

INDEPENDENT AUDITOR'S REPORT

To
The Members of
JKB Financial Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **JKB Financial Services Limited** ("the Company"), which comprise the balance sheet as at 31 March 2023, and the statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and profit and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company 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, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report thereon

- The Company's Board of Directors is responsible for the other information. The other information comprises of the Director's Report, which we obtained on the date of this auditor's report.
- Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.
- In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.
- If based on the work we have performed, if 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company'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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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 skepticism 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 Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by 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 Company'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 Company 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.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the 'Annexure A' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31 March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2023 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

- (i) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended; in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provision of section 197 of the Act.
- (j) 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 Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For M/s A J MOHAN & ASSOCIATES

Chartered Accountants

Firm Registration No: FRN 002468N




CA ABHIJIT MOHAN

(Partner)

Membership No: 540233

UDIN: - 23540233BGVXVO6616

Place: New Delhi

Date: 30.04.2023

Annexure A

The Annexure referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of **JKB Financial Services Limited** on the financial statements as of and for the year ended 31 March, 2023

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets on the basis of the available information.

b) The Company has a regular program of physical verification of its fixed assets under which fixed assets are verified on an annual basis, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and according to the information and explanation given to us, no material discrepancies were noticed on such verification.

c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title deeds of all the freehold immovable properties (which are included under the head 'fixed assets' (comprising of property, plant and equipment and other intangible assets) are held in the name of the Company.
- ii) No Inventory is held by the company as on 31st March 2023; hence paragraph 3(ii) of the order is not applicable.
- iii) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or other parties covered in the register maintained under Section 189 of the Act. Accordingly, the provisions of clauses 3(iii)(a), 3(iii)(b) and 3(iii)(c) of the Order are not applicable.
- iv) In our opinion and according to the information and explanation given to us, the Company has not entered into any transaction covered under Section 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year and had no unclaimed deposits at the beginning of the year within the meaning of Sections 73 to 76 of the Act and the Companies Rules, 2014. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

- vi) According to the information and explanations given to us, the Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's products or services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- vii) According to the information and explanations given to us, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income-tax, goods and services tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable. The operations of the Company during the year does not give rise to liability of sales tax, duty of excise, service tax and value added tax.
- viii) According to the information and explanations given to us, there are no dues outstanding of more than 6 months as on 31st March 2023 in respect of statutory liabilities on account of any dispute.
- ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to banks and no dues payable to debenture-holders as at 31 March, 2023.
- x) In our opinion and according to the information and explanations given to us, the Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) and did not have any term loans outstanding during the year. Accordingly, the provisions of clause 3(ix) of the Order are not applicable.
- xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- xii) The Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv) During the year, the company has not made preferential allotment of equity shares. Accordingly, provisions of clause 3 (xiv) of the order are not applicable to the Company.

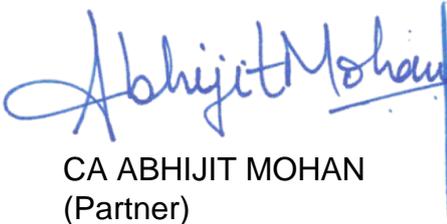
xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act. Accordingly, provisions of clause 3 (xv) of the order are not applicable.

xvi) The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, provisions of clause 3 (xvi) of the order are not applicable.

For M/s A J MOHAN & ASSOCIATES

Chartered Accountants

Firm Registration No: FRN 002468N




CA ABHIJIT MOHAN
(Partner)

Membership No: 540233

UDIN: - 23540233BGVXVO6616

Place: New Delhi

Date: 30.04.2023

Annexure B

The Annexure referred to in paragraph 2 (f) under 'Report on Other Legal and Regulatory Requirements' section of the Independent Auditor's Report of even date to the members of the company on the financial statements as of and for the year ended 31 March 2023.

Independent Auditor's report on the Internal Financial Controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the internal financial controls with reference to financial statements of JKB Financial Services Limited as of 31st March, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on internal control with reference to financial statement criteria established by the Company considering the essential components of internal control stated in the Guidance note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (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 the company's business, including adherence to company'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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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, issued by the Institute of Chartered Accountants of India (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 applicable to an audit of Internal Financial Controls and, 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 with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their

operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statement.

Meaning of Internal Financial Controls with reference to financial statements

A company's internal financial controls with reference to financial statements 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 company's internal financial controls with reference to financial statements 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 company;
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 company are being made only in accordance with authorisations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to financial statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at 31st March, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **M/s A J MOHAN & ASSOCIATES**

Chartered Accountants

Firm Registration No: FRN 002468N




CA ABHIJIT MOHAN

(Partner)

Membership No: 540233

UDIN: - 23540233BGVXVO6616

Place: New Delhi

Date: 30.04.2023

ANNEXURE-C

Based on the verification of books of accounts of the company and according to information and explanation given to us, report is given below on the Direction issued by the Comptroller and Auditor General of India in terms of Section 143 (5) of the Act:

S.No.	Directions	Reply
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 implications, if any, may be stated.	<p>During the course of our audit, we have observed that all accounting transactions have been routed through the back- office system. Financial statement are drafted basis the data extracted from the above mention back-office system.</p> <p>No Such transactions have been observed which have an impact on the integrity of the accounts along with financial implications proposed outside IT system.</p>
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?	On the scrutiny of the books and explanations given by the company, we have not noticed any restructuring of an existing loan or cases of waiver/write off of debts/loans/interest.
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?	According to information and explanations given to us and based on our audit, the Company has not received any funds from Central/State Government or its agencies during the F.Y.2022-23.

Sector specific Sub-directions under section 143(5) of the Companies Act, 2013

S. No.	Directions	Reply
1.	<p>Whether the company has complied with the directions issued by Reserve Bank of India for</p> <ul style="list-style-type: none"> • Non- Banking Finance Companies (NBFC's) • Classification of non-performing assets; and • Capital adequacy norms for NBFCs. 	Not Applicable
2.	<p>Whether the company has a system to ensure that loans were secured by adequate security free from encumbrances and have first charge on mortgage assets. Further instances of undue delay in disposal of seized units may be reported.</p>	<p>During the course of audit, we have noticed that the company has not given any loan during the F.Y.2022-23.</p>
3.	<p>Whether the introduction of any scheme for settlement of dues and extension thereto complied with policy/ guidelines of the Company/ Government</p>	<p>According to the information and explanation given to us and based on the audits conducted by us, the company has no introduced any scheme of the central government for settlement of dues and extension of thereto.</p>
4.	<p>Comment on the confirmation of balance of trade receivable, trade payables, term deposits, bank accounts and cash obtained.</p>	<p>As explained to us, balance confirmation for all bank accounts have been taken and the balance of trade receivables consists of DEMAT account charges of very large number of customers with the amount of each individual customer being very small. Hence, it is not possible to get balance confirmation from each small customer.</p>
5.	<p>Whether the Bank Guarantees have been revalidated in time?</p>	<p>No bank guarantee is taken by the company.</p>
6.	<p>Examine the system of effective utilization of Loans/ Grant-in-Aid/ Subsidy. List the cases of diversion of fund.</p>	<p>There is no such case of Loans/ Grant-in-Aid/ Subsidy.</p>

7.	Examine the cost benefit analysis of the major capital expenditure/ expansion including IRR and payback period.	According to the information and explanation given to us and upon examination of books of accounts, there was no major capital expenditure/expansion that was identified.
8.	If the audited entity has computerized its operations or part of it, assess and report, how much of the data in the company is in the electronic format, which of the area such as accounting, sales personnel information, pay roll, inventory etc. have been computerized and the company has evolved proper security policy for data/ software/ hardware.	As per explanations given to us, almost all the areas have computerized by the company such as accounting, pay roll and the company has evolved proper security policy for data/software/ hardware.

For M/s A J MOHAN & ASSOCIATES

Chartered Accountants

Firm Registration No: FRN 002468N

Abhijit Mohan



CA ABHIJIT MOHAN

(Partner)

Membership No: 540233

UDIN: - 23540233BGVXVO6616

Place: New Delhi

Date: 30.04.2023

JKB FINANCIAL SERVICES LIMITED

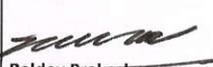
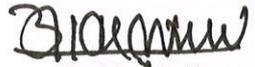
Main Road, Jawahar Nagar, Srinagar.
BALANCE SHEET AS AT 31ST March, 2023.

Particulars	Note	Figures as on 31.03.2023	Figures as on 31.3.2022
		Amount (₹)	Amount (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	40,00,00,000.00	20,00,00,000.00
(b) Reserves and Surplus	2	89,01,832.60	(31,64,085.68)
(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	2,20,522.35	3,39,083.01
(4) Current Liabilities			
(a) Short-Term Borrowings	4	7,84,00,000.00	7,60,00,000.00
(b) Trade Payables	5	31,09,887.08	66,93,409.40
(c) Other Current Liabilities	6	7,16,76,863.81	9,51,76,317.76
(d) Short-Term Provisions	7	30,40,306.00	1,06,35,769.00
Total Equity & Liabilities		56,53,49,411.84	38,56,80,493.49
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
1. Tangible Assets			
(i) Gross Block		1,71,73,341.14	1,66,81,403.49
(ii) Depreciation		1,50,88,273.64	1,42,96,740.37
(iii) Net Block		20,85,067.50	23,84,663.12
2. In- Tangible Assets			
(i) Gross Block		65,89,576.56	65,89,576.56
(ii) Depreciation		65,35,843.32	64,00,445.61
(iii) Net Block		53,733.24	1,89,130.95
(b) Non-current investments		-	-
(c) Deferred tax assets (net)	9	4,72,095.44	5,09,818.62
(d) Long term loans and advances (Security Deposits)	10	2,45,22,420.65	3,98,27,434.00
(2) Current Assets			
(a) Trade Receivables	11	1,27,80,216.94	1,08,02,208.08
(b) Inventories		-	-
(c) Cash and cash equivalents	12	30,75,65,738.22	14,47,34,958.69
(d) Short-term loans and advances		-	-
(e) Other current assets	13	21,78,70,139.85	18,72,32,280.03
Total Assets		56,53,49,411.84	38,56,80,493.49

NOTES TO ACCOUNTS AND ACCOUNTING POLICIES

20

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

 Baldev Prakash Chairman	 Syed Rais Maqbool Director	 Muhammad Muzzafar Wani Director	 Syed Aadil Bashir Managing Director
 Ashiq Hussain Sheikh Chief Financial Officer	 Mudassir Ahmad Padder Company Secretary		

Place: Srinagar
Date: 30/04/2023

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: 30/04/2023

JKB FINANCIAL SERVICES LIMITED

Main Road, Jawahar Nagar, Srinagar.

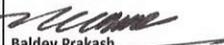
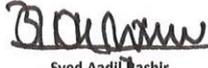
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2023.

S. No.	Particulars	Note	Figures for Period	Figures for Period	Figures for Quarter	Figures for Quarter
			Ended March 2023	Ended March 2022	Ended Mar. 2023	Ended Mar. 2022
			Amount (₹)	Amount (₹)	Amount (₹)	Amount (₹)
I	Revenue from Operations	14	9,41,81,249.89	9,48,20,195.04	2,48,38,896.31	2,65,15,291.40
II	Other Income	15	1,04,58,865.25	43,05,137.12	45,90,974.88	12,85,638.71
III	Total Revenue (I +II)		10,46,40,115.14	9,91,25,332.16	2,94,29,871.19	2,78,00,930.11
IV	Expenses:					
	Employee Benefit Expense	16	5,33,35,385.77	3,14,78,172.55	1,50,89,535.36	79,06,122.52
	Financial Costs		52,43,597.56	37,31,603.59	12,59,099.81	15,77,107.00
	Commission Paid to J&K Bank	17	10,12,470.46	2,51,225.00	3,59,708.00	1,66,560.00
	Depreciation and Amortization Expense & Written offs	18	9,26,930.98	21,19,623.63	2,39,883.74	3,10,365.52
	Other Administrative Expenses	19	2,74,05,301.56	2,14,23,084.49	69,80,689.53	60,78,133.17
	Total Expenses (IV)		8,79,23,686.33	5,90,03,709.26	2,39,28,916.44	1,60,38,288.21
V	Profit before exceptional and extraordinary items and tax	(III - IV)	1,67,16,428.81	4,01,21,622.90	55,00,954.75	1,17,62,641.90
VI	Exceptional Items		-	-	-	-
VII	Profit before extraordinary items and tax (V - VI)		1,67,16,428.81	4,01,21,622.90	55,00,954.75	1,17,62,641.90
VIII	Extraordinary Items		-	-	-	-
IX	Profit before tax (VII - VIII)		1,67,16,428.81	4,01,21,622.90	55,00,954.75	1,17,62,641.90
X	Tax expense:					
	(1) Current tax		27,90,306.00	56,08,908.00	15,21,189.69	19,63,420.00
	(2) MAT Credit Entitlement		18,22,481.35	(56,08,908.00)	-	(19,63,420.00)
	(3) Deferred tax (Net)		37,723.14	1,13,60,551.96	(3,911.26)	30,78,116.40
XI	Profit(Loss) from the period from continuing operations	(IX-X)	1,20,65,918.32	2,87,61,070.94	39,83,676.32	86,84,525.50
XII	Profit/(Loss) from discontinuing operations		-	-	-	-
XIII	Tax expense of discounting operations		-	-	-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-	-	-
XV	Profit/(Loss) for the period (XI + XIV)		1,20,65,918.32	2,87,61,070.94	39,83,676.32	86,84,525.50
XVI	Earning per equity share:					
	(1) Basic (Annualised)		0.38	1.44	0.40	1.74
	(2) Diluted (Annualised)		0.38	1.44	0.40	1.74

NOTES TO ACCOUNTS AND ACCOUNTING POLICIES

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

20

 Baldev Prakash Chairman	 Syed Rais Maqbool Director	 Mohammad Muzzafar Wani Director	 Syed Aadil Bashir Managing Director
 Ashiq Hussain Sheikh Chief Financial Officer	 Mudassir Ahmad Padder Company Secretary		

Place: Srinagar
Date: 30/04/2023

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: 30/04/2023



JKB FINANCIAL SERVICES LIMITED

Main Road, Jawahar Nagar, Srinagar.

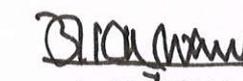
Cash Flow Statement for period ended 31st March 2023

Particulars	Period Ended 31st March, 2023	Period Ended 31st March, 2022
	Amount (₹)	Amount (₹)
Cash Flow Operating Activities		
Net Profit After Tax	1,20,65,918.32	2,87,61,070.94
Adjustments for		
1) Depreciation	9,26,930.98	21,19,623.63
2) Preliminary Expenses	-	-
3) Other Income	(1,04,58,865.25)	(43,05,137.12)
Deferred Tax (Credited To P&L Account)	37,723.14	1,13,60,551.96
Operating Profit Before Working Capital Change	25,71,707.19	3,79,36,109.41
Change in Working Capital		
Trade & Other Receivables (Increase) / Decrease	(3,26,15,868.68)	(8,26,35,564.34)
Trade & Other Payables Increase / (Decrease)	(3,23,96,999.93)	25,22,336.99
Net Cash Generated from Operations (A)	(6,24,41,161.42)	(4,21,77,117.94)
Cash Flow Investing Activities		
(Increase) / Decrease In Fixed assets	(4,91,937.65)	(4,12,635.69)
Other Income	1,04,58,865.25	43,05,137.12
(Increase) / Decrease in Security Deposits	1,53,05,013.35	(1,66,13,723.00)
Net cash flow from investing activities (B)	2,52,71,940.95	(1,27,21,221.57)
Cash Flow Financing Activities		
Increase in Equity Share capital	20,00,00,000.00	-
Net Cash Flow Financing Activities (C)	20,00,00,000.00	-
Net Increase/ Decrease In Cash and Cash Equivalents (A+B+C)	16,28,30,779.54	(5,48,98,339.51)
Opening Cash & Cash Equivalents	14,47,34,958.69	19,96,33,298.20
Closing Cash & Cash Equivalents	30,75,65,738.23	14,47,34,958.69


Baldev Prakash
Chairman


Syed Rais Maqbool
Director


Mohammad Muzzafar Wani
Director


Syed Aadil Bashir
Managing Director


Ashiq Hussain Sheikh
Chief Financial Officer


Mudassir Ahmad Padder
Company Secretary

Place: Srinagar
Date: 30/04/2023

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: 30/04/2023

JKB FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD ENDED 31st March, 2023

Note 1: Share Capital

		(Amount in ₹)	(Amount in ₹)
S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	AUTHORIZED CAPITAL 4,00,00,000 Equity Shares of Rs. 10/- each.	40,00,00,000.00	40,00,00,000.00
2	ISSUED , SUBSCRIBED & PAID UP CAPITAL 400,00,000 Equity Shares of Rs. 10/- each.	40,00,00,000.00	20,00,00,000.00
	Total	40,00,00,000.00	20,00,00,000.00

Note 2: Reserve & Surplus

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	Capital Reserve		-
2	Revaluation Reserve		-
3	Other Reserve		-
4	Surplus (Profit & Loss Account)	(31,64,085.72)	(3,19,25,156.66)
	Balance brought forward from previous year	(31,64,085.72)	(3,19,25,156.66)
	Less: Tax on Regular Assessment Paid	-	-
	Add: Profit for the period	1,20,65,918.32	2,87,61,070.94
	Total	89,01,832.60	(31,64,085.72)

Note 3: Other Non Current Liabilities

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	Client Deposits (NSDL)	2,06,281.26	1,26,812.88
2	Client Deposits (CDSL)	10,163.09	8,192.13
3	Retention Money	4,078.00	2,04,078.00
	Total	2,20,522.35	3,39,083.01

Note 4: Short-Term Borrowing

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	Line of Credit Account (CC-995)	-	4,45,00,000.00
2	Secured Overdraft	7,84,00,000.00	3,15,00,000.00
	Total	7,84,00,000.00	7,60,00,000.00

Note 5: Trade Payables

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	Total outstanding dues of micro enterprises and small enterprises	-	-
2	Total outstanding dues of creditors other than micro enterprises and small enterprise	31,09,887.08	66,93,409.40
	Total	31,09,887.08	66,93,409.40

Note 6: Other Current Liabilities

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	J&K Bank (Holding Company)	2,00,000.19	-
2	Client Control A/C	6,22,47,525.23	7,92,72,169.89
3	Stamp Charges JK	-	12,974.60
4	Stamp Duty Payable	26,075.96	0.00
5	Securities Transaction Tax	34,48,905.39	0.00
6	TDS Payable	1,41,003.74	5,58,742.19
7	TDS on GST Payments	81,945.01	1,26,915.79
8	GST Payable	8,52,877.92	8,54,099.01
9	Education Cess Payable	-	-
10	Higher Education Cess Payable	-	-
11	Krishi Kalyan Cess Payable	-	-
12	Expenses Payable	41,95,094.72	49,42,096.14
13	Other Client Payable	48,450.01	46,970.26
14	Other Current Liabilities	89,234.55	29,742.20
15	Exchange Obligation Account	-	91,60,962.20
16	SEBI TOT Charges	3,45,751.09	1,71,645.49
	Total	7,16,76,863.81	9,51,76,317.76

Note 7: Short Term Provisions

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	Audit Fee Payable	1,50,000.00	1,50,000.00
2	Provision for Tax Audit	1,00,000.00	1,00,000.00
3	Provision for Income Tax	27,90,306.00	1,03,85,769.00
	Total	30,40,306.00	1,06,35,769.00

JKB FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31st March, 2023

Note 8: Fixed Asset

I. Fixed Assets

(Amount in ₹)

S. No.	Particulars	Gross Block				Depreciation				Net Block	
		Value at the beginning of the Year	Addition during the Year	Adjustment during the Year	Value as at End of the Year	Value at the beginning of the Year	Addition during the Year	Adjustment during the Year	Value as at End of the Year	WDV as on 31-03-2022	WDV as on 31-12-2023
I	Tangible Assets										
1.	Computers	97,15,643.93	61,051.70		97,76,695.63	91,69,796.14	2,98,359.31		94,68,155.45	5,45,847.79	3,08,540.18
2.	Furniture Fixture	34,47,948.25	85,031.76		35,32,980.01	26,03,427.79	2,37,455.41		28,40,883.20	8,44,520.46	6,92,096.81
3.	Library Books	18,554.14	6,745.00		25,299.14	16,580.62	4,820.47		21,401.09	1,973.52	3,898.05
4.	Mobile Phones	1,74,951.79	-		1,74,951.79	1,72,007.57	2,000.76		1,74,008.33	2,944.22	943.46
5.	Plant & Machinery	33,24,305.38	3,39,109.19		36,63,414.57	23,34,928.25	2,48,897.32		25,83,825.57	9,89,377.13	10,79,589.00
	Sub-Total	1,66,81,403.49	4,91,937.65	-	1,71,73,341.14	1,42,96,740.37	7,91,533.27	-	1,50,88,273.64	23,84,663.12	20,85,067.50
II	Intangible Assets				-						-
1.	Software	65,89,576.56	-	-	65,89,576.56	64,00,445.61	1,35,397.71		65,35,843.32	1,89,130.95	53,733.24
	Sub-Total	65,89,576.56	-	-	65,89,576.56	64,00,445.61	1,35,397.71	-	65,35,843.32	1,89,130.95	53,733.24
	Total	2,32,70,980.05	4,91,937.65	-	2,37,62,917.70	2,06,97,185.98	9,26,930.98	-	2,16,24,116.96	25,73,794.07	21,38,800.74

JKB FINANCIAL SERVICES LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD
ENDED 31ST MARCH 2023

Note 9: Deferred Tax

(Amount in ₹)

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	Deferred Tax Asset	4,72,095.44	7,76,777.16
2	Deferred Tax Liability	-	(2,66,958.54)
	Deferred Tax Asset (NET)	4,72,095.44	5,09,818.62

Note 10: Long Term Loans and Advances

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
	Security Deposit & Margin Deposits		
	<u>Secured, Considered Good :</u>		
1	NSE	1,50,00,000.00	1,10,00,000.00
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
5	NSDL-STP	10,000.00	3,00,000.00
6	HCL COMNET	3,00,000.00	2,315.00
7	Additional Surveillance Deposit	9,783.00	14,350.00
8	Security Deposits-Others	14,350.00	1,25,00,000.00
9	Additional Base Capital	-	10,00,000.00
10	MAT Credit Entitlement	85,63,287.65	1,03,85,769.00
	Total	2,45,22,420.65	3,98,27,434.00

Note 11: Trade Receivables

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	Bills Receivable Demat (TO)	-	-
2	<u>Demat Receivables:</u>		
	Outstanding for less than 6 months	49,82,943.16	44,08,935.78
	Outstanding for more than 6 months - Considered good	53,11,754.42	63,93,272.30
	Outstanding for more than 6 months - Considered Doubtful	24,85,519.36	-
	Total	1,27,80,216.94	1,08,02,208.08

Note 12: Cash & Cash Equivalent

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
	Bank Balance		
1	HDFC BSE CM Settlement A/c (CA10249)	6,54,330.56	6,02,945.59
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)	48,31,837.51	35,83,255.54
5	HDFC BSE CM Client A/c (CA140)	10,000.00	10,000.00
6	HDFC NSE Business A/c (CA116)	67,684.50	2,17,479.60
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)	20,000.00	13,27,705.28
10	HDFC NSE MFSS Settlement A/c (CA15937)	20,100.00	20,100.00
11	HDFC NSE CM Settlement A/c (CA13873)	70,42,089.71	79,76,510.52
12	HDFC NSE Exchange Dues A/c (CA10337)	3,95,622.50	4,25,217.00
13	Current A/c (CA0042)	46,55,516.93	1,99,209.57
14	FSC Branch Expenditure A/c	52,867.07	87,872.99
15	FSC Branch Income A/c	8,448.28	47,982.06

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
16	JKBFSL Mutual Fund Income A/c (CA0104)	-	0.10
17	JKB Recruitment Bank A/c	-	-
18	Head Office Income A/c (CA0092)	15,229.20	41,464.00
19	JKBFSL Client A/c (CA0102)	7,03,749.86	4,01,47,352.38
20	JK Bank Dividend A/C (CA27863)	10,016.44	8,536.64
21	JKBFSL MTF Account	5,001.00	5,001.00
22	E-Payment of Taxes A/c	1,41,004.12	5,58,742.19
23	JKB Inter-Co. Adjustment Account	0.54	43,344.43
24	Fixed Deposit with J&K Bank		
	(a) Unencumbered and Free	-	-
	(b) Held as security against SOD	10,00,00,000.00	3,50,00,000.00
25	Fixed Deposit with HDFC Bank		
	(a) Unencumbered and Free	-	-
	(b) Held as security against Exchanges	18,88,75,000.00	5,43,75,000.00
	Total	30,75,65,738.22	14,47,34,958.69

Note 13: Other Current Assets

S. No.	Particulars	Period Ended Mar.'23	Period Ended Mar.'22
1	Exchange Obligation Account	89,33,824.80	1,14,38,332.50
2	Interest Receivable	20,29,229.25	10,93,477.55
3	Additional Margin Deposit (BSE)	10,00,000.00	-
4	Advance Income Tax/TDS		
	a) On Commission	-	-
	b) On Interest on FDR's	11,27,781.32	6,55,781.82
	c) Advance Income Tax	-	88,25,200.00
	d) Advance Income Tax (2021-22)	-	-
	e) Advance Income Tax (2022-23)	44,00,000.00	-
5	Electronic Cash Ledger	-	-
6	Advance to Suppliers	1,59,888.06	2,96,762.33
7	Advance to Staff	5,88,988.00	10,11,777.00
8	Client Control A/C (Dr)	19,80,79,037.08	16,27,59,040.95
9	PDD Sgr.	14,000.00	14,000.00
10	Other Receivables	6,89,391.52	2,70,754.42
11	Prepaid Expenses/Advance (Others)	8,47,999.82	8,67,153.46
	Total	21,78,70,139.85	18,72,32,280.03

JKB FINANCIAL SERVICES LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR THE PERIOD
ENDED 31ST MARCH, 2023.

Note 14: Income from operations

S. No.	Particulars	(Amount in ₹)	(Amount in ₹)	(Amount in ₹)	(Amount in ₹)
		Period Ended Mar.'23	Period Ended Mar.'22	Quarter Ended Mar.'23	Quarter Ended Mar.'22
1	Brokerage Income A/C	5,10,57,663.04	6,04,17,642.64	1,26,69,685.49	1,53,70,438.73
2	Demat Income A/c	1,21,01,893.46	1,40,20,826.46	35,93,187.97	41,73,264.08
3	Other Depository Income A/c	2,170.96	6,629.04	-	6,629.04
4	DP Pool Charges A/c	37,399.38	95,794.53	-	18,270.18
5	Pay In Delay Charges A/c	2,55,81,623.73	1,80,42,332.21	68,29,588.75	62,13,846.93
6	Mutual Fund Commission	54,00,499.32	22,36,970.16	17,46,434.10	7,32,842.44
7	Profit on Sale / Disposal of Fixed Assets	-	-	-	-
8	Other Receipts	-	-	-	-
	Total in Rs	9,41,81,249.89	9,48,20,195.04	2,48,38,896.31	2,65,15,291.40

Note 15: Other Income

S. No.	Particulars	Period	Period	Quarter	Quarter
		Ended Mar.'23	Ended Mar.'22	Ended Mar.'23	Ended Mar.'22
1	Interest Earned on FDR's	1,01,93,680.66	41,15,929.60	45,52,309.58	12,54,980.00
2	Other Receipts	2,65,184.59	1,89,207.52	38,665.30	30,658.71
	Total in Rs	1,04,58,865.25	43,05,137.12	45,90,974.88	12,85,638.71

Note 16: Employment Benefit Expenses

S. No.	Particulars	Period	Period	Quarter	Quarter
		Ended Mar.'23	Ended Mar.'22	Ended Mar.'23	Ended Mar.'22
1	Salary A/C	3,97,50,372.58	2,01,12,861.53	1,10,78,484.63	48,47,686.82
2	Managerial Remuneration (MD) A/C	25,38,026.50	27,37,302.00	8,03,618.50	6,75,684.00
3	Salary (Staff on Deputation)	29,65,297.00	64,18,523.70	4,52,406.00	17,85,591.00
4	Bonus & Incentives	20,19,054.91	19,51,991.05	8,44,479.29	5,25,074.00
5	Employer Contribution to NPS	36,94,938.40	2,57,494.27	11,26,769.00	72,086.70
6	Employee Reimbursement Expenses	23,67,696.38	-	7,83,777.94	-
	Total in Rs	5,33,35,385.77	3,14,78,172.55	1,50,89,535.36	79,06,122.52

Note 17: Commission to J&K Bank

S. No.	Particulars	Period	Period	Quarter	Quarter
		Ended Mar.'23	Ended Mar.'22	Ended Mar.'23	Ended Mar.'22
1	Commission paid to J&K Bank on Account Opening	3,15,400.00	1,91,865.00	1,31,000.00	-
2	Commission paid to J&K Bank on Mutual Fund Sale	6,97,070.46	59,360.00	2,28,708.00	1,66,560.00
	Total in Rs	10,12,470.46	2,51,225.00	3,59,708.00	1,66,560.00

Note 18: Depreciation & Amortized Cost

S. No.	Particulars	Period	Period	Quarter	Quarter
		Ended Mar.'23	Ended Mar.'22	Ended Mar.'23	Ended Mar.'22
1	Depreciation A/c	9,26,930.98	21,19,623.63	2,39,883.74	3,10,365.52
2	Preliminary Expenses W/O	-	-	-	-
	Total	9,26,930.98	21,19,623.63	2,39,883.74	3,10,365.52

Note 19: Other Administrative Expenses

S. No.	Particulars	Period	Period	Quarter	Quarter
		Ended Mar.'23	Ended Mar.'22	Ended Mar.'23	Ended Mar.'22
1	Membership & Subscription Fee	20,49,570.39	16,29,360.47	4,66,190.36	4,13,825.42
2	Rent, Rates & Taxes	37,92,164.85	37,56,640.78	5,23,135.90	11,46,656.44
3	Communication & Connectivity Cost	22,71,782.15	18,34,178.17	6,86,458.92	3,29,091.81
4	Legal & Professional Charges	10,54,998.72	9,45,133.06	2,57,701.95	85,257.06
5	Bank Commission & Other Charges	12,540.70	11,512.88	3,249.59	4,482.94
6	Travelling & Conveyance Expenses	7,51,926.96	2,31,016.81	86,136.61	84,867.12
7	Power & Fuel	11,47,102.57	12,42,349.48	3,64,657.93	4,35,173.00
8	Directors Fees, Allowances and Expenses	1,35,000.00	1,50,000.00	15,000.00	30,000.00
9	Stationary & Printing	1,84,478.34	1,84,189.80	30,791.60	57,126.16
10	Payment to Auditors	5,74,000.00	5,32,650.00	1,68,500.00	73,525.00
11	Office Upkeep & Maintenance Expenses	17,47,201.04	15,60,906.61	5,00,669.39	4,07,245.91
12	Repairs & Maintenance	1,53,976.03	3,44,953.36	70,865.43	77,877.96
13	Other Administrative Expenses	41,39,232.28	24,35,900.69	12,70,361.07	8,93,566.64
14	Postage & Telephone	2,46,177.15	1,96,767.41	75,875.66	47,033.37
15	NSE/BSE Charges	1,22,680.86	4,87,612.77	28,997.12	2,34,157.34
16	Hospitality & Entertainment (Incl. B/L)	4,00,902.52	4,50,595.90	1,05,838.00	1,02,849.00
17	Insurance	52,867.00	1,05,336.30	16,620.00	18,418.00
18	Training & Certification	3,81,540.00	1,21,480.00	48,480.00	61,980.00
19	Front / Back-Office Hosting Charges	66,87,160.00	52,02,500.00	17,61,160.00	15,75,000.00
20	Provision for Doubtful Debts	15,00,000.00	-	5,00,000.00	-
	Total	2,74,05,301.56	2,14,23,084.49	69,80,689.53	60,78,133.17



NOTES FORMING PART OF FINANCIAL STATEMENTS AS AT AND FOR PERIOD ENDED MARCH 31st , 2023.

NOTE 20

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.

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.

D. 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.

E. 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.

F. INVESTMENT

Investments shall be classified into long term and current investments. Long-term investments if any 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 if any 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.

G. 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:

Since most of the employees have regularised in the current FY as such, the accounting of long-term employees benefits has not yet been provided. However the company is in process to account such benefits strictly as per AS-15 (Revised 2005) issued by the Institute of Chartered Accountants of India.

H. TAXATION

Provision for current income tax is made based on 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.

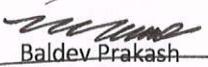


- c) Disclosure of transactions between the Company and related parties and the status of outstanding balances as at 31st March 2023.

Items/Related Party	J&K Bank Ltd.(₹)
Deposits/Balance in Bank Accounts	10,55,91,833.44
Loans/Credit facilities availed	7,84,00,000.00
Interest /Commission Paid	61,14,021.21
Interest /Commission Received	38,72,907.00
Reimbursement of Revenue Expenditure	48,65,719.36
Disbursement on behalf of JKBFSL (Salary of deputed staff)	29,65,297.00
Managing Director's Remuneration	12,92,462.50

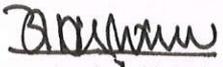
9. The earnings considered in ascertaining the Company's Earnings per share (EPS) comprise net Profit/Loss after Taxation. The number of shares used in computing basic and diluted EPS is the weighted average number of shares outstanding during the year.

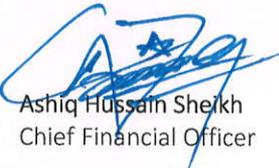
Description	Period Ending 31.03.2023 (₹)	Period Ending 31.03.2022 (₹)
Profit/ (Loss) after taxation	1,20,65,918.32	2,87,61,070.94
Weighted average Number of equity Shares outstanding	3,16,66,667	2,00,00,000
Basic and Diluted earnings per share (annualised) in Rupees. (face-value ₹10/- per share)	0.38	1.44


Baldev Prakash
Chairman


Syed Rais Magbool
Director


Mohammad Muzzafar Wani
Director


Syed Aadil Bashir
Managing Director


Ashiq Hussain Sheikh
Chief Financial Officer


Mudassar Ahmad Padder
Company Secretary

Place: Srinagar
Dated: 30-04-2023

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

