JM FINANCIAL

JM FINANCIAL

JM FINANCIAL SERVICES LIMITED

(Incorporated as a public limited company under the Companies Act, 1956 (as amended from time to time)
Date and Place of Incorporation: June 19, 1998 and Mumbai; **Corporate Identification Number**: U67120MH1998PLC115415,
Legal Entity Identifier Number: 25490037PLZ7NK7WFO62; **Permanent Account Number**: AAACJ5977A; **Tel No**: (022) 6630 3030; **Email ID**: dimple.m@jmfl.com
SEBI Stock Broker Registration No.: *INZ000195834****; IRDA Registration No.:*** *CA0761*
Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025**; Corporate Office:** 5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025**,**
Website: jmfinancialservices.in

KEY INFORMATION DOCUMENT DATED APRIL 19, 2024 IN RELATION TO LISTED PRIVATELY PLACED NON-CONVERTIBLE DEBENTURES

THIS KEY INFORMATION DOCUMENT IS IN RELATION TO THE ISSUE OF 10,000 (TEN THOUSAND) SECURED, REDEEMABLE, RATED, LISTED, NON-CONVERTIBLE DEBENTURES ("**DEBENTURES**") OF A FACE VALUE OF ₹ 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH WITH A BASE ISSUE SIZE OF 2,500 (TWO THOUSAND FIVE HUNDRED) DEBENTURES FOR CASH AGGREGATING TO ₹ 25,00,00,000/- (INDIAN RUPEES TWENTY FIVE CRORE ONLY) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UPTO 7,500 (SEVEN THOUSAND FIVE HUNDRED) DEBENTURES FOR CASH AGGREGATING ₹ 75,00,00,000/- (INDIAN RUPEES SEVENTY FIVE CRORE ONLY), TOGETHER AGGREGATING UPTO ₹ 100,00,00,000 (INDIAN RUPEES ONE HUNDRED CRORE ONLY) ("**ISSUE SIZE**") BY JM FINANCIAL SERVICES LIMITED (THE "**ISSUER**" OR "**COMPANY**") ON A PRIVATE PLACEMENT BASIS ("**ISSUE**") AND SHALL BE READ WITH THE GENERAL INFORMATION DOCUMENT DATED SEPTEMBER 8, 2023 ISSUED BY THE ISSUER ("**GENERAL INFORMATION DOCUMENT**").

DISCLOSURE UNDER SECTION 26(4) OF THE COMPANIES ACT, 2013

THE ISSUE IS BEING MADE ON PRIVATE PLACEMENT BASIS. SECTION 26 OF THE COMPANIES ACT, 2013 (the "**Companies Act**") IS NOT APPLICABLE TO THE ISSUE, AND THEREFORE NO ADDITIONAL DISCLOSURES HAVE BEEN MADE IN RELATION TO SECTION 26 OF THE COMPANIES ACT, 2013 UNDER THIS KEY INFORMATION DOCUMENT AND ACCORDINGLY, A COPY OF THIS KEY INFORMATION DOCUMENT HAS NOT BEEN FILED WITH THE REGISTRAR OF COMPANIES.

ELIGIBLE INVESTORS TO THE ISSUE

THE ISSUE IS MADE TO ALL INVESTORS ELIGIBLE TO BID / INVEST / APPLY FOR THIS ISSUE UNDER THE SEBI NCS REGULATIONS READ WITH SEBI MASTER CIRCULAR. FOR DETAILS, PLEASE REFER SECTION 7 TITLED "ISSUE DETAILS" OF THIS KEY INFORMATION DOCUMENT. THE CURRENT ISSUE IS NOT BEING UNDERWRITTEN.

PROMOTER

NAME: JM FINANCIAL LIMTED, A PUBLIC LIMITED COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956, AND VALIDLY EXISTING UNDER THE COMPANIES ACT, 2013
TELEPHONE: 022 6630 3030
EMAIL ID: ECOMMUNICATION@JMFL.COM

PRIVATE & CONFIDENTIAL

THIS KEY INFORMATION DOCUMENT DATED APRIL 19, 2024 IS PREPARED IN CONFORMITY WITH THE SEBI NCS REGULATIONS AND SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED FROM TIME TO TIME.

GENERAL RISK

INVESTMENT IN NON-CONVERTIBLE SECURITIES IS RISKY, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. THE ISSUE HAS NOT BEEN RECOMMENDED OR APPROVED BY SECURITIES AND EXCHANGE BOARD OF INDIA ("**SEBI**") NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS ISSUE DOCUMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE RISK ASSOCIATED WITH THE ISSUE OF THE DEBT SECURITIES. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION 4 OF THE GENERAL INFORMATION DOCUMENT AND SECTION 3 ('RISKS IN RELATION TO THE DEBENTURES') OF THE KEY INFORMATION DOCUMENT. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES.

CREDIT RATING OF THE DEBENTURES

THE DEBENTURES HAVE BEEN RATED CRISIL AA/STABLE BY CRISIL LIMITED FOR AN AMOUNT UP TO ₹ 250 CRORE (INDIAN RUPEES TWO HUNDRED FIFTY CRORE ONLY) VIDE ITS LETTER DATED APRIL 15, 2024. THE ABOVE RATING IS NOT A RECOMMENDATION TO BUY, SELL OR HOLD SECURITIES AND INVESTORS SHOULD TAKE THEIR OWN DECISIONS. THE RATING MAY BE SUBJECT TO REVISION OR WITHDRAWAL AT ANY TIME BY THE ASSIGNING RATING AGENCY AND THE RATING SHOULD BE EVALUATED INDEPENDENTLY OF ANY OTHER RATING. THE RATING AGENCY HAS THE RIGHT TO SUSPEND, WITHDRAW THE RATING AT ANY TIME ON THE BASIS OF NEW INFORMATION ETC. THE RATING PROVIDED BY CRISIL RATINGS LIMITED SHALL BE VALID AS ON THE DATE OF ISSUANCE AND LISTING OF THE DEBENTURES. PLEASE REFER TO **ANNEXURE 1** OF THIS KEY DOCUMENT FOR THE RATING LETTER ALONG WITH RATIONALE FOR THE ABOVE RATING.

LISTING

THE DEBENTURES ARE PROPOSED TO BE LISTED ON THE WHOLESALE DEBT MARKET ("**WDM**") SEGMENT OF THE BSE ("**DESIGNATED STOCK EXCHANGE**"). THE ISSUER SHALL COMPLY WITH THE REQUIREMENTS OF THE SEBI LODR REGULATIONS (AS DEFINED IN GENERAL INFORMATION DOCUMENT) TO THE EXTENT APPLICABLE TO IT ON A CONTINUOUS BASIS. PLEASE REFER TO **ANNEXURE 2** (*IN PRINCIPLE APPROVAL GRANTED BY THE STOCK EXCHANGE*) TO THE KEY INFORMATION DOCUMENT FOR THE 'IN-PRINCIPLE' LISTING APPROVAL FROM THE STOCK EXCHANGE.

ELECTRONIC BOOK MECHANISM COMPLIANCE

THIS ISSUE WILL BE IN COMPLIANCE WITH ELECTRONIC BIDDING PLATFORM (EBP) OPERATING GUIDELINES, ALLOTMENT AND BIDDING PROCEDURE. THIS KEY INFORMATION DISCLOSURE DOCUMENT SHALL BE UPLOADED ON EBP PLATFORM OF BSE LIMITED.

DETAILS OF COMPANY SECRETARY & COMPLIANCE OFFICER AND CHIEF FINANCIAL OFFICER

COMPANY SECRETARY & COMPLIANCE OFFICER	CHIEF FINANCIAL OFFICER
NAME: MS. DIMPLE MEHTA **EMAIL ID:** DIMPLE.M@JMFL.COM **TEL** +91 022 6630 3290	**NAME:** MR. AMIT AGRAWAL **EMAIL ID:** AMITT.AGRAWAL@JMFL.COM **TEL:** +91 022 4505 7311

DEBENTURE TRUSTEE	STATUTORY AUDITORS	CREDIT RATING AGENCY	REGISTRAR TO THE ISSUE
IDBI trustee IDBI Trusteeship Services Ltd	B S R & Co. LLP Chartered Accountants	CRISIL Ratings	KFINTECH
IDBI TRUSTEESHIP SERVICES LIMITED ADDRESS: GROUND FLOOR, UNIVERSAL INSURANCE BUILDING, SIR PHIROZSHAH MEHTA ROAD, FORT, MUMBAI, MAHARASHTRA 400 001 TEL: +91 22 4080 7072/+91 8097474602/+91 22 40807046/ +91 9167941249 EMAIL:sampada.naik@idbitrustee.com; sanjeev@idbitrustee.com WEBSITE: http://www.idbitrustee.com CONTACT PERSON: MS. SAMPADA NAIK (SENIOR MANAGER) / MR. SANJEEV KUMAR RASTOGI (VICE PRESIDENT)	**B S R & Co. LLP** ADDRESS: 14TH FLOOR, CENTRAL WING B WING AND NORTH C WING, NESCO IT PARK 4, NESCO CENTER, WESTERN EXPRESS HIGHWAY, GOREGAON (EAST), MUMBAI – 400 063, INDIA TEL: +91 22 6257 1000 EMAIL: in-fmcontact-us@bsraffiliates.com WEBSITE: HTTPS://BSR-CO.IN/ CONTACT PERSON: MR. KAPIL GOENKA	**CRISIL RATINGS LIMITED** ADDRESS: CRISIL HOUSE, CENTRAL AVENUE, HIRANANDANI BUSINESS PARK, POWAI, MUMBAI- 400 076 TEL: +91 223342 3000 EMAIL ID: crisilratingdesk@crisil.com WEBSITE: www.crisilratings.com CONTACT PERSON: MR. AJIT VELONIE	**KFIN TECHNOLOGIES LIMITED** ADDRESS: SELENIUM BUILDING, TOWER-B, PLOT NO 31 & 32, FINANCIAL DISTRICT, NANAKRAMGUDA, SERILINGAMPALLY, HYDERABAD, RANGAREDDI, TELANGANA INDIA 500 032 TEL: +91 22 4914 2700 EMAIL: jagannadh.chakka@kfintech.com WEBSITE: www.kfintech.com CONTACT PERSON: Mr. JAGANNADH CHAKKA

ISSUE SCHEDULE

ISSUE OPENING DATE	ISSUE CLOSING DATE	PAY-IN DATE	DEEMED DATE OF ALLOTMENT	DATE OF EARLIEST CLOSING
APRIL 23, 2024	**APRIL 23, 2024**	**APRIL 24, 2024**	**APRIL 24, 2024**	**NOT APPLICABLE**

THE ISSUER RESERVES THE RIGHT TO CHANGE THE ISSUE PROGRAMME INCLUDING THE DEEMED DATE OF ALLOTMENT (AS DEFINED HEREINAFTER) AT ITS SOLE DISCRETION IN ACCORDANCE WITH THE TIMELINES SPECIFIED IN THE OPERATIONAL GUIDELINES, WITHOUT GIVING ANY REASONS OR PRIOR NOTICE.

COUPON RATE	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT
9.2780% p.a.	ANNUAL (COMPOUNDED MONTHLY)	MAY 26, 2025	RS. 100 CRORE

THE ISSUE OF DEBENTURES SHALL BE SUBJECT TO THE PROVISIONS OF THE COMPANIES ACT, 2013, AS AMENDED (**THE "COMPANIES ACT"**), THE RULES NOTIFIED THEREUNDER, THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE ISSUER, SEBI NCS REGULATIONS, SEBI LODR REGULATIONS, THE TERMS AND CONDITIONS OF THIS KEY INFORMATION DOCUMENT ALONG WITH THE GENERAL INFORMATION DOCUMENT FILED WITH THE DESIGNATED STOCK EXCHANGE, THE APPLICATION FORM, THE DEBENTURE TRUST DEED CUM HYPOTHECIATION DEED AND OTHER DOCUMENTS IN RELATION TO SUCH ISSUE.
NOTE: THE ISSUE DOES NOT FORM PART OF NON-EQUITY REGULATORY CAPITAL MENTIONED UNDER CHAPTER V OF THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021. THE FACE VALUE OF NCDS ISSUED ON PRIVATE PLACEMENT BASIS SHALL BE RS. 1,00,000/- (RUPEES ONE LAKH ONLY) EACH.

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1. DEFINITIONS AND ABBREVIATIONS

In this Key Information Document, unless the context otherwise requires, the terms defined, and abbreviations expanded below, have the same meaning as stated in this section. Terms not defined herein shall have the meanings ascribed to them under the General Information Document. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

1.1 *Conventional General Terms and Abbreviations*

Term	Description
Applicable Law(s)	shall mean to include all applicable statutes, enactments or acts of any legislative body in India, laws, ordinances, rules, bye-laws, regulations, notifications, guidelines, policies, directions, directives and orders of any Government and any modifications or re-enactments thereof.
Application Form	Means the application form provided in this Key Information Document by which an Eligible Investor can apply for subscription to the Debentures.
Business Day	shall mean all trading days of stock exchanges excluding Sundays and bank holidays as per the SEBI NCS Master Circular. However, with reference to payment of interest/redemption of the Debentures, Business Days shall mean all days, excluding Saturdays, Sundays and public holidays in India or bank holidays in Mumbai, as per the SEBI NCS Master Circular. If the interest payment date falls on a holiday or non-Business day/ Working day for the banks in Mumbai, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day/Business Day for the banks in Mumbai, the payment will be made on the preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Coupon Payment Date(s)	April 24, 2025 and May 26, 2025
Credit Rating Agency(ies)/ Rating Agency	In relation to the Debentures, shall mean CRISIL Ratings Limited.
Debenture Holder(s) /Beneficial Owner(s)	The debenture holder(s) whose name(s) appears in the Register of Debenture Holders or in the beneficial ownership record furnished by NSDL or CDSL for this purpose.
Debenture Trustee Appointment Agreement	Shall mean the debenture trustee agreement dated September 6, 2023 executed between the Company and the Debenture Trustee pursuant to which the Debenture Trustee is appointed by the Company as the debenture trustee, for the benefit of and on behalf of the Debenture Holder.

Debenture Trust Deed	The Debenture trust deed cum hypothecation deed dated September 8, 2023 executed by the Company and the Debenture Trustee for creating the security for the Debentures issued under the Issue and to protect the interest of Debenture Holders under the Issue.
Debenture Trustee	IDBI Trusteeship Services Limited, as trustee for the benefit of the Debenture Holder(s) / Beneficial Owner(s).
Deemed Date of Allotment	The deemed date of allotment of the Debentures will be April 24, 2024.
Due Date	Means any date on which the Debenture Holders are entitled to any payment under the Debenture Trust Deed and any other Transaction Documents, including upon acceleration pursuant to occurrence of any Event of Default.
EBM	Electronic Book Mechanism for issuance of debt securities on private placement basis.
Eligible Investors	In accordance with paragraph "5.1. Who Can Bid/Apply/Invest" of the Key Information Document.
Event of Default	Means events of default as set out in the Section 7 (*Issue Details)* of this Key Information Document read with events of default to be set out in the Debenture Trust Deed.
Final Settlement Date	Means the date on which the Secured Obligations have been irrevocably discharged in full and all the tranches of the Debentures have been redeemed by the Company in full.
General Information Document	Means the general information document dated September 8, 2023.
Government	Means and includes the President of India, the Government of India, the Governor and the Government of any State in India, any Ministry or Department of the same, any municipal or local government, any authority or private body exercising powers conferred by Applicable Law and any court or tribunal of competent jurisdiction or other judicial or quasi-judicial body, and shall include, without limitation, a stock exchange and any regulatory body.
ICCL	Means Indian Clearing Corporation Limited.
Issue Closing Date	The issue closing date shall be Tuesday, April 23, 2024.
Issue Documents	Means collectively, the General Information Document and this Key Information Document.
Key Information Document	Means this key information document dated April 19, 2024.
NCD Issuance Committee	NCD Issuance Committee of the Board constituted by the Board of Directors of the Issuer.
Pay-In Date	Wednesday, April 24, 2024.
Principal Amount	In relation to a Debenture means, the Face Value of the Debenture.
Purpose	Has the meaning set forth in Section 7 (*Issue Details*) of this Key Information Document.
QIBs	Shall mean the 'qualified institutional buyers' as specified under the SEBI (Issue of Capital and Disclosure Requirements), Regulations, 2018.
RBI	Means the Reserve Bank of India.

Record Date	Has the meaning set forth in Section 7 (*Issue Details*) of this Key Information Document.
Redemption Date	With respect to any series / tranche shall mean the date on which repayment of principal amount and all other amount due in respect of the Debentures of that tranches will be made.
Register of Debenture Holders	Means the register maintained by the Issuer at its Registered Office as per Section 88 of the Companies Act, 2013 showing: (a) the name and address and the occupation, if any, of each Debenture Holder(s); (b) the amount of the Debentures held by each Debenture Holder distinguishing each Debenture by its number and the amount paid or agreed to be considered as paid on those Debentures; (c) the date on which each Person was entered in the register as a Debenture Holder; (d) the date on which any person ceased to be a Debenture Holder; and (e) the subsequent transfers and changes of ownership thereof.
Registrar/Registrar to the Issue	Means the registrar to this Issue, in this case being KFin Technologies Limited.
RTGS	Means Real Time Gross Settlement.
Secured Obligations	Means all obligations at any time due, owing or incurred by the Company to the Debenture Trustee and the Debenture Holders in respect of the Debentures and shall include the obligation to redeem the Debentures in terms thereof, Coupon payable at the Coupon Rate, payment of the Redemption Premium, any outstanding remuneration of the Debenture Trustee, default interest payable, if any, and all fees, costs, charges and expenses and other monies payable by the Company under the Transaction Documents.
SEBI Master Circular	Means the SEBI circular with reference number SEBI/HO/DDHS/PoD1/P/CIR/2023/119 dated August 10, 2021, as may be amended, modified and supplemented from time to time.
SEBI NCS Regulations	Shall mean SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 issued *vide* notification No. SEBI/LAD-NRO/GN/2021/39 dated August 09, 2021.
Stock Exchange	Shall mean BSE Limited
Transaction Documents	Has the meaning set forth in Section 7 (*Issue Details*) of this Key Information Document.
Parties/ Party	Shall mean collectively the Issuer and the Debenture Trustee.

2 DISCLAIMERS

DISCLAIMER OF THE STOCK EXCHANGE

As required, a copy of the Issue Documents shall be submitted to the Stock Exchange for hosting the same on its website.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUCH SUBMISSION OF THE ISSUE DOCUMENTS WITH STOCK EXCHANGE OR HOSTING THE SAME ON ITS WEBSITE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE STOCK EXCHANGE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THE ISSUE DOCUMENTS; NOR DOES IT WARRANT THAT THE ISSUER'S DEBENTURES

WILL BE LISTED OR CONTINUE TO BE LISTED ON THE STOCK EXCHANGE; NOR DOES IT TAKE RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF THE ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE THE DEBENTURES OF THE ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE STOCK EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

DISCLAIMER OF THE DEBENTURE TRUSTEE

THE DEBENTURE TRUSTEE, "IPSO FACTO" DOES NOT HAVE THE OBLIGATIONS OF A BORROWER OR A PRINCIPAL DEBTOR OR A GUARANTOR AS TO THE MONIES PAID/INVESTED BY INVESTORS FOR THE DEBENTURES. THE DEBENTURE TRUSTEE DOES NOT MAKE NOR DEEMS TO HAVE MADE ANY REPRESENTATION ON THE ISSUER, ITS OPERATIONS, THE DETAILS AND PROJECTIONS ABOUT THE ISSUER OR THE DEBENTURES UNDER OFFER MADE IN THIS KEY INFORMATION DOCUMENT / PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER. INVESTORS ARE ADVISED TO READ CAREFULLY THE KEY INFORMATION DOCUMENT / PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AND MAKE THEIR OWN ENQUIRY, CARRY OUT DUE DILIGENCE AND ANALYSIS ABOUT THE ISSUER, ITS PERFORMANCE AND PROFITABILITY AND DETAILS IN THE KEY INFORMATION DOCUMENT/ PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER BEFORE TAKING THEIR INVESTMENT DECISION. THE DEBENTURE TRUSTEE SHALL NOT BE RESPONSIBLE FOR THE INVESTMENT DECISION AND ITS CONSEQUENCES.

DISCLAIMER OF THE CREDIT RATING AGENCY

THE RATINGS BY THE CREDIT RATING AGENCY SHOULD NOT BE TREATED AS A RECOMMENDATION TO BUY, SELL OR HOLD THE RATED DEBENTURES. THE CREDIT RATING AGENCY RATING'S ARE SUBJECT TO A PROCESS OF SURVEILLANCE WHICH MAY LEAD TO A REVISION IN RATINGS. PLEASE VISIT CREDIT RATING AGENCY'S WEBSITE WWW.CRISIL.COM OR CONTACT THE CREDIT RATING AGENCY'S OFFICE FOR THE LATEST INFORMATION ON CREDIT RATING AGENCY'S RATING. ALL INFORMATION CONTAINED HEREIN HAS BEEN OBTAINED BY THE CREDIT RATING AGENCY FROM SOURCES BELIEVED BY IT TO BE ACCURATE AND RELIABLE. ALTHOUGH REASONABLE CARE HAS BEEN TAKEN TO ENSURE THAT THE INFORMATION HEREIN IS TRUE, SUCH INFORMATION IS PROVIDED 'AS IS' WITHOUT ANY WARRANTY OF ANY KIND, AND THE CREDIT RATING AGENCY IN PARTICULAR, MAKE NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY, TIMELINESS OR COMPLETENESS OF ANY SUCH INFORMATION. ALL INFORMATION CONTAINED HEREIN MUST BE CONSTRUED SOLELY AS STATEMENTS OF OPINION AND THE CREDIT RATING AGENCY SHALL NOT BE LIABLE FOR ANY LOSSES INCURRED BY USERS FROM ANY USE OF THIS

PUBLICATION OR ITS CONTENTS. MOST ENTITIES WHOSE BANK FACILITIES / INSTRUMENTS ARE RATED BY THE CREDIT RATING AGENCY HAVE PAID A CREDIT RATING FEE, BASED ON THE AMOUNT AND TYPE OF BANK FACILITIES / INSTRUMENTS.

THE RATING / OUTLOOK MAY UNDERGO CHANGE IN CASE OF WITHDRAWAL OF CAPITAL OR THE UNSECURED LOANS BROUGHT IN ADDITION TO THE FINANCIAL PERFORMANCE AND OTHER RELEVANT FACTORS. PLEASE REFER TO ANNEXURE 1 (*CREDIT RATING LETTER*) OF THIS KEY INFORMATION DOCUMENT FOR THE CREDIT RATING RATIONALE AND FURTHER DETAILS.

3 RISK FACTORS

Risks in relation to the Debentures

(a) ***The Debentures may not be a suitable investment for all purchasers.***

Potential investors should ensure that they understand the nature of the Debentures and the extent of their exposure to risk, that they have sufficient knowledge, experience and access to professional advisers to make their own legal, tax, accounting and financial evaluation of the merits and risks of investment in the Debentures and that they consider the suitability of the Debentures as an investment in the light of their own circumstances and financial condition.

(b) ***All covenants including the accelerated payment covenants given by way of side letters shall be incorporated in the Issue Documents by the Issuer.***

In circumstances where other lenders with such exposure / loan account by value and number and are entitled to determine corrective action plan for any of our borrowers, we may be required by such other lenders to agree to such corrective action plan, irrespective of our preferred mode of settlement of our loan to such borrower or subject our loan account to accelerated provisioning. Furthermore, with respect to any loans made as part of a consortium arrangement and multiple banking arrangement, a majority of the relevant lenders may elect to pursue a course of action that may not be favourable to us. Any such corrective action plan / accelerated provisioning could lead to an unexpected loss that could adversely affect our business, financial condition or results of operations.

(c) ***Any downgrading in credit rating of the Debentures may affect the value of the Debentures.***

The Debentures proposed to be issued pursuant to this Key Information Document have been rated "AA/Stable" (Pronounced as 'Double A' with "Stable" Outlook) by CRISIL Ratings Limited. The Issuer cannot guarantee that the ratings on the Debentures will not be downgraded. A downgrade in the credit ratings may lower the value of the Debentures.

(d) ***The right of the holders of the Debentures to receive payments under the Debentures will be junior to certain liabilities preferred by law on an insolvency of the Issuer.***

Upon an order for winding-up or liquidation in India, the assets of a company are vested in a liquidator who has wide powers to liquidate such company to pay its debt and administrative expenses.

(e) ***Uncertain/ limited or sporadic trading market***

The Issuer intends to list the Debentures on the wholesale debt market segment of the BSE after giving prior notice to the Debenture Trustee. The Issuer cannot provide any guarantee that the Debentures will be frequently traded on the BSE and that there would be any market for the Debentures.

(f) ***Delays in court proceedings in India***

If any dispute arises between the Issuer and any other party, the Issuer or such other party may need to take recourse to judicial proceedings before courts in India. It is not unusual for court proceedings in India to continue for extended periods. Disposition of cases may be further subject to various delays including multiple levels of appellate adjudication.

(g) ***Potential purchasers and sellers of the Debentures should be aware that they may be required to pay taxes in accordance with the laws and practices of India***

Payment or delivery of any amount due in respect of the Debentures may be subject to deduction of all applicable taxes, duties or other withholdings. Potential investors who are in any doubt as to their tax position should consult their own independent tax advisers to ascertain tax impact. In addition, potential investors should be aware that tax regulations and their application by the relevant taxation authorities change from time to time.

4 ISSUE RELATED TERMS

Term	Description
Debenture Trustee to the Issue	 **IDBI TRUSTEESHIP SERVICES LIMITED** ADDRESS: GROUND FLOOR, UNIVERSAL INSURANCE BUILDING, SIR PHIROZSHAH MEHTA ROAD, FORT, MUMBAI, MAHARASHTRA 400 001 TEL: +91 22 4080 7072/+91 8097474602/+91 22 40807046/ +91 9167941249 EMAIL:sampada.naik@idbitrustee.com;sanjeev@idbitrustee.com WEBSITE: http://www.idbitrustee.com CONTACT PERSON: MS. SAMPADA NAIK (SENIOR MANAGER) / MR. SANJEEV KUMAR RASTOGI (VICE PRESIDENT)

Credit Rating Agency/ies for the Debentures	CRISIL Ratings **CRISIL RATINGS LIMITED** ADDRESS: CRISIL HOUSE, CENTRAL AVENUE, HIRANANDANI BUSINESS PARK, POWAI, MUMBAI-400 076 TEL: +91 223342 3000 EMAIL ID: crisilratingdesk@crisil.com WEBSITE: www.crisilratings.com CONTACT PERSON: MR. AJIT VELONIE
Date of Key Information Document	April 19, 2024
Type of Key Information Document	Private Placement
Security Name	Tranche D
Type of Instrument	Secured, Redeemable, Rated, Listed, Non-Convertible Debentures
The nature, number, price and amount of securities offered and issue size (base issue or green shoe), as may be applicable	10,000 (Ten Thousand) secured, redeemable, rated, listed, non-convertible debentures ("**Debentures**") of a face value of ₹1,00,000/- (Indian Rupees One Lakh only) each with a base issue size of 2,500 (Twenty Five Hundred) Debentures for cash aggregating to ₹ 25,00,00,000/- (Indian Rupees Twenty Five Crore only) with an option to retain oversubscription upto 7,500 (Seventy Five Hundred) Debentures for cash aggregating to ₹ 75,00,00,000/- (Indian Rupees Seventy Five Crore only), together aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crore only)
The aggregate amount proposed to be raised through all the stages of offers of non-convertible securities made through the shelf prospectus under Section 31 of the Act	Not Applicable
Issue Schedule:	
1. Issue Opening Date	April 23, 2024
2. Issue Closing Date	April 23, 2024
3. Bidding Date	April 23, 2024
4. Date of earliest closing of the issue	Not Applicable
5. Pay – in – Date	April 24, 2024
6. Deemed Date of Allotment	April 24, 2024
The Issuer reserves the right to change the Issue Schedule in accordance with Applicable Laws.	
Credit Rating / All the ratings obtained for the	"AA/Stable" (Pronounced as "Double A" with "Stable Outlook") by CRISIL Ratings Limited. The rating letter

private placement	and rationale released by Credit Rating Agency are attached as **Annexure 1 (*Credit Rating Letter*)**.
Name(s) of the stock exchanges where the securities are proposed to be listed	BSE Limited
Details of Eligible Investors / Participants	In accordance with paragraph "5.1. Who Can Bid/Apply/Invest" of the Key Information Document
Coupon Rate	9.2780 % per annum
Coupon Payment Frequency	Coupon-Compounded Monthly, Payable Annually and on Maturity
Coupon Payment Date(s)	April 24, 2025 and May 26, 2025. The last Coupon Payment Date will be on the Redemption Date. If any of the Coupon Payment Date is not a Business Day, then coupon payment shall be arrived at as per the Business Day Convention.
Redemption Date	May 26, 2025. If the Redemption Date is not a Business Day, then the Redemption Date shall be arrived at as per the Business Day Convention.
Redemption Amount	Rs. 1,00,000 per Debenture
Details about underwriting of the issue including the amount undertaken to be underwritten by the underwriters	Not Applicable

4.1 Credit Rating of Debentures

The Debentures have been rated "AA/Stable" (Pronounced as 'Double A' with "Stable" Outlook) by CRISIL Ratings Limited for an amount up to ₹ 250 Crore vide its letter dated April 15, 2024. The Issuer declares that the rating provided by CRISIL Ratings Limited is valid as on the date of issuance and listing of the Debentures.

This indicates [**"highest degree of safety"**] with respect to timely payment of interest and principal on the instrument. The rating is not a recommendation to buy, sell or hold the Debentures and investors should take their own decision. The rating may be subject to suspension, revision or withdrawal at any time by the assigning Credit Rating Agency. The Credit Rating Agency has a right to revise, suspend or withdraw the rating at any time on the basis of factors such as new information or unavailability of information or other circumstances which the Credit Rating Agency believes may have an impact on its rating.

Please refer to **Annexure 1 (*Credit Rating Letter*)** to this Key Information Document for the detailed press release along with credit rating rationale adopted by the Credit Rating Agency. The Issuer hereby declares that the ratings issued by the Credit Rating Agency is valid as on the date of issuance and listing of the Debentures.

4.2 Listing of Debentures

The Debentures are proposed to be listed on the wholesale debt market segment of the BSE. The Stock Exchange has given its in-principle listing approval vide their letter dated September 7, 2023. Please refer to **Annexure 2** (*In Principle Approval Granted by the Stock Exchange*).

The Debentures shall be listed on the BSE on or before T+3 days, wherein T is the bidding date.

The Issuer confirms that in case of delay in listing of Debentures beyond the listing timelines, the Issuer will pay penal interest of 1% p.a. over and above the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing).

4.3 Recovery Expense Fund

The Issuer shall create a recovery expense fund of Rs, 1,00,000 in favour of BSE Limited on the date of listing.

4.4 Issue Schedule

ISSUE SCHEDULE	
Issue Opening Date	April 23, 2024
Issue Closing Date	April 23, 2024
Bidding date	April 23, 2024
Date of earliest closing of the Issue	Not Applicable
Pay-In Date	April 24, 2024
Deemed Date of Allotment	April 24, 2024

4.5 Name and contact details of Legal Counsel and Other Parties

Legal Counsel to the Issuer	Not Applicable
Guarantor, if applicable	Not Applicable
Arranger(s)	Not Applicable

Expenses of the Issue: *The expenses for this Issue inter alia include the fees payable to intermediaries, listing fees and any other expense directly related to the Issue.*

The Issue expenses and listing fees will be paid by the Issuer.

The estimated breakdown of the total expenses along with a break-up for each item of expense, including details of the fees payable (in terms of amount, as a percentage of total issue expenses and as a percentage of total issue size), as applicable, for this Issue are as follows:

Sr. No.	Nature of Expenses	Estimated Amount of Expenses (Rs.)	% of Total Issue Expenses	% of Issue Size of ₹ 100 Crore
1.	Lead Manager(s) fees (if any)	NA	NA	NA
2.	Underwriting Commission	NA	NA	NA

3.	Brokerage, selling commission and upload fees	NA	NA	NA
4.	Fees payable to Registrars to the Issue	10,620	0.02	0.00
5.	Fees payable to the regulators including stock exchange	2,15,050	0.38	0.84
6.	Printing and distribution of Issue stationary	NA	NA	NA
7.	Arranger(s)'s Fees	NA	NA	NA
8.	Fees to Credit Rating Agency	89,680	0.16	0.09
9.	Debenture Trustee Fees	1,77,000	0.31	0.07
10.	Depository's Fees	4050	0.01	0.00
11.	Certification and Professional Fees	21,240	0.04	0.00
12.	Stamp Duty	50,000	0.08	0.00
13.	Advertising and marketing expenses	NA	NA	NA
14.	Fees payable to the legal advisors	NA	NA	NA
15.	Others	-	-	-
	Total	**5,67,640**	**1**	**1**

4.6 ***Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts***

Particulars	Consent
Directors	Refer Board Resolution dated October 27, 2023 and January 25, 2023
Auditors	Not Applicable
Bankers to issue	Not Applicable
Trustees	Refer consent letter dated April 19, 2024
Solicitors	Not Applicable
Advocates	Not Applicable
Legal advisors	Not Applicable
Lead managers	Not Applicable
Registrar	Refer Consent letter dated April 15, 2024
Lenders	Not Applicable
Experts	Not Applicable

4.7 Registrar and Transfer Agent to the Issue

The Company has appointed KFin Technologies Limited, having its office at Seleium Building, Tower – B, Plot No. 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana India – 500 032 as the Registrar for the Issue. A copy of the consent letter from the Registrar is attached in this Key Information Document as **Annexure 3 (*Consent of the Registrar and Transfer Agent*)**.

4.8 Debenture Trustee

IDBI Trusteeship Services Limited having its corporate office at Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Road, Fort, Mumbai, Maharashtra 400 001, India has

been appointed as Debenture Trustee for the proposed Issue. The Debenture Trustee has given its written consent for its appointment in accordance with the SEBI Regulations. The Debenture Trustee has also given its consent for the inclusion of its name as debenture trustee in the form and context in which it appears in the Issue Documents and all subsequent periodical communications to be sent to the holders of the Debentures. The consent letter from the Debenture Trustee is attached as **Annexure 4 (*Consent of the Debenture Trustee*)** to this Key Information Document.

The Company has entered into a Debenture Trustee Appointment Agreement with the Debenture Trustee. The Company has entered into a Debenture Trust Deed cum Hypothecation Deed, *inter-alia*, specifying the powers, authorities and obligations of the Company and the Debenture Trustee in respect of the Debentures.

The Debenture Holders shall, by subscribing to the Debentures or by purchasing the Debentures and without any further act or deed, be deemed to have irrevocably given their consent to and authorised the Debenture Trustee or any of their Agents or authorised officials to do, *inter alia*, all such acts, deeds and things necessary in respect of or relating to the Debentures being offered in terms of this Key Information Document. All rights and remedies under the Debenture Trust Deed/Debenture Trustee Appointment Agreement and/or other documents shall rest in and be exercised by the Debenture Trustee without having it referred to the Debenture Holders. Any payment made by the Company to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Company pro tanto to the Debenture Holder(s). No Debenture Holder shall be entitled to proceed directly against the Company unless the Debenture Trustee, having become so bound to proceed, fails to do so.

The Debenture Trustee will protect the interest of the Debenture Holders in the Event of Default by the Issuer in regard to timely payment of interest and redemption amount and they will take necessary action at the cost of the Issuer. However, the Debenture Trustee, ipso facto does not have the obligations of a borrower or issuer or a principal debtor or a guarantor as to the monies paid/invested by investors for the Debentures.

4.9 If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the Key Information Document.

The Debentures are not backed by any guarantee or letter of comfort or any other document/letter with similar intent by any party.

4.10 Disclosure of cash flow with date of interest/redemption payment as per day count convention

(a) **Day count convention for dates on which the payments in relation to the Debentures which need to be made:**

If the interest payment date falls on a holiday or non-Business day/Working day for the banks in Mumbai, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of

issuing the security.

In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day/Business Day for the banks in Mumbai, the payment will be made on the preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

(b) **Procedure and time schedule for allotment and issue of Debentures:**

Please refer to Section 7 (*Issue Details*) and Section 5 (*Application Process*).

(c) **Illustration on coupon payment dates and redemption date and cash flows emanating from the Debentures:**

Please refer to the Section 8 of this Key Information Document.

4.11 Other Details

(a) **Debenture Redemption Reserve creation - relevant legislations and applicability:**
The Company shall maintain a reserve to be called the debenture redemption reserve ("**Debenture Redemption Reserve**") as per the provisions of the Companies Act read with rules made thereunder or any regulations or guidelines issued by SEBI, as applicable. The Company shall submit to the Debenture Trustee a certificate duly certified by the statutory auditors certifying that the Company has transferred suitable sum to the Debenture Redemption Reserve at the end of each of Financial Year as per the Applicable Law.

(b) **Issue/instrument specific regulations – relevant details (Companies Act, SEBI guidelines, etc.):**
The Debentures are governed by and will be construed in accordance with the Indian laws. The Debentures offered are subject to provisions of the Companies Act, SEBI NCS Regulations, SEBI LODR Regulations, Securities Contracts (Regulation) Act, 1956, as amended, the Depositories Act, 1996, as amended and rules and regulations made under these enactments.

(c) **Governing Law and Provisions**
The Debentures offered are subject to provisions of the Companies Act, Securities Contracts (Regulation) Act, 1956, Terms of the General Information Document, this Key Information Document, instructions contained in the Application Form and other terms and conditions as may be incorporated in the Debenture Trustee Appointment Agreement and/or Debenture Trust Deed, if any. Over and above such terms and conditions, the Debentures shall also be subject to the applicable provisions of the Depositories Act, 1996 and the laws as applicable, guidelines, notifications and regulations relating to the allotment and issue of capital and listing of securities issued from time to time by SEBI, concerned Stock Exchange or any other authorities and other documents that may be executed in respect of the Debentures.

The Transaction Documents and the rights and obligations of the Parties thereunder shall be construed in accordance with and be governed by the laws of India. For all matters for which the courts of law would have jurisdiction, the courts and tribunals in Mumbai, India

shall have non-exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Transaction Documents and that accordingly any proceedings arising out of or in connection with the Transaction Documents may be brought in such courts or the tribunals and the Issuer irrevocably submits to and accepts for itself and in respect of their property, generally and unconditionally, the jurisdiction of those courts or tribunals.

(d) **Default in Payment:**
In case, the Company fails to make the payment on any Due Date, the Company shall be liable to pay default interest which shall be calculated at the rate of 2% (two percent) over and above the applicable Coupon Rate for the period until such Event of Default ceases to exists or is cured to the satisfaction of the Debenture Trustee (acting on the instructions of the Debenture Holders).

(e) **Delay in Listing:**
In accordance with the Chapter VII of the SEBI Master Circular, as amended from time to time, the Company confirms that in the event there is any delay in listing of the Debentures within such timelines as prescribed under Applicable Laws, the Company shall pay to the Debenture Holders, additional interest of 1% (one percent) per annum (or such other rate as prescribed under Applicable Laws) over and above the Coupon Rate on the Outstanding Amounts for the period of delay i.e., from the date of allotment to the date of listing.

(f) **Delay in allotment of securities:**
Not Applicable, as all benefits related to the Debentures will be available to the allottees from the Deemed Date of Allotment. The actual allotment of the Debentures may take place on a date other than the Deemed Date of Allotment.

4.12 Instrument Specific Details

(i) **Issue Size and Nature of Instrument**
The Company proposes to issue 10,000 (Ten Thousand) secured, redeemable, rated, listed, non-convertible debentures ("**Debentures**") of a face value of ₹1,00,000/- (Indian Rupees One Lakh only) each with a base issue size of 2,500 (Twenty Five Hundred) Debentures for cash aggregating to ₹ 25,00,00,000/- (Indian Rupees Twenty Five Crore only) with an option to retain oversubscription upto 7,500 (Seventy Five Hundred) Debentures for cash aggregating to ₹ 75,00,00,000/- (Indian Rupees Seventy Five Crore only), together aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crore only). For Details of the issue, please refer to Section 7 (*Issue Details*) in this Key Information Document.

(ii) **Objects of the Issue / Details of utilisation of Issue proceeds**
The proceeds of the Issue would be utilised by the Company, inter-alia, for refinancing existing borrowings, augmenting the working capital requirement (including funding trades on behalf of the clients on 'T+5' basis, in line with industry practice and margin with exchange/s) and general corporate purpose.

No part of the proceeds shall be utilized directly/indirectly towards the purposes which are restricted by the concerned regulator and/or the Government of India from time to time.

Pending full utilization of issue proceeds, the Issuer shall be entitled to temporarily invest funds in high quality interest bearing overnight mutual funds, liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade income bearing securities as may be approved by the Board / any Committee thereof, as the case may be.

(iii) **Face Value, Issue Price, Effective Yield for Investor**

Each Debenture has a face value of Rs. 1,00,000 and is issued at par i.e. Rs. 1,00,000. Since the interest is payable annually and there is no premium or discount on either issue price or on redemption value of the Debenture, the effective yield for the investors held to maturity shall be the same as the annualised Coupon Rate on the Debentures.

(iv) **Interest rate parameter - Zero coupon, fixed coupon or floating coupon**

The Coupon payable in respect of the Debentures is 'fixed coupon'.

(v) **Minimum Subscription**

As the current issue of Debentures is being made on private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Company shall not be liable to refund the issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of Issue Size or certain percentage of Issue Size.

(vi) **Deemed Date of Allotment**

All benefits related to the Debentures will be available to the allottees from the Deemed Date of Allotment. The actual allotment of the Debentures may take place on a date other than the Deemed Date of Allotment. In case the Issue Closing Date is revised, the Deemed Date of Allotment may also be revised by the Company at its sole and absolute discretion.

(vii) **Credit of Debentures**

The Company shall credit the Debentures in no later than T+2 days, where 'T' implies Bidding Date. The Company shall give the instruction to the Registrar for crediting the Debentures by 12:00 noon on the Pay-In Date. The Registrar shall provide corporate action file along with all requisite documents to Depositories by 12:00 noon on the Pay-In Date. The Company shall allot the Debentures and issue and credit the letter of allotment in the beneficiary account of the investor(s) ("**Beneficiary Account**") with NSDL and CDSL.

(viii) **Depository Arrangements**

The Company has made necessary depository arrangements with NSDL and CDSL for the Issue and holding of Debentures in the dematerialised form by investors. In this context, the Company has signed tripartite agreements as under:

a. Tripartite Agreement between the Company, the Registrar and NSDL for offering Depository option to the investors.
b. Tripartite Agreement between the Company, the Registrar and CDSL for offering Depository option to the investors.

(ix) **Listing**

The Debentures would be listed on the wholesale debt market segment of BSE, which will be the designated stock exchange for the Issue ("**Stock Exchange**"). The Company shall comply with the requirements of the simplified listing agreement read with SEBI LODR Regulations, to the extent applicable to it, on a continuous basis. The Company shall submit all duly completed documents to the Stock Exchange, SEBI, ROC or any other Government authority, as are required under Applicable Laws and obtain listing approval for the Debentures.

The Company shall seek listing permission from stock exchange within 3 (three) days from the Bidding Date. In case of delay in listing of the Debentures beyond 3 (three) days from the Bidding Date, the Company shall pay to the Debenture Holders, additional interest of 1% (one percent) per annum in addition to the Coupon Rate for the period of delay i.e., from the relevant Deemed Date of Allotment until the listing of the Debentures are completed.

(x) **Coupon Rate**

9.2780 % per annum payable on outstanding amount of Debentures at the end of every year from the Deemed Date of Allotment. The last Coupon Payment Date will be on the Redemption Date.

(xi) **Security**

a) The Debentures shall be secured on pari passu basis on the receivables/assets of the Company sufficient to cover the Minimum Security Cover ("**Movable Properties**").
b) The charge on the Movable Properties shall rank inter se pari passu amongst the Debenture Holders. The Debenture Holders agree and confirm that the Movable Properties shall secure the entire Debentures and no further consent/approval/pari passu letter shall be required from one Debenture Holder to another Debenture Holder for sharing the charge on the Movable Properties, so long as the Minimum Security Cover is maintained.
c) If the Minimum Security Cover falls below the stipulated rate above, on any account, the Company shall within 30 (thirty) Business Days of such occurrence, hypothecate further assets or such additional security as may be acceptable to the Debenture Trustee to restore and maintain the Minimum Security Cover.

(xii) **Security Creation**

a) The Company has filed the particulars of the charge by way of deed(s) of hypothecation within 30 (thirty) days from the date of creation of such charge. Further the Company shall provide all necessary assistance/cooperation to the Debenture Trustee for filing the particulars of the charge with CERSAI.
b) The security created by or pursuant to the deed(s) of hypothecation is a continuing security and shall remain in full force and effect until the day all obligations under the Transaction Documents are settled.
Receivables shall mean all the receivables due to the Company (save and except the receivables charged on an exclusive basis to any creditor/lender, if any), whether now, or at any time during the continuance of the Debentures and unencumbered in nature, emanating from debtors of the Company, loans, loans repayment, prepayments of interest / principal or any monies in connection to the loans, investments, return on such investments, and sale proceeds of such investments (and shall exclude any

investments in the group companies, association of persons or partnership firms of the Issuer), to the extent of Minimum Security Cover.

Minimum Security Cover shall be 1 time of the principal amount outstanding and interest accrued thereon. The Minimum Security Cover shall be calculated on the basis of the Movable Properties.

c) Commencing from the Deemed Date of Allotment till the Redemption Date, to provide a list, on a Quarterly basis, of specific loan receivables/identified book debt to the Debenture Trustee and Debenture Holders over which charge is created and subsisting by way of hypothecation in favour of the Debenture Trustee (for the benefit of the Debenture Holders) and sufficient to maintain the Minimum Security Cover ("Quarterly Movable Properties Report").

d) The Company shall maintain the Minimum Security Cover as stipulated in this Key Information Document at all times. In case the Company contemplates any fall in the Minimum Security Cover below that stipulated in the issue document, the Company shall restore the Minimum Security Cover to the stipulated level before the occurrence of such shortfall so as to maintain the Minimum Security Cover.

e) In terms of the circular issued by SEBI circular bearing reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023 and updated as on July 6, 2023, as amended, the Debentures shall be considered as secured only if the charged asset is registered with sub-registrar, if required and Registrar of Companies or CERSAI or Depository etc., as applicable, or is independently verifiable by the Debenture Trustee.

f) The Company shall execute all deeds and documents as necessary in connection with the creation of the Security Interest including but not limited to necessary powers of attorneys and also agrees and undertakes to perfect the Security Interest including by way of making necessary filings with the concerned Registrar of Companies within the timeframe permitted under applicable law.

g) The Company shall obtain necessary consent and/or no objection certificate from existing lenders and/or creditors/Debenture Trustee in respect of the Movable Properties provided as security under this Key Information Document.

(xiii) **Buyback**

Subject to Applicable Law and the other Transaction Documents, the Company will have the power exercisable at its absolute discretion from time to time to repurchase some or all the Debenture(s) at any time prior to the Final Settlement Date, as defined under Section 1.1 (*Issuer Related Terms and Conventional General Terms and Abbreviations*). The Debentures which are in dematerialised form, can be repurchased by the Company through its beneficiary demat account as per the norms prescribed by the Depository. This right does not construe a call option. In the event of the Debenture(s) being bought back, or redeemed before maturity in any circumstance whatsoever, the Company shall be deemed to always have the right, subject to the provisions of the Applicable Law, to re-issue such debentures either by re-issuing the same debenture(s) or by issuing other debentures in their place (if so allowed under Applicable Law).

(xiv) **Permission from the prior creditors for creation of pari passu charge**

The Company has obtained necessary consent and/or no objection certificate from existing lenders and/or creditors/Debenture Trustee in respect of the Movable Properties provided as security under this Key Information Document.

(xv) **Interest on Application Money**

As the Pay-In Date and the Deemed Date of Allotment falls on the same date, interest on application money shall not be applicable. Further, no interest on application money will be payable in case the Issue is withdrawn by the Issuer in accordance with the Operational Guidelines.

(xvi) **Record Date**

The Record Date for the Debentures shall be 15 (Fifteen) days prior to the date of each of the Coupon Payment Date and/or the Redemption Date, as the case may be.

In case the Record Date falls on a non-Business Day, the day prior to the said non-Business Day will be considered as the Record Date.

Interest and/or Redemption Amount shall be paid to the person whose name appears as sole/first holder in the Register of Debenture Holder(s)/Beneficial Owner(s) at the close of the Record Date. In the event of the Company not receiving any notice of transfer at least 15 days before the Coupon Payment Date and/or the Redemption Date of payment of interest and at least 15 days prior to the Redemption Date, as the case may be, the transferees of such Debentures shall not have any claim against the Company in respect of interest and/or Redemption Amount so paid to the registered Debenture Holders.

In case of those Debentures for which the Beneficial Owner is not identified by the Depository at the close of the Record Date, the Company would keep in abeyance the payment of interest or other benefits, till such time that the Beneficial Owner is identified by the Depository and conveyed to the Company, whereupon the interest or benefits will be paid to the beneficiaries, as identified, within a period of 30 (thirty) days from the date of such notification by the Depository.

(xvii) **Interest on Debentures**

The Debentures shall carry interest at Coupon Rate of 9.2780 % p.a. (subject to deduction of tax at source at the rates prevailing from time to time under the provisions of the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof). The interest shall be payable on Coupon Payment Date annually through the Tenor of the Debentures. Interest on Debentures will be paid to the Debenture Holder(s) /Beneficial Owner(s) as per the beneficiary list provided by the Registrar / Depository at the close of the Record Date.

Payment will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment from time to time in the name of Debenture Holder(s) whose names appear on the list of Beneficial Owners as on Record Date given by the Depository/Registrar to the Company at the close of the Record Date. Cheque / DD will be dispatched to the Debenture Holder(s) by Courier / Registered Post / Hand Delivery, in accordance with the existing rules / laws at the sole risk of the Debenture Holder(s) to the sole holder(s) / first named holder(s) at the address registered with the Company.

Interest in all cases shall be payable on the amount of outstanding Debentures on an Actual/Actual basis, i.e., Actual number of days elapsed divided by the actual number of days in the year and rounded off to the nearest Rupee.

(xviii) **Payment on Redemption**

The Debentures shall be redeemed at par at the end of 13 months from the Deemed Date of Allotment ("**Redemption Date**"), as mentioned in Section 7 (*Issue Details*) i.e. on May 26, 2025.

The Debentures will not carry any obligation, for interest or otherwise, after the Redemption Date. The Debentures held in the dematerialised form shall be taken as discharged on payment of the Redemption Amount by the Company on Redemption Date to the registered Debenture Holders whose name appear in the Register of Debenture Holders/List of Beneficial Owners as per the list provided by the Depository(ies), on the Record Date. Such payment will be a legal discharge of the liability of the Company towards the Debenture Holders.

Payment of Redemption Amount will be made by way of Cheque / DD / RTGS / NEFT / Electronic mode and any other prevailing mode of payment in the name of Debenture Holder(s)/Beneficial Owner(s) whose name appears on the list of Beneficial Owners given by the Depository/Registrar to the Company as on the Record Date. Cheque/DD will be dispatched to the Debenture Holder(s) by Courier/Registered Post/Hand Delivery, in accordance with the existing rules/laws at the sole risk of the Debenture Holder(s) to the sole holder(s)/first named holder(s) at the address registered with the Depository.

In respect of any Debentures held physically under a consolidated debenture certificate, payments will be made by way of cheque or DD or electronically. However, if the Issuer so requires, payments on maturity may be made upon the surrender of the consolidated debenture certificate(s). Dispatch of cheque or DD in respect of payments with respect to redemptions will be made within a period of 30 (thirty) days from the date of receipt of the duly discharged consolidated debenture certificate. No interest will accrue after the Redemption Date, irrespective of the fact whether consolidated debenture certificate is surrendered or not.

5 APPLICATION PROCESS

The Issuer proposes to issue the debentures on the terms set out in this Key Information Document subject to the provisions of the Companies Act, the SEBI NCS Regulations, the SEBI LODR Regulations, the Memorandum and Articles of Association of the Issuer, PPOAL, Application Form, and other terms and conditions as may be incorporated in the Transaction Documents. This section applies to all applicants. Please note that all applicants are required to make payment of the full application amount along with submission of the Application Form.

The Issuer or the Promoters or directors is not a wilful defaulter as at the date of filing of this Key Information Document and neither the Issuer or the Promoters or its directors have been categorized as wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

5.1 Who Can Bid/Apply/Invest

The categories of investors eligible to subscribe to the Debentures in this Issue, when addressed directly, are:

a. Individuals

b. Hindu Undivided Family
c. Trust
d. Limited Liability Partnerships
e. Partnership Firm(s)
f. Portfolio Managers registered with SEBI
g. Association of Persons
h. Companies and Bodies Corporate including Public Sector Undertakings
i. Commercial Banks
j. Regional Rural Banks
k. Financial Institutions
l. Insurance Companies
m. Mutual Funds
n. Foreign Institutional Investors
o. Other foreign entities allowed by SEBI and RBI
p. Any other investor eligible to invest in these Debentures.

All applicants are required to comply with the relevant regulations/ guidelines applicable to them for investing in the Issue as per the norms approved by Government of India, RBI or any other statutory body from time to time and SEBI for investing in this Issue. The contents of this Key Information Document and any other information supplied in connection with this Key Information Document, or the Debentures are intended to be used only by those investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

However, out of the aforesaid class of investors eligible to invest, this Key Information Document is intended solely for the use of the person to whom it has been sent by the Issuer for the purpose of evaluating a possible investment opportunity by the recipient(s) in respect of the securities offered herein, and it is not to be reproduced or distributed to any other persons (other than professional advisors of the prospective investor receiving this Key Information Document from the Issuer).

5.2 ***Documents to be provided by successful investors***

Investors need to submit the certified true copies of the following documents, along-with the Application Form, as applicable:

a. Memorandum and Articles of Association/Documents governing constitution, in case of other than individuals;
b. Government notification/certificate of incorporation;
c. SEBI registration certificate, if applicable;
d. Resolution authorising investment along with operating instructions;
e. Power of Attorney (original & certified true copy);
f. Form 15AA granting exemption from TDS on interest;
g. Form 15H for claiming exemption from TDS on interest on application money, if any;
h. Order u/s 197 of IT Act;
i. Order u/s 10 of IT Act;
j. Specimen signatures of authorised persons;
k. Certified true copy of PAN card;
l. Registered/communication address;
m. Foreign Account Tax Compliance Act (FATCA) Form;
n. KYC of the signatories (Identity and Address proof); and

o. Any other document sought by the Company, from time to time.

The list of documents required to be provided by an investor as mentioned above is only indicative and an investor will be required to provide all additional documents/authorizations/information, which may be required by the Company. The Company may, but is not bound to revert to any investor for any additional documents/information and can accept or reject an application as it deems fit, without assigning any reasons.

Necessary forms for claiming exemption from deduction of tax at source on interest on application money, wherever applicable.

5.3 *Manner of Settlement*

Settlement of the Issue will be through the Electronic Bidding Platform of BSE Limited.

5.4 *Manner of Allotment*

The allotment will be done on uniform yield basis in line with the Operational Guidelines.

5.5 *Provisional/ Final allocation*

Allocation shall be made on a pro rata basis for a minimum amount of ₹ 10 Lakh (Indian Rupees Ten Lakh Only) by a single investor and in multiples of ₹ 1,00,000 (Indian Rupees One Lakh Only) amount thereafter.

5.6 *Payment Mechanism*

Funds pay-out on the Pay-In Date would be made by ICCL to the following bank account of the Issuer:

Bank	:	HDFC Bank Limited
Branch:	:	Fort, Mumbai
Account Number	:	57500000523480
IFSC Code	:	HDFC0000060
Mode **Name of beneficiary**	: :	RTGS/ NEFT JM FINANCIAL SERVICES LIMITED PROPRIETARY ACCOUNT

Cheque(s), demand draft(s), money orders, postal orders will not be accepted. The Issuer assumes no responsibility for any applications lost in mail. The entire amount of ₹ 1,00,000 (Indian Rupees One Lakh) per Debenture is payable on application.

Applications should be for the number of Debentures applied by the Applicant. Applications not completed in the said manner are liable to be rejected. The name of the applicant's bank, type of account and account number must be filled in the Application Form. This is required for the applicant's own safety and these details will be printed on the refund orders and interest/ redemption warrants.

The applicant or in the case of an application in joint names, each of the applicant, should mention his/her Permanent Account Number (PAN) allotted under the Income-tax Act, 1961 or where the same has not been allotted, the General Index Registrar Number ("**GIR Number**") and the Income tax Circle/Ward/District. As per the provision of Section 139A (5A) of the IT Act, PAN/GIR Number needs to be mentioned on the TDS certificates. Hence, the investor should

mention his PAN/GIR No. In case neither the PAN nor the GIR Number has been allotted, the applicant shall mention "Applied for" nor in case the applicant is not assessed to income tax, the applicant shall mention 'Not Applicable' (stating reasons for non-applicability) in the appropriate box provided for the purpose. Application Forms without this information will be considered incomplete and are liable to be rejected.

All applicants are requested to tick the relevant column "Category of Investor" in the Application Form. Public/ Private/ Religious/ Charitable Trusts, Provident Funds and Other Superannuation Trusts and other investors requiring "approved security" status for making investments.

For further instructions about how to make an application for applying for the Debentures and procedure for remittance of application money, please refer to the Issue Details and the Application Form.

5.7 *Terms of Payment*

The full-face value of the Debentures applied for is to be paid along with the Application Form. Eligible Investor(s) need to send in the Application Form and the details of RTGS for the full value of Debentures applied for.

5.8 *Force Majeure*

The Issuer reserves the right to withdraw the issue prior to the Issue Closing Date in the event of any unforeseen development materially adversely affecting the economic and regulatory environment of the Issuer.

5.9 *Applications under power of attorney*

A certified true copy of the power of attorney or the relevant authority as the case may be along with the names and specimen signature(s) of all the authorised signatories and the tax exemption certificate/document, if any, must be lodged along with the submission of the completed Application Form. Further modifications/additions in the power of attorney or authority should be notified to the Issuer or to the Registrars or to such other person(s) at such other address(es) as may be specified by the Issuer from time to time through a suitable communication.

5.10 *Application by mutual funds*

In case of applications by mutual funds, a separate application must be made in respect of each scheme of an Indian mutual fund registered with SEBI and such applications will not be treated as multiple applications, provided that the application made by the Asset Management Company/ Trustees/ Custodian clearly indicate their intention as to the scheme for which the application has been made.

5.11 *Application by Provident Funds, Superannuation Funds and Gratuity Funds*

The applications must be accompanied by certified true copies of

a. Trust Deed/bye laws/resolutions
b. Resolution authorizing investment
c. Specimen Signatures of the authorized signatories

Those desirous of claiming tax exemptions on interest on application money are compulsorily required to submit a certificate issued by the Income Tax Officer along with the Application Form. For subsequent interest payments, such certificates have to be submitted periodically.

5.12 *Basis of allocation*

The Debentures shall be allocated in accordance with the provisions of the Operational Guidelines.

5.13 *Anchor Portion*

The anchor investor for this Issue of Debentures is NIL and the debt security reserve for subscription by the anchor investor is not required to be created.

(i) The Issuer shall have an option to avail an '*anchor portion'* within the Issue, subject to the below mentioned conditions:
   (a) The Issuer shall have the discretion to select the anchor investor(s) for the anchor portion.
   (b) The quantum of allocation(s) to the anchor investor(s) shall be at the discretion of the issuer, subject to total allocation to the anchor(s) not exceeding 30% of the Issue size.
   (c) The quantum for anchor portion shall be suitably disclosed in the Key Information Document.

(ii) Settlement amount for the anchor investor(s) where Coupon is specified by the Issuer shall be determined on the basis of the following:
   - For uniform yield allotment: The settlement amount shall be the 'cut-off' price, i.e. total Issue size less the anchor portion.
   - For multiple yield allotment: The settlement amount shall be the face value of the security.

   Provided that, in case of re-issuance, the '*cut-off'* price determined shall be applicable on the anchor investor(s).

5.14 *Date of Subscription*

The Date of Subscription shall be the date of realisation of proceeds of subscription money in the Designated Bank Account of ICCL.

5.15 *Signatures*

Signatures should be made in English or in any of the Indian languages. Thumb impressions must be attested by an authorized official of the Issuer or by a magistrate/ notary public under his/her official seal.

5.16 *Nomination Facility*

Only individuals applying as sole applicant/joint applicant can nominate, in the prescribed manner, a person to whom his/her Debentures shall vest in the event of his/her death. Non-individuals including holders of power of attorney cannot nominate.

5.17 *Fictitious Applications*

Fictitious Applications will be rejected. Attention of applicants is specially drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013:

"Any person who:

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of,

securities to him, or to any other person in a fictitious name,
Shall be liable for action under Section 447 of the Companies Act, 2013."

5.18 ***Depository Arrangements***

The Issuer has appointed KFin Technologies Limited having its office at Seleium Building, Tower – B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally, Hyderabad, Rangareddi, Telangana, India – 500 032 as the Registrar for the present Debenture Issue. The Issuer has entered into necessary depository arrangements with NSDL and CDSL for dematerialization of the Debentures offered under the present Issue, in accordance with the Depositories Act, 1996 and regulations made there under. In this context, the Issuer has signed two tripartite agreements as under: (i) Tripartite Agreements between the Issuer, NSDL and the Registrar and (ii) between the Issuer, CDSL and the Registrar for dematerialization of the Debentures offered under the present Issue.

The Debenture Holders can hold the Debentures only in dematerialized form and deal with the same as per the provisions of Depositories Act, 1996 as amended from time to time.

5.19 ***Procedure for applying for demat facility***.

(i) Applicant(s) must have a beneficiary account with any Depository Participant of NSDL or CDSL prior to making the application.
(ii) Applicant(s) must specify their beneficiary account number and DP's ID in the relevant columns of the Application Form.
(iii) For subscribing to the Debentures, names in the Application Form should be identical to those appearing in the account details of the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
(iv) If incomplete/ incorrect beneficiary account details are given in the Application Form which does not match with the details in the depository system, it will be deemed to be an incomplete application and the same be held liable for rejection at the sole discretion of the Issuer.
(v) The Debentures shall be directly credited to the beneficiary account as given in the Application Form and after due verification, allotment advice/ refund order, if any, would be sent directly to the applicant by the Registrars to the Issue but the confirmation of the credit of the Debentures to the applicant's Depository account will be provided to the applicant by the Depository Participant of the applicant.
(vi) The Coupon, Redemption Premium or other benefits with respect to the Debentures would be paid to those Debenture Holders whose names appear on the list of Beneficial Owners given by the Depositories to the Issuer as on the Record Date. In case, the Beneficial Owner is not identified by the Depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of interest or other benefits, till such time the Beneficial Owner is identified by the depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the interest or other benefits to the beneficiaries identified, within a period of 15 (fifteen) days from the date of receiving such intimation.
(vii) Applicants may please note that the Debentures shall be allotted and traded on the Designated Stock Exchange only in dematerialized form.

5.20 ***Modification of Rights***

The rights, privileges, terms and conditions attached to the Debentures may be varied, modified or abrogated with the consent, in writing, of those Debenture Holders who hold at least three

fourths of the outstanding amount of Debentures or with the sanction accorded pursuant to a resolution passed at a meeting of the Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Company where such consent or resolution modifies or varies the terms and conditions of the Debentures, if the same are not acceptable to the Company and provided further that for any terms that are not adverse to the interests of the Debenture Holders or clarificatory or explanatory changes to the terms and conditions of these Debentures (to the extent permitted under applicable laws) the consent of the Debenture Holders shall not be required and the consent of the Debenture Trustee in this regard shall be adequate.

5.21 ***Notices***

Any notice, demand, request or other communication may be served by the Company or the Debenture Trustee upon the Debenture Holder(s) by way of e-mail at their addresses provided by the Company or sending through post in prepaid letter addressed to such Debenture Holder(s) at their registered address and any notice, demand, request or other communication so sent by email or post, shall be deemed to have been duly served on receiving a delivery notification of the email or the 3rd (third) day following the day on which it is posted and in proving such service it shall be sufficient to prove that the letter containing the notice was properly addressed and put into post box.

All notices required to be given by the Debenture Holder(s), including notices referred to under "Payment of Interest" and "Payment on Redemption" shall be sent by registered post or by hand delivery to the Issuer or to such persons at such address as may be notified by the Issuer from time to time.

5.22 ***Underwriting***

The present issue of Debentures is not underwritten.

5.23 ***Deemed Date of Allotment***

All benefits under the Debentures including payment of interest will accrue to the Debenture Holders from and including the respective Deemed Date of Allotment. The actual allotment of Debentures may take place on a date other than the Deemed Date of Allotment. In case if the issue closing date/pay-in dates is/are changed (preponed/postponed), the Deemed Date of Allotment may also be changed (pre -pond/postponed) by the Issuer at its sole and absolute discretion.

5.24 ***Letter(s) of Allotment/Debenture Certificate(s)/Refund Order (s)/Issue of Letter(s) of Allotment***

The Company shall issue a letter of allotment to each Debenture Holder on the Deemed Date of Allotment. Further, the Company shall allot the Debentures in dematerialized form no later than T+1 days, where 'T' implies Bidding Date and ensure completion of all statutory formalities as required for such dematerialized credit within the said time period. The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, SEBI (Depositories and Participants) Regulations, 1996, rules notified by NSDL/CDSL/Depository Participant from time to time and other applicable laws and rules notified in respect thereof. The Debentures shall be allotted in dematerialized form only.

5.25 ***Trading of Debentures***

The marketable lot for the purpose of trading of Debentures shall be 1 (one) Debenture of face value of ₹ 1,00,000 (Indian Rupees One Lakh) each. Trading of Debentures would be permitted in demat mode only in standard denomination of ₹ 1,00,000 (Indian Rupees One Lakh) and such

trades shall be cleared and settled in recognized stock exchange(s) subject to conditions specified by SEBI. In case of trading in Debentures which has been made over the counter, the trades shall be reported on a recognized stock exchange having a nationwide trading terminal or such other platform as may be specified by SEBI.

5.26 *Mode of Transfer of Debentures*

The Debentures shall be transferred subject to and in accordance with the rules/procedures as prescribed by the CDSL/NSDL/Depository Participant of the transferor/transferee and any other Applicable Laws and rules notified in respect thereof. The normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's DP account to his depository participant. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, interest will be paid/redemption will be made to the person, whose name appears in the records of the Depository. In such cases, claims, if any, by the transferee(s) would need to be settled with the transferor(s) and not with the Issuer.

Transfer of Debentures to and from NRIs/OCBs, in case they seek to hold the Debentures and are eligible to do so, will be governed by the then prevailing guidelines of RBI.

5.27 *Common Form of Transfer*

The Issuer undertakes that it shall use a common form/procedure for transfer of Debentures issued under terms of this Key Information Document.

5.28 *Interest on Application Money*

No interest on application money will be payable to the investors.

5.29 *Deduction of Tax at Source*

All payments to be made by the Company to the Debenture Holders under the Transaction Documents shall be made free and clear of and without deduction for or on account of taxes, except as required under the Income Tax Act, 1961, in the case of payment of interest under any Transaction Document or any interest to be paid on the withheld premium or any other amount payable in relation to the Debentures, as applicable. Provided that, the Company within the time stipulated under Applicable Laws delivers to the Debenture Trustee/Debenture Holders tax withholding or tax deduction certificates in respect of such withholding or deduction made in any Fiscal Year, evidencing that such deducted taxes or withholdings have been duly remitted to the appropriate instrumentality of the Government.

If the Company is required to make a tax deduction, it shall make that tax deduction and any payment required in connection with such tax deduction within the time allowed and in the minimum amount required by Applicable Law.

5.30 *List of Beneficial Owners*

The Issuer shall request the Depository to provide a list of Debenture Holders as at the end of the Record Date. This shall be the list, which shall be considered for payment of interest or repayment of principal amount, as the case may be.

5.31 ***Succession***

In the event of the demise of the sole/first holder of the Debenture(s) or the last survivor, in case of joint holders for the time being, the Issuer shall recognize the executor or administrator of the deceased Debenture Holder or the holder of succession certificate or other legal representative as having title to the Debenture(s). The Issuer shall not be bound to recognize such executor or administrator, unless such executor or administrator obtains probate, wherever it is necessary, or letter of administration or such holder is the holder of succession certificate or other legal representation, as the case may be, from a Court in India having jurisdiction over the matter. The Issuer may, in its absolute discretion, where it thinks fit, dispense with production of probate or letter of administration or succession certificate or other legal representation, in order to recognize such holder as being entitled to the Debenture(s) standing in the name of the deceased Debenture Holder on production of sufficient documentary proof or indemnity.

5.32 ***Where a non-resident Indian becomes entitled to the Debenture by way of succession, the following steps have to be complied:***

(i) Documentary evidence to be submitted to the legacy cell of the RBI to the effect that the Debenture was acquired by the NRI as part of the legacy left by the deceased holder.
(ii) Proof that the NRI is an Indian National or is of Indian origin.
(iii) Such holding by the NRI will be on a non -repatriation basis.

5.33 ***Joint Holders***

Payment of the principal amount of each of the Debentures and interest and other monies payable thereon shall be made to the respective Debenture Holder and in case of joint Debenture Holders, to the one whose name stands first in the Register of Debenture Holder(s).

5.34 ***Investor Relations and Grievance Redressal***

Arrangements have been made to redress investor grievances expeditiously as far as possible. The Issuer shall endeavour to resolve the investor's grievances within 30 (thirty) days of its receipt. All grievances related to the issue quoting the application number (including prefix), number of Debentures applied for, amount paid on application and details of collection centre where the Application was submitted, may be addressed to the Compliance Officer at Registered Office of the Issuer. All investors are hereby informed that the Issuer has designated a Compliance Officer who may be contacted in case of any pre-issue/ post-issue related problems such as non-credit of letter(s) of allotment/ debenture certificate(s) in the demat account, non-receipt of refund order(s), interest warrant(s)/ cheque(s) etc. Contact details of the Compliance Officer are given elsewhere in this Key Information Document.

6 PARTICULARS OF THE OFFER

Sr. No.	Term	Description
A	Details of the offer of non-convertible securities in respect of which the Key Information Document is being issued	10,000 (Ten Thousand) secured, redeemable, rated, listed, non-convertible debentures ("**Debentures**") of a face value of ₹1,00,000/- (Indian Rupees One Lakh only) each with a base issue size of 2,500 (Twenty Five Hundred) Debentures for cash aggregating to ₹ 25,00,00,000/- (Indian Rupees Twenty Five Crore only) with an option to retain oversubscription upto 7,500 (Seventy Five Hundred) Debentures for cash aggregating to ₹ 75,00,00,000/- (Indian Rupees Seventy Five Crore only), together aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crore only)
B	Financial information, if such information provided in the General Information Document is more than six months old	The Company confirms that the information provided in this Key Information Document read with the General Information Document is not more than six months old.
C	Material changes, if any, in the information provided in the General Information Document;	The Company confirms that there are no material changes to the information provided in the General Information Document.
D	Any material developments not disclosed in the General Information Document, since the issue of the General Information Document relevant to the offer of non-convertible securities in respect of which the key information document is being issued	The Company confirms that there are no material developments.

7 ISSUE DETAILS

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	JMFSL 9.2780% May2025
Issuer	JM Financial Services Limited ("JMFSL/the Company")
Arranger	None
Trustee	IDBI Trusteeship Services Limited
Registrar and Transfer Agents	KFin Technologies Limited
JM Financial Group	JM Financial Limited and its subsidiaries/ joint ventures/ associates or any person/entity directly or indirectly controlled

	by JM Financial Group and /or its subsidiaries/ joint ventures / associates
Type of Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior, on pari-passu basis with secured NCD holders, existing and future.
Mode of Issue	Private placement
Eligible Investors	In accordance with paragraph "5.1. Who Can Bid/Apply/Invest" of the Key Information Document.
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures are proposed to be listed on wholesale debt market segment of BSE. As per Chapter VII of the SEBI NCS Master Circular, the Company shall complete the listing of Debentures within T+3 trading day (T being the date of bidding for the Debentures or Issue Opening Date, as the case maybe). In case of delay in listing of Debentures beyond the timeline specified above, the Company will pay penal interest, of 1% p.a. over and above the coupon rate for the period of delay to the investor (i.e., from date of allotment to the date of listing).
Rating of the Instrument	CRISIL Ratings Limited have assigned a rating of "AA/Stable" (Pronounced as 'Double A' with "Stable" Outlook) to the long term non-convertible Debenture issue program of the Company.
Number of Debentures	Up to 10,000 NCDs (including option to retain oversubscription up to 7,500 NCDs)
Issue Size	10,000 (Ten Thousand) secured, redeemable, rated, listed, non-convertible debentures ("Debentures") of a face value of ₹1,00,000/- (Indian Rupees One Lakh only) each with a base issue size of 2,500 (Twenty Five Hundred) Debentures for cash aggregating to ₹ 25,00,00,000/- (Indian Rupees Twenty Five Crore only) with an option to retain oversubscription up to 2,500 (Twenty Five Hundred) Debentures for cash aggregating to ₹ 75,00,00,000/- (Indian Rupees Seventy Five Crore only), together aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crore only)
Minimum Bid Lot	10 Debentures and in multiple of 1 (one) Debenture thereafter
Manner of Bidding	Close Bid
Option to retain oversubscription (Amount)	Up to ₹ 75,00,00,000/- (Rupees Seventy Five Crore only) (on face value)
Anchor Portion Details	Not Applicable
Total Amount Anchor Portion (not exceeding 30% of Base Issue size)	Not Applicable
Name of Anchor Investor(s)	Not Applicable
Quantum for each Anchor	Not Applicable

Investor (₹)	
Objects of the Issue / Purpose for which there is requirement of funds	The details the objects of Issue and the amount proposed to be financed from the proceeds are mentioned in table below: **Objects of Issue** — **% of amount proposed to be financed from Net Proceeds** For the purpose of (a) refinancing existing borrowings (b) augmenting the working capital requirement (including funding trades on behalf of the clients on 'T+5' basis, in line with industry practice and margin with exchange/s) — At least 90% General Corporate Purpose — Maximum upto 10% **Total** — **100%** No part of the proceeds shall be utilized directly/indirectly towards the purposes which are restricted by the concerned regulator and/ or the Government of India from time to time.
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format	Not Applicable
Details of the utilization of the Proceeds	The proceeds of the Issue would be utilised by the Company, inter-alia, for refinancing existing borrowings, augmenting the working capital requirement (including funding trades on behalf of the clients on 'T+5' basis, in line with industry practice and margin with exchange/s) and general corporate purpose. Further, the Company, may pending utilisation of the proceeds out of the issue of the NCDs, temporarily invest funds in high quality interest bearing overnight mutual funds, liquid instruments including money market mutual funds, deposits with banks or temporarily deploy the funds in investment grade income bearing securities as may be approved by the Board / any Committee thereof, as the case may be.
Coupon/ Dividend Rate	Coupon Rate- 9.2780 % per annum Dividend Rate- Not Applicable
Step Up/Step Down Coupon Rate	In the event of rating downgrade of the Debentures by any rating agency, the Coupon will be stepped up by 0.25% (Zero Decimal Point Two Five Percent) for every notch of rating downgrade, over and above the prevailing Coupon Rate immediately prior to such rating downgrade. Provided that, for the purposes of such step up, in the event there are multiple ratings for the Debentures, the lowest of all available ratings of the Debentures shall be considered.

	If subsequent to such rating downgrade, there is a rating upgrade by the same rating agency which has downgraded the credit rating; the Coupon will be stepped down by 0.25% (Zero Decimal Point Two Five Percent) for every notch of rating upgrade till the time such credit rating is restored to the initial credit rating at the time of issue. Such enhanced / decreased Coupon Rate (as the case may be) shall be applicable from the date of issue of the rating downgrade / upgrade, as the case may be, by any rating agency, till the Maturity Date. In the event of rating downgrade of the Debentures by any rating agency, the Coupon will be stepped up by 0.25% (Zero Decimal Point Two Five Percent) for every notch of rating downgrade, over and above the prevailing Coupon Rate immediately prior to such rating downgrade. Provided that, for the purposes of such step up, in the event there are multiple ratings for the Debentures, the lowest of all available ratings of the Debentures shall be considered. If subsequent to such rating downgrade, there is a rating upgrade by the same rating agency which has downgraded the credit rating; the Coupon will be stepped down by 0.25% (Zero Decimal Point Two Five Percent) for every notch of rating upgrade till the time such credit rating is restored to the initial credit rating at the time of issue. Such enhanced / decreased Coupon Rate (as the case may be) shall be applicable from the date of issue of the rating downgrade / upgrade, as the case may be, by any rating agency, till the Maturity Date.
Coupon/ Dividend Payment Frequency	Coupon Payment Frequency – Coupon Compounded Monthly, Payable Annually and on Maturity Dividend Payment Frequency - Not Applicable
Coupon/ Dividend payment dates	Coupon payment dates - April 24, 2025 and on Maturity- May 26, 2025 Dividend payment dates - Not Applicable
Cumulative/non-cumulative, in case of dividend	Not Applicable
Coupon Type (Fixed, floating or other structure)	Fixed
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	None
Day Count Basis (Actual/Actual)	Actual/Actual i.e. Actual/365 (Three Hundred Sixty Five) days (or 366 (Three Hundred Sixty Six) days in the case of a leap year).
Interest on Application	Not Applicable

Money	
Default Interest Rate	In case of failure by the Company in the performance of its material obligations such as failure to make the payment, inadequacy of the security cover, breach in financial covenants (subject to cure period) under the Transaction Documents, the Company shall be liable to pay a default interest which shall be calculated at the rate of 2% (Two Percent) per annum on the outstanding principal amount of the Debentures over and above the Coupon Rate from the end of the cure period till the period it is rectified.
Tenor	13 (Thirteen) months
Redemption Schedule and Date	Repayable after 13 months Date- May 26, 2025
Redemption Amount	Rs. 1,00,000/- per Tranche D NCD
Redemption Premium/Discount	Nil
Issue Price	Rs. 1,00,000/- per Tranche D NCD
Discount at which security is issued and the effective yield as a result of such discount.	None
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	Not applicable
Put Date	None
Put Price	Not Applicable
Call Date	None
Call Price	Not Applicable
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	Not Applicable
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	Not Applicable
Face Value	Rs. 1,00,000/- per Tranche D NCD
Minimum Application and in multiples of thereafter	Minimum 10 (ten) Debentures and in multiples of 1 thereafter
Issue Timing	
1. Issue Opening Date	April 23, 2024
2. Bidding Date	April 23, 2024
3. Issue Closing Date	April 23, 2024
4. Date of earliest closing of the issue, if any.	Not Applicable
5. Pay-in Date	April 24, 2024

6. Deemed Date of Allotment	April 24, 2024
Settlement mode of the Instrument	Demand Draft/Pay Order/Direct Credit/ECS/NEFT/RTGS/NACH/other permitted mechanisms.
Depository(ies)	NSDL / CDSL
Disclosure of Interest/ Dividend/ redemption dates	Disclosure of Interest/ redemption dates April 24, 2025 and on Maturity- May 26, 2025 Disclosure of Dividend dates- Not Applicable
Record Date	The Record Date for payment of interest in connection with the NCDs or repayment of principal in connection therewith which shall be 15 days prior to the date on which interest, is due and payable and/or the Redemption Date and/or such other date as may be determined by the Board of Directors or any other committee thereof from time to time in accordance with the applicable law. In case of redemption of NCDs, the trading in the NCDs shall remain suspended between the Record Date and the Redemption Date. In case the Record Date falls on a day when the Stock Exchange is having a trading holiday, the immediate preceding trading day or a date notified by our Company to the Stock Exchange, will be deemed as the Record Date.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	The covenants of the issue are as specified in Annexure 11.
Description regarding Security (where applicable) including type of security movable / immovable/ tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Issue Documents/Transaction Documents.	The Debentures shall be secured on pari passu basis on the Receivables /assets of the Company sufficient to cover the Minimum Security Cover ("Movable Properties"). The charge on the Movable Properties shall rank inter se pari passu amongst the Debenture Holders. The Debenture Holders agree and confirm that the Movable Properties shall secure the entire Debentures and no further consent/approval/pari passu letter shall be required from one Debenture Holder to another Debenture Holder for sharing the charge on the Movable Properties, so long as the Security Cover is maintained. If the Security Cover falls below the stipulated rate above, on any account, the Company shall within 30 (thirty) Business Days of such occurrence, hypothecate further assets or such additional security as may be acceptable to the Debenture Trustee to restore and maintain the Minimum Security Cover. The Company shall file the particulars of the charge created by way of deed(s) of hypothecation within 30 (thirty) days from the date of creation of such charge. Further the Company shall provide all necessary assistance/cooperation to the Debenture Trustee for filing the particulars of the charge with CERSAI.

	The security created by or pursuant to the deed(s) of hypothecation is a continuing security and shall remain in full force and effect until the day all obligations under the Transaction Documents are settled. Receivables shall mean all the receivables due to the Company (save and except the receivables charged on an exclusive basis to any creditor/lender, if any), whether now, or at any time during the continuance of the Debentures and unencumbered in nature, emanating from debtors of the Company, loans, loans repayment, prepayments of interest / principal or any monies in connection to the loans, investments, return on such investments, and sale proceeds of such investments (and shall exclude any investments in the group companies, association of persons or partnership firms of the Issuer), to the extent of Minimum Security Cover. Debt Securities shall be considered as secured only if the charged asset is registered with sub-registrar and registrar of companies or Central Registry of Securitisation Asset Reconstruction and Security Interest or depository etc., as applicable or is independently verifiable by the Debenture Trustee.
Minimum Security Cover	[1] time of the principal amount outstanding and interest accrued thereon. The Minimum Security Cover shall be calculated on the basis of the Movable Properties.
Transaction Documents	(i) General Information Document; (ii) This Key Information Document; (iii) Debenture Trust Deed cum Hypothecation Deed; (iv) Deed of Confirmation; (v) Debenture Trustee Agreement; and (vi) Any security creation document including forms for filing of charge and any other document that may be designated by the Debenture Trustee as a Transaction Document. This Key Issue Document shall be read in conjunction with the other Transaction Documents and in case of any ambiguity or inconsistency or differences with any Transaction Document including the Debenture Trust Deed cum Hypothecation Deed, this Key Information Document shall prevail.
Allocation Option	Multiple Yield
Settlement Type	T+1, wherein 'T' is the Bidding Date
Mechanism of Settlement	Through the Electronic Bidding Platform of BSE Limited
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only

Business Day Convention	If the interest payment date falls on a holiday or non-Business day/ Working day for the banks in Mumbai, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security. In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day/Business Day for the banks in Mumbai, the payment will be made on the preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.
Conditions Precedent to Disbursement	The Issuer will provide documents in form and substance satisfactory to the Trustee, including but not limited to: 1. Certified copy of the Memorandum and Articles of Association of the Issuer; 2. Shareholders resolution; 3. Board resolution; 4. NCD Issuance Committee Resolution; 5. Signed General Information Document and Key Information Document; 6. Application Form; 7. Credit rating letter from CRISIL Ratings Limited assigning rating of AA/Stable (pronounced double A) for the Issue of the Debentures; 8. Consent letter from the Debenture Trustee for being appointed as the Debenture Trustee to the Debenture issue; 9. Copy of letter(s) appointing Debenture Trustee to the issue; 10. Consent letter from the Registrar and Transfer Agent for being appointed as the Registrar and Transfer Agent to the Debenture Issue; 11. Execution of Debenture Trustee Agreement between the Debenture Trustee and Issuer; 12. Copy of the in-principle approval granted by BSE for listing of the Debentures; and 13. Intimation by the Debenture Trustee that they are in receipt of all the condition precedent documents.
Condition Subsequent to Disbursement	As customary for transaction of a similar nature and size: 1. the Company shall ensure that the Debentures are credited into the demat accounts of the respective Debenture Holders within T+1 days, where 'T' implies Bidding Date; 2. the Company shall, inter alia, file a return of allotment of securities under Form PAS-3 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 with the ROC within 15 (fifteen) days of the allotment of Debentures along with a list of the Debenture Holders and with the prescribed fee;

	3. the Company has filed/shall file Form CHG-9 with the ROC and Debenture Trustee shall file Form I with CERSAI within 30 (Thirty) days from the date of creation of security; 4. the Company shall obtain listing of the Debentures on or before T+3 days, wherein T implies bidding date; and 5. Executed Debenture Trust Deed prior to the listing of Debentures.
Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)	The occurrence of any of the following events shall be deemed to be an Event of Default in terms of the Debenture Trust Deed/Issue Documents: a) When the Company fails to make payment when due on any given series/tranche of Debentures which ought to have been paid in accordance with the terms of the issue of such series/tranche of Debentures; b) When the Company without the consent of Debenture Holders ceases to carry on its business or gives notice of its intention to do so; c) When an order has been made by the Tribunal or a special resolution has been passed by the members of the Company for winding up of the Company; d) When any material breach of the terms/covenants of this Key Information Document is committed by the Company; e) When the Company creates or attempts to create any charge on the Mortgaged Properties or any part thereof without the prior approval of the Debenture Trustee/Debenture Holders; f) When in the opinion of the trustees the security of debenture holders is in jeopardy; g) Any governmental or other authority (whether de jure or de facto) compulsorily acquires, expropriates or seizes all or any part of the principal business of the Company or the Secured Properties for the Debenture Holders, provided that the Company fails to provide alternate or additional security; and h) Without prejudice to above, the commencement of an insolvency resolution process under the (Indian) Insolvency and Bankruptcy Code, 2016 (to the extent applicable) in respect of the Company and the same is not

defended by the Company within a period of 14 days. For clarity, the insolvency resolution process commences on the day a financial creditor (s) make(s) an application to the NCLT. However, for further clarity, the insolvency resolution process shall commence only upon the admission of case by an Operational Creditor(s) in NCLT.

Consequence of Event of Default

a) On and at any time after the occurrence of an Event of Default, the Debenture Trustee shall, if so directed by Debenture Holder(s) of the relevant series/ tranche of the Debentures (holding an aggregate amount representing not less than 75% (Seventy Five Percent) of the value of the nominal amount of the relevant tranche or series of the Debentures for the time being outstanding), be entitled to:

    i. accelerate the redemption of the relevant series/ tranche of the Debentures and the amounts due under the security documents shall become immediately due and payable; and/or

    ii. enforce its charge over the Security in terms of the security documents to recover the amounts due in respect of the relevant series/tranche of the Debentures; and/or

    iii. exercise any other right that the Debenture Trustee and/or Debenture Holder(s) may have under the Transaction Documents or under Indian law.

b) If any Event of Default or any event which, after the notice, or lapse of time, or both, would constitute an Event of Default has happened, the Company shall, promptly give notice thereof to the Debenture Trustee, in writing, specifying the nature of such Event of Default.

In addition to the above, and without prejudice to the Company's obligation to make payment of default interest on account of any delay in relation to making of any payments due in relation to the Debentures, so long as there shall be an Event of Default other than an event of default pertaining to as payment default, the Company shall pay an additional interest of 1% (One per cent) per annum over the implicit yield / Coupon Rate until such Event of Default is rectified, without any prejudice to the remedies available to the Debenture Holder(s) or the consequences of Events of Default.

Additional covenants:

	a. Default in Payment: In case of default in payment of Interest and/or principal redemption on the due dates, additional interest of atleast @ 2% p.a. over the interest/coupon rate / implicit yield will be payable by the Company for the defaulting period; b. Delay in Listing: In case of delay in listing of the NCDs, the Company will pay penal interest, of 1% p.a. over and above the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing). The interest rates mentioned in above three cases are independent of each other.
Creation of recovery expense fund	The Company shall deposit funds with BSE as recovery expense fund, as stipulated by SEBI.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	All conditions for breach of covenants of this issue are covered in Debenture Trust Deed dated September 8, 2023 including any amendment, from time to time.
Provisions related to Cross Default Clause	As per Accelerated Redemption Event clause as mentioned in Annexure 11 of this Key Information Document.
Role and Responsibilities of Debenture Trustee	As per SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, the Companies Act, 2013 and the rules made thereunder, the Debenture Trustee Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
Risk Factors pertaining to this Issue	As per Point 4 of General Information Document dated September 8, 2023.
Governing Law and Jurisdiction	The Debenture Documents shall be governed by the laws of India. The Courts in Mumbai will have exclusive jurisdiction in relation to any dispute that may arise out of or in connection with any of the Debenture Documents.

*** Notes:**

(a) If there is any change in coupon rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and the events which lead to such change should be disclosed.

(b) While the debt securities are secured to the extent of hundred per cent. of the amount of principal and interest or as per the terms of issue document, in favour of debenture trustee, it is the duty of the debenture trustee to monitor that the security is maintained.

8 ILLUSTRATION OF CASH FLOWS

8.1 The illustrative cash flows per Debentures (bearing face value of ₹ 1,00,000) is as under:

Particulars	Details
Name of the Issuer	JM Financial Services Limited
Face Value	₹ 1,00,000
Deemed Date of Allotment	April 24, 2024
Redemption Date	May 26, 2025
Coupon Rate	9.2780% per annum

Frequency of Interest Payment	Annually
Day Count Convention	Actual/Actual
Number of Debentures	10,000

Cash Flow

The illustrative cash flows per Debenture (bearing face value of ₹ 1,00,000) is as under:

Cash Flows	Coupon Payment Date	Actual Date for calculation	No. of Days in Coupon Period	Per NCD Amount (in Rs.)
Principal Drawdown	April 24, 2024		-	1,00,000.00
Coupon/Interest Payment 1	April 24, 2025	April 24, 2025	365	9,682.80
Coupon/Interest Payment 2	May 26, 2025	May 26, 2025	32	813.40
Principal	May 26, 2025	May 26, 2025		1,00,000.00

(In the event any Due Date is a holiday, payments will be made in accordance with the Business Day Convention).

9 FINANCIAL INFORMATION

The below data is in addition to the financial information provided in the General Information Document dated September 8, 2023.

9.1 Key operational and financial parameters (Standalone financials)

(Rs. in crore)

Particulars	As on December 31, 2023
BALANCE SHEET	
Assets	
Property, Plant and Equipment	113.19
Financial Assets	5,083.24
Non-financial Assets excluding property, plant and equipment	90.30
Total Assets	5,286.73
Liabilities	
Financial Liabilities	
-Derivative financial instruments	-
-Trade Payables	1262.06
-Debt Securities	1814.51
-Borrowings (other than Debt Securities)	483.02
-Lease Liabilities	106.32
-Subordinated liabilities	-
-Other financial liabilities	1002.60

Non-Financial Liabilities	
-Current tax liabilities (net)	NIL
-Provisions	19.89
-Deferred tax liabilities (net)	NIL
-Other non-financial liabilities	22.28
Equity (Equity Share Capital and Other Equity)	576.05
Total Liabilities and Equity	5286.73
PROFIT AND LOSS	
Revenue from operations	612.68
Other Income	21.25
Total Income	633.93
Total Expense	565.97
Profit after tax for the year	52.73
Other Comprehensive income	-0.20
Total Comprehensive Income	52.53
Earnings per equity share (Basic)	10.55
Earnings per equity share (Diluted)	9.12
CASH FLOW	
Net cash from / used in(-) operating activities	-
Net cash from / used in(-) investing activities	-
Net cash from / used in (-) financing activities	-
Net increase/decrease (-) in cash and cash equivalents	-
Cash and cash equivalents as per Cash Flow Statement as at end of year	-
Net worth	576.05
Cash and cash equivalents	25.11
Loans (Net)	1509.86
Loans (Gross EAD)	1518.97
Total Debts to Total Assets	0.43
Interest Income	247.00
Interest Expense	151.61
Impairment on Financial Instruments	-0.06
Bad Debts to Loans*	-
% Stage 3 Loans on Loans (EAD Basis)	-
% Net Stage 3 Loans on Loans (EAD Basis)	-
Tier I Capital Adequacy Ratio (%)	-
Tier II Capital Adequacy Ratio (%)	-

9.2 Key operational and financial parameters (Consolidated financials)*

*The Company is not required to prepare consolidated financials for the half year ended September 30, 2023.

10 OTHER DISCLOSURES AND INFORMATION

10.1 Details of outstanding secured loan facilities of the Issuer as on December 31, 2023

Name of the Lender	Type of Facility	Amount Sanctioned (₹ in Crore)	Principal Amount Outstanding (₹ in Crore)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
Axis Bank	Bank Guarantee	150.00	90.00	Annual	In the form of Fixed Deposits to the tune of 50% of the BG's availed	ICRA AA (Stable) (Bank Line rating)	Standard
HDFC Bank		300.00	171.50				
ICICI Bank		550.00	549.80				
IDFC First Bank		300.00	300.00				
Axis Bank	Overdraft Against Fixed Deposits	0.23	-		Fixed Deposits		
HDFC Bank		66.46	50.33				
ICICI Bank		35.66	35.03				
IDFC First Bank		0.10	-				
State Bank of India		71.25	71.17				
HDFC Bank	Overdraft Against Receivables	75.00	-		Receivables		
ICICI Bank		50.00	-				
Aditya Birla Finance Limited	Term Loan	100.00	100.00	On maturity	Current assets MTF receivables and other receivables	-	-
Bajaj Finance Limited		50.00	50.00	Quarterly Repayment w.e.f January 5, 2024 i.e Rs. 4.16 Crore	Receivables arising out of the MTF (Margin Trading Facility)	-	-

10.2 Details of outstanding unsecured loan facilities of the Issuer as on December 31, 2023:

Name/Type of lender	Type of Facility	Amount Sanctioned (₹ In Crore)	Principal Amount outstanding (₹ In Crore)	Repayment Date / Schedule	Credit Rating, if applicable
Corporate	Inter Corporate Deposit	15	15	February 20, 2024	NA
		50	50	January 15, 2024	
		50	50	January 15, 2024	

	60	60	January 15, 2024
	20	20	March 28, 2024

10.3 Details of outstanding non-convertible securities as on December 31, 2023:

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security
Tranche A	INE012I07041	912 days	9.0964 % p.a.	Rs. 49 Crore	September 11, 2023	March 11, 2026	ICRA AA- Stable Outlook	Secured	Pari Passu Charge on Receivables/assets of the Company.
Tranche B	INE012I07058	731 days	8.75% p.a.	Rs. 31 Crore	November 20, 2023	November 20, 2025	ICRA AA- Stable Outlook	Secured	Pari Passu Charge on Receivables/assets of the Company.
Tranche C	INE012I07066	547 days	9.0732 %	Rs. 150 Crore	November 30, 2023	May 30, 2025	CRISIL AA- Stable Outlook	Secured	Pari Passu Charge on Receivables/assets of the Company.

10.4 Details of commercial paper issuances as at the end of the last quarter i.e. as on December 31, 2023, in the following format:

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
1.	INE012I14OL1	365	8.85%	25.00	March 27, 2023	March 26, 2024	ICRA A1+/ Crisil A1+	Unsecured	NA	IPA: HDFC Bank Limited; Credit Rating Ageny: ICRA Limited and Crisil Ratings Limited
2.	INE012I14OT4	365	8.75%	50.00	June 13, 2023	June 12, 2024				
3.	INE012I14OS6	303	8.40%	15.00	June 13, 2023	April 11, 2024				
4.	INE012I14OU2	257	8.55%	25.00	June 16, 2023	February 28, 2024				
5.	INE012I14PA1	181	8.25%	25.00	July 27, 2023	January 24, 2024				
6.	INE012I14PE3	188	8.65%	100.00	August 30, 2023	March 5, 2024				
7.	INE012I14PH6	155	8.65%	75.00	September 14, 2023	February 16, 2024				
8.	INE012I14PH6	154	8.65%	25.00	September 15, 2023	February 16, 2024				
9.	INE012I14PI4	137	8.65%	100.00	September 15, 2023	January 30, 2024				
10.	INE012I14PK0	91	8.50%	175.00	October 17, 2023	January 16, 2024				

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
11.	INE012I14PL8	182	8.75%	50.00	October 23, 2023	April 22, 2024				
12.	INE012I14PM6	182	8.75%	60.00	October 30, 2023	April 29, 2024				
13.	INE012I14PI4	91	8.60%	50.00	October 31, 2023	January 30, 2024				
14.	INE012I14PO2	182	8.75%	20.00	November 2, 2023	May 2, 2024				
15.	INE012I14PN4	91	8.60%	50.00	November 3, 2023	February 2, 2024				
16.	INE012I14PP9	91	8.54%	75.00	November 6, 2023	February 5, 2024				
17.	INE012I14PP9	91	8.54%	75.00	November 6, 2023	February 5, 2024				
18.	INE012I14PQ7	178	8.75%	25.00	November 21, 2023	May 17, 2024				
19.	INE012I14PU9	365	9.20%	100.00	November 23, 2023	November 22, 2024				
20.	INE012I14PU9	365	9.20%	100.00	November 23, 2023	November 22, 2024				
21.	INE012I14PR5	171	8.75%	40.00	November 24, 2023	May 13, 2024				
22.	INE012I14PS3	173	8.75%	50.00	November 24, 2023	May 15, 2024				
23.	INE012I14PT1	180	8.75%	50.00	November 24, 2023	May 22, 2024				
24.	INE012I14PE3	95	8.40%	25.00	December 1, 2023	March 5, 2024				
25.	INE012I14PV7	91	8.64%	75.00	December 7, 2023	March 7, 2024				
26.	INE012I14PV7	91	8.64%	50.00	December 7, 2023	March 7, 2024				
27.	INE012I14PV7	91	8.64%	50.00	December 7, 2023	March 7, 2024				
28.	INE012I14PW5	97	8.64%	25.00	December 7, 2023	March 13, 2024				
29.	INE012I14PW5	93	8.64%	25.00	December 11, 2023	March 13, 2024				
30.	INE012I14PX3	88	8.64%	8.00	December 21, 2023	March 18, 2024				

10.5 List of top ten holders of non-convertible securities as on December 31, 2023, in terms of value (on a cumulative basis):

Sr. No.	Name of holders	Category of holder	Face value of holding	Holding as a % of total outstanding non- convertible securities of the Issuer
1.	SBI Multi Asset Allocation Fund	Mutual Fund	64	28%
2.	SBI Credit Risk Fund		35	15%
3.	SBI Magnum Medium Duration		35	15%

	Fund			
4.	Tata Mutual Fund - Tata Ultra Short-Term Fund		25	11%
5.	HSBC Credit Risk Fund		20	9%
6.	HSBC Medium Duration Fund		20	9%
7.	Reliance Commercial Finance Limited	Corporate	20	9%
8.	Phillip Services India Private Limited		10	4%
9.	Hemant Mandovra HUF	HUF	0.5	0.2%
10.	Ramanan Ravi Iyer	Individual	0.5	0.2%

10.6 List of top ten holders of commercial paper as on December 31, 2023 in terms of value (in cumulative basis):

Sr. No.	Name of holder	Category of holder	Face value of holding (in ₹)	Holding as a % of total commercial paper outstanding of the Issuer
1.	Aditya Birla Sun Life Trustee Pvt. Ltd A/C – Aditya Birla Sun Life Liquid Fund	Mutual Fund	5,00,000/-	9.27%
2.	Aditya Birla Sun Life Trustee Pvt. Ltd A/C – Aditya Birla Sun Life Money Manager Fund			6.18%
3.	ICICI Prudential Savings Fund			6.18%
4.	ICICI Prudential Ultra Short Term Fund			6.18%
5.	Kotak Mahindra Trustee Company Ltd A/C Kotak Liquid Fund			3.09%
6.	Axis Fixed Term Plan-Series 118 (100 Days)			1.55%
7.	Axis Mutual Fund Trustee Ltd. A/c Axis Mutual Fund A/c Axis Ultrashort Term Fund			1.55%
8.	Jupiter Life Line Hospitals Limited	Corporate		18.54%
9.	Andhra Paper Limited			1.55%
10	Indian Energy Exchange Limited			1.24%

10.7 Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors:

Name of Party (in case of facility)/ Name of Instrument	Type of facility/ Instrument	Amount sanctioned/ issued (Rs in Crore)	Principal Amount outstanding	Date of Repayment/ Schedule	Credit Rating	Secured/ Unsecured	Security
Axis Bank	Overdraft	0.23	-	Annual	NA	Secured	Fixed Deposit
HDFC Bank	Against Fixed Deposits	66.46	50.33				
ICICI Bank		35.66	35.03				
IDFC First Bank		0.10	-				
RBL Bank		0.24					
State Bank of India		71.25	71.17				
HDFC Bank	Overdraft	75.00	-		ICRA		Book Debts/

ICICI Bank	Against Receivables	50.00	-		AA (Stable)		receivables
JM Financial Limited	Preference Shares (Redeemable)	42.00	42.00	On or before March 20, 2028	NA	Unsecured	N.A

10.8 The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. (Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash). This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) in whole or part; (ii) at a premium or discount, or (iii) in pursuance of an option or not: **NIL**

11 UNDERTAKING BY THE ISSUER

i. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the issuer and the offer including the risks involved. The Debentures have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this Key Information Document. Specific attention of investors is invited to section 'General Risk' on Page Number 1 and the statement of 'Risk factors' given in **Annexure 1 of the General Information Document** and Section 3 (*Risks in relation to the Debentures*) of the Key Information Document**.**

ii. The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document read together with the General Information Document contains all information with regard to the Issuer and the Issue, that the information contained in the Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Key Information Document or the General Information Documents as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

iii. The Issuer has no side letter with any holder of the Debentures. Any covenants later added shall be disclosed on the website of the stock exchange where the Debentures will get listed.

12 DISCLOSURES PRESCRIBED UNDER FORM PAS 4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014

Sr. No.	Disclosure Requirements	Reference
PART A		
1	**GENERAL INFORMATION**	
i.	Name, address, website and other contact details of the Company indicating both registered office and corporate office.	Front page
ii.	Date of incorporation of the Company	June 19, 1998
iii.	Business carried on by the Company and its subsidiaries with the details of branches or units, if any	Please refer to point 5.2 of the General Information Document dated September 8, 2023.
iv.	Brief particulars of the management of the company	Please refer to **Annexure 10 (*Brief Particulars of the Management*)** of the Key Information Document.
v.	Names, addresses, DIN and occupations of the directors	Please refer to point 13.1 of the General Information Document dated September 8, 2023.
vi.	Management's perception of risk factors;	Please refer to point 4 of the General Information Document dated September 8, 2023.
vii.	Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of – (i) statutory dues; (ii) debentures and interest thereon; (iii) deposits and interest	Nil

Sr. No.	Disclosure Requirements	Reference
	thereon; (iv) loan from any bank or financial institution and interest thereon.	
viii.	Names, designation, address and phone number, email ID of the nodal/ compliance officer of the company, if any, for the private placement offer process;	Name: Ms. Dimple Mehta Designation: Company Secretary and Compliance Officer Telephone: +91 22 6630 3290 Email id: dimple.m@jmfl.com Address: 5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025
ix.	Any Default in Annual filing of the Company under the Companies Act, 2013, or the rules made thereunder.	No default.
2	**PARTICULARS OF THE OFFER**	
i.	Financial position of the Company for the last 3 Financial Years;	Please refer to point 12.2 of the General Information Document dated September 8, 2023.
ii.	Date of passing of board resolution;	Board resolution dated October 27, 2023 and January 25, 2023 and NCD Issuance Committee resolution dated April 16, 2024. (*Certified true copy of the Board Resolution dated January 25, 2023 and certified true copy of the resolution of the NCD Issuance Committee dated April 16, 2024 have been annexed in* ***Annexure 5***)
iii.	Date of passing of resolution in the general meeting, authorizing the offer of securities;	Shareholder resolution dated July 25, 2023 and October 27, 2023. ***(Certified true copy of the shareholders resolution have been annexed in Annexure 5)***
iv.	Kinds of securities offered (i.e. whether share or debenture) and class of security; the total number of	10,000 (Ten Thousand) secured, redeemable, rated, listed, non-convertible debentures ("**Debentures**") of a face value of ₹1,00,000/- (Indian Rupees One Lakh only) each with a base issue size of 2,500 (Twenty Five Hundred) Debentures for cash aggregating to ₹ 25,00,00,000/- (Indian Rupees Twenty Five Crore only) with an option to retain oversubscription upto 7,500

Sr. No.	Disclosure Requirements	Reference
	shares or other securities to be issued;	(Seventy Five Hundred) Debentures for cash aggregating to ₹ 75,00,00,000/- (Indian Rupees Seventy Five Crore only), together aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crore only)
v.	Price at which the **security** is being offered including the premium, if any, along with justification of the price	Non-Convertible Debentures **Face Value**: ₹1,00,000/- (Indian Rupees One Lakh) per Debenture **Issue Price**: ₹1,00,000/- (Indian Rupees One Lakh) per Debenture **Justification**: At par
vi.	Name and address of the valuer who performed valuation of the security offered, and basis on which the price has been arrived at along with report of the registered valuer.	Not Applicable
vii.	Relevant date with reference to which the price has been arrived at;	Not Applicable
viii.	The class or classes of persons to whom the allotment is proposed to be made;	Please refer paragraph 5.1 "Who Can Bid/Apply/Invest" of this Key Information Document
ix.	Intention of Promoters, Directors or Key Managerial Personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer);	Not Applicable
x.	The proposed time within which the allotment shall be completed	On the Deemed Date of Allotment
xi.	The names of the proposed allottees and the percentage	Not Applicable

Sr. No.	Disclosure Requirements	Reference
	of post private placement capital that may be held by them	
xii.	The change in control, if any, in the company that would occur consequent to the private placement	Not Applicable
xiii.	The number of persons to whom allotment on preferential basis / private placement / rights issue has already been made during the year, in terms of number of securities as well as price;	None
xiv.	The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer	Not Applicable
xv.	Amount which the Company intends to raise by way of proposed offer of securities	10,000 (Ten Thousand) secured, redeemable, rated, listed, non-convertible debentures ("**Debentures**") of a face value of ₹1,00,000/- (Indian Rupees One Lakh only) each with a base issue size of 2,500 (Twenty Five Hundred) Debentures for cash aggregating to ₹ 25,00,00,000/- (Indian Rupees Twenty Five Crore only) with an option to retain oversubscription upto 7,500 (Seventy Five Hundred) Debentures for cash aggregating to ₹ 75,00,00,000/- (Indian Rupees Seventy Five Crore only), together aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crore only)
xvi.	Terms of raising of securities: (a) duration; if applicable (b) rate of dividend or	**Non-Convertible Debentures** Duration, if applicable (Tenor): 13 months Deemed Date of Allotment: April 24, 2024 Final Redemption Date: May 26, 2025

Sr. No.	Disclosure Requirements	Reference	
	rate of interest; (c) mode of payment (d) mode of repayment;	Coupon Rate	9.2780% (Nine Decimal Point Thirty Five Percent) per annum
		Coupon Payment Date(s)	April 24, 2025 and on Maturity- May 26, 2025
		Redemption Premium	Not Applicable
		Default Interest	In case of failure by the Company to make any payments (on any Due Date), the Company shall be liable to pay default interest which shall be calculated at the rate of 2% (Two Percent) per annum over and above the Coupon Rate on the defaulted amounts for the duration of the default. The Company confirms that in case of delay in listing of Debentures beyond the Listing Timelines, the Company will pay penal interest, of 1% p.a. over and above the coupon rate for the period of delay to the investor (i.e. from date of allotment to the date of listing).
		Mode of Payment	Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / NACH / other permitted mechanisms
		Mode of Repayment	Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / NACH / other permitted mechanisms
		Rating of Debentures	"AA/Stable" (Pronounced as 'Double A' with "Stable" Outlook) annexed as **Annexure 1 (*Credit Rating Letter*)**.
		Day Count Basis	The Coupon shall be computed on Actual/Actual basis, i.e. Actual/365 (Three Hundred Sixty Five) days (or 366 (Three Hundred Sixty Six) days in the case of a leap year).
xviii.	Purposes and objects of the Offer	Has the meaning set forth in Section 7 (*Issue Details)* of this Key Information Document.	
xix.	Contribution being made by the promoters or directors either as part of the offer or separately in	Nil	

Sr. No.	Disclosure Requirements	Reference
	furtherance of such objects;	
xx	Principle terms of assets charged as security, if applicable;	As set forth in Section 7 (*Issue Details*) of this Key Information Document.
xxi	The details of significant and material orders passed by the Regulators, Courts and Tribunals impacting the going concern status of the Company and its future operations;	There are no material orders passed by the regulators, courts and tribunals which impact the going concern status of the Company and its future operations.
xxii	The pre-issue and post-issue shareholding pattern of the Company	Please refer to **Annexure 6 (*Pre-issue and Post-issue Shareholding Pattern*)** of this Key Information Document.
3	**MODE OF PAYMENT FOR SUBSCRIPTION**	Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / NACH / other permitted mechanisms
4	**DISCLOSURES WITH REGARD TO INTEREST OF DIRECTORS, LITIGATION ETC:**	
i.	Any financial or other material interest of the directors, promoters or managerial personnel in the offer and the effect of such interest in so far as it is different from the interests of other persons.	Not Applicable
ii.	Details of any litigation or legal action pending or taken by any Ministry or Department of the Government or a	Please refer to point 13.9 of the General Information Document dated September 8, 2023.

Sr. No.	Disclosure Requirements	Reference
	statutory authority against any promoter of the offeree Company during the last three years immediately preceding the year of the issue of the Private Placement Offer cum Application Letter and any direction issued by such Ministry or Department or statutory authority upon conclusion of such litigation or legal action shall be disclosed	
iii.	Remuneration of directors (during the current year and last three Financial Years);	Please refer to point 13.3 of the General Information Document dated September 8, 2023.
iv.	Related party transactions entered during the last three Financial Years immediately preceding the year of issue of Private Placement Offer cum Application Letter including with regard to loans made or, guarantees given or securities provided;	Please refer to point 13.17 of the General Information Document dated September 8, 2023.
v.	Summary of reservations or qualifications or adverse remarks of auditors in the last five Financial Years immediately preceding the year	Nil

Sr. No.	Disclosure Requirements	Reference
	of issue of this Private Placement Offer cum Application Letter and of their impact on the financial statements and financial position of the Company and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remark;	
vi.	Details of any inquiry, inspections or investigations initiated or conducted under the Companies Act, 2013 or any previous Company law in the last three years immediately preceding the year of issue of Private Placement Offer cum Application Letter in the case of Company and all of its subsidiaries, and if there were any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of the Private Placement Offer	Please refer to General Information Document dated September 8, 2023.

Sr. No.	Disclosure Requirements	Reference
	cum Application Letter and if so, section-wise details thereof for the Company and all of its subsidiaries;	
vii.	Details of acts of material frauds committed against the Company in the last three years, if any, and if so, the action taken by the Company.	Nil
5	**FINANCIAL POSITION OF THE COMPANY**	
a.	The capital structure of the company in the following manner in a tabular form the authorised, issued, subscribed and paid up capital (number of securities, description and aggregate nominal value);	*Please refer to **Annexure 7** (**Capital Structure**).*
	size of the present offer;	10,000 (Ten Thousand) secured, redeemable, rated, listed, non-convertible debentures ("**Debentures**") of a face value of ₹1,00,000/- (Indian Rupees One Lakh only) each with a base issue size of 2,500 (Twenty Five Hundred) Debentures for cash aggregating to ₹ 25,00,00,000/- (Indian Rupees Twenty Five Crore only) with an option to retain oversubscription upto 7,500 (Seventy Five Hundred) Debentures for cash aggregating to ₹ 75,00,00,000/- (Indian Rupees Seventy Five Crore only), together aggregating to ₹ 100,00,00,000/- (Rupees One Hundred Crore only)
	Paid-up capital after the offer after conversion of convertible instruments (if applicable) share premium account	*Please refer to Annexure 7 (Capital Structure).*

Sr. No.	Disclosure Requirements	Reference
	(before and after the offer)	
b.	Details of the existing share capital of the Issuer in a tabular form, indicating therein with regard to each allotment, the date of allotment, the number of shares allotted, the face value of the shares allotted, the price and the form of consideration. The Issuer shall also disclose the number and price at which each of the allotments were made in the last one year preceding the date of this Key Information Document separately indicating the allotments made for considerations other than cash and the details of the consideration in each case.	Please refer point 12 of General Information Document dated September 8, 2023.
c.	Profits of the company, before and after making provision for tax, for the three Financial Years immediately preceding the date of issue of this Private placement offer letter.	

Particulars	March 31, 2023 (Rs. crore)	March 31, 2022 (Rs. crore)	March 31, 2021 (Rs. crore)
Profit before Tax	9.44	147.59	40.42
Profit after Tax	12.05	122.04	31.89

Sr. No.	Disclosure Requirements	Reference
d.	Dividends declared by the company in respect of the said three Financial Years; interest coverage ratio for last three years (Cash profit after tax plus interest paid/interest paid)	

Particulars	March 31, 2023	March 31, 2022	March 31, 2021
Dividend amounts paid (₹ crore)	50.45	40.45	-
Interest Coverage Ratio (cash profit after tax plus interest paid/ interest paid)	1.36	3.68	1.79

e.	A summary of the financial position of the company as in the three audited financial statements immediately preceding the date of issue of Private Placement Offer cum Application Letter	Please refer to **Annexure 8 (*Summary of Financial Position of the Company Including Audited Cash Flow Statement for the Three Immediately Preceding Years*).**
f.	Audited Cash Flow Statement for the three years immediately preceding the date of issue of Private Placement Offer cum Application Letter	Please refer to **Annexure 8 (*Summary of Financial Position of the Company Including Audited Cash Flow Statement for the Three Immediately Preceding Years*).**
g.	Any change in accounting policies during the last three years and their effect on the profits and the reserves of the company	*
PART – B: APPLICATION FORM		Please refer to section titled 'Application Form'
6	DECLARATION BY THE DIRECTORS	Please refer to the Section titled 'Declaration'

*The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the

"**Act**") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Effective April 01, 2018, the Company has adopted Ind AS and the adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

13 PROJECT DETAILS: GESTATION PERIOD OF THE PROJECT; EXTENT OF PROGRESS MADE IN THE PROJECT; DEADLINES FOR COMPLETION OF THE PROJECT; THE SUMMARY OF THE PROJECT APPRAISAL REPORT (IF ANY), SCHEDULE OF IMPLEMENTATION OF THE PROJECT

Not Applicable

14 CONFIRMATION PERTAINING TO THE USE OF PROCEEDS OF THE ISSUE AS REQUIRED UNDER THE SEBI NCS REGULATIONS

The Company confirms that proceeds of the Issue either in whole or in part may be utilised towards capital market exposure.

15 PARTICULARS OF THE MATERIAL CONTRACTS

Material Contracts – By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Company) which are or may be deemed to be material for this Issue have been entered into by the Company.

Para A:

(a) Letter appointing IDBI Trusteeship Services Limited, as trustee for the benefit of the Debenture Holders ("**Debenture Trustee**").

(b) Debenture Trustee Appointment Agreement dated September 6, 2023.

Para B:

(a) Board resolution dated October 27, 2023 and January 25, 2023 authorising issue of non-convertible debentures upto Rs. 500 crore in one or more tranches.

(b) NCD Issuance Committee resolution dated April 16, 2024 authorising the Issue and inviting subscription for Debentures offered in terms of this Key Information Document.

(c) Consent letter from IDBI Trusteeship Services Limited for acting as Debenture Trustee for and on behalf of the Debenture Holders dated April 19, 2024.

(d) Consent letter dated April 15, 2024 provided by the Registrar.

(e) Due diligence certificate issued by Debenture Trustee dated April 19, 2024.

(f) Application made to BSE for grant of in-principle approval for listing of Debentures.

(g) Letter from BSE conveying its in-principle approval for listing of Debentures dated September 7, 2023.

(h) Letter from CRISIL Ratings Limited dated April 15, 2024 conveying the credit rating for the Debentures of the Company.

(i) Annual Reports of the Company for last three years.

(j) Any other material contracts as may have been specified under the General Information Document dated September 8, 2023.

16 DISCLOSURES IN TERMS OF SEBI DEBENTURE TRUSTEE MASTER CIRCULAR

(a) The Debentures shall be considered as secured.

(b) Terms and conditions of the Debenture Trustee Appointment Agreement

I. Fees charged by Debenture Trustee

The Company shall pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and such any other expenses like advertisement, notices, letters to Debenture Holders, and additional professional fees/expenses that would be incurred in case of default. The remuneration of the Debenture Trustee shall be mutually decided by the parties. Arrears of instalments of annual service charges, if any, shall carry interest at the rate as applicable under the Micro, Small and Medium Enterprises Development Act, 2006, as amended from time to time.

II. Terms of carrying out due diligence

(1) The Debenture Trustee, either through itself or its agents/advisors/consultants, shall carry out requisite diligence to verify the status of encumbrance and valuation of the assets and whether all permissions or consents (if any) (as may be required) as stipulated in the Key Information Document and the Relevant Laws, has been obtained. For the purpose of carrying out the due diligence as required in terms of the Relevant Laws, the Debenture Trustee, either through itself or its agents/advisors/consultants, shall after giving 2 (two) Business Days prior written notice have the power to examine the books of account of the Company and to have the Company's assets inspected by its officers and/or external auditors/valuers/consultants/lawyers/technical experts'/management consultants appointed by the Debenture Trustee.

(2) The Company shall provide all assistance to the Debenture Trustee to enable verification from the Registrar of Companies, Sub-registrar of Assurances (as applicable), CERSAI, depositories, information utility or any other authority, as may be required.

(3) Without prejudice to the aforesaid, the Company shall ensure that it provides and procures all information, representations, confirmations and disclosures as may be required in the sole discretion of the Debenture Trustee to carry out the requisite diligence in connection with the issuance and allotment of the Debentures, in accordance with the Applicable Laws;

(4) The Debenture Trustee shall have the power to either independently appoint or direct the Company to (after consultation with the Debenture Trustee) appoint intermediaries, valuers, chartered accountant firms, practicing company secretaries, consultants, lawyers and other entities in order to assist in the diligence by the Debenture Trustee. All costs, charges, fees and expenses that are associated with and incurred in relation to the diligence as well as preparation of the reports/certificates/documentation, including all out of pocket expenses towards legal or inspection costs, travelling and other costs, shall be solely borne by the Company;

(c) **Other confirmations**

The Debenture Trustee confirms that they have undertaken the necessary due diligence in accordance with Applicable Law including the SEBI (Debenture Trustees) Regulations, 1993, read with the SEBI Debenture Trustee Master Circular. The due diligence certificate in this regard is enclosed as **Annexure 9 (*Debenture Trustee Due Diligence Certificate*)**.

DECLARATION

The Company hereby declares that the Key Information Document and the General Information Document contains full disclosure in accordance with SEBI NCS Regulations, the Companies Act and the Operational Guidelines.

The Company undertakes and confirms that the Key Information Document and the General Information Document does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading.

The Company accepts no responsibility for the statements made otherwise than in the Key Information Document and the General Information Document or in any other material issued by or at the instance of the Company and that anyone placing reliance on any other source of information would be doing so at his own risk.

Without prejudice to the above, the Company and each of the directors of the Company, confirm that:

(a) The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the SEBI Act, 1992, Companies Act, 2013 and the rules and regulations made thereunder;

(b) The compliance with the above acts and the rules and regulations does not imply that payment of dividend or interest or repayment of preference shares or debentures, if applicable, is guaranteed by the Central Government;

(c) The monies received under the offer shall be used only for the purposes and objects indicated in the Key Information Document;

(d) Nothing in the Key Information Document and the General Information Document is contrary to the provisions of Companies Act, the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and the SEBI Act, 1992 (15 of 1992) and the rules and regulations made thereunder; and

(e) The clause on "General Risks" has been suitably incorporated in prescribed format in the Key Information Document and the General Information Document.

I, Nirav Gandhi, am authorised by the NCD Issuance Committee of the Board of Directors of the Company vide resolution dated April 16, 2024 to sign the General Information Document and this Key Information Document and declare that all the requirements of Companies Act, 2013 and the rules made thereunder in respect of this subject matter of the General Information Document and the Key Information Document and matters incidental thereto have been complied with. Whatever is stated in General Information Document and the Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of General Information Document and the Key Information Document has been suppressed or concealed and is as per the original records maintained by the promoters subscribing to the Memorandum of Association and Articles of Association. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to the Key Information Document and the General Information Document.

JM FINANCIAL SERVICES LIMITED Mumbai

For **JM Financial Services Limited**

Signed By:

JM FINANCIAL SERVICES LIMITED Mumbai

Name: Nirav Gandhi

Designation: Whole-Time Director

DIN: 08778702

Date: April 19, 2024

Place: Mumbai

JM FINANCIAL

APPLICATION FORM – TRANCHE D

JM FINANCIAL SERVICES LIMITED

CIN – U67120MH1998PLC115415
(Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025)
Tel: (022) 6630 3290 Fax: (022) 6630 3223 Email: dimple.m@jmfl.com
Contact Person: Ms. Dimple Mehta, Company Secretary

ISSUE OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES ("DEBENTURES" OR "NCDS" OR "TRANCHE D") OF THE FACE VALUE OF ₹ 1,00,000/- (RUPEES ONE LAKH ONLY) EACH WITH A BASE ISSUE SIZE OF 2,500 NCDs AGGREGATING UPTO ₹ 25,00,00,000/- (RUPEES TWENTY FIVE CRORE ONLY) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UPTO 7,500 NCDs, TOGETHER AGGREGATING UPTO 10,000 NCDs AMOUNTING TO ₹ 100,00,00,000/- (RUPEES ONE HUNDRED CRORE ONLY) ("THE ISSUE" OR "THIS ISSUE") ON PRIVATE PLACEMENT BASIS.

TRANCHE D NCDs APPLICATION FORM SERIAL NO.				**0**	**0**	**1**

TRANCHE D **Issue Opens on: April 23, 2024**	**TRANCHE D** **Issue Closes on: April 23, 2024**

Dear Sirs,

I/We have read and understood the terms and conditions of the issue of Tranche D NCDs and all the information contained in the Key Information Document dated April 19, 2024 ("**KID**") including in particular the Risk Factors described in the Part II of the General Information Document dated September 8, 2023 ("**GID**") and have considered these in making my/our decision to apply. I/We bind myself/ourselves to the said terms and conditions and wish to apply for allotment of the Tranche D NCDs. I/We request you to please place my/our name(s) on the Register of Tranche D Debenture holders. The amount payable on application as shown below is remitted herewith and is paid from my own (first/sole applicant) bank account. I/We note that the Company is entitled in its absolute discretion, to accept or reject this application in whole, or in part, without assigning any reason whatsoever.

(PLEASE READ THE INSTRUCTIONS ON THE LAST PAGE CAREFULLY BEFORE FILLING THIS APPLICATION FORM)

All capitalized terms used in this application form which are not defined shall have the meaning attributed to them in the GID and KID.

The application shall be for a minimum of 10 (Ten) Tranche D NCDs and in multiples of 1 (one) thereafter	
No. of Tranche D NCDs applied for (in figures)	
No. of Tranche D NCDs applied for (in words)	
Amount (Rs.) (in figures)	
Amount (Rs.) (in words)	

DETAILS OF PAYMENT:

Cheque / Demand Draft Amount (Rs. in figures): _____

Cheque / Demand Draft Amount (Rs. in words): _____

Date of Cheque / Demand Draft: _____

Cheque / Demand Draft No.: _____

Cheque / Demand Draft Drawn on (Name of Bank and Branch): _____

(Note: Cheque and Drafts are subject to realisation)

The payment is to be made through any electronic mode of payment such as RTGS / NEFT, the funds have to be credited to the below Designated Bank Account of ICCL, the details of which are as follows:

Bank	ICICI Bank Limited
Beneficiary Name	INDIAN CLEARING CORPORATION LIMITED
Beneficiary Account No.	ICCLEB
IFSC Code	ICIC0000106

Bank	YES Bank Limited
Beneficiary Name	INDIAN CLEARING CORPORATION LIMITED
Beneficiary Account No.	ICCLEB
IFSC Code	YESB0CMSNOC

Bank	HDFC Bank Limited
Beneficiary Name	INDIAN CLEARING CORPORATION LIMITED
Beneficiary Account No.	ICCLEB
IFSC Code	HDFC0000060

I/We confirm that the amount paid on application has been remitted from the bank account of the First Applicant of the Debentures.

FIRST/SOLE APPLICANT'S NAME IN FULL (CAPITALS) **SPECIMEN SIGNATURE**

PAN / GIR No. / NOT ALLOTTED	**IT Circle / Ward / District**

SECOND APPLICANT'S NAME IN FULL (CAPITALS) **SPECIMEN SIGNATURE**

PAN / GIR No. / NOT ALLOTTED	**IT Circle / Ward / District**

THIRD APPLICANT'S NAME IN FULL (CAPITALS) **SPECIMEN SIGNATURE**

PAN / GIR No. / NOT ALLOTTED									**IT Circle / Ward / District**						

FIRST/SOLE APPLICANT'S COMPLETE ADDRESS (Post Box No. alone is not sufficient)

PIN		**PHONE**		**FAX**	

FIRST/SOLE APPLICANT'S BANK DETAILS

Bank Name	
Bank Branch	
Branch City	
Nature of Account	
Account No.	
MICR Code	
RTGS Code	
IFSC Code	
Email id	

I/WE ARE APPLYING AS: ( ) COMPANY ( ) INDIVIDUAL ( ) MUTUAL FUND ( ) TRUST ( ) OTHERS SPECIFY _____

I/WE CONFIRM RESIDENTIAL STATUS AS **INDIAN**

TAX STATUS: NON EXEMPT ( ) EXEMPT ( ) (IF EXEMPT PLEASE SPECIFY) _____

(IF EXEMPT, PLEASE PROVIDE SUPPORTING DOCUMENTS FROM INCOME TAX AUTHORITIES)

I / WE CONFIRM that the amount paid on application has been remitted from the bank account of the First Applicant of the Debentures.

TO BE FILLED IN ONLY IF THE APPLICANT IS AN INSTITUTION / COMPANY / BODY CORPORATE (INCLUDING SOCIETY)

Sr. No.	Name of the Authorised Signatory(ies)	Designation	Signature
1			
2			

3			

I/We the undersigned, are agreeable to holding the Tranche D NCDs of the Company in dematerialised form. Details of my/our Beneficiary Account are given below:

DEPOSITORY	
DEPOSITORY PARTICIPANT NAME	
DP-ID	
BENEFICIARY CLIENT ID	
NAME OF THE APPLICANT(S)	

I/We understand that: i) in case of allotment of Tranche D Debentures to me/us, my/our Beneficiary Account as mentioned above would get credited to the extent of allotted Tranche D Debentures, ii) the Applicant must ensure that the sequence of names as mentioned in the Application Form matches the sequence of name held with the Depository Participant, iii) if the names of the Applicant(s) in this application are not identical and also not in the same order as the Beneficiary Account details with the above mentioned Depository Participant or if the Tranche D Debentures cannot be credited to my/our Beneficiary Account for any reason whatsoever, the Company shall be entitled at its sole discretion to reject the application, iv) we have all the authority to invest in the NCDs of the Company and are not barred from any regulator(s) for making investment in the NCDs of the Company.

I/We confirm that I/We have for the purpose of investing in these Tranche D Debentures carried out my/our own due diligence and made my/our own decisions with respect to investment in these Tranche D Debentures and have not relied on any representations made by anyone other than those contained in the GID and KID. I/We confirm that we have not been debarred from accessing the capital market or have been restrained by any regulatory authority from directly or indirectly acquiring the said securities.

I / We understand that the Company may communicate to or intimate me / us only by e-mail or facsimile message and I / we undertake to accept the same as a valid communication or intimation as if such communication or intimation had been otherwise hand delivered or delivered by registered post or courier. I / We undertake that upon sale or transfer to subsequent investor or transferee ("Transferee"), I / We shall convey all the terms and conditions contained herein and in the GID and KID to such Transferee. I / We shall indemnify the Company for all claims arising out of or as a consequence of us not conveying to the Transferee all the terms and conditions contained herein and in the GID and KID.

Sole/First Applicant's	Second Applicant's	Third Applicant's
_____	_____	_____
Signature	Signature	Signature

FOR OFFICE USE ONLY

DATE OF RECEIPT _____
DATE OF CLEARANCE _____

JM FINANCIAL

ACKNOWLEDGMENT SLIP

JM FINANCIAL SERVICES LIMITED
CIN – U67120MH1998PLC115415
(Regd. Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025)
Tel: (022) 6630 3290 Fax: (022) 6630 3223 Email: dimple.m@jmfl.com
Contact Person: Ms. Dimple Mehta, Company Secretary

ISSUE OF SECURED, RATED, LISTED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES ("DEBENTURES" OR "NCDS" OR "TRANCHE D") OF THE FACE VALUE OF ₹ 1,00,000/- (RUPEES ONE LAKH ONLY) EACH WITH A BASE ISSUE SIZE OF 2,500 NCDs AGGREGATING UPTO ₹ 25,00,00,000/- (RUPEES TWENTY FIVE CRORE ONLY) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UPTO 7,500 NCDs, TOGETHER AGGREGATING UPTO 10,000 NCDs AMOUNTING TO ₹ 100,00,00,000/- (RUPEES ONE HUNDRED CRORE ONLY) ("THE ISSUE" OR "THIS ISSUE") ON PRIVATE PLACEMENT BASIS.

(To be filled in by Applicant)

TRANCHE D DEBENTURE APPLICATION FORM SERIAL NO.				**0**	**0**	**1**

TRANCHE D **Issue Opens on: April 23, 2024**	**TRANCHE D** **Issue Closes on: April 23, 2024**

Received from_____
_____
Address
_____
_____
__
_____
__
Cheque/Draft # _____ Drawn on (Bank & Branch) _____
/Electronic Fund Transfer from (Bank & Branch) _____
for Rs. _____ (Rupees _____only) on account of application for _____ Tranche D Debentures.

Instructions to fill Subscription Application Form

1. Application must be completed in full BLOCK LETTER IN ENGLISH except in case of signature. Applications, which are not complete in every respect, are liable to be rejected.

2. Payments must be made by RTGS as per the following details to the designated virtual account provided by the Issuer (the "**Designated Bank Account**").

3. The Subscription Application Form along with relevant documents should be forwarded to the corporate office of the Issuer, to the attention of company secretary, authorised person along on the same day the application money is deposited in the Bank or with the clearing corporation. A copy of PAN Card must be attached to the application.

4. In the event of debentures offered being over-subscribed, the same will be allotted in such manner and proportion as may be decided by the Company.

5. The Debentures shall be issued in Demat form only and subscribers may carefully fill in the details of Client ID/ DP ID.

6. In the case of application made under power of attorney or by limited companies, corporate bodies, registered societies, trusts etc., following documents (attested by Company Secretary /Directors) must be lodged along with the application or sent directly to the Company at its corporate office to the attention of company secretary, authorised person along with a copy of the Subscription Application Form.

    a) Memorandum and Articles of Association/Documents governing constitution, in case of other than individuals;
    b) Government notification/certificate of incorporation;
    c) SEBI registration certificate, if applicable;
    d) Resolution authorising investment along with operating instructions;
    e) Power of Attorney (original & certified true copy);
    f) Form 15AA granting exemption from TDS on interest;
    g) Form 15H for claiming exemption from TDS on interest on application money, if any;
    h) Order u/s 197 of IT Act;
    i) Order u/s 10 of IT Act;
    j) Specimen signatures of authorised persons;
    k) Certified true copy of PAN card;
    l) Registered / communication address;
    m) Foreign Account Tax Compliance Act (FATCA) Form;
    n) KYC of the signatories (Identity and Address proof); and
    o) Any other document sought by the Company, from time to time.

7. Any person who:

   (a) Makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, for its securities; or

   (b) Makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or

   (c) otherwise induces directly or indirectly a Company to allot or register any transfer of securities to him or any other person in a fictitious name,

   shall be punishable with imprisonment for a term which shall not be less than 6 months, but which may extend to 10 years and shall also be liable to fine which shall not be less than the amount involved which may extend to 3 times the amount involved.

8. The applicant represents and confirms that it has understood the terms and conditions of the Debentures and is authorised and eligible to invest in the same and perform any obligations related to such investment.

Any Subscription Application Form received from a person other than an Eligible Investor will be invalid. Further, any incomplete Subscription Application Form not accompanied by the filled in Eligible Investor Details in Part B of the Subscription Application Form will also be treated as invalid.

ANNEXURE 1

CREDIT RATING LETTER

CRISIL Ratings

CONFIDENTIAL

RL/JMMSFSPL/340601/NCD/0424/84419/160755795
April 15, 2024

Mr. Amit Agarwal
Chief Financial Officer
JM Financial Services Limited
5th Floor,
Cynergy Appasaheb Marathe Marg
Prabhadevi
Mumbai City - 400025

Dear Mr. Amit Agarwal,

Re: Review of CRISIL Rating on the Rs.250 Crore Non Convertible Debentures of JM Financial Services Limited

All ratings assigned by CRISIL Ratings are kept under continuous surveillance and review.

CRISIL Ratings has, after due consideration, reaffirmed its CRISIL AA/Stable (pronounced as CRISIL double A rating with Stable outlook) rating on the captioned debt instrument. Securities with this rating are considered to have high degree of safety regarding timely servicing of financial obligations. Such securities carry very low credit risk.

In the event of your company not making the issue within a period of 180 days from the above date, or in the event of any change in the size or structure of your proposed issue, a fresh letter of revalidation from CRISIL Ratings will be necessary.

As per our Rating Agreement, CRISIL Ratings would disseminate the rating along with outlook through its publications and other media, and keep the rating along with outlook under surveillance for the life of the instrument. CRISIL Ratings reserves the right to withdraw, or revise the rating / outlook assigned to the captioned instrument at any time, on the basis of new information, or unavailability of information, or other circumstances which CRISIL Ratings believes may have an impact on the rating. Please visit www.crisilratings.com and search with the name of the rated entity to access the latest rating/s.

As per SEBI circular (reference number: CIR/IMD/DF/17/2013; dated October 22, 2013) on centralized database for corporate bonds/debentures, you are required to provide international securities identification number (ISIN; along with the reference number and the date of the rating letter) of all bond/debenture issuances made against this rating letter to us. The circular also requires you to share this information with us within 2 days after the allotment of the ISIN. We request you to mail us all the necessary and relevant information at debtissue@crisil.com. This will enable CRISIL Ratings to verify and confirm to the depositories, including NSDL and CDSL, the ISIN details of debt rated by us, as required by SEBI. Feel free to contact us at debtissue@crisil.com for any clarification you may need.

Should you require any clarification, please feel free to get in touch with us.

With warm regards,

Yours sincerely,

Malvika Bhotika
Director - CRISIL Ratings

Nivedita Shibu
Director - CRISIL Ratings

***Disclaimer**: A rating by CRISIL Ratings reflects CRISIL Ratings' current opinion on the likelihood of timely payment of the obligations under the rated instrument, and does not constitute an audit of the rated entity by CRISIL Ratings. Our ratings are based on information provided by the issuer or obtained by CRISIL Ratings from sources it considers reliable. CRISIL Ratings does not guarantee the completeness or accuracy of the information on which the rating is based. A rating by CRISIL Ratings is not a recommendation to buy / sell or hold the rated instrument; it does not comment on the market price or suitability for a particular investor. CRISIL Ratings has a practice of keeping all its ratings under surveillance and ratings are revised as and when circumstances so warrant. CRISIL Ratings is not responsible for any errors and especially states that it has no financial liability whatsoever to the subscribers / users / transmitters / distributors of its ratings. CRISIL Ratings' criteria are available without charge to the public on the web site, www.crisilratings.com. CRISIL Ratings or its associates may have other commercial transactions with the company/entity. For the latest rating information on any instrument of any company rated by CRISIL Ratings, please visit www.crisilratings.com or contact Customer Service Helpdesk at CRISILratingdesk@crisil.com or at 1800-267-1301*

ANNEXURE 2

IN PRINCIPLE APPROVAL GRANTED BY THE STOCK EXCHANGE

BSE
The Power of Vibrance

DCS/COMP/RM/IP-PPDI/250/23-24

September 07, 2023

JM Financial Services Ltd
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai – 400 025

Dear Sir/Madam

Re: Private Placement for Issue of Senior / Unsubordinated, Secured / Unsecured, Rated, Listed, Nonconvertible Securities aggregating for an amount as shall be more particularly set out in the Key Information Document, The Issuance will be done in multiple Tranches / Issuances, for cash, at par or at Premium or at Discount. The offer Document shall also govern the Issue of Commercial Papers which shall be issued / offered by the Company during the validity of this General Information Document. (The "Issue") as per Gid No. 01/2023-24

We acknowledge receipt of your application on the online portal on September 05, 2023, seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.

10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or for period of 1 year from the date of opening of the first offer of debt securities under General information Documents which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
For BSE Limited

Rupal Khandelwal

Rupal Khandelwal
Deputy General Manager

Akshay Arolkar
Deputy Manager

BSE - PUBLIC

ANNEXURE 3

CONSENT OF THE REGISTRAR AND TRANSFER AGENT

April 15, 2024

To
JM FINANCIAL SERVICES LIMITED
5th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025

Sub: Our Consent to act as registrar and transfer agent for NCD issue

Dear Sir,

In accordance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and sections 42, 71, 179(3)(c) and other applicable provisions, if any, of the Companies Act, 2013 and in accordance with Rule 14(2) and other applicable provisions of Companies (Prospectus and Allotment of Securities) Rules, 2014, Companies (Share Capital and Debentures) Rules, 2014 and with reference your letter dated April 15, 2024, we KFin Technologies Limited, hereby give our consent to act as Registrar for issuance of Secured, Rated, Listed, Redeemable Non-Convertible Debentures of the face value of Rs. 1,00,000/- each with a base issue size of 2,500 NCDs with an option to retain oversubscription of upto 7,500 NCDs, together aggregating to 10,000 NCDs, amounting to Rs. 100,00,00,000/- (Rupees One Hundred Crore only) on private placement basis.

Further we give our consent for inclusion of our name as "**Registrar to the Issue**" in the Issue Document/Disclosure Document and /or applications to be made or to be filed by Stock Exchange(s) and/or Depositories in this regard.

Thanking you,

Yours faithfully,
For KFin Technologies Limited

Shaibal Haripada Roy
Corporate Registry

ANNEXURE 4

CONSENT OF THE DEBENTURE TRUSTEE

Ref. No.611/ITSL/OPR/ CL/23-24/DEB/570/4
Date: 19th April, 2024

JM Financial Services Limited
5th floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025

Dear Sir,

Sub.: JM Financial Services Limited ("the company") - Consent to act as Debenture Trustee for your proposed Listed, Secured, Rated, Private Placed, Non-Convertible Debentures (NCDs) of aggregating to Rs.100 Crores

This is with reference to the discussion we had regarding appointment of IDBI Trusteeship Services Ltd. as Debenture Trustee for the proposed issue of Listed Secured Non-Convertible Debenture (NCDs) issue aggregating up to Rs.100 Crores. In this connection, we confirm our acceptance of the assignment.

We are agreeable for inclusion of our name as trustees in the Disclosure document/ listing application/ any other document to be filed with the Stock Exchange(s) subject to the following conditions.

1) The Company hereby agree and undertake to execute, the Debenture Trust Deed / Debenture Trustee Agreement and other necessary documents on such terms and conditions as agreed by the Debenture holders and disclose in the Information Memorandum or Disclosure Document as approved by the Debenture Trustee, within a period as agreed by us in the Information Memorandum or Disclosure Document.

2) The Company hereby agree & undertake to pay to the Debenture Trustees so long as they hold the office of the Debenture Trustee, remuneration as stated above for their services as Debenture Trustee in addition to all legal, traveling and other costs, charges and expenses which the Debenture Trustee or their officers, employees or agents may incur in relation to execution of the Debenture Trust Deed and all other Documents affecting the Security till the monies in respect of the Debentures have been fully paid-off and the requisite formalities for satisfaction of charge in all respects, have been complied with.

3) The Company hereby agree & undertake to comply with the provisions of SEBI (Debenture Trustees) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI Circular No. SEBI/IMD/DOF-1/Bond/2009/11/05 dated 11/05/2009 on Simplified Listing Agreement for Debt Securities read with the SEBI Circular No. SEBI/IMD/DOF-1/BOND/Cir-5/2009 dated the 26th November, 2009, the new Companies Act, 2013 and other applicable provisions and agree to furnish to Trustees such information in terms the same on regular basis

Looking forward to a fruitful association with you and assuring you of our best services at all times.

Yours faithfully,
For IDBI Trusteeship Services Limited

FOR IDBI TRUSTEESHIP SERVICES LTD.
AUTHORISED SIGNATORY

Authorised Signatory

ANNEXURE 5

CERTIFIED TRUE COPY OF THE BOARD RESOLUTION DATED OCTOBER 27, 2023, JANUARY 25, 2023, SHAREHOLDERS RESOLUTION DATED JULY 25, 2023 AND OCTOBER 27, 2023 AND NCD ISSUANCE COMMITTEE RESOLUTION DATED APRIL 16, 2024

JM FINANCIAL

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS AT ITS MEETING HELD ON OCTOBER 27, 2023

"**RESOLVED THAT** in partial modification to the board resolution no. 13 passed on January 25, 2023 and pursuant to the provisions of Sections 23, 42, 71, 179(3)(c) and all other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and pursuant to the applicable provisions of the Securities and Exchange Board of India (the "**SEBI**") (Issue and Listing of Non- Convertible Securities) Regulations, 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations and guidelines issued by SEBI, from time to time, and to the extent applicable to the Company including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force and subject to the provisions of the Company's Memorandum of Association and Articles of Association of the Company and such other statutory approvals, consents, permissions or sanctions as may be required in this regard, the consent of the Board of Directors of the Company be and is hereby accorded to offer, issue and allot secured/unsecured, listed/unlisted, rated/unrated redeemable Non- Convertible Debentures (the "**NCDs**") including Principle Protected, Market Linked NCDs, to the eligible investors in one or more tranches, from time to time, for an amount aggregating upto Rs. 500 Crore (Rupees Five Hundred Crore only) on private placement basis and/or through public offer on such broad terms and conditions as detailed below **PROVIDED HOWEVER THAT** the overall borrowings including the borrowings made by the Company through issuance of the NCDs shall be within the limits of aggregate borrowing approved by the Members of the Company, from time to time:

Type of Instrument	:	Principal Protected - Market Linked NCDs	Any other type of NCDs
Tenor	:	not less than 90 days	not less than 90 days
Rate of interest/Implicit yield	:	linked to any of the underlying – equity, commodities, bonds including indexes or such other underlying derivatives.	between 6% and 16% p.a.
Face value of the NCDs	:	Rs. 1 Lakh per NCD	Rs. 1 Lakh per NCD."

Certified to be true
For **JM Financial Services Limited**

JM Financial Services Limited Mumbai

Place: Mumbai
Date: November 23, 2023

Dimple Mehta
Company Secretary

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE BOARD OF DIRECTORS AT ITS MEETING HELD ON JANUARY 25, 2023

"**RESOLVED THAT** pursuant to the provisions of Sections 23, 42, 71, 179(3)(c) and all other applicable provisions, if any, of the Companies Act, 2013 ("**the Act**") read with the Companies (Share Capital and Debentures) Rules, 2014, the Companies (Prospectus and Allotment of Securities) Rules, 2014 and pursuant to the applicable provisions of the Securities and Exchange Board of India (the "**SEBI**") (Issue and Listing of Non- Convertible Securities) Regulations, 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable regulations and guidelines issued by SEBI, from time to time, and to the extent applicable to the Company including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force and subject to the provisions of the Company's Memorandum of Association and Articles of Association of the Company and such other statutory approvals, consents, permissions or sanctions as may be required in this regard, the consent of the Board of Directors of the Company be and is hereby accorded to offer, issue and allot secured/unsecured, listed/unlisted, rated/unrated redeemable Non- Convertible Debentures (the "**NCDs**") including Principle Protected, Market Linked NCDs, to the eligible investors in one or more tranches, from time to time, for an amount aggregating upto Rs. 200 Crore (Rupees Two Hundred Crore only) on private placement basis and/or through public offer on such broad terms and conditions as detailed below **PROVIDED HOWEVER THAT** the overall borrowings including the borrowing made by the Company through issuance of the NCDs shall be within the limits of aggregate borrowing approved by the Members of the Company, from time to time:

Type of Instrument	:	Principal Protected - Market Linked NCDs	Any other type of NCDs
Tenor	:	not less than 90 days	not less than 90 days
Rate of interest/Implicit yield	:	linked to any of the underlying – equity, commodities, bonds including indexes or such other underlying derivatives.	between 6% and 16% p.a.
Face value of the NCDs	:	Rs. 1 Lakh per NCD	Rs. 1 Lakh per NCD."

"**RESOLVED FURTHER THAT** the proceeds of the proposed issue of NCDs would inter-alia be utilised by the Company for refinancing, existing borrowings, augmenting the working capital requirement and for general corporate purposes and the Company may pending utilisation of the proceeds out of the issue of NCDs, may temporarily invest funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with bank(s) or temporarily deploy the funds in investment grade interest bearing securities or in such securities of similar nature."

"**RESOLVED FURTHER THAT** the NCDs that may be issued by the Company from time to time in pursuance of the above resolution may be admitted for listing on the Wholesale Debt Market Segment of BSE Limited and/or Wholesale Debt Market Segment of the National Stock Exchange of India Limited in accordance with the provisions of Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 **AND THAT** requisite application be made with the above stock exchange(s), as the case may be, for the purpose of listing."

"**RESOLVED FURTHER THAT** the Company do issue the Shelf Offer Document/Disclosure Document/Prospectus/Information Memorandum to the investor(s), which shall inter-alia be prepared in accordance with the provisions of:

a) the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, SEBI Guidelines for Issue and Listing of Structured Products/ Market Linked Debentures; and /or
b) the Companies (Prospectus and Allotment of Securities) Rules, 2014 under the Companies Act, 2013, or such other guidelines/regulations/rules to the extent applicable for issue of NCDs."

"**RESOLVED FURTHER THAT** the NCD Issuance Committee of the Board, as the case may be, be and is hereby authorised to approve the Offer Document/Disclosure Document/Prospectus/Information Memorandum **AND THAT** Mr. Vishal Kampani, Mr. DimpleKumar Shah, Mr. Nirav Gandhi, Directors, Mr. Amit Agrawal, Chief Financial Officer, Ms. Dimple Mehta, Company Secretary, Mr. Prashant Choksi and Mr. Nishit Shah, Authorised Signatories (hereinafter referred as "**Authorised Signatories**"), be and are hereby severally authorised to issue the said Offer Document/Disclosure Document from time to time."

"**RESOLVED FURTHER THAT** the aforesaid Authorised Signatories, be and are hereby severally authorised to appoint trustee(s), rating agencies, registrars and transfer agents and/or such other intermediaries as may be required to be appointed from time to time."

"**RESOLVED FURTHER THAT** the aforesaid Authorised Signatories, be and are hereby severally authorised to make, apply, sign and/or execute any writing(s), application(s), agreement(s), undertaking(s), hypothecation agreement(s), debenture trust deed, declaration(s), contract(s), memorandum of understanding, letter(s) of allotment, debenture certificate(s) and/or all such other document(s), as may be required in connection with the issuance of the NCDs as above and make necessary applications to National Securities Depository Limited and/or Central Depository Services (India) Limited for the purpose of issuance and allotment of NCDs in electronic mode."

"**RESOLVED FURTHER THAT** the Board hereby approves giving declaration as required under Form PAS-4 annexed to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 **AND THAT** the Authorised Signatories as above be and are hereby severally authorised to sign, make and file the said Form PAS-4 and such other Form(s) with the Registrar of Companies, Maharashtra, Mumbai, through the Ministry of Corporate Affairs' website portal."

"**RESOLVED FURTHER THAT** the issue of NCDs as above be unsecured and/or secured by way of a mortgage or creation of security interests of any kind, on or in respect of all or any part of the immovable/movable properties, current/fixed assets, tangible/intangible assets, book debts/claims as decided by the Company wherever situate, present and future and such mortgage or other security interests may rank either first, pari-passu with or subsequent, subservient or subordinate to all or any mortgages and/or other security interests created/to be created by the Company, in favour of the debenture trustees/security trustees/debenture holders **AND THAT** the said Authorised Signatories be and are hereby severally authorised to admit the debenture trust deed/ hypothecation/mortgage deed for registration, if required, with the sub-registrar of assurances."

Certified to be true
For **JM Financial Services Limited**

JM Financial Services Limited Mumbai

Place: Mumbai
Date: November 23, 2023

Dimple Mehta
Company Secretary

JM FINANCIAL

CERTIFIED TRUE COPY OF THE RESOLUTION PASSED BY THE NCD ISSUANCE COMMITTEE OF THE BOARD AT ITS MEETING HELD ON APRIL 16, 2024

"**RESOLVED THAT** the Committee hereby approves the Draft Key Information Document ("**KID**") prepared in accordance with the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, provisions of the Companies Act, 2013 including any statutory modification(s) or re-enactment thereof to the extent notified and in effect and the rules made thereunder including the Companies (Prospectus and Allotment of Securities) Rules, 2014."

"**RESOLVED FURTHER THAT** Mr. Nirav Gandhi and Mr. DimpleKumar Shah, Whole-Time Directors, Mr. Amit Agrawal, Chief Financial Officer and Ms. Dimple Mehta, Company Secretary ("**Authorised Signatories**") be and are hereby severally authorised to finalise and file the Draft KID with BSE Limited (the designated stock exchange), the Securities and Exchange Board of India, the Registrar of Companies, as may be required, and to apply for the listing of such Debentures on BSE Limited, and to sign and execute listing application(s), various agreements(s), undertaking(s), deed(s) and thing(s) and to comply with all formalities as may be required in connection with and incidental to the aforesaid offering of Debentures including the post issue formalities and with the power to settle any question, difficulties or doubts that may arise in regard to the issue or allotment of such Debentures as may be deemed fit."

"**RESOLVED FURTHER THAT** the above mentioned Authorised Signatories be and are hereby severally authorised to make such changes, as may be required in the draft KID for and on behalf of the Company and sign such agreements, documents, papers, certificates, affidavits, declarations, etc. and do all such acts, deeds, matters and things as may be necessary or incidental for giving effect to the above resolution."

Certified to be true
For **JM Financial Services Limited**

JM Financial Services Limited Mumbai

Dimple Mehta
Company Secretary

Place: Mumbai
Date: April 19, 2024

JM FINANCIAL

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS AT THE TWENTY FIFTH ANNUAL GENERAL MEETING HELD ON JULY 25, 2023

"**RESOLVED THAT** pursuant to Sections 23, 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 (the "**Act**") read with Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014 and pursuant to the applicable provisions of the Securities and Exchange Board of India (the "**SEBI**") (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, if any and other applicable regulations and guidelines as issued by SEBI together with the applicable circulars and clarifications issued by them from time to time and to the extent applicable to the Company including any amendment(s), statutory modification(s) and/or re-enactment thereof for the time being in force and subject to the provisions of the Company's Memorandum and Articles of Association, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (the "**Board**", which term shall include any committees thereof) to offer, issue and allot secured/unsecured, listed/unlisted, rated/unrated redeemable Non-Convertible Debentures (the "**NCDs**"), in one or more series/tranches, aggregating up to ₹ 500 Crore (Rupees Five Hundred Crore only), on private placement basis and/or through public offer, on such terms and conditions as the Board may, from time to time, determine and consider proper and beneficial to the Company, provided that borrowings including by way of the NCDs will be within the overall limit of borrowing as approved by the members of the Company."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, desirable or expedient to give effect to the above resolution and matters connected therewith or incidental thereto, including settling all such issues, questions, difficulties or doubts whatsoever that may arise and to take all decisions from powers herein conferred by the members."

Certified to be true
For **JM Financial Services Limited**

JM Financial Services Limited Mumbai

Dimple Mehta
Company Secretary

Place: Mumbai
Date: November 23, 2023

JM FINANCIAL

CERTIFIED TRUE COPY OF THE SPECIAL RESOLUTION PASSED BY THE MEMBERS AT THE EXTRA-ORDINARY GENERAL MEETING HELD ON OCTOBER 27, 2023

"**RESOLVED THAT** in supersession of the resolution passed by the Members of the Company at the Extraordinary General Meeting held on November 13, 2013 and pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the consent of the Company, be and is hereby accorded to the Board of Directors (hereinafter referred to as 'the Board') to borrow any sum or sums of moneys, notwithstanding that the moneys to be so borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company, its free reserves and securities premium, PROVIDED HOWEVER THAT the aggregate of the moneys thus borrowed shall not at any time exceed Rs. 3,000 crore (Rupees Three Thousand crore only)."

"**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may consider necessary, expedient, usual or proper to give full effect to this resolution."

Certified to be true
For **JM Financial Services Limited**

JM Financial Services Limited Mumbai

Dimple Mehta
Company Secretary

Place: Mumbai
Date: November 23, 2023

ANNEXURE 6

PRE ISSUE AND POST ISSUE SHAREHOLDING PATTERN OF THE COMPANY

Sl. No.	Category	Pre-issue		Post-issue	
		No. of shares held	Percentage of shareholding	No. of shares held	Percentage of shareholding
A	Promoters' holding				
1.	Indian				
	Individual	NIL	NIL	NIL	NIL
	Bodies Corporate	NIL	NIL	NIL	NIL
	(Equity)	6,63,25,000	100	6,63,25,000	100
	(Preference)	95,00,000	100	95,00,000	100
	Sub-total	7,58,25,000	100	7,58,25,000	100
2.	Foreign promoters	NIL	NIL	NIL	NIL
	Sub-total (A)	7,58,25,000	100	7,58,25,000	100
B	Non-promoters' holding				
1	Institutional Investors Mutual Funds	NIL	NIL	NIL	NIL
2	Non-Institutional Investors Resident individual holding nominal share capital upto 2 lakhs Resident individual holding nominal share capital in excess of 2 lakhs				
	Corporate Bodies	NIL	NIL	NIL	NIL
	Directors and relatives	NIL	NIL	NIL	NIL
	Indian public	NIL	NIL	NIL	NIL
	Sub-total (B)	NIL	NIL	NIL	NIL
C	Others				
	Body Corporate	NIL	NIL	NIL	NIL
	Limited Liability partnership	NIL	NIL	NIL	NIL
	Hindu Undivided family	NIL	NIL	NIL	NIL
	Clearing member	NIL	NIL	NIL	NIL
	Sub-total (C)	NIL	NIL	NIL	NIL
	Grand Total	7,58,25,000	100	7,58,25,000	100

ANNEXURE 7

CAPITAL STRUCTURE

AUTHORISED SHARE CAPITAL	(Rs. in Lakhs)
28,00,00,000 fully paid equity shares of ₹ 10/- each	28,000
8,50,00,000 fully paid preference shares of ₹ 10/- each	8,500
Total	**36,500**
ISSUED, SUBSCRIBED AND PAID SHARE CAPITAL	
6,63,25,000 fully paid equity shares of ₹ 10/- each	6,632.50
95,00,000 fully paid preference shares of ₹ 10/- each	950
Total	

Note: The Capital Structure is presented as on April 19, 2024.

Paid up capital (equity+preference) of the Company as on date

Before the issue of Debentures	Rs. 75,82,50,000
After conversion of convertible instruments (if applicable)	-
After the issue of Debentures	Rs. 75,82,50,000

Securities premium account of the Company as on date

Before the issue of Debentures	Rs. 244.31 Crore
After the issue of Debentures	Rs. 244.31 Crore

ANNEXURE 8

SUMMARY OF FINANCIAL POSITION OF THE COMPANY INCLUDING AUDITED CASH FLOW STATEMENT FOR THE THREE IMMEDIATELY PRECEDING YEARS

BALANCE SHEET

(₹ in Crore)

Sr. No.	Particulars	March 31, 2023	March 31, 2022	March 31, 2021
	ASSETS			
1	**Financial Assets**			
(a)	Cash and cash equivalents	106.67	145.69	45.87
(b)	Bank balances other than (a) above	1,557.99	1,023.40	1,050.50
(c)	Derivative Financial Instruments	-	-	5.07
(d)	Trade receivables	909.6	241.73	272.02
(e)	Loans	632.53	310.11	215.58
(f)	Investments	279.24	278.84	279.55
(g)	Other financial assets	54.12	23.45	20.76
	Total Financial Assets	**3,540.15**	**2,023.22**	**1,889.33**
2	**Non-Financial Assets**			
(a)	Current tax assets (net)	59.60	43.36	42.52
(b)	Deferred tax assets (net)	9.83	7.34	7.71
(c)	Property, Plant and Equipment	111.23	53.17	57.12
(d)	Intangible assets under development	5.18	2.66	0.24
(e)	Other intangible assets	7.95	2.91	3.00
(f)	Other non-financial assets	20.74	13.00	8.73
	Total Non-Financial Assets	**214.53**	**122.44**	**119.32**
	Total Assets	**3,754.68**	**2,145.66**	**2,008.65**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial Liabilities**			
(a)	Derivative Financial Instruments			4.82
(b)	Trade Payables			
	Total outstanding dues of micro and small enterprises	0.10	1.07	0.05
	Total outstanding dues of creditors other than micro and small enterprises	40.48	36.55	33.06
	Other Payables			
	Total outstanding dues of micro and small enterprises	-	-	-
	Total outstanding dues of creditors other than micro and small enterprises	1282.07	799.18	728.57
(c)	Debt securities	983.34	479.36	433.31
(d)	Borrowings (other than debt securities)	166.26	-	110.87
(e)	Lease Liabilities	103.77	51.67	53.76
(f)	Subordinated liabilities			
(g)	Other financial liabilities	648.75	202.30	163.45
	Total Financial Liabilities	**3224.77**	**1570.13**	**1527.89**
2	**Non-Financial Liabilities**			

(a)	Current tax liabilities (net)	-	1.50	2.02
(b)	Provisions	20.81	18.77	18.25
(c)	Deferred tax liabilities (net)	-	-	-
(d)	Other non-financial liabilities	15.90	24.11	11.46
	Total Non-Financial Liabilities	**36.71**	**44.38**	**31.73**
3	**EQUITY**			
(a)	Equity share capital	50.00	50.00	50.00
(b)	Other equity	443.20	481.15	399.03
	Total Equity	**493.20**	**531.15**	**449.03**
	Total Liabilities and Equity	**3754.68**	**2145.66**	**2008.65**

STATEMENT OF PROFIT AND LOSS

(Rs. in Crore)

Sr. No.	Particulars	March 31, 2023	March 31, 2022	March 31, 2021
1	**Income**			
	Revenue from Operations			
(a)	Fees and Commission Income	393.80	439.70	323.36
(b)	Other Operating Revenue	149.03	104.77	67.02
(c)	Net gain on fair value changes	6.47	7.49	13.96
	Total Revenue from Operations	**549.30**	**551.96**	**404.34**
	Other Income	23.97	50.24	9.80
	Total Income	**573.27**	**602.20**	**414.14**
2	**Expenses**			
(a)	Sub-brokerage, transaction costs and other direct expenses	169.85	174.62	123.21
(b)	Finance costs	92.15	51.08	60.15
(c)	Net loss on fair value changes	-	-	-
(d)	Impairment on financial instruments	4.85	0.22	1.42
(e)	Employee benefits expense	201.83	170.04	136.78
(f)	Depreciation and amortization expense	20.83	14.92	15.70
(g)	Other expenses	74.32	43.73	36.46
	Total Expenses	**563.83**	**454.61**	**373.72**
3	**Profit Before Tax**	**9.44**	**147.59**	**40.42**
4	**Tax Expenses**			
(a)	Current tax	-	26.19	11.82
(b)	Deferred tax	-2.40	0.19	-2.81
(c)	Tax adjustment of earlier years(net)	-0.21	-0.83	-0.48
	Total Tax Expenses	**-2.61**	**25.55**	**8.53**
5	**Net Profit**	**12.05**	**122.04**	**31.89**
	Add :- Share in Profit of Associate	-	-	-
	Net Profit for the year	**12.05**	**122.04**	**31.89**
6	**Other Comprehensive Income**			
	- Actuarial gain/(losses) on post retirement benefit plans	-0.35	0.71	1.51
	- Income tax on the above	0.09	-0.18	-0.38
	Total Other Comprehensive Income	**-0.26**	**0.53**	**1.13**
	Total Comprehensive Income	**11.79**	**122.57**	**33.02**
7	**Earning per equity share (EPS)**			
	EPS (Basic)	2.41	24.41	6.38
	EPS (Diluted)	2.1	21.22	5.55

STATEMENT OF CASHFLOW

(Rs. in Crore)

Sr. No.	Particulars	March 31, 2023	March 31, 2022	March 31, 2021
A	**Cash Flow from Operating Activities**			
	Net Profit Before Tax	9.44	147.60	40.42
	Adjustments for:			
	Depreciation and amortisation	20.84	14.92	15.7
	(Profit)/Loss on sale of fixed assets	-0.08	0.03	-0.12
	ESOP Cost Account (Employee Cost) for FS	0.71	0	0
	Finance costs	92.15	51.08	60.15
	Dividend income on investments	-15.75	-33.75	0
	Share of profit from partnership firm/AOP where the Company is a Partner/Member	-5.26	-14.24	-7.12
	Fair Valuation of Derivatives Financial Instrument (Asset)	0	-0.26	-2.61
	Fair Valuation of Derivatives Financial Instrument (Liability)	0	0.10	1.99
	Interest income	-0.04	-0.07	-0.14
	Operating Profit before Working Capital Changes	**102.01**	**165.41**	**108.27**
	Adjustment for:			
	Increase in Payables	485.85	75.12	354.15
	(Decrease) in lease Liabilities	-11.10	-7.36	-4.39
	Increase in other financial liabilities	446.45	38.85	77.49
	Increase in provisions	1.69	1.22	2.64
	(Decrease)/Increase in non-financial liabilities	-8.21	12.65	-0.72
	(Increase) in loans	-322.43	-94.53	-177.38
	(Increase)/ Decrease in trade receivables	-667.86	30.28	-141.26
	(Increase)/Decrease in other bank balances	-534.59	27.10	-644.52
	(Increase) in other non-financial assets	-7.74	-4.27	-0.72
	(Increase)/ Decrease in other financial assets	-33.63	-2.97	67.66
	Cash used in /generated from operations	-549.56	241.50	-358.78
	Income tax paid	-17.52	-26.73	-5.09
	Net cash (used) / generated from operating activities (A)	-567.08	214.77	-363.87
B	**Cash Flow from Investing Activities**			
	Purchase of Fixed Assets	-20.31	-8.02	-2.35
	Sale of Fixed Assets	0.09	0.24	0
	Proceeds from closure of Nifty Linked Options	0	5.33	-2.45
	Investment in Mutual Funds*	734.57	-678.95	0
	Proceeds from Mutual Funds	-734.57	679.1	33.77

	Contribution to Partnership Firm/Association of Persons	-0.9	0	6.69
	Share of profits received from Partnership firm & AOP	5.75	14.79	0
	Interest received	0.04	0.07	0.14
	Dividend income on investments	15.75	33.75	0
	Net Cash (used)/generated from Investing Activities (B)	**0.42**	**46.31**	**35.8**
C	**Cash flow from Financing Activities**			
	(Repayment)/Issue of Nifty Linked Debentures	0	-62.06	56.65
	Issue of 9% Redeemable Preference Shares	42.00	0	0
	Borrowings through debt securities	2,861.98	1,398.20	0
	Repayment of debt securities*	-2,400.00	-1,295.00	-43.34
	Repayment of borrowings other than debt securities	-2,236.86	6,987.00	0
	Proceeds from borrowings other than debt securities*	2,403.12	-7,097.87	110.87
	(Repayment) of Lease Liabilities	-18.51	-12.82	-12.23
	Dividends paid	-50.45	-40.45	0
	Interest paid	-73.65	-38.27	-44.62
	Net Cash generated from/(used in) Financing Activities (C)	**527.64**	**-161.27**	**67.33**
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	**-39.02**	**99.81**	**-260.72**
	Cash and cash equivalents at the beginning of the year	145.69	45.88	306.58
	Cash and cash equivalents at the end of the year	106.67	145.69	45.87

Figures for the FY 21 has been shown on net basis (Mutual Fund-Net of Investment and Redemption value, Debt and Other than Debt Securities- Net of Borrowings and Repayment amount)

B S R & Co. LLP
Chartered Accountants

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Limited Review Report on unaudited financial results of JM Financial Services Limited for the quarter ended 31 December 2023 and year to date results for the period from 1 April 2023 to 31 December 2023 pursuant to Regulation 52 and Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended

To the Board of Directors of JM Financial Services Limited

1. We have reviewed the accompanying Statement of unaudited financial results of JM Financial Services Limited (hereinafter referred to as "the Company") for the quarter ended 31 December 2023 and year to date results for the period from 01 April 2023 to 31 December 2023 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 52 and Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 *"Review of Interim Financial Information Performed by the Independent Auditor of the Entity",* issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 52 and Regulation 33 of the Listing Regulations, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended including the manner in which it is to be disclosed, or that it contains any material

BSR & Co. LLP
14th Floor, Central B Wing and North C Wing, Nesco IT Park4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400 063
Chartered Accountants

misstatement.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Kapil Goenka
Partner
Membership No.: 118189
UDIN:24118189BKDBAI5166

Mumbai
23 January 2024

JM FINANCIAL

JM FINANCIAL SERVICES LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

(Rupees in Lakh)

Particulars	Quarter Ended			Nine Months Ended		Year Ended
	31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
	Unaudited	Unaudited	Unaudited*	Unaudited	Unaudited*	Audited*
1 Income						
(a) Revenue from Operations						
Interest Income	9,882.94	8,066.02	4,769.58	24,010.74	12,080.46	17,566.42
Fees and Commission Income	13,747.54	13,716.66	10,008.63	36,537.65	29,423.84	39,390.73
Other Operating Revenue	117.63	128.57	115.22	354.51	449.55	487.88
Net gain on fair value changes	98.46	61.13	272.59	365.56	689.73	867.99
(b) Other Income	1,168.88	399.06	252.43	2,124.90	558.64	2,394.96
Total income (a+b)	**25,015.45**	**22,371.44**	**15,418.45**	**63,393.36**	**43,202.22**	**60,707.98**
2 Expenses						
(a) Sub brokerage, transaction costs and other direct expenses	4,787.28	5,852.95	4,286.14	14,531.90	12,391.91	16,442.27
(b) Employee benefit expenses	6,741.20	6,278.65	4,172.44	18,350.01	13,146.45	20,587.19
(c) Finance costs	6,446.03	5,062.57	2,689.59	15,161.28	6,063.66	9,320.05
(d) Impairment on financial instruments	243.54	290.05	89.76	(5.53)	(150.09)	(267.56)
(e) Depreciation and amortisation expenses	793.70	731.85	605.09	2,201.64	1,433.39	2,107.03
(f) Other expenses	2,216.58	2,517.30	2,037.82	6,357.62	5,921.14	8,075.51
Total expenses (a+b+c+d+e+f)	**21,228.33**	**20,733.37**	**13,880.84**	**56,596.92**	**38,806.46**	**56,264.49**
3 Profit before tax (1-2)	**3,787.12**	**1,638.07**	**1,537.61**	**6,796.44**	**4,395.76**	**4,443.49**
4 Tax Expense:						
(a) Current tax	920.15	480.75	351.61	1,457.45	1,066.57	280.00
(b) Deferred tax	64.28	(149.04)	2.62	66.31	(36.58)	374.56
(c) Tax adjustment of earlier years (net)	-	-	(0.00)	-	17.46	(8.96)
Total tax expenses (a+b+c)	**984.43**	**331.71**	**354.23**	**1,523.76**	**1,047.45**	**645.60**
5 Net Profit for the period / year (3-4)	**2,802.69**	**1,306.36**	**1,183.38**	**5,272.68**	**3,348.31**	**3,797.89**
6 Other Comprehensive Income						
(i) Items that will not be reclassified to profit or loss						
Remeasurement of defined benefit obligation	(8.72)	(8.72)	(20.12)	(26.17)	(60.36)	(26.55)
(ii) Income tax on items that will not be reclassified to profit or loss	3.66	0.73	5.06	6.59	15.19	6.68
Other Comprehensive Income (i+ii)	**(5.06)**	**(7.99)**	**(15.06)**	**(19.58)**	**(45.17)**	**(19.87)**
7 Total Comprehensive Income (5+6)	**2,797.63**	**1,298.37**	**1,168.32**	**5,253.10**	**3,303.14**	**3,778.02**
8 Paid up equity share capital (Face value Re.10/- per share)	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00	5,000.00
9 Earnings per equity share						
Basic EPS (in Rs.) (Not annualised)	5.61	2.61	2.37	10.55	6.70	7.60
Diluted EPS (in Rs.) (Not annualised)	4.79	2.27	2.06	9.12	5.82	6.61

* Restated pursuant to merger (refer note 4 and 5)

Refer notes 1 to 11 to the unaudited financial results.

BSR & Co. LLP 14th Floor, Central B Wing and North C Wing, Nesco IT Park4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400 063 Chartered Accountants

JM Financial Services Limited Mumbai

JM Financial Services Limited
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JM FINANCIAL SERVICES LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2023

Notes:

1 The above unaudited financial results have been reviewed and approved by the Board of Directors at the meeting held on January 23, 2023.These results have been subjected to a Limited Review by the statutory auditors of the Company.

2 The financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accoutning Standard (Ind AS) - 34 - Interim Financial Reporting, notified u/s 133 of the Companies Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time, and other accounting principles generally accepted in India.

3 The above unaudited financial results have been prepared as per format prescribed in Regulation 52 and Regulation 33 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, as amended.

4 During the financial year 2022-23, a Scheme of Arrangement (the "Scheme") was filed with the National Company Law Tribunal (the "NCLT") for demerger of the undertaking comprising Private Wealth and Portfolio Management Services (the "PMS") along with the investment in JM Financial Institutional Securities Limited (which houses the institutional equities business) from the Company to JM Financial Limited ("JMFL"). The Scheme also comprised of merger of JM Financial Capital Limited (the "JMFCL") into the Company, a wholly owned subsidiary of the Company. The Company has received the NCLT order approving the Scheme on April 20, 2023 with the appointed date April 1, 2023. Upon filing with the Registrar of Companies, the scheme became effective from May 18, 2023 with the appointed date as April 1, 2023. Pursuant to the said Scheme,

- JMFCL ceased to be a step-down subsidiary of the Company consequent upon its merger with the Company;
- JM Financial Institutional Securities Limited became a direct wholly owned subsidiary of JMFL; and
- the Private Wealth and PMS divisions became part of JMFL and is classified under the Investment Bank segment from the Platform AWS segment of JMFL.

5 Pursuant to the Scheme of Arrangement under Section 230 - 232 of the Companies Act, 2013 in relation to the merger of JM Financial Capital Limited (the "Transferor Company") into JM Financial Services Limited (the "Transferee Company") w.e.f. 1st April 2023, the management has restated the comparative information in accordance with Ind AS 103 which has been derived/ extracted from the financial results of the Transferor company which has been audited by the erstwhile auditors of the Transferor Company.

(Rupees in Lakh)

JM Financial Capital Limited	Quarter ended	Nine months ended	Year ended
Particulars	Dec-22	Dec-22	Mar-23
	Unaudited	Unaudited	Audited
Total revenue from operations	828.77	2,716.02	3,445.54
Other income	0.04	0.66	2.61
Total income	**828.81**	**2,716.67**	**3,448.15**
Total expense	146.21	682.34	781.00
Impairment	-54.97	-434.26	(752.58)
Profit before tax	**737.57**	**2,468.59**	**3,419.73**
Tax expense	188.10	635.28	906.70
Net profit for the period	**549.47**	**1,833.31**	**2,513.03**

6 The Company has only one reportable business segment i.e. Rendering of Financial Services which includes broking income from primary and secondary market, income from depository participant activities, etc.

7 Information as required by Regulation 52 (4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is as per Annexure 'I" attached

8 During the quarter ended December 31, 2023, the Company has issued Commercial papers (CPs) for an amount aggregating upto Rs. 1,233 Crore and redeemed CPs for an amount aggregating upto Rs. 980 Crore. The closing (outstanding) balance of CPs as on December 31, 2023 was Rs. 1,618 Crore.

9 During the quarter ended December 31, 2023, the Company has issued and allotted 3,100 secured, rated, listed, redeemable non-convertible debentures ("NCDs") of face value of Rs. 1,00,000 each aggregating to Rs. 31 crore on November 20, 2023 and 15,000 secured, rated, listed, redeemable non-convertible debentures ("NCDs") of face value of Rs. 1,00,000 each aggregating to Rs. 150 crore on November 30, 2023. The NCDs are listed on the BSE Limited and are fully secured as per the terms of the Issue Documents. Further, pursuant to Regulation 52(7) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company hereby confirms that the proceeds from the issue of NCDs have been fully utilised as per the Objects of the Issue, as stated in the Issue Documents.

10 During the quarter ended December 31, 2023, the Company has varied the terms of 20,00,000 9% Redeemable Cumulative Preference Shares ("RPS") by converting them into 0.01% Compulsorily Convertible Preference Shares. These shares with a face value of Rs. 10 per share are issued at a share premium of Rs 200 per share aggregating to Rs 42 crore after receiving the exchange approval on November 16, 2023.

11 Previous period figures have been regrouped / reclassified to make them comparable with those of current period.

BSR & Co. LLP
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Chartered Accountants

JM FINANCIAL SERVICES LIMITED
MUMBAI

For and on behalf of the Board

Nirav Gandhi
Whole Time Director
DIN : 08778702

Place : Mumbai
Date : January 23, 2024

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JM FINANCIAL SERVICES LIMITED

Annexure I

Additional Information as required under Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended.

1 **Key Financial Ratios:**

Sr.no	Particulars	Quarter Ended			Nine Months Ended		Year Ended
		31-Dec-23	30-Sep-23	31-Dec-22	31-Dec-23	31-Dec-22	31-Mar-23
		Unaudited	Unaudited	Unaudited*	Unaudited	Unaudited*	Audited*
1	Debt to Equity Ratio	3.99	3.98	1.94	3.99	1.94	1.94
2	Debt Service Coverage Ratio	0.05	0.04	0.04	0.11	0.11	0.14
3	Interest Service Coverage Ratio	1.71	1.47	1.80	1.59	1.96	1.70
4	Total Debts to Total Assets ratio	0.43	0.42	0.35	0.43	0.35	0.29
5	Debtors Turnover ratio	0.25	0.32	0.52	0.53	1.33	0.75
6	Operating Margin (%)	15.14	7.32	9.97	10.72	10.17	7.32
7	Net Profit margin (%)	11.20	5.84	7.68	8.32	7.75	6.26
8	Inventory Turnover ratio	NA	NA	NA	NA	NA	NA
9	Current ratio	1.20	1.15	1.16	1.20	1.16	1.18
10	Current Liability Ratio	0.89	0.92	0.97	0.89	0.97	0.97
11	Long Term Debt to Working Capital	0.46	0.40	NA	0.46	NA	0.07
12	Bad debts to Account Receivable	NA	NA	NA	NA	NA	NA
13	Sector specific equivalent ratios	NA	NA	NA	NA	NA	NA
14	Outstanding Redeemable Preference Shares (Rs. In lakh) (refer note no. 10)	-	4,200	-	-	-	4,200
15	Capital Redemption Reserve (Rs. In lakh)	469	469	469	469	469	469
16	Debenture Redemption Reserve	153.41	10.21	-	163.62	-	-
17	Assets Coverage Ratio	8.44	31.65	NA	8.44	NA	NA
18	Net Worth (Rs. in lakh) :	57,605	50,569	56,183	57,605	56,183	56,729
19	Net Profit/(Loss) After tax (Rs. in lakhs)	2,803	1,306	1,183	5,273	3,348	3,798
20	Earnings Per Share (EPS)						
	Basic EPS (in Rs.) (Not annualised)	5.61	2.61	2.37	10.55	6.70	7.60
	Diluted EPS (in Rs.) (Not annualised)	4.79	2.27	2.06	9.12	5.82	6.61

21 The NCDs are fully secured by way of first pari passu charge on the Company's identified assets. Further, the requisite security cover as agreed with investors is maintained. Security cover maintained by the Company for the NCDs issued and remaining outstanding as on December 31, 2023 is 8.44 times.

22 **Definitions for Coverage ratios:**

	Ratio	Definition
(i)	Debt equity ratio	Total debt / Total Shareholder's funds
(ii)	Debt service coverage ratio	Profit before depreciation, finance charges and tax / Total debt
(iii)	Interest service coverage ratio	Profit before depreciation, finance charges and tax / Finance charges
(iv)	Total Debts to Total Assets	Total Debts / Total Assets
(v)	Debtors Turnover ratio	Operating Income / Average Receivables (Operating Income includes Fees & Commission income,Interest on delayed payments & Recoveries from clients franchisees)
(vi)	Operating Margin	Profit before tax / Total Income
(vii)	Net Profit margin	Profit after tax / Total income
(viii)	Inventory Turnover ratio	Sales / Average Inventory
(ix)	Current ratio	Current Assets / Current Liabilities
(x)	Current Liability ratio	Current Liabilities / Total Liabilities
(xi)	Long Term Debt to Working Capital	Long Term Debt (maturing more than one year) / (Current Assets - Current Liabilities)

BSR & Co. LLP
14th Floor, Central B Wing and North C Wing, Nesco IT Park4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai - 400 063
Chartered Accountants

JM Financial Services Limited

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JM FINANCIAL SERVICES LIMITED

Annexure II

Additional Information as required under Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended

1 Details of repayment of principal of CPs during the Period ended December 31, 2023 are as under :

ISIN	Previous due date / Repayments (April 2023 to December 2023)		Principal		Tranche Name
	Date	Amount (Rs. in Crore)	Next repayment	Amount (Rs. in Crore)	
Commercial Papers					
INE012I14OE6	18-Apr-23	200.00			JMFSL/2223/CP/00081
INE012I14OF3	25-Apr-23	25.00			JMFSL/2223/CP/00082
INE012I14OG1	26-May-23	50.00			JMFSL/2223/CP/00083
INE012I14NM1	02-Jun-23	50.00			JMFSL/2223/CP/00032
INE012I14OH9	08-Jun-23	30.00			JMFSL/2223/CP/00084
INE012I14NX8	12-Jun-23	25.00			JMFSL/2223/CP/00070
INE012I14NY6	13-Jun-23	25.00			JMFSL/2223/CP/00073
INE012I14NZ3	16-Jun-23	20.00			JMFSL/2223/CP/00074
INE012I14OK3	22-Jun-23	85.00			JMFSL/2223/CP/00091
INE012I14OK3	22-Jun-23	15.00			JMFSL/2223/CP/00093
INE012I14OB2	27-Jun-23	20.00			JMFSL/2223/CP/00077
INE012I14OB2	27-Jun-23	20.00			JMFSL/2223/CP/00094
INE012I14ON7	29-Jun-23	75.00			JMFSL/2324/CP/00002
INE012I14OO5	18-Jul-23	25.00			JMFSL/2324/CP/00004
INE012I14OO5	18-Jul-23	100.00			JMFSL/2324/CP/00005
INE012I14OO5	18-Jul-23	10.00			JMFSL/2324/CP/00006
INE012I14OO5	18-Jul-23	10.00			JMFSL/2324/CP/00007
INE012I14OO5	18-Jul-23	5.00			JMFSL/2324/CP/00008
INE012I14OP2	26-Jul-23	25.00			JMFSL/2324/CP/00009
INE012I14OZ1	08-Aug-23	100.00			JMFSL/2324/CP/00063
INE012I14OZ1	08-Aug-23	10.00			JMFSL/2324/CP/00064
INE012I14OY4	24-Aug-23	75.00			JMFSL/2324/CP/00051
INE012I14OV0	25-Aug-23	100.00			JMFSL/2324/CP/00024
INE012I14OI7	30-Aug-23	15.00			JMFSL/2223/CP/00086
INE012I14OI7	30-Aug-23	10.00			JMFSL/2223/CP/00087
INE012I14OI7	30-Aug-23	50.00			JMFSL/2324/CP/00023
INE012I14OR8	07-Sep-23	100.00			JMFSL/2324/CP/00015
INE012I14NV2	11-Sep-23	75.00			JMFSL/2223/CP/00071
INE012I14NV2	11-Sep-23	100.00			JMFSL/2223/CP/00085
INE012I14OJ5	14-Sep-23	75.00			JMFSL/2223/CP/00088
INE012I14OJ5	14-Sep-23	50.00			JMFSL/2223/CP/00089
INE012I14OX6	17-Oct-23	150.00			JMFSL/2324/CP/00044
INE012I14PB9	31-Oct-23	100.00			JMFSL/2324/CP/00065
INE012I14OQ0	20-Nov-23	25.00			JMFSL/2324/CP/00012
INE012I14PC7	23-Nov-23	100.00			JMFSL/2324/CP/00077
INE012I14OW8	24-Nov-23	40.00			JMFSL/2324/CP/00034
INE012I14OW8	24-Nov-23	100.00			JMFSL/2324/CP/00035
INE012I14OW8	24-Nov-23	75.00			JMFSL/2324/CP/00078
INE012I14PD5	28-Nov-23	10.00			JMFSL/2324/CP/00081
INE012I14PF0	04-Dec-23	100.00			JMFSL/2324/CP/00088
INE012I14PF0	04-Dec-23	50.00			JMFSL/2324/CP/00090
INE012I14PG8	11-Dec-23	50.00			JMFSL/2324/CP/00094
INE012I14PG8	11-Dec-23	75.00			JMFSL/2324/CP/00095
INE012I14OA4	15-Dec-23	50.00			JMFSL/2223/CP/00075
INE012I14PJ2	20-Dec-23	25.00			JMFSL/2324/CP/00112
INE012I14PJ2	20-Dec-23	25.00			JMFSL/2324/CP/00113
INE012I14PJ2	20-Dec-23	5.00			JMFSL/2324/CP/00114
	Total	**2,555.00**			

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1.1 **Details of outstanding CPs as at December 31, 2023 are as under :**

ISIN	Previous due date / Repayments (April 2023 to December 2023)		Principal		Tranche Name
	Date	Amount (Rs. in Crore)	Next repayment	Amount (Rs. in Crore)	
Commercial Papers					
INE012I14PK0			16-Jan-24	175.00	JMFSL/2324/CP/00115
INE012I14PA1			24-Jan-24	25.00	JMFSL/2324/CP/00053
INE012I14PI4			30-Jan-24	100.00	JMFSL/2324/CP/00099
INE012I14PI4			30-Jan-24	50.00	JMFSL/2324/CP/00121
INE012I14PN4			02-Feb-24	50.00	JMFSL/2324/CP/00127
INE012I14PP9			05-Feb-24	75.00	JMFSL/2324/CP/00128
INE012I14PP9			05-Feb-24	75.00	JMFSL/2324/CP/00129
INE012I14PH6			16-Feb-24	75.00	JMFSL/2324/CP/00097
INE012I14PH6			16-Feb-24	25.00	JMFSL/2324/CP/00098
INE012I14OU2			28-Feb-24	25.00	JMFSL/2324/CP/00021
INE012I14PE3			05-Mar-24	100.00	JMFSL/2324/CP/00082
INE012I14PE3			05-Mar-24	25.00	JMFSL/2324/CP/00152
INE012I14PV7			07-Mar-24	75.00	JMFSL/2324/CP/00155
INE012I14PV7			07-Mar-24	50.00	JMFSL/2324/CP/00156
INE012I14PV7			07-Mar-24	50.00	JMFSL/2324/CP/00157
INE012I14PW5			13-Mar-24	25.00	JMFSL/2324/CP/00154
INE012I14PW5			13-Mar-24	25.00	JMFSL/2324/CP/00158
INE012I14PX3			18-Mar-24	8.00	JMFSL/2324/CP/00170
INE012I14OL1			26-Mar-24	25.00	JMFSL/2223/CP/00090
INE012I14OS6			11-Apr-24	15.00	JMFSL/2324/CP/00016
INE012I14PL8			22-Apr-24	50.00	JMFSL/2324/CP/00117
INE012I14PM6			29-Apr-24	60.00	JMFSL/2324/CP/00120
INE012I14PO2			02-May-24	20.00	JMFSL/2324/CP/00126
INE012I14PR5			13-May-24	40.00	JMFSL/2324/CP/00139
INE012I14PS3			15-May-24	50.00	JMFSL/2324/CP/00140
INE012I14PQ7			17-May-24	25.00	JMFSL/2324/CP/00138
INE012I14PT1			22-May-24	50.00	JMFSL/2324/CP/00141
INE012I14OT4			12-Jun-24	50.00	JMFSL/2324/CP/00017
INE012I14PU9			22-Nov-24	100.00	JMFSL/2324/CP/00147
INE012I14PU9			22-Nov-24	100.00	JMFSL/2324/CP/00148
			Total	**1,618.00**	

1.2 **Details of outstanding Non Convertible Debentures as at December 31, 2023 are as under :**

ISIN	Previous due date / Repayments (April 2023 to December 2023)		Principal		Tranche Name
	Date	Amount (Rs. in Crore)	Next repayment	Amount (Rs. in Crore)	
INE012I07041			11-Mar-26	49.00	Tranche A
INE012I07058			20-Nov-25	31.00	Tranche B
INE012I07066			30-May-25	150.00	Tranche C
			Total	**230.00**	

JM Financial Services Limited Mumbai

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2 **Details of Credit rating and changes in credit rating is given here under:**

Rating particulars				Rating Agency	Rating Assigned
Short Term Debt Programme					
Commercial Paper				ICRA Limited	ICRA A1+
				CRISIL Ratings Limited	CRISIL A1+
Long Term Debt Programme					
Bank Loan Rating				ICRA Limited	ICRA AA / Stable
Non Convertible Debentures				ICRA Limited	ICRA AA / Stable
				CRISIL Ratings Limited	CRISIL AA / Stable

JM Financial Services Limited Mumbai

ANNEXURE 9

DEBENTURE TRUSTEE DUE DILIGENCE CERTIFICATE

ANNEXURE A

To,
Stock Exchange,
Dear Sir / Madam,
SUB.: ISSUE OF 10,000 (TEN THOUSAND) SECURED, REDEEMABLE, RATED, LISTED, NON-CONVERTIBLE DEBENTURES ("DEBENTURES") OF A FACE VALUE OF 1,00,000/- (INDIAN RUPEES ONE LAKH ONLY) EACH WITH A BASE ISSUE SIZE OF 2,500 (TWO THOUSAND FIVE HUNDRED) DEBENTURES FOR CASH AGGREGATING TO 25,00,00,000/- (INDIAN RUPEES TWENTY FIVE CRORE ONLY) WITH AN OPTION TO RETAIN OVERSUBSCRIPTION UPTO 7,500 (SEVEN THOUSAND FIVE HUNDRED) DEBENTURES FOR CASH AGGREGATING 75,00,00,000/- (INDIAN RUPEES SEVENTY FIVE CRORE ONLY), TOGETHER AGGREGATING UPTO 100,00,00,000 (INDIAN RUPEES ONE HUNDRED CRORE ONLY) ("ISSUE SIZE") BY JM FINANCIAL SERVICES LIMITED (THE "ISSUER" OR "COMPANY") ON A PRIVATE PLACEMENT BASIS BY JM FINANCIAL SERVICES LIMITED LTD.

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:
We confirm that:

a) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies).

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document or private placement memorandum/ information memorandum and all disclosures made in the offer document or private placement memorandum/ information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement.

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum and given an undertaking that debenture trust deed would be executed before filing of listing application.

g) All disclosures made in the draft offer document or private placement memorandum/ information memorandum with respect to the debt securities are true, fair and adequate to enable the investors to make a well-informed decision as to the investment in the proposed issue.
We have satisfied ourselves about the ability of the Issuer to service the debt securities.

PLACE: Mumbai

DATE: 2024-04-19

Digitally signed by

Signer: SANJEEV KUMAR RASTOGI
Date: Friday, April 19, 2024 3:42 PM

ANNEXURE 10

BRIEF PARTICULARS OF THE MANAGEMENT OF THE COMPANY

JM Financial Services Limited represents the Investment Advisory business of JM Financial Group and focuses on investment advisory and wealth management businesses for non-institutional clients. It provides comprehensive financial planning, research-based investment consulting services and execution capabilities across three asset classes – equities, fixed income and currencies. The business is organised in three main divisions:

- Equity brokerage group;
- Elite Wealth management group;
- Independent financial distribution group.

The Company is a 100% subsidiary of JM Financial Limited. JM Financial Group has interests in investment banking, institutional and retail equity broking, wealth management, investment advisory services, asset management, commodity broking, securities based lending, corporate lending, private equity and asset reconstruction.

Taking into account the nature of services and risk-return profile, the business / activities of the Company can be divided in the below broad segments:

a. Stock broking activities;
b. Fund based activities which includes margin funding under the SEBI guidelines;
c. Trading in debt securities which include facilitating clients for purchase and sale of debt securities; and
d. Advisory services to clients for their investments in various equity / fixed income / commodity products available in the market or structured to suits the needs of clients.

The Company is an important player in the stock broking and distribution of public issues/primary issuances and also in other products like registered investment advisory, commodities, etc. The Company leverages JM Financial Group's clientele across segments such as investment banking, equity broking and investment advisory to offer securities based lending / wholesale funding to High Networth Individuals, retail customers and medium sized corporates.

The details of board of directors and key managerial personnels of the Company as on the date of filing this Key Information Document is as follows:

Name	Designation
Mr. Vishal Kampani	Non-Executive Chairman
Mr. H M Kotak	Non-Executive Director
Ms. Dipti Neelakantan	Non-Executive Director
Mr. Chirag Negandhi	Additional (Non-Executive Director)
Dr. Anup Shah	Independent Director
Mr. Parthiv Kilachand	Independent Director
Mr. Prakash Parthasarathy	Independent Director
Mr. Nirav Gandhi	Whole Time Director
Mr. DimpleKumar Shah	Whole Time Director
Mr. Amit Agrawal	Chief Financial Officer
Ms. Dimple Mehta	Company Secretary

ANNEXURE 11

ALL COVENANTS TO THE ISSUE

1.1 The Company declares, represents and covenants to the Debenture Trustee that the Company shall execute all such deeds, documents and assurances and do all such acts and things as the Debenture Trustee may reasonably require for exercising the rights under the Debenture Trust Deed cum Hypothecation Deed and the Debentures and for perfecting the Debenture Trust Deed cum Hypothecation Deed and the security created in favour of the Debenture Trustee for the benefit of the Debenture Holder(s).

1.2 The Company hereby covenants with the Debenture Trustee that the Company will, at all times during the term of the Debenture Trust Deed cum Hypothecation Deed, (except as may otherwise be previously agreed in writing by the Debenture Trustee):

a) Carry on and conduct its business with due diligence and efficiency and in accordance with sound managerial and financial standards and business practices with qualified and experienced management and personnel;

b) Utilize the monies received upon subscription to the Debentures solely towards the purpose stated in the Issue Documents. The Company shall procure and furnish to the Debenture Trustee a certificate from the Chartered Accountant in practice in respect of the utilization of funds raised by the issue of the Debentures, on an annual basis within 75 (Seventy Five) days of the end of the Financial Year;

c) Keep proper books of account as required by the Act and therein make true and proper entries of all dealings and transactions of and in relation to the business of the Company and keep the said books of account and all other books, registers and other documents relating to the affairs of the Company at its registered office or, where permitted by Applicable Law, at other place or places where the books of account and documents of a similar nature may be kept. The said books of account and the charged assets will be kept open for inspection of the Debenture Trustees on receipt of reasonable notice;

d) Give to the Debenture Trustee such information as the Debenture Trustee shall reasonably require as to all matters relating to the business, property and affairs of the Company and at the time of the issue thereof to the members of the Company furnish to the Debenture Trustee copies of every balance sheet, profit and loss account or circulars or notices, issued to the shareholders of the Company;

e) Ensure that the value of the Movable Properties, shall always be of such value so as to maintain the Security Cover in terms of the Debenture Trust Deed cum Hypothecation Deed and in this regard if the Debenture Trustee so requires, the Company shall provide a certificate from statutory auditor of the Company, within 75 (Seventy Five) days from the end of each financial quarter except last quarter when submission is to be made within 90 (Ninety) days, in accordance with the format prescribed under SEBI DT Master Circular, confirming that the value of the Movable Properties is sufficient to maintain the Security Cover as on the last date of the respective quarter for which such certificate is issued;

f) Diligently preserve the corporate existence and status and all rights, contracts, privileges, franchises and concessions now held or hereafter acquired by the Company in the conduct of the business of the Company and comply with each and every term of the said franchises and concessions and all Applicable Law applicable to the Company or the business and assets or any part thereof, provided, the Company may contest in good faith, the validity of any Applicable Law and pending the determination of such contest may postpone compliance therewith, if the rights enforceable under the Debentures are not thereby materially endangered or impaired. The Company will not do or voluntarily suffer or permit to be done any act or thing whereby the right to transact the business of the Company might or could be

terminated or adversely effected or whereby payment of the Payments might or would be hindered or delayed;

g) Not undertake or permit any compromise with its creditors or shareholders until Final Settlement Date without prior written approval of the Majority Debenture Holders;

h) Promptly inform the Debenture Trustee if the Company has knowledge of any application for winding up having been made or any statutory notice of winding up under the Act or otherwise of any suit or other legal process intended to be filed or initiated against the Company and affecting the title of the Company to the Movable Properties or if a receiver is appointed for any of its properties or business or undertaking;

i) Duly cause these presents to be registered in all respects so as to comply with the provisions of Applicable Law;

j) Promptly inform the Debenture Trustee of any loss or damage which the Company may suffer due to any Force Majeure Event circumstances or act of God, such as earthquake, flood, tempest or typhoon, etc. against which the Company may not have insured its properties;

k) The Company is aware that in terms of Regulation 14 of the SEBI (Debenture Trustee) Regulations, 1993 as amended from time to time, the Trust Deed has to contain the matters specified in Section 71 of the Companies Act, 2013 and Form No. SH.12 specified under the Companies (Share Capital and Debentures) Rules, 2014. The Company hereby agrees to comply with all the clauses of Form No. SH.12 as specified under the Companies (Share Capital and Debentures) Rules, 2014 as if they are actually and physically incorporated herein in the Debenture Trust Deed cum Hypothecation Deed;

l) Shall furnish quarterly report to the Debenture Trustee containing the following particulars:
   i) Updated list of the names and addresses of the Debenture Holder(s);
   ii) Details of the Payments to be made, but unpaid and reasons thereof;
   iii) The number and nature of grievances received from the Debenture Holder(s) and resolved by the Company and those grievances not yet
   iv) solved to the satisfaction of the Debenture Holder(s) and reasons for the same;
   v) any major change in composition of the Board of Directors of the Company, which may amount to change in control as defined in SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
   vi) A statement that those assets of the Company which are available by way of security in terms of the Transaction Documents, as amended from time to time, is sufficient to discharge the claims of the Debenture Holders as and when they become due.

m) Further, the Company shall furnish the following certificates:
   i) <u>On Quarterly Basis:</u>
      - Certificate from Director/Managing Director/Chief Financial Officer (CFO)/Company Secretary (CS) of the Company, certifying the value of Receivables/Book debts/assets covered by hire purchase/lease agreements/hypothecation loan agreements charged in favour of the trustees;
      - Certificate from statutory auditor of the Issuer giving the value of book Receivables/Book debts;
      - Such other information/details/reports required by the Debenture Trustee, as per SEBI rules and regulations.
      - In addition to the submission of quarterly security cover certificate as per the above clause, the Company shall on and before the 15th of every month, provide a Management certified Stock Statement.
   ii) <u>On Half -Yearly Basis:</u>
      - In case where listed debt securities are secured by way of receivables/book debts, it

shall obtain a certificate from the statutory auditor on a half yearly basis giving the value of receivables/book debts including compliance with the covenants of the Issue Document.

- Send to the stock exchange where the debentures are listed for dissemination, the half yearly financial results, a half-year communication certificate from the Debenture Trustee under Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, containing inter-alia the following information, as may be applicable:
  - i. Debt- equity ratio;
  - ii. Debt service coverage ratio;
  - iii. Interest service coverage ratio;
  - iv. outstanding redeemable preference shares (quantity and value);
  - v. capital redemption reserve/debenture redemption reserve, as applicable;
  - vi. Current ratio;
  - vii. Long term debt to working capital;
  - viii. bad debts to account receivable ratio;
  - ix. current liability ratio;
  - x. Total debts to total assets;
  - xi. debtors turnover;
  - xii. inventory turnover;
  - xiii. operating margin (%);
  - xiv. Net profit margin (%);
  - xv. net worth;
  - xvi. Net profit after tax;
  - xvii. earnings per share;
  - xviii. Such other details as required under above regulations.

iii) <u>On Yearly Basis:</u>
Shall furnish yearly to the Debenture Trustee a certificate from the statutory auditors/giving the valuation of Receivables/book debts.

n) Promptly and expeditiously attend to and redress the grievances, if any, of the Debenture Holder(s). The Company further undertakes that it shall promptly comply with the suggestions and directions that may be given in this regard, from time to time, by the Debenture Trustee and shall advise the Debenture Trustee periodically of the compliance;
o) Comply with the provisions of Section 125 of the Act (or any corresponding provision of the Companies Act, 1956 which may be in force) relating to transfer of unclaimed/unpaid amounts of monies due on debentures and redemption of debentures to Investor Education and Protection Fund (IEPF);
p) Inform the Debenture Trustee about any change in nature and conduct of business before such change.
q) Bear all such costs and expenses incurred in relation to the rating of the Debentures;
r) Inform the Debenture Trustee before declaring or distributing dividend;
s) The Company shall keep the Debenture Trustee informed of all orders, directions, notices, of court/tribunal affecting or likely to affect the Movable Properties or any part thereof;
t) Keep the Debenture Trustee informed of all orders, directions of court against the Company, which are likely to affect the Movable Properties or any part thereof;
u) Ensure that, so long as the Debentures are not redeemed, the Company will have long term rating outstanding from the Rating Agency;
v) Ensure that it shall continue to be the owner of the Movable Properties;
w) The Company shall provide to the Debenture Trustee a true, complete and correct copy of

each of the Transaction Documents in effect or required to be in effect as of the date hereof;

x) Comply with the conditions stipulated by the Rating Agency in relation to the Debentures;

y) The Company shall submit the following disclosures to the Debenture Trustee at the time of allotment of the Debentures:
   i) Constitutional Documents and necessary resolution(s) for the allotment of the Debentures;
   ii) Copy of last three years' audited Financial Statements;
   iii) Statement containing particulars of, dates of, and parties to all material contracts and agreements;
   iv) latest audited/limited review half yearly consolidated (wherever available) and standalone financial information (profit & loss statement, balance sheet and cash flow statement) and auditor qualifications, if any;
   v) An undertaking to the effect that the Company would, till the redemption of the debt securities, submit the details mentioned in [point (D)] above to the Trustee within the timelines as mentioned in SEBI LODR, for furnishing/publishing its half yearly/annual result. Further, the Company shall within 180 days from the end of the Financial Year, submit a copy of the latest annual report to the Trustee.
   vi) a security cover certificate along with compliance of all covenants under the Transaction Documents from a statutory auditor of the Company, on a quarterly basis, within 75 (Seventy Five) days from the end of each financial quarter in accordance with the format prescribed under SEBI 's circular bearing reference number SEBI/HO/MIRSD/MIRSD_CRADT/CIR/P/2022/67 dated May 19, 2022, as amended from time to time on "Monitoring and Disclosures by Debenture Trustee(s);except last quarter when submission is to be made within 90 (Ninety) days, in accordance with the format prescribed under SEBI DT Master Circular.

z) The Company shall provide relevant documents/information, as applicable to the Debenture Trustee, to enable them to submit the reports/ certification to stock exchanges within the timelines mentioned below:

Reports/Certificate	Periodicity	Format
Security cover Certificate	Quarterly basis within 75 days from end of each quarter except last quarter when submission is to be made within 90 days from end of financial year.	As may be prescribed by SEBI DT Master Circular.
Valuation report and title search report for the immovable/movable assets, as applicable.	Once in three years within 75 days from the end of the Financial Year.	-

aa) The issuer shall as soon as practicable and in any event within the timelines prescribed by the Debenture Trustee (and Applicable Law), such other information, notifications, details, documents, reports, statements and certificates (including from chartered accountants, auditors and/or directors of the Company) as may be required by the Debenture Trustee from time to time, to ensure compliance with the provisions of the Applicable Law, including but not limited to the SEBI Debenture Trustee Regulations, the SEBI DT Master Circular and the Companies (Share Capital and Debentures) Rules, 2014.

bb) The Company shall make requisite filings in relation to the issuance of Debentures and creation of security in relation thereto, including filing with an information utility in accordance with the Insolvency and Bankruptcy Board of India (Information Utilities) Regulations, 2017.

That the Company shall comply all the provisions as mentioned in the SEBI LODR as amended from time to time.

cc) **Filing and Registration**

The Company shall make all such filings and registrations (at its own cost and expense) with the relevant Governmental Authorities and take all other steps necessary which are required by the Debenture Trustee to ensure that the Security Interest created under the Debenture Trust Deed cum Hypothecation Deed is created, perfected and maintained in full force and effect, in a form and manner satisfactory to the Debenture Trustee. To this effect, the Company shall: (a) file a duly completed Form CHG 9 with the relevant ROC within 30 days from the date of creation of Security and procure a certified true copy of the certificate of registration of charge issued by the ROC in a form and substance satisfactory to the Debenture Trustee; and (b) provide such assistance as may be required by the Debenture Trustee in relation to filing of Form I by the Debenture Trustee with the Central Registry under section 23 of the Securitisation and Reconstruction of Financial Assets and Enforcement Of Security Interest Act, 2002 read with the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (Central Registry) Rules, 2011, in relation to the Security Interest created on the Movable Properties, in each case in accordance and compliance with the timelines stipulated under Applicable Laws.

dd) **Compliance with the Money Laundering Laws:**

The operations of the Company shall be conducted at all times in compliance with applicable Anti-Money Laundering Laws.

The operations of the Issuer Company has been conducted at all times in compliance with applicable financial record keeping and reporting requirements, as applicable money laundering statutes of all jurisdictions where the Company conducts business, the rules and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency (collectively, the "**Anti-Money Laundering Laws**") and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving the Company with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company threatened.

ee) **Additional Covenants**

i. Default in Payment: In case of default in payment of interest and/or principal redemption on the Due Dates, additional interest of 2% p.a. over the Coupon Rate will be payable by the Company for the defaulting period
ii. Delay in Listing: The Company shall complete the listing of NCDs within T+3 trading day (T being the date of closure of the Issue).
iii. In case of delay in listing of NCDs beyond the timeline specified above, the Company will pay penal interest of 1% p.a. over and above the Coupon Rate for the period of delay to the investor (i.e. from date of listing).
iv. Delay in execution of Debenture Trust Deed: If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Company shall pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of the Debenture Trust Deed cum Hypothecation Deed.
v. The interest rates mentioned in above two cases are independent of each other.

1.3 **Negative Covenants**

The Company shall not take any action in relation to the following items/events, without the prior written approval of Debenture Trustee:

i. The Issuer shall not declare or distribute any dividend upon the occurrence of an Event of Default or when an Event of Default is subsisting except with the prior written consent of the Debenture Trustee;
ii. Management Control: Change in Management Control of the Company other than operational management which shall have material adverse effect.

In the event of a change in Management outside the JM Financial Group pursuant to change in Control, the Company shall obtain prior approval of the primary allottee of the Non-Convertible Debentures (NCDs) under this tranche.
For purposes of this clause "Control" shall mean the meaning ascribed to it under Section 2(27) of the Companies Act, 2013.
The Company shall provide written notice to the primary allottee setting forth the details of the proposed change in Management pursuant to change in Control. If the Primary Allottee's prior written approval is not received within ten (10) days from the date of sending such notice, the approval shall be deemed to have been granted.

1.4 **Financial Covenants and Conditions**

a) The Company hereby covenants with the Debenture Trustee that the Company will at all times during the term of these presents (except as may otherwise be previously agreed in writing by the Debenture Trustee) comply with each of the Financial Covenants and Conditions, as provided below.
b) On quarterly basis within 60 days from the end of each quarter of Financial Year, listed entity shall furnish the compliance status with respect to financial covenants of the listed debt securities certified by statutory auditors of listed entity to the Debenture Trustee.
c) **Debentures to rank *Pari Passu***
The Debentures shall rank *pari-passu*, *interse* without any preference or priority of one over the other or others of them.
d) **Coupon**
a. **Coupon Rate and manner of payment**
The Company shall be liable to pay the Debenture Holders interest on the relevant series/tranche Debentures at the rate (if any) specified in the relevant Issue Document ("**Interest Rate**" or "**Coupon Rate**"), and such Coupon Rate/Interest Rate shall be payable in such manner as specified in the relevant Issue Document in respect of the relevant series/ tranche of the Debentures. Notwithstanding what is contained herein, the Issuer, at its sole discretion, subject to the issue size being fully subscribed by a single investor, may pay an additional interest up to 1% as it may deem appropriate, post allotment of the NCDs. Additional interest payment, if any, will be made along with normal interest at such computation and frequency as per the KID.
b. **Computation of Interest**
All interest accruing on the face value of the Debenture shall accrue as specified in the relevant Issue Document in respect of the relevant tranche/series of the Debentures. The interest payments (if any) shall be made to the Debenture Holders on such dates as may be specified in the relevant Issue Document in respect of the relevant tranche/series of the Debentures.
Default in Payment: In case of default in payment of Interest and/or principal redemption on the Due Dates, additional interest of 2% p.a. over the Interest/Coupon Rate/implicit yield will be payable by the Company for the defaulting period.
During the continuance of an Event of Default other than an event of default pertaining to as payment default, the Company shall pay an additional interest of 1% (one per cent) per annum over the implicit yield/Coupon Rate until such Event of Default is rectified, without any prejudice to the remedies available to the Debenture Holder(s) or the consequences of

Events of Default.

In case of delay in listing of the Debentures beyond T+3 trading days (T being the Bidding Date), the Company shall pay penal interest of 1% p.a. over the Coupon Rate for the period of delay from the Date of Allotment till the listing of Debentures to the Debenture Holders.

Delay in execution of Debenture Trust Deed: If not already executed, the Company shall execute the Debenture Trust Deed within the timelines prescribed by SEBI. In case of a delay in execution of Debenture Trust Deed, the Company shall pay penal interest of at least 2% p.a. (two percent per annum) over the Coupon Rate till the execution of the Debenture Trust Deed cum Hypothecation Deed.

c. **Business Day Convention**

If the interest payment date falls on a holiday or non-Business day/Working day for the banks in Mumbai, the payment may be made on the following working day however the dates of the future coupon payments would be as per the schedule originally stipulated at the time of issuing the security.

In case the Maturity Date (also being the last Interest Payment Date) does not fall on a Working Day/Business Day for the banks in Mumbai, the payment will be made on the preceding Working Day, along with coupon/interest accrued on the NCDs until but excluding the date of such payment.

d. **Redemption**

i. The repayment/redemption of the Debentures shall be made on the Redemption Date in the manner specified in the Issue Documents of the Debentures.

ii. Notwithstanding anything contained in para 4.1 above, the Debentures may also be redeemed on an Early Redemption Date by the Company if so specified in the Issue Documents for the relevant respective tranches of the Debentures.

e. **Accelerated Redemption Event**

Upon occurrence an event of default to any other lender by the Issuer, the Majority Debenture Holders shall have the right to instruct the Company to redeem the Debentures ("Accelerated Redemption Event").

(a) Notwithstanding anything contained in para d(i) above, upon occurrence of the following events, the Majority Debenture Holders shall have the right to instruct the Company to redeem the Debentures ("**Accelerated Redemption Event**"):

i) In the event current promoters directly or indirectly fail to maintain at least 51% of the cumulative shareholding and fail to retain Management Control of the Issuer during the tenor of the Debentures without prior approval from the Debenture Holders.

ii) In the event of a default to any other lender by the Issuer.

iii) In the event "JM Financial" is removed as part of the name of the Company/Issuer at any time during the tenure of Debentures.

(b) In case of an Accelerated Redemption Event, the Company will make the payment within 30 (thirty) days without prepayment penalty, or otherwise specified, from the date of exercise of acceleration option by the Majority Debenture Holders.

f. **Taxation**

Tax as applicable under the Income Tax Act, 1961, or any other statutory modification or re-enactment thereof will be deducted at source for which a certificate will be issued by the Company.

For seeking TDS exemption / lower rate of TDS, relevant certificate / document must be lodged by the Debenture Holder(s) at the registered office of the Company at least 15 days before the interest payment becoming due. Tax exemption certificate / declaration of non-deduction of tax at source on interest on application money should be submitted along with the application form.

g. **Purchase, Resale and Reissue**
   i. The Company shall, subject to Applicable Law and the Issue Documents in respect of the relevant tranches of the Debentures at any time and from time to time, have the power exercisable at its sole and absolute discretion to purchase some or all of the relevant tranches of the Debentures held by the Debenture Holder(s) at any time prior to the specified date(s) of redemption from the open market or otherwise. Such buy-back of relevant tranches of the Debentures may be at par or at discount/premium to the face value at the sole discretion of the Company. The relevant tranches of the Debentures so purchased may, at the option of the Company, be cancelled, held or resold.
   ii. Where the Company has repurchased/redeemed any such relevant tranches of the Debentures, subject to the applicable provisions of the Act and other Applicable Law, the Company shall have and shall be deemed always to have had the right to keep such relevant tranches of the Debentures alive for the purpose of reissue and in exercising such right, the Company shall have and shall be deemed always to have had the power to reissue such relevant tranches of the Debentures, either by reissuing the same relevant tranches of the Debentures or by issuing other debentures in their place, in either case, at such a price and on such terms and conditions (including any variations, dropping of or additions to any terms and conditions originally stipulated) as the Company may deem fit.

h. **Payments**
   i. Payment of the Redemption Amount of each of relevant tranche of the Debentures shall be made by cheque or warrant/demand draft/credit through the RTGS/ECS/Direct Credit/NEFT system/NACH.
   ii. The Company shall submit to the Trustee ISIN transaction.
   iii. Tranche wise status/details of payments made to the debenture holders on each of the Due Date towards interest latest by One day after the Due Date in the format as provide by the Debenture Trustee.

i. **Transfer of Debentures**
   i. The Debentures shall be freely transferable and transmittable by issuance of transfer instructions to the Depository by the Debenture Holders in whole or in part without the prior consent of the Company.
   ii. It is clarified that the Company shall not assign any of the rights, duties or obligations under the Transaction Documents or in relation to the Debentures without the prior written consent of the Debenture Trustee (acting on the instructions of Majority the Debenture Holders).

j. **Debentures free from equities**
   The Debenture Holders will be entitled to their Debentures free from equities or cross claims by the Company against the original or any intermediate holders thereof.

k. **Debenture Holder not entitled to members' rights**
   The Debenture Holders shall not be entitled to any of the rights and privileges available to the members of the Company including right to receive notices of or to attend and vote at General Meetings or to receive Annual Reports of the Company. If, however, any resolution affecting the rights attached to the Debentures is placed before the Company, such resolution will first be placed before the Debenture Holders for their approval in accordance with the provisions of Applicable Law.

l. **Variation of Debenture Holder(s)' rights**
   The rights, privileges, terms and conditions attached to the relevant tranche of the Debentures may be varied, modified or abrogated with the consent, in writing, of

Majority Debenture Holders, provided that nothing in such consent or resolution shall be operative against the Company if the same are not accepted in writing by the Company.

1.5 **Information rights and undertakings**

The undertakings in this Paragraph of the Schedule I remain in force from the date of the Debenture Trust Deed cum Hypothecation Deed until all the Debentures shall have been redeemed:

a) Financial Statements

The Company shall supply to the Debenture Trustee:

i) as soon as the same become available, but in any event within 120 (One Hundred and Twenty) days after the end of each of its Financial Years, its audited Financial Statements for that Financial Year; and

ii) as soon as the same become available, but in any event within 60 (Sixty) days after the end of each half of each of its Financial Years its unaudited financial results as published by the Company for that half Financial Year.

b) Requirements as to Financial Statements.

The Company shall procure that each set of Financial Statements delivered pursuant to this Paragraph 12 of the Schedule I is prepared using generally accepted accounting practices, accounting bases, policies, practices and procedures and financial reference periods consistent with those applied in the preparation of the Financial Statements it has submitted along with the Issue Document.

c) Stock Exchanges

The Company shall make available to the Debenture Trustee all such information as it submits to the relevant Stock Exchange on a half yearly basis.

JM FINANCIAL SERVICES LIMITED

(Incorporated as a public limited company under the Companies Act, 1956, as amended from time to time)

Date and Place of Incorporation: June 19, 1998, Mumbai, Maharashtra, India; **Corporate Identification Number**: U67120MH1998PLC115415,
Legal Entity Identifier: 25490037PLZ7NK7WFO62; **Permanent Acccount Number**: AAACJ5977A; **Tel No**: (022) 6630 3030; **Email ID**: dimple.m@jmfl.com
SEBI Stock Broker Registration No.: *INZ000195834;* ***IRDA Registration No.:*** *CA0761*;
Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025**; Corporate Office:** 5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, **Website**: jmfinancialservices.in

GENERAL INFORMATION DOCUMENT (1/2023-24) DATED SEPTEMBER 8, 2023 IN RELATION TO LISTED PRIVATELY PLACED DEBT SECURITIES

THIS GENERAL INFORMATION DOCUMENT IS IN RELATION TO THE FUNDS RAISED BY WAY OF DEBT SECURITIES INCLUDING DEBENTURES, BONDS, NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES, SUCH SECURITY AS DEFINED AS DEBT SECURITIES UNDER THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 (THE "**SEBI NCS REGULATIONS**") (HEREINAFTER CUMULATIVELY REFERRED TO AS THE ("**DEBT SECURITIES**"), AND COMMERCIAL PAPERS ETC, AS MAY BE APPROVED BY THE BOARD OF DIRECTORS DURING THE PERIOD OF 1 (ONE) YEAR FROM THE DATE OF OPENING OF THE FIRST OFFER OF DEBT SECURITIES MADE UNDER THIS GENERAL INFORMATION DOCUMENT ("**VALIDITY PERIOD**"), BY JM FINANCIAL SERVICES LIMITED (THE "**COMPANY**" OR THE "**ISSUER**"), ON PRIVATE PLACEMENT BASIS AND SHALL BE READ WITH THE RELEVANT KEY INFORMATION DOCUMENT(S) ISSUED BY THE ISSUER DURING THE VALIDITY PERIOD. THIS GENERAL INFORMATION DOCUMENT PROVIDES DISCLOSURES IN ACCORDANCE WITH THE SEBI NCS REGULATIONS AND THE SEBI MASTER CIRCULAR NUMBER SEBI/HO/DDHS/POD1/P/CIR/2023/119 DATED AUGUST 10, 2021 (AS UPDATED FROM TIME TO TIME) ("**SEBI MASTER CIRCULAR**") READ WITH "OPERATIONAL GUIDELINES FOR PARTICIPATION ON BSE BOND (EBP PLATFORM OF BSE)" ISSUED BY BSE LIMITED ("**BSE**") VIDE THEIR NOTICE 20230417-35 DATED APRIL 17, 2023 AND ANY AMENDMENTS ("**BSE EBP GUIDELINES**") (THE SEBI MASTER CIRCULAR AND THE BSE EBP GUIDELINES ARE HEREINAFTER COLLECTIVELY REFERRED TO AS THE "**OPERATIONAL GUIDELINES**"), IF APPLICABLE.THE ELIGIBLE INVESTORS (AS DEFINED IN SECTION 1 TITLED 'DEFINITIONS AND ABBREVIATIONS') MUST EVALUATE THE DISCLOSURES IN THE GENERAL INFORMATION DOCUMENT FOR TAKING THEIR INVESTMENT DECISION. THE ISSUANCE OF THE DEBT SECURITIES SHALL BE SUBJECT TO THE PROVISIONS OF THE COMPANIES ACT, THE RULES NOTIFIED THEREUNDER, SEBI NCS REGULATIONS, THE MEMORANDUM AND ARTICLES OF ASSOCIATION OF THE ISSUER, THE TERMS AND CONDITIONS OF THE GENERAL INFORMATION DOCUMENT FILED WITH THE STOCK EXCHANGE AND OTHER DOCUMENTS IN RELATION TO THE ISSUANCE OF DEBT SECURITIES.

COMPLIANCE CLAUSE FOR ELECTRONIC BOOK MECHANISM

IF APPLICABLE, THE DEBT SECURITIES WOULD BE ISSUED UNDER THE ELECTRONIC BOOK MECHANISM ON PRIVATE PLACEMENT BASIS AS PER OPERATIONAL GUIDELINES. THE ISSUER INTENDS TO USE THE BSE BOND EBP PLATFORM. THIS GENERAL INFORMATION DOCUMENT IS BEING UPLOADED ON THE BSE BOND EBP PLATFORM TO COMPLY WITH THE OPERATIONAL GUIDELINES AND AN OFFER WILL BE MADE BY ISSUE OF THE GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT(S) ALONG WITH THE SIGNED PRIVATE PLACEMENT OFFER CUM APPLICATION LETTER AFTER COMPLETION OF THE BIDDING PROCESS ON A RELEVANT ISSUE DATE, TO SUCCESSFUL BIDDER(S) IN ACCORDANCE WITH THE PROVISIONS OF THE COMPANIES ACT, 2013 AND RELATED RULES.

DISCLOSURE UNDER SECTION 26(4) OF THE COMPANIES ACT, 2013

THE ISSUANCE OF DEBT SECURITIES IS BEING MADE ON PRIVATE PLACEMENT BASIS. SECTION 26 OF THE COMPANIES ACT, 2013 (the "**Companies Act**") IS NOT APPLICABLE TO THE ISSUANCE OF DEBT SECURITIES, AND THEREFORE NO ADDITIONAL DISCLOSURES HAVE BEEN MADE IN RELATION TO SECTION 26 OF THE COMPANIES ACT UNDER THIS GENERAL INFORMATION DOCUMENT AND ACCORDINGLY, A COPY OF THIS GENERAL INFORMATION DOCUMENT HAS NOT BEEN FILED WITH THE RELEVANT ROC(S).

PROMOTER

NAME: JM FINANCIAL LIMITED, A PUBLIC LIMITED COMPANY INCORPORATED UNDER THE COMPANIES ACT, 1956
TELEPHONE: 022 6630 3030
EMAIL ID: ECOMMUNICATION@JMFL.COM

PRIVATE & CONFIDENTIAL

THIS GENERAL INFORMATION DOCUMENT DATED SEPTEMBER 8, 2023 IS PREPARED IN CONFORMITY WITH THE SEBI (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021 ISSUED VIDE NOTIFICATION NO. SEBI/LAD-NRO/GN/2021/39 DATED AUGUST 09, 2021 AND SECTION 42 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES) RULES, 2014, EACH AS AMENDED FROM TIME TO TIME.

GENERAL RISK

INVESTMENT IN NON-CONVERTIBLE SECURITIES IS RISKY, AND INVESTORS SHOULD NOT INVEST ANY FUNDS IN SUCH SECURITIES UNLESS THEY CAN AFFORD TO TAKE THE RISK ATTACHED TO SUCH INVESTMENTS. INVESTORS ARE ADVISED TO TAKE AN INFORMED DECISION AND TO READ THE RISK FACTORS CAREFULLY BEFORE INVESTING IN THIS OFFERING. FOR TAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR EXAMINATION OF THE ISSUE INCLUDING THE RISKS INVOLVED IN IT. THE ISSUE HAS NOT BEEN RECOMMENDED OR APPROVED BY SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") NOR DOES SEBI GUARANTEE THE ACCURACY OR ADEQUACY OF THIS ISSUE DOCUMENT. PROSPECTIVE INVESTORS ARE ADVISED TO CAREFULLY READ THE RISKS ASSOCIATED WITH THE ISSUE OF THE DEBT SECURITIES. SPECIFIC ATTENTION OF INVESTORS IS INVITED TO STATEMENT OF RISK FACTORS CONTAINED UNDER SECTION 4 OF THIS GENERAL INFORMATION DOCUMENT. THESE RISKS ARE NOT, AND ARE NOT INTENDED TO BE, A COMPLETE LIST OF ALL RISKS AND CONSIDERATIONS RELEVANT TO THE NON-CONVERTIBLE SECURITIES OR INVESTOR'S DECISION TO PURCHASE SUCH SECURITIES.

DETAILS OF ELIGIBLE INVESTORS	CREDIT RATING AGENCIES AND CREDIT RATING
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S).	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S).

LISTING

THE DEBT SECURITIES ARE PROPOSED TO BE LISTED ON THE WHOLESALE DEBT MARKET ("**WDM**") SEGMENT OF BSE ("**DESIGNATED STOCK EXCHANGE**"). THE ISSUER SHALL COMPLY WITH THE REQUIREMENTS OF THE SEBI LODR REGULATIONS (AS DEFINED HEREINAFTER) TO THE EXTENT APPLICABLE TO IT ON A CONTINUOUS BASIS.

DETAILS OF KEY MANAGERIAL PERSONNEL

COMPANY SECRETARY & COMPLIANCE OFFICER	CHIEF FINANCIAL OFFICER
NAME: MS. DIMPLE MEHTA **EMAIL ID:** DIMPLE.M@JMFL.COM **TEL:** +91 022 6630 3290	**NAME:** MR. AMIT AGRAWAL **EMAIL ID:** AMITT.AGRAWAL@JMFL.COM **TEL:** +91 022 45057311

DEBENTURE TRUSTEE	STATUTORY AUDITOR	REGISTRAR AND TRANSFER AGENT
IDBI TRUSTEESHIP SERVICES LIMITED ADDRESS: GROUND FLOOR, UNIVERSAL INSURANCE BUILDING, SIR PHIROZSHAH MEHTA ROAD, FORT, MUMBAI, MAHARASHTRA 400 001 TEL: +91 22 4080 7072/+91 8097474602/ +91 22 40807046/ +91 9167941249 EMAIL:sampada.naik@idbitrustee.com; sanjeev@idbitrustee.com WEBSITE: http://www.idbitrustee.com CONTACT PERSON: MS. SAMPADA NAIK (SENIOR MANAGER) / MR. SANJEEV KUMAR RASTOGI (VICE PRESIDENT)	**B S R & CO. LLP** ADDRESS: 14TH FLOOR, CENTRAL WING B WING AND NORTH C WING, NESCO IT PARK 4, NESCO CENTER, WESTERN EXPRESS HIGHWAY, GOREGAON (EAST), MUMBAI -400 063, INDIA TEL: +91 22 6257 1000 EMAIL: IN-FMCONTACT-US@BSRAFFILIATES.COM WEBSITE: HTTPS://BSR-CO.IN/ CONTACT PERSON: MR. KAPIL GOENKA	**KFIN TECHNOLOGIES LIMITED** ADDRESS: SELENIUM BUILDING, TOWER-B, PLOT NO 31 & 32, FINANCIAL DISTRICT, NANAKRAMGUDA, SERILINGAMPALLY, HYDERABAD, RANGAREDDI, TELANGANA INDIA - 500 032 TEL: +91 22 4914 2700 EMAIL: JAGANNADH.CHAKKA@KFINTECH.COM WEBSITE: HTTPS://WWW.KFINTECH.COM/ CONTACT PERSON: MR. JAGANNADH CHAKKA

DETAILS ABOUT UNDERWRITING OF THE ISSUE OF DEBT SECURITIES INCLUDING THE AMOUNT UNDERTAKEN TO BE UNDERWRITTEN BY THE UNDERWRITERS	THE NATURE, NUMBER, PRICE AND AMOUNT OF SECURITIES OFFERED AND ISSUE SIZE (BASE ISSUE OR GREEN SHOE), AS MAY BE APPLICABLE	TYPE OF INSTRUMENT
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

ISSUE SCHEDULE

ISSUE OPENING DATE	ISSUE CLOSING DATE	DATE OF EARLIEST CLOSING
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

COUPON RATE	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT
PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)	PLEASE REFER TO THE RELEVANT KEY INFORMATION DOCUMENT(S)

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1 DISCLAIMERS

1.1 *Disclaimer in relation to the General Information Document*

This General Information Document is neither a prospectus nor a statement in lieu of prospectus and should not be construed to be a prospectus or a statement in lieu of prospectus under the Companies Act. The issue of Debt Securities to be listed on the wholesale debt market segment of the BSE is being made strictly on a private placement basis. This General Information Document is not intended to be circulated to any person other than the Eligible Investors. Multiple copies hereof given to the same entity shall be deemed to be given to the same person and shall be treated as such. This General Information Document does not constitute and shall not be deemed to constitute an offer to the public in general. This General Information Document shall be uploaded on the BSE BOND EBP Platform to comply with the Operational Guidelines and an offer shall only be made upon the issue of the PPOAL to successful bidders after the completion of the bidding process, as applicable.

This General Information Document has been prepared in conformity with the SEBI NCS Regulations to provide general information about the Issuer and the Debt Securities to Eligible Investors and shall be uploaded on the BSE Bond EBP Platform to facilitate invitation of bids, as applicable. This General Information Document shall be available on the wholesale debt market segment of BSE website after the final listing of the Debt Securities. This General Information Document does not purport to contain all the information that any Eligible Participant may require. Neither this General Information Document nor any other information supplied in connection with the issue of Debt Securities is intended to provide the basis of any credit or other evaluation and any recipient of this General Information Document should not consider such receipt a recommendation to subscribe to the issue or purchase any Debt Securities. Each Eligible Participant contemplating subscribing to the issue or purchasing any Debt Securities should make its own independent investigation of the financial condition and affairs of the Issuer and its own appraisal of the creditworthiness of the Issuer as well as the structure of the issue of Debt Securities. Eligible Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debt Securities. It is the responsibility of successful bidders/ Eligible Investors to also ensure that they will sell these Debt Securities strictly in accordance with this General Information Document and Applicable Laws, so that the sale does not constitute an offer to the public, within the meaning of the Companies Act. Neither the intermediaries, nor their agents, nor advisors associated with the issue of Debt Securities undertake to review the financial condition or any of the affairs of the Issuer contemplated by this General Information Document or have any responsibility to advise any Eligible Participant or successful bidders/ Elgible Investorin the Debt Securities of any information coming to the attention of any other intermediary.

The Issuer confirms that, as of the date hereof, this General Information Document (including the documents incorporated by reference herein, if any) contains all information in accordance with the SEBI NCS Regulations that are material in the context of the issue of the Debt Securities, and are accurate in all material respects and does not contain any untrue statement of a material fact or omit to state any material fact necessary to make the statements herein not misleading, in the light of the circumstances under which they are made. No person has been authorised to give any information or to make any representation not contained or incorporated by reference in this General Information Document or in any material made available by the Issuer to any Eligible Participant/ Elgible Investorpursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. Further, the Issuer and the lead manager(s) (if any) accept no responsibility for statements made otherwise than in the General Information Document or in the advertisement or any other material issued by or at the instance of the Issuer and that anyone placing reliance on any source of information be doing so at his own risk.

This General Information Document and the contents hereof are restricted for providing information under SEBI NCS Regulations for the purpose of inviting bids on the BSE BOND EBP Platform only from the Eligible Investors, as applicable. An offer of private placement shall be made by the Issuer by way of issue of the

PPOAL to the successful bidders/ Investors who have been addressed through a communication by the Issuer and / or the Arranger and only such recipients are eligible to apply for the Debt Securities. All Eligible Investors are required to comply with the relevant regulations/guidelines applicable to them, including but not limited to the Operational Guidelines for investing in the issue of Debt Securities. The contents of this General Information Document and any other information supplied in connection with this General Information Document or the Debt Securities are intended to be used only by those Eligible Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced or disseminated by the recipient.

No offer of private placement is being made to any persons other than the successful bidders on the BSE BOND EBP Platform/ Elgible Investors, as applicable, to whom the PPOAL will be separately sent by or on behalf of the Issuer. Any application by any person who is not a successful bidder (as determined in accordance with the Operational Guidelines)/ Elgible Investor shall be rejected without assigning any reason.

The person who is in receipt of this General Information Document shall maintain utmost confidentiality regarding the contents of this General Information Document and shall not reproduce or distribute in whole or part or make any announcement in public or to a third party regarding the contents of this General Information Document or deliver this General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities to any other person, whether in electronic form or otherwise, without the consent of the Issuer. Any distribution or reproduction of this General Information Document in whole or in part or any public announcement or any announcement to third parties regarding the contents of this General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities is unauthorized. Failure to comply with this instruction may result in a violation of the Companies Act, the SEBI NCS Regulations or other Applicable Law(s) of India and other jurisdictions.

This General Information Document has been prepared by the Issuer for providing information in connection with the proposed issue of Debt Securities described in this General Information Document. The Issuer does not undertake to update this General Information Document to reflect subsequent events after the date of the General Information Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.

Neither the delivery of this General Information Document nor any issue of Debt Securities made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.

This General Information Document does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction other than in India in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. No action is being taken to permit an offering of the Debt Securities or the distribution of this General Information Document in any jurisdiction where such action is required. The distribution of this General Information Document and the offer, sale, transfer, pledge or disposal of the Debt Securities may be restricted by law in certain jurisdictions. Persons who have possession of this General Information Document are required to inform themselves about any such restrictions. No action is being taken to permit an offering of the Debt Securities or the distribution of this General Information Document in any jurisdiction other than India.

Each person receiving the General Information Document acknowledges that:

Such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein and such person has not relied on any intermediary that may be associated with issuance of Debt Securities in connection with its investigation of the accuracy of such information or its investment decision. Each such person in possession of this General Information Document should carefully read and retain this General Information Document. However, each such person in possession of this General Information Document is not to construe the contents of this General Information Document as investment, legal, accounting,

regulatory or tax advice, and such persons in possession of this General Information Document should consult their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debt Securities. Each person receiving this General Information Document acknowledges and confirms that he is not an arranger for the Debt Securities save and except arranger as defined in this General Information Document.

1.2 ***Issuer's absolute responsibility***

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this General Information Document contains all information with regard to the Issuer and the issue of Debt Securities which is material in the context of the issue of Debt Securities, that the information contained in the General Information Document is true and correct in all material aspects and is not misleading, that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this General Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THE GENERAL INFORMATION DOCUMENT TO THE SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI) SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE GENERAL INFORMATION DOCUMENT. THE LEAD MANAGER(S), IF ANY, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE GENERAL INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE."

1.1 ***Disclaimer in respect of Issuer***

THE ISSUER AND THE LEAD MANAGER(S), IF ANY, ACCEPT NO RESPONSIBILITY FOR STATEMENTS MADE OTHERWISE THAN IN THE GENERAL INFORMATION DOCUMENT OR IN THE ADVERTISEMENT OR ANY OTHER MATERIAL ISSUED BY OR AT THE INSTANCE OF THE ISSUER AND THAT ANYONE PLACING RELIANCE ON ANY OTHER SOURCE OF INFORMATION WOULD BE DOING SO AT THEIR OWN RISK.

1.2 ***Disclaimer in respect of jurisdiction***

THIS GENERAL INFORMATION DOCUMENT DOES NOT CONSTITUTE AN OFFER TO SELL OR AN INVITATION TO SUBSCRIBE TO THE DEBT SECURITIES HEREIN, IN ANY OTHER JURISDICTION AND TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE AN OFFER OR INVITATION IN SUCH JURISDICTION. ANY DISPUTES ARISING OUT OF THE ISSUE OF DEBT SECURITIES WILL BE SUBJECT TO THE JURISDICTION OF THE COURTS IN MUMBAI, MAHARASHTRA, INDIA.

1.3 ***Disclaimer in respect of the Stock Exchange***

AS REQUIRED, A COPY OF THIS GENERAL INFORMATION DOCUMENT ALONG WITH THE RELEVANT KEY INFORMATION DOCUMENT(S) SHALL BE SUBMITTED TO THE STOCK EXCHANGE FOR HOSTING THE SAME ON ITS WEBSITE.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUCH SUBMISSION OF THIS GENERAL INFORMATION DOCUMENT ALONG WITH THE RELEVANT KEY INFORMATION DOCUMENT(S) WITH STOCK EXCHANGE OR HOSTING THE SAME ON ITS WEBSITE SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE DOCUMENT HAS BEEN CLEARED OR APPROVED BY THE STOCK EXCHANGE; NOR DOES IT IN ANY MANNER WARRANT, CERTIFY OR ENDORSE THE CORRECTNESS OR COMPLETENESS OF ANY OF THE CONTENTS OF THIS GENERAL INFORMATION DOCUMENT AND THE RELEVANT KEY INFORMATION DOCUMENT(S); NOR DOES IT WARRANT THAT THE ISSUER'S DEBT SECURITIES WILL BE LISTED OR CONTINUE TO BE LISTED ON THE STOCK EXCHANGE; NOR DOES IT TAKE RESPONSIBILITY FOR THE FINANCIAL OR OTHER SOUNDNESS OF

THE ISSUER, ITS PROMOTERS, ITS MANAGEMENT OR ANY SCHEME OR PROJECT OF THE ISSUER. EVERY PERSON WHO DESIRES TO APPLY FOR OR OTHERWISE ACQUIRE ANY DEBT SECURITIES OF THE ISSUER MAY DO SO PURSUANT TO INDEPENDENT INQUIRY, INVESTIGATION AND ANALYSIS AND SHALL NOT HAVE ANY CLAIM AGAINST THE STOCK EXCHANGE WHATSOEVER BY REASON OF ANY LOSS WHICH MAY BE SUFFERED BY SUCH PERSON CONSEQUENT TO OR IN CONNECTION WITH SUCH SUBSCRIPTION/ACQUISITION WHETHER BY REASON OF ANYTHING STATED OR OMITTED TO BE STATED HEREIN OR ANY OTHER REASON WHATSOEVER.

1.4 ***Disclaimer by the Credit Rating Agency***

As specified under the relevant Key Information Document(s).

1.5 ***Disclaimer in respect of the Securities & Exchange Board of India***

This General Information Document has not been filed with SEBI. The Debt Securities have not been recommended or approved by SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document.

IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS GENERAL INFORMATION DOCUMENT TO SEBI, SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE OF DEBT SECURITIES IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS GENERAL INFORMATION DOCUMENT. THE LEAD MANAGER(S), IF ANY, HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE GENERAL INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE OF DEBT SECURITIES.

1.6 ***Disclaimer in respect of the Arranger***

As specified in the relevant Key Information Document(s).

1.8 ***Disclaimer in Respect of Insurance Regulatory and Development Authority*** *("IRDA")*

THE COMPANY IS HAVING A VALID CERTIFICATE OF REGISTRATION DATED JULY 2, 2021 ISSUED BY THE IRDA UNDER INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY ACT, 1999 (4 OF 1999) AND INSURANCE REGULATORY AND DEVELOPMENT AUTHORITY OF INDIA (REGISTRATION OF CORPORATE AGENTS) REGULATIONS, 2015. HOWEVER, THE IRDA DOES NOT ACCEPT ANY RESPONSIBILITY OR GUARANTEE ABOUT THE PRESENT POSITION AS TO THE FINANCIAL SOUNDNESS OF THE COMPANY OR FOR THE CORRECTNESS OF ANY OF THE STATEMENTS OR REPRESENTATIONS MADE OR OPINION EXPRESSED BY THE COMPANY AND FOR REPAYMENT/DISCHARGE OF LIABILITIES BY THE COMPANY.

1.9 Cautionary note

The Eligible Investors have confirmed that they: (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debt Securities, (ii) understand that the Issuer has not provided, and will not provide, any material or other information regarding the Debt Securities, except as required in terms of the Transaction Documents, (iii) have not requested the Issuer to provide it with any such material or other information except as required in terms of the Transaction Documents, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debt Securities, (v) have made their own investment decision regarding the Debt Securities based on their own knowledge (and information they have or which is publicly available) with respect to the Debt Securities or the Issuer, (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debt Securities, (vii) are not relying

upon, and have not relied upon, any statement, representation or warranty made by any person, other than those as set out under the Transaction Documents, and (viii) understand that, by purchase or holding of the Debt Securties, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debt Securties, including the possibility that they may lose all or a substantial portion of their investment in the Debt Securities, and they will not look to the Trustee appointed for the Debt Securities, as may be applicable for all or part of any such loss or losses that they may suffer.

Recipients shall not be entitled to use any of the information otherwise than for deciding whether to invest in the Debt Securities.

No person including any employee of the Issuer has been authorized to give any information or to make any representation not contained in this General Information Document. Any information or representation not contained herein must not be relied upon as having been authorized by or on behalf of the Issuer. Neither the delivery of this General Information Document at any time nor any statement made in connection with the offering of the Debt Securities shall under the circumstances imply that any information/representation contained herein is correct at any time subsequent to the date of this General Information Document. The distribution of this General Information Document, the relevant Key Information Document(s) or the Application Forms and the offer, sale, pledge or disposal of the Debt Securities may be restricted by law in certain jurisdictions. Persons into whose possession this General Information Document comes are required by the Issuer to inform themselves about and observe any such restrictions. The sale or transfer of these Debt Securities outside India may require regulatory approvals in India, including without limitation, the approval of the RBI.

1.10 **Force Majeure**

The Issuer reserves the right to withdraw the bid prior to the issue of Debt Securities in accordance with the Operational Guidelines/ Applicable Laws, in the event of any unforeseen development adversely affecting the economic and regulatory environment or otherwise. In such an event, the Company will refund the application money, if any, collected in respect of Debt Securities without assigning any reason.

1.11 ***Confidentiality***

By accepting a copy of this General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the transaction described herein or will divulge to any other party any such information, unless such information is already available in the public domain, or required to be disclosed on account of law, orders of any court, tribunal, regulator or any adjudicating body, and in relation to any legal proceedings. This General Information Document or any other information supplied in connection with this General Information Document or the Debt Securities must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer.

1.12 ***Eligibility of the Issuer to Come Out with the Issue***

As on the date of this General Information Document:

i. The Issuer and its directors have not been prohibited from accessing the capital market under any order or directions passed by SEBI;
ii. None of the promoter's/ controlling stakeholder or directors of the Issuer is a promoter or director of another company which is debarred from accessing the capital market or dealing in securities by SEBI;
iii. Neither the Issuer nor any of its promoter's/controlling stakeholder or directors is a wilful defaulter;
iv. None of the promoter's/controlling stakeholder or whole-time directors of the Issuer is a promoter or whole-time director of another company which is a wilful defaulter;
v. None of its promoter's/controlling stakeholder or directors is a fugitive economic offender; and
vi. No fines or penalties levied by SEBI/stock exchanges are pending to be paid by the Issuer at the time of filing this General Information Document.

2 FORWARD-LOOKING STATEMENTS

2.1 Certain statements in this General Information Document are not historical facts but are "forward-looking" in nature. Forward-looking statements appear throughout this General Information Document, including, without limitation, under the section titled "*Risk Factors*". Forward-looking statements may include statements concerning the Issuer's plans, financial performance, the Issuer's competitive strengths and weaknesses, and the trends the Issuer anticipates in the industry, along with the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.

2.2 The Company may have included statements in this General Information Document, that contain words or phrases such as "will", "would", "aim", "aimed", "will likely result", "is likely", "are likely", "believe", "expect", "expected to", "will continue", "will achieve", "anticipate", "estimate", "estimating", "intend", "plan", "contemplate", "seek to", "seeking to", "trying to", "target", "propose to", "future", "objective", "goal", "project", "should", "can", "could", "may", "will pursue" and similar expressions or variations of such expressions, that may constitute "forward-looking statements". These forward-looking statements involve a number of risks, uncertainties and other factors that could cause actual results, opportunities and growth potential to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include, but are not limited to:

(i) General economic and business conditions in India and other countries (including where the Company has a presence);

(ii) The impact of the outbreak of COVID-19 on the global, the Company's operations and liquidity and economic environment;

(iii) The Company's ability to successfully implement its strategy, its growth and expansion plans and technological changes;

(iv) The Company's ability to manage the increased complexity of the risks that the Company faces following its rapid growth;

(v) Changes in the value of the Indian Rupee and changes in value of other currencies;

(vi) Changes in Indian or international interest rates, credit spreads and equity market prices;

(vii) Changes in laws and regulations that apply to the Company in India and in other countries where the Company is carrying on business;

(viii) Changes in political conditions in India and in other countries where the Company is carrying on business; and

(ix) Changes in the foreign exchange control regulations in India and in other jurisdictions where the Company is carrying on business.

The Company undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date thereof. Forward looking statements speak only as of the date of this General Information Document. None of the Issuer, its Directors, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.

In addition, other factors that could cause actual results to differ materially from those estimated by the forward-looking statements contained in this General Information Document include, but are not limited to

the general economic and political conditions in India and the other countries which have an impact on the Company's business activities or investments, political or financial instability in India or any other country caused by any factor including any terrorist attacks in India, the United States or elsewhere or any other acts of terrorism world-wide, any anti-terrorist or other attacks by the United States, the monetary and interest rate policies of India or any other country caused by tensions between India and Pakistan related to the Kashmir region or military armament or social unrest in any part of India, inflation, deflation, unanticipated turbulence in interest rates, changes in the value of the Indian Rupee, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets and level of internet penetration in India and globally, changes in domestic and foreign laws, regulations and taxes, changes in competition and the pricing environment in India and regional or general changes in asset valuations. For a further discussion on the factors that could cause actual results to differ, see the discussion under "*Risk Factors*" contained in this General Information Document.

3 DEFINITIONS AND ABBREVIATIONS

In this General Information Document, unless the context otherwise requires, the terms defined, and abbreviations expanded below, have the same meaning as stated in this section. Terms not defined herein shall have the meanings ascribed to them under the Key Information Document. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

3.1 *Issuer Related Terms*

Term	Description
Act	shall mean the provisions of the Companies Act, 2013 and the rules made there under and the provisions of Companies Act, 1956, which are still in effect
Allotment/Allot	The allotment of the NCDs or Debentures
Applicable Law(s)	shall have the meaning as ascribed to the term 'Applicable Law(s)' in the relevant Key Information Document(s).
Application Form	shall have the meaning as ascribed to the term 'Application Form' in the relevant Key Information Document(s).
Arranger(s)	Shall have the meaning as ascribed to the term 'Arranger(s)' in the relevant Key Information Document(s).
Articles / Articles of Association	Means articles of association of the Issuer, as amended from time to time.
Auditors	B S R & Co. LLP, Chartered Accountants, the statutory auditors of the Company.
Beneficial Owner(s)	Holder(s) of the Debentures in dematerialized form as defined under section 2 of the Depositories Act.
Business Day	shall mean all trading days of stock exchanges excluding Sundays and bank holidays as per the SEBI Master Circular. However, with reference to payment of interest/redemption of Secured NCDs, Business Days shall mean all days, excluding Saturdays, Sundays and public holidays in India or bank holidays in Mumbai, as per the SEBI Master Circular.
Board of Directors / Board	Means the board of directors of the Company for the time being and from time to time.
BSE	Means BSE Limited.
BSE BOND EBP Platform	Means the Electronic Book Provider Platform of BSE for issuance of debt securities on private placement basis.
CDSL	Central Depository Services Limited.
Coupon Rate/ Coupon	Has the meaning set forth in "*Issue Details*" section of the relevant Key Information Document(s).
Credit Rating Agency/ Rating Agency	shall have the meaning as ascribed to the term 'Credit Rating Agency/ Rating Agency' in the relevant Key Information Document(s).
Cut Off Date	The cut off date for the purpose of this General Information Document shall

Term	Description
	be August 31, 2023.
Debenture(s)	As detailed in Key Information Document issued for relevant tranche.
Debenture Holder	The Debenture holder whose name appears in the register of debenture holders or in the beneficial ownership record furnished by NSDL/CDSL for this purpose.
Debenture Trustee	Trustee for the Debenture Holders.
Deemed Date of Allotment	As detailed in Key Information Document issued for relevant tranche.
Depository(ies)	A depository registered with SEBI under the Securities and Exchange Board of India (Depositories and Participant) Regulations, 1996, as amended from time to time, in this case being NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended from time to time
Depository Participant/DP	A depository participant as defined under the Depositories Act, 1996
Directors	Means the directors constituting the Board of the Issuer.
Eligible Investors	shall have the meaning as ascribed to the term 'Eligible Investors' in the relevant Key Information Document(s).
Financial Statement	Means in relation to a company, its audited financial statements (on a consolidated and non-consolidated basis (as applicable)) for a Financial Year.
General Information Document	Means this general information document dated September 8, 2023.
Governmental Authority	shall have the meaning as ascribed to the term Governmental Authority' in the relevant Key Information Document(s).
Issue	Shall have the meaning as ascribed to the term 'Issue' in the relevant Key Information Document(s).
JM Group	JM Financial Limited and its Subsidiaries/ joint ventures/ Associates or any person/entity directly or indirectly controlled by JM and /or its Subsidiaries/ joint ventures / Associates
JM Financial Services Limited / JMFSL / the Company / the Issuer	JM Financial Services Limited is a public limited company incorporated under the provisions of the Companies Act, 1956, having its registered office at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, Maharashtra, India and its correspondence office at 5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, Maharashtra, India.
Key Information Document or KID	Each key information document to be issued by the Issuer in respect of each tranche of Debentures forming part of the Issue.
Memorandum or Memorandum of Association	Means the memorandum of association of the Issuer, as amended from time to time.
Mutual Fund	A mutual fund registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
NCDs	Debentures issued pursuant to this Issue
Private Placement Offer cum application Letter/ PPOAL/Offer Letter	Means the private placement offer cum application letter prepared and circulated by the Issuer to such Eligible Investors who are successful bidders, in compliance with Section 42 of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014.
Promoter	Has the meaning set forth in Section 5.8 of this General Information Document.
Rating Agency/Credit Rating Agency	ICRA Limited or any other SEBI registered Credit Rating Agency appointed from time to time.
Receivables	As detailed in Key Information Document issued for relevant tranche.
Registered Office	The registered office of the Company located at 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025, Maharashtra, India.
Related Party Transaction	Shall mean a transaction involving transfer of resources, services or obligations

Term	Description
	between: (i) the Issuer or any of its subsidiaries on one hand and a related party of the Issuer or any of its subsidiaries on the other hand; or (ii) the Issuer or any of its subsidiaries on one hand and any other person or entity, on the other hand, the purpose and effect of which is to benefit a related party of the Issuer or any of its subsidiaries with effect from April 1, 2023; regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.
Redemption Date	As detailed in Key Information Document issued for relevant tranche.
SEBI Debenture Trustee Master Circular	Means SEBI circular with reference number SEBI/HO/DDHS-PoD1/P/CIR/2023/109 dated March 31, 2023, as amended from time to time.
SEBI LODR Regulations	Means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 issued by SEBI, as amended from time to time.
Security	As detailed in Key Information Document issued for relevant tranche.
Stock Exchange	BSE Limited
Subsidiaries	Shall mean the subsidiaries of the Issuer.
Tax	Shall have the meaning as ascribed to the term 'Tax' in the relevant Key Information Document(s).
Transaction Documents	Shall have the meaning as ascribed to the term 'Transaction Documents' in the relevant Key Information Document(s).
Trustee	Shall have the meaning as ascribed to the term 'Debenture Trustee' in the relevant Key Information Document(s).

3.2 ***Conventional General Terms and Abbreviations***

Abbreviation	Full form
Cr	Crore
EBP	Electronic Book Provider
Financial Year/ FY	The accounting period commencing from April 1, of the previous year till March 31 of the year under reference.
INR/ "₹"/Rs.	Indian Rupees
ISIN	International Securities Identification Number
NSDL	National Securities Depository Limited
RBI	Reserve Bank of India
SEBI	Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
PAN	Permanent Account Number
ROC	Registrar of Companies
WDM	Wholesale Debt Market Segment of the BSE.

4 RISK FACTORS

An investment in Debt Securities involves risks. These risks may include, among others, equity market, bond market, interest rate, market volatility and economic, political and regulatory risks and any combination of these and other risks. Some of these are briefly discussed below. Potential investors and subsequent purchasers of the Debt Securities should be experienced with respect to transactions in instruments such as the Debt Securities. Potential investors and subsequent purchasers of the Debt Securities should understand the risks associated with an investment in the Debt Securities and should only reach an investment decision after careful consideration, with their legal, tax, accounting and other advisers, of (a) the suitability of an investment in the Debt Securities in the light of their own particular financial, tax and other circumstances and (b) the information set out in this General Information Document. Unless the context requires otherwise, the risk factors described below apply to the Issuer only. If any one of the risks enumerated below occurs, the Issuer's business, financial conditions and results of operations could suffer and therefore, the value of Issuer's debt securities could decline.

The financial and other related implications of the risk factors, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the financial impact is not quantifiable and, therefore, cannot be disclosed in such risk factors.

This General Information Document also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ materially from those anticipated in such forward-looking statements as a result of certain factors including the considerations described below and elsewhere in this General Information Document.

4.1 *Internal Risk Factors*

i. *JM Financial Limited ("**The Holding Company**") is involved in certain tax proceedings that if determined against the Holding Company, could have a material adverse effect on business, financial condition and results of operations of the Company.*

ii. *The Company is involved in certain tax proceedings that if determined against the Company, could have an adverse effect on business, financial condition and results of operations of the Company.*

iii. *If the Company is unable to continue to benefit from the relationship with the Holding Company and the "JM Financial" brand, the business and results of operations may be adversely affected.*
Our Business is closely tied to the "JM Financial" franchisee. Any adverse impact of our goodwill or change in control of the Promoter may affect our reputation, business, financial condition and results of operations. Further, we benefit from our relationship with our Promoter and the JM Financial franchise in many ways, such as reputation and experience. Our growth and future success is influenced, in part, by our continued relationship with our Promoter and the JM Financial franchise. If we cease to benefit from these relationships for any reason, our business and growth prospects may decline and our business and results of operations may be adversely affected. Negative public opinion about the financial services industry generally or about the JM Financial franchise and our business specifically could materially adversely affect our ability to attract and retain customers and may expose us to litigation and regulatory action.

iv. *The Company operates in an increasingly competitive financial services industry, which creates significant pricing pressures. Further, the Company's growth depends on its ability to compete effectively in this competitive environment.*

Our business is highly competitive and we need to maintain and attract new clients and authorised persons in order to maintain or grow our market share. We cannot assure you that we will succeed in expanding our network due to changes in regulatory policies, difficulties in managing a large

number of staff and other unforeseeable reasons. In addition, as a result of competition, we may face increased pressures on declining fee and commission rates and will need to provide better and customized services and products to differentiate ourselves and to retain and attract clients and authorised persons.

v. *The Company is a stock broker and distributor of primary market products and therefore the Company is subject to supervision and regulation by the SEBI and Stock Exchanges and other regulatory authorities. Changes in the SEBI's regulations and other regulations, and the regulation governing the Company or the industry in which the Company operates may have a material adverse effect on the business, financial condition or results of operation.*

The Company's business activities are subject to extensive supervision and regulation by the Government and various regulatory authorities including SEBI and the stock exchanges. Further, we are subject to various laws relating to the prevention of insider trading, front running and other conflicts of interest. Conflicts of interest may exist between, (i) our departments; (ii) us and our clients; (iii) different clients serviced by us; (iv) our employees and us; (v) our clients and our employees; (vi) our intermediaries and us; (vii) our intermediaries and our clients or (viii) the Company. Although we have internal controls and measures in place, we cannot assure you that we or our agents, intermediaries or employees will always manage such conflicts of interest, including compliance with various applicable laws and regulations. For instance, the Company has adopted a conflict of interest policy in relation to conflicts that may arise between the Company and Group Companies.

We are subject to a variety of financial services regulation in the jurisdictions where we operate, including, the SEBI Act, the SEBI (Intermediaries) Regulations, 2008, the SEBI (Investment Advisers) Regulations, 2013 or directions issued by AMFI. The laws and regulations governing advisory and distribution services relating to financial products have become increasingly complex and cover a wide variety of issues, including registration, disclosures, conflicts and insider trading. We may also be adversely affected by changes in the interpretation or enforcement of existing laws and rules by various governmental authorities and self-regulatory organisations.

Such controls and measures may be incorrectly implemented and fail to perform as expected. Any such failure to manage such conflicts could harm our reputation and erode client confidence in us. In addition, potential or perceived conflicts of interest may also give rise to litigation or regulatory actions. Any of the foregoing could materially and adversely affect our business, financial condition, and results of operations.

vi. *The Company's ability to borrow from various banks may be restricted on account of guidelines issued by the Reserve Bank of India (RBI) imposing restrictions on banks in relation to their exposure to the industry in which Company operates, which could have an impact on the business and could affect the growth, margins and business operations.*

vii. *Non-compliance with SEBI inspection/ observations may have a material adverse effect on the business, financial condition or results of operation.*

viii. *The Company significantly depends on and is exposed to risks emanating from economic, regulatory, political and other changes, which if the Company is unable to manage successfully may have an adverse effect on the revenues, cash flows, profits and financial condition.*

ix. *The Company may experience difficulties in expanding its business into new regions and markets in India and introducing its complete range of products in each of its branches. An inability to effectively manage and sustain the rate of growth, or maintain operational efficiencies, may adversely affect the Company's business and the Company may not be able to increase its revenues or maintain profitability.*

x. *Any downgrade in credit ratings could increase interest rates for refinancing outstanding debt, which would increase financing costs, and adversely affect future issuances of debt and the ability to borrow on a competitive basis, which could adversely affect the business, financial condition, results of operations and cash flows.*

xi. *The Company's business requires funds for working capital, and any disruption in funding sources or an increase in the average cost of borrowings could have a material adverse effect on its liquidity and financial condition.*
Our business requires a high amount of working capital. For further details of our working capital borrowings, please see "***Details of the following liabilities of the Issuer, as at the end of the preceding quarter, or if available, a later date***" at point no. 13.7 of this General Information Document.

xii. *The value of the security/collateral granted in favour of the Company, as the case may be, may decline exposing it to potential losses. Any delay in enforcing the collateral due to delays in enforcement proceedings before Indian courts or otherwise could also expose the Company to potential losses.*

xiii. *The Company may not be able to recover the secured loans on a timely basis, or at all, and the full value of collateral or amounts which are sufficient to cover the outstanding amounts due under such defaulted loans. The Company's inability to recover outstanding amounts under loans may adversely affect our business.*

xiv. *The Company derives majority/substantial of its revenues from its select clients. The Company's inability to maintain relationship with such clients or any default and non-payment in future may adversely affect our business, future financial performance and results of operations.*

xv. *The Company's business operations are reliant on its information technology and telecommunication systems. Any failure of or disruptions/ security breach in its systems, inability to adapt to the technological changes* could have an adverse impact on the business, operations and financial condition.

xvi. *The Company is exposed to significant credit risk in its business operations which may expose the Company to significant losses and adversely affect the business and results of operations.*
We may suffer significant losses from credit exposures from our clients and counterparties. Our brokerage business is subject to the risk that a client or counterparty may fail to perform its obligations or that the value of any collateral held by us to secure the obligations might become inadequate.

xvii. *If we fail to identify, monitor and manage risks and effectively implement our risk management policies, it could have a material adverse effect on our business, financial condition, results of operations and cash flows.*

xviii. *The Company is dependent on its senior management and other key personnel as well as certain intermediaries, and the loss of, or its inability to attract or retain, such persons could adversely affect the business, results of operations, financial condition and cash flows.*

xix. *The Company may not be able to detect money-laundering and other illegal or improper activities in a comprehensive manner or on a timely basis, which could expose it to additional liability and harm our business or reputation.*

xx. *The Company relies on third-party intermediaries and service providers who may not perform their obligations satisfactorily or in compliance with law. Any such non-compliance with law or unsatisfactory service by the third-party intermediaries and service providers engaged by us for certain services could have an adverse impact on its business and results of operations.*

xxi. *The Company may face asset-liability mismatches that could adversely affect the cash flows, financial condition and results of operations.*

xxii. *If the Company is not able to obtain, renew or maintain its statutory and regulatory permits and approvals required to operate its business it may have a material adverse effect on the Company business.*

xxiii. *Failure to maintain confidential information securely or significant security breaches could adversely impact the Company business, financial condition, cash flows, results of operations and prospects.*

xxiv. *The Company's indebtedness and the conditions imposed by the financing and other agreements could adversely affect the ability to conduct its business and operations.*

xxv. *The Company depends on the accuracy and completeness of information about customers and*

counterparties and any misrepresentation, errors in or incompleteness of such information could cause its business to suffer.

xxvi. *The Company has in the past entered into related party transactions and may continue to do so in the future. There can be no assurance that the Company could not have achieved more favorable terms if such transactions had been entered into with third parties.*

xxvii. *The Company's Holding Company, Directors and related entities have interests in a number of entities which are in businesses similar to the Company's business and this may result in potential conflicts of interest with the Company.*

xxviii. *The Company's insurance coverage could prove inadequate to satisfy potential claims and the Company's insurance policies may not protect it against all potential losses, which could adversely affect the business and results of operations.*

xxix. *Most of the Company office locations which are not owned and are located on leased premises. There can be no assurance that these lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.*

xxx. *Potential investors should be aware that receipt of principal amount and any other amounts that may be due in respect of the Debentures is subject to the credit risk of the Company. Potential investors assume the risk that the Company will not be able to satisfy its obligations under the Debentures. In the event that bankruptcy proceedings or composition, scheme of arrangement or similar proceedings to avert bankruptcy are instituted by or against the Company, the payment of sums due on the Debentures may be substantially reduced or delayed.*

xxxi. *With the growth of its business, the Company will increasingly rely on funding from the debt capital markets and commercial borrowings. The Company's growth will depend on its continued ability to access funds at competitive rates which in turn will depend on various factors including its ability to maintain its credit ratings.*

xxxii. *Any downgrade in the Company's credit ratings may increase interest rates for raising new debt, refinancing our outstanding debt, which would increase our financing costs, and adversely affect our future issuances of debt and our ability to borrow on a competitive basis.*

xxxiii. *Special tax, accounting and legal considerations may apply to certain types of potential investors. Potential investors are urged to consult with their own financial, legal, tax and other professional advisors to determine any financial, legal, tax and other implications of an investment into the Debentures.*

4.2 ***External Risk Factors***

We are exposed to the political, legal, regulatory and social risks of the countries in which we operate. These risks potentially include expropriation and nationalization of property, instability in political, economic or financial systems, uncertainty arising from underdeveloped legal and regulatory systems, corruption, civil strife or labor unrest, acts of war, armed conflict, terrorism, outbreaks of infectious diseases, prohibitions, limitations or price controls on hydrocarbon exports and limitations or the imposition of tariffs or duties on imports of certain goods. Countries in which we have operations or intend to have operations have transportation, telecommunications and financial services infrastructures that may present logistical challenges not associated with doing business in more developed locales. Furthermore, we may have difficulty in ascertaining our legal obligations and enforcing any rights that we may have. Political, legal and commercial instability or community disputes in the countries and territories in which we operate could affect our operations. Some of the factors that may have an impact on the Company's business, results of operations and financial condition are as follows:

i. Instability or difficult conditions in the financial markets could adversely affect the Company's business, results of operations and financial condition.

ii. A slowdown in economic growth in India could cause the Company's business to suffer.

iii. Political instability or changes in the Government could adversely affect economic conditions in India and consequently the Company's business.

iv. Financial instability, economic developments and volatility in securities markets in other countries may also affect the business of the Company.

v. The Indian tax regime has undergone substantial changes which could adversely affect the Company's business and profits.

vi. Changing laws, rules and regulations and legal uncertainties, including adverse application of corporate and tax laws, may adversely affect the Company's business, prospects, results of operations and financial condition.

vii. Differences exist between Indian GAAP and other accounting principles, which may be material to investors' assessments of the Company's financial condition.

viii. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect the Company's ability to raise financing and its business.

ix. The Company's ability to raise foreign debt capital may be constrained by Indian law.

x. Inflation in India could have an adverse effect on the Company's profitability and if significant, on the Company's financial condition.

xi. Acts of terrorism, civil disturbance, communal conflicts, regional conflicts and other similar threats to security could adversely affect the Company's business, cash flows, results of operations and financial condition.

xii. Natural disasters and other disruptions, including any pandemic crisis could adversely affect the Indian economy and could adversely affect the Company's business, results of operations and financial condition.

xiii. The Company may find it difficult to raise funds in terms of quantum, cost and tenure under the current liquidity scenario which may adversely affect the Company's business and operations.

4.3 ***Management's perception of Risk Factors:***

The Company has entered into, and may in the future enter into, certain Related Party Transactions; although these transactions were on arms' length terms, it cannot assure that it could not have achieved more favorable terms had such transactions been entered into with unrelated parties or that it will be able to recover the amounts due from related parties.

The Company has entered into transactions with related parties, including its Promoter and directors. Certain transactions it typically enters into with related parties include intercorporate deposits with related parties and the issuance of corporate guarantees in order to secure the debt obligations of certain related parties. For more information regarding its Related Party Transactions, the audit committee/ board of directors of the Issuer reviews its decisions relating to significant Related Party Transactions. Although these transactions were on arms' length terms, the Issuer cannot assure you that it could not have achieved more favorable terms had such transactions been entered into with unrelated parties. Furthermore, it is likely that it may in the future enter into certain transactions with such related parties. The transactions it has entered into have involved, and any future transactions with its related parties could potentially involve, conflicts of interest.

(i) Macroeconomic Risk

The Company's operations may be impacted by recent COVID variants and associated restrictions, a slowdown in economic growth, along with end-user industries including the housing, hospitality and automobile sectors.

(ii) Competition Risk

Due to appealing expansion potential, the sector is facing rivalry from a growing number of organised mattress market competitors. Loss of market share could result from an inability to provide high-quality, personalised products to satisfy changing client needs.

(iii) Counterfeiting Risk

Another important challenge is the inability of the Company to resolve product and/or services counterfeiting and quality issues, which may result in loss of customer trust and sales, thereby damaging the Company's brand name.

(iv) E-Commerce Risk

Globally and in India, consumer preferences have fundamentally changed as a result of the pandemic, favouring quick adoption of technology, online shopping, enhanced comfort and convenience at home, etc. Its business and market share may suffer if the Company is unable to use digitisation and technology to keep up with the changing trends.

4.4 *Risks related to the issuance of Debt Securities as required under the SEBI NCS Regulations*

Please refer to the relevant Key Information Document(s).

5 ISSUER INFORMATION

5.1 *General Information about the Issuer*

Company	JM Financial Services Limited
Date of Incorporation	June 19, 1998
Registered Office and Corporate Office	Registered Office: 7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025; Corporate Office: 5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400025
Telephone	22 6630 3030
Fascimile No.	22 6630 3223
Email	dimple.m@jmfl.com
Company Secretary & Compliance Officer	Ms. Dimple Mehta 5th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai - 400 025 Tel. No. +91 22 6630 3290; Fax: +91 22 6630 3223 Email: dimple.m@jmfl.com
Arranger	Shall have the meaning as ascribed to the term 'Arranger(s)' in the relevant Key Information Document(s).
Chief Financial Officer	Mr. Amit Agrawal 2nd floor (A & B wing), Suashish IT Park, Plot No. 68E, off Datta Pada Road, Opp. Tata Steel, Borivali East, Mumbai - 400 066 Tel. No. +91 22 4505 7311; Fax: +91 22 28541869 Email: Amitt.Agrawal@jmfl.com

5.2 ***Overview of the Issuer and a brief summary of the business activities of the Issuer***

JM Financial Services Limited represents the Investment Advisory business of JM Financial Group and focuses on investment advisory and wealth management businesses for non-institutional clients. It provides comprehensive financial planning, research-based investment consulting services and execution capabilities across three asset classes – equities, fixed income and currencies. The business is organised in three main divisions:

- Equity brokerage group;
- Elite Wealth management group; and
- Independent financial distribution group.

The Company is a 100% subsidiary of JM Financial Limited. JM Financial Group has interests in investment banking, institutional and retail equity broking, wealth management, investment advisory services, asset management, commodity broking, securities based lending, corporate lending, private equity and asset reconstruction.

Taking into account the nature of services and risk-return profile, the business / activities of the Company can be divided in the below broad segments:

a. Stock broking activities;
b. Fund based activities which includes margin funding under the SEBI guidelines;
c. Trading in debt securities which include facilitating clients for purchase and sale of debt securities; and
d. Advisory services to clients for their investments in various equity / fixed income / commodityproducts available in the market or structured to suits the needs of clients.

The Company is an important player in the stock broking and distribution of public issues/primary issuances and also in other products like registered investment advisory, commodities, etc. The Company leverages JM Financial Group's clientele across segments such as investment banking, equity broking and investment advisory to offer securities based lending / wholesale funding to High Networth Individuals, retail customers and medium sized corporates.

5.3 ***Structure of the Group***

Attached as Annexure B

5.4 ***A brief summary of the business activities of the subsidiaries of the Issuer***

Name of the subsidiary and its country of incorporation	*Principal activities*
JM Financial Commtrade Limited, India	Incorporated to provide research based advice to clients on bullion, base metals, crude and other soft commodities.

5.5 ***Details of branches or units where the Issuer carries on its business activities, if any***

The Issuer carries on its business activities in the following units of the Issuer:

Administrative Office:
Mumbai:
1st and 2nd Floor, B Wing, Suashish IT Park, Plot No. 68 E, Off. Datta Pada Road, Opp. Tata Steel, Borivali (East), Mumbai – 400 066.

Other Branch Offices:

State	***Sub-location***	***Address***
Andhra Pradesh	Vishakhapatnam	47-7-26, Sreekanya Arcade, 1st Floor, 4th Lane, Dwarakanagar, Visakhapatnam – 530 016.
	Nellore	Plot No 14, D. No: 16-2-431, 4th Floor, Mini Bypass Road, Srinivasa Agraharam, Nellore – 524 001.
Bihar	Patna	Twin Tower Hathwa, 2nd Floor, South Gandhi Maidan, Patna-800 001.
Delhi	Delhi	Flat No. 5A, 5D, 5G and 5H, 5th Floor, Hansalaya Building, 15, Barakhamba Road, New Delhi - 110 001.
Gujarat	Ashram Road	G - 10, 301/302, Chinubhai Center, Near Nehrubridge Corner, Ashram Road, Ahmedabad - 380 009.
	Rajkot	Office No. 510, 511 and 512, The City Center, Old Amrapali Cinema, Raiya Road, Near Race Course Ring Road, Rajkot – 360 004.
		Office No. 106, 1st Floor, Metro Plaza, Jansatta Chowk, Near Eagle Travels, Moti Tanki Chowk, Rajkot - 360 001.
	Surat	International Commerce Centre, 2nd Floor, A wing, 202, Near Majura Gate, Ring Road, Surat - 395 002.
	Vadodara	"Expel Prosys", Windward Business Park, 2nd Floor, Jetalpur Road, Vadodara – 390 020.
		Unit No. 116 & 117 "Emerald One", 1st Floor, Windward Business Park, Jetalpur Road, Vadodara – 390 007.
	Ahmedabad – Satellite	D-303/304, "The First", Opp. Keshav Baug Party Plot, Shivranjani, Satellite, Ahmedabad – 380 015.
Haryana	Gurgaon	Office No. 316, 3rd Floor, MGF Metropolis Mall, Sector 28, Main Mehrauli, Gurgaon Road – 122 001.
		Office No. 504, 5th Floor, MGF Metropolis Mall, Sector 28, Main Mehrauli Gurgaon Road – 122 001.
Jharkhand	Ranchi	Arjan Palace, Unit/Office No. 02, 2nd Floor, Near Over Bridge, Ranchi - 834 001.
Karnataka	Bengaluru	4th Floor, 'Basappa Complex', bearing No.40/1A, Lavelle Road, Bangalore – 560 001.
		Site No. 709 (PID No.74-1-709), 2nd Floor, Above Spencer, 80 ft. Road, Indira Nagar HAL 2nd Stage, under BBMP Ward No. 74/Jeevanbheema Indira Nagar, Bangalore - 560 008.
		199, 1st Floor, Yathi Raj Mutt Building, 11th Cross, Malleshwaram, Bengaluru – 560 003.
Maharashtra	Andheri	"Great Oasis Enterprises LLP" 8th Floor, Plot No. D 13, Marol Industrial Area, MIDC Road - 21, Marol, Andheri East, Mumbai – 400 093.
		Unit No. 305 & 306, 3rd Floor, Dhana-Shree Heights, Behind Axis Bank, Azad Nagar No-2, Veera Desai Road, Andheri (West), Mumbai 400 053.
	Borivali	G-1, Ground Floor, Borivali Neelkanth Nagar CHS Ltd., A wing, S.V. Road, Near Sumer Nagar Fly Over, Borivali (W), Mumbai - 400 092.
		101, 1st Floor, Abhilasha II CHS Ltd., Punjabi Lane, Off. Chandavarkar Road, Borivali (W), Mumbai - 400 092.
		Office No. 104, First Floor, Kapoor Apartment, Chandavarkar Road, Maharashtra Nagar, Borivali West, Mumbai – 400 092.
		2nd and 3rd Floor (A & B wing), Suashish IT Park, Plot No. 68E,

		off Datta Pada Road, Opp. Tata Steel, Borivali East, Mumbai - 400 066.
		4th Floor, Suashish IT Park, Plot No. 68E, off Datta Pada Road, Opp. Tata Steel, Borivali East - 400 066.
	Ghatkopar	422/423,424/ 425, 4th Floor, Kailas Plaza, Vallabh Baugh Lane, Ghatkopar (E), Mumbai - 400 077.
		Office No. 211, 2nd Floor, Atlantic Commercial Tower, Near Jain Mandir, R B Mehta Marg, Near Patel Chowk, Ghatkopar E, Mumbai – 400 077.
	Malad	Shop No.1 and 2, Prathampad Co-operative Hsg. Society, Ground Floor, Evershine Nagar, Malad (West), Mumbai - 400 064.
		Office No. 8, 1st Floor, Abhishek Commercial Complex, (above Dena Bank), 104, S.V. Road, Malad (West), Mumbai - 400 064.
	Fort	Branch - 3 & 4 Kamanwala Chambers, Sir P M Road, Fort, Mumbai - 400 001.
	Vashi	328, Vardhman Market, Sector – 17, Vashi, Navi Mumbai – 400 705.
	Pune	3rd Floor, 302, Vishwa Developers, Next to ICICI Bank, Ghole Road, Shivaji Nagar, Pune - 411 005.
	Pune	201, 2nd Floor, Business Guild, Sr. No.122/2, Erandawane, Pune - 411 004.
	Pune	205, 2nd Floor, Business Guild, 122/2, Plot No.87/2, Opp Krishna Dining Hall, Law College Road, Erandawane, Pune - 411 004.
	Nagpur	Office No. 101/102 (part), Pathak House, Plot No. 84 and 85, CSES, Abhayankar Nagar, Nagpur – 440 010.
	Prabhadevi	5th Floor, Cnergy, Old Standard Mill, Opp. Tata Motors, Appasaheb Marathe Marg, Prabhadevi, Mumbsai - 400 025.
	Vile Parle	Kingston, 5th and 6th Floor, Office No. 502, VS Khandekar Marg, Vile Parle (East), Mumbai – 400 057.
Madhya Pradesh	Indore	The One Business Centre, 4th Floor, Office No. 405,406 and 407, RNT Marg, Old Agarwal Nagar, Indore - 452 001.
	Indore	LG 4, Starlit Tower, Plot No. 29, Yashwant Niwas Road, Indore – 452 001.
	Bhopal	1st Floor, Alankar Complex, Plot No 11, Bank Street, Zone-II, Maharana Pratap Nagar, Bhopal, Madhya Pradesh 462 011.
Punjab	Ludhiana	602, 6th Floor, Apra Tower S.C.O 130,131,132, Feroze Gandhi Market Ludhiana – 141 001.
Rajasthan	Jaipur 1	Unit/Office No.701, 702, 703 and 704, 7th Floor, Brij Anukampa, Plot No. K-13, Ashok Marg, C-Scheme, Jaipur - 302 001.
	Jaipur 2	Mall Of Jaipur, 719, 7th Floor, Gandhi Path, Vaishali Nagar, Jaipur – 302 021.
Telangana	Hyderabad	6-3-1090/1/1, Uma Hyderabad House, 2nd Floor, Somajiguda, Hyderabad – 500 082.
	Hyderabad	Sujatha Building, 3rd Floor, 6-3-346/1/F, Road No.1, Banjara Hills, Hyderabad - 500 034.
Tamil Nadu	Chennai	Seethakathi Business Centre, 2nd Floor, Unit No.211 & 212, 684-690, Anna Salai, Mount Road, Chennai – 600 006.
	Chennai (216)	Seethakathi Business Centre, 2nd Floor, Unit No.216, 684-690, Anna Salai, Mount Road, Chennai - 600 006.
	Coimbatore	3rd Floor, AMI Midtown, 25A-4, DB Road, R S Puram,

		Coimbatore.
	Chennai EBG - 2	Plot No. 4590-A, New Office No.1, (Old office No.224), 2nd Floor, Y-Block, 6th Main Road, 1st Street, Anna Nagar, Chennai – 600 040 ("Lease Premises").
U.T.	Chandigarh	Elante, Unit No. 513, 5th Floor, 178-178A, Industrial & Business Park, Phase I, Chandigarh - 160 002.
Uttar Pradesh	Lucknow	Office No. 701, 7th Floor, Eldeco Corporate Towers, Picup Bhawan Road, Vibhuti Khand, Gomati Nagar, Lucknow - 226010.
	Kanpur	Office No.415 and 416, 4th Floor, Kan Chamber, 14/113, Civil Lines, Kanpur - 208 001.
West Bengal	Kolkata	Kankaria Estate, 6 Little Russell Street, 8th Floor, Kolkatta - 700 071.
	Kolkata	Olpadwala Building, 2nd Floor, 52, Chowringhee Road, Kolkata-700 071.
	Kolkata	Gooptu Court, Premises No. 7A/1B, Middleton Street, Post Office Middleton Row, Police Station Shakespeare Sarani, Kolkata – 700 071.
	Burdwan	1st Floor, 1B, 108 G.T Road (East), Parbirhata Sreepally, Burdwan – 713 103.

5.6 ***Project Cost and means of financing, in case of funding of new projects:***

Not applicable

5.7 ***Expenses of the Issue:***

Please refer to the relevant Key Information Document(s).

5.8 ***Our Promoter***

JM Financial Limited

Name	JM Financial Limited ("**JMFL**")
Brief Description	JMFL was incorporated as a private limited company under the name of J.M. Share and Stock Brokers Private Limited on January 30, 1986 under the Companies Act, 1956. Subsequently, JMFL became a deemed public limited company upon its promoter, J. M. Financial & Investment Consultancy Services Private Limited becoming a deemed public limited company on June 15, 1988, by virtue of the Companies (Amendment) Act, 1988 read with the Companies Act, 1956. On September 15, 2004, the name of the company was changed to JM Financial Limited. JMFL was classified as a systemically important non-deposit taking core investment company (CIC-ND-SI) in accordance with the certificate of registration issued by the RBI dated April 11, 2014, under Section 45-IA of the RBI Act. The National Company Law Tribunal, Mumbai Bench, passed an order dated December 14, 2017, sanctioning the scheme of amalgamation (the "**Scheme**") between JM Financial Institutional Securities Limited and JM Financial Investment Managers Limited and JMFL, which was filed with the RoC on January 18, 2018 and accordingly became effective from January 18, 2018. Consequent upon the Scheme becoming effective, JMFL ceased to be a core investment company and

	became a SEBI registered category I merchant banker and investment manager to the private equity fund.
Date of Incorporation	January 30, 1986
Age	Not Applicable
Addresses	7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai – 400 025
Other Ventures of the Promoter	JMFL is part of an established financial services group providing a range of financial services. Beginning with the establishment of JM Financial and Investment Consultancy Services Private Limited in September 1973, the major shareholder and promoter of JMFL, the longstanding operations in the financial services sector has resulted in establishing "**JM Financial**" as a recognized franchise.
Business and Financial Activities	JMFL is an operating cum holding company and is engaged in various financial services businesses on its own and through its subsidiary and associate companies forming a well-diversified yet integrated financial services group known as JM Financial. JMFL holds investments in its subsidiaries that are engaged in various businesses, namely, non banking financial services, asset reconstruction, equity research, equity broking to institutional and non institutional investors, wealth management advisory, mutual funds asset management, etc. The businesses undertaken by JMFL are as follows: (i) Investment Banking Business JMFL is one of the oldest merchant bankers in the country and provides wide range of services – capital raising, mergers & acquisitions, private equity and restructuring advisory – to a diversified client base of Indian and multinational corporates in the domestic and international markets. The services revolve around three main offerings. • Mergers & Acquisitions and Restructuring • Capital Markets • Private Equity Syndication (ii) Private Equity Fund Management Business JMFL serves as an investment manager for the following private equity funds sponsored by JMFL: • JM Financial India Fund • JM Financial India Trust II
Permanent Account Number	AAACJ2590B

The board of directors of JMFL as on the date of filing are as follows:

Name	Designation
Mr. Nimesh Kampani	Non-Executive Chairman
Mr. Vishal Kampani	Non-Executive Vice-Chairman
Ms. Jagi Mangat Panda	Independent Director
Mr. P S Jayakumar	Independent Director
Mr. Navroz Udwadia	Independent Director
Ms. Roshini Bakshi	Independent Director
Mr. Pradip Kanakia	Independent Director
Mr. Sumit Bose	Independent Director
Mr. Atul Mehra	Joint Managing Director
Mr. Adi Patel	Joint Managing Director

Details of Promoter holding in the Company as on June 30, 2023:

Sr. No.	Name of the shareholders	Total no. of Equity shares*	Total Amount	Total shareholding as % of total share capital	No. of Shares Pledged	% of Shares pledged with respect to shares owned
1.	JM Financial Limited with its nominees	5,00,00,000	50,00,00,000	100%	0	0%

* All the shares are held in dematerialised form

Sr. No.	Name of the shareholders	Total no. of Preference shares*	Total Amount	Total shareholding as % of total share capital	No. of Shares Pledged	% of Shares pledged with respect to shares owned
1.	JM Financial Limited	95,00,000	9,50,00,000	100%	0	0%

* All the shares are held in dematerialised form

Declaration confirming that the permanent account number, Aadhaar number, driving license number, bank account number(s) and passport number of the promoters and Permanent Account Number of directors have been submitted to the stock exchanges on which the non- convertible securities are proposed to be listed, at the time of filing the draft offer document:

Our Company confirms that the permanent account number, aadhaar number, driving license number, bank account number(s) and passport number of the Promoter and permanent account number of Directors have been submitted to the Stock Exchange at the time of filing of in-principle application with the Stock Exchange.

6 CREDIT RATING

Please refer to the relevant Key Information Document(s)

7 LISTING OF DEBT SECURITIES

Please refer to the relevant Key Information Document(s)

8 RECOVERY EXPENSE FUND

Please refer to the relevant Key Information Document(s)

9 ISSUE SCHEDULE

Issue Opening Date	Please refer to the relevant Key Information Document(s).
Issue Closing Date	Please refer to the relevant Key Information Document(s).
Pay In Date	Please refer to the relevant Key Information Document(s).
Deemed Date of Allotment	Please refer to the relevant Key Information Document(s).

10 NAME AND CONTACT DETAILS OF ARRANGERS AND OTHER PARTIES

Legal Counsel	Please refer to the relevant Key Information Document(s)
Guarantor, if applicable	Please refer to the relevant Key Information Document(s)
Arrangers	Please refer to the relevant Key Information Document(s)

11 FINANCIAL INFORMATION

11.1 ***The audited financial statements (i.e. Profit & Loss statement, Balance Sheet and Cash Flow statement) both on a standalone and consolidated basis for a period of three completed years which shall not be more than six months old from the date of the General Information Document or issue opening date, as applicable. The financial statements are audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI"). The above financial statements are accompanied with the auditor's report along with the requisite schedules, footnotes, summary etc.***

Please refer to the **Annexure A**.

11.2 ***Key operational and financial parameters (Standalone financials)***

Particulars	As on March 31, 2023	As on March 31, 2022	As on March 31, 2021
			(₹. In Crores)
BALANCE SHEET			
Assets			
Property, Plant and Equipment	111.23	53.17	57.12
Financial Assets	3,540.15	2,023.22	1,889.33
Non-financial Assets excluding property, plant and equipment	103.3	69.27	62.20
Total Assets	**3,754.68**	**2,145.66**	**2,008.65**
Liabilities			
Financial Liabilities			
-Derivative financial instruments	-	-	4.82
-Trade Payables	1322.65	836.80	761.68
-Debt Securities	983.34	479.36	433.31
-Borrowings (other than Debt Securities)	166.26	-	110.87
-Lease Liabilities	103.77	51.67	53.76
-Subordinated liabilities			
-Other financial liabilities	648.75	202.30	163.45
Non-Financial Liabilities			
-Current tax liabilities (net)	-	1.50	2.02
-Provisions	20.81	18.77	18.25
-Deferred tax liabilities (net)	-	-	-
-Other non-financial liabilities	15.90	24.11	11.46
Equity (Equity Share Capital and Other Equity)	493.20	531.15	449.03
Total Liabilities and Equity	**3,754.68**	**2,145.66**	**2,008.65**
PROFIT AND LOSS			
Revenue from operations	549.30	551.96	404.34
Other Income	23.97	50.24	9.80
Total Income	**573.27**	**602.20**	**414.14**
Total Expense	**563.83**	**454.61**	**373.72**
Profit after tax for the year	**12.05**	**122.04**	**31.89**
Other Comprehensive	-0.26	0.53	1.13

income			
Total Comprehensive Income	**11.79**	**122.57**	**33.02**
Earnings per equity share (Basic)	2.41	24.41	6.38
Earnings per equity share (Diluted)	2.10	21.22	5.55
CASH FLOW			
Net cash from / used in(-) operating activities	-567.08	214.77	-363.87
Net cash from / used in(-) investing activities	0.42	46.31	35.80
Net cash from / used in (-) financing activities	527.64	-161.27	67.33
Net increase/decrease (-) in cash and cash equivalents	**-39.02**	**99.81**	**-260.72**
Cash and cash equivalents as per Cash Flow Statement as at end of year	106.67	145.69	45.87
ADDITIONAL INFORMATION			
Net worth	493.20	531.15	449.03
Cash and cash equivalents	106.67	145.69	45.87
Loans (Net)	632.53	310.11	215.58
Loans (Gross EAD)	636.35	311.98	216.88
Total Debts to Total Assets	0.31	0.22	0.30
Interest Income	145.20	102.06	66.93
Interest Expense	92.15	51.08	60.15
Impairment on Financial Instruments	4.85	0.22	1.42
Bad Debts to Loans*	NA	NA	NA
% Stage 3 Loans on Loans (EAD Basis)	NA	NA	NA
% Net Stage 3 Loans on Loans (EAD Basis)	NA	NA	NA
Tier I Capital Adequacy Ratio (%)	NA	NA	NA
Tier II Capital Adequacy Ratio (%)	NA	NA	NA

* Loss on foreclosure and write off of loans / Average loan Book

11.3 ***Key operational and financial parameters (Consolidated financials)****

Particulars	**As on March 31, 2023****	**As on March 31, 2022****	**As on March 31, 2021**
			(₹. In Crores)
BALANCE SHEET			
Assets			
Property, Plant and Equipment	-	-	96.76
Financial Assets	-	-	2,324.31
Non-financial Assets excluding Property, Plant and Equipment	-	-	77.58
Total Assets	-	-	**2,498.65**
Liabilities			

Financial Liabilities			
-Derivative financial instruments	-	-	4.82
-Trade Payables	-	-	33.11
-Other Payables	-	-	738.54
-Debt Securities	-	-	433.31
-Borrowings (other than Debt Securities)	-	-	377.31
-Deposits			
-Subordinated liabilities			
-Lease liabilities	-	-	53.76
-Other financial liabilities	-	-	215.89
Non-Financial Liabilities			
-Current tax liabilities (net)	-	-	3.02
-Provisions	-	-	23.02
-Deferred tax liabilities (net)	-	-	-
-Other non-financial liabilities	-	-	14.34
Equity (Equity Share Capital and Other Equity)	-	-	601.18
Non-controlling interest	-	-	0.35
Total Liabilities and Equity	-	-	**2,498.65**
PROFIT AND LOSS			
Revenue from operations	-	-	601.76
Other Income	-	-	3.87
Total Income	-	-	**605.63**
Total Expenses	-	-	**505.55**
Profit after tax for the year	-	-	**73.57**
Other Comprehensive Income	-	-	1.23
Total Comprehensive Income	-	-	**74.80**
Earnings per equity share (Basic)	-	-	14.56
Earnings per equity share (Diluted)	-	-	11.29
CASH FLOW			
Net cash from / used in (-) operating activities	-	-	-423.22
Net cash from / used in (-) investing activities	-	-	-25.32
Net cash from / used in (-) financing activities	-	-	205.93
Net increase/decrease (-) in cash and cash equivalents	-	-	**-242.61**
Cash and cash equivalents as per Cash Flow Statement as at end of Year	-	-	73.69
ADDITIONAL INFORMATION			
Net worth	-	-	601.53
Cash and cash equivalents	-	-	73.69
Loans (Net)	-	-	353.83
Total Debts to Total Assets	-	-	1.36
Interest Income	-	-	121.15
Interest Expense	-	-	80.18
Impairment on Financial Instruments	-	-	9.14

Bad Debts to Loans*	NA	NA	NA

*Loss on foreclosure and write off of loans / Average loan Book

***As per Rule 6 of the Companies (Accounts) Rules, 2014, the Company, from the Financial Year 2021-2022 and 2022-23 were exempted to prepare consolidated financial statements and thus the financials of the subsidiaries are consolidated with the ultimate holding company i.e. JM Financial Limited.*

11.4 ***Details of any other contingent liabilities of the Issuer, based on the latest audited financial statements including amount and nature of liability as at March 31, 2023.***

NIL

11.5 ***The amount of corporate guarantee or letter of comfort issued by the Issuer along with details of the counterparty (viz. name and nature of the counterparty, whether a subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued:***

NIL

12 BRIEF HISTORY OF THE ISSUER SINCE ITS INCORPORATION GIVING DETAILS OF ITS FOLLOWING ACTIVITIES:

JM Financial Services Limited (the "**Company**") was incorporated on June 19, 1998, in the name of JM Morgan Stanley Retail Services Private Limited. The name was then changed from JM Morgan Stanley Retail Services Private Limited to JM Morgan Stanley Retail Services Limited upon the Company being a deemed public company with effect from July 1, 1998. The name was further changed from JM Morgan Stanley Retail Services Limited to JM Morgan Stanley Retail Services Private Limited upon its conversion from a public company to private company with effect from January 11, 2001. The name of the Company was further changed to JM Morgan Stanley Financial Services Private Limited with effect from November 25, 2005. Further, the name was changed to JM Financial Services Private Limited with effect from June 7, 2007 and was then changed to JM Financial Services Limited upon conversion from private limited company to a public limited company with effect from February 28, 2013.

12.1 ***Details of share capital as at the last quarter end i.e. June 30, 2023***

Share Capital	Amount (in ₹ Lakhs)
Authorised Share Capital	
28,00,00,000 fully paid equity shares of ₹ 10/- each	28,000
8,50,00,000 fully paid preference shares of ₹ 10/- each	8,500
Total	**36,500**
Issued, Subscribed and Paid-up Share Capital	
50,000,000 fully paid equity shares of ₹ 10/- each	5,000
95,00,000 fully paid preference shares of ₹ 10/- each	950
Total	**5,950**

12.2 ***Changes in its capital structure as at last quarter end, for the preceding three financial years and current financial year as at June 30, 2023.***

Date of Change (Annual General Meeting /Extraordinary General Meeting)	Particulars of change		
Date on which Scheme of Arrangement became effective - May 18, 2023 Extraordinary General Meeting - March 20, 2023	**Particulars**	**Authorised as on March 31, 2023**	**Authorised as on June 30, 2023**
	No. of Equity shares	5,50,00,000	28,00,00,000
	Face value per share	10	10
	Equity Share Capital (A)	**55,00,00,000**	**2,80,00,00,000**
	No. of Preference Shares	1,00,00,000	8,50,00,000
	Face value per share	10	10
	Preference Share Capital (B)	**10,00,00,000**	**85,00,00,000**
	Total Capital (A+B)	**65,00,00,000**	**365,00,00,0000**

12.3 ***Details of the equity share capital for the preceding three financial years and current financial year as at Cut Off Date:***

Date of Allotment	No. of Equity Shares	Face Value	Issue Price	Consideration (Cash, Other than cash, etc)	Nature of Allotment	Cumulative			Remarks
						No. of Equity Shares	Equity Share Capital	Equity Share premium	
FY 2023-24	5,00,00,000	10	10	Cash	Issuance	5,00,00,000	50,00,00,000	-	-
FY 2022-23									
FY 2021-22									
FY 2020-21									

12.4 ***Details of any acquisition of or amalgamation with any entity in the preceding 1 (one) year from the Cut Off Date:***

Nil

12.5 ***Details of any reorganization or reconstruction in the preceding 1 (one) year from the Cut Off Date:***

Type of Event	Date of Announcement	Date of Completion	Details
Merger and Demerger	September 14, 2022	May 18, 2023	During the year, the Board of Directors of the Company at its meeting held on May 23, 2022 had approved the Scheme of Arrangement (the "**Scheme**") for the demerger of the undertakings of the Company (the "**JMFSL**") into JM Financial Limited ("**JMFL**"), comprising Private Wealth and Portfolio Management Services ("**PMS**") including its investment in JM Financial Institutional Securities Limited (the "**JMFISL**") (a wholly owned subsidiary of JMFSL and step down subsidiary of JMFL). The said Scheme was later on partially modified on July 21, 2022, to include the merger of JM Financial Capital Limited (the "**JMFCL**"), a wholly owned subsidiary of the Company, into it. Pursuant to a joint application filed by JMFL, the Company and JMFCL, the Hon'ble National Company Law Tribunal (the "**NCLT**") dispensed away the requirement to convene the meeting of their shareholders and creditors. Thereafter, the NCLT sanctioned the Scheme vide its order dated March 24, 2023 and issued a certified copy of the same on April 20, 2023. The Scheme will be made effective from the appointed date i.e. April 1, 2023, post filing of the necessary forms with the Registrar of Companies, Maharashtra. Upon filing of the Scheme as stated above, following changes came into effect: – JMFCL ceased to be a subsidiary of the Company pursuant to its merger with the Company; – JMFISL became a direct wholly owned subsidiary of JMFL; – transfer of Private Wealth and PMS undertakings of the Company into JMFL. Except above, there has been no material change in the nature of the business.

12.6 ***Details of the shareholding of the Company as at the latest quarter end i.e. June 30, 2023, as per the format specified under the listing regulations:***

Sr. No.	Name of the shareholders	Total number of equity shares held	Number of shares in demat form	Total shareholding as % of total number of equity shares
1.	JM Financial Limited	4,99,99,994	4,99,99,994	100%
2.	JM Financial Limited Jointly with JM Financial Properties & Holdings Limited	1	1	
3.	JM Financial Limited Jointly with Ms. Amishi Gambhir	1	1	
4.	JM Financial Limited Jointly with Mr. Vishal Kampani	1	1	
5.	JM Financial Limited Jointly with Mr. Manish	1	1	

	Sheth			
6.	JM Financial Limited Jointly with Mr. Nishit Shah	1	1	
7.	JM Financial Limited Jointly with Mr. Gagan Kothari	1	1	
TOTAL		**5,00,00,000**	**5,00,00,000**	**100%**

12.7 ***List of top ten holders of equity shares of the Company as at the latest quarter end i.e. June 30, 2023:***

Sr. No.	Name of the shareholders	Total number of equity shares held	Number of shares in demat form	Total shareholding as % of total number of equity shares
1.	JM Financial Limited	4,99,99,994	4,99,99,994	100%
2.	JM Financial Limited Jointly with JM Financial Properties & Holdings Limited	1	1	
3.	JM Financial Limited Jointly with Ms. Amishi Gambhir	1	1	
4.	JM Financial Limited Jointly with Mr. Vishal Kampani	1	1	
5.	JM Financial Limited Jointly with Mr. Manish Sheth	1	1	
6.	JM Financial Limited Jointly with Mr. Nishit Shah	1	1	
7.	JM Financial Limited Jointly with Mr. Gagan Kothari	1	1	
	TOTAL	**5,00,00,000**	**5,00,00,000**	**100%**

13 OTHER DISCLOSURES AND INFORMATION

13.1 ***Details of current directors of the Issuer as of Cut Off Date***:

Name, Designation, Occupation & DIN	Age	Address	Date of appointment	Details of other directorship
Name: Vishal Kampani Designation: Non-Executive Chairman Occupation: Investment Banker DIN: 00009079	44	7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi Mumbai, Maharashtra 400 025	June 21, 2001	i. JM Financial Limited ii. JM Financial Products Limited iii. JM Financial Credit Solutions Limited iv. JM Financial Institutional Securities Limited v. J M Financial and Investment Consultancy Services Private Limited vi. JM Financial Singapore Pte. Limited vii. Capital Market Publishers India Private Limited viii. JM Financial Home Loan Limited ix. JM Financial Asset Reconstruction Company Limited x. JM Financial Asset Management Limited

Name, Designation, Occupation & DIN	Age	Address	Date of appointment	Details of other directorship
Name: Dipti Neelakantan Designation: Non-Executive Director Occupation: Professional DIN: 00505452	63	1203 A, Birchwood Hiranandani Garden, Powai, Mumbai 400 076, Maharashtra	March 29, 2001	i. JM Financial Credit Solutions Limited ii. JM Financial Institutional Securities Limited iii. Infinite India Investment Management Limited iv. JM Financial Trustee Company Private Limited v. Parag Parikh Financial Advisory Services Limited
Name: Hemant Kotak Designation: Non-Executive Director Occupation: Professional DIN: 00412903	59	C-901, Western Heights, J P Road, Opposite Gurudwara, Four Bungalows, Andheri (West), Mumbai- 400 053	January 27, 1999	JSB Securities Limited
Name: Anup Shah Designation: Independent Director Occupation: Professional DIN: 00293207	44	502, Doli Chambers, Strand Cinema Road, Colaba, Mumbai 400 005, Maharashtra	November 18, 2014	i. JM Financial Credit Solutions Limited ii. JM Financial Home Loans Limited iii. Health and Education Foundation iv. Knowhowhub.Com Private Limited v. Landmark Business Service Centre Private Limited vi. Macro Investment & Financial Consultants Private Limited vii. Adani Wilmar Limited viii. JM Financial Trustee Company Private Limited
Name: Parthiv Kilachand Designation: Independent Director Occupation: Professional DIN: 00005516	54	Oriental House, 5th Floor, 7, Jamshedji Tata Road, Churchgate, Mumbai - 400 020, Maharashtra	April 24, 2019	i. JM Financial Asset Management Limited ii. Gujarat Poly Electronics Limited iii. Polychem Limited iv. Ginners and Pressers Limited v. Environmental Purifiers Limited vi. Sun Tan Trading Company Limited vii. Delmar Trading Company Private Limited viii. Highclass Trading Private Limited ix. Masuma Tradecorp Private Limited x. Virsun Investments Private Limited xi. Ring Plus Aqua Limited
Name: Dimple Kumar Shah Designation: Additional Director and Whole Time	49	5th Floor, Cnergy, Appasaheb Marathe Marg,	June 03, 2021	None

Name, Designation, Occupation & DIN	Age	Address	Date of appointment	Details of other directorship
Director Occupation: Service DIN: 09158483		Prabhadevi, Mumbai Maharashtra 40 0025		
Name: Prakash Parthasarathy Designation: Independent Director Occupation: Professional DIN: 0201709	50	725, 4th Floor, Binnamangala, Indira Nagar I Stage, Bangalore 560 038.	October 22, 2021	i. Fabindia Limited ii. (formerly known as FabIndia Overseas Private Limited) iii. Fabindia International Pte. Limited iv. Manipal Global Education Services Private Limited v. Creaegis Investment Advisers Private Limited (formerly known as Creaegis Consultants Private Limited) vi. Creaegis I Private Limited vii. Creaegis Advisers Limited
Name: Nirav Gandhi Designation: Whole-Time Director and additonal Director Occupation: Service DIN: 08778702	57	A-4106, Exquisite, Oberoi Garden City, Goregaon East, Mumbai 400 063, Maharashtra	December 08, 2022	i. JM Financial Commtrade Limited ii. 9 and 9 BI (OPC) Private Limited
Name: Atul Mehra Designation: Non-Executive Director Occupation: Service DIN: 00095542	55	7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi Mumbai – 400 025	August 17, 2023	i. JM Financial Limited iii. JM Financial Products limited

13.2 ***Details of change in directors in the preceding three financial years and current financial year as at the Cut Off Date:***

Name, Designation & DIN	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
Name: Anil Mavinkurve Desgination: Whole Time Director & Company Secretary DIN: 00740703	July 15, 2013	May 31, 2021	Not applicable	Ceased to be Whole Time Director & Company Secretary pursuant to retirement.
Name: Dimple Kumar Shah Desgination: Additional Director and Whole Time Director DIN: 09158483	June 03, 2021	Not applicable	Not applicable	Appointed as an Additional Director.
	June 15, 2021	Not applicable	Not applicable	Appointment as Whole Time Director.
Name: Nimesh Kampani Desgination: Non-	June, 19, 1998	Not applicable	September 30, 2021	Ceased to be Non-executive

Name, Designation & DIN	Date of Appointment	Date of Cessation, if applicable	Date of Resignation, if applicable	Remarks
executive Chairman and Director DIN: 00009071				Chairman and Director.
Name: Ajay Mishra Desgination: Additional and Whole-Time Director DIN: 02204901	October 22, 2021	Not Applicable	Not Applicable	Appointed as an Additional and Whole-Time Director
	Not Applicable	Not Applicable	April 11, 2022	Ceased to be Whole -Time Director.
Name: Prakash Parthasarathy Desgination: Independent Director. DIN: 02011709	October 22, 2021	Not applicable	Not applicable	Appointed as an Independent Director.
Name: Nirav Gandhi Desgination: Additional Director and Whole Time Director DIN: 08778702	December 08, 2022	Not applicable	Not applicable	Appointed as an Additional Director.
				Appointed as an Whole-Time Director
Name: Atul Mehra Designation: Non-Executive Director Occupation: Service DIN: 00095542	August 17, 2023	Not applicable	Not applicable	Appointed as an Additional Non-Executive Director.

13.3 ***Details of directors' remuneration, and such particulars of the nature and extent of their interests in the Issuer (during the current year and preceding three financial years) as at Cut Off Date:***

i. Remuneration and shareholding details:

Name of the Director	Vishal Kampani	Dipti Neelakantan	Hemant Kotak	Anup Shah	Prakash Parthasarathy	Parthiv Kilachand	Nirav Gandhi	DimpleKumar Shah	Atul Mehra
Remuneration paid									
FY 2023-24	0	3,60,000	2,00,000	4,60,000	3,50,000	3,50,000	47,93,653	69,17,250	0
FY 2022-23	0	9,20,000	2,00,000	9,80,000	7,00,000	8,50,000	211,83,469	706,41,462	0
FY 2021-22	0	8,35,000	0	9,05,000	2,00,000	8,85,000	0	660,83,330	0
FY 2020-21	0	4,25,000	0	7,95,000	0	7,75,000	0	0	0
Remuneration paid from the subsidiary/associate company									
JM Financial Institutional Securities Limited (ceased to be wholly owned subsidiary w.e.f May 18, 2023)									
FY 2023-24	0	60,000	0	0	0	0	0	0	0
FY 2022-23	0	1,45,000	0	0	0	0	0	0	0
FY 2021-22	0	1,20,000	0	0	0	0	0	0	0
FY 2020-21	0	1,20,000	0	0	0	0	0	0	0
JM Financial Capital Limited (Amalgamated w.e.f May 18, 2023)									

Name of the Director	Vishal Kampani	Dipti Neelakantan	Hemant Kotak	Anup Shah	Prakash Parthasarathy	Parthiv Kilachand	Nirav Gandhi	DimpleKumar Shah	Atul Mehra
FY 2023-24	0	0	0	1,10,000	0	1,10,000	0	0	0
FY 2022-23	0	0	0	6,95,000	0	6,45,000	0	0	0
FY 2021-22	0	0	0	3,60,000	0	3,20,000	0	0	0
FY 2020-21	0	0	0	4,20,000	0	3,80,000	0	0	0
JM Financial Commtrade Limited									
FY 2023-24	0	0	0	0	0	0	0	0	0
FY 2022-23	0	0	0	0	0	0	0	0	0
FY 2021-22	0	0	0	0	0	0	0	0	0
FY 2020-21	0	0	0	0	0	0	0	0	0
Shareholding in the Company									
FY 2023-24	1	0	0	0	0	0	0	0	0
FY 2022-23	1	0	0	0	0	0	0	0	0
FY 2021-22	1	0	0	0	0	0	0	0	0
FY 2020-21	1	0	0	0	0	0	0	0	0
Shareholding in the subsidiary/associate company									
JM Financial Institutional Securities Limited (ceased to be wholly owned subsidiary w.e.f May 18, 2023)									
FY 2023-24	1	0	0	0	0	0	0	0	0
FY 2022-23	1	0	0	0	0	0	0	0	0
FY 2021-22	1	0	0	0	0	0	0	0	0
FY 2020-21	1	0	0	0	0	0	0	0	0
JM Financial Capital Limited (Amalgamated w.e.f May 18, 2023)									
FY 2023-24	0	0	0	0	0	0	0	0	0
FY 2022-23	1	0	0	0	0	0	0	0	0
FY 2021-22	1	0	0	0	0	0	0	0	0
FY 2020-21	1	0	0	0	0	0	0	0	0
JM Financial Commtrade Limited									
FY 2023-24	10	0	0	0	0	0	0	0	0
FY 2022-23	10	0	0	0	0	0	0	0	0
FY 2021-22	10	0	0	0	0	0	0	0	0
FY 2020-21	10	0	0	0	0	0	0	0	0

ii. **Appointment of any relatives to an office or place of profit of the issuer, its subsidiary or associate company:** NIL.

iii. **Nature and extent of interest, if any:** NIL

- **in promotion of the Company; or**
- **in any immovable property acquired by the Company in the 2 years preceding the date of the issue document or any immovable property proposed to be acquired by it; and**
- **where the interest of such a director consists in being a member of a firm or company, the nature and extent of his interest in the firm or company, with a statement of all sums paid or agreed to be paid to him or to the firm or company in cash or shares or otherwise by any person either to induce him to become, or to help him qualify as a director, or otherwise for services rendered by him or by the firm or company, in connection with the promotion or formation of the issuer company shall be disclosed.**

iv. **Contribution being made by the directors as part of the offer or separately in furtherance of such objects:** NIL

13.4 ***Details of any financial or other material interest of the Directors, Promoter, key managerial personnel or senior management in the offer and the effect of such interest in so far as it is different from the interests of other persons, as of Cut Off Date***: Nil

13.5 ***Details of the auditors of the Issuer, as of Cut Off Date***:

Name of the auditor	Address	Date of Appointment
B S R & Co. LLP	14th Floor, Central Wing B Wing and North C Wing,Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400 063	July 21, 2022

The peer review certificate is attached as **Annexure C**.

13.6 ***Details of change in auditor for preceding three financial years and current financial year as of Cut Off Date:***

Name of the Auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, if applicable
Khimji Kunverji & Co., LLP	Sunshine Tower, Level 19, Senapati Bapat Marg, Elphinstone, Mumbai – 400 013	June 14, 2017	Not Applicable	October 22, 2021
B S R & Co. LLP	14th Floor, Central Wing B Wing and North C Wing, Nesco IT Park 4, Nesco Center, Western Express Highway, Goregaon (East), Mumbai – 400 063, India	July 21, 2022	Not Applicable	Not Applicable

13.7 ***Details of the following liabilities of the Issuer, as at the end of the preceding quarter, or if available, a later date:***

(i) ***Details of outstanding secured loan facilities of the Issuer as on June 30, 2023:***

Name of the Lender	Type of Facility	Amount Sanctioned (₹ in Crore)	Principal Amount Outstanding (₹ in Crore)	Repayment Date / Schedule	Security	Credit Rating	Asset Classification
Axis Bank	Bank Guarantee	75.00	75.00	Annual	In the form of Fixed Deposits to the tune of 50% of the BG's availed	ICRA AA (Stable) (Bank Line rating)	Standard
HDFC Bank		175.00	171.50				
ICICI Bank		550.00	549.80				
IDFC First Bank		300.00	250.00				
RBL Bank		60.00	-				
Axis Bank	Overdraft Against Fixed Deposits	0.23	-		Fixed Deposits		
HDFC Bank		42.70	-				
ICICI Bank		35.62	-				
IDFC First Bank		0.10	-				
RBL Bank		0.24	-				
State Bank of India		23.75	-				

HDFC Bank	Overdraft Against Receivables	75.00	-	Receivables
ICICI Bank		50.00	30.00	

Please note in the above table- Bank guarantees are secured by way of 50% fixed deposits of the availed bank guarantee amount as stipulated by RBI.

(ii) ***Details of outstanding unsecured loan facilities of the Issuer as on June 30, 2023***:

Name/Type of lender	Type of Facility	Amount Sanctioned (₹ In Crore)	Principal Amount outstanding (₹ In Crore)	Repayment Date / Schedule	Credit Rating, if applicable
Corporate	Inter Corporate Deposit	5	5	December 14, 2023	NA
		15	15	February 20, 2024	

(iii) ***Details of outstanding non-convertible securities as on June 30, 2023***:

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security
Nil									

(iv) ***Details of commercial paper issuances as at the end of the last quarter i.e. as on June 30, 2023, in the following format***:

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
1.	INE012I14NV2	272	8.82%	75	13-December-2022	11-September-2023	ICRA A1+/ Crisil A1+	Unsecured	NA	IPA: HDFC Bank Limited; Credit Rating Ageny: ICRA Limited and Crisil Ratings Limited
2.	INE012I14OA4	364	8.95%	50	16-December-2022	15-December-2023				
3.	INE012I14NV2	181	8.95%	100	14-March-2023	11-September-2023				
4.	INE012I14OI7	167	8.90%	15	16-March-2023	30-August-2023				
5.	INE012I14OI7	167	8.90%	10	16-March-2023	30-August-2023				
6.	INE012I14OJ5	181	8.95%	75	17-March-2023	14-September-2023				

Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding	Date of Allotment	Redemption Date/ Schedule	Credit Rating	Secured/ unsecured	Security	Other details viz. details of Issuing and Paying Agent, details of Credit Rating Agencies
7.	INE012I14OJ5	181	8.95%	50	17-March-2023	14-September-2023				
8.	INE012I14OL1	365	8.85%	25	27-March-2023	26-March-2024				
9.	INE012I14OO5	91	8.10%	25	18-April-2023	18-July-2023				
10.	INE012I14OO5	91	8.10%	100	18-April-2023	18-July-2023				
11.	INE012I14OO5	90	8.10%	10	19-April-2023	18-July-2023				
12.	INE012I14OO5	90	8.10%	10	19-April-2023	18-July-2023				
13.	INE012I14OO5	90	8.10%	5	19-April-2023	18-July-2023				
14.	INE012I14OP2	91	8.10%	25	26-April-2023	26-July-2023				
15.	INE012I14OQ0	182	8.40%	25	22-May-2023	20-November-2023			NA	
16.	INE012I14OR8	91	7.89%	100	08-June-2023	07-September-2023				
17.	INE012I14OT4	365	8.75%	50	13-June-2023	12-June-2024				
18.	INE012I14OS6	303	8.40%	15	13-June-2023	11-April-2024				
19.	INE012I14OU2	257	8.55%	25	16-June-2023	28-February-2024				
20.	INE012I14OI7	70	7.87%	50	21-June-2023	30-August-2023				
21.	INE012I14OV0	64	7.87%	100	22-June-2023	25-August-2023				
22.	INE012I14OW8	150	8.20%	40	27-June-2023	24-November-2023				
23.	INE012I14OW8	147	8.20%	100	30-June-2023	24-November-2023				

(v) ***List of top ten holders of non-convertible securities as on June 30, 2023, in terms of value (on a cumulative basis)***:

Sr. No.	Name of holders	Category of holder	Face value of holding	Holding as a % of total outstanding non-convertible securities of the Issuer
			Nil	

(vi) ***List of top ten holders of commercial paper as on June 30, 2023 in terms of value (in cumulative basis)***:

Sr. No.	Name of holder	Category of holder	Face value of holding (in ₹)	Holding as a % of total commercial paper outstanding of the Issuer
1.	UTI Liquid Cash Plan	Mutual Fund	5,00,000/-	18.52%
2.	Tata Mutual Fund - Tata Liquid Fund			13.89%
3.	Kotak Mahindra Trustee Company Ltd A/C Kotak Money Market Fund			9.26%
4.	Nippon Life India Trustee Ltd-A/C Nippon India Money Market Fund			9.26%
5.	Aditya Birla Sun Life Trustee Pvt. Ltd A/C - Aditya Birla Sun Life Money Manager Fund			6.94%
6.	Aditya Birla Sun Life Trustee Pvt. Ltd A/C - Aditya Birla Sun Life Savings Fund			6.94%
7.	ICICI Prudential Ultra Short Term Fund			4.63%
8.	Sundaram Liquid Fund			2.31%
9.	Tata Mutual Fund - Tata Ultra Short Term Fund			2.31%
10	Jupiter Life Line Hospitals Limited	Corporate		17.59%

(vii) ***Details of the bank fund based facilities/ rest of the borrowing (if any, including hybrid debt like Foreign Currency Convertible Bonds (FCCB), Optionally Convertible Debentures/ Preference Shares) from financial institutions or financial creditors***:

Name of Party (in case of facility)/ Name of Instrument	Type of facility/ Instrument	Amount sanctioned / issued (Rs in Crore)	Principal Amount outstanding	Date of Repayment/ Schedule	Credit Rating	Secured/ Unsecured	Security
Axis Bank	Overdraft Against Fixed Deposits	0.23	0.00	Annual	NA	Secured	Fixed Deposit
HDFC Bank		42.70					
ICICI Bank		35.62					
IDFC First Bank		0.10					
RBL Bank		0.24					
State Bank of India		23.75					
HDFC Bank	Overdraft Against Receivables	75.00			ICRA AA (Stable)		Book Debts/ receivables
ICICI Bank		50.00	30.00				
JM Financial Limited	Preference Shares (Redeemable)	42.00	42.00	On or before March 20, 2028	NA	Unsecured	N.A

(viii) ***The amount of corporate guarantee or letter of comfort issued by the Issuer along with name of the counterparty (like name of the subsidiary, joint venture entity, group company, etc.) on behalf of whom it has been issued, contingent liability including debt service reserve account guarantees/ any put option etc. (Details of any outstanding borrowings taken/ debt securities issued for consideration other than cash). This information shall be disclosed whether such borrowing/ debt securities have been taken/ issued: (i) in whole or part; (ii) at a premium or discount, or (iii) in pursuance of an option or not:***

NIL

13.8 ***Asset Liability Management (ALM) Disclosures***

Not Applicable

13.9 ***Outstanding Litigations and Other Confirmations***

The Company may, from time to time, be involved in various litigation proceedings in the ordinary course of our business. These legal proceedings are primarily in the nature of criminal cases, civil cases and tax proceedings.
Except as disclosed in this section, there are no outstanding legal proceedings which have been considered material in accordance with guidelines provided in SEBI LODR Regulations. Further, as on the date of this General Information Document, except as disclosed hereunder,: (i) the promoter of the Company is not involved in any outstanding action initiated by government department, regulatory or statutory authorities (such as SEBI, RBI, Stock Exchanges or such similar authorities) in the last three years immediately preceding the year of this General Information Document; (ii) the Company, promoter, subsidiaries and group companies are not involved in any outstanding civil litigation or tax proceedings involving where the amount is ₹ 2,77,00,000 (Indian Rupees Two Crores and Seventy Seven Lakhs) (being considered as threshold for materiality) or above; (iii) the Company, promoter, subsidiaries and group companies are not involved in any outstanding criminal litigation the outcome of which could have a material adverse effect on the Issue; (iv) there are no pending proceedings initiated against the Issuer for economic offences and (v) there are no pending litigation involving the Issuer, promoter, director, subsidiaries, group companies, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares and (vi) there is no material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer or promoters, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper.

Except as disclosed in this General Information Document,there are no (i) inquiries, inspections or investigations initiated or conducted (for which notices have been issued) under the Companies Act, 2013 in the last three years immediately preceding the year of this General Information Document involving the Company and its subsidiaries, and any prosecutions filed (whether pending or not), fines imposed, compounding of offences in the last three years immediately preceding the year of this General Information Document involving the Company and its subsidiaries; (ii) any material fraud committed against the Company in the last three years, and if so, the action taken by the Company; (iii) any significant and material order passed by the regulators, courts and tribunals impacting the going concern status of the Company or its future operations; (iv) any default by the Company including therein the amount involved, duration of default and present status, in repayment of: (a) statutory dues; (b) debentures and interest thereon; (c) deposits and interest thereon; or (d) loan from any bank or financial institution and interest thereon; (v) any default in annual filing of the Company under the Companies Act, 2013; and (vi) any litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of the Company during the last three years immediately preceding the year of this General Information Document, and any direction issued by such ministry or department or statutory authority upon conclusion of such litigation or legal action, if any.

It is clarified that for the purposes of the above, pre-litigation notices received by the Company, the Promoter, or the Directors as the case may be, have not been considered as litigation until such time that the above-mentioned parties are not impleaded as a defendant/respondent in litigation proceedings before any judicial or quasi-judicial forum.

(a) ***Litigation involving the Issuer***:

(i) ***Material civil litigations against the Issuer***: NIL

(ii) ***Material civil litigations by the Issuer***: NIL

(iii) ***Criminal litigations against the Issuer***: NIL

(iv) ***Criminal litigations by the Issuer***: NIL

(v) ***Actions taken by regulatory and statutory authorities against the Issuer***: NIL

(vi) ***Material tax litigation against the Issuer***:

<table>
<tr><th>Sr.</th><th>Financial Year</th><th>Tax Amount in Dispute (₹ in crore)</th><th>Demand paid (₹ in crore)</th><th>Dispute Amount pending (₹ in crore)</th><th>Details of Tax matter</th></tr>
<tr><td colspan="6">A <u>INCOME TAX</u></td></tr>
<tr><td>1</td><td>2008-09 & 2010-11 to 2013-14</td><td>Nil</td><td>32.53</td><td>Nil</td><td>
<u>Risk Identification: Disallowance of alleged speculation loss on arbitrage business</u>
The Company had commenced arbitrage business from FY 2007-08. The IT Department has raised demands by treating the loss incurred on the cash segment as a speculation loss. The said loss is an integral part of the arbitrage business. The alleged speculation loss is as under:
<table>
<tr><th>Financial Year</th><th>₹ in Crore</th></tr>
<tr><td>2008-09</td><td>25.96</td></tr>
<tr><td>2010-11</td><td>58.08</td></tr>
<tr><td>2011-12</td><td>134.67</td></tr>
<tr><td>2012-13</td><td>38.78</td></tr>
<tr><td>2013-14</td><td>67.30</td></tr>
</table>
Status of Appeals filed by the Company:
<table>
<tr><th>Financial Year</th><th>Level at which matter is pending</th><th>Remarks</th></tr>
<tr><td>2008-09</td><td>High Court</td><td>1. The CIT (Appeals) on an appeal filed by the Company had given an order in favour of the Company on March 27, 2014.
2. Against the above order the department had filed an appeal with ITAT. The order of the ITAT dated December 28, 2016 was also in Company’s favour.
3. Against the order of ITAT, the department has filed an appeal in the High Court. Copy of this appeal has been received by the Company on November 24, 2017.
4. The High Court vide its order dated August 18, 2022 has admitted the appeal of the income tax department.
5. No further updates have been received from the High Court</td></tr>
</table>
</td></tr>
</table>

Sr.	Financial Year	Tax Amount in Dispute (₹ in crore)	Demand paid (₹ in crore)	Dispute Amount pending (₹ in crore)	Details of Tax matter			
					2010-11	High Court	1. The CIT (Appeals) on an appeal filed by the Company had given an order in favour of the Company on May 05, 2016. 2. Against the above order the department had filed an appeal with ITAT. The order of the ITAT dated December 31, 2018 was also in Company's favour. 3. Against the order of ITAT, the department has filed an appeal in the High Court. Copy of this appeal has been received by the Company on July 29, 2019.	
					2011-12	ITAT	1. The CIT (Appeals) on an appeal filed by the Company had given an order in favour of the Company on March 22, 2018. 2. Against the above order the department had filed an appeal with ITAT on May 11, 2018. Copy of the appeal was received by the Company on March 20, 2019. The appeal has been heard by the ITAT on December 15, 2021. Order from the ITAT is awaited. 3. However, as per the orders passed by the Bench on February 22, 2022, the Accountant Member and Judicial Member had contradictory view in respect of the matter. Thus, the issue has been referred to a Third Member Bench. A hearing in the matter was scheduled on 21-02-2023. However, the hearing could not take place and no further hearing has been fixed as of date.	
					2012-13	ITAT	1. The CIT (Appeals) on an appeal filed by the Company had given an order in favour of the Company on August 17, 2018. 2. Against the above order the department had filed an appeal with ITAT on October 26, 2018. Copy of the appeal was received by the Company on August 29, 2019. The appeal has been heard by the ITAT on December 15, 2021. 3. However, as per the order passed by the Bench on February 22, 2022, the Accountant Member and Judicial Member had contradictory view in respect of the matter. Thus, the issue was referred to a Third Member Bench. A hearing in the matter was scheduled on 21-02-2023. However, the hearing could not take place and no further hearing has been fixed as of date.	
					2013-14	ITAT	1. The CIT (Appeals) on an appeal filed by the Company had given an order in favour of the Company on August 13, 2019. 2. Against the above order the department had filed an appeal with ITAT on October 31, 2019. Copy of the appeal was received by the Company on March 23, 2021.The appeal is pending for disposal .	
					On giving effect to the order of CIT Appeals, the aggregate refunds receivable from the Income tax department for the financial year 2008-2009 and for FY 2010-11 to 2013-14 amounts to ₹32.53 cr. ***Risk Mitigation / Remedial Action***			

Sr.	Financial Year	Tax Amount in Dispute (₹ in crore)	Demand paid (₹ in crore)	Dispute Amount pending (₹ in crore)	Details of Tax matter
					The issue on cash future arbitrage initially arose in FY 2008-09. The CIT (A) has decided the issue in the Company's favour for all the years in question. ITAT has passed favourable orders for FY 2008-2009 & FY 2010-2011. Based on this, the Company is reasonably certain that it will succeed in the appellate proceedings In respect of the appeal filed by the Income tax department in the High Court, the Company after discussion with the tax consultants has appointed a counsel who will represent the case in the High court. In case of an unfavourable order passed by the High court, the Company can appeal further to the Supreme Court. On April 30, 2019, the Supreme Court has passed an order in the case of Snowtex Investement Ltd v/s Principal Commissioner of Income tax, Kolkata. The Judgement of the Supreme Court states that where the assesse (Snowtex), a non-banking financial Company, whose principal business activity was of trading in shares and securities, incurred loss (speculative loss) as a result of its activity of trading in shares. The said loss was not capable of being set off against the profits which it had earned against the business of futures and options since the latter did not constitute profits and gains of a speculative business. The Company has discussed the order of the Supreme Court with its tax consultants. The tax consultants are of the view that the facts as mentioned in the Supreme Court order are different as compared to the facts of the Company. i.e Company is the business of arbitrage operations while Snowtex Investments limited (the assesse) had distinct business of share trading and trading in futures and options and therefore the said judgement would not be relevant in our case.

(b) ***Litigation involving the Subsidiaries:***

(i) ***Material civil litigations against the Subsidiaires:*** NIL

(ii) ***Material civil litigations by the Subsidiaires***: NIL

(iii) ***Criminal litigations against the Subsidiaires***: NIL

(iv) ***Criminal litigations by the Subsidiaires***: NIL

(v) ***Actions taken by regulatory and statutory authorities against the Subsidiaires***:

(a) **JM Financial Commtrade Limited**

SEBI vide its order dated March 31, 2023 cancelled the certificate of registration of JM Financial Commtrade Limited (the "**JMFCL**") issued by it to JMFCL as a commodity broker, against which JMFCL filed an appeal in SAT challenging the order passed by SEBI. SAT has granted the stay in the matter. The hearing before the SAT was scheduled on August 08, 2023 but the same has been adjourned to September 27, 2023.

(b) ***Litigations involving the Directors:***

(i) ***Criminal litigations against the Directors***: *Nil*

(ii) ***Criminal litigations by the Directors***: *Nil*

(iii) ***Material civil litigation against the Directors***: *Nil*

(iv) ***Material civil litigation by the Directors***: *Nil*

(v) ***Actions taken by regulatory and statutory authorities against the Directors***: *Nil*

(c) ***Material litigation or legal or regulatory actions involving the Promoter as on the date of this General Information Document***

(i) ***Criminal litigation against the Promoter***: *Nil*

(ii) ***Material civil litigations against the Promoter***: *Nil*

(iii) ***Material civil litigations by the Promoter***: *Nil*

(iv) ***Regulatory proceedings against the Promoter***: *Nil*

(d) ***Litigation or legal actions, pending or taken, by any ministry or department of the government or a statutory authority against the Promoter of the Issuer during the last three years immediately preceding the year of this General Information Document***:

Litigations involving the Promoter

(i) For the assessment year 2008-2009, JMFL received a notice of demand dated December 06, 2010 under Section 156 of the IT Act stating that a sum of Rs. 315,74,15,522 was payable by it. The demand arose because the Assessing Officer ("**AO**") treated the sale consideration of Rs. 1771,36,61,381 received on sale of shares of JM Morgan Stanley Securities Private Limited as "Business Income" instead of "Capital Gains" as offered by JMFL. Further, the AO did not allow the claim for set-off of long-term capital loss and short-term capital loss incurred by JMFL on sale of equity shares of JM Financial Products Pvt. Ltd. JMFL filed an appeal with the Commissioner of Income-tax (Appeals) ["**CIT(A)**"]. Vide order dated July 29, 2011, the CIT(A) held that an amount of Rs. 1771,36,61,381 was to be treated as profit of business which was taxable. The income of JMFL was also enhanced by Rs. 12,66,87,500. A sum of Rs. 1,32,86,120 was also directed to be disallowed and JMFL's income was enhanced by this amount. Further, the claim of set-off of capital losses was held not allowable. JMFL subsequently filed an appeal with the Income-tax Appellate Tribunal ("**ITAT**"), which partly allowed the appeal for statistical purposes and remanded certain matters to the file of the AO. JMFL filed an appeal before the hon'ble Bombay High Court against order of ITAT upholding the order of AO whereby disallowance u/s.14A was done at Rs. 4,72,78,394. Separately, under the remand proceedings the AO, by way of an order dated March 14, 2014 determined the total income for the assessment year in question at Rs. 1775,16,28,371 and ordered that penalty proceedings be initiated under Section 271(1)(c) of the IT Act. In the appeal filed by JMFL against the said order dated March 14, 2014, the CIT(A) vide his order dated April 30, 2015 held that the consideration of Rs. 1771,36,61,381 received by JMFL on sale of equity shares of JM Morgan Stanley Securities Private Limited be charged to tax as long-term capital gains and also allowed deduction for the indexed cost of acquisition. The order further allowed the expenditure of Rs. 22,83,63,049 incurred in connection with the transfer of the such shares. The CIT(A) did not allow the claim for set-off of long-term capital loss and short-term capital loss incurred by JMFL on sale of equity shares of the JM Financial Products Pvt. Ltd ("**JMFPL**"). JMFL had filed an appeal before the ITAT against the order of the CIT(A) not allowing the claim for capital losses on sale of equity shares of JMFPL. Simultaneously, the IT Department had filed an appeal in the ITAT against the order of the CIT(A) treating the gain on sale of equity shares of JM Morgan Stanley Securities Private Limited be charged to tax as long-term capital gains. On August 4, 2023, the ITAT has ruled the appeals in favour of JMFL. The ITAT has uploaded the Order on their website and the signed copy is awaited.

(ii) For the assessment year 2009-2010, JMFL received assessment order and a notice of demand dated December 13, 2011 under Section 156 of the IT Act stating that a sum of Rs. 3,32,58,075 was payable by it. The assessing order disallowed an amount of Rs. 7,61,37,727 under Section 14A of the IT Act read with Rule

8D of the IT Rules. JMFL filed an appeal with the CIT(A) who by way of an order dated April 11, 2012 partly allowed the appeals and directed that if certain parameters had been considered in passing the earlier order, an amount of Rs. 1,40,000 be reduced from the disallowance of Rs. 7,61,37,727. JMFL filed appeal to the ITAT which by way of an order dated March 26, 2014 allowed the appeal. The IT Department has filed an appeal before the hon'ble Bombay High Court and the same is pending for disposal.

(iii) For the assessment year 2010-2011, the AO by way of an order dated March 22, 2013 disallowed an amount of Rs. 42,48,067 towards lease rentals on vehicles and also disallowed an amount of Rs. 7,15,49,747 under Section 14A of the IT Act read with Rule 8D of the IT Rules. The AO also made error in calculation of dividend distribution tax. JMFL filed an appeal with the CIT(A) who by way of an order dated January 28, 2016 dismissed the appeal. JMFL filed a further appeal to the ITAT. The ITAT has passed order on October 4, 2019 deleting the said disallowances. Against the ITAT Order, the Department has filed an appeal before the hon'ble Bombay High Court on May 7, 2021 which is pending.

(iv) For the assessment year 2011-2012, JMFL received a notice of demand dated March 04, 2014 under Section 156 of the IT Act stating that a sum of Rs. 8,24,20,330 was payable by it. The AO had (a) disallowed an amount of Rs. 16,22,108 towards lease rentals on vehicles; (b) disallowed an amount of Rs.7,20,67,959 under Section 14A of the IT Act; (c) disallowed an amount of Rs. 84,00,000 towards advertisement expenditure; and (d) did not allow set-off of brought forward losses amounting to Rs. 58,17,675. The notice also included a demand on account of erroneous calculation of dividend distribution tax. JMFL filed an appeal with the CIT(A) which was dismissed. Subsequently JMFL filed an appeal with the ITAT. The ITAT has passed order on October 4, 2019 deleting the said disallowances. Against the ITAT Order, the Department has filed an appeal before the hon'ble Bombay High Court on May 7, 2021 which is pending.

(v) For the assessment year 2012-2013, JMFL received a notice of demand dated March 28, 2015 under Section 156 of the IT Act stating that a sum of Rs. 8,82,52,966 was payable by it. The AO (a) disallowed an amount of Rs. 11,13,542 towards lease rentals on vehicles; and (b) disallowed an amount of Rs. 7,07,60,044 under Section 14A of the IT Act. The notice also included a demand on account of erroneous calculation of dividend distribution tax. JMFL filed an appeal with the CIT(A) which was partly allowed whereby the expenditure on car lease rentals was allowed and the disallowance under section 14A was reduced. Subsequently JMFL and Department both filed appeals with the ITAT. The ITAT has passed order on October 29, 2021 deleting the additional disallowance under section 14A and dismissed Departmental Appeal. Against the ITAT Order, the Department has filed an appeal before the hon'ble Bombay High Court on September 19, 2022.

(vi) For the assessment year 2013-2014, JMFL received a notice of demand dated January 6, 2016 under Section 156 of the IT Act stating that a sum of Rs. 9,48,05,580 was payable by it. The AO (a) disallowed an amount of Rs. 10,10,492 towards lease rentals on vehicles; and (b) disallowed an amount of Rs. 7,04,73,783 under Section 14A of the IT Act. The notice also included a demand on account of erroneous calculation of dividend distribution tax. JMFL filed an appeal with the CIT(A) which was partly allowed whereby the expenditure on car lease rentals was allowed and the disallowance under section 14A was reduced. Subsequently JMFL and Department both filed appeals with the ITAT. The ITAT has passed order on October 29, 2021 deleting the additional disallowance under section 14A and dismissed Departmental Appeal. Against the ITAT Order, the Department has filed an appeal before the hon'ble Bombay High Court on September 19, 2022.

(vii) For the assessment year 2014-2015, JMFL received a notice of demand dated December 23, 2016 under Section 156 of the IT Act stating that a sum of Rs. 1,54,12,940 was payable by it. The AO (a) disallowed an amount of Rs. 32,58,422 towards lease rentals on vehicles; and (b) disallowed an amount of Rs. 6,73,82,910 under Section 14A of the IT Act. The notice also included a demand on account of erroneous calculation of dividend distribution tax. JMFL filed an appeal with the CIT(A) which was partly allowed whereby the expenditure on car lease rentals was allowed and the disallowance under section 14A was reduced. Subsequently JMFL and Department both filed appeals with the ITAT. The ITAT has passed order on October 29, 2021 deleting the additional disallowance under section 14A and dismissed Departmental Appeal. Against the ITAT Order, the Department has filed an appeal before the hon'ble Bombay High Court on September 19, 2022.

(viii) For the assessment year 2015-2016, JMFL received a notice of demand dated December 7, 2017 under Section 156 of the IT Act stating that a sum of Rs. 5,44,53,930 was payable by it. The AO (a) disallowed an amount of Rs. 28,22,563 towards lease rentals on vehicles; and (b) disallowed an amount of Rs. 6,98,88,476 under Section 14A of the IT Act. The notice also included a demand on account of erroneous calculation of dividend distribution tax. JMFL filed an appeal with the CIT(A) which was partly allowed whereby the expenditure on car lease rentals was allowed and the disallowance under section 14A was reduced. Subsequently JMFL and Department both filed appeals with the ITAT. The ITAT has passed order on October 29, 2021 deleting the additional disallowance under section 14A and dismissed Departmental Appeal. Against the ITAT Order, the Department has filed an appeal before the hon'ble Bombay High Court on September 19, 2022.

(ix) For the assessment year 2017-2018, the AO by way of an order dated December 29, 2019 made three disallowances/additions, viz., (i) an amount of Rs. 9,76,74,570 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of Rs. 52,71,000 towards rent on premises; (iii) Addition of securities premium of Rs. 10,51,79,000 received on issue of shares under ESOPs. The demand notice dated December 29, 2019 was issued under section 156 for Rs. 2,54,01,910 which was later increased to Rs. 7,10,80,450 vide rectification order dated March 9, 2023. The Company has filed an appeal before the CIT(A) on January 28, 2020 which is pending for disposal.

(x) For the assessment year 2018-2019, the AO passed an order dated April 23, 2021 by making two disallowances/additions, viz., (i) an amount of Rs. 9,99,89,306 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of Rs. 1,46,988 towards mismatch income reported schedule BP and Other Income. The Company has filed an appeal before the CIT(A) on May 24, 2021.

(xi) For the assessment year 2020-2021, JMFL received a notice of demand dated September 23, 2022 under Section 156 of the IT Act stating that a sum of Rs. 4,75,98,627 was payable by it. The AO (a) disallowed an amount of Rs. 88,44,792 towards Health and Education Cess on income-tax claimed as expense; and (b) disallowed an amount of Rs. 15,28,73,040 under Section 14A of the IT Act. JMFL has filed an appeal with the CIT(A) against the disallowance under section 14A on October 19, 2022.

Litigations involving the Group Companies *(as of now merged with JMFL)*

(a) *JM Financial Investment Managers Limited ("**JMFIML**") (now merged with JMFL)*

(i) There are litigations in the name of this erstwhile entity which is now merged with JMFL. However, these are below the threshold limit of Rs. 2.77 crore.

(b) *JM Financial Institutional Securities Limited ("**JMFISL**") (now merged with JMFL)*

(i) For the assessment year 2007-2008, the Deputy Commissioner of Income Tax 3(2), Mumbai by way of an order dated September 12, 2011, added an amount of Rs. 9,75,71,680 on account of Transfer Pricing adjustment to the total income of JMFISL. The order also disallowed an amount of Rs. 9,64,573 under Section 14A of the IT Act. An amount of Rs. 69,25,376 being unpaid service tax computation was also disallowed and ordered to be added back to the income of the assessee. The ITAT by way of an order dated September 13, 2013 restored the entire matter to the file of the DRP and directed that they deal with the issue within six months. On this reference, the Office of the Dispute Resolution Panel – III, Mumbai by way of an order dated March 31, 2014 rejected the additional grounds of appeal.

(ii) For the assessment year 2009-2010, the Deputy Commissioner of Income Tax 3(2)(1), Mumbai by way of an order dated November 29, 2011, added an amount of Rs. 1,79,85,122 on account of disallowance u/s.14A. JMFISL filed an appeal with the CIT(A)-4, Mumbai who by way of an order dated December 11, 2012 dismissed the appeal. The ITAT by way of an order dated October 7, 2015

allowed the Assessee's appeal and reduced the disallowance u/s.14A to Rs. 7,64,949/-.

Separately, the case of JMFISL was reopened u/s.147 and the Deputy Commissioner of Income Tax 3(2)(1), Mumbai by way of an order dated March 30, 2015, added an amount of Rs. 17,17,79,449 on account of marked to market loss. JMFISL filed an appeal with the CIT(A)-8, Mumbai who by way of an order dated January 31, 2017 allowed JMFISL's appeal and deleted the additions. The Department's appeal filed in the ITAT was dismissed vide order dated February 28, 2019. Against the ITAT Order, the Department has filed an appeal before the hon'ble Bombay High Court on September 6, 2019.

(iii) For assessment year 2012-2013, the AO by way of an order dated March 27, 2015 disallowed an amount of Rs. 1,19,74,543 under Section 14A of the IT Act read with Rule 8D of the IT Rules and also disallowed certain employee stock option expenditures amounting to Rs. 3,37,06,607. JMFISL (now JMFL) has filed an appeal with the CIT(A) which is pending disposal.

(iv) For assessment year 2014-2015, the AO passed an order dated December 24, 2016 making (a) disallowance of Rs. 51,33,451 under Section 14A of the IT Act; (b) disallowance of Rs. 7,18,66,566 on account of certain employee stock option expenses; (c) disallowance of mark to market losses of Rs. 40,000; and (d) certain brought forward losses amounting to Rs. 4,97,26,888 were not allowed. As per a rectification order under Section 154 dated April 18, 2017 brought forward losses to the extent of Rs. 40,45,738 were allowed. JMFISL (now JMFL) has filed an appeal with the CIT(A) on January 25, 2017. The same is pending.

(v) For the assessment year 2015-2016, the AO by way of an order dated December 19, 2017 (a) disallowed an amount of Rs. 2,15,80,178 under Section 14A of the IT Act; (b) disallowed an amount of Rs. 5,03,94,474 under Section 37(1) of the IT Act on account of certain employee stock option expenditures. A rectification order dated March 26, 2018 was passed holding that a shortfall of tax deducted at source amounting to Rs. 1,64,23,518 was allowed if the same matched with the Form 26AS. The rectification order also allowed MAT credit for assessment year 2012-2013 and a wrongful charge of interest under Section 234A was rectified. The total disallowance was accordingly Rs. 7,19,74,652. JMFISL (now JMFL) has filed an appeal with the CIT(A) on January 16, 2018. The same is pending.

(vi) For the assessment year 2017-2018, the AO by way of an order dated December 29, 2019 has made disallowances/additions, viz., (i) an amount of Rs. 1,89,95,500 under Section 14A of the IT Act read with Rule 8D of the IT Rules; (ii) an amount of Rs. 46,63,439 towards lease rent on vehicles; (iii) an amount of Rs. 4,07,40,540 towards rent on premises; and (iv) an amount of Rs. 6,45,70,041 towards support service fees. The Company has filed an appeal before the CIT(A) on January 28, 2020 and the same is pending.

(vii) For the assessment year 2018-2019, the AO by way of an order dated September 30, 2021 has made disallowances/additions, viz., (i) an amount of Rs. 1,78,70,514 under Section 14A of the IT Act read with Rule 8D of the IT Rules; and (ii) an amount of Rs. 4,72,81,296 towards support service fees. The Company has filed an appeal before the CIT(A) on October 29, 2021.

(viii) The Principal Commissioner of CGST & CEX, Mumbai Central by way of an order dated February 6, 2019 confirmed demand of service tax of Rs. 4,49,96,494 under section 73(2) of the Finance Act, 1994, imposed interest under section 75 of the Finance Act, 1994 and also imposed penalty of Rs. 4,49,96,494 under section 78 of the Finance Act, 1994. The said service tax demand is confirmed on brokerage income of Rs. 40,90,45,803/- from foreign clients including Foreign Institutional Investors (FIIs) during the period July 1, 2012 to September 30, 2014 on which the Company had not paid any service tax based on the provisions of Place of Provision of Services Rules, 2012. The Company has filed an appeal before the Central Excise & Service Tax Appellate Tribunal, Mumbai on May 7, 2019.

13.10 ***Details of all default/s and/or delay in payments of interest and principal of any kind of term loans, debt securities, commercial papers (including technical delay) and other financial indebtedness including corporate guarantee or letters of comfort issued by the Company, in the preceding three years and the current financial year***: Nil

13.11 **Any material event/ development or change having implications on the financials/credit quality (e.g. any material regulatory proceedings against the Issuer/Promoter, litigations resulting in material liabilities, corporate restructuring event etc.) at the time of issue which may affect the issue or the investor's decision to invest / continue to invest in the non-convertible securities/ commercial paper:** Nil

13.12 **Any litigation or legal action pending or taken by a Government Department or a statutory body or regulatory body during the three years immediately preceding the year of the issue of the General Information Document against the Promoter of the company**: Nil

13.13 **Details of *default* and non-payment of statutory dues for the preceding three financial years and current financial year*:*** Nil

13.14 **Details of pending litigation involving the Issuer, Promoter, Director, subsidiaries, group companies or any other person, whose outcome could have material adverse effect on the financial position of the Issuer, which may affect the issue or the investor's decision to invest / continue to invest in the debt securities and/ or non-convertible redeemable preference shares*:***

(a) **JM Financial Products Limited**

1. **Mr. Manoj Kumar Poddar:**
   Various complaints filed for dishonour of Cheque for an amount of Rs. 3.55 Crore for defaulting in repayment of loan amount arising out of settlement agreement executed between JM Financial Capital Limited and Borrowers and Mr. Manoj Kumar Poddar (Personal guarantor). The Borrowers failed in honouring the terms of settlement, hence Personal Guarantor was liable to make payment as per the terms and condition of the settlement agreement.

   Originally, JM Financial Capital Limited filed the complaint and on August 3, 2023, it was substituted with JM Financial Products Limited pursuant to assignment of loan by JM Financial Capital Limited in favour of JM Financial Products Limited vide assignment agreement dated May 17, 2023. Matter shall be listed for verification.

2. **Paduka Developers:**
   JM Financial Products Limited ("JMFPL") has initiated arbitration proceedings against one of its borrowers, Paduka Developers Private Limited (the "Borrower") for recovery of the outstanding amount of Rs. 202.82 crores alongwith interest due thereon. JMFPL has prayed in the arbitration proceedings that the Borrower and Avadhut Properties Private Limited (security provider) (collectively termed as Arristo group) should be directed to create security over the immovable property (commercial building situated at Mulund) in favour of JMFPL. The arbitration proceedings are pending, while certain interim orders have been passed.

   Pursuant to the aforesaid interim orders, JMFPL has entered into a settlement with Arristo group, wherein JMFPL will receive 1,45,000 sq. ft. area in the aforesaid commercial building in Mulund against the said dues. The said commercial building is under construction by Prestige group. The execution and registration of agreement for sale is under process. It is expected that the arbitration proceedings will be closed once the sale agreements with Prestige are signed.

Tax Litigation:
JM Financial Products Limited has ongoing tax litigation (direct and indirect taxes) involving an amount of Rs. 26.86 Crore.

(b) **JM Financial Commtrade Limited**

As disclosed under 13.9(b)(v)(a) of this General Information Document.

13.15 **Details of acts of material frauds committed against the Issuer in the preceding three financial years and current financial year, if any, and if so, the action taken by the Issuer** - *Nil*

13.16 ***Details* of pending proceedings initiated against the Issuer for economic offences, if any** – *Nil*

13.17 ***Related Party Transactions entered during the preceding three financial years and current financial year with regard to loans made or, guarantees given or securities provided*:**

The Company during the year 2022-2023 has given no loans or guarantees or have not provided any securities.

Further, for the related party transactions entered during the preceding three financial years and current financial, please refer to Part C of Annexure A.

13.18 ***Registrar and Transfer Agent***

Please refer to the relevant Key Information Document(s)

13.19 ***Consent of directors, auditors, bankers to issue, trustees, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.***

Particulars	Consent
Directors	Please refer to the relevant Key Information Document(s)
Auditors	Please refer to the relevant Key Information Document(s)
Bankers to issue	Please refer to the relevant Key Information Document(s)
Trustees	Please refer to the relevant Key Information Document(s)
Solicitors	Please refer to the relevant Key Information Document(s)
Advocates	Please refer to the relevant Key Information Document(s)
Legal advisors	Please refer to the relevant Key Information Document(s)
Lead managers	Please refer to the relevant Key Information Document(s)
Registrar	Please refer to the relevant Key Information Document(s)
Lenders	Please refer to the relevant Key Information Document(s)
Experts	Please refer to the relevant Key Information Document(s)

13.20 ***The names of the debenture trustee(s) shall be mentioned with a statement to the effect that debenture trustee(s) has given its consent for appointment along with the copy of the consent letter from the debenture trustee.***

Please refer to the relevant Key Information Document(s)

13.21 ***If the security is backed by a guarantee or letter of comfort or any other document of a similar nature, a copy of the same shall be disclosed. In case such document does not contain the detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the General Information Document.***

Please refer to the relevant Key Information Document(s).

13.22 ***Disclosure of cash flow with date of interest/ dividend/ redemption payment as per day count convention***

(i) ***Day count convention for dates on which the payments in relation to the Debt Securities which need to be made***

Please refer to the relevant Key Information Document(s).

(ii) ***Procedure and time schedule for allotment and issue of Debt Securities***

Please refer to the relevant Key Information Document(s)

(iii) ***Illustration on coupon payment dates and redemption date and cash flows emanating from the Debt Securities***

Please refer to the relevant Key Information Document(*s)*

13.23 ***Undertaking by the Issuer***

(i) Investors are advised to read the risk factors carefully before taking an investment decision in respect of the Issue. For taking an investment decision, investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this General Information Document and the relevant Key Information Document. Specific attention of investors is invited to section 'General Risk' on **page number 1** and the statement of 'Risk factors'.

(ii) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this General Information Document read with the relevant Key Information Document(s) contains all information with regard to the Issuer and the Issue, that the information contained in the General Information Document and the relevant Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this General Information Document and the relevant Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

(iii) The Issuer has no side letter with any holder of the Debt Securities. Any covenants later added shall be disclosed on the stock exchange where the Debt Securities will get listed.

13.24 ***Disclosures in respect of issue of non-convertible redeemable preference shares***

Not Applicable

13.25 ***Other Details***

(i) ***Debenture redemption reserve creation - relevant legislations and applicability***

Please refer to the relevant Key Information Document(s)

(ii) ***Issue/instrument specific regulations – relevant details (Companies Act, RBI guidelines etc.)***

Please refer to the relevant Key Information Document(s)

(iii) ***Governing Law and Provisions***

Please refer to the relevant Key Information Document(s)

(iv) ***Default in Payment***

Please refer to the relevant Key Information Document(s)

(v) ***Delay in Listing***

Please refer to the relevant Key Information Document(s)

(vi) ***Delay in allotment of securities***

Please refer to the relevant Key Information Document(s)

(vii) ***Issue Details***

Please refer to the relevant Key Information Document(s).

(viii) ***Application Process***

Please refer to the relevant Key Information Document(s).

(ix) ***Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project;***

Please refer to the relevant Key Information Document(s).

(x) ***Confirmation pertaining to the use of proceeds of Issue as required under the SEBI NCS Regulations***

Please refer to the relevant Key Information Document(s).

(xi) ***Broad lending and borrowing policy including summary of the key terms and conditions of the term loans such as re-scheduling, prepayment, penalty, default; and where such lending or borrowing is between the Issuer and its subsidiaries or associates, matters relating to terms and conditions of the term loans including re-scheduling, prepayment, penalty, default***

Not Applicable

(xii) ***Details of purchase and sale of securities of the Issuer and its subsidiaries***

Sr. No.	Particulars	Remarks
1	aggregate number of securities of the Issuer purchased or sold by the promoter group of Issuer within six months immediately preceding the date of this General Information Document	NIL
2	aggregate number of securities of the subsidiaries of Issuer purchased or sold by the promoter group of Issuer within six months immediately preceding the date of this General Information Document	NIL
3	aggregate number of securities of the Issuer purchased or sold by the directors of the company which is a promoter of Issuer within six months immediately preceding the date of this General Information Document	NIL
4	aggregate number of securities of the subsidiaries of Issuer purchased or sold by the directors of the company which is a promoter of Issuer within six months immediately preceding the date of this General Information Document	NIL
5	aggregate number of securities of the Issuer purchased or sold by the directors of the Issuer or their relatives within six months immediately preceding the date of this General Information Document	NIL
6	aggregate number of securities of the subsidiaries of the Issuer purchased or sold by the directors of the Issuer or their relatives within six months immediately preceding the date of this General Information Document	NIL

(xiii) ***Particulars of the material contracts***

Material Contracts - By very nature and volume of its business, the Company is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Company. However, the contracts referred to in Para A below (not being contracts entered into in the ordinary course of the business carried on by the Company) which are or may be deemed to be material have been entered into by the Company.

(a) **Para A:**

Letter appointing KFin Technologies Limited as Registrars and Transfer Agent ("**Registrar**").

(b) **Para B:**

(i) Memorandum and Articles of Association of the Company.

(ii) Consent letter from KFin Technologies Limited for acting as the Registrars and Transfer Agent dated August 8, 2023.

(iii) Tripartite Agreement between the Company, NSDL and the Registrar and Transfer Agent of Debt Securities in dematerialised form.

(iv) Tripartite Agreement between the Company, CDSL and the Registrar and Transfer Agent of the Debt Securities in dematerialised form.

(v) Annual Reports of the Company for last three Financial Years.

(vi) Any other document as may be required under the relevant Key Information Document(s).

Copies of above contracts may be inspected at the Registered Office of the Company between 10:00 a.m. and 12:00 noon on any working day until the issue closing date of the respective issue.

(xiv) ***Related Party Transactions***

Please refer to Part C of Annexure A (*Financial Statements*)

(xv) ***The summary of reservations or qualifications or adverse remarks of auditors in the three financial years imediately preceding the year of issue of the General Information Document, and of their impact on the financial statements and financial position of the Company, and the corrective steps taken and proposed to be taken by the Company for each of the said reservations or qualifications or adverse remarks***: Nil

(xvi) ***Details of any inquiry, inspections or investigations initiated or conducted under the securities law or Companies Act or any previous company law in the three financial years immediately preceding the year of circulation of this General Information Document in the case of Company and all of its subsidiaries. Also if there were any prosecutions filed (whether pending or not), fines imposed, or offences compounded in the three financial years immediately preceding the year of this General Information Document and if so, section-wise details thereof for the company and all of its subsidiaries***: Nil

(xvii) ***Details of the acts of material frauds committed against the Issuer in the preceding three financial years and current financial year, if any, and actions taken by the Issuer:*** Nil

14 DECLARATION BY THE ISSUER AS REQUIRED UNDER SCHEDULE I OF THE SEBI NCS REGULATION AND UNDER FORM PAS 4 OF THE COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES), RULES 2014

Please refer to the relevant Key Information Document(s)

15 SUMMARY OF TERMS

Security Name (Name of the non-convertible securities which includes (Coupon/dividend, Issuer Name and maturity year) e.g. 8.70% XXX 2015.	As set out in the respective Key Information Document
Issuer	JM Financial Services Limited ("**JMFSL/the Company**")
Arranger	As set out in the respective Key Information Document
Trustee	IDBI Trusteeship Services Limited
Registrar and Transfer Agents	KFin Technologies Limited
Type of Instrument	Secured, Rated, Listed, Redeemable, Non-Convertible Debentures
Nature of Instrument (Secured or Unsecured)	Secured
Seniority (Senior or Subordinated)	Senior, on pari-passu basis with future secured NCD holders.
Mode of Issue	Private placement
Eligible Investors	As set out in the respective Key Information Document
Listing (name of stock Exchange(s) where it will be listed and timeline for listing)	The Debentures are proposed to be listed on wholesale debt market segment of BSE. As per Chapter VII of the SEBI NCS Master Circular, the Company shall complete the listing of Debentures within T+3 trading day (T being the date of bidding for the Debentures or Issue Opening Date, as the case maybe).

	In case of delay in listing of Debentures beyond the timeline specified above, the Company will pay penal interest, of 1% p.a. over and above the coupon rate for the period of delay to the investor (i.e., from date of allotment to the date of listing).
Rating of the Instrument	As set out in the respective Key Information Document
Number of Debentures	As set out in the respective Key Information Document
Issue Size	As set out in the respective Key Information Document
Minimum Subscription	As set out in the respective Key Information Document
Option to retain oversubscription (Amount)	As set out in the respective Key Information Document
Anchor Portion Details	As set out in the respective Key Information Document
Total Amount Anchor Portion (not exceeding 30% of Base Issue size)	As set out in the respective Key Information Document
Name of Anchor Investor(s)	As set out in the respective Key Information Document
Quantum for each Anchor Investor (₹)	As set out in the respective Key Information Document
Objects of the Issue / Purpose for which there is requirement of funds	As set out in the respective Key Information Document
In case the issuer is a NBFC and the objects of the issue entail loan to any entity who is a 'group company' then disclosures shall be made in the following format	Not Applicable
Details of the utilization of the Proceeds	As set out in the respective Key Information Document
Coupon /Dividend Rate	As set out in the respective Key Information Document
Step Up/Step Down Coupon Rate	As set out in the respective Key Information Document
Coupon/Dividend Payment Frequency	As set out in the respective Key Information Document
Coupon / Dividend payment dates	As set out in the respective Key Information Document
Cumulative / non-cumulative, in case of dividend	Not Applicable
Coupon Type (Fixed, floating or other structure)	As set out in the respective Key Information Document
Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc.).	As set out in the respective Key Information Document
Day Count Basis (Actual/Actual)	As set out in the respective Key Information Document
Interest on Application Money	Not Applicable
Default Interest Rate	As set out in the respective Key Information Document
Tenor	As set out in the respective Key Information Document
Redemption Schedule and Date	As set out in the respective Key Information Document
Redemption Amount	As set out in the respective Key Information Document
Redemption Premium	As set out in the respective Key Information Documentd
Issue Price	As set out in the respective Key Information Document
Discount at which security is issued and the effective yield as a result of such discount.	None
Premium/Discount at which security is redeemed and the effective yield as a result of such premium/discount.	As set out in the respective Key Information Document
Put Date	As set out in the respective Key Information Document
Put Price	As set out in the respective Key Information Document

Call Date	As set out in the respective Key Information Document
Call Price	As set out in the respective Key Information Document
Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)	As set out in the respective Key Information Document
Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)	As set out in the respective Key Information Document
Face Value	As set out in the respective Key Information Document
Minimum Application and in multiples of thereafter	As set out in the respective Key Information Document
Issue Timing	
1. Issue Opening Date	As set out in the respective Key Information Document
2. Bidding Date	As set out in the respective Key Information Document
3. Issue Closing Date	As set out in the respective Key Information Document
4. Date of earliest closing of the issue, if any.	As set out in the respective Key Information Document
5. Pay-in Date	As set out in the respective Key Information Document
6. Deemed Date of Allotment	As set out in the respective Key Information Document
Settlement mode of the Instrument	Demand Draft / Pay Order / Direct Credit / ECS / NEFT / RTGS / NACH / other permitted mechanisms.
Depository(ies)	NSDL / CDSL
Disclosure of Interest / Dividend / redemption dates	As set out in the respective Key Information Document
Record Date	As set out in the respective Key Information Document.
All covenants of the issue (including side letters, accelerated payment clause, etc.)	As set out in the respective Key Information Document
Description regarding Security (where applicable) including type of security movable / immovable/ tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation, replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the Offer Document/ Issue Documents/Transaction Documents.	As set out in the respective Key Information Document
Minimum Security Cover	As set out in the respective Key Information Document
Transaction Documents	As set out in the respective Key Information Document
Allocation Option	Uniform Yield
Mechanism of Settlement	Indian Clearing Corporation Limited (ICCL)
Issuance mode of the Instrument	Demat only
Trading mode of the Instrument	Demat only
Business Day Convention	As set out in the respective Key Information Document
Conditions Precedent to Disbursement	As set out in the respective Key Information Document
Condition Subsequent to Disbursement	As set out in the respective Key Information Document

Events of Default (including manner of voting/conditions of joining Inter Creditor Agreement)	As set out in the respective Key Information Document
Creation of recovery expense fund	As set out in the respective Key Information Document.
Conditions for breach of covenants (as specified in the Debenture Trust Deed)	All conditions for breach of covenants of this issue are covered in the relevant Key Information Document, including any amendment, from time to time.
Provisions related to Cross Default Clause	As set out in the respective Key Information Document.
Role and Responsibilities of Debenture Trustee	As per SEBI (Debenture Trustee) Regulations, 1993, SEBI (Issue and Listing of Non-Convertible Securities) Regulation, 2021, the Companies Act, 2013 and the rules made thereunder, the Debenture Trustee Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.
Risk Factors pertaining to this Issue	As per Point 4 of General Information Document dated September 8, 2023.
Governing Law and Jurisdiction	The Debenture Documents shall be governed by the laws of India. The Courts in Mumbai will have exclusive jurisdiction in relation to any dispute that may arise out of or in connection with any of the Debenture Documents.

16 DISCLOSURE IN TERMS OF SEBI DEBENTURE TRUSTEE MASTER CIRCULAR

Please refer to the relevant Key Information Document(s)

17 DISCLOSURE PRESCRIBED UNDER FORM PAS-4 OF COMPANIES (PROSPECTUS AND ALLOTMENT OF SECURITIES), RULES, 2014

Please refer to the relevant Key Information Document(s)

ANNEXURE A – FINANCIAL STATEMENTS

PART A: AUDITED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021, MARCH 31, 2022 AND MARCH 31, 2023

The auditor report along with the resquisite schedules, footnotes, summary of Financial Year ended March 31, 2021, March 31, 2022 and March 31, 2023 have been annexed separately.

PART B: AUDITED CASH FLOW STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021, MARCH 31, 2022 AND MARCH 31, 2023

Forms part of the enclosed audited Financial Statements for the Financial Year ended March 31, 2021, March 31, 2022 and March 31, 2023.

Reference to the relevant page numbers of the Financial Statements which sets out the details of the cashflow statements for the three financial years immediately preceding the date of this General Information Document:

FY 2022-23	Please refer to page no. 16 and page no. 17
FY 2021-22	Please refer to page no. 17 and page no. 18
FY 2020-21	Please refer to page no. 14 and page no. 15

PART C: RELATED PARTY TRANSACTIONS FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021, MARCH 31, 2022 AND MARCH 31, 2023

Forms part of the enclosed audted Financial Statements for the Financial Year ended March 31, 2021, March 31, 2022 and March 31, 2023.

Reference to the relevant page numbers of the Financial Statements which sets out the details of the Related Party Transactions entered during the three financial years immediately preceding the date of this General Information Document:

FY 2022-23	Please refer to page no. 56 and page no. 61
FY 2021-22	Please refer to page no. 43 and page no. 53
FY 2020-21	Please refer to page no. 44 and page no. 48

ANNEXURE A

B S R & Co. LLP

Chartered Accountants

14th Floor, Central B Wing and North C Wing,
Nesco IT Park 4, Nesco Center,
Western Express Highway,
Goregaon (East), Mumbai – 400063, India
Telephone: +91 (22) 6257 1000
Fax: +91 (22) 6257 1010

Limited Review Report on unaudited financial results of JM Financial Services Limited for the quarter ended 30 June 2023 pursuant to Regulation 33 and Regulation 52(4) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021

To the Board of Directors of JM Financial Services Limited

1. We have reviewed the accompanying Statement of unaudited financial results of JM Financial Services Limited (hereinafter referred to as "the Company") for the quarter ended 30 June 2023 ("the Statement").

2. This Statement, which is the responsibility of the Company's management and approved by its Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "*Interim Financial Reporting*" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India and in compliance with Regulation 33 and Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations"), as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021. Our responsibility is to issue a report on the Statement based on our review.

3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "*Review of Interim Financial Information Performed by the Independent Auditor of the Entity*", issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

4. Attention is drawn to the fact that the figures for the three months ended 31 March 2023 as reported in the Statement are the balancing figures between audited figures in respect of the full previous financial year and the published year to date figures up to the third quarter of the previous financial year. The figures up to the end of the third quarter of previous financial year had only been reviewed and not subjected to audit.

5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52(4) of the Listing Regulations, as prescribed in Securities and Exchange Board of India operational circular SEBI/HO/DDHS/P/CIR/2021/613 dated 10 August 2021, including the manner in which it is to be disclosed, or that it contains any material misstatement.

6. We draw attention to Note 4 of the financial results for the quarter ended 30 June 2023 which describes

BSR & Co. LLP Chartered Accountants

the accounting for the merger of JM Financial Capital Limited, wholly owned subsidiary with the Company in accordance with the Scheme of Arrangement approved by the National Company Law Tribunal ('NCLT') vide its order dated 20 April 2023. The certified copy of the order sanctioning the Scheme has been filed by the Company with the Registrar of Companies, Maharashtra on 18 May 2023. Though the appointed date as per the NCLT approved Scheme is 1 April 2023, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the corresponding amounts for the previous year ended 31 March 2023, quarter ended 31 March 2023 and 30 June 2022 have been restated by the Company after recognising the effect of the merger as above. The aforesaid note (Note 4) also describes in detail the impact of the business combination on the financial results.

Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Kapil Goenka

Partner

Membership No.: 118189

UDIN:23118189BGURJJ4959

Mumbai

25 July 2023

JM FINANCIAL

JM FINANCIAL SERVICES LIMITED
STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

Particulars	Quarter ended			Year ended
	30-Jun-23 Unaudited	31-Mar-23 Unaudited*	30-Jun-22 Unaudited*	31-Mar-23 Audited *
1 Income				
a. Revenue from Operations				
Fees and Commission Income	9,073.44	9,966.89	8,685.55	39,390.73
Other Operating Revenue	6,193.17	5,554.38	3,568.64	18,117.34
Net gain on fair value changes	204.29	178.26	229.47	867.99
b. Other Income	533.78	1,839.55	55.39	2,401.14
Total income	**16,004.68**	**17,539.08**	**12,539.05**	**60,777.20**
2 Expenses				
a. Sub brokerage, transaction costs and other direct expenses	3,891.69	4,050.28	3,245.60	16,424.49
b. Employee benefit expenses	5,330.16	7,440.87	4,517.89	20,587.84
c. Finance costs	3,652.68	3,256.39	1,506.75	9,320.05
d. Impairment on financial instruments	(539.12)	(117.47)	(335.68)	(267.56)
e. Depreciation and amortisation expenses	676.09	673.64	397.30	2,107.03
f. Other expenses	1,621.93	2,187.64	1,708.54	8,161.86
Total expenses	**14,633.43**	**17,491.35**	**11,040.40**	**56,333.71**
3 Profit/(Loss) before tax (1-2)	**1,371.25**	**47.73**	**1,498.65**	**4,443.49**
4 Tax expense				
a. Current tax	56.55	(786.57)	331.36	280.00
b. Deferred tax	151.07	411.15	32.77	374.56
c. Tax adjustments for earlier years (net)	-	(26.42)	-	(8.96)
Total tax expense	**207.62**	**(401.85)**	**364.13**	**645.60**
5 Net Profit/(Loss) after tax (3-4)	**1,163.63**	**449.57**	**1,134.51**	**3,797.89**
6 Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit obligation	(8.72)	33.80	18.43	(26.55)
(ii) Income tax on items that will not be reclassified to profit or loss	2.20	(8.51)	(4.64)	6.68
Other Comprehensive Income	(6.52)	25.30	13.79	(19.87)
7 Total Comprehensive Income (5+6)	**1,157.11**	**474.87**	**1,140.30**	**3,778.02**
8 Paid up equity share capital (Face value Rs.10/- per share)	5,000.00	5,000.00	5,000.00	5,000.00
9 Earnings Per Share (EPS)				
Basic EPS (in Rs.) (Not annualised)	2.33	0.90	2.27	7.60
Diluted EPS (in Rs.) (Not annualised)	2.03	0.77	1.97	6.61

Refer notes 1 to 9 to the audited financial results.

* Restated pursuant to merger (refer note 3 and 4)

JM Financial Services Limited
Corporate Identity Number : U67120MH1998PLC115415
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JM FINANCIAL SERVICES LIMITED MUMBAI

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JM FINANCIAL SERVICES LIMITED

STATEMENT OF UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2023

Notes:

1 The above unaudited financial results have been reviewed and approved by the Board of Directors at the meeting held on July 25, 2023.These results have been subjected to a Limited Review by the statutory auditors of the Company.

2 The above unaudited financial results have been prepared as per format prescribed in Regulation 52 (4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 .

3 During the financial year 2022-23, a Scheme of Arrangement (the "Scheme") was filed with the National Company Law Tribunal (the "NCLT") for demerger of the undertaking comprising Private Wealth and Portfolio Management Services (the "PMS") along with the investment in JM Financial Institutional Securities Limited (which houses the institutional equities business) from the Company to JM Financial Limited ("JMFL"). The Scheme also comprised of merger of JM Financial Capital Limited (the "JMFCL") into the Company, a wholly owned subsidiary of the Company. The Company has received the NCLT order approving the Scheme on April 20, 2023 with the appointed date April 1, 2023. Upon filing with the Registrar of Companies, the scheme became effective from May 18, 2023 with the appointed date as April 1, 2023. Pursuant to the said Scheme,

- JMFCL ceased to be a step-down subsidiary of the Company consequent upon its merger with the Company;
- JM Financial Institutional Securities Limited became a direct wholly owned subsidiary of JMFL; and
- the Private Wealth and PMS divisions became part of JMFL and is classified under the Investment Bank segment from the Platform AWS segment of JMFL.

4 Pursuant to the Scheme of Arrangement under Section 230 - 232 of the Companies Act, 2013 in relation to the merger of JM Financial Capital Limited (the "Transferor Company") into JM Financial Services Limited (the "Transferee Company") w.e.f. 1st April 2023, the management has restated the comparative information in accordance with Ind AS 103 which has been derived/ extracted from the financial results of the Transferor company which has been audited by the erstwhile auditors of the Transferor Company.

JM Financial Capital Limited	Quarter ended		Year ended
Particulars	Mar-23	Jun-22	Mar-23
	Unaudited	Unaudited	Audited
Total revenue from operations	729.52	899.27	3,445.54
Other income	1.95	0.58	2.61
Total income	**731.47**	**899.84**	**3,448.15**
Total expense	98.66	306.44	781.00
Impairment	(318.32)	(341.31)	(752.58)
Profit before tax	**951.13**	**934.71**	**3,419.73**
Tax expense	271.42	238.39	906.70
Net profit for the period	**679.71**	**696.32**	**2,513.03**

5 Pursuant to the above Scheme of Arrangement, the Wealth and Portfolio Management Services segment including investment in JM Financial Institutional Securities Limited (the "demerged undertaking") have been demerged and transferred to the resulting Company i.e. JM Financial Limited w.e.f. 1st April 2023.

6 The Company has only one reportable business segment i.e. Rendering of Financial Services which includes broking income from primary and secondary market, income from depository participant activities, income from portfolio management services, etc.

7 Information as required by Regulation 52 (4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, 2015 is as per Annexure 'I" attached

8 During the quarter ended June 30, 2023, the Company has issued Commercial papers (CPs) for an amount aggregating upto ₹ 755 Crore and redeemed CPs for an amount aggregating upto ₹ 640 Crore. The closing (outstanding) balance of CPs as on June 30, 2023 was ₹ 1080 Crore.

9 The figures in respect of the results for the preceding three months ended March 31, 2023 are the balancing figures between the audited financial results in respect of the full financial year March 31, 2023 and the year to date figures up to the third quarter ended December 31, 2022, which were approved by the Board of Directors.

For and on behalf of the Board

JM FINANCIAL SERVICES LIMITED MUMBAI

Niraj Gandhi
Whole Time Director
DIN : 08778702

Place : Mumbai
Date : July 25, 2023

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JM FINANCIAL SERVICES LIMITED

Annexure I

Additional Information as required under Regulation 52(4) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 as amended

1 **Key Financial Ratios:**

Sr.no	Particulars	Quarter ended			Year ended
		30-Jun-23	31-Mar-23	30-Jun-22	31-Mar-23
		Unaudited	Unaudited	Unaudited	Audited
1	Debt to Equity Ratio	2.26	1.94	1.05	1.94
2	Debt Service Coverage Ratio	0.05	0.04	0.05	0.14
3	Interest Service Coverage Ratio	1.56	1.22	2.26	1.70
4	Total Debts to Total Assets ratio	0.32	0.29	0.24	0.29
5	Debtors Turnover ratio	0.16	0.19	0.34	0.74
6	Operating Margin (%)	8.57	0.27	11.95	7.31
7	Net Profit margin (%)	7.27	2.56	9.05	6.25
8	Inventory Turnover ratio	NA	NA	NA	NA
9	Current ratio	1.11	1.18	1.29	1.17
10	Current Liability Ratio	0.95	0.97	0.96	0.97
11	Long Term Debt to Working Capital	NA	NA	NA	NA
12	Bad debts to Account Receivable	NA	NA	NA	NA
13	Sector specific equivalent ratios	NA	NA	NA	NA
14	Outstanding Redeemable Preference Shares (Rs. In lakh)	4200	-	-	4200
15	Capital Redemption Reserve (Rs. In lakh)	469	469	469	469
16	Net Worth (Rs in lakh)	50,853	56,729	59,073	56,729
17	Net Profit/(Loss) After tax (Rs in lakhs)	1,163.63	449.57	1,134.51	3,797.89
18	Earnings Per Share (EPS)				
	Basic EPS (in Rs.) (Not annualised)	2.33	0.90	2.27	7.60
	Diluted EPS (in Rs.) (Not annualised)	2.03	0.77	1.97	6.61

19 **Definitions for Coverage ratios:**

	Ratio	Definition
(i)	Debt equity ratio	Total debt / Total Shareholder's funds
(ii)	Debt service coverage ratio	Profit before depreciation, finance charges and tax (Includes OCI) / Total debt
(iii)	Interest service coverage ratio	Profit before depreciation, finance charges and tax (Includs OCI)/ Finance charges
(iv)	Total Debts to Total Assets	Total Debts / Total Assets
(v)	Debtors Turnover ratio	Operating Income / Average Receivables (Income includes Fees & Commission income,Interest on delayed payments
(vi)	Operating Margin	Profit before tax / Total Income
(vii)	Net Profit margin	Profit after tax / Total income
(viii)	Inventory Turnover ratio	Sales / Average Inventory
(ix)	Current ratio	Current Assets / Current Liabilities
(x)	Current Liability ratio	Current Liabilities / Total Liabilities

JM FINANCIAL SERVICES LIMITED MUMBAI

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Annexure II

1 Details of repayment of principal of CPs during the Quarter ended June 30, 2023 are as under :

ISIN	Previous due date / Repayments (April 2023 to June 2023)		Principal		Tranche Name
	Date	Amount (Rs. in Crore)	Next repayment	Amount (Rs. in Crore)	
Commercial Papers					
INE012I14NM1	02-Jun-23	50.00			JMFSL/2223/CP/00032
INE012I14NX8	12-Jun-23	25.00			JMFSL/2223/CP/00070
INE012I14NY6	13-Jun-23	25.00			JMFSL/2223/CP/00073
INE012I14NZ3	16-Jun-23	20.00			JMFSL/2223/CP/00074
INE012I14OB2	27-Jun-23	20.00			JMFSL/2223/CP/00077
INE012I14OE6	18-Apr-23	200.00			JMFSL/2223/CP/00081
INE012I14OF3	25-Apr-23	25.00			JMFSL/2223/CP/00082
INE012I14OG1	26-May-23	50.00			JMFSL/2223/CP/00083
INE012I14OH9	08-Jun-23	30.00			JMFSL/2223/CP/00084
INE012I14OK3	22-Jun-23	100.00			JMFSL/2223/CP/00091 JMFSL/2223/CP/00093
INE012I14OB2	27-Jun-23	20.00			JMFSL/2223/CP/00094
INE012I14ON7	29-Jun-23	75.00			JMFSL/2324/CP/00002
	Total	**640.00**			

1.1 Details of outstanding CPs as at June 30, 2023 are as under

ISIN	Previous due date / Repayments (April 2023 to June 2023)		Principal		Tranche Name
	Date	Amount (Rs. in Crore)	Next repayment	Amount (Rs. in Crore)	
Commercial Papers					
INE012I14NV2			11-Sep-23	75.00	JMFSL/2223/CP/00071
INE012I14OA4			15-Dec-23	50.00	JMFSL/2223/CP/00075
INE012I14NV2			11-Sep-23	100.00	JMFSL/2223/CP/00085
INE012I14OI7			30-Aug-23	25.00	JMFSL/2223/CP/00086 JMFSL/2223/CP/00087
INE012I14OJ5			14-Sep-23	125.00	JMFSL/2223/CP/00088 JMFSL/2223/CP/00089
INE012I14OL1			26-Mar-24	25.00	JMFSL/2223/CP/00090
INE012I14OO5			18-Jul-23	150.00	JMFSL/2324/CP/00004 JMFSL/2324/CP/00005 JMFSL/2324/CP/00006 JMFSL/2324/CP/00007 JMFSL/2324/CP/00008
INE012I14OP2			26-Jul-23	25.00	JMFSL/2223/CP/00094
INE012I14OQ0			20-Nov-23	25.00	JMFSL/2324/CP/00012
INE012I14OR8			07-Sep-23	100.00	JMFSL/2324/CP/00015
INE012I14OT4			12-Jun-24	50.00	JMFSL/2324/CP/00017
INE012I14OS6			11-Apr-24	15.00	JMFSL/2324/CP/00016
INE012I14OU2			28-Feb-24	25.00	JMFSL/2324/CP/00021
INE012I14OI7			30-Aug-23	50.00	JMFSL/2324/CP/00023
INE012I14OV0			25-Aug-23	100.00	JMFSL/2324/CP/00024
INE012I14OW8			24-Nov-23	140.00	JMFSL/2324/CP/00034 JMFSL/2324/CP/00035
			Total	**1,080.00**	

Notes 1) The Company has repaid Commercial Papers on due dates
2) Commercial Papers amount shown above are at face value.

2 **Details of Credit rating and changes in credit rating is given here under:**

Rating particulars	**Rating Agency**	**Rating Assigned**
Short Term Debt Programme		
Commercial Paper	ICRA Limited	ICRA A1+
	CRISIL Ratings Limited	Crisil A1+
Long Term Debt Programme		
Bank Loan Rating	ICRA Limited	ICRA AA (stable)

JM FINANCIAL SERVICES LIMITED MUMBAI

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Independent Auditor's Report

To the Members of JM Financial Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JM Financial Services Limited (the "Company") which comprise the balance sheet as at 31 March 2023, and the statement of profit and loss (including other comprehensive income), statement of changes in equity 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its profit and other comprehensive loss, changes in equity 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 SAs 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 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 on the financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Information Technology (IT) systems used in financial reporting process	
The key audit matter	How the matter was addressed in our audit
Information Technology **IT systems and controls** The Company's key financial accounting and reporting processes are dependent on the automated controls in information	We have involved IT Specialists in performing following audit procedures to assess the IT systems and controls: • Performed control testing on user access management, change management and system application controls over key financial accounting and

systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. Therefore, the assessment of the general IT controls and the application controls specific to the accounting and preparation of financial information is considered to be a key audit matter.	reporting systems. • Tested key automated controls operating over the information technology systems in relation to financial accounting and reporting systems, including system access and system change management. • Tested the design and operating effectiveness of key controls over user access management which includes granting access/right, new user creation, removal of user rights and super user access rights management over the in-scope systems. • For selected key general IT controls over financial and reporting systems, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process. • Other areas that were tested include password policies, controls over changes to applications, its associated operating systems and databases and controls to ensure that developers don't have access to change applications, the operating system or databases in the production environment. Performed alternate procedures by testing compensatory controls for areas where IT controls were not relied upon

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report(s) thereon. The annual report is expected to be made available to us after 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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

BSR & Co. LLP Chartered Accountants

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) 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 A. 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

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 31 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".

B. 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.

a. The Company has disclosed the impact of pending litigations as at 31 March 2023 on its financial position in its financial statements - Refer Note 30 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of it's knowledge and belief, as disclosed in the Note 44 to the financial statements, 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 Company 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 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.

(ii) The management has represented that, to the best of it's knowledge and belief, as disclosed in

the Note 44 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

d. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

e. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1 April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Kapil Goenka

Partner

Membership No.: 118189

ICAI UDIN:23118189BGUREA8571

Place: Mumbai

Date: 27 April 2023

Annexure A to the Independent Auditor's Report on the Financial Statements of JM Financial Services Limited for the year ended 31 March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is a service company, primarily rendering broking and allied services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, one of the Company's principal business activities is to give loans. Accordingly, clause 3(iii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company grants margin trading finance loans wherein the schedule of repayment of principal and payment of interest has not been stipulated and

BSR & Co. LLP Chartered Accountants

Annexure A to the Independent Auditor's Report on the Financial Statements of JM Financial Services Limited for the year ended 31 March 2023 *(Continued)*

accordingly we are unable to comment on whether the repayments or receipts are regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

Rs. in crore

	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of Repayment (B)	632.53		
Total (A+B)	632.53		
Percentage of loans/advances in nature of loan to the total loans	100%		

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax, Value added tax, Employee State Insurance, Duty of Customs or Cess during the year since effective 1 July 2017, these statutory dues has been subsumed into GST.

BSR & Co. LLP Chartered Accountants

Annexure A to the Independent Auditor's Report on the Financial Statements of JM Financial Services Limited for the year ended 31 March 2023 *(Continued)*

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Income-Tax or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of

BSR & Co. LLP Chartered Accountants

Annexure A to the Independent Auditor's Report on the Financial Statements of JM Financial Services Limited for the year ended 31 March 2023 *(Continued)*

Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(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 its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

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

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

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

BSR & Co. LLP Chartered Accountants

Annexure A to the Independent Auditor's Report on the Financial Statements of JM Financial Services Limited for the year ended 31 March 2023 *(Continued)*

(xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Kapil Goenka

Partner

Membership No.: 118189

ICAI UDIN:23118189BGUREA8571

Place: Mumbai

Date: 27 April 2023

Annexure B to the Independent Auditor's Report on the financial statements of JM Financial Services Limited for the year ended 31 March 2023

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(i) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

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

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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.

Auditor's 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 and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 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 statements.

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

Annexure B to the Independent Auditor's Report on the financial statements of JM Financial Services Limited for the year ended 31 March 2023 *(Continued)*

statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include 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 the 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.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Kapil Goenka

Partner

Membership No.: 118189

ICAI UDIN:23118189BGUREA8571

Place: Mumbai

Date: 27 April 2023

JM FINANCIAL SERVICES LIMITED
BALANCE SHEET AS AT MARCH 31, 2023

(Rupees in Crore)

Sr. No.	Particulars	Note no.	As at March 31, 2023	As at March 31, 2022
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	4	106.67	145.69
(b)	Bank balances other than (a) above	5	1,557.99	1,023.40
(c)	Trade receivables	6	909.60	241.73
(d)	Loans	7	632.53	310.11
(e)	Investments	8	279.24	278.84
(f)	Other financial assets	9	54.12	23.45
			3,540.15	**2,023.22**
(2)	**Non-Financial Assets**			
(a)	Current tax assets (net)		59.60	43.36
(b)	Deferred tax assets (net)	10	9.83	7.34
(c)	Property, Plant and Equipment	11	111.23	53.17
(d)	Intangible assets under development	11	5.18	2.66
(e)	Other intangible assets	11	7.95	2.91
(f)	Other non-financial assets	12	20.74	13.00
			214.53	**122.44**
	Total Assets		**3,754.68**	**2,145.66**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Trade Payables	13		
	Total outstanding dues of micro and small enterprises		0.10	1.07
	Total outstanding dues of creditors other than micro and small enterprises		40.48	36.55
	Other Payables			
	Total outstanding dues of micro and small enterprises		-	-
	Total outstanding dues of creditors other than micro and small enterprises		1,282.07	799.18
(b)	Debt securities	14	983.34	479.36
(c)	Borrowings (other than debt securities)	15	166.26	-
(d)	Lease Liabilities	16	103.77	51.67
(e)	Other financial liabilities	17	648.75	202.30
	Total Financial Liabilities		**3,224.77**	**1,570.13**
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (net)		-	1.50
(b)	Provisions	18	20.81	18.77
(c)	Other non-financial liabilities	19	15.90	24.11
	Total Non-Financial Liabilities		**36.71**	**44.38**
(3)	**EQUITY**			
(a)	Equity share capital	20	50.00	50.00
(b)	Other equity	21	443.20	481.15
	Total Equity		**493.20**	**531.15**
	Total Liabilities and Equity		**3,754.68**	**2,145.66**
	The accompanying notes form an integral part of the financial statements	1 to 52		

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : April 27, 2023

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - A18252

JM Financial Services Limited Mumbai

JM FINANCIAL SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr. No.	Particulars	Note no.	For the year ended March 31, 2023	For the year ended March 31, 2022
1	**Income**			
	Revenue from Operations			
(a)	Fees and Commission Income	22	393.80	439.70
(b)	Other Operating Revenue	22	149.03	104.77
(c)	Net gain on fair value changes	23	6.47	7.49
	Total Revenue from Operations		**549.30**	**551.96**
	Other Income	24	23.97	50.24
	Total Income		**573.27**	**602.20**
2	**Expenses**			
(a)	Sub-brokerage, transaction costs and other direct expenses		169.85	174.62
(b)	Finance costs	25	92.15	51.08
(c)	Impairment on financial instruments	26	4.85	0.22
(d)	Employee benefits expense	27	201.83	170.04
(e)	Depreciation and amortization expense	11	20.83	14.92
(f)	Other expenses	28	74.32	43.73
	Total Expenses		**563.83**	**454.61**
3	**Profit Before Tax**		**9.44**	**147.59**
4	**Tax Expenses**	29		
(a)	Current tax		-	26.19
(b)	Deferred tax		(2.40)	0.19
(c)	Tax adjustment of earlier years(net)		(0.21)	(0.83)
	Total Tax Expenses		**(2.61)**	**25.55**
5	**Net Profit**		**12.05**	**122.04**
6	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	- Actuarial gain/(losses) on post retirement benefit plans		(0.35)	0.71
	- Income tax on the above		0.09	(0.18)
	Total Other Comprehensive Income		**(0.26)**	**0.53**
7	**Total Comprehensive Income**		**11.79**	**122.57**
8	**Earning Per Share (EPS)**			
	(Face Value of Rs. 10/- each)			
	Basic EPS (in Rs.)		2.41	24.41
	Diluted EPS (in Rs.)		2.10	21.22
	The accompanying notes form an integral part of the financial statements	1 to 52		

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : April 27, 2023

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - A18252

JM Financial Services Limited Mumbai

JM FINANCIAL SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

A. Equity share capital

Particulars	Balance as at April 01, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
Equity share capital	50.00	-	50.00	-	50.00

B. Other equity

Particulars	Compulsory Convertible Preference shares	Reserves & Surplus				Total Other Equity
		Securities Premium Account	Capital Redemption Reserve	Retained earnings	Share options outstanding account	
Balance as at April 1, 2021	**7.50**	**60.65**	**4.69**	**326.19**	-	**399.03**
Profit for the year				122.04		**122.04**
Other comprehensive income				0.53		**0.53**
Dividend Paid				(40.45)		**(40.45)**
Balance as at April 1, 2022	**7.50**	**60.65**	**4.69**	**408.31**	-	**481.15**
Profit for the year				12.05		12.05
Other comprehensive income				(0.26)		(0.26)
Dividend Paid				(50.45)		(50.45)
Employee Stock Options (Net)					0.71	0.71
Balance as at March 31, 2023	**7.50**	**60.65**	**4.69**	**369.65**	**0.71**	**443.20**

The accompanying notes form an integral part of the financial statements (1 to 52)

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : April 27, 2023

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - A18252

JM Financial Services Limited Mumbai

JM FINANCIAL SERVICES LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
A	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	9.44	147.60
	Adjustments for :		
	Depreciation and amortisation	20.84	14.92
	(Profit)/Loss on sale of fixed assets	(0.08)	0.03
	ESOP Cost Account (Employee Cost) for FS	0.71	
	Finance costs	92.15	51.08
	Dividend income on investments	(15.75)	(33.75)
	Share of profit from partnership firm/AOP where the Company is a Partner/Member	(5.26)	(14.24)
	Fair Valuation of Derivatives Financial Instrument (Asset)	-	(0.26)
	Fair Valuation of Derivatives Financial Instrument (Liability)	-	0.10
	Interest income	(0.04)	(0.07)
	Operating Profit before Working Capital Changes	**102.01**	**165.41**
	Adjustment for:		
	Increase in Payables	485.85	75.12
	(Decrease) in lease Liabilities	(11.10)	(7.36)
	Increase in other financial liabilities	446.45	38.85
	Increase in provisions	1.69	1.22
	(Decrease)/Increase in non financial liabilities	(8.21)	12.65
	(Increase) in loans	(322.43)	(94.53)
	(Increase)/ Decrease in trade receivables	(667.86)	30.28
	(Increase)/Decrease in other bank balances	(534.59)	27.10
	(Increase) in other non financial assets	(7.74)	(4.27)
	(Increase) in other financial assets	(33.63)	(2.97)
	Cash used in /generated from operations	**(549.56)**	**241.50**
	Income tax paid	(17.52)	(26.73)
	Net cash (used) / generated from operating activities (A)	**(567.08)**	**214.77**
B	**Cash Flow from Investing Activities**		
	Purchase of of fixed assets	(20.31)	(8.02)
	Sale of fixed assets	0.09	0.24
	Proceeds from closure of Nifty Linked Options	-	5.33
	Investment in Mutual Funds	734.57	(678.95)
	Proceeds from mutual funds	(734.57)	679.10
	Contribution to Partnership Firm / Association of Persons	(0.90)	-
	Share of profits received from Partnership firm & AOP	5.75	14.79
	Interest received	0.04	0.07
	Dividend income on investments	15.75	33.75
	Net Cash (used) / generated from Investing Activities (B)	**0.42**	**46.31**

BSR & Co. LLP Chartered Accountants

JM Financial Services Limited Mumbai

JM FINANCIAL SERVICES LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr No	Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
C	**Cash flow from Financing Activities**		
	(Repayment)/Issue of Nifty Linked Debentures	-	(62.06)
	Issue of 9% Redeemabale Preference Shares	42.00	-
	Borrowings through debt securities	2,861.98	1,398.20
	Repayment of debt securities	(2,400.00)	(1,295.00)
	Repayment of borrowings other than debt securities	(2,236.85)	6,987.00
	Proceeds from borrowings other than debt securities	2,403.12	(7,097.87)
	(Repayment) of Lease Liabilities	(18.51)	(12.82)
	Dividends paid	(50.45)	(40.45)
	Interest paid	(73.65)	(38.27)
	Net Cash generated from / (used in)Financing Activities (C)	**527.64**	**(161.27)**
	Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(39.02)	99.81
	Cash and cash equivalents at the beginning of the year	145.69	45.88
	Cash and cash equivalents at the end of the year	**106.67**	**145.69**

Note:

Statement of cash Flows has been prepared under the indirect method as set out in the Ind AS 7 and as specified in the Companies (Indian Accounting Standards) Rules, 2015.

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : April 27, 2023

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - A18252

JM Financial Services Limited Mumbai

1 Corporate Information

JM Financial Services Limited (herein after referred to as 'The Company') is domiciled and incorporated as a public limited company in India under the provisions of the Companies Act, 2013. The company is engaged in the business of shares/stock and commodity broking. It carries out its activities through membership of BSE Limited, The National Stock Exchange of India Ltd, The Multi Commodity Exchange of India Limited (MCX) & National Commodity and Derivatives Exchange Ltd (NCDEX).

The Company is also a distributor/ broker for primary market i.e. distributor for Initial Public Offers, Fixed income products and Mutual funds. The Company operates through its network of branches and sub-brokers. Besides this, the Company is also engaged in the business of Depository Participant Services, Portfolio Management Services, Investment Advisory Services and granting of Loans for Margin Trade Financing as per the guidelines of the Securities Exchange Board of India (SEBI). The Company has also obtained an corporate agency agency from the Insurance Regulatory and Development Authority (IRDA) for providing Insurance Services.

The Company is covered by rules and bye-laws of all the Exchange(s) as mentioned above. It is also governed by SEBI, Goods and Services Tax Act, Department of Company Affairs etc.

The Company commenced its business operations on June 19, 1998

The Company has also listed its Commercial Papers issued to the schemes of Mutual Funds as per the SEBI vide circular SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the "Act") and guidelines issued by the SEBI as applicable. The Ind AS are prescribed under Section 133 of the Act and relevant amendment rules issued thereafter.

Effective April 01, 2018, the Company has adopted all the Ind AS and the adoption was carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards, with April 1, 2017 as the transition date. The transition was carried out from Indian Accounting Principles generally accepted in India as prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (IGAAP), which was the previous GAAP.

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Basis of Measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.
The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.
The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Accounting Standards, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Board.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III of Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees in crore (rounded off to two decimal places) as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

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2.2 Property, Plant and Equipment and Intangible Assets

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the statement of profit and loss in accordance with schedule II to the Compnaies Act 2013.

Property, Plant and Equipment	**No.of Years**
Office Premise	60 Years
Leasehold	10 years or period of lease, whichever is lower
Servers and networks	6 Years
Other EDP machines	3 Years
Office equipment	5 Years
Furniture and fixtures	10 Years
Office Premises taken on Lease	Period of Lease
Vehicles	Period of Lease
Intangible assets	
Computer	5 Years

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.
Assets taken on lease are depreciated over a period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

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Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets. Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life of 5 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss. Goodwill is not amortised.
Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate."

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Deemed cost on transition to Ind AS

For transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of April 1, 2017 (transition date) measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

Impairment losses on non-financial assets

As at the end of each year, the Company reviews the carrying amount of its non-financial assets, that is PPE and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss.

An asset is considered as impaired when on the Balance Sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.3 Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net-of variable consideration) allocated to that performance obligation. The transaction price of goods and services rendered is net-of variable consideration on account of various discounts and schemes offered by the Company as a part of the contract.

2.3.1 Fees and Commission Income

Brokerage and Distribution, Selling, Advisory and Other fees: These are recognised net of goods and services tax recovered.

Brokerage earned from executing client transactions on the secondary market in "Cash" , "Future and Option" and "commodity" segments are recognised in the accounts on the trade date.

Fees earned from primary market operations, i.e. procuring subscription from investors for public offerings of companies are recognised on determination of the amount due to the Company by the RTA and after the allotment of securities is completed.

Fees earned for mobilizing bonds, fixed deposits from companies and funds for mutual funds from investors are recognised on monthly, quarterly or annual basis as set forth in terms of the engagement.

Fees from Structured Products, Insurance Products, Depository Participant Business and Portfolio Management Services are recognised when the services are determined to be completed

2.3.2 Interest Income

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.3.3 Dividend Income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.3.4 Investment Income

The gains/ losses on sale of investments are recognised in the Statement of Profit and Loss on the trade date. Gain or loss on sale of investments is determined after consideration of cost on FIFO basis.

2.4 Leasing

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

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i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Company uses Group incremental borrowing rate as the discount rate.
The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:
• fixed payments, including in-substance fixed payments;
• variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
• amounts expected to be payable under a residual value guarantee; and
• the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

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Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

Critical accounting judgements and Key sources of estimation uncertainty"

Leases:

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

2.5 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.6 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

2.7 Employee benefits

Retirement benefit costs and termination benefits:
Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.

The Group makes specified monthly contributions towards Government administered provident fund scheme.

Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

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Defined Benefit Obligation:

The Company's Gratuity liability under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefits

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Group's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.
The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

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2.8 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income.
The Group has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.
Ind AS 12.71
Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any.
Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax is not recognised for:
- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be

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Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

2.9 Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

2.10 Provisions

Provisions are recognised only when:

i. an entity has a present obligation (legal or constructive) as a result of a past event; and

ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

iii. a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Where the Group expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract

Contingent Liability:

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a 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 the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the consolidated financial statements.

Contingent Assets:

Contingent asset is not recognised in consolidated financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date

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2.11 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

i. estimated amount of contracts remaining to be executed on capital account and not provided for;

ii. uncalled liability on shares and other investments partly paid;

iii. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.12 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.13 Segments

As per Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company has only one operating business segment i.e securities based activities: This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, margin trade financing etc carried out in India.Accordingly there are no separate reportable segments, as per the Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

2.14 Financial Instruments

Recognition of Financial Instruments

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument

Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

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Initial Measurement of Financial Instruments

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent Measurement of Financial Assets:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-bv-investment basis.

Classification of Financial Assets:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset-by-asset basis:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and
- the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

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Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the individual asset basis and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed at individual basis and collectively to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Equity Investments at FVTOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on equity instruments measured through FVTPL are recognised in the Statement of Profit & Loss.

Gains and losses on equity instruments measured through FVTOCI are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

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Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects or initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described below.

Impairment of financial assets

Overview of the Expected Credit Loss principles

The company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive).
ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.
Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company measures ECL on an individual basis. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:
Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3 - Non-performing assets with overdue more than 90 DPD

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 and loans under short term financing, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Derecognition of financial assets

The Company derecognises a financial asset when:
- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
• substantially all of the risks and rewards of ownership of the financial asset are transferred;or
• the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

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Write-off

Loans and trade receivables are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

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A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition

Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

2.15 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

2.16 Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit (or loss) attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted Earnings Per Share

Diluted earnings per share is computed by dividing the profit (considered in determination of basic earnings per share) after considering the effect of interest and other financing costs or income (net of attributable taxes) associated with dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares

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2.17 Standards Issued but net yet effective

Ministry of Corporate affairs have made changes on March 31, 2023, in the following Indian Accounting Standards (Ind AS) amended namely Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115, Ind AS 1, Ind AS 8, Ind AS 12 and Ind AS 34. These amendments shall be applicable from annual reporting periods beginning on or after April 01, 2023

2.18 Share-based payment arrangements

The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an employee benefits expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes.

The fair value of the amount payable to employees in respect of share appreciation rights ("SARs"), which are settled in cash, is recognised as an employee benefits expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognised in profit or loss.

2.19 Current / Non-Current Classification Policy

The Company classifies an asset as current asset when:

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the asset primarily for the purpose of trading;
- it expects to realise the asset within twelve months after the reporting period; or
- the asset is cash or a cash equivalent unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is classified as current when –

- it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- it holds the liability primarily for the purpose of trading;
- the liability is due to be settled within twelve months after the reporting period; or
- it does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other liabilities are classified as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company's normal operating cycle is twelve months.

2.20 Securities held for trading

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee

The gains/ losses on sale of securities held for trading are recognised in the Statement of Profit and Loss on the trade date. Gain or loss on sale of securities held for trading is determined after consideration of cost on FIFO basis.

Securities held for trading instruments are classified as at FVTPL.

3 Critical accounting judgements and key sources of estimation uncertainties

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Expected Credit Loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in Note 38

Fair Valuation

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Company uses market observable data to the extent it is available. When Level 1 inputs are not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 38.

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(Rupees in Crore)

Sr No	Particulars	As at March 31, 2023	As at March 31, 2022
4	**Cash and cash equivalents**		
	Cash on hand	-	-
	Balances with banks in current accounts	106.67	145.69
	Total	**106.67**	**145.69**
5	**Other bank balances**		
	In deposit accounts under lien against which facilities are availed	1,557.99	1,023.40
	Total	**1,557.99**	**1,023.40**

5.1 Fixed deposit and other balances with banks earns interest at fixed rate.

5.2 Other bank balances include deposit accounts and are under lien and lodged with stock exchange'(s) towards base/additional base capital or are under lien towards overdraft facilities and guarantees given by the banks to Stock Exchanges.

6	**Trade Receivables**		
	Secured, considered good	795.18	160.46
	Unsecured considered good	117.10	81.87
	Significant increase in Credit Risk	1.50	0.68
	Trade Receivables	**913.78**	**243.01**
	Less: Provision for Impairment	(4.18)	(1.28)
	Total	**909.60**	**241.73**

6.1 Reconciliation of impariment allowance on Trade Receivables:

Impairment allowance		
Opening Impairment allowance	1.28	2.23
Add/ (less): Provided/(reversed) during the year	2.90	(0.95)
Closing Impairment allowance	4.18	1.28

6.2 Trade receivable ageing schedule: (Gross)

As at March 31, 2023

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	912.28					912.28
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	1.20	0.16	0.06	0.08	1.50
(iii) Undisputed Trade Receivables- credit impaired						-
(iv) Disputed Trade Receivables- considered good						-
(v) Disputed Trade Receivables- significant increase in credit risk						-
(vi) Disputed Trade Receivables- credit impaired						
Total	**912.28**	**1.20**	**0.16**	**0.06**	**0.08**	**913.78**

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	242.28	-	0.05	-	-	242.33
(ii) Undisputed Trade Receivables- significant increase in credit risk	0.02	0.05	0.22	-	0.39	0.68
(iii) Undisputed Trade Receivables- credit impaired						-
(iv) Disputed Trade Receivables- considered good						-
(v) Disputed Trade Receivables- significant increase in credit risk						-
(vi) Disputed Trade Receivables- credit impaired						
Total	**242.30**	**0.05**	**0.27**	**-**	**0.39**	**243.01**

Note :There are no debts due by Directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director is a partner or a Director or a member.

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(Rupees in Crore)

Sr No	Particulars	As at March 31, 2023	As at March 31, 2022
7	**Loans**		
	Loans repayable on demand - Margin Trade Financing	636.35	311.98
	Gross	**636.35**	**311.98**
	Less: Impairment loss allowance	(3.82)	(1.87)
	Net	**632.53**	**310.11**
7.1	**Break up of loans into secured and unsecured**		
	Secured		
	Secured by Shares, Bonds, etc	636.35	311.98
	Secured by Fixed Deposits, Book Debts, Inventories and other working capital items	-	-
	Unsecured	-	-
	Gross	**636.35**	**311.98**
	Less: Impairment loss allowance	(3.82)	(1.87)
	Net	**632.53**	**310.11**
7.2	**Reconciliation of impariment allowance on Loans**		
	Impairment allowance		
	Opening Impairment allowance	1.87	1.30
	Add/ (less): Provided/(reversed) during the year	1.95	0.57
	Closing Impairment allowance	3.82	1.87

Note:

There are no loans due by Directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any Director is a partner or a Director or a member.

There are no loans or advances in the nature of loans to promoters, directors, KMPs or related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2023	As at March 31, 2022
8	**Investments**		
	(In India)		
(a)	**At Cost**		
	Subsidiaries		
	Equity instruments (Shares)		
	Equity shares of JM Financial Commtrade Limited of Rs. 10/- each fully paid up	5.00	5.00
	Equity shares in JM Financial Capital Limited of Rs.10/- each fully paid up	225.00	225.00
	Equity shares of JM Financial Institutional Securities Limited of Rs. 10/- each fully paid up	27.75	27.75
	Preference Shares		
	9% non-cumulative redeemable preference shares of JM Financial Commtrade Limited of Rs. 10/- each fully paid up	2.50	2.50
	6% optionally convertible redeemable non-cumulative preference shares of JM Financial Commtrade Limited of Rs. 10/- each fully paid up.	16.00	16.00
	Partnership firm		
	Contributions to Partnership Firm where a Company is a Partner on capital account	0.90	0.90
	Contributions to AOPs (ARB Maestro) where a Company is a Member on capital account	0.90	0.00
	Share of Profit - Astute Investments	0.21	1.69
	Share of Profit - ARB Maestro	0.98	0.00
	Total	279.24	278.84
	Less: Impairment loss allowance	-	-
	Net	**279.24**	**278.84**

8.1 The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

8.2 Measured at cost in accordance with IND AS 27 - Separate Financial Statements.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2023	As at March 31, 2022
9	**Other Financial Assets**		
	Advances to employees	0.12	0.21
	Deposits with stock exchanges, professional clearing member etc	26.24	3.78
	Deposits for premises		
	To Related Parties	7.32	4.10
	To Others	4.89	3.61
	Other deposits	1.43	1.37
	Interest accrued on bank deposits	13.77	6.61
	Securities held for trading	0.35	3.75
	Total	**54.12**	**23.45**
10	**Deferred tax assets**		
	Difference between books and tax written down value of fixed assets	3.62	3.26
	Expense allowable on payment basis	4.20	3.29
	Impairment of financial instruments	2.01	0.79
	Fair value of investments*	0.00	(0.00)
	Total	**9.83**	**7.34**

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax

10.1 For the year ended March 31, 2023

Deferred tax asset / (liability)	Opening balances as on 01.04.2022	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Recognised in Other Equity	Closing balances as on 31.03.2023
Difference between books and tax written down value of fixed assets	3.26	0.36	-	-	3.62
Expense allowable on payment basis	3.29	0.82	0.09	-	4.20
Impairment of financial instruments	0.79	1.22	-	-	2.01
Fair value of investments	(0.00)	0.00	-	-	0.00
Total	**7.34**	**2.40**	**0.09**	**-**	**9.83**

10.2 For the year ended March 31, 2022

Deferred tax asset / (liability)	Opening balances as on 01.04.2021	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Recognised in Other Equity	Closing balances as on 31.03.2022
Difference between books and tax written down value of fixed assets	2.71	0.55	-	-	3.26
Expense allowable on payment basis	3.31	0.16	(0.18)		3.29
Impairment of financial instruments	0.89	(0.10)	-	-	0.79
Fair value of investments	(0.03)	0.03	-	-	(0.00)
Accrued Interest on Nifty Linked Debentures	0.83	(0.83)	-	-	-
Total	**7.71**	**(0.19)**	**(0.18)**	**-**	**7.34**

*Denotes less than 1 lakh

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

11 Property, plant and equipment

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 01, 2022	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2023	As at April 01, 2022	Charge for the year	Deductions/ adjustments	As at March 31, 2023	As at March 31, 2023
Property Plant and Equipment									
Owned Assets									
Office Premise	0.62	-	-	0.62	0.06	0.01	-	0.07	0.55
Leasehold improvements	5.34	2.81	0.03	8.12	3.40	0.92	0.02	4.30	3.81
Computers	13.04	5.80	0.36	18.48	9.04	2.52	0.35	11.21	7.27
Office equipment	1.22	1.20	0.32	2.09	0.79	0.29	0.31	0.77	1.33
Furniture and fixtures	0.73	0.74	0.28	1.18	0.21	0.38	0.28	0.31	0.87
Leased Assets									
Office Premises	75.47	154.03	87.82	141.69	30.32	14.69	-	45.02	96.67
Vehicles (Refer Note i)	1.18	0.50	0.49	1.19	0.59	0.35	0.49	0.46	0.73
Total Property Plant and Equipment	**97.60**	**165.07**	**89.30**	**173.37**	**44.42**	**19.16**	**1.46**	**62.14**	**111.23**
Intangible Assets									
Software	13.01	6.71	-	19.72	10.10	1.67	-	11.77	7.95
Total Intangible Assets	**13.01**	**6.71**	-	**19.72**	**10.10**	**1.67**	-	**11.77**	**7.95**
Intangible assets under development									**5.18**

Note:

i) Vendor has lien over the assets taken on lease

ii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current year or previous year

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2021	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2022	As at April 1, 2021	Charge for the year	Deductions/ adjustments	As at March 31, 2022	As at March 31, 2022
Property Plant and Equipment									
Owned Assets									
Office Premise	0.62	-	-	0.62	0.05	0.01	-	0.05	0.57
Leasehold improvements	5.02	0.58	0.27	5.34	2.90	0.68	0.18	3.40	1.94
Computers	11.04	2.65	0.66	13.04	7.99	1.71	0.66	9.04	3.99
Office equipment	1.44	0.17	0.40	1.22	0.92	0.27	0.40	0.79	0.43
Furniture and fixtures	0.71	0.08	0.06	0.73	0.11	0.15	0.06	0.21	0.52
Leased Assets									
Office Premises	69.82	6.69	1.04	75.47	20.28	10.06	-	30.32	45.15
Vehicles (Refer Note)	1.46	0.35	0.63	1.18	0.75	0.39	0.55	0.59	0.58
Total Property Plant and Equipment	**90.12**	**10.51**	**3.04**	**97.58**	**33.00**	**13.27**	**1.84**	**44.41**	**53.17**
Intangible Assets									
Software	11.46	1.55	-	13.01	8.46	1.65	-	10.10	2.91
Total Intangible Assets	**11.46**	**1.55**	-	**13.01**	**8.46**	**1.65**	-	**10.10**	**2.91**
Intangible assets under development									**2.66**

Note:

i) Vendor has lien over the assets taken on lease

ii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current year or previous year

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(Rupees in Crore)

Ageing schedule for Capital Work in Progress / Intangible Assets Under Development (IAUD)

As at March 31, 2023

Particulars	Amount in CWIP / IAUD as on March 31, 2023				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	5.57	-	-	-	5.57
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**5.57**	-	-	-	**5.57**

As at March 31, 2022

Particulars	Amount in CWIP / IAUD as on March 31, 2022				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	3.34	0.04	-	-	3.38
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**3.34**	**0.04**	-	-	**3.38**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2023	As at March 31, 2022
12	**Other Non-financial Assets**		
	GST credit receivable	10.97	8.72
	Capital advances	0.39	0.72
	Prepaid Expenses	8.73	2.95
	Others (employee advance, advance for expenses, etc.,)	0.65	0.61
	Total	**20.74**	**13.00**
13	**Payables**		
	Trade Payables		
	Total outstanding dues of micro and small enterprises	0.10	1.07
	Total outstanding dues of creditors other than micro and small enterprises	40.48	36.55
	Other Payables		
	Total outstanding dues of micro and small enterprises	-	-
	Total outstanding dues of creditors other than micro and small enterprises	1,282.07	799.18
	Total	**1,322.65**	**836.80**

13.1 Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.10	1.07
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	**0.10**	**1.07**

Particulars	As at March 31, 2023	
	MSME	Others
Outstanding for following periods from due date of payment		
Less than 1 year	0.10	1,321.37
1-2 years	-	0.52
2-3 years	-	0.11
More than 3 years	-	0.55
Total	**0.10**	**1,322.55**

Particulars	As at March 31, 2022	
	MSME	Others
Outstanding for following periods from due date of payment		
Less than 1 year	1.07	834.71
1-2 years	-	0.38
2-3 years	-	0.58
More than 3 years	-	0.06
Total	**1.07**	**835.73**

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JM FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2023	As at March 31, 2022
14	**Debt Securities**		
	Within India		
	At amortised cost		
	Unsecured		
	Commercial paper	965.00	485.00
	Unamortised interest on commercial paper	(23.67)	(5.64)
		941.33	**479.36**
	9% Redeemable Preference Shares	42.00	-
	Interest accrued on the above	0.01	-
		42.01	-
	Total	**983.34**	**479.36**
	Debt securities in India	983.34	479.36
	Debt securities outside India	-	-
	Total	**983.34**	**479.36**

14.1 The maximum amount of commercial paper outstanding at any time during the year was Rs. 1060 crore (FY2021-22: Rs. 585 crore).

14.2 Commercial paper has interest ranging from 5.05% to 8.95% p.a (4.10% to 5.77% p.a for FY 2021-22) and are repayable within a period upto 365 days from the date of disbursement.

15	**Borrowings (other than debt securities)**		
	Within India at amortised cost		
	Secured		
	Overdraft Facility from Banks	61.26	-
	From Related Party		
	Inter corporate deposits	105.00	-
	Total	**166.26**	-
16	**Lease Liabilities**		
	Operating lease liability	102.93	50.96
	Finance lease liability	0.84	0.71
	Total	**103.77**	**51.67**
17	**Other Financial Liabilities**		
	Margin money from clients / franchisees	604.25	150.01
	Employee benefits payable	43.93	48.14
	Director commission payable	0.15	0.18
	Overdrawn book balances	-	3.77
	Other liabilities	0.42	0.02
	Unspent CSR Expenditure	-	0.15
	Total	**648.75**	**202.30**
18	**Provisions**		
	Provision for Gratuity	14.03	13.11
	Provision for Compensated Absences	6.78	5.67
	Total	**20.81**	**18.77**
19	**Other Non Financial Liabilities**		
	Statutory Dues	15.90	24.11
	Total	**15.90**	**24.11**

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JM FINANCIAL SERVICES LIMITED

JM FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2023		As at March 31, 2022	
20	**Equity Share Capital**				
	Particulars	**Number**	**Amount**	**Number**	**Amount**
	[a] Authorised share capital				
	Equity shares of the par value of Rs.10 each	5,50,00,000	55.00	5,50,00,000	55.00
	Preference Shares of the par value of Rs.10 each	1,00,00,000	10.00	1,00,00,000	10.00
	Total	**6,50,00,000**	**65.00**	**6,50,00,000**	**65.00**
	[b] Issued, Subscribed and paid up				
	Equity shares of Rs.10 each	5,00,00,000	50.00	5,00,00,000	50.00
	Total	**5,00,00,000**	**50.00**	**5,00,00,000**	**50.00**
	[c] Subscribed and paid up				
	Equity shares of Rs.10 each	5,00,00,000	50.00	5,00,00,000	50.00
	Total	**5,00,00,000**	**50.00**	**5,00,00,000**	**50.00**

20.1 Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at March 31, 2023		As at March 31, 2022	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares				
Shares outstanding at the beginning of the year	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**5,00,00,000**	**50,00,00,000**	**5,00,00,000**	**50,00,00,000**

20.2 Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2023		As at March 31, 2022	
	Number of	Percentage	Number of	Percentage
JM Financial Limited (alongwith 6 shares held by other nominee shareholders)	5,00,00,000	100%	5,00,00,000	100%

20.3 Terms and rights attached to each class of shares:

Equity Shares:

The Company has issued only one class of shares i.e. equity. The equity shareholders are entitled to dividend as and when dividend is declared and approved by the shareholders.

20.4 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date **NIL**

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2023	As at March 31, 2022
21	**Other equity**		
	6% Compulsory Convertible Preference shares		
	As per last Balance Sheet	7.50	7.50
	Additions during the year	-	-
	Deletions during the year	-	-
		7.50	**7.50**
	Stock option outstanding		
	Opening Balance		
	Add : Additions on account of fresh grants during the year	5.55	-
	Less : Deferred employee compensation	(4.84)	-
		0.71	**-**
	Securities Premium Account		
	As per last balance sheet	60.65	60.65
	Additions during the year	-	-
	Deletions during the year	-	-
		60.65	**60.65**
	Capital Redemption Reserves		
	As per last balance sheet	4.69	4.69
	Additions during the year	-	-
	Deletions during the year	-	-
		4.69	**4.69**
	Retained earnings		
	As per last balance sheet	408.31	326.19
	Profit for the year	12.05	122.04
	Other Comprehensive income	(0.26)	0.53
	Less :	-	-
	Dividend Paid	(50.45)	(40.45)
		369.65	**408.31**
	Total	**443.20**	**481.15**

6% Compulsory Convertible Preference shares

75,00,000 6% CCPS of Rs. 10/- each at a premium of Rs. 57/- per share were issued by the Company to its holding company in financial year 2018-2019. As per the terms of the issue each CCPS shall be converted into equity shares is the ratio of 1 : 1 anytime between the completion of 3 years from the date of allotment of CCPS and the end of tenth year.

Stock Options Outstanding

Stock option outstanding relates to the stock options granted by the Company to employees under an Employee Stock options Plan (refer note 33)

Securities Premium Account

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserves

Capital Redemtion Reserve was created in financial year 2010-2011 on redemption of optionally convertible preference shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

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JM FINANCIAL SERVICES LIMITED. MUMBAI

JM FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr. No	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
22	**Revenue from Operations**		
	Fees and commission Income		
	Brokerage	202.70	220.60
	Distribution, selling, advisory and other fees	191.10	219.10
	Total	**393.80**	**439.70**
	Other Operating Revenue		
	Interest income on fixed deposit placed as margin, etc	57.66	35.41
	Interest income from margin financing	57.00	32.84
	Interest on delayed payment recovered from clients	30.49	33.74
	Recoveries from clients/franchisees etc	3.88	2.79
	Total	**149.03**	**104.77**
23	**Net gain on fair value changes**		
	On financial instruments designated at fair value through profit and loss account		
	Fair Value changes:		
	Realised	6.46	7.49
	Unrealised	0.01	0.00
	Total	**6.47**	**7.49**
	Total Revenue from Operations	**549.30**	**551.95**
24	**Other Income**		
	Interest income	0.04	0.07
	Share of profit from partnership firm where the Company is a Partner	0.58	14.24
	Share of profit from AOP where the Company is a Member	4.67	-
	Dividend Income	15.75	33.75
	Profit on sale of fixed assets (net)	0.14	0.07
	Provision written back	1.94	1.49
	Miscellaneous income	0.06	0.03
	Finance Income on remeasurement of security deposits	0.79	0.59
	Total	**23.97**	**50.24**

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JM FINANCIAL SERVICES LIMITED. MUMBAI

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr. No	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
25	**Finance Costs**		
	On financial liabilities measured at amortised cost		
	Debt Securities		
	Commercial Papers	49.91	24.82
	Nifty Linked Debentures	-	3.74
	Borrowings (Other than Debt Securities)		
	Inter Corporate Deposits	7.37	2.58
	Bank Overdraft	2.67	1.65
	Finance charges on leased assets	0.31	0.36
	Finance charges on leased premises	6.64	4.85
	Finance charges on Preference Shares	0.01	-
	Other Financial liabilities		
	On Margins	18.38	6.40
	On Others		
	Bank Guarantee and other charges	6.86	6.67
	Total	**92.15**	**51.08**
26	**Impairment of Financial Instruments**		
	On Financial instruments measured at Amortised Cost		
	Provision for expected credit loss	4.85	0.22
	Total	**4.85**	**0.22**
27	**Employee benefits**		
	Salaries, bonus, other allowances and benefits	188.80	159.98
	Contribution to provident and other funds	7.91	6.20
	Share based payments- Equity settled	0.58	0.42
	Gratuity	2.86	2.59
	Staff welfare expenses	1.68	0.85
	Total	**201.83**	**170.04**
28	**Other Expenses**		
	Rent and other related costs	0.41	0.22
	Rates and taxes	1.83	0.86
	Repairs and maintenance	1.72	1.26
	Professional and consultancy charges	4.85	3.24
	Communication expenses	1.71	1.58
	Information technology expenses	18.15	11.36
	Membership and subscription	1.04	1.16
	Electricity	2.04	1.30
	Insurance	3.75	2.89
	Printing and stationery	1.20	0.99
	Donations	1.89	1.24
	Manpower expenses	10.93	8.43
	Auditors remuneration		
	As auditors	0.27	0.22
	In any other manner (limited reviews,certifications,OPE, etc)	0.10	0.07
	Directors Commission	0.15	0.18
	Travelling expenses	1.85	0.39
	Bad Debts written off	-	1.20
	Business development expenses	14.52	2.89
	Expenditure on Special Events	1.96	0.02
	Recruitment Charges	1.69	1.04
	Miscellaneous expenses	4.26	3.15
	Total	**74.32**	**43.73**

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

Sr.No	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
29	**Tax Expenses**		
29.1	**Income tax**		
	Current tax	-	26.19
	Tax adjustment in respect of earlier years (net)	(0.21)	(0.83)
	Deferred tax	(2.40)	0.19
	Total income tax expenses recognised in the current year	**(2.61)**	**25.55**
	Income tax expense recognised in other comprehensive income	(0.09)	0.18
29.2	**Reconciliation of total tax charge**		
	Income tax expense for the year reconciled to the accounting profit:	**(2.61)**	**25.55**
	Profit before tax	9.44	147.60
	Income tax rate	25.17%	25.17%
	Income tax expense	2.38	37.15
	Tax Effect of:		
	Income that is exempt from tax	(1.32)	(3.58)
	Income not chargeble to tax	(3.75)	(8.48)
	Expenses that are not deductible in determining taxable profits	0.29	0.46
	Tax adjustments in respect of earlier years (net)	(0.21)	-
	Income tax expense recognised in profit and loss	**(2.61)**	**25.55**
	Effective Tax Rate	**-27.65%**	**17.31%**
	Note: In current year company has availed a benefit of Section 80M of the Income tax Act, 1961 and hence the tax expense for current year is Nil.		
30	**Contingent liabilities**		
(a)	Counter guarantees given to the banks in respect of guarantees issued by them to stock exchange/(s).	946.30	693.93
(b)	Fixed deposits placed as margins against the bank guarantees issued by the banks	473.20	347.05
(c)	Income tax demands in respect disputed disallowances and tax deducted at source under the Income Tax Act,1961. With regards to above, the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize.	0.55	1.05
31	**Commitments**		
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for	0.01	0.05
32	**Earning per equity share**		
(a)	Profit attributable to equity share holders (Rs. in crore)	12.05	122.04
(b)	Weighted Number of equity shares outstanding during the year	5,00,00,000	5,00,00,000
(c)	Weighted Number of equity shares outstanding during the year after adjustment for dilution	5,75,00,000	5,75,00,000
(d)	Nominal value per share (Rs.)	10	10
(e)	EPS		
	Basic (Rs.)	2.41	24.41
	Diluted (Rs.)	2.10	21.22

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JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

Sr.No	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
33	**Share-based payments**		
33.1	**Employee share option plan of the Holding Company**		
	During the current year and in the earlier years , based on the request made by JM Financial Services Limited ('the Company'), JM Financial Limited, in accordance with Securities And Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999, has granted the equity stock options, inter alia, to the eligible employees and/or directors of the Company.		
	Charge on account of the above scheme included in employee benefit expenses	(0.13)	0.42

33.2 **Employee share option plan of the Company**

The Employee Stock Option Scheme ('the Scheme') provides for grant of stock options to the eligible employee/employee(s) ("the Employees") of the Company. The Stock Options are granted at an exercise price, as approved by the ESOP Committee of the Board of Directors of the Company.

During the financial year 2022-23, the ESOP Committee had granted 4,80,766 options under Scheme termed as "JM Financial Services Employee Share Purchase Option Scheme 2022" / "JMFSL-ESOS 2022"/ "Scheme" at an exercise price of ₹ 104/- per option to the Employees, that will vest in a graded manner and which can be exercised as specified in the scheme. There was no grant of stock options during the financial year 2021-22.

The details of options are as under:

Particulars	For the year ended	
	March 31, 2023	March 31, 2022
Outstanding at the beginning of the year	-	NA
Add: Granted during the year	4,80,766	NA
Less: Exercised and shares allotted during the year	-	NA
Less: Forfeited/cancelled during the year	-	NA
Less: Lapsed during the year	-	NA
Outstanding at the end of the year	4,80,766	NA
Exercisable at the end of the year	-	NA

The Company follows fair value based method of accounting for determining compensation cost for its stock-based compensation scheme. The fair value of each stock options granted during the current year is mentioned in the table below. The fair value has been calculated by applying Black and Scholes model as valued by an independent valuer.

Tranches	% of Options to be vested	No. of options granted	
		Current Year	Previous Year
Tranche-1	10%	48,077	NA
Tranche-2	20%	96,153	NA
Tranche-3	30%	1,44,230	NA
Tranche-4	40%	1,92,300	NA

Tranches	Vesting date		Fair value per option	
	Current Year	Previous Year	Current Year	Previous Year
Tranche-1	12-Oct-24	NA	116.43	NA
Tranche-2	12-Oct-25	NA	116.34	NA
Tranche-3	12-Oct-26	NA	115.66	NA
Tranche-4	12-Oct-27	NA	114.49	NA

Series "JMFSL-ESOS 2022"/ "Scheme"	Life of the Option (in years)		Risk-free interest rate	
	Current year	Previous year	Current Year	Previous year
Tranche-1	2	NA	7.41	NA
Tranche-2	3	NA	7.41	NA
Tranche-3	4	NA	7.41	NA
Tranche-4	5	NA	7.41	NA

Series "JMFSL-ESOS 2022"/ "Scheme"	Volatility		Dividend Yield	
	Current year	Previous year	Current Year	Previous Year
Tranche-1	0.5	NA	0.04	NA
Tranche-2	0.5	NA	0.04	NA
Tranche-3	0.5	NA	0.04	NA
Tranche-4	0.5	NA	0.04	NA

33.3 ESOP cost recognised in Statement of Profit and Loss during financial year 2022-23 is ₹ 0.70 crore (Previous year Nil).

33.4 Details of options granted under "JMFSL-ESOS 2022"/ "Scheme" are as under:

Grant date	Options granted	Options exercised till March 31, 2023	Options forfeited/cancelled till March 31, 2022	Options lapsed till March 31, 2023	Outstanding at the end of the year	Exercisable at the end of the year
12-Oct-22	4,80,766	-	-	-	4,80,766	-

Vesting of option		Exercise period	Exercise price	Pricing formula
Year 1	0%	Within 5 years from the date of vesting	₹ 104.00	As was determined by the ESOP Committee at its meeting held on October 12, 2022
Year 2	10%			
Year 3	20%			
Year 4	30%			
Year 5	40%			

(Rupees in Crore)

34 Lease Transactions

Following are the changes in the carrying value of the right to use assets for the year ended March 31, 2023:

Category of right to use asset	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2022	Additions	Deletions	As at March 31, 2023	As at April 1, 2022	Depreciation	Deletions	As at March 31, 2023	As at March 31, 2023
Office Premises	75.47	154.03	87.82	141.69	30.32	14.69	-	45.02	96.67
Total	**75.47**	**154.03**	**87.82**	**141.69**	**30.32**	**14.69**	-	**45.02**	**96.67**

Following are the changes in the carrying value of the right to use assets for the year ended March 31, 2022:

Category of right to use asset	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2021	Additions	Deletions	As at March 31, 2022	As at April 1, 2021	Depreciation	Deletions	As at March 31, 2022	As at March 31, 2022
Office Premises	69.82	6.69	1.04	75.47	20.28	10.06	-	30.32	45.15
Total	**69.82**	**6.69**	**1.04**	**75.47**	**20.28**	**10.06**	-	**30.32**	**45.15**

As per IND AS 116, a lease modification is accounted for as a separate lease if the modification increases the scope of the lease by adding the right to use one or more underlying assets and the consideration of the lease increases by an amount commensurate with the standalone price for the increase in scope.

• Accordingly, the Company has accounted for the increase in scope of the lease of underlying asset as a new lease and increased the right to use asset and lease liability by Rs. 37.26 crs without any corresponding impact in P&L.

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(Rupees in Crore)

34.1 The following is the movement in lease liabilities during the year ended March 31, 2023 and March 31, 2022:

Particulars	As at March 31, 2023	As at March 31, 2022
Opening balance	51.67	53.76
Additions during the year	64.23	6.73
Deletions during the year	(0.57)	(1.22)
Finance costs accrued during the year	6.95	5.22
Payment of lease liabilities	(18.51)	(12.82)
	103.77	**51.67**

Table showing contractual maturities of lease liabilities for office premises as at March 31, 2023 and March 31, 2022 on an undiscounted basis:

Particulars	Total minimum lease payments outstanding	
	March 31, 2023	March 31, 2022
Not later than one year	23.18	12.66
Later than one year and not later than five years	89.57	37.48
Later than five years	17.92	17.53
Total	**130.67**	**67.67**

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The minimum vehicles lease rentals outstanding as at the year-end are as under:

Particulars	March 31, 2023	March 31, 2022
Not later than one year	0.51	0.58
Later than one year and not later than five years	0.78	0.66
Later than five years	-	-
Total	**1.29**	**1.24**

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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(Rupees in Crore)

35 Employee Benefit :

Defined Contribution Plan:

The Company operates defined contribution plan (Provident fund) for all qualifying employees of the Company. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

The Company's contribution to Provident Fund aggregating Rs.7.91 crore (Previous Year: Rs. 6.20 crore) has been recognised in the Statement of Profit and Loss under the head Employees Benefit Expenses.

Short-term employee benefits:

The Company provides for accumulated compensated absences as at balance sheet date using full cost method to the extent leave will be utilised. The charge for the current year is disclosed under Salaries and Bonus.

Defined benefit obligation

The liability under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher accounting provisioning.

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary Risks:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the company

a) The assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	As at March 31, 2023	As at March 31, 2022
Significant assumptions		
Discount rate (%)	7.45%	7.20%
Expected rate of salary escalation (%)	7.00%	7.00%
Other assumption		
Mortality Table	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

b) Amount recognised in Balance sheet in respect of these defined benefit obligation:

	As at March 31, 2023	As at March 31, 2022
Present value of defined benefit obligation	14.03	13.11
Fair value of plan assets	-	-
Net liability	**14.03**	**13.11**

c) Amount recognised in statement of profit and loss in respect of these defined benefit obligation:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Current service cost	1.95	1.72
Net interest cost	0.91	0.87
Past service cost	-	-
Total amount recognised in profit & loss	**2.86**	**2.59**

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Components of defined benefits cost recognised outside profit and loss		
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	-
- Actuarial (gain)/loss from change in financial assumptions	(0.33)	(0.39)
- Actuarial (gain)/loss from change in experience adjustments	0.68	(0.32)
Total amount recognised in other comprhensive income	**0.35**	**(0.71)**

The current service cost and the net interest expense for the year are included in the 'in the Employee benefit expense' line item in the statement of profit and loss.

d) Movement in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
Opening defined benefit obligation	13.11	13.16
Current service cost	1.95	1.72
Past service cost	-	-
Interest cost	0.91	0.87
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	-	-
Actuarial (gain)/loss from change in financial assumptions	(0.33)	(0.38)
Actuarial (gain)/loss from change in experience adjustments	0.68	(0.32)
Benefits paid	(2.22)	(1.85)
Liability assumed / settled	(0.07)	(0.09)
Closing defined benefit obligation	**14.03**	**13.11**

e) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are as follows:

Particulars	As at March 31, 2023 Increase	As at March 31, 2023 Decrease	As at March 31, 2022 Increase	As at March 31, 2022 Decrease
Discount rate (- / +0.5%)	13.40	14.71	12.50	13.76
% change compared to base due to sensitivity	-4.49%	4.83%	-4.63%	4.98%
Salary growth rate (- / +0.5%)	14.58	13.50	13.63	12.61
% change compared to base due to sensitivity	4.83%	-3.80%	3.97%	-3.85%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a) Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet.

f) Projected benefits payable:

Particulars	As at March 31, 2023	As at March 31, 2022
Expected benefits for year 1	1.22	1.06
Expected benefits for year 2	1.00	0.71
Expected benefits for year 3	1.10	0.95
Expected benefits for year 4	0.67	1.03
Expected benefits for year 5	1.04	0.79
Expected benefits for year 6 and above	27.85	25.68

The weighted average duration of the defined benefit obligation is 9.32 years (previous year 9.60 years)

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JM FINANCIAL SERVICES LIMITED MUMBAI

36 Related party disclosures

A) Enterprise where control exists

i) Holding Company	JM Financial Limited
ii) Subsidiary Company/Firm/AOP	JM Financial Commtrade Limited JM Financial Capital Limited JM Financial Institutional Securities Limited Astute Investments (Partnership Firm) ARB Maestro(Association of Persons)

B) Related parties in accordance with Ind AS 24 "Related Party Disclosures"
(Parties with whom the transactions were carried out during the current year/previous year)

i) Holding Company	JM Financial Limited
ii) Subsidiary Company	JM Financial Commtrade Limited JM Financial Capital Limited JM Financial Institutional Securities Limited
iii) Partnership Firm	Astute Investments
iv) Association of Persons	ARB Maestro
v) Fellow Subsidiaries	JM Financial Products Limited JM Financial Properties and Holdings Limited JM Financial Asset Management Limited Infinite India Investment Management Limited CR Retail Malls (India) Limited JM Financial Credit Solutions Limited JM Financial Asset Reconstruction Company Limited JM Financial Home loans Limited
vi) Key Management Personnel and close members of the family (relatives) of the Key Management Personnel	Ms. Dimple Mehta (Company Secretary) Relatives : Mr. Mayank Mehta Mr. Nirav Gandhi (Whole-Time Director)(w.e.f December 8, 2022) Mr. Dimplekumar Shah (Whole-Time Director) Relatives : DimpleKumar Shah HUF Mrs. Purvi DimpleKumar Shah Ms. Maanya DimpleKumar Shah Mr. Devikaben Navinchandra Shah Mr. Jigar Navinchandra Shah Mr. Ishita Amit Pothiwala Mr. Amit Agrawal (Chief Financial Officer -w.e.f August 1, 2022) Relatives : Ms. Priyanka Agrawal Mr. Vishwanath Subramaniam (till July 31, 2022)

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	Mr. Subodh Shinkar (till December 31, 2022) Relatives : Subodh D. Shinkar HUF Mrs Sunita Shinkar Mr. Sunil Shinkar
KMPs of parent company i.e. JM Financial Limited	Mr. Prashant Choksi (Company Secretary) Mr. Prashant Choksi HUF Ms. Parul Choksi Mr. Atul Mehra (Joint Managing Director) Ms. Suvidha Mehra Ms. Sammiksha Mehra Ms. Sasha Mehra
vii) Directors	Mr. Vishal Kampani Ms. Dipti Neelakantan Mr. Hemant Kotak Mr. Ajay Mishra (Whole Time Director, upto April 11, 2022) Mr. DimpleKumar Shah Mr.Nirav Gandhi (Whole-Time Director w.e.f December 8, 2022)
viii)Independent directors	Dr. Anup Shah Mr. Parthiv Kilachand Mr. Prakash Parthasarathy
ix) Associate	JM Financial Trustee Company Private Limited
x) Enterprises over which any person described in Clause B iv) and vi) above is able to exercise significant influence	J.M. Financial & Investment Consultancy Services Private Limited J.M. Assets Management Private Limited JSB Securities Limited Kampani Consultants Limited Persepolis Investment Company Private Limited SNK Investments Private Limited Capital Market Publishers India Private Limited Kampani Properties and Holding Limited

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

(Rupees in Crore)

C) **Details of transactions**

Name of the related party	Nature of Transaction	Year ended 31st Mar, 2023	Year ended 31st Mar, 2022
i) **Holding Company**			
JM Financial Limited	Reimbursement of employee expenses	-	0.42
	Recovery of employee expenses	0.13	-
	Rent paid	0.27	0.27
	ICD Taken	1,180.00	250.00
	ICD Repaid	1,180.00	350.00
	Interest on ICD	2.36	1.64
	Fees Received	25.43	22.04
	Dividend on Preference Shares	0.45	0.45
	Dividend on Equity Shares	50.00	40.00
	Issue of 9% Redeemable Cumulative Preference Shares	42.00	-
	Reimbursement of expenses paid	-	0.18
	Gratuity paid in transfer of employee	0.04	-
	Closing Balance Receivable	5.13	7.83
	Closing Balance - Deposit	1.00	1.00
	Closing Balance - Equity Share Capital	5.00	5.00
	Closing Balance - 6% Compulsorily Convertible Preference Shares	7.50	7.50
	Closing Balance - 9% Redeemable Cumulative Preference Shares	42.00	-
ii) **Subsidiary Company**			
JM Financial Commtrade Limited	Reimbursement of expenses (Received)#	0.00	0.08
	ICD Taken	68.80	64.87
	ICD Repaid	68.80	64.87
	Interest on ICD paid	1.19	0.70
	Closing Balance - Investment in Equity Shares	5.00	5.00
	Closing Balance - Investment in 9% non-cumulative redeemable preference shares	2.50	2.50
	Closing Balance - Investment in 6% optionally convertible redeemable non-cumulative preference shares	16.00	16.00
	# (Current Year Rs. 29,890/-)		
JM Financial Capital Limited	ICD Taken	115.00	-
	ICD Repaid	65.00	-
	Interest on ICD paid	0.83	-
	Reimbursement of expenses (Received)	0.03	0.02
	Recovery of Employee's Health Insurance expenses*	0.00	-
	Gratuity paid in transfer of employee	0.01	-
	Dividend Received	-	33.75
	Secondary Brokerage Received#	-	0.00
	Closing Balance - Investment in Equity Shares	225.00	225.00
	Closing Balance Receivable / (Payable) - ICD	(50.00)	-
	* (Current Year Rs. 2,104/-)		
	# NIL (Previous Year Rs. 25,034/-)		
JM Financial Institutional Securities Limited	Dividend from Shares	15.75	-
	Recovery of Employee's Health Insurance expenses#	0.00	-
	Closing Balance - Investment in Equity Shares	27.75	27.75
	# (Current Year Rs. 6,417/-)		
iii) **Partnership Firm**			
Astute Investments	Receipt on partner's current account	2.07	14.79
	Interest on Margin	0.58	11.10
	Referral fees paid	1.17	-
	Margin Deposit received	62.69	204.95
	Margin Deposit refunded	63.88	213.50
	Secondary Brokerage Received	0.04	0.42
	Demat charges received*	0.00	0.00
	Reimbursement of expenses (received)	0.09	0.42
	Share of Profit for the period	0.58	14.24
	Closing Balance Receivable / (Payable) - Current Account	0.21	1.69
	Closing Balance Receivable / (Payable) - Trade Receivable#	0.00	(8.20)
	Closing Balance Receivable / (Payable) - Capital Account	0.90	0.90
	Closing Balance Receivable / (Payable) - Margin Deposit	(0.04)	(1.23)
	* Rs. 23,160/- (Previous Year Rs. 33,290/-)		
	# Rs (Current Year Receivable balance Rs. 6,690/-)		

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(Rupees in Crore)

C) **Details of transactions**

Name of the related party	Nature of Transaction	Year ended 31st Mar, 2023	Year ended 31st Mar, 2022
iv) Association of Persons			
ARB Maestro	Interest on Margin	7.73	-
	Margin Deposit received	566.39	-
	Margin Deposit refunded	234.37	-
	Contribution twards Capital Account	0.90	-
	Secondary Brokerage Received	0.63	-
	Demat charges received	0.01	-
	Reimbursement of expenses (received)	0.23	-
	Share of Profit for the period	4.67	-
	Closing Balance Receivable / (Payable) - Current Account	0.98	-
	Closing Balance Receivable / (Payable) - Margin Deposit	(332.02)	-
	Closing Balance Receivable / (Payable) - Capital Account	0.90	-
v) Fellow Subsidiaries			
JM Financial Products Limited	ICD Taken	580.00	250.00
	ICD Repaid	580.00	250.00
	Interest on ICD paid	2.72	0.23
	Fees Received	-	5.13
	Reimbursement of expenses (Received)	0.07	0.06
	Purchase of fixed assets	-	0.01
	Recovery of Employee's Health Insurance expenses*	0.00	-
	Secondary Brokerage Received (Own)	0.89	1.02
	Gratuity paid in transfer of employee	0.06	-
	Gratuity Received in transfer of employee	0.04	-
	Closing Balance Receivable / (Payable)	(22.39)	(17.38)
	* Rs. 17,147/-		
Infinite India Investment Management Limited	Demat charges received*	-	0.00
	Closing Balance Receivable / (Payable)	-	-
	* NIL (Previous year Rs. 500/-)		
JM Financial Asset Management Limited	Secondary Brokerage Received#	-	0.00
	Closing Balance Receivable	-	-
	# NIL (Previous Year Rs 10,030)		
JM Financial Properties and Holdings Ltd.	Business Service Centre Expenses	9.23	5.71
	Reimbursement of expenses - paid	1.28	0.82
	Reimbursement of expenses (Received)	0.01	0.03
	ICD Taken	130.00	-
	ICD Repaid	80.00	-
	Interest on ICD paid	0.08	-
	Property Deposit Received	4.60	-
	Closing Balance Receivable / (Payable) - ICD	(50.00)	-
	Closing Balance - Deposit	10.59	5.99
CR Retail Malls (India) Limited	ICD Taken	30.00	-
	ICD Repaid	30.00	-
	Interest on ICD paid	0.06	-
	Demat charges received*	0.00	0.00
	Closing Balance Receivable / (Payable)	-	-
	* Rs. 500/- (Previous Year Rs 515/-)		
JM Financial Asset Reconstruction Company Limited	Investment in market linked non -convertible debentures	320.00	200.84
	Fees received	6.61	2.65
	Gratuity Received in transfer of employee	0.01	-
	Secondary Brokerage Received*	0.00	-
	Closing Stock of MLD (at Face Value)	0.20	-
	Closing Balance Receivable	-	-
	* Rs. 3,425/- (Previous Year NIL)		

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JM FINANCIAL SERVICES LIMITED

(Rupees in Crore)

C) **Details of transactions**

Name of the related party	Nature of Transaction	Year ended 31st Mar, 2023	Year ended 31st Mar, 2022
JM Financial Credit Solutions Limited	Reimbursement of expenses (Received)	0.07	0.06
	Secondary Brokerage Received*	-	0.01
	Closing Balance Receivable / (Payable)	-	-
	* NIL (Previous Year Rs. 54847/-)		
JM Financial Home Loan Limited	Reimbursement of expenses (Received)	0.04	0.04
	Closing Balance Receivable / (Payable)	-	-
vi) Key Management Personnels/Wholetime direcor & Company Secretary and its close members of the family (relatives)			
Key Management Personnels/ Wholetime Director & Company Secretary	Remuneration :		
	Short term employee benefits	8.74	10.12
	Post employment benefits	0.21	0.16
	Share based payments (refer note no. 33)	0.25	0.61
	Demat charges received*	0.00	0.00
	Secondary Brokerage Received	0.01	0.02
	Interest income from margin money#	0.00	0.00
	Closing Balance Receivable / (Payable)**	(4.09)	(7.10)
	* Rs.2,745/- (Previous Year Rs. 300/-)		
	# Rs. 39,439/-		
Relatives of Key Management Personnels	Demat charges received *	0.00	0.00
	Secondary Brokerage Received	0.02	0.02
	Sitting Fees paid	0.00	0.02
	Director's Commission	0.00	0.00
	Closing Balance Receivable / (Payable)	(0.05)	-0.19
	* Rs. 1,090/- (Previous Year Rs. 1042/-)		
vii) Directors	Sitting Fees paid	0.05	0.03
	Director's Commission	0.05	0.05
	Demat charges received *	0.00	0.00
	Secondary Brokerage Received	0.01	0.01
	Closing Balance Receivable / (Payable)	(0.05)	(0.05)
	* Rs. 1,750/- (Previous Year Rs. 5,194/-)		
viii) Independent Directors	Sitting Fees paid	0.11	0.10
	Director's Commission	0.10	0.13
	Closing Balance Receivable / (Payable)	(0.10)	(0.13)
ix) Associate			
JM Financial Trustee Company Private Limited	Secondary Brokerage Received	-	0.04
	Closing Balance Receivable / (Payable)	-	-
x) Enterprises over which any person described in Clause B (iv) and (v) above is able to exercise significant influence			
J. M. Financial & Investment Consultancy Services Pvt Ltd	Secondary Brokerage Received	0.17	0.27
	Demat charges received*	0.00	-
	Gratutiy paid in transfer of employee	-	0.09
	Closing Balance Receivable / (Payable)	-	-
	* Rs. 950/- (Previous Year Rs 1,115/-)		
JM Assets Management Private Limited	Secondary Brokerage Received	0.08	0.06
	Closing Balance Receivable / (Payable)	-	-
Kampani Consultants Limited	Rent paid	0.05	0.05
	Secondary Brokerage Received	0.03	0.06
	Closing Balance Receivable / (Payable)	-	-
Persepolis Investment Company Private Limited	Secondary Brokerage Received*	0.00	0.01
	Closing Balance Receivable / (Payable)	-	-
	* Rs 10,288/-		

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JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

C) **Details of transactions**

Name of the related party	Nature of Transaction	Year ended 31st Mar, 2023	Year ended 31st Mar, 2022
JSB Securities Limited	Demat charges received*	0.00	-
	Closing Balance Receivable / (Payable)**	0.00	-
	* Rs. 392/- (Previous Year Rs NIL)		
	** Balance Payable Rs. 3,194/-(Previous Year NIL)		
SNK Investments Private Limited	Secondary Brokerage Received#	-	0.03
	Closing Balance Receivable / (Payable)	-	-
Kampani Properties and Holdings Limited	Secondary Brokerage Received#	-	0.00
	Closing Balance Receivable / (Payable)	-	-
	# NIL (Previous Year Rs 25,880/-)		
Capital Market Publishers India Private Limited	IT - Application expenses	0.04	0.04
	Closing Balance Receivable / (Payable)	-	-

36.1 The above transactions are excluding Service tax/Goods & Service tax wherever applicable.

36.2 The details of related party relationships are identified by the management of the company and relied upon by auditors.

36.3 There have been no write-off / write back in case of related party

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rupees in Crore)

37 Maturity Analysis of Assets and Liabilities

		March 31, 2023			March 31, 2022		
	Assets	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
(1)	**Financial Assets**						
(a)	Cash and cash equivalents	106.67	-	106.67	145.69	-	145.69
(b)	Other bank balances	1,491.96	66.03	1,557.99	1,009.41	13.99	1,023.40
(c)	Trade Receivables	909.60	-	909.60	241.73	-	241.73
(d)	Loans	632.53	-	632.53	310.11	-	310.11
(e)	Investments	225.00	54.24	279.24	1.69	277.15	278.84
(f)	Other Financial assets	37.98	16.14	54.12	13.46	9.99	23.45
	Total Financial Assets	**3,403.74**	**136.41**	**3,540.15**	**1,722.09**	**301.13**	**2,023.22**
(2)	**Non-financial Assets**						
(a)	Current tax Assets (Net)	-	59.60	59.60	-	43.36	43.36
(b)	Deferred tax assets (net)	-	9.83	9.83	-	7.34	7.34
(c)	Property, Plant and Equipment	-	111.23	111.23	9.71	43.46	53.17
(d)	Intangible assets under Development	-	5.18	5.18	2.66	-	2.66
(e)	Other Intangible assets	-	7.95	7.95	0.50	2.41	2.91
(f)	Other non-financial assets	20.74	-	20.74	12.95	0.05	13.00
	Total Non-financial Assets	**20.74**	**193.79**	**214.53**	**25.82**	**96.63**	**122.44**
	Total Assets (A)	**3,424.48**	**330.20**	**3,754.68**	**1,747.90**	**397.75**	**2,145.66**
	LIABILITIES						
(1)	**Financial Liabilities**						
(a)	Trade Payables	40.58	-	40.58	1.07	-	1.07
	Other Payable	1,282.07	-	1,282.07	835.73	-	835.73
(b)	Debt Securities	941.33	42.01	983.34	479.36	-	479.36
(c)	Borrowings (Other than Debt Securities)	166.26	-	166.26	-	-	-
(d)	Lease Liabilities	-	103.77	103.77	8.66	43.01	51.67
(e)	Other financial liabilities	648.75	-	648.75	202.30	-	202.30
	Total Financial Liabilities	**3,078.99**	**145.78**	**3,224.77**	**1,527.12**	**43.01**	**1,570.14**
(2)	**Non-Financial Liabilities**						
(a)	Current tax liabilities (Net)	-	-	-	1.50	-	1.50
(b)	Provisions	8.00	12.81	20.81	6.72	12.05	18.77
(c)	Other non-financial liabilities	15.90	-	15.90	24.11	-	24.11
	Total Non-Financial Liabilities	**23.90**	**12.81**	**36.71**	**32.33**	**12.05**	**44.38**
	Total Liabilities (B)	**3,102.89**	**158.59**	**3,261.48**	**1,559.45**	**55.06**	**1,614.51**
	Net (A) - (B)	**321.59**	**171.61**	**493.20**	**188.45**	**342.69**	**531.15**

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38 Financial Instruments

38.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity mix.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio.

	As at March 31, 2023	As at March 31, 2022
Borrowings (long-term and short-term borrowings including current maturities)	1,150.43	480.07
Gross debt	**1,150.43**	**480.07**
Less - Cash and cash equivalents	106.67	145.69
Adjusted net debt	**1,043.76**	**334.38**
Total equity	493.20	531.15
Adjusted net debt to equity ratio	2.12	0.63

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the lender to immediately call loans and borrowings.

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JM FINANCIAL SERVICES LIMITED

(Rupees in Crore)

38.2 Fair Value

Classes and categories of financial instruments and their fair values

The following table combines information about:
- classes of financial instruments based on their nature and characteristics
- the carrying amounts of financial instruments
- fair values of financial instruments and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed

Accounting classification and fair values

	Carrying amount				Fair value			
As at March 31, 2023	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Cash and cash equivalents	-	-	106.67	106.67	-	-	-	-
Bank balances other than above	-	-	1,557.99	1,557.99	-	-	-	-
Trade receivables	-	-	909.60	909.60	-	-	-	-
Loans	-	-	632.53	632.53	-	-	-	-
Investments	-	-	279.24	279.24	-	-	-	-
Other Financial assets	0.35	-	53.77	54.12	0.14	0.21	-	0.35
Total	**0.35**	-	**3,539.80**	**3,540.15**	**0.14**	**0.21**	-	**0.35**
Financial liabilities								
Trade Payables								-
Total outstanding dues of micro and small enterprises	-	-	0.10	0.10	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	40.48	40.48	-	-	-	-
Other Payable								
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	1,282.07	1,282.07	-	-	-	-
Debt Securities	-	-	983.34	983.34	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	166.26	166.26	-	-	-	-
Lease Liabilities	-	-	103.77	103.77	-	-	-	-
Other financial liabilities	-	-	648.75	648.75	-	-	-	-
Total	-	-	**3,224.77**	**3,224.77**	-	-	-	-

	Carrying amount				Fair value			
As at March 31, 2022	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Cash and cash equivalents	-	-	145.69	145.69	-	-	-	-
Bank balances other than above	-	-	1,023.40	1,023.40	-	-	-	-
Trade receivables	-	-	241.73	241.73	-	-	-	-
Loans	-	-	310.11	310.11	-	-	-	-
Investments	-	-	278.84	278.84		-	-	-
Other Financial assets	3.75	-	19.70	23.45	0.25	3.50		3.75
Total	**3.75**	-	**2,019.47**	**2,023.22**	**0.25**	**3.50**	-	**3.75**
Financial liabilities								
Trade Payables								
Total outstanding dues of micro and small enterprises	-	-	1.07	1.07	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	36.55	36.55	-	-	-	-
Other Payable								
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	799.18	799.18	-	-	-	-
Debt Securities	-	-	479.36	479.36	-	-	-	-
Lease Liabilities	-	-	51.67	51.67	-	-	-	-
Other financial liabilities	-	-	202.30	202.30	-	-	-	-
Total	-	-	**1,570.14**	**1,570.14**	-	-	-	-

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38.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk (including currency risk and interest rate risk)

Risk management framework

The Company has a robust Risk Management framework to identify and evaluate business risks and opportunities.This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage

i) Credit risk

In respect of the broking operations credit risk is the risk of margin erosion due to market volatility/fluctuations, failure of clients to meet their financial obligations.The Company has in place, a widespread credit policy to monitor clients margin requirement to prevent risk of default which includes well defined basis for categorization of securities, client-wise/scrip-wise maximum exposure, segmentwise margin requirement, etc. for better management of credit risk.

In respect of its lending operations, the Company measures, monitors and manages credit risk at an individual borrower level and at the group exposure level for corporate borrowers. Company has structured and standardized credit approval process including a comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower. Credit teams track cases for early signs of stress, ensuring that corrective action is taken in the case of non – starter of early delinquency cases.
Credit approvers and relationship managers are responsible for ensuring adherence to these policies.

Impairment

The ageing of trade and other receivables that were not impaired was as follows:

	March 31, 2023	March 31, 2022
Past due 0–90 days	909.31	241.73
More than 90 days	0.29	-
Carrying amount of receivables	**909.60**	**241.73**

The ageing of Loans that were not impaired was as follows:

	March 31, 2023	March 31, 2022
Past due 0–90 days	632.53	310.11
More than 90 days	-	-
Carrying amount of receivables	**632.53**	**310.11**

Company believes that the unimpaired amounts that are past due by more than 90 days are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

In mamangement's view the credit risk on cash and cash equivalents, deposits with banks and investment in mutual funds is very low.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has undrawn lines of credit of Rs. 166.37 cr, Rs. 156.15 cr as of March 31, 2023 and March 31, 2022 respectively, from its bankers for working capital requirements.

The Company has the right to draw upon these lines of credit based on its requirement and terms of draw down.

Exposure to liquidity risk

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

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(Rupees in Crore)

March 31, 2023	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables					
Total outstanding dues of micro and small enterprises	0.10	0.10	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	40.48	40.48	-	-	-
Other Payable					
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,282.07	1,282.07	-	-	-
Debt Securities	983.34	941.34	-	-	42.00
Borrowings (Other than Debt Securities)	166.26	166.26	-	-	-
Lease Liabilities	103.77	15.22	33.37	38.04	17.14
Other financial liabilities	648.75	648.75	-	-	-
Total	**3,224.77**	**3,094.22**	**33.37**	**38.04**	**59.14**
Financial assets					
Cash and cash equivalents	106.67	106.67	-	-	-
Bank balances other than (a) above	1,557.99	1,544.00	13.65	0.34	-
Trade receivables	909.60	909.60	-	-	-
Loans	632.53	632.53	-	-	-
Investments	279.24	2.39	-	-	276.85
Other Financial assets	54.12	44.13	1.23	1.19	7.57
Total	**3,540.15**	**3,239.32**	**14.88**	**1.53**	**284.42**

March 31, 2022	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables					
Total outstanding dues of micro and small enterprises	1.07	1.07	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	36.55	36.55	-	-	-
Other Payable	-	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	799.18	799.18	-	-	-
Debt Securities	479.36	479.36	-	-	-
Borrowings (Other than Debt Securities)	-	-	-	-	-
Lease Liabilities	51.67	8.66	20.19	14.12	8.71
Other financial liabilities	202.30	202.30	-	-	-
Total	**1,570.14**	**1,527.12**	**20.19**	**14.12**	**8.71**
Financial assets					
Cash and cash equivalents	145.69	145.69	-	-	-
Bank balances other than (a) above	1,023.40	1,009.41	13.65	0.34	-
Trade receivables	241.73	241.73	-	-	-
Loans	310.11	310.11	-	-	-
Investments	278.84	1.99	-	-	276.85
Other Financial assets	23.45	13.46	1.23	1.19	7.57
Total	**2,023.22**	**1,722.39**	**14.88**	**1.53**	**284.42**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

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(Rupees in Crore)

The following are the details of Company's remaining contractual maturities of financial liabilities based on undiscounted cash flows:

As at March 31, 2023

Particulars	Carrying amount (as per financials)	Total (undiscounted cash flows)	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities						
Borrowings	166.26	166.26	166.26	-	-	-
Debt securities	983.34	1,007.00	965.00	-	-	42.00
Lease liabilities	103.77	131.96	23.69	46.06	44.30	17.92
Trade Payables		-				
Total outstanding dues of micro and small enterprises	0.10	0.10	0.10	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	40.48	40.48	40.48	-	-	-
Other Payable	-	-	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,282.07	1,282.07	1,282.07	-	-	-
Other Financial Liabilities	648.75	648.75	648.75	-	-	-
Total	**3,224.77**	**3,276.62**	**3,126.35**	**46.06**	**44.30**	**59.92**

As at March 31, 2022

Particulars	Carrying amount (as per financials)	Total (undiscounted cash flows)	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities						
Borrowings	-	-	-	-	-	-
Debt securities	479.36	485.00	485.00	-	-	-
Lease liabilities	51.67	68.90	13.25	20.40	17.73	17.52
Trade Payables		-				
Total outstanding dues of micro and small enterprises	1.07	1.07	1.07	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	36.55	36.55	36.55	-	-	-
Other Payable	-	-	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	799.18	799.18	799.18	-	-	-
Other Financial Liabilities	202.30	202.30	202.30	-	-	-
Total	**1,570.13**	**1,593.00**	**1,537.35**	**20.40**	**17.73**	**17.52**

iii) Market risk

The risk of change in overall market or asset class due to the impact of economic conditions and/ or other factors impacting index, specific stocks. The value of investments are vulnerable to factors such as changes in economic conditions, interest rates, investor sentiments, developments in global markets, international and domestic political events and acts of war or terrorism.Continuous monitoring of VaR, exposure limits and initiation of appropriate action is undertaken to minimize the impact of market risk.

iv) Interest rate risk

The Company is exposed to interest rate risk because company borrows funds at fixed interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate of borrowings.

Exposure to interest rate risk

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

	March 31, 2023	March 31, 2022
Financial Assets		
Fixed rate Instruments	2,190.52	1,333.50
Floating rate instruments	-	-
	2,190.52	**1,333.50**
Finnacial Liabilities		
Fixed rate Instruments	1,132.10	485.71
Floating rate instruments	-	-
	1,132.10	**485.71**

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39 Operating Segments

The Company has only one operating business segment i.e securities based activities: This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, margin trade financing etc carried out in India. Accordingly there are no separate reportable segments, as per the Indian Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

40 Details of expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto:

	Particulars	For the year ended	
		March 31, 2023	March 31, 2022
a)	Gross amount required to be spent by the Company during the year	1.11	0.49
b)	Amount spent	1.11	0.49
	Amount provided for on-going projects	-	-
	Total	**1.11**	**0.49**
c)	Unspent amount	-	0.15
d)	Total Previous years shortfall		-
e)	Reason for shortfall		-
f)	Amount contributed to a trust controlled by the Company	-	-
g)	Nature of CSR Activities	-	-
i)	Construction / acquisation of any asset	-	-
ii)	On purposes other than (i) above (refer note below)	1.26	0.69

Note : During the current financial year, in addition to Rs. 1.11 crore towards CSR contribution for the FY2022-23, the Company has also spent Rs. 0.15 crore from the Unspent CSR Bank Account related to the FY2020-21.

41 The Board at its meeting held on May 13, 2022 had accorded its consent to create, grant, offer and allot upto 25,00,000 stock options under Employees Stock Option Scheme ("Scheme") subject to the approval of members. The members at the Annual General meeting held on July 21, 2022 had approved the Scheme. Further, the Employees' Stock Option Committee constituted by the Board has approved the grant of 4,80,766 stock options at an exercise price of Rs. 104/-per option to the employee of the Company and the granted options shall vest and be exercised in the manner as specified in the Scheme.

42 The Board at its meeting held on July 21, 2022 had approved the Scheme of Arrangement under Section 230 - 232 of the Companies Act, 2013 in relation to the merger of JM Financial Capital Limited into the Company and for demerger of the Private Wealth Division and the Portfolio Management Services Division of the Company along with the investment in JM Financial Institutional Securities Limited into JM Financial Limited on a going concern basis with Appointed date as on April 1, 2023.
The Scheme of Arrangement has been approved by the National Company Law Tribunal, Mumbai ("NCLT") on March 24, 2023 and a certified copy of the order, as pronounced by the NCLT, was received on April 20, 2023. The Scheme shall become effective upon filing of the certified copy of order with Registrar of Companies (the "ROC"), Mumbai, Maharashtra. The appointed date as mentioned in the Scheme is April 1, 2023.

43 The Board of Directors at its meeting held on April 27, 2023 has proposed a dividend of Rs. 3.15/ per equity share and Rs. 0.60/- per 75,00,000 preference shares for the financial year ended March 31, 2023. The said dividend will be paid after the approval of shareholders at the ensuing Annual General Meeting. (Previous Year Rs. 10/- per equity share).

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44 Utilisation of Borrowed Funds and Share Premium:

(A) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

45 The outstanding foreign currency exposure,foreign currency payable in next five years and unhedged foreign currency exposure at the year ended March 31,2023 is NIL

46 The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

47 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

48 The Company does not have any transactions with companies struck off under the Companies Act, 2013.

49 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

50 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

51 Previous year figures have been regrouped/ reclassified to confirm with current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

52 The financial statements were approved for issue by the Board of Directors on April 27, 2023

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : April 27,. 2023

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - A18252

JM Financial Services Limited Mumbai

Quality Checks :	Completed
Spelling / diction / comparison	✓
Indexing / pagination / paras	✓
Calculation / arithmetical accuracy/ rounding off errors	✓

Done by :

Name and Designation Harsh Shah - Incharge

Signature and Date HShah 27 April 2023

Engagement Partner Kapil Goenka

Project Code 1620909

B S R & Co. LLP
Chartered Accountants

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Independent Auditor's Report

To the Members of JM Financial Services Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JM Financial Services Limited (the "Company"), which comprise the balance sheet as at 31 March 2022, the statement of profit and loss (including other comprehensive income), statement of changes in equity 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 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity 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 SAs 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 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matter

Key Information Technology (IT) systems used in financial reporting process

Key audit matter	How the matter was addressed in our audit
Information Technology **IT systems and controls** The Company's key financial accounting and reporting processes are dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could impact the financial accounting and reporting significantly. The Company uses an ERP system for its overall financial reporting. The Company's General Ledger used in financial reporting along with other IT systems are used to process transactions of accounts relevant for financial reporting. We have focused on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems.	Our audit procedures to assess the IT systems and controls included the following: • Performed testing of the design of General IT Controls (GITCs) for the audit period which included controls over access to program and data, program changes, system changes, program development, computer operations (job processing, data backup, system backup, incident management) over financial accounting and reporting systems and related IT systems (referred to as 'in-scope systems'). • Testing the operating effectiveness of GITCs for the audit period over the in-scope systems as follows: – User access creation, modification and revocation process – User access review process – Segregation of duties – Password policies – Application change management procedures – Computer Operations process (automated jobs) • Understanding IT application controls for the audit period for significant accounts, reports, reconciliations and system processing for significant accounts determined by us during our risk assessment. We tested the change management controls to determine that these controls remained unchanged during the audit period and in case of changes, whether standard process was followed. In certain areas where General IT Controls needed strengthening for change management, we tested remediating/ compensating manual controls to check whether the control objectives are met. • Understanding IT infrastructure records for the in-scope systems i.e., operating systems and databases

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do 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 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.

Other Information ***(Continued)***

The other information is expected to be made available to us after the date of this auditor's report. When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) 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, the Management and Board of Directors are 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is 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 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on

Auditor's Responsibilities for the Audit of the Financial Statements *(Continued)*

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.

Other Matter

The financial statements of the Company for the year ended 31 March 2021 were audited by the predecessor auditor Khimji Kunverji & Co LLP who had expressed an unmodified opinion on 29 April 2021.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143 (11) 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. (A) 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 (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

   e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 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".

   (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

Report on Other Legal and Regulatory Requirements *(Continued)*

a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its financial statements - Refer Note 30 to the financial statements.

b) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d) (i) The management has represented that, to the best of its knowledge and belief, 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 Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
- provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:

- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.

(iii) Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189
UDIN: 22118189AIYIKG2605

Mumbai
13 May 2022

JM Financial Services Limited

Annexure A to the Independent Auditor's Report on the Financial Statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

We report that:

i	(a)	(A)	The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
i	(a)	(B)	The Company has maintained proper records showing full particulars of intangible assets.
i	(b)		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
i	(c)		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
i	(d)		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
i	(e)		According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
ii	(a)		The Company is a service company, primarily rendering broking and allied services. Accordingly, clause 3(ii)(a) of the Order is not applicable to the Company.
	(b)		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the monthly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

iii According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, one of the Company's principal business activities is to give loans. Accordingly, clause 3(iii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company grants margin trading finance loans wherein the schedule of repayment of principal and payment of interest has not been stipulated and accordingly we are unable to comment on whether the repayments or receipts are regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

(Rs. in lakhs)

	All parties	Promoters	Related parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of Repayment (B)	31,010.71 -	- -	- -
Total (A+B)	**31,010.71**	-	-
Percentage of loans/advances in nature of loan to the total loans	100%	-	-

iv		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.
v		The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
vi		According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.
vii	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax ("GST"), Provident Fund, Employees' State Insurance, Income-Tax, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident Fund, Employee's State Insurance, Income-Tax, or Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than 6 months from the date they became payable.
vii	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Cess or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.
viii		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-Tax Act, 1961 as income during the year.
ix	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
ix	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or government authority.

ix	(c)	According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
ix	(d)	According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
ix	(e)	According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.
ix	(f)	According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).
x	(a)	The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) Accordingly, clause 3(x)(a) of the Order is not applicable.
x	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
xi	(a)	Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
xi	(b)	According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
xi	(c)	As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
xii	(a)	According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(a) of the Order is not applicable.
xii	(b)	According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(b) of the Order is not applicable.
xii	(c)	According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii)(c) of the Order is not applicable.

xiii		The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the Company, transactions with the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
xiv	(a)	Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
xiv	(b)	We have considered the internal audit reports of the Company issued till date for the period under audit.
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 its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
xvi	(a)	The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
xvi	(b)	The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
xvi	(c)	The Company is not a Core Investment Company ("CIC") as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
xvi	(d)	According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.
xvii		The Company has not incurred cash losses in the current and in the immediately preceding financial year.
xviii		There has been resignation of the statutory auditors during the year and we have duly taken into consideration the issues, objections or concerns raised by the outgoing auditors.
xix		According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We,

however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in annual report is expected to be made available to us after the date of this auditor's report.

xx (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act, except in respect of the following:

Financial Year	Amount unspent on corporate social responsibility activities for "Ongoing Projects"	Amount transferred to Special Account within 30 days from the end of the Financial Year	Amount transferred after the due date (specify the date of transfer)
2020-21	1,500,000	1,500,000	-

For D S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189
UDIN: 22118189AIYIKG2605

Mumbai
13 May 2022

JM Financial Services Limited

Annexure B to the Independent Auditor's report on the financial statements of JM Financial Services Limited for the year ended 31 March 2022

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date

Opinion

We have audited the internal financial controls with reference to financial statements of JM Financial Services Limited (the "Company") as of 31 March 2022 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements 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 (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. 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 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditor's 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 and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. 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 whether 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 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 such internal financial controls, 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

Auditor's Responsibility *(Continued)*

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 statements.

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 include 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 the 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.

For B S R & Co. LLP
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189
UDIN: 22118189AIYIKG2605

Mumbai
13 May 2022

JM FINANCIAL SERVICES LIMITED
BALANCE SHEET AS AT MARCH 31, 2022

(Rupees in Crore)

Sr. No.	Particulars	Note no.	As at March 31, 2022	As at March 31, 2021
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	4	143.69	45.67
(b)	Bank balances other than (a) above	5	1,029.40	1,050.50
(c)	Derivative Financial Instruments		-	5.07
(d)	Trade receivables	6	241.93	272.03
(e)	Loans	7	310.11	215.58
(f)	Investments	8	278.84	279.53
(g)	Other financial assets	9	23.45	20.76
			2,025.22	1,889.33
(2)	**Non-Financial Assets**			
(a)	Current tax assets (net)		43.96	42.52
(b)	Deferred tax assets (net)	10	7.24	7.71
(c)	Property, Plant and Equipment	11	53.17	57.12
(d)	Intangible assets under development	11	2.66	0.24
(e)	Other intangible assets	11	2.91	3.00
(f)	Other non-financial assets	12	13.00	8.73
			122.44	119.32
	Total Assets		2,145.66	2,008.65
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative financial instruments		-	4.87
(b)	Payables	13		
	Trade Payables		37.62	33.11
	Other Payables		269.14	228.57
(c)	Debt securities	14	479.36	433.21
(d)	Borrowings (other than debt securities)	15		130.57
(e)	Lease Liabilities	16	51.67	53.76
(f)	Other financial liabilities	17	708.30	163.45
	Total Financial Liabilities		1,570.14	1,527.89
(2)	**Non-Financial Liabilities**			
(a)	Current tax Liabilities (net)		1.50	2.02
(b)	Provisions	18	18.77	18.25
(c)	Other non-financial liabilities	19	24.11	11.46
	Total Non-Financial Liabilities		44.38	31.73
(3)	**EQUITY**			
(a)	Equity share capital	20	50.30	50.09
(b)	Other equity	21	481.15	399.03
	Total Equity		531.15	449.03
	Total Liabilities and Equity		2,145.66	2,008.65
	The accompanying notes form an integral part of the financial statements	1-51		

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189
Place : Mumbai
Date : May 13, 2022

For and on behalf of the Board

Vishal Kampani
Director
DIN: 00009079

Dinesh Kumar Shah
Whole-time Director
DIN: 09158482

Subodh Shinkar
Chief Executive Officer

Pimple Mehta
Company Secretary

Vijay Laxmi Subramaniam
Chief Financial Officer

Place : Mumbai
Date : May 13, 2022

JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr. No.	Particulars	Note no.	For the year ended March 31, 2022	For the year ended March 31, 2021
1	**Income**			
	Revenue from Operations			
(a)	Fees and Commission Income	22	439.70	322.36
(b)	Other Operating Revenue	22	102.38	67.02
(c)	Net gain on fair value changes	23	7.49	13.96
	Total Revenue from Operations		**549.57**	**404.34**
	Other Income	24	50.24	9.80
	Total Income		**599.81**	**414.14**
2	**Expenses**			
(a)	Sub-brokerage, transaction costs and other direct expenses		172.24	123.21
(b)	Finance costs	25	51.08	60.75
(c)	Impairment on financial instruments	26	0.22	1.42
(d)	Employee benefits expense	27	170.04	136.78
(e)	Depreciation and amortisation expense	11	14.92	15.70
(f)	Other expenses	28	43.73	36.46
	Total Expenses		**452.23**	**373.72**
3	**Profit Before Tax**		**147.60**	**40.42**
4	**Tax Expenses**			
(a)	Current tax		26.19	11.82
(b)	Deferred tax		0.19	(2.81)
(c)	Tax adjustment of earlier years(net)		(0.83)	(0.48)
	Total Tax Expenses		**25.55**	**8.53**
5	**Net Profit**		**122.04**	**31.89**
6	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	- Actuarial gain/(losses) on post retirement benefit plans		0.71	1.51
	- Income tax on the above		(0.18)	(0.38)
	Total Other Comprehensive Income		**0.53**	**1.13**
7	**Total Comprehensive Income**		**122.57**	**33.02**
8	**Earning Per Share (EPS)**			
	(Face Value of Rs. 10/- each)			
	Basic EPS (in Rs.)		24.41	6.38
	Diluted EPS (in Rs.)		21.22	5.54
	The accompanying notes form an integral part of the financial statements	1-51		

In terms of our report attached
For B S R & Co LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189
Place : Mumbai
Date : May 13, 2022

For and on behalf of the Board

Vishal Kampani
Director
DIN : 00089079

Dimpleskumar Shah
Wholetime Director
DIN : 09158483

Subodh Shinkar
Chief Executive Officer

Dimple Mehta
Company Secretary

Vishwanath Subramanian
Chief Financial Officer

Place : Mumbai
Date : May 13, 2022

JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

A. Equity share capital

Particulars	Balance as at April 1, 2021	Changes in equity share capital during the year	Balance as at March 31, 2022
Equity share capital	50.00	-	50.00

B. Other equity

Particulars	Compulsory Convertible Preference shares	Reserves & Surplus			Total Other Equity
		Securities Premium Account	Capital Redemption Reserve	Retained earnings	
Balance as at April 1, 2021	7.50	60.65	4.69	326.19	399.03
Profit for the year				122.04	122.04
Other comprehensive income				0.53	0.53
Dividend Paid				(40.45)	(40.45)
Balance as at March 31, 2022	7.50	60.65	4.69	408.31	481.15

The accompanying notes 1 to 51 form an integral part of the financial statements

In terms of our report attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : May 13, 2022

For and on behalf of the Board

Vishal Kampani
Director
DIN : 00009079

Dimpleskumar Shah
Wholetime Director
DIN : 09158483

Subodh Shinkar
Chief Executive Officer

Dimple Mehta
Company Secretary

Vishwanath Subramanian
Chief Financial Officer

Place : Mumbai
Date : May 13, 2022

JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sl No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
A	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	147.60	40.42
	Adjustments for :		
	Depreciation and amortisation	14.92	15.70
	(Profit)/Loss on sale of fixed assets	0.03	(0.12)
	Finance costs	51.08	60.15
	Dividend income on investments	(33.75)	-
	Share of profit from partnership firm where the Company is a Partner	(14.24)	(7.12)
	Fair Valuation of Derivatives Financial Instrument (Asset)	(0.26)	(2.61)
	Fair Valuation of Derivatives Financial Instrument (Liability)	0.10	1.99
	Interest income	(0.07)	(0.14)
	Operating Profit before Working Capital Changes	**165.41**	**108.27**
	Adjustment for:		
	Increase in Payables	75.12	354.15
	(Decrease) in lease Liabilities	(7.36)	(4.39)
	Increase in other financial liabilities	38.85	77.49
	Increase in provisions	1.22	2.64
	Increase/(Decrease) in non financial liabilities	12.65	(0.72)
	(Increase) in loans	(94.53)	(177.38)
	Decrease/(Increase) in trade receivables	30.28	(141.26)
	Decrease/(Increase) in other bank balances	27.10	(644.52)
	(Increase) in other non financial assets	(4.27)	(0.72)
	(Increase)/Decrease in other financial assets	(2.97)	67.66
	Cash generated/(used) from operations	**241.50**	**(358.78)**
	Income tax paid	(26.73)	(5.09)
	Net cash generated/(used) from operating activities (A)	214.77	(363.87)
B	**Cash Flow from Investing Activities**		
	(Purchase of) fixed assets (net)	(7.78)	(2.35)
	Proceeds from closure of Nifty Linked Options	5.32	(2.45)
	Proceeds from mutual funds (net)	0.15	33.77
	Contribution to / Share of profits received from partnership firm (net)	14.79	6.69
	Interest received	0.07	0.14
	Dividend income on investments	33.75	-
	Net Cash generated from Investing Activities (B)	**46.31**	**35.80**

JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr No	Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
C	**Cash flow from Financing Activities**		
	(Repayment)/Issue of Nifty Linked Debentures	(62.06)	56.63
	Proceeds/(Repayment) of other debt securities (net)	103.20	(45.34)
	(Repayment)/Proceeds from borrowings other than debt securities (net)	(110.87)	110.87
	(Repayment) of Lease Liabilities	(12.82)	(12.23)
	Dividends paid	(40.45)	-
	Interest paid	(38.27)	(44.62)
	Net Cash (used in)/generated from Financing Activities (C)	**(161.27)**	67.33
	Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	99.81	**(260.74)**
	Cash and cash equivalents at the beginning of the period (refer Note 4)	45.87	306.58
	Cash and cash equivalents at the end of the period (refer Note 4)	145.69	45.87
	The accompanying notes 1 to 51 form an integral part of the financial statements		

Note:

Statement of cash Flows has been prepared under the indirect method as set out in the Ind AS 7 and as specified in the Companies (Indian Accounting Standards) Rules, 2015.

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Gwenka
Partner
Membership No. 118189
Place : Mumbai
Date : May 13, 2022

For and on behalf of the Board

Vishal Kampani
Director
DIN : 00009079

Dimpleskumar Shah
Whole-time Director
DIN : 09158483

Subodh Shankar
Chief Executive Officer

Dimple Mehta
Company Secretary

Vishwanath Subramaniam
Chief Financial Officer

Place : Mumbai
Date : May 13, 2022

JM FINANCIAL SERVICES LIMITED MUMBAI

1 **Corporate Information**

JM Financial Services Limited (herein after referred to as 'The Company') is engaged in the business of shares/stock and commodity broking. It carries out its activities through membership of BSE Limited, The National Stock Exchange of India Ltd. The Multi Commodity Exchange of India Limited (MCX) & National Commodity and Derivatives Exchange Ltd (NCDEX).

The Company is also a distributor/ broker for primary market i.e. distributor for Initial Public Offers, Fixed income products and Mutual funds. The Company operates through its network of branches and sub-brokers. Besides this, the Company is also engaged in the business of Depository Participant Services, Portfolio Management Services and granting of loans for Margin Trade Financing as per the guidelines of the Securities Exchange Board of India (SEBI).

The Company commenced its business operations on June 19, 1998

The Company has also listed its Commercial Papers issued to the schemes of Mutual Funds as per the SEBI vide circular SEBI/HO/DDHS/T/CIR/2021/613 dated August 10, 2021

2 **Significant Accounting Policies**

2.1 **Basis of preparation of financial statements**

Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified) and guidelines issued by the SEBI as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Historical cost convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value value in use in Ind AS 36.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows;

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly, and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Division III of the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees in crore (rounded off to two decimal places) as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

2.2 **Property, Plant and Equipment and Intangible Assets**

Property, Plant and Equipment (PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of auxiliary credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress". (Also refer to policy on leases, borrowing costs and impairment of assets below)

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Depreciation / amortization is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Property, Plant and Equipment	No.of Years
Office Premise	60 Years
Leasehold	10 years or period of lease, whichever is lower
Servers and networks	6 Years
Other EDP machines	3 Years
Office equipment	5 Years
Furniture and fixtures	10 Years
Office Premises taken on Lease	Period of Lease
Vehicles	Period of Lease
Intangible assets	
Computer	5 Years

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase
Assets taken on lease are depreciated over a period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss

Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life of 5 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised

Impairment losses on non-financial assets

As at the end of each year, the Company reviews the carrying amount of its non-financial assets, that is PPE and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss

An asset is considered as impaired when on the Balance Sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the Statement of Profit and Loss

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

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2.3 Revenue recognition

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation. The Company recognises revenue from the following sources:

Fees and Commission Income:

Brokerage and Distribution, Selling, Advisory and Other fees. These are recognised net of goods and services tax recovered.

a) Brokerage earned from executing client transactions on the secondary market in "Cash", "Future and Option" and "commodity" segments are recognised in the accounts on the trade date.

b) Fees earned from primary market operations, i.e. procuring subscription from investors for public offerings of companies are recognised on determination of the amount due to the Company by the RTA and after the allotment of securities is completed.

c) Fees earned for mobilizing bonds, fixed deposits from companies and funds for mutual funds from investors are recognised on monthly, quarterly or annual basis as set forth in terms of the engagement.

d) Fees from Structured Products, Depository Participant Business and Portfolio Management Services are recognised when the services are determined to be completed.

2.3.1 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest Income is accrued over time, by reference to the principal outstanding and at the interest rate applicable.

2.3.2 Dividend Income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.3.3 Investment Income

The gains/ losses on sale of investments are recognised in the Statement of Profit and Loss on the trade date. Gain or loss on sale of investments is determined after consideration of cost on FIFO basis.

2.3.4 Share of Profits from Partnership Firm

Share of Profits from partnership firm is recognised on accrual basis and as per the terms defined in the respective partnership deed.

2.4 Leasing

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,
b) the right to obtain substantially all the economic benefits from use of the identified asset, and
c) the right to direct the use of the identified asset.

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The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. RoU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised

Check whether this is applicable for your respective company. Otherwise, delete

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of profit and loss

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note No. 15 "Other Financial Liabilities" and ROU asset has been presented in Note No. 11 "Property, Plant and Equipment" and lease payments have been classified as operating cash flows.

The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases

Leases, for which the Company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease

Critical accounting judgements and Key sources of estimation uncertainty"

Leases:

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Finance Lease

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in profit or loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs (see note 2.6 below).

Operating Lease

Rental expense from operating leases is generally recognised on a straight-line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

In the event that lease incentives are received to enter into operating leases, such incentives are recognised as a liability. The aggregate benefit of incentives is recognised as a reduction of rental expense on a straight-line basis, except where another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed

Effective from April 01, 2019 Ind AS 116, the new leases standard will be applicable to the Company. As per Ind AS 116 all leases will form part of the balance sheet, applying a "right-of-use asset" model that would recognise an asset on the lessee's balance sheet (representing its right to use the leased asset over the lease term), and recognise a corresponding liability to make future lease payments.

As such, a lessee's current operating lease accounting model will change significantly. The lessor accounting model will largely remain unchanged from that applied under current guidance.

2.5 Foreign currency transactions

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.6 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

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2.7 **Employee benefits**

Retirement benefit costs and termination benefits:
Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit & Loss of the year when employees have rendered service entitling them to the contributions. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

Defined Benefit Obligation:
The Company's Gratuity liability under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.8 **Income tax**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current Tax

The tax currently payable is based on the taxable profit for the year of the Company. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

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Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.9 Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits

2.10 Provisions and contingencies

Provisions are recognised only when:

i. an entity has a present obligation (legal or constructive) as a result of a past event; and
ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
iii. a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract

Contingent liability is disclosed in case of:

i a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and
ii a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets
Contingent assets are not recognised in the financial statements

2.11 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:
i. estimated amount of contracts remaining to be executed on capital account and not provided for;
ii. uncalled liability on shares and other investments partly paid;
iii. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sale/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.12 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealized foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.13 Segments

As per Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company operates only in one Operating Segment i.e Securities business and all other activities are incidental to the main business activity, hence has only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the CODM.

2.14 Financial Instruments

Recognition of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, premises and other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

Initial Measurement of Financial Instruments

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

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Subsequent Measurement of Financial Assets:

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Classification of Financial Assets:

Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost,

- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL..

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset-by-asset basis

the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies in OCI; and

the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option)

A financial asset is held for trading if

- it has been purchased primarily for short term period through trading activities,
- Held for Trading assets and liabilities are recorded and measured in the financials at fair value;
- Financial assets held for trading are designated at FVTPL

Debt Instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the individual asset basis and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed at individual basis and collectively to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Equity Investments at FVTOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on equity instruments measured through FVTPL are recognised in the Statement of Profit & Loss.

Gains and losses on equity instruments measured through FVTOCI are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

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Financial assets at fair value through profit or loss (FVTPL).

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described below.

Impairment of financial assets

Overview of the Expected Credit Loss principles

The company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

Expected credit losses (ECL) are a probability-weighted estimate of the present value of credit losses. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company measures ECL on an individual basis. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

Stage 1 – Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3 – Non-performing assets with overdue more than 90 DPD

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 and loans under short term financing, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Derecognition of financial assets

A financial asset is derecognised only when

- The Company has transferred the rights to receive cash flows from the financial assets or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Write-off

Loans and trade receivables are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

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All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.15 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

2.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3 **Critical accounting judgements and key sources of estimation uncertainties**

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Expected Credit Loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in Note 36

Fair Valuation

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Company uses market observable data to the extent it is available. When Level 1 inputs are not available, the Company has applied appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 36.

Critical accounting judgements and Key sources of estimation uncertainty"

Leases:

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2022	As at March 31, 2021
4	**Cash and cash equivalents**		
	Cash on hand	-	-
	Balances with banks in current accounts	145.69	45.87
	Total	**145.69**	**45.87**
5	**Other bank balances**		
	In deposit accounts under lien against which facilities are availed (refer note 5.1 & 5.2 below)	1,023.40	1,060.50
	Total	**1,023.40**	**1,060.50**

5.1 Fixed deposit and other balances with banks earns interest at fixed rate.

5.2 Other bank balances include deposit accounts and are under lien and lodged with stock exchange(s) towards base/additional base capital or are under lien towards overdraft facilities and guarantees given by the banks to Stock Exchanges.

6 **Trade Receivables**

Secured, considered good	160.46	90.50
Unsecured considered good	81.87	181.78
Significant increase in Credit Risk	0.68	1.98
Trade Receivables	243.01	274.25
Less: Provision for Impairment	(1.28)	(2.23)
Total	**241.73**	**272.02**

6.1 Reconciliation of Impairment allowance on Trade Receivables:

Impairment allowance measured as per simplified approach	
Impairment allowance as on 1 April 2021	2.23
Add/ (less): Provided/(reversed) during the year	(0.95)
Impairment allowance as on 31 March 2022	1.28

6.2 Trade receivable ageing schedule: (Gross)

As at March 31, 2022

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	242.28	-	0.05	-	-	242.33
(ii) Undisputed Trade Receivables- significant increase in credit risk	0.02	0.05	0.22	-	0.39	0.68
Total	**242.30**	**0.05**	**0.27**	-	**0.39**	**243.01**

As at March 31, 2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade Receivables- considered good	272.27	-	-	-	-	272.27
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	1.59	-	0.39	-	1.98
Total	**272.27**	**1.59**	-	**0.39**	-	**274.25**

Note:

There are no debts due by Directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any Director is a partner or a Director or a member

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2022	As at March 31, 2021
7	**Loans**		
	At amortized cost		
	Loans given in India to other than public sector		
	Loans repayable on demand – Margin Trade Financing	311.98	216.88
	Gross	**311.98**	**216.88**
	Less: Impairment loss allowance	(1.87)	(1.30)
	Net	310.11	215.58
7.1	**Break up of loans into secured and unsecured**		
	Secured		
	Secured by Shares, Bonds, etc	311.98	216.88
	Secured by Fixed Deposits, Book Debts, Inventories and other working capital items	-	-
	Gross	**311.98**	**216.88**
	Less: Impairment loss allowance	(1.87)	(1.30)
	Net	**310.11**	**215.58**
	Unsecured		

7.2 Reconciliation of Impairment allowance on Loans

Impairment allowance measured as per simplified approach

Impairment allowance as on 1 April 2021	1.30
Add/ (less) Provided/(reversed) during the year	0.57
Impairment allowance as on 31 March 2022	1.87

Note:

There are no loans due by Directors or other officers of the Company or any of them either severally or jointly with any other persons or amounts due by firms or private companies respectively in which any Director is a partner or a Director or a member.

There are no loans or advances in the nature of loans to promoters, directors, KMPs or related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

(a) repayable on demand, or

(b) without specifying any terms or period of repayment.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2022	As at March 31, 2021
8	**Investments**		
	(In India)		
(a)	At Cost		
	Subsidiaries		
	Equity instruments (Shares)		
	Equity shares of JM Financial Commtrade Limited of Rs. 10/- each fully paid up	5.00	5.00
	Equity shares in JM Financial Capital Limited of Rs.10/- each fully paid up	225.00	225.00
	Equity shares of JM Financial Institutional Securities Limited of Rs. 10/- each fully paid up	27.75	27.75
	Preference Shares (Refer note 2 below)		
	9% non-cumulative redeemable preference shares of JM Financial Commtrade Limited of Rs. 10/- each fully paid up	2.50	2.50
	6% optionally convertible redeemable non-cumulative preference shares of JM Financial Commtrade Limited of Rs. 10/- each fully paid up.	16.00	16.00
	Partnership firm		
	Contributions to Partnership Firm where a company is a Partner on capital account	0.90	0.90
	Share of Profit	1.69	2.25
	Total	278.84	279.40
	Less: Impairment loss allowance	-	-
	Net	**278.84**	**279.40**
(b)	**At fair value through profit and loss account**		
	Mutual fund units		
	Units of JM High Liquidity Fund	-	0.15
	Total	**-**	**0.15**
	Total (a+b)	278.84	279.55
	Less: Impairment loss allowance	-	-
	Net	**278.84**	**279.55**

Note:

1. The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.
2. Measured at cost in accordance with IND AS 27 - Separate Financial Statements.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2022	As at March 31, 2021
9	**Other Financial Assets**		
	Advances to employees	0.21	0.20
	Deposits with stock exchanges, professional clearing member etc	3.78	2.95
	Deposits for premises		
	To Related Parties	4.10	3.75
	To Others	3.61	2.73
	Deposits for premises	**7.72**	**6.48**
	Other deposits	1.37	0.21
	Interest accrued on bank deposits	6.61	6.75
	Debt Securities held as stock in trade (Held for trading)	3.75	4.17
	Total	**23.45**	**20.76**

Note:

The Company has not given any advances to Directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any Director is a partner or a Director or a member.

10	**Deferred tax assets**		
	Difference between books and tax written down value of fixed assets	3.26	2.71
	Expense allowable on payment basis	3.30	3.30
	Impairment of financial instruments	0.79	0.89
	Fair value of investments	(0.00)	(0.03)
	Accrued Interest on Nifty Linked Debentures	-	0.83
	Total	7.34	7.71

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(Rupees in Crore)

The following table shows deferred tax recorded in the balance sheet and changes recorded in the income tax expense:

10.1 For the year ended March 31, 2022

Deferred tax asset / (liability)	Opening balances as on 01.04.2021	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Recognised in Other Equity	Closing balances as on 31.03.2022
Difference between books and tax written down value of fixed assets	2.71	0.55	-	-	3.26
Expense allowable on payment basis	3.31	0.16	(0.18)	-	3.30
Impairment of financial instruments	0.89	(0.10)	-	-	0.79
Fair value of investments	(0.03)	0.03	-	-	(0.00)
Accrued Interest on Nifty Linked Debentures	0.83	(0.83)	-	-	-
Total	7.71	(0.20)	(0.18)	-	7.34

10.2 For the year ended March 31, 2021

Deferred tax asset / (liability)	Opening balances as on 01.04.2020	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Recognised in Other Equity	Closing balances as on 31.03.2021
Difference between books and tax written down value of fixed assets	1.66	1.05	-	-	2.71
Expense allowable on payment basis	3.17	0.52	(0.38)		3.31
Impairment of financial instruments	0.53	0.36	-	-	0.89
Fair value of investments	(0.08)	0.05	-	-	(0.03)
Others	-	0.83	-	-	0.83
Total	5.28	2.81	(0.38)	-	7.71

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

11 Property, plant and equipment

(Rupees in Crore)

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2021	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2022	As at April 1, 2021	Charge for the year	Deductions/ adjustments	As at March 31, 2022	As at March 31, 2022
Property Plant and Equipment									
Owned Assets									
Office Premise	0.62	-	-	0.62	0.05	0.01	-	0.05	0.57
Leasehold improvements	5.32	0.52	0.37	5.34	2.90	0.66	0.38	3.40	1.94
Computers	11.04	2.63	0.66	13.04	7.99	1.71	0.66	9.04	3.99
Office equipment	1.44	0.17	0.40	1.22	0.93	0.27	0.40	0.79	0.43
Furniture and fixtures	0.71	0.08	0.06	0.73	0.11	0.15	0.06	0.21	0.52
Leased Assets									
Office Premises	69.52	6.69	3.04	73.17	20.23	13.06	-	30.32	45.15
Vehicles (Refer Note)	1.46	0.35	0.63	1.18	0.75	0.39	0.55	0.59	0.59
Total Property Plant and Equipment	90.12	10.51	5.04	95.58	33.00	13.27	1.84	44.41	53.17
Intangible Assets									
Software	11.46	1.55	-	13.01	8.76	1.65	-	10.10	2.91
Total Intangible Assets	11.46	1.55	-	13.01	8.46	1.65	-	10.10	2.91
Intangible assets under development									2.46

Note:

i) Vendor has ten over the assets taken on lease

ii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2019	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2021	As at April 1, 2019	Charge for the year	Deductions/ adjustments	As at March 31, 2021	As at March 31, 2021
Property Plant and Equipment									
Owned Assets									
Office Premise	0.62	-	-	0.62	0.03	0.01		0.04	0.58
Leasehold improvements	4.48	0.69	0.35	5.02	2.32	0.75	0.17	2.90	2.12
Computers	10.62	0.74	0.33	11.03	6.25	2.06	0.32	7.99	3.04
Office equipment	1.71	0.19	0.46	1.44	0.97	0.39	0.44	0.92	0.52
Furniture and fixtures	0.68	0.14	0.11	0.71	0.07	0.14	0.10	0.31	0.40
Leased Assets									
Office Premises	67.31	3.93	1.42	69.82	10.24	10.05	0.02	20.27	49.55
Vehicles (Refer Note)	1.73	0.26	0.53	1.46	0.79	0.49	0.44	0.75	0.70
Total Property Plant and Equipment	87.35	5.95	3.20	90.11	20.59	13.89	1.49	32.98	57.13
Intangible Assets									
Software	10.92	0.54	-	11.46	6.65	1.81	-	8.46	3.00
Total Intangible Assets	10.92	0.54	-	11.46	6.65	1.81	-	8.46	3.00
Intangible assets under development									0.24

Note:

i) Vendor has ten over the assets taken on lease

ii) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Ageing schedule for Capital Work in Progress / Intangible Assets Under Development (IAUD)

(Rupees in Crore)

As at March 31, 2022

Particulars	Amount in CWIP / IAUD as on March 31, 2022				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	3.35	0.04	-	-	3.39
(ii) Projects temporarily suspended	-		-	-	-
Total	3.35	0.04	-	-	3.39

As at March 31, 2021

Particulars	Amount in CWIP / IAUD as on March 31, 2021				
	Less Than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	0.21	-	0.04	-	0.29
(ii) Projects temporarily suspended	-	-	-	-	-
Total	0.21	-	0.04	-	0.29

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2022	As at March 31, 2021
12	**Other Non-financial Assets**		
	GST credit receivable	8.72	6.02
	Capital advances	0.72	0.05
	Prepaid Expenses	2.95	2.29
	Others (employee advance, advance for expenses, etc.,)	0.61	0.37
	Total	13.00	8.73
13	**Payables**		
	Trade Payables		
	Total outstanding dues of micro and small enterprises	1.07	0.05
	Total outstanding dues of creditors other than micro and small enterprises	36.55	33.06
	Other Payables		
	Total outstanding dues of micro and small enterprises	-	-
	Total outstanding dues of creditors other than micro and small enterprises	799.18	728.57
	Total	836.81	761.68

13.1 Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	1.07	0.05
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	1.07	0.05

Particulars	As at March 31, 2022	
	MSME	Others
Outstanding for following periods from due date of payment		
Less than 1 year	1.07	834.71
1-2 years	-	0.38
2-3 years	-	0.58
More than 3 years	-	0.06
Total	1.07	835.73

Particulars	As at March 31, 2021	
	MSME	Others
Outstanding for following periods from due date of payment		
Less than 1 year	0.05	760.27
1-2 years	-	0.83
2-3 years	-	0.53
More than 3 years	-	-
Total	0.05	761.63

14	**Debt Securities**		
	Within India		
	At amortised cost		
	Unsecured		
	Commercial paper	485.00	385.00
	Unamortised interest on commercial paper	(5.64)	(8.83)
		479.37	376.17
	Nifty Linked Debentures		
	NLD - FD Plus	-	49.09
	NLD - Equity	-	4.73
	Interest accrued on the above	-	3.32
		-	57.14
	Total	479.37	433.31
	Debt securities in India	479.37	433.31
	Debt securities outside India		
	Total	479.37	433.31

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2022	As at March 31, 2021
14.1	The maximum amount of commercial paper outstanding at any time during the year was Rs. 585 crore (FY2020-21: Rs. 535 crore).		
14.2	Commercial paper has interest ranging from 4.10% to 5.77% p.a (5.00% to 9.20% p.a for FY 2020-21) and are repayable within a period upto 365 days from the date of disbursement.		
14.3	Non Convertible Debentures of Rs. Nil (FY 2020-21: Rs.56.65) are secured through a first pari-passu charge/hypothecation over portions of the standard receivables of the Company.		
15	**Borrowings (other than debt securities)**		
	Within India at amortised cost		
	Secured		
	Overdraft Facility from Banks	-	10.87
	From Related Party		
	Inter corporate deposits	-	100.00
	Interest accrued on the above	-	-
	Total	-	**110.87**
15.1	Secured against fixed deposits pledged with banks.		
16	**Lease Liabilities**		
	Operating lease liability	50.96	52.89
	Finance lease liability	0.71	0.86
	Total	**51.67**	**53.76**
17	**Other Financial Liabilities**		
	Margin money from clients / franchisees	150.91	130.23
	Employee benefits payable	48.14	32.57
	Director commission payable	0.18	0.25
	Overdrawn book balances	3.78	0.09
	Other liabilities	0.02	0.06
	Unspent CSR Expenditure	0.15	0.25
	Total	**202.30**	**163.45**
18	**Provisions**		
	Provision for Gratuity (refer note 35)	13.11	13.16
	Provision for Compensated Absences	5.67	5.09
	Total	**18.77**	**18.25**
19	**Other Non Financial Liabilities**		
	Statutory Dues	24.11	11.46
	Total	**24.11**	**11.46**

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JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2022		As at March 31, 2021	
20	**Equity Share Capital**				
	Particulars	Number	Amount	Number	Amount
	[a] Authorised share capital				
	Equity shares of the par value of Rs.10 each	5,50,00,000	55.00	5,50,00,000	55.00
	Preference Shares of the par value of Rs.10 each	1,00,00,000	10.00	1,00,00,000	10.00
	Total	6,50,00,000	65.00	6,50,00,000	65.00
	[b] Issued, Subscribed and paid up				
	Equity shares of Rs.10 each	5,00,00,000	50.00	5,00,00,000	50.00
	Total	5,00,00,000	50.00	5,00,00,000	50.00

20.1 Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at March 31, 2022		As at March 31, 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares				
Shares outstanding at the beginning of the year	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000

20.2 Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2022		As at March 31, 2021	
	Number of	Percentage	Number of	Percentage
JM Financial Limited (alongwith 6 shares held by other nominee shareholders)	5,00,00,000	100%	5,00,00,000	100%

20.3 Terms and rights attached to each class of shares:

Equity Shares:

The Company has issued only one class of shares i.e. equity. The equity shareholders are entitled to dividend as and when dividend is declared and approved by the shareholders

20.4 Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date **NIL**

JM FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2022	As at March 31, 2021
21	**Other equity**		
	6% Compulsory Convertible Preference shares		
	As per last Balance Sheet	7.50	7.50
	Additions during the year	-	-
	Deletions during the year	-	-
		7.50	**7.50**
	Securities Premium Account		
	As per last balance sheet	60.65	60.65
	Additions during the year	-	-
	Deletions during the year	-	-
		60.65	**60.65**
	Capital Redemption Reserves		
	As per last balance sheet	4.69	4.69
	Additions during the year	-	-
	Deletions during the year	-	-
		4.69	**4.69**
	Retained earnings		
	As per last balance sheet	326.19	293.17
	Profit for the year	122.04	31.89
	Other Comprehensive income	0.53	1.13
	Less :	-	-
	Dividend Paid	(40.45)	-
	Corporate dividend tax	-	-
		408.31	**326.19**
	Total	**481.15**	**399.03**

6% Compulsory Convertible Preference shares (CCPS)

75,00,000 6% CCPS of Rs. 10/- each at a premium of Rs. 57/- per share were issued by the Company to its holding company in financial year 2018-2019. As per the terms of the issue each CCPS shall be converted into equity shares is the ratio of 1 : 1 anytime between the completion of 3 years from the date of allotment of CCPS and the end of tenth year.

Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve

Capital Redemption Reserve was created in financial year 2010-2011 on redemption of optionally convertible preference shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr. No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
22	**Revenue from Operations**		
	Fees and commission Income		
	Brokerage	220.60	156.29
	Distribution, selling, advisory and other fees	219.10	167.07
	Total	**439.70**	**323.36**
	Other Operating Revenue		
	Interest income on fixed deposit placed as margin, etc	35.41	26.66
	Interest income from margin financing	32.84	11.46
	Interest on delayed payment recovered from clients	33.71	28.67
	Recoveries from clients/franchisees etc	0.41	0.23
	Total	**102.38**	**67.02**
23	**Net gain on fair value changes**		
	On financial instruments designated at fair value through profit and loss account		
	Fair Value changes:		
	Realised	7.49	13.22
	Unrealised	0.00	0.74
	Total	**7.49**	**13.96**
	Total Revenue from Operations	**549.57**	**404.34**
24	**Other Income**		
	Interest income	0.07	0.14
	Interest on income tax refund	-	1.09
	Share of profit from partnership firm where the Company is a Partner	14.24	7.12
	Dividend Income	33.75	-
	Profit on sale of fixed assets (net)	0.07	-
	Sundry Balances written back	1.49	-
	Provision written back	-	0.84
	Miscellaneous income	0.03	0.05
	Finance Income on remeasurement of security deposits	0.59	0.56
	Total	**50.24**	**9.80**

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr. No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
25	**Finance Costs**		
	On financial liabilities measured at amortised cost		
	Debt Securities		
	Commercial Papers	24.82	27.66
	Nifty Linked Debentures	3.74	3.31
	Borrowings (Other than Debt Securities)		
	Inter Corporate Deposits	2.58	11.41
	Bank Overdraft	1.65	2.53
	Finance charges on leased assets	0.36	0.47
	Finance charges on leased premises	4.85	5.12
	Other Financial liabilities		
	On Margins	6.40	5.04
	On Others		
	Bank Guarantee and other charges	6.67	4.62
	Total	**51.08**	**60.15**
26	**Impairment of Financial Instruments**		
	Provision for expected credit loss	0.22	1.42
27	**Employee benefits**		
	Salaries, bonus, other allowances and benefits	160.40	128.07
	Contribution to provident and other funds	6.20	5.75
	Gratuity	2.59	2.64
	Staff welfare expenses	0.85	0.32
	Total	**170.04**	**136.78**
28	**Other Expenses**		
	Rent and other related costs	0.22	0.37
	Rates and taxes	0.86	1.11
	Repairs and maintenance	1.26	1.13
	Professional and consultancy charges	3.24	2.91
	Communication expenses	1.58	1.25
	Information technology expenses	11.36	9.52
	Membership and subscription	1.16	1.23
	Electricity	1.30	1.37
	Insurance	2.89	2.21
	Printing and stationery	0.99	0.61
	Donations	1.24	1.13
	Manpower expenses	8.43	8.23
	Auditors remuneration		
	As auditors	0.22	0.13
	In any other manner (limited reviews, certifications, out of pocket expenses, etc)	0.07	0.05
	Directors Commission	0.18	0.15
	Travelling expenses	0.39	0.32
	Loss on Sale/Discard of Fixed Assets (Net)	-	0.07
	Bad Debts written off	1.20	0.61
	Business development expenses	2.89	0.31
	Miscellaneous expenses	4.20	3.75
	Total	**43.73**	**36.46**

JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

Sr.No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
29	**Tax Expenses**		
29.1	**Income tax**		
	Current tax	26.19	11.82
	Tax adjustment in respect of earlier years (net)	(0.83)	(0.48)
	Deferred tax	0.19	(2.81)
	Total income tax expenses recognised in the current year	**25.55**	**8.53**
	Income tax expense recognised in other comprehensive income	0.18	0.38
29.2	**Reconciliation of total tax charge**		
	Income tax expense for the year reconciled to the accounting profit:	**25.55**	**8.53**
	Profit before tax	147.60	40.42
	Income tax rate	25.17%	25.17%
	Income tax expense	37.15	10.17
	Tax Effect of:		
	Income that is exempt from tax	(3.58)	(1.79)
	Income not chargeble to tax	(8.48)	(0.14)
	Expenses that are not deductible in determining taxable profits	0.46	0.58
	Tax adjustments on remeasurement of security deposits	-	0.19
	Tax adjustments in respect of earlier years (net)	-	(0.48)
	Income tax expense recognised in profit and loss	25.55	8.53
	Effective Tax Rate	17.31%	21.11%
30	**Contingent liabilities**		
(a)	Counter guarantees given to the banks in respect of guarantees issued by them to stock exchange(s).	695.93	544.13
(b)	Fixed deposits placed as margins against the bank guarantees issued by the banks	347.05	272.10
(c)	Income tax demands in respect disputed disallowances and tax deducted at source under the Income Tax Act,1961. With regards to above, the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize.	1.05	1.49
31	**Commitments**		
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for	0.05	0.29
32	**Share-based payments**		
32.1	**Employee share option plan of the Holding Company**		
	During the current year and in the earlier years , based on the request made by JM Financial Services Limited (the Company), JM Financial Limited, in accordance with Securities And Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999, has granted the equity stock options, inter alia, to the eligible employees and/or directors of the Company.		
	Charge on account of the above scheme included in employee benefit expenses	0.42	1.55
33	**Earning per equity share**		
(a)	Profit attributable to equity share holders (Rs. in crore)	122.04	31.89
(b)	Weighted Number of equity shares outstanding during the year	5,00,00,000	5,00,00,000
(c)	Weighted Number of equity shares outstanding during the year after adjustment for dilution	5,75,00,000	5,75,00,000
(d)	Nominal value per share (Rs.)	10	10
(e)	EPS :		
	Basic (Rs.)	24.41	6.38
	Diluted (Rs.)	21.22	5.54

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

34 Lease Transaction

Following are the changes in the carrying value of the right to use assets for the year ended March 31, 2022.

Category of right to use asset	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2021	Additions	Deletions	As at March 31, 2022	As at April 1, 2021	Depreciation	Deletions	As at March 31, 2022	As at March 31, 2022
Office Premises	69.82	6.09	1.04	75.47	20.28	10.06	-	30.34	45.15
Total	69.82	6.09	1.04	75.47	20.28	10.06	-	30.34	45.15

Following are the changes in the carrying value of the right to use assets for the year ended March 31, 2021:

Category of right to use asset	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2020	Additions	Deletions	As at March 31, 2021	As at April 1, 2020	Depreciation	Deletions	As at March 31, 2021	As at March 31, 2021
Office Premises	67.31	3.93	1.42	69.81	10.24	10.05	0.02	20.28	49.53
Total	67.31	3.93	1.42	69.81	10.24	10.05	0.02	20.28	49.53

The following is the movement in lease liabilities during the year ended March 31, 2022 and March 31, 2021:

Particulars	As at March 31, 2022	As at March 31, 2021
Opening balance	53.70	58.15
Additions during the year	6.75	3.85
Deletions during the year	(1.32)	(1.60)
Finance costs accrued during the year	5.22	5.39
Payment of lease liabilities	(11.43)	(12.23)
	51.97	53.76

Table showing contractual maturities of lease liabilities for office premises as at March 31, 2022 on an undiscounted basis:

Particulars	Total minimum lease payments outstanding	
	March 31, 2022	March 31, 2021
Not later than one year	12.46	11.35
Later than one year and not later than five years	37.49	36.09
Later than five years	17.53	24.16
Total	67.48	72.60

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The minimum vehicles lease rentals outstanding as at the year-end are as under:

Particulars	March 31, 2022	March 31, 2021
Not later than one year	0.58	0.69
Later than one year and not later than five years	0.65	0.78
Later than five years	-	-
Total	1.24	1.47

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

(Rupees in Crore)

35 Employee Benefit :

Defined Contribution Plan

The Company operates defined contribution plan (Provident fund) for all qualifying employees of the Company. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

The Company's contribution to Provident Fund aggregating Rs. 6.20 crore (Previous Year: Rs. 5.75 crore) has been recognised in the Statement of Profit and Loss under the head Employee Benefit Expenses.

Short-term employee benefits:

The Company provides for accumulated compensated absences as at balance sheet date using full cost method to the extent leave will be utilised. The charge for the current year is disclosed under Salaries and Bonus.

Defined benefit obligation

The liability under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The plan is a final salary defined benefit trustees which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows while computing the liability and thereby requiring higher accounting provisioning.

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary Risks:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the company.

a) The assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2022	As at March 31, 2021
Significant assumptions		
Discount rate (%)	7.20%	6.90%
Expected rate of salary escalation (%)	7.00%	7.00%
Other assumption		
Mortality Table	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

b) Amount recognised in Balance sheet in respect of these defined benefit obligations:

	As at March 31, 2022	As at March 31, 2021
Present value of defined benefit obligation	13.11	13.16
Fair value of plan assets	-	-
Net liability	13.11	13.16

c) Amount recognised in statement of profit and loss in respect of these defined benefit obligation:

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Current service cost	1.75	1.82
Net interest cost	0.86	0.81
Past service cost	-	-
Total amount recognised in profit & loss	2.61	2.63

(Rupees in Crore)

Components of defined benefits cost recognised outside profit and loss		
Remeasurements on the net defined benefit liability		
- Actuarial (gain)/loss from change in demographic assumptions	-	-
- Actuarial (gain)/loss from change in financial assumptions	(0.39)	(0.13)
- Actuarial (gain)/loss from change in experience adjustments	(0.32)	(1.38)
Total amount recognised in other comprehensive income	(0.71)	(1.51)

The current service cost and the net interest expense for the year are included in the 'in the Employee benefit expense' line item in the statement of profit and loss

d) Movement in the present value of the defined benefit obligation are as follows.

Particulars	For the year ended March 31, 2022	For the year ended March 31, 2021
Opening defined benefit obligation	13.16	12.60
Current service cost	1.73	1.82
Past service cost	-	-
Interest cost	0.88	0.81
Remeasurements (gain)/losses.		
Actuarial (gain)/loss from change in demographic assumptions	-	-
Actuarial (gain)/loss from change in financial assumptions	(0.39)	(0.13)
Actuarial (gain)/loss from change in experience adjustments	(0.32)	(1.37)
Benefits paid	(1.86)	(0.62)
Liability assumed / settled	(0.09)	0.05
Closing defined benefit obligation	13.11	13.16

e) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are as follows:

Particulars	As at March 31, 2022 Increase	As at March 31, 2022 Decrease	As at March 31, 2021 Increase	As at March 31, 2021 Decrease
Discount rate (- / +0.5%)	12.50	13.76	12.54	13.84
% change compared to base due to sensitivity	-4.63%	4.98%	-4.75%	5.13%
Salary growth rate (- / +0.5%)	13.63	12.61	13.71	12.69
% change compared to base due to sensitivity	3.97%	-3.35%	4.12%	-3.60%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the changes in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a) above. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation liability recognised in the balance sheet

f) Projected benefits payable

Particulars	As at March 31, 2022	As at March 31, 2021
Expected benefits for year 1	1.06	1.21
Expected benefits for year 2	0.71	0.69
Expected benefits for year 3	0.95	0.71
Expected benefits for year 4	1.03	0.90
Expected benefits for year 5	0.79	1.06
Expected benefits for year 6 and above	25.68	35.29

The weighted average duration of the defined benefit obligation is 9.60 years (previous year 9.87 years)

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JM FINANCIAL SERVICES LIMITED MUMBAI

36 Related party disclosures

A) Enterprise where control exists

i) Holding Company	JM Financial Limited
ii) Subsidiary Company/Firm	JM Financial Commtrade Limited JM Financial Capital Limited JM Financial Institutional Securities Limited Astute Investments (Partnership Firm)

B) Related parties in accordance with Ind AS 24 "Related Party Disclosures"
(Parties with whom the transactions were carried out during the current year/previous year)

i) Holding Company	JM Financial Limited
ii) Subsidiary Company/Firm	JM Financial Commtrade Limited JM Financial Capital Limited JM Financial Institutional Securities Limited Astute Investments
iii) Fellow Subsidiaries	JM Financial Products Limited JM Financial Properties and Holdings Limited JM Financial Asset Management Limited Infinite India Investment Management Limited CR Retail Malls (India) Limited JM Financial Credit Solutions Limited JM Financial Asset Reconstruction Company Limited JM Financial Home Loans Limited
iv) Key Management Personnels and close members of the family (relatives) of the Key Management Personnels	Mr. Vishal Kampani (Key Management Personnel of the Holding Company - upto September 30, 2021) Relatives : Mr. Nimesh Kampani Ms. Aruna N Kampani Ms. Arnishi Gambhir Ms. Madhu Kampani Mr. Subodh Shinkar Relatives Ms. Sunita Shinkar Mr. Sunil Shinkar Mr. Nimal Shinkar Mrs. Prabha Rajinder Bagga Mr. Kumud Damodar Shinkar Mr. Atul Mehra (KMP of the parent company – effective October 1, 2021) Relatives: Ms. Suvidha Mehra Shri Sham Mehra Ms. Santosh Mehra Ms. Sarundhati Mehra Ms. Sasha Mehra Ms. Priya Malhotra Mr. Adi Patel (KMP of the parent company – effective October 1, 2021) Relatives Ms. Zenobia Adi Patel Mr. Rusi Perojshah Patel Mr. Kaivad Adi Patel Ms. Winifer Adi Patel

v) Directors	Mr. Nimesh Kampani (upto September 30, 2021) Mr. Vishal Kampani Ms. Dipti Neelakantan Mr. H M Kotak Mr. Anil Mavinkurve (Whole-Time Director upto May 20, 2021 and Company Secretary upto May 31, 2021) Mr. Ajay Mulue (w.e.f October 22, 2021 as Whole Time Director) Mr. DimpleKumar Shah (Director w.e.f. June 03, 2021 and Whole Time Director w.e.f. June 15, 2021)
vi) Independent Directors	Dr. Anup Shah Mr. Parthiv Kilachand Mr. Prakash Parthasarathy (w.e.f. October 22, 2021)
vii) Associate	JM Financial Trustee Company Private Limited
viii) Enterprises over which any person described in Clause B iv) and vi) above is able to exercise significant influence	J.M. Financial & Investment Consultancy Services Private Limited J.M. Assets Management Private Limited Kampani Consultants Limited Parsiguda Investment Company Private Limited SNK Investments Private Limited Capital Market Publishers India Private Limited Kampani Properties and Holding Limited DayOne Learning Solutions (OPC) Private Limited

JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

C) Details of transactions Name of the related party	Nature of Transaction	Year ended March 31, 2022	Year ended March 31, 2021
i) Holding Company			
JM Financial Limited	Reimbursement of employee expenses	0.42	1.55
	Rent paid	0.27	0.27
	ICD Taken	250.00	866.00
	ICD Repaid	250.00	766.00
	Interest on ICD	1.64	8.76
	Fees Received	22.00	5.05
	Dividend on Preference Shares	0.45	-
	Dividend on Equity Shares	40.00	-
	Reimbursement of expenses paid	0.18	-
	Closing Balance Receivable	7.43	2.25
	Closing Balance Receivable / (Payable) - ICD	-	(100.00)
	Closing Balance - Deposit	7.00	1.00
ii) Subsidiary Companies			
JM Financial Commodities Limited	ICD Taken	0.08	0.01
	ICD Repaid	54.87	62.00
	Interest on ICD paid	54.87	62.00
	Gratuity received on transfer of employee	0.70	1.14
	Closing Balance Receivable / (Payable)**	-	0.05
	** NIL (Previous Year Rs 26,575/-)	-	0.00
JM Financial Capital Limited	ICD Taken	-	135.00
	ICD Repaid	-	135.00
	Interest on ICD paid	-	0.19
	Reimbursement of expenses (Received)	0.02	0.01
	Interest payable on margin with exchange	-	0.17
	Margin Repaid for Option trade	-	3.17
	Dividend received	33.75	-
	Secondary Brokerage Received#	0.00	0.00
	Closing Balance Receivable / (Payable)	-	-
	# Rs. 25,004/- (Previous Year Rs. 40,557/-)		
JM Financial Institutional Securities	Secondary Brokerage Received#	-	0.00
	Margin Deposit received	-	74.00
	Margin Deposit refunded	-	14.00
	Closing Balance Receivable / (Payable)	-	-
	# NIL (Previous Year Rs 38,040/-)		
Asset Investments	Receipt on partner's current account	14.76	6.69
	Interest on Margin	11.20	14.15
	Margin Deposit received	204.95	181.77
	Margin Deposit refunded	213.50	171.55
	Secondary Brokerage Received	0.62	0.31
	Demat charges received *	0.00	-
	Reimbursement of Expenses (received)	0.42	0.25
	Share of Profit for the period	14.24	7.13
	Closing Balance Receivable / (Payable) - Current Account	2.69	2.25
	Closing Balance Receivable / (Payable) - Trade Payable	(8.20)	-
	Closing Balance Receivable / (Payable) - Margin Deposit	(1.21)	(9.78)
	* Rs 33,293/- (Previous Year NIL)		
iii) Fellow Subsidiaries			
JM Financial Products Limited	ICD Taken	250.000	456.00
	ICD Repaid	250.00	456.00
	Interest on ICD paid	0.23	0.33
	Fees Received	5.10	0.62
	Investment in market linked non-convertible debentures	-	75.12
	Reimbursement of expenses (Received)	0.06	0.03
	Purchase of fixed asset	0.01	-
	Secondary Brokerage Received (Net)	1.02	0.63
	Closing Balance Receivable / (Payable)	(17.16)	(16.14)

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

C) Details of transactions Name of the related party	Nature of Transaction	Year ended March 31, 2022	Year ended March 31, 2021
Infinite India Investment Management Limited	Demat charges received	0.00	0.00
	Closing Balance Receivable / (Payable) * Rs. 500/- (Previous year Rs. 500/-)	-	-
JM Financial Asset Management Limited	Secondary Brokerage Received#	0.00	-
	Closing Balance Receivable # Rs 10,000/- (Previous Year NIL)	-	-
JM Financial Properties and Holdings Ltd.	Business Service Centre Expenses	5.71	5.41
	Reimbursement of expenses - paid	0.82	0.81
	Reimbursement of expenses (Received)	0.03	0.01
	Closing Balance Receivable	-	-
	Closing Balance - Deposit	5.99	5.99
DLF Retail Malls (India) Limited	ICD Taken	-	55.00
	ICD Repaid	-	55.00
	Interest on ICD paid		0.08
	Demat charges received*	0.00	0.00
	Closing Balance Receivable / (Payable)	-	-
	* Rs. 515/- (Previous Year Rs 5000/-)		
JM Financial Asset Reconstruction Company Limited	Reimbursement of expenses (Received)*		0.00
	Investment in market linked non-convertible debentures	200.00	75.00
	Fees received	2.65	0.89
	Closing Balance Receivable	-	-
	* Rs. 5,000/- (Previous Year Rs. 5,000/-)		
JM Financial Credit Solutions Limited	Reimbursement of expenses (Received)	0.06	0.06
	Secondary Brokerage Received	0.01	0.00
	Closing Balance Receivable / (Payable) (Previous Year Rs. 38,760,25/-)	-	-
JM Financial Home Loan Limited	Sale of Fixed Asset	-	0.02
	Reimbursement of expenses (Received)	0.04	0.07
	Interest income on NCD	-	0.10
	Closing Balance Receivable / (Payable)	-	-

iv) **Key Management Personnels/Wholetime director & Company Secretary and its close members of the family (relatives):**

Key Management Personnels/ Wholetime Director & Company Secretary	Remuneration :		
	Short term employee benefits	10.32	4.94
	Post employment benefits	0.16	0.13
	Share based payments (refer note no. 32 & 32.1)	0.61	1.36
	Demat Charges received*	0.00	0.00
	Secondary Brokerage Received	0.02	0.01
	Closing Balance Receivable / (Payable)**	(7.10)	0.00
	* Rs. 100/- (Previous Year Rs. 2,550/-) ** NIL (Previous Year Rs. 22,689/-)		
Relatives of Key Management Personnels	Demat charges received *	0.00	0.00
	Secondary Brokerage Received	0.02	0.02
	Sitting Fees paid	-	0.02
	Directors Commission	-	-
	Closing Balance Receivable / (Payable)**	(0.10)	(0.00)
	* Rs. 1,012/- (Previous Year Rs. 752/-) **Previous Year Payable Rs. 47,250/-		

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

C) Details of transactions

Name of the related party	Nature of Transaction	Year ended March 31, 2022	Year ended March 31, 2021
v) Directors	Sitting Fees paid	0.03	0.02
	Directors Commission	0.05	0.05
	Demat charges received *	0.00	0.00
	Secondary Brokerage Received	0.01	0.02
	Closing Balance Receivable / (Payable)	(0.05)	(0.05)
	* Rs. 5,194/- (Previous Year Rs. 3,094/-)		
vi) Independent Directors	Sitting Fees paid	0.10	0.06
	Directors Commission	0.13	0.10
	Closing Balance Receivable / (Payable)	(0.13)	(0.13)
vii) Associate			
JM Financial Trustee Company Private Limited	Secondary Brokerage Received#	0.04	-
	Closing Balance Receivable / (Payable)	-	-
	# Previous Year Rs.2,16,000/-		

viii) Enterprises over which any person described in Clause B (iv) and (v) above is able to exercise significant influence:

J M Financial & Investment Consultancy Services Pvt Ltd	Secondary Brokerage Received	0.27	0.05
	Demat charges received*	0.00	0.00
	Gratuity paid in transfer of employee	0.39	-
	Closing Balance Receivable / (Payable)	-	-
	* Rs. 1,115/- (Previous Year Rs 550/-)		
JM Assets Management Private Limited	Secondary Brokerage Received	0.06	0.05
	Closing Balance Receivable / (Payable)	-	-
Kampani Consultants Limited	Rent paid	0.05	0.05
	Secondary Brokerage Received#	0.06	0.00
	Closing Balance Receivable / (Payable)	-	-
	# Previous Year Rs 32,500/-	-	-
Persepolis Investment Company Private Limited	Secondary Brokerage Received	0.01	0.02
	Closing Balance Receivable / (Payable)	-	
SMS Investments Private Limited	Secondary Brokerage Received#	0.03	0.02
	Closing Balance Receivable / (Payable)	-	-
Kampani Properties and Holdings Limited	Secondary Brokerage Received#	0.00	-
	Closing Balance Receivable / (Payable)	-	-
	# Rs 25,880/- (Previous Year NIL)	-	-
Capital Market Publishers India Private Limited	IT - Application expenses	0.04	0.04
	Closing Balance Receivable / (Payable)	-	-

The above transactions are excluding Service tax/Goods & Service tax wherever applicable

The details of related party relationships are identified by the management of the company and relied upon by auditors.

There have been no write-off / write back in case of related party

JM FINANCIAL SERVICES LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

37 Maturity Analysis of Assets and Liabilities

(Rupees in Crore)

	Assets	March 31, 2022			March 31, 2021		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(1)	Financial Assets						
(a)	Cash and cash equivalents	145.69	-	145.69	45.87		45.87
(b)	Other bank balances	1,009.41	13.99	1,023.40	1,044.76	5.74	1,050.50
(c)	Derivative Financial Instruments	-	-	-	5.07	-	5.07
(d)	Trade Receivables	241.73	-	241.73	272.02	-	272.02
(e)	Loans	310.11	-	310.11	215.58	-	215.58
(f)	Investments	1.69	277.15	278.84	2.40	277.15	279.55
(g)	Other Financial assets	13.46	9.99	23.45	11.43	9.33	20.76
	Total Financial Assets	**1,722.09**	**301.13**	**2,023.22**	**1,597.12**	**292.22**	**1,889.33**
(2)	**Non-financial Assets**						
(a)	Current tax Assets (Net)	-	43.36	43.36	-	42.51	42.52
(b)	Deferred tax assets (net)	-	7.34	7.34	-	7.71	7.71
(c)	Property, Plant and Equipment	9.71	43.46	53.17	9.45	47.67	57.12
(d)	Intangible assets under Development	2.66	-	2.66	0.24	-	0.24
(e)	Other Intangible assets	0.50	2.41	2.91	0.22	2.79	3.00
(f)	Other non-financial assets	12.95	0.05	13.00	8.66	0.08	8.73
	Total Non-financial Assets	**25.82**	**96.63**	**122.44**	**18.58**	**100.73**	**119.32**
	Total Assets (A)	**1,747.90**	**397.75**	**2,145.66**	**1,615.70**	**392.94**	**2,008.65**
	LIABILITIES						
(1)	**Financial Liabilities**						
(a)	Derivative Financial Instruments	-	-	-	4.82	-	4.82
(b)	Trade Payables						
	Total outstanding dues of micro and small enterprises	1.07	-	1.07	0.05	-	0.05
	Other Payable	835.73	-	835.73	761.63	-	761.63
(c)	Debt Securities	479.36	-	479.36	433.31	-	433.31
(d)	Borrowings (Other than Debt Securities)	-	-	-	110.87	-	110.87
(e)	Lease Liabilities	8.66	43.01	51.67	7.40	46.36	53.76
(f)	Other financial liabilities	202.30	-	202.30	163.45	-	163.45
	Total Financial Liabilities	**1,527.12**	**43.01**	**1,570.14**	**1,481.53**	**46.36**	**1,527.89**
(2)	**Non-Financial Liabilities**						
(a)	Current tax liabilities (Net)	1.50	-	1.50	2.02	-	2.02
(b)	Provisions	6.72	12.05	18.77	6.30	11.95	18.25
(c)	Other non-financial liabilities	24.11	-	24.11	11.46	-	11.46
	Total Non-Financial Liabilities	**32.33**	**12.05**	**44.38**	**19.78**	**11.95**	**31.73**
	Total Liabilities (B)	**1,559.45**	**55.06**	**1,614.51**	**1,501.31**	**58.30**	**1,559.62**
	Net (A) - (B)	**188.45**	**342.69**	**531.15**	**114.39**	**334.64**	**449.04**

JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

38 Financial Instruments

38.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concern while maximizing the return to stakeholders through the optimization of the debt and equity mix.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio

	As at March 31, 2022	As at March 31, 2021
Borrowings (long-term and short-term borrowings including current maturities)	480.07	545.04
Gross debt	**480.07**	**545.04**
Less - Cash and cash equivalents	145.69	45.87
Adjusted net debt	**334.38**	**499.17**
Total equity	531.15	449.03
Adjusted net debt to equity ratio	0.63	1.11

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the lender to immediately call loans and borrowings.

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JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

58.2 Fair Value

Classes and categories of financial instruments and their fair values

The following table combines information about:

- classes of financial instruments based on their nature and characteristics
- the carrying amounts of financial instruments
- fair values of financial instruments and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed

Accounting classification and fair values

As at March 31, 2022	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	145.69	145.69	-	-	-	-
Bank balances other than above	-		1,023.40	1,023.40	-	-	-	-
Derivative Financial Instruments	-			-		-		-
Trade receivables	-		241.73	241.73	-	-	-	-
Loans	-	-	310.11	310.11	-	-	-	-
Investments	-	-	278.84	278.84	-	-	-	-
Other Financial assets	3.75	-	19.70	23.45	0.25	3.50	-	3.75
Total	3.75	-	2,019.47	2,023.22	0.25	3.50	-	3.75
Financial liabilities								
Derivative Financial Instruments	-	-	-	-	-	-	-	-
Trade Payables								-
Total outstanding dues of micro and small enterprises	-	-	1.07	1.07	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	36.55	36.55	-	-	-	-
Other Payable			799.18	799.18				
Debt Securities	-	-	479.36	479.36	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	-	-	-	-	-	-
Lease Liabilities			51.67	51.67				
Other financial liabilities	-	-	202.30	202.30	-	-	-	-
Total	-	-	1,570.14	1,570.14	-	-	-	-

As at March 31, 2021	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	45.87	45.87	-	-	-	-
Bank balances other than above	-	-	1,050.50	1,050.50	-	-	-	-
Derivative Financial Instruments	5.07			5.07		5.07		5.07
Trade receivables	-	-	272.02	272.02	-	-	-	-
Loans		-	215.58	215.58	-	-	-	-
Investments	0.15	-	279.40	279.55	0.15	-	-	0.15
Other Financial assets	4.17	-	16.59	20.76	0.44	3.73		4.17
Total	9.39	-	1,879.94	1,889.33	0.59	8.80	-	9.39
Financial liabilities								
Derivative Financial Instruments	4.82			4.82		4.82		4.82
Trade Payables				-	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	0.05	0.05	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	33.06	33.06	-	-	-	-
Other Payable			728.57	728.57				
Debt Securities	-	-	433.31	433.31	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	110.87	110.87	-	-	-	-
Lease Liabilities			53.76	53.76				
Other financial liabilities	-	-	163.45	163.45	-	-	-	-
Total	4.82	-	1,523.07	1,527.89	-	4.82	-	4.82

(Rupees in Crore)

36.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments.

- Credit risk ;
- Liquidity risk ; and
- Market risk (including currency risk and interest rate risk)

Risk management framework

The Company has a robust Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage

i) Credit risk

In respect of the broking operations credit risk is the risk of margin erosion due to market volatility/fluctuations, failure of clients to meet their financial obligations. The Company has in place, a widespread credit policy to monitor clients margin requirement to prevent risk of default which includes well defined lines for categorization of securities, client-wise/scrip-wise maximum exposure, segmentwise margin requirement, etc. for better management of credit risk.

In respect of its lending operations, the Company measures, monitors and manages credit risk at an individual borrower level and at the group exposure level for corporate borrowers. Company has structured and standardized credit approval process including a comprehensive credit risk assessment, which comprises analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower. Credit teams track cases for early signs of stress, ensuring that corrective action is taken in the case of non – starter or early delinquency cases.
Credit approvers and relationship managers are responsible for ensuring adherence to these policies.

Impairment

The ageing of trade and other receivables that were not impaired was as follows:

	March 31, 2022	March 31, 2021
Past due 0–90 days	241.73	272.00
More than 90 days	-	0.02
Carrying amount of receivables	**241.73**	**272.02**

The ageing of Loans that were not impaired was as follows:

	March 31, 2022	March 31, 2021
Past due 0–90 days	310.11	215.58
More than 90 days	-	-
Carrying amount of receivables	**310.11**	**215.58**

Company believes that the unimpaired amounts that are past due by more than 90 days are collectable in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

In managements view the credit risk on cash and cash equivalents, deposits with banks and investment in mutual funds is very low

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

Ultimate responsibility for liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has undrawn lines of credit of Rs. 156.15 cr, Rs. 169.96 cr as of March 31, 2022 and March 31, 2021 respectively, from its bankers for working capital requirements.

The Company has the right to draw upon these lines of credit based on its requirement and terms of draw down.

Exposure to liquidity risk

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments but exclude the impact of netting agreements.

B S R & Co. LLP
Chartered Accountants
Lodha Excelus, Apollo Mills Compound,
N. M. Joshi Marg, Mahalaxmi,
Mumbai - 400 011

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rupees in Crore)

March 31, 2022	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Derivative Financial Instruments	-	-	-	-	-
Trade Payables					
Total outstanding dues of micro and small enterprises	1.07	1.07			
Total outstanding dues of creditors other than micro and small enterprises	36.55	36.55			
Other Payable	799.18	799.18			
Debt Securities	479.36	479.36			
Borrowings (Other than Debt Securities)	-	-			
Lease Liabilities	51.67	8.66	30.19	14.12	8.71
Other financial liabilities	202.30	202.30	-	-	-
Sub total	**1,570.14**	**1,527.12**	**30.19**	**14.12**	**8.71**
Financial assets					
Cash and cash equivalents	145.69	145.69	-	-	-
Bank balances other than (a) above	1,023.40	1,009.41	13.65	0.34	-
Derivative Financial Instruments	-	-			
Trade receivables	241.73	241.73			
Loans	310.11	310.11			
Investments	278.84	2.00			276.85
Other Financial assets	23.45	13.46	1.23	1.15	7.57
Sub total	**2,023.22**	**1,722.39**	**14.88**	**1.53**	**284.42**

March 31, 2021	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Derivative Financial Instruments	4.82	4.82			
Trade Payables					
Total outstanding dues of micro and small enterprises	0.05	0.05			
Total outstanding dues of creditors other than micro and small enterprises	33.06	33.06			
Other Payable	928.57	928.57			
Debt Securities	433.31	433.31			
Borrowings (Other than Debt Securities)	110.87	110.87			
Lease Liabilities	53.76	7.40	14.12	11.13	21.10
Other financial liabilities	163.45	163.45			
Sub total	**1,527.89**	**1,481.53**	**14.12**	**11.13**	**21.10**
Financial assets					
Cash and cash equivalents	45.87	45.87			
Bank balances other than (a) above	1,050.56	1,044.76	5.74		
Derivative Financial Instruments	5.07	5.07			
Trade receivables	272.02	272.02			
Loans	215.58	215.58			
Investments	279.55	2.40			277.15
Other Financial assets	20.75	13.43	2.74	0.48	6.11
Sub total	**1,889.33**	**1,597.12**	**8.48**	**0.48**	**283.26**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for cash management purposes and which are not usually closed out before contractual maturity

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(Rupees in Crore)

iii) Market risk

The risk of change in overall market or asset class due to the impact of economic conditions and/ or other factors impacting index, specific stocks. The value of investments are vulnerable to factors such as changes in economic conditions, interest rates, investor sentiments, developments in global markets, international and domestic political events and acts of war or terrorism. Continuous monitoring of VaR, exposure limits and initiation of appropriate action is undertaken to minimize the impact of market risk.

iv) Interest rate risk

Exposure to interest rate risk

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

	March 31, 2022	March 31, 2021
Financial Assets		
Fixed rate instruments	1,334	1,266
Floating rate instruments	-	-
	1,334	1,266
Financial Liabilities		
Fixed rate instruments	456	544
Floating rate instruments	-	54
	486	598

(Rupees in Crore)

39 Operating Segments

The Company has only one operating business segment i.e securities based activities. This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, margin trade financing etc carried out in India. Accordingly there are no separate reportable segments as per the Indian Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

40 Details of expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto:

	Particulars	For the year ended	
		March 31, 2022	March 31, 2021
a)	Gross amount required to be spent by the Company during the year	0.49	0.05
b)	Amount spent	0.49	0.28
	Amount provided for on-going projects	-	-
	Total	0.49	0.28
c)	Unspent amount (refer note below)	0.15	0.23
f)	Amount contributed to a trust controlled by the Company	-	-
g)	Nature of CSR Activities	-	-
i)	Construction / acquisition of any asset	-	-
ii)	On purposes other than (i) above (refer note below)	0.69	0.28

Note : During the current financial year, in addition to Rs. 0.49 crore towards CSR contribution for the FY2021-22, the Company has also spent Rs. 0.20 crore from the Unspent CSR Bank Account related to the FY2020-21.

41 **Utilisation of Borrowed Funds and Share Premium:**

(A) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of Funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) 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

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

42 The Board of Directors of the Company has recommended a final dividend of Rs. 10/- per equity share for the year ended March 31, 2022 (Previous Year Rs. 8/- per equity share). The said dividend will be paid after the approval of shareholders at the Annual General Meeting.

43 The outstanding foreign exchange exposure, foreign currency payable in next five years and unhedged foreign currency exposure at the year ended March 31,2022 is NIL

44 In assessing the fair value of financial instruments, recoverability of its receivables, investments and providing for loss allowance as per Expected Credit Loss, the Company has considered internal and external information up to the date of approval of these financial statements. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of its assets. The extent to which the COVID-19 pandemic will impact future results, which are highly uncertain, including, among other things, any new information concerning the severity of the COVID-19 pandemic and any action to contain its spread or mitigate its impact whether government-mandated or elected by the Company. Given the uncertainty over the potential macro economic condition, the impact of the pandemic may be different from the one estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future periods.

45 The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.

46 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

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JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

47 The Company does not have any transactions with companies struck off under the Companies Act, 2013.

48 The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

49 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

50 Previous year figures have been regrouped/ reclassified to confirm with current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

51 The financial statements were approved for issue by the Board of Directors on May 13, 2022

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118169
Place : Mumbai
Date : May 13, 2022

For and on behalf of the Board

Vishal Kampani
Director
DIN : 00009079

Dimplekumar Shah
Whole-time Director
DIN : 09158483

Sobodh Shinkar
Chief Executive Officer

Dimple Mehta
Company Secretary

Vishwanath Subramaniam
Chief Financial Officer

Place : Mumbai
Date : May 13, 2022

JM FINANCIAL SERVICES LIMITED MUMBAI

JM FINANCIAL SERVICES LIMITED
Annexure
Form No. AOC-1

JM FINANCIAL

Statement containing salient features of the financial statements of subsidiaries

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Particulars	Name of the Subsidiaries			
	JM Financial Commtrade Limited (Company)	Astoro Investments (Partnership Firm)	JM Financial Capital Limited (Company)	JM Financial Institutional Securities Limited (Company)
Reporting currency	INR	INR	INR	INR
Share Capital / Partners funds	23,50,00,000	2,88,19,342	2,95,00,00,000	13,30,00,000
Other Equity	3,48,42,701	-	48,10,24,347	1,22,67,03,000
Total Assets	27,26,26,581	3,50,89,75,281	9,51,37,38,599	2,18,04,30,000
Total Liabilities	78,33,880	2,46,81,53,939	6,38,27,14,252	82,07,07,000
Investments	25,55,42,539	-	15,00,06,676	81,30,04,000
Turnover (refer note 1)	1,40,14,291	45,37,80,968	54,21,21,336	2,54,83,41,000
Profit before taxation (refer note 2)	79,87,914	24,29,99,037	16,17,95,817	44,58,48,000
Provision for taxation	12,86,183	8,48,27,768	3,69,70,032	11,53,09,000
Profit after taxation (refer note 2)	67,01,731	15,81,71,269	12,48,25,785	33,05,39,000
Proposed Dividend	-	-	-	7,000
% of holding (refer note 3)	100%	90%	100%	100%

Note :

1. Turnover includes revenue from operations and other income.
2. Profit before tax also and profit after taxation exclude other comprehensive income (OCI)
3. % of holding is computed based on equity share holdings.
4. Total Liabilities exclude Share Capital and Other Equity

For and on behalf of the Board of Directors

Vishal Kampani
Director
DIN : 00309879

Bimalkumar Shah
Director
DIN : 09158483

Subodh Shirolkar
Chief Executive Officer

Dimple Mehta
Company Secretary

Vigneshwaran Subramaniam
Chief Financial Officer

Place : Mumbai
Date : May 13, 2022

INDEPENDENT AUDITOR'S REPORT

To the Members of JM Financial Services Limited

Report on the Audit of the Ind AS Standalone Financial Statements

1. Opinion

We have audited the accompanying Ind AS Standalone Financial Statements of JM Financial Services Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and 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 Ind AS Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ('Ind AS'), and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

2. 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 Ind AS Standalone 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 ('ICAI') together with the ethical requirements that are relevant to our audit of the Standalone 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.

3. Emphasis of Matter

We draw attention to note 42 of the standalone financial results, which describes the extent to which the COVID-19 pandemic will impact the Company's results will depend on future developments, which being uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

4. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Ind AS Standalone Financial Statements for the year under audit. We have determined that there is no key audit matter to be communicated in our report.

KHIMJI KUNVERJI & CO LLP MUMBAI CHARTERED ACCOUNTANTS

5. Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, and such other disclosures related Information, excluding the Ind AS Standalone Financial Statements and auditor's report thereon ('Other Information'). In connection with our audit of the Ind AS Standalone Financial Statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Ind AS Standalone Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'.

The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the Ind AS Standalone Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

6. Responsibility of Management for the Ind AS Standalone 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 Ind AS Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity 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; 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 Ind AS 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 Ind AS Standalone 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

7. Auditor's Responsibilities for the Audit of the Ind AS Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the Ind AS Standalone 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 Ind AS Standalone Financial Statements. Our audit process in accordance with the SAs is narrated in details in Annexure 1 to this report.

8. Other Matter

8.1 The Statement of Profit and Loss of the Company for the year under report includes Company's share as partner in profits of a Firm i.e. M/s. Astute Investments of Rs. 7.12 Crore. The financial statements of the Firm have been audited by other auditors, whose report has been furnished to us by the management of the Company. In so far as it relates to the said amount of share in profits of the said Firm, is based solely on the report of the Other auditors. Our opinion is not modified in respect of this matter.

8.2 In view of restricted movements to prevent the spread of COVID-19 Pandemic, the processes of statutory audit were carried out from remote locations i.e. other than the Office of the Company, based on the data/details made available and based on financial information/records remitted by the management through digital medium. Our report is not modified in respect of this matter.

9. Report on Other Legal and Regulatory Requirements

9.1 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 2, a statement on the matters specified in paragraphs 3 and 4 of the Order.

9.2 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 including Other Comprehensive Income, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Ind AS Standalone 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 March 31, 2021, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in Annexure 3.

g. In terms of provisions of Section 197(16) of the Act, as per the information and explanations given, we report that the managerial remuneration paid by the Company to its Directors is in accordance with provisions of Section 197 of the Act.

KHIMJI KUNVERJI & CO LLP CHARTERED ACCOUNTANTS MUMBAI

h. 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, we report as under:

(i) the Company has disclosed the impact of pending litigations on its financial position in its Standalone Ind AS Financial Statements – Refer Note 29 (c) to the Standalone Ind AS Financial Statements.

(ii) the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 30 to the Standalone Ind AS Financial Statements;

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Khimji Kunverji & Co. LLP
Chartered Accountants
Firm Registration No 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership no. 033494

UDIN : 21033494AAAAFJ6360

Place: Mumbai
Date: April 29, 2021

Annexure 1 to the Independent Auditors' Report

(referred to in paragraph 7 titled "Auditor's Responsibilities for the Audit of the Ind AS Standalone Financial Statements")

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

- Identify and assess the risks of material misstatement of the Standalone Financial Statements, whether due to fraud or error, to 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 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 Standalone 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 Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- 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 Standalone Ind AS 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

KHIMJI KUNVERJI & CO LLP VA CHARTERED ACCOUNTANTS MUMBAI

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.

Annexure 2 to the Independent Auditors' Report

(referred to in paragraph 9.1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets;

(b) As explained to us, Fixed Assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;

(c) According to the information and explanation given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of the company.

(ii) The nature of company's business does not require it to have inventories. Securities, held as stock-in-trade, are periodically verified by the management of the Company with the holding statements of the custodians of such securities. In our opinion, the frequency of receipt of such confirmations is reasonable. There were no discrepancies noted in such stock-in-trade.

(iii) The company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.

(iv) According to the information and explanation given to us and on the basis of our examination of records of the company, the Company has complied with the provisions of Sections 185 and 186 of the Act.

(v) The Company has not accepted any deposits from the public as covered under provisions of Section 73 to 76 of the Act and rules made thereunder.

(vi) As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the services rendered by the company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the company, the company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales-tax, service tax, Goods and Service Tax, value added tax, cess and any other statutory dues, as applicable, with the appropriate authorities in India. As informed, provisions of Customs Duty and Excise duty are not applicable to the Company during the year under report;

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2021 for a period of more than six months from the date they became payable.

KHIMJI KUNVERJI & CO LLP MUMBAI CHARTERED ACCOUNTANTS

(b) According to the information and explanations given to us and on the basis of our examination of the records of the company, there are no material dues of Income Tax, Service Tax, Sales Tax, Value added tax which have not been deposited as at 31 March 2021 on account of disputes except as under:

Nature of the Statue	Nature of Dues	Forum where dispute is pending	Period to which amount relates	Amount (Rs. In crores)
Income Tax Act, 1961	TDS	Income Tax Appellate Tribunal (ITAT)	Assessment Year 2012-2013	0.50

(viii) According to the information and explanations given to us and on the basis of our examination of the records, the Company has not defaulted in repayment of loans or borrowings to any financial institution, bank, Government or from debenture holders.

(ix) In our opinion and according to the information and explanations given to us, money raised through issue of debt instruments have been utilised during the year for the purposes for which they were raised. During the year, the Company has not raised money by way of initial public offer of equity shares and term loans.

(x) During the course of our examination of the books and records of the Company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.

(xi) The managerial remuneration paid by the Company is within the limits prescribed under the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and based on our examination of the records, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to it.

(xiii) According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable Indian Accounting Standards.

(xiv) According to the information and explanations given to us and based on our examinations of the records, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

KHIMJI KUNVERJI & CO LLP CHARTERED ACCOUNTANTS MUMBAI

(xv) According to the information and explanations given to us and based on our examinations of the records, the Company has not entered into non-cash transactions with the directors or persons connected with them.

(xvi) In our opinion, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
Firm Registration No 105146W/W100621

Hasmukh B Dedhia
Partner
Membership no. 033494

UDIN: 21033494AAAAFJ6360

Place: Mumbai
Date: April 29, 2021

Annexure 3 to the Independent Auditors' Report
(referred to in paragraph 9.2(f). under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of JM Financial Services Limited ("the company") as at March 31, 2021 in conjunction with our audit of the Ind AS Standalone Financial Statements of the company for the year ended on that date.

Opinion

In our opinion, the Company 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 March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls 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 ('the Guidance Note') 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 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 are established and maintained and whether 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls 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 judgment, including the assessment of the risks of material misstatement in the Ind AS Standalone 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 system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

Internal financial control over financial reporting is a process designed by the Company to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control 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 company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS Standalone Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS Standalone Financial Statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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. Further, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate owing to changes in conditions or that the degree of compliance with the policies or procedures may deteriorate or for other reasons.

For **Khimji Kunverji & Co. LLP**
Chartered Accountants
Firm Registration No 105146W/W100621

Hasmukh B Dedhia
Partner
Membership no. 033494

UDIN : 21033494AAAAFJ6360

Place: Mumbai
Date: April 29, 2021

JM Financial Services Limited
BALANCE SHEET AS AT MARCH 31, 2021

(Rupees in Crore)

Sr. No.	Particulars	Note no.	As at March 31, 2021	As at March 31, 2020
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	4	45.87	306.58
(b)	Bank balances other than (a) above	5	1,050.50	405.98
(c)	Derivative Financial Instruments		5.07	-
(d)	Trade receivables	6	232.02	130.76
(e)	Loans	7	215.57	38.20
(f)	Investments	8	279.55	312.89
(g)	Other financial assets	9	20.75	88.77
			1,889.33	**1,283.18**
(2)	**Non-Financial Assets**			
(a)	Current tax assets (net)		42.52	46.74
(b)	Deferred tax assets (net)	10	7.71	5.28
(c)	Property, Plant and Equipment	11	57.12	66.76
(d)	Intangible assets under development	11	0.24	0.08
(e)	Other intangible assets	11	3.00	4.28
(f)	Other non-financial assets	12	8.73	8.01
			119.32	**131.15**
	Total Assets		**2,008.65**	**1,414.33**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative Financial Instruments		4.82	-
(b)	Trade payables			
	Total outstanding dues of micro and small enterprises	13	0.05	0.58
	Total outstanding dues of creditors other than micro and small enterprises	13	761.72	407.04
(c)	Debt securities	14	433.31	419.51
(d)	Borrowings (other than debt securities)	15	110.87	-
(e)	Other financial liabilities	16	217.12	141.90
	Total Financial Liabilities		**1,527.89**	**969.03**
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (net)		2.02	-
(b)	Provisions	17	18.25	17.11
(c)	Other non-financial liabilities	18	11.46	12.18
	Total Non-Financial Liabilities		**31.73**	**29.29**
(3)	**EQUITY**			
(a)	Equity share capital	19	50.00	50.00
(b)	Other equity	20	399.03	366.01
	Total Equity		**449.03**	**416.01**
	Total Liabilities and Equity		**2,008.65**	**1,414.33**
	The accompanying notes form an integral part of the financial statements			

In terms of our report attached
For Khimji Kunverji & Co LLP
Chartered Accountants
Firm Registration No. 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN : 00009071

Hemant Kotak
Director
DIN : 00412903

Anil Mavinkurve
Wholetime Director & Company Secretary
DIN : 00740703

Subodh Shankar
Chief Executive Officer

Vishwanath Subramaniam
Chief Financial Officer
Place : Mumbai
Date : April 29, 2021

JM Financial Services Limited

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr. No.	Particulars	Note no.	For the year ended March 31, 2021	For the year ended March 31, 2020
1	**Income**			
	Revenue from operations			
(a)	Fees and commission income	21	323.36	258.64
(b)	Other operating revenue	23	67.02	61.79
(c)	Net gain on fair value changes	22	13.96	8.07
	Total revenue from operations		**404.34**	**326.50**
	Other income	23	9.80	7.05
	Total Income		**414.14**	**333.55**
2	**Expenses**			
(a)	Subbrokerage, transaction costs and other direct expenses		123.21	84.52
(b)	Finance costs	24	60.15	57.82
(c)	Impairment on financial instruments	25	1.42	0.15
(d)	Employee benefits expense	26	136.78	121.34
(e)	Depreciation and amortization expense	11	15.70	16.71
(f)	Other expenses	27	36.46	42.09
	Total expenses		**373.72**	**322.63**
3	**Profit before tax**		**40.42**	**10.92**
4	**Tax expenses**			
(a)	Current tax		11.82	2.99
(b)	Deferred tax		(2.81)	(0.28)
(c)	Tax adjustment of earlier years(net)		(0.48)	0.37
	Total tax expenses		**8.53**	**3.08**
5	**Net Profit**		**31.89**	**7.84**
6	**Other Comprehensive Income**			
	(i) Items that will not be reclassified to profit or loss			
	- Actuarial gain/(losses) on post retirement benefit plans		1.51	(0.51)
	- Income tax on the above		(0.38)	0.13
	Total Other Comprehensive Income		**1.13**	**(0.38)**
7	**Total Comprehensive Income**		**33.02**	**7.46**
8	**Earning Per Share (EPS)**			
	(Face Value of Rs. 10/- each)			
	Basic EPS (in Rs.)	32	6.38	1.57
	Diluted EPS (in Rs.)	32	5.55	1.36
	The accompanying notes form an integral part of the financial statements			

In terms of our report attached
For Khimji Kunverji & Co LLP
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Hasmukh B. Dedhia
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DIN : 00740703

Subodh Shankar
Chief Executive Officer

Vishwanath Subramanian
Chief Financial Officer
Place : Mumbai
Date : April 29, 2021

JM Financial Services Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr No	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A	**Cash Flow from Operating Activities**		
	Net Profit Before Tax	41.93	10.41
	Adjustments for :		
	Depreciation and amortisation	15.70	16.71
	(Profit)/Loss on sale of fixed assets	(0.12)	(0.08)
	Finance costs	60.15	57.82
	Intangible Assets under development written off	-	0.16
	Share of profit from partnership firm where the Company is a Partner	(7.12)	(6.23)
	Fair Valuation of Derivatives Financial Instrument (Asset)	(2.61)	-
	Fair Valuation of Derivatives Financial Instrument (Liability)	1.99	-
	Interest income	(0.14)	(0.12)
	Operating Profit before Working Capital Changes	**109.78**	**78.67**
	Adjustment for:		
	Increase in trade payables	354.15	86.11
	Increase in other financial liabilities	73.10	42.50
	Increase in provisions	1.13	2.27
	(Decrease) / Increase in non financial liabilities	(0.72)	2.43
	(Increase)/Decrease in loans	(177.37)	15.12
	(Increase)/Decrease in trade receivables	(141.26)	324.99
	(Increase) in other bank balances	(644.52)	(10.61)
	(Increase)/Decrease in other non financial assets	(0.72)	2.63
	Decrease/(Increase) in other financial assets	67.66	(52.83)
	Cash (used) / generated from operations	**(358.77)**	**491.28**
	Income taxes refund / (paid)	(5.09)	(3.51)
	Net cash generated from operating activities (A)	**(363.86)**	**487.77**
B	**Cash Flow from Investing Activities**		
	Purchase of fixed assets	(2.41)	(1.85)
	Sale of fixed assets	0.06	0.02
	Derivative Financial Instruments	(2.45)	-
	Proceeds from / (Investment) in mutual funds (net)	33.77	(3.87)
	Contributions made to/share of profits received from partnership firm (net)	6.69	6.82
	Interest received	0.14	0.12
	Net Cash generated / (used in) Investing Activities (B)	**35.80**	**1.24**

KUNVERJI & CO LLP VA CHARTERED ACCOUNTANTS MUMBAI

JM FINANCIAL SERVICES LIMITED MUMBAI

JM Financial Services Limited

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr No	Particulars	For the year ended March 31, 2021		For the year ended March 31, 2020
C	**Cash flow from Financing Activities**			
	Redemption of preference shares including premium			
	Issue of Nifty Linked Debentures	56.65		-
	(Repayment) of other debt securities (net)	(43.33)		(162.77)
	Proceeds from borrowings other than debt securities (net)	110.87		-
	(Repayment) of Lease Liabilities	(12.23)		(11.40)
	Interest paid	(44.61)		(52.78)
	Net Cash (used in) in Financing Activities (C)	**67.35**		**(226.95)**
	Net Increase in Cash and Cash Equivalents (A+B+C)	**(260.71)**		**262.06**
	Cash and cash equivalents at the beginning of the period	306.58		44.52
	Cash and cash equivalents at the end of the period	45.87		306.58

In terms of our report attached
For Khimji Kunverji & Co LLP
(Formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No. 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No. 033494

Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN : 00009071

Hemant Kotak
Director
DIN : 00412903

Anil Mavinkurve
Wholetime Director &
Company Secretary
DIN : 00740703

Subodh Shinkar
Chief Executive Officer

Vishwanath Subramaniam
Chief Financial Officer
Place : Mumbai
Date : April 29, 2021

JM Financial Services Limited

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

A. Equity share capital

Particulars	Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
Equity share capital	50.00	-	50.00

B. Other equity

Particulars	Compulsory Convertible Preference shares	Reserves & Surplus			Total Other Equity
		Securities Premium Account	Capital Redemption Reserve	Retained earnings	
Balance as at April 1, 2020	7.50	60.65	4.69	293.17	366.01
Profit for the year				31.89	31.89
Other comprehensive income				1.13	1.13
Balance as at March 31, 2021	7.50	60.65	4.69	326.19	399.03

The accompanying notes form an integral part of the financial statements

In terms of our report attached
For Khimji Kunverji & Co. LLP
Chartered Accountants
Firm Registration No. 105146W/W100621

Hasmukh B Dedhia
Partner
Membership No. 033494
Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN : 00009071

Hemant Kotak
Director
DIN : 00412903

Anil Mavinkurve
Wholetime Director
& Company Secretary
DIN : 00740703
Place : Mumbai

Subodh Shinkar
Chief Executive Officer

Ashwinath Subramaniam
Chief Financial Officer
Date : April 29, 2021

1 Corporate Information

JM Financial Services Limited (herein after referred to as 'The Company') is engaged in the business of shares/stock and commodity broking. It carries out its activities through membership of BSE Limited, The National Stock Exchange of India Ltd, The Multi Commodity Exchange of India Limited (MCX) & National Commodity and Derivtives Exchange Ltd (NCDEX).

The Company is also a distributor/ broker for primary market i.e. distributor for Initial public offers, Fixed income products and Mutual funds. The Company operates through its network of branches and sub-brokers Besides this the Company is also engaged in the business of Depository participant services and Portfolio management services.

The Company is covered by Rules and Bye-laws of all the Exchange(s) as mentioned above. It is also governed by Securities Exchange Board of India (SEBI), Goods and Services Act, Department of Company Affairs etc.

The Company commenced its business operations on June 19, 1998.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

Statement of Compliance

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act , 2013 (the "Act") (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI) as applicable. The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Historical cost convention

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value value in use in Ind AS 36.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date

Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability , either directly or indirectly , and

Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees in crore rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

KUNVERJI & CO LLP MUMBAI VA CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

2.2 Property, Plant and Equipment and Intangible Assets

a. Property, Plant and Equipment (PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress". (Also refer to policy on leases, borrowing costs and impairment of assets below)

Depreciation / amortization is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Property, Plant and Equipment	**No.of Years**
Office Premise	60 Years
Leasehold	10 years or period of lease, whichever is lower
Servers and networks	6 Years
Other EDP machines	3 Years
Office equipment	5 Years
Furniture and fixtures	10 Years
Office Premises taken on Lease	Period of Lease
Vehicles	Period of Lease
Intangible assets	
Computer Software	5 Years

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life of 5 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

Impairment losses on non-financial assets

As at the end of each year, the Company reviews the carrying amount of its non-financial assets that is PPE and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss.

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

MUKIMJI KUNVERJI & CO. LLP MUMBAI VA CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

2.3 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer rebates and other similar allowances.

2.3.1 Fees and Commission Income

Brokerage and Distribution, selling, advisory and other fees: These are recognised net of goods and services tax / service tax recovered.

Brokerage earned from executing client transactions on the secondary market in "Cash" , "Future and Option" and "commodity" segments are recognised in the accounts on the trade date.

Fees earned from primary market operations, i.e. procuring subscription from investors for public offerings of companies are recognised on determination of the amount due to the company by the RTA and after the allotment of securities is completed.

Fees earned for mobilizing bonds, fixed deposits from companies and funds for mutual funds from investors are recognised on monthly, quarterly or annual basis as set forth in terms of the engagement.

Fees from Structured products including processing fees, Depository Participant business and Portfolio Management Services are recognised when the services are determined to be completed.

2.3.2 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the interest rate applicable.

2.3.3 Dividend Income

Dividend income from investments is recognised when the Company's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

2.3.4 Investment Income

The gains/ losses on sale of investments are recognised in the Statement of Profit and Loss on the trade date. Gain or loss on sale of investments is determined after consideration of cost on FIFO basis.

2.4 Leasing

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,
b) the right to obtain substantially all the economic benefits from use of the identified asset, and
c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note No. 15 "Other Financial Liabilities" and ROU asset has been presented in Note No. 11 "Property, Plant and Equipment" and lease payments have been classified as operating cash flows.

KUNVERJI & CO LLP MUMBAI VA CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

2.5 Foreign currency transactions

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

2.6 Borrowing costs

Borrowing costs that are attributable to the acquisition , construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

2.7 Employee benefits

2.7.1 Retirement benefit costs and termination benefits:
Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit & Loss of the year when employees have rendered service entitling them to the contributions. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

Defined Benefit Obligation:
The Company's Gratuity liability under the Payment of Gratuity Act ,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Company's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.
The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

KHIMJI KUNVERJI & CO. LLP MUMBAI CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

2.7.2 Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments to employees is recognized as deferred employee compensation and is expensed in Statement of Profit and Loss over the vesting period with a corresponding increase in stock option outstanding in other equity.

At the end of each year, the Group revisits its estimate of the number of equity instruments expected to vest and recognises any impact in profit or loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment in other equity.

2.8 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current Tax

The tax currently payable is based on the taxable profit for the year of the Company. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

2.9 Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

KHIMJI KUNVERJI & CO LLP MUMBAI VA CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

2.10 Provisions and contingencies

Provisions are recognised only when:
i. an entity has a present obligation (legal or constructive) as a result of a past event; and
ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and
iii. a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract

Contingent liability is disclosed in case of
i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation, and
ii. a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:
Contingent assets are not recognised in the financial statements

2.11 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:
i. estimated amount of contracts remaining to be executed on capital account and not provided for;
ii. uncalled liability on shares and other investments partly paid;
iii. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.12 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of
i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;
ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and
iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.13 Segments

Based on "Management Approach" as defined by Ind AS 108. The Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company has only one operating business segment i.e securities based activities. This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, margin trade financing etc carried out in India Accordingly there are no separate reportable segments, as per the Indian Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

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2.14 Financial Instruments

Recognition of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, premises and other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

Initial Measurement of Financial Instruments

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent Measurement of Financial Assets:

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Classification of Financial Assets:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset-by-asset basis:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and
- the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

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Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the individual asset basis and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed at individual basis and collectively to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Equity Investments at FVTOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on equity instruments measured through FVTPL are recognised in the Statement of Profit & Loss.

Gains and losses on equity instruments measured through FVTOCI are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described below.

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Impairment of financial assets

Overview of the Expected Credit Loss principles

The company records allowance for expected credit losses for all loans , other debt financial assets not held at FVTPL , together with loan commitments and financial guarantee contracts , in this section all referred to as "financial instruments". Equity instruments are not subject to impairment under Ind AS 109.

Expected credit losses (ECL) are a probability-weighted estimate of the present value of credit losses. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses . 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company measures ECL on an individual basis. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below.
Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3 - Non-performing assets with overdue more than 90 DPD

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 and loans under short term financing, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables , the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

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Derecognition of financial assets

A financial asset is derecognised only when:

The Company has transferred the rights to receive cash flows from the financial assets or

retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Write-off

Loans and trade receivables are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

it has been incurred principally for the purpose of repurchasing it in the near term, or

on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or

it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost.

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Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.15 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

2.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3 Critical accounting judgements and key sources of estimation uncertainties

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Expected Credit Loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in Note 37.

Fair Valuation

Some of the Company 's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Company uses market observable data to the extent it is available. When Level 1 inputs are not available , the Company has applied appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 37.

Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profits and all tax bases of assets and liabilities the company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognized on closure of assessment or in the period in which they are agreed.

Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2021	As at March 31, 2020
4	**Cash and cash equivalents**		
	Cash on hand	-	0.06
	Balances with banks in current accounts	45.87	306.52
	Total	**45.87**	**306.58**
5	**Other bank balances**		
	In deposit accounts under lien against which facilities are availed (refer note 5.1 & 5.2 below)	1050.50	405.98
	Total	**1,050.50**	**405.98**

5.1 Fixed deposit with banks earns interest at fixed rate.

5.2 Other bank balances include deposit accounts and are under lien and lodged with stock exchange'(s) towards base/additional base capital or are under lien towards overdraft facilities and guarantees given by the banks to Stock Exchanges.

6	**Trade Receivables**		
	Secured, considered good	90.50	84.66
	Unsecured considered good	181.78	46.21
	Significant Increase in Credit Risk	1.97	1.77
	Trade Receivables	274.25	132.64
	Less: Provision for Impairment	(2.23)	(1.88)
	Total	**272.02**	**130.76**
6.1	Amount due from a key managerial person	-	-

6.2	**Trade Receivable days past due**	Past Due 0-90 days	Past Due More than 90 days
	March 31, 2021		
	Estimated total gross carrying amount at default	272.25	2.00
	ECL - simplified approach	(0.25)	(1.98)
	Net carrying amount	**272.00**	**0.02**
	March 31, 2020		
	Estimated total gross carrying amount at default	130.85	1.78
	ECL - simplified approach	(0.10)	(1.77)
	Net carrying amount	**130.75**	**0.01**

6.3 Reconciliation of impariment allowance on Trade Receivables

Impairment allowance measured as per simplified approach	
Impairment allowance as on 1 April 2020	1.88
Add/ (less): Provided/(reversed) during the year	0.35
Impairment allowance as on 31 March 2021	2.23

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2021	As at March 31, 2020
7	**Loans**		
	At amortised cost		
	Loans given in India to other than public sector		
	Loans repayable on demand - Margin Trade Financing	216.87	38.43
	Gross	**216.87**	**38.43**
	Less: Impairment loss allowance	(1.30)	(0.23)
	Net	**215.57**	**38.20**
7.1	**Break up of loans into secured and unsecured**		
	Secured		
	Secured by shares, bonds, etc	216.88	38.43
	Gross	216.88	38.43
	Less: Impairment loss allowance	(1.30)	(0.23)
	Net	215.58	38.20
7.2	**Loans days past due**	Past due	
		0-90 days	More than 90 days
	March 31,2021		
	Estimated total gross carrying amount at default	216.88	-
	Expected credit loss	(1.30)	-
	Net carrying amount	215.58	-
	March 31,2020		
	Estimated total gross carrying amount at default	38.43	-
	Expected credit loss	(0.23)	-
	Net carrying amount	38.20	-
7.3	**Reconciliation of impariment allowance on Loans**		
	Impairment allowance measured as per simplified approach		
	Impairment allowance as on 1 April 2020	0.23	
	Add/ (less): Provided/(reversed) during the year	1.07	
	Impairment allowance as on 31 March 2021	1.30	

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021	As at March 31, 2020
8	**Investments**		
	(Within India)		
(a)	**At Cost**		
	Subsidiaries		
	Equity instruments		
	Equity shares of JM Financial Comntrade Limited of Rs. 10/- each fully paid up	5.00	5.00
	Equity shares in JM Financial Capital Limited of Rs.10/- each fully paid up	225.00	225.00
	Equity shares of JM Financial Institutional Securities Limited of Rs. 10/- each fully paid up	27.75	27.75
	Preference Shares		
	9% non-cumulative redeemable preference shares of JM Financial Commtrade Limited of Rs. 10/- each fully paid up	2.50	2.50
	6% optionally convertible redeemable non-cumulative preference shares of JM Financial Commtrade Limited of Rs. 10/- each fully paid up.	16.00	16.00
	Partnership firm		
	Contributions to Partnership Firm where a company is a Partner on capital account	0.90	0.90
	Share of Profit	2.25	1.82
	Total	279.40	278.97
	Less: Impairment loss allowance	-	-
	Net	**279.40**	**278.97**
(b)	**At fair value through profit and loss account**		
	Mutual fund units		
	Units of JM High Liquidity Fund	0.15	33.92
	Total	**0.15**	**33.92**
	Total (a+b)	279.55	312.89
	Less: Impairment loss allowance	-	-
	Net	**279.55**	**312.89**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021	As at March 31, 2020
9	**Other Financial Assets**		
	Advances to employees	0.19	0.28
	Deposits with stock exchanges, professional clearing member etc	2.95	56.03
	Deposits for premises		
	To Related Parties	3.75	3.67
	To Others	2.73	2.56
	Other deposits	0.21	0.57
	Interest accrued on bank deposits	6.75	5.59
	Debt Securities held as stock in trade	4.17	20.07
	Total	**20.75**	**88.77**
10	**Deferred tax assets**		
	Difference between books and tax written down value of fixed assets	2.71	1.66
	Expense allowable on payment basis	3.31	3.17
	Impairment of financial instruments	0.89	0.53
	Fair value of investments	(0.03)	(0.08)
	Accrued Interest on Nifty Linked Debentures	0.83	-
	Total	**7.71**	**5.28**

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense

10.1 For the year ended March 31, 2021

Deferred tax asset / (liability)	Opening balances as on 01.04.2020	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balances as on 31.03.2021
Difference between books and tax written down value of fixed assets	1.66	1.05	-	2.71
Expense allowable on payment basis	3.17	0.52	(0.38)	3.31
Impairment of financial instruments	0.53	0.36	-	0.89
Fair value of investments	(0.08)	0.05	-	(0.03)
Accrued Interest on Nifty Linked Debentures	-	0.83	-	0.83
Total	**5.28**	**2.81**	**(0.38)**	**7.71**

10.2 For the year ended March 31, 2020

Deferred tax asset / (liability)	Opening balances as on 01.04.2019	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balances as on 31.03.2020
Difference between books and tax written down value of fixed assets	0.42	1.24	-	1.66
Expense allowable on payment basis	3.77	(0.73)	0.13	3.17
Impairment of financial instruments	0.68	(0.15)	-	0.53
Fair value of investments	(0.01)	(0.07)	-	(0.08)
Others	0.01	(0.01)	-	-
Total	**4.87**	**0.28**	**0.13**	**5.28**

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

11 Property, plant and equipment

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2020	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the year	Deductions/ adjustments	As at March 31, 2021	As at March 31, 2021
Property Plant and Equipment									
Owned Assets									
Office Premise	0.62	-	-	0.62	0.03	0.01	-	0.04	0.58
Leasehold improvements	4.68	0.69	0.35	5.02	2.32	0.75	0.17	2.90	2.12
Computers	10.62	0.74	0.33	11.03	6.25	2.06	0.32	7.99	3.04
Office equipment	1.71	0.19	0.46	1.44	0.97	0.39	0.44	0.92	0.52
Furniture and fixtures	0.68	0.14	0.11	0.71	0.07	0.14	0.10	0.11	0.60
Leased Assets									
Office Premises	67.31	3.93	1.42	69.82	10.24	10.05	0.02	20.27	49.55
Vehicles (Refer Note)	1.73	0.26	0.53	1.46	0.70	0.49	0.44	0.75	0.71
Total Property Plant and Equipment	**87.35**	**5.95**	**3.20**	**90.10**	**20.58**	**13.89**	**1.49**	**32.98**	**57.12**
Intangible Assets									
Software	10.92	0.54	-	11.46	6.65	1.81	-	8.46	3.00
Total Intangible Assets	**10.92**	**0.54**	-	**11.46**	**6.65**	**1.81**	-	**8.46**	**3.00**

Intangible assets under development 0.24

Note

Vendor has lien over the assets taken on lease

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2019	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2020	As at April 1, 2019	Charge for the year	Deductions/ adjustments	As at March 31, 2020	As at March 31, 2020
Property Plant and Equipment									
Owned Assets									
Office Premise	0.62	-	-	0.62	0.02	0.01	-	0.03	0.59
Leasehold improvements	5.17	0.16	0.65	4.68	2.10	0.87	0.65	2.32	2.36
Computers	9.25	1.45	0.08	10.62	4.20	2.13	0.08	6.25	4.37
Office equipment	1.73	0.12	0.14	1.71	0.62	0.49	0.14	0.97	0.74
Furniture and fixtures	1.03	0.05	0.42	0.68	0.34	0.15	0.42	0.07	0.61
Leased Assets									
Office Premises	-	67.84	0.53	67.31	-	10.32	0.08	10.24	57.06
Vehicles (Refer Note)	1.75	0.43	0.45	1.73	0.52	0.48	0.30	0.70	1.03
Total Property Plant and Equipment	**19.58**	**70.05**	**2.27**	**87.35**	**7.81**	**14.46**	**1.66**	**20.59**	**66.76**
Intangible Assets									
Software	10.55	0.37	-	10.92	4.40	2.25	-	6.65	4.28
Total Intangible Assets	**10.55**	**0.37**	-	**10.92**	**4.40**	**2.25**	-	**6.65**	**4.28**

Intangible assets under development 0.08

Note

Vendor has lien over the assets taken on lease

KUNVERJI & CO. LLP VA CHARTERED ACCOUNTANTS MUMBAI

JM FINANCIAL SERVICES LIMITED MUMBAI

JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021	As at March 31, 2020
12	**Other Non-financial Assets**		
	GST credit receivable	6.02	4.18
	Capital advances	0.05	0.76
	Prepaid Expenses	2.29	2.57
	Others (employee advance, advance for expenses, etc.,)	0.37	0.50
	Total	**8.73**	**8.01**
13	**Trade payables**		
	Total outstanding dues of micro and small enterprises	0.05	0.58
	Total outstanding dues of creditors other than micro and small enterprises	761.72	407.04
	Total	**761.77**	**407.62**

(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.05	0.58
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	**0.05**	**0.58**

14	**Debt Securities**		
	Within India		
	At amortised cost		
	Unsecured		
	Commercial paper (Refer note 14.1 and 14.2)	385.00	425.00
	Unamortised interest on commercial paper	(8.83)	(5.49)
		376.17	**419.51**
	Secured		
	Nifty Linked Debentures		
	NLD - FD Plus	49.09	-
	NLD - Equity	4.73	-
	Interest accrued on the above	3.32	
	(Refer note 14.3 and 14.4)	**57.14**	-
	Total	**433.31**	**419.51**
	Debt securities in India	433.31	419.51
	Debt securities outside India	-	-
	Total	**433.31**	**419.51**

14.1 The maximum amount of commercial paper outstanding at any time during the year was Rs.535 crore (FY2019-20: Rs. 700 crore).

14.2 Commercial paper has interest ranging from 5.00% to 9.20% p.a (7.90% to 9.50% p.a for FY 2019-20) and are repayable within a period upto 365 days from the date of disbursement

14.3 Non-Convertible Debentures of Rs. 56.65 crore (FY2019-20: Rs. NIL) are secured through a first pari-passu charge/hypothecation over portions of the standard receivables of the Company.

14.4 Maturity profile and rate of interest of Non-Convertible Debentures (NCDs) :
Face vale of NCDs : Rs. 2,50,000/-.
Nifty Linked Debentures of Rs. 56.65 crore are redeemable in the financial year 2021-22.

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021	As at March 31, 2020
15	**Borrowings (other than debt securities)**		
	Within India at amortised cost		
	Secured		
	Overdraft Facility from Banks	10.87	-
	From Related Party		
	Inter corporate deposits (Unsecured)	100.00	-
	Total	**110.87**	-
15.1	Secured against fixed deposits pledged with banks		
16	**Other Financial Liabilities**		
	Margin money from clients / franchisees	130.23	70.22
	Finance lease obligations (refer not 16.1)	53.76	58.15
	Employee benefits payable	32.48	13.35
	Director commission payable	0.15	0.12
	Overdrawn book balances	0.09	0.06
	Other liabilities	0.06	-
	Provision for CSR Expenditure	0.35	-
	Total	**217.12**	**141.90**
16.1	Includes Rs. 0.86 crore (previous year Rs. 1.21 crore) which are secured by way of hypothecation of vehicles.		
17	**Provisions**		
	Provision for Gratuity (refer note no. 34)	13.16	12.60
	Provision for compensated absences	5.09	4.51
	Total	**18.25**	**17.11**
18	**Other Non Financial Liabilities**		
	Statutory Dues	11.46	12.18
	Total	**11.46**	**12.18**

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JM FINANCIAL SERVICES LIMITED MUMBAI

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021		As at March 31, 2020	
19	**Equity Share Capital**				
	Particulars	**Number**	**Amount**	**Number**	**Amount**
	[a] Authorised share capital				
	Equity shares of the par value of Rs.10 each	5,50,00,000	55.00	5,50,00,000	55.00
	Preference Shares of the par value of Rs.10 each	1,00,00,000	10.00	1,00,00,000	10.00
	Total	**6,50,00,000**	**65.00**	**6,50,00,000**	**65.00**
	[b] Issued				
	Equity shares of Rs.10 each	5,00,00,000	50.00	5,00,00,000	50.00
	Total	**5,00,00,000**	**50.00**	**5,00,00,000**	**50.00**
	[c] Subscribed and paid up				
	Equity shares of Rs.10 each	5,00,00,000	50.00	5,00,00,000	50.00
	Total	**5,00,00,000**	**50.00**	**5,00,00,000**	**50.00**

19.1 Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	**Amount**	**Number of Shares**	**Amount**
Equity Shares				
Shares outstanding at the beginning of the year	5,00,00,000	50,00,00,000	5,00,00,000	50,00,00,000
Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	**5,00,00,000**	**50,00,00,000**	**5,00,00,000**	**50,00,00,000**

19.2 Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of Shares	**Percentage**	**Number of Shares**	**Percentage**
JM Financial Limited (6 shares held alongwith other nominee shareholders)	5,00,00,000	100%	5,00,00,000	100%

19.3 Terms and rights attached to each class of shares:

Equity Shares:

The Company has issued only one class of shares i.e. equity. The equity shareholders are entitled to dividend as and when dividend is declared and approved by the shareholders.

19.4 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date — NIL

JM FINANCIAL SERVICES LIMITED
NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021	As at March 31, 2020
20	**Other equity**		
	6% Compulsory Convertible Preference shares		
	As per last balance sheet	7.50	7.50
	Additions during the period	-	-
	Deletions during the year	-	-
		7.50	7.50
	Securities Premium Account		
	As per last balance sheet	60.65	60.65
	Additions during the period	-	-
	Deletions during the year	-	-
		60.65	60.65
	Capital Redemption Reserves		
	As per last balance sheet	4.69	4.69
	Additions during the period	-	-
	Deletions during the year	-	-
		4.69	4.69
	Retained earnings		
	As per last balance sheet	293.17	285.71
	Profit for the period	31.89	7.84
	Other Comprehensive income	1.13	(0.38)
		326.19	293.17
	Total	**399.03**	**366.01**

6% Compulsory Convertible Preference shares (CCPS)

75,00,000 6% CCPS of Rs. 10/- each at a premium of Rs. 57/- per share were issued by the Company to its holding company in financial year 2018-2019. As per the terms of the issue each CCPS shall be converted into equity shares is the ratio of 1 : 1 anytime between the completion of 3 years from the date of allotment of CCPS and the end of tenth year.

Securities premium account

Securities premium account is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve

Capital Redemtion reserve was created in financial year 2010-2011 on redemption of optionally convertible preference shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013

Retained earnings

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr. No	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
21	**Revenue from Operations**		
	Fees and commission Income		
	Brokerage	156.29	122.59
	Distribution, selling, advisory and other fees	167.07	134.05
	Total	**323.36**	**256.64**
	Other Operating Revenue		
	Interest income on fixed deposit placed as margin, etc	26.66	27.27
	Interest income from margin financing	11.46	7.17
	Interest on delayed payment recovered from clients	28.67	26.97
	Recoveries from clients/franchisees etc	0.23	0.38
	Total	**67.02**	**61.79**
22	**Net gain on fair value changes**		
	On financial instruments designated at fair value through profit and loss		
	Fair Value changes:		
	Realised	13.22	7.74
	Unrealised	0.74	0.33
	Total	**13.96**	**8.07**
23	**Other Income**		
	Interest income	0.14	0.12
	Interest on income tax refund	1.09	-
	Share of profit from partnership firm where the Company is a Partner	7.12	6.23
	Profit on sale of fixed assets (net)	-	0.08
	Provision written back	0.84	-
	Miscellaneous income	0.05	0.03
	Finance Income on remeasurement of security deposits	0.56	0.59
	Total	**9.80**	**7.05**

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr. No	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
24	**Finance Costs**		
	On financial liabilities measured at amortised cost		
	Debt Securities		
	Commercial Papers	27.66	39.36
	Nifty Linked Debentures	3.31	-
	Borrowings (Other than Debt Securities)		
	Inter Corporate Deposits	11.41	0.85
	Bank Overdraft	2.53	3.82
	Finance charges on leased assets	0.47	0.48
	Finance charges on leased premises	5.12	5.48
	Other Financial liabilities		
	on margins	5.04	4.10
	On Others		
	Bank Guarantee and other charges	4.61	3.73
	Total	**60.15**	**57.82**
25	**Impairment of Financial Instruments**		
	Provision for expected credit loss	1.42	0.15
26	**Employee benefits**		
	Salaries, bonus, other allowances and benefits	128.07	112.38
	Contribution to provident and other funds	5.75	5.55
	Gratuity (refer note no.34)	2.64	2.22
	Staff welfare expenses	0.32	1.19
	Total	**136.78**	**121.34**
27	**Other Expense**		
	Space and other related costs	0.37	0.47
	Rates and taxes	1.11	1.92
	Repairs and maintenance	1.13	1.33
	Professional and consultancy charges	2.91	3.10
	Communication expenses	1.25	1.85
	Information technology expenses	9.52	9.53
	Membership and subscription	1.23	1.31
	Electricity	1.37	1.78
	Insurance	2.21	2.28
	Printing and stationery	0.61	1.05
	Donations	1.13	1.39
	Manpower expenses	8.23	8.77
	Auditors remuneration		
	As auditors	0.13	0.13
	In any other manner (limited reviews,certifications etc)	0.05	0.10
	Directors Commission	0.15	0.12
	Travelling expenses	0.32	1.07
	Loss on Sale/Discard of Fixed Assets (Net)	0.07	-
	Bad Debts written off	0.61	-
	Business development expenses	0.30	1.04
	Miscellaneous expenses	3.75	4.85
	Total	**36.45**	**42.09**

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JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

Sr.No	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
28	**Tax Expenses**		
28.1	**Income tax**		
	Current tax	11.82	2.99
	Tax adjustment in respect of earlier years (net)	(0.48)	0.37
	Deferred tax	(2.81)	(0.28)
	Total income tax expenses recognised in the current year	8.53	3.08
	Income tax expense recognised in other comprehensive income	0.38	(0.13)
28.2	**Reconciliation of total tax charge**		
	Income tax expense for the year reconciled to the accounting profit:	**8.53**	**3.08**
	Profit before tax	40.42	10.92
	Income tax rate	25.17%	25.17%
	Income tax expense	10.17	2.75
	Tax Effect of:		
	Income that is exempt from tax	(1.79)	(1.57)
	Income not chargeble to tax	(0.14)	(0.15)
	Expenses that are not deductible in determining taxable profits	0.58	0.29
	Realised gains of earlier years	-	0.01
	Tax adjustments on remeasurement of security deposits	0.19	0.01
	Tax adjustments in respect of earlier years (net)	(0.48)	0.37
	Effect of change in rate of deferred tax	-	1.37
	Income tax expense recognised in profit and loss	**8.53**	**3.08**

28.3 The Government of India has inserted section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay Corporate Tax at reduced rate effective April 1, 2019, subject to certain conditions. The Company has adopted the option of reduced rate and accordingly, opening deferred tax assets as on April 1, 2019, amounting to Rs. 1.37 crore has been reversed during the year ended March 31, 2020.

29	**Contingent liabilities**		
(a)	Counter guarantees given to the banks in respect of guarantees issued by them to stock exchange/(s)	544.13	445.06
(b)	Fixed deposits placed as margins against the bank guarantees issued by the banks	272.10	222.53
(c)	Income tax demands in respect disputed disallowances and tax deducted at source under the Income Tax Act,1961. With regards to above, the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize.	1.49	1.49
30	**Commitments**		
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for	0.29	0.22
31	**Share-based payments**		
31.1	**Employee share option plan of the Holding Company**		
	During the current year and in the earlier years , based on the request made by JM Financial Services Limited ('the Company'), JM Financial Limited, in accordance with Securities And Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999, has granted the equity stock options, inter alia, to the eligible employees and/or directors of the Company.		
	Charge on account of the above scheme included in employee benefit expenses	1.55	2.95
32	**Earning per equity share**		
(a)	Profit attributable to equity share holders (Rs. in crore)	31.89	7.84
(b)	Weighted Number of equity shares outstanding during the year	5,00,00,000	5,00,00,000
(c)	Weighted Number of equity shares outstanding during the year after adjustment for dilution	5,75,00,000	5,75,00,000
(d)	Nominal value per share (Rs.)	10	10
(e)	EPS :		
	Basic (Rs.)	6.38	1.57
	Diluted (Rs.)	5.55	1.36

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JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

33 Leasing

Following are the changes in the carrying value of the right to use assets for the year ended March 31, 2021:

Category of right to use asset	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2020	Additions	Deletions	As at March 31, 2021	As at April 1, 2020	Depreciation	Deletions	As at March 31, 2021	As at March 31, 2021
Office Premises	67.31	3.93	1.42	69.82	10.24	10.05	0.02	20.27	49.55
Total	67.31	3.93	1.42	69.82	10.24	10.05	0.02	20.27	49.55

Following are the changes in the carrying value of the right to use assets for the year ended March 31, 2020:

Category of right to use asset	Gross Block				Accumulated Depreciation				Net Block
	As at April 1, 2019	Additions	Deletions	As at March 31, 2020	As at April 1, 2019	Depreciation	Deletions	As at March 31, 2020	As at March 31, 2020
Office Premises	-	67.84	0.53	67.31	-	10.32	0.08	10.24	57.06
Total	-	67.84	0.53	67.31	-	10.32	0.08	10.24	57.06

The following is the movement in lease liabilities during the year ended March 31, 2021 and March 31, 2020:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening balance	58.15	1.39
Additions during the year	3.85	63.77
Deletions during the year	(1.60)	(0.65)
Finance costs accrued during the year	5.59	5.96
Payment of lease liabilities	(12.23)	(12.32)
	53.76	58.15

Table showing contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	Total minimum lease payments outstanding	
	March 31, 2021	March 31, 2020
Not later than one year	11.77	11.36
Later than one year and not later than five years	36.69	38.65
Later than five years	24.17	30.83
Total	72.63	80.84

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The minimum vehicles lease rentals outstanding as at the year-end are as under:

Particulars	March 31, 2021	March 31, 2020
Not later than one year	0.69	0.91
Later than one year and not later than five years	0.78	1.21
Later than five years	-	-
Total	1.47	2.12

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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34 Employee Benefit :

Defined Contribution Plan:

The Company operates defined contribution plan (Provident fund) for all qualifying employees of the Company. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

The Company's contribution to Provident Fund aggregating Rs. 5.75 crore (Previous Year: Rs. 5.55 crore) has been recognised in the Statement of Profit and Loss under the head Employees benefit expenses.

Short-term employee benefits:

The Company provides for accumulated compensated absences as at balance sheet date using full cost method to the extent leave will be utilised. The charge for the current year is disclosed under Salaries and Bonus.

Defined benefit obligation

The liability under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method. .

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary Risks:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the company

a) The assumptions used for the purposes of the actuarial valuations were as follows.

Particulars	As at March 31, 2021	As at March 31, 2020
Significant assumptions		
Discount rate (%)	6.90%	6.80%
Expected rate of salary escalation (%)	7.00%	7.00%
Other assumption		
Mortality Table	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

b) Amount recognised in Balance sheet in respect of these defined benefit obligation:

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	13.16	12.60
Fair value of plan assets	-	-
Net liability	13.16	12.60

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c) Amount recognised in statement of profit and loss in respect of these defined benefit obligation:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Current service cost	1.82	1.44
Net interest cost	0.81	0.78
Past service cost	-	-
Total amount recognised in profit & loss	2.63	2.22
Components of defined benefits cost recognised outside profit and loss		
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	-
- Actuarial (gain)/loss from change in financial assumptions	(0.13)	0.92
- Actuarial (gain)/loss from change in experience adjustments	(1.37)	(0.41)
Total amount recognised in other comprhensive income	(1.50)	0.51

The current service cost and the net interest expense for the year are included in the 'in the Employee benefit expense' line item in the statement of profit and loss.

d) Movement in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening defined benefit obligation	12.60	10.80
Current service cost	1.82	1.44
Past service cost	-	-
Interest cost	0.81	0.78
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	-	-
Actuarial (gain)/loss from change in financial assumptions	(0.13)	0.92
Actuarial (gain)/loss from change in experience adjustments	(1.37)	(0.41)
Benefits paid	(0.62)	(0.91)
Liability assumed / settled	0.05	(0.02)
Closing defined benefit obligation	13.16	12.60

e) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are as follows:

Particulars	As at March 31, 2021 Increase	As at March 31, 2021 Decrease
Discount rate (- / +0.5%)	12.54	13.84
% change compared to base due to sensitivity	-4.75%	5.13%
Salary growth rate (- / +0.5%)	13.71	12.64
% change compared to base due to sensitivity	4.12%	-4.00%

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Particulars	As at March 31, 2020 Increase	As at March 31, 2020 Decrease
Discount rate (- / +0.5%)	11.97	13.27
% change compared to base due to sensitivity	-4.95%	5.32%
Salary growth rate (- / +0.5%)	13.27	11.97
% change compared to base due to sensitivity	5.35%	-4.97%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a) above.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet

f) Projected benefits payable:

Particulars	As at March 31, 2021	As at March 31, 2020
Expected benefits for year 1	1.21	1.07
Expected benefits for year 2	0.69	0.67
Expected benefits for year 3	0.71	0.69
Expected benefits for year 4	0.90	0.73
Expected benefits for year 5	1.06	0.74
Expected benefits for year 6	0.76	1.17
Expected benefits for year 7	1.00	0.73
Expected benefits for year 8	1.16	0.97
Expected benefits for year 9	1.41	1.13
Expected benefits for year 10 and above	20.95	21.24

The weighted average duration of the defined benefit obligation is 9.87 years (previous year 10.40 years)

The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

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JM FINANCIAL SERVICES LIMITED MUMBAI

35 Related party disclosures

A) Enterprise where control exists

i) Holding Company	JM Financial Limited
ii) Subsidiary Company/Firm	JM Financial Commtrade Limited JM Financial Capital Limited JM Financial Institutional Securities Limited Astute Investments (Partnership Firm)

B) Related parties in accordance with Ind AS 24 "Related Party Disclosures"
(Parties with whom the transactions were carried out during the current year/previous year)

i) Holding Company	JM Financial Limited
ii) Subsidiary Company/Firm	JM Financial Commtrade Limited JM Financial Capital Limited JM Financial Institutional Securities Limited Astute Investments
iii) Fellow Subsidiaries	JM Financial Products Limited JM Financial Properties and Holdings Limited JM Financial Asset Management Limited Infinite India Investment Management Limited CR Retail Malls (India) Limited JM Financial Credit Solutions Limited JM Financial Asset Reconstruction Company Limited JM Financial Home loans Limited
iv) Key Management Personnel and close members of the family (relatives) of the Key Management Personnel	Mr. Vishal Kampani (Key Management Personnel of the Holding Company) Relatives : Mr. Nimesh N Kampani Ms. Aruna Kampani Mrs. Amishi Gambhir Mr. Subodh Shinkar Relatives Ms. Sunita Subodh Shinkar Ms. Kumud Damodar Shinkar Late Mr. Damodar Krishnarao Shinkar
v) Wholetime Director and Company Secretary	Mr. Anil Mavinkurve Relatives : Ms. Archana Mavinkurve Ms. Niyati Mavinkurve Ms. Sachi Mavinkurve
vi) Non executive directors	Mr. Nimesh N Kampani Mr. Vishal Kampani Mrs. Dipti Neelkanthan Mr. Hemant Kotak
vii)Independent directors	Mr. Anup Shah Mr. Parthiv Kikichand
viii) Individual exercising significant influence by way of voting power in reporting enterprise and relatives of any such person	Mr. Nimesh N Kampani Relatives Ms. Aruna Kampani Mr. Vishal Kampani Mrs. Amishi Gambhir
ix) Associate	JM Financial Trustee Company Private Limited
x) Enterprises over which any person described in Clause B iv) and vi) above is able to exercise significant influence	JM Financial & Investment Consultancy Services Pvt Ltd JM Assets Management Pvt. Ltd Kampani Consultants Limited Persepolis Investment Company Private Limited SNK Investments Private Limited Kampani Properties & Holdings Limited Capital Market Publishers India Private Limited

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

C) Details of transactions Name of the related party	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
i) Holding Company			
JM Financial Limited	Reimbursement of employee expenses	1.55	2.95
	Rent paid	0.27	0.27
	ICD Taken	866.00	20.00
	ICD Repaid	766.00	20.00
	Interest on ICD paid	8.76	0.01
	Fees Received	5.05	1.84
	Secondary Brokerage Received	0.00	0.05
	Closing Balance Receivable / (Payable)	2.20	1.21
	Closing Balance Receivable / (Payable) - ICD	(100.00)	-
	Closing Balance - Deposit	1.00	1.00
ii) Subsidiary Companies			
JM Financial Commtrade Limited	Reimbursement of expenses (Received)	0.01	0.08
	ICD Taken	62.00	0.00
	ICD Repaid	62.00	0.00
	Interest on ICD paid	1.14	0.00
	Gratuity received on transfer of employee	0.05	0.00
	Closing Balance Receivable / (Payable)**	0.00	0.02
	** Rs 16,575/-		
JM Financial Capital Limited	ICD Taken	135.00	35.00
	ICD Repaid	135.00	35.00
	Interest on ICD paid	0.19	0.06
	Arranger's fees paid	0.00	0.45
	Reimbursement of expenses (Received)	0.01	0.01
	Gratuity paid on transfer of employee	0.00	0.02
	Investment in non -convertible debentures	0.00	35.30
	Interest payable on margin with exchange	0.17	0.12
	Margin Repaid for Option trade	3.17	-
	Secondary Brokerage Received#	0.00	0.01
	Margin taken for Option trade	0.00	3.17
	Closing Balance Receivable / (Payable)	0.00	(3.28)
	# Rs. 40,551/-		
JM Financial Institutional Securities Limited	Secondary Brokerage Received#	0.00	-
	Margin Deposit received	14.00	-
	Margin Deposit refunded	14.00	-
	Closing Balance Receivable / (Payable)	-	-
	# Rs 38,040/- (Previous Year NIL)		
Astute Investments	Capital Contribution	-	-
	Receipt on partner's current account	6.69	6.82
	Interest received on Margin Money	14.15	3.09
	Margin Deposit received	181.77	118.51
	Margin Deposit refunded	171.99	118.51
	Secondary Brokerage Received	0.31	0.24
	Reimbursement of expenses (received)	0.25	0.27
	Share of Profit for the period	7.12	6.23
	Closing Balance Receivable / (Payable) - Current Account	2.25	1.83
	Closing Balance Receivable / (Payable) - Trade Payable	-	(2.09)
	Closing Balance Receivable / (Payable) - Margin Deposit	(9.78)	0.00

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JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

C) Details of transactions Name of the related party	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
iii) Fellow Subsidiaries			
JM Financial Products Limited	ICD Taken	436.00	244.00
	ICD Repaid	436.00	244.00
	Interest on ICD paid	0.33	0.21
	Fees Received	0.62	5.11
	Reimbursement of expenses (Received)	0.03	0.07
	Investment in market linked non -convertible debentures	75.13	50.00
	Secondary Brokerage Received	0.63	0.12
	Closing Balance Receivable / (Payable)	(16.14)	(0.67)
Infinite India Investment Management Limited	Demat charges received *	0.00	0.00
	Closing Balance Receivable / (Payable)	-	-
	* Rs. 500/- (Previous year Rs. 500/-)		
JM Financial Asset Management Limited	Fees Received	-	4.22
	Closing Balance Receivable / (Payable)	-	4.98
JM Financial Properties and Holdings Ltd	Business Service Centre Expenses	5.44	5.18
	Property Tax - paid	0.27	0.26
	Repairs and maintenance expenses	0.36	0.45
	Reimbursement of expenses - paid	0.18	0.22
	Reimbursement of expenses (Received)*	0.01	0.00
	Closing Balance Receivable / (Payable)**	-	0.00
	Closing Balance - Deposit	5.99	5.99
	* Previous Year Rs. 10,000/-		
	**Nil (Previous Year Closing balance Receivable Rs. 10,800/-)		
CR Retail Malls (India) Limited	Demat charges received *	0.00	0.00
	ICD Taken	55.00	-
	ICD Repaid	55.00	-
	Interest on ICD paid	0.08	-
	Closing Balance Receivable / (Payable)**	-	0.00
	* Rs. 500/- (Previous Year Rs 515/-)		
	** Rs. NIL (Previous Year 45/-)	-	-
JM Financial Asset Reconstruction Company Limited	Reimbursement of expenses (Received)*	0.00	0.00
	Investment in market linked non -convertible debentures	75.00	104.80
	Redemption of market linked non-convertible debentures	-	105.28
	Fees received	0.89	3.39
	Closing Balance Receivable / (Payable)**	-	0.00
	* Rs. 5,000/- (Previous Year Rs.15,000/-)		
	**Rs. NIL (Previous Year Rs 16,200/-)		
JM Financial Credit Solutions Limited	Fees Received	0.00	0.05
	Reimbursement of expenses (Received)	0.06	0.06
	Secondary Brokerage Received #	0.00	0.00
	Closing Balance Receivable / (Payable)	-	-
	#Rs.38,760/- (Previous Year Rs.10,000/-)		
JM Financial Home Loans Limited	Fees Received	-	0.05
	Sale of Fixed Asset	0.03	-
	Reimbursement of expenses (Received)	0.07	0.08
	Investment in market linked non -convertible debentures	-	1.09
	Interest income on NCD	0.10	0.06
	Closing Balance Receivable / (Payable)	-	0.07

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JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

C) Details of transactions Name of the related party	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
iv) Key Management Personnel/Wholetime director & Company Secretary and its close members of the family (relatives)			
Key Management Personnel/ Wholetime Director & Company Secretary	Remuneration		
	Short term employee benefits	4.98	2.86
	Post employment benefits	0.13	0.12
	Share based payments (refer note no. 31 & 31.1)	1.36	1.02
	Demat charges received*	0.00	0.00
	Secondary Brokerage Received	0.01	0.01
	Closing Balance Receivable / (Payable)	(3.41)	(0.83)
	* Rs. 2,550/- (Previous Year Rs. 3,662/-)		
Relatives of Key Management Personnel	Demat charges received *	0.00	0.00
	Secondary Brokerage Received#	0.00	0.01
	Closing Balance Receivable / (Payable)**	0.00	0.00
	* Rs. 150/- (Previous Year Rs. 487/-)		
	# Rs. 11,105/-		
	** (Rs. 629/-) (Previous Year Payable Rs. 37,019/-)		
v) Non Executive Directors	Sitting Fees paid	0.02	0.01
	Director's Commission	0.05	0.02
	Demat charges received *	0.00	0.00
	Secondary Brokerage Received	0.01	0.01
	Closing Balance Receivable / (Payable)	(0.05)	(0.02)
	* Rs. 3,094/- (Previous Year Rs. 1,746/-)		
vi) Independent Directors	Sitting Fees paid	0.06	0.06
	Director's Commission	0.10	0.10
	Closing Balance Receivable / (Payable)	(0.10)	(0.10)
vii) Individual exercising significant influence by way of voting power in reporting enterprise and relatives of any such person			
Others	Secondary Brokerage Received	0.02	0.00
	Demat charges received *	0.00	0.00
	Sitting Fees paid	0.02	0.02
	Director's Commission	-	-
	Closing Balance Receivable / (Payable) **	0.00	0.00
	* Rs. 612/- (Previous Year Rs 612/-)		
	** Rs. (47,865/-) (Previous Year Rs 91/-)		
viii) **Associate**			
JM Financial Trustee Company Private Limited	Secondary Brokerage Received#	0.00	-
	Closing Balance Receivable / (Payable)	-	-
	# Rs 21,600/- (Previous Year NIL)	-	-
ix) Enterprises over which any person described in Clause B (iv) and (v) above is able to exercise significant influence			
J. M. Financial & Investment Consultancy Services Pvt Ltd	Secondary Brokerage Received	0.05	0.39
	Demat charges received *	0.00	-
	Closing Balance Receivable / (Payable)	-	-
	*Rs 950/-		

JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

C) **Details of transactions**

Name of the related party	Nature of Transaction	Year ended March 31, 2021	Year ended March 31, 2020
JM Assets Management Private Limited	Secondary Brokerage Received#	0.05	0.00
	Closing Balance Receivable / (Payable)	-	-
	# Previous year Rs. 49,397/-		
Kampani Consultants Limited	Rent paid	0.05	0.05
	Secondary Brokerage Received	0.00	0.01
	Closing Balance Receivable / (Payable)	-	-
Persepolis Investment Company Private Limited	Secondary Brokerage Received#	0.02	0.00
	Closing Balance Receivable / (Payable)	-	-
	# Previous year Rs. 24,530/-		
SNK Investments Private Limited	Secondary Brokerage Received #	0.02	-
	Closing Balance Receivable / (Payable)	-	-
	# Previous year Rs. 28,440/-		
Kampani Properties and Holdings Limited	Secondary Brokerage Received #	0.00	-
	Closing Balance Receivable / (Payable)	-	-
	# Previous year Rs. 3,328/-		
Capital Market Publishers India Private Limited	IT - Application expenses	0.03	0.03
	Closing Balance Receivable / (Payable)	-	-

35.1 The above transactions are excluding Goods & Service tax wherever applicable.

35.2 The details of related party relationships are identified by the management of the company and relied upon by auditors.

35.3 There have been no write-off / write back in case of related party

JM Financial Services Limited

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

(Rupees in Crore)

36 Maturity Analysis of Assets and Liabilities

		March 31, 2021			March 31, 2020		
	Assets	**Within 12 months**	**After 12 months**	**Total**	**Within 12 months**	**After 12 months**	**Total**
(1)	**Financial Assets**						
(a)	Cash and cash equivalents	45.87	-	45.87	306.58	-	306.58
(b)	Other bank balances	1,044.76	5.74	1,050.50	404.54	1.44	405.98
(c)	Derivative Financial Instruments	5.07	-	5.07	-	-	-
(d)	Trade Receivables	272.02	-	272.02	130.76	-	130.76
(e)	Loans	215.57	-	215.57	38.20	-	38.20
(f)	Investments	2.40	277.15	279.55	35.74	277.15	312.89
(g)	Other Financial assets	11.42	9.33	20.75	80.18	8.59	88.77
	Total Financial Assets	**1,597.11**	**292.22**	**1,889.33**	**996.00**	**287.18**	**1,283.18**
(2)	**Non-financial Assets**						
(a)	Current tax Assets (Net)	-	42.52	42.52	-	46.74	46.74
(b)	Deferred tax assets (net)	-	7.71	7.71	-	5.28	5.28
(c)	Property, Plant and Equipment	9.45	47.67	57.12	9.72	57.04	66.76
(d)	Intangible assets under Development	0.24	-	0.24	0.08	-	0.08
(e)	Other Intangible assets	0.23	2.76	3.00	0.25	4.03	4.28
(f)	Other non-financial assets	8.66	0.08	8.73	7.90	0.11	8.01
	Total Non-financial Assets	**18.58**	**100.74**	**119.32**	**17.95**	**113.20**	**131.15**
	Total Assets (A)	**1,615.69**	**392.96**	**2,008.65**	**1,013.95**	**400.38**	**1,414.33**
	LIABILITIES						
(1)	**Financial Liabilities**						
(a)	Derivative Financial Instruments	4.82	-	4.82	-	-	-
(b)	Trade Payables	761.77	-	761.77	407.62	-	407.62
(c)	Debt Securities	433.31	-	433.31	419.51	-	419.51
(d)	Borrowings (Other than Debt Securities)	110.87	-	110.87	-	-	-
(e)	Other financial liabilities	170.77	46.35	217.12	90.60	51.30	141.90
	Total Financial Liabilities	**1,481.54**	**46.35**	**1,527.89**	**917.73**	**51.30**	**969.03**
(2)	**Non-Financial Liabilities**						
(a)	Current tax liabilities (Net)	2.02	-	2.02	-	-	-
(b)	Provisions	6.30	11.95	18.25	5.58	11.53	17.11
(c)	Other non-financial liabilities	11.46	-	11.46	12.18	-	12.18
	Total Non-Financial Liabilities	**19.78**	**11.95**	**31.73**	**17.76**	**11.53**	**29.29**
	Total Liabilities (B)	**1,501.32**	**58.30**	**1,559.62**	**935.49**	**62.83**	**998.32**
	Net (A) - (B)	**114.37**	**334.66**	**449.03**	**78.46**	**337.55**	**416.01**

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37 Financial Instruments

37.1 Capital Management

The Company manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio.

	As at March 31, 2021	As at March 31, 2020
Borrowings (long-term and short-term borrowings including current maturities)	597.93	477.66
Gross debt	**597.93**	**477.66**
Less - Cash and cash equivalents	45.87	306.58
Adjusted net debt	**552.06**	**171.08**
Total equity	449.03	416.01
Adjusted net debt to equity ratio	1.23	0.41

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the lender to immediately call loans and borrowings.

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(Rupees in Crore)

37.2 Fair Value

Classes and categories of financial instruments and their fair values

The following table combines information about:
- classes of financial instruments based on their nature and characteristics
- the carrying amounts of financial instruments
- fair values of financial instruments and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

Accounting classification and fair values

	Carrying amount				Fair value			
As at March 31, 2021	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Cash and cash equivalents	-	-	45.87	45.87	-	-	-	-
Bank balances other than above	-	-	1,050.50	1,050.50	-	-	-	-
Derivative Financial Instruments	5.07			5.07		5.07		5.07
Trade receivables	-	-	272.02	272.02	-	-	-	-
Loans	-	-	215.57	215.57	-	-	-	-
Investments	0.15	-	279.40	279.55	0.15	-	-	0.15
Other Financial assets	4.17	-	16.58	20.75	0.44	3.73		4.17
Total	**9.39**	-	**1,879.94**	**1,889.33**	**0.59**	**8.80**	-	**9.39**
Financial liabilities								
Derivative Financial Instruments	4.82			4.82		4.82		4.82
Trade Payables								-
Total outstanding dues of micro and small enterprises	-	-	0.05	0.05	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	761.72	761.72	-	-	-	-
Debt Securities	-	-	433.31	433.31	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	110.87	110.87	-	-	-	-
Other financial liabilities	-	-	217.12	217.12	-	-	-	-
Total	**4.82**	-	**1,523.07**	**1,527.89**	-	**4.82**	-	**4.82**

	Carrying amount				Fair value			
As at March 31, 2020	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Cash and cash equivalents	-	-	306.58	306.58	-	-	-	-
Bank balances other than above	-	-	405.98	405.98	-	-	-	-
Trade receivables	-	-	130.76	130.76	-	-	-	-
Loans	-	-	38.20	38.20	-	-	-	-
Investments	33.92	-	278.97	312.89	33.92	-	-	33.92
Other Financial assets	20.07	-	68.70	88.77	0.13	19.94		20.07
Total	**53.99**	-	**1,229.19**	**1,283.18**	**34.05**	**19.94**	-	**53.99**
Financial liabilities								
Trade Payables				-	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	0.58	0.58	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	407.04	407.04	-	-	-	-
Debt Securities	-	-	419.51	419.51	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	-	-	-	-	-	-
Other financial liabilities	-	-	141.90	141.90	-	-	-	-
Total	-	-	**969.03**	**969.03**	-	-	-	-

Valuation Technique	
Type of Financial Instrument	**Valuation Techniques**
Debt Instruments	NAV / Quoted price as on the reporting date.
Mutual Funds	NAV as on the reporting date / latest available NAV.

37.3 Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk (including currency risk and interest rate risk)

Risk management framework

The Company has a robust Risk Management framework to identify and evaluate business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

i) Credit risk

In respect of the broking operations credit risk is the risk of margin erosion due to market volatility/fluctuations, failure of clients to meet their financial obligations. The Company has in place, a widespread credit policy to monitor clients margin requirement to prevent risk of default which includes well defined basis for categorization of securities, client-wise/scrip-wise maximum exposure, segmentwise margin requirement, etc. for better management of credit risk.

In respect of its lending operations, the Company measures, monitors and manages credit risk at an individual borrower level and at the group exposure level for corporate borrowers. Company has structured and standardized credit approval process including a comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower. Credit teams track cases for early signs of stress, ensuring that corrective action is taken in the case of non – starter of early delinquency cases.
Credit approvers and relationship managers are responsible for ensuring adherence to these policies.

Impairment

The ageing of trade and other receivables that were not impaired was as follows:

	March 31, 2021	March 31, 2020
Past due 0–90 days	272.00	130.75
More than 90 days	0.02	0.01
Carrying amount of receivables	**272.02**	**130.76**

The ageing of Loans that were not impaired was as follows:

	March 31, 2021	March 31, 2020
Past due 0–90 days	215.58	38.20
More than 90 days	-	-
Carrying amount of receivables	**215.58**	**38.20**

Management believes that the unimpaired amounts that are past due by more than 90 days are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

In management's view the credit risk on cash and cash equivalents, deposits with banks and investment in mutual funds is very low.

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Ultimate responsibility for liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium term and long term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has undrawn lines of credit of Rs. 169.96cr, Rs. 180.84 cr as of March 31, 2021 and March 31, 2020 respectively, from its bankers for working capital requirements.

The Company has the right to draw upon these lines of credit based on its requirement and terms of draw down.

Exposure to liquidity risk

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

KHIMJI KUNVERJI & CO LLP CHARTERED ACCOUNTANTS MUMBAI

JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

March 31, 2021	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Derivative Financial Instruments	4.82	4.82			
Trade Payables					
Total outstanding dues of micro and small enterprises	0.05	0.05			
Total outstanding dues of creditors other than micro and small enterprises	761.72	761.72			
Debt Securities	433.31	433.31			
Borrowings (Other than Debt Securities)	110.87	110.87			
Other financial liabilities	217.12	170.77	14.12	11.13	21.10
Sub total	**1,527.89**	**1,481.54**	**14.12**	**11.13**	**21.10**
Financial assets					
Cash and cash equivalents	45.87	45.87			
Bank balances other than (a) above	1,050.50	1,044.76	5.74		
Derivative Financial Instruments	5.07	5.07			
Trade receivables	272.02	272.02			
Loans	215.57	215.57			
Investments	279.55	2.40			277.15
Other Financial assets	20.75	11.42	2.74	0.48	6.11
Sub total	**1,889.33**	**1,597.11**	**8.48**	**0.48**	**283.26**

March 31, 2020	Carrying amount	Contractual cash flows 0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables					
Total outstanding dues of micro and small enterprises	0.58	0.58			
Total outstanding dues of creditors other than micro and small enterprises	407.04	407.04			
Debt Securities	419.51	419.51			
Borrowings (Other than Debt Securities)	-	-			
Other financial liabilities	141.90	90.60	14.58	10.96	25.76
Sub total	**969.03**	**917.73**	**14.58**	**10.96**	**25.76**
Financial assets					
Cash and cash equivalents	306.58	306.58			
Bank balances other than (a) above	405.98	404.54	1.44		
Trade receivables	130.76	130.76			
Loans	38.20	38.20			
Investments	312.89	35.74			277.15
Other Financial assets	88.77	80.18	1.62	0.58	6.39
Sub total	**1,283.18**	**996.00**	**3.06**	**0.58**	**283.54**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii) Market risk

The risk of change in overall market or asset class due to the impact of economic conditions and/ or other factors impacting index, specific stocks. The value of investments are vulnerable to factors such as changes in economic conditions, interest rates, investor sentiments, developments in global markets, international and domestic political events and acts of war or terrorism.Continuous monitoring of VaR, exposure limits and initiation of appropriate action is undertaken to minimize the impact of market risk.

iv) Interest rate risk

Exposure to interest rate risk

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

	March 31, 2021	March 31, 2020
Financial Assets		
Fixed rate Instruments	1,267	444
Floating rate instruments	-	-
	1,267	**444**
Financial Liabilities		
Fixed rate Instruments	497	420
Floating rate instruments	54	-
	551	**420**

KUNVERJI & CO LLP VA CHARTERED ACCOUNTANTS MUMBAI

JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

38 **Operating Segments**

The Company has only one operating business segment i.e securities based activities. This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, margin trade financing etc carried out in India Accordingly there are no separate reportable segments, as per the Indian Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

39 Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto

	Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
a)	Gross amount required to be spent by the Company during the year.	0.63	0.89
b)	Amount spent	0.28	0.89
	Total	0.28	0.89
c)	Construction / acquisition of any asset	-	-
d)	On purposes other than (c) above	0.28	0.89

40 The outstanding foreign currency exposure,foreign currency payable in next five years and unhedged foreign currency exposure at the year ended March 31,2021 is Nil (Previous Year Nil)

41 The Board of Directors of the Company have recommended a dividend of Rs. 8/- per equity share and 60 paise per share on 6% compulsulory convertible preference shares for the year ended March 31, 2021. The same is subject to the approval of shareholders at the Annual General Meeting.

42 The outbreak of COVID-19 pandemic across the globe and in India has led to a significant decline and volatility in the global and Indian financial markets and corresponding slowdown in the economic activities. In assessing the fair value of financial instruments, recoverability of its receivables, investments and providing for loss allowance as per Expected Credit Loss, the Company has considered internal and external information up to the date of approval of these financial statements. Based on current indicators of future economic conditions, the Company expects to recover the carrying amount of its assets. The impact of the pandemic may be different from the estimated as at the date of approval of these financial statements. The Company will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future periods.

43 Previous year figures have been regrouped/ reclassified to confirm with current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

44 The financial statements were approved for issue by the Board of Directors on April 29, 2021

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN : 00009071

Hemant Kotak
Director
DIN : 00412903

Sabodh Shinkar
Chief Executive Officer

Anil Mavinkurve
Wholetime Director &
Company Secretary
DIN : 00740703

Vishwanath Subramaniam
Chief Financial Officer

Place : Mumbai
Date : April 29, 2021

KUNVERJI & CO LLP MUMBAI VA CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

INDEPENDENT AUDITOR'S REPORT

To the Members of JM Financial Services Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

1. We have audited the accompanying consolidated Ind AS financial statements of **JM Financial Services Limited** (hereinafter referred to as 'the Holding Company') and its Subsidiaries (Holding Company and its Subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2021, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated 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 (hereinafter referred to as "Consolidated Ind AS financial statements").

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 auditors on separate financial statements, as applicable, and on the other financial information of the Subsidiaries, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the Consolidated financial position of the Group as at March 31, 2021, and its consolidated profit (including other comprehensive income), its consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of Consolidated Ind AS financial statements 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 Consolidated Ind AS Financial Statements section of our report. We are independent of the Group 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 Ind AS 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, along with the consideration of audit reports of the other auditors referred to in para 9 of the 'Other Matters' paragraphs below, is sufficient and appropriate to provide a basis for our opinion on the Consolidated Ind AS financial statements.

Emphasis of Matter

4. We draw attention to note no. 43 of the Consolidated Ind AS financial statements, which describes the extent to which the COVID-19 pandemic will impact the Group's results will depend on future developments, which being uncertain, the said note narrates management's proposed future actions based on its assessment of internal and external factors and macro level developments. Our opinion is not modified in respect of this matter.

KHIMJI KUNVERJI & CO. LLP. VA CHARTERED ACCOUNTANTS MUMBAI

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements for the year under audit. We have determined that there is no key audit matter to be communicated in our report.

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

6. The Holding Company's Board of Directors is responsible for the preparation of the other information, comprising of the information included in the Board's Report including Annexures to Board's Report and such other disclosures related Information, excluding the Consolidated Ind AS financial statements and auditor's report thereon ('Other Information'). The other information is expected to be made available to us after the date of this auditors' report. Our opinion on the Consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the Consolidated Ind AS financial statements, our responsibility is to read the other information when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

   When we read the other Information and if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charges with governance as required under SA 720 'The Auditor's responsibilities Relating to other Information'.

Responsibility of Management for Consolidated Ind AS Financial Statements

7. The Holding Company's Board of Directors is responsible for preparation of these consolidated Ind AS financial statements in terms of requirements of the Companies Act, 2013 ('the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement in changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under prescribed Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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; 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 Ind AS 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 preparation of the Consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid. In preparing the Consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the 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 the respective Board of Directors either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.

   The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of each company.

KHIMJI KUNVERJI & CO LLP VA CHARTERED ACCOUNTANTS MUMBAI

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS financial statements. Our audit process in accordance with the SAs is narrated in Annexure 1 to this report.

Other Matters

9. We did not audit the financial statements of three subsidiaries whose financial statements reflect total assets (before consolidation adjustment) of Rs. 613.39 crore as at March 31, 2021, total revenues (before consolidation adjustment) of Rs. 80.68 crore and net cash inflows amounting to Rs. 19.08 crore for the year ended on that date, as considered in the consolidated Ind AS financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Holding Company and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and partnership firm, and our report in terms of sub sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the reports of the other auditors.

10. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements furnished by the Management.

11. In view of restricted movements to prevent the spread of COVID-19 Pandemic, the processes of statutory audit were carried out from remote locations i.e. other than the Office of the Holding Company, based on the data/details made available and based on financial information/records remitted by the management of Holding company through digital medium. Our report is not modified in respect of this matter.

12. We draw attention to the note no 44 of the Consolidated Ind AS financial statement, which describes that as there was no requirement of consolidation of accounts in the previous year, previous year figures have not been given. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

13. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries as were audited by other auditors, as noted in the 'Other Matters' paragraph/, we report, to the extent applicable, 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 of the aforesaid Consolidated Ind AS financial statements.

    b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and based on the report of the other auditors.

    c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow

KHIMJI KUNVERJI & CO LLP MUMBAI CHARTERED ACCOUNTANTS VA

Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.

d. In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act..

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021, taken on record by the Board of Directors of the Holding Company and based on the reports of the statutory auditors of its Subsidiary company, none of the directors of the Group companies are disqualified as on March 31, 2021 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 consolidated Ind AS financial statements of the Holding Company and its Subsidiary companies and the operating effectiveness of such controls, refer to our separate Report in Annexure 2.

g. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act, we report as under:
In our opinion and according to the information and explanations given to us and based on the reports of the other auditors of subsidiary companies incorporated in India, the remuneration paid during the year under report by the Group to its directors, wherever applicable, is in accordance with the provisions of Section 197 of the Act.

h. 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 and based on the report of the other auditors, we report as under:

(i) the Group has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS Financial Statements – Refer Note 29 (c) to the Consolidated Ind AS Financial Statements.

(ii) the Group did not have any material foreseeable losses, on long-term contracts including derivative contracts – Refer Note 30 to the Consolidated Ind AS Financial Statements;

(iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group.

For Khimji Kunverji & Co LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

Hasmukh B Dedhia
Partner
Membership No. 033494
UDIN: 21033494AAAAFN5618

Place: Mumbai
Date: April 29, 2021

Annexure 1 to the Independent Auditors Report

[Referred to in paragraph 8 titled "Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements" in the Independent Auditors Report]

As part of our 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, to 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 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 of Holding Company.

- Conclude on the appropriateness of management's of the Holding Company 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 Consolidated Ind AS 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 Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS 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 to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the Consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS 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. Our responsibilities in this regard are further described in para xx of the section titled 'Other Matters' in this audit report

VA

- Communicate with those charged with governance of the Holding Company and such other entities included in the Consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. 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 Consolidated Ind AS 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.

KHIMJI KUNVERJI & CO LLP
VA
CHARTERED ACCOUNTANTS
MUMBAI

Annexure 2 to the Independent Auditors' Report

[referred to in paragraph 13(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to financial statements of **JM Financial Services Limited** (hereinafter referred to as "the Holding Company") and its Subsidiaries (collectively referred to as "the Group") as at March 31, 2021 in conjunction with our audit of the consolidated Ind AS financial statements of the Group for the year ended March 31, 2021.

Opinion

In our opinion considering the nature and size of the operations, the Holding Company and its Subsidiaries has, in all material respects, an adequate internal financial controls system with reference to consolidated Ind AS financial statements and such internal financial controls with reference to consolidated Ind AS financial statements were operating effectively as at March 31, 2021, based on the internal control with reference to financial statements criteria established by the respective Companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

Management's Responsibility for Internal Financial Controls

The respective management and the Board of Directors of the Holding Company and its Subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 its business, including adherence to the respective 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 Holding Company's internal financial controls with reference to Consolidated Ind AS financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls with reference to financial statements (the "Guidance Note") and the Standards on Auditing, issued by 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 Consolidated Ind AS financial statements was 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 Consolidated Ind AS 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 Consolidated Ind AS 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 judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph, is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial controls system with reference to Consolidated Ind AS financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated IND AS Financial Statements

A Company's internal financial control over financial reporting with reference to Consolidated Ind AS 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 control with reference to Consolidated Ind AS financial statements 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 Company;

(b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS 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

(c) 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 consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Consolidated IND AS Financial Statements

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

Other Matter

We did not audit the Financial Statements of three Subsidiaries included in the Consolidated Ind AS Financial Statements. Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to this component is based solely on the corresponding reports of the auditors of such company. Our opinion is not qualified in respect of this matter.

For Khimji Kunverji & Co LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

Hasmukh B Dedhia
Partner
Membership No. 033494
UDIN: 21033494AAAAFN5618
Place: Mumbai
Date: April 29, 2021

JM Financial Services Limited
Consolidated Balance Sheet as at March 31, 2021

(Rupees in Crore)

Sr. No.	Particulars	Note no.	As at March 31, 2021
	ASSETS		
(1)	**Financial Assets**		
(a)	Cash and cash equivalents	4	73.69
(b)	Bank balances other than (a) above	5	1,112.97
(c)	Derivative Financial Instruments		5.07
(d)	Trade receivables	6	276.58
(e)	Loans	7	353.83
(f)	Investments	8	214.66
(g)	Other financial assets	9	287.51
			2,324.31
(2)	**Non-Financial Assets**		
(a)	Current tax assets (net)		45.15
(b)	Deferred tax assets (net)	10	12.97
(c)	Property, Plant and Equipment	11	96.77
(d)	Intangible assets under development	11	0.24
(e)	Other intangible assets	11	3.62
(g)	Other non-financial assets	12	10.78
(f)	Goodwill on consolidation		4.81
			174.34
	Total Assets		**2,498.65**
	LIABILITIES AND EQUITY		
	LIABILITIES		
(1)	**Financial Liabilities**		
(a)	Derivative Financial Instruments		4.82
(b)	Trade payables		
	Total outstanding dues of micro and small enterprises	13	0.11
	Total outstanding dues of creditors other than micro and small enterprises	13	771.54
(c)	Debt securities	14	433.31
(d)	Borrowings (other than debt securities)	15	377.31
(e)	Other financial liabilities	16	269.65
	Total Financial Liabilities		**1,856.74**
(2)	**Non-Financial Liabilities**		
(a)	Current tax liabilities (net)		3.02
(b)	Provisions	17	23.02
(c)	Other non-financial liabilities	18	14.34
	Total Non-Financial Liabilities		**40.38**
(3)	**EQUITY**		
(a)	Equity share capital	19	50.00
(b)	Non controlling interest	20	0.35
(c)	Other equity	20	551.18
	Total Equity		**601.53**
	Total Liabilities and Equity		**2,498.65**

The accompanying notes form an integral part of the financial statements

In terms of our report attached
For Khimji Kunverji & Co LLP
Chartered Accountants
Firm Registration No. 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN : 00009071

Hemant Kotak
Director
DIN : 00412903

Anil Mavinkurve
Wholetime Director & Company Secretary
DIN : 00340703

Subodh Shankar
Chief Executive Officer

Prabhudoss Sethuramanian
Chief Financial Officer
Place : Mumbai
Date : April 29, 2021

JM Financial Services Limited
Consolidated Statement of Profit And Loss for the year ended March 31, 2021

(Rupees in Crore)

Sr. No.	Particulars	Note no.	For the year ended March 31, 2021
1	**Income**		
	Revenue from operations		
(a)	Fees and commission income	21	454.27
(b)	Other operating revenue	21	121.61
(c)	Net gain on fair value changes	22	25.88
	Total revenue from operations		**601.76**
	Other income	23	3.87
	Total Income		**605.63**
2	**Expenses**		
(a)	Subbrokerage, transaction costs and other direct expenses		147.57
(b)	Finance costs	24	80.18
(c)	Impairment on financial instruments	25	9.14
(d)	Employee benefits expense	26	189.78
(e)	Depreciation and amortization expense	11	22.18
(f)	Other expenses	27	56.70
	Total expenses		**505.55**
3	**Profit before tax**		**100.08**
4	**Tax expenses**		
(a)	Current tax		31.62
(b)	Deferred tax		(4.68)
(c)	Tax adjustment of earlier years(net)		(0.43)
	Total Tax expenses		**26.51**
5	**Net Profit**		73.57
6	**Other Comprehensive Income**		
	(i) Items that will be reclassified to profit or loss		
	- Actuarial gain/(losses) on post retirement benefit plans		1.64
	- Income tax on the above		(0.41)
	Total Other Comprehensive Income		**1.23**
7	**Total Comprehensive Income**		**74.80**
8	**Net Profit for the year attributable to:**		
	Owners of parent		72.78
	Non-controlling interests		0.79
9	**Other Comprehensive Income attributable to:**		
	Owners of parent		1.23
	Non-controlling interests		-
10	**Total Comprehensive Income attributable to:**		
	Owners of parent		74.01
	Non-controlling interests		0.79
11	**Earning Per Share (EPS)**		
	(Face Value of Rs. 10/- each)		
	Basic EPS (in Rs.)	32	14.56
	Diluted EPS (in Rs.)	32	11.29
	The accompanying notes form an integral part of the financial statements		

In terms of our report attached
For Khimji Kunverji & Co LLP
Chartered Accountants
Firm Registration No. 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
Place : Mumbai
Date : April 29, 2021

KHIMJI KUNVERJI & CO LLP MUMBAI
VA CHARTERED ACCOUNTANTS

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN : 00009071

Hemant Kotak
Director
DIN : 00412903

Anil Mavinkurve
Wholetim
DIN : 00749703

Sudhir Shinkar
Chief Executive

Vaidyanath Subramanium
Chief Financial Officer
Place : Mumbai
Date : April 29, 2021

JM FINANCIAL SERVICES LIMITED MUMBAI

JM Financial Services Limited
Consolidated Statement of changes in equity for the year ended March 31, 2021

(Rupees in Crore)

A. Equity share capital

Particulars	Balance as at April 1, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
Equity share capital	50.00	-	50.00

B. Other equity

Particulars	Equity Component of Compound Financial Instruments	Reserves & Surplus					Non-controlling interest	Total Other Equity
		Securities Premium Account	Capital Redemption Reserve	Capital Reserve	Statutory Reserve	Retained earnings		
Balance as at April 1, 2020	14.50	60.65	4.69	17.69	10.89	368.75	0.30	477.47
Profit for the year						72.78	0.79	73.57
Other comprehensive income						1.23		1.23
Statutory Reserve					3.10	(3.10)		-
Payment to NCI							(0.74)	(0.74)
								-
Balance as at March 31, 2021	14.50	60.65	4.69	17.69	13.99	439.66	0.35	551.53

The accompanying notes form an integral part of the financial statements

In terms of our report attached
For Khimji Kunverji & Co. LLP
Chartered Accountants
Firm Registration No. 105146W/W100621

Hasmukh B Dedhia
Partner
Membership No. 033494
Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN : 00009071

Hemant Kotak
Director
DIN : 00412903

Anil Mavinkurve
Whole-time Director &
Company Secretary
DIN : 00740703

Subodh Shirkar
Chief Executive Officer

Vishwanath Subramaniam
Chief Financial Officer

Place : Mumbai
Date : April 29, 2021

JM Financial Services Limited

Consolidated Statement of cash flows for the year ended March 31, 2021

(Rupees in Crore)

Sr No	Particulars	For the year ended March 31, 2021
A	**Cash Flow from Operating Activities**	
	Net Profit Before Tax	101.72
	Adjustments for :	
	Depreciation and amortisation	22.19
	(Profit)/Loss on sale of fixed assets	(0.13)
	Finance costs	82.40
	Fair Valuation of Derivatives Financial Instrument (Asset)	(2.61)
	Fair Valuation of Derivatives Financial Instrument (Liability)	1.99
	Interest income	(0.73)
	Net gain on changes in fair value - unrealised	(0.59)
	Net gain on changes in fair value - realised	(8.16)
	Impairment loss on financial instruments	7.72
	Finance income on rent deposits	(0.02)
	Provision for gratuity	0.45
	Provision for compensated absences	0.22
	Sundry credit balances written back	(0.26)
	Operating Profit before Working Capital Changes	**204.19**
	Adjustment for:	
	Increase in trade payables	341.15
	Increase in other financial liabilities	80.93
	Increase in provisions	0.36
	(Decrease) in non financial liabilities	(0.69)
	(Decrease) in Other non-financial liabilities	(2.63)
	(Increase) in loans	(146.45)
	(Increase) in trade receivables	(128.02)
	(Increase) in other bank balances	(665.12)
	Decrease in other non financial assets	0.34
	Decrease in other financial assets	111.84
	(Increase) in financial assets - assets held for arbitrage business	(195.51)
	Cash (used) / generated from operations	**(399.61)**
	Income taxes refund / (paid)	(23.61)
	Net cash generated from operating activities (A)	**(423.22)**
B	**Cash Flow from Investing Activities**	
	Purchase of fixed assets	(3.03)
	Sale of fixed assets	0.16
	Derivative Financial Instruments	(2.45)
	Proceeds from / (Investment) in mutual funds (net)	(27.63)
	Contributions made to/share of profits received from partnership firm (net)	6.69
	Decrease/(Increase) in deposits placed (net)	0.21
	Interest received	0.73
	Net Cash generated / (used in) Investing Activities (B)	**(25.32)**

KHIMJI KUNVERJI & CO LLP MUMBAI CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

JM Financial Services Limited
Consolidated Statement of cash flows for the year ended March 31, 2021

(Rupees in Crore)

Sr No	Particulars	For the year ended March 31, 2021
C	**Cash flow from Financing Activities**	
	Issue of Nifty Linked Debentures	56.65
	Redemption of debt securities (net)	(33.77)
	Proceeds from borrowings other than debt securities (net)	264.90
	(Repayment) of Lease Liabilities	(18.91)
	Interest paid	(62.94)
	Net Cash (used in) in Financing Activities (C)	**205.93**
	Net Increase in Cash and Cash Equivalents (A+B+C)	**(242.61)**
	Cash and cash equivalents at the beginning of the period	316.30
	Cash and cash equivalents at the end of the period	**73.69**

The accompanying notes form an integral part of the financial statements

Note:
The above cash flow statement of the group is prepared by consolidating the cashflow statements of the Company and its subsidiaries/partnership firm on a line by line basis.

In terms of our report attached
For Khimji Kunverji & Co LLP
Chartered Accountants
Firm Registration No. 105146W/W100621

Hasmukh B. Dedhia
Partner
Membership No. 033494
Place : Mumbai
Date : April 29, 2021

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN : 00009071

Hemant Kotak
Director
DIN : 08412903

Anil Mavinkurve
Company Secretary
DIN : 00740703

Subodh Shinkar
Chief Executive Officer

Vishwanath Subramaniam
Chief Financial Officer
Place : Mumbai
Date : April 29, 2021

1 Corporate Information

JM Financial Serices Limited ("the Company") along with its subsidiaries/partnership firm (collectively referred to as "the Group") is an integrated and diversified financial services group. The Group's primary businesses include a) shares/stock and commodity broking b) distribution for primary market i.e. distributor for Initial public offers, Fixed income products and Mutual funds c) portfolio management services d) depository participant services e) fund based activities f) arbitage activity etc.

The Group commenced its business operations on June 19, 1998.

2 Significant Accounting Policies

2.1 Basis of preparation of financial statements

Statement of Compliance

The Consolidated financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified) . The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Historical cost convention

The consolidated financial statements of the Group have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value value in use in Ind AS 36.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at measurement date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act.

The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows".

Amounts in the financial statements are presented in Indian Rupees in crore rounded off to two decimal places as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

2.2 Principles of consolidation:

The consolidated financial statements incorporate the financial statements of the Group, entities controlled by the Group and its subsidiaries. Control is achieved when the Group:

a. - has power over the investee
b. - is exposed, or has rights, to variable returns from its involvement with the investee; and
c. - has the ability to use its power to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally.

The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:
- the size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- potential voting rights held by the Group, other vote holders or other parties;
- rights arising from other contractual arrangements; and
- any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

2.2.1 Subsidiaries

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the Consolidated Statement of Profit and Loss from the date the Group gains control until the date when the Group ceases to control the subsidiary. Profit or loss and each component of other comprehensive income are attributed to the owners of the Group and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Group and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intra-Group assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

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JM FINANCIAL SERVICES LIMITED MUMBAI

2.2.2 Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in loss of control as transactions with equity owners of the Group. A change in the ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group losses control of a subsidiary, a gain or loss is recognised in the Consolidated Statement of Profit and Loss and is calculated as the difference between (i) the aggregate of the fair value of the consideration received and the fair value of any retained interest and (ii) the previous carrying amount of the assets (including goodwill), and liabilities of the subsidiary and any non-controlling interests. All amounts previously recognised in other comprehensive income in relation to that subsidiary are accounted for as if the Group had directly disposed of the related assets or liabilities of the subsidiary (i.e. reclassified to profit or loss or transferred to another category of equity as specified /permitted by applicable Ind AS). The fair value of any investment retained in the former subsidiary at the date when control is lost is regarded as the fair value on initial recognition for subsequent accounting under Ind AS 109.

2.3 Goodwill

Goodwill arising on an acquisition of a business is carried at cost established at the date of acquisition of the business less accumulated impairment loss if any.

For the purpose of impairment testing, goodwill is allocated to each of the Group's cash generating units (CGU) that is expected to benefit from the synergies of the combination.

A CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired, if the recoverable amount of the CGU is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the units pro-rata based on the carrying amount of each asset in the unit, any impairment loss or goodwill is not reversed in subsequent period.

On disposal of relevant CGU the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

2.4 Property, Plant and Equipment and Intangible Assets

a. Property, Plant and Equipment (PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress". (Also refer to policy on leases, borrowing costs and impairment of assets below).

Depreciation / amortization is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

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Property, Plant and Equipment	**No.of Years**
Office Premise	60 Years
Leasehold	10 years or period of lease, whichever is lower
Servers and networks	6 Years
Other EDP machines	3 Years
Office equipment	5 Years
Furniture and fixtures	10 Years
Office Premises taken on Lease	Period of Lease
Vehicles	Period of Lease
Intangible assets	
Computer Software	5 Years

Assets costing less than Rs. 5,000/- are fully depreciated in the year of purchase.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development".

Intangible assets are amortised on straight line basis over the estimated useful life of 5 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in profit or loss when the asset is derecognised.

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JM FINANCIAL SERVICES LIMITED MUMBAI

Impairment losses on non-financial assets

As at the end of each year, the Group reviews the carrying amount of its non-financial assets that is PPE and intangible assets to determine whether there is any indication that these assets have suffered an impairment loss.

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognised as an impairment loss in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss.

2.5 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue is reduced for estimated customer rebates and other similar allowances.

2.5.1 Fees and Commission Income

Brokerage and Distribution, selling, advisory and other fees: These are recognised net of goods and services tax / service tax recovered.

Brokerage earned from executing client transactions on the secondary market in "Cash", "Future and Option" and "commodity" segments are recognised in the accounts on the trade date.
Fees earned from primary market operations, i.e. procuring subscription from investors for public offerings of companies are recognised on determination of the amount due to the Group by the RTA and after the allotment of securities is completed.
Fees earned for mobilizing bonds, fixed deposits from companies and funds for mutual funds from investors are recognised on monthly, quarterly or annual basis as set forth in terms of the engagement.
Fees from Structured products including processing fees, Depository Participant business and Portfolio Management Services are recognised when the services are determined to be completed

2.5.2 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate (EIR) applicable.

2.5.3 Dividend Income

Dividend income from investments is recognised when the Group's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

2.5.4 Investment Income

The gains/ losses on sale of investments are recognised in the Statement of Profit and Loss on the trade date. Gain or loss on sale of investments is determined after consideration of cost on FIFO basis.

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2.6 Leasing

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Group as a lessee

The Group assesses, whether the contract is, or contains, a lease. A contract is, or contains, a lease if the contract involves–

a) the use of an identified asset,
b) the right to obtain substantially all the economic benefits from use of the identified asset, and
c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

For lease liabilities at inception, the Group measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

For short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note No.16 "Other Financial Liabilities" and ROU asset has been presented in Note No. 11 "Property, Plant and Equipment" and lease payments have been classified as operating cash flows.

2.7 Foreign currency transactions

In preparing the financial statements of each individual Group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise.

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2.8 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

2.9 Employee benefits

2.9.1 Retirement benefit costs and termination benefits:

Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit & Loss of the year when employees have rendered service entitling them to the contributions. The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

Defined Benefit Obligation:

The Group's Gratuity liability under the Payment of Gratuity Act ,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The Group's net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

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JM FINANCIAL SERVICES LIMITED MUMBAI

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.9.2 Share-based payment arrangements

Equity-settled share-based payments to employees are measured at the fair value of the equity instruments at the grant date.

The fair value determined at the grant date of the equity-settled share-based payments to employees is recognized as deferred employee compensation and is expensed in Statement of Profit and Loss over the vesting period with a corresponding increase in stock option outstanding in other equity.

At the end of each year, the Group revisits its estimate of the number of equity instruments expected to vest and recognises any impact in profit or loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment in other equity.

2.10 Income tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

Current Tax

The tax currently payable is based on the taxable profit for the year of the Group. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

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Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Group is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

2.11 Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

2.12 Provisions and contingencies

Provisions are recognised only when:

i. an entity has a present obligation (legal or constructive) as a result of a past event; and
ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
iii. a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

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Contingent liability is disclosed in case of:

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

ii. a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent assets are not recognised in the financial statements

2.13 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

i. estimated amount of contracts remaining to be executed on capital account and not provided for;

ii. uncalled liability on shares and other investments partly paid;

iii. other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

2.14 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. all other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet, if any.

2.15 Segments

Based on "Management Approach" as defined by Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. The Group has only one operating business segment i.e securities based activities. This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, margin trade financing etc carried out in India.Accordingly there are no separate reportable segments, as per the Indian Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

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2.16 Financial Instruments

Recognition of Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the Group becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, premises and other deposits, trade receivables and cash and cash equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

Initial Measurement of Financial Instruments

Recognised financial assets and financial liabilities are initially measured at fair value. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

If the transaction price differs from fair value at initial recognition, the Group will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in profit or loss on initial recognition (i.e. day 1 profit or loss);

- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Subsequent Measurement of Financial Assets:

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity 's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Classification of Financial Assets:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;

- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

However, the Group may make the following irrevocable election / designation at initial recognition of a financial asset on an asset-by-asset basis:

- the Group may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and

- the Group may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee

Debt instruments at amortised cost or at FVTOCI

The Group assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the individual asset basis and the Group's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Group determines the business models at a level that reflects how financial assets are managed at individual basis and collectively to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Equity Investments at FVTOCI

The Group subsequently measures all equity investments at fair value through profit or loss, unless the Group's management has elected to classify irrevocably some of its equity investments as equity instruments at FVOCI , when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading . Such classification is determined on an instrument -by-instrument basis.

Gains and losses on equity instruments measured through FVTPL are recognised in the Statement of Profit & Loss.

Gains and losses on equity instruments measured through FVTOCI are never recycled to profit or loss. Dividends are recognised in profit or loss as dividend income when the right of the payment has been established, except when the Group benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVOCI are not subject to an impairment assessment.

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Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Group irrevocably elects or initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Reclassifications

If the business model under which the Group holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Group's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Group holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described below.

Impairment of financial assets

Overview of the Expected Credit Loss principles

The Group records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

Expected credit losses (ECL) are a probability-weighted estimate of the present value of credit losses. Credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Group estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Group measures ECL on an individual basis. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

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Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The Group has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Group categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:
Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.
Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities , where the credit risk has improved and the loan has been reclassified from Stage 3.
Stage 3 - Non-performing assets with overdue more than 90 DPD.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 and loans under short term financing , the Group always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Group has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Financial assets for which the Group has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Derecognition of financial assets

A financial asset is derecognised only when:

The Group has transferred the rights to receive cash flows from the financial assets or

retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

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Write-off

Loans and trade receivables are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Group or a contract that will or may be settled in the Group's own equity instruments and is a non-derivative contract for which the Group is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Group's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost.

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Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Derecognition of financial liabilities

The Group derecognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

2.17 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

3 Critical accounting judgements and key sources of estimation uncertainties

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

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Expected Credit Loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Group in determining the increase in credit risk have been detailed in Note 37

Fair Valuation

Some of the Group 's assets and liabilities are measured at fair value for financial reporting purposes . In estimating the fair value of an asset and liability, the Group uses market observable data to the extent it is available. When Level 1 inputs are not available, the Group has applied appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 37.

Taxation

Tax expense is calculated using applicable tax rate and laws that have been enacted or substantially enacted. In arriving at taxable profits and all tax bases of assets and liabilities the company determines the taxability based on tax enactments, relevant judicial pronouncements and tax expert opinions, and makes appropriate provisions which includes an estimation of the likely outcome of any open tax assessments / litigations. Any difference is recognized on closure of assessment or in the period in which they are agreed.

Leases:
Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Group considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Group reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

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JM Financial Services Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2021
4	**Cash and cash equivalents**	
	Cash on hand	-
	Balances with banks in current accounts	72.14
	In Deposit Accounts with maturity of less than 3 months	1.55
	Total	**73.69**
4.1	Fixed deposit with banks earns interest at fixed rate.	
5	**Other bank balances**	
	In deposit Accounts under lien against which facilities are availed	1,112.76
	In current account	0.21
	Total	**1,112.97**
5.1	Fixed deposit with banks earns interest at fixed rate.	
5.2	Other bank balances include deposit accounts and are under lien and lodged with stock exchange'(s) towards base/additional base capital or are under lien towards overdraft facilities and guarantees given by the banks to Stock Exchanges.	
6	**Trade Receivables**	
	Secured, considered good	90.49
	Unsecured considered good	186.34
	Significant Increase in Credit Risk	2.17
		279.01
	Less: Provision for Impairment	(2.42)
	Total	**276.58**
6.1	Amount due from a key managerial person	-

6.2 Trade Receivable days past due

March 31, 2021	Past Due	
	0-90 days	More than 90 days
Estimated total gross carrying amount at default	276.83	2.19
ECL - simplified approach	(0.27)	(2.17)
Net carrying amount	**276.56**	**0.02**

6.3 Reconciliation of impariment allowance on Trade Receivables

Impairment allowance measured as per simplified approach	
Impairment allowance as on 1 April 2020	(1.95)
Add/ (less): Provided/(reversed) during the year	(0.47)
Impairment allowance as on 31 March 2021	(2.42)

JM Financial Services Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr No	Particulars		As at March 31, 2021
7	**Loans**		
	Loans given in India to other than public sector		
	Loans repayable on demand - Margin Trade Financing		216.88
	Term Loans		43.46
	Loans repayable on demand		112.93
			373.27
	Interest accrued on loan		1.26
			374.53
	Gross		**374.53**
	Less: Impairment loss allowance		(20.70)
	Net		**353.83**
7.1	**Break up of loans into secured and unsecured**		
	Secured		
	Secured by shares, bonds, etc		329.47
	Secured by tangible assets and book debts		43.57
	Unsecured		1.49
	Gross		374.53
	Less: Impairment loss allowance		(20.70)
	Net		**353.83**
	Unsecured		
7.2	**Loans days past due**		
		Past Due	
	March 31,2021	0-90 days	More than 90 days
	Estimated total gross carrying amount at default	374.53	-
	Expected credit loss	(20.70)	-
	Net carrying amount	**353.83**	-
7.3	**Reconciliation of impariment allowance on Loans**		
	Impairment allowance measured as per simplified approach		
	Impairment allowance as on 1 April 2020		(12.03)
	Add/ (less): Provided/(reversed) during the year		(8.67)
	Impairment allowance as on 31 March 2021		(20.70)

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JM Financial Services Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021
8	**Investments**	
	(Within India)	
	At Cost	
	At fair value through profit and loss account	
(a)	**Mutual fund units**	
	Units of JM High Liquidity Fund	122.98
	Units of SBI Overnight Fund Direct Growth	50.00
	Units of Mahindra Manulife Liquid Fund - (Direct) - Growth	25.00
	Total	**197.98**
(b)	Investments in Debentures / Bonds	16.68
	Total (a+b)	**214.66**
	Less: Impairment loss allowance	-
	Net	**214.66**
9	**Other Financial Assets**	
	Advances to employees	0.20
	Deposits with stock exchanges, professional clearing member etc	5.65
	Less - Provision for impairment (Receivable from National Spot Exchange Limited /	40.11
	Deposits for premises	
	To Related Parties	6.76
	To Others	2.79
	Deposits for premises	**9.55**
	Other deposits	0.34
	Interest accrued on bank deposits	6.75
	Interest accrued but not due on Bank deposits	0.82
	Other receivables	0.78
	Less: Provisions for impairment	(0.03)
	Assets held for arbitrage activities	252.36
	Debt Securities held as stock in trade	4.17
	Mark to market margin on open positions	6.90
	Dividend Receivable	0.12
	Total	**287.51**
10	**Deferred tax assets**	
	Difference between books and tax written down value of fixed assets	4.13
	Expense allowable on payment basis	3.30
	Impairment of financial instruments	4.68
	Preliminary expenses u /s 35D and disallowance u /s 43B of the Income Tax Act	1.24
	Fair value of investments	-1.22
	Accrued Interest on Nifty Linked Debentures	0.83
	Others	0.01
	Total	**12.97**

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Difference between books and tax written down value of fixed assets	2.44	1.69	-	4.13
Expense allowable on payment basis	3.16	0.52	(0.38)	3.30
Impairment of financial instruments	2.77	1.91	-	4.68
Preliminary expenses u /s 35D and disallowance u /s 43B of the Income Tax Act	1.41	(0.14)	(0.03)	1.24
Fair value of investments	(1.00)	(0.22)	-	(1.22)
Accrued Interest on Nifty Linked Debentures	-	0.83	-	0.83
Others	(0.08)	0.09	-	0.01
Total	**8.70**	**4.68**	**(0.41)**	**12.97**

JM Financial Services Limited

Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Note no. 11

Particulars	Gross block				Accumulated depreciation				Net block
	As at April 1, 2020	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2021	As at April 1, 2020	Charge for the Year	Deductions/ adjustments	As at March 31, 2021	As at March 31, 2021
Property Plant and Equipment									
Owned Assets									
Office Premise	0.79	-	-	0.79	0.07	0.01	-	0.08	0.71
Leasehold improvements	6.01	0.69	0.35	6.35	3.01	1.04	0.17	3.88	2.47
Computers	14.70	0.86	0.33	15.23	9.63	2.32	0.32	11.63	3.60
Office equipment	3.09	0.19	0.46	2.82	2.19	0.45	0.44	2.20	0.62
Furniture and fixtures	0.82	0.14	0.11	0.85	0.16	0.14	0.09	0.21	0.64
Leased Assets									
Office Premises	115.32	5.05	2.14	118.23	15.67	15.45	0.71	30.41	87.82
Vehicles (Refer Note)	2.50	0.36	0.73	2.13	1.07	0.69	0.54	1.22	0.91
Total Property Plant and Equipment	**143.23**	**7.29**	**4.12**	**146.40**	**31.80**	**20.10**	**2.27**	**49.63**	**96.77**
Intangible Assets									
Software	13.57	0.95	-	14.52	8.82	2.08	-	10.90	3.62
Total Intangible Assets	13.57	0.95	-	14.52	8.82	2.08	-	10.90	3.62

Intangible assets under development 0.24

Note

Vendor has lien over the assets taken on lease

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Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021
12	**Other Non-financial Assets**	
	GST credit receivable	7.35
	Capital advances	0.05
	Prepaid Expenses	3.01
	Others (employee advance, advance for expenses, etc.,)	0.37
	Total	**10.78**
13	**Trade payables**	
	Total outstanding dues of micro and small enterprises	0.11
	Total outstanding dues of creditors other than micro and small enterprises	771.54
	Total	**771.65**

13.1	Micro and Small Enterprises under the Micro, Small and Medium Enterprises Developent Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:	
	(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.11
	(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-
	(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-
	(iv) The amount of interest due and payable for the year	-
	(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-
	(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-
	Total	0.11

14	**Debt Securities**	
	Within India	
	At amortised cost	
	Unsecured	
	Commercial paper	385.00
	Unamortised interest on commercial paper	(8.83)
		376.17
	Secured	
	Nifty Linked Debentures (NLDs)	
	NLD - FD Plus	49.09
	NLD - Equity	4.73
	Interest accrued on the above	3.32
		57.14
	Total	**433.31**

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JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

14.1 The maximum amount of commercial paper outstanding at any time during the year was Rs.535 crore .

14.2 Commercial paper has interest ranging from 5.00% to 9.20% p.a and are repayable within a period upto 365 days from the date of disbursement

14.3 The Company has entered into derivative contracts (Options) to cover the exposure on issued Nifty linked debentures.

14.4 NLDs of Rs. 56.65 crore (FY2019-20: Rs. NIL) are secured through a first pari-passu charge/hypothecation over portions of the standard receivables of the Company.

14.5 Maturity profile and rate of interest of NLDs :

Face vale of Nifty Linked Debentures : Rs. 2,50,000/-.
NLDs of Rs. 56.65 crore are redeemable in the financial year 2021-22.

15	**Borrowings (other than debt securities)**	
	Within India at amortised cost	
	Secured	
	Overdraft Facility from Banks (Refer note 15.1)	10.87
	From Related Party	
	Inter corporate deposits (Unsecured)	100.00
	Unsecured	
	Borrowings - Securities Lending and Borrowing segment	266.44
	Total	**377.31**

15.1 Secured against fixed deposits pledged with banks

16	**Other Financial Liabilities**	
	Margin money from clients / franchisees	120.48
	Finance lease obligations (refer note 16.1)	94.80
	Employee benefits payable	53.36
	Director commission payable	0.15
	Overdrawn book balances	0.10
	Other liabilities	0.06
	Provision for CSR Expenditure	0.70
	Total	**269.65**

16.1 Includes Rs. 1.10 crore which are secured by way of hypothecation of vehicles.

17	**Provisions**	
	Provision for Gratuity (Refer Note 34)	16.31
	Provision for compensated absences	6.71
	Total	**23.02**

18	**Other Non Financial Liabilities**	
	Statutory Dues	14.34
	Total	**14.34**

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JM FINANCIAL SERVICES LIMITED MUMBAI

JM Financial Services Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr no	Particulars	As at March 31, 2021	As at March 31, 2021
19	**Equity Share Capital**		
	Particulars	**Number**	**Amount**
	[a] Authorised share capital		
	Equity shares of the par value of Rs.10 each	5,50,00,000	55.00
	Preference Shares of the par value of Rs.10 each	1,00,00,000	10.00
	Total	**6,50,00,000**	**65.00**
	[b] Issued		
	Equity shares of Rs.10 each	5,00,00,000	50.00
	Total	**5,00,00,000**	**50.00**
	[c] Subscribed and paid up		
	Equity shares of Rs.10 each	5,00,00,000	50.00
	Total	**5,00,00,000**	**50.00**

19.1 Reconciliation of number of shares outstanding at the beginning and end of the year :

	As at March 31, 2021	As at March 31, 2021
	Number of Shares	**Amount**
Equity Shares		
Shares outstanding at the beginning of the year	5,00,00,000	50,00,00,000
Shares issued during the year	-	-
Shares outstanding at the end of the year	**5,00,00,000**	**50,00,00,000**

19.2 Details of shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at March 31, 2021	As at March 31, 2021
	Number of Shares	**Percentage**
JM Financial Limited (6 shares held alongwith other nominee shareholders)	5,00,00,000	100%

19.3 Terms and rights attached to each class of shares:

Equity Shares:

The Company has issued only one class of shares i.e. equity. The equity shareholders are entitled to dividend as and when dividend is

19.4 Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date — NIL

JM FINANCIAL SERVICES LIMITED

Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr No	Particulars	As at March 31, 2021
20	**Other equity**	
	Equity Component of Compound Financial Instruments	
	6% Compulsory Convertible Preference shares	
	Opening Balance	7.50
	Additions during the year	-
	Deletions during the year	-
	Total	**7.50**
	0.01% Optionally Convertible Preference Shares	
	Opening Balance	7.00
	Addition/(Reduction) during the year	-
	Add:Non-current Financial Component	-
	Total	**7.00**
	Securities Premium Account	
	Opening Balance	60.65
	Additions during the year	-
	Deletions during the year	-
	Total	**60.65**
	Capital Redemption Reserves	
	Opening Balance	4.69
	Additions during the year	-
	Deletions during the year	-
	Total	**4.69**
	Capital Reserve	
	Opening Balance	17.69
	Additions during the year	-
	Deletions during the year	-
	Total	**17.69**
	Retained earnings	
	Opening Balance	368.75
	Profit for the year	73.57
	Transfer to Non Controlling Interest	(0.79)
	Transfer to / from Statutory Reserve	(3.10)
	Other Comprehensive income	1.23
	Total	**439.66**
	Statutory Reserve	
	Opening Balance	10.89
	Transfer to / from Statutory Reserve	3.10
	Total	**13.99**
	Non Controlling Interest	
	Opening Balance	0.30
	Add: Transfers during the year	0.79
	Less: Payments during the year	(0.74)
	Total	**0.35**
	Total	**551.53**

For addition and deductions under each of the above heads, refer statement of changes in equity

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(Rupees in Crore)

Equity Component of Compound Financial Instruments
6% Compulsory Convertible Preference shares (CCPS)
75,00,000 6% CCPS of Rs. 10/- each at a premium of Rs. 57/- per share were issued by the Company to its Ultimate Holding Company in financial year 2018-2019. As per the terms of the issue each CCPS shall be converted into equity shares is the ratio of 1 : 1 anytime between the completion of 3 years from the date of allotment of CCPS and the end of tenth year.

Rights, preferences and restrictions attached to 0.01% Optionally Convertible Preference shares:

The Preference Shareholders of the Optionally Convertible preference share (OCPS) have a preferential right to fixed non-cumulative preference dividend of 0.01% per annum; carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference shares carry no further or other right to participate either in the profits or assets of the Company and have no voting rights.

Securities premium account
Securities premium account is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

Capital Redemption Reserve
Capital Redemption reserve was created in financial year 2010-2011 on redemption of optionally convertible preference shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013

Capital Reserves
Capital Reserve represents fair value of business derived from excess net assets of the institutional business of the demerged company over the liabilities taken over.

Retained earnings
Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

Statutory Reserves
Statutory Reserve is the reserve created by transferring a sum not less than twenty per cent of net profit after tax earned by JM Financial Capital Limited every year in terms of Section 45-IC of the RBI Act, 1934.

Non Controlling Interests (NCI)
Represents amount payable to Partnership Firm as at 31-3-2021

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JM Financial Services Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr. No	Particulars	For the year ended March 31, 2021
21	**Revenue from Operations**	
	Fees and commission Income	
	Brokerage	257.27
	Distribution, selling, advisory and other fees	197.00
	Total	**454.27**
	Other Operating Revenue	
	Interest income on fixed deposit placed as margin, etc	29.38
	Income from arbitrage business (net of transaction cost etc)	25.83
	Dividend on equity shares held for arbitrage business	1.76
	Interest on loans	38.16
	Interest income from margin financing	11.46
	Interest on delayed payment recovered from clients	14.52
	Income from commodity trade	0.28
	Recoveries from clients/franchisees etc	0.22
	Total	**121.61**
22	**Net gain on fair value changes**	
	On financial instruments designated at fair value through profit and loss	
	Fair Value changes:	
	Realised	24.85
	Unrealised	1.03
	Total	**25.88**
23	**Other Income**	
	Interest income	0.48
	Interest on income tax refund	1.33
	Profit on sale of fixed assets (net)	0.02
	Provision written back	1.17
	Miscellaneous income	0.05
	Finance Income on remeasurement of security deposits	0.82
	Total	**3.87**

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Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr. No	Particulars	For the year ended March 31, 2021
24	**Finance Costs**	
	On financial liabilities measured at amortised cost	
	Debt Securities	
	Commercial Papers	27.66
	NLD Borrowings	3.31
	Borrowings (Other than Debt Securities)	
	Inter Corporate Deposits	11.74
	Interest on Loan	16.76
	Bank Overdraft	2.59
	Finance charges - Finance lease assets	0.77
	Finance charges - Operating lease Assets	8.94
	Other Financial liabilities	
	On margins	3.53
	On Others	
	Bank Guarantee and other charges	4.88
	Total	**80.18**
25	**Impairment of Financial Instruments**	
	Provision for expected credit loss	9.14
26	**Employee benefits**	
	Salaries, bonus, other allowances and benefits	178.59
	Contribution to provident and other funds	7.54
	Gratuity (Refer Note 34)	3.26
	Staff welfare expenses	0.39
	Total	**189.78**
27	**Other Expense**	
	Space and other related costs	0.40
	Rates and taxes	2.02
	Repairs and maintenance	1.67
	Professional and consultancy charges	4.06
	Communication expenses	1.79
	Information technology expenses	10.06
	Membership and subscription	6.18
	Electricity	1.74
	Insurance	2.56
	Printing and stationery	0.71
	Donations	2.00
	Manpower expenses	8.58
	Support service fees	8.69
	Exchange difference (net)	0.03
	Auditors remuneration	
	As auditors	0.27
	In any other manner (limited reviews,certifications etc)	0.05
	Directors Commission	0.15
	Travelling expenses	0.43
	Loss on Sale/Discard of Fixed Assets (Net)	0.07
	Bad Debts written off	0.61
	Business development expenses	0.35
	Miscellaneous expenses	4.28
	Total	**56.70**

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JM FINANCIAL SERVICES LIMITED MUMBAI

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Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

Sr.No	Particulars	Year ended March 31, 2021
28	**Tax Expenses**	
28.1	**Income tax**	
	Current tax	31.62
	Tax adjustment in respect of earlier years (net)	(0.43)
	Deferred tax	(4.68)
	Total income tax expenses recognised in the current year	26.51
	Income tax expense recognised in other comprehensive income	(0.41)
28.2	**Reconciliation of total tax charge**	
	Income tax expense for the year reconciled to the accounting profit:	**26.51**
	Profit before tax	100.08
	Income tax rate	25.17%
	Income tax expense	25.19
	Tax Effect of:	
	Income not chargeble to tax	(0.15)
	Expenses that are not deductible in determining taxable profits	0.84
	Tax adjustments on remeasurement of security deposits	0.19
	Tax adjustments in respect of earlier years (net)	(0.44)
	Income taxable at minimum alternate tax (MAT) rate	(0.12)
	Income tax charged at differential rate	1.20
	Others	(0.20)
	Income tax expense recognised in profit and loss	**26.51**
29	**Contingent liabilities**	
(a)	Counter guarantees given to the banks in respect of guarantees issued by them to stock exchange/(s).	644.19
(b)	Fixed deposits placed as margins against the bank guarantees issued by the banks	322.10
(c)	Income tax demands in respect disputed disallowances and tax deducted at source under the Income Tax Act,1961. With regards to above, the Group is hopeful of succeeding and as such does not expect any significant liability to crystallize.	1.49
30	**Commitments**	
(a)	Estimated amount of contracts remaining to be executed on capital account and not provided for	0.29
31	**Share-based payments**	
31.1	**Employee share option plan of the Holding Company**	
	During the current year and in the earlier years , based on the request made by JM Financial Services Limited ('the Company'), JM Financial Limited, in accordance with Securities And Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999, has granted the equity stock options, inter alia, to the eligible employees and/or directors of the Group.	
	Charge on account of the above scheme included in employee benefit expenses	2.98
32	**Earning per equity share**	
(a)	Profit attributable to equity share holders (Rs. in crore)	72.79
(b)	Weighted Number of equity shares outstanding during the year	5,00,00,000.00
(c)	Weighted Number of equity shares outstanding during the year after adjustment for dilution	6,45,00,000.00
(d)	Nominal value per share (Rs.)	10.00
(e)	EPS :	
	Basic (Rs.)	14.56
	Diluted (Rs.)	11.29

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(Rupees in Crore)

33 Leasing

Following are the changes in the carrying value of the right to use assets for the year ended March 31, 2021:

Category of right to use asset	Gross Block				Accumulated Depreciation				Net Block
	As at	Additions	Deletions	As at	As at	Depreciation	Deletions	As at	As at
	April 1, 2020			March 31, 2021	April 1, 2020			March 31, 2021	March 31, 2021
Office Premises	115.32	5.05	2.14	118.23	15.67	15.45	0.71	30.41	87.82
Total	115.32	5.05	2.14	118.23	15.67	15.45	0.71	30.41	87.82

The following is the movement in lease liabilities during the year ended March 31, 2021:

Particulars	As at March 31, 2021
Opening balance	101.08
Additions during the year	5.01
Deletions during the year	(1.74)
Finance costs accrued during the year	9.54
Payment of lease liabilities	(19.09)
	94.80

Table showing contractual maturities of lease liabilities as at March 31, 2021 on an undiscounted basis:

Particulars	Total minimum lease payments outstanding March 31, 2021
Not later than one year	18.69
Later than one year and not later than five years	64.69
Later than five years	48.32
Total	131.70

The Group does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

The minimum vehicles lease rentals outstanding as at the year-end are as under:

Particulars	March 31, 2021
Not later than one year	1.33
Later than one year and not later than five years	0.94
Later than five years	0.01
Total	2.28

The Group does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

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(Rupees in Crore)

34 Employee Benefit :

Defined Contribution Plan:

The Group operates defined contribution plan (Provident fund) for all qualifying employees of the Group. The employees of the Group are members of a retirement contribution plan operated by the government. The Group is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Group with respect to the plan is to make the specified contributions.

The Group's contribution to Provident Fund aggregating Rs. 7.55 crore has been recognised in the Statement of Profit and Loss under the head Employees benefit expenses.

Short-term employee benefits:

The Group provides for accumulated compensated absences as at balance sheet date using full cost method to the extent leave will be utilised. The charge for the current year is disclosed under Salaries and Bonus.

Defined benefit obligation

The liability under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The plan is of a final salary defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher accounting provisioning.

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the Group. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary Risks:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the Group, which results in a higher liability for the Group and is therefore a plan risk for the Group.

ii) The assumptions used for the purposes of the actuarial valuations were as follows:

Particulars	As at March 31, 2021
Significant assumptions	
Discount rate (%)	6.90%
Expected rate of salary escalation (%)	7.00%
Other assumption	
Mortality Table	Indian Assured Lives (2012-14) Ultimate

(Rupees in Crore)

b) Amount recognised in Balance sheet in respect of these defined benefit obligation:

	As at March 31, 2021
Present value of defined benefit obligation	16.31
Fair value of plan assets	-
Net liability	16.31

c) Amount recognised in statement of profit and loss in respect of these defined benefit obligation:

Particulars	For the year ended March 31, 2021
Current service cost	2.23
Net interest cost	1.03
Past service cost	-
Total amount recognised in profit & loss	3.26
Components of defined benefits cost recognised outside profit and loss	
Remeasurements on the net defined benefit liability	
- Actuarial (gain)/loss from change in demographic assumptions	-
- Actuarial (gain)/loss from change in financial assumptions	(0.16)
- Actuarial (gain)/loss from change in experience adjustments	(1.47)
Total amount recognised in other comprehensive income	(1.63)

The current service cost and the net interest expense for the year are included in the 'in the Employee benefit expense' line item in the statement of profit and loss.

d) Movement in the present value of the defined benefit obligation are as follows:

Particulars	For the year ended March 31, 2021
Opening defined benefit obligation	15.90
Current service cost	2.23
Past service cost	-
Interest cost	1.03
Remeasurements (gains)/losses:	
Actuarial (gain)/loss from change in demographic assumptions	-
Actuarial (gain)/loss from change in financial assumptions	(0.16)
Actuarial (gain)/loss from change in experience adjustments	(1.47)
Benefits paid	(1.17)
Liability assumed / settled	(0.05)
Closing defined benefit obligation	16.31

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(Rupees in Crore)

e) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are as follows:

Particulars	As at March 31, 2021 Increase	As at March 31, 2021 Decrease
Discount rate (- / +0.5%)	15.52	17.08
% change compared to base due to sensitivity	-23%	22%
Salary growth rate (- / +0.5%)	17.03	15.69
% change compared to base due to sensitivity	24%	-20%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a). Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet.

f) Projected benefits payable:

Particulars	As at March 31, 2021
Expected benefits for year 1	1.35
Expected benefits for year 2	0.84
Expected benefits for year 3	0.87
Expected benefits for year 4	1.11
Expected benefits for year 5	1.34
Expected benefits for year 6	1.24
Expected benefits for year 7	1.13
Expected benefits for year 8	1.33
Expected benefits for year 9	1.70
Expected benefits for years 10 and above	26.69

The weighted average duration of the defined benefit obligation is 12.08 years.

The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Group towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Group will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

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35 Related party disclosures

A) Enterprise where control exists

Ultimate Holding Company	JM Financial Limited

B) Related parties in accordance with Ind AS 24 "Related Party Disclosures"

(Parties with whom the transactions were carried out during the current year/previous year)

i) Ultimate Holding Company	JM Financial Limited
ii) Fellow Subsidiaries	JM Financial Products Limited JM Financial Overseas Holdings Private Limited JM Financial Properties and Holdings Limited JM Financial Asset Management Limited Infinite India Investment Management Limited CR Retail Malls (India) Limited JM Financial Credit Solutions Limited JM Financial Asset Reconstruction Company Limited JM Financial Home loans Limited JM Financial Singapore Pte Ltd JM Financial Securities Inc
iii) Key Management Personnel and close members of the family (relatives) of the Key Management Personnel	Mr. Vishal Kampani (Key Management Personnel of the Holding Company) Relatives : Mr. Nimesh N Kampani Ms. Aruna Kampani Mrs. Amishi Gambhir Mr. Subodh Shinkar Relatives Ms. Sunita Subodh Shinkar Ms. Kumud Damodar Shinkar Late Mr. Damodar Krishnarao Shinkar
iv) Wholetime Director and Company Secretary	Mr. Anil Mavinkurve Relatives : Ms. Archana Mavinkurve Ms. Niyati Mavinkurve Ms. Sachi Mavinkurve
v) Non Executive Directors	Mr. Nimesh N Kampani Mr. Vishal Kampani Mrs. Dipti Neelkanthan Mr. Hemant Kotak
vi)Independent Directors	Mr. Anup Shah Mr. Parthiv Kilachand
vii) Individual exercising significant influence by way of voting power in reporting enterprise and relatives of any such person	Mr. Nimesh N Kampani Relatives : Ms. Aruna Kampani Mr. Vishal Kampani Mrs.Madhu Vishal Kampani Mrs. Amishi Gambhir
viii) Associate	JM Financial Trustee Company Private Limited
ix) Enterprises over which any person described in Clause B iv) and vi) above is able to exercise significant influence	JM Financial & Investment Consultancy Services Pvt Ltd JM Assets Management Pvt. Ltd Kampani Consultants Limited Persepolis Investment Company Private Limited SNK Investments Private Limited Capital Market Publishers India Private Limited

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C) Details of transactions

Name of the related party	Nature of Transaction	Year ended March 31, 2021
i) Ultimate Holding Company		
JM Financial Limited	Reimbursement of employee expenses	2.98
	Rent paid	0.27
	ICD Taken	1,246.00
	ICD Repaid	1,146.00
	Interest on ICD paid	9.09
	Fees Received	31.13
	Reimbursement of Expenses Paid	0.32
	Reimbursement of Expenses recovered	0.41
	Dividend paid on preference shares^	0.00
	Payment of Gratuity Liability in respect of Employee transferred	0.06
	Closing Balance Receivable / (Payable)	3.83
	Closing Balance Receivable / (Payable) - ICD	(100.00)
	Closing Balance - Deposit - Receivable	1.00
	^ Rs. 7,000/-	
ii) Fellow Subsidiaries		
JM Financial Products Limited	ICD Taken	660.74
	ICD Repaid	660.74
	Interest on ICD paid	2.26
	Fees Received	0.62
	Reimbursement of expenses (Received)	0.03
	Investment in market linked non -convertible debentures	75.13
	Secondary Brokerage Received	0.65
	Rent received	0.04
	Transfer of staff loan liability (paid)	0.01
	Interest paid on NCDs	2.75
	Closing Balance Receivable / (Payable)	(16.14)
Infinite India Investment Management Limited	Demat charges received *	0.00
	* Rs. 500/-	-
JM Financial Asset Management Limited	Inter Corporate Deposits taken	291.00
	Inter Corporate Deposits repaid	320.50
	Interest paid on ICD	1.76

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(Rupees in Crore)

C) Details of transactions

Name of the related party	Nature of Transaction	Year ended March 31, 2021
JM Financial Properties and Holdings Ltd.	Business Service Centre Expenses	11.16
	Property Tax - paid	0.27
	Repairs and maintenance expenses	0.36
	Reimbursement of expenses - paid	1.20
	Reimbursement of expenses (Received)*	0.01
	Inter Corporate Deposits given	40.00
	Inter Corporate Deposits repaid	40.00
	Interest income on Inter Corporate Deposits given	0.04
	Minority Interest Payable	(0.35)
	Closing Balance - Deposit - receivable	11.42
CR Retail Malls (India) Limited	Demat charges received *	0.00
	ICD Taken	55.00
	ICD Repaid	55.00
	Interest on ICD paid	0.08
JM Financial Asset Reconstruction Company Limited	Reimbursement of expenses (Received)*	0.00
	Investment in market linked non -convertible debentures	75.00
	Fees received	0.89
	Inter Corporate Deposits given	150.00
	Inter Corporate Deposits repaid	150.00
	Interest income on Inter Corporate Deposits given	2.94
	Redemption proceeds of NCDs received	0.36
	NCD redemption received	193.08
	* Rs. 5,000/-	
JM Financial Credit Solutions Limited	Reimbursement of expenses (Received)	0.06
	NCD redemption received	64.90
JM Financial Home Loan Limited	Sale of Fixed Asset	0.03
	Reimbursement of expenses (Received)	0.07
	Interest income on NCD	0.10
JM Financial Singapore Pte Ltd	Support Service fee (expense)	2.43
	Closing balance - payable--Institution Securities	0.59
JM Financial Securities Inc	Support Service fee (expense)	6.26
	Research Fee (income)	1.03
	Closing balance - payable (net)-Institution Securities	1.45

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Notes to Consolidated Financial Statements for the year ended March 31, 2021

(Rupees in Crore)

C) Details of transactions

Name of the related party	Nature of Transaction	Year ended March 31, 2021
iii) Key Management Personnels/Wholetime direcor & Company Secretary and its close members of the family (relatives)		
Key Management Personnels/ Wholetime Director & Company Secretary	Remuneration :	
	Short term employee benefits	4.98
	Post employment benefits	0.13
	Share based payments (refer note no. 31 & 31.1)	1.36
	Demat charges received*	0.00
	Secondary Brokerage Received	0.01
	Closing Balance Receivable / (Payable)	(3.41)
	* Rs. 2,550/-	
Relatives of Key Management Personnels	Demat charges received *	0.00
	Secondary Brokerage Received#	0.00
	Closing Balance Receivable / (Payable)**	0.00
	* Rs. 150/-	
	# Rs. 11,105/-	
	** Rs. 629/-	
iv) Non Executive Directors	Sitting Fees paid	0.03
	Director's Commission	0.05
	Secondary Brokerage Received	0.01
	Closing Balance Receivable / (Payable)	(0.05)
v) Independent Directors	Sitting Fees paid	0.14
	Director's Commission	0.10
	Closing Balance Receivable / (Payable)	(0.10)
vi) Individual exercising significant influence by way of voting power in reporting enterprise and relatives of any such person		
Others	Secondary Brokerage Received	0.02
	Demat charges received *	0.00
	Sitting Fees paid	0.02
	Closing Balance Receivable / (Payable) **	0.00
	* Rs. 612/-	
	** Rs. (47,865/-)	
vii) Associate		
JM Financial Trustee Company Private Limited	Secondary Brokerage Received#	0.00
	# Rs.21,600/-	-

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C) Details of transactions

Name of the related party	Nature of Transaction	Year ended March 31, 2021
viii) Enterprises over which any person described in Clause B (iv) and (v) above is able to exercise significant influence		
J. M. Financial & Investment Consultancy Services Pvt Ltd	Secondary Brokerage Received	0.05
	Demat charges received *	0.00
	Rent	0.40
	Reimbursement of Expenses Paid*	0.04
	Reimbursement of Expenses Recovered^	0.00
	Security deposit for office premises as at the year end	0.21
	*Rs 950/-	
	^Rs 16,500/-	
JM Assets Management Private Limited	Secondary Brokerage Received#	0.05
Kampani Consultants Limited	Rent paid	0.05
	Secondary Brokerage Received#	0.00
	# Rs 32,500/-	
Persepolis Investment Company Private Limited	Secondary Brokerage Received#	0.02
SNK Investments Private Limited	Secondary Brokerage Received #	0.02
Capital Market Publishers India Private Limited	IT - Application expenses	0.03

35.1 The above transactions are excluding Goods & Service tax wherever applicable.

35.2 The details of related party relationships are identified by the management of the company and relied upon by auditors.

35.3 There have been no write-off / write back in case of related party

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36	**Maturity Analysis of Assets and Liabilities**			
		March 31, 2021		
	Assets	**Within 12 months**	**After 12 months**	**Total**
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	73.69	-	73.69
(b)	Other bank balances	1,104.65	8.32	1,112.97
(c)	Derivative Financial Instruments	5.07	-	5.07
(d)	Trade Receivables	276.58	-	276.58
(e)	Loans	331.76	22.07	353.83
(f)	Investments	214.66	-	214.66
(g)	Other Financial assets	274.19	13.32	287.51
	Total Financial Assets	**2,280.60**	**43.71**	**2,324.31**
(2)	**Non-financial Assets**			
(a)	Current tax Assets (Net)	-	45.15	45.15
(b)	Deferred tax assets (net)	-	12.97	12.97
(c)	Property, Plant and Equipment	9.45	87.32	96.77
(d)	Intangible assets under Development	0.24	-	0.24
(e)	Other Intangible assets	0.23	3.39	3.62
(f)	Other non-financial assets	10.70	0.08	10.78
(g)	Goodwill	-	4.81	4.81
	Total Non-financial Assets	**20.62**	**153.72**	**174.34**
	Total Assets (A)	**2,301.22**	**197.43**	**2,498.65**
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Derivative Financial Instruments	4.82	-	4.82
(b)	Trade Payables	771.24	0.41	771.65
(c)	Debt Securities	433.31	-	433.31
(d)	Borrowings (Other than Debt Securities)	377.31	-	377.31
(e)	Other financial liabilities	185.63	84.02	269.65
	Total Financial Liabilities	**1,772.31**	**84.43**	**1,856.74**
(2)	**Non-Financial Liabilities**			
(a)	Current tax liabilities (Net)	3.02	-	3.02
(b)	Provisions	7.94	15.08	23.02
(c)	Deferred tax liabilities (Net)	-	-	-
(d)	Other non-financial liabilities	14.34	-	14.34
	Total Non-Financial Liabilities	**25.30**	**15.08**	**40.38**
	Total Liabilities (B)	**1,797.61**	**99.52**	**1,897.12**
	Net (A) - (B)	**503.61**	**97.91**	**601.53**

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37 Financial Instruments

37.1 Capital Management

The Group manages its capital to ensure that it will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

For the purpose of the Group's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using Adjusted net debt to equity ratio.

	As at March 31, 2021
Borrowings (long-term and short-term borrowings including current maturities)	905.42
Gross debt	**905.42**
Less - Cash and cash equivalents	73.69
Adjusted net debt	**831.73**
Total equity	601.53
Adjusted net debt to equity ratio	1.38

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the lender to immediately call loans and borrowings.

(Rupees in Crore)

37.2 Fair Value

Classes and categories of financial instruments and their fair values

The following table combines information about:
- classes of financial instruments based on their nature and characteristics
- the carrying amounts of financial instruments
- fair values of financial instruments and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;
Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

Set out below, is a comparison by class of the carrying amounts and fair value of the Company's financial instruments.

Accounting classification and fair values

	Carrying amount				Fair value			
As at March 31, 2021	**FVTPL**	**FVTOCI**	**Amortised Cost**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
Financial assets								
Cash and cash equivalents	-	-	73.69	73.69	-	-	-	-
Bank balances other than above	-	-	1,112.97	1,112.97	-	-	-	-
Derivative Financial Instruments	5.07		-	5.07		5.07		5.07
Trade receivables	-	-	276.58	276.58	-	-	-	-
Loans	-	-	353.83	353.83	-	-	-	-
Investments	214.66	-	-	214.66	214.66	-	-	214.66
Other Financial assets	256.53	-	30.98	287.51	252.80	3.73		256.53
Total	**476.26**	-	**1,848.05**	**2,324.31**	**467.46**	**8.80**	-	**476.26**
Financial liabilities								
Derivative Financial Instruments	4.82			4.82		4.82		4.82
Trade Payables								-
Total outstanding dues of micro and small enterprises	-	-	0.11	0.11	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	771.54	771.54	-	-	-	-
Debt Securities	-	-	433.31	433.31	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	377.31	377.31	-	-	-	-
Other Financial liabilities	-	-	269.65	269.65	-	-	-	-
Total	**4.82**	-	**1,851.92**	**1,856.74**	-	**4.82**	-	**4.82**

Valuation Technique

Type of Financial Instrument	**Valuation Techniques**
Debt Instruments	NAV / Quoted price as on the reporting date
Mutual Funds	NAV as on the reporting date / latest available NAV

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(Rupees in Crore)

37.3 Financial risk management

The Group has exposure to the following risks arising from financial instruments

- Credit risk ;
- Liquidity risk ; and
- Market risk (including currency risk and interest rate risk)

Risk management framework

Risk Management forms an integral part of the business. The Group has a robust Risk Management framework to identify and evaluate business risks and opportunities This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Group's competitive advantage

i) Credit risk

In respect of the broking operations credit risk is the risk of margin erosion due to market volatility/fluctuations, risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, failure of clients to meet their financial obligations The Group has in place, a widespread credit policy to monitor clients margin requirement to prevent risk of default which includes well defined basis for categorization of securities, client-wise/scrip-wise maximum exposure, segmentwise margin requirement, etc. for better management of credit risk.

In respect of its lending operations, the Group measures, monitors and manages credit risk at an individual borrower level and at the group exposure level for corporate borrowers. The Group has structured and standardized credit approval process including a comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower. Credit teams track cases for early signs of stress, ensuring that corrective action is taken in the case of non - starter of early delinquency cases.
Credit approvers and relationship managers are responsible for ensuring adherence to these policies

The Group has an established credit analysis procedure leading to appropriate identification of credit risk. Appropriate appraisals have been established for various types of products and businesses. The methodology involves critical assessment of quantitative and qualitative parameters subject to review and approval by the Group .

Finance approval process begins with a detailed evaluation of technical, commercial, financial, marketing and management factors and the borrower's financial strength and experience

The Group obtains the standard documentation from the borrower before the disbursement of a loan . The standard documents generally includes mandatory documents like Loan Agreement (LA) containing schedule of terms, demand promissory note (DPN), letter of continuity (LOC), loan request letter, board resolutions in case of corporate borrower etc.

The Borrower generally is required to open a bank account with a designated bank, and / or open the Depository Participant (DP) Account with any DP as approved by the Group from time to time. For administrative and operational convenience, above bank and DP accounts shall be operated by the Group under POA given by the borrower in this regard

Considering the nature of the security (collateral) backed lending business, where the price of security may fluctuate due to market volatility or underlying security Company specific factors or due to various external factors/ adverse movements, the value of security available may fluctuate impacting the margin coverage for a borrower. Hence, to safeguard and protect the interests of the Group from the possible risk of default of a borrower, the Risk Management Team:

- Ensures maintenance of sufficient margin coverage on the borrower's loan (including additional /adhoc / temporary loan) across all the products;
- Make margin calls to the borrowers and ensures the timely collection of margins;
- Liquidates the securities to recover the loan in case the borrower fails to pay the margins on time;
- Ensures timely collection of outstanding interest on the loans
- Revises list of approved securities from time to time.

Risk and monitoring team are assisted by officers who are also responsible for the collection of principal and interest.

The Group's current credit risk grading framework for lending operations comprises the following categories:

Category	Description	Basis for recognising expected credit losses
Stage 1	Performing assets	12-month ECL
Stage 2	Under performing assets	Lifetime ECL
Stage 3	Non-performing assets	Lifetime ECL - Credit impaired

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The key elements in calculation of ECL are as

PD - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. For the purpose of determining probability of default (PD) on capital market portfolio, the Management has considered vintage analysis data of a group Company involved in similar line of business activity. On corporate funding loans, the PD has been determined based on comparative external ratings.

EAD - The Exposure at Default is an estimate of the exposure at a future default date, taking into account expected changes in the exposure after the reporting date, including repayments of principal and interest, whether scheduled by contract or otherwise and accrued interest.

LGD - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is determined based on valuation of collaterals and other relevant factors.

The Group has made adjustmenrs in ECL Model to consider the impact of the Covid-19 pandemic on the provision. The probability of default has been assessed considering the likelihood of increased credit risk and consequential default due to pandemic. The impact on collateral values is also assessed for determination of loss given default and reasonable haircuts are applied wherever necessary. The moratorium benefit wherever extended has been taken into consideration for staging of loans in the Model.

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

Category	Assets category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount	PD (%)
Stage 1 - High quality assets	Loan	174.09	1.49	172.60	0.65 to 3.83
Stage 2 – Assets for which there is no significant increase in credit risk	Loan	-	-	-	-
Stage 3 - Assets for which there is significant increase in credit risk	Loan	31.24	10.30	20.94	Refer note
Total		**205.33**	**11.79**	**193.54**	

Note: The Group has used discounted cashflow methodology to determine provision for stage 3 assets.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

FY 2020-21	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	174.09	-	31.24	205.33
New assets originated or purchased (net)	98.78	-	-	98.78
Assets derecognised or repaid (excluding write offs)	(129.71)	-	-	(129.71)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off	-	-	-	-
Gross carrying amount closing balance	**143.16**	-	**31.24**	**174.40**

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FY 2020-21	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balances	**1.49**	-	**10.30**	**11.79**
New assets originated or purchased (net)	0.60	-	-	**0.60**
Assets derecognised or repaid (excluding write offs)	(1.19)	-	-	**(1.19)**
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Impact on year end ECL of exposures transferred	-	-	-	-
Unwind of discount	-	-	-	-
Changes to contractual cash flows due to	-	-	8.25	**8.25**
Changes to inputs used in the previous year for ECL calculations	(0.05)	-	-	**(0.05)**
Recoveries	-	-	-	-
Amounts written off	-	-	-	-
ECL allowance - closing balance	**0.85**	-	**18.55**	**19.40**

Impairment

The ageing of trade and other receivables that were not impaired was as follows

	March 31, 2021
Past due 0-90 days	276.56
More than 90 days	0.02
Carrying amount of receivables	**276.58**

The ageing of Loans that were not impaired was as follows

	March 31, 2021
Past due 0-90 days	353.83
More than 90 days	-
Carrying amount of receivables	**353.83**

Management believes that the unimpaired amounts that are past due by more than 90 days are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings whenever available

In mamangement's view the credit risk on cash and cash equivalents, deposits with banks and investment in mutual funds is very low.

ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation

Ultimate responsibility for liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Groups short term, medium-term and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities

The Group has undrawn lines of credit of Rs. 299.46 cr as of March 31, 2021 from its bankers for working capital requirements.

The Group has the right to draw upon these lines of credit based on its requirement and terms of draw down.

Exposure to liquidity risk

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Group an be required to pay

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements

March 31, 2021	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Derivative Financial Instruments	4.82	4.82			
Trade Payables	-				
Total outstanding dues of micro and small enterprises	0.11	0.11			
Total outstanding dues of creditors other than micro and small enterprises	771.54	771.13	0.41		
Debt Securities	433.31	433.31			
Borrowings (Other than Debt Securities)	377.31	377.31	-	-	-
Other financial liabilities	269.65	185.63	21.51	20.50	42.01
Sub total	**1,856.74**	**1,772.31**	**21.92**	**20.50**	**42.01**

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Financial assets					
Cash and cash equivalents	73.69	73.69			
Bank balances other than (a) above	1,112.97	1,104.65	8.32		
Derivative Financial Instruments	5.07	5.07			
Trade receivables	276.58	276.58			
Loans	353.83	331.76	9.38	-	12.69
Investments	214.66	214.66			
Other Financial assets	287.51	274.19	3.10	0.47	9.75
Sub total	**2,324.31**	**2,280.60**	**20.80**	**0.47**	**22.44**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

iii) Market risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Group's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return. Market risk comprises three types of risk: interest rate risk, foreign currency risk and price risk, such as commodity risk.

The Company has exposure to foreign currency risk. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

Amounts receivable in foreign currency on account of the following:

Particulars	As at 31.03.2021 Rupees in Crore	As at 31.03.2021 Amount in foreign currency
Export of Services	0.2477	USD 33,852.95
	0.0423	GBP 4,190.00
	0.01	AUD 1,790.12
	0.0025	SGD 459.17
	0.001	HKD 1,055.11

Amounts payable in foreign currency on account of the following:

Particulars	As at 31.03.2021 Rupees in crore	As at 31.03.2021 Amount in foreign currency
Payable	2.0846	USD 2,84,903.47
	0.6199	SGD 1,13,882.18

Sensitivity analysis

The Group is mainly exposed to USD, SGD, GBP,AUD and HKD.The following table analyses the Group's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

Rs. In Lakhs

Net Unhedged Exposure	% Change	Profit or Loss
		March 31, 2021
USD	5% Increase	9.18
	5% Decrease	-9.18
SGD	5% Increase	3.09
	5% Decrease	-3.09
GBP	5% Increase	0.21
	5% Decrease	-0.21
AUD	5% Increase	0.05
	5% Decrease	-0.05
HKD	5% Increase	0.01
	5% Decrease	-0.01

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The risk of change in overall market or asset class due to the impact of economic conditions and/ or other factors impacting index, specific stocks. The value of investments are vulnerable to factors such as changes in economic conditions, interest rates, investor sentiments, developments in global markets, international and domestic political events and acts of war or terrorism Continuous monitoring of VaR, exposure limits and initiation of appropriate action is undertaken to minimize the impact of market risk.

The Group is also exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

iv) Interest rate risk

Exposure to interest rate risk

The Group's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note.

	March 31, 2021
Financial Assets	
Fixed rate Instruments	1,466.80
Floating rate instruments	-
	1,466.80
Financial Liabilities	
Fixed rate Instruments	905.42
Floating rate instruments	-
	905.42

38 Operating Segments

The Group has only one operating business segment i.e securities and fund based activities. This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, arbitrage activity, lending activity, margin trade financing etc carried out in India Accordingly there are no separate reportable segments, as per the Indian Accounting Standard on Operating Segments (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

39 Expenditure towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII thereof)

	Particulars	For the year ended March 31, 2021
	Gross amount required to be spent by the Group	
a)	during the year	1.50
b)	Amount spent in cash	0.80
	Total	0.80
c)	Construction / acquisition of any asset	-
d)	On purposes other than (d) above	0.80

(Rupees in Crore)

40 a **Entities included in consolidation**

Name of the Entity	Country of Incorporation	Proportion of interest as on March 31, 2021 (%)
Subsidiaries		
JM Financial Commtrade Limited	India	100
JM Financial Capital Limited	India	100
JM Financial Institutional Securities Limited	India	100
Partnership Firm		
Astute Investments	India	90

b **Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Partnership Fim.**

Name of the Entity	Net Assets i.e Total Assets minus total liabilities		Share in Profit or Loss	
Parent				
JM Financial Services Limited	174.45	29.00%	31.89	43.35%
Subsidiaries				
JM Financial Commtrade Limited	26.31	4.37%	0.94	1.26%
JM Financial Capital Limited	294.34	48.93%	15.39	20.92%
JM Financial Institutional Securities Limited	102.93	17.11%	24.56	33.39%
Partnership Firm				
Astute Investments	3.15	0.52%	-	
Non-controlling interest in Partnership Firm	0.35	0.06%	0.79	1.07%
Total	601.53	100%	73.57	100%

Name of the Entity	Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income	
Parent				
JM Financial Services Limited	1.13	91.94%	33.02	44.14%
Subsidiaries				
JM Financial Commtrade Limited	-		0.94	1.26%
JM Financial Capital Limited	0.04	3.29%	15.43	20.63%
JM Financial Institutional Securities Limited	0.06	4.77%	24.62	32.92%
Partnership Firm				
Astute Investments	-		-	
Non-controlling interest in Partnership Firm	-		0.79	1.06%
Total	1.23	100%	74.80	100%

41 The Board of Directors of the Company have recommended a dividend of Rs. 8/- per equity share, 60 paise per share on 6% compulsory convertible preference shares for the year ended March 31, 2021. The same is subject to the approval of shareholders of the Company at the Annual General Meeting.

42 The Board of Directors of the JM Financial Institutional Securities Ltd (Subsidiary of the Company) have recommended a dividend of 0.001 paise on 0.01% optionally convertible preference shares for the year ended March 31, 2021. The same is subject to the approval of shareholders of JM Financial Institutional Securities Ltd at the Annual General Meeting.

43 The impact of COVID-19 pandemic are unfolding in real time and are at an evolving stage. In assessing the fair value of financial instruments, recoverability of the receivables, investments and providing for loss allowance as per Expected Credit Loss, the Group has considered internal and external information up to the date of approval of these financial statements. Based on current indicators of future economic conditions, the Group expects to recover the carrying amount of its assets. The impact of the pandemic may be different from the estimated as at the date of approval of these financial statements and the Group will continue to closely monitor any material changes to future economic conditions, including the degree to which the Group's operations could be exposed to the impacts of the outbreak in the near future.

KUNVERJI & CO LLP MUMBAI CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

(Rupees in Crore)

44 As this being the first year of consolidation and there was no requirment of consolidation of accounts in the previous year, previous year figures have not been given.

45 The financial statements were approved for issue by the Board of Directors on April 29, 2021

For and on behalf of the Board

Nimesh N Kampani
Chairman
DIN 00009071

Hemant Kotak
Director
DIN 00412903

Subodh Shinkar
Chief Executive Officer

Anil Mavinkurve
Wholetime Director &
Company Secretary
DIN 00740703

Vishwanath Subramaniam
Chief Financial Officer

Place Mumbai
Date April 29, 2021

KUNVERJI & CO. LLP MUMBAI VR CHARTERED ACCOUNTANTS

JM FINANCIAL SERVICES LIMITED MUMBAI

ANNEXURE B – GROUP STRUCTURE

ANNEXURE B

Group Structure : June 30, 2023

* *Includes trusts where there is a controlling interest*
1. *Largely Investment Bank and balance others*
2. *JM Financial Limited controlled entity with ownership of 46.68%*
3. *Investment in Compulsorily Convertible Debentures (CCD) not considered.*

JM FINANCIAL 50 YEARS

ANNEXURE C – PEER REVIEW CERTIFICATE

ANNEXURE C

The Institute of Chartered Accountants of India

(Setup by an Act of Parliament)

Peer Review Board

Peer Review Certificate No.: 014196

This is to certify that the Peer Review of

M/s B S R & Co LLP

14th Floor, Central B Wing & North C Wing, Nesco IT Park,

4, Nesco Center, Western Express Highway, Goregaon (East),

Mumbai-400063

FRN No. 101248W/W100022

has been carried out for the period

2018-2021

pursuant to the *Statement on Peer Review*, issued by the Council of The Institute of Chartered Accountants of India.

This Certificate shall be effective from: 02-07-2022

The Certificate shall remain valid till: 31-07-2025

Issued at New Delhi on 18-05-2022

CA. Chandrashekhar Vasant Chitale **Chairman** **Peer Review Board**	**CA. Anuj Goyal** **Vice-Chairman** **Peer Review Board**	**CA. Nidhi Singh** **Secretary** **Peer Review Board**

Note : The Certificate is issued on behalf of the Peer Review Board of ICAI and ICAI or any of its functionaries are not liable for any non-compliance by the Practice Unit. The Certificate can be revoked for the reason stated in the '*Statement on Peer Review*'.