	No such scheme is available for the reference period. However, the Bank is in process to roll out the Green Deposit scheme.		
(2) Energy Efficiency			
(3) Clean Transportation			
(4) Climate Change Adaptation			
(5) Sustainable Water and Waste Management			
(6) Pollution Prevention and Control			
(7) Green Buildings			
(8) Sustainable Management of Living Natural Resources and Land Use			
(9) Terrestrial and Aquatic Biodiversity Conservation			
Total Green Deposit funds allocated (B = Sum of 1 to 9)			
Amount of Green Deposit funds not allocated (C = A - B)			
Details of the temporary allocation of green deposit proceeds pending their allocation to the eligible green activities/projects			

* This shall contain the cumulative amount since the RE started offering green deposits. For example, if a bank has commenced raising green deposits from June 1, 2023, then the annual financial statement for the period ending March 31, 2025, would contain particulars of deposits raised and allocated from June 1, 2023, till March 31, 2025. Further, the actual amount of green deposits raised during the year and use of such funds shall be given under this disclosure.

**Under each category, REs may provide sub-categories based on the funds allocated to each sub-sector. For example, REs may provide sub-categories like solar energy, wind energy, etc. under "Renewable Energy".



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15. Disclosure Requirements as per the Accounting Standards

a) Accounting Standard 5: Net Profit or Loss for the period, Prior Period Items, and Changes in Accounting Policies

- During the year, there were no material prior period income/expenditure items.
- (i) To be more prudent the Bank has made additional provision of Rs. 133.89 crore on its secured portion at the rate of 10% on its non-performing assets held in sub-standard, D-1, & D-2 Category over and above the prescribed norms.

b) Accounting Standard - 15 "Employee Benefits"

The bank has recognized in its books of accounts the liability arising out of employee benefits as the sum of the present value of obligation as reduced by fair value of plan assets on the balance sheet date, as under:

I - Principal Actuarial Assumptions as the Balance Sheet date:

Actuarial Assumptions	PENSION		GRATUITY		LEAVE ENCASHMENT	
Year	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
Discount Rate	7.05%	7.20%	6.85%	7.20%	6.85%	7.20%
Expected Return on Plan Assets	7.05%	7.20%	6.85%	7.20%	6.85%	NA
Rate of Escalation in salary	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%
Attrition Rate	1%	1%	1%	1%	1%	1%

II - Changes in Present value of the obligation (PVO)-Reconciliation of Opening & Closing Balance

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Present value of Obligation 01.04.2024	3440.67	906.39	510.93
Interest Cost	247.73	65.26	36.79
Current Service Cost	75.64	36.10	14.58
Benefits paid	(434.97)	(67.69)	(41.67)
Actuarial loss/ (gain) on obligations (Balancing figure)	742.21	(3.64)	70.26
Present Value of Obligations, 31.03.2025	4071.28	936.42	590.89

III -Changes in the Fair Value of the Plan Assets-Reconciliation of Opening & Closing Balances:

(` In Crore)

Particulars	PENSION	GRATUITY	LEAVE
Fair Value of Plan Assets 01.04.2024	3440.55	1149.46	0.00
Expected return on Plan assets	247.72	82.76	14.17
Contributions by Bank	830.71	-	618.70
Benefits paid	(434.97)	(67.69)	(41.67)
Actuarial (loss)/ gain on Plan Assets (Balancing figure)	(12.73)	1.25	(0.31)
Fair Value of Plan Assets, 31.03.2025	4071.28	1165.78	590.89

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IV -Actual return on Plan Assets

(₹ In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Expected return on Plan Assets	247.72	82.76	14.17
Actuarial (loss)/ gain on Plan Assets	(12.73)	1.25	(0.31)
Actual Return on Plan Assets	234.99	84.01	13.86

V - Net Actuarial Gain/ (loss) recognized

(₹ In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Actuarial (Gain)/loss for the period - Obligation	742.21	(3.64)	70.26
Actuarial (Gain)/ loss for the period - Plan Assets	12.73	(1.25)	0.31
Total (Gain)/Loss for the period	754.94	(4.89)	70.57
Actuarial (Gain) or loss recognized in the period	754.94	(4.89)	70.57
Unrecognized Actuarial gain/ (loss) at the end of the year	0.00	0.00	0.00

VI -Amount recognized in Balance Sheet & Related Analysis

(₹ In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
(Present value obligation, 31.03.2025)	(4071.28)	(936.42)	(590.89)
Fair Value of Plan Assets, 31.03.2025	4071.28	1,165.78	590.89
Difference	0.00	229.36	0.00
Unrecognized Transitional Liability	0.00	0.00	0.00
Unrecognized Past Service cost-vested benefits-Carried Forward	0.00	0.00	0.00
Liability Recognized in the Balance Sheet	0.00	(229.36)	0.00
Negative amount determined under Paragraph 55 of AS-15(R)	-	-	-
Present value of available refunds and reductions in future contributions	-	-	-
Resulting asset as per Paragraph 59 (b) of AS-15 (R)	-	229.36	-

VII -Expense recognized in Profit and Loss Statement

(₹ In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Current Service Cost	75.64	36.10	14.58
Interest Cost	247.73	65.26	36.79
Expected return on Plan assets	(247.72)	(82.76)	(14.17)
Net Actuarial (Gain)/loss recognized in the year	754.94	(4.89)	70.57
Past Service Cost-Recognized	0.00	0.00	0.00
Expenses recognized in the statement of profit and loss	830.59	13.71	107.77



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VIII-Movement in Net liability to be recognized in Balance Sheet

(₹ In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Opening Net Liability	0.12	(243.07)	510.93
Expenses	830.59	13.71	107.77
(Employer's Contributions)	(830.71)	-	(618.70)
Closing Net Liability /(Asset) (Liability recognized in B/S in current period)	0.00	(229.36)	0.00

IX -Amount for the Current Period

(₹ In Crore)

Particulars	PENSION	GRATUITY	LEAVE ENCASHMENT
Defined Benefit Obligation	4071.28	936.42	590.89
Plan Assets	4071.28	1165.78	590.89
Surplus/(Deficit)	0.00	229.36	0.00
Experience adjustments on plan liabilities	1419.60	(34.26)	51.74
Actuarial loss/(gain) due to change in financial assumptions	(677.39)	30.62	18.52
Experience adjustments on plan assets	(12.73)	1.25	(0.31)
Net actuarial loss/ (gain) for the year	754.94	(4.89)	70.57

X -Major Categories of Plan Assets (as percentage of Total Plan Assets)

Particulars	PENSION (%)	GRATUITY (%)
Government of India Securities	1%	6.08%
State Government Securities	0	42.58%
High Quality Corporate Bonds	0	38.74%
Equity Shares of listed companies	0	5.04%
Funds managed by Insurer	99%	0.22%
Other- Bank Deposits and CD's	0	7.34%
Treasury Bills	0	0
Total	100	100.00

XI -Best Estimate of contribution during next year

(₹ In Crore)

Particulars	PENSION (Funded)	GRATUITY (Funded)	Leave Salary (Funded)
Bank's best estimate of Contribution during next year	875	25	100

Particular Basis of assumption:

Discount rate: Discount rate has been determined by reference to market yields on the balance sheet date on Government Bonds of term consistent with estimated term of the obligations as per para 78 of AS-15(R).

Expected rate of return on plan assets: The expected return on plan assets is based on market expectations, at the beginning of the period, for returns over the entire life of the related obligation.

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Rate of escalation in salary: The estimates of future salary increases considered in actuarial valuations taking into account inflation, seniority, promotion and other relevant factors mentioned in paras 83-91 of AS-15R.

Attrition rate: Attrition rate has been determined by reference to past and expected future experience and includes all types of withdrawals other than death but including those due to disability.

*The above information is based on the information certified by the actuary except para XI above.

Hitherto, the Bank has been doing Investments in annuities for its pension payments with return on capital. However, from this year, the Bank has opted for investments for pension payments with non-return on capital. Accordingly, the actuarial valuation for pension liability for the year has reduced by Rs.112 crores. Consequently an amount of Rs.112 crores has been credited to "Payment & Provision for Employees" during the year. Figures of previous year not comparable to that extent

c) Accounting Standard - 17 "Segment Reporting"

- i) The Bank has recognized business segment as its primary reportable segment under AS-17 classified into treasury, Corporate/ Wholesale banking, Retail banking and other banking Business. The necessary disclosure is given below:

STANDALONE SEGMENT REPORTING FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2025	YEAR ENDED (` in Crore)	
	31.03.2025	31.03.2024
PARTICULARS	(AUDITED)	(AUDITED)
1) SEGMENT REVENUE (INCOME)		
i) Treasury Operations	3187.34	2719.30
ii) Corporate/Wholesale Banking	2746.43	2477.36
iii) Retail Banking	9008.53	7931.88
(a) Digital Banking	0.12	0.08
(b) Other Retail Banking	9008.41	7931.80
iv) Other Banking Business	106.50	106.77
v) Un-Allocated Business	0.00	0.00
Total	15048.80	13235.31
Less: Inter Segment Revenue	1360.78	1197.46
Net Income from Operations	13688.02	12037.85
2) Segment Results		
i) Treasury Operations	99.66	139.69
ii) Corporate/Wholesale Banking	1825.63	1394.06
iii) Retail Banking	2316.38	2062.31
(a) Digital Banking	(0.89)	(0.77)
(b) Other Retail Banking	2317.27	2063.08
iv) Other Banking Business	104.84	105.34
v) Un-Allocated Business	(1407.83)	(1316.83)
Profit/(Loss) from Ordinary Activities (Before Tax)	2938.68	2384.57
Less: Tax Expenses/(credit)	852.43	617.30
Less: Extraordinary Profit/(Loss)	0.00	0.00
Net Profit/(Loss) After Tax	2081.79	1767.27
3) Segment Assets		
i) Treasury Operations	53926.40	46444.45
ii) Corporate/Wholesale Banking	35016.82	29973.41
iii) Retail Banking	80479.10	78107.55
(a) Digital Banking	0.37	0.47



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STANDALONE SEGMENT REPORTING FOR THE QUARTER / YEAR ENDED 31ST MARCH, 2025	YEAR ENDED (` in Crore)	
	31.03.2025	31.03.2024
PARTICULARS	(AUDITED)	(AUDITED)
(b) Other Retail Banking	80478.73	78107.08
iv) Other Banking Business	1.22	1.18
v) Un-Allocated Business	0.00	0.00
Total:-	169423.54	154526.59
4) Segment Liabilities		
i) Treasury Operations	1666.61	405.35
ii) Corporate/Wholesale Banking	41625.80	38309.90
iii) Retail Banking	111920.99	103573.19
(a) Digital Banking	2.14	1.35
(b) Other Retail Banking	111918.85	103571.84
iv) Other Banking Business	1.83	2.47
v) Un-Allocated Business	0.00	0.00
Total:-	155215.23	142290.91
5) Capital Employed		
(Segment assets-Segment Liabilities)		
i) Treasury Operations	52259.79	46039.10
ii) Corporate/Wholesale Banking	(6608.98)	(8336.49)
iii) Retail Banking	(31441.89)	(25465.64)
(a) Digital Banking	(1.77)	(0.88)
(b) Other Retail Banking	(31440.12)	(25464.76)
iv) Other Banking Business	(0.61)	(1.29)
v) Un-Allocated Business	0.00	0.00
Total :-	14208.31	12235.68

ii) As the Bank does not have any overseas branch there is no requirement as to reporting of Geographical Segment.

d) Accounting Standard - 18 "Related Party Disclosures"

1. Related Parties

(` In Crore)

Items/Related Party		J&K Grameen Bank (Associate)	JKB Financial Services Ltd. (Subsidiary)	Jammu & Kashmir Asset Reconstruction Limited
		MARCH 31- 2025	March31--2025	
Deposits	Balance as on date	1875.35	17.44	The Jammu & Kashmir Asset Reconstruction Limited was incorporated jointly by Government of J&K and Jammu & Kashmir Bank Ltd on 28.04.2017. The Bank has subscribed capital to the tune of Rs 98 lakhs whereas Government of J&K has subscribed Rs 102 lakh. In the meantime the promoters have decided to windup the company and the Bank in turn has approached the Registrar of Companies (ROC) for removal of the name of the company from the register of companies under Section 248 of the Companies Act, 2013. The application of the Bank is under consideration with ROC.
	Maximum Balance during the year	1875.35	17.44	
Advances	Balance as on date	11.67*	14.90	
	Maximum Balance during the year	66.48		
Investments	Balance as on date	206.31	40.00	
	Maximum Balance during the year	206.31	40.00	

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"Notes on Consolidated Accounts"

Items/Related Party	J&K Grameen Bank (Associate)	JKB Financial Services Ltd. (Subsidiary)	Jammu & Kashmir Asset Reconstruction Limited
	MARCH 31- 2025	March31--2025	
Interest Paid	133.00	0.79	
Interest/Commission Received	0.45	1.99	
Sale of Fixed Assets	NIL	NIL	
Reimbursement on behalf of Associate/ Subsidiary	NIL	0.42	
Deputation Staff Salary	0.00	0.64	
Transfer of Current Assets/ Liabilities(Net)	NIL	NIL	
IT Support Services	1.09 (Rs 0.83 Crore have been paid for three quarter and 0.26 Crores have been kept as provision for the last quarter ended March 2025)	NIL	
Outstanding with Associate/Subsidiary	NIL	0.03	

Advances are shown as borrowings from the sponsor bank in shape of SOD, LAD and Perpetual Bonds.

*Rs.11.67 crore is 50 % share of Sponsor Bank for implementation of CBS by JKGB in the form of Investment in Tier II perpetual bonds.

2. Salary to Key Managerial Person (KMP)

(Amount in ` Lakhs)

	Mr. Baldev Prakash (EX MD & CEO)	Mr. Amitava Chatterjee (MD & CEO)	Mr. Sudhir Gupta (Executive Director)	Mr. Pratik D. Punjabi (Ex CFO)	Mr. Fayaz Ahmad Ganai (CFO)	Mr. Mohammad Shafi Mir (Company Secretary)
Period for which post held during FY 2024-25	From 01.04.2024 to 29.12.2024	31.12.2024 to 31.03.2025	From 01.04.2024 to 31.03.2025	From 01.04.2024 to 05.04.2024	From 01.05.2024 to 31.03.2025	From 01.04.2024 to 31.03.2025
Salary)	101.35*	25.44	50.06**	1.17	35.09***	39.65****

*The amount includes the Variable Pay of Rs 29.06 Lakhs of Previous FYs due and paid in FY 2024-25.

**The amount includes the Variable Pay of Rs 5.05 Lakhs & Wage Revision Arrears of Rs 0.36 Lakhs of Previous FYs due and paid in FY 2024-25

*** The amount includes the Wage Revision Arrears of Rs 5.25 Lakhs of Previous FYs due and paid in FY 2024-25.

****The amount includes the Wage Revision Arrears of Rs 4.20 Lakhs of Previous FYs due and paid in FY 2024-25.

Note: Mr Pratik D. Punjabi also received remuneration of Rs 1.17 Lakhs as CFO from 01/04/2024 to 05/04/2024.

e) Accounting Standard - 19 "Leases"

The properties taken on lease/rental basis are renewable / cancellable at the option of the Bank.

The lease entered into by the Bank are for agreed period with an option to terminate the leases even during the currency of lease period by giving agreed calendar month's notice in writing.

Lease rent paid for operating leases are recognized as an expense in the Profit & Loss account in the year to which it relates. The lease rent recognized during the year is ` 90.40 crores (previous year being ` 83.56 crores)

f) Accounting Standard - 20 "Earnings per Share"

The Bank reports basic and diluted earnings per equity share in accordance with Accounting Standard 20 - "Earnings per Share". Basic Earnings per Share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year.



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"Notes on Consolidated Accounts"

Particulars	Current Year	Previous Year
Number of Equity Shares outstanding at the beginning of the year	1101182463	1031479861
Number of Equity Shares issued during the year	0	69702602
Number of Equity Shares outstanding at the end of the year	1101182463	1101182463
Weighted average number of equity shares used in computing basic earnings per share	1101182463	1052047842
Weighted average number of equity shares used in computing diluted earnings per share	1101182463	1052047842
Net profit / (loss) (` in crore)	2081.79	1767.27
Basic earnings per share (`)	18.91	16.80
Diluted earnings per share (`)	18.91	16.80

g) Accounting Standard - 21 "Consolidated Financial Statements"

The Bank has a fully owned subsidiary company "JKB Financial Services Ltd.". The investment towards the capital of subsidiary company is ` 40.00 Crores (Previous Year ` 40.00 Crores). The consolidated financial statements are placed accordingly in terms of AS 21.

h) Accounting Standard - 22 "Accounting for Taxes on Income"

a) Current Tax:

During the year, the Group has debited to Profit & Loss Account `687.41 crore (Previous Year ` 589.75 crore) on account of current tax including `53.29 crores tax provision for cases in litigations. The current tax has been calculated in accordance with the provisions of Income Tax Act, 1961.

The Bank has exercised the option of lower tax permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Act, 2019 from the financial year 2019-20 onwards.

b) Deferred Tax:

During the year, ` 165.02 crore has been debited to Profit & Loss Account (Previous Year debit ` 28.42 crore) on account of deferred tax.

The major components of DTA and DTL are given below

(` In Crore)

Timing Difference	Current Year		Previous Year	
	Deferred Tax Asset	Deferred Tax Liabilities	Deferred Tax Asset	Deferred Tax Liabilities
Depreciation on Assets	0.05	8.27	0.05	6.27
Leave				
Encashment/Gratuity/Pension/Bonus	0.25	0.0	128.68	0.00
Special Reserve	0.0	46.08	0.00	37.16
AFS Reserve	0.0	25.67	0.00	0.00
Bad & Doubtful Assets	69.96	0.0	69.96	0.00
Total	70.26	80.02	198.69	43.43

c) During the year, Bank has transferred ` 35.45 crores to Special Reserve created u/s 36 (1) (viii) of Income Tax Act, 1961, and consequential effect in Deferred Tax Liability amounts to 8.92 crores has been created on this amount.

i) Accounting Standard - 23 "Accounting for Investments in Associates in CFS"

The Bank has a sponsored Bank "J&K Grameen Bank". The investment towards the capital of associate concern is ` 217.97\* Crores (Previous Year ` 217.97 Crores). The consolidated financial statements are placed accordingly in terms of AS 23.

*Includes investment in TIER II perpetual bonds amounting to Rs. 11.67 crores.

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j) Accounting Standard - 28 "Impairment of Assets"

Majority of Fixed Assets of the Bank are considered as Corporate Assets and not cash generating assets and in the opinion of Management there is no material impairment in these Fixed Assets. Regarding other Fixed Assets generating cash there is no material impairment. As such no provision is required as per AS-28.

k) Accounting Standard - 29 "Provisions, Contingent Liabilities and Contingent Assets"

i) Description of Contingent Liabilities

Sr. No.	Particulars	Brief Description
1	Claims against the Bank not acknowledged as debts	The Bank is a party to various proceedings in the normal course of business. The Bank does not expect the outcome of these proceedings to have a material adverse effect on the Bank's financial conditions, result of operations or cash flows. The Bank is also a party to various taxation matters in respect of which appeals are pending.
2	Liability on partly paid-up investments	This represents amount remaining unpaid towards liability for partly paid investments.
3	Liability on account of outstanding forward exchange contracts	The Bank enters into foreign exchange contracts in its normal course of business to exchange currencies at a pre-fixed price at a future date. Forward exchange contracts are commitments to buy or sell foreign currency at a future date at the contracted rate. The derivative instruments become favourable or unfavourable as a result of fluctuations in market rates.
4	Guarantees given on behalf of constituents, acceptances, endorsements and other obligations	As a part of its commercial banking activities, the Bank issues documentary credit and guarantees on behalf of its customers. Documentary credits such as letters of credit enhance the credit standing of the Bank's customers. Guarantees generally represent irrevocable assurances that the Bank will make payments in the event of the customer failing to fulfill its financial or performance obligations
5	Other items for which the Bank is contingently liable	These include: a) Bills rediscounted by the Bank; b) Capital commitments; c) Investment purchases pending settlement; d) Amount transferred to the RBI under the Depositor Education and Awareness Fund (DEAF); e) Other sundry contingent liabilities

The Contingent Liabilities mentioned above are dependent upon the outcome of Court/arbitration/ out of Court settlements, disposal of appeals, the amount being called up, terms of contractual obligations, devolvement and raising of demand by concerned parties, as the case may be.

ii) Movement of provisions against Contingent Liabilities

The movement of provisions against contingent liabilities given in the table below:

(` In Crore)

Particulars	Current Year	Previous Year
Opening balance	22.38	16.62
Additions during the year	12.49	5.89
Amount utilised/reversed during the year	10.30	0.13
Closing balance	24.57	22.38

16. Additional Disclosures

a. Payment to Micro, Small & Medium Enterprises under the Micro, Small & Medium Enterprises Development Act, 2006

There have been no reported cases of delayed payments of the principal amount or interest due thereon to Micro, Small & Medium Enterprises.

b. Office Accounts

Reconciliation/adjustment of inter-bank/inter-branch transactions, branch suspense, Government Transactions, NOSTRO, System Suspense, Clearing, and Sundry Deposits is in progress on an ongoing basis. The impact, in the opinion of the management of the un-reconciled entries, if any, on the financial statements would not be material.



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c. Provision on accounts covered under the provisions of Insolvency and Bankruptcy Code (IBC):

In terms of RBI letter no. DBR, No. BO.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 covered under the provisions of Insolvency and Bankruptcy Code (IBC), the Bank is holding total provision of ₹126.55 crore (Aggregate provision of RBI List 1 and List 2 accounts) against the balance outstanding of ₹126.55 crores as on March 31, 2025 in respect of NPA Borrowal accounts referred in aforesaid circular.

d. Previous year figures have been regrouped/reclassified/Recasted, wherever necessary, to conform to current year classification.

e. Miscellaneous Income:

During the year the following incomes earned (under the head Miscellaneous Income) were more than 1% of the Total Income: -

(` In Crore)

S No	Income Category	Amount
1.	Recovery in Technically Written Off Accounts	392.88
2.	Income On Card Business	155.68

f) Other Liabilities and provisions/ Other Assets:

Following items under the head others in Schedule 11 - Other Assets exceeds 1% of the total assets

(` in Crores)

S No	Particulars	Amount
1.	Investment in NABARD Refinance	1823.29
2.	Investment in RIDF Refinance	2814.49
3.	Investment in SIDBI Refinance	3501.79

g. Tax paid in advance/Tax deducted at source includes amount adjusted by Income Tax Department in respect of various disputed demands. Based on the orders and interpretation of law, a provision of ₹53.29 crores has been considered by the management in respect of the disputed demands.

h. Fixed Assets

- a) Documentation formalities are pending in respect of certain immovable properties held by the bank valued at Rs. 8.69 Crore (Previous year Rs. 8.90 crores). In respect of immovable properties valued at Rs. 45.67 Crore (Previous year Rs. 47.24 crores) as on 31.03.2025, the Bank holds agreement to sell along with the possession of the properties

Properties not having clear title/lease deeds for freehold & lease lands of the Bank:-

S. No	Particulars	Category	Area.	Value of property as on 31.03.2025 (Rs. In Crore)
1	Premises of Business Unit Vashi, Mumbai (1 st Floor)	NR-RCC	5400 Sq. ft.	7.36
2	Land at Currency Chest, Budgam	Own land	4 Kanals & 05 Marlas.	0.14
3	Ansal Plaza.	NR-RCC	17925 Sq. ft.	45.67
4	Land at Kargil .	Own land	1 Kanal 4 Marlas.	0.99
5	Land at Kulgam .	Own land	2 Kanals.	0.2
TOTAL				54.36

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- Pursuant to the Accounting Standard-10 "Property, Plant and Equipment" applicable from 1st April 2017, depreciation of Rs. 30.03 crores for the Financial Year 2024-25 (Previous year Rs. 30.09 crores) on revalued portion of the fixed assets (being Premises & Land) has been transferred from the Revaluation Reserve to General/ Revenue Reserve.
- In addition an amount of Rs. 0.19 crores has been transferred from Revaluation Reserve to Profit & Loss Account against appropriation of devaluation of land.
- Further, Depreciation on Bank's property includes amortization in respect of leased properties amounting to ` 0.76 Crores (previous year ` 0.76 crores).

i. Corporate Social Responsibility (CSR)

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, the Bank was required to spend an amount of ` 31.70 crores (Previous Year `18.91 crores) on CSR activities during FY 2024-25, against which the Bank has spent an amount of `31.70 crores (Previous year ` 18.91 crores) including an amount of ` 10.70 crore provided for in the books of accounts. Out of the total provisioned amount, 8.70 crore has been earmarked for ongoing CSR projects.

j. Provision Coverage Ratio (PCR)

Provision coverage ratio as on March 31, 2025 is 90.28% (previous year 91.58%) without taking into account the floating provision of Rs.190.48 Crores held by the Bank as on March 31, 2025 which is part of Tier-II Capital.

k) Investor Complaints

The details of investor complaints for the year ended March 31, 2025 are as under:

S No	Particulars	Number
1	No of complaints pending at the beginning of the financial year	0
2	No. of complaints received during the financial year	26
3	No. of complaints disposed during the financial year	26
4	No. of complaints pending at the end of the financial year	0

- In accordance with the approved accounting policy in respect of intangible assets and in compliance with Section 15(1) of Banking Regulation Act 1951, The Bank has written off the entire amount of intangible assets amounting to Rs. 30.33 Crores (Previous year Rs. 77.68 crore).
- Central GST Commissionerate, Jammu has raised a demand of GST Liability amounting to Rs.8130.66 crore for the period from 08.07.2017 to 31.03.2020 to be paid along with interest U/s 50(1) of the GST Act. An equivalent demand of penalty has also been raised. The operations of impugned order vide which demand has been raised stands stayed by Hon'ble High Court of Jammu & Kashmir and Ladakh. In the opinion of management this demand is not even contingent as there is no probable outflow. 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.
- Proposed Dividend**

The Board of Directors at its meeting held on May 04, 2025 proposed a dividend of ` 2.15 per share (previous year Rs. 2.15 per share), subject to approval of the members at the ensuing Annual General Meeting. Effect of the proposed dividend has been reckoned in determining capital funds in the computation of capital adequacy ratios as at March 31, 2025.



Schedule 18

"Notes on Consolidated Accounts"

17. Apart from the appropriation to Statutory Reserve from Net Profit of the year, the bank has further appropriated to Statutory Reserve for the amounts directly transferred to General Reserve from Revaluation Reserve as well as from transition in investments amounting to Rs. 7.56 crore & Rs. 12.82 crore (net of tax) respectively. Prior period appropriation has also been accounted for on account of transfer from Revaluation to General Reserve which works out to be Rs. 7.57 crore.
18. There are no Pension dues from Government of UT of J&K as at 31.03.2025.

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Rajesh Kumar Chhibber
Director
DIN: 08190084

Anil Kumar Goel
Director
DIN: 00672755

Umesh Chandra Pandey
Director
DIN: 01185085

Anand Kumar
Director
DIN: 03041018

Shahla Ayoub
Director
DIN: 09834993

Sankarasubramanian Krishnan
Director
DIN: 07261965

Fayaz Ahmad Ganai
Chief Financial Officer

Mohammad Shafi Mir
Company Secretary

In terms of our report of even date annexed

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

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

FOR DHAR TIKU & CO
Chartered Accountants
FRN: 003423N

CA. Akshay Magotra
Partner
M.No. 559146
UDIN:25559146BMJPEL5104

CA. Rakesh Kaushik
Partner
M.No. 089562
UDIN:25089562BMNTIT7168

CA. S. K. Shah
Partner
M.No. 532394
UDIN:25532394BMJOFV2157

Place : Srinagar
Dated: 5th May, 2025

Consolidated Cash Flow Statement

for the year ended 31st March, 2025

	YEAR ENDED 31.03.2025 '000' Omitted	YEAR ENDED 31.03.2024 '000' Omitted
A CASH FLOW FROM OPERATING ACTIVITIES	2,72,31,452	(85,25,535)
B CASH FLOW FROM INVESTING ACTIVITIES	(10,20,995)	(25,72,597)
C CASH FLOW FROM FINANCING ACTIVITIES	(1,03,43,790)	40,74,334
NET CHANGE IN CASH AND CASH EQUIVALENTS	1,58,66,667	(70,23,798)
D CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	8,19,64,797	8,89,88,595
E CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	9,78,31,464	8,19,64,797
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit after Taxes	2,08,17,862	1,77,12,245
Add : Provision for Taxes	85,24,274	61,81,707
Net profit before taxes (i)	2,93,42,136	2,38,93,952
Adjustment for :		
Depreciation charges	16,80,096	21,76,231
Provision for NPA's	2,95,008	(7,36,088)
Provision on Standard Assets	8,46,705	(11,46,839)
Increase in Reserves on account of fair valuation of investments	17,05,075	-
Depreciation on investment	(4,90,170)	4,58,561
Provision for Non-Performing investment	(9,02,728)	7,58,834
Other provisions	(2,78,132)	47,193
Interest paid on subordinate Bonds (Financing Activities)	29,76,701	28,49,975
Total Adjustment (ii)	58,32,555	44,07,867
Operating profit before change in Operating assets & liabilities (i) + (ii)	3,51,74,691	2,83,01,819
Adjustment for changes in Operating Assets & Liabilities		
Increase / (Decrease) in Deposits	13,78,87,868	12,73,74,788
Increase / (Decrease) in Borrowings	(21,572)	(73,043)
Increase / (Decrease) in Other liabilities & provisions	(48,43,535)	(6,50,98,033)
(Increase) / Decrease in investments	(6,08,21,950)	(16,99,928)
(Increase) / Decrease in Advances	(10,42,22,425)	(11,40,53,764)
(Increase) / Decrease in Other Assets	3,13,88,772	2,13,86,379
Net Cash flow from Operating activities (iii)	(6,32,842)	(3,21,63,601)
Cash generated from operation (i + ii + iii)	3,45,41,849	(38,61,782)
Less : Tax paid	73,10,397	46,63,753
TOTAL : (A)	2,72,31,452	(85,25,535)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
a) Fixed Assets	(10,20,995)	(18,56,919)
b) Investment in Subsidiary/Sponsored Institution	-	(7,15,678)
TOTAL : (B)	(10,20,995)	(25,72,597)



Consolidated Cash Flow Statement

for the year ended 31st March, 2025

	YEAR ENDED 31.03.2025 '000' Omitted	YEAR ENDED 31.03.2024 '000' Omitted
C. CASH FLOW FROM FINANCING ACTIVITIES:		
a) Share Capital/Reserve	-	69,703
b) Share Application Money	-	-
b) Share Premium	453	73,70,346
c) Tier I & II Bonds	(50,00,000)	-
d) Dividend Paid	(23,67,542)	(5,15,740)
e) Interest Paid on Subordinate Debt	(29,76,701)	(28,49,975)
TOTAL :(C)	(1,03,43,790)	40,74,334
D. CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR (1st April)		
a) Cash in hand & Balance with R.B.I	7,25,00,801	7,79,40,577
b) Balance with Banks & Money at Call & Short Notice	94,63,996	1,10,48,018
TOTAL :(D)	8,19,64,797	8,89,88,595
E. CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
a) Cash in hand & Balance with R.B.I	7,38,54,771	7,25,00,801
b) Balance with Banks & Money at Call & Short Notice	2,39,76,693	94,63,996
TOTAL :(E)	9,78,31,464	8,19,64,797

For and on behalf of the Board

Amitava Chatterjee
Managing Director & CEO
DIN: 07082989

Rajesh Kumar Chhibber
Director
DIN: 08190084

Anil Kumar Goel
Director
DIN: 00672755

Umesh Chandra Pandey
Director
DIN: 01185085

Anand Kumar
Director
DIN: 03041018

Shahla Ayoub
Director
DIN: 09834993

Sankarasubramanian Krishnan
Director
DIN: 07261965

Fayaz Ahmad Ganai
Chief Financial Officer

Mohammad Shafi Mir
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In terms of our report of even date annexed

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Partner
M.No. 089562
UDIN:25089562BMNTIT7168

CA. S. K. Shah
Partner
M.No. 532394
UDIN:25532394BMJOFV2157

Place : Srinagar
Dated: 5th May, 2025

Basel III - Pillar 3 Disclosures

as at March 31, 2025

"The Reserve Bank of India (RBI) vide its circular under reference DOR.CAP.REC.2/21.06.201/2025-26 dated April 01, 2025 on 'Basel-III Capital Regulations' ('Basel III circular') requires banks to make Pillar 3 disclosures including leverage ratio and liquidity coverage ratio under the Basel III Framework. These disclosures are available on J&K Bank's website under the 'Regulatory Disclosures' section. The link to the Basel III Pillar 3 Disclosures as on March 31, 2025 is given below:

https://jkbank.com/sites/default/files/2025-05/Basel-III_Disclosure%20quarterly%20March_25.pdf

The Regulatory Disclosures contain the following:

Qualitative and quantitative Pillar 3 disclosures:

- Scope of application
- Capital adequacy
- Credit risk
- Disclosure for portfolio subject to Standardised Approach
- Credit risk mitigation
- Asset Securitisation
- Market risk in trading book
- Operational Risk
- Interest Rate risk in the banking book (IRRBB)
- General Disclosure for Exposures Related to Counterparty Credit Risk
- Composition of Capital
- Composition of Capital -Reconciliation of Regulatory Capital
- Main features of regulatory capital Instrument
- Leverage Ratio.



Report on Corporate Governance

Bank's philosophy on Corporate Governance

Jammu and Kashmir Bank Ltd (J&K Bank) has been steadfast in its commitment to the fundamental principles of good Corporate Governance, well before such practices became mandatory under the directives of the Securities and Exchange Board of India (SEBI) and the Stock Exchanges. The Bank endeavors to go beyond mere compliance, applying Corporate Governance norms in a manner that is meaningful, contextually relevant, and aligned with the Bank's unique role and operating environment.

In line with its vision, the Bank views Corporate Governance not just as a regulatory framework but as a strategic tool for fostering economic and social transformation—especially in the transitional economies of Jammu & Kashmir and Ladakh. Recognized as a successful model of public-private partnership, J&K Bank assumes a pivotal role in driving inclusive development in the region. This role brings with it an enhanced responsibility to adopt governance practices that exceed prescribed standards and reflect the Bank's broader developmental mandate.

As the premier financial institution in the Union Territories of Jammu & Kashmir and Ladakh, the Bank is deeply invested in creating a secure, transparent, and business-friendly ecosystem. With significant involvement in both public and private sectors, the Bank is instrumental in delivering essential financial services, building infrastructure, and generating employment opportunities.

Given the unique ownership structure—majority-owned by the Government of the Union Territories, yet professionally managed in the interest of a diverse set of stakeholders including private investors—Corporate Governance assumes paramount importance. For J&K Bank, governance encompasses the frameworks of laws, regulations, and best practices that encourage entrepreneurship, ensure accountability, and drive sustained performance.

The Bank is committed to upholding the highest standards of integrity, transparency, and self-regulation, making its financial dealings not only legally compliant but also ethically sound and constitutionally guided. Through this governance philosophy, the Bank strives to create long-term value for all stakeholders while contributing to the economic resilience and social progress of the region.

VISION

"Pioneering the economic and social transformation"

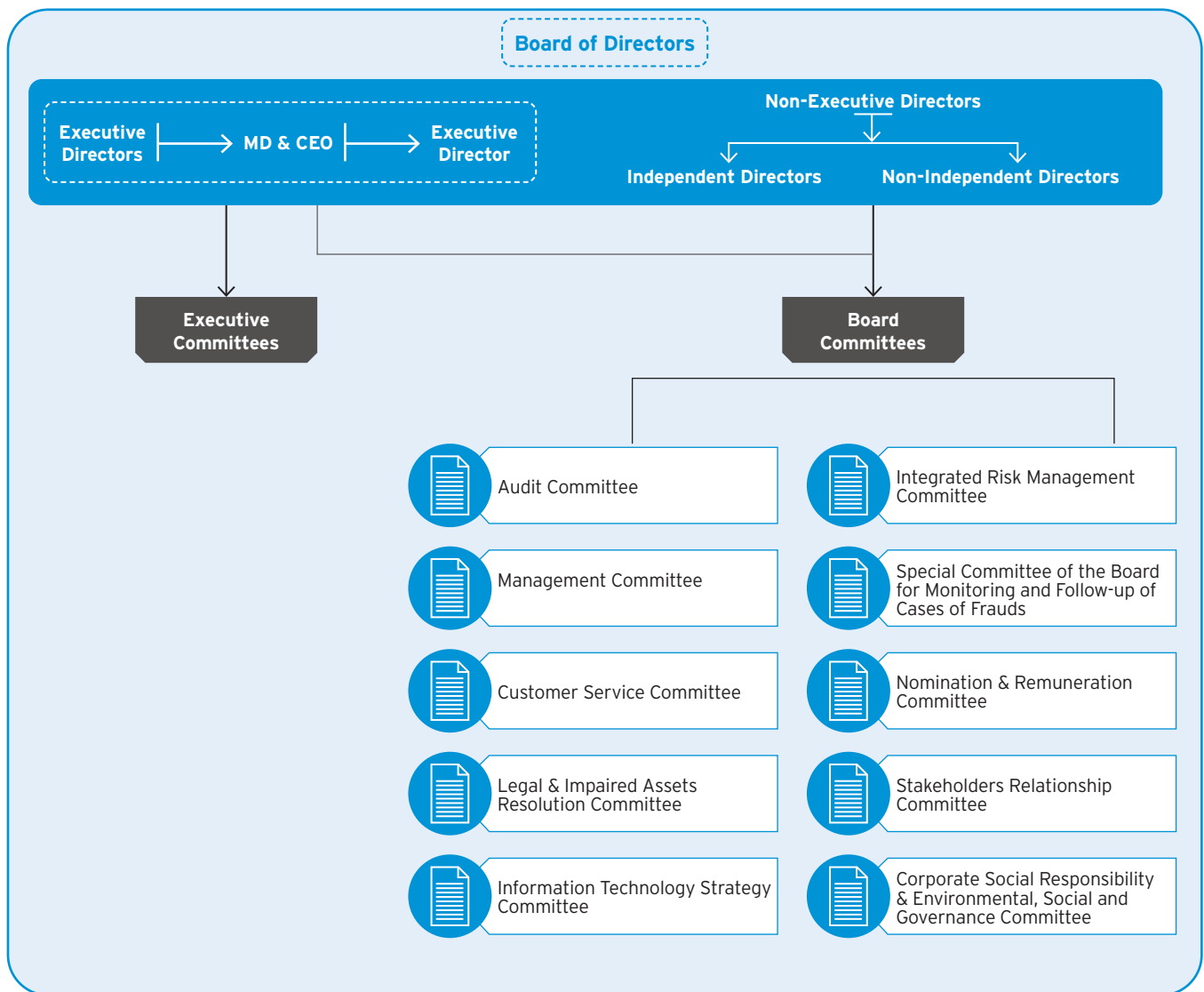
To become a committed partner in fostering economic and social transformation across the country through a deep commitment to value creation for all our stakeholders, while continuing to build on our historic business relationship with Jammu & Kashmir and Ladakh.

MISSION

- To acquire an enhanced business footprint across geographies and emerge as a prominent national brand in the financial sector.
- To position the Bank as the "Most Preferred Bank" for Customer focus, Operational Excellence and High Integrity towards one and all stakeholders.
- To be the best-in-class financial intermediary, leveraging our digital and physical banking channels.
- To observe customer centricity through service excellence, integrity and transparency, and a comprehensive range of innovative products and services responsive to customer needs.
- To be a lean, learning and efficient banking organization focusing on prudent, sustainable, profitable growth and value creation.
- To adopt the best standards for corporate governance, business ethics and risk management.
- To vigorously promote financial inclusion as a business proposition to harness the potential at the bottom of the pyramid.

GOVERNANCE STRUCTURE OF THE BANK

The Board oversees /supervises the standards of corporate governance of the Bank. The respective vertical heads report to the Executive Director and the Managing Director & CEO (MD & CEO) of the Bank. The MD & CEO reports to the Board of the Bank. The Board of the Bank has constituted various Board Level Committees to carry out the object-oriented review of specific matters. The Bank has also constituted various executive committees to, inter alia, deal with routine, operational and administrative matters, and review various matters before their submission to the Board / Board level Committees.



BOARD OF DIRECTORS

The responsibility for good governance rests on the Corporate Board which has the primary duty of ensuring that principles of Corporate Governance, both as imbibed in law and regulations and those expected by stakeholders, are religiously and voluntarily complied with and the stakeholder's interests are kept at utmost high level.

Independent Directors possess requisite qualifications and experience which enables them to contribute effectively to the Bank. The Board confirms that in its opinion, the independent directors fulfill conditions specified in relevant regulations and are independent of the management.

As on date of this report, the Board consists of twelve (12) Directors as detailed hereunder:

S. No.	Category	Name of Director
1	Executive Directors	Mr. Amitava Chatterjee (Managing Director and CEO) and Mr. Sudhir Gupta (Executive Director)
2	Nominee Directors	Mr. Santosh Dattatraya Vaidya, IAS (J&K Government Nominee Director), Mr. Sanjiv Dayal (RBI appointed Additional Director)
3	Non-Executive Non-Independent Directors (Rotational)	Dr. Pawan Kotwal, IAS, Dr. Mandeep K Bhandari, IAS and Mr. R K Chhibber
4	Non-Executive Independent Directors	Mr. Umesh Chandra Pandey, Mr. Anil Kumar Goel, Mr. Anand Kumar, Ms. Shahla Ayoub and Mr. Sankarasubramanian Krishnan



DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTORS INTER-SE

None of the above Directors of the Bank are related to each other.

APPOINTMENT / CESSATION OF DIRECTOR(S)

During the FY 2024-25, there were following changes in the composition of the Board:

- Mr. Amitava Chatterjee (DIN: 07082989) was appointed as Managing Director & Chief Executive Officer of the Bank w.e.f. December 30, 2024 in place of Mr. Baldev Prakash (DIN: 09421701) who completed his term of 3 years as Managing Director & Chief Executive Officer of the Bank on December 29, 2024.
- Mr. Sanjiv Dayal (DIN: 10926091) was appointed as Additional Director on the Board of the Bank by the RBI w.e.f. January 20, 2025.
- Dr. Rajeev Lochan Bishnoi (DIN: 00130335) ceased to be an Independent Director on the Board of the Bank w.e.f. January 20, 2025 after completion of his second term of three years.
- Mr. Naba Kishore Sahoo (DIN: 07654279) ceased to be an Independent Director on the Board of the Bank w.e.f. February 28, 2025 after completion of his second term of three years.
- Mr. Sankarasubramanian Krishnan (DIN: 07261965) was appointed as an Independent Director on the Board of the Bank w.e.f. March 27, 2025 for a period of three years.

FUNCTIONS OF THE BOARD

The Board of Directors plays a pivotal role in upholding the principles of good corporate governance at the Bank. The functioning style of the Board is democratic, allowing each Member the freedom to express independent views. Decisions are arrived at through detailed deliberations and consensus-building. Board Members are encouraged to raise and discuss any matter they deem significant during Board meetings.

While the day-to-day operations of the Bank are managed by the Managing Director & CEO, such management is carried out under the overall supervision, direction, and control of the Board. The Board is responsible for ensuring efficient and effective utilization of the Bank's resources and for driving the institution toward its envisioned goals. Its key functions include setting the corporate mission, defining the Bank's corporate philosophy, formulating strategic and business plans, instituting control measures, and ensuring strict compliance with applicable laws and regulations.

BOARD PROCEDURE

All major matters included in the Board agenda are supported by detailed background notes and relevant information to facilitate informed and effective decision-making by the Board. Agenda papers are generally circulated to the Directors at least seven working days prior to the meeting to ensure adequate time for review. The agenda also includes an Action Taken Report (ATR) on the decisions and observations made in previous Board meetings, enabling structured follow-up.

The Members of the Board discharge their responsibilities with utmost diligence and integrity, adhering to the highest

standards of corporate ethics, transparency, and governance. Board deliberations are conducted in a constructive and collegial environment that promotes open dialogue and sound decision-making.

SELECTION AND APPOINTMENT OF DIRECTORS

The process of selection and appointment of Directors of the Bank is carried out in accordance with applicable legal framework and in line with Bank's Board approved 'Policy on Appointment of Directors'.

FIT AND PROPER CRITERIA FOR DIRECTORS OF THE BANK

The Nomination and Remuneration Committee (NRC) of the Bank evaluates and recommends to the Board the 'fit and proper' status of the Director as per applicable laws, before considering his / her candidature for appointment / re-appointment as a Director of the Bank and annually i.e. as at 31st March every fiscal year. The fit and proper criteria of the Members of NRC is carried out by the Board.

The Directors of the Bank severally sign a deed of covenant, which binds them to discharge their responsibilities to the best of their abilities, in order to be eligible for being appointed / re-appointed as a Director. The Bank also obtains a declaration and undertaking on the 'fit and proper' criteria as per regulatory requirements, from all the Directors, annually.

ROLE OF INDEPENDENT DIRECTORS

The Independent Directors of the Bank play a critical role in ensuring objective and unbiased oversight in the functioning of the Board. They are entrusted with the responsibility of providing independent judgment on key issues such as the Bank's business strategy, performance evaluation, risk management, human resource practices, governance framework, key managerial appointments, and standards of ethical conduct.

By offering an impartial perspective, the Independent Directors contribute significantly to the evaluation of the performance of both the Board and the management, and to the review of management's effectiveness in achieving strategic goals and objectives. Their presence ensures that the interests of all stakeholders—particularly minority shareholders—are duly protected and upheld.

Currently, the Bank's Independent Directors include Mr. Umesh Chandra Pandey, Mr. Anil Kumar Goel, Mr. Anand Kumar, Ms. Shahla Ayoub, and Mr. Sankarasubramanian Krishnan.

TERMS AND CONDITIONS OF APPOINTMENT OF INDEPENDENT DIRECTORS

On appointment, the Independent Directors are issued a letter of appointment setting out the terms and conditions relating to the appointment and their duties and responsibilities under applicable laws. The format of said letter is also uploaded on the website of the Bank at <https://www.jkbank.com/sites/default/files/2025-03/letter-of-appointment-independent-director-25122020.pdf>

DATABASE OF INDEPENDENT DIRECTORS

The Independent Directors of the Bank are fully compliant to the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to registering their

name in the online database of Independent Directors and qualifying the online proficiency self-assessment test for Independent Directors, wherever applicable.

ROLE OF MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER (MD & CEO)

Mr. Amitava Chatterjee is the MD & CEO of the Bank. He reports to the Board and is conferred with powers of managing the affairs of the Bank, under the overall superintendence, control, guidance, and direction of the Board. As the MD & CEO of the Bank, he has the authority to perform all such acts, deeds, matters and things, which he may consider necessary or appropriate to perform, in the business interest of the Bank. He oversees business operations, drives strategic growth and is responsible for overall performance of the business of the Bank.

Mr. Amitava Chatterjee is also a Key Managerial Personnel of the Bank, in terms of the provisions of Section 203(1) read with Section 2(51) of the Companies Act, 2013 and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ROLE OF EXECUTIVE DIRECTOR (ED)

Mr. Sudhir Gupta is Executive Director (ED) of the Bank and reports to the MD & CEO. He is, inter alia, responsible for overseeing the functions of Retail Banking, Corporate, Agri & MSME Banking, Government Business & Subsidiary Management, Finance, Strategy and IT (Excluding Business Process Re-Engineering), Treasury Operations and Central Banking Operations.

Mr. Sudhir Gupta is also a Key Managerial Personnel of the Bank, in terms of the provisions of Section 203(1) of the Companies Act, 2013 read with Section 2(51) of the Act and Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MEETINGS OF THE BOARD / COMMITTEES

Framework for Conduct of Meetings of the Board / Committees

The Bank has formulated and adopted a framework for conduct of meetings of the Board and its Committees. The said framework provides guidance on matters relating to administration of meetings by ensuring standardization in the formats used for preparation of agenda item list, agenda notes, minutes and circular resolutions and adopting best

practices from a compliance and governance perspective.

Agenda for the Meetings

The agenda notes / presentations are presented in a manner, so as to facilitate informed decision making. Members of the Board / Committees are free to recommend inclusion of any matter as part of the agenda for the meetings.

Post Meeting Follow-up Mechanism for Monitoring and Implementation of the Directions of the Board

Important decisions taken and suggestions given by the Board and its Committees are communicated to the relevant departments for their information and necessary action. The actionables arising out of the meetings of the Board / Committees are thereafter dealt with in accordance with the Bank's framework for monitoring and implementation of directions of the Board / Committees by means of Action Taken Reports (ATR), until their closure/compliance.

Minutes of the Meetings

The draft minutes are circulated to the Members of the Board / Committees, for their comments within the prescribed timelines. The minutes, after incorporating the comments, if any received from the Members of the Board / Committees, are again circulated to the Members for confirmation and are placed at the next meeting for taking on record and signing by the Chairperson of the respective / previous meeting. In case of business exigencies or urgency of matters, resolutions are also passed by the Board / Committees through circulation with the approval of the respective Chairman / Chairperson. The resolution passed by circulation is noted at the next meeting of the Board / Committee.

FREQUENCY OF BOARD MEETINGS

During the fiscal year, fifteen (15) Board Meetings were held, in due compliance with statutory provisions, on the following dates:

16.04.2024, 04.05.2024, 12.06.2024, 09.07.2024, 27.07.2024, 13.09.2024, 25.10.2024, 19.11.2024, 07.12.2024, 13.12.2024, 25.12.2024, 18.01.2025, 20.01.2025, 25.02.2025, 26.03.2025

ATTENDANCE AT BOARD MEETINGS

The names of Directors, their attendance at Board Meetings during the year, attendance at the last AGM and details of other Directorships & Board Committee Memberships held by them as on March 31, 2025 are set out in the following table:



Name of Director	Board Meetings attended during the year/ tenure	Whether Attended AGM held on 17-08-2024	No. of Directorships		Name of other listed entities where a person is a Director and category of Directorships	No. of other Committee Memberships ¹
			Indian Public Companies	Other Companies		
Govt./RBI Nominee Directors						
Mr. Baldev Prakash (DIN: 09421701) (Upto: 29.12.2024)	11/11	Y	01	--	--	--
Mr. Amitava Chatterjee (DIN: 07082989) (From: 30.12.2024)	04/04	NA ²	01	---	---	---
Mr. Santosh Dattatraya Vaidya, IAS (DIN: 05340193)	11/15	Y	06	02	--	--
Mr. Sanjiv Dayal (DIN: 10926091) (From 20.01.2025)	2/2	NA ²	---	---	---	---
Non-Executive Non-Independent Directors						
Dr. Pawan Kotwal, IAS (DIN: 02455728)	07/15	NO	---	--	--	--
Dr. Mandeep K Bhandari, IAS (DIN: 07310347)	08/15	NO	---	--	--	--
Mr. R. K. Chhibber (DIN: 08190084)	15/15	Y	--	--	--	--
Executive Director						
Mr. Sudhir Gupta (DIN: 09614492)	15/15	Y	--	--	--	--
Non-Executive Independent Directors						
Dr. Rajeev Lochan Bishnoi (DIN: 00130335) (Upto 20.01.2025)	13/13	Y	--	--	--	--
Mr. Naba Kishore Sahoo (DIN: 07654279) (Upto 28.02.2025)	14/14	Y	--	--	--	--
Mr. Umesh Chandra Pandey (DIN: 01185085)	15/15	Y	--	03	--	--
Mr. Anil Kumar Goel (DIN: 00672755)	15/15	Y	--	02	--	--
Mr. Anand Kumar (DIN: 03041018)	15/15	Y	--	--	--	--
Ms. Shahla Ayoub (DIN: 09834993)	12/15	Y	--	--	--	--
Mr. Sankarasubramanian Krishnan (DIN:07261965) (From 27.03.2025)	0/0	NA ²	NA	--	--	--

1. Includes only Chairmanship/Membership of Audit Committee and Stakeholder's Relationship Committee of other public limited companies.
2. On the date of the AGM, the concerned Directors were not on the Board of the Bank.

BRIEF PROFILE OF DIRECTORS

The Bank recognizes the benefits of having a diverse Board consisting of a judicious mix of Executive, Non-Executive and Independent Directors and sees increasing diversity at Board level as an important element in maintaining a competitive advantage. A brief profile of our eminent Board Members is as under:

Mr. Amitava Chatterjee

DIN: 07082989

Mr. Amitava Chatterjee is the second MD & CEO of Jammu and Kashmir Bank Limited. Mr. Chatterjee was Deputy Managing Director, SBI and has also served as MD&CEO of SBICAPS. Mr. Chatterjee has an illustrious career in banking spanning over more than three decades in diverse geographical locations and strategic positions. His diverse experience includes heading the SBI's operation as CGM New Delhi, circle and Jaipur Circle with high end clientele like PSUs, NBFCs, and DISCOMs. He has shouldered responsibilities that included Business Development, Risk & Compliance Management, HR Functions with his previous employer besides interacting and participating in various Industry and Government forums. He has completed his Master's in Business Administration from ICFAI University Hyderabad besides having qualified the CAIIB offered by IIBF. Beyond his professional pursuits, he is a passionate sports enthusiast and follows tennis, football and cricket.

Directorship in other Companies: JKB Financial Services Limited

Dr. Pawan Kotwal, IAS

DIN: 02455728

Dr. Pawan Kotwal, a 1994 Batch IAS officer (of erstwhile Arunachal Pradesh-Goa-Mizoram and Union Territory (AGMUT) cadre of Indian Administrative Service) is at present serving as Chief Secretary, UT of Ladakh.

He brings to the fore a wealth of Administrative acumen and proficiency having previously served as Principal Secretary for Health and Medical Education, Forest, Ecology and Environment, and Revenue, Planning & Monitoring Department in UT of Ladakh.

During his term as Principal Secretary, Dr. Kotwal played a crucial part in bringing out crucial reforms and initiatives in health and medical education sector. He spearheaded the efforts to improve health care infrastructure, enhance medical education facilities, and promote the wellbeing of the people of Ladakh.

His accomplishments in the fields of forest, ecology, environment, and revenue are equally admirable, portraying his unflinching commitment to sustainable development and good governance.

Directorship in other Companies: Sindhu Infrastructure Development Corporation Limited

Mr. Santosh Dattatraya Vaidya, IAS

DIN: 05340193

Mr. Santosh D. Vaidya D. Vaidya has a rich experience in public service at the state, federal, and international levels.

During his undergrad studies at Indian Institute of Technology at Kharagpur, he earned the Silver Medal for his academic performance. He has completed Masters programmes in Economics from IGNOU - Delhi and in International Public Policy from the Johns Hopkins University, USA.

He transitioned from the IPS to the IAS in 1998 and then served in varied assignments in Arunachal Pradesh, Goa, Delhi, Andaman & Nicobar Islands and Jammu and Kashmir. After his district postings, Mr. Vaidya contributed to policy formulation in education and social welfare sectors in Goa. While serving in the water utility and the municipal council in Delhi, he gained rich experience of project development in infrastructure.

As the staff officer to CM - Delhi, he supported judicious decision-making and coordination of flagship initiatives. During his stint in the Prime Minister's Office, Mr. Vaidya contributed to policy formulation and project monitoring in the energy and infrastructure sectors. He was instrumental in rolling out the rooftop solar program of Renewable Energy Ministry.

While serving as a Senior Advisor of the World Bank at Washington DC, Mr. Vaidya gained insights into multilateral finance and the Bank's fiduciary policies on financing, environmental, social, and governance aspects. He also played a key role in coordinating India's strategic initiative in Andaman & Nicobar Islands.

During his current assignment in Jammu and Kashmir, Mr. Vaidya focusses on public finance and fiscal policies for enhancing efficiency and development impact. He has received the national award for his work in the disability sector and the Election Commission's certificate for his work in Delhi.

Mr. Vaidya keenly follows political economy in China and Central Asia and has written articles on the challenges in renewable energy and water management. Beyond his professional pursuits, he is passionate about jogging and trekking.

Directorship in other Companies: Jammu and Kashmir Development Finance Corporation Limited, Jammu and Kashmir Minerals Limited, Jammu and Kashmir Tourism Development Corporation Limited, Jammu and Kashmir State Power Development Corporation Limited, Jammu and Kashmir Infrastructure Development Finance Corporation P Limited, Jammu and Kashmir Forest Development Corporation Limited, Chenab Valley Power Projects Private Limited, Ratle Hydroelectric Power Corporation Limited

Dr. Mandeep K Bhandhari, IAS

DIN: 07310347

Dr. Mandeep K Bhandari, IAS, is 2001 AGMUT (Arunachal Pradesh-Goa-Mizoram-Union Territory) cadre IAS officer. He completed his MBBS with Gold Medal from Dayanand Medical College, Ludhiana, Punjab University and Chandigarh.

Dr. Bhandari at present is Principal Secretary to Hon'ble Lieutenant Governor of UT of J&K and is also holding charge of CEO Amarnathji Mr.ne Board. He has to his credit an administrative and professional expertise of more than two decades.



During his illustrious career, he has served on diversely significant and responsible positions like Sub Divisional Magistrate Bhaderwah, Additional District Development Commissioner Kathua, Deputy Commissioner Leh, and Deputy Commissioner Jammu. Dr. Bhandari has also discharged his duties as Chief Executive Officer, Mr. Mata Vaishno Devi Mr. ne Board and Commissioner/ Secretary to Government of J&K, Health & Medical Education. In the year 2017, Dr. Bhandari was appointed as Divisional Commissioner, Jammu. From 18.01.2018 to 17.09.2018, he served as Private Secretary to Hon'ble Human Resource Minister, Ministry of Human Resource Development, Government of India and then from 18.09.2018 as Joint Secretary to the Government of India, Ministry of Health & Family Welfare.

In every sphere of administration wherever Dr. Bhandari has worked, he has made outstanding contributions in tough and challenging circumstances. Dr. Bhandari brings to fray a treasure of competence, reliability, perspicacity and aptitude.

Directorship in other Companies: Nil

Mr. Sanjiv Dayal

DIN: 10926091

Mr. Sanjiv Dayal is Chief General Manager (Retired) Reserve Bank of India (RBI). He has work experience of more than three decades in RBI. Mr. Dayal has worked in almost all the operational areas of the RBI. He has specialization in Regulation & Supervision of Regulated Entities, Central Bank Governance, Customer Grievance Redressal (Office of Ombudsman), Financial Inclusion, Currency Management etc. Mr. Dayal has served as RBI Nominee Director on the Boards of various RRBs. He has also served as Regional Director RBI, Regional Office Patna, besides he has also discharged his duties as Office In-Charge RBI, Regional Office Ranchi, First Banking Ombudsman for the state of Jharkhand, General Manager Supervision & Regulation - Central Office, Mumbai, Deputy General Manager - Board Section, Secretary Department, CO, Mumbai. Mr. Sanjiv Dayal has done his Post Graduation in History. He is also a Certified Associate of the Indian Institute of Banking (CAIIB).

Directorship in other Companies: mPokket Financial Services Pvt Ltd.

Mr. R. K. Chhibber

DIN: 08190084

Mr. Rajesh Kumar Chhibber joined the services of the Jammu and Kashmir Bank as Probationary Officer in the year 1982 and has led the Bank in different capacities from managing business operations at Branch and Zonal offices to the Corporate Level across the operational geography of the Bank, bringing a treasure of experience to the chair that spans around thirty-nine years. His areas of expertise include Credit, Finance, IT, Corporate & Retail Banking, Risk management, Trade Finance, Foreign exchange, Business continuity planning, HR, Bancassurance.

He headed the Bank as Chairman and Managing Director from June 2019 to December 2021.

Elevated as Executive President of J&K Bank on June 1, 2018, he was the Bank's Chief Compliance Officer besides heading Business Support division, HRD, Insurance, Government Banking, Lead Bank, CSC, FID, Subsidiary Management,

Culture & Sports functions of the Bank.

As Vice-President in 2009, he headed the technology department of J&K Bank and made remarkable contributions in creating the technology infrastructure of the Bank besides instituting the process of providing relevant expertise to the staff.

He has also served as Chairman J&K Grameen Bank for two years and nine months and brought great laurels to the bank by accomplishing its key strategic goals.

Directorship in other Companies: Nil

Mr. Umesh Chandra Pandey

DIN: 01185085

Mr. Umesh Chandra Pandey is a Fellow Chartered Accountant with Bachelor's degree in Commerce. He is a Senior Partner at M/s B.M. Chatrath & Co. LLP since 1991.

Mr. Umesh Chandra Pandey has a considerable and great deal of working experience in the field of Statutory Audit of Listed & Public Ltd. Companies, Corporate Law, Taxation - Domestic & Transfer Pricing, Project Report Preparation, M & A Transactions, Statutory Compliance Audit - Direct Tax/ Indirect Tax & Labour Laws. He has conducted Central Statutory Audit of Banks like Bank of Baroda, Central Bank of India, State Bank of India, Canara Bank, Union Bank of India and Government Company Audits of South Eastern Coal Fields Ltd, Indian Oil Ltd, Oil India Ltd, Steel Authority of India Ltd. & Power Grid Ltd. Mr. Umesh Chandra Pandey is specialized in conducting due diligence of MSME and Heavy Industries on behalf of Scheduled Commercial Banks and is empanelled by IBA for conducting ASM Audit.

Mr. Umesh Chandra Pandey has been an Independent Director on the Board of Tourism Finance Corporation of India Ltd from 2005 to 2010 and has also served as Chairman of its Audit Committee. He has also been the Independent Director and Chairman of Audit Committee of M/s Engineers India Limited from 2015 to 2019. He is on the Board of the Jammu & Kashmir Bank since January 21, 2022 and Chairman of the Integrated Risk Management Committee since October 2022.

He has served as Member of CII North India Committee, entrusted with the affairs of Micro Small Medium Enterprises, Economic Affairs & Taxation, Industrial Relation, Corporate Social Responsibility, Foreign Trade Policy and Guide to Export & Import.

He has also served as Special Invitee & Committee Member of The Institute of Chartered Accountants of India on the following Committees:

1. Direct Tax & Indirect Tax Committee.
2. Research Committee.

Directorship in other Companies: Treewill Healthcare Equipments Private Limited, BMC Support and Accounting Services Private Limited, B M Chatrath & Co LLP (Designated Partner)

Mr. Anil Kumar Goel

DIN: 00672755

Mr. Anil Kumar Goel is a Fellow Chartered Accountant with Bachelor's degree in Commerce (H) and Master's degree in Social Work. He is a qualified Arbitrator & Mediator,

Information Systems Auditor (DISA), Forensic Auditor & Fraud Detector (FAFD), qualified as Peer Review Board of ICAI, Formerly Member of various Research Groups of ICAI & NIRC, Formerly MEC & Joint Secretary cum Treasurer of Sales Tax Bar Association, New Delhi. Moreover, he has been an Independent Director on the Board of RITES Ltd (a Mini Ratna CPSU) from 01.04.2016 to 01.04.2020.

Mr. Anil Kumar Goel has 36 years of extensive experience and substantial expertise in Corporate & Tax Laws, Consultancy, Statutory & other Audits for Corporates and Non-Corporates Business and NPO/Trust and Banks etc. His diverse clientele includes Manufacturers, Traders, Service Providers, Importers, Exporters, Societies, NGO, and Trusts etc. He has delivered many lectures at reputed Professional Forums like ICAI, Bar Association etc. and has published many articles in renowned Professional & Social magazines, Newsletters etc. on various professional & social issues.

Mr. Anil Kumar Goel is the General Secretary of "Prakash Bandhu Sewa Samiti," Managing Trustee of "Jammu Kashmir Study Centre" (JKSC), Vice President of Prachin Shiv Mandir Committee, Ashoka Niketan, Director of "Vibrant Motivation and Development Foundation" (a Company Registered u/s 8 of Companies Act) and Governing Council Member of "Asian Eurasian Human Rights Forum", an NGO - Working for Global Human Rights. Besides, he is Past President of Rotary Club at Rotary Intl Dist. 3012.

Directorship in other Companies: Sreejee Infac India Pvt. Ltd., Vibrant Motivation and Development Foundation (Section 8 Company)

Mr. Anand Kumar

DIN: 03041018

Mr. Anand Kumar is an information technology (IT) specialist who has experience of more than three decades in IT development and management. Mr. Kumar completed his Bachelor of Technology (Electrical Engineering) degree from the Indian Institute of Technology, Banaras Hindu University, and his Post-Graduate Diploma in Management (PGDM) from the Indian Institute of Management, Lucknow.

Mr. Anand Kumar has worked in various multinational banking and financial services organisations such as Citigroup, HSBC, Barclays, Fiserv, etc. He has also served as a Director on the Board of Fiserv India Pvt. Ltd. As Vice President - IT Delivery at Fiserv India, he managed pan-India IT Delivery teams spread across Noida, Pune, and Bengaluru. In this role, he carried responsibility for application development, maintenance, implementation, and support activities for Fiserv products in areas such as core banking, lending, cards, payments, and risk. He has also served a stint in the Ministry of Communications, Govt. of India from 2017 to 2019.

Mr. Kumar specializes in helping organisations build scale with maturity, thereby significantly improving organisational credentials, financial performance, and sustainable business confidence. He has led the design and execution of innovative programs such as Target Zero Defects in IT Delivery, as well as improvement initiatives focused on achieving sustained business success through the institutionalisation of effective processes and tools.

Directorship in other Companies: Nil

Mr. Sudhir Gupta

DIN: 09614492

A seasoned banker with over 35 years of distinguished service, Mr. Sudhir Gupta brings a rare blend of grassroots banking experience and strategic leadership. Having risen through the ranks since joining the Bank as a Probationary Officer in 1989, he has held pivotal roles across Branch Banking, Zonal Management, and the Bank's Corporate Office. His leadership spans diverse domains including Credit, Customer Service, Credit Audit, Business Support, Information Technology and Strategic Planning.

As former Chairman of J&K Grameen Bank, he led a remarkable institutional turnaround, driving profitability, governance reforms, and rural financial inclusion within a defined strategic timeframe.

Currently serving as Executive Director, Mr. Gupta oversees several critical verticals including Treasury, Credit, Customer Service, Strategy & IT, Finance, Government Banking and Corporate Communication. In FY 2024-25, he played a key role in the Bank's record financial performance, operational streamlining, and digital expansion—reinforcing a culture of accountability and service excellence.

Mr. Gupta holds a B.Sc. and LL.B (Gold Medalist), and is professionally certified in CAIIB and JAIIB. Known for his institutional commitment, execution discipline, and cross-functional insight, he continues to be a driving force behind the Bank's transformation journey.

Directorship in other Companies: Nil

Ms. Shahla Ayoub

DIN: 09834993

Ms. Shahla Ayoub is a young Economist of J&K. She presently works as Assistant Professor in Department of Higher Education, Government of J&K. Having worked as Assistant Director in Economics and Statistics, Department of Planning, Monitoring and Development Department, Government of J&K before joining the Department of Higher Education, she brings to Board an affluence of Economic expertise and perspicacity.

She has a yearning and yawning interest in the field of economic research, especially in the areas of Conflict Economics, Financial Inclusion and Developmental Economics. She has to her credit a number of publications, on subjects like Governance, Conflict & Economic Warfare and Economic Welfare.

Apart from supervising a number of Post Graduate Research Dissertations at the Department of Economics, Cluster University Srinagar, she has also participated in National and International Conferences and has made presentations on subjects like Response of Households to Conflict, Financial Inclusion of Handicraftsmen in District Srinagar, Rural Households of Kashmir & Financial Inclusion under PMJDY and Healthcare Infrastructure in Kashmir Valley.

Directorship in other Companies: Nil



Mr. Sankarasubramanian Krishnan

DIN: 07261965

Mr. S. Krishnan is a veteran banker with more than four decades of experience. He started his Banking career in January 1983 at Indian Bank. In a career spanning over three decades in Indian Bank, Mr. Krishnan gained expertise in almost all the key areas of banking, having served in rural, urban and metro Branches and also in Administrative Offices including Corporate Office of the Bank. He has specialised in Credit, more specifically Corporate Credit. His experience in Risk Management is for over a decade and was the Head of the Risk Management of the Bank. Mr. S. Krishnan headed vital Functions in the Bank like Risk Management, Information Systems Security, HR etc. He was also Executive Secretary to the Board of Indian Bank. Mr. S. Krishnan has been instrumental in initiating a host of reform measures aimed at enriching the quality of HR in the Bank. Mr. S. Krishnan was appointed by the Government of India, as the Executive Director of Syndicate Bank and served as the Executive Director from 1st November 2017 to 31st March 2020. During the said period he was overseeing almost all key verticals / portfolios of the Bank. Notable amongst them are, Corporate Credit, Risk Management, HR, Internal Audit and Compliance. He played a pivotal role in capital raising, Regulatory remediation programme of the overseas branch of the Bank and spearheaded the merger process of the Bank with Canara Bank. Mr. S. Krishnan was appointed by the Government of India as the Executive Director of Canara Bank and served as the Executive Director from 1st April 2020 to 3rd September 2020. During the said period, verticals overseen by him were International Operations, Integrated Treasury, Large and Mid-Corporate Credit, Financial Management, Capital Planning, Subsidiaries besides others. Mr. S. Krishnan was appointed as the MD & CEO of Punjab & Sind Bank by the Government of India. He served the Bank as MD & CEO from 4th September 2020 to 31st May 2022. He was also Chairman

of the Board of the Bank from June 2021 to May 2022. During his period there was total transformation of the Bank on all the fields, be it digital, IT, risk, compliance, monitoring, recovery, business development or HR. Further, during his period, the Bank was turned around and registered highest ever profit in 2021-22. Subsequent to superannuation and pursuant to the approval of the appointment by Reserve Bank of India, Mr. S. Krishnan took charge as MD & CEO of Tamilnad Mercantile Bank Ltd. He served the Bank from 4th September 2022 to 7th June 2024. During the said period, the shares of the Bank were listed on stock exchanges, various systems and procedures were put in place / enhanced, embargo put in place by the Regulator was lifted, branch expansion was restarted, the Bank was approved for carrying out Agency business (Government Business), Risk & Compliance culture was inculcated across the Bank, Business Process Re-engineering / transformation project was rolled out. During his period, the century old Bank, registered highest ever profit (in four digits) during both 2022-23 and 2023-24. Being Tech Savvy person, he always trusted technology as the game changer in the Banking and accordingly took several initiatives to digitize the processes in different fields wherever he has worked. He has received many awards and accolades during the four decades of the journey in the financial sector. Mr. S. Krishnan is a Post Graduate in Commerce and a qualified Cost Accountant. He is also a Certified Associate of Indian Institute of Bankers (CAIIB). He has also successfully completed Certification Programme in IT and Cyber Security for Board members conducted by IDBRT. He was a member of the Managing Committee of IBA and also alternate Chairman of IBA's Standing Committee on Agriculture & Allied Activities. He was also a member of IBA's Sub-Committee on Performance Management System in Public Sector Banks.

Directorship in other Companies: Nil

Chart/ matrix setting out skill, expertise and competencies of Board of Directors

Name of the Director	Category	Knowledge and Experience Areas												
		Accountancy	Agriculture and Rural Economy	Banking	Cooperation	Economics	Finance	Law	Small-Scale Industry	Information Technology	Payment and Settlement Systems	Human Resources	Risk Management	Business Management
Mr Amitava Chatterjee	Government	✓	✓	✓	✓	✓	✓		✓			✓	✓	✓
Dr Pawan Kotwal, IAS	Rotational			✓			✓		✓					
Mr Santosh Dattatraya Vaidya, IAS	Government			✓		✓	✓	✓				✓	✓	
Dr Mandeep K Bhandari, IAS	Rotational			✓								✓		
Mr Rajesh Kumar Chhibber	Rotational	✓	✓	✓			✓			✓		✓	✓	✓
Mr Umesh Chandra Pandey	Independent	✓		✓		✓	✓		✓	✓			✓	
Mr Anil Kumar Goel	Independent	✓	✓	✓			✓			✓			✓	
Mr Anand Kumar	Independent			✓						✓	✓	✓		✓
Mr Sudhir Gupta	Rotational		✓	✓			✓	✓				✓		✓
Ms Shahla Ayoub	Independent			✓		✓								
Mr Sankarasubramanian Krishnan	Independent	✓	✓	✓			✓		✓	✓		✓	✓	✓

DETAILS OF NUMBER OF SHARES/ CONVERTIBLE DEBENTURES HELD BY NON-EXECUTIVE DIRECTORS AS ON 31-03-2025

As on 31-03-2025, except Mr. R K Chhibber holding 500 shares of the Bank, none of the other Non-Executive Directors hold any Shares / Convertible Debentures.

DIRECTORS E-KYC

The Ministry of Corporate Affairs (MCA) has vide amendment to the Companies (Appointment and Qualification of Directors) Rules, 2014, necessitated the registration of KYC of all the Directors through e-form DIR-3 KYC. All Directors of the Bank have complied with the aforesaid requirement.

REMUNERATION OF DIRECTORS

Managing Director & CEO

Remuneration of the MD & CEO is subject to the approval of the Reserve Bank of India in terms of Section 35B of the Banking Regulation Act, 1949.

- During the period under report, Mr. Baldev Prakash was MD & CEO of the Bank from 01/04/2024 till 29/12/2024. The details of remuneration paid to him in the financial year 2024-25 are as under:

(Amount in Rs.)

Particulars	Mr. Baldev Prakash (MD & CEO)
Basic salary	22,33,871
Allowances and perquisites	43,03,653
Provident Fund (Employer Contribution)	2,30,393
Pension Fund (Employer Contribution)	2,30,393
Gratuity	2,30,393
Variable Pay	29,06,763*

*Variable Pay was due for Previous FYs as per the approved Remuneration Package of MD & CEO.

- During the period under report, Mr. Amitava Chatterjee was MD & CEO of the Bank from 30/12/2024 till 31/03/2025. The details of remuneration paid to him in the financial year 2024-25 are as under:

(Amount in Rs.)

Particulars	Mr. Amitava Chatterjee (MD & CEO)
Basic salary	11,52,411
Allowances and perquisites	13,91,844
NPS (Employer Contribution)	2,09,739

Executive Director

Remuneration of the Executive Director is subject to the approval of the Reserve Bank of India in terms of Section 35B of the Banking Regulation Act, 1949. During the period under report, Mr. Sudhir Gupta was Executive Director of the Bank. The details of remuneration paid to him as Executive Director in the financial year 2024-25 are as under:

(Amount in Rs.)

Particulars	Mr. Sudhir Gupta (Executive Director)
Basic salary	19,80,000
Allowances and perquisites	22,63,336
Variable Pay	5,05,766*
Pension Fund (Employer Contribution)	2,04,575
PL Encashment	2,57,619

*Variable Pay was due for Previous FYs as per the approved Remuneration Package of ED.

DETAILS OF REMUNERATION / SITTING FEES PAID TO NON-EXECUTIVE DIRECTORS

Criteria for remuneration/sitting fee paid to Non-Executive Directors

The Non-Executive Directors of the Bank including RBI appointed Additional Director (except Govt. Nominated Directors, Directors who are in the employment of Govt.) were paid Rs.40,000 as sitting fee for each Board /Committee Meetings attended by them.

In addition to above, the Non-Executive Directors (except Govt./RBI Nominated/Appointed Directors, Directors who are in the employment of Govt.) were paid fixed remuneration subject to maximum of Rs. 10 Lakhs per annum per Director for the relevant financial year as per RBI Circular No.DoR. HGG.GOV.REC.75/29.67.001/ 2023-24 dated February 9, 2024.

All Directors are eligible for reimbursement of expenses incurred while performing their duties.

The details of Sitting Fees for Financial Year 2024-25 and Fixed Remuneration for Financial Year 2023-24 paid to Non-Executive Directors in the Financial Year 2024-25 are as under:



(Amount in Rs.)

Particulars of Remuneration					
Non - Executive Non-Independent Directors		Mr. R K Chhibber		Mr. Sanjiv Dayal	
Fee for attending Board and Committee Meetings		22,00,000.00		1,20,000.00	
Fixed Remuneration (FY 2023-24)		10,00,000.00		---	
Sub Total (1)		32,00,000.00		1,20,000.00	
Non - Executive Independent Directors		Dr. Rajeev Lochan Bishnoi	Mr. Naba Kishore Sahoo	Mr. Umesh Chandra Pandey	Mr. Anil Kumar Goel
Fee for attending Board and Committee Meetings		17,20,000.00w	20,80,000.00	19,60,000.00	21,60,000.00
Fixed Remuneration (FY 2023-24)		10,00,000.00	10,00,000.00	10,00,000.00	10,00,000.00
Sub Total (2)		27,20,000.00	30,80,000.00	29,60,000.00	31,60,000.00
Total = (1+2)		1,87,60,000.00			

FAMILIARISATION PROGRAMME

The details of familiarisation programmes imparted to Directors are available on the website of the Bank at: <https://www.jkbank.com/Investor/familiarization-programs-directors-bank>

PERFORMANCE EVALUATION

The Bank has put in place a mechanism for performance evaluation of the Directors. The details of the same are included in the Directors' Report.

COMMITTEES OF THE BOARD

The Board of Directors of the Bank has constituted several Committees of the Board to take decisions on matters requiring special focus. As on 31st March 2025, the Board has 10 Committees. Details of composition of the Committees are as follows:

S. No.	Name of the Committee
1.	Management Committee (MCB)
2.	Audit Committee of the Board (ACB)
3.	Integrated Risk Management Committee (IRMC)
4.	Nomination and Remuneration Committee (N&RC)
5.	Corporate Social Responsibility & Environmental, Social and Governance Committee (CSR&ESGC)
6.	Stakeholders Relationship Committee (SHRC)
7.	Special Committee of the Board for Monitoring and Follow up of Cases of Frauds (SCBMF)
8.	Customer Service Committee (CSC)
9.	Information Technology Strategy Committee (ITSC)
10.	Legal & Impaired Assets Resolution Committee (L&IARC)

The brief role and functions of the Committees of the Board is described hereunder:

1. Management Committee

Brief terms of Reference /Roles & Responsibilities

- Take all credit decisions (fresh / renewal / enhancement / regular / ad-hoc) of funded and non-funded credit facilities conforming to the

credit policy of the Bank within such authority as delegated to it by the Board from time to time;

- Take all decisions of remission, settlement, and sale / securitization of bad debts (loans / investments), sacrifice of principal / interest on settlement of bad debts, restructuring of loans as per 'NPA Recovery Policy' of the Bank within such authority as delegated to the Committee by the Board from time to time;
- Take all decisions regarding modification / relaxation of terms & conditions of sanctioned loans & advances, waiver / discount of charges (LPC, Penal Interest, etc.), reduction in interest rate of loans & advances, within delegated powers;
- Take credit decisions regarding proposals in deviation of credit norms / policy within its delegated powers;
- Monitor the credit and investment exposures of the Bank, review the adequacy of the credit and investment risk management processes and policies, internal control systems and compliance of statutory, regulatory and other applicable norms;
- Periodically review the large corporate loans and advances appearing in SMA lists;
- Take note of the details of credit facilities sanctioned by Managing Director / Executive Credit Committee and call for more particulars/comments/clarifications, if found necessary;
- Take note of the details of credit facilities sanctioned by Managing Director / Executive Credit Committee in deviation of Credit Policy norms and call for more particulars/comments/clarifications, if found necessary;
- Take note of the details of relaxations / reduction of interest rate on credit facilities sanctioned by Managing Director / Executive Credit Committee and call for more particulars/comments/clarifications, if found necessary;
- Take note of the details of compromise settlements approved by Managing Director / President

- level committees and call for more particulars/ comments/ clarifications, if necessary;
- xii. Periodically review Non-Performing Assets of large value (Rs. 5 crore and above) and also a pool of NPAs in various categories (substandard, doubtful and loss);
 - xiii. Committee shall recommend the compromise proposals beyond their power to the Board of Directors for approval;
 - xiv. Committee shall give its suggestions regarding 'Credit Policy of the Bank' and 'NPA Recovery Policy' to the Board for consideration;
 - xv. All credit proposals submitted for approval to the Management Committee of Board must include statement containing impact of the credit proposal on the capital of the Bank by the Chief Risk Officer; and
 - xvi. To review and monitor the performance of Treasury Operations of the Bank and exercise powers relating to investment decisions as delegated by the Board from time to time.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. R. K. Chhibber	(Chairman)
Mr. Amitava Chatterjee ¹	(Member)
Mr. Baldev Prakash ²	(Member)
Dr. Rajeev Lochan Bishnoi ³	(Member)
Mr. Naba Kishore Sahoo ⁴	(Member)
Mr. Anand Kumar	(Member)
Mr. Sudhir Gupta	(Member)
Mr. Sankarasubramanian Krishnan ⁵	(Member)

1. Mr. Amitava Chatterjee appointed as Member of the Committee w.e.f. 30-12-2024
2. Mr. Baldev Prakash ceased as Member of the Committee w.e.f. 29-12-2024
3. Dr. Rajeev Lochan Bishnoi ceased as Member of the Committee w.e.f. 20-01-2025
4. Mr. Naba Kishore Sahoo ceased as Member of the Committee w.e.f. 28-02-2025
5. Mr. Sankarasubramanian Krishnan appointed as Member of the Committee w.e.f. 29-03-2025

The Committee met nine (9) times during the year on 07-05-2024, 27-05-2024, 26-07-2024, 20-08-2024, 27-09-2024, 09-12-2024, 04-02-2025, 28-02-2025, 24-03-2025. These meetings were attended by Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	%age
Mr. R. K. Chhibber	9	9	100
Mr. Amitava Chatterjee	3	3	100
Mr. Baldev Prakash	6	6	100
Dr. Rajeev Lochan Bishnoi	6	6	100

Mr. Naba Kishore Sahoo	8	8	100
Mr. Anand Kumar	9	9	100
Mr. Sudhir Gupta	9	9	100
Mr. Sankarasubramanian Krishnan	0	0	0

2. Audit Committee

Brief terms of Reference /Roles & Responsibilities

Terms of reference:

The Audit Committee shall act in accordance with the terms of reference specified under the provisions of the Companies Act, 2013, Listing Regulations, RBI Guidelines and as specified by the Board of the Bank from time to time.

The role and functions of the Audit Committee stated under the aforesaid statutory and regulatory enactments is provided as under:-

Companies Act, 2013

- a) The Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include:
 - i. The recommendation for appointment, remuneration and terms of appointment of auditors of the company;
 - ii. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
 - iii. Examination of the financial statement and the auditors' report thereon;
 - iv. Approval or any subsequent modification of transactions of the company with related parties;
 - v. Scrutiny of inter-corporate loans and investments;
 - vi. Valuation of undertakings or assets of the company, wherever it is necessary;
 - vii. Evaluation of internal financial controls and risk management systems;
 - viii. Monitoring the end use of funds raised through public offers and related matters.
- b) The Audit Committee may call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors and review of financial statement before their submission to the Board and may also discuss any related issues with the internal and statutory auditors and the management of the company.
- c) The Audit Committee shall have authority to investigate into any matter in relation to the items specified above or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records



of the company.

- d) The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
- e) The Board's report under sub-section (3) of section 134 of the Companies Act, 2013 shall disclose the Composition of an Audit Committee and where the Board had not accepted any recommendation of the Audit Committee, the same shall be disclosed in such report along with the reasons therefor.
- f) Every listed company or such class or classes of companies, as may be prescribed, shall establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.
- g) The vigil mechanism shall provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The details of establishment of such mechanism shall be disclosed by the company on its website, if any, and in the Board's report.
- h) The Audit Committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

Listing Regulations {Regulation 18 & Part C of Schedule II of SEBI (LODR) Regulations, 2015}

- (A). The role of the Audit Committee shall include the following:
 - (i) Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
 - (ii) Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
 - (iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
 - (iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - (a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013;
 - (b) Changes, if any, in accounting policies and

practices and reasons for the same;

- (c) Major accounting entries involving estimates based on the exercise of judgment by management;
- (d) Significant adjustments made in the financial statements arising out of audit findings;
- (e) Compliance with listing and other legal requirements relating to financial statements;
- (f) Disclosure of any related party transactions;
- (g) modified opinion(s) in the draft audit report;
- (v) Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- (vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- (vii) Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (viii) Approval or any subsequent modification of transactions of the listed entity with related parties;
- (ix) Scrutiny of inter-corporate loans and investments;
- (x) Valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (xi) Evaluation of internal financial controls and risk management systems;
- (xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (xiv) Discussion with internal auditors of any significant findings and follow up there on;
- (xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or

- irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- (xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
 - (xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
 - (xviii) To review the functioning of the whistle blower mechanism;
 - (xix) Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
 - (xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- (B). The Audit Committee shall mandatorily review the following information:
- (1) Management discussion and analysis of financial condition and results of operations;
 - (2) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
 - (3) Management letters / letters of internal control weaknesses issued by the statutory auditors;
 - (4) Internal audit reports relating to internal control weaknesses; and
 - (5) The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee.
 - (6) Statement of deviations;
 - (a) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice in terms of Regulation 32(7).

RBI Regulations

{DOS.No.BC.3/08.91.020/96 dated 20.01.1997 & DBS. ARC.BC.01/08.91.020/2017-18 dated 13.07.2017}

- ACB should provide direction and also oversee the operation of the total audit function in the Bank. Total audit function will imply the organisation, operationalisation and quality control of internal

audit and inspection within the Bank and follow-up on the statutory/ external audit of the Bank and inspections of RBI.

- As regards internal audit, ACB should review the internal inspection/audit function in the Bank - the system, its quality and effectiveness in terms of follow-up. It should review the inspection reports of specialized and extralarge branches and all branches with unsatisfactory ratings.
- It should also specially focus on the follow-up on:
 - ✓ Inter-branch adjustment accounts,
 - ✓ Unreconciled long outstanding entries in inter-bank accounts and nostro accounts,
 - ✓ Arrears in balancing of books at various branches,
 - ✓ Frauds, and
 - ✓ All other major areas of house-keeping.
- It should obtain and review half-yearly reports from the Compliance Officers appointed in the banks in terms of RBI instructions,
- Regarding statutory audits, ACB should follow-up on all the issues raised in the Long Form Audit Report (LFAR),
- It should interact with the external auditors before the finalisation of the annual/semi-annual financial accounts and reports,
- ACB should follow up on all the issues/concerns raised in the inspection reports of RBI.

Further in terms of RBI circular no. DBS.ARS.BC. No. 4/ 08.91.020/ 2010-11 dated 10.11.2010, a comprehensive calendar of reviews is to be placed before ACB as enumerated below:

Quarterly

- a) Exposure to sensitive sectors i.e. capital market & real estate.
- b) KYC / AML Guidelines -
 - (i) Review of implementation
 - (ii) Review of compliance of concurrent audit reports with respect to adherence to KYC / AML guidelines at branches.
- c) Review of housekeeping - particularly balancing and reconciliation of long outstanding entries Suspense / Sundries / Drafts payable / paid / Funds in Transit / Clearing / SGL / CSGl accounts.
- d) Review of compliance in respect of the Annual Financial Inspection conducted by RBI (ACB should review this on ongoing basis till the Bank furnishes full compliance. ACB should closely monitor persisting deficiencies pointed out in RBI Inspection Reports.
- e) Review of Audit plan and status of achievement thereof.
- f) Review of significant Audit Findings of the following



audits along with the compliance thereof -

- (i) LFAR
- (ii) Concurrent Audit
- (iii) Internal Inspection
- (iv) I.S. Audit of Data Centre
- (v) Treasury and Derivatives
- (vi) Management Audit at Controlling Offices / Head Offices
- (vii) Audit of Service Branches
- (viii) Currency Chest
- (ix) FEMA Audit of branches authorized to deal in foreign exchange, etc.

- g) Compliance report on directives issued by ACB / Board / RBI.
- h) Report on compliance of clause 49 and other guidelines issued by SEBI from time to time.
- i) Report on compliance of regulatory requirement of Regulators in Host Countries in respect of overseas branches.
- j) Review of Frauds (frauds of Rs.1 crore and above to be reviewed as and when reported).
- k) Review of financial results for the quarter.
- l) Review of information on violations by various functionaries in the exercise of discretionary powers.
- m) Information in respect of equity share holdings in borrower companies more than 30% of their paid up capital.

Half Yearly

- a) Status of implementation of Ghosh and Jilani Committee reports.
- b) Detailed report on fraudulent transactions relating to Internet Banking through phishing attacks pointing out in particular the deficiencies in the existing systems and steps taken by the IT department to prevent such cases.

Annual

- a) Change in accounting policy and practices which may have significant bearing on financial statements. A confirmation that accounting policies are in compliance with accounting standards and RBI guidelines.
- b) Review of IS Audit Policy
- c) Review of transactions with related parties
- d) Review of accounting policies / systems of the Bank with a view to ensuring greater transparency in the Bank's accounts and adequacy of accounting standards.
- e) Review of adequacy of the internal audit function,

including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.

- f) Review of the Bank's financial and risk management policies.
- g) Review of annual accounts of the Bank.
- h) Appointment of statutory auditors and review of performance - both for domestic and overseas operations.
- i) Penalties imposed / penal action taken against Bank under various laws and statutes and action taken for corrective measures.
- j) Review of report on revenue leakage detected by Internal / External Auditors and status of recovery thereof - reasons for undercharges and steps taken to prevent revenue leakage.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. Anil Kumar Goel	(Chairman)
Mr. Sanjiv Dayal ¹	(Member)
Mr. R. K. Chhibber	(Member)
Mr. Umesh Chandra Pandey	(Member)
Mr. Anand Kumar	(Member)

1. Mr. Sanjiv Dayal has been appointed as Member of the Committee w.e.f. 20-01-2025

The Committee met twelve (12) times during the year on 01-04-2024, 03&04-05-2024, 12-06-2024, 10-07-2024, 26&27-07-2024, 20-08-2024, 27-09-2024, 24-10-2024, 24-12-2024, 16-01-2025, 20-01-2025, 27-03-2025. These meetings were attended by Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	%age
Mr. Anil Kumar Goel	12	12	100
Mr. Sanjiv Dayal	1	1	100
Mr. R. K. Chhibber	12	12	100
Mr. Umesh Chandra Pandey	12	12	100
Mr. Anand Kumar	12	12	100

3. Integrated Risk Management Committee

Brief terms of Reference /Roles & Responsibilities

Risk Management Committee shall facilitate the business/ operations of the Bank by establishment of an effective risk management framework through appropriate risk policies /processes, to monitor risk profile of the Bank, to ensure that it is in accordance with risk appetite of the Bank, and to provide the support necessary to enable the Management to perform their assigned duties and responsibilities in an effective manner. The role of the Committee is to review risk policies and recommend to

Board for approval. It will also examine and monitor the risk issues related to Bank's business and operations and direct the Management appropriately. The Committee shall oversee all risk management functions in the Bank and undertake the following functions:

- a) Review various risk policies (comprising inter-alia all areas of risk such as credit risk, credit process, market risk, operational risk, investments, liquidity risk, interest rate risk etc.) submitted by the Management and present/recommend them to the Board of Directors for approval;
- b) Oversee functions of Credit Risk Management Committee (CRMC), Market Risk Management Committee (MRMC), Operational Risk Management Committee (ORMC), Asset Liability Management Committee (ALCO), and Information Security (IS);
- c) Review various risk related documents such as Annual Risk Management Strategy, Liquidity Strategy, Internal Capital Adequacy Assessment Process (ICAAP), Business Continuity Plan (BCP), Risk Appetite Statement, Risk Tolerance Limits, parameters/ shocks for stress testing, tools & techniques and approach papers relating to Risk Management etc., and then recommending for approval of the Board wherever necessary;
- d) Reviewing risk related reports presented by Integrated Risk Management Department (IRMD), support / control functions as required by various risk policies such as Investment Portfolio Performance, Industry / Sector / Geographic Concentration, Large exposures, Market Risk, Stress Testing etc.;
- e) Ensure management processes (including people, systems, operations, limits and controls) for implementing risk management systems;
- f) Ensure integrity, robustness and effectiveness of financial / rating models and appraisal systems for assessing various risks faced by the Bank;
- g) Approval / review of credit rating process, fixation of exposure ceilings for various types of exposures, geographies, sectors, industries etc. and based on internal / external rating, borrower category/ groups etc.;
- h) Ensure availability of qualified and competent officers and risk managers in the Integrated Risk Management Department for ensuring effectiveness of risk management systems in the Bank;
- i) Review, discuss and make recommendations regarding the selection, appointment and termination where appropriate of the Chief Risk Officer, who also reports directly to the Committee;
- j) Decide/approve adoption of technology/appropriate and adequate MIS system needed for risk management;
- k) Reinforce the culture and awareness of risk management throughout the organization

that would attach high priority on effective risk management and adherence to sound internal controls;

- l) Ensure adequate coverage of internal audit to satisfy effective implementation of policies and procedures.

Further para 3.1.2 to 3.1.5 of the RBI Master Directions RBI/DOS/2024-25/118 DOS.CO.FMG.SEC. No.5/23.04.001/2024-25 dated 15.07.2024 provides that:

- The Risk Management Committee of the Board shall oversee the effectiveness of the framework for Early Warning Signals (EWS) and Red Flagging of Accounts (RFA).
- The EWS indicators identified for monitoring credit facilities / loan accounts and other banking transactions shall be approved by the RMCB (IRMC of Board of Directors in our Bank).
- Appropriate Turnaround Time (TAT), preferably not more than 30 days, for examination of EWS alerts / triggers shall be prescribed by the RMCB.
- RMCB shall review the status of red flagged accounts, including the EWS alerts / triggers, remedial actions initiated by the bank, etc. at periodic intervals as approved by the Board.
- The EWS / RFA framework shall be subject to suitable validation in accordance with the directions of RMCB so as to ensure its integrity, robustness and consistency of the outcomes.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. Umesh Chandra Pandey	(Chairman)
Mr. R K Chhibber	(Member)
Dr. Rajeev Lochan Bishnoi ¹	(Member)
Mr. Naba Kishore Sahoo ²	(Member)
Mr. Sudhir Gupta	(Member)
Mr. Sankarasubramanian Krishnan ³	(Member)

1. Dr. Rajeev Lochan Bishnoi ceased as Member of the Committee w.e.f. 20-01-2025

2. Mr. Naba Kishore Sahoo ceased as Member of the Committee w.e.f. 28-02-2025

3. Mr. Sankarasubramanian Krishnan appointed as Member of the Committee w.e.f. 29-03-2025

The Integrated Risk Management Committee met five (5) times during the year on 27-05-2024, 04-06-2024, 26-09-2024, 23-12-2024 and 28-02-2025.

These meetings were attended by Members as detailed below:

Mr. Umesh Chandra Pandey	5	5	100
Mr. R K Chhibber	5	5	100
Dr. Rajeev Lochan Bishnoi	4	4	100
Mr. Naba Kishore Sahoo	5	5	100



Mr. Sudhir Gupta	5	5	100
Mr. Sankarasubramanian Krishnan	0	0	0

4. Nomination & Remuneration Committee

Bank has constituted a Nomination & Remuneration Committee of the Board under the RBI Circular dated 2004 and pursuant to the requirements of the Securities and Exchange Board of India (LODR) Regulations, 2015 and the Companies Act, 2013.

Brief terms of Reference /Roles & Responsibilities

In compliance to the regulatory requirements, the role and functions of the Committee under the aforesaid statutory and Regulatory requirements are as under:

- 1) The Committee shall identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its Committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance;
- 2) The Nomination and Remuneration Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees;
- 3) The Nomination and Remuneration Committee shall, while formulating the policy ensure that-
 - 3.1 The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
 - 3.2 Relationship of remuneration to performance is clear and meets appropriate performance benchmarks;
 - 3.3 Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

The policy shall be placed on the website of the Bank and the salient features of the policy and changes therein, if any, along with the web address of the policy shall be disclosed in the Board's report.
- 4) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- 5) Formulation of criteria for evaluation of performance of independent directors and the board of directors;

- 6) Devising a policy on diversity of board of directors;
- 7) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal;
- 8) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- 9) Recommend to the board, all remuneration, in whatever form, payable to senior management;
- 10) To review Organizational structure, Succession Planning, HR Transfer Policy, HR Promotion Policy and make final recommendations to the Board in this regard;
- 11) To conduct the interview for promotion to senior levels of the Management i.e. Deputy General Manager & above.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. Anand Kumar	(Chairman)
Dr. Rajeev Lochan Bishnoi ¹	(Member)
Mr. Naba Kishore Sahoo ²	(Member)
Ms. Shahla Ayoub	(Member)
Mr. Sankarasubramanian Krishnan ³	(Member)

1. Dr. Rajeev Lochan Bishnoi ceased as Member of the Committee w.e.f. 20-01-2025
2. Mr. Naba Kishore Sahoo ceased as Member of the Committee w.e.f. 28-02-2025.
3. Mr. Sankarasubramanian Krishnan appointed as Member of the Committee w.e.f. 29-03-2025.

The Nomination & Remuneration Committee met ten (10) times during the year on 15-04-2024, 28-05-2024, 20-07-2024, 30-09-2024, 24-10-2024, 06-12-2024, 12-12-2024, 27-12-2024, 20-01-2025, 07-02-2025. These Meetings were attended by Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	%age
Mr. Anand Kumar	10	10	100
Dr. Rajeev Lochan Bishnoi	9	9	100
Mr. Naba Kishore Sahoo	10	10	100
Ms. Shahla Ayoub	10	9	90
Mr. Sankarasubramanian Krishnan	0	0	0

5. Corporate Social Responsibility & Environmental, Social and Governance Committee:

Brief terms of Reference /Roles & Responsibilities

The Role and Functions of the Committee shall be as under:

- a) Formulate and recommend to the Board for approval, the Corporate Social Responsibility Policy

which shall indicate the activity or activities to be undertaken by the Bank as specified in schedule VII of the Companies Act, 2013;

- b) Guide and monitor the activities of the Bank in the area of CSR so that the spending are in line with the activities stipulated in the CSR Policy;
- c) Provide inputs on an ongoing basis to the formulation of strategic objectives and tactical plans that would help to ensure that the Bank is able to fulfill its corporate social responsibilities in a responsible and effective manner.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Ms. Shahla Ayoub	(Chairperson)
Mr. Amitava Chatterjee ¹	(Member)
Mr. Baldev Prakash ²	(Member)
Mr. Umesh Chandra Pandey	(Member)
Mr. Anil Kumar Goel	(Member)
Mr. Anand Kumar	(Member)
Mr. Sudhir Gupta	(Member)

1. Mr. Amitava Chatterjee appointed as Member of the Committee w.e.f. 30-12-2024

2. Mr. Baldev Prakash ceased as Member of the Committee w.e.f. 29-12-2024.

The Corporate Social Responsibility & Environmental, Social and Governance Committee met five (05) times during the year on 28-05-2024, 13-08-2024, 24-12-2024, 20-02-2025, 29-03-2025. These Meetings were attended by Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	%age
Ms. Shahla Ayoub	5	5	100
Mr. Baldev Prakash	3	3	100
Mr. Amitava Chatterjee	2	2	100
Mr. Umesh Chandra Pandey	5	5	100

Name of Director	Meetings during the tenure	Meetings Attended	%age
Mr. Anil Kumar Goel	5	5	100
Mr. Anand Kumar	5	5	100
Mr. Sudhir Gupta	5	5	100

6. Stakeholders Relationship Committee:

The Bank constituted "Stakeholders Relationship Committee" pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015. Mr. Mohammad Shafi Mir, Company Secretary, has been designated as Compliance Officer.

Brief terms of Reference /Roles & Responsibilities

- 1) The Role and Functions of the Committee shall be as under:
 - a) Considering and resolving the grievances of the security holders of the Bank including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc;
 - b) Review of measures taken for effective exercise of voting rights by shareholders.;
 - c) Review of adherence to the service standards adopted by the Bank in respect of various services being rendered by the Registrar & Share Transfer Agent;
 - d) Review of the various measures and initiatives taken by the Bank for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Bank.

During the year 5327 service requests/complaints were received and 5303 stands redressed while 24 were pending within TAT as on 31.03.2025.

The status of Investor/ Shareholder Service Requests / Grievances received during the year under report is as follows:

S. No.	Particulars	Received	Disposed	Pending
Investor/ Shareholder Service Requests				
1	Change / Correction of the Address	1268	1258	10
2	Intimation of the Bank Mandate / NECS Mandate	868	868	0
3	Request for issuance of Letters of Confirmation in lieu of mutilated / destroyed Share Certificates	393	393	0
4	Loss of Share Certificates and request for issue of duplicate share certificate(s)	134	134	0
5	Deletion / inclusion of joint name and transmission	545	545	0
6	Requests for issuance of duplicate Dividend Warrants	880	880	0
7	Registration of NECS	0	0	0
8	Receipt of dividend warrants for revalidation	18	18	0
9	Intimation of the Nomination form details	141	141	0
10	Letters from SEBI/ Stock Exchanges	0	0	0



11	Request for stock split in lieu of old shares	15	15	0
12	Others	1039	1025	14
	Total	5301	5277	24

Investor/ Shareholder Grievances/ Complaints

1	Postal Pullout	17	17	0
2	SCORES	1	1	0
3	Non receipt of Dividend	1	1	0
4	No receipt of hard copy of Annual Report	7	7	0
	Total	26	26	0

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. R K Chhibber	(Chairman)
Mr. Amitava Chatterjee ¹	(Member)
Mr. Baldev Prakash ²	(Member)
Dr. Rajeev Lochan Bishnoi ³	(Member)
Mr. Umesh Chandra Pandey	(Member)
Mr. Sudhir Gupta	(Member)
Ms. Shahla Ayoub	(Member)

1. Mr. Amitava Chatterjee appointed as Member of the Committee w.e.f.30-12-2024
2. Mr. Baldev Prakash ceased as Member of the Committee w.e.f. 29-12-2024
3. Mr. Rajeev Lochan Bishnoi ceased as Member of the Committee w. e. f. 20-01-2025

The Stakeholders Relationship Committee met two (02) times during the year on 13-06-2024, 23-12-2024. These Meetings were attended by Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	Percentage
Mr. R K Chhibber	2	2	100
Mr. Amitava Chatterjee ¹	0	0	NA
Mr. Baldev Prakash	2	2	100
Dr. Rajeev Lochan Bishnoi	2	2	100
Mr. Umesh Chandra Pandey	2	2	100
Mr. Sudhir Gupta	2	2	100
Ms. Shahla Ayoub	2	2	100

7. Special Committee of the Board for Monitoring and Follow up of Cases of Frauds (SCBMF) (Erstwhile Special Committee of Board on Frauds (SCBF))
Brief terms of Reference /Roles & Responsibilities

- 1) To oversee the effectiveness of the fraud risk management in the Bank;
- 2) To review and monitor cases of frauds, including root cause analysis, and suggest mitigating measures for strengthening the internal controls, risk management framework and minimising the incidence of frauds;
- 3) Review of cases remaining in red-flagged status beyond 180 days;
- 4) Review Fraud Risk Management Policy / recommend to Board for approval.

The coverage may include, among others, categories/trends of frauds, industry/sectoral/geographical concentration of frauds, delay in detection/classification of frauds and delay in examination/conclusion of staff accountability, etc. and periodicity of such reviews shall be decided by the Board of the bank.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. Sankarasubramanian Krishnan ¹	(Chairman)
Ms. Shahla Ayoub ²	(Chairperson) (Member)
Mr. Amitava Chatterjee ³	(Member)
Mr. Baldev Prakash ⁴	(Chairman) (Member)
Dr. Rajeev Lochan Bishnoi ⁵	(Member)
Mr. Naba Kishore Sahoo ⁶	(Member)
Mr. Umesh Chandra Pandey	(Member)
Mr. Anil Kumar Goel	(Member)

1. Mr. Sankarasubramanian Krishnan appointed as Chairman of the Committee w.e.f. 29-03-2025.
2. Ms. Shahla Ayoub appointed as Chairperson of the Committee w.e.f. 13-09-2024 and ceased as Chairperson & appointed as Member w.e.f. 29-03-2025.

3. Mr. Amitava Chatterjee appointed as Member of the Committee w.e.f. 30-12-2024.
4. Mr. Baldev Prakash ceased as Chairman and Member of the Committee w.e.f. 13-09-2024 and 29-12-2024 respectively.
5. Dr. Rajeev Lochan Bishnoi ceased as Member of the Committee w.e.f. 13.09.2024.
6. Mr. Naba Kishore Sahoo ceased as Member of the Committee w.e.f. 28-02-2025.

The Special Committee of the Board for Monitoring and Follow up of Cases of Frauds (SCBMF)/Special Committee of Board on Frauds (SCBF) met six (06) times during the year on 15-04-2024, 13-06-2024, 10-07-2024, 26-09-2024, 24-12-2024, 28-02-2024. These meetings were attended by the Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	Percentage
Mr. Sankarasubramanian Krishnan	0	0	0
Ms. Shahla Ayoub	3	3	100
Mr. Amitava Chatterjee	1	1	100
Mr. Baldev Prakash	5	5	100
Dr. Rajeev Lochan Bishnoi	3	3	100
Mr. Naba Kishore Sahoo	6	6	100
Mr. Umesh Chandra Pandey	6	6	100
Mr. Anil Kumar Goel	6	6	100

8. Customer Service Committee

Brief terms of Reference /Roles & Responsibilities

The Role and Functions of the Committee shall be as under:

- a) Approving the various policies that relate to customer service; examples thereof include and are not limited to:
 - i. Comprehensive Deposit Policy
 - ii. Treatment of death of a depositor for operations in the account
 - iii. Grievance Handling process
 - iv. Collection of cheques;
- b) Reviewing metrics and indicators that provide information on the state of customer service in the Bank; providing direction to the Management of the Bank on actions to be taken to improve the metrics;
- c) Reviewing the actions taken/ being taken by the Bank to standardize the delivery of customer experience across all branches;
- d) Reviewing results of the surveys conducted that provide quantitative and qualitative information on the state of customer experience;
- e) Providing inputs on the products introduced by the Bank with a view to ensure suitability and appropriateness;

- f) Monitoring the implementation of the Banking Ombudsman Scheme with particular reference to:
- g) Reviewing all the awards against the Bank with a focus on identifying issues of systemic deficiencies and the Bank's plan to address those deficiencies;
- h) Reviewing all awards that remain unimplemented after 3 months from the date of the award with the reasons thereof; to report to the Board such delays in implementation without valid reasons and for initiating remedial action;
- i) Review, on an overall basis, the customer service aspects in the Bank on the basis of the detailed memorandum submitted in this regard and report to the Board of Directors thereafter; this is done once every six months and based on the review, the Committee will direct the Bank to initiate prompt corrective action wherever service quality / skills gaps have been noticed;
- j) Monitoring the activities of the Standing Committee on Customer Service (executive level committee) on a quarterly basis.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. Sudhir Gupta	(Chairman)
Mr. R. K. Chhibber	(Member)
Mr. Naba Kishore Sahoo ¹	(Member)
Mr. Anil Kumar Goel	(Member)
Mr. Anand Kumar	(Member)
Ms. Shahla Ayoub	(Member)

1. Mr. Naba Kishore Sahoo ceased as Member of the Committee w.e.f. 28-02-2025.

The Customer Service Committee met six (06) times during the year on 28-05-2024, 27-09-2024, 23-12-2024, 31-12-2024, 17-02-2025, 24-03-2025. These meetings were attended by the Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	Percentage
Mr. Sudhir Gupta	6	6	100
Mr. R. K. Chhibber	6	6	100
Mr. Naba Kishore Sahoo	5	5	100
Mr. Anil Kumar Goel	6	6	100
Mr. Anand Kumar	6	5	83
Ms. Shahla Ayoub	6	6	100

9. Information Technology Strategy Committee

Brief terms of Reference /Roles & Responsibilities

The Role and Functions of the Committee shall be as under:



- Approving IT strategy and policy documents and subsequent review as and when required;
- Ensuring that the Management has put an effective strategic planning process in place;
- Ratifying that the business strategy is indeed aligned with IT strategy;
- Ensuring that the IT organizational structure compliments the business model and its direction;
- Ascertaining that management has implemented processes and practices that ensure that the IT delivers value to the business;
- Ensuring IT investments represent a balance of risks and benefits and that budgets are acceptable;
- Monitoring the method that management uses to determine the IT resources needed to achieve strategic goals and provide high-level direction for sourcing and use of IT resources;
- Ensuring proper balance of IT investments for sustaining Bank's growth;
- Becoming aware about exposure towards IT risks and controls and evaluating effectiveness of management's monitoring of IT risks;
- Assessing Senior Management's performance in implementing IT strategies;
- Issuing high-level policy guidance (e.g. related to risk, funding, or sourcing tasks);
- Confirming whether IT or business architecture is to be designed, so as to derive the maximum business value from IT.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. Anand Kumar	(Chairman)
Mr. Amitava Chatterjee ¹	(Member)
Mr. Baldev Prakash ²	(Member)
Mr. R. K. Chhibber	(Member)
Dr. Rajeev Lochan Bishnoi ³	(Member)
Mr. Anil Kumar Goel	(Member)

- Mr. Amitava Chatterjee appointed as Member of the Committee w.e.f. 30-12-2024
- Mr. Baldev Prakash ceased as Member of the Committee w.e.f. 29-12-2024
- Dr. Rajeev Lochan Bishnoi ceased as Member of the Committee w.e.f. 20-01-2025

The Information Technology Strategy Committee met six (06) times during the year on 27&30-04-2024, 21-06-2024, 29-08-2024, 12-11-2024, 16-01-2025, 10-03-2025. These Meetings were attended by Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	Percentage
Mr. Anand Kumar	6	6	100
Mr. Amitava Chatterjee	2	2	100
Mr. Baldev Prakash	4	3	75
Mr. R. K. Chhibber	6	6	100
Dr. Rajeev Lochan Bishnoi	5	5	100
Mr. Anil Kumar Goel	6	6	100

10. Legal and Impaired Assets Resolution Committee

Brief terms of Reference /Roles & Responsibilities

The Committee reviews the legal matters and suits filed cases, NPA accounts and also monitors and reviews the performance of Impaired Assets Portfolio Management (IAPM) vertical of the Bank for recovery/settlement of impaired assets of the Bank and other related matters.

Composition, Meetings and Attendance

The composition of the Committee during the year under review is as under:

Mr. Amitava Chatterjee ¹	(Chairman)
Mr. Baldev Prakash ²	(Chairman)
Mr. Naba Kishore Sahoo ³	(Member)
Mr. Umesh Chandra Pandey	(Member)
Mr. Anil Kumar Goel	(Member)
Mr. Sudhir Gupta	(Member)

- Mr. Amitava Chatterjee appointed as Chairman of the Committee w.e.f. 30-12-2024
- Mr. Baldev Prakash ceased as Chairman and Member of the Committee w.e.f. 29-12-2024.
- Mr. Naba Kishore Sahoo ceased as Member of the Committee w.e.f. 28-02-2025

The Legal and Impaired Assets Resolution Committee met three (03) times during the year on 27-05-2024, 26-07-2024, 24-12-2024. These meetings were attended by the Members as detailed below:

Name of Director	Meetings during the tenure	Meetings Attended	Percentage
Mr. Amitava Chatterjee	0	0	0
Mr. Baldev Prakash	3	3	100
Mr. Naba Kishore Sahoo	3	3	100
Mr. Umesh Chandra Pandey	3	3	100
Mr. Anil Kumar Goel	3	3	100
Mr. Sudhir Gupta	3	3	100

MEETING OF THE INDEPENDENT DIRECTORS

The Independent Directors of the Bank met on 01-06-2024. All Independent Directors attended the meeting.

SENIOR MANAGEMENT:

Particulars of senior management including the changes therein since the close of the previous financial year:

EMPLOYEE NAME	DESIGNATION
Ashutosh Sareen	General Manager - Corporate Banking, Agriculture and MSME
Anand Pal Singh	General Manager - Central Banking Operations
Shareesh Sharma ¹	General Manager - Head of Internal Audit
Rakesh Koul	General Manager - Treasury Operations
Syed Shujaat Hussain Andrabi ²	General Manager - Human Resources/ Chief Development Officer
Sushil Kumar Gupta ³	General Manager - General Manager - Finance, Business Support Division
Syed Rais Maqbool	General Manager - Government Business, Subsidiary Management, Lead Bank and CC&M
Peer Masood Ahmad	General Manager - Group Compliance Officer
Shabir Ahmad Bhat	General Manager - Divisional Head, Kashmir
Imtiyaz Ahmad Bhat ⁴	General Manager - Strategy & Information Technology
Rajesh Malla Tikoo	General Manager - Credit Monitoring, Impaired Assets Portfolio Management, Law
Narjay Gupta	General Manager - Consumer and Commercial Banking Digital & Alternate Channels, Cross Selling
Sunit Kumar ⁵	General Manager - Divisional Head, Jammu
Rajesh Gupta	General Manager - Divisional Head, Rest of India
Ambrish Kumar Mishra	General Manager - Chief Vigilance Officer
Rakesh Kumar Gupta	General Manager - Internal Ombudsman
Viresh Gupta	Deputy General Manager - Chief Technology Officer
Altaf Hussain Kira ⁶	Deputy General Manager - Chief Risk Officer
Mohammad Shafi Mir	Company Secretary
Fayaz Ahmad Ganai ⁷	Chief Financial Officer

1. Mr. Shareesh Sharma superannuated from the services of the Bank w.e.f March 31, 2025.
2. Mr. Shujaat Hussain Andrabi superannuated from the services of the Bank w.e.f June 30, 2025.
3. Mr. Sushil Kumar Gupta superannuated from the services of the Bank w.e.f June 30, 2025.
4. Mr. Imtiyaz Ahmad Bhat has been elevated to the position of Chief General Manager Cadre w.e.f July 26, 2025.
5. Mr. Sunit Kumar has been elevated to the position of Chief General Manager Cadre w.e.f July 26, 2025.
6. Mr. Altaf Hussain Kira, Chief Risk Officer has been elevated to the position of General Manager Cadre w.e.f July 26, 2025.
7. Mr. Ketan Kumar Joshi was appointed as Chief Financial Officer of the Bank with effect

from July 17, 2025 in place of Mr. Fayaz Ahmad Ganai, who was the Chief Financial Officer w.e.f April 16, 2024.

8. Ms. Tabasum Nazir, General Manager superannuated from the services of the Bank w.e.f January 31, 2025.
9. Mr. Pratik D Punjabi, General Manager (Chief Financial Officer) of the Bank resigned from the services of the Bank w.e.f April 05, 2024.

DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

The Bank has not entered into any agreements as required to be disclosed under clause 5A of paragraph A of Part A of Schedule III of SEBI Listing Regulations.

CORPORATE GOVERNANCE POLICIES IN COMPLIANCE WITH THE STATUTORY REGULATIONS

Board Diversity Policy

In accordance with the Regulation 19(4) and Part D (A) (3) of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('Listing Regulations'), the Bank has framed a formal policy on Board Diversity which sets out a framework to promote diversity on Bank's Board of Directors. The policy has been posted on the Bank's website at:

<https://www.jkbank.com/sites/default/files/2025-05/7.%20Board%20Diversity%20Policy.pdf>

Code of Conduct for Board of Directors and Senior Management

In accordance with the Regulation 17(5) of 'Listing Regulations', the Bank has framed a formal policy on Code of Conduct for Board of Directors and Senior Management of the Bank to enable them to exercise good judgement, to ensure the interests, safety and welfare of customers, employees & other stakeholders and to maintain a cooperative, efficient, positive, harmonious and productive work environment. The policy has been posted on the Bank's website at:

<https://www.jkbank.com/sites/default/files/2025-05/9.%20Code%20of%20Conduct%20for%20Board%20of%20Directors%20%26%20Senior%20Management%20of%20the%20Bank.pdf>

Declaration:

I confirm that for the year under review, all Directors and Senior Management have affirmed their adherence to the provisions of the Code of Conduct for Board of Directors and Senior Management Personnel.

Srinagar - 01.05.2025

Amitava Chatterjee
MD & CEO

Dividend Distribution Policy

The objective of this policy is to lay down the criteria to be considered by the Board of Directors of the Bank before recommending dividend to the Shareholders for a Financial Year. The policy is framed in compliance to Regulation 43A of the Listing Regulations, applicable provisions of Companies Act, 2013 and RBI Guidelines. The policy has been posted on the Bank's website at:

<https://www.jkbank.com/sites/default/files/2025-05/24.%20Dividend%20Distribution%20Policy.pdf>



Policy on Related Party Transactions

The Securities and Exchange Board of India ("SEBI") has in terms of Regulation 23 provided that the listed entity shall formulate policy on materiality of related party transactions and on dealing with related party transactions including clear threshold limits duly approved by the Board of Directors and such policy shall be reviewed by the Board of Directors at least once every three years and updated accordingly. The policy has been posted on the Bank's website at:

<https://www.jkbank.com/sites/default/files/95%20Upload%20RPT.pdf>

Performance Evaluation Policy for the Board and Members of the Board

The Board of Directors on the recommendations of the Nomination & Remuneration Committee (N&RC) has approved a framework/policy for Performance Evaluation Policy for the Board and Members of the Board. The objective of this policy is to formulate the procedure and also to prescribe and lay down the criteria to evaluate the performance of the entire Board, each individual Director and the Committees of the Board of the Bank. The policy has been posted on the Bank's website at:

<https://www.jkbank.com/sites/default/files/2025-05/J%26K%20Bank%20Performance%20Evaluation%20Policy.pdf>

Policy for Determination of Materiality of Information/Event(S)

In order to ensure consistent, transparent, regular and timely public disclosure and dissemination of material events/information based on the criteria specified in Sub Regulation 4 of Regulation 30 of the Listing Regulations, the Board of the Bank has formulated a policy for determination of materiality of such events/information to the members of public. The

policy has been posted on the Bank's website at:

<https://www.jkbank.com/sites/default/files/2025-04/Upload%20-%20Policy%20for%20Determination%20of%20Materiality%20of%20Information%20Event.pdf>

Policy for Determining Material Subsidiary

The Securities and Exchange Board of India ("SEBI") has in terms of Regulation 16(1) provided that the listed entity shall formulate a policy for determining material subsidiary and to provide the governance framework for such subsidiaries. Pursuant to said Regulation, the Bank has framed a policy for determination of "material subsidiary" of the Bank. The Bank at present has no material subsidiary within the meaning of the definition of material subsidiary under the Regulations. The policy has been posted on the Bank's website at:

<https://www.jkbank.com/sites/default/files/2025-05/23.%20Policy%20for%20Determining%20Material%20Subsidiary.pdf>

Policy on Preservation of Documents and Archival of Documents

The Bank has framed the policy on preservation of documents and archival as mandated by the provisions of Regulation 9 read with Regulation 30(8) of Chapter III of the Listing Regulations, 2015. Through this policy, the Bank has a strategic objective of ensuring that significant documents are safeguarded and preserved to ensure the longevity of priority documents including the electronic resources. The policy has been posted on the Bank's website at:

<https://www.jkbank.com/sites/default/files/2025-05/Policy%20for%20Preservation%20of%20DocumentsV1.pdf>

All other policies as required under SEBI Regulations are posted on the website of the Bank under the link:

<https://www.jkbank.com/Investor/corporate-governance-policies>

Disclosures with respect to Demat Suspense Account/ Unclaimed Suspense Account

Opening Balance as on 01 st April, 2024		Shares credited during the Financial Year 2024-25		No. of requests received during the Financial Year 2024-25	Shares debited during the Financial Year 2024-25		Closing Balance as on 31 st March, 2025	
No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares		No. of Shareholders	No. of Shares	No. of Shareholders	No. of Shares
46	84,000	57	1,42,750	37	37	61,000	66	1,65,750

DIVIDEND RELATED INFORMATION

In accordance with Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations), the Bank has formulated and adopted a Dividend Distribution Policy. The policy is available on the website of the Bank at <https://www.jkbank.com/sites/default/files/2025-05/24.%20Dividend%20Distribution%20Policy.pdf>. In view of the overall performance of the Bank and while retaining capital to support future growth, the Board at its meeting held on 05th May, 2025, recommended a final dividend of Rs. 2.15 Paise per Equity Share, subject to the approval of Members at the ensuing 87th Annual General Meeting (AGM). The record date to determine eligibility of Members for payment of dividend is Tuesday, 19th August,

2025. In terms of the Income Tax Act, 1961, the dividend income is taxable in the hands of the Members. Therefore, the dividend will be paid to the Members after deduction of applicable tax, if any.

DIVIDEND PAYMENT DATE

Dividend shall be deposited in a scheduled bank in a separate account within five days from the date of declaration of such dividend.

Section 124 of Companies Act, 2013 provides that where a dividend has been declared by the Company but has not been paid or claimed within thirty days from the date of declaration to any shareholder entitled to the payment of Dividend, the same shall be transferred to the Dividend unpaid account.

Therefore, Dividend shall be paid to the eligible equity shareholders of the Bank on or after Wednesday, 27th August 2025 in accordance with the provisions of applicable Laws.

PAYMENT OF DIVIDEND THROUGH ELECTRONIC MODE

In terms of Regulation 12 and Schedule I of the SEBI Listing Regulations, every listed entity is required to mandatorily make all payments to members, including dividend, by using any Reserve Bank of India (RBI) approved electronic mode of payments viz. Direct Credit, Real Time Gross Settlement (RTGS), National Electronic Fund Transfer (NEFT), Electronic Clearing Service (ECS), National Automated Clearing House (NACH) etc. The Bank would be entitled to use the bank account details of the members available with the depository participants to facilitate payment through electronic mode. All members of the Bank holding equity shares in electronic form are requested to provide details relating to their bank account number, including nine-digit MICR Code and 11-digit IFSC Code, e-mail ID and mobile numbers to their depository participants. All members of the Bank holding equity shares in physical form are requested to provide details relating to their bank account number, indicating nine digit MICR Code and 11 digit IFSC Code, e-mail ID and mobile numbers to M/S KFin Technologies Limited at Selenium Tower - B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana, by sending the duly completed and signed ISR Forms in original along with a Cancelled cheque leaf of their active bank account and self-attested copy of their PAN card and a self-attested copy of any one of the documents mentioned hereafter: utility payment bills (not more than three months old) / bank pass book / passport / driving license / adhaar card to validate their present address.

INSIDER TRADING CODE

The Bank has emplaced a Code on Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information pursuant to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to prevent practices of Insider Trading. The policy has been hosted on the Bank's website at :
<https://jkbank.com/sites/default/files/202505/Reviewed%20Code%20of%20Practices%20and%20Procedures.pdf>
 Mr. Mohammad Shafi Mir, Company Secretary, has been designated as Compliance Officer for this purpose.

DIRECTORS AND OFFICERS INSURANCE

The Bank has undertaken Directors and Officers Insurance ('D and O Insurance') for all its Directors and Officers including Independent Directors.

DISCLOSURE IN RELATION TO THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Bank does not engage in any form of child labour / forced labour / involuntary labour and does not adopt any discriminatory employment practices. The Bank has duly constituted an Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention and Redressal) Act, 2013 and the rules made thereunder dealing with complaints of harassment or discrimination. The Committee functions in line with the relevant Act passed by the Parliament in 2013. The Committee ensures that all complaints are resolved within defined timelines. During

the year, two complaints were lodged before the Internal Complaints Committee. Accordingly, due inquiry proceedings were conducted in the cases, as stipulated in the Act and adequate opportunity was provided to both complainants and respondents to present/defend their case. Both the complaints were disposed of within the requisite time frame of 90 days.

The following is the summary of sexual harassment complaints received and disposed of by the Bank during the year 2024-2025:

S. No.	Particulars	No. of Complaints
1	Number of complaints pending at the start of the financial year	0
2	Number of complaints filed during the financial year	2
3	Number of complaints disposed of during the financial year	2
4	Number of complaints pending as on end of the financial year	0

ETHICAL STANDARDS EMPLOYED BY THE BANK

The Bank has emplaced service manual for its employees. This manual contains comprehensive regulations on ethical standards to be mandatorily observed by all the employees of the Bank.

WHISTLE BLOWER POLICY & VIGIL MECHANISM

The details with reference to whistle blower policy and vigil mechanism along with the affirmation that no personnel has been denied access to the Audit Committee, have been addressed in the Director's Report which is forming part of this Annual Report. During the year, the Audit Committee did not receive any reference under the said policy. The policy is available on the website of the Bank at the link:

<https://www.jkbank.com/pdfs/policy/WB.pdf>

DETAILS OF UTILIZATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT OR QUALIFIED INSTITUTIONAL PLACEMENT AS SPECIFIED UNDER REGULATION 32(7A) OF SEBI (LODR) REGULATIONS, 2015: NIL

CEO / CFO CERTIFICATION

In terms of Regulation 17(8) of the Listing Regulations, the certification by the CEO and CFO on the financial statements and internal controls relating to financial reporting has been obtained and was placed before the Board in its meeting dated 5th May, 2025.

DISCLOSURES

The Board of your Bank has in all its endeavor, ensured that true and fair disclosures are made to its constituents through various publications regarding plans, strategies and performance. The Board is pleased to disclose that:

1. The Executive Management of Bank regularly places various reviews before the Board on the performance of the Bank so as to enable it to exercise effective control and check over the working of the Bank.
2. The Bank has not entered into any materially significant transaction with its Directors, Management or with their Relatives, other than the normal course of business of the Bank.



3. The Bank did not enter into any material related party transaction with its Directors or Management or their Relatives that would potentially conflict with and adversely affect interests of the Bank.
4. The Directors did not incur any disqualification under Section 164 of the Companies Act, 2013 or under any other law applicable to the Bank.
5. None of the Directors of the Bank are holding positions as Chairman of more than five and as a Member of

more than ten Audit and Stakeholders' Relationship Committees.

There are no cases of non-compliance by the Bank and no penalties or strictures have been imposed on or proposed against the Bank by the Stock Exchange (s) and / or SEBI and / or any other statutory authorities on matters relating to capital market except to the extent disclosed in the Notes to the Accounts and the Bank has complied with the provisions of relevant Acts, Rules & Regulations framed there under during the financial year 2024-2025.

The Bank has complied with all applicable accounting standards and related RBI guidelines.

Period	Penalty Amount (Amount in Lakhs)	Details
FY 2022-23	49.21	During the Financial year 2022-23, a penalty of `3,74,921.00 was imposed by the Reserve Bank of India on Currency Chests and `42,10,000.00 was imposed by the Reserve Bank of India on ATM Cash Outs. `35,400.00 imposed by NSE/BSE for delayed filing of Related Party Transaction reports out of which National Stock Exchange of India Limited has waived off the penalty of two days i.e., `10,000/- due to wrong levy of penalty and same is under consideration with The BSE Limited. `3,00,000.00 imposed by FIU-India in relation with the non-compliance observed in respect of the transactions carried out in a particular account.</p> <p>`986.00 imposed by CBIC being amount of penalty raised for delayed reporting of GST Transaction for the period 01-04-2022 to 30-06-2022.
FY 2023-24	253.60	During the Financial year 2023-24, penalty of `2,14,150.00 (out of which `50,000.00 was later waived-off and reversed by RBI) was imposed by the Reserve Bank of India on Currency Chests, `1,00,000.00 (out of which `50,000.00 was later waived-off and reversed by RBI) was imposed by the Reserve Bank of India on ATM Cash Outs and `20,000.00 was imposed by RBI on branch prithviraj road for not having all coin denominations.</p> <p>Further, penalty of `2,50,00,000.00 crores was imposed by RBI for non-compliance with certain directions issued by RBI on 'Creation of a Central Repository of Large Common Exposures-Across Banks', read with 'Central Repository of Information on Large Credits (CRILC) - Revision in Reporting', 'Loans and Advances - Statutory and other Restrictions' and 'Time-bound implementation and strengthening of SWIFT-related operational controls'. `23,600.00 was imposed by BSE on delay in submitting the notice of record date of coupon payments for Bonds under Regulation 60(2) of SEBI (LODR) Regulations 2015.</p> <p>`2,290.00 was imposed by CBEC on delayed reporting of GST luggage file.
FY 2024-25	339.91	During the financial year 2024-25, penalty of `1,50,900.00 was imposed by the Reserve Bank of India on Currency Chests, `6,60,000.00 was imposed by the Reserve Bank of India on ATM Cash Outs (out of that `2,20,000.00 was later waived-off and reversed by RBI).</p> <p>Further, the Reserve Bank of India (RBI) by an order dated January 14, 2025, imposed a monetary penalty of `3,31,80,000.00 for non-compliance with certain directions issued by RBI on 'Financial Inclusion - Access to Banking Services - Basic Savings Bank Deposit Account (BSBDA)', 'Know Your Customer' and 'Loans and Advances - Statutory and Other Restrictions'. SEBI vide letter dated January 14, 2025 issued Administrative Warning Letter for delayed submission of RBI approval regarding appointment of MD&CEO. However, the Bank had intimated the stock exchanges within the stipulated time period. Accordingly the Bank has approached the SEBI for revocation of the Administrative warning letter on 27.01.2025.

COMPLIANCE WITH MANDATORY REQUIREMENTS

The Bank has complied with all the applicable mandatory requirements of the Code of Corporate Governance as prescribed under the SEBI Listing Regulations.

COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

a) Board of Directors

The Bank has separated the position of Chairman and Managing Director by amending its Articles of Association. Mr. Amitava Chatterjee has been appointed as the Second Managing Director and CEO of the Bank.

The Bank is in the process of appointing a Non-Executive Chairman. The Bank will bear the expenses relating to maintenance of the office of Non-Executive Chairman of the Bank and will reimburse all the expenses incurred in performance of his/her duties.

b) Shareholders' Rights

The Bank publishes its results on its website www.jkbank.com which is accessible to the public at large. The results are also available on the websites of the Stock Exchanges on which the Bank's shares are listed. A half-yearly declaration of financial performance including

summary of the significant events is presently not being sent separately to each household of shareholders. The Bank's results for each quarter are published in a National English newspaper having wide circulation and in a local newspaper having wide circulation in the UT of J&K.

c) **Audit Qualifications**

The audit report on the financial statements of the Bank for 2024-25 has an unmodified opinion.

d) **Reporting of Internal Auditor**

The findings of internal/concurrent auditors are consolidated and placed before the Audit Committee by the Bank periodically.

e) **SEPARATE POSTS OF CHAIRPERSON AND THE MANAGING DIRECTOR OR THE CHIEF EXECUTIVE OFFICER**

Bank is having a separate post of Chairperson and Managing Director or Chief Executive Officer. However, the Bank does not have a Non-Executive Chairperson as on Date.

DISCLOSURE OF COMMODITY PRICE RISKS AND COMMODITY HEDGING ACTIVITIES: NIL

INSTANCES WHERE THE BOARD HAD NOT ACCEPTED ANY RECOMMENDATIONS OF ANY COMMITTEE OF THE BOARD WHICH IS MANDATORILY REQUIRED IN THE FY 2024-25: NIL

IMPORTANT EVENTS AFTER THE CLOSURE OF FINANCIAL YEAR ENDED 31.03.2025

Mr. Ketan Kumar Joshi was appointed as Chief Financial Officer of the Bank w.e.f 17th July, 2025 in place of Mr. Fayaz Ahmad Ganai.

SHAREHOLDERS RIGHTS

A shareholder can enjoy the following rights prescribed under the Companies Act, 2013 and the SEBI Listing Regulations, wherever applicable:

- To carry out transmission /transposition and deletion of name on the share certificate(s) and receive the duly endorsed share certificates within the period prescribed in the SEBI Listing Regulations.
- To receive notice of general meetings, annual report, balance sheet, profit and loss account, cash flow statement and auditors' report.
- To appoint proxy to attend and vote at general meetings. In case, the member is a body corporate, to appoint a representative to attend and vote at general meetings of the Bank on its behalf.
- To attend and speak in person, at general meetings. Proxy cannot vote on show of hands but can vote on a poll.
- To demand poll in respect of any resolution along with other shareholder(s) who collectively hold not less than 1/10th of the total voting power or holding shares on which an aggregate sum of not less than 5 lakh rupees has been paid up.

- To requisition an extraordinary general meeting of the Bank by shareholders who collectively hold not less than 1/10th of the total paid up capital of the Bank.
- To move amendments to resolutions proposed at general meetings.
- To receive dividend and other corporate benefits like rights, bonus shares etc. as and when declared / announced.
- To take inspection of the various Registers of the Bank.
- To inspect the minute books of general meetings and to receive copies thereof after complying with the procedure prescribed in the Companies Act, 2013.
- To make nomination in respect of shares held by the shareholder.
- To participate in and be sufficiently informed of the decisions concerning fundamental corporate changes.
- To be informed of the rules, including voting procedures that govern general shareholder meetings.
- To demand adequate mechanism to address the grievances of the shareholders.
- To demand protection of minority shareholders from abusive actions by, or in the interest of, controlling shareholders acting either directly or indirectly, and effective means of redress.

The rights mentioned above should be exercised only after careful reading of the relevant provisions. These rights are not necessarily absolute.

GENERAL SHAREHOLDER INFORMATION

Details of Stock Exchanges / Depositories

The equity shares of the Bank are listed on the following stock exchanges:

S. No.	Name & Address of Stock Exchange	Scrip Code / Symbol
1.	National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400 051	J&K Bank
2.	The BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort Mumbai 400 001	532209

The annual fees for 2024-2025 has been paid to the above Stock Exchanges where the shares are listed.

Name of Depositories for dematerialization of equity shares (ISIN Number - INE168A01041):

- National Securities Depository Limited (NSDL)
- Central Depository Services (India) Limited (CDSL)

Registrar and Share Transfer Agent (RTA)

M/s KFin Technologies Limited

Unit: - Jammu and Kashmir Bank Limited
Selenium Tower B, Plot No. 31 - 32,
Financial District, Nanakramguda
Serilingampally Mandal
Hyderabad - 500 032, Telangana, India
Phone No. 040-67162222, 3321, 1000



Email ID for Redressal of Investor Grievances

Pursuant to Regulation 85(4) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Bank has created a separate email ID for redressal of Investor Complaints and Grievances. The email ID for Redressal of Investor Grievances is shareddeptt_gc@jkbmail.com

Compliance Officer

Name:	Mohammad Shafi Mir, Company Secretary
Role:	To ensure compliance to all statutory regulations as far as they relate to Company Secretary and redressal of grievance of Shareholders / Investors
Address:	Jammu and Kashmir Bank Limited Board Secretariat, Corporate Headquarters M. A. Road, Srinagar 190001
Phone	0194-2483775 / 0194-2481930-35 (Extn.)1540

Debenture Trustees

The SEBI Listing Regulations require companies, which have listed their debt securities, to disclose the names of their debenture trustees with contact details in their Annual Report. The details of debenture trustee for the privately placed bonds of the Bank is as under:

Name: IDBI Trusteeship Services Ltd.
Address: Universal Insurance Building, Ground Floor, Sir P.M. Road, For Mumbai 400001

Phone: 022-40807032
Email ID: itslcompliance@idbitrustee.com;
compliance@idbitrustee.com;
kaustubh@idbitrustee.com;
manali.s@idbitrustee.com;
rajalakshmi.c@idbitrustee.com

Name: Axis Trustee Service Limited
Address: The Ruby 2nd Floor (SW)
29 Senapati Bapat Marg, Dadar West,
Mumbai - 400028
Phone: 022-62300418
Email ID: mumbai.team@axistrustee.in;
garima.tiwari@axistrustee.in;
anil.grover@axistrustee.in;
compliance@axistrustee.in

Name: SBICAP Trustee Company Limited
Address: Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai - 400020
Phone: 022-43025555
Email ID: dt@sbicaptrustee.com;
dt.compliances@sbicaptrustee.com;
shaanya.srivastava@sbicaptrustee.com;
anju.pillai@sbicaptrustee.com;
meenal.purswani@sbicaptrustee.com

Financial Calendar (April 01, 2024 to March 31, 2025)

Board meeting for consideration of Accounts	May 05, 2025								
Dispatch of Annual Report / Notice of AGM	Saturday, August 02, 2025 onwards								
Date, Time and Venue of the 87 th AGM	Tuesday, August 26, 2025 at 11:00 AM at Sher-i-Kashmir International Conference Centre (SKICC), Srinagar, J&K -190001								
Record date for the purpose of determining eligibility of dividend	Tuesday, August 19, 2025								
Board meeting for considering un-audited results for the first 3 quarters of FY 2024-25	<table> <tr> <th>Quarter ending</th><th>Approval Date</th></tr> <tr> <td>30th June, 2024</td><td>27th July, 2024</td></tr> <tr> <td>30th September, 2024</td><td>25th October, 2024</td></tr> <tr> <td>31st December, 2024</td><td>20th January, 2025</td></tr> </table>	Quarter ending	Approval Date	30 th June, 2024	27 th July, 2024	30 th September, 2024	25 th October, 2024	31 st December, 2024	20 th January, 2025
Quarter ending	Approval Date								
30 th June, 2024	27 th July, 2024								
30 th September, 2024	25 th October, 2024								
31 st December, 2024	20 th January, 2025								

General Body Meetings

Information relating to last three (3) General Body Meetings is furnished below:

Name of Meeting	Day, Date and time of meeting	Venue	No. of Special Resolutions passed, if any	Nature of Special Resolutions Passed
84 th Annual General Meeting	Wednesday, 24 th August, 2022 at 11:00 AM	Through Video Conferencing / Other Audio-Visual Means	4 (Four)	1) Raising of Equity Tier I Capital, upto the tune of Rs.500 Crore 2) Raising of Basel III compliant Tier II Capital, upto the tune of Rs.1500 Crore 3) Alteration of Articles of Association of the Bank 4) Increase the Borrowing Power of the Bank
85 th Annual General Meeting	Thursday, 24 th August, 2023 at 11:00 AM	Sher-i-Kashmir International Conference Centre (SKICC), Srinagar	3 (Three)	1) Raising of Equity Tier, I Capital, upto the tune of Rs.750 Crore 2) Raising of Basel III compliant Tier II Capital, upto the tune of Rs.1000 Crore 3) Alteration of Articles of Association of the Bank
86 th Annual General Meeting	Saturday, 17 th August, 2024 at 11:00 A.M	Jammu and Kashmir Bank Limited, Corporate Headquarters, M. A. Road, Srinagar, J&K 190001	Nil	Not Applicable

POSTAL BALLOT

During the period under report, the Bank sought approval of the Members for below mentioned special resolutions via postal ballot notice dated March 19, 2025 and May 22, 2025 through electronic voting (e-voting) only. The Bank followed the procedure as prescribed under the Companies Act, 2013 and the Rules made thereunder, relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India, read with circulars issued by the Ministry of Corporate Affairs and the SEBI in this regard. The Board of Directors of the Bank, appointed Mr. DSM Ram, Practicing Company Secretary as the Scrutinizer for conducting the postal ballot/e-voting process in a fair and transparent manner. The scrutinizer submitted his report to the MD & CEO after the completion of the postal ballot exercises and the same were placed on the website of the Bank and also disseminated to the Stock Exchanges.

Postal Ballot Notice dated March 19, 2025:

The above notice contained the following Special Resolutions:

Re-appointment of Mr. Umesh Chandra Pandey (DIN: 01185085) as an Independent Director on the Board of the Bank

There were total 2,88,059 shareholders of the Bank as on the record date i.e. March 13, 2025 out of which 728 members comprising of 76,16,18,518 equity shares representing 69.16% of the paid-up share capital participated in the e-voting process. The breakup of the votes is as mentioned below:

Resolution	No. of valid votes polled	Votes cast in favour	Votes cast against	% of Votes cast in favour	% of Votes cast against
Re-appointment of Mr. Umesh Chandra Pandey (DIN: 01185085) as an Independent Director on the Board of the Bank.	76,16,18,518	76,03,99,550	10,70,708	99.86	0.14

Re-appointment of Mr. Anil Kumar Goel (DIN: 00672755) as an Independent Director on the Board of the Bank

There were total 2,88,059 shareholders of the Bank as on the record date i.e. March 13, 2025 out of which 728 members comprising of 76,16,18,518 equity shares representing 69.16% of the paid-up share capital participated in the e-voting process. The breakup of the votes is as mentioned below:

Resolution	No. of valid votes polled	Votes cast in favour	Votes cast against	% of Votes cast in favour	% of Votes cast against
Re-appointment of Mr. Anil Kumar Goel (DIN: 00672755) as an Independent Director on the Board of the Bank	76,16,18,518	76,03,99,577	10,70,669	99.86	0.14

Re-appointment of Mr. Anand Kumar (DIN: 03041018) as an Independent Director on the Board of the Bank

There were total 2,88,059 shareholders of the Bank as on the record date i.e. March 13, 2025 out of which 728 members comprising of 76,16,18,518 equity shares representing 69.16% of the paid-up share capital participated in the e-voting process. The breakup of the votes is as mentioned below:

Resolution	No. of valid votes polled	Votes cast in favour	Votes cast against	% of Votes cast in favour	% of Votes cast against
Re-appointment of Mr. Anand Kumar (DIN: 03041018) as an Independent Director on the Board of the Bank	76,16,18,518	75,36,77,761	77,83,662	98.98	1.02

The above special resolutions were passed with requisite majority on April 19, 2025 and results were declared on April 19, 2025 and were communicated to the stock exchanges and displayed on the Bank's website www.jkbank.com.

Postal Ballot Notice dated May 22, 2025:

The above notice contained the following Special Resolution:

Appointment of Mr. Sankarasubramanian Krishnan (DIN: 07261965) as an Independent Director on the Board of the Bank

There were total 2,82,340 Shareholders of the Bank as on the record date i.e. May 22, 2025 out of which 812 members comprising of 75,61,17,409 equity shares representing 68.66% of the paid-up share capital participated in the e-voting process. The breakup of the votes is as mentioned below:



Resolution	No. of valid votes polled	Votes cast in favour	Votes cast against	% of Votes cast in favour	% of Votes cast against
Appointment of Mr. Sankarasubramanian Krishnan (DIN: 07261965) as an Independent Director on the Board of the Bank	75,58,40,827	75,57,99,341	41,486	99.99	0.01

The above special resolution was passed with requisite majority on June 22, 2025 and results were declared on June 23, 2025 and were communicated to the stock exchanges and displayed on the Bank's website www.jkbank.com.

MEANS OF COMMUNICATION

J&K Bank disseminates information about its operations through various means to shareholders, analysts and the society at large. All official news releases and presentations made to institutional investors and analysts are posted on the Bank's website (www.jkbank.com). It also issues press releases and conducts programmes that disseminate information. The quarterly results of the Bank are published in widely circulated National/Local Newspapers and are also placed on the website of the Bank. The Board takes on record the Un-Audited/Reviewed Financial Results in the prescribed form of the Stock Exchanges within stipulated time period from the closure of the quarter and announces forthwith the results to all the Stock Exchanges where the shares of the Bank are listed. The highlights of quarterly results are also published in National and Vernacular Newspapers within 48 hours of the conclusion of the Board Meeting in which they are taken on record and information is also placed on the website of the Bank. The Bank regularly organizes Press / Analyst Meets to apprise Fund Managers, Press and Analysts about the financial performance of the Bank and to receive their suggestions for future growth.

SHARE TRANSFER PROCESS AND SYSTEM

The Bank's shares which are in compulsory dematerialized (Demat) list are transferable through the depository system. Requests for transmission / transposition or for deletion of name are processed by the Registrar and Share Transfer Agent, M/s KFin Technologies Limited and are approved by the Share Transfer Committee of the Bank. The service requests of such nature are processed within a period of twenty one (21) days from the date of receipt of the relevant documents by Registrar and Share Transfer Agent.

Please note that as per the amended SEBI Listing Regulations, with effect from April 1, 2019, any requests for transfer of securities shall not be processed unless the securities are held in dematerialized form.

The SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/97 dated July 02, 2025, has provided a Special Window of 6 months from July 07, 2025 to January 06, 2026 for re-lodgement of transfer requests of physical shares. This facility is available only for transfer deeds which were lodged prior to April 01, 2019 and were rejected/ returned/ not attended to due to deficiencies in documents/ process or otherwise. The securities that are re-lodged for transfer shall be issued only in demat mode.

Investors who have missed the earlier deadline of March 31, 2021 are encouraged to take advantage of this opportunity by furnishing the necessary documents to the Bank's Registrar and Transfer Agent i.e. KFin Technologies Limited (Unit: J&K Bank), Selenium Tower B, Plot 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana.

FEES FOR STATUTORY AUDITORS

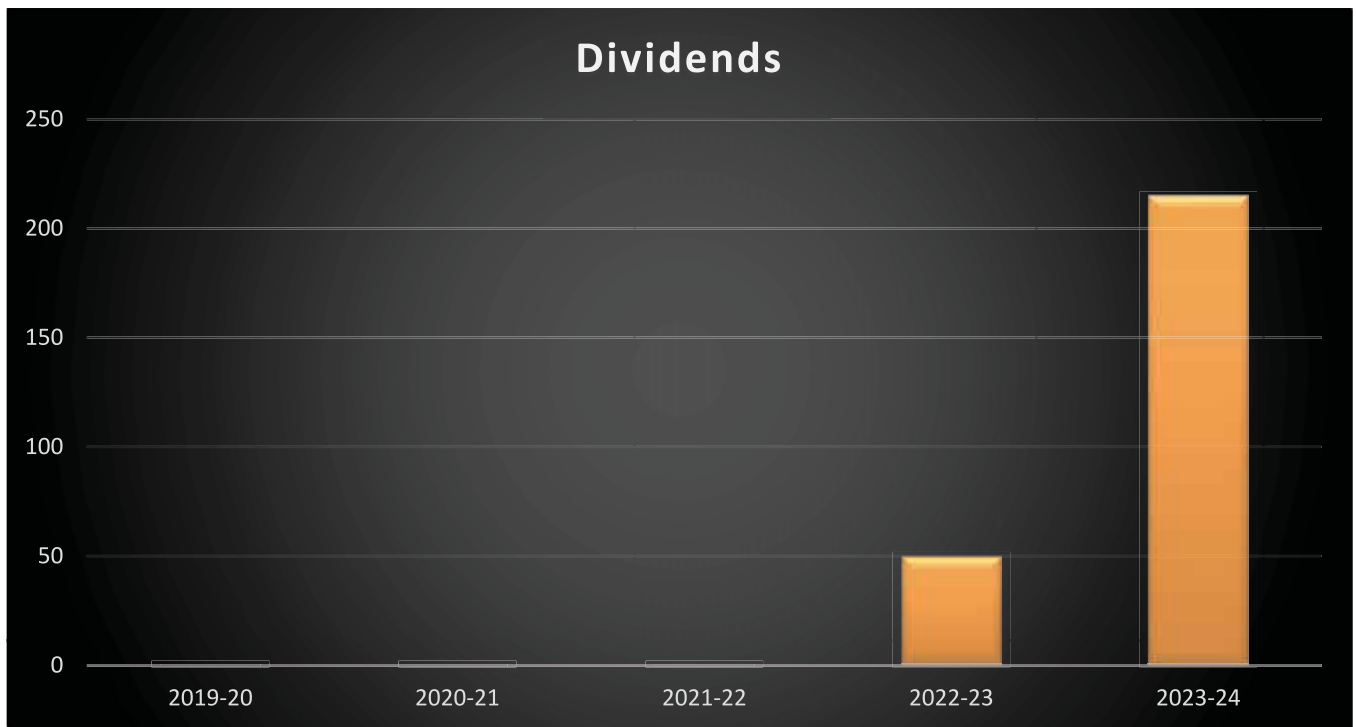
The details of total fees for all services paid by the Bank and its subsidiary/associates, on a consolidated basis, to the Statutory Auditors are provided in the Directors' Report.

COMPLIANCE CERTIFICATE OF THE AUDITOR

The Secretarial Auditor of the Bank has certified that the Bank has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations except as mentioned in the said certificate. The same forms a part of this Report.

Dividend history of last five years

Financial Year	Rate of Dividends (%)	Date of Declaration	Date of Payment
2019-20	Nil	----	----
2020-21	Nil	----	----
2021-22	Nil	----	----
2022-23	50	24.08.2023	18.09.2023
2023-24	215	17.08.2024	05.09.2024



DEMATERIALIZED / PHYSICAL SHARES

The shares of the Bank are in compulsory dematerialized segment and are available for trading in depository systems of both National Securities Depository Limited and Central Depository Services (India) Limited As on 31st March, 2025, the position of dematerialized shares as well as physical shares is as under:

(As on 31.03.2025)

Particulars	No. of shares	%age
Physical Shares	56,82,724	0.52
Dematerialized Shares	109,54,99,739	99.49
Total	110,11,82,463	100.000

DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2025

S. NO	Category	No. of Holders	% to Holders	Number of Shares	% to Total
1	Upto 5000	270174	96.43	101829620	9.25
2	5001 - 10000	5471	1.95	39376243	3.58
3	10001 - 20000	3198	1.14	44107098	4.01
4	20001 - 30000	615	0.22	14982523	1.36
5	30001 - 40000	182	0.06	6313324	0.57
6	40001 - 50000	104	0.04	4761186	0.43
7	50001 - 100000	193	0.07	13745232	1.25
8	100001 & Above	250	0.09	876067237	79.56
	Total	280187	100.00	1101182463	100.00

LIST OF SHAREHOLDERS HOLDING MORE THAN 1% AS ON 31.03.2025

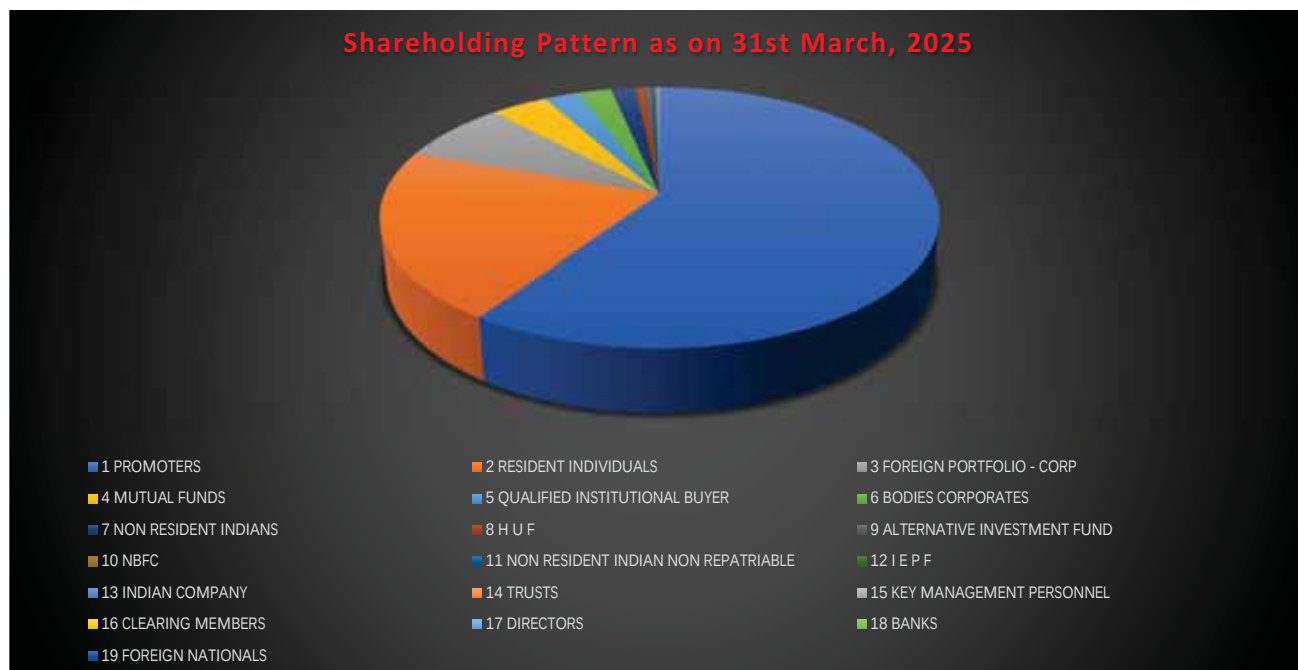
S. No.	NAME	SHARES	% TO EQT	CATEGORY
1	Chief Secretary Jammu and Kashmir Govt.	57,14,04,380	51.89	PRO
2	Finance Secretary UT of Ladakh	4,58,29,445	4.16	PRO
3	Secretary Finance Department Jammu and Kashmir Govt.	3,68,64,455	3.35	PRO
4	Kotak Mahindra Trustee Co Ltd A/c Kotak Multicap Fund	3,60,32,627	3.27	MUT



5	Bowhead India Fund	1,72,27,637	1.56	FPC
6	Life Insurance Corporation of India	1,46,41,715	1.33	QIB
7	Sanjeev Arora	1,34,38,226	1.22	NRI
	Total	73,54,38,485	66.78	

SHAREHOLDING PATTERN AS ON 31.03.2025

S. NO.	DESCRIPTION	SHARES	PERCENTAGE
1	PROMOTERS	654098280	59.40
2	RESIDENT INDIVIDUALS	231913137	21.06
3	FOREIGN PORTFOLIO - CORP	84166446	7.64
4	MUTUAL FUNDS	42769211	3.88
5	QUALIFIED INSTITUTIONAL BUYER	26216204	2.38
6	BODIES CORPORATES	25250260	2.29
7	NON RESIDENT INDIANS	18723370	1.70
8	H U F	8141660	0.74
9	ALTERNATIVE INVESTMENT FUND	2424398	0.22
10	NBFC	1750	0.00
11	NON RESIDENT INDIAN NON REPATRIABLE	2199549	0.20
12	I E P F	2402811	0.22
13	INDIAN COMPANY	2323420	0.21
14	TRUSTS	512213	0.05
15	KEY MANAGEMENT PERSONNEL	12377	0.00
16	CLEARING MEMBERS	6677	0.00
17	DIRECTORS	500	0.00
18	BANKS	200	0.00
19	FOREIGN NATIONALS	20000	0.00
	TOTAL	1101182463	100.00



LIST OF CREDIT RATINGS OF DEBT INSTRUMENTS/FIXED DEPOSIT PROGRAMME ISSUED BY BANK ALONGWITH THE CHANGES DURING THE FINANCIAL YEAR

Particulars	31.03.2025	31.03.2024	Rating Agency	Changes during the Financial Year
Credit rating and change in credit rating (if any):				
Certificate of Deposits	Crisil A1+	Crisil A1+	CRISIL	-
Short Term Deposits	CRISIL A1+	CRISIL A1+		
Fixed Deposit	CRISIL AA-/Stable	CRISIL AA-/Stable		
Tier II Subordinate Debt	IND AA-/Stable	IND A+/Positive	India Ratings	Rating changed to IND AA-/Stable from IND A+/Positive on 22 nd August, 2024
	CARE AA-/Stable	CARE A+/Positive	Care Ratings	Rating changed to CARE AA-/Stable from IND CARE A+/Positive on 17 th September, 2024
AT1	BWR A/ Stable	BWR A/Stable	Brickwork	-

PLANT LOCATION

Being a banking company, the Bank does not have plants. As on March 31, 2025, the Bank has 1019 Branches (including IARBs) spread over 18 states and 4 union territories. The location/address of Business Units is available on the website of the Bank (www.jkbank.com).

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

{Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015}

To,
The Members of
Jammu and Kashmir Bank Limited
Corporate Headquarters, M. A. Road, Srinagar, Kashmir - 190001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of JAMMU AND KASHMIR BANK LIMITED having CIN L65110JK1938SGC000048 and having registered office at Corporate Headquarters M. A. Road, Srinagar JK 190001 India (hereinafter referred to as 'the Bank'), produced before us by the Bank for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Bank & its officers, we hereby certify that none of the Directors on the Board of the Bank, as stated below for the Financial Year ended March 31, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No	Name of the Director	DIN	Date of Appointment	Date of Cessation
01	Mr. Amitava Chatterjee	07082989	December 30, 2024	NA
02	Mr. Baldev Prakash	09421701	December 30, 2021	December 29, 2024
03	Dr. Pawan Kotwal, IAS	02455728	July 24, 2023	NA
04	Mr. Santosh Dattatraya Vaidya, IAS	05340193	August 22, 2023	NA
05	Dr. Mandeep K Bhandari, IAS	07310347	October 20, 2023	NA
06	Mr. Sanjiv Dayal	10926091	January 20, 2025	NA
07	Mr. Rajesh Kumar Chhibber	08190084	June 10, 2019	NA
08	Dr. Rajeev Lochan Bishnoi	00130335	January 21, 2022	January 20, 2025
09	Mr. Naba Kishore Sahoo	07654279	March 01, 2020	February, 28, 2025
10	Mr. Anil Kumar Goel	00672755	January 21, 2022	NA
11	Mr. Umesh Chandra Pandey	01185085	January 21, 2022	NA
12	Mr. Anand Kumar	03041018	March 03, 2022	NA
13	Mr. Sudhir Gupta	09614492	December 14, 2022	NA
14	Ms. Shahla Ayoub	09834993	December 26, 2022	NA
15	Mr. Sankarasubramanian Krishnan	07261965	March 27, 2025	NA

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Bank. Our responsibility is to express an opinion based on our verification. This certificate is neither an assurance as to the future viability of the Bank nor of the efficiency or effectiveness with which the management has conducted the affairs of the Bank.

**For D K Pandoh & Associates
Company Secretaries**

**CS Dhaman Kumar Pandoh
(Proprietor)**

**FCS No.: 6934; C P No.: 2647
Peer Review Certificate Number: 4401/2023
UDIN: F006934G000613232**

**Place: Jammu
Date: 17.06.2025**

**Certificate on Compliance with the Corporate Governance requirements under SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015**

To
The Members,
Jammu and Kashmir Bank Limited

We have examined the compliance of the conditions of Corporate Governance by the Jammu and Kashmir Bank Limited ("Bank") for the Financial Year ended on March 31, 2025, as stipulated under Regulations 17 to 27, clauses (b) to (i) and (t) of sub-regulation (2) of Regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

The compliance of conditions of corporate governance is the responsibility of the management of the Bank. Our examination was limited to the review of procedures and implementation thereof, as adopted by the Bank for ensuring the compliance with conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Bank.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Management read together with Secretarial Audit Report dated June 17, 2025, we certify that the Bank has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations for the Financial Year ended on March 31, 2025.

We further state that such compliance is neither an assurance as to the future viability of the Bank nor the efficiency or effectiveness with which the Management has conducted the affairs of the Bank.

**For D K Pandoh & Associates
Company Secretaries**

**CS Dhaman Kumar Pandoh
(Proprietor)**

**Place: Jammu
Date: 17.06.2025**

**FCS No.: 6934; C P No.: 2647
Peer Review Certificate Number: 4401/2023
UDIN: F006934G000613232**



SHAREHOLDER INFORMATION

A) Shareholders' Helpdesk

Share transfers, dividend payments and all other investor related activities are attended to and processed at the office of Registrar and Share Transfer Agents. For lodgment of documents or for any grievances/complaints, shareholders/investors may contact Bank's RTA at the following address:

Ms. Shoba Anand and Mr. Prem Kumar Maruturi

M/s KFin Technologies Limited

Unit: Jammu and Kashmir Bank Limited
Selenium Tower B, Plot 31-32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad - 500 032,
Telangana - India.

Toll Free Number: 1-800-309-4001

E-mail: einward.ris@kfintech.com

Website: <https://www.kfintech.com> and
<https://ris.kfintech.com>

Timings: 10:00 A.M. to 04:30 P.M.

(Monday to Friday except public holidays)

For the convenience of investors, certain complaints from investors are accepted at the Bank's Office at the below mentioned address:

Share Grievance Cell, Board Secretariat,
5th floor, Jammu and Kashmir Bank Limited,
Corporate Headquarters,
M.A. Road, Srinagar,
Jammu and Kashmir, 190001.

Telephone: +91-194-2483775, Ext: 1542.

Email: sharedeptt_gc@jkbmail.com

Name of the Compliance Officer of the Bank:

Mr. Mohammad Shafi Mir
Company Secretary

Telephone: +91-194-2483775

For IEPF related matters

Tel: +91-194-2483775

Email: sharedeptt_gc@jkbmail.com

Queries relating to the Bank's operational and financial performance may be addressed to: investorrelations@jkbmail.com.

Banking Customer Helpdesk

In the event of any Queries/Complaints/Service Requests, customers can directly approach the concerned Bank Branch or call the Bank using the following contact details:

Call at:

Contact Center: +91-194-2470182

Toll free number 1800-890-2122 (24*7)

Customer Service: +91-194-2481999

(from 10:00 am to 5:00 pm)

Contact us online

Customer Grievance Redressal:

Customers may lodge their Grievance/Service Request on the following link:

<https://custcare.jkbank.com/iml2/custcare/home>

For grievances other than Shareholder grievances please send your communication to the following email addresses:

1. **Depository Services:** helpdesk@jkbfsi.com, customer.grievance@jkbfsi.com

2. **ATM:** helpdesk@jkbmail.com

For any grievance, fill up the "Complaint Form" available at the following website link:

https://www.jkbank.com/sites/default/files/2025-04/Credit_Cum_Debit_Card_Customer_Dispute_Declaration_Form.pdf

3. **Credit Cards/Debit Cards:** The details of Grievance Redressal Officer for Credit and Debit cards is hereunder:

Name: Mr. Towfeeq Ahmad Naqash

E-mail address: grievance.creditcards@jkbmail.com

Customers may also call our Toll-free number: 1800-890-2122 for assistance.

B) Dividends

Receipt of Dividends through Electronic mode

As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed companies shall mandatorily make all payments to investors including dividend to shareholders, by using any RBI approved electronic mode of payment viz., Electronic Clearing System (ECS), LECS (Local ECS), RECS (Regional ECS), NECS (National ECS), Direct Credit, RTGS, NEFT etc.

In order to receive the dividend timely (as and when declared by the Bank), all the eligible shareholders holding shares in dematerialized mode are requested to update with their respective Depository Participants, their correct bank account number, including 9 digit MICR Code and 11 digit IFSC, e-mail id, Permanent Account Number (PAN) and Mobile No(s). This will facilitate the remittance of the Dividend amount in the Bank Account electronically. Updation of e-Mail IDs and Mobile No(s) will enable us sending communication relating to credit of dividend, uncashed dividend etc.

Shareholders holding shares in physical form may communicate details relating to their bank account, viz., bank account number, including 9 digit MICR Code and 11 digit IFSC, e-mail id, Permanent Account Number (PAN) and Mobile No(s) to the Registrar and Share Transfer Agents viz., M/s KFin Technologies Limited, Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana - India, by sending the duly completed and signed ISR Forms in original along with a cancelled cheque leaf of their active bank account, self-attested copy of their PAN card and a self-attested copy of any one of the documents mentioned hereafter: Aadhaar/utility payment bills (not more than three months old)/bank

pass book /passport /driving license to validate their present address.

Various modes for making payment of Dividend under electronic mode: In case the shareholder has updated bank account details (including 9 digit MICR Code and 11 digit IFSC code) for the purpose of payment of dividend (as and when declared by the Bank), then the Bank shall make the payment of dividend to such shareholder under any one of the following modes:

1. National Automated Clearing House (NACH)
2. National Electronic Fund Transfer (NEFT)
3. Direct credit in case the shareholders having an active Bank account with Jammu and Kashmir Bank Limited and have registered the same with RTA/ Depository Participant.

SEBI, vide its master circular no. SEBI/HO/MIRSD/POD-1/P/ CIR/2024/37 dated 7 May, 2024 has mandated that holders of physical securities, whose folio(s) are not updated with any of the KYC details viz., PAN, nomination, contact details, mobile number, bank account details or specimen signature, shall be eligible for payment of dividend in respect of such folios, only through electronic mode with effect from 1 April, 2024. Accordingly, dividend payable to members holding shares in physical mode, whose KYC details are not updated shall be withheld by the Bank. Members are therefore advised to update their KYC details on priority, if not done already.

Unclaimed Dividends

As per the applicable provisions of the Companies Act, 2013 read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Bank is statutorily required to transfer to the Investor Education & Protection Fund (IEPF) all dividends remaining unclaimed for a period of seven (7) years from the date they became due for payment. Dividends for and up to the financial year ended March 31, 2016 have already been transferred to the IEPF Authority. The details of unclaimed dividends for the financial year ended 2023 and 2024 and the last date for claiming such dividends are given below:

Dividend for the Financial Year ended	Date of Declaration of dividend	Last date for claiming dividend
March 31, 2023	August 24, 2023	August 23, 2030
March 31, 2024	August 17, 2024	August 16, 2031

(The Bank has not declared any Dividend for FY 2017-18, FY 2018-19, FY 2019-20, FY 2020-21 and FY 2021-22)

C) Transfer of Equity Shares to Investor Education and Protection Fund (IEPF) Authority

As per the provisions of Section 124(6) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules") all shares in respect of which dividend

has not been paid or claimed for seven (7) consecutive years or more, shall be transferred by the company in the name of Investor Education and Protection Fund along with a statement containing such details as may be prescribed. Provided that any claimant of shares transferred above shall be entitled to claim the transfer of shares from Investor Education and Protection Fund in accordance with such procedure and on submission of such documents as may be prescribed.

The shares in respect of the shareholders whose dividend has not been claimed for seven (7) consecutive years, upto financial year 2015-16, have been transferred to the designated Dematerialized Account of the IEPF authority. As required under the said provisions, all subsequent corporate benefits that may accrue in relation to the above shares shall also be credited to the said IEPF Authority. (Share figures reported are of the face value of Re 1.00 each). Further, the number of shares transferred along with the number of shareholders whose shares have been transferred to Investor Education & Protection Fund Authority are appended below:

Particulars	Records / No. of Shareholders	No. of Equity Shares (Face value of Re. 1.00 each)
Shares Transferred to IEPF in FY 2017-18	412	4,76,266
Shares Transferred to IEPF in FY 2018-19	115	82,207
Shares Transferred to IEPF in FY 2019-20	81	1,19,812
Shares Transferred to IEPF in FY 2020-21	65	83,510
Shares Transferred to IEPF in FY 2021-22	164	1,92,108
Shares Transferred to IEPF in FY 2022-23	478	3,76,967
Shares Transferred to IEPF in FY 2023-24	795	11,05,049

As per the terms of Section 124(6) of the Companies Act, 2013 and Rule 7 of the IEPF Rules, the shareholders whose corresponding equity shares of the face value of Re 1.00 each stand transferred to IEPF account can claim those shares from IEPF Authority by making an online application in Form IEPF 5 which is available at <https://www.mca.gov.in>.

Guidelines to file your claim

- For claiming the shares and dividend from the IEPF Authority, shareholders can make an online web based application through MCA portal. Shareholders need to register themselves on MCA portal by creating Login ID credentials. After successful login into MCA portal, shareholders have to click on MCA services tab and choose IEPF- 5 option under "Investor Services" in "MCA Services" tab and follow the due process for filing the form.



- Printout of the duly filled Form IEPF - 5 with claimant and joint holders (if any) signature and along with the acknowledgment issued after uploading the form will have to be submitted together with an indemnity bond in original, advance receipt in original, cancelled cheque leaf of active bank account (details of which mentioned by the claimant at the time of uploading the web based form), and other documents as mentioned in the Form IEPF-5 to Nodal Officer (IEPF) of the Bank in an envelope marked "Claim for refund from IEPF Authority". Certain information about the Bank which shall be required to be submitted is as under:

- Corporate Identification Number (CIN) of Company: L65110JK1938SGC000048
- Name of the Company: Jammu and Kashmir Bank Limited
- Address of registered office of the company: Jammu and Kashmir Bank Limited, Corporate Headquarters, M.A Road, Srinagar, Jammu & Kashmir, 190001.
- Email ID of the Bank: sharedeptt_gc@jkbank.com

- D) Names of Depositories for dematerialization of equity shares (ISIN No. INE168A01041)
- National Securities Depository Limited (NSDL)
 - Central Depository Services (India) Limited (CDSL)

INVESTOR SERVICES

SEBI vide its circular no. SEBI/HO/MIRSD/MIRSD_RTAMB/P/ CIR/2022/8 dated 25 January, 2022, has mandated listed companies to issue securities only in dematerialised form while processing service requests viz. issue of duplicate securities certificate, claim from unclaimed suspense account, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of certificates / folios and transmission and transposition.

RTAs are now required to issue a 'Letter of Confirmation' in lieu of the share certificate while processing any of the aforesaid investor service requests. In cases where the securities holder / claimant fails to submit the demat request to the depository participant within the period of 120 days from the date of issuance of the Letter of Confirmation from RTA / listed companies, the said securities shall be credited to 'Suspense Escrow Demat Account'. Securities which have been moved to 'Suspense Escrow Demat Account' may be claimed by the security holder / claimant by submitting a duly filled and signed Form ISR- 4 along with Client Master List (CML) of the demat account of the shareholder.

M/s Kfin Technologies Limited has been entrusted with the task of overseeing all aspects relating to investor services for and on behalf of the Bank. M/s Kfin Technologies Limited has a proper system in place to ensure that required service is provided to the investors of the Bank in accordance with applicable corporate and securities laws and within the accepted service criterions.

Investors are requested to write to the registered office of the Bank or to M/s Kfin Technologies Limited for availing any services or may address their correspondence / complaints to einward.ris@kfintech.com.

INFORMATION PERTAINING TO THE REGISTRAR AND SHARE TRANSFER AGENT:

Name: KFIN Technologies Limited

Address: Selenium Building, Tower-B,
Plot No 31 & 32, Financial District,
Nanakramguda, Serilingampally,
Hyderabad, Rangareddy, Telangana, India - 500 032.

Email ID :	einward.ris@kfintech.com
Toll Free Number :	1800 309 4001
WhatsAppNumber:	(91) 910 009 4099

Investor Support Centre: <https://kprism.kfintech.com/>

QR Code:



KFINTECH Corporate Website : <https://www.kfintech.com/>

QR Code:



RTA Website : <https://ris.kfintech.com/>

QR Code:



KPRISM (Mobile Application) : <https://kprism.kfintech.com/signup>

QR Code:



ONLINE APPLICATION FOR INVESTOR QUERY:

Members are hereby notified that our RTA , KFin Technologies Limited (Formerly known as KFin Technologies Private

Limited), basis the SEBI Circular (SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/72) dated Jun 08, 2023, have launched an online application which can be accessed at <https://ris.kfintech.com/default.aspx#>Investor Services > Investor Support>.

Members are requested to register / signup, using the Name, PAN, Mobile and email ID. Post registration, user can login via OTP and execute activities like Raising Service Request, Query, Complaint, Check for Status, KYC details, Dividend, Interest, Redemptions, E-Meeting and E-Voting details.

Quick Link to access the Signup Page:
<https://kprism.kfintech.com/signup>

SENIOR CITIZENS - INVESTOR SUPPORT

As part of the initiative, our RTA in order to enhance the investor experience for Senior Citizens, a Senior Citizens Investor Cell has been newly formed to assist exclusively the Senior Citizens in redressing their grievances, complaints and queries. The Special Cell closely monitors the complaints coming from Senior Citizens through this channel and handholds them at every stage of the service request till closure of the grievance.

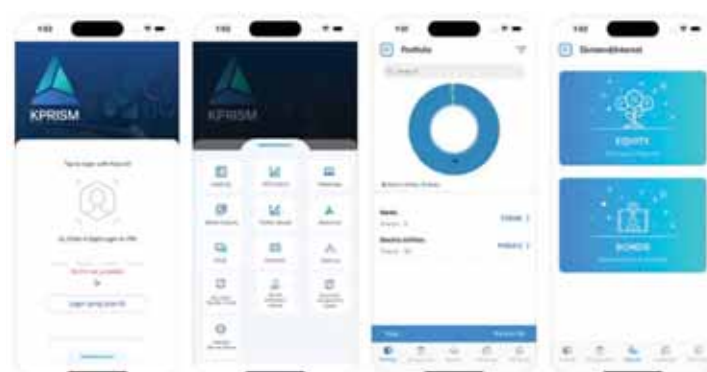
Senior Citizens wishing to avail this service can send the communication with the below details to the email id: senior.citizen@kfintech.com. Senior Citizens (above 60 years of age) have to provide the following details:

- ID proof showing Date of Birth
- Folio Number
- Company Name
- Nature of Grievance

A dedicated Toll Free Number for Senior Citizens can also be accessed at 1-800-309-4006 for any queries or information

KPRISM MOBILE APP

Mobile application for all users to review their portfolio being managed by KFINTECH is available in Play store and App Store. User are requested to download the application and register with the PAN number. Post verification, user can use functionalities like - Check portfolio / holding, check IPO status / Demat / Remat, Track general meeting schedules, download ISR forms, view the live streaming of AGM and contact the RTA with service request, grievance, and query.





Feedback Form

Dear Member,
J&K Bank requests you to rate the following aspects of this Annual report on the scale given below:

	Below Expectation	Average	Fair	Good	Excellent

Is it informative?

How do you rate the Clarity of the contents?					

Is the financial information Comprehensive?					

Is the content of this report relevant to you					

What is your Overall feedback on the report?					

What is your Overall feedback on the report?

What is your Overall feedback on the report?

Signature.....
Name.....
Address.....
Folio No./Client ID.....

Form No. SH-13
NOMINATION FORM

[Pursuant to section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies
 (Share Capital and Debentures) Rules 2014]

To
Jammu and Kashmir Bank Limited
Corporate Headquarters, M. A. Road,
Srinagar - 190001

I/We
 the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby
 nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S

- (a) Name:
- (b) Signature of Nominee:
- (c) Date of Birth:
- (d) Father's/Mother's/Spouse's name:
- (e) Occupation:
- (f) Nationality:
- (g) Address:
- (h) E-mail id:
- (i) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR

- (a) Date of birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Signature of guardian:
- (e) Address of guardian:

(4) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY

- a) Name:
- b) Signature of Nominee:
- c) Date of birth:
- d) Father's/Mother's/Spouse's name:
- e) Occupation:
- f) Nationality:
- g) Address:
- h) E-mail id:
- i) Relationship with the security holder:
- j) Relationship with the minor nominee:

**Security Holder (s)**

Signature:.....

Name:.....

Address:.....

.....

.....

Witness:

Signature:.....

Name:.....

Address:.....

.....

.....

INSTRUCTIONS:

1. In case you are holding physical shares, the duly filled-in form be sent to Company Secretary, Jammu and Kashmir Bank Limited, Board Secretariat, Corporate Headquarters, M.A. Road, Srinagar - 190001 or to our Share Transfer Agent: M/s KFin Technologies Limited Unit: J&K Bank Limited, Selenium Tower B, Plot No. 31 - 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana, India, along with duly completed and signed ISR forms. In Case you are holding shares in Dematerialised form, the duly filled-in form be sent to the Depository Participant where you are having Demat Account.
2. Please use separate form for each folio. Nomination is applicable to the folio, irrespective of the number of shares registered under the folio. Only one nomination per folio per instance would be entertained
3. The nomination can be made by individuals only applying / holding share(s) on their own behalf singly or jointly upto two persons. Non-Individuals including society, trust, body Corporate, partnership firm, karta of Hindu undivided family, holder of power of attorney, cannot nominate. If the shares are held jointly, all joint holders will sign the nomination form
4. A minor can be nominated by a holder of share(s) and in that event the name and address of the guardian shall be given by the holder.
5. The nominee shall not be a trust, society, body Corporate, karta of Hindu undivided family or a power of attorney holder. A nonresident Indian can be a nominee on Repatriable basis (subject to the Reserve Bank of India's approval as applicable).
6. Nomination stands rescinded upon transfer of share(s) or on receipt of Form No. SH-14 (cancellation or variation of Nomination).
7. Transfer of shares in favour of a nominee shall be a valid discharge by a Company against the legal heirs.
8. The form must be complete in all respects and duly witnessed. Incomplete form is not a valid nomination
9. Subject to rules and regulations as applicable from time to time.

Form No. SH-14
CANCELLATION OF VARIATION OF NOMINATION

[Pursuant to sub - section (3) section 72 of the Companies Act, 2013 and rule 19(9) of the Companies
 (Share Capital and Debentures) Rules 2014]

To
Jammu and Kashmir Bank Limited
Corporate Headquarters, M. A. Road,
Srinagar - 190001

I/We hereby cancel the nomination(s) made by me/us in favour of.....
(name and address of the nominee) in respect of the below mentioned securities.
 I/We hereby nominate the following person in place of as nominee in respect of the below
 mentioned securities in whom shall vest all rights in respect of such securities in the event of my/ our death.

(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled / varied)

Nature of securities	Folio No.	No. of securities	Certificate No.	Distinctive No.

(2) PARTICULARS OF NOMINEE/S

- (a) Name:
- (b) Signature of Nominee:
- (c) Date of Birth:
- (d) Father's/Mother's/Spouse's name:
- (e) Occupation:
- (f) Nationality:
- (g) Address:
- (h) E-mail id:
- (i) Relationship with the security holder:

(3) IN CASE NOMINEE IS A MINOR

- (a) Date of birth:
- (b) Date of attaining majority:
- (c) Name of guardian:
- (d) Signature of guardian:
- (e) Address of guardian:

(4) PARTICULARS OF NOMINEE IN CASE MINOR NOMINEE DIES BEFORE ATTAINING AGE OF MAJORITY

- a) Name:
- b) Signature of Nominee:
- c) Date of birth:
- d) Father's/Mother's/Spouse's name:
- e) Occupation:.....
- f) Nationality:.....
- g) Address:
- h) E-mail id:
- i) Relationship with the security holder:
- j) Relationship with the minor nominee:

**Security Holder (s)**

Signature:.....

Name:.....

Address:.....

.....

.....

Witness:

Signature:.....

Name:.....

Address:.....

.....

.....

INSTRUCTIONS:

1. In case you are holding physical shares, the duly filled-in form be sent to Company Secretary, Jammu and Kashmir Bank Limited, Board Secretariat, Corporate Headquarters, M.A. Road, Srinagar - 190001 or to our Share Transfer Agent: M/s KFin Technologies Limited Unit: J&K Bank Limited, Selenium Tower B, Plot No. 31 - 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032, Telangana, India, along with duly completed and signed ISR forms. In Case you are holding shares in Dematerialised form, the duly filled-in form be sent to the Depository Participant where you are having Demat Account.
2. Please use separate form for each folio. Nomination is applicable to the folio, irrespective of the number of shares registered under the folio. Only one nomination per folio per instance would be entertained
3. The nomination can be made by individuals only applying / holding share(s) on their own behalf singly or jointly upto two persons. Non-Individuals including society, trust, body Corporate, partnership firm, karta of Hindu undivided family, holder of power of attorney, cannot nominate. If the shares are held jointly, all joint holders will sign the nomination form
4. A minor can be nominated by a holder of share(s) and in that event the name and address of the guardian shall be given by the holder.
5. The nominee shall not be a trust, society, body Corporate, karta of Hindu undivided family or a power of attorney holder. A non resident Indian can be a nominee on Repatriable basis (subject to the Reserve Bank of India's approval as applicable).
6. Nomination stands rescinded upon transfer of share(s) or on receipt of Form No. SH-14 (cancellation or variation of Nomination).
7. Transfer of shares in favour of a nominee shall be a valid discharge by a Company against the legal heirs.
8. The form must be complete in all respects and duly witnessed. Incomplete form is not a valid nomination
9. Subject to rules and regulations as applicable from time to time.

Form ISR - 1

(SEBI circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021 on Common and Simplified Norms for processing investor's service request by RTAs and norms for furnishing PAN, KYC details and Nomination)

REQUEST FOR REGISTERING PAN, KYC DETAILS OR CHANGES / UPDATION THEREOF
[For Securities (Shares / Debentures / Bonds, etc.) of listed companies held in physical form]

Date: ___ / ___ / ___

A. I / We request you to Register / Change / Update the following (Tick ☐ relevant box)

☐ PAN	☐ Bank details	☐ Signature
☐ Mobile number	☐ E-mail ID	☐ Address

B. Security Details:

Name of the Issuer Company		Folio No.:
Name(s) of the Security holder(s) as per the Certificate(s)	1.	
	2.	
	3.	
Number & Face value of securities		
Distinctive number of securities (Optional)	From	To

C. I / We are submitting documents as per Table below (tick üas relevant, refer to the instructions):

		Document / Information / Details	Instruction / Remark
1		PAN of (all) the (joint) holder(s)	
		PAN	☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
		Whether it is Valid (linked to Aadhaar):	☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
		☐ Yes ☐ No	PAN shall be valid only if it is linked to Aadhaar by March 31, 2022* For Exemptions / Clarifications on PAN, please refer to Objection Memo in page 4
2		Demat Account Number	☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
			Also provide Client Master List (CML) of your Demat Account, provided by the Depository Participant.
3		Proof of Address of the first holder	Any one of the documents, only if there is change in the address; ☐ Client Master List (CML) of your Demat Account, provided by DP. ☐ Valid Passport/ Registered Lease or Sale Agreement of Residence / Driving License / Flat Maintenance bill. ☐ Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old. ☐ Identity card / document with address, issued by any of the following: Central/State Government and its Departments, Statutory / Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions. ☐ For FII / sub account, Power of Attorney given by FII / sub-account to the Custodians (which are duly notarized and / or apostilled or consularised) that gives the registered address should be taken. ☐ The proof of address in the name of the spouse



4	Bank details	Account Number: _____ Bank Name: _____ Branch Name: _____ IFS Code: _____ Provide the following: ☐ original cancelled cheque with name of security holder printed on it or <u>Bank Passbook</u> or <u>Bank Statement</u> attested by the Bank #
5	E-mail address	_____ #
6	Mobile	_____ #

* or any date as may be specified by the CBDT

(DP: Depository Participant)

In case it is not provided, the details available in the CML will be updated in the folio

Authorization: I / We authorise you (RTA) to update the above PAN and KYC details in my / our folio (s) _____, _____, (use Separate Annexure if extra space is required) in which I / We are the holder(s) (strike off what is not applicable).

Declaration: All the above facts stated are true and correct.

	Holder 1	Holder 2	Holder 3
Signature	✓		
Name	✓		
Full address	✓		
PIN			

Mode of submission of documents to the RTA

Please use any one of the following mode;

1. In Person Verification (IPV): by producing the originals to the authorized person of the RTA, who will retain copy(ies) of the document(s)
2. In hard copy: by furnishing self-attested photocopy(ies) of the relevant document, with date
3. Through e-mail address already registered with the RTA, with e-sign of scanned copies of documents
4. Service portal of the RTA with e-sign with scanned copies of documents, if the RTA is providing such facility

Note

•	It is mandatory for holders of physical securities in listed company to furnish PAN, full KYC details (address proof, bank details, e-mail address, mobile number) and Nomination (for all the eligible folios).
•	Upon receipt or up-dation of bank details, the RTA will automatically, pay electronically, all the moneys of / payments to the holder that were previous unclaimed / unsuccessful.
•	RTA shall update the folio with PAN, KYC details and Nominee, within seven working days of its receipt. However, cancellation of nomination, shall take effect from the date on which this intimation is received by the company / RTA.
•	RTA shall not insist on Affidavits or Attestation / Notarization or indemnity for registering / up-dating / changing PAN, KYC details and Nomination.
• Specimen Signature	• Provide banker's attestation of the signature of the holder(s) as per Form ISR - 2 in <u>SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021</u> and • original cancelled cheque with name of security holder printed on it or <u>Bank Passbook</u> or <u>Bank Statement</u> attested by the Bank
• Nomination**	• Providing Nomination: Please submit the duly filled up Nomination Form (SH-13) or 'Declaration to Opt out of Nomination' as per Form ISR-3, in <u>SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021</u> • Change in Existing Nomination: Please use <u>Form SH-14</u> in <u>SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655</u> • Cancellation of Existing Nomination: use <u>Form SH-14</u> & <u>Form ISR - 3</u>

** Nomination (Form SH-13 or SH-14) / 'Declaration to Opt-Out of nomination' (Form ISR - 3), has to be furnished by the holder(s) separately for each listed company.

(Page 3 & 4 is for information to investors; print out of the same is not required)

Objection Memo that can be raised by the RTA
 (only if the relevant document / details is / are not available in the folio or if there is a mismatch / discrepancy in the same or change thereof)

Note

RTAs shall raise all objections, if any / at all, in one instance only; the RTA shall not raise further objections on the same issue again and again, after the holder / claimant furnishes all the prescribed documents and details, unless there is any deficiency / discrepancy in the same.

No.	Item	Documents / Details to be provided to the RTA by the holder(s) / claimant(s)
1	PAN - Exceptions and Clarification	'Exemptions/clarifications to PAN', as provided in clause D to 'Instructions/Check List for Filing KYC Forms' in Annexure - 1 to <u>SEBI circular No. MIRSD/SE/Cir-21/2011 dated October 05, 2011</u> on Uniform Know Your Client (KYC) Requirements for the Securities Market, shall also applicable for holder(s) / claimant(s) of securities held in physical mode.
2	Minor mismatch in Signature - minor	The RTA shall intimate the holder at the existing address, seeking objection, if any, within 15 days
3	Major mismatch in Signature or its non-availability with the RTA	- Banker's attestation of the signature of the holder(s) as per <u>Form ISR - 2</u> <u>Original cancelled cheque</u> with name of security holder printed on it or <u>Bank Pass-book</u> or <u>Bank Statement attested by the Bank</u>
4	Mismatch in Name	Furnish any one of the following documents, explaining the difference in names; - Unique Identification Number (UID) (Aadhaar) - Valid Passport - Driving license - PAN card with photograph - Identity card / document with applicant's Photo, issued by any of the following: Central / State Government and its Departments, Statutory / Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions - Marriage certificate - Divorce decree
5	Present address of the holder is not matching with the address available in the folio	RTA shall issue intimation to both the old and new addresses. In case where the letter is undelivered at the old address, RTA shall not insist for any proof of the old address provided the current address proof is in the form of an address proof issued by a Government Authority. The above procedure will be applicable for request for change in address of the holder also

(Page 3 & 4 is for information to investors; print out of the same is not required)

**Form ISR - 2**

(SEBI circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021)

Confirmation of Signature of securities holder by the Banker**1. Bank Name and Branch** _____**2. Bank contact details**

Postal Address _____

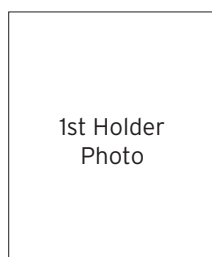
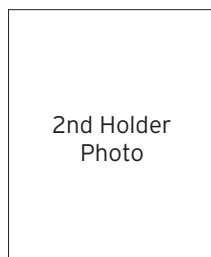
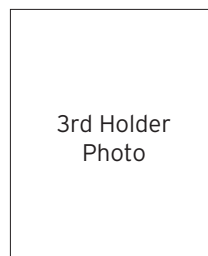
Phone Number _____

Email address _____

3. Bank Account Number _____**4. Account opening date** _____**5. Account Holder's Name** 1. _____

2. _____

3. _____

6. Latest photograph of the account holder(s)1st Holder
Photo2nd Holder
Photo3rd Holder
Photo**Account holder(s) details as per Bank Records**

a) Address _____

b) Phone Number _____

c) Email address _____

d) Signature(s) _____

1st Holder
Signature2nd Holder
Signature3rd Holder
Signature

Seal of the Bank

Signature verified as recorded with the Bank

Place: _____

(Signature) _____

Date: _____

Name of the Bank Manager _____

Employee Code _____

Email address _____

Form ISR - 3
Declaration Form for Opting-out of Nomination
by Holders of Physical Securities in Listed Companies
(SEBI circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 03, 2021)

[Under Section 72 r/w Section 24 (1) (a) of Companies Act, 2013 r/w Section 11(1) and 11B of SEBI Act, 1992 and Clause C in Schedule VII and Regulation 101 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

Name of the Company :

Registered Address of the Company :

I/We.....
, the holder(s) of the securities particulars of which are given hereunder, do not wish to nominate any person(s) in whom shall vest, all the rights in respect of such securities in the event of my /our death.

Nature of Securities Tick ✓ as relevant	Folio No	No. of Securities	Certificate No.	Distinctive No(s) (From - To)
Equity / Debentures				

I/ We understand the issues involved in non-appointment of nominee(s) and further are aware that in case of my / our death, my / our legal heir(s) / representative(s) are required to furnish the requisite documents / details, including, Will or documents issued by the Court like Decree or Succession Certificate or Letter of Administration / Probate of Will or any other document as may be prescribed by the competent authority, for claiming my / our aforesaid securities.

Name(s) and Address of Security holder(s)

	First Holder	Second Holder	Third Holder
Name			
Address			
	PIN _____	PIN _____	PIN _____
Signature			

Witness Detail:

Name of Witness		Signature	
Address of Witness		Date	
	PIN _____		

**Form ISR-4**

(Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 on Issuance of Securities in dematerialized form in case of Investor Service Requests)

Request for issue of Duplicate Certificate and other Service Requests
(For Securities - Shares / Debentures / Bonds, etc., held in physical form)

Date: ___ / ___ / ___

A. Mandatory Documents / details required for processing all service request:

I / We are submitting the following documents / details and undertake to request the Depository Participant to dematerialize my / our securities within 120 days from the date of issuance of Letter of Confirmation, received from the RTA/Issuer Company (tick ✓ as relevant, refer to the instructions):

- Demat Account No. (If available): ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐ ☐
- Provide Client Master List (CML) of your Demat Account from the Depository Participant*
- Provide the following details, if they are not already available with the RTA (see [SEBI circular dated November 03, 2021](#) in this regard)

PAN	Specimen Signature
Nomination / Declaration to Opt-out	

* (Your address, e-mail address, mobile number and bank details shall be updated in your folio from the information available in your CML). You can authorize the RTA to update the above details for all your folios. In this regard, please refer to and use Form ISR-1 in [SEBI circular dated November 03, 2021](#).

B. I / We request I / We request you for the following (tick ✓ relevant box)

☐ Issue of Duplicate certificate	☐ Claim from Unclaimed Suspense Account
☐ Replacement/ Renewal / Exchange of securities certificate	☐ Endorsement
☐ Sub-division / Splitting of securities certificate	☐ Consolidation of Folios
☐ Consolidation of Securities certificate	☐ Transmission
☐ Transposition (Mention the new order of holders here)	
☐ Change in name	
☐ Change in address	

C. I / We are enclosing certificate(s) as detailed below:**

Name of the Issuer Company	
Folio Number	
Name(s) of the security holder(s) as per the certificate(s)	1. 2. 3.
Certificate numbers	
Distinctive numbers	
Number & Face value of securities	

** Wherever applicable / whichever details are available

D. Document / details required for specific service request:

- ☐ Duplicate securities certificate
- ☐ Claim from Unclaimed Suspense Account

Securities claimed	(in numbers)
	(in words)

- ☐ Replacement / Renewal / Exchange of securities certificate
 (that is defaced, mutilated, torn, decrepit, worn out or where the page on the reverse is fully utilized)

- ☐ Endorsement
- ☐ Sub-division / Splitting of securities certificate
- ☐ Consolidation of securities certificate/Folios
- ☐ Transmission
- ☐ Transposition

Provide / attach original securities certificate(s) for request for item numbers III to VIII above.

Declaration: All the above facts stated are true and correct to best of my / our knowledge and belief.

	Security Holder 1 / Claimant	SecurityHolder 2	SecurityHolder 3
Signature	✓	✓	✓
Name	✓	✓	✓
Full address	✓		
PIN			



Jammu and Kashmir Bank Limited

Registered Office: Corporate Headquarters, M A Road
Srinagar - Jammu & Kashmir - 190001 **Tel:** +91-194-2481930-35
Email: board.sectt@jkbmail.com **Web:** www.jkbank.com
CIN: L65110JK1938SGC000048

ATTENDANCE SLIP

(PLEASE BRING THIS ATTENDANCE SLIP DULY COMPLETED WITHOUT FAIL AND HAND IT OVER AT THE ENTRANCE FOR OBTAINING ENTRY PASS)

I/We hereby record my/our presence at the 87th Annual General Meeting of the JAMMU AND KASHMIR BANK LIMITED held at Sher-i-Kashmir International Conference Centre (SKICC), Srinagar, Jammu and Kashmir - 190001 on Tuesday, 26th August, 2025 at 11:00 A.M.

Name of the Shareholder: _____

Folio No./ Client ID/ DP ID: _____

Name of the Proxy / representative, if any _____

I certify that I am a registered Shareholder/ Proxy for the Shareholder of the Bank

Signature of the Shareholder / Proxy

Notes:

1. Attendance slip which is not complete in all respects shall not be accepted.
2. The registration counter will remain open between 09:00 A.M to 11:00 A.M.
3. Joint Shareholders may obtain additional attendance slip on request.


Jammu and Kashmir Bank Limited

Registered Office: Corporate Headquarters, M A Road
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 CIN: L65110JK1938SGC000048


**MGT-11
 PROXY FORM**

[Pursuant to Section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name (s) of the Member (s)	
Registered Address	
Email ID	
Folio No. / Client ID	
DP ID	

I / We being the member (s) of _____ shares of the above named Company, hereby appoint

1.	Name	
	Address	
	E-mail ID	
	Signature	or failing him
2.	Name	
	Address	
	E-mail ID	
	Signature	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 87th Annual General Meeting of the Bank to be held on Tuesday, 26th August, 2025 at 11:00 A.M. at Sher-i-Kashmir International Conference Centre (SKICC), Srinagar, Jammu and Kashmir - 190001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Type of Resolution	I/ We assent to the resolution (For)	I/ We Dissent to the resolution (Against)
1.	Adoption of Financial Statements for the year ended 31 st March, 2025 .	Ordinary		
2.	To declare dividend on Equity Shares of the Bank.	Ordinary		
3.	Re-appointment of Dr. Pawan Kotwal, IAS (DIN: 02455728) who retires by rotation.	Ordinary		
4.	Re-appointment of Dr. Mandeep K Bhandari, IAS (DIN: 07310347) who retires by rotation.	Ordinary		
5.	Fixation of Remuneration to Statutory Auditors for the Financial Year 2025-26.	Ordinary		
6.	To appoint M/s D K Pandoh & Associates as Secretarial Auditors of the Bank.	Ordinary		

Signature of the Shareholder:

Signature of the Proxy Holder(s):



Signed this.....day of....., 2025

NOTE: This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Bank, not less than 48 hours before the commencement of the Meeting.

**Form No. MGT - 12 Polling Paper**

[Pursuant to Section 109(5) of the Companies Act, 2013 and Rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

Name of the Company:	Jammu and Kashmir Bank Limited		
Registered Office:	M.A. Road, Srinagar-190001		
CIN:	L65110JK1938SGC000048		
BALLOT PAPER			
S No	Particulars	Details	
1.	Name of the first named Shareholder (In Block Letters)		
2.	Postal Address		
3.	Registered Folio No. / Client IDNo. (applicable to investors holding shares in dematerialized form)		
4.	Class of Shares	Equity Shares	
5.	Number of Shares		
I hereby exercise my vote in respect of Ordinary Resolutions enumerated below by recording my assent or dissent to the said resolutions in the following manner:			
No.	Item No.	I assent to the resolution	I dissent from the resolution
1.	To consider and pass with or without modification(s) the following resolution as an Ordinary Resolution: "Resolved that approval of Members be and is hereby accorded to Standalone and Consolidated Financial Statements as at 31 st March, 2025 together with Auditor's Report and comments of C&AG thereon, together with Report of Directors, be and are hereby approved and adopted."		
2.	To consider and pass with or without modification(s) the following resolution as an Ordinary Resolution: "Resolved that approval of Members be and is hereby accorded for payment of Final Dividend of 215% (i.e. Rs.2.15 per Equity Share of Face Value Re.1/-)"		
3.	To consider and pass with or without modification(s) the following resolution as an Ordinary Resolution: "Resolved that Dr. Pawan Kotwal, IAS (DIN: 02455728), who retires by rotation and being eligible, offers himself for re-appointment be and hereby re-appointed as Director of the Bank, subject to retiring by rotation."		
4.	To consider and pass with or without modification(s) the following resolution as an Ordinary Resolution: "Resolved that Dr. Mandeep K Bhandari, IAS (DIN: 07310347), who retires by rotation and being eligible, offers himself for re-appointment be and hereby re-appointed as Director of the Bank, subject to retiring by rotation."		

5.	To pass with or without modification(s) the following resolution as an Ordinary Resolution: “Resolved that pursuant to the provisions of Section 142 and other applicable provisions, if any, of the Companies Act, 2013 and Section 30(1A) of the Banking Regulation Act, 1949, the Board of Directors, be and are hereby authorized to pay Remuneration to Statutory Auditors for the Financial Year ending 31st March, 2026, as per the schedule of the RBI applicable to Public Sector Banks, including remuneration for the Limited Review of Quarterly Financial Results for the periods ending 30th June, 2025, 30th September, 2025 and 31st December, 2025.”		
6.	To consider and pass with or without modification(s) the following resolution as an Ordinary Resolution: “RESOLVED THAT pursuant to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the “Listing Regulations”) (including any modification(s) or re-enactment(s) thereof), Section 204 of the Companies Act, 2013 (“Act”) and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and other applicable provisions of applicable laws (including any statutory amendment(s), modification(s), variation(s) and / or re-enactment(s) thereto, for the time being in force), and based on the recommendations of the Audit Committee and the Board of Directors, the approval of the Members of the Bank, be and is hereby, accorded for the appointment of M/s D K Pandoh & Associates, Company Secretaries (ICSI Firm Registration No. S2016JK420900) and holding a valid Peer Review Certificate (certificate no. 4401/2023) issued by the Institute of Company Secretaries of India (the “ICSI”), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Secretarial Auditors of the Bank, to conduct secretarial audit of the Bank for a period of 5 (Five) consecutive years i.e. from FY 2025-26 till and including FY 2029-30 and to provide such other services as permissible under applicable laws and as approved by the Board of Directors of the Bank (hereinafter referred to as the “Board”, which term shall be deemed to include any Committee(s) of the Board or any other persons to whom powers are delegated by the Board as permitted under the Act and / or rules made thereunder).		

Place: Srinagar

Date: 26th August, 2025

(Signature of the Shareholder)



NOTES

A series of horizontal lines for taking notes, spanning the width of the page below the 'NOTES' header.

[illegible]

Addendum to Annual Report 2024-25

Comments from the office of the C&AG through office of the Principal Accountant General (Audit), Jammu & Kashmir vide letter dated 04-08-2025 (Ref No: TSC/BS/JKBL-2025/2025-26/31), under section 143(6) (b) of the Companies Act, 2013 (Supplementary Audit) for the Financial year 2024-2025 on both Audited Standalone & Consolidated Financial statements:

As on the date of publishing the Annual Report for the F.Y 2024-25, the Bank had not received the comments under Section 143 (6) of the Companies Act, 2013 from the Comptroller and Auditor General of India on the accounts of the Bank for the year ended 31st March, 2025.

The Bank received the final comments from the office of the C&AG through office of the Principal Accountant General (Audit), Jammu & Kashmir vide letter dated 04-08-2025 with Ref No: TSC/BS/JKBL-2025/2025-26/31, for the F.Y 2024-2025 on both audited Standalone & Consolidated Financial statements. Copy of the comments of C&AG is enclosed as **Annexure-A**.

The response of the Bank to the comments of the C&AG on the audited Standalone & Consolidated Financial statements was approved by the Board of Directors of the Bank on 20.08.2025. The response to the comments is provided below.

The comments of the C&AG, along with Bank's reply to the comments shall be read out at the 87th Annual General Meeting scheduled to be held on 26.08.2025.

(STANDALONE FINANCIAL STATEMENTS)

A.	Refer- ence	CAG Comments	Bank Response
		Standalone	
1.	OBS- 1957666	Capital and Liabilities Reserve & Surplus (Schedule-2) Statutory Reserves-₹3693.46 crore As per Accounting Standard 5- Net Profit or loss for the period, Prior Period Items and Changes in Accounting policies - 'Prior Period items' refers to income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods. The bank has been transferring depreciation on revalued portion of fixed assets from 'Revaluation Reserve Account' to 'Revenue Reserve Account' since the financial year 2017-18. The Bank has given the accounting treatment as per AS-10 and has not routed the same through Profit & Loss Account. However it did not appropriate 25 percent of above transferred amount to the statutory reserve as per the requirement of the Banking Regulation Act, 1949. During 2024-25, the bank has appropriated ₹ 15.13 crore (₹7.56 crore for 2024-25 and ₹7.57 crore for 2023-24). This treatment is compliant with both AS-10 and the Banking Regulation Act. However, prior period adjustments amounting to ₹23.94 crores on account of appropriations to Statutory Reserve as 25 per cent of ₹95.75 crores transferred from Revaluation Reserve to General reserves during financial years 2017-18 to 2022-23 were not made in books of account as per requirement of AS-5. This has resulted in understatement of Statutory Reserves by ₹ 23.94 Crore and overstatement of Revenue and Other Reserves to that extent.	Observation related to this issue was made in CAG audit report of FY2023-24, pertaining to depreciation on revalued portion of fixed assets for the same year. Bank duly responded but the observation was not dropped. Accordingly the required amount of ₹7.56 crore pertaining to current year (2024-25) and ₹7.57 crore pertaining to Prior period appropriations for the previous year 2023-24 was transferred from Revaluation Reserve to Statutory Reserve. It is pertinent to mention that there was no mention of such transfer for the prior period from FY2017-18 to FY 2022-23 in the CAG report of FY2023-24. Therefore no such transfer was made for this period. Now the observation has been made for the prior period, i.e. FY 2017-18 to FY 2022-23 in the preliminary CAG Audit report for FY 2024-25, the same has been recorded and has already been effected in the books of account in Current Financial Year 2025-2026.



B.		Profit and Loss Account	
2.	OBS-1958437	Expenditure Provisions and Contingencies - Rs 84733.04 crore As per the Master Circular issued by RBI (Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances), where there are potential threats for recovery on account of erosion in the value of security, it will not be prudent that such accounts should go through various stages of asset classification and when erosion in the value of security can be reckoned as significant when the realisable value of the security is less than 50 per cent of the value assessed by the bank of accepted by RBI at the time of last inception as the case may be. Such NPAs may be straightway classified under doubtful category. As on 31.03.2025, the NPA balances outstanding under Cash Credit facilities extended to M/s Goverdhan India Pvt. Ltd was ₹4.50 crore. The underlying security was under the purview of the Jammu and Kashmir state Lands (vesting of Ownership to the occupants) Act 2021. Further the Hon'ble High Court of J&K and Ladakh directed (9 October 2020) that immovable property acquired under Jammu and Kashmir state and (vesting of Ownership to the occupants) Act 2001 must be retrieved. Consequently, J&K Government declared all the actions taken under Roshni Act as void ab initio and all the mutations done in furtherance of said Act as annulled. Since the security was not realisable due to adverse legal rulings and State Government orders, Bank should have considered the NPA as unsecured and 100 percent provision should have been made. This resulted into understatement of provisions by ₹ 2.25 crore and overstatement of profits by ₹2.25 crore.	As to the securities title of which has been acquired under the Jammu and Kashmir State Lands (Vesting of Ownership to the Occupants) Act 2001, commonly known as Roshini Act, it is stated the Government of J&K and other aggrieved parties have filed review petition against the Judgment dated 09-10-2020 passed by the Hon'ble High Court Of J&K and Ladakh in PIL No 19/2011 titled Professor S K Bhalla Vs State of J&K & Ors. Though no interim order has been passed in the review application, Government has verbally informed the Hon'ble Court that no coercive action is being taken by it pending review petitions. Notwithstanding the fact, that the judgment dated 09-10-2020 is operative, yet the Banks interests are secure given the facts that such mortgagors were holding such lands on perpetual or long term leases under the J&K Land grants Act, 1960 and shall be relegated to position of lessee even when the aforesaid review petitions are dismissed. Further, even if the Government terminates the lease as well, such mortgagors/lessees under the Jammu and Kashmir Land Grants Act, 1960 shall have right of fair compensation on which the Bank shall have first charge/claim. Further given the fact that Government of J&K has itself filed review petition, there is high probability of review being allowed. The matter is still subjudice and listed next on 25-09-2025. Given the above legal connotation, the properties mortgaged under Roshni Act have been taken as secured and the Bank has done provisioning in such accounts as per the IRAC Norms.
3.	C 1&2	C1. The Bank has not disclosed its accounting policy with regard to additional provision 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 (NC-GTC). C2. The Bank had made a disclosure in Notes to Account (Schedule 18) on Investments stating that for classification, measurement and valuation of investments, new guidelines have been followed as per policy mandated by RBI vide its master directions-Classification, valuation and operation of investment portfolio of commercial banks (Directions), 2023 issued on 12 September 2023. On transition to the framework on 1 April 2024, the bank has recognized a net gain of 26.31 crore (net of tax of 8.85 crore) which has been credited/effectuated to General Reserve. However, the disclosure made by the Bank is incorrect as the gain realized on transition to framework was ₹51.27 crore (net of taxes of ₹17.25 crore).	C1. Henceforth a separate disclosure shall be made regarding provisioning of NPA Accounts 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). The additional provision held on account of not reckoning the CGTMSE/CRGFTLIH/NCGTC cover available in respect of NPA accounts (other than the cases where the claim has been settled) as on 31.03.2025 was Rs. 23.81crore (previous year Rs.29.12 crore). C2. The RBI Master direction regarding classification, valuation and operation of Investment portfolio of Commercial banks (Direction) 2023, was issued by RBI on September, 2023. Going by the directions, bank had transferred an amount of ₹35.16Cr to General Reserve on Transition (translating to ₹26.31 Cr, net of Tax) on April 1, 2024. The bank disclosed the same in Notes to Accounts of June 2024, September 2024 and December 2024 Quarters. However the said directions were updated on April 1, 2025 by RBI, where upon bank was required to transfer an additional amount of ₹33.36 Cr to such General Reserve (translating to ₹24.96 Cr, net of taxes). The same was done through Memorandum of Change (MOC) issued by Statutory Central Auditors (SCAs). As such Bank has transferred to General reserve an amount of ₹68.52 Cr in accordance with RBI direction, however as on transition date only ₹35.16Cr (₹26.31 Cr net of taxes) was transferred and as such only ₹26.31 Cr was mentioned in Notes to Accounts.

	OTHER COMMENTS : As per Section 395 read with sub-section (1) of Section 394 of the Companies Act, 2013, where the Central Government is not a member of a Government Company, every State Government which is a member of the Company, or where only one State Government is a member of the Company, that State Government shall cause an Annual Report on the working and affairs of the Company to be: (a) prepared within the time specified in sub-section (1) of Section 394; and (b) as soon as may be after such preparation, laid before the House or both Houses of the State Legislature together with a copy of the Audit Report and comments upon or supplement to the Audit Report, (made by the Comptroller and Auditor General of India) referred to in sub-section (1) of that section. Audit observed that the Comment Certificate, which was issued to the Bank by the office of the Principal Accountant General (Audit), Jammu & Kashmir, Jammu on behalf of the Comptroller and Auditors General of India, was not included in its Annual Report 2023-24. This has resulted in non-compliance of the statutory provisions of Section 395 of the Companies Act 2013.	The Annual General Meeting (AGM) of the Bank was scheduled to be held on August 17, 2024. In terms of the Sections 101 and 136 of the Companies Act, 2013, the Notice of the meeting and Annual Report for the Annual General Meeting is required to be send to the Shareholders at least 21 clear days before the meeting. As such, the Bank was required to send the Notice and Annual Report for the said meeting by or before 24th July 2024 (including 2 days of postal delivery time). As the comments were not received from the C&AG within the aforesaid timeline, the Bank made the following statement in the Annual report, which was circulated to the Shareholders: As on date of this report, the Bank has not received the comments under Section 143 (6) of the Companies Act, 2013 from the Comptroller and Auditor General of India on the accounts of the Bank for the year ended 31st March 2024 and the same along with Banks reply to the comments shall be read out at the 86th Annual General Meeting. (Refer page no.24 of Annual Report 2023-24). Subsequently, the comments of the C&AG on the Financial Statements of the Bank for the year ended March 31, 2024 were received by the Bank on 16.08.2024 i.e. one day before the date of AGM. The comments along with the response of the Bank were circulated to the Shareholders during the meeting and were also read out by the Company Secretary during the meeting. Further, the proceedings of the meeting were disseminated to the Stock Exchanges, which included the statement regarding reading out of the comments of C&AG on the Financial Statements of the Bank and response thereto. Additionally, the comments along with the response of the Bank was also submitted to the Stock Exchanges and disseminated on the website of the Bank. The same can be viewed at https://www.jkbank.com/sites/default/files/2025-04/Financials_March_2024_cag.pdf The copy of the Annual Report alongwith the comments of C&AG and response of the Bank thereto were forwarded to Finance Department Govt. of J&K on August 31, 2024 in accordance with the provisions of Section 395 of the Companies Act 2013.
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(CONSOLIDATED FINANCIAL STATEMENTS)

B.	Reference	CAG Comments	Bank Response
		Consolidated	
1.	OBS-1957333	Capital and Liabilities Reserve & Surplus (Schedule-2) Statutory Reserves- ₹ 3693.47 crore As per Accounting Standard 5- Net Profit or loss for the period, Prior Period Items and Changes in Accounting policies - 'Prior Period items' refers to income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods. The bank has been transferring depreciation on revalued portion of fixed assets from 'Revaluation Reserve Account' to 'Revenue Reserve Account' since the financial year 2017-18. The Bank has given the accounting treatment as per AS-10 and has not routed the same through Profit & Loss Account. However it did not appropriate 25 percent of above transferred amount to the statutory reserve as per the requirement of the Banking Regulation Act, 1949. During 2024-25, the bank has appropriated ₹15.13 crore (₹7.56 crore for 2024-25 and ₹7.57 crore for 2023-24). This treatment is compliant with both AS-10 and the Banking Regulation Act. However, prior period adjustments amounting to ₹23.94 crores on account of appropriations to Statutory Reserve as 25 per cent of ₹95.75 crores transferred from Revaluation Reserve to General reserves during financial years 2017-18 to 2022-23 were not made in books of account as per requirement of AS-5. This has resulted in understatement of Statutory Reserves by ₹23.94 Crore and overstatement of Revenue and Other Reserves to that extent.	Observation related to this issue was made in CAG audit report of FY2023-24, pertaining to depreciation on revalued portion of fixed assets for the same year. Bank duly responded but the observation was not dropped. Accordingly the required amount of ₹7.56 crore pertaining to current year (2024-25) and ₹7.57 crore pertaining to Prior period appropriations for the previous year 2023-24 was transferred from Revaluation Reserve to Statutory Reserve. It is pertinent to mention that there was no mention of such transfer for the prior period from FY2017-18 to FY 2022-23 in the CAG report of FY2023-24. Therefore no such transfer was made for this period. Now the observation has been made for the prior period, i.e. FY 2017-18 to FY 2022-23 in the preliminary CAG Audit report for FY 2024-25, the same has been recorded and has already been effected in the books of account in Current Financial Year 2025-2026.
2		Expenditure Provisions and Contingencies - Rs 84851.27 crore As per the Master Circular issued by RBI (Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances), where there are potential threats for recovery on account of erosion in the value of security, it will not be prudent that such accounts should go through various stages of asset classification and when erosion in the value of security can be reckoned as significant when the realisable value of the security is less than 50 per cent of the value assessed by the bank of accepted by RBI at the time of last inception as the case may be. Such NPAs may be straightway classified under doubtful category. As on 31.03.2025, the NPA balances outstanding under Cash Credit facilities extended to M/s Goverdhan India Pvt. Ltd was ₹ 4.50 crore. The underlying security was under the purview of the Jammu and Kashmir state Lands (vesting of Ownership to the occupants) Act 2001. Further the Hon'ble High Court of J&K and Ladakh directed (9 October 2020) that immovable property acquired under Jammu and Kashmir state and (vesting of Ownership to the occupants) Act 2001 must be retrieved. Consequently, J&K Government declared all the actions taken under Roshni Act as void ab initio and all the mutations done in furtherance of said Act as annulled. Since the security was not realisable due to adverse legal rulings and State Government orders, Bank should have considered the NPA as unsecured and 100 percent provision should have been made. This resulted into understatement of provisions by ₹ 2.25 crore and overstatement of profits by ₹ 2.25 crore.	As to the securities title of which has been acquired under the Jammu and Kashmir State Lands (Vesting of Ownership to the Occupants) Act 2001, commonly known as Roshini Act, it is stated the Government of J&K and other aggrieved parties have filed review petition against the Judgment dated 09-10-2020 passed by the Hon'ble High Court Of J&K and Ladakh in PIL No 19/2011 titled Professor S K Bhalla Vs State of J&K & Ors. Though no interim order has been passed in the review application, Government has verbally informed the Hon'ble Court that no coercive action is being taken by it pending review petitions. Notwithstanding the fact, that the judgment dated 09-10-2020 is operative, yet the Banks interests are secure given the facts that such mortgagors were holding such lands on perpetual or long term leases under the J&K Land grants Act, 1960 and shall be relegated to position of lessee even when the aforesaid review petitions are dismissed. Further, even if the Government terminates the lease as well, such mortgagors/lessees under the Jammu and Kashmir Land Grants Act, 1960 shall have right of fair compensation on which the Bank shall have first charge/claim. Further given the fact that Government of J&K has itself filed review petition, there is high probability of review being allowed. The matter is still sub-judice and listed next on 25-09-2025. Given the above legal connotation, the properties mortgaged under Roshni Act have been taken as secured and the Bank has done provisioning in such accounts as per the IRAC Norms.

3.	C 1&2	C1. The Bank has not disclosed its accounting policy with regard to additional provision 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). C2. The Bank had made a disclosure in Notes to Account (Schedule 18) on Investments stating that for classification, measurement and valuation of investments, new guidelines have been followed as per policy mandated by RBI vide its master directions-Classification, valuation and operation of investment portfolio of commercial banks (Directions), 2023 issued on 12 September 2023, On transition to the framework on 1 April 2024, the bank has recognized a net gain of 26.31 crore (net of tax of 8.85 crore) which has been credited/effectuated to General Reserve. However, the disclosure made by the Bank is incorrect as the gain realized on transition to framework was ₹51.27 crore (net of taxes of ₹17.25 crore).	C1. Henceforth a separate disclosure shall be made regarding provisioning of NPA Accounts 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). The additional provision held on account of not reckoning the CGTMSE/CRGFTLIH/NCGTC cover available in respect of NPA accounts (other than the cases where the claim has been settled) as on 31.03.2025 was Rs.23.81 crore (previous year Rs.29.12 crore). C2. The RBI Master direction regarding classification, valuation and operation of Investment portfolio of Commercial banks (Direction) 2023, was issued by RBI on September'2023. Going by the directions, bank had transferred an amount of ₹35.16Cr to General Reserve on Transition (translating to ₹26.31 Cr, net of Tax) on April 1, 2024. The bank disclosed the same in Notes to Accounts of June 2024, September 2024 and December 2024 Quarters. However the said directions were updated on April 1 '2025 by RBI, where upon bank was required to transfer an additional amount of ₹33.36 Cr to such General Reserve (translating to ₹24.96 Cr, net of taxes). The same was done through Memorandum of Change (MOC) issued by Statutory Central Auditors (SCAs). As such Bank has transferred to General reserve an amount of ₹68.52 Cr in accordance with RBI direction, however as on transition date only ₹35.16Cr (₹26.31 Cr net of taxes) was transferred and as such only ₹26.31 Cr was mentioned in Notes to Accounts.
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	OTHER COMMENTS	
	As per Section 395 read with sub-section (1) of Section 394 of the Companies Act, 2013, where the Central Government is not a member of a Government Company, every State Government which is a member of the Company, or where only one State Government is a member of the Company, that State Government shall cause an Annual Report on the working and affairs of the Company to be: (a) prepared within the time specified in sub-section (1) of Section 394; and (b) as soon as may be after such preparation, laid before the House or both Houses of the State Legislature together with a copy of the Audit Report and comments upon or supplement to the Audit Report, (made by the Comptroller and Auditor General of India) referred to in sub-section (1) of that section. Audit observed that the Comment Certificate, which was issued to the Bank by the office of the Principal Accountant General (Audit), Jammu & Kashmir, Jammu on behalf of the Comptroller and Auditors General of India, was not included in its Annual Report 2023-24. This has resulted in non-compliance of the statutory provisions of Section 395 of the Companies Act 2013.	The Annual General Meeting (AGM) of the Bank was scheduled to be held on August 17, 2024. In terms of the Sections 101 and 136 of the Companies Act, 2013, the Notice of the meeting and Annual Report for the Annual General Meeting is required to be send to the Shareholders at least 21 clear days before the meeting. As such, the Bank was required to send the Notice and Annual Report for the said meeting by or before 24th July 2024 (including 2 days of postal delivery time). As the comments were not received from the C&AG within the aforesaid timeline, the Bank made the following statement in the Annual report, which was circulated to the Shareholders: As on date of this report, the Bank has not received the comments under Section 143 (6) of the Companies Act, 2013 from the Comptroller and Auditor General of India on the accounts of the Bank for the year ended 31st March 2024 and the same along with Banks reply to the comments shall be read out at the 86th Annual General Meeting. (Refer page no.24 of Annual Report 2023-24). Subsequently, the comments of the C&AG on the Financial Statements of the Bank for the year ended March 31, 2024 were received by the Bank on 16.08.2024 i.e. one day before the date of AGM. The comments along with the response of the Bank were circulated to the Shareholders during the meeting and were also read out by the Company Secretary during the meeting. Further, the proceedings of the meeting were disseminated to the Stock Exchanges, which included the statement regarding reading out of the comments of C&AG on the Financial Statements of the Bank and response thereto. Additionally, the comments along with the response of the Bank was also submitted to the Stock Exchanges and disseminated on the website of the Bank. The same can be viewed at https://www.jkbank.com/sites/default/files/2025-04/Financials_March_2024_cag.pdf The copy of the Annual Report alongwith the comments of C&AG and response of the Bank thereto were forwarded to Finance Department Govt. of J&K on August 31, 2024 in accordance with the provisions of Section 395 of the Companies Act 2013.

ANNEXURE - A

कार्यालय प्रधान महालेखाकार (लेखापरीक्षा)
जम्मू एवं कश्मीर, शाखा- जम्मू
शक्ति नगर, जम्मू-180001



O/o THE PRINCIPAL ACCOUNTANT GENERAL
(AUDIT)
JAMMU & KASHMIR, BRANCH- JAMMU
SHAKTI NAGAR, JAMMU-180001

No. TSC/BS/JKBL-2025/2025-26/31

Date: 04-08-2025

To

The Managing Director & CEO,
Jammu & Kashmir Bank Limited,
Corporate Office, MA Road,
Srinagar

Subject: Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements (Standalone and Consolidated) of Jammu & Kashmir Bank Limited for the year ended on 31 March 2025

I am to forward herewith the Comments of the Comptroller and Auditor General of India under Section 143(6)(b) of the Companies Act, 2013 on the financial statements (Standalone and Consolidated) of Jammu & Kashmir Bank Limited for the year ended on 31 March 2025 for being placed before the shareholders in the Annual General Meeting. The date of holding Annual General Meeting and minutes of meeting may please be furnished to this office.

Encl: As above

Yours faithfully,



Deputy Accountant General (AMG-II)



COMMENTS OF THE COMPTROLLER & AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) OF THE COMPANIES ACT, 2013 ON THE STANDALONE FINANCIAL STATEMENTS OF JAMMU AND KASHMIR BANK LIMITED FOR THE YEAR ENDED ON 31 MARCH 2025

The preparation of financial statements of Jammu and Kashmir Bank Limited for the year ended on 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 2025.

I, on the behalf of the Comptroller & Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Companies Act, 2013 of the financial statements of Jammu and Kashmir Bank Limited for the year ended on 31 March 2025. 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 Companies Act, 2013 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. BALANCE SHEET

A.1 Capital and Liabilities Reserve & Surplus (Schedule-2) Statutory Reserves-₹3,693.46 crore

As per Accounting Standard 5 'Net Profit or loss for the period, Prior Period Items and Changes in Accounting policies', Prior Period items refer to income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods.

The Bank had been transferring depreciation on revalued portion of fixed assets from 'Revaluation Reserve Account' to 'Revenue Reserve Account' since the financial year 2017-18. The Bank had given the accounting treatment as per AS-10 and had not routed the same through Profit & Loss Account. However, it did not appropriate 25 per cent of above transferred amount to the statutory reserve as per the requirement of the Banking Regulation Act, 1949.

During 2024-25, the Bank had appropriated ₹15.13 crore (₹7.56 crore for 2024-25 and ₹7.57 crore for 2023-24). This treatment is compliant with both AS-10 and the Banking Regulation Act. However, prior period adjustments amounting to ₹23.94 crore on account of appropriations to Statutory Reserve as 25 per cent of ₹95.75 crore transferred from Revaluation Reserve to General Reserve during 2017-18 to 2022-23 were not made in books of account as per requirement of AS-5.

This resulted in understatement of Statutory Reserves by ₹23.94 crore and overstatement of Revenue and Other Reserves to that extent.

B. PROFIT AND LOSS ACCOUNT

B.1 Expenditure

Provisions and Contingencies-₹ 84733.04 crore

As per the Master Circular issued by RBI (Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances), where there are potential threats for recovery on account of erosion in the value of security, it will not be prudent that such accounts should go through various stages of asset classification and when erosion in the value of security can be reckoned as significant when the realisable value of the security is less than 50 per cent of the value assessed by the bank of accepted by RBI at the time of last inception as the case may be. Such NPAs may be straightway classified under doubtful category.

As on 31 March 2025, the NPA balances outstanding under credit facilities extended to M/s Goverdhan India Pvt. Ltd was ₹4.50 crore. The underlying security was under the purview of the Jammu and Kashmir State Lands (Vesting of Ownership to the Occupants) Act 2001. Further, the Hon'ble High Court of J&K and Ladakh directed (9 October 2020) that immovable property acquired under Jammu and Kashmir State Lands (Vesting of Ownership to the Occupants) Act 2001 must be retrieved. Consequently, J&K Government declared all the actions taken under Roshni Act as void ab initio and all the mutations done in furtherance of said Act as annulled.

Since the security was not realisable due to adverse legal rulings and State Government orders, the Bank should have considered the NPA as unsecured and 100 percent provision should have been made.

This resulted into understatement of provisions by ₹2.25 crore and overstatement of profits by ₹2.25 crore

C. COMMENTS ON DISCLOSURE

C.1 The Bank had 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).

C.2 The Bank had made a disclosure in Notes to Account (Schedule 18) on 'Investments stating that for classification, measurement and valuation of investments, new guidelines have been followed as per policy mandated by RBI vide its master directions-Classification, valuation and operation of investment portfolio of commercial banks (Directions), 2023 issued on 12 September 2023. On transition to the framework on 1 April 2024, the bank has recognized a net gain of ₹26.31 crore (net of tax of ₹8.85 crore) which has been credited/effectuated to General Reserve. However, the disclosure made by the Bank is incorrect as the gain realized on transition to framework was ₹1.27 crore (net of taxes of ₹17.25 crore).

D. OTHER COMMENTS

D. 1. As per Section 395 read with sub-section (1) of Section 394 of the Companies Act, 2013, where the Central Government is not a member of a Government Company, every State Government which is a member of the Company, or where only one State Government is a member of the Company, that State Government shall cause an Annual Report on the working and affairs of the Company to be:

- (a) prepared within the time specified in sub-section (1) of Section 394; and
- (b) as soon as may be after such preparation, laid before the House or both Houses of the State Legislature together with a copy of the Audit Report and comments upon or supplement to the Audit Report, (made by the Comptroller and Auditor General of India) referred to in sub-section (1) of that section.

Audit observed that the Comment Certificate, which was issued to the Bank by the office of the Principal Accountant General (Audit), Jammu & Kashmir, Jammu on behalf of the Comptroller and Auditors General of India, was not included in its Annual Report 2023-24.

This has resulted in non-compliance of the statutory provisions of Section 395 of the Companies Act, 2013.

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

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 JAMMU AND KASHMIR BANK LIMITED FOR THE YEAR ENDED ON 31 MARCH 2025

The preparation of consolidated financial statements of Jammu and Kashmir Bank Limited for the year ended on 31 March 2025 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 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 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 2025.

I, on the behalf of the Comptroller & Auditor General of India, have conducted a supplementary audit of the consolidated financial statements of Jammu and Kashmir Bank Limited for the year ended on 31 March 2025 under Section 143(6)(a) read with section 129(4) of the Act. We conducted a supplementary audit of the financial statements of Jammu and Kashmir Bank Limited (Parent Company). Further, section 139(5) and 143(6) (a) of the Act are not applicable to J&K Grameen Bank (Associate Bank) for appointment of their statutory auditor 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. BALANCE SHEET

A.1 Capital and Liabilities

Reserve & Surplus (Schedule-2)

Statutory Reserves ₹3693.47 crore

As per Accounting Standard 5 'Net Profit or loss for the period, Prior Period Items and Changes in Accounting policies', Prior Period items refer to income or expenses which arise in the current period as a result of errors or omissions in the preparation of the financial statements of one or more prior periods.



The Bank had been transferring depreciation on revalued portion of fixed assets from 'Revaluation Reserve Account' to 'Revenue Reserve Account' since the financial year 2017-18.

The Bank had given the accounting treatment as per AS-10 and had not routed the same through Profit & Loss Account. However, it did not appropriate 25 per cent of above transferred amount to the statutory reserve as per the requirement of the Banking Regulation Act, 1949.

During 2024-25, the Bank had appropriated ₹15.13 crore (₹7.56 crore for 2024-25 and ₹7.57 crore for 2023-24). This treatment is compliant with both AS-10 and the Banking Regulation Act. However, prior period adjustments amounting to ₹23.94 crore on account of appropriations to statutory reserve as 25 per cent of ₹95.75 crore transferred from Revaluation reserve to General reserves during 2017-18 to 2022-23 were not made in books of account as per requirement of AS-5.

This resulted in understatement of Statutory Reserves by ₹23.94 crore and overstatement of Revenue and Other Reserves to that extent.

B. PROFIT AND LOSS ACCOUNT

B.1 Expenditure

Provisions and Contingencies ₹84851.27 crore

As per the Master Circular issued by RBI (Prudential norms on Income Recognition, Asset Classification and Provisioning pertaining to Advances), where there are potential threats for recovery on account of erosion in the value of security, it will not be prudent that such accounts should go through various stages of asset classification and when erosion in the value of security can be reckoned as significant when the realisable value of the security is less than 50 per cent of the value assessed by the bank or accepted by RBI at the time of last inception as the case may be. Such NPAs may be straightway classified under doubtful category.

As on 31 March 2025, the NPA balances outstanding under credit facilities extended to M/s Goverdhan India Pvt. Ltd was ₹ 4.50 crore. The underlying security was under the purview of the Jammu and Kashmir State Lands (Vesting of Ownership to the Occupants) Act 2001. Further, the Hon'ble High Court of J&K and Ladakh directed (9 October 2020) that immovable property acquired under Jammu and Kashmir State Lands (Vesting of Ownership to the Occupants) Act 2001 must be retrieved. Consequently, J&K Government declared all the actions taken under Roshni Act as void ab initio and all the mutations done in furtherance of said Act as annulled.

Since the security was not realisable due to adverse legal rulings and State Government orders, the Bank should have considered the NPA as unsecured and 100 percent provision should have been made.

This resulted into understatement of provisions by ₹2.25 crore and overstatement of profits by ₹2.25 crore

C. COMMENTS ON DISCLOSURE

C.1 The Bank had 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).

C.2 The Bank had made a disclosure in Notes to Account (Schedule 18) on 'Investments stating that for classification measurement and valuation of investments, new guidelines have been followed as per policy mandated by RBI vide its master directions-Classification, valuation and operation of investment portfolio of commercial banks (Directions), 2023 issued on 12 September 2023. On transition to the framework on 1 April 2024, the bank has recognized a net gain of ₹26.31 crore (net of tax of ₹8.85 crore) which has been credited/effectuated to General Reserve. However, the disclosure made by the Bank is incorrect as the gain realized on transition to framework was ₹51.27 crore (net of taxes of ₹17.25 crore).

D. OTHER COMMENTS

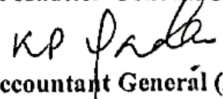
D.1. As per Section 395 read with sub-section (1) of Section 394 of the Companies Act, 2013, where the Central Government is not a member of a Government Company, every State Government which is a member of the Company, or where only one State Government is a member of the Company, that State Government shall cause an Annual Report on the working and affairs of the Company to be:

- (a) prepared within the time specified in sub-section (1) of Section 394; and
- (b) as soon as may be after such preparation, laid before the House or both Houses of the State Legislature together with a copy of the Audit Report and comments upon or supplement to the Audit Report, (made by the Comptroller and Auditor General of India) referred to in sub-section (1) of that section.

Audit observed that the Comment Certificate, which was issued to the Bank by the office of the Principal Accountant General (Audit), Jammu & Kashmir, Jammu on behalf of the Comptroller and Auditors General of India, was not included in its Annual Report 2023-24.

This has resulted in non-compliance of the statutory provisions of Section 395 of the Companies Act 2013.

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


Principal Accountant General (Audit)



AUDITORS

Gupta Gupta & Associates LLP
Chartered Accountants

JCR & Co. LLP
Chartered Accountants

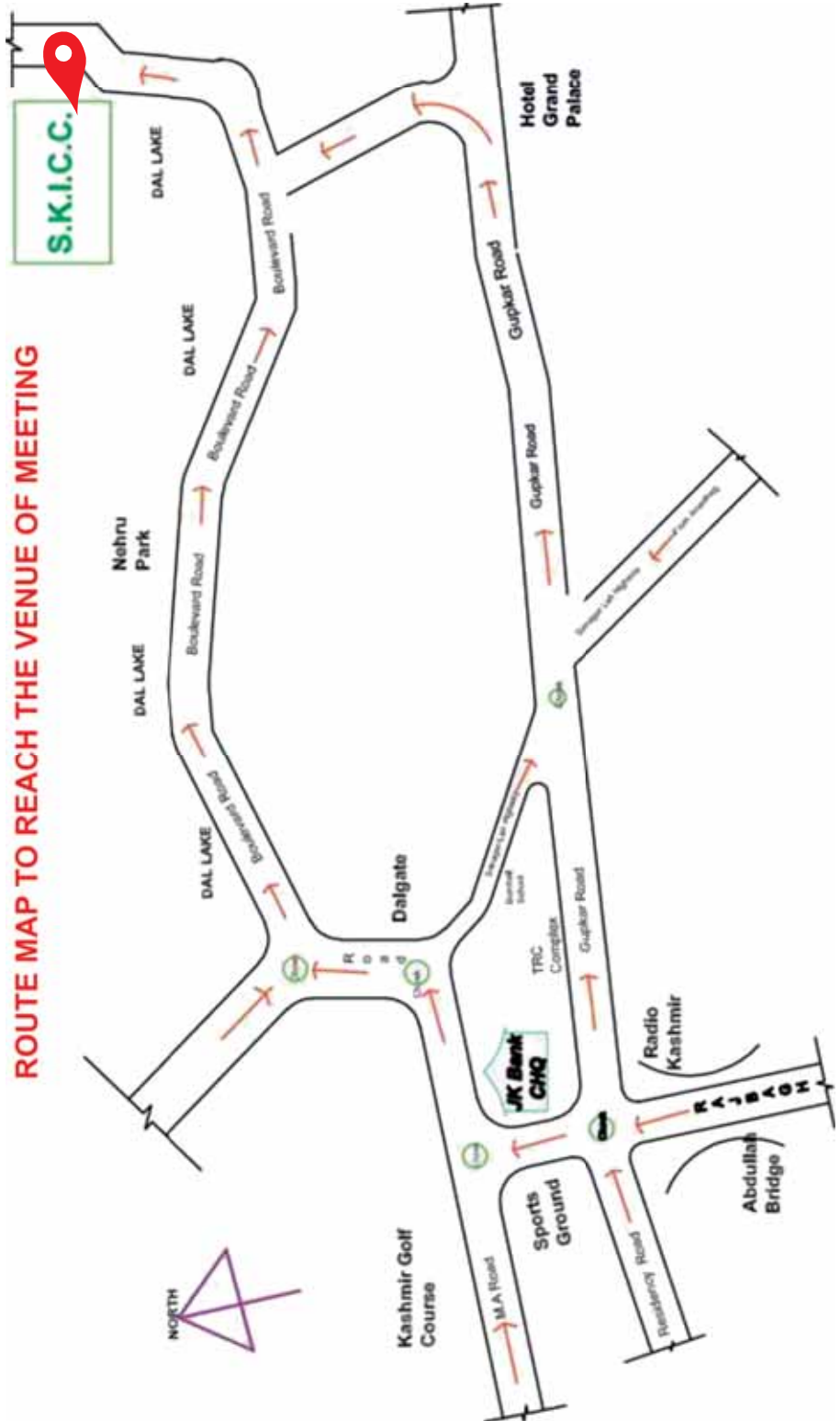
Dhar Tiku & Co.
Chartered Accountants

REGISTRAR AND TRANSFER AGENT

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Serilingampally Mandal
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TO REACH THE VENUE



J&K Bank
Serving To Empower

Your Bank
Since **1938**



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