

JKB FINANCIAL SERVICES LIMITED

Main Road, Jawahar Nagar, Srinagar.
BALANCE SHEET AS AT 31ST MARCH, 2022.

Particulars	Note	Figures as on 31.03.2022	Figures as on 31.03.2021
		Amount (₹)	Amount (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	2000,00,000.00	2000,00,000.00
(b) Reserves and Surplus	2	(31,64,085.68)	(319,25,156.62)
(2) Share Application money pending allotment			
-			
(3) Non-Current Liabilities			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)			
(c) Other Non Current liabilities	3	3,39,083.01	3,68,566.40
(4) Current Liabilities			
(a) Short-Term Borrowings	4	760,00,000.00	770,00,000.00
(b) Trade payables	5	66,93,409.40	76,72,487.03
(c) Other Current Liabilities	6	951,76,317.76	961,14,952.76
(c) Short-Term Provisions	7	106,35,769.00	51,66,236.00
Total Equity & Liabilities		3856,80,493.49	3543,97,085.57
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
1. Tangible Assets			
(i) Gross Block		166,81,403.49	162,68,767.80
(ii) Depreciation		142,96,740.37	130,61,771.06
(iii) Net Block		23,84,663.12	32,06,996.74
2. In- Tangible Assets			
(i) Gross Block		65,89,576.56	65,89,576.56
(ii) Depreciation		64,00,445.61	55,15,791.29
(iii) Net Block		1,89,130.95	10,73,785.27
(b) Non-current investments		-	-
(c) Deferred tax assets (net)	9	5,09,818.62	118,70,370.58
(d) Long term loans and advances (Security Deposits)	10	398,27,434.00	242,13,711.00
(2) Current Assets			
(a) Trade Receivables	11	108,02,208.08	75,93,794.27
(b) Inventories		-	-
(c) Cash and cash equivalents	12	1447,34,958.69	1996,33,298.20
(d) Short-term loans and advances		-	-
(e) Other current assets	13	1872,32,280.03	1068,05,129.50
Total Assets		3856,80,493.49	3543,97,085.56

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NOTES TO ACCOUNTS AND ACCOUNTING POLICIES

Notes referred to above and attached there to form an integral part of Balance Sheet

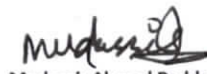


Baldev Prakash
Chairman

Rakesh Koul
Director


Mohammad Muzaffar Wani
Managing Director


Ashiq Hussain Sheikh
Chief Financial Officer


Mudassir Ahmad Padder
Company Secretary

Place: Srinagar
Date: 10/05/2022

This is the Balance Sheet referred to in our Report of even date.

**FOR A. J. MOHAN & ASSOCIATES
CHARTERED ACCOUNTANTS**

Firm Reg. No.: 002468N

CA. Abhijit Mohan
Membership No. : 540233
Place: Srinagar
Date: 10/05/2022



JKB FINANCIAL SERVICES LIMITED

Main Road, Jawahar Nagar, Srinagar.

PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2022.

S. No.	Particulars	Note	Figures for Period	
			Ended Mar. 2022	Ended Mar. 2021
			Amount (₹)	Amount (₹)
I	Revenue from Operations	14	948,20,195.04	937,44,113.45
II	Other Income	15	43,05,137.12	46,84,541.42
III	Total Revenue (I +II)		991,25,332.16	984,28,654.87
IV	Expenses:			
	Employee Benefit Expense	16	314,78,172.55	304,53,620.67
	Financial Costs		37,31,603.59	3,10,747.00
	Commission to J&K Bank on Referral Business		2,51,225.00	-
	Depreciation and Amortization Expense & Written offs	17	21,19,623.63	34,98,661.33
	Other Administrative Expenses	18	214,23,084.49	219,60,724.15
	Total Expenses (IV)		590,03,709.26	562,23,753.15
V	Profit before exceptional and extraordinary items and tax	(III - IV)	401,21,622.90	422,04,901.72
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		401,21,622.90	422,04,901.72
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		401,21,622.90	422,04,901.72
X	Tax expense:			
	(1) Current tax		56,08,908.00	47,76,861.00
	(2) MAT Credit Entitlement		(56,08,908.00)	(47,76,861.00)
	(3) Deferred tax (Net)		113,60,551.96	154,91,223.62
XI	Profit(Loss) from the period from continuing operations	(IX-X)	287,61,070.94	267,13,678.10
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		287,61,070.94	267,13,678.10
XVI	Earning per equity share:			
	(1) Basic (Annualised)		1.44	1.34
	(2) Diluted (Annualised)		1.44	1.34

NOTES TO ACCOUNTS AND ACCOUNTING POLICIES

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Notes referred above and attached thereto form an integral part of Profit & Loss Statement


Baldev Prakash

Chairman

Rakesh Koul


Director


Mohammad Muzaffar Wani

Managing Director


Ashiq Hussain Sheikh

Chief Financial Officer


Mudassir Ahmad Padder

Company Secretary

Place: Srinagar

Date: 10/05/2022

This is the Profit & Loss Statement referred to in our Report of even date.

FOR A. J. MOHAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No.: 002468N

CA. Abhijit Mohan

Membership No. : 540233

Place: Srinagar

Date: 10/05/2022



JKB FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2022.

Note 1: Share Capital

(Amount in ₹)

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	AUTHORIZED CAPITAL 4,00,00,000 Equity Shares of Rs. 10/- each.	4000,00,000.00	3000,00,000.00
		4000,00,000.00	3000,00,000.00
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL 200,00,000 Equity Shares of Rs. 10/- each.	2000,00,000.00	2000,00,000.00
	Total	2000,00,000.00	2000,00,000.00

Note 2: Reserve & Surplus

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Capital Reserve	-	-
2	Revaluation Reserve	-	-
3	Other Reserve	-	-
4	Surplus (Profit & Loss Account)	(319,25,156.62)	(586,38,834.72)
	Balance brought forward from previous year	(319,25,156.62)	(586,38,834.72)
	Less: Tax on Regular Assessment Paid	-	-
	Add: Profit for the period	287,61,070.94	267,13,678.10
	Total	(31,64,085.68)	(319,25,156.62)

Note 3: Other Non Current Liabilities

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Client Deposits (NSDL)	1,26,812.88	3,19,597.95
2	Client Deposits (CDSL)	8,192.13	44,890.45
3	Retention Money	2,04,078.00	4,078.00
	Total	3,39,083.01	3,68,566.40

Note 4: Short term Borrowings

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Line of Credit Account (CC-995)	445,00,000.00	500,00,000.00
2	Secured Overdraft	315,00,000.00	270,00,000.00
	Total	760,00,000.00	770,00,000.00

Note 5: Trade Payables

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Total outstanding dues of micro enterprises and small enterprises	-	-
2	Total outstanding dues of creditors other than micro enterprises and small enterprise	66,93,409.40	76,29,298.09
	Total	66,93,409.40	76,29,298.09

Note 6: Other Current Liabilities

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	J&K Bank (Holding Company)	-	47,87,694.55
2	Client Control A/C	792,72,169.89	814,09,283.19
3	Stamp Charges JK	12,974.60	25,413.26
4	Stamp Duty Payable	-	15,940.24
5	Securities Transaction Tax	-	3,59,782.87
6	TDS Payable	5,58,742.19	84,989.54
7	TDS on GST Payments	1,26,915.79	5,508.78
8	GST Payable	8,54,099.01	16,30,814.13
9	Education Cess Payable	-	0.01
10	Higher Education Cess Payable	-	-
11	Krishi Kalyan Cess Payable	-	-
12	Expenses Payable	49,42,096.14	45,86,963.63
13	Other Client Payable	46,970.26	45,394.88
14	Other Current Liabilities	29,742.20	29,742.20

15	Exchange Obligation Account	91,60,962.20	29,76,726.76
16	SEBI TOT Charges	1,71,645.49	1,56,698.73
	Total	93,32,607.69	31,33,425.49

Note 7: Short Term Provisions

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Audit Fee Payable	1,50,000.00	1,38,750.00
2	Provision for Tax Audit	1,00,000.00	2,50,625.00
3	Provision for Income Tax	103,85,769.00	47,76,861.00
	Total	106,35,769.00	51,66,236.00

JKB FINANCIAL SERVICES LIMITED

Main Road, Jawahar Nagar, Srinagar.

Cash Flow Statement for period ended 31st March 2022.

Particulars	Period Ended 31st Mar., 2022	Period Ended 31st Mar., 2021
	Amount (₹)	Amount (₹)
Cash Flow Operating Activities		
Net Profit After Tax	287,61,070.94	267,13,678.10
Adjustments for		
1) Depreciation	21,19,623.63	34,98,661.33
2) Preliminary Expenses	-	-
3) Other Income	(43,05,137.12)	(46,84,541.42)
Deferred Tax (Credited To P&L Account)	113,60,551.96	154,91,223.62
Operating Profit Before Working Capital Change	379,36,109.41	410,19,021.63
Change in Working Capital		
Trade & Other Receivables (Increase) / Decrease	(826,35,564.34)	(731,92,518.01)
Trade & Other Payables Increase / (Decrease)	25,22,336.99	942,22,017.97
Net Cash Generated from Operations	(A) (421,77,117.94)	620,48,521.59
Cash Flow Investing Activities		
(Increase) / Decrease In Fixed assets	(4,12,635.69)	(15,85,853.07)
Other Income	43,05,137.12	46,84,541.42
(Increase) / Decrease in Security Deposits	(166,13,723.00)	127,33,139.00
Net cash flow from investing activities	(B) (127,21,221.57)	158,31,827.35
Cash Flow Financing Activities		
Increase in Equity Share capital	-	-
Net Cash Flow Financing Activities	(C) -	-
Net Increase/ Decrease In Cash and Cash Equivalents (A+B+C)	(548,98,339.51)	778,80,348.94
Opening Cash & Cash Equivalents	1996,33,298.20	1217,52,949.26
Closing Cash & Cash Equivalents	1447,34,958.69	1996,33,298.20


Baldev Prakesh

Chairman

Rakesh Koul
Director


Mohammad Muzaffar Wani
Managing Director


Ashiq Hussain Sheikh
Chief Financial Officer


Mudassir Ahmad Padder
Company Secretary

Place: Srinagar
Date: 10/05/2022

This is the Cash Flow Statement referred to in our Report of even date.

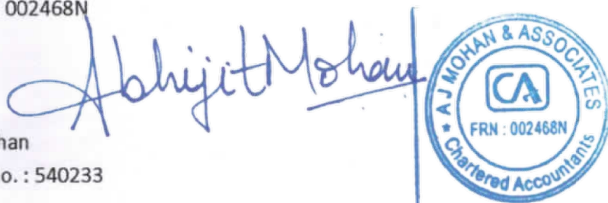
FOR A. J. MOHAN & ASSOCIATES

CHARTERED ACCOUNTANTS

Firm Reg. No.: 002468N

CA. Abhijit Mohan
Membership No. : 540233

Place: Srinagar
Date: 10/05/2022



JKB FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31ST MARCH, 2022.

Note 8: Fixed Asset

I. Fixed Assets

S. No.	Particulars	Gross Block				Depreciation			Net Block		
		Value at the beginning of the Period	Addition during the Period	Adjustment during the Period	Value as the End of the Period	Value at the beginning of the Period	Addition during the Period	Adjustment during the Period	Value as at End of the Period	WDV as on 31.03.2021	WDV as on 31.03.2022
I	Tangible Assets										
1.	Computers	96,61,187.76	55,256.86	800.69	97,15,643.93	85,81,266.32	5,88,529.82		91,69,796.14	10,79,921.44	5,45,847.79
2.	Furniture Fixture	33,85,360.93	62,587.32		34,47,948.25	22,89,421.26	3,14,006.53		26,03,427.79	10,95,939.67	8,44,520.46
3.	Library Books	17,029.14	1,525.00		18,554.14	13,795.82	2,784.80		16,580.62	3,233.32	1,973.52
4.	Mobile Phones	1,74,951.79	-		1,74,951.79	1,69,063.35	2,944.22		1,72,007.57	5,888.44	2,944.22
5.	Plant & Machinery	30,30,238.18	2,94,067.20		33,24,305.38	20,08,224.31	3,26,703.94		23,34,928.25	10,22,013.87	9,89,377.13
	Sub-Total	162,65,767.80	4,13,436.38	800.69	166,81,403.49	130,61,771.06	12,34,969.31	-	142,96,740.37	32,06,996.74	23,84,663.12
II	Intangible Assets										
1.	Software	65,89,576.56	-	-	65,89,576.56	55,15,791.29	8,84,654.32		64,00,445.61	10,73,785.27	1,89,130.95
	Sub-Total	65,89,576.56	-	-	65,89,576.56	55,15,791.29	8,84,654.32	-	64,00,445.61	10,73,785.27	1,89,130.95
	Total	228,55,344.36	4,13,436.38	800.69	232,70,980.05	185,77,562.35	21,19,623.63	-	208,97,185.98	42,80,782.01	25,73,794.07

(Amount in ₹)

JKB FINANCIAL SERVICES LIMITED

**NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD
ENDED 31ST MARCH, 2022.**

Note 9: Deferred Tax

(Amount in ₹)

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Deferred Tax Asset	7,76,777.16	121,37,329.12
2	Deferred Tax Liability	(2,66,958.54)	(2,66,958.54)
	Deferred Tax Asset (NET)	5,09,818.62	118,70,370.58

Note 10: Long Term Loans and Advances

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
	Security Deposit & Margin Deposits		
	<u>Secured, Considered Good :</u>		
1	NSE	110,00,000.00	110,00,000.00
2	BSE	1,25,000.00	1,25,000.00
3	CDSL	5,00,000.00	5,00,000.00
4	NCCL	40,00,000.00	40,00,000.00
5	HCL COMNET	3,00,000.00	3,00,000.00
6	Additional Surveillance Deposit	2,315.00	-
7	Security Deposits-Others	14,350.00	11,850.00
8	Additional Base Capital	125,00,000.00	25,00,000.00
9	Additional Margin Deposit (BSE)	10,00,000.00	10,00,000.00
10	MAT Credit Entitlement	103,85,769.00	47,76,861.00
	Total	398,27,434.00	242,13,711.00

Note 11: Trade Receivables

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Demat Receivables		
	Outstanding for less than 6 months	44,08,935.78	32,16,528.89
	Outstanding for more than 6 months (Unsecured, considered Good)	63,93,272.30	43,77,265.38
	Total	108,02,208.08	75,93,794.27

Note 12: Cash & Cash Equivalent

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
	Bank Balance		
1	HDFC BSE CM Settlement A/c (CA10249)	6,02,945.59	5,08,359.00
2	HDFC NSE CM Client A/c (CA123)	20,000.00	20,000.00
3	HDFC NSE F&O Client A/c (CA106)	20,000.00	20,000.00
4	HDFC NSE F&O Settlement A/c (CA5428)	35,83,255.54	18,86,575.05
5	HDFC BSE CM Client A/c (CA140)	10,000.00	10,000.00
6	HDFC NSE Business A/c (CA116)	2,17,479.60	0.60
7	HDFC BSE F&O Client A/c (CA133)	10,000.00	10,000.00
8	HDFC BSE F&O Settlement A/c (CA1726)	7,240.00	7,240.00
9	HDFC BSE MFSS Settlement A/c (CA11483)	13,27,705.28	19,886.00
10	HDFC NSE MFSS Settlement A/c (CA15937)	20,100.00	20,000.00
11	HDFC NSE CM Settlement A/c (CA13873)	79,76,510.52	35,15,615.91
12	HDFC NSE Exchange Dues A/c (CA10337)	4,25,217.00	7,20,961.00
13	Current A/c (CA0042)	1,99,209.57	508,92,760.32
14	FSC Branch Expenditure A/c	87,872.99	1,81,493.31
15	FSC Branch Income A/c	47,982.06	69,310.34

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
16	JKBFSL Mutual Fund Income A/c (CA0104)	0.10	0.52
17	JKB Recruitment Bank A/c	-	-
18	Head Office Income A/c (CA0092)	41,464.00	11,75,186.73
19	JKBFSL Client A/c (CA0102)	401,47,352.38	561,58,166.99
20	JK Bank Dividend A/C (CA27863)	8,536.64	6,979.24
21	JKBFSL MTF Account	5,001.00	20.00
22	E-Payment of Taxes A/c	5,58,742.19	35,783.19
23	JKB Inter-Co. Adjustment Account	43,344.43	-
24	Fixed Deposit with J&K Bank		
	(a) Unencumbered and Free	-	-
	(b) Held as security against SOD	350,00,000.00	300,00,000.00
25	Fixed Deposit with HDFC Bank		
	(a) Unencumbered and Free	-	-
	(b) Held as security against Exchanges	543,75,000.00	543,75,000.00
	Total	1447,34,958.69	1996,33,298.20

Note 13: Other Current Assets

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Exchange Obligation Account	114,38,332.50	-
2	Interest Receivable	10,93,477.55	8,71,049.67
3	<u>Advance Income Tax/TDS</u>		
	a) On Commission	-	-
	b) On Interest on FDR's	6,55,781.82	3,00,208.60
	c) Advance Income Tax	88,25,200.00	33,38,400.00
	d) Advance Client TDS	-	-
4	Electronic Cash Ledger	-	15,60,458.75
5	Advance to Suppliers	2,96,762.33	4,39,314.09
6	Advance to Staff	10,11,777.00	3,27,413.00
7	Client Control A/C (Dr)	1627,59,040.95	992,34,021.89
8	PDD Sgr.	14,000.00	14,000.00
9	JKB Holding Company A/c	9,999.82	-
10	Other Receivables	2,60,754.60	1,44,712.95
11	Prepaid Expenses/Advance (Others)	8,67,153.46	5,75,550.55
	Total	1872,32,280.09	1068,05,129.50

JKB FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD
ENDED 31ST MARCH, 2022.

Note 14: Income from operations

(Amount in ₹)

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Brokerage Income A/C	604,17,642.64	705,75,675.70
2	Pay In Delay Charges A/c	180,42,332.21	106,57,913.03
3	Demat Income A/c	140,20,826.46	103,63,633.24
4	Other Depository Income A/c	6,629.04	2,57,857.81
5	DP Pool Charges A/c	95,794.53	2,30,310.26
6	Mutual Fund Commission	22,36,970.16	12,29,604.01
7	Profit on Sale / Disposal of Fixed Assets	-	4,29,119.40
Total in Rs		948,20,195.04	937,44,113.45

Note 15: Other Income

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Interest Earned on FDR's	41,15,929.60	42,83,300.04
2	Other Receipts	1,89,207.52	4,01,241.38
Total in Rs		43,05,137.12	46,84,541.42

Note 16: Employment Benefit Expenses

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Salary A/C	201,12,861.53	235,02,582.74
2	Managerial Remuneration (MD) A/C	27,37,302.00	22,83,201.00
3	Salary (Staff on Deputation)	64,18,523.70	45,60,436.93
4	Bonus & Incentives	19,51,991.05	1,07,400.00
5	Employer's Contribution to NPS	2,57,494.27	-
Total in Rs		314,78,172.55	304,53,620.67

Note 17: Depreciation & Amortized Cost

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Depreciation A/c	21,19,623.63	34,98,661.33
2	Preliminary Expenses W/O	-	-
Total		21,19,623.63	34,98,661.33

Note 18: Other Administrative Expenses

S. No.	Particulars	Period Ended Mar.'22	Period Ended Mar.'21
1	Membership & Subscription Fee	16,29,360.47	15,54,754.49
2	Rent, Rates & Taxes	37,56,640.78	35,46,198.89
3	Communication & Connectivity Cost	18,34,178.17	31,28,944.38
4	Legal & Professional Charges	9,45,133.06	3,16,495.76
5	Bank Commission & Other Charges	11,512.88	79,158.56
6	Travelling & Conveyance Expenses	2,31,016.81	64,795.70
7	Power & Fuel	12,42,349.48	12,57,862.75
8	Directors Fees, Allowances and Expenses	1,50,000.00	60,000.00
9	Stationary & Printing	1,84,189.80	3,52,031.04
10	Payment to Auditors	5,32,650.00	6,73,000.00
11	Office Upkeep & Maintenance Expenses	15,60,906.61	6,59,668.90
12	Repairs & Maintenance	3,44,953.36	6,75,992.39
13	Other Administrative Expenses	24,35,900.69	18,06,109.38
14	Postage & Telephone	1,96,767.41	2,87,581.17
15	Exchange, DP & Other Charges	4,87,612.77	2,86,655.56
16	Hospitality & Entertainment (incl. B/L)	4,50,595.90	4,73,326.76
17	Insurance	1,05,336.30	4,06,822.42
18	Training & Certification	1,21,480.00	24,000.00
19	Front / Back-Office Charges	52,02,500.00	63,07,326.00
Total		214,23,084.49	219,60,724.15



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

NOTE 19

I. SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING METHODOLOGY

The financial statements are prepared and presented under historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('GAAP') and in compliance with the Accounting Standards ('AS') specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014, and the guidelines issued by the Securities and Exchange Board of India to the extent applicable.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Accounting Standards and Generally Accepted Accounting Principles requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual result could differ from these estimates. Any revision to accounting estimates is recognized in the period in which the results get known/materialised.

C. REVENUE RECOGNITION

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured following accrual basis and in compliance to the provisions of AS-9 issued by ICAI.

D. FIXED ASSETS

Fixed assets are stated at historical cost, which comprises of purchase consideration and other directly attributable cost of bringing an asset to its working condition for the intended use, less accumulated depreciation.

E. DEPRECIATION

- a) Tangible Assets: - Depreciation is provided on Written Down Value (WDV) Method in the manner prescribed in the Schedule II of the Companies Act, 2013 and for calculating the rates of depreciation and useful life of the assets as mentioned in the Part C of the said Schedule is taken into consideration. Any variation from the given useful life in the schedule will be reported in the notes to accounts.
- b) Intangible Assets: - The provision of the Accounting Standards for the time being in force is applied i.e. as per AS-26.



F. IMPAIRMENT OF ASSETS

In accordance with AS-28 on 'Impairment of Assets' prescribed by the Companies (Accounting Standard) Rules, 2006 where there is an indication of impairment of the Company's assets related to cash generating units, the carrying amounts of such assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of such assets is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized in the statement of Profit and Loss whenever the carrying amount of such assets exceeds its recoverable amount. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the assets restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized.

G. INVESTMENT

Investments shall be classified into long term and current investments. Long-term investments are carried at cost and provision is made to recognize any decline in the value, other than temporary, in the value of such investments. Current investments are carried at the lower of the cost or fair value/market value and provision is made to recognize any decline in the carrying value of the investments.

H. RETIREMENT BENEFITS

i) **Short Term Benefits:**

Short Term employee benefits are charged to revenue in the year in which the related services is rendered.

ii) **Long Term Employee Benefits:**

The accounting of long-term employees benefits is done strictly as per AS-15 (Revised 2005) issued by the Institute of Chartered Accountants of India in line with the group policy defined by the Holding Company.

I. TAXATION

Provision for current income tax is made on the basis of the estimated taxable income for the year in accordance with the Income Tax Act, 1961. Deferred tax resulting from timing differences between accounting income and taxable income is accounted for under the liability method, at the current rate of tax, to the extent that the timing differences are expected to crystallize. Deferred tax assets are recognized and carried forward only if there is a virtual/reasonable certainty that they will be realized and are reviewed for the appropriateness of their respective carrying values at each Balance Sheet date.



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED MARCH 31, 2022

II. NOTES TO THE FINANCIAL STATEMENTS

1. The operating income of the company amounting ₹ 9,48,20,195.04 includes brokerage income of ₹7,84,59,974.85, Depository Income of ₹1,41,23,250.03 and Mutual Fund commission 22,36,970.16. The company is operating as a Stock Broker of NSE (Cash & F&O) and BSE (Cash & F&O) and as Depository Participants of CDSL and NSDL Depositories.
2. Trade receivables includes ₹ 63,93,272.30 being outstanding from the DP Clients, which are outstanding for more than six months. However, these are considered good by the management, hence no provision for these receivables have been made.
3. The deferred tax asset (Net) of ₹5,09,818.62 as shown in the Balance Sheet includes DTA of ₹5,09,818.62 and net Deferred Tax Expenses of ₹1,13,60,551.96 reversed in the Profit and Loss Account is calculated as per the provisions of AS-22 (Accounting for taxes on income).

Creation of DTA/Reversal of DTL	Amount in (₹)
On Timing Difference in Depreciation	5,09,818.62
Reversal of DTA	
Deferred Tax reversed on adjustment of C/f Business Loss	(1,21,37,329.12)
Deferred Reversal of DTL	2,66,958.54
Net Deferred Tax recognized in P&L A/C	(1,13,60,551.96)

4. Segment Reporting: - The Company operates in a single business segment and hence no disclosure is being made.
5. Previous year figures are regrouped and rearranged wherever required.
6. The payment to auditor include ₹ 1, 50,000/- (Plus taxes) as statutory audit fee, ₹ 9,375 as tax audit fee and ₹ 3, 73,275/- (Plus taxes) for internal audit fee and other services.
7. Related Parties Disclosures
 - a) Relationships: Holding Company – The Jammu & Kashmir Bank Ltd.
 - b) Key Management Personnel:-

Mr. Baldev Prakash	Chairman
Mr. Nisar Ahmad Zargar	Director
Ms. Nishi Sharma	Director
Mr. Mohammad Muzzafar Wani	Managing Director
Mr. Ashiq Hussain Sheikh	Chief Financial Officer
Mr. Mudassir Ahmad Padder	Company Secretary
 - c) Disclosure of transactions between the Company and related parties and the status of outstanding balances as at the half year end.



JKB Financial Services

Investment beyond banking

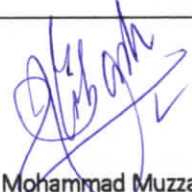
Items/Related Party	J&K Bank Ltd.(₹)
Deposits/Balance in Bank Accounts	7,61,39,505.16
Loans/Credit facilities availed	7,60,00,000.00
Interest /Commission Paid	39,94,341.47
Interest /Commission Received	12,37,329.00
Reimbursement of Revenue Expenditure	30,34,852.92
Disbursement on behalf of JKBFSL (Salary of deputed staff)	64,18,523.70
Managing Director's Remuneration	27,37,302.00

8. The earnings considered in ascertaining the Company's Earnings per share (EPS) comprise net Profit/Loss after Taxation. The number of shares used in computing basic and diluted EPS is the weighted average number of shares outstanding during the year.

Description	Period ending 31.03.2022 (₹)	Period ending 31.03.2021 (₹)
Profit/ (Loss) after taxation	2,87,61,070.94	2,67,13,678.10
Weighted average Number of equity Shares outstanding	2,00,00,000	2,00,00,000
Basic and Diluted earnings per share (annualised) in Rupees. (face-value ₹10/- per share)	1.44	1.34


Baldev Prakash
Chairman

Rakesh Koul
Director


Mohammad Muzafar Wani
Managing Director


Ashiq Hussain Sheikh
Chief Financial Officer


Mudassir Ahmad Padder
Company Secretary

Place: Srinagar
Dated: 10/05/2022

In terms of our report of even date annexed

FOR A. J. MOHAN & ASSOCIATES
CHARTERED ACCOUNTANTS

Firm Reg. No.: 002468N

CA. Abhijit Mohan
Membership No. : 540233

Place: Srinagar
Dated: 10/05/2022

