June 29, 2021

BSE Limited
Department of Corporate Services
1st Floor, New Trading Ring
Rotunda Building, P J Towers
Dalal Street, Fort,
Mumbai 400001

Security Code: **523405**

National Stock Exchange of India Limited
Exchange Plaza
Plot No.C-1, G Block
Bandra-Kurla Complex
Bandra (East)
Mumbai – 400 051

Symbol: **JMFINANCIL**

Dear Sirs,

Re: **Annual Report for the financial year 2020-21**

Pursuant to Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing a copy of the Company's Annual Report for the financial year 2020-21, inter-alia, containing the Notice convening the thirty sixth annual general meeting, standalone and consolidated financial statements, together with the directors' report, auditors' report and other documents.

The above Annual Report is also being sent through electronic mode to those members of the Company whose email ids are registered with their respective depository participants/the Company or its registrar & transfer agents. The said report is also uploaded on the Company's website and can be accessed at https://jmfl.com/annual-report.

The above is for your information and records.

Thank you.

Yours faithfully,
for **JM Financial Limited**

PRASHANT KISHOR CHOKSI
Digitally signed by PRASHANT KISHOR CHOKSI
Date: 2021.06.29 14:07:50 +05'30'

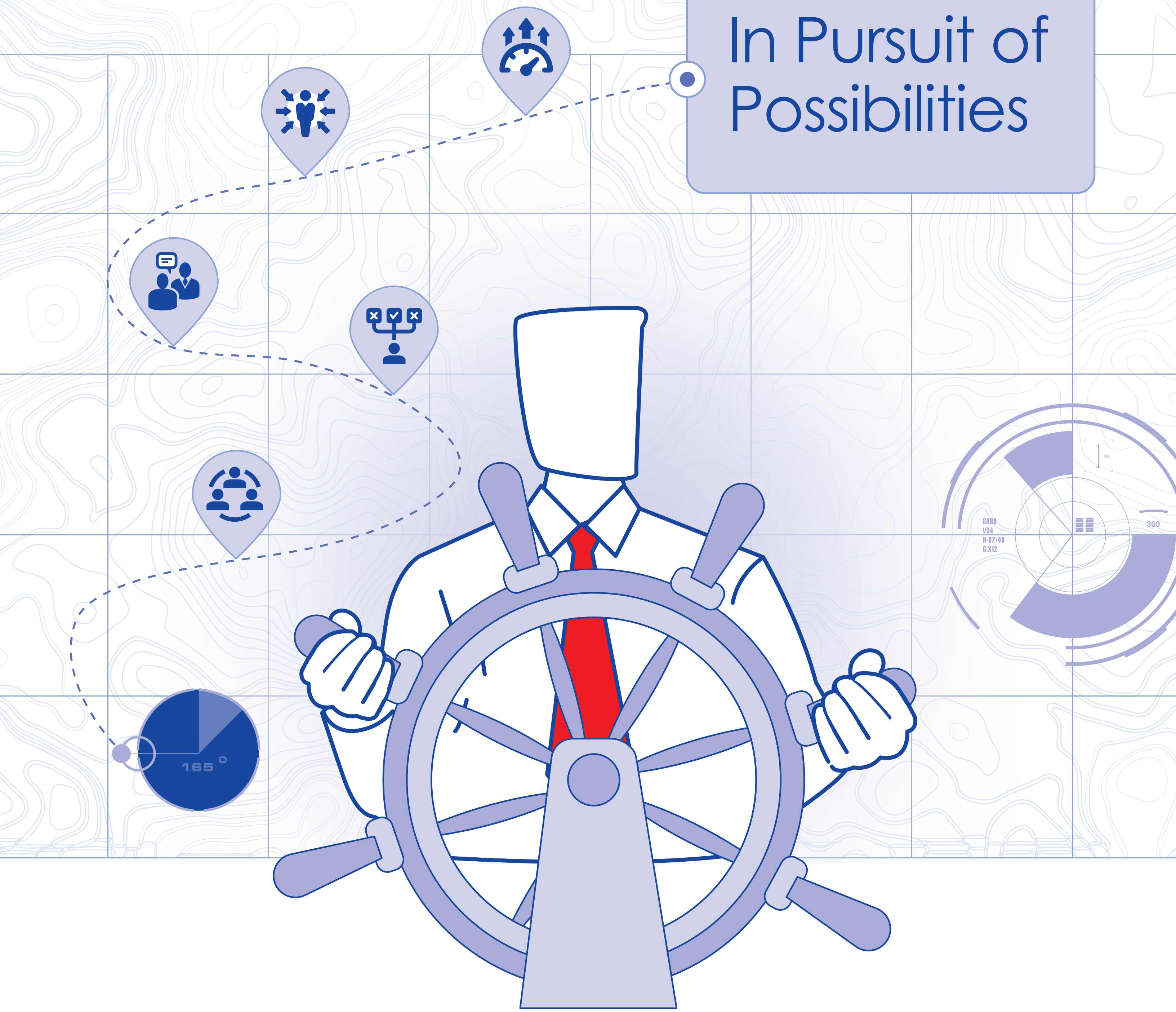
Prashant Choksi
Group Head - Compliance, Legal
& Company Secretary

Encl.: As above

JM Financial Limited

JM FINANCIAL

In Pursuit of Possibilities



Annual Report 2020-21

What's inside

Corporate Overview

Statutory Reports

Financial Statements

The red tie man in pursuit of possibilities

Currently, the industry is in midst of a challenging period. The red tie man is using his insights, experience and expertise to navigate these unprecedented times. He is leveraging his prudence and tech-enabled outlook to identify the emerging possibilities to pursue them and harness the upcoming opportunities.

In Pursuit of Possibilities

Amidst every crisis lies a great opportunity. FY 2020-21 posed unforeseen challenges that tested the resilience of mankind. At JM Financial, we consider these uncertainties as the decisive test of our abilities to bounce back and excel despite the odds.

While our diversified business model, market insights and experience enabled us to maintain the momentum, it is our people who were the true heroes, driving the value creation process throughout the year. Their grit and determination continued to deliver innovative solutions with a steadfast emphasis on customer delight, as we further garnered our clients' trust and respect.

The volatile business environment motivated us to unearth opportunity in crisis. Empowered by the incisive decision-making, we are geared up to pursue newer possibilities.

Snapshot of FY 2020-21

Assets Under Management (AUM)

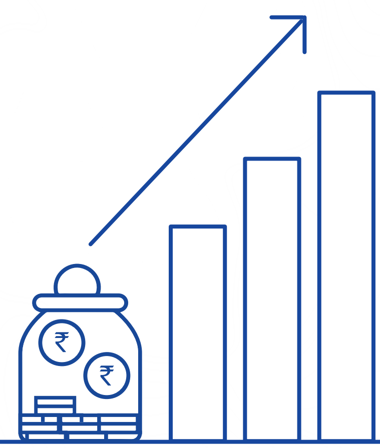
₹59,052cr
Private Wealth Management#

₹16,171cr
Independent Financial Distribution#

₹11,060cr
Distressed Credit

₹3,585cr
Mutual Fund (Average AUM)

₹806cr
Alternates



Social Highlights

1,978
Total Employees

21%
Women Employees

2,084
Person- Hours Training Programme

1.60Lakh+
Fresh Meals served during peak Covid-19 Lockdown

26,000+
Households Directly Benefitted through the year across Bihar, Jharkhand and Maharashtra

Financial Highlights

₹3,227cr
Total Income

₹1,067cr
Profit Before Tax

₹9,552*cr
Networth (incl. Non-Controlling Interest)**

0.73x
Net Debt/Equity

3.8%
Return On Assets

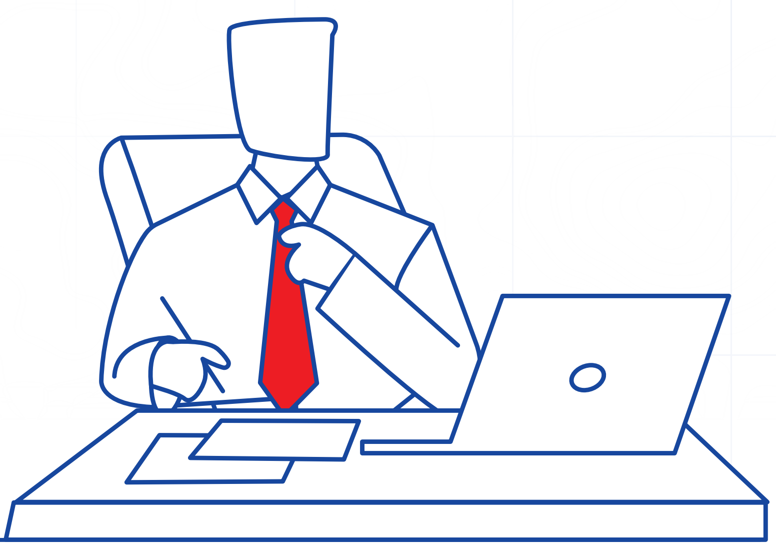
Strong Credit Rating

Long-term debt rating***

- CRISIL AA Stable
- ICRA AA Stable
- India Ratings AA Stable

Short-term debt rating

- CRISIL A1+
- ICRA A1+
- India Ratings A1+



*Computed after reducing goodwill of ₹52.44 crore
**Non-controlling interest excludes non-controlling interests of security receipts holders under distressed credit business
#Assets under management (the "AUM") comprises distribution assets and advisory assets, as applicable

***Long term debt rating for JM Financial Asset Reconstruction Company Limited is AA- Stable

About the Company

Geared up for the future

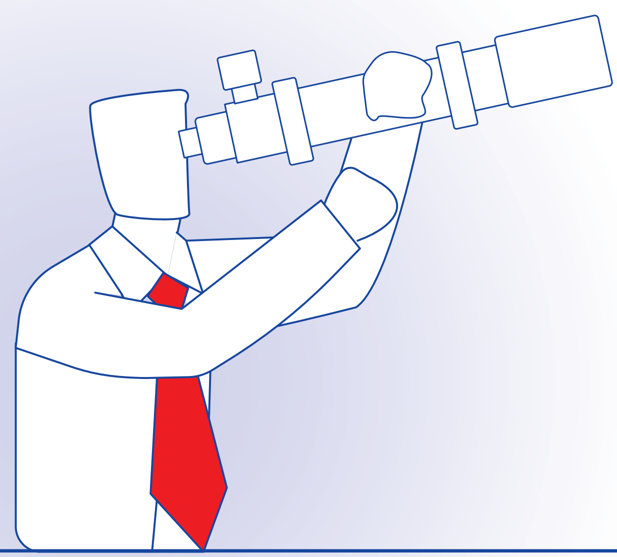
JM Financial is one of India's most prominent integrated financial services player. We offer an array of integrated and diversified financial services to corporations, financial institutions, high net-worth individuals and retail customers.

With over four decades of experience, we have collaborated with several leading Indian and international clients. We have earned the trust and confidence of a diverse client base across multiple geographies by offering pioneering strategies around transactions. Our focus, commitment and determination enable us to remain well-poised to make the most of the upcoming market and industry opportunities to deliver value to our stakeholders and clients across business segments.

Headquartered in Mumbai, Maharashtra, we have a presence across 550 locations in 170 Indian cities and 4 international locations through our subsidiaries and a representative office.

We are a people-focused organisation, where talented professionals from diverse backgrounds come together to pursue common organisational objectives and values, helping our businesses reach the next level.

We remain deeply committed to investing in initiatives that improve and foster by enabling them to sustain themselves, especially in the domains of education, healthcare, skill development, entrepreneurship promotion, disaster relief and animal welfare.



Our Vision

To be the most trusted partner for every stakeholder in the financial world. We believe:

Earning trust is a process (it can be gained and lost every day)

Sharing trust creates great teams (whether between employees or between organisations)

Being trustworthy is the most efficient way of generating and retaining long-term business

Self-trust is the starting point of trusting others

Our Values

Client Focus

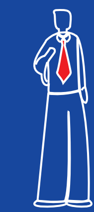
We always put the interest of our clients before our own. We understand our client needs, seek new opportunities for them, address them and deliver unique solutions as per their expectations. The success of our clients is the biggest reward for us.

Integrity

Integrity is fundamental to our business. We adhere to moral and ethical principles in everything we do as professionals, colleagues and corporate citizens. Our reputation based on our high standards of integrity is invaluable.

Innovation

We understand our clients' needs and develop solutions for the most complex or the simplest, the biggest or the smallest financial transactions, whether for individuals or institutions. Creativity and innovation are key factors to everything we do. We encourage new ideas which help us address unique opportunities.

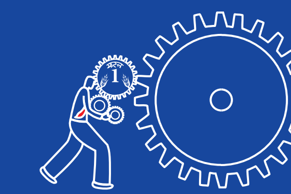


Partnership

Our relationships with all our stakeholders reflect our spirit of partnership. Clients see us as trusted advisors, shareholders see us as partners and employees see us as family. We respect, trust and support all our stakeholders.

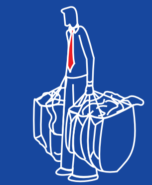
Team Work

We believe extensive teamwork is what makes it possible for us to work together towards a common goal. We value and respect each individual's commitment to group effort.



Implementation

Our expertise, experience and our continuous focus on the quality of execution ensures effective implementation of our strategies.



Performance

We believe in development of our people and continuously hone our skills, setting higher targets of performance for ourselves. We strive to attract, develop and retain the best talent. We recognise and reward talent based on merit.

Suite of Offerings

A one-stop destination for financial services

Investment Banking, Wealth Management and Securities Business (IWS)

More on pg.17

Business segment details

- Comprises various fee and fund-based activities
- Leverages relationships and expertise of each sub-segment using an integrated approach to deliver value to clients
- Supports cross-selling of products and services

Offerings

- Investment Banking
  - Equity and Debt Capital Markets
  - Mergers & Acquisitions and Private Equity Syndication
- Securities Business
  - Institutional Equities
  - Non-Institutional and Retail Broking
- Wealth Management
  - Private Wealth
  - Elite Wealth
- Distribution of Financial Products
- Arbitrage Trading
- Real Estate Consultancy Services (Dwello)
- Debt Trading and Syndication
- Private Equity Fund Management
  - Private Equity Funds
  - Real Estate Fund
- Leverage Products
  - Capital Markets Corporate
  - Wholesale Mortgage
  - Others

Mortgage Lending

More on pg.26

Business segment details

- Comprises Wholesale and Retail Mortgage Lending Businesses
- Wholesale Mortgage Lending offers holistic solutions to real estate sector clients
- Retail Mortgage Lending focuses on loans to the underpenetrated and affordable housing segment

Offerings

- Wholesale Mortgage Lending
- Retail Mortgage Lending
  - Housing Finance Business and Loan Against Property (LAP)
  - Education Institution Loans

Distressed Credit

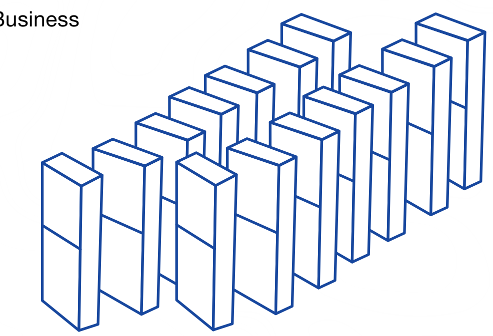
More on pg.28

Business segment details

- Acquisition of distressed assets with strong underlying businesses
- Restructuring potential to realise investments and generate returns through the revival of companies, restructuring of debt and/or monetisation of assets.

Offerings

- Asset Reconstruction Business



Asset Management

More on pg.29

Business segment details

- Caters to wide range of investment options for the diverse needs of institutional and non-institutional investors.

Offerings

- Mutual Fund Business

Consolidated Performance Review

Year	REVENUE (₹ in crore)	PROFIT (₹ in crore)	NETWORTH (₹ in crore)
20-21	3,226.63	590.14	6,947.46
19-20	3,453.55	544.98	5,586.33
18-19	3,499.49	572.18	5,079.25
17-18	3,096.60	600.86	4,502.20
16-17	2,359.26	470.20	3,372.38
15-16	1,684.66	400.46	2,804.21
14-15	1,403.04	330.52	2,437.71
13-14	1,006.67	209.53	2,091.87
12-13	1,042.23	182.92	1,975.97
11-12	873.97	121.17	1,864.77

Year	BOOK VALUE (₹ per share)	EARNINGS PER SHARE (₹ per share)	DIVIDEND PER SHARE (₹ per share)
20-21	72.92	6.34	0.50
19-20	66.41	6.48	0.20
18-19	60.47	6.82	1.00
17-18	53.73	7.48	1.80
16-17	42.45	5.93	1.50
15-16	35.54	5.08	1.45
14-15	31.10	4.32	1.35
13-14	27.70	2.78	1.00
12-13	26.29	2.44	0.90
11-12	24.87	1.62	0.60

Year	GROSS DEBT EQUITY RATIO (in times)	NET DEBT EQUITY RATIO (in times)	CASH AND CASH EQUIVALENTS (₹ in crore)
20-21	1.29	0.73	5,350.60
19-20	1.47	1.04	3,412.33
18-19	1.94	1.70	1,736.58
17-18	2.54	2.29	1,468.66
16-17	2.41	2.24	771.48
15-16	1.92	1.61	1,095.10
14-15	1.53	1.31	678.82
13-14	1.32	0.98	771.74
12-13	1.97	1.50	1,015.95
11-12	1.56	0.97	1,175.89

Note

The Group adopted Indian Accounting Standards (Ind AS) with effect from April 1, 2018 and therefore, Consolidated Revenue, Profit and Earnings per Share for the period prior to 2017-18 are as per erstwhile Indian GAAP (IGAAP). Consolidated Networth, Book value per share, Gross and Net debt equity ratio and Cash and Cash Equivalents for the period prior to 2016-17 are as per erstwhile IGAAP.

Consolidated Tax Information

Year	CORPORATE TAX[1] (₹ in crore)	DIVIDEND DISTRIBUTION TAX & TAX ON BUYBACK[2] (₹ in crore)	GST & SERVICE TAX[3] (₹ in crore)
20-21	260.8	-	214.5
19-20	316.0	3.7	213.3
18-19	446.3	29.9	204.8
17-18	438.4	31.8	216.4
16-17	334.8	11.1	129.6
15-16	222.4	18.7	99.1
14-15	156.4	21.3	68.9
13-14	80.0	13.9	41.7
12-13	74.9	16.9	37.5
11-12	59.6	8.0	40.6

Year	PAYROLL TAX[4] (₹ in crore)	NON-PAYROLL TAX[5] (₹ in crore)	SECURITIES TRANSACTION TAX[6] (₹ in crore)
20-21	72.7	161.1	230.7
19-20	93.0	34.0	197.2
18-19	94.7	40.9	203.9
17-18	81.8	28.6	208.3
16-17	73.3	24.6	140.1
15-16	59.0	20.0	105.7
14-15	46.6	21.3	116.3
13-14	40.4	18.6	65.6
12-13	32.0	14.2	76.1
11-12	46.6	16.3	97.1

Year	TOTAL TAX BORNE AND PAID[7] (₹ in crore)	TOTAL TAX DEDUCTED / COLLECTED AND PAID[8] (₹ in crore)
20-21	260.8	678.9
19-20	319.6	537.4
18-19	476.2	544.3
17-18	470.2	535.1
16-17	345.9	367.6
15-16	241.2	283.9
14-15	177.7	253.2
13-14	93.8	166.3
12-13	91.8	159.8
11-12	67.5	200.6

₹6,272cr

Total tax borne and paid and total tax deducted/collected and paid during the last ten years

1 Comprises provision for taxes, including deferred tax.
2 Comprises tax on dividend distributed and tax on buyback.
3 Comprises gross GST and service tax paid.
4 Comprises tax deducted at source from the employees' remuneration and paid.
5 Comprises tax deducted/collected at source from payments to/from parties and paid.
6 Comprises transaction tax collected from the clients and paid.
7 Comprises corporate tax and dividend distribution tax.
8 Comprises GST, service tax, payroll tax, non-payroll tax and Securities transaction tax.

The above information has been verified by an independent chartered accountant's firm.

MD's Message

Creating possibilities for progress

Despite challenges, we delivered strong performances in FY 2020-21 across our various business segments banking on our robust diversified businesses model, strong balance sheet, rich experience and market insights.

FY 2020-21 was unprecedented from every perspective and will be remembered as one of the most challenging years globally. The extraordinary scenario altered the way we approach business and prompted us to adapt to new ways of working to navigate the challenges.

While reconfiguring our operational dynamics with accelerated utilisation of technology and digitisation, we set our sight on emerging opportunities in the financial services industry amid these unprecedented times. We have innovated our client-engagement models and operational risk management to continue pursuing those opportunities. All our initiatives were powered by our farsighted decision-making, unwavering focus and leadership agility.

As a result, despite challenges, we delivered strong performances in FY 2020-21 across our various business segments banking on our robust diversified businesses model, strong balance sheet, rich experience and market insights. We have also demonstrated disciplined approach and effective risk management framework which continue to guide us and position us to deliver sustainable value for our stakeholders.

Robust capitalisation for banks, NBFCs and corporates, strong liquidity and improving sectoral outlook have set up a solid foundation for recovery. Despite economic volatility, the capital markets remain buoyant on the back of strong liquidity. Having said that, we remain optimistic in our approach and continue to closely monitor the external environment. Our aim is to continue spotting growth opportunities and explore new avenues to progress.

We are confident about leveraging these possibilities with judicious decision-making to further scale our businesses and build long-term profitability.

Mr. Vishal Kampani
Managing Director,
JM Financial Group

Awards and Accolades

Recognitions that inspire us to deliver more

The Asset Triple A Sustainable Capital Markets Country & Regional Awards 2020

JM Financial Limited awarded for:

- 'Best IPO' under the Best Deal category (Mindspace Business Parks REIT ₹45 billion IPO)
- 'Best rights issue' under the Best Deal category (Reliance Industries Limited US$7.1 billion rights offering)
- 'Best block trade' under the Best Deal category (Bandhan Bank US$1.4 billion block trade)

14th Institute of Chartered Accountants of India (ICAI) Awards

- Mr. Nimesh Kampani, Chairman- JM Financial Group inducted into the "CA Hall of Fame Award" (ICAI)

BSE Awards 2020

- JM Financial Services has been recognised by BSE Limited, amongst the top performers in Primary Market Segment (Equity – IPO/FPO Bids - Members)

18th Federation of Indian Chambers of Commerce & Industry (FICCI) CSR Award

- JM Financial Limited awarded for the CSR Healthcare Project, implemented by JM Financial Foundation in the Dumri Block-Giridih district, Jharkhand

The Great Place to Work Institute – India's Best Companies To Work For, 2020

- JM Financial Asset Management Limited, JM Financial Limited (Institutional Businesses), JM Financial Products Limited (Dwello), JM Financial Home Loans Limited and JM Financial Services Limited accredited as a 'Great Place to Work-Certified™' by the Great Place to Work Institute
- JM Financial Home Loans Limited has been recognised as India's Best Workplaces in BFSI 2020 and Ranked 21st among India's Top 50 Great Mid-Size Workplaces 2020
- JM Financial Services Limited has been recognised as 'India's Best Workplaces in Investment Industry 2020'

Board of Directors

Good governance forms the bedrock of value creation. The Board of Directors at JM Financial play a significant role in enhancing governance standards. The Board also focusses on strategy formulation, framing policies and guide us to deliver value to our various stakeholders.

Mr. Nimesh Kampani
Non-Executive Chairman

Mr. Vishal Kampani
Managing Director

Mr. E A Kshirsagar
Independent Director

Mr. Darius E Udwadia
Independent Director

Mr. Paul Zuckerman
Independent Director

Dr. Vijay Kelkar
Independent Director

Mr. Keki Dadiseth
Independent Director

Ms. Jagi Mangat Panda
Independent Director

Mr. P S Jayakumar
Additional (Independent) Director

Leadership Team

Our strong and experienced leadership team spearhead the adoption of best practices and direct the various strategies for value creation. Their focus and expertise guide our organisation to scale greater heights and explore new avenues for progress.

Mr. Adi Patel
Managing Director & Co CEO, Investment Banking

Mr. Atul Mehra
Managing Director & Co CEO, Investment Banking

Mr. Anil Bhatia
Managing Director & CEO, Asset Reconstruction

Mr. Anish Damania
Managing Director & CEO, Institutional Equities

Mr. Darius Pandole
Managing Director & CEO, Private Equity & Equity AIFs

Mr. Manish Sheth
Group CFO and Managing Director & CEO, Home Loans

Mr. Subodh Shinkar
Managing Director & CEO, Investment Advisory and Distribution

Mr. Shashwat Belapurkar
Managing Director, Group Borrowing, IR, Treasury & Credit Alternatives

Mr. Prashant Choksi
Managing Director & Group Head, Compliance, Legal & Company Secretary

Mr. Anil Salvi
Managing Director & Group Head, Human Resources & Administration and CEO, RE Consulting

Mr. Ajay Manglunia
Managing Director & Head, Institutional Fixed Income

Ms. Gitanjali Mirchandani
Managing Director & Country Head Origination, Real Estate

Mr. Richard Liu
Managing Director & Head of Research, Institutional Equities

Ms. Sonia Dasgupta
Managing Director, Financial Institutions Group, Investment Banking

Mr. Devan Kampani
Managing Director, Industrials and Infrastructure, Investment Banking

Ms. Cheryl Netto
Managing Director, Consumer, Healthcare and Pharma, Investment Banking

Mr. Ranganath Char
Managing Director & Chief Operating Officer, Real Estate Advisory

Mr. Ajay Mishra
Managing Director & Head, Private Wealth

Mr. Dimplekumar Shah
Managing Director & Co Head, Equity Broking Group

Mr. Krishna Rao
Managing Director & Co Head, Equity Broking Group

Mr. Sanjay Bhatia
Managing Director & Co Head, Business Affiliates Group

Mr. Ashu Madan
Managing Director & Co Head, Business Affiliates Group

Mr. Vinay Jaising
Managing Director & Co Head, Portfolio Management Services Group

Mr. Rakesh Parekh
Managing Director & Co Head, Portfolio Management Services Group

Covid-19 Action

Agile response to Covid-19 induced challenges

Covid-19 pandemic has been an unprecedented crisis for every individual across the world. At JM Financial we spent the first few months of FY 2020-21 adapting to the new normal, ensuring business continuity, employee collaboration and stakeholder engagement.

As the year progressed, we witnessed the impact of the pandemic and the new normal in ways that were never expected. While Covid-19 itself was a mega challenge, the uncertainties it aroused posed problems in a different dimension. Mental health cropped as a key issue, often being the deterrent in healthy lifestyles and productivity.

These factors made us reassess our priorities and we undertook a number of employee benefit and engagement programmes to keep our people motivated, focused and aligned with the core ethos of JM Financial. We also intensified our corporate social responsibility initiatives, standing in solidarity with our communities.

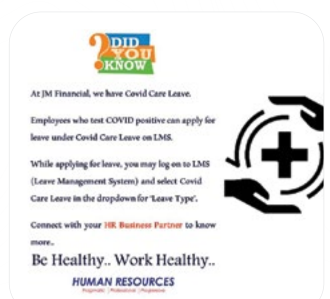
Delivering HR functions online

During FY 2020-21, we moved our key HR processes such as recruitment interviews, pre-joining formalities, onboarding and induction online.

We also conducted internal and external meetings regularly on digital platforms to assess progress and discuss plan of action for our people. Moreover, we facilitated work from home by providing remote access to our people.

People-centric measures

- **Safety and well-being:** With a focus on people safety, remote working emerged as the new normal at JM Financial, as majority of our people continue to work from home.
- **Healthcare guidance and wellness support:** We ensured to keep our people informed about the latest developments on government guidelines, dos and don'ts of the pandemic, and the organisation-wide initiatives. Our Crisis Management Team provided health-related assistance during the period.



- **Safety measures:** With our essential staff being required to work from the office premises, we prioritised safety with regular fumigation, equipment sanitisation, daily temperature checks and compulsory use of masks and sanitisers. Additionally, our HR team connected periodically with our team members to ascertain the guidelines during this phase.
- **COVID-care leaves:** We initiated a new leave policy for our people who tested positive for Covid-19. This policy was unique as it did not have any stipulated days but leaves were granted on a case-to-case basis and severity of the infection.
- **Health and safety awareness sessions:** 'Post Covid-19- Let's get back at work safely!' webinars were conducted to ensure that employees remain informed and follow the necessary protocols.

COVID-19 RELIEF MEASURES FOR COMMUNITIES

Functionalised a multi-specialty hospital in suburban Mumbai with 1,500 beds into a dedicated Covid-19 facility

~24,500

Covid-19 patients treated

Donated Real Time micro-PCR (RTmPCR) machines to the Department of Health, Government of Bihar, enabling 10,000 daily testing

Distributed 20,000 vegetable khichdi boxes in the slums of M-Ward and police stations in Mumbai city

Set up a 100-bed dedicated Covid-19 facility in Byculla, Mumbai, targeted towards helping lower and middle-income groups

Provided 1,000 premium quality Personal Protective Equipment (PPE) cover-alls in Brihanmumbai Municipal Corporation (BMC) region

Easing worries about meals

Distributed 1,000 dry grocery kits to families in Darbhanga and East Champaran districts in Bihar, ravaged by dreadful floods

Community kitchen serving 13 villages and 2 hamlets

In collaboration with the JM Financial Foundation, our philanthropic arm, we set up and ran four community kitchens in four villages in Sikandra block of Jamui district, Bihar. The kitchens were run by community volunteers and our teams from 6:00 am to 2:00 pm daily. They fed over 1,55,000 one-time wholesome meals over a span of 43 days covering all 15 villages where the Foundation serves.

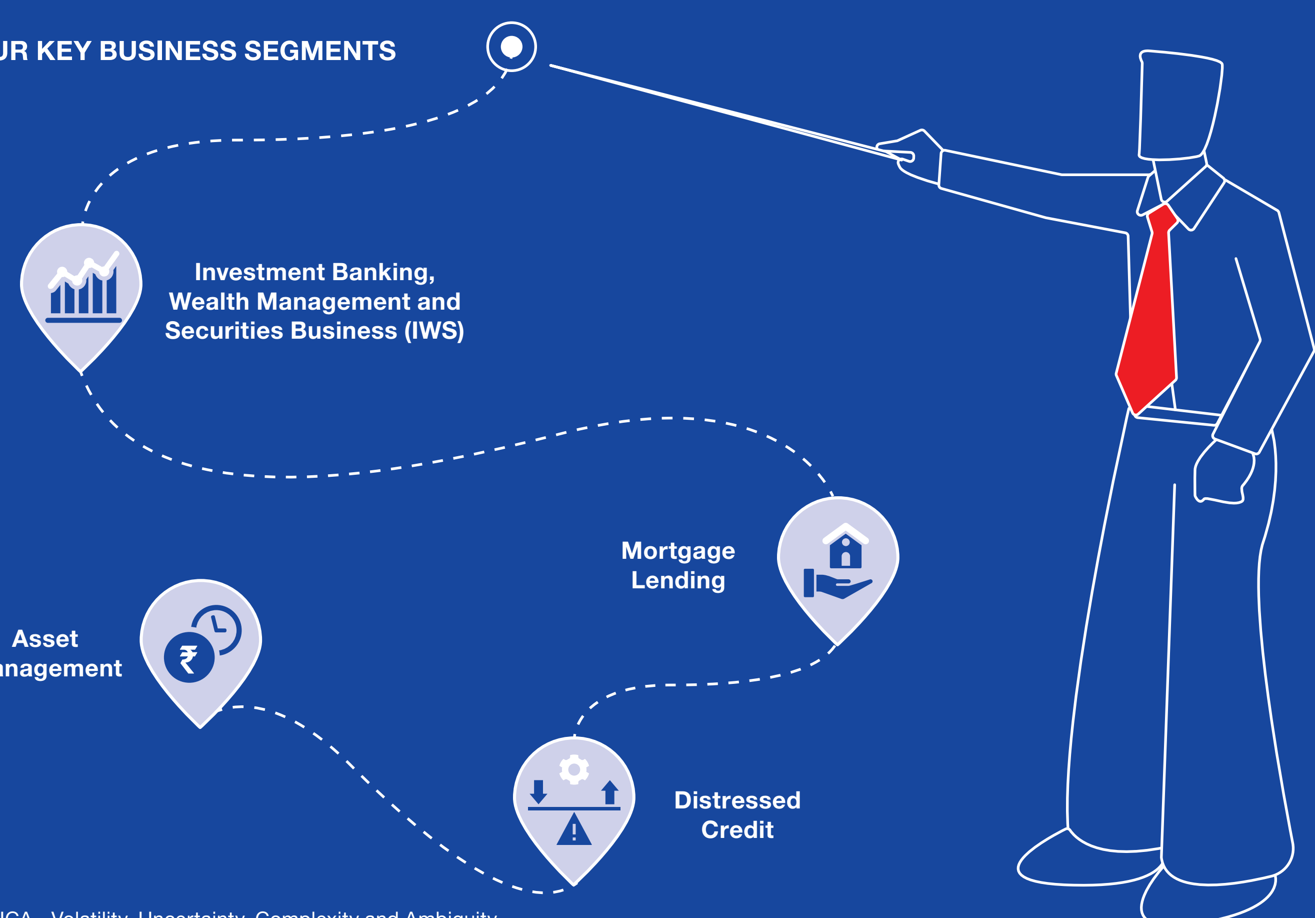
Business Segments Review

Sustainable businesses. Inspired outlook.

Calling upon our four decades of experience, inherent strengths and expertise, we continued to deliver insightful solutions to our clients, navigating a VUCA* business landscape during FY 2020-21. Our resilient performance is backed by our ability to create value for all our stakeholders.

We are confident of sustaining our performance, on the back of our repertoire of market insights, excellent and well-qualified team and the trust bestowed upon us by our stakeholders.

OUR KEY BUSINESS SEGMENTS



*VUCA - Volatility, Uncertainty, Complexity and Ambiguity

Investment Banking, Wealth Management and Securities Business (IWS)

Our IWS business segment offers integrated and comprehensive financial services to our clients and aims to become a single point of contact for all their financial requirements. It offers diverse financial products and advisory and execution services to corporates, institutions, individuals, government, government-owned corporations and banks. It includes investment banking, wealth management, securities business, distribution of financial products, trading and syndication, private equity fund management, technology-backed real estate consultancy services, while also providing leverage products to our clients.

INVESTMENT BANKING

JM Financial has a full-service investment banking franchise that is also among its oldest business segments. Our Investment Banking franchise offer end-to-end services across various products Equity Capital Markets, Debt Capital Markets, Mergers and Acquisitions and Private Equity Syndication.

Equity Capital Markets

Through this business division, we advise corporates on equity fund raising and related offerings. During FY 2020-21, Equity Capital Markets rebounded faster and stronger than anticipated. Fund raising through equity products was at record high levels on rising hopes for a strong economic recovery and stimulus measures from the government and the Reserve Bank of India (RBI). We expect the momentum to continue in FY 2021-22 as we believe markets will support quality issuers with resilient business models.

Business Segments Review (Cont.)

Notable Equity Capital Market transactions concluded during FY 2020-21

Book Running Lead Manager to the Initial Public Offerings (IPOs) of:

₹4,500cr Mindspace Business Parks REIT	₹3,800cr Brookfield India Real Estate Trust	₹2,160cr UTI Asset Management Company	₹1,067cr Burger King India (IPO + Pre-IPO)	₹760cr Anupam Rasayan India
₹696cr MTAR Technologies (IPO + Pre-IPO)	₹518cr Equitas Small Finance Bank	₹510cr Easy Trip Planners	₹444cr Mazagon Dock Shipbuilders	₹413cr Stove Kraft

Book Running Lead Manager to the Qualified Institutions Placement (QIPs) and Rights Issues of:

₹53,124cr Reliance Industries Rights Issue	₹15,000cr ICICI Bank QIP	₹14,000cr HDFC QIP of Equity Shares, Equity Warrants & NCDs	₹4,500cr Bank of Baroda QIP
₹2,000cr Canara Bank QIP	₹400cr Amber Enterprises India QIP	₹400cr Poly Medicure QIP	₹300cr Shoppers Stop Rights Issue

Manager to the Offer for Sale (OFS), Delisting Offer and Block Deals of:

₹10,600cr Bandhan Bank Block Deal	₹4,146cr Hexaware Technologies Delisting Offer	₹1,028cr GMM Pfaudler OFS	₹757*cr Sumitomo Chemical India OFS	₹600cr Amber Enterprises India Block Deal

*Note: Transaction 1: ₹ 475 crore and transaction 2: ₹ 282 crore

Debt Capital Markets

Our Debt Capital Markets team started operations actively in the second-half of FY 2019-20 with a focus on raising debt resources for corporate clients, investment advisory and active dealing in corporate bonds. In its first full year of operations, during FY 2020-21, the key developments for the desk, along with focus areas are as follows:

Public Issues of Non-Convertible Debentures (NCDs):
In the public issue space, the team worked extensively with higher-rated corporates across both the private and public sector. The desk ranks 2nd for the FY 2020-21 in the Prime Database League Table. **The total volume of issuances managed by the desk in the public issue space was ~₹ 6,700 crore and achieved a market share of 64%.**

Private Placement:
In the private placement space, the team ran expansive mandates with top rated corporates, thereby improving its league table standing to 11th on the table for the FY 2020-21. **The desk arranged ~₹ 1,02,925 crore in the private placement space across 52 issuances with a market share of ~17%.**

The key issues managed were:

₹8,500cr BSNL	₹8,000cr FCI	₹7,777cr REC	₹5,991cr IRFC
₹4,361cr MTNL	₹2,500cr NHAI	₹969cr Bank of Baroda BASEL III Additional Tier	₹500cr Mindspace REIT Maiden MLD Issuance

Notable Debt Capital Market transactions concluded during FY 2020-21

PFC Public issue of NCDs ₹4,429cr January 2021	HDFC Pvt Placement of NCDs ₹3,693cr August 2020	Muthoot Finance Public issue of NCDs ₹2,000cr October 2020
Union Bank of India Pvt Placement of BASEL III Additional Tier I ₹1,000cr January 2021	adani Adani Enterprises Ltd Maiden MLD Issuance ₹125cr October 2020	Sundaram Finance Pvt Placement of NCDs ₹100cr December 2020

Business Segments Review (Cont.)

Mergers and Acquisitions (M&A) and Private Equity Syndication

As a proven leader in the M&A space, we work diligently to identify the most optimal transaction partners for our clients. We also take pride in representing some of the most reputed corporates and business houses in the country. We have been and continue to be involved in some of the largest and multi-faceted M&A transactions covering acquisitions, divestures, restructurings, takeovers, schemes of arrangements,delistings, open offers and fairness opinions. JM Financial has emerged as the most successful domestic investment bank in India during FY 2020-21, having announced 13 M&A transactions with a total deal value of ~₹ 43,000 crore (Source: Mergermarket). Some of the marquee M&A transactions where we were an advisor during FY 2020-21 include:

future group

Financial advisor to Future Group on the sale of its retail, wholesale, logistics and warehouse businesses to Reliance Retail through a composite scheme. This transaction is currently under execution

TVS family

Financial advisor to the ongoing family arrangement involving the TVS family

ESCORTS

Exclusive investment banker to Escorts on acquisition of stake by Kubota Corporation (Japan) in Escorts

BainCapital

Exclusive financial advisor to International Cargo Terminals and Infrastructure on fund raise from Bain Capital

Brookfield and RMZ Group

Advisory to Brookfield on acquisition of a portfolio of office and retail assets, and co-working business from RMZ Group and its promoters

IL&FS / SCHOOLNET

Financial and Transaction Advisor to IL&FS on sale of its stake in Schoolnet India to Falafal Technologies

HCG / CVC

Exclusive financial advisor and manager to the open offer to the equity shareholders of HealthCare Global Enterprises

FAIRCHEM

Advisor to Fairchem Speciality Limited on demerger of the speciality oleo chemicals and nutraceuticals business into Fairchem Organics Limited and amalgamation of aroma chemicals business into Fairchem Speciality Limited

VISTA EQUITY PARTNERS

Manager to the open offer to the shareholders of Accelya Solutions India by Aurora UK Bidco together with entities belonging to the Vista Equity Partners

SECURITIES BUSINESS

This business segment caters to our institutional clients through the Institutional Equities business and individual and non-institutional clients through Equity Broking Group. Securities Business specialises in delivering quality research to both domestic and offshore clients, providing them market insights, resources and stock and macro economic related research reports.

JM Financial is recognised as a thought leader on emerging market themes across sectors and macroeconomic conditions.

Our Securities Business stands on the following three tenets of growth:

- High-quality research with a focus on new stock ideas
- Interesting ideations and intensive servicing to keep our clients abreast with and ahead of key corporate/ market trends
- Efficient trade execution to ensure the best possible price/deal for our clients and hassle-free post-trade settlements

Institutional Equities

Through this business segment, we offer brokerage services in both cash and derivative to domestic and international institutional clients. Institutional Equities delivers high-quality differentiated research while focusing on new stock ideas, intensive client servicing and efficient trade execution coupled with hassle-free post-trade settlement.

JM Financial Investor Access Events

Our service offerings to clients also include networking access to some of the best-in-class corporates, industry experts and thought-leaders across diverse sectors and varied spectrum of the economy. These speaker sessions discuss topics relevant to the investor community and the takeaways from these sessions contribute immensely to the investors' decision-making process.

Some of the insight sessions hosted by our team for our institutional investor clients include:

- Discussion with the Chief Economic Advisor to the Government of India on the implications of the announcements made in the Union Budget 2021
- A knowledge session with the leadership team of a leading biotechnology company during the initial phase of the pandemic outbreak
- An interaction to understand the nuances of the Farm Bill amendments and their impact on the agri supply-chain
- Dealing with Extant Ownership Guidelines and Corporate Structure for Private Sector Banks
- Insights into the solar sector and the overall narrative surrounding renewable energy
- Discussion with the 'Data Centre Man of India' on the growth opportunities for the industry in India, demand scenario and policy support that could help the industry flourish
- Session with the management head of a frontline grocery delivery firm to understand the various business models in the hyper-local delivery space and whether the shift to online consumption would be a permanent one in India

We also continued with our investor conference series. The 2020-21 editions of the JM Financial Banking, Financial Services And Insurance (BFSI), Real Estate and Infrastructure Conference received encouraging response facilitating over 1,500 interactions.

We have now emerged as the preferred choice by our clients. We consistently rank among top broker partners of several foreign and domestic institutional investors. We always aim to provide end-to-end delivery through full-service sales, trading, research and corporate access services.

In addition to a robust local presence, our international offices in Singapore and the US continue to expand our reach among large foreign institutional investors (FIIs)/foreign portfolio investors (FPIs) that are exploring ways to gain exposure to Indian equities. We are also working towards enhancing our derivatives product range and coverage to augment our position in the Institutional Equities business.

Equity Broking

₹12,287cr

Average Daily Volume during FY 2020-21

We serve high net-worth individuals, corporate and retail clients through this business segment. We provide research-based equity advisory and trading services. The business division uses a network of branches and franchisees to enjoy presence in over 170 cities across India, which has helped us achieve a de-risked business model and a widespread reach.

We have a robust network of franchisees across the country and have recruited new team members during the year. We are confident that the infusion of fresh talent will further strengthen our product and investment counselor team for in-house and third-party investment products through our broking channel.

Business Segments Review (Cont.)

WEALTH MANAGEMENT

The Wealth Management business caters to two distinct customer segments: a) the ultra-high net-worth and high net-worth investors, corporates, banks and institutions and b) millennials, clients creating new wealth, young entrepreneurs, senior executive of corporates, tech-savvy professionals.

We have separate teams servicing both these client categories:
1. Private Wealth 2. Elite Wealth

Private Wealth

Private Wealth Management exclusively focuses on the ultra-high net-worth individuals, family offices, corporates and institutions for Wealth Management and Advisory services. With a strength of 47 wealth advisors, we are committed to fostering long-term client relationships based on trust. Our group's capital market capabilities and integration allow us to create tailor-made solutions through bespoke product ideas and long-term asset allocation strategy that provide our clients with unbiased investment solutions and legacy planning.

We have a robust technology platform to provide reporting, consolidated portfolio reviews and analytics across asset classes and we constantly focus on improvising it further to meet our clients' evolving requirements.

At JM Financial, our endeavour has always been to become the 'one-stop shop' for the clients' investment requirements. Hence, the IWS group serves as a single servicing platform to provide seamless access to high-quality ideas and execution capabilities. we believe this platform provides us a unique competitive advantage.

During the year, our Assets under Management (the "AUM")* grew by 31.6% from ~₹ 44,883 crore as on March 31, 2020 to ~₹ 59,052 crore as on March 31, 2021.

31.6%
Increase in AUM* during FY 2020-21

Elite Wealth

This division focuses on clients with net worth in the range of ₹ 1 crore to ₹ 100 crore and is present in seven cities. The segment has a team of 61 wealth relationship managers as of March 31, 2021. It caters to retired people looking for regular income and wealth preservation, first-generation entrepreneurs who seek to create alpha over their investments, top executives in corporates, millennials on their journey to create wealth and tech-savvy professionals.

Our aim is to grow as the sought-after finance partner, after banks, for our customers' personal finances. Going forward, we will focus on catering to all investments and insurance related needs, including exotic product variants across various asset classes through an open architecture model.

We intend to provide a robust online platform for client onboarding, execution of transactions and to have unified view of all their investments with us. We have onboarded 1,400 clients with ~₹ 549 crore of AUM* in the first full year of operation.

~₹549cr
AUM* during FY 2020-21

*Assets under management (the "AUM") comprises distribution assets and advisory assets, as applicable.

DISTRIBUTION OF FINANCIAL PRODUCTS

Independent Financial Distribution

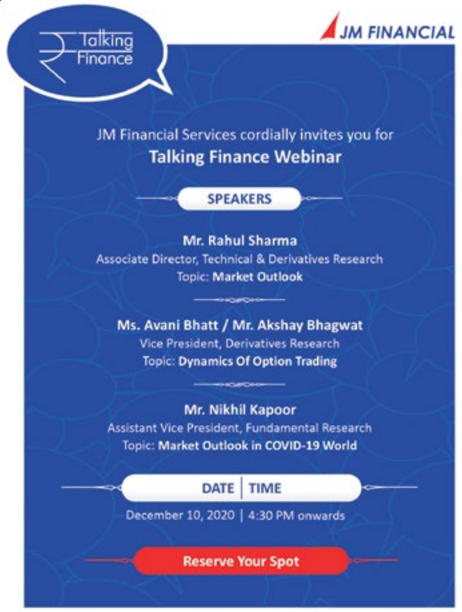
With a network of over 11,000 active Independent Financial Distributors (IFDs), our Independent Financial Distribution Group (IFDG) distributes various financial products such as mutual funds, fixed deposits, Public Issue of Equity and NCDs and Sovereign Gold Bonds (SGBs) to retail and high net-worth customers across the country.

11,000+
Active IFDs

Increased digital intervention in IFD segment

IFDG AUM* stood at ₹ 16,171 crore as on March 31, 2021. During the year, we added over 1,200 new partners with majority of them being qualified professionals.

During FY 2020-21, we strengthened our digital presence with substantial growth in our online accounts for paperless transactions in mutual funds, fixed deposits and public issues. In fact, during this financial year, 75% of our transactions were completed without physical movement of paper by using either our own transaction platform or using transaction platform of the issuers. We also helped increase retail and high-net-worth individual investors' participation in secondary debt market using exchange platforms in paperless process.



Business Segments Review (Cont.)

REAL ESTATE CONSULTING SERVICES

Dwello

Dwello is a technology-based real estate consulting division that operates within the primary residential real estate space. We enable a team of professional and trained consultants, using our cutting-edge technology and analytics, to assist customer in making right decisions at every step from initiation to completion of their home buying journey. Our scientific approach towards helping the customers in their home buying decision is making Dwello a popular choice among them.

Our mandate vertical within Dwello takes sole selling rights for the selected few projects. These projects are vetted thoroughly by our experts to evaluate their saleability and marketability. Through this vertical, we aim to serve developers who look for high volume sales and benefit from Dwello's expertise in sales and marketing of residential real estate. Our Consulting model is oriented towards fulfilling the requirements of the customer and the Mandate model is focused on taking over the sales of the projects with good proposition for the buyers. Both the models share our customer-centric approach.

We have also added capability to record 40,000 actual transactions data across Mumbai and Pune every month. The vast data will strengthen our analytical capability and add more value to our consulting services for the customers as well as the real estate developers.

During FY 2020-21, we added 1,351 new projects on our portal, Dwello.in from primary research. The portal, used by the homebuyers to evaluate their potential choices, has detailed information of a total number of projects in Mumbai and Pune. With a team strength of more than 200 people across six offices in Mumbai and Pune, we facilitated sales of more than 1,000 homes across Mumbai and Pune.

Team Dwello during a discussion in Mumbai office

1,000+

Home sales facilitated across Mumbai and Pune

CAPITAL MARKETS LENDING

Our capital markets lending division caters largely to our wealth and broking clients. Capital market lending includes financing for loan against shares, margin funding, Employee Stock Option Plan (ESOP) financing, loan against bonds/ mutual funds, IPO financing and sponsored financing.

The business segment was impacted during H1 FY 2020-21 on account of tight liquidity conditions, high cost of borrowing and volatility in the capital markets due to Covid-19 pandemic. This resulted in subdued growth in capital market lending business in H1 FY 2020-21. However, during the H2 FY 2020-21 there was a marked improvement in the capital market lending business backed by good number of IPOs and resumption of economic activities across sectors due to reduction in Covid-19 cases coupled with the kickstart of vaccination in the country.

During FY 2020-21, IPO funding of ₹ 85,357 crore across 31 issuances (including two NCDs issues) were undertaken as compared to ₹ 32,507 crore in FY 2019-20.

The capital market steady state loan book as on March 31, 2021 stood at ₹ 735 crore as compared to ₹ 465 crore on March 31, 2020.

₹735cr

Capital market steady state loan book as on March 31, 2021

CORPORATE (STRUCTURED FINANCE)

Our Structured Finance Group (SFG) aims to provide customised financing solutions to companies and promoters to meet their business requirements and provide capital structure solutions. The objective of structured lending is to provide efficient financing solutions to companies to allow better cash flow management for debt servicing and long-term growth of such companies.

₹2,101cr

SFG loan book as on March 31, 2021

These loans are secured by business assets of these companies, pledge of shares and corporate/ personal guarantees.

The SFG loan book for March 31, 2021 stood at ₹ 2,101 crore. Given the uncertain recovery prospects of corporate clients across sectors on account of Covid-19, new business remained muted during most part of the year. The business is focused on portfolio management and selectively pursuing new business opportunities while remaining liquid and ensuring strong credit quality in client selection for FY 2021-22.

PRIVATE EQUITY FUND MANAGEMENT

Private Equity Funds

JM Financial India Fund II (Fund II) is a 2019 vintage (i.e. Final Close) private equity fund established as a trust under the Indian Trust Act, 1882 and registered with Securities and Exchange Board of India (SEBI) under the SEBI (Alternative Investment Funds) Regulations 2012, as a Category II AIF.

Fund II is an India-focused, sector-agnostic private equity fund, with the primary objective to achieve superior risk-adjusted returns by investing growth capital in dynamic and fast-growing, small to mid-market Indian companies.

We believe that the small to mid-market opportunity is relatively less crowded, allowing attractive investment opportunities in early-stage companies that are in their first phase of expansion.

Key sectors of interest include financial services, consumer, manufacturing, infrastructure services, and IT/ITeS, among others. As of date, Fund II has completed seven investments and is actively evaluating new investment opportunities. In addition, Fund II has completed a partial divestment from one of its portfolio companies.

JM Financial India Fund (Fund I) is a 2006 vintage (i.e. Final Close) India-focused private equity fund that concentrated on providing growth capital to dynamic, fast-growing companies in India. The Fund raised capital from domestic and offshore schemes and invested the corpus in 13 companies across various sectors. Fund I has successfully exited from all its portfolio companies (including one partial exit), as on March 31, 2020 and is operationally wound up.

Real Estate Fund

JM Financial Property Fund (the Property Fund) is a real estate focused private equity fund that has invested in residential, hospitality and 'mixed use' development assets at individual project or at holding level in development companies.

The Property Fund through its domestic and offshore schemes had raised total capital contribution of ₹ 401 crore, which is fully invested. The Property Fund will continue to focus on exploring exit opportunities for its outstanding portfolio investments.

Business Segments Review (Cont.)

Mortgage Lending

The business segment is further divided into two sub-segments: Wholesale and Retail. While the wholesale segment provides integrated financial solutions to real estate developers with a focus on residential project financing in Mumbai, Pune, Bengaluru, Chennai, Hyderabad, NCR and Kolkata, the retail business focuses on retail clients and educational institutions.

WHOLESALE MORTGAGE LENDING

Wholesale Mortgage Lending business aims to offer integrated solutions to our clients in the real estate sector by catering to their various financing requirements. Our offerings have evolved over time and are a result of our industry insights, experience across geographies and enduring client relationships. Products in this segment include Project Loans, Loans against Land, Projects at Early Stage Loan, Loan against Property and Loan against Shares.

₹7,158cr

Loan book as on March 31, 2021

FY 2020-21 focus

- Continued focus on the quality of assets and timely monetisation of the portfolio has enabled us to keep the number of stressed assets under check
- Concentrate on maintaining liquidity on the books to be able to underwrite attractive short-term transactions
- Persistent emphasis on repeat transactions with existing clients and strengthening client relationship

Going forward, we will continue to deepen our relationship with our clients. Furthermore, we will focus on maintaining our asset quality in these challenging market conditions.

The Covid-19 crisis had a significant impact on this sector as a whole. However, various central and state government measures provided the necessary push to housing sector demand. The last two quarters of the FY 2020-21 saw significant sales in the mid segment in residential projects. This demand was mainly driven by end users. Going forward, we expect end user demand to continue to be good across most geographies we operate in as we continue to lend cautiously and deepen our relationships with our existing clients.

RETAIL MORTGAGE LENDING

We cater to retail clients through this business segment. It comprises:
a) Housing Finance Business and Loan against Property (LAP) and
b) Education Institution Loans (K-12 schools)

Housing Finance Business

Our housing finance business commenced operations in 2017 to expand our presence in retail mortgage space with a focus on affordable housing finance. JM Financial Home Loans Limited, our housing finance entity, in its short history, has shown resilience and a tenacity to grow despite an unconducive operating environment. We now have presence in 30 locations spread across western, central and southern regions of the country, largely in Tier-2 and Tier-3 towns. Our focus on this segment and diversified geographical presence helped us come out of the pandemic relatively unscathed. This has further reinforced our commitment to the affordable housing finance segment.

FY 2020-21 was marked by the unprecedented economic and social uncertainty brought about by Covid-19. The nationwide lockdown imposed from March 2020 put a complete halt to our business operations. Various proactive measures by the government and the RBI such as moratorium, credit guarantee and one-time restructuring averted the imminent risks. Apart from these measures, our presence in Tier-2 and -3 towns helped us recover faster as the impact of Covid-19 in these smaller towns was relatively limited and these locations started unlocking first. In fact, we exited the year on a very strong note with our best-ever quarterly performance in Q4 FY 2020-21. Importantly, our collection efficiency is back to pre-Covid-19 levels, underlining the credit quality of our portfolio.

While the second wave of the pandemic is likely to slow down the momentum gained in Q4, we believe the government's vaccination drive is likely to limit the impact and will be a key monitorable.

Education Institution Loans

FY 2020-21 has been one of the toughest years the education sector and its constituents – students, parents, education institutions and education financers have had to endure. The pandemic forced education institutions to remain closed for a large part of the year with students losing out on learning and education institutions experiencing severe financial strain. As the education institutions could not conduct physical classes for most of the pre-primary, primary and secondary grades, fee collection was severely curtailed. Education institutions serving students in the affordable and mid-income segment were hit particularly hard due to lack of resources and know-how to enable online learning. Displacement of parents due to lockdowns, non-availability of appropriate physical devices and connectivity and a limited ability to facilitate online media deprived these students of any form of meaningful learning.

Our Education Institution Loans business, which focuses on providing financial access to the mid-income segment of the education institution continuum, did not go unscathed either. The focus of the business expectedly shifted from book expansion to supporting the clients through the difficult period and portfolio management. We successfully implemented various programmes and schemes rolled out by the Government of India, including Loan Moratorium and Emergency Credit Line Guarantee Scheme (ECLGS) to help our clients manage the impact of the pandemic. We managed to end the year with NIL delinquency on this portfolio and none of the customer loan accounts needed to be restructured. While the portfolio repayment behaviour remained satisfactory, the second wave of infections has injected a dose of uncertainty into the reopening of institutes for FY 2021-22 curriculum. Any delay in reopening of education institutes and the resultant delay in cash-flows could potentially deal a telling blow to the already sagging recovery of this sector.

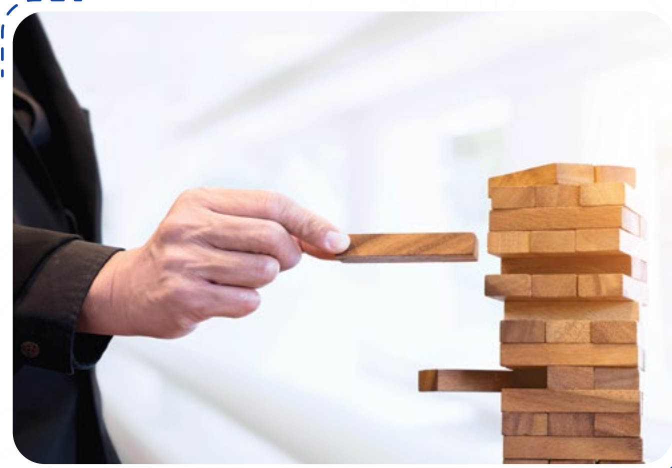
While the near-term outlook remains uncertain, in the middle to long term, the pandemic has thrown open significant growth opportunities for mid-income education institutions. The pandemic is likely to bring about a significant change in the expectations of the students and parents with education institutions offering better physical infrastructure and digital aids for learning. This is likely to accelerate the transformation of the Indian education sector and JM Financial, with its established capabilities and ever-increasing physical presence, is well positioned to leverage on this and build a strong Education Institution Loans business over the next 3 to 5 years.

Business Segments Review (Cont.)

Distressed Credit

This business segment focusses on acquisition of non-performing assets and turning them around by restructuring their debt, streamlining operations and monetising non-core assets.

Previous year, our focus this year too continued to be on recoveries. Despite the pandemic and the resulting national and local lockdowns, we achieved good results with total recovery of ₹ 1,192 crore in FY 2020-21 through the Corporate Insolvency Resolution Process (CIRP), Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI) and settlement.



₹1,192cr

Total recovery in FY 2020-21

We are immensely satisfied as the Resolution Plan was approved for seven cases by National Company Law Tribunal (NCLT). Besides, four cases' Resolution Plan recommended by Committee of Creditors is pending for approval by NCLT. This has been our contribution towards reconstruction of distressed units which will further contribute optimally to the economy of the country and save / generate employment.

Beginning the fourth quarter, we have restarted evaluating few accounts for acquisition. Going forward we would continue to evaluate the right acquisition opportunities and gradually grow our book.

We have raised resources through long-term debt and had cashflows from recoveries which enabled us to reduce gearing from 1.77 times as on March 31, 2020 to 1.70 times as on March 31, 2021.

Our investment strategy focuses on acquiring good-quality assets at the right price and limiting the downside risk by ensuring sufficient underlying security value.

Our goal is to realise the investments and generate returns through the revival of companies, restructuring of debt and/or monetisation of non-core assets and infusion of additional funds, if any.

Our team of professionals from diverse backgrounds are experienced in banking, corporate debt restructuring and bankruptcy. All acquisition/pre-acquisition due diligence (both legal and financial) and resolution/recovery activities are conducted in-house with the specialised support from outside agencies. We closely work with diverse sector-specific professionals and sector-specialised firms for revival of the acquired units. During this year, our focus was on recoveries and prudent liquidity and liability management.

There was a moratorium imposed for 1 year from March, 2020 in the wake of Covid-19 pandemic to refer cases for insolvency which led to delay in the recovery process. The impact of the Covid-19 pandemic on the global market sentiment has been immense. While Covid-19 may not have a direct impact on our business, the evolving global and domestic economic slowdown will influence further demands and realisations.

The RBI recently specified Category I Alternative Investment Funds (AIFs) set up as trust and registered with SEBI under SEBI (Alternative Investment Fund) Regulations, 2012, as 'qualified buyers' for the purpose of investment in Security Receipts issued by an Asset Reconstruction Company (ARC). We believe this would open up exciting opportunity to work with new set of investors. In the past, we have co-invested with the foreign investors and have also been able to down sell few investments in Security Receipts. Going forward, we would continue to work with financial and strategic investors for acquisition which will help us to focus on cash investments in security receipts.

Asset Management

Our Asset Management business (Mutual Fund) offers a bouquet of 12 mutual fund schemes that caters to the specifics of both institutional and individual investors

With schemes in various categories we provide a wide range of retail and corporate investment solutions. Our risk and fund management framework allows us to effectively manage both risk and investments.

We have established our presence across all geographies and have a pan India presence with 13 branches, 81 Investor Service Centres and over 16,000 distributors as on March, 2021.

The average assets under management (AAUM) of JM Financial Mutual Fund for FY 2020-21 stood at around ₹ 3,585 crore with Equity AAUM around ₹ 819 crore and Debt AAUM around ₹ 2,766 crore.

In Alternate Investment Fund vertical, our maiden fund JM Financial Yield Enhancer (Distressed Opportunity) Fund I which has mandate to invest in distressed space declared final close in the month of March 2021 with commitments aggregating ~₹ 146 crore.

₹3,585cr

Average assets under management in FY 2020-21

As Covid-19 pandemic engulfed the entire world, there was high volatility in the stock markets during FY 2020-21. The AUM of the mutual fund industry stood at ~₹ 31.4 trillion as on March 31, 2021. Overall, there were net outflows in the equity category in FY 2020-21. For eight consecutive months from July 2020 to February 2021, there were net outflows from equity funds as investors looked to book profits on worries of higher market valuations. After eight months of consecutive outflows, equity mutual funds witnessed a net inflow in March, 2021 amid a correction in the stock market. The equity fund contribution has come predominantly from capital appreciation as the broader indices such as S&P BSE Sensex and Nifty 50 gained ~70% during FY 2020-21. Money market and debt funds saw good inflows during FY 2020-21 in search of better yields as the infusion of liquidity in the wake of the pandemic had led to a sharp decline in term rates in the economy. However, March 2021 saw outflows in the above category due to financial year end on account of advanced tax and GST payments by institutional investors. The contributions through Systematic Investment Plans (SIPs) continued to remain strong. Industry initiatives such as customer education, 'Mutual Fund Sahi Hai' campaign by Association of Mutual Funds in India (AMFI) and ease of investing through digitisation bolstered the mutual fund industry's assets.

People Practices

Building winning teams

At JM Financial, we care for our people and consider them our most important asset. We onboard bright talent from top institutes and organisations and nurture their passion and ingenuity, building a determined team in the process. Our people strategy revolves around creating the right culture and driving engagement while ensuring excellent talent and performance management.

Talent management

We believe our team's commitment towards attaining our organisational goals reflects in our overall performance. Our people are partners as well as stakeholders in our business who play a pivotal role in helping us retain and further strengthen our market competitiveness.

Employee development

At JM Financial, our priority has always been to build and develop a talent-pool at work with relevant competencies. We encourage an environment of continuous learning and promote both on-the-job and classroom training for skill development and overall progress of our people.

iLearn

Our online learning platform 'iLearn' aims to assist in enhancing knowledge and brushing up the fundamentals. 'iLearn' is an extension of the Learning and Development Programme at JM Financial. It is an one-stop platform which enables our people to register for Online Trainings, Classroom Trainings, Knowledge Community Sessions and External Seminars, Workshops and Conferences.

iLearn is a blend of:

- Online technical and behavioural courses (Online Trainings) which are hosted on the platform. Courses are decided on the basis of the training requirement of employees. These training modules are essentially micro video-based lessons that focus on retention
- External faculty trainings (Classroom Trainings) are conducted through which employees develop their skills
- We also promote open programmes conducted by employees who share their knowledge and expertise on various subject matters (Knowledge Community)

Key courses at iLearn

Employees were encouraged to attend useful courses online on iLearn, our in-house Learning and Development platform.

- Social Media Policy
- POSH (Policy against Sexual Harassment)
- Information Security Awareness

Employee engagement

Workplace celebrations are a great platform for our people to know each other better, strengthen bonds and have fun. Such celebrations are organised to boost morale, facilitate team building, and develop an improved culture of gratitude. Happier and more productive team members are more likely to be associated with us for a longer time.

During the Covid-19 pandemic, we ensured that employees stay connected while working remotely through regular online team meetings, virtual celebrations on birthdays, work anniversaries and deal closures. General catch-up sessions were also organised.

Employees participating in 'Women's Day 2020 #ChooseToChallenge' initiative

We introduced 'Chai pe Charcha' (Virtual Coffee), a unique initiative where we encourage team leaders/ department heads to organise online Chai pe Charcha meetings. We held many e-celebrations on various festive occasions. We also organised an Appreciation Week in which employees shared iCheers with each other.

In addition, photography enthusiasts at JM Financial participated in All India Corporate Photography Contest 2020. We launched #BeJMFit in September 2020 in which we shared a fitness bingo with employees every week and encouraged them to engage in fitness activities.

We also re-launched the 'Did you know' series where we offer details and updates on various policies, benefits and utilities available for our people such as COVID Care Leave, iCheer, Essence, Connect App on Mobile and iLearn.

We also introduced the HR monthly newsletter—Essence—during the year which offers details and updates on various HR-related initiatives.

Well-being and safety

For us, the health and safety of all our people is of utmost priority. During the pandemic, various measures were initiated to ensure that employees and their families stay safe. Regular internal communication was initiated with employees to ensure they remained updated with key developments, government guidelines, advisories and key measures that the group has undertaken.

All our offices were regularly fumigated. Sanitisation facilities were set up. Work from home facility was initiated and IT infrastructure was made available for remote working. HR Business Partners were constantly in touch with the employees to ensure their safety and well-being. While employees continued to work from home, they were also encouraged to 'Learn from Home'.

'COVID-care leave' was introduced for the employees. Given the current scenario, we have decided to continue with it and initiated the doctor consultations on call.

We also launched an initiative called Covid-19 frontliners where the JM Financial family expressed gratitude to the Covid-19 frontline warriors for their services to the nation during these extraordinary times.

We introduced JM Financial SuperHeros, an initiative through which we acknowledged each employee who braved all odds to keep our offices functional during the nationwide lockdown following the safety guidelines. We thanked them for ensuring the operational continuity in all our business verticals and offering timely support to all clients. We also thanked our CSR associates who were working at the grassroot-level to serve less-privileged communities of the society.

Throughout the pandemic, we continued sharing various 'Thank You' emails to the Group companies to acknowledge their support during these unprecedented times.

Awards

During FY 2020-21, we participated in employee engagement surveys and were recognised as one of the best places to work in the 'Great Place to Work 2021' Survey

JM Financial Group has been accredited as Great Place to Work – Certified™ for the year FY 2020-21, by the Great Place to Work Institute for all participating entities.

Corporate Social Responsibility

Standing strong, together!

This year, as the pandemic pushed the world into a long, painful battle, disadvantaged communities found themselves facing a fearful present and a bleak future. While staying indoors and staying safe was the call of the hour, JM Financial stood strong by their side and ensured that our communities' burdens are shared, if not reduced.

We have been dedicated towards integrated rural transformation in some of the remotest geographies of the country. Through JM Financial Foundation, our philanthropic arm, CSR projects and philanthropic initiatives have been able to stay afloat and extend support to the communities that we work with.

Reaching out to flood ravaged communities in the Sunderbans, even during the pandemic

Towards the fight to combat Covid-19, JM Financial undertook several food relief and medical assistance initiatives in Bihar, Jharkhand, Maharashtra and West Bengal, along with several other cities. In addition to these measures, in the space of healthcare, we initiated a new CSR project to deliver last mile primary healthcare services to our communities in Jamui district, Bihar.
Under agriculture and allied activities, while our livestock services remained operational, we worked once again to rebuild our farmers' faith and confidence in the potential of advanced agri-practices. In the field of education, since it was unsafe for children to travel, we found a way to reach out to them at their doorstep.

Last mile healthcare through our new Mobile Health Unit in Bihar

In addition to our existing footprint in six blocks across three districts in Maharashtra, Bihar and Jharkhand, we brought a seventh block, i.e. Khaira (in Jamui district) into the fold of our ongoing, long-term CSR projects.

Our initiatives and their outcomes have been detailed in the Corporate Social Responsibility section of the Management Discussion and Analysis on Page 104-117.

Corporate Information

BOARD OF DIRECTORS

Non-Executive Chairman
Mr. Nimesh Kampani

Managing Director
Mr. Vishal Kampani

Independent Directors
Mr. E A Kshirsagar
Mr. Darius E Udwadia
Mr. Paul Zuckerman
Dr. Vijay Kelkar
Mr. Keki Dadiseth
Ms. Jagi Mangat Panda
Mr. P S Jayakumar
(Additional Independent Director)

GROUP HEAD – COMPLIANCE, LEGAL & COMPANY SECRETARY

Mr. Prashant Choksi

GROUP CHIEF FINANCIAL OFFICER

Mr. Manish Sheth

PRINCIPAL BANKER

HDFC Bank Limited

STATUTORY AUDITORS

Deloitte Haskins & Sells LLP

REGISTRAR & TRANSFER AGENTS

KFin Technologies Private Limited
Unit: JM Financial Limited
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally Mandal
Hyderabad – 500 032
Toll Free no.: 1800 309 4001
Email ID: einward.ris@kfintech.com
Website: www.kfintech.com

REGISTERED OFFICE

JM Financial Limited
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025
Tel: 91-22-6630 3030 Fax: 91-22-6630 3223
Email ID: ecommunication@jmfl.com
Website: www.jmfl.com

CIN: L67120MH1986PLC038784

Notice

NOTICE IS HEREBY GIVEN THAT THE THIRTY SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF JM FINANCIAL LIMITED (THE "COMPANY") WILL BE HELD ON WEDNESDAY, JULY 28, 2021 AT 4.00 PM THROUGH VIDEO CONFERENCING ("VC")/OTHER AUDIO VISUAL MEANS ("OAVM") TO TRANSACT THE FOLLOWING BUSINESS:

Ordinary Business

1. **To receive, consider and adopt:**
   (a) the audited standalone financial statements of the Company consisting of the balance sheet as at March 31, 2021, the statement of profit and loss, cash flow statement and statement of changes in equity for the year ended on that date and the explanatory notes annexed to, and forming part of, any of the said documents together with the reports of the board of directors and the auditors' thereon; and

   (b) the audited consolidated financial statements of the Company consisting of the balance sheet as at March 31, 2021, the statement of profit and loss, cash flow statement and statement of changes in equity for the year ended on that date and the explanatory notes annexed to, and forming part of, any of the said documents together with the auditors' report thereon.

2. To declare a dividend for the financial year ended March 31, 2021.

3. To appoint a director in place of Mr. Nimesh Kampani (DIN 00009071), who retires by rotation pursuant to the provisions of section 152 of the Companies Act, 2013 and being eligible, seeks re-appointment.

Special Business

4. **Appointment of Mr. P S Jayakumar (DIN 01173236) as an independent director**
   To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to the provisions of sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (the "**Act**") and the rules made thereunder read with schedule IV to the Act and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force, and subject to such other laws, rules and regulations as may be applicable in this regard, Mr. P S Jayakumar (DIN 01173236), who was appointed by the Board of Directors (the "**board**") of the Company on July 30, 2020, based on the recommendation of Nomination and Remuneration Committee, as an additional (independent) director of the Company in terms of section 161(1) of the Act and in accordance with the Articles of Association of the Company and whose term of office expires at the thirty sixth annual general meeting and in respect of whom, the Company has received a notice in writing from a member under section 160 of the Act proposing his candidature for the office of a director, be and is hereby appointed as an independent director of the Company, not liable to retire by rotation, for a term not exceeding five (5) consecutive years with effect from July 30, 2020."

   "**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, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

5. **Continuation of directorship of Mr. Nimesh Kampani (DIN 00009071)**
   To consider and, if thought fit, to pass the following resolution as a special resolution:

   "**RESOLVED THAT** pursuant to regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the applicable provisions, if any, of the Companies Act, 2013 and the applicable rules made thereunder, including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force, approval of the members be and is hereby granted to Mr. Nimesh Kampani (DIN 00009071), for continuing to hold the directorship of the Company notwithstanding he attaining the age of seventy five (75) years on September 30, 2021."

   "**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

6. **Approval for related party transactions with JM Financial Credit Solutions Limited**
   To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to the provisions of regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "**Listing Regulations**") and section 188 of the Companies Act, 2013 (the "**Act**"), if and to the extent applicable, and other applicable provisions of the Act read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force and subject to such other laws, rules and regulations as may be applicable in this regard, consent of the members of the Company be and is hereby accorded to the Board of Directors (the "**board**", which term shall include any of the Committees thereof) to enter into any and all transactions/contracts/arrangements with JM Financial Credit Solutions Limited ("**JM Financial Credit Solutions**"), a subsidiary of the Company and a 'related party' as defined in section 2(76) of the Act and regulation 2(1)(zb) of the Listing Regulations, inter alia, relating to making of loan(s) to, and/or giving of guarantee(s) or providing security(ies) on behalf of JM Financial Credit Solutions and/or making of any investments in the securities of JM Financial Credit Solutions and/or the purchase from and/or sale to it of any securities and/or providing/availing of any services by the Company to/from JM Financial Credit Solutions, on such terms and conditions as the board, in its absolute discretion, may deem fit PROVIDED HOWEVER THAT the total aggregate amount/value of all such transactions/contracts/arrangements that may be entered into by the Company with JM Financial Credit Solutions and remaining outstanding at any point of time shall not exceed ₹ 500 crore (Rupees Five hundred crore only) during a financial year."

   "**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, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

7. **Approval for related party transactions with JM Financial Asset Reconstruction Company Limited**
   To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to the provisions of regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "**Listing Regulations**") and section 188 of the Companies Act, 2013 (the "**Act**"), if and to the extent applicable, and other applicable provisions of the Act read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force and subject to such other laws, rules and regulations as may be applicable in this regard, consent of the members of the Company be and is hereby accorded to the Board of Directors (the "**board**", which term shall include any of the Committees thereof) to enter into any and all transactions/contracts/arrangements with JM Financial Asset Reconstruction Company Limited ("**JM Financial ARC**"), a subsidiary of the Company and a 'related party' as defined in section 2(76) of the Act and regulation 2(1)(zb) of the Listing Regulations, inter alia, relating to making of loan(s) to, and/or giving of guarantee(s) or providing security(ies) on behalf of JM Financial ARC and/or making of any investments in the securities of JM Financial ARC and/or the purchase from and/ or sale to it of any securities and/or providing/ availing of any services by the Company to/from JM Financial ARC, on such terms and conditions as the board, in its absolute discretion, may deem fit PROVIDED HOWEVER THAT the total aggregate amount/value of all such transactions/contracts/arrangements that may be entered into by the Company with JM Financial ARC and remaining outstanding at any point of time shall not exceed ₹ 500 crore (Rupees Five hundred crore only) during a financial year."

   "**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, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

8. **Approval for related party transactions with JM Financial Products Limited**
   To consider and, if thought fit, to pass the following resolution as an ordinary resolution:

   "**RESOLVED THAT** pursuant to the provisions of regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "**Listing Regulations**") and section 188 of the Companies Act, 2013 (the "**Act**"), if and to the extent applicable, and other applicable provisions of the Act read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, including any amendment(s), statutory modification(s) and/or re-enactment(s) thereof for the time being in force and subject to such other laws, rules and regulations

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as may be applicable in this regard, consent of the members of the Company be and is hereby accorded to the Board of Directors (the "**board**", which term shall include any of the Committees thereof) to enter into any and all transactions/contracts/arrangements with JM Financial Products Limited ("**JM Financial Products**"), a subsidiary of the Company and a 'related party' as defined in section 2(76) of the Act and regulation 2(1)(zb) of the Listing Regulations, relating to making of loan(s) to, and/or giving of guarantee(s) or providing security(ies) on behalf of JM Financial Products and/or making of any investments in the securities of JM Financial Products and/or the purchase from and/or sale to it of any securities and/or providing/availing of any services by the Company to/from JM Financial Products, on such terms and conditions as the board, in its absolute discretion, may deem fit PROVIDED HOWEVER THAT the total aggregate amount/value of all such transactions/contracts/ arrangements that may be entered into by the Company with JM Financial Products and remaining outstanding at any point of time shall not exceed ₹ 500 crore (Rupees Five hundred crore only) during a financial year."

"**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, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

9. **Approval for issuance of non-convertible debentures**

To consider and, if thought fit, to pass the following resolution as a special resolution:

"**RESOLVED THAT** pursuant to sections 23, 42, 71 and other applicable provisions of the Companies Act, 2013 (the "**Act**") read with the 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 Debt Securities) Regulations, 2008 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable SEBI regulations and guidelines, Reserve Bank of India guidelines along with 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(s) 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 (the "**board**", which term shall include any Committee 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 ₹ 1,000 crore (Rupees One thousand 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 the borrowings including by way of the NCDs will be within the overall limit of borrowing approved by the members of the Company from time to time."

"**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, proper or expedient to give full effect to the above resolution and matters connected therewith or incidental thereto."

By Order of the Board

Prashant Choksi
Group Head - Compliance, Legal
& Company Secretary

Place: Mumbai
Date: June 21, 2021

Registered Office:
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi,
Mumbai - 400 025
(CIN: L67120MH1986PLC038784)

Notes:

1. In order to maintain the social distancing norms, the Ministry of Corporate Affairs (the "**MCA**") vide its circular no. 02/2021 dated January 13, 2021 and Securities and Exchange Board of India (the "**SEBI**") vide its circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, have allowed the companies whose Annual General Meeting (the "**AGM**") is due in the calendar year 2021, to conduct the same through Video Conferencing ("**VC**") and/or Other Audio Visual Means ("**OAVM**") facility.

2. The thirty sixth annual general meeting of the Company is therefore convened through VC/OAVM in accordance with the various circulars issued by MCA viz., circular no. 14/2020 dated April 8, 2020, circular no. 17/2020 dated April 13, 2020, circular no. 20/2020 dated May 5, 2020, circular no. 02/2021 dated January 13, 2021 (the "**MCA Circulars**") and SEBI viz., circular SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (the "**SEBI Circulars**") (together referred as the "**Circulars**"), without the physical presence of the members at a common venue. Members can, if they so desire, access these Circulars on the website of the Company viz., https://jmfl.com/investor-relation/agm-egm.html

3. The relevant statement to be annexed to the Notice pursuant to section 102 of the Companies Act, 2013 (the "**Act**"), which sets out details relating to the special business at item nos. 4 to 9 is annexed hereto and forms part of the Notice.

4. Pursuant to the applicable provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her/its behalf and the proxy need not be a member of the Company. Since this AGM is being held through VC/OAVM, physical attendance of the members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the proxy form and attendance slip are not annexed to this Notice.

5. The body corporate/institutional investors, who are members of the Company, are encouraged to attend the meeting through VC/OAVM mode and vote electronically and are also requested to send scanned copy (PDF/JPG format) of its board or governing body resolution/authorization, authorizing its representative(s) to attend the AGM through VC/OAVM on their behalf and vote through remote e-voting. The said resolution/authorization shall be emailed to the Scrutinizer at jayshreedagli@gmail.com and copy marked to ecommunication@jmfl.com and evoting@nsdl.co.in

6. The register of members of the Company remained closed from Tuesday, June 1, 2021 to Friday, June 4, 2021 (both the days inclusive) for the purpose of AGM and for determining the members entitled to receive the dividend for the financial year 2020-21, if declared at the ensuing AGM.

7. Members may note that the Board of Directors (the "**board**"), at its meeting held on May 5, 2021, has recommended a dividend of ₹ 0.50 per share. The dividend, once declared at the ensuing AGM, will be paid on and from Thursday, July 29, 2021 to those members:

   a. whose names appeared in the statement of beneficial ownership furnished by National Securities Depository Limited and Central Depository Services (India) Limited at the close of the business hours on Monday, May 31, 2021 in respect of shares held by them in dematerialised form; and

   b. whose names appeared in the register of members at the close of business hours on Monday, May 31, 2021 in respect of shares held by them in physical form.

8. Pursuant to the Income-tax Act, 1961 (the "**IT Act**"), as amended by the Finance Act, 2020, dividend paid or distributed by a company w.e.f. April 1, 2020, shall be taxable in the hands of the members. Accordingly, the Company shall be required to deduct tax at source (the "**TDS**") at the time of making payment of the dividend. The withholding tax rate would vary depending on the residential status of each member and the documents submitted by them and accepted by the Company. Accordingly, the dividend, if declared by the members, will be paid after deducting the tax at source in the following manner:

For resident members

1. Where, the Permanent Account Number (the "**PAN**") is available and is valid,

   a. Tax shall be deducted at source in accordance with the provisions of the IT Act, 1961 at 10% on the amount of dividend.

   b. No tax shall be deducted in the case of a resident individual shareholder, if:

      i. the amount of such dividend in aggregate paid or likely to be paid during the financial year does not exceed ₹ 5,000; or

      ii. the member provides the duly signed Form 15G (applicable to any person other than a company or a firm) or Form 15H (applicable to an individual above the age of 60 years) subject to meeting all the prescribed eligibility conditions. The format of Form 15G and Form 15H are available on the website of the Company viz., https://jmfl.com/investor-relations/form15g.pdf and https://jmfl.com/investor-relations/form15h.pdf respectively. The said form(s) may be provided by the member, by way of email, to the Company's Registrar and Transfer Agents (the "**RTA**") at einward.ris@kfintech.com or to the Company at ecommunication@jmfl.com

2. No tax will be withheld from dividend paid to Mutual Funds, Category - I & II Alternative Investment Funds, Infrastructure Investment Trusts and Real Estate Investment Trusts registered with SEBI, Life Insurance Corporation of India, General Insurance Corporation

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of India, companies formed under General Insurance Business (Nationalisation) Act, 1972 or any other insurer or other members having exemption under the applicable provisions of the IT Act.

Such resident members are required to provide details and documents as per declaration in the prescribed format available on website of the Company viz., https://jmfl.com/investor-relations/SelfDeclarationbyResidents.docx

In case, members (both ₹ individuals and non-individuals) provide certificate under section 197 of the IT Act for lower/NIL withholding of taxes, then the rate specified in the said certificate shall be considered by the Company only on submission of the self-attested copy of the same.

For non-resident members

1. Tax will be deducted at source in accordance with the provisions of the IT Act at the rates for the time being in force. The said rate would be exclusive of surcharge and cess, which will be levied, as applicable. Currently, the rate of deduction of tax at source is 20% (plus applicable surcharge and cess) on the amount of dividend.

2. As per the provisions of the IT Act, the non-resident member may have an option to be governed by the provisions of the Double Tax Avoidance Agreement/ Treaty (the "**DTAA**") between India and the country of tax residence of the member, if such DTAA provisions are more beneficial to them. To avail the DTAA benefits, the non-resident shareholder shall furnish all the following documents to the Company's RTA:

    a. Self-attested copy of the PAN if allotted by the Indian Income Tax Authorities;

    b. Self-attested Tax Residency Certificate ("**TRC**") issued by the tax authorities of the country of which member is a resident, evidencing and certifying member's tax residency status during the financial year 2021-22;

    c. Completed and duly signed self-declaration in Form 10F, draft format available on the website of the Company viz., https://jmfl.com/investor-relations/form10f.pdf

    d. Self-declaration for the financial year 2021-22 in the prescribed format available on website of the Company viz., https://jmfl.com/investor-relations/SelfDeclarationbyNonResidents.docx

    e. In case of Foreign Institutional Investors and Foreign Portfolio investors, certified true copy of the SEBI registration certificate.

3. In case, non-resident members provide certificate under section 195 or 197 of the IT Act, for lower/Nil withholding of taxes, rate specified in the said certificate shall be considered, upon submission of self-attested copy of the same.

4. The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction/withholding on dividend amounts. Application of beneficial DTAA Rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by the concerned non-resident member.

Deduction of Tax at Higher Rate

1. Under section 206AA of the IT Act, where the PAN is either not available or is invalid, tax shall be deducted at the rate specified in the relevant provisions of the IT Act or at the rates for the time being in force or 20%, whichever is higher.

    Section 206AA will not apply in case of non-resident members subject to fulfilment of conditions laid down in Rule 37BC of the Income Tax Rules, 1962 (the "**IT Rules**").

2. Further, Finance Act, 2021 has introduced section 206AB in the IT Act with effect from July 1, 2021, whereby tax is required to be deducted at the higher of following:

    a) Twice the rates specified in the relevant provisions of the IT Act; or

    b) Twice the rates in force; or

    c) 5%

    on payments made to a 'specified person'.

    A 'specified person' means a person who has not filed his tax returns for the immediately preceding two financial years prior to the year in which tax is required to be deducted and the time limit for filing such tax returns has lapsed, and the aggregate of tax deducted at source and tax collected at source in his case is ₹ 50,000 or more in each of the two financial years. The provisions of section 206AB shall not apply to a non-resident payee who does not have a permanent establishment in India.

    Such members are required to provide declaration in the prescribed format available on website of the Company viz., https://jmfl.com/investor-relations/SelfDeclarationbyResidents.docx

3. Where the provisions of section 206AA and 206AB of the IT Act are found to be applicable together, the higher of the two rates under the respective sections shall be applicable for deduction of tax at source.

Other points for consideration

1. In terms of rule 37BA of the IT Rules, if dividend income on which tax has been deducted at source is assessable in the hands of a person other than the deductee, then deductee should file declaration with the Company in manner prescribed in the IT Rules.

2. Members holding shares under multiple accounts having different status/category and single PAN, may note that, higher of the tax as applicable to the status in which shares held under a PAN will be considered on their entire holding in multiple accounts.

3. Members are requested to ensure that their Aadhar number is linked with their PAN, within the timelines prescribed. In case the Aadhar number is not linked with the PAN within the prescribed timelines, the PAN shall be considered inoperative and, in such scenario, tax shall be deducted at higher rate of 20%.

    Kindly note that in order to enable the Company to determine and deduct appropriate TDS/withholding tax, the scanned copy of the duly signed documents as mentioned above are required to be emailed to the Company at ecommunication@jmfl.com or to its RTA, at einward.ris@kfintech.com

    For withholding of taxes, the residential status of the members will be considered as per the data available with the Company/RTA/the Depository Participants (the "**DPs**"). In case there is change in their status, then the members are requested to update their current status with the Company/RTA/the DPs.

    Kindly note that in case the tax on the dividend is deducted at a higher rate in absence of receipt of the aforementioned details/documents, there would still be an option available to file the return of income and claim an appropriate refund, if eligible.

    Kindly note that no claim shall lie against the Company for such taxes deducted.

    The Company shall arrange to email a soft copy of the TDS certificate at the members' registered email ID post payment of the dividend. Shareholders will also be able to see the credit of TDS in Form 26AS, which can be downloaded from their e-filing account at https://incometaxindiaefiling.gov.in

    For any other information/clarification with regard to the above, kindly write to us at ecommunication@jmfl.com or our RTA at einward.ris@kfintech.com

9. The MCA Circulars have allowed the companies to send the annual reports to their members via email. Members, who have not registered their email addresses so far, are requested to promptly intimate the same to their respective DPs or to the Company/it's RTA, as the case may be. Further, we also request the members to register and/or update their PAN and bank account details in order to enable the Company to credit dividend directly in to their bank accounts through Electronic Clearing Services (the "**ECS**")/National Automated Clearing House (the "**NACH**"):

    Members holding shares in physical form are requested to submit their PAN, bank account details and documents pertaining to address proof details to the Company or to its RTA, if not submitted earlier.

    We therefore request the members to immediately submit/update the following details:

Particulars	Members holding shares in physical mode	Members holding shares in electronic mode (Demat)
Registration/Updation of email address and PAN	For registration of the email address , send the "**registered email address**" and for updation of PAN, email the scanned copy of self-attested PAN card and other details to the Company at ecommunication@jmfl.com or to the RTA at einward.ris@kfintech.com	Register/update the email address and PAN through the DPs.
Registration/Updation of bank account details	Email the scanned copy of the letter duly signed by the member(s), including all the joint holders, if any, with the bank account details/updated details to the Company at ecommunication@jmfl.com or to the RTA at einward.ris@kfintech.com	Register/update the bank account details in demat account of the members through the DPs.

(The above letter should be accompanied by scanned copy of cancelled cheque of the first member's bank account having his/her name printed on the same and self-attested scanned copy of the first page of bank passbook/statement.)

Like the previous year, the Company will send its annual report to the members by email and dividend will be

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directly credited to the members' respective bank accounts. In case if the details of the bank account are not available, then the Company shall dispatch the dividend demand drafts/pay orders to such members by post at such address available with the Company or its RTA.

10. Members, who have not yet claimed their final dividend for the financial year 2013-14 and/or for any subsequent financial years, are requested to immediately claim the same from the Company or its RTA, as the unclaimed dividend for the financial year 2013-14 will be due for transfer to the Investor Education and Protection Fund (the "**IEPF**") in August 2021.

    Details of the members whose dividend has remained unclaimed/unpaid up to 2018-19 as on the date of the thirty fifth AGM held on July 30, 2020, has been uploaded on the website of the IEPF viz., www.iepf.gov.in and also under "Investor Relations" section on the website of the Company viz., https://jmfl.com/investor-relation/unclaimed-dividend.html

11. The shares, in respect of which the dividend has not been claimed for seven (7) consecutive years or more, shall be transferred to the IEPF Authority, in accordance with section 124(6) of the Act read with the IEPF Rules. All such shares are transferred by way of credit to the demat account established by the IEPF Authority for the said purpose.

    The shares in respect of which the final dividend has not been claimed for seven (7) consecutive years from the financial year 2013-14, (barring the shares that have already been transferred by the Company to IEPF in September 2020 and March 2021) are due to be transferred by the Company in the name of IEPF Authority in August, 2021.

    The Company has been sending periodic reminders to the members to claim their dividends, if any, remaining unclaimed. In accordance with the IEPF Rules, the Company has sent notices to those members whose shares were due for transfer to IEPF Authority and simultaneously published a general notice by way of an advertisement in newspapers.

    Members whose unclaimed dividend/shares have already been transferred to IEPF/IEPF Authority may claim back such dividend and shares including all benefits, if any, accruing on such dividend/shares from IEPF/IEPF Authority by following the procedure prescribed in the IEPF Rules.

    In case of any queries/clarification for claiming the dividend/shares from IEPF/IEPF Authority, members may contact the nodal officer, viz., Mr. Prashant Choksi, Group Head - Compliance, Legal & Company Secretary of the Company at ecommunication@jmfl.com

    The details in respect of amount of unclaimed dividend for last seven (7) years are given in the general shareholders' information section forming part the annual report.

12. In compliance with the applicable circulars, electronic copy of the annual report for the financial year 2020-21 is being sent to those members whose email IDs are registered with their respective DPs, the Company or its RTA, viz., KFin Technologies Private Limited (the "**KFintech**"). Members, who have not registered their email addresses so far, are requested to promptly intimate the same to their respective DPs or to the Company/its RTA, as the case may be, by following the instructions as mentioned in point no. 9 of this Notice.

    Members may also note that the annual report for the financial year 2020-21 including the Notice convening the thirty sixth AGM will also be available on the Company's website viz., https://jmfl.com/annual-report and on the website of the stock exchanges i.e., BSE Limited (the "**BSE**") at www.bseindia.com and National Stock Exchange of India Limited (the "**NSE**") at www.nseindia.com Additionally, certificate from statutory auditors certifying that the Company's Employees' Stock Options Scheme is in accordance with the applicable SEBI regulations and other statutory documents for inspection as required under the Act will also be available for online inspection.

13. Members of the Company at the thirty second AGM held on July 24, 2017 had appointed Deloitte Haskins & Sells LLP (ICAI Firm Registration Number 117366W/W-100018) as the statutory auditors of the Company to hold office for a period of five (5) years from the conclusion of that AGM till the conclusion of the thirty seventh AGM. The requirement to place the matter relating to ratification of appointment of auditors by the members at every AGM has been done away with, by the Companies (Amendment) Act, 2017, with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at this AGM.

14. The Company has paid the annual listing fees for the financial year 2021-22 to BSE and NSE.

15. In accordance with the provisions of section 72 of the Act, members are entitled to make nomination in respect of the shares, if any, held by them in physical form. Members desirous of making nominations may send their request in Form No. SH-13 in duplicate to the Company or to its RTA. Members may obtain a blank Form No. SH-13 upon request to the Company or its RTA or download the same from the Company's webiste viz., https://jmfl.com/investor-relations/Nomination_form.pdf. In case of shares held in demat form, members are requested to submit the said details to their respective DPs.

16. The Company has made necessary arrangements for its members to hold their shares in dematerialised form. Those members who are still holding shares in physical form are requested to dematerialise their shares by approaching any of the registered DPs. As per regulation 40 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**"), securities of listed companies can be transferred only in dematerialised form with effect from April 1, 2019, except in case of transmission or transposition. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members may write to the Company Secretary at ecommunication@jmfl.com in case they wish to get their securities dematerialised.

17. Payment of dividend through **ECS/NACH**

    All companies are mandatorily required to use **ECS/NACH** facility wherever available for payment of dividend, wherein the dividend amount would be directly credited to the members' respective bank accounts.

    Members holding shares in electronic form are informed that bank particulars registered in their respective demat accounts will be used by the Company for payment of dividend. The Company or its RTA cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. All members holding shares in electronic form are, therefore, requested to update their correct bank details with their DPs to ensure receipt of dividend through **ECS/NACH** mode. Members holding shares in physical form and desirous of either registering their bank particulars or changing bank particulars already registered in their respective folios for payment of dividend, are requested to write to the Company or to its RTA. In case, the details of the bank account are not available, then the Company shall dispatch the dividend pay order to such member by post.

    Members are requested to immediately notify any change in their address to their respective DPs in case they hold shares in electronic form; and to the Company or its RTA, if they hold shares in physical mode.

18. The relevant details as required under regulation 36(3) of the Listing Regulations and clause 1.2.5 of Secretarial Standard-2 on general meetings issued by the Institute of Company Secretaries of India (SS-2), in respect of the persons seeking appointment/re-appointment as directors are given in annexure forming part of this Notice.

19. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under section 103 of the Act.

20. Since the AGM will be held through VC/OAVM, the Route Map is not annexed to the Notice.

21. The instructions to members for remote e-voting and joining AGM are as under**:-**

    a) In compliance with the provisions of section 108 of the Act, rule 20 of the Companies (Management and Administration) Rules, 2014 and regulation 44 of the Listing Regulations, the Company has provided to its members, the facility to exercise their right to vote on resolutions proposed to be passed at the thirty sixth AGM by electronic means (the "**e-AGM**") and the business may be transacted through e-voting process. The Company has engaged the services of **National Securities Depository Limited** (the "**NSDL**") for providing the facility of casting the vote(s) by the members using the electronic voting system (the "**remote e-voting**") and e-voting system (the "**e-voting**") at the e-AGM.

    b) Members who have cast their vote(s) by remote e-voting prior to the e-AGM may also attend/participate in the e-AGM through VC/OAVM but shall not be entitled to cast their vote(s) again.

    c) Members who have not cast their vote(s) on the resolutions through remote e-voting, will be able to vote at the meeting through the online e-voting facility which shall be made available by NSDL at the e-AGM.

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d) Once the vote on a resolution is cast by a member through e-voting, the concerned member shall not be allowed to change it subsequently or cast the vote(s) again.

e) A person who is not a member as on the cut-off date should treat this Notice of e-AGM for information purpose only.

f) The remote e-voting period commences on Saturday, July 24, 2021 (9:00 am) and ends on Tuesday, July 27, 2021, (5.00 pm). During this period, the members of the Company holding shares either in dematerialised form or in physical form (as on the cut-off date of Wednesday, July 21, 2021) may cast their vote(s) by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter.

g) The voting right of members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date i.e Wednesday, July 21, 2021.

h) Any person holding shares in physical form and non-individual members who becomes a member of the Company after dispatch of the Notice of the meeting and holding shares as on the cut-off date i.e., Wednesday, July 21, 2021, may obtain the Login Id and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting, then you can use your existing user id and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" or "Physical User Reset Password" option available on www.evoting.nsdl.com or call on toll free no. 1800 1020 990 and 1800 22 44 30.

   In case of individual members holding securities in demat mode may follow steps mentioned in the Notice of the e-AGM under "**Access to NSDL e-Voting system**".

i) The details of the process and manner for remote e-voting are explained below:-

   NSDL e-voting system consists of "**Two Steps**" which are mentioned below:

   Step 1: Access to NSDL e-voting system; and

   Step 2: Cast your vote electronically and join the e-AGM NSDL e-voting system.

Details on Step 1 are mentioned below:

A) Login method for e-voting and joining the e-AGM for members holding shares in the demat mode

In terms of SEBI circular CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "*e-voting facility provided by Listed Companies"* individual members holding securities in demat mode are allowed to vote through their demat account maintained with depositories and depository participants. Members are advised to update their mobile number and email id in their demat accounts in order to access e-voting facility.

The login method for members holding securities in demat mode with depositories viz., NSDL and Central Depository Services Ltd (the "**CDSL**") and depository participants are given below:-

a) **through NDSL:**

1. If the member is already registered for NSDL IDeAS facility:

   i. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a personal computer or on a mobile.

   ii. Once the home page of e-Services is launched, click on the "**Beneficial Owner**" icon under "**Login**" which is available under "**IDeAS**" section.

   iii. A new screen will open. Enter your User Id and password. After successful authentication, you will be able to see e-voting services.

   iv. Click on "**Access to e-voting**" under e-voting services and you will be able to see e-voting page.

   v. Click on options available against company name or **e-voting service provider i.e NSDL** and you will be re-directed to NSDL e-voting website for casting your vote (s) during the remote e-voting period or joining virtual meeting and voting during the meeting.

2. If the member is not registered for NSDL IDeAS facility:

   i. option to register is available at https://eservices.nsdl.com

   ii. Select "**Register Online for IDeAS**" portal or click viz., https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp

   iii. Please follow steps given in points i-v above.

3. e-Voting website of NSDL:

   i. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

   ii. Once the home page of e-voting system is launched, click on the icon "**Login**" which is available under '**Shareholder/Member**' section.

   iii. A new screen will open. You will have to enter your User Id (i.e. your sixteen digit demat account number held with NSDL), password/one time password (the "**OTP**") and a verification code as shown on the screen.

   iv. After successful authentication, you will be redirected to NSDL website wherein you can see e-voting page. Click on options available against company name or **e-voting service provider** - **NSDL** and you will be redirected to e-voting website of NSDL for casting your vote(s) during the remote e-voting period or joining virtual meeting and voting during the meeting.

b) **through CDSL**

1. Existing users who have opted for Easi/Easiest, they can login through their user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi/Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.

2. After successful login of Easi/Easiest the user will be also able to see the E Voting menu. The menu will have links of **e-voting service provider i.e. NSDL.** Click on **NSDL** to cast your vote(s).

3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-voting page by providing demat account number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending the OTP on registered mobile and email as recorded in the demat account. After successful authentication, user will be provided links for the respective ESP i.e. **NSDL** where the e-voting is in progress.

(c) **through depository participants**

1. You can also login using the login credentials of your demat account through your depository participant registered with NSDL/CDSL for e-voting facility. Once login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL depository site after successful authentication, wherein you can see e-voting feature. Click on options available against company name or **e-voting service provider i.e NSDL** and you will be redirected to e-voting website of NSDL for casting your vote(s) during the remote e-voting period or joining virtual meeting and voting during the meeting.

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

(d) Members holding securities in demat mode may contact at following helpdesk of NSDL and CDSL in case of any technical issues related to login through respective depositories.

   a) NSDL:- mail on evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.

   b) CDSL:- mail on helpdesk.evoting@cdslindia.com or call at 022- 23058738 or 022-23058542-43.

B) Login method for members other than individual members holding securities in demat mode and members holding securities in physical mode.

1. Visit the e-voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

2. Once the home page of e-voting system is launched, click on the icon "**Login**" which is available under '**Shareholder/Member**' section.

3. A new screen will open. You will have to enter your user id, your password/OTP and a verification code as shown on the screen.

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

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4. Your User ID details are given below :

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

5. Password details for members other than individual members are given below:

a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote(s).

b) If you are using NSDL e-voting system for the first time, you will need to retrieve the '**initial password**' which was communicated to you. Once you retrieve your '**initial password**', you need to enter the 'initial password' and the system will force you to change your password.

c) **How to retrieve your 'initial password'?**

(i) If your email id is registered in your demat account or with the company, your 'initial password' is communicated to you on your email id. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client Id for NSDL account, last 8 digits of client Id for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User id' and your 'initial password'

If your email id is not registered, please follow steps mentioned in **process for those members whose email ids are not registered**.

6. If you are unable to retrieve or have not received the "**Initial password**" or have forgotten your password:

a) Click on "**Forgot User Details/Password**?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com

b) "**Physical User Reset Password**?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address, etc.

d) Members can also use the OTP based login for casting the vote(s) on the e-voting system of NSDL.

7. After entering your password, tick on agree to "**Terms and Conditions**" by selecting on the check box.

8. Now, you will have to click on "**Login**" button.

9. After you click on the "**Login**" button, Home page of e-voting will open.

Details on Step 2 are mentioned below:

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

a) After successful login at Step 1, you will be able to see all the companies "**EVEN**" in which you are holding shares and whose voting cycle and general meeting is in active status.

b) Select "**EVEN (116211)**" of the Company to cast your vote(s) during the remote e-voting period and casting your vote(s) during the e-AGM. For joining virtual meeting, you need to click on "**VC/OAVM**" link placed under "**Join General Meeting**".

c) Now you are ready for e-voting as the voting page opens.

d) Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "**Submit**" and also "**Confirm**" when prompted.

e) Upon confirmation, the message "**Vote cast successfully**" will be displayed.

f) You can also take the printout of the vote(s) cast by you by clicking on the print option on the confirmation page.

g) Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

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

a) In case shares are held in physical mode please provide folio no., name of member, scanned copy of the share certificate (front and back), self attested scanned copy of PAN card, self attested scanned copy of Aadhar card by email to ecommunication@jmfl.com

b) In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), name, client master or copy of consolidated account statement, self attested scanned copy of PAN card, self attested scanned copy of Aadhar card to ecommunication@jmfl.com. If you are an individual member holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A)** i.e. **Login method for e-voting and joining virtual meeting for Individual members holding securities in demat mode**.

c) Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

d) In terms of SEBI circular dated December 9, 2020 on e-voting facility provided by listed companies, individual members holding securities in demat mode are allowed to vote through their demat account maintained with depositories and depository Participants. Members are required to update their mobile number and email ID correctly in their demat account in order to access e-voting facility.

22. The instructions to members for e-voting on the day of the e-AGM are as under:-

a) The procedure for e-voting on the day of the e-AGM is same as the instructions mentioned above for remote e-voting.

b) Only those members/ shareholders, who are present in the e-AGM through VC/OAVM facility and have not cast their vote(s) on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system in the e-AGM.

c) In case of any queries, you may refer frequently asked questions (FAQs) and e-voting user manual for shareholders available at the download section of www.evoting.nsdl.com or may contact the authorised representative of NSDL, viz., Mr. Amit Vishal, Senior Manager at amitv@nsdl.co.in / 022-24994360 or contact at 1800 1020 990 and 1800 22 44 30 or can send mail at evoting@nsdl.co.in.

d) Ms. Jayshree S Joshi, Company Secretary (Membership No. FCS 1451), Proprietress of Jayshree Dagli & Associates, Company Secretaries, Mumbai, is appointed by the board of the Company to scrutinize the e-voting (both remote e-voting and e-voting) in a fair and transparent manner.

e) Scrutinizer shall, immediately after the conclusion of voting at the e-AGM, first count the votes cast during the e-AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the e-AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing, who shall countersign the same.

The voting result declared along with the report of the Scrutiniser shall be placed on the website of the Company, viz., www.jmfl.com and on the website of NSDL immediately after the declaration of result by the Chairman or by a person, duly authorised for the purpose. The results shall also be forwarded to the BSE Limited and National Stock Exchange of India Limited, where the equity shares of the Company are listed within the prescribed timelines.

Subject to receipt of requisite number of votes, the resolutions as stated in this Notice shall be deemed to have been passed on the date of the e-AGM i.e., Wednesday, July 28, 2021.

23. Instructions to members for attending the e-AGM through VC/OAVM are as under:

a) Member will be provided with a facility to attend the e-AGM through VC/OAVM through the NSDL e-voting system. Members may access by following the steps mentioned above for **Access to NSDL e-voting system**. After successful login, you can see link of "**VC/OAVM link**" placed under **"Join General meeting"** menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN (116211) of Company will be displayed. Please note that the members who do not have the User Id and password for e-voting or have forgotten the User Id and password may retrieve the same by following the remote e-voting instructions mentioned in the notice to avoid last minute rush.

b) Facility for joining the e-AGM through VC/OAVM shall be opened thirty (30) minutes before the time scheduled for the e-AGM and shall be kept opened throughout the proceedings of e-AGM. This does not include large members (members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the audit committee, nomination

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and remuneration committee and stakeholders relationship committee, auditors etc. who are allowed to attend the e-AGM without restrictions.

c) Members will be allowed to attend the e-AGM through VC/OAVM on first come first served basis.

d) Members are encouraged to join the e-AGM through laptops with Google Chrome for better experience.

e) Members will be required to allow "camera" and use internet with a good speed to avoid any disturbance during the meeting.

f) Please note that participants connecting from mobile devices or tablets or through laptop connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable wi-fi or LAN connection to mitigate any kind of aforesaid glitches.

g) It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "**Forgot User Details/Password?**" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password

h) **Sending questions prior to e-AGM and Speaker registration during e-AGM session:**

   a) Members are encouraged to express their views/send their queries in advance mentioning their name, demat account number (DP ID & CLIENT ID)/Folio number, e-mail id and mobile number to the Company at ecommunication@jmfl.com

   b) Members who would like to express their views/ask questions during the e-AGM may send their request for registration as a speaker mentioning their name, demat account number (DP ID & CLIENT ID)/Folio number, city, e-mail id and mobile number to the Company at ecommunication@jmfl.com

   Members shall note that the period for sending the question(s)/ speaker registration will commence on Thursday, July 22, 2021 at (9.00 am) and close on Monday, July 26, 2021 at (5.00 pm).

j) In case of any assistance during or before the e-AGM, members may contact the authorised representative of NSDL, viz., Mr. Amit Vishal, Senior Manager at amitv@nsdl.co.in / 022-24994360 or contact at 1800 1020 990 and 1800 22 44 30 or can send mail at evoting@nsdl.co.in

Annexure to Notice

Statement to be annexed to the Notice pursuant to section 102 of the Companies Act, 2013 (the "Act")

Item no. 4

The Board of Directors of the Company (the "**board**"), based on the recommendation of the nomination and remuneration committee (the "**NRC**"), appointed Mr. P S Jayakumar as an additional (independent) director of the Company with effect from July 30, 2020, in accordance with the provisions of section 161(1) of the Act and the articles of association of the Company.

As per the applicable provisions of section 161 of the Act, Mr. Jayakumar holds office up to the date of this annual general meeting.

Mr. Jayakumar has accorded his consent to act as a director and has submitted the declaration of independence, pursuant to section 149(7) of the Act stating that he meets the criteria of independence as provided in section 149(6) and regulation 16 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**") and is not disqualified from being appointed as a director in terms of section 164 of the Act.

Additionally, the Company has received a notice in writing under the provisions of section 160 of the Act from a member proposing the candidature of Mr. Jayakumar as a director of the Company.

Brief profile of Mr. P S Jayakumar:

Mr. P S Jayakumar, aged about 59 years, is a Chartered Accountant and holds post graduate diploma in business management from XLRI Jamshedpur.

Mr. Jayakumar has deep experience in the banking and financial sector with 23 years of work experience with Citibank in its India and Singapore offices. His last assignment in Citibank was being the Country Head for the Consumer Banking Group.

In his 23 years of working in Citibank, Mr. Jayakumar has been involved in innovation and development of retail financial service industry.

On leaving Citibank in 2008, Mr. Jayakumar worked as an entrepreneur and was a co-founder of Value Budget Housing Company, a housing company for low and moderate income household. Value Budget Housing Company pioneered the use of manufacturing approach to construction and application of form and IT technology to low cost and affordable housing. In 2008, Mr. Jayakumar also co-founded Home First Finance Ltd, a housing finance company licensed by National Housing Bank and providing long term purchase money mortgage loans to customers from low and moderate income household. These two companies have contributed to pioneering effort in building demand and supply for low cost and affordable housing.

In 2015, Mr. Jayakumar was selected by the Government of India to serve as the Managing Director and CEO for Bank of Baroda, first person from the private sector selected to run a large public sector bank. He successfully led the transformation of Bank of Baroda and completed three way merger between Bank of Baroda, Vijaya bank and Dena bank.

Mr. Jayakumar is currently working on his third start up venture and also serves as independent director of several companies.

Copy of the letter of appointment issued to Mr. Jayakumar setting out the terms and conditions is available on the website of the Company viz., https://jmfl.com/investor-relations/Letter_of_Appointment_PS_Jayakumar.pdf.

Pursuant to section 152 of the Act read with schedule IV to the Act, in the opinion of the board, his appointment as an independent director, fulfils the conditions specified in the Act and the Rules made thereunder and also the Listing Regulations and that the said appointment is independent of the management.

The board commends passing of the ordinary resolution as proposed at item no. 4 of the Notice for appointment of Mr. P S Jayakumar as an independent director of the Company.

Except Mr. Jayakumar, none of the other directors, key managerial personnel of the Company, or their relatives is, in any way, concerned or interested, financially or otherwise in the ordinary resolution set out at item no. 4 of the Notice.

Item no. 5

Pursuant to the regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**"), no listed entity shall appoint a person or continue the directorship of any person as a non-executive director who has attained the age of seventy five (75) years unless a special resolution is passed to that effect and the explanatory statement annexed to the notice proposing such appointment or continuation specifies the justification for such appointment or continuation, as the case may be.

Mr. Nimesh Kampani, is a non-executive director of the Company and the Chairman of the Board of Directors (the "**board**"). Mr. Kampani has been a director of the Company since 1987. Mr. Kampani will be attaining the age of seventy five (75) years on September 30, 2021. Hence, pursuant to the above regulation 17(1A) of the Listing Regulations, it is necessary to seek approval of the members of the Company through special resolution for continuation of his directorship as a non-executive director of the Company.

Profile of Mr. Nimesh Kampani and justification for his continuation of the directorship beyond the age of seventy five (75) years is stated below:

Mr. Nimesh Kampani is a commerce graduate from Sydenham College, Mumbai and a fellow member of the Institute of Chartered Accountants of India ("**ICAI**").

Mr. Nimesh Kampani is the founder and the Chairman of JM Financial Group, one of India's leading players in the financial services sector. The Group is presently engaged in various businesses such as investment banking, institutional equity sales, trading, research and broking, private and corporate wealth management, equity broking, portfolio management, asset management, commodity broking, fixed income, non-banking financial services, private equity and asset reconstruction.

In his career spanning over four decades, Mr. Kampani has made pioneering contributions to the development of the Indian capital markets and has advised several corporates on their strategic and financial needs, especially, capital raising, mergers & acquisitions, regulators and law makers on progressive regulations for development of financial markets and corporate activities.

Mr. Kampani has served as a member of several important committees constituted by the Ministry of Finance, Government of India, Reserve Bank of India, Securities and Exchange Board of India, BSE Limited, National Stock Exchange of India Limited, Confederation of Indian Industry, Federation of Indian Chambers of Commerce and Industry and ICAI.

Mr. Kampani was a member of the High Powered Expert Committee constituted by the Ministry of Finance on making Mumbai an International Finance Centre and also a member of the Advisory Panel on Financial Regulation and Supervision constituted by RBI Committee on Financial Sector Assessment. He was a member of the Bloomberg Asia Pacific Advisory Board and also a member of the Governing Board of Centre for Policy Research.

Mr. Kampani is the Chairman of the CII National Council on Financial Sector Development. He is also a member of the Advisory Board of Venture Studio promoted by Ahmedabad University.

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Mr. Kampani has been felicitated with the following awards and accolades:

14th Institute of Chartered Accountants of India (ICAI) Awards ***(January 2021)***	Inducted into the 'CA Hall of Fame' award by ICAI.
Mint India Investment Summit 2019 - Hall of Fame Award ***(February 2019)***	Conferred with Mint India Investment Summit - Hall of Fame Award for his outstanding contribution to investment banking.
Lifetime Achievement Award at CNBC-TV18 – ***(August 2016)***	Honoured with Lifetime Achievement Award at CNBC-TV18 India Business Leader award.
Giving Back Foundation Gala in New York ***(April 2014)***	Meera Gandhi's inaugural, The Giving Back Foundation Gala held on March 19, 2014 honoured him for humanitarian who made a big difference by truly giving back.

Mr. Nimesh Kampani has more than four decades of rich experience and has been a stalwart in the field of capital markets, M&A advisory and financial services industry. He has been an active member of the board and committees of which he is a member. Mr. Kampani leads from the front and brings the cohesiveness amongst the board members. He is physically fit, mentally alert and is very vocal at all the board and committee meetings. As the non-executive chairman of the board, Mr. Kampani provides valuable inputs and advice in all important and critical matters of the agenda. His innovative ideas and suggestions are very helpful in the business strategy. Mr. Kampani's leadership qualities are noteworthy. Over the years, Mr. Kampani has demonstrated that he is the ideal Chairman of the board. The Company has progressed very well under his leadership and guidance and his continued association will be valuable and positive.

Details of Mr. Kampani's attendance at the board, committee and general meetings held during the last three financial years are given below:

Financial year	Board meeting	Nomination and Remuneration Committee meeting	Stakeholders' Relationship Committee meeting	Corporate Social Responsibility Committee meeting	Allotment Committee meeting	Annual General Meeting
2020-21	6 out of 6	2 out of 2	4 out of 4	2 out of 2	4 out of 4	Yes
2019-20	6 out of 6	1 out of 1	4 out of 4	1 out of 1	5 out of 5	Yes
2018-19	6 out of 6	2 out of 2	4 out of 4	2 out of 2	7 out of 7	Yes

Considering his rich experience, expertise and immense contribution in the growth of the Company, and based on the recommendation of nomination and remuneration committee, the board unanimously commends passing of the special resolution as proposed at item no. 5 of the Notice for continuation of the directorship of Mr. Kampani as a non-executive director notwithstanding he attaining the age of seventy five (75) years on September 30, 2021.

Both Mr. Nimesh Kampani and Mr. Vishal Kampani (son of Mr. Nimesh Kampani), are deemed to be concerned or interested, financially or otherwise in the special resolution set out at item no. 5 of the Notice.

Other than the above, no other directors, key managerial personnel of the Company, or their relatives is, in any way, concerned or interested, financially or otherwise in the special resolution set out at item no. 5 of the Notice.

Item nos. 6 to 8

Pursuant to the regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, (the "**Listing Regulations**"), all related party transactions shall require prior approval of the audit committee. Also, all material transactions with related parties shall require approval of the members of a public listed company through an ordinary resolution and the related parties shall not vote to approve such resolutions. Additionally, as per the provisions of section 188 of the Act read with rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), all related party transactions beyond the threshold mentioned in sub-rule (3)(a) of the said rule 15, shall require prior approval of the members at a general meeting.

"Material Related Party Transaction" under the Listing Regulations means any transaction entered into individually or taken together with previous transactions during a financial year which exceeds 10% of the annual consolidated turnover of a listed company as per its last audited financial statements.

The annual consolidated turnover of the Company for the financial year 2020-21 is ₹ 3,226.63 crore. Accordingly, any transaction(s) by the Company with its related party exceeding ₹ 322.66 crore (being 10% of the Company's annual consolidated turnover) shall be considered as material transaction and hence, prior approval of the members will be required for the same.

The Company has made investments in its group companies and it may also make further investments and/or lend funds in/to its group entities from time to time including JM Financial Credit Solutions Limited (the "**JM Financial Credit Solutions**"), JM Financial Asset Reconstruction Company Limited (the "**JM Financial ARC**") and JM Financial Products Limited (the "**JM Financial Products**") as and when they require funds for their business activities/ working capital needs.

The Company has a net worth of ₹ 3,502.86 crore and enjoys credit ratings of [ICRA]A1+ from ICRA Limited and CRISIL A1+ from CRISIL Limited for its commercial papers program, [ICRA]AA from ICRA for non-convertible debenture program and [ICRA]AA for long term bank lines.

Considering that the aggregate amount/value of transactions to be entered into by the Company with each of the above entities may exceed ₹ 322.66 crore, it is proposed to obtain the members' approval in respect of the following transactions during a financial year:

Sr. no.	Name of the related party	Nature of relationship	Nature of transactions	Amount *
1	JM Financial Credit Solutions Limited	Subsidiary Company	Loans/inter-corporate deposits/ investment, purchase and/or sale of securities, transfer of assets from and to, providing/availing of services, etc.	Not exceeding ₹ 500 crore
2	JM Financial Asset Reconstruction Company Limited	Subsidiary Company	Loans/inter-corporate deposits/ investment, purchase and/or sale of securities, transfer of assets from and to, providing/availing of services, etc.	Not exceeding ₹ 500 crore
3	JM Financial Products Limited	Subsidiary Company	Loans/inter-corporate deposits/ investment, purchase and/or sale of securities, transfer of assets from and to, providing/availing of services, etc.	Not exceeding ₹ 500 crore

* The ceiling on the amount of transactions specified as above would mean the transactions, if any, entered into and remaining outstanding at any given point of time during a financial year.

The members at the thirty fifth AGM had accorded their approval for the Company to enter into various transactions as mentioned above with its related parties, viz., JM Financial Credit Solutions, JM Financial ARC and JM Financial Products for an amount not exceeding ₹ 500 crore each during a financial year.

Pursuant to the said approval, the total aggregate amount/ value of all transactions/contract/arrangements remaining outstanding, at any point of time, during the financial year 2020-21 were as follows:-

Sr. no.	Name of related party	Amount (₹ in crore)
1	JM Financial Credit Solutions	5.80
2	JM Financial ARC	394.52
3	JM Financial Products	1.16

JM Financial Credit Solutions is a non-banking financial company (the "**NBFC**") registered with the Reserve Bank of India (the "**RBI**") as a systemically important non-deposit taking NBFC. It is engaged in wholesale lending activities focused on real estate financing which includes loan against commercial real estate/properties. As on March 31, 2021, the Company held 46.68% equity stake of the total paid-up share capital in JM Financial Credit Solutions. The Company continues to have control of JM Financial Credit Solutions pursuant to section 2(87)(i) by having right to appoint the majority directors of JM Financial Credit Solutions by virtue of which it is considered as a subsidiary of the Company.

JM Financial ARC is an Asset Reconstruction Company registered with the RBI. It is engaged in acquisition of non performing and distressed assets (the "**NPAs**") from banks and financial institutions and resolving them. As on March 31, 2021, the Company held 59.25% equity stake of the total share capital in JM Financial ARC.

JM Financial Products is a NBFC registered with the RBI as a systemically important non-deposit taking NBFC. As on March 31, 2021, the Company held 99.45% equity stake of the total share capital in JM Financial Products.

The transactions contemplated as above, which are enabling in nature, have been approved by the audit committee of the Company in terms of the requirements of regulation 23(3) of the Listing Regulations.

The board commends passing of the ordinary resolutions set out at item nos. 6, 7 and 8 of the Notice.

Mr. Darius E Udwadia and Mr. Vishal Kampani, directors of JM Financial Credit Solutions, Dr. Vijay Kelkar and Mr. Vishal Kampani, directors of JM Financial ARC and Mr. E A Kshirsagar

Annexure to Notice (Contd.)

and Mr. Vishal Kampani, directors of JM Financial Products, may be deemed to be concerned or interested in the above ordinary resolutions with the respective companies.

None of the other directors/key managerial personnel of the Company and their relatives (except for Mr. Nimesh Kampani, relative of Mr. Vishal Kampani) is, in any way concerned or interested, financially or otherwise, in the above ordinary resolutions.

Item no. 9

Pursuant to sections 23, 42, 71 and other applicable provisions of the Act, if any, read with rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and the Companies (Share Capital and Debentures) Rules, 2014, a company shall not make a private placement or public issue of its securities unless the proposed offer of securities or invitation to subscribe to the securities has been previously approved by the members of a company by a special resolution.

The Company had obtained the approval of members by way of special resolution passed at the thirty fifth AGM held on July 30, 2020 for raising of funds up to ₹ 1,000 crore (Rupees One thousand crore only) by way of issue of Non-Convertible Debentures (the "**NCDs**"), in one or more tranches. Pursuant to the said approval, the Company so far has not raised any amount by way of issue of NCDs. In order to facilitate the raising of funds, if any, by way of issue of NCDs, the Board of Directors (the "**board**"), has decided to obtain the enabling approval of the members to raise an amount aggregating up to ₹ 1,000 crore.

As mentioned earlier, the special resolution proposed at item no. 9 of the Notice is to seek enabling approval from the members. If the NCDs are issued in pursuance of this resolution, the proceeds thereof would be utilised by the Company, inter alia, to meet its own business requirements and also to provide financial support/ assistance to its subsidiaries and/or group companies and for the general corporate purposes to the extent permissible under the applicable laws. Accordingly, consent of the members is sought for issuing the NCDs aggregating up to ₹ 1,000 crore (Rupees One thousand crore only) on private placement basis and/or through public offer, by passing the special resolution set out at item no. 9 of the Notice. This resolution will enable the board of the Company to raise monies through the issue of secured/ unsecured, listed/unlisted, rated/unrated redeemable NCDs, as and when required.

The board commends passing of the special resolution set out at item no. 9 of the Notice.

None of the directors/key managerial personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise (except to the extent of the NCDs, that may be subscribed and allotted to them, if any) in the special resolution set out at item no. 9 of the Notice.

By Order of the Board

Prashant Choksi
Group Head - Compliance, Legal
& Company Secretary

Place: Mumbai
Date: June 21, 2021

Registered Office:
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi,
Mumbai - 400 025.
(CIN: L67120MH1986PLC038784)

Additional information of directors seeking appointment/re-appointment(s) at the thirty sixth annual general meeting pursuant to regulation 36(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and clause 1.2.5 of secretarial standard - 2 on general meetings issued by the Institute of Company Secretaries of India (Information as on March 31, 2021)

Name of the director	Mr. P S Jayakumar (DIN 01173236)	Mr. Nimesh Kampani (DIN 00009071)
Date of birth	April 08, 1962	September 30, 1946
Date of first appointment	July 30, 2020 *(appointment as an additional (independent) director on the board)*	June 12, 1987
Date of last re-appointment	Not applicable	July 30, 2020
Qualification(s)	Chartered Accountant, PGDBA	B. Com, Chartered Accountant
Brief profile	Please refer to item no. 4 of explanatory statement	Please refer to item no. 5 of explanatory statement
Relationship with other directors, manager and key managerial personnel (KMP)	None	Mr. Vishal Kampani, Managing Director (KMP) of the Company is son of Mr. Nimesh Kampani
Expertise in specific functional areas	Mr. P S Jayakumar has more than three decades of experience in the banking and financial services sector.	Mr. Nimesh Kampani's expertise is in the area of financial advisory including Investment Banking, Mergers, Acquisitions & Restructuring, Corporate Finance and Capital Markets
Shares held in the Company	Nil	Mr. Kampani held 12,57,50,000* equity shares of the Company as on March 31, 2021 *including 12,50,000 shares held in Nimesh Kampani HUF
Directorships held in other listed companies* excluding foreign companies	• Adani Ports and Special Economic Zone Limited • CG Power and Industrial Solutions Limited	None
Memberships/Chairmanship of committees in other listed companies**	**(I) Membership :-** Audit committee • CG Power and Industrial Solutions Limited • Adani Ports and Special Economic Zone Limited **II) Chairmanship:-** Audit committee • CG Power and Industrial Solutions Limited	None
Details of remuneration paid during the financial year (FY) 2020-21	Sitting fees: ₹ 5 lakh*** Total: ₹ 5 lakh Commission payable: ₹ 20 lakh (pertains to FY 2020-21)	Sitting fees: ₹ 8 lakh Total: ₹ 8 lakh
Remuneration sought to be paid	Sitting fees and commission, if any.	Sitting fees and commission, if any.
Terms and conditions of appointment	Appointment as an independent director of the Company as per the terms and conditions contained in the letter of appointment issued to him.	Re-appointment as a non-executive director of the Company to comply with the applicable provisions of section 152 of the Act.
Number of board meetings attended during the financial year 2020-21	5#	6

* Only equity listed entities are considered.

** Only audit committee and stakeholders' relationship committee memberships in equity listed entities have been considered.

*** Sitting fees of ₹ 1 lakh paid to Mr. P S Jayakumar for attending the independent directors' meeting held on March 24, 2021 has not been included.

Mr. P S Jayakumar was appointed as additional (independent) director with effect from July 30, 2020.

Directors' Report

Dear Members,

The Board of Directors (the "**board**") is pleased to present the Company's thirty sixth annual report together with the audited standalone and consolidated financial statements for the financial year ended March 31, 2021.

Financial Performance

The key highlights of the consolidated and standalone financial results of the Company are summarised below:

₹ in crore

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Gross income	3,226.63	3,453.55	374.41	303.07
Profit before depreciation and amortisation expense, finance costs and tax expenses	**2,217.47**	**2,520.42**	**235.99**	**176.44**
Less: Depreciation and amortisation expense	39.75	41.04	11.92	12.18
Less: Finance cost	1,110.87	1,385.86	7.24	7.81
Profit before tax	**1,066.85**	**1,093.52**	**216.83**	**156.45**
Current tax	313.59	328.52	42.40	32.16
Deferred tax	(52.73)	(15.92)	(0.90)	(3.11)
Tax adjustments of earlier years (net)	(0.07)	3.38	0.10	0.09
Net Profit after tax but before share in profit of associate	**806.06**	**777.54**	**175.23**	**127.31**
Add: Share in profit of associate	2.11	0.41	-	-
Net Profit after tax and share in profit of associate	**808.17**	**777.95**	**175.23**	**127.31**
Other Comprehensive Income	(0.69)	8.68	0.16	(0.29)
Total Comprehensive Income	**807.48**	**786.63**	**175.39**	**127.02**
Net Profit Attributable to:				
Owners of the Company	590.14	544.98	-	-
Non-Controlling Interests	218.03	232.97	-	-
Total Comprehensive Income Attributable to:				
Owners of the Company	589.33	553.76	-	-
Non-Controlling Interests	218.15	232.87	-	-

Appropriations

The following appropriations have been made from the available profits of the Company for the financial year ended March 31, 2021:

₹ in crore

Particulars	Consolidated		Standalone	
	2020-21	2019-20	2020-21	2019-20
Net Profit	**590.14**	**544.98**	**175.23**	**127.31**
Add/(less): Other Comprehensive Income	1.93	(1.09)	0.16	(0.29)
Add: Balance profit brought forward from previous year	2,943.00	2,524.91	925.72	842.07
Add: Transfer from Debenture redemption reserve	-	33.76	-	-
Profit available for appropriation	**3,535.07**	**3,102.56**	**1,101.11**	**969.09**
Less: Appropriations				
Final Dividend pertaining to the previous year paid during the year	16.82	42.00	16.82	42.00
Dividend distribution tax	-	3.61	-	1.37
Transfer to Statutory reserve – I	102.90	112.47	-	-
Transfer to Statutory reserve – II	0.64	1.48	-	-
Transfer to Impairment reserve	14.43	-	-	-
Surplus carried to balance sheet	**3,400.28**	**2,943.00**	**1,084.29**	**925.72**

Consolidated Financial Performance

The consolidated gross income of the Company for the financial year ended March 31, 2021 is ₹ 3,226.63 crore as against ₹ 3,453.55 crore in the previous year. Consolidated net profit during the said year is ₹ 590.14 crore as compared to ₹ 544.98 crore in the previous year. The outbreak of Covid-19 pandemic across the globe and in India is continuing to adversely impact the global and Indian financial markets and the resultant slowdown in the economic activities. The statement of profit and loss for the financial year 2020-21 therefore includes an incremental gross impairment provision of ₹ 207.55 crore on account of the pandemic. The said provision is in addition to the impairment provision and fair value loss aggregating ₹ 175.21 crore for the financial year 2019-20, which significantly included potential impact on account of the pandemic.

Consolidated financial statements for the financial year ended March 31, 2021 have been prepared in accordance with section 133 of the Companies Act, 2013 (the "**Act**") read with the rules made thereunder and Indian Accounting Standards (the "**Ind AS**") 110. The consolidated financials reflect the cumulative performance of the Company together with its various subsidiaries and associate company.

Standalone Financial Performance

The gross income of the Company was higher at ₹ 374.41 crore for the year ended March 31, 2021 as against ₹ 303.07 crore in the previous year, registering an increase of 23.54%. The Company reported a net profit of ₹ 175.23 crore for the year ended March 31, 2021 as compared to the net profit of ₹ 127.31 crore in the previous year, registering an increase of 37.64%. The higher income and corresponding increase in the net profit is primarily on account of increase in net gain on fair value changes from ₹ 21.15 crore in the previous year to ₹ 65.27 crore in the year under review primarily due to treasury activities and proceeds from QIP issue temporarily deployed in liquid mutual funds. Fee income also increased from ₹ 219.45 crore in the previous year to ₹ 229.10 crore in the year under review due to increase in deal closures in investment banking business. The said increase is partially off-set by decrease in dividend income from subsidiaries of ₹ 16.43 crore during the year under review as against ₹ 35.53 crore in the previous year.

Pursuant to the provisions of section 136 of the Act, the annual report of the Company, containing, inter alia, its standalone and the consolidated financial statements, along with the relevant documents and separate audited financial statements for each of the subsidiaries are available on the website of the Company viz., https://jmfl.com/investor-relation/ financial-results.html

Covid-19

As we move through the phases of Covid-19 pandemic and its consequential changes in the macro-economic factors, the Indian corporates have witnessed major changes in their operations, use of technology and other business activities.

The Company and its subsidiaries are operating in the financial services sector and hence has also witnessed decline in financial and operating performance, reduced disbursements, collection and increased provisioning due to the impact of Covid-19. In addition, the Reserve Bank of India (the "**RBI**") had issued guidelines giving regulatory packages in response to the Covid-19 pandemic. In accordance with these guidelines, the non-banking finance and affordable housing finance subsidiaries have provided a moratorium of six months on the payment of all principal amounts and/or interest, as applicable, falling due between March 1, 2020 and August 31, 2020 to all eligible borrowers classified as standard, even if the said amounts were overdue on February 29, 2020.

With the unprecedented challenges and risks expected from this pandemic, during the year, the Company along with its subsidiaries have ensured smooth functioning of operations which amongst other things included effective implementation of the business continuity plan. The Company has also issued multiple advisories to employees and the Company's crisis management team is active for health and non-health related assistance required during this period. In addition, several precautionary measures have been implemented for essential staff working in the offices, including, fumigation, temperature checks, supplying and wearing of masks and use of sanitizers, among others. The Company and its subsidiaries are also promoting 'learning from home' to ensure self-development for its employees.

The Company aims to resume operations in a calibrated manner while continuing to exercise all necessary precautions and measures at work in the post Covid-19 scenario. This will be done in accordance with various directives of the State and Central Governments regarding the resumption of operations in accordance with the guidelines/precautionary measures framed by the Company.

Dividend

The board has recommended a payment of dividend of ₹ 0.50 per share of the face value of ₹ 1.00 each for the financial year 2020-21, compared to ₹ 0.20 per share paid for the previous financial year. The dividend, if declared by the members, shall result in total cash outflow of ₹ 47.64 crore during the financial year as compared to outflow of ₹ 16.82 crore in the previous financial year.

Directors' Report (Contd.)

The dividend amount, as above, once declared at the thirty sixth annual general meeting, will be paid to those members, whose names appear in the Register of Members/List of Beneficial Owners on Monday, May 31, 2021. The details of the unclaimed/unpaid dividend lying in the unpaid account and liable to be transferred to the Investor Education Protection Fund is mentioned at length in general share-holders information forming part of corporate governance report which forms part of this report.

The dividend distribution policy, as adopted by the board, is available on the website of the Company viz., https://jmfl.com/investor-relations/Dividend_Distribution_Policy.pdf

Share Capital

As the members are aware, the Company made an issue of equity shares under the Qualified Institutional Placement (the "**QIP**") route on a private placement basis in June 2020. Through the QIP issue, the Company raised an aggregate of ₹770 crore by allotting 11,00,00,000 equity shares of the face value ₹1 each to Qualified Institutional Buyers at an issue price of ₹70/- per equity share (including premium of ₹ 69/- per share). The said equity shares are listed on BSE Limited (the "**BSE**") and National Stock Exchange of India Limited (the "**NSE**").

Additionally, the Company has allotted an aggregate of 14,98,064 equity shares to the eligible employees consequent upon the exercise of stock options by them, under the Company's Employees' Stock Option Scheme – Series 6, Series 7 and Series 9 to Series 12.

As on March 31, 2021, the issued, subscribed and paid-up equity share capital of the Company stood at ₹ 95,27,22,711 (comprising 95,27,22,711 equity shares of the face value of ₹ 1/- each) as against ₹ 84,12,24,647 (comprising 84,12,24,647 equity shares of the face value of ₹ 1/- each) at the end of the previous financial year.

Employees' Stock Option Scheme

The Company's Employees' Stock Option Scheme is in compliance with applicable Securities and Exchange Board of India (the "**SEBI**") regulations and SEBI circulars issued from time to time concerning the said regulations.

Up to March 31, 2021, an aggregate of 2,94,36,627 stock options had been exercised by the eligible employees. The aggregate number of stock options granted and outstanding as at March 31, 2021 is 34,98,444.

The statutory auditors' of the Company had certified that the Company's Employees' Stock Option Scheme has been implemented in accordance with the applicable SEBI regulations.

Disclosure required under the applicable SEBI regulations read with SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015 is appended to this report as **Annexure A** and also uploaded on the Company's website viz., https://jmfl.com/annual-report. Further, the relevant disclosures in terms of the Ind AS 102 relating to share based payment, forms part of note 31 of the notes to the standalone financial statements and note 42 of the notes to the consolidated financial statements of the Company.

Deposits

The Company has neither invited nor accepted any deposits from public and as such, no amount on account of principal or interest on deposits in terms of section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014, was outstanding as on March 31, 2021.

Subsidiaries and Associate

The Company has following subsidiaries (including step down subsidiaries) and associate company:

Subsidiaries

1. JM Financial Institutional Securities Limited
2. JM Financial Services Limited
3. JM Financial Capital Limited
4. JM Financial Commtrade Limited
5. JM Financial Overseas Holdings Private Limited (Mauritius)
6. JM Financial Singapore Pte Limited (Singapore)
7. JM Financial Securities, Inc. (Delaware - United States of America)
8. Infinite India Investment Management Limited
9. JM Financial Properties and Holdings Limited
10. CR Retail Malls (India) Limited
11. JM Financial Products Limited
12. JM Financial Credit Solutions Limited
13. JM Financial Home Loans Limited
14. JM Financial Asset Reconstruction Company Limited
15. JM Financial Asset Management Limited

Associate

JM Financial Trustee Company Private Limited

There has been no material change in the nature of the business of subsidiaries. The segment wise business activities of the subsidiaries, their performance and financial position are described in detail in the management discussion and analysis report which forms part of this report.

A report on the performance and financial position of each of the subsidiaries and associate company is included in the consolidated financial statements and their contribution to the overall performance of the Company is provided in Form AOC-1 which forms part of this report.

Additionally, Astute Investments, a partnership firm within the group has two partners, viz., JM Financial Services Limited and JM Financial Properties and Holdings Limited, which are the wholly owned subsidiaries of the Company.

Awards and Recognition

The Asset Triple A Sustainable Capital Markets Country & Regional Awards 2020 (March 2021)	JM Financial Limited has been awarded : • 'Best IPO' under the Best Deal category (Mindspace Business Parks REIT ₹ 45 billion IPO); • 'Best rights issue' under the Best Deal category (Reliance Industries Limited US $7.1 billion rights offering); • 'Best block trade' under the Best Deal category (Bandhan Bank US $1.4 billion block trade).
BSE Awards 2020 (November 2020)	JM Financial Services Limited has been recognised by BSE Limited, amongst the top performers in Primary Market Segment (Equity – IPO/FPO Bids - Members).
18th Federation of Indian Chambers of Commerce & Industry (FICCI) CSR Award (July 2020)	JM Financial Limited has been awarded for the CSR Healthcare Project, implemented by JM Financial Foundation in the Dumri Block-Giridih district, Jharkhand.
The Great Place to Work Institute India's Best Companies To Work For, 2020 (June 2020)	JM Financial Asset Management Limited, JM Financial Limited (Institutional Businesses), JM Financial Products Limited (Dwello), JM Financial Home Loans Limited and JM Financial Services Limited have been accredited as a 'Great Place to Work-Certified™' by the Great Place to Work Institute. JM Financial Home Loans Limited has been recognised as India's Best Workplaces in BFSI 2020 and ranked 21st among India's Top 50 Great Mid-Size Workplaces 2020. JM Financial Services Limited has been recognised as 'India's Best Workplaces in Investment Industry 2020'.
14th Institute of Chartered Accountants of India (ICAI) Awards (January 2021)	Mr. Nimesh Kampani, Chairman - JM Financial Group inducted into the 'CA Hall of Fame' award by ICAI.

Board of directors and key managerial personnel

Non-Executive Director

Pursuant to the applicable provisions of section 152 of the Act, Mr. Nimesh Kampani (DIN 00009071), a non-executive director of the Company, retires by rotation at the forthcoming annual general meeting of the Company. Being eligible, Mr. Kampani has offered himself for re-appointment as a director.

Additionally, Mr. Kampani shall be attaining the age of seventy-five (75) years on September 30, 2021. As required under regulation 17(A) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**"), the board on the recommendation of the nomination and remuneration committee, has unanimously decided to commend to the members of the Company, passing of the special resolution approving the continuation of the directorship of Mr. Kampani as a non-executive director of the Company notwithstanding he attaining the age of seventy five (75) years.

Brief details of Mr. Kampani along with justification for the above recommendation is provided in the Notice convening the thirty sixth annual general meeting.

Independent Directors

During the financial year 2020-21, the board, pursuant to section 161 of the Act, appointed Mr. P S Jayakumar (DIN: 01173236) as an additional (independent) director of the Company with effect from July 30, 2020, subject to the approval of the members of the Company. The required resolution commending the appointment of Mr. Jayakumar is included in the Notice convening the thirty sixth annual general meeting. The initial term of Mr. P S Jayakumar as an independent director shall be five (5) years effective from July 30, 2020 and ending on July 29, 2025.

The board is of opinion that Mr. P S Jayakumar is a person of integrity with high level of ethical standards and having worked in senior positions, possesses relevant expertise, experience and proficiency for appointment as an independent director of the Company.

The Company is in receipt of a notice from a member signifying his intention to propose the candidature of Mr. Jayakumar for the office of a Director.

Directors' Report (Contd.)

Brief profile of Mr. Jayakumar is given in the Notice convening the thirty sixth general meeting.

Key Managerial Personnel

During the year under review, there was no change in the key managerial personnel of the Company.

Mr. Vishal Kampani, Managing Director, Mr. Prashant Choksi, Company Secretary and Mr. Manish Sheth, Chief Financial Officer are the Key Managerial Personnel within the meaning of section 2(51) read with section 203(1) of the Act.

Declaration by Independent Directors

All the independent directors of the Company have submitted their declarations that each of them meets the criteria of independence as provided under section 149(6) of the Act along with the rules framed thereunder and regulation 16(1)(b) of the Listing Regulations. There has been no change in the circumstances affecting their status as independent directors of the Company. During the year under review, the independent directors of the Company had no pecuniary relationship or transactions with the Company, except as disclosed in the corporate governance report.

In terms of section 150 of the Act read with rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, the names of all the independent directors of the Company have been included in the data bank maintained by the Indian Institute of Corporate Affairs.

Board Meetings

In view of the Covid-19 outbreak, the Ministry of Corporate Affairs (the "**MCA**") and the SEBI vide their respective circulars had relaxed the requirement of having intervening gap of one hundred and twenty (120) days between any two (2) meetings of the board. Notwithstanding this, the gap between the two (2) board meetings was not more than 120 days.

During the year, six (6) meetings of the board were held. Details about the board and committees meetings are given at length in the corporate governance report which forms part of this report.

Policies on appointment of directors and their remuneration

The Company has adopted policies on selection and appointment of directors and also on performance evaluation and remuneration of directors, pursuant to section 178(3) of the Act and regulation 19(4) of the Listing Regulations. The details of remuneration and other matters have been disclosed at length in the corporate governance report which forms part of this report.

In accordance with the applicable provisions of the Act and the Listing Regulations, these policies are uploaded on the website of the Company viz., https://jmfl.com/investor-relations/Policy_on_Selection_and_Appointment_of_Directors.pdf and https://jmfl.com/investor-relations/Policy_on_Performance_Evaluation_and_Remuneration_of_the_Directors.pdf

Evaluation of board of directors

The board has carried out an annual evaluation of its own performance, board committees, individual directors pursuant to the Act and the Listing Regulations. Through a digital structured questionnaire, feedback from directors was obtained as a part of performance evaluation. This questionnaire and criteria of performance was broadly based on the Company's policy on performance evaluation and guidance note on the board evaluation issued by SEBI on January 5, 2017.

The board and the nomination and remuneration committee of the board reviewed the performance of the individual directors, the chairman, the managing director and various committees established by the board.

The performance evaluation of individual directors including the chairman and the managing director, inter alia, was done based on the criteria such as professional conduct, roles and functions, discharge of duties, their contribution to board/ committees/senior management, preparedness on the issues to be discussed, contribution to the decision making, etc.

The performance evaluation of the board as a whole and its committees was made after seeking inputs from the directors/ committee members on various criteria such as structure and composition, effectiveness of the board process, information, roles and responsibilities, professional development, functioning of the board and its committees, establishment and determination of responsibilities of committees, and the quality of relationship between the board and the management.

The performance evaluation of the non-independent directors viz., the chairman, the managing director and the board as a whole was also carried out by the Independent Directors at their separate meeting held on March 24, 2021, considering the views of the executive director and the non-executive directors.

Board Committees

The board has formulated the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee
4. Stakeholders' Relationship Committee
5. Risk Management Committee
6. Allotment Committee

Details of all the committees along with their composition, terms of reference and meetings held during the year are provided in the corporate governance report which forms part of this report.

Directors' Responsibility Statement

Pursuant to section 134(3)(c) read with section 134(5) of the Act with respect to directors' responsibility statement, the directors hereby confirm that:

(a) in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departure has been made in following the same;

(b) appropriate accounting policies have been selected and applied consistently and judgements and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;

(c) proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of Act have been taken for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

(d) the annual accounts have been prepared on a going concern basis;

(e) internal financial controls to be followed by the Company had been laid down and such internal financial controls are adequate and are operating effectively; and

(f) proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Statutory Auditors'

Deloitte Haskins & Sells LLP, Chartered Accountants, are the statutory auditors' of the Company. The members of the Company, at their meeting held on July 24, 2017, had appointed them as the statutory auditors' for a period of five (5) years from the conclusion of the thirty second annual general meeting of the Company held on July 24, 2017 until the conclusion of the thirty seventh annual general meeting pursuant to the applicable provisions of the Act.

Auditors' Report

The statutory auditors' have issued their unmodified opinion, both on standalone and consolidated financial statements for the year ended March 31, 2021, and that they have not highlighted any qualifications, reservations, adverse remarks or disclaimers. The statutory auditors' have not reported any incident of fraud to the audit committee of the Company during the financial year 2020-21. The notes to the Accounts referred to in the auditors' report are self-explanatory and therefore do not call for any further explanation and comments.

Secretarial Audit

M/s. Makarand M. Joshi & Co., practicing company secretaries were appointed as the secretarial auditors for conducting the secretarial audit of the Company for the financial year 2020-21.

The secretarial audit report as issued by the aforesaid secretarial auditors for the financial year ended March 31, 2021 is appended to this report as **Annexure B**.

There are no qualifications, reservations, adverse remarks or disclaimers in the above secretarial audit report.

Secretarial audit of material unlisted indian subsidiaries

All the material subsidiaries of the Company had undertaken Secretarial Audit for financial year 2020-21 pursuant to section 204 of the Act. The secretarial audit report issued by the secretarial auditors of the material unlisted subsidiaries viz., JM Financial Products Limited, JM Financial Credit Solutions Limited, JM Financial Asset Reconstruction Company Limited and JM Financial Services Limited are appended to this report as **Annexure B1 to Annexure B4**.

Secretarial Standards

The Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

Corporate Social Responsibility

The corporate social responsibility committee (the "**CSR committee**") is established by the board in accordance with section 135 of the Act.

In compliance with the amendments made by the MCA vide notification dated January 22, 2021 in the provisions of section 135 of the Act and in the existing rules vide Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (the "**CSR rules**"), the Corporate Social Responsibility policy (the "**CSR policy**") has been suitably amended and approved by the CSR committee and the board of the Company.

Directors' Report (Contd.)

The CSR policy of the Company lists out the activities that can be undertaken or supported by the Company within the applicable provisions of the Act. Apart from the composition requirements of the CSR committee, the CSR policy, inter alia, lays down the criteria for selection of projects and areas, annual allocation, modalities of execution/implementation of activities, monitoring mechanism of CSR activities/projects as well as the formulation of annual action plan.

The details of CSR activities as required under rule 8 of CSR rules in the format as applicable to the Company are appended to this report as **Annexure C**.

Risk Management

Risk management forms an integral part of the Company's business operations and monitoring activities. The Company and its subsidiaries are exposed to a variety of risks, including liquidity risk, interest rate risk, market risk, credit risk, technology risk, operational risk, regulatory and compliance risk, reputational risk, business continuity risk, legal risk, competition risk and risks pertaining to Covid-19 pandemic. The Company has formulated comprehensive risk management policies and processes to identify, evaluate, manage and mitigate the risks that are encountered during conduct of business activities in an effective manner.

The risk management committee as established by the board, frames, implements and monitors the risk management plan including functions relating to cyber security, assessment of various risks, formulation of measures to mitigate the risks. The board reviews the effectiveness of risk management systems in place and ensures that the risks are effectively managed. The audit committee has additional oversight in the area of financial risks and controls.

Details about development and implementation of risk management policy have been covered at length in the management discussion and analysis report forming part of this report.

Internal financial control systems and its adequacy

The board has adopted accounting policies which are in accordance with section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015.

The internal financial control system of the Company is supplemented with internal audits, regular reviews by the management and checks by external auditors. It provides reasonable assurance in respect of financial and operational information, compliance with applicable statues, safeguarding of assets of the Company, prevention and detection of frauds, accuracy and completeness of accounting records and also ensuring compliance with the Company's policies. The audit committee monitors this system and ensures adequacy of the same. The statutory auditors and the internal auditors of the Company also provide their opinion on the internal financial control framework of the Company.

During the year, no material or serious observations have been highlighted for inefficiency or inadequacy of such controls. The details of adequacy of internal financial controls are given at length in the management discussion and analysis report forming part of this report.

Material changes and commitments affecting the financial position of the company

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statements relate and the date of this annual report.

Change in nature of business

During the financial year 2020-21, there has been no change in the nature of the Company's business.

Significant and material orders

During the financial year 2020-21, there were no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the Company and its operations.

Report on Corporate Governance

Report on corporate governance for the financial year 2020- 21 along with the certificate from the statutory auditors' of the Company confirming the compliance with regulations of corporate governance under the Listing Regulations forms part of this report.

Management discussion and analysis report

In terms of the provisions of regulation 34 of the Listing Regulations, management discussion and analysis report forms part of this report.

Business Responsibility Report

Pursuant to regulation 34(2) of the Listing Regulations read with SEBI Circular No. CIR/CFD/CMD/10/2015 dated November 4, 2015, the business responsibility report describing the initiatives taken by the Company from an environmental, social and governance perspective forms part of this report.

Particulars of employees and related information

The requisite disclosures in terms of the provisions of section 197 of the Act read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (the "**said Rules**") is appended to this report as **Annexure D.**

As per the provisions of section 136(1) of the Act, the reports and accounts are being sent to the members of the Company excluding the information regarding employee remuneration as required pursuant to rule 5(2) and rule 5(3) of the said rules. Any member interested in obtaining such information may write to the company secretary at ecommunication@jmfl.com and the same will be furnished on such request.

Particulars of loans, guarantees or investments

Particulars, if any, of investments made, loans and guarantees given and securities provided are given in the note 37 of notes to the standalone financial statements.

Particulars of contracts or arrangements with related parties

The board of the Company has formulated a policy on dealing with related party transactions, pursuant to the applicable provisions of the Act the Listing Regulations. The said policy is displayed on the website of the Company viz., https://jmfl.com/investor-relations/Policy_on_Dealing_with_Related_Party_Transactions.pdf

During the financial year 2020-21, the related party transactions entered in to by the Company were in the ordinary course of business and on arms' length basis. The majority of such related party transactions were with wholly owned subsidiaries and subsidiaries of the Company. All the related party transactions are placed before the audit committee for its review and approved on a quarterly basis. An omnibus approval of the audit committee is obtained for the related party transactions which are repetitive in nature. All related party transactions as required under Ind AS - 24 are reported in note 37 of notes to the standalone financial statements and note 39 of notes to the consolidated financial statements of the Company.

None of the transactions with related parties fall under the scope of section 188(1) of the Act. Accordingly, the disclosure of related party transactions as required under section 134(3)(h) of the Act in Form AOC-2 is not applicable to the Company for the financial year 2020-21 and hence does not form part of this report.

Annual Return

In accordance with the requirements under section 92(3) and section 134(3)(a) of the Act and the applicable rules, the annual return as on March 31, 2021 is available on the website of the Company viz., https://jmfl.com/annual-report

Conservation of energy, technology absorption, foreign exchange earnings and outgo

As the Company is engaged in the financial services activities, its operations are not energy intensive nor does it require adoption of specific technology and hence information in terms of section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014 is not applicable to the Company. Nevertheless, the Company is vigilant on the need for conservation of energy as stated in business responsibility report.

During the financial year 2020-21, the Company's foreign exchange earnings was ₹ 37.18 crore and expenditure was ₹ 0.51 crore.

The details of the transaction in foreign exchange are provided in notes 40 and 41 of notes to the standalone financial statements forming part of this annual report.

Vigil Mechanism/Whistle Blower Policy

The vigil mechanism as envisaged in the Act, the rules prescribed thereunder and the Listing Regulations, is implemented through the Company's Whistle Blower Policy to enable the directors and employees of the Company to report genuine concerns, to provide for adequate safeguards against victimisation who use such mechanism and make provision for direct access to the chairman of the audit committee. Details of vigil mechanism/whistle blower are included in the report on corporate governance.

During the financial year 2020-21, no cases under this mechanism were reported.

Maintenance of cost records

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

Policy for prevention, prohibition and redressal of sexual harassment of women at workplace

The Company has a detailed policy in place in line with the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Directors' Report (Contd.)

(the "**POSH**"). Internal Complaints Committees (the "**ICC**") has been set up to redress complaints received regarding sexual harassment and the Company has complied with provisions relating to the constitution of ICC under the POSH. All employees permanent, contractual, temporary, trainees are covered under this policy. The provisions related to prevention of sexual harassment are also imbibed in the Company's Code of Conduct as applicable to the employees.

During the year under review, no complaints were received from any of the employees.

Managing director and chief financial officer certificate

The certificate received from Mr. Vishal Kampani, the Managing Director and Mr. Manish Sheth, Group Chief Financial Officer with respect to the financial statements and other matters as required under part B of schedule II to the Listing Regulations forms part of corporate governance.

Acknowledgements

The Board of Directors of the Company takes this opportunity to place on record its gratitude for the guidance and support extended, from time to time, by SEBI, RBI, BSE, NSE, National Housing Bank, Ministry of Corporate Affairs, Registrar of Companies (Mumbai) Maharashtra, Metropolitan Stock Exchange of India Limited, Multi Commodity Exchange of India Limited, National Commodity & Derivatives Exchange Limited, National Securities Depository Limited and Central Depository Services (India) Limited and all such other governmental and regulatory authorities.

Your directors also place on record their sincere appreciation for the continued support extended by the bankers, financial institutions, lenders and stakeholders and the trust reposed by them in the Company.

Recognising the challenging work environment, in general, and particularly during the unprecedented time of Covid-19 pandemic, the directors sincerely acknowledge all-round efforts and commitment displayed by all the employees who have been reporting to work at the office during the lockdown and also the employees working from their respective homes. The directors further express their grief for the loss of lives of some of the employees and/or their family members due to Covid-19 pandemic and have immense respect for the employees risking their lives to fight this pandemic.

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Place: Mumbai
Date: May 5, 2021

Annexure A

Details of the Employees' Stock Option Scheme as required under the applicable SEBI regulations read with SEBI Circular CIR/CFD/POLICY CELL/2/2015 dated June 16, 2015

1.	Options granted during the financial year 2020-21	18,56,913
2.	Pricing formula	As determined by the nomination and remuneration committee
3.	Options vested during financial year 2020-21	13,57,888
4.	Options exercised during financial year 2020-21	14,93,064
5.	Total number of shares arising as a result of exercise of options during financial year 2020-21	14,98,064 (Includes 5,000 shares allotted during the financial year 2020-21 for the stock options exercised at the end of the previous financial year 2019-20.)
6.	Options lapsed during financial year 2020-21	5,10,637
7.	Variation of terms of options	None
8.	Money realised from the Employees by exercise of options during financial year 2020-21	₹ 14,93,064*
9.	Total options granted and outstanding as on March 31, 2021	34,98,444
10.	Employee wise details of options granted to:	
	(i) senior managerial personnel	15,50,082 stock options have been granted to 29 senior managerial personnel of the Company and its subsidiaries.
	(ii) any other employee who received a grant in any one year of option amounting to 5% or more options granted during that year	None
	(iii) identified employees who were granted options, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant.	None
11.	Diluted Earnings Per Share (EPS) pursuant to issue of shares on exercise of options calculated in accordance with Indian Accounting Standard (AS) - 33 'Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Standalone – ₹ 1.88 Consolidated – ₹ 6.32
12.	Weighted-average exercise prices and weighted average fair values of options for options whose exercise price is either equal to or exceeds or is less than the market price of the stock options.	Weighted average exercise price: ₹ 1 Weighted average value of options granted during the year: Tranche 1 (Vesting Schedule Stage 1): ₹ 76.68 Tranche 2 (Vesting Schedule Stage 2): ₹ 76.54 Tranche 3 (Vesting Schedule Stage 3): ₹ 76.44
13.	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information:	Black and Scholes Model

	Tranche 1	Tranche 2	Tranche 3
i. Risk-free interest rate	4.96%	5.48%	5.95%
ii. Life of options	2.75 years	3.75 years	4.50 years
iii. Expected volatility	0.4768	0.4854	0.4717
iv. Expected dividend yield	0.26%	0.26%	0.26%
v. The price of the underlying share in market at the time of option grant	₹ 78.10	₹ 78.10	₹ 78.10

* In addition to ₹ 14,93,064 received from eligible employees, an aggregate amount of ₹ 4,51,36,482 being the difference between the exercise price and fair value of options has been reimbursed by the subsidiary companies with which the eligible employees are/were employed/associated. Also, with respect to the exercise of options by the eligible employees (whether existing or former) of the Company, an aggregate amount of ₹ 4,78,68,600, being the difference between the exercise price and fair value of options has been charged to the statement of profit and loss of the Company.

Directors' Report (Contd.)

Annexure B

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JM Financial Limited,
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JM Financial Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment and Foreign Direct Investment; **(External Commercial Borrowings Not Applicable to the Company during the Audit Period);**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

(d) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, **to the extent applicable to the Company;**

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations, 2015 (hereunder referred as "Listing Regulation").

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards.

We further report that, having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

- The Securities and Exchange Board of India (Merchant Bankers) Regulations,1992;
- Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act and Listing Regulations.

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

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

We further report that during the audit period, the Company has

1. Allotted 14,98,064 Equity Shares of face value of ₹ 1/- each towards exercise of options vested under JM Financial Limited – Employees Stock Option Scheme 2007.
2. Allotted 11,00,00,000 Equity Shares of face value of ₹ 1/- each at ₹ 70/- towards Qualified Institutional Placements under JM Financial Limited – Qualified Institutional Placements Scheme 2020.

For Makarand M. Joshi & Co.

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690
UDIN: F006667C000248282
Peer Review No: P2009MH007000

Place: Mumbai
Date: May 5, 2021

This report is to be read with our letter of even date which is annexed as **Annexure** and forms an integral part of this report.

Directors' Report (Contd.)

Annexure

To,
The Members,
JM Financial Limited,
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Makarand M. Joshi & Co.

Kumudini Bhalerao
Partner
FCS No. 6667
CP No. 6690
UDIN: F006667C000248282
Peer Review No: P2009MH007000

Place: Mumbai
Date: May 5, 2021

Annexure B1

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JM Financial Products Limited,
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by JM Financial Products Limited (hereinafter called "**the Company**"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder, as amended;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder, as amended;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) The provisions of the Foreign Exchange Management Act, 1999 ("FEMA") and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment; **Not Applicable;**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

a. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 to the extent applicable;

b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 to the extent applicable;

c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 to the extent applicable;

d. The Securities and Exchange Board of India (Debenture trustee) Regulation, 1993 to the extent applicable;

e. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 to the extent applicable;

f. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 to the extent applicable;

g. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable**;

h. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **Not Applicable**;

i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**; and

j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable**.

Amongst the various laws which are applicable to the Company, following are the laws which are specifically applicable to the Company:

a. Reserve Bank of India Act, 1934 and its circulars, Master circulars, notifications;

b. Prevention of Money Laundering Act, 2002 and its circulars, notifications;

c. Non-Banking Financial Company – Systematically Important Non – Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended and to the extent applicable;

Directors' Report (Contd.)

d. Anti-Money Laundering Regulation issued by RBI and various circulars and Guidelines thereunder;

e. Tax Laws

- Income Tax Act, 1961; and
- Goods and Service Tax.

f. Employee Laws

- Payment of Gratuity Act, 1972 and Payment of Gratuity (central) Rules, 1972;
- Payment of Bonus Act, 1965 and Payment of Bonus Rules, 1975; and
- Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and the scheme provided thereunder.

g. The States Shops and Establishment Act, 1948;

h. Negotiable Instrument Act, 1881;

i. Indian Stamp Act, 1899 and the State Stamp Acts; and

j. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

We have also examined that the Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the act, rules, regulations, guidelines, standards, etc. mentioned above.

We further report that; the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

All the decisions have been taken unanimously and no dissent recorded in Board Meetings. There were no dissenting views by any member of the Board of Directors during the period under review.

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

We further report that; during the audit period, the members at the annual general meeting held on July 23, 2020 approved the following by way of passing of ordinary/special resolutions:

i. Declared dividend of ₹ 0.30 per share for the financial year 2019-20;

ii. Re-appointment of Ms. Roshini Bakshi (DIN: 01832163) as an Independent Director of the Company for the further term not exceeding five consecutive years from January 21, 2020 to January 20, 2025; and

iii. Issue of Non-Convertible Debentures (NCD), in one or more series/tranches, aggregating upto ₹ 4,000 crore on private placement basis and/or upto ₹ 3,000 crore through public offer.

We further report that, during audit period, the Company has issued and allotted secured, rated, listed, redeemable, NCDs aggregating upto ₹ 1,100 crore through one or more tranches of face value of ₹ 10,00,000 each and ₹ 2,00,000 each on private placement.

We further report that, during audit period, the Company bought back /prepaid NCDs of ₹ 452 crore on various dates as per the terms of the respective disclosure document.

This report is to be read with our letter of even date which is annexed as **'Annexure A'** and forms an integral part of this report.

For N L Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800

Bhaskar Upadhyay
Partner
FCS No.: 8663
CP No.: 9625
UDIN: F008663C000185499
P/R No.: 700/2020

Place: Mumbai
Date: April 28, 2021

Annexure A

To,
The Members,
JM Financial Products Limited
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The secretarial audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For N L Bhatia & Associates
Practising Company Secretaries
UIN: P1996MH055800

Bhaskar Upadhyay
Partner
FCS No.: 8663
CP No.: 9625
UDIN: F008663C000185499
P/R No.: 700/2020

Place: Mumbai
Date: April 28, 2021

Directors' Report (Contd.)

Annexure B2

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JM Financial Credit Solutions Limited,
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JM Financial Credit Solutions Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, and made available to us online in electronic form, and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 complied with the statutory provisions listed hereunder, to the extent applicable to the Company, and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I. We have examined the Secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company, and made available to us online in electronic form, for the financial year ended on March 31, 2021**,** as shown to us during our audit, according to the provisions of:

   (i) The Companies Act, 2013 (the Act) and the rules made thereunder, as amended;

   (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder, as amended and to the extent applicable;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder as amended and to the extent applicable;

   (iv) The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder in relation to Foreign Direct Investment, as amended and to the extent applicable.

   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992: -

      (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, and to the extent applicable;

      (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended, and to the extent applicable;

      (c) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended, and to the extent applicable; and

      (d) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and to the extent applicable.

II. We further report that the Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India;

III. During the year under review the Company has complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

IV. **We further report that,** having regard to the compliance system prevailing in the Company and on examination of relevant documents and record, produced for our verification, in pursuance thereof, the Company has complied with the following Directions applicable specifically to the Company, in respect of submission / filing of various documents, returns, forms, information and other particulars with the prescribed authority;

   - Non-Banking Financial Company – Systemically Important Non – Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, as amended and to the extent applicable.

V. The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 were, in our opinion, not attracted during the financial year under report;

   (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;

   (b) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations 2014, as amended;

   (c) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993, regarding the Act and dealing with client, as amended;

   (d) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, as amended;

   (e) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended.

VI. The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder in relation to Overseas Direct Investment and External Commercial Borrowings were not attracted during the financial year under report.

VII. **We further report that;**

   The Board of Directors of the Company was duly constituted with proper balance of Non-Executive Directors / Independent Directors during the financial year under report. The Change in constitution of the Board of Directors made during the financial year under report were carried out in compliance with the applicable provisions of the Act

   Adequate notice was given to all directors to schedule the Board Meetings, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

   Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no instances where dissenting views of any member of the Board of Directors were required to be captured and recorded in the minutes, during the year under review.

VIII. We have relied on the representation made by the Company and its officer for the compliance of various applicable laws, rules, regulations and guidelines and after examining the system and mechanism followed by the Company for compliances, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure the compliance of applicable laws, rules, regulations and guidelines.

IX. **We further report that during the financial year under audit;**

   a. The Company on March 31, 2021 approved the investment in equity shares of fellow subsidiary JM Financial Home Loans Limited (the "**JMFHLL**"), of 1,48,19,206 Shares of ₹ 10 each at a premium of ₹ 23.74/- per share on private placement basis aggregating ₹ 50 crore representing 8.99% of the post paid-up equity capital of JMFHLL.

   b. The Company issued and allotted 7,800 Secured, Rated, Listed, Redeemable Non-convertible debentures (the "**NCDs**"), on private placement basis, in various tranches, on various dates, of the face value of ₹ 10,00,000/- each, of which 5,100 such NCDs were issued at par while 2,700 such NCDs were issued at premium.

   c. The Company redeemed/bought back the following NCDs.

Tranche Name	Redemption reason	Date of redemption/ buyback	Number of NCDs	Amount (in ₹)
AA	Maturity	April 07, 2020	46	4,60,00,000
AC	Maturity	May 04, 2020	37	3,70,00,000
AD Option (IV)	Maturity	May 06, 2020	20	2,00,00,000
AF	Maturity	June 05, 2020	500	50,00,00,000
AG	Exercise of Put option	June 15, 2020	1,750	175,00,00,000
AH	Maturity	June 22, 2020	300	30,00,00,000
AB	Maturity	July 01, 2020	57	5,70,00,000
AI Option (II)	Maturity	September 15, 2020	250	25,00,00,000
AJ	Buyback	September 2, 2020	500	50,00,00,000
AK	Maturity	December 28, 2020	179	17,90,00,000
AQ Option (I)	Maturity	December 10, 2020	500	50,00,00,000
AN Option (I)	Maturity	March 23, 2021	400	40,00,00,000
AO Option (II)	Maturity	March 23, 2021	28	2,80,00,000

This report is to be read with our letter of even date which is annexed as '**Annexure A**' and forms an integral part of this report.

For Naren Shroff & Associates
Company Secretaries

Naren S. Shroff
Proprietor
FCS No. 2414
CP No. 1563
UDIN: F002414C000194694

Date: April 29, 2021
Place: Mumbai

Directors' Report (Contd.)

Annexure A

to the Secretarial Audit Report of

JM FINANCIAL CREDIT SOLUTIONS LIMITED

for the financial year ended March 31, 2021

To,
The Members,
JM Financial Credit Solutions Limited
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed, the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we obtained management representation about the compliance of laws, rules, regulations, guidelines, norms and standards and happening of events.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Naren Shroff & Associates
Company Secretaries

Naren S. Shroff
Proprietor
FCS No. 2414
CP No. 1563
UDIN: F002414C000194694

Place: Mumbai
Date: April 29, 2021

Annexure B3

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule no. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JM Financial Asset Reconstruction Company Limited
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **JM Financial Asset Reconstruction Company Limited** (hereinafter called '**the Company**'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed, and made available to us online, and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder, to the extent applicable to the Company, and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I. We have examined the Secretarial compliance based on the books, papers, minute books, forms and returns filed, and made available to us online, and other records maintained by the Company for the financial year ended on March 31, 2021, as shown to us during our audit, according to the provisions of:

   (i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder, as amended and to the extent applicable to the Company;

   (ii) The Securities Contracts (Regulation) Act, 1956 (the "**SCRA**") and the rules made thereunder, as amended and to the extent applicable to the Company;

   (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder and to the extent applicable to the Company;

   (iv) Foreign Exchange Management Act, 1999 and the applicable rules and regulations made thereunder and to the extent of Foreign Direct Investment and to the extent applicable to the Company;

   (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:-

      (a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and to the extent applicable to the Company;

      (b) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and to the extent applicable to the Company;

      (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and to the extent applicable to the Company;

      (d) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

II. During the year under review the Company has generally complied with the applicable provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

III. **We further report that,** having regard to the compliance system prevailing in the Company and on examination of relevant documents and record in pursuance thereof, the Company has complied with the following laws applicable specifically to the Company;

   (i) The Reserve Bank of India Act, 1934, and the Rules framed, Circulars and Guidelines issued thereunder, to the extent applicable to the Company.

   (ii) The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, as amended, and the Rules, Circulars, Notifications and Guidelines issued thereunder and to the extent applicable to the Company.

IV. **We further report that** the Company has complied with the Secretarial Standards issued by The Institute of Company Secretaries of India.

V. The following Regulations and Guidelines prescribed under The Securities and Exchange Board of India Act, 1992 were, in our opinion, not attracted, during the financial year under report;

   (a) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended;

Directors' Report (Contd.)

(b) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Act and dealing with client, as amended;

(c) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 as amended;

(d) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended;

(e) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014, as amended.

VI. The provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder in relation to Overseas Direct Investment and External Commercial Borrowings were not attracted during the financial year under report.

VII. **We further report that;**

The Board of Directors of the Company is duly constituted. There were no changes, in the composition of the Board of Directors, took place during the year under review.

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

Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

VIII. We have relied on the representation made by the Company and its officers for the compliance of various applicable laws, rules, regulations and guidelines and after examining the system and mechanism followed by the Company for compliances, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure the compliance of applicable laws, rules, regulations and guidelines.

IX. **We further report that during the audit period;**

a. The Nomination and Remuneration Committee (the "**NRC**") at its meeting held on April 16, 2020, approved granting an aggregate of 15,81,444 Stock Option to employees, subject to approval of "Employees Stock Option Scheme" (the "**ESOP**") Scheme, by the members of the Company. The said ESOP Scheme was approved by the members of the Company in their Extra Ordinary General Meeting held on April 30, 2020. The Board of Directors, which includes the Committees, were authorized to create, grant, issue, offer and allot to the present/future employees and/or directors (except independent directors) of the Company, upto 100,00,000 (One Crore) stock options convertible in to equal number of equity shares of the Company of the aggregate nominal face value of ₹ 10,00,00,000/- (Rupees Ten Crore only).

b. In the Annual General Meeting of the Company held on July 22, 2020, the Board of Directors, including any Committee thereof to offer, issue and allot secured/unsecured redeemable, Non-Convertible Debentures (the "**NCDs**"), in one or more series/ tranches, aggregating up to ₹ 7,000 Crore (Seven Thousand Crore only), on private placement basis and /or public offer.

c. The Company issued and allotted 3,750 Secured, Rated, Listed, Redeemable, Principal Protected Market Linked NCDs of ₹ 2 Lakh each, aggregating ₹ 75 Crore on private placement basis under Tranche XXXI on November 27, 2020.

d. Mr. Anil Bhatia was re-appointed as Chief Executive Officer for a further period of three years, with effect from May 15, 2020, subject to RBI approval, which was granted on June 5, 2020.

e. The Company bought back/Prepaid NCDs of ₹ 652 Crore on various dates.

f. The Company redeemed 2,589 NCDs of ₹ 10 Lakh each and 6,250 NCDs of ₹ 2 Lakh each.

g. The Company made investment of ₹ 354.87 Crore in security receipts.

This report is to be read with our letter of even date which is annexed as **'Annexure A'** and forms an integral part of this report.

For Naren Shroff & Associates
Company Secretaries

Naren S. Shroff
Proprietor
FCS No. 2414
CP No. 1563
UDIN: F002414C000192824

Place: Mumbai
Date: April 28, 2021

Annexure A

(to the Secretarial Audit Report of

JM FINANCIAL ASSET RECONSTRUCTION COMPANY LIMITED

for the financial year ended March 31, 2021)

To,
The Members,
JM Financial Asset Reconstruction Company Limited
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that the correct facts are reflected in secretarial records. We believe that the practices and processes, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4. Wherever required, we obtained management representation about the compliance of laws, rules, regulations, norms and standards and happening of events.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, norms and standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.

6. The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Naren Shroff & Associates
Company Secretaries

Naren S. Shroff
Proprietor
FCS No. 2414
CP No. 1563
UDIN: F002414C000192824

Place: Mumbai
Date: April 28, 2021

Directors' Report (Contd.)

Annexure B4

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
JM Financial Services Limited,
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices **JM Financial Services Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliance and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021 according to the provisions of:

(i) The Companies Act, 2013 ('the Act') and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (during the year under review not applicable to the Company);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (during the period under review not applicable to the Company);

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (during the period under review not applicable to the Company);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);

vi. The Securities and Exchange Board of India (Stock-Brokers and Sub-Brokers) Regulations, 1992;

vii. The Securities and Exchange Board of India (Portfolio Managers) Regulations, 1993 and The Securities and Exchange Board of India (Portfolio Managers) Regulations, 2020;

viii. The Securities and Exchange Board of India (Investment Advisors) Regulations, 2013;

ix. The Securities and Exchange Board of India (Research Analysts) Regulations,2014;

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

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

(ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review the Company has complied with the provisions of Act, Rules, Regulations, Guidelines etc. mentioned above.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of the Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' view, if any, are captured and recorded as part of the Minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. We also report that the Company has resolved all the grievances received from its clients within the timeline prescribed under Securities and Exchange Board of India (Stock-Brokers) Regulations, 1992, during the financial year under review, except in respect of two grievances, the resolution of which was delayed by a period of 2-8 days owing to the Covid-19 pandemic and the employees working remotely from home.

We further report that during the audit period the Company had no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

The Board and allotment committee of the Company have passed the following resolution for issuance and allotment of Secured, Rated, Listed, Redeemable, Principal Protected Market Linked Non-Convertible Debentures ("NCD");

SR. NO.	TYPE OF MEETING	DATE OF ISSUANCE	DATE OF ALLOTMENT	Amount (in ₹)
1	Board	July 20, 2020	NA	250,00,00,000
2	Allotment Committee	NA	July 27, 2020	56,65,00,000

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner
PCS No. 3667
CP No. 23905
UDIN : F003667C000204131

Date: April 29, 2021
Place: Mumbai

Note: This report is to be read with our letter of even date which is annexed as **'ANNEXURE A'** and forms an integral part of this report.

Directors' Report (Contd.)

Annexure A

To,
The Members,
JM Financial Services Limited,
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai-400025

Our report of even date is to be read along with this letter.

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in points vi to ix in our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7) The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner
PCS No. 3667
CP No. 23905
UDIN : F003667C000204131

Date: April 29, 2021
Place: Mumbai

Annexure C

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

1. **A brief outline of the Company's Corporate Social Responsibility (CSR) policy:**

   At JM Financial, Corporate Social Responsibility (CSR) and Philanthropy have always been a reflection of our unwavering commitment to the society. This commitment gets effectuated in reaching out to the most socio-economically backward communities and intervening at the grassroots, with a dream of translating hopes into capacities and realities.

   In accordance with section 135 of the Companies Act, 2013 (the "**Act**") and schedule VII thereto read with the Company's CSR policy, the CSR obligation of the Company for the financial year 2020-21 was ₹ 124 lakh. During the year, the CSR committee and the board of the Company have approved the contribution of ₹ 100 lakh towards the Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (the "**PM CARES FUND**") for Covid–19 relief, and the amount thereof has also been paid to the designated account of the PM CARES FUND. Please refer point nos. 8 (b) and 8 (c) as mentioned in the report.

2. **Composition of the CSR Committee:**

Sr. no.	Name of Director	Designation / Nature of directorship	Number of meetings of CSR committee held during the year	Number of meetings of CSR committee attended during the year
a)	Mr. Nimesh Kampani	Chairman – Non – Executive Director	2	2
b)	Mr. Paul Zuckerman	Independent Director	2	2
c)	Mr. Keki Dadiseth	Independent Director	2	2

3. **Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:**
   The details of composition of CSR committee, CSR Policy and CSR projects, as approved by the board, are available on the below links
   https://jmfl.com/investor-relation/board-directors.html, https://jmfl.com/investor-relations/CSR_Policy.pdf and https://jmfl.com/giving-csr/projects

4. **Provide the details of impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report) :- Not applicable**

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:- Not applicable since no amount is available for set off.**

Sr. no.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)

6. **Average net profit of the company as per section 135(5):-** ₹ 6,163.45 lakh

7. (a) **Two percent of average net profit of the company as per section 135(5):-** ₹ 124 lakh

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years:-** Nil

   (c) **Amount required to be set off for the financial year, if any:-** None

   (d) **Total CSR obligation for the financial year (7a+7b-7c) :-** ₹ 124 lakh

8. (a) **CSR amount spent or unspent for the financial year:**

Total amount spent for the financial year. (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR account as per section 135(6)		Amount transferred to any fund specified under schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
124 lakh	Not applicable since none		Not applicable since none		

Directors' Report (Contd.)

(b) **Details of CSR amount spent against ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to unspent CSR account for the project as per section 135(6) (in ₹)	Mode of implementation - direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District						Name	CSR Registration number
1	JM Financial Scholars	Item no. (ii)	No	Haryana,	Sonipat	1 year	24 lakh	24 lakh	Not applicable	No	International Foundation for Research & Education (Ashoka University)	CSR Registration No: CSR00000712

(c) **Details of CSR amount spent against other than ongoing projects for the financial year:**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sr. No	Name of the Project	Item from the list of activities in schedule VII to the Act.	Local area (Yes/No)	Location of the project		Amount spent in the current financial Year (in ₹)	Mode of implementation - direct (Yes/No)	Mode of implementation - through implementing agency	
				State	District			Name	CSR Registration number
1	Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund	Item no. (viii)	Not applicable	Not applicable		100 lakh	Yes	Not applicable	

(d) **Amount spent in Administrative Overheads:** Nil

(e) **Amount spent on Impact Assessment, if applicable:** Not applicable

(f) **Total amount spent for the financial year (8b+8c+8d+8e):** ₹ 124 lakh

(g) **Excess amount for set off, if any:**

Sr. no.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	124 lakh
(ii)	Total amount spent for the financial year	124 lakh
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Nil
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

9. (a) **Details of unspent CSR amount for the preceding three financial years: Not applicable.**

Sr. No	Preceding financial year.	Amount transferred to unspent CSR account under section 135 (6) (in ₹)	Amount spent in the reporting financial year (in ₹)	Amount transferred to any fund specified under schedule VII as per section 135(6), if any			Amount spent in the current financial Year (in ₹).
				Name of the fund	Amount (in ₹)	Date of transfer	

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not applicable**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(8)
Sr. No	Project ID.	Name of the Project	Financial year in which the project was commenced.	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting financial year (in ₹)	Cumulative amount spent at the end of reporting financial year (in ₹)	Status of the project - completed / ongoing
1	Total							

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details). Not applicable since no capital asset acquired.

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). Not applicable

for and on behalf of JM Financial Limited and the CSR Committee

Place : Mumbai
Date : May 5, 2021

Vishal Kampani
Managing Director
DIN – 00009079

Nimesh Kampani
Chairman of the CSR Committee
DIN – 00009071

Directors' Report (Contd.)

Annexure D

Information required under Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

a. Ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2020-21 is as follows:

Sr. no.	Name of the Director	Ratio of remuneration of Director to the Median remuneration*
1.	Mr. Nimesh Kampani	0.29
2.	Mr. E A Kshirsagar	1.14
3.	Mr. Darius E Udwadia	0.96
4.	Dr. Vijay Kelkar	1.13
5.	Mr. Paul Zuckerman	1.05
6.	Mr. Keki Dadiseth	0.93
7.	Ms. Jagi Mangat Panda	0.94
8.	Mr. P S Jayakumar	0.21
9.	Mr. Vishal Kampani	5.51

* Remuneration of Directors has been compared to actual median remuneration for all 136 employees who were on rolls of the company as on March 31, 2021. Remuneration is annualised for employees who were there for part of the year.

b. Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2020-21, is as follows:

Sr. No.	Name of the Director	Designation	Increase/(Decrease) (%)
1.	Mr. Nimesh Kampani	Non-executive Chairman	13.5
2.	Mr. E A Kshirsagar	Non-executive Independent Director	2.6
3.	Mr. Darius E Udwadia	Non-executive Independent Director	(0.6)
4.	Dr. Vijay Kelkar	Non-executive Independent Director	0.3
5.	Mr. Paul Zuckerman	Non-executive Independent Director	1.0
6.	Mr. Keki Dadiseth	Non-executive Independent Director	(9.7)
7.	Ms. Jagi Mangat Panda	Non-executive Independent Director	(3.6)
8.	Mr. Vishal Kampani	Managing Director	(23.3)
9.	Mr. Manish Sheth	Chief Financial Officer	33.1
10.	Mr. Prashant Choksi	Company Secretary	38.7

c. Percentage increase in the median remuneration of employees in the financial year 2020-21:** 12.4%

** Median remuneration has been computed and compared for employees who were on rolls of the Company in financial year 2019-20 and financial year 2020-21. Remuneration is annualised for employees who were there for part of the year.

d. Number of permanent employees on the rolls of Company at the end of March 31, 2021:

Particulars	As at March 31, 2021	As at March 31, 2020
Number of permanent employees on the rolls of the Company	136	129

e. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration*:**

The average salaries of the employees other than the key managerial personnel have increased by 23.6% during the financial year 2020-21 as compared to the previous year.

Average salary of key managerial personnel has increased by 15.3%.

*** The above has been computed and compared for employees who were on rolls of the Company in financial year 2019-20 and financial year 2020-21. Remuneration is annualised for employees who were there for part of the year.

f. Affirmation:

We hereby affirm that the remuneration paid to the employees including key managerial personnel is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Place : Mumbai
Date : May 5, 2021

Management Discussion and Analysis

Global growth prospects look bright on vaccination hopes

Global growth in 2020 contracted 3%YoY (IMF estimates), sharper than during the 2008–09 financial crisis as the Covid-19 pandemic and the resultant great lockdown wreaked havoc on economic activity. Over the course of last year, vaccination drives raised hopes, whereas renewed waves and new virus variants continue to pose concerns for the outlook. The IMF, in Apr'21, raised the global growth forecast for 2021 by 50bps, to +6.0%YoY reflecting i) additional fiscal support in a few large economies, ii) an anticipated vaccine-powered recovery in the second half of 2021, and iii) continued adaptation of economic activity to subdued mobility.

Indian Economy

India officially entered into a recession in 2020. Data from the Central Statistical Office (CSO) however reveals sequential improvement in quarterly GDP growth (-24.4%/-7.3%/0.4% in 1Q/2Q/3QFY2020-21) driven by - i) gross capital formation (possibly driven by centre and states government capital expenditure growth along with household's capital expenditure in real estate), and ii) private and government consumption expenditure. India is again witnessing a fresh surge of infections that reinforces growth pressures amidst several regional lockdowns. The second wave of Covid-19 infections remains the key downside risk to growth assumptions which so far have been retained by the RBI at 10.5%YoY for 2021 (IMF projects growth at + 12.5% in 2021).

In response to the pandemic crisis, the government announced stimulus measures worth INR 17trn – (8% of FY2019-20 GDP), directed primarily towards the poor, migrants and rural areas (c.44%). The economic slowdown in 2020 directly reflected in the negative growth in revenues. Yet, favouring counter-cyclical policy, the Centre held up spending and revised its gross-fiscal deficit-to-GDP target for FY2020-21 from 3.5% to 9.5%. For FY22, the deficit target has been set at 6.8% with focus on i) capital expenditure, ii) infrastructure spending and announcement to set-up a Development Finance Institution, iii) asset monetisation, and iv) financial sector reforms (privatisation of Public sector banks /one insurance company, setting up of an ARC and AMC), amongst others.

Inflation

Inflation remained above RBI's target band of 4% +/-2% for the first eight months of FY2020-21 till Nov'20-reaching its highest peak since 2014 of 7.6% in Oct'20 mainly on account of high food inflation. Though retail inflation fell back under RBI's target band post Nov'20, it gained pace again in Feb'21/ Mar'21 reaching 5%YoY/ 5.5%YoY due to- i) uptick in food inflation, and ii) historic highs in petrol/diesel prices.

Overall, retail inflation in FY2020-21 stood at 6.2%YoY, 1.4ppts above FY2019-20 retail inflation. Wholesale inflation on the other hand came off by 1.1ppts to 0.6%YoY in FY2020-21 (till Feb'21) vs. FY2019-20. The inflation target of 4% with a +/-2% tolerance band was retained for the next five years. the RBI expects inflation to average at 5% for FY22- i) 5.2% in 1QFY22, ii) 5.2% in 2QFY22, iii) 4.4% in 3QFY22, and iv) 5.1% in 4QFY22. Upside risks to inflation remain in the form of – i) higher commodity prices and the consequent pass-through to output prices, and ii) elevated fuel taxes by the Centre and states which has implications on core inflation too.

Monetary conditions

As the Covid-19 pandemic picked up pace in India, the RBI cut the i) repo rate by 40bps to 4.0%, and ii) reverse repo rate by 45bps to 3.35%. After May'20, with high inflation and improving economic activity with easing lockdowns, no further rate cuts were announced but the RBI maintained its accommodative stance with the commitment to do so "as long as necessary to sustain growth on a durable basis and mitigate the impact of Covid-19 on the economy, while ensuring that inflation remains within the target going forward". The RBI also announced liquidity measures worth INR 13.6trn (7% of FY2019-20 GDP) including- i) long-term/ targeted-term repos (LTRO/TLTRO/TLTRO 2.0/On-Tap LTRO worth INR 2/1/0.5/1trn), ii) net Open market operations (OMO) purchases worth 1.5trn, iii) special liquidity facility for mutual funds/ refinance to NABARD, SIDBI, NHB and EXIM bank/ special liquidity scheme for NBFCs worth INR 500/750/300bn, iv) variable rate repo worth INR 2.25trn, and v) CRR cut worth INR 1.37trn (to be reversed in two phases).

In order to ensure the gradual and orderly evolution of the yield curve, after bond yields rose sharply with the higher-than-expected market borrowings in the Union Budget 2021-22, the RBI for the first time in history committed its balance sheet for the conduct of monetary policy by announcing the Government Securities Acquisition Programme (G-SAP). This announcement assures purchase of G-securities worth INR 1trn in 1QFY22, in addition to the exiting tolls of the RBI such as the LAF operations, OMOs, special OMOs etc.

External economy

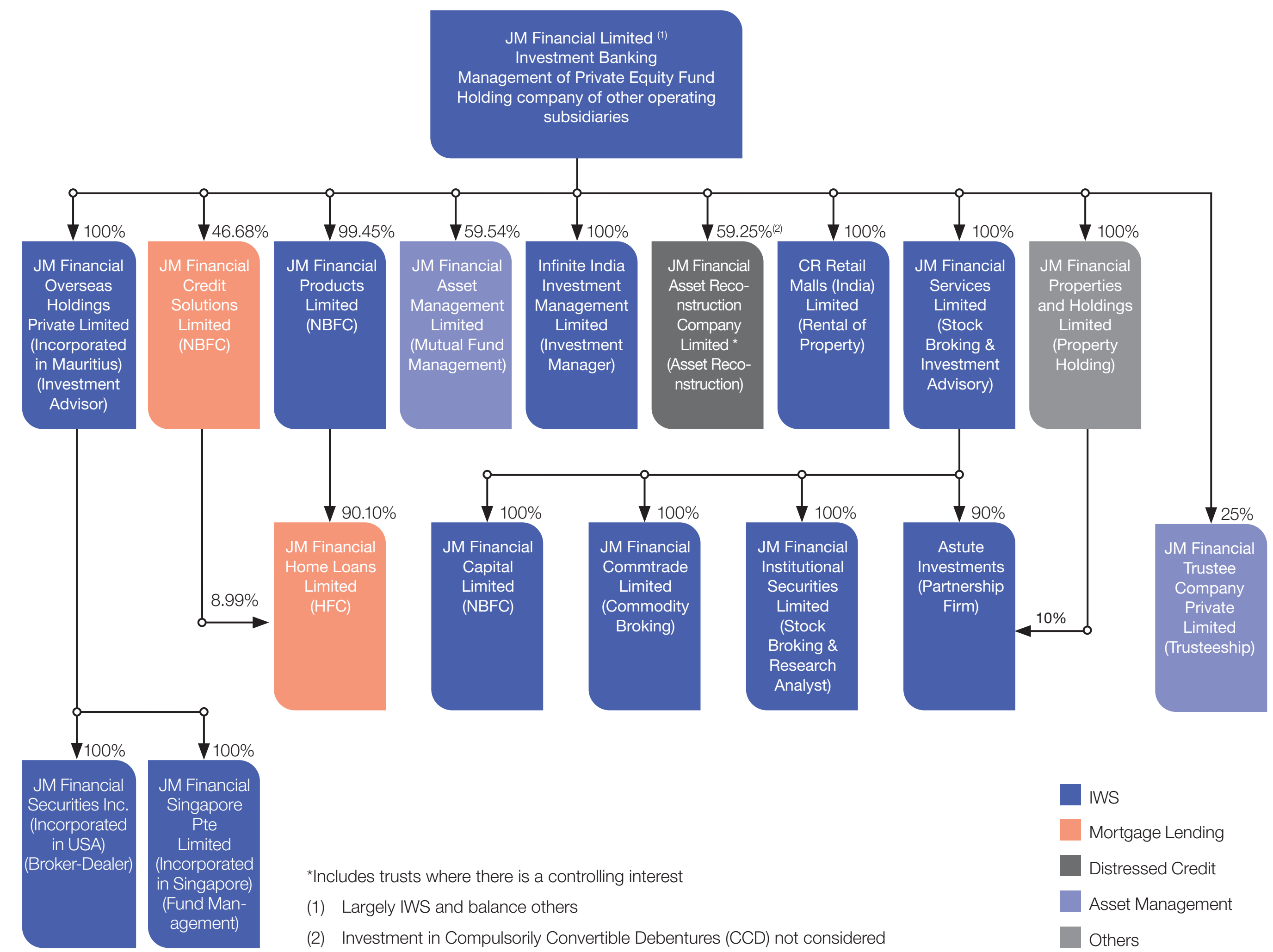
On the external front, FY2020-21 began with: i) the INR crossing the 76/USD mark for the first time in history, ii) net cumulative FII outflows in equity and debt, and iii) oil prices falling below the USD 20/bbl mark due to global slowdown. However by the end of FY2020-21- i) the INR recovered to around 73/USD (averaging at 74/USD in FY2020-21), ii) oil prices rose to USD 69/bbl on demand rise and continued production cut by OPEC+ (averaging at USD 45/bbl in FY2020-21), and iii) FII equity inflows stood at USD 37.3bn while FII debt outflows stood at USD 6.1bn.

India's foreign exchange reserves that stood at USD 481.1bn in Apr'20 reached a peak of USD 590.2bn by the end of Jan'21 but declined to USD 579.3bn by the end of FY2020-21 due to RBI's interventions in the foreign exchange market. India recorded a current account surplus of 1.7% of GDP till Dec'20 as against a deficit of 0.9% in FY2019-20 on the back of a sharp contraction in the trade deficit. Exports and imports have contracted 7%YoY and 18%YoY respectively in FY2020-21 (preliminary) against a contraction of 5%YoY and 8%YoY respectively last year.

Source: International Monetary Fund, Reserve Bank of India, Union Budget 2021-22

Discussion on Businesses and Operational Performance

The corporate structure of JM Financial Group (the **"Group"**) as of March 31, 2021 is presented below:



*Includes trusts where there is a controlling interest

(1) Largely IWS and balance others

(2) Investment in Compulsorily Convertible Debentures (CCD) not considered

JM Financial Limited (the **"Company"**) is the only entity in the Group whose equity shares are listed on the stock exchanges. In view of the above structure, the way to understand the business performance of the Company is to analyse the standalone businesses and the businesses of its Group Entities. The core business area of the Group remains financial services. According to Ind AS, considering that the views of the management have precedence over the erstwhile risks and rewards model, segments have been reported based on management's evaluation of financial information for allocating resources and assessing performance. The various businesses in the Group are divided in four reportable segments.

Management Discussion and Analysis (Contd.)

These are:

- **Investment banking, Wealth management and Securities business (IWS):** Our Group has evolved over a period of time to a leading diversified financial services firm. We have a wide range of product offerings and cater to several customer segments. We have presence across several complementary businesses. The IWS segment has been created with the objective of serving the clients in an integrated manner for our client needs. Our IWS segment includes advisory and execution services of diverse nature to corporates, institutions, governments and government owned corporations, banks, providing wealth advisory services, institutional securities business, broking services, distribution of financial products, syndication, private equity & real estate fund and providing leverage to our clients.
- **Mortgage Lending:** Our mortgage lending segment includes wholesale mortgage and retail mortgage as follows:
  - o Wholesale mortgage which includes commercial real estate lending to real estate developers.
  - o Retail mortgage which includes housing finance business and loan against property (LAP) and education institutions lending ("EIL").
- **Distressed Credit** comprises the asset reconstruction business and
- **Asset management** comprises mutual fund management business.

Our business segments are discussed in detail below:

Investment Banking, Wealth Management and Securities Business

Impact of Covid-19

In late 2019, Covid-19 emerged and by March 11, 2020 was declared a global pandemic by The World Health Organization. Governments and municipalities around the world instituted measures in an effort to control the spread of Covid-19, including restrictions on international and local travel, public gatherings and participation in physical meetings, as well as closure of non-essential services, universities, schools, stores, restaurants and other key service providers, with some countries imposing strict curfews. In India, the Government of India initially announced a 21-day country-wide lockdown starting on March 25, 2020, which has been subject to successive extensions since then, particularly in Maharashtra, where we are headquartered. These measures have led to a significant decline in economic activities. Any instability or prolonged periods of unfavourable market or economic conditions as a result of the Covid-19 pandemic could lead to a significant decrease in the volume and value of our IWS products and services. In light of the ongoing impact of the outbreak of Covid-19, we will continually evaluate our strategy, with a view to growing our business as a sustainable franchise.

Investment Banking Business

Investment banking business is amongst the oldest businesses within the JM Financial group. We are a full service investment banking franchise present across products viz. equity capital markets, debt capital markets, mergers and acquisitions and private equity syndication with a strong track record of over four decades. We have deep relationships into large and emerging corporates in India and have acted as their advisors for decades. These relationships have strengthened over time and have enabled us to be the advisor of choice for managing marquee clients. Our expertise and relationships have helped us handle some of the most complex, innovative, challenging and largest transactions in India.

We shall leverage our relationships and expertise built through our investment banking platform and providing clients with products and services across other segments.

Market Environment

Primary Market

The breakup of funds raised in public markets during FY 2020-21 as compared to the FY 2019-20 is as follows:

Capital market	FY 2020 - 21		FY 2019-20		FY2020-21 v/s FY2019-20
	No.	₹ in Crore	No.	₹ in Crore	In %
Initial Public Offering (**"IPO"**)	30	31,267	13	20,350	54%
IPO on the SME Platform	28	244	45	436	(44%)
FPO	1	15,000	-	-	-
SME FPO	1	28	2	35	(19%)
InvIT	1	25,215	1	2,306	993%
REIT	2	8,300	-	-	-
Rights Issue	20	64,256	13	55,998	15%
Qualified Institutions Placement (**"QIP"**)	32	81,731	13	51,216	60%
Offer for Sale (**"OFS"**)	35	28,428	26	17,326	64%
Total Equity Raised	**150**	**2,54,469**	**113**	**1,47,667**	**72%**
Total Debt raised through Public issue	18	10,488	35	15,146	(31%)
Total Amount Raised	**168**	**2,64,957**	**148**	**1,62,813**	**63%**

(Source: Prime Database as on April 1, 2021)

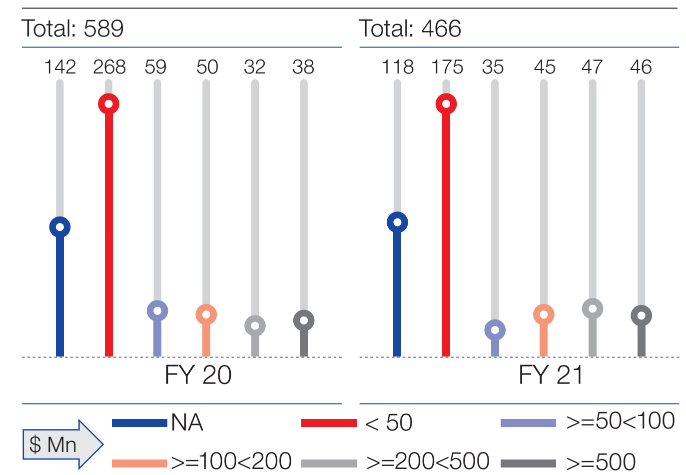
Fund raising through equity capital markets in India was at record high levels with corporates raising a total of ₹ 2,54,469 crore in FY 2020-21 as compared to ₹ 1,47,667 crore in FY2019-20, an increase of 72% over one year. Companies and promoters have predominantly used the Rights Issue, OFS, IPO and QIP routes to raise funds.

In FY 2020-21, JM Financial successfully closed 28 deals with 10 IPOs, 2 Rights Issues, 4 OFS and block deals, 6 QIPs, 4 buybacks and 2 delisting.

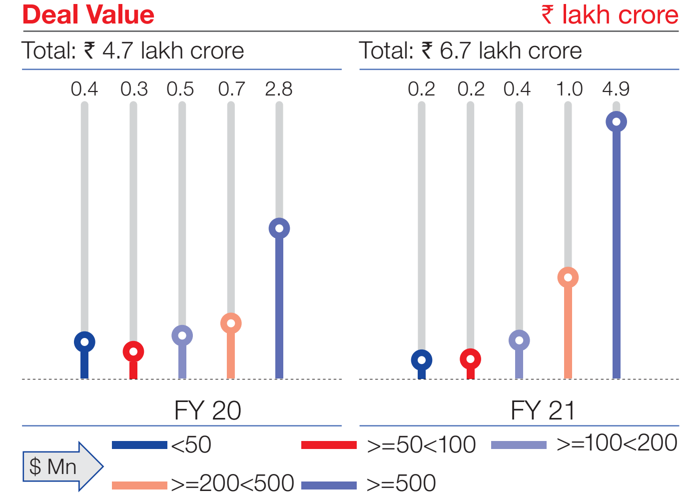
FY 2020-21 saw a large number of first time issuers raising capital through IPOs. Most IPOs received overwhelming response from institutional as well as non-institutional investors, followed by stellar listings.

Mergers and Acquisition

During FY 2020-21, 466 deals were announced as compared to 589 deals in FY 2019-20. The total value of the deals announced was ₹ 6.7 lakh crore for FY 2020-21 (this does not include 118 deals for which deal values were not available) as against ₹ 4.7 lakh crore for FY 2019-20 (this does not include 142 deals for which deal values were not available).



Deal Value ₹ lakh crore



Source: Mergermarket

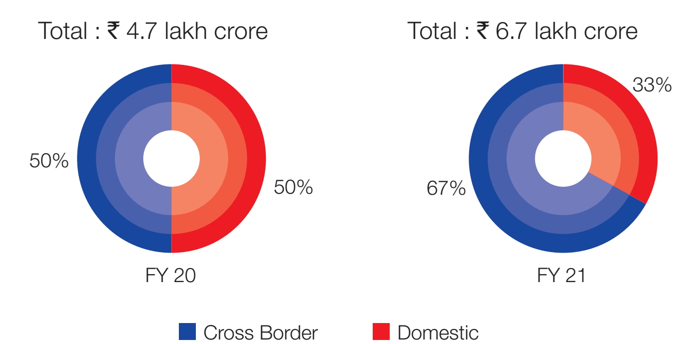
Notes

1. Deals are considered based on announcement date (excluding lapsed/ withdrawn bids).
2. Deals where both target and bidder are outside India are not considered.
3. Deal values are converted from USD to INR based on the average exchange rates for FY 2019-20 and FY 2020-21 FBIL website i.e., https://fbil.org.in/

Domestic v/s Cross-Border Activity

During FY 2020-21, domestic transactions contributed 33% to the overall M&A activity with deal value aggregating ₹ 2.2 lakh crore compared to 50% in FY 2019-20 and a deal value aggregating ₹ 2.3 lakh crore.

Domestic Vs Cross Border



Source: Mergermarket

Notes

1. Deals are considered based on announcement date (excluding lapsed/ withdrawn bids).
2. Deals where both target and bidder are outside India are not considered.
3. Deal values are converted from USD to INR based on the average exchange rates for FY 2019-20 and FY 2020-21 FBIL website i.e., https://fbil.org.in/

Private Equity

In FY 2020-21, private equity deals worth ₹ 2,75,467 crore were announced compared to ₹ 2,14,995 crore in FY 2019-20 (Source: JM Financial Estimates)

The sectors that experienced the maximum interest from private equity investors include IT/ITES, Telecom and Retail.

Operational Performance of Investment Banking Business

During FY 2020-21, we concluded the following equity capital market transactions:

- **Book Running Lead Manager to the IPO of:**
  - – Mindspace Business Parks REIT – ₹ 4,500 crore
  - – Brookfield India Real Estate Trust – ₹ 3,800 crore
  - – UTI Asset Management Company – ₹ 2,160 crore
  - – Burger King India – ₹ 1,067 crore

Management Discussion and Analysis (Contd.)

- Anupam Rasayan India – ₹ 760 crore
- MTAR Technologies – ₹ 696 crore
- Equitas Small Finance Bank – ₹ 518 crore
- Easy Trip Planners – ₹ 510 crore
- Mazagon Dock Shipbuilders – ₹ 444 crore
- Stove Kraft – ₹ 413 Crore

- **Managers to the OFS & Block Deals in:**
  - Bandhan Bank – ₹ 10,600 crore
  - GMM Pfaudler – ₹ 1,028 crore
  - Amber Enterprises India – ₹ 600 crore
  - Sumitomo Chemical India – ₹ 757 crore
- **Book Running Lead Managers to the Qualified Institutions Placement ("QIP") by:**
  - ICICI Bank – ₹ 15,000 crore
  - Housing Development Finance Corp – ₹ 14,000 crore
  - Bank of Baroda – ₹ 4,500 crore
  - Canara Bank – ₹ 2,000 crore
  - Amber Enterprises India – ₹ 400 crore
  - Poly Medicure – ₹ 400 crore
- **Book Running Lead Managers to the Rights Issues by:**
  - Reliance Industries – ₹ 53,124 crore
  - Shoppers Stop – ₹ 300 crore
- **Buyback:**
  - Tata Consultancy Services – ₹ 16,000 crore
  - Wipro – ₹ 9,500 crore
  - NIIT Technologies – ₹ 3,375 crore
  - JK Paper – ₹ 100 crore
- **Delisting:**
  - Hexaware Technologies – ₹ 4,146 crore
  - Xchanging Technology – ₹ 94 crore

Mergers & Acquisitions and Private Equity Syndication

We are pleased to report that JM Financial has emerged as the most successful domestic investment bank in FY2020-21, having announced 13 M&A transactions with a total deal value of ₹ 43,000 crore.

(Source: Mergermarket)

JM Financial was an advisor to the following marquee transactions during FY 2020-21:

- Exclusive financial advisor to Future Group on the sale of its retail, wholesale, logistics and warehouse businesses to Reliance Retail through a composite scheme. This transaction is currently under execution;
- Financial advisor to the ongoing family arrangement involving the TVS family;
- Exclusive investment banker to Escorts on acquisition of stake by Kubota Corporation (Japan) in Escorts;
- Exclusive financial advisor to International Cargo Terminals and Infrastructure Private Limited (ICTIPL) on fund raise from Bain Capital;
- Advisory to Brookfield on acquisition of a portfolio of office and retail assets, and co-working business from RMZ Group and its promoters;
- Financial and transaction advisor to IL&FS on sale of its stake in Schoolnet India to Falafal Technologies;
- Exclusive financial advisor to L&T Finance Holdings for sale of 100% shareholding in L&T Capital Markets to IIFL Wealth Group;
- Financial advisor to India Grid Trust for acquisition of Jhajjar KT Transco from Kalpataru Power Transmission and Techno Electric & Engineering Company;
- Financial advisor to India Grid Trust for acquisition of 74% of share capital of Parbati Koldam Transmission Company;
- Exclusive financial advisor and manager to the open offer to the Equity Shareholders of HealthCare Global Enterprises;
- Advisor to Fairchem Speciality on demerger of the speciality oleo chemicals and nutraceuticals business into Fairchem Organics and amalgamation of aroma chemicals business into Fairchem Speciality;
- Exclusive financial advisor in relation to the open offer to the shareholders of Accelya Solutions India by Aurora UK Bidco together with entities belonging to the Vista Equity Partners Group;
- Exclusive financial advisor to the promoters of Sunrise Foods for sale of 100% shareholding to ITC;
- Fairness opinion on the share exchange ratio relating to the amalgamation of Adani Ports and Special Economic Zone and Bramhi Tracks Management Services.

Securities Business

Our securities business includes our Institutional Equities Business which serves our institutional clients and our Equity Broking Group which serves individual and corporate clients.

Institutional Equities

Our Institutional Equities business offers broking services in both cash and derivatives segments to Indian and global institutional clientele. We strive to provide research with a focus on new stock ideas, intensive client servicing and efficient trade execution, complemented by post trade settlement.

The performance of our Institutional Equities business was primarily achieved through years of investment in the appropriate talent across sales, trading, research, operations, compliance and technology functions.

Equity markets rebounded in a very short time following a very steep fall in March 2020. Volumes increased sharply across the board and primary market activity gained significant momentum during the year. Institutional Equities business participated very strongly in this rise. This was primarily achieved through years of investment in the appropriate talent across sales, trading, research, operations, compliance and technology functions. Stable talent pool, consistent higher levels of servicing provided to its institutional clientele, strong customer focus, differentiated service offerings combined; enhanced the Firm's rankings amongst many of its top tier institutional customers.

Judicious investments in fixed assets and regular enhancements of technology platforms across the value chain, enabled the firm's institutional clientele to receive best in class service.

Yields continued to trend lower - a function of a) the highly competitive nature of institutional equities business and b) global active asset managers consistently losing assets under management to passive asset managers, profitability was enhanced due to judicious management of costs and extracting better operating leverage out of the talent pool and its technology platforms.

Despite the impact of the lockdowns and restricted movements in the early part of the year, technology helped the team to work seamlessly and efficiently even from home. With tremendous human spirit and a DNA of teamwork; entire teams across functional areas in institutional equities business, quickly reworked every aspect of their work-flows, created parallel pods, set-up communication lines, accelerated the use of technology in their day-to-day functional areas so that 90% of the staff could yet operate from home; with only the essential sales trading and execution personnel needing to physically attend the work places.

It is heartening to mention that all the efforts resulted in the business operating (anecdotally) at near 100% productivity as compared to the normal. It is further important to mention that the institutional equities group stood up to the occasion with its single-minded purpose "being there and available" for the Firm's customers, and ensuring they get all the assistance and service required in unprecedented times like these.

We expect the robustness in the equities market to continue and believe that domestic institutions which were seeing outflows will reverse in FY22. We are already seeing signs of that happening. The FII inflows are expected to continue strongly in FY22.

Equity Broking Group

We offer research based equity advisory and trading services to high net-worth individuals, corporate and retail clients. The Equity Broking Group has its presence in more than 170 cities in India through network of branches and franchisees. The combination of branches and franchisee has helped us in achieving a de-risked business model and a wide spread presence.

We will continue to focus on strengthening our branch and franchisee network. The Firm has made a few hires and is focused on expanding its presence. An enhanced franchise team has resulted in acquisition of new franchises despite lockdown arising out of Covid-19 pandemic.

We have made hires to strengthen our product and investment counselor team for in-house and third party investment products through our broking channel.

The comparative details of average daily turnover in the Cash and Derivative segments of BSE and NSE are given below:

₹ in Crore

Average Daily Volume	FY 2020-21	FY 2019-20
Cash Market	70,695	41,675
Derivative	27,25,616	13,99,415
Total	**27,96,311**	**14,41,090**

(Source: SEBI, NSE, BSE)

During FY 2020-21, our average daily volume stood at ₹ 12,287 crore compared to ₹ 11,669 crore for FY 2019-20.

Management Discussion and Analysis (Contd.)

Wealth Management

The Wealth Management Group has been divided into two (1) Elite Wealth Management Group (2) Private Wealth Management Group respectively. We have separate teams to service both the category of clients.

The 'Elite Wealth Management' division focuses on clients with net worth in the range of ₹ 1 crore to ₹ 100 crore and is present in seven cities. We have a team of 61 wealth relationship managers as of March 31, 2021. It caters to retired people looking for regular income and wealth preservation, first gen entrepreneurs who are looking to create alpha over their investments, top executives in corporates, millennial on their journey to create wealth, tech savvy professionals.

Our endeavour is to be the second RM to our clients next only to banks when it comes to their personal finances. Focus will be to cater to all investments and insurance related needs, including exotic product variants across various asset classes through an open architecture model.

We intend to provide robust online platform for client on-boarding, execution of transactions and to have unified view of all their investments with us. We have on boarded 1,400 clients with ₹ 549 crore of AUM* in the first full year of operation.

Private Wealth Management Group is an arm exclusively focusing on Ultra HNI families, Corporates & Institutions. It is positioned as a third party advisory house with an open architecture with regards to products, manufacturers & ideas. At JM Financial, "IWS" group has been formed wherein Investment banking, Wealth management and Institutional Equities Securities groups have been working on an integrated basis to meet client needs seamlessly. The group has a team of 47 wealth advisors, focused to meet client requirements by providing them unbiased investment solutions.

During the year, our Assets under Management (the "**AUM**") * grew by 31.6% from ~₹ 44,883 crore as on March 31, 2020 to ~₹ 59,052 crore as on March 31, 2021.

Distribution of Financial Products

With a strong network of over 11,000 active Independent Financial Distributors (IFDs), our Independent Financial Distribution Group (IFDG) distributes various financial products such as mutual funds, fixed deposits, Public Issue of Equity and NCDs, Sovereign Gold Bonds (SGBs) to retail and high net worth customers across the country.

In FY 2020-21, we strengthened our digital presence with substantial growth in our online accounts for paperless transactions in Mutual Funds, Fixed Deposits and Public issues. 75% of our transactions were done without physical movement of paper in FY 2020-21 by using either our own transaction platform or using transaction platform of the issuers. We also helped in participation of Retail & HNI investors in Secondary Debt Market using Exchange Platforms in paperless process.

The AUM* of our Independent Financial Distribution (IFD) business stood at ₹16,171 crore as on March 31, 2021 as compared to ₹ 13,437 crore as on March 31, 2020. We added over 1,200 new partners with majority of them being qualified professionals like CAs and senior Bankers.

Leverage Products

Our portfolio under this segment can be broadly classified into the following: (i) capital markets lending; (ii) corporate lending;(iii) wholesale mortgage (overflow) lending; and (iv) others (such as providing loan against property to our wealth and equity broking clients, purchase pool of assets and retail mortgage lending).

Capital Markets lending

Our capital markets lending caters largely to our wealth and broking clients. Capital market steady state lending includes financing in the area of loan against shares, margin funding, ESOP financing, loan against bonds/mutual funds and sponsored financing. In H1 FY 2020-21, NBFCs got impacted on account of tight liquidity conditions, high cost of borrowing and volatility in the capital markets especially in the first quarter due to Covid-19 pandemic. This resulted in subdued growth in capital market lending business throughout H1 FY 2020-21. However, there was marginal improvement in H2FY2020-21 on the back of improving economic activities and reduction in Covid-19 cases in the country. The evolving economic environment due to the second wave of Covid-19 pandemic and the liquidity scenario is expected to have an impact on capital market lending business going forward.

The capital market loan book for March 31, 2021 stood at ₹ 735 crore as compared to ₹ 465 crore as at March 31, 2020.

Corporate Lending

Our corporate lending business provides customized financing solutions under the following broad categories:

Structured Lending: We offer comprehensive financing solutions to operating businesses to refinance existing debt, top-up working capital funding, general corporate purposes and for funding growth capital expenditure. We offer efficient financing structures to companies for short tenures structured as a bridge to IPO or private equity infusion; alternately, structured debt financing can be a medium-term solution for such companies to raise capital without equity dilution.

* Assets under management (the "AUM") comprises distribution assets and advisory assets, as applicable.

Promoter Financing: We offer financing to promoter holding companies against listed securities or mortgage of properties to meet their strategic requirements, such as equity funding for acquisitions or capital expenditure, increase of shareholding in group companies, investments, buying out of private equity investors and promoter debt refinancing.

Acquisition Financing: We offer rupee funding solutions to companies acquiring domestic assets, where banks are restricted by regulation from providing financing for the equity investment.

Mezzanine Financing: We also offer subordinated debt or preferred equity instruments that represent a claim on a company's assets.

Financial Institutions Funding: We have selectively partnered with financial institutions which have domain expertise by providing them the loans.

We also provide wholesale mortgage lending solutions in partnership with our fellow subsidiary.

The Corporate loan book as at March 31, 2021 stood at ₹ 2,101 crore. Given the uncertain recovery prospects of corporate clients across sectors on account of Covid-19, new business had been muted during most part of the year.

During FY 2020-21, the Group focused on profitable short-term transactions and deployed capital to support franchise clients in addition to focused efforts for de-risking the portfolio.

The year 2020-21 was marked by a cautious sentiment towards lending and rigorous credit monitoring which has helped helped to maintain the portfolio quality.

Going forward, we seek to drive the business through sustained engagement with clients, identifying the short-term financing requirements of our franchise clients and other credit-worthy corporates even as challenges of Covid-19 continue to impact the financial services sector. We expect that such opportunities will continue in the next few quarters and we particularly stand to benefit given our overall low leverage and strong balance sheet position.

Real Estate Consultancy Services (Dwello)

Dwello is a technology based real estate consulting division that operates within the primary residential real estate space. We enable the team of professionals and trained consultants, through our cutting edge technology and analytics, to assist customers in making right decisions at every step from initiation to completion of their home buying journey. Our scientific approach towards helping the customers in their home buying decision is making Dwello a popular choice among them.

We have also initiated the mandate model within Dwello which takes sole selling rights for the selected few projects. These projects are vetted thoroughly by our experts to evaluate their saleability and marketability. Through this vertical, we aim to serve developers who look for high volume sales and benefit from Dwello's expertise in sales and marketing of residential real estate.

After expanding our reach to almost all the micro-markets in Mumbai and Pune, we are serving the different stakeholders of the real estate market through different models. While our consulting model is oriented towards fulfilling the requirements of the customers, the mandate model is focused on taking over the sales of the projects with good proposition for the buyers. Both the models share our customer centric approach. While we increase efficiency in the consulting model, our mandate model will bring in the next wave of growth.

Private Equity Fund Management

Private Equity Fund

Market Environment

In FY 2020-21, as per the JM financial estimate, the Private Equity (PE) investments were ₹ 2,75,467 crore (844 deals) as compared to ₹ 2,14,995 crore (751 deals) during FY 2019-20.

Year	Private Equity Investment (₹ in Crore)	Number Of Deals	Average Deal Size (₹ in Crore)	Top Sectors where PE investments were made
FY2020-21	2,75,467	844	404	IT/ITES, Telecom and Retail
FY2019-20	2,14,995	751	286	IT/ITES, Infrastructure and Financial Services

IT/ITES accounted for 29% of the total PE investments in FY 2020-21. Other sectors which witnessed high activity in terms of deal value were Telecom and Retail accounting for 27% and 17% respectively of the total PE investments.

Total PE exits were ₹ 44,743 crore (123 deals) in FY 2020-21 as compared to ₹ 62,355 crore (95 deals) in FY 2019-20. Strategic and PE to PE transactions for unlisted companies, and secondary market transactions for listed companies were the preferred exit routes for PE Investors.

(Source: JM Financial estimates)

Management Discussion and Analysis (Contd.)

Operational Performance

JM Financial India Fund II (“Fund II”) is a 2019 vintage (i.e., Final Close) private equity fund established as a trust under the Indian Trust Act, 1882 and registered with the Securities and Exchange Board of India (the **“SEBI”**) under the SEBI (Alternative Investment Funds) Regulations 2012, as a Category II AIF.

Similar to the first Fund, Fund II is an India focused sector-agnostic private equity fund. Its primary objective is to achieve superior risk adjusted returns, by investing growth capital in dynamic and fast growing, small to mid-market Indian companies. We believe that the small to mid-market opportunity is relatively less crowded, allowing for attractive investment opportunities in early stage companies that are in their first phase of expansion. Key sectors of interest include Financial Services, Consumer, Infrastructure Services, IT/ITeS and Manufacturing among others. As of date, Fund II has completed seven investments and is actively evaluating new investment opportunities. In addition, Fund II has completed a partial divestment from one of its portfolio companies.

JM Financial India Fund (the **“Fund”**) is a 2006 vintage (i.e. Final Close) India focused private equity fund, focused on providing growth capital to dynamic, fast growing companies in India. The Fund raised capital of ₹ 952 crore through its domestic and offshore schemes and invested the corpus in thirteen companies across various sectors. The Fund has successfully exited from all of its portfolio companies (including one partial exit) and is operationally wound up.

Real Estate Fund

JM Financial Property Fund (the **“Property Fund”**) is a real estate focused private equity fund that has invested in residential, hospitality and mixed use development assets at individual project or at holding level in development companies. The Property Fund through its domestic and offshore schemes had raised total capital contribution of ₹ 401 crore, which is fully invested. The Property Fund has Assets under Management (the **“AUM”**) of ₹ 155 crore as of March 31, 2021. The Property Fund continues to focus on exploring exit opportunities for its outstanding portfolio investments. During the year, the Domestic scheme of the Property Fund has received consent from its investors to extend the tenure by another 2 years till March 04, 2023.

Our Private Equity and Real Estate fund business may face challenges in terms of our ability to raise funds and being able to exit portfolio companies at desired valuations. Further, our portfolio investments are subject to business specific and macro-economic threats.

Investment Grade Debt Trading and syndication

- Growth is gradually recovering from the slowdown, but it remains uneven across countries and is supported by ongoing vaccination drives, sustained accommodative monetary policies and further sizeable fiscal stimulus. World output is projected by the Organisation for Economic Co-operation and Development (OECD) to reach its pre-pandemic level by mid-2021, though it will be largely contingent on the pace of vaccine distribution and its efficacy against emerging variants of the virus. Stronger external demand should support India’s exports and investment demand.
- Headline inflation, after moderating close to the target rate in January 2021, firmed up to 5.0 per cent in February 2021, primarily due to an adverse base effect. Looking ahead, the evolving CPI inflation trajectory is likely to be subjected to both upside and downside pressures.
- Despite the recommencement of 14-day variable rate reverse repo (VRRR) auctions since January 15, 2021, liquidity absorbed through the fixed rate reverse repo has steadily increased from a fortnightly average of ₹4.3 lakh crore during January 16-29 to ₹4.9 lakh crore during January 30-March 31, 2021.
- The benchmark 10-year yield, which traded at 5.93 per cent (on an average) during April 2020-January 2021, spiked to 6.25 per cent on March 10, 2021 before coming down again. In sync with G-sec yields, corporate bond yields also hardened across issuers and rating categories in the recent period.
- Since end-January 2021, AAA corporate bond yields of 3-year and 5-year maturities have firmed up by 30 bps and 31 bps, respectively, by March 31, 2021. Reflecting these developments, corporate bond issuance in February at ₹45,685 crore has moderated from its peak of ₹88,130 crore recorded in December 2020.
- The Reserve Bank scaled up its open market operations (OMOs) in February and conducted five special OMOs (operation twists) in February and March; increased the amount for the operation twist (OT) auction on March 4, 2021 from ₹10,000 crore to ₹15,000 crore; and adopted an innovative asymmetrical special OMO (purchase of ₹20,000 crore and sale of ₹15,000 crore) on March 10, 2021 to reinforce the compression of term premia as well as to inject liquidity which drew a favourable market response.

The Institutional Fixed Income Division (IFID) started operations actively in the second half of FY2019-20 with focus on raising debt resources for corporate clients, investment advisory and active dealing in corporate bonds. In its first full year of operations, the key developments for the desk along with focus areas are as follows:

1. **Public Issues of NCDs:** In the public issue space, the team worked extensively in higher-rated corporates across both the private and public sector. The desk ranks 2nd for the FY20-21 in the Prime Database League Table. The total volume of issuances managed by the desk in the public issue space was ~ ₹ 6,700 crore and achieved a market share of 64%.
2. **Private Placement:** In the private placement space, the team worked extensively in top rated corporates, thereby improving its league table ranking to 11th on the table for the FY 20-21. The desk arranged ~ ₹ 1,02,925 crore in the private placement space across 52 issuances with a market share of ~17%.
3. **Sales and Distribution:** The IFID desk continued empanelment across a marquee list of investors and on boarded many investors across categories. The desk actively traded and acted as a market maker in corporate bonds. The year saw OTC trade volume of ~ ₹ 23,000 crore with ~ 490 counterparties and exchange traded volume stood at ~ ₹ 150 crore. The credit team provides credit views and monitoring of the credits that the team offers to the markets both from DCM and Sales perspective.
4. **Market Making:** Additionally, the desk continued market making as an authorized market maker for the PSU Bond ETF, ‘Bharat Bond’ ETF managed by Edelweiss AMC. IFID provided two way quotes for both 3Y and 10Y ETFs on the exchange. Also, the AMC had launched two more ETFs during the year for 5Y and 11Y maturities. IFID has also been authorized as a market maker for SBI MF for its 10 year gilts scheme and in NIPPON INDIA ETF NIFTYCPSE BD PLUS SDL wherein it has been actively providing buy and sell quotes on the exchange. The year saw trade volumes of ~ ₹ 2,400 crore in ETF (market making) with ~ ₹ 1,000 crore on the OTC platform and ~ ₹ 1,400 crore on the exchange.

International Operations

We have established subsidiaries/step down subsidiaries in Mauritius, Singapore and USA to cater to and service overseas clients/investors and to carry out permitted business activities in these jurisdictions. We have a representative office in Dubai.

Our IWS segment is subject to threats which include

- Short term and long term impact of Covid-19 on the entire business segment
- macro-economic factors such as abnormal monsoon, geopolitical tensions, global economic threats impacting the business, economic situation, liquidity situation in the market, cost effective availability of funding and capital market environment
- business specific threats such as increased intensity of competition from players across the industry creating downward pressure on yields fees, commissions and brokerages, regulatory challenges, technology innovations, amongst others
- Real estate sector has been experiencing flux of policy implementations which affect the home buying behaviour directly. Any new complex policy implementation like introduction of RERA, GST changes, etc. makes a lot of home buyers hold their decisions until the period of uncertainty settles down. This creates fluctuations in the business cycles for the players in the consulting space.

Financial Performance of IWS Segment

₹ in Crore

Particulars	FY 2020-21	FY 2019-20
Gross Income	1,566.77	1,611.52
Profit before tax	445.76	434.60
Profit after tax before non-controlling interest	331.90	312.30
Profit after tax after non-controlling interest	331.08	311.26
Segment Capital Employed	3,042.15	2,694.43

Mortgage Lending

Impact of Covid-19

The uncertainties of the Covid-19 pandemic shall impact the mortgage lending business. The impact shall be on account of several factors including lack of site visits delaying sales of projects, delays in new project roll outs due to uncertainties in end user demand and in the credit environment, collections, movement of people and minimum staff, progress on construction sites getting impacted due to lack of availability of labour, slowdown in economic activities, valuation of collateral, potential impact on asset quality and moratoriums to be provided, delay in commercial leasing decisions, impact on retail businesses, income and cash flows, reduced fee collections for the schools, moratorium being offered. In light of the ongoing impact of the outbreak of Covid-19, we will continually evaluate our strategy, with a view to growing our business as a sustainable franchise.

Management Discussion and Analysis (Contd.)

The mortgage lending business is divided into two parts (i) Wholesale Mortgage Business (ii) Retail Mortgage Business

Wholesale Mortgage Lending

The Wholesale Mortgage Lending business is focused on offering a solution based approach to the clients in the real estate sector by catering to their various financing requirements and by keeping in mind the typical nature of the industry. We consider our clients as partners and aspire to have significant mind share of our clients when it comes to financing requirements/solutions.

- **Project Loans:** Our wholesale mortgage financing business is primarily focused on providing project specific funding for ongoing residential and commercial projects which have received key regulatory approvals.

- **Loans against Land:** We offer loans to customers for land acquisition or against land parcels to be used for projects that are not expected to be launched in the near-term. At the time of funding, these land parcels do not have any relevant approvals and the loan repayment is based on the borrower-group's cash flows.

- **Projects at Early Stage Loan:** This is offered for projects that are expected to be launched in the near-term. These projects are typically in the approval stage and may be raising funds for development and/or for seeking relevant approvals. These loans are typically advanced in part as a portion of a refinancing of existing loans and in part, as project related funding. Repayment of the loan is expected from project cash flows that will accrue during the loan tenure.

- **Loan against Property:** These loans are advanced against fully constructed residential and/ or commercial units that have been granted an occupation certificate. Repayment of the loan is expected from sale of the units.

- **Loan against Securities:** Clients may be granted these loan against a pledge of listed/unlisted securities of their companies to bridge the gap in the event the inventory of the developer is not being sold as expected, thereby offering cash flow to the developer until completion of the project. These loans are advanced to select borrower-groups with strong credit history in few cities. These loans are mainly provided for funding the clients' group activities and repayment of existing loans (secured and unsecured).

As on March 31, 2021, the total loan book for wholesale mortgage lending stood at ₹ 7,158 crore as compared to ₹ 8,052 crore as on March 31, 2020. The financial year saw the sector dealing with the challenges faced due to the ongoing Covid-19 crisis, as during almost half the financial year most geographies were going through a lockdown due to which sales and construction activity was affected. Also, the sector was majorly affected due to labour migration and non-availability of skilled and unskilled labourers to complete construction activities. However, there were also a lot of incentives announced by the central government and some state governments to revive the sector and boost demand. Due to this and also the availability of home loans at attractive rates the last two quarters saw massive increase in sales volumes across all geographies in which we are present. This increase in sales numbers was also more prominent with reputed builders and brands showing a trend of consolidation.

Our ability to continue our disbursements post the IL&FS crisis, unlike most peers, has clearly set projects funded by us apart from most others as rapid pace of construction instils confidence in the end users. Our view is that residential real estate will continue to show robust sales and the end user demand will be strong in the coming quarters. We have also observed the gap between demand and supply situation narrowing in most geographies as absorption has been higher than supply for the last few years. This trend has led to new acquisitions by developers and we should see more new launches in the near future.

As we step into the financial year 2020-21, we believe that we will have to be aware of the second wave of Covid-19 and the impact that it can have on the sector. However, we will continue looking for opportunities to lend, as we feel that we are at the bottom of the real estate cycle and will find good credits to underwrite.

Retail Mortgage Lending

Housing Finance Business and loan against property

Our housing finance business commenced operations in 2017 in order to expand group's presence in retail mortgage space with a focus on affordable housing finance. JM Financial Home Loans Limited (the **"JMFHLL"**), the group's housing finance entity, in its short history, has shown resilience and a tenacity to grow despite an unconducive operating environment. JMFHLL has steadily expanded its operations to 30 locations across eight states in the country. It has consistently grown its loan book while maintaining a healthy yield and below industry average GNPA.

FY 2020-21 was an unprecedented year for all the businesses. India went into one of the strictest lockdown globally in response to Covid-19. Impact of such a widespread and elongated lockdown on the economy was expectedly severe as India went into the recession in 1HFY2020-21. The rub off effect of such a large dislocation in the economy on housing finance was likely to be three fold – a) lower demand as customers push out their home purchase decisions; and b) higher delinquencies due to job losses; c) further deterioration of liquidity conditions. However, pro-active measures from government and RBI were able to significantly mitigate the tail risks of the lockdown on the sector. On one hand, price correction of houses, decade low home loan interest and stamp duty reduction in state such as Maharashtra were able to spur housing demand. On the other hand, moratorium on loan instalment and emergency credit guarantee scheme have avoided widespread defaults. Further, RBI injected adequate liquidity in the banking system to kick-start credit flow. Above measures allowed housing finance sector to tide over the crisis relatively unscathed. Collection efficiencies have improved significantly from May-lows for most players.

JMFHLL, owing to its presence largely in tier-2/3 towns, has been able to recover faster. JMFHLL exited FY2020-21 with best ever quarterly disbursements in Q4FY2020-21. More importantly, it has achieved collection efficiency of c.99% which underscores its strong underwriting standards. We believe healthy liquidity position within the group, strong focus on asset quality and focus on affordable housing will make the JMFHLL emerge stronger from the crisis. During FY2020-21, JMFHLL raised equity funds aggregating ₹ 50 crore from JM Financial Credit Solutions Limited.

Education Institution Loans

India continues to see improvement in the education space underpinned by a desire to educate the next generation, complemented by rising disposable income and spurred on by government's sustained effort towards improving enrolment at the pre-primary and primary school levels. With aspiring parents willing to pay for better education outcomes and all around child development, private school have greater impetus to invest in developing better school infrastructure and facilities in urban, semi-urban and rural centres alike. Greater enrolment in private schools at the pre-primary and primary school level and movement of students from public to private schools at the secondary and higher secondary levels are driving the growth of private schooling in India. A sustained growth in central and international board affiliated schools is also leading to greater deployment of capital for school infrastructure development.

JMFHLL's focus on building a high quality diversified K 12 education institution loans portfolio continues through acquisition of school clients across urban, semi-urban and rural centres across state and national boards. We continue to closely monitor the situation unfolding in the second wave of Covid-19 and its impact on the opening/re-opening of schools and education institutions.

Our mortgage lending segment is subject to threats which include:

- Short term and long term impact of Covid-19 on the entire business segment;

- Impact of Covid-19 on the reopening of schools and education institutions;

- macro-economic factors such as abnormal monsoon, geopolitical tensions, global economic threats impacting the business, economic situation, liquidity situation in the market, cost effective availability of funding;

- business specific threats such as increased intensity of competition from players across the industry creating downward pressure on yields fees, commissions and brokerages, regulatory challenges, technology innovations, amongst others; and

- Regulatory changes and adverse sector changes including slowdown in the real estate sector and housing.

Financial performance of Mortgage Lending Segment

₹ in Crore

Particulars	FY 2020-21	FY 2019-20
Gross Income	1,217.72	1,350.85
Profit before tax	477.50	533.01
Profit after tax before non-controlling interest	356.27	381.21
Profit after tax after non-controlling interest	164.80	178.62
Segment Capital Employed	3,787.86	3,431.82

Distressed Credit Business

Impact of Covid-19

For the distressed credit business, Covid-19 impact on operating units under restructuring may be due to reasons including temporary closure of plants, additional burden of fixed costs during the lockdown period, cancellation of existing orders, low off take, etc. The lockdown has also impacted resolution of assets. Due to the overall economic slowdown, there are uncertainties and volatility impacting the credit markets and more so short term liquidity. Covid-19 is also expected to impact the valuations across most sectors. The delay in the cash flow of the underlying companies shall impact the cash flows of the distressed credit business. In light of the ongoing impact of the outbreak of Covid-19, we will continually evaluate our strategy, with a view to growing our business as a sustainable franchise.

Our distressed credit business includes asset reconstruction business.

During the financial year 2020-21, while recognizing the role of Asset Reconstruction Companies (the "**ARCs**") in the financial sector ecosystem and enable development of this sector, RBI has constituted a Committee to undertake a comprehensive review of the working of ARCs and recommend suitable measures for enabling ARCs to meet the growing requirements of the financial sector. Further, RBI notified Category I Alternative Investment Funds (AIFs) set up as trust and registered with SEBI as "Qualified Buyers" under the SARFAESI Act, 2002 subject to certain conditions to facilitate more investor participation in Security Receipts issued by ARCs.

Management Discussion and Analysis (Contd.)

In order to achieve efficacious and expeditious completion of liquidation process under the Insolvency and Bankruptcy Code, 2016 (IBC), the Central Government brought changes to enable (a) assignment by a creditor of its claims/interest during liquidation process; (ii) disposal/assignment of non-readily realisable/illiquid assets. Accordingly, an assignee of a creditor's claim can be treated as a creditor during liquidation. Further, the amendment also stipulated that a liquidator may assign or transfer 'Not Readily Realisable Asset' (NRRA) through a transparent process, in consultation with the stakeholders' consultation committee. NRRA inter-alia, include contingent or disputed assets and assets underlying proceedings for preferential, undervalued, extortionate credit and fraudulent transactions. The above amendments in the regulations will help lenders to speed up recovery process and also enable them to exit by assigning their exposure.

The Central Government has introduced regulations for pre-packaged insolvency resolution process for MSME sector. The regulations are aimed to achieve a cost effective resolution frame work for MSMEs, where resolution of insolvency can also be achieved in a much shorter timeframe. The pre-packaged insolvency resolution process is also expected to be extended to all other companies in time, which will help lenders in early restructuring of the distressed units.

The Courts pronounced rulings settling various contentious issues. Hon'ble Supreme Court has ruled that the promoter, if ineligible under Section 29A of IBC cannot make an application for Compromise & Arrangement under Section 230 of the Companies Act, 2013 in respect of a corporate debtor which is undergoing liquidation under IBC. The Apex Court also ruled that entry in balance sheet will amount to acknowledgement of debt and applications filed for admitting a corporate debtor to CIRP under IBC, if supported by balance sheet acknowledgment, shall be within the limitation period.

FY 2020-21 was a challenging year for the asset reconstruction business for several reasons. Despite the headwinds due to Covid-19, we achieved good results with total recovery of ₹ 1,192 crore aided by implementation of approved resolution plans by NCLT, successful sale of assets under SARFAESI and settlements.

As the NCLTs/Courts opened gradually and started hearing matters virtually and later physically, the resolutions through legal means started gaining momentum in Q2 FY21 as evidenced by approval of resolution plans and implementation thereof. What gave us immense satisfaction during the year was that in seven cases, Resolution Plan was approved by NCLT during the year. Besides, in four cases Resolution Plan recommended by Committee of Creditors is pending for approval by NCLT. This has been our contribution towards reconstruction of distressed units so that these can start contributing optimally to economy of the country and save/generate employment.

JM Financial Asset Reconstruction Company Limited (the "**JMFARC**") is presently focused on profitability over growth and is being prudently managing its ALM by pre-paying external liabilities and deleveraging the balance sheet. During the year, JMFARC has been able to prepay/buyback some of its long-term external debts maturing in FY22. Further, it has also been able to raise long term debt (including additional Bank lines) in Q4 FY21.

Beginning the fourth quarter, we restarted evaluating few accounts for acquisition purposes.

Till March 31, 2021, we have acquired total outstanding dues of ₹ 61,666 crore at a gross consideration of ₹ 17,427 crore. Security Receipts worth ₹ 769 crore were redeemed during the year. The outstanding Security Receipts stood at ₹ 11,060 crore as on March 31, 2021. The contribution outstanding of JMFARC stood at ₹ 3,193 crore as on March 31, 2021. JMFARC had also made aggregate cash investment till date of ₹ 5,082 crore, and achieved total recovery of ₹ 9,739 crore till date.

Looking ahead, as JMFARC's business forte comes from their professionally managed team, high capital base and tailor-made acquisition and resolution strategies, we would continue to evaluate the right acquisition opportunities and gradually grow our book. We will also continue to focus on cash investments in a co-investment model with funds and work with strategic and financial advisors on selected deals.

Our distressed credit segment is subject to threats which include:

- short term and long term impact of Covid-19 on the entire business segment
- macro-economic factors such as abnormal monsoon, geopolitical tensions, global economic threats impacting the business, economic situation, liquidity situation in the market, cost effective availability of funding
- business specific threats such as increased intensity of competition from players across the industry creating downward pressure on yields, fees, amongst others
- regulatory changes, delays and adverse sector changes affecting the acquisition and resolution of assets

Financial performance of Distressed Credit Business

₹ in Crore

Particulars	FY 2020-21	FY 2019-20
Gross Income	384.60	413.50
Profit before tax	90.67	85.58
Profit after tax before non-controlling interest	70.83	52.49
Profit after tax after non-controlling interest	44.10	29.85
Segment Capital Employed*	1,631.69	1,601.29

* Includes non-controlling interest of Security receipts holders under distressed credit business

Asset Management

Impact of Covid-19

The Covid-19 pandemic and the resultant lock downs have impacted and are likely to further impact our asset management business due to a variety of factors including global slowdown, uncertainties in macro-economic and credit market environment, restriction in the movement of people, distribution activities, volatility and uncertainties impacting the financial and capital markets, uncertainties in business growth, valuation mismatches, underperformance of mutual fund schemes affecting investor sentiment and risk appetite, rating downgrade of companies, defaults by corporates, redemption pressures and flow of funds to mutual funds. In light of the ongoing impact of the outbreak of Covid-19, we will continually evaluate our strategy, with a view to growing our business as a sustainable franchise.

Under our asset management business, we offer a wide range of investment options that cover the entire risk spectrum, catering to the diverse needs of the Institutional and the Non- institutional Investors. The average assets under management (AAUM) of JM Financial Mutual Fund for FY 2020-21 were at around ₹ 3,585 crore with Equity AAUM around ₹ 819 crore and Debt AAUM around ₹ 2,766 crore. In Alternate Investment Fund vertical, our maiden fund JM Financial Yield Enhancer (Distressed Opportunity) Fund I which has mandate to invest in distressed space declared final close in the month of March 2021 with commitments aggregating ~ ₹ 146 crore.

As Covid-19 pandemic engulfed the entire world, there was high volatility and wild swings in the stock markets in FY2020 - 21. The AUM of the mutual fund industry stood at around ₹ 31.4 trillion as on March 31, 2021. Overall, there were net outflows in the Growth / Equity oriented funds in FY2020-21. For consecutive eight months from Jul-20 and Feb-21, there were net outflows from equity funds as investors looked to book profits on worries of higher market valuations. However, equity mutual funds witnessed a net inflow in the last month of FY i.e. March, 2021 amid a correction in the stock market. The equity fund contribution has come predominantly from capital appreciation as the broader indices such as S&P BSE Sensex and Nifty 50 gained around 70% during FY2020-21. Money market and Debt funds saw good inflows in FY2020-21 in search of better yields as the infusion of liquidity in the wake of the pandemic had led to a sharp decline in term rates in the economy. However, March 2021 saw outflows in the above category due to financial year end on account of advanced tax & GST payments by Institutional investors. The contributions through Systematic Investment Plans (SIPs) continued to remain strong. Industry initiatives such as customer education, "Mutual Fund Sahi Hai" campaign by AMFI, ease of investing through digitization boosted the MF Industry's Assets.

Our asset management business is subject to threats which include:

- Short term and long term impact of Covid-19 on the entire business segment
- macro-economic factors such as abnormal monsoon, geopolitical tensions, global economic threats impacting the business, economic situation, liquidity situation in the market
- business specific threats such as increased competition affecting market share and fees, higher commissions to distributors, regulatory changes, threats from exchange traded funds, and passive funds and redemption pressures.

Financial performance of Asset Management Business

₹ in Crore

Particulars	FY 2020-21	FY 2019-20
Gross Income	31.33	62.88
Profit/(loss) before tax	(3.54)	22.49
Profit/(loss) after tax before non-controlling interest*	(0.20)	16.99
Profit after tax after non-controlling interest*	0.79	10.28
Segment Capital Employed	231.35	231.39

* Includes Profits from Associate

Analysis of Financial Performance

Consolidated Financial Performance

The consolidated gross income of the Company stood at ₹ 3,226.63 crore as against ₹ 3,453.55 crore in the previous year. Profit before depreciation and amortisation expense, finance cost and tax expense during the year stood at ₹ 2,217.47 crore as against ₹ 2,520.42 crore, in the previous year. The Profit before and after tax stood at ₹ 1,066.85 crore

Management Discussion and Analysis (Contd.)

and ₹ 590.14 crore respectively as against the ₹ 1,093.52 crore and ₹ 544.98 crore in the previous year.

The profit in the current year increased to ₹ 590.14 crore as against ₹ 544.98 crore in the previous year primarily due to increase in the performance of Investment Banking, Wealth Management & Securities Business (IWS) and treasury operations during the year. Also, the outbreak of Covid-19 pandemic across the globe and in India contributed to a significant decline and volatility in the global and Indian financial markets and slowdown in the economic activities. The management estimated the impact of pandemic on impairment provision on financial assets carried at amortised cost and fair valuation of certain financial assets at fair value. Accordingly, the statement of profit and loss for the year ended March 31, 2021 includes incremental gross impairment provision of ₹ 207.55 crore, on account of the pandemic. The adjusted profit after tax (Pre Covid-19 impact) for the current year would have been ₹ 688.64 crore.

The following table describes consolidated income during the year:

₹ in Crore

Particulars	For the Year ended March 31, 2021	March 31, 2020
Interest Income	1,908.54	2,281.27
Fees and Commission Income	628.53	646.26
Brokerage Income	256.61	202.70
Net gain on fair value changes	311.91	175.53
Net gain on derecognition of financial instruments carried at amortised cost	6.60	18.02
Other Operating Income	85.28	108.25
Other Income	29.16	21.52
Total	**3,226.63**	**3,453.55**

Interest Income

Interest Income from lending activities continued to be a major contributor to the gross revenue at ₹ 1,908.54 crore as against ₹ 2,281.27 crore during the previous year, constituting around 59.15% of the total revenue. Decrease in interest income is due to decrease in average loan book during the year.

Fees and Commission Income

Fees and commission earned during the year were ₹ 628.53 crore as against ₹ 646.26 crore during the previous year, constituting 19.48% of the total revenue. The decrease is primarily on account of decline in management fees from asset management business due to reduction in AAUM to ₹ 3,585 crore in the current year from ₹ 6,495 crore in the previous year. The decrease is partially offset by increase in fee income on account of increase in deal closures in investment banking during the year.

Brokerage Income

Brokerage income earned during the year was ₹ 256.61 crore as against ₹ 202.70 crore during the previous year, constituting around 7.95% of the total revenue. The increase in brokerage income is on account of increase in average daily turnover and block deals during the year.

Net gain on fair value changes

Net gain on fair value changes stood at ₹ 311.91 crore as against ₹ 175.53 crore during the previous year, constituting around 9.67% of the total revenue. This is primarily due to mark-to-market changes on account of fair value of investments in equity shares, bonds, mutual funds, security receipts and financial assets under distressed credit business during the year. The increase is primarily on account of fair value gains on equity shares and bond trading during the year.

Net gain on de-recognition of financial instruments carried at amortised cost

Net gain on de-recognition of financial assets carried at amortised cost were ₹ 6.60 crore as against ₹ 18.02 crore during the previous year, constituting 0.20% of the total revenue. This is primarily due to profit on de-recognition of a loan or a borrowing, which were carried at amortised cost during the year.

Other operating income and other income comprising revenue from treasury operations and other activities were ₹ 114.44 crore as against ₹ 129.77 crore during the previous year, constituting around 3.55% of the total revenue.

The following table describes consolidated expenditure during the year:

₹ in Crore

Particulars	For the Year ended March 31, 2021	March 31, 2020
Finance costs	1,110.87	1,385.86
Impairment on Financial Instruments	256.76	233.72
Employee Benefits Expense	440.83	391.41
Depreciation and amortisation expense	39.75	41.04
Other expenses	311.57	304.00
Total	**2,159.78**	**2,360.03**

Finance Cost

The decrease in finance cost from ₹ 1,385.86 crore in the previous year to ₹ 1,110.87 crore in the current year is on account of decrease in the average borrowings during the year.

Impairment on Financial Instruments

Impairment on Financial Instruments stood at ₹ 256.76 crore as against ₹ 233.72 crore during the previous year. This is on account of provisioning based on expected credit loss model on the loans and trade receivables. The increase is primarily on account of additional provisioning due to uncertainties in the macro economic environment, impact of Covid-19 and due to increase in Stage 2 and Stage 3 assets as compared to previous year.

Employee Benefits Expense

The increase in employee cost by about 11.49% is mainly on account of increase in annual performance linked bonus of the employees in the current year as compared to previous year.

Depreciation and Amortisation Expenses

The decrease in depreciation and amortisation expenses by about 3.14% is on account of lower capital expenditure during the year.

Other Expenses

Other expenses comprise sub-brokerage, fees and commission and administrative costs. The sub-brokerage, fees and commission mainly relates to secondary market and distribution business. These expenses increased by 43.94% in the current year because of corresponding increase in brokerage and fee income in the current year. Administrative costs mainly comprise establishment expenses. These expenses decreased by 19.63% primarily attributable to decrease in write-offs, travelling and conveyance expenses and advertisement expenses. The decrease was partially off-set by increase in legal and professional fees and donations during the year.

The break-up on a consolidated basis under key segments is as under:

₹ in Crore

	FY 2020-21 Amount	% to total	FY 2019-20 Amount	% to total
Segment Revenue				
Investment banking, wealth management and securities business (IWS)	1,566.77	48.56%	1,611.52	46.66%
Mortgage Lending	1,217.72	37.74%	1,350.85	39.12%
Distressed Credit	384.60	11.92%	413.50	11.97%
Asset management	31.33	0.97%	62.88	1.82%
Others	125.18	3.88%	79.75	2.31%
Total Segmental revenue	**3,325.60**	**103.07%**	**3,518.50**	**101.88%**
Less:- Inter segmental revenue	(98.97)	(3.07%)	(64.95)	(1.88%)
Total revenue	**3,226.63**	**100.00%**	**3,453.55**	**100.00%**
Segment Results (Profit/(loss) Before Tax)				
Investment banking, wealth management and securities business (IWS)	445.76	41.78%	434.60	39.74%
Mortgage Lending	477.50	44.76%	533.01	48.74%
Distressed Credit	90.67	8.50%	85.58	7.83%
Asset management	(3.54)	(0.33%)	22.49	2.06%
Others	56.46	5.29%	17.84	1.63%
Total Results (Profit/(loss) before tax)	**1,066.85**	**100.00%**	**1,093.52**	**100.00%**

₹ in Crore

	FY 2020-21 Amount	% to total	FY 2019-20 Amount	% to total
Segment profit after tax (after non-controlling interest)				
Investment banking, wealth management and securities business (IWS)	331.08	56.10%	311.26	57.11%
Mortgage Lending	164.80	27.93%	178.62	32.78%
Distressed Credit	44.10	7.47%	29.85	5.48%
Asset management	0.79	0.13%	10.28	1.88%
Others	49.37	8.37%	14.97	2.75%
Total Segment profit after tax (after non-controlling interest)	**590.14**	**100.00%**	**544.98**	**100.00%**

₹ in Crore

Segment Capital Employed	March 31, 2021	% to total	March 31, 2020	% to total
Investment banking, wealth management and securities business (IWS)	3,042.15	31.61%	2,694.43	33.34%
Mortgage Lending	3,787.86	39.36%	3,431.82	42.46%
Distressed Credit	1,631.69	16.96%	1,601.29	19.81%
Asset management	231.35	2.40%	231.39	2.86%
Others	930.56	9.67%	123.06	1.53%
Total Capital Employed	**9,623.61**	**100.00%**	**8,081.99**	**100.00%**

Investment Banking, Wealth Management and Securities Business:

The investment banking, wealth management and securities business registered revenue of ₹ 1,566.77 crore as against ₹ 1,611.52 crore in the previous year. During the year, the percentage of segment results to segment capital employed was 14.65% as against 16.13% in the previous year. This segment contributed 56.10% to our consolidated profit after tax.

Mortgage Lending:

This segment registered revenue of ₹ 1,217.72 crore as against ₹ 1,350.85 crore in the previous year. Percentage of segment results to segment capital employed in this segment was 12.61% as against 15.53% in the previous year. This segment contributed 27.93% to our consolidated profit after tax.

Distressed Credit:

This segment registered revenue of ₹ 384.60 crore as against ₹ 413.50 crore in the previous year. Percentage of segment results to segment capital employed in this segment was 5.56% as against 5.34% in the previous year. This segment contributed 7.47% to our consolidated profit after tax.

Management Discussion and Analysis (Contd.)

Asset management:
The asset management business registered revenue of ₹ 31.33 crore as against ₹ 62.88 crore in the previous year. During the year, the percentage of segment results to segment capital employed in the segment was (1.53%) as against 9.72% in the previous year. This segment contributed 0.13% to our consolidated profit after tax.

Standalone Financial Performance:
On a standalone basis, the Company earned a gross income of ₹ 374.41 crore during the year as against ₹ 303.07 crore in the previous year. The profit before tax stood at ₹ 216.83 crore as against ₹ 156.45 crore in the previous year and the profit after tax stood at ₹ 175.23 crore as against ₹ 127.31 crore in the previous year. The profit in the current year increased primarily on account of increase in net gain on fair value changes from ₹ 21.15 crore in the previous year to ₹ 65.27 crore because of treasury activities and proceeds from QIP issue temporarily deployed in liquid mutual funds. Fee income also increased from ₹ 219.45 crore in the previous year to ₹ 229.10 crore in the current year due to increase in deal closures in investment banking during the year. The increase was partially off-set by decrease in dividend received from subsidiaries from ₹ 35.53 crore in the previous year to ₹ 16.43 crore in the current year.

Key Financial Ratios:

Ratios	Consolidated		Standalone	
	FY 2020-21	FY 2019-20	FY 2020-21	FY 2019-20
Interest Coverage Ratio	1.99	1.76	27.51	19.16
Current Ratio	1.91	1.92	13.27	4.07
Debt Equity Ratio	1.29	1.47	-	-
Net Debt Equity Ratio	0.73	1.04	-	-
Cost to Net Total Income Ratio	32.59%	32.35%	34.13%	40.00%
Net Profit Margin	25.05%	22.53%	46.80%	42.01%
Return on Equity (ROE)*	9.17%	10.24%	5.42%	5.04%
Return on Assets (ROA)*	3.77%	3.47%	5.02%	4.63%

*ROE and ROA for FY 2020-21 are calulated on weighted average basis taking into account the funds raised through QIP issue in JM Financial Limited during the year.

Ratios where there has been significant change (i.e. change of 25% or more as compared to the immediately previous financial year) from FY 2019-20 to FY 2020-21:

Interest coverage ratio:
On a standalone basis, Interest coverage ratio as on March 31, 2021 stood at 27.51 as against 19.16 as on March 31, 2020. The increase is primarily on account of increase in profit after tax during the year. The profit after tax stood at ₹ 175.23 crore as against ₹ 127.31 crore in the previous year.

Current Ratio:
On a standalone basis, the current ratio as on March 31, 2021 stood at 13.27 as against 4.07 as on March 31, 2020. The increase is primarily on account of increase in investments in liquid mutual funds owing to net proceeds from the QIP issue which remained temporarily deployed as on March 31, 2021.

Net Debt Equity Ratio:
On a consolidated basis, the net debt equity ratio as on March 31, 2021 stood at 0.73 as against 1.04 as on March 31, 2020. The reduction is primarily on account of increase in total equity and liquid funds. (Refer Note 47 of the Notes to the Consolidated Financial Statements)

Resource Mobilisation

During the last year the social and economic environment moved from a state of uncertainty and fear to optimism, recovery and doing everything necessary to fight the pandemic. FY2020-21 was one of the most challenging year, humanity has faced in the past century. After Covid-19 was declared a pandemic by World Health Organisation (WHO) in March 2020, many countries imposed varying degrees of restrictions to curb its spread. The world entered the year on the backdrop of unprecedented lockdowns globally and an impending pandemic. The imposition of lockdowns resulted in severe disruption of economic activity and a toll on human life and livelihood.

This also resulted in significant volatility in financial markets with prices of most asset classes including equities, commodities and currencies falling sharply initially; but recovered strongly once measures kicked in. The Government and Central Banks across the world swiftly unleashed flurry of measures to cushion the impact on economies.

Some of the steps announced by the Indian central government were - Garib Kalyan Yojana which amongst other measures included distributing free grains to the poor section of the economy. We also saw Government implementing its long pending reforms under the “Aatma Nirbhar Package”. This package covered support for MSMEs, incentives for domestic manufacturing, plan for privatisation of many CPSEs, etc.

Complementing this, the RBI also announced aggressive and unprecedented measures to ease financial conditions and improve liquidity and reduce the financial volatility through 115 bps reduction in policy rates, CRR cut of 1%, unconventional tools like LTROs, TLTROs, Operation TWIST, special refinancing facilities for select PFIs, allowing moratorium on outstanding loans and permitted restructuring of loans for financial institutions, etc. were some of the other supporting measures.

In the month of April, 2020, Franklin Templeton India Mutual Fund announced winding up of 6 debt schemes due to sharp increase in redemptions and liquidity pressures. This announcement gave a jolt to the faith and confidence of Indian retail and institutional investors. This further had its repercussions on the credit space with spreads widening across the board.

The strict lockdown and disruption led to India’s real GDP contracting by over 24% in Q1FY2020-21. After contracting first 2 quarters; our GDP recorded a positive YoY growth in Q3FY2020-21.

Average interbank liquidity was significantly positive during the year supported by RBI’s large liquidity infusion measures and Foreign exchange purchases. The year also saw a rise in Government spending and soft credit growth vis-à-vis the deposit growth also adding to the interbank liquidity.

In recent developments, Monetary Policy Committee (the “**MPC**”) at its meeting concluded on 7 April 2021, unanimously voted to keep the policy Repo Rate and Reverse Repo Rate unchanged at 4.0% and 3.35% respectively. It also voted in favour of maintaining an accommodative stance as long as necessary to sustain growth on a durable basis and continue to mitigate the impact of Covid-19 on the economy, while ensuring that inflation remains within the target going forward.

In addition to above, RBI also announced following measures:

- Setting up of secondary market G-sec acquisition programme or G-SAP 1.0. Under this program, the RBI will commit upfront to a specific amount of open market purchases of Government securities. For Q1FY22, RBI has announced target of ₹ 1 lakh crore with first purchase of ₹ 25,000 crore to be conducted on 15 April 2021.
- To conduct longer tenure Variable Rate Reverse Repo (VRRR) operations to manage liquidity more efficiently.
- RBI announced special liquidity facility of INR 50,000 crore for select AIFIs for a period of one year for onward lending in FY22.

However, there are risks that are playing out in our domestic markets since some time, the rise in international crude prices, increase in 10Y US treasury yields, significantly higher fiscal deficit, elevated CPI especially Core CPI, higher domestic fuel prices are increasing risk of second round impact on CPI, etc. Further improvement in broad based economic activity and higher government borrowings can put pressure on the sovereign yields and in turn on the corporate spreads.

Source: JM Financial group analysis, others.

FY 2020-21 witnessed the benchmark 10 year G-Sec rates increase marginally from 6.14% to 6.18% (half yearly yield) and repo rate was reduced from 4.40% to 4.00%. Though Y-o-Y the movement in 10 year G-sec appears to be marginal, it made a low of 5.79% in July 2020 before the trend reversed. The banking sector as on Feb 28, 2021 had lent ₹ 8.96 lakh crore to NBFC sector which represented ~9% of the non-food credit (₹ 94.94 lakh crore) lent by banks. For Mar 31, 2020 the NBFC sector borrowing stood at ₹ 9.05 lakh crore which represented ~10% of the non-food credit (₹ 92.12 lakh crore). The total AUM of MFs as on March 31, 2021 was ₹ 31.43 lakh crore, out of which ₹ 16.66 lakh crore was part of equity schemes and ₹ 14.77 lakh crore was managed under debt schemes. During the year, equity capital markets saw a net inflow of ₹ 2,74,032 crore and debt capital markets saw net outflow of ₹ 50,443 crore from FPI / FII (Foreign Portfolio Investors / Foreign Institutional Investors).

The Group continued its focus on ALM and maintaining appropriate cash liquidity on its balance sheet. The Consolidated debt outstanding at the financial year ended March 31, 2021 stood at ₹ 12,369 crore versus ₹ 11,756 crore a year earlier (an increase of approximately ₹ 613 crore). During the year, the Group continued the efforts of diversifying the sources and maturities for the borrowing profile at the consolidated level. The long-term borrowing stood at ₹ 9,621 crore versus ₹ 10,721 crore a year earlier. The Consolidated long term: short term ratio stood at 78:22. The Group’s short-term borrowing as on March 31, 2021 stood at ₹ 2,748 crore compared to ₹ 1,035 crore as at the previous year end. As on March 31, 2021, the liquidity in the Group stood at ₹ 5,351 crore. During FY2020-21, the Group raised ₹ 3,123 crore as long term borrowings from banks, insurance and mutual funds, out of which ₹ 725 crore was raised under TLTRO and PCG scheme. During FY2020-21, the Group through its respective subsidiary companies bought back ₹ 1,471 crore worth of debt (consisting of NCDs and CPs). This has facilitated respective companies in reducing negative carry on available liquidity, improve ALM, reducing interest cost and maintaining necessary liquidity buffers.

The Group continues to explore variety of new avenues of financing to further diversify its borrowing profile.

Management Discussion and Analysis (Contd.)

CREDIT RATING

- The credit rating agency included in their surveillance parameter severe stress test models and increased their surveillance during the year to measure the unprecedented and unimagined impact of the pandemic.
- The credit rating agencies have continued with their long term rating and outlook on all companies within the group as per the table below.
- The credit rating agencies have continued with their highest short-term rating of A1+ on all companies within the group.

Company	ICRA	CRISIL	India Ratings
JM Financial Limited	AA / Stable	AA / Stable	-
JM Financial Products Limited	AA / Stable	AA / Stable	-
JM Financial Credit Solutions Limited	AA / Stable	-	AA / Stable
JM Financial Asset Reconstruction Company Limited	AA- / Stable	AA- / Stable	-
JM Financial Home Loans Limited	AA / Stable	AA / Stable	-
JM Financial Services Limited	AA / Stable	-	-
JM Financial Capital Limited	AA / Stable	-	-
JM Financial Properties and Holdings Limited	AA / Stable	-	-
JM Financial Institutional Securities Limited	AA / Stable	-	-

Respective companies in the group have taken dual rating for the Commercial Papers and Public issue NCD (Non-Convertible Debenture) issuances. Dual ratings are also required by certain class of investors as part of their regulatory requirement of investment.

RISK MANAGEMENT

Risk is an integral part of the business and almost every business decision requires the management to balance risk and reward. The ability to manage risks across geographies, products, asset classes, customer segments and functional departments is of paramount importance for the hindrance free growth of every organisation.

Due to increasing globalisation, integration of world markets, newer and more complex products & transactions and an increasingly stringent regulatory framework, the financial services industry is subject to continuously evolving legislative and regulatory environment.

The Group provides a wide range of services and products in the Indian capital markets and also offer capital markets financing, broking services, distribution of initial public offerings, mutual funds, distribution of other financial products, and investment banking services. Additionally, the Group is engaged in wholesale and retail mortgage lending business as also the distressed assets business, apart from private equity and real estate fund management business. Presence of JM Financial Group in several businesses, asset classes and geographies, exposes it to various risks. The risk also emanates from various businesses of operating entities within the Group.

At JM Financial, risk management forms an integral part of the business operations and monitoring activities. The risk is managed through risk management framework approved by Risk Management Committee established by the board, encompassing independent identification, measurement and management of risk across various businesses of the Group. The Company has formulated comprehensive risk management policies and processes to identify, evaluate, manage and mitigate the risks that are encountered during conduct of business activities in an effective manner. We have established a system of risk management and internal controls consisting of an organizational risk management framework, policies, risk management system tools and procedures that we consider to be appropriate for our business operations. The board reviews the effectiveness of risk management systems in place and ensures that the risks are effectively managed. The Audit Committee has additional oversight in the area of financial risks and controls.

The Group is exposed to a variety of risks, including liquidity risk, interest rate risk, market credit risk, operational risk, regulatory and compliance risk, reputation risk, business continuity risk, legal risk, competition risk and risks emanating from Covid-19 pandemic.

A team of experienced and competent professionals, at business level as well as Group level, identify and monitor these risks on an on-going basis and evolve processes/systems to monitor and control the same to keep the risks to minimum levels. On-going monitoring by our officials helps in identifying the risks at an early stage. There is a continuous focus on the maker-checker processes. Detailed regulatory as well as regular inspections also help test our processes and compliances.

A risk event update report is periodically placed before the Risk Management Committee which includes, inter alia, the risk identification, risk classification, assessment of impact, risk mitigation/remedial action, risk status amongst others.

The Committee reviews these reports along with the course of action taken or to be taken to manage and mitigate the risks. Additionally, independent Internal Audit firms have been appointed to review and report on the business processes and policies for all operating companies in the Group. The report of internal auditors on set processes is reviewed and discussed by the Audit Committee of the Company and respective operating companies. Also, as required by the RBI, dedicated Chief Risk Officers have been appointed by the Group's NBFCs to identify various risks that are posed to the business, and put in place the mechanism to prevent and mitigate risks.

Various risks associated with the businesses of JM Financial Group are discussed in detail below:

Key Risk	Description/Impact of Risk	Risk Mitigation
Credit Risk	The risk associated with the failure of the borrower to meet financial obligations to the lender in accordance with the agreed terms is known as Credit Risk. If any of our borrowers fail to discharge their obligations to us, it would result in financial loss. As we are in the business of lending, any material unexpected credit losses or failure of the borrowers to repay debt on time, may have an adverse and negative effect on our business.	A comprehensive review exercise is conducted for credit approvals, ensuring proper documentation, carrying out extensive credit appraisal, conducting periodic reviews etc., is done as a part of credit risk mitigation. Various norms for customer identification and evaluation procedure for prospective credit proposals have been stipulated as a part of risk mitigation. Regular portfolio risk analysis is done on various financial and policy parameters, for making required changes in the credit policy as a proactive approach to risk management.
Market Risk	Market risk is the risk arising from the adverse movements in market price of various securities, which may impact value of portfolio of investment in securities. The risk may pertain to interest bearing securities (interest rate risk), equities (equity price risk) and foreign exchange rate risk (currency risk). As a part of it operations, the Group makes investments in securities and other financial instruments from time to time. We are exposed to potential changes in the value of financial instruments held by us caused by above factors. Any decline in the price of our investments in quoted securities may affect our financial performance and position.	Our portfolios and collaterals/ securities are continuously monitored and also the usage of derivative instruments which minimises the impact of market risk.
Liquidity Risk	Liquidity risk is the risk arising due to unavailability of adequate funds at appropriate prices or tenure. It also refers to the risk that arises from the difficulty of selling an asset without a high impact cost. Our liquidity is mainly dependent upon our timely access to, and costs associated with raising funds. Any lack of liquidity in the market could adversely affect our ability to access funds at competitive rates. Our liquidity shall be affected due to severe liquidity crunch in the market or due to market disruptions where we cannot access public funds. Our clients may, due to certain circumstances not honour their commitments which would indirectly lead to our inability to meet the obligations.	We have a strong financial position and all our businesses are adequately capitalized, have good credit rating and appropriate credit lines available to address liquidity risks. We also maintain a part of our capital in liquid assets to manage any sudden liquidity needs. Also, as per the guidelines prescribed by RBI, the NBFC subsidiaries, as applicable, are required to have High Quality Liquid Assets (HQLA) to maintain Liquidity Coverage Ratio (LCR), which acts as liquidity buffers. Also, the Company raised ₹ 770 crore through QIP issue during June 2020 and has build sufficient liquidity to absorb unprecedented maket shocks.

Management Discussion and Analysis (Contd.)

Key Risk	Description/Impact of Risk	Risk Mitigation
Operational Risk	Operational risks can result from a variety of factors, including failure to obtain proper internal authorizations, improperly documented transactions, failure of operational and information security procedures, computer systems, software equipment, fraud, inadequate training and employee errors. Our businesses are dependent on people and processes. Shortcomings or failure in internal processes or systems may have material adverse impact on the financial position as well as affect its operation.	Well defined policies, operational processes and systems have been devised for our operations. Regular audit are done by internal auditors to monitor the adherence of policies and processes. We also get systems audit carried out periodically by competent external audit firms. Maker/Checker mechanism has been put in place to ensure compliance with laid down systems and procedures in all areas of functioning of the Company. Also the Company's key management team consists of professionals of high level of commitment and the team is well versed in the key issues relevant to the holding company structure. They have a good understanding of all the group's businesses helping the group companies to grow in a compliant manner.
Reputation Risk	Reputation Risk is the current or prospective risk to business, earnings and capital arising from adverse perception of the organisation on the part of customers, counterparties, shareholders, investors or regulators. Reputation risk is a very high risk and can cause long term and sometime irreparable loss of business/revenue.	We conduct our business with diligence keeping in mind the stakeholders and their needs. Adequate training is provided to employees to conduct their activities with utmost care and diligence keeping in mind the first class reputation and status enjoyed by the Company.
Regulatory and Compliance Risk	Most of our businesses as well as the Company itself operate in strongly regulated business segments. The risk arising out of a change in laws and regulation governing our business. It could also arise on account of inadequate addressal of regulatory requirements or differences in interpretation of regulations vis-à-vis the regulators. This risk is heightened in setting up global offices as familiarisation with global regulations and practices can take time as well as lead to risk of inadequate understanding. In recent times, these risks have spread to tax laws and unexpected demands being raised by various tax authorities. New laws or regulations or changes in the enforcement of existing laws and regulations may adversely affect the business/revenue/profits. Non-compliance with regulations may invite strictures, penalties and even punitive action from the Regulators.	We have a team of experienced and qualified professionals reporting to Group Head – Compliance, Legal & Company Secretary which takes care of compliance with applicable laws, rules, regulations and guidelines involving our businesses. We also take external advice and appoint well qualified professionals in respective functions in various offices. All the new guidelines, circulars, notifications are complied with. Formulation of the policies as well as its implementation is taken due care of. Internal audit is carried out by external professional firms to monitor compliance with best practices, approved policies and applicable regulations. Our business team is strongly supported by our Corporate Functions team to quickly calibrate our actions in event of change in regulatory environment.
Competition Risk	The industry in which the Company operates is growing at a rapid pace and is exposed to tremendous competition at the national as well as international level. Strong growth prospects combined with liberalization of financial services sector have prompted the entry of newer foreign and domestic financial services companies. We operate in a highly competitive market and face significant competition from other players in the financial services industry and from companies seeking to attract our customers' financial assets. Entry of new players has increased the competition faced by us. It may also lead to attrition of our key personnel.	Diversified and innovative product and services are offered to keep the customers and other stakeholders intact as well as continuous research and development helps in mitigating the competition risk. Fair and transparent practices help the entity gain competitive advantage over other entities. Our human resource policies and a healthy positive work environment help us attract and retain best talent on a continuous basis.
Business Continuity Risk	In the event of disruption in the conduct of business due to incidents like fire, natural calamity, breakdown of infrastructure, acts of terrorism etc. we are exposed to the risk of loss of data, clients and/or business that can adversely affect our financial results.	We have in place Business Continuity Plan ("BCP") to mitigate the impact of any such exigencies. We continuously test check the processes laid out under the BCP and review the same. The records with respect to confidential data are preserved and are secured.
Technology Risk	Technology risk is the potential risk arising out of any technology failure, which disrupts the business. Technology risk is also posed by the Cyber-attacks, which breaches the security of the system leading to data leakage and unauthorised access to company information.	This risk is mitigated by regular review of various technology risks and steps taken to protect sensitive customer data, identification and prevention of data theft, cybercrimes, data leakage, unauthorised access to the system. The Company has put in place the processes, systems and tools for monitoring and detection of unusual activity with round the clock security operations centre. The Company has also implemented tools for mitigating various security risks - restriction of tool access, mobile device management and secured internet access along with user awareness program. The Company has also in place the requisite secured systems which allows employees to access office infrastructure from home thus ensuring business continuity.
Risks emanating from Covid-19 pandemic	The Covid-19 pandemic represents the biggest test of the post-crisis financial system to date. The pandemic constitutes an unprecedented macro-economic shock, pushing the economy into a recession of uncertain magnitude and duration. The financial system faces the dual challenge to sustain the flow of credit amidst declining growth and to	We assess financial risks and vulnerabilities related to Covid-19 on an ongoing basis. Given the increased risks that the pandemic poses with its second wave, JM Financial Group is holding regular calls of its senior committees to discuss these risks and to share experiences of members on the steps they are taking to address them.

Management Discussion and Analysis (Contd.)

Key Risk	Description/Impact of Risk	Risk Mitigation
	manage heightened risks. Covid-19 has increased the risk across the Group such as credit risk, market risk, liquidity risk, operational risk, competition risk, reputation risk, regulatory and compliance risk, business continuity risk.	We are examining the potential financial stability risks that may lie ahead as the impact of Covid-19 on the economy unfolds. Going forward, we intend to monitor the resilience of the critical financial nodes so as to identify any emerging issues in a timely manner. We also intend to identify and assess in a forward-looking manner the specific vulnerabilities that may materialise during this major global economic downturn. From a medium-term perspective, we intend to examine how likely far-reaching changes in the financial system associated with the Covid-19 crisis may affect the nature of financial stability risks. We will focus on monitoring current risks to financial stability, and in particular the impact of Covid-19 on the resilience of the financial system.

Internal Control Systems and their Adequacy

We have adequate internal control systems to commensurate with the nature of business and size of operations for ensuring:

- orderly and efficient conduct of business,
- adherence to the Group's policies and procedures,
- safeguarding of all our assets against loss from unauthorised use or disposal,
- prevention and detection of frauds and errors,
- accuracy and completeness of accounting records,
- timely preparation of reliable financial information; and
- compliance with applicable laws and regulations.

Policies, guidelines and procedures are in place to ensure that all transactions are authorised, recorded and reported correctly as well as provide for adequate checks and balances.

Adherence to these processes is ensured through frequent internal audits. The internal control system is supplemented by an extensive program of internal audit and reviews by the senior management. We have appointed independent internal audit firms for the Company and all our operating subsidiary companies to assess and improve the effectiveness of risk management, control, operations and processes. To ensure independence, the internal audit function has a reporting line to the Audit Committee of the Board.

Internal audit team is empowered to examine the adequacy of and compliance with policies, plans and statutory requirements.

The senior management regularly reviews the findings and recommendations of the internal auditors so as to continuously monitor and improve internal controls to match the organisation's pace of growth and increasing complexity of operations as well as to meet the changes in statutory and accounting requirements.

The Audit Committee of the Board of respective companies reviews the performance of the audit and the adequacy of internal control systems and compliance with regulatory guidelines. Significant deviations are brought to the notice of the Audit Committee of the respective companies and corrective measures are recommended for implementation. The Audit Committee provides necessary oversight and directions to the internal audit function and periodically reviews the findings and ensures corrective measures are taken. This system enables us to achieve efficiency and effectiveness of operations, reliability and completeness of financial and management information and compliance with applicable laws and regulations.

CORPORATE SOCIAL RESPONSIBILITY (CSR) AND PHILANTHROPIC GIVING

At JM Financial, social responsiveness is synonymous with dedicated efforts to uplift most neglected and vulnerable communities in the country. Our efforts are crystallized at the grassroots in the form of planned, long-term projects. These projects are premised on community needs and driven by collective community action. JM Financial's endeavours devoted to deserving causes and grassroots development, picked up form and pace in 2001 with the establishment of JM Financial group's CSR (Corporate Social Responsibility) and philanthropy arm, i.e. JM Financial Foundation. Our CSR

initiatives, projects and programmes, implemented under the aegis of *Integrated Rural Transformation Programme* along with their financial resources and concomitant expenditures have been planned, executed and overseen by JM Financial Foundation as outlined in our CSR Policy and espoused by JM Financial Limited and all other Group entities.

In compliance with the applicable provisions of the Companies Act, 2013 and the amendments made thereunder from time to time, along with conformity with the CSR Policy the CSR Committee of JM Financial Limited has approved and contributed an aggregate sum of ₹ 1.24 crore in FY 2020-21 for expenditure towards PM CARES and JM Financial Scholars Programme (detailed in the subsequent sections).

JM Financial Limited is an operating cum holding company in the financial services industry, through several subsidiary and associate companies, managing their operations and presence through 76 locations across 11 states and two union territories in the country.

The following segments highlight the projects undertaken during the year, followed by an update on the progress of ongoing long-term projects initiated by the Company and other Group entities prior to the said year.

Projects initiated and supported in FY 2020-21

JM Financial Scholars Programme

This year, JM Financial Limited extended support to an inclusive education initiative at Ashoka University – a premier educational institution located in Sonepat, Haryana offering education in Liberal Arts and Sciences. The initiative has been undertaken to offer equal opportunity through financial aid to students from weak socio-economic backgrounds, aspiring to pursue their undergraduate courses at the University. This support from the Company forms part of collaborative contributions from other JM Financial group entities.

Contribution to PM CARES

Our Company pooled in financial resources with other JM Financial group entities to contribute towards the Prime Minister's Citizen's Assistance and Relief in Emergency Situations (PM CARES) fund in order to strengthen the country's fight against Covid-19.

Ongoing Long-Term CSR Projects

The year has been an unprecedented one, shaking everyone to their core. The pandemic coupled with the nationwide lockdown imposed a complete curb on civilian movement in India. At this time, while the authorities were aggressively trying to control the spread of the infection, people in metropolitan cities stocked up on their domestic supplies and tried to adapt to the "new normal". In the hinterlands, daily wage workers and migrant labourers struggled with loss of daily and/or agricultural labour work, resultant loss of daily income and the impending doom of hunger. A year has passed, and we are still grappling with the same grim reality. In the first half of the year, we found ourselves reaching out to our fellow citizens with relief measures. The second half luckily appeared to be a ray of hope when the pandemic started to look a little weak as compared to our determination and courage to move ahead, double up on our energy, and progress towards the pre-determined deliverables through ongoing projects.

Covid-19 Relief Measures

Given below is a synopsis of the relief efforts undertaken by the Company to support the fight against the pandemic:

- Supported the re-development and re-operationalization of a multi-specialty hospital located in suburban Mumbai, converting 114 of their existing 1,500 beds, into a dedicated Covid-19 facility. This entailed complete refurbishment and restarting of defunct but highly essential departments, viz. Radiology, Pathology and CSSD (Central Sterile Supply Department). The hospital is now renovated and functional with 250 ICU/HDU facilities. Over the year, up to March 2021, the upgraded hospital has provided isolation facilities and treatment to an estimated 24,500 Covid-19 affected patients of which, 22,700 patients have been discharged successfully. The hospital continues to treat and cater to the growing number of cases.
- In partnership with the Department of Health, Government of Bihar, we provided 10 Truelab™ Real Time micro PCR (Polymerase Chain Reaction) systems (i.e. machines) to the Department of Health, Government of Bihar and one machine to Bihar Foundation, to increase daily Covid-19 testing capacities across the state, enabling minimum 10,000 daily samples to be tested. The Truelab™ diagnostic machines are primarily used for testing tuberculosis and other 20

Strengthening COVID-19 diagnostic and treatment facilities

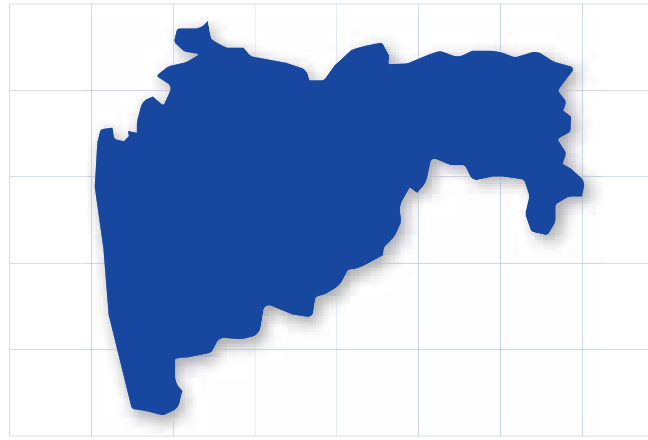
Management Discussion and Analysis (Contd.)

Running community kitchens for one-time fresh meals in Sikandra

other forms of immunology infections, and is therefore approved for screening of Covid-19 cases by the apex health research body in India, i.e. the Indian Council of Medical Research (ICMR). These machines are currently installed and operational in district hospitals and medical colleges across 10 districts of the state, namely – Araria, Begusarai, Katihar, Madhubani, Muzaffarpur, Patna, Samastipur, Saran, Sitamarhi and Vaishali.

- Contributed towards the set-up of a 100-beds dedicated Covid-19 facility in Byculla, Mumbai, targeted towards helping lower and middle-income groups to access quality medical Covid-19 healthcare.
- Provided 1,000 premium quality Personal Protective Equipment (PPE) cover-all non-woven suits with shoe covers to be used by doctors and nursing staff working 24/7 at a dedicated Covid-19 hospital declared by the Brihanmumbai Municipal Corporation (BMC).
- Distributed 20,000 vegetable khichdi boxes in the slums of M-Ward and police stations in Mumbai city.
- Distributed 1,000 dry grocery kits to families in Darbhanga and East Champaran districts of Bihar, ravaged by dreadful floods in August 2020, amidst the pandemic.

In addition to the aforementioned efforts, through JM Financial Foundation, we set up, initiated, and ran four community kitchens in four villages of our CSR project geographies, namely – Dhanimatari, Dhawatanr, Korasi and Lachhuar in Sikandra block of Jamui, Bihar. This was done with an appeal from the village communities to JM Financial Foundation, since many families were sleeping hungry with one-time meals or sometimes, none. The kitchens, run locally by community volunteers and our team from 6:00 am to 2:00 pm daily, fed over 1, 55,000 one-time wholesome meals over a span of 46 days. This initiative covered all 15 villages (13 villages and two hamlets) where JM Financial Foundation is present and working through its CSR projects.



MAHARASHTRA

The state of Maharashtra is the base location for JM Financial group of companies. We recognize our duty in reaching out to communities that are in our vicinity, apart from reaching out to those that reside in far flung, arduous terrains. Palghar district has been highlighted time and again in popular sources for unpalatable reasons. However, the villages of the Mokhada block where we work by way of our CSR hold immense potential and show high promise in becoming developed models to be reckoned with. Our project undertaken in this geography works with an umbrella approach, encompassing all aspects of agrarian life and livelihoods.

Integrated Village Development Project

The Integrated Village Development Project was initiated in 2018 by way of a tripartite Public Private Partnership (PPP) agreement, entered into with the Office of the Collector and District Magistrate, Palghar, Maharashtra. The project began with a vision of bringing well-rounded development to over 1,100 identified farmer households across seven villages of Mokhada and has so far, successfully achieved significant milestones through agriculture and allied activities, water irrigation and sanitation, improving education outcomes and increasing community access to public entitlements.

Agriculture and allied activities[1] → The project has been practicing the approach of training farmers, helping them pilot advanced agri-inputs and solutions, introducing traditional and economical water conservation methods at scale and hand-holding them throughout. From June 2020 till the end of March 2021, we have been able to organize 17 farmers training and capacity building sessions across Ase, Beriste, Brahmangaon, Karoli and Kalamgaon villages. These sessions addressed disease management for jasmine plants (related to jasmine cultivation undertaken through our project for a cluster farming approach in FY 2019-20).

Nagali[2] cultivation, kitchen gardens, sweet potato cultivation, paddy cultivation using Systematic Rice Intensification (SRI) and aftercare of cashew and mango plants/trees (related to saplings provided under our intervention). They were attended by a total of 265 farmers. Simultaneously, by way of agri-inputs, we supported 50 identified farmers with 70,000 chili saplings and guided them in their cultivation and sale. The said saplings were planted across 6.25 acres of land, which yielded 5.33 metric tonnes and fetched the farmers a total of ₹ 5.04 Lakhs when sold in the market.

Chili produce harvested and readied for sale by farmers in Mokhada

Similarly, in November 2020, we encouraged 60 farmers to cultivate chickpea by providing each of them with 5 kg chickpea seeds, so as to avoid paddy fields from remaining barren during the post-Monsoon season and to utilize the available moisture for productive cultivation. These seeds planted across 10.91 acres of land yielded 3.11 metric tonnes of chickpea. To encourage the cultivation and consumption of vegetables in an otherwise millets-dependent region, 100 farmer families were supported with 100 mini vegetable seed kits under the project and 50 other farmers were supported with such kits by way of government convergence with the Krishi Vigyan Kendra (KVK), Kosbad – Dahanu. The total area brought under cultivation of vegetables was well over 3 acres. In the previous year, we had supported 80 farmers with 16,000 jasmine saplings through convergence with Zilla Parishad (ZP) Cess fund scheme – a district fund offered for various benefits under agriculture, livestock, health and so on. This year, 75 of them reported an output of 141.94 kg which fetched them a total income of ₹ 0.63 Lakhs by way of sale of flower buds and *gajras*[3] at the Nashik city market, bordering Mokhada block. Additionally, 69 jasmine farmers have been supported with 3,975 kg barbed wire for permanent fencing of their plots at an 85 per cent subsidy. Of the 20 farmers encouraged for SRI method of paddy cultivation in FY 2019-20, 18 farmers stepped forward to once again cultivate the crop using this method, thereby building continuity and paving the way for sustainable agriculture practices. Evidently, they also enjoyed an increased yield (from 2,987 kg in FY 2019-20 to 4,217 kg in FY 2020-21), leading them to gain faith in the SRI method.

265 farmers

trained in alternate agriculture and scientific farming practices

As a step towards ecology-friendly agri-methods, 42 identified farmers were provided with a vermibed each. These vermibeds raised in the months of April-May 2020 have completed four cycles (each lasting an average of 45 to 65 days) and have yielded a total of 28.83 metric tonnes of vermi-compost and 5,616 litres of vermi-wash. Resultantly, the farmers have used the vermibed yield in their mango, cashew, jasmine and vegetable plots cultivated under the project, thereby saving on an approximate total expenses of over ₹ 3.70 Lakhs which they would have otherwise incurred on purchasing vermicompost (priced in the market at approx. ₹ 10 per kg) and vermiwash (priced in the market at approx. ₹ 15 per litre).

Cleaned and sieved vermicompost before being sold in Mokhada

In convergence with Krishi Vigyaan Kendra (KVK), Dahanu - Maharashtra, the project also supported 50 farmers across six villages with 350 fruit plant saplings of Sapota (Naseberry), Guava, Custard apple, Moringa (Horseradish), Cashew, Mango and Lemon between September and November 2020.

Our capacity building goes beyond farmers and extends to women members of Self-Help Groups (SHGs). From

[1] It should be noted that the numbers pertaining to agricultural production in each segment have been reported as communicated to us by our farmer beneficiaries.

[2] Nagali: Finger millets

[3] Gajra: A small flower-garland worn on the hair by Indian women.

Management Discussion and Analysis (Contd.)

June 2020 to February 2021, the project has conducted 24 training sessions for 216 women SHG members, and significantly built their knowledge, awareness and practices in entrepreneurship, record keeping and management, running millet processing and sugarcane juicing units (related to two trades encouraged under our project for two of the SHGs in the area). Apart from the said sessions, we mobilized 10 women trainees from from the SHG Swarajya Mahila Swayam Sahayta Gat to attend a training on Bakery Technology – setting up and running a bakery unit. They attended the five-day residential training (February 22 to 27, 2021) conducted at Dr. Balasaheb Sawant Konkan Krishi Vidyapith, Dapoli - Maharashtra.

Women SHG members learning to roll the dough for biscuits - Bakery Training

Water, irrigation and sanitation → The project geography receives a good amount of rainfall every year. In an attempt to encourage water conservation and groundwater restoration through non-concrete means, the project has introduced the concept of digging smaller trenches/pits without any casting material, known as Continuous Contour Trenches (CCTs). This year, in addition to the 1,073 CCTs dug last year, 11 farmers were mobilized to dig 1,787 new CCTs across 15.23 acres, with a total water holding and recharging capacity of approx. 1,500 litres per trench.

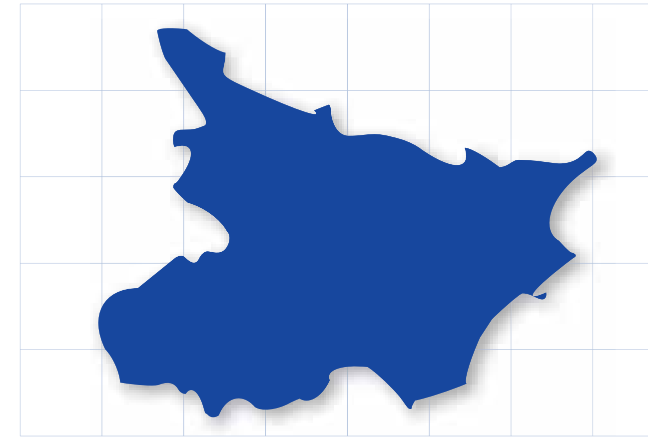
Increasing community access to public entitlements → Three helpdesks have been set up under the project to educate the communities in our seven villages and across the 59 villages of the block on available government schemes and policies, help them apply and ensure the receipt of the entitlements that are meant for them. From October 2018 to March 2021, the three helpdesks have received a total of 5,016 applications which have been compiled, submitted to the concerned government officials and departments, and pursued through multiple visits and interactions. As a result, 3,497 applications have been processed successfully, leading to a total convergence of ₹ 2.73 crore. A noteworthy convergence that has taken place through these efforts is the approval received in February 2021 from the Bandhkam Department, Zilla Parishad, Palghar, for the construction of a 2.5 km road to be initiated. This road, once completed, will connect about 43 households of Biwalpada hamlet to the rest of the villages, reduce the community's hardships and also help them receive the benefits of our project intervention and government schemes' convergence.

Improving education outcomes → In an attempt to facilitate improved education infrastructure for 379 lesser-privileged tribal children in the project geography, the company has also contributed towards an Ashramshala Infrastructure Support Project. The Ashramshala is a privately-owned residential school located in Ase panchayat, educating and housing students in grades 1 to 10, hailing from households located in a radius of up to 50 km. Prior to this project, the students in grades 1 to 4 at this Ashramshala were forced to attend classes in their hostel rooms owing to no space available in the school building. With our project efforts, the following portions of the Ashramshala are undergoing construction and renovation, and span a total area of over 9,200 sq. ft.:

- Renovation of the existing school building
- Construction of a new school building
- Construction of males' toilet block and females' toilet block
- Construction of four rainwater harvesting tanks, each with a capacity of 30,000 litres

New Ashramshala school building ready in Mokhada

The complete infrastructure development is expected to be concluded by the time the new academic year begins and it is envisioned that students, especially girl-children will get a respectable place to learn and grow.



BIHAR

Over the past three years, our Company has been working in the state of Bihar in Jamui district, identified by the NITI Aayog[4] as one of the 115 districts in India in want of development in health and nutrition, education, agriculture and water resources, basic infrastructure, financial inclusion and skill development. Herein, we have followed the twin approach of intensive development and extensive development. Under the former, our efforts are focussed on development in integrated aspects of rural life in identified and systematically assessed village clusters. Under the latter, we spread over to larger number of areas/blocks, with one cause or focus area, as mapped by us. The interventions in Jamui district while working for inter-related focus areas, have been designed and implemented as separate projects, for ease of execution. Our projects and their deliverables have been demonstrated in Chakai, Jhajha and Sikandra blocks of Jamui, over the years. This year, we have included in our intervention, a fourth, adjacent and extremely disadvantaged block, named Khaira our footprint in this district.

Project Bachpan

Our youngest project that reaches out to the youngest among us, Project Bachpan was taken up in August 2017 with the mission of extending learning and holistic development opportunities to children in the age of 3 – 6 years, left out of the fold of the existing anganwadis owing to their limited intake capacities. Implemented by way of five child-friendly, pre-school learning centers set up exclusively for the project, Bachpan has been running successfully in five villages of Dhanimatari, Dhawatanr, Korasi, Lachhuar and Sabal Bigha. Each center is run by a teacher and an assistant teacher paying attention to the needs and wants of a maximum of 25 children for five hours a day, six days of the week. Children coming from deprived families in the villages, learn pre-literacy and pre-numeracy concepts, while exploring activities that develop their fine and gross motor skills.

This year, the pandemic brought our centers to a rude halt. While a number of the educational institutions in the country were able to quickly adapt to Internet-based learning, we were left with little to no choice since our students come from families with one basic mobile phone if they're lucky, which too are mostly in want of connectivity since they don't have the expendable income to spend on a recharge. With a lot of patience, our teachers as well as students and their families waited for a good, long nine months. However, with the situation not looking any better, in September 2020, we remodelled the project to take the learning to the children's doorsteps. In this new model, the mothers, though illiterate, assumed the role of teachers, while the center teachers became their guides. A simple take-home kit equipped with basic stationery, writing, colouring and craft practice books was provided to each of our current 164 children and a weekly schedule was designed to teach the mothers, who would in turn teach their children.

Our student learning at home in Sikandra, Bihar

Going forward, these kits will be further enhanced to include more advanced learning and activities for the children. This newly developed model is expected to help the project ensure that our students do not forget their concepts and skills taught once again, and that they are able to keep alive the joy in learning and teaching, till the time that centers are allowed to re-open.

Shri Vardhman Mahila Griha Udyog

Every human being has the right to carve out their lives the way they dream. More often than not, this dream remains unrealized for most women, since they aren't exposed to the right channel and opportunity. Shri Vardhman Mahila Griha Udyog has taken shape with 18 such women, who were leading usual lives as farmers, wage and bonded labourers, until 2018, when they took up the challenge of stepping out of their homes to learn and earn for themselves. These women identified under the project, travelled to Gujarat for a

[4] NITI Aayog: National Institution for Transforming India (NITI) Aayog is the premier policy think tank of the Government of India, providing directional and policy outputs.

Management Discussion and Analysis (Contd.)

good 20 days, to learn the skill of rolling, roasting and selling *khakhra* (a popular Indian snack made of whole-wheat flour). Ever since, the trained women have been working at the Udyog in a dignified manner, and earning output-based incomes at the end of the month.

Women trainees at their food product training in Jamui, Bihar

Today, the Udyog located in Sikandra block has been running for over three years as the only women-based production unit in the region. JM Financial Foundation supported them financially for a little over 1.5 years, post which, from August 2019, the Udyog didis[5] have been managing the Udyog independently, with handholding and monitoring from the Foundation, time to time. In the year 2020-21, our 18 women members have earned a total of over ₹ 4.45 Lakhs, while the Udyog has earned a total sale income upwards of ₹ 21 Lakhs from inception till date. Like every other business enterprise, our Udyog too has suffered massive losses and continues to suffer from an extended down-time owing to the pandemic.

JM Financial Foundation had been exploring the scale-up of the Udyog's existing scope, strength and reach through product diversification, given the success of the first *(khakhra)* unit. While the pandemic has been a dampener on our plans, this was done through visiting and speaking to the women folk in villages of Khaira and Sikandra blocks. JM Financial Foundation identified and mobilized 27 lesser-privileged women from Bardaun and Ghaskotand villages of Khaira block and facilitated their training in *papad*[6], pickle and spice making. These women were trained over 10 days in January 2021, at the Rural Self Employment Training Institute (RSETI) run by State Bank of India (SBI), Jamui district. This training was the first opportunity in the women's lives, given that most of them come from kuchcha houses, belong to tribal and OBC families, are illiterate (only 4 of 27 can write) and are mothers to two or three grown up children at the very minimum. No one had till date taken any interest in furthering their education or skills and hence, they grabbed the opportunity to get trained and earn a livelihood of their own. Going forward, as the pandemic situation comes under control, we plan to set up a new wing of the Udyog, with the newly trained women, focussed on *papad* production and sale.

Cattle health camp organized by project ILDC in Jamui, Bihar

Project Integrated Livelihoods Development Centers (ILDC)

In India, agriculture and livestock have always been known to complement a farmer's livelihoods, especially in cases of small and marginal landholding farmers for whom, their cattle yield makes up for the low income from agricultural yield. This situation was witnessed in Jamui as well, when in 2018, we had conducted a survey to assess the high livestock population and their health conditions. Based on this survey and the high potential of cattle development (40,000+ at the time of the survey in three blocks), the ILDC project was initiated in Chakai, Jhajha and Sikandra with the primary objective of augmenting cattle – owners' livelihoods with improved milk yield through livestock development and management services. The project is implemented by way of 21 ILDCs (physical centers) set up and operationalized across 21 village locations, run by local para-veterinarian youth, trained under the project, addressed as Gopals. Each center serves about 8 – 10 villages, offering 24/7, scientifically-driven cattle health management and breed upgradation services to cattle-owners at their homes.

While the Covid-19 lockdown disrupted the full-fledged running of the centers, our Gopals continued providing basic cattle healthcare and development services in their villages, following safety protocol, using the medicines and related supplies that they had with them at the ILDCs. (This did not include the months of March and April 2020 during strict lockdown). The project resumed all veterinarian services from the month of September 2020 after normal civic movement was allowed in almost all parts of the country. Given below is a glimpse of the cattle management and development services rendered through the year:

[5] Didis: A Hindi term of endearment, used to denote an elder sister.
[6] Papad: Also known as papadum, papad is a thin, crisp, round flatbread Indian snack, made of pulses, especially husked and split black gram (urad dal).

First Aid	Vaccination	Deticking	De-Worming	Infertility Treatment
7,979 cattle OPDs	1,900 rounds	28,916 doses	30,216 doses	1,855 rounds
Extension Education Meetings	**Fodder Plots Development**	**Cattle Health Camps**	**Artificial Insemination**	**Calves Born**
319 meetings	170 plots	60 camps	5,355 rounds	1,768 calves

Throughout the life-cycle of the project so far, the ILDC services have birthed 4,101 calves (2,047 female and 2,054 male) of higher breed varieties with improved milk yield potential, namely – Sahiwal (2,053), Jersey (595), Holstein Friesian (719), Murrah Buffalo (364), Gir (348) and Red Sindhi (22).

In the months of February and March 2021, the project extended its services to eight villages of Khaira block with the available project expertise and ILDC resources, basis the need felt by the community therein and expressed to the JM Financial Foundation team. These villages, namely – Bardaun, Dipakarhar, Gaighat, Jhilar, Mahengro, Pratappur, Rajla-Sirsiya and Ropawel have a significant number of cattle, most of which were found to be malnourished owing to the lack of green fodder and water scarcity and suffering from Foot and Mouth Disease (FMD) owing to frequent grazing on hilly, forest terrain. Given this context, our ILDC para-veterinarians and project team members conducted a series of eight outreach cattle health camps, thereby providing 140 cattle OPD services, de-ticking to 1,394 cattle and deworming to 1,578 cattle.

The project implementation will be supported for another two years, as planned.

Shri Vardhman Dugdhalay

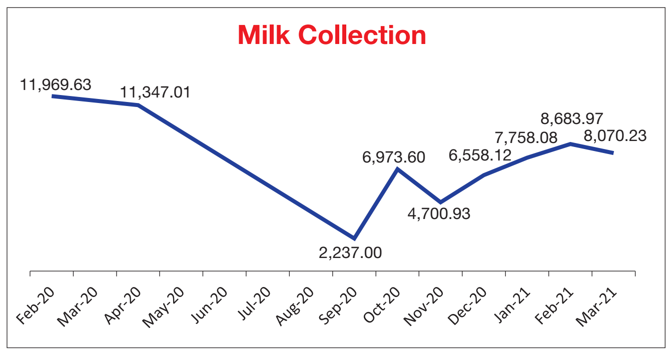
As a scale up and intensification of the ongoing ILDC project, JM Financial initiated the Shri Vardhman Dugdhalay – a dairying initiative to channel the substantial, but untapped milk collection potential in the villages of Sikandra block, providing an opportunity to cattle-owners to earn increased livelihoods. The project was designed to be implemented on ground with 10 village-based Milk Collection Centers (MCCs) identified and set up with requisite equipment to facilitate daily milk collection and one Bulk Milk Cooling (BMC) unit at the block place in Sikandra. The MCC at each location is operated by a local village resident (addressed in the project as a *Sahayak)* and is equipped with a set of eight milk collection, weighing and testing instruments provided under the project.

First aid services for cattle by ILDC Gopal in Chakai

One of the 10 Milk Collection Centers in Sikandra, Bihar

Management Discussion and Analysis (Contd.)

The project was initiated in January 2020, and from February 1, 2020, we initiated the milk collection and supply operations. However, with the imminent Covid-19 lockdown from March 2020, the project operations came to a complete standstill after the first six milk collection cycles. After a long gap of five months, seeing the situation gradually resume normalcy, the project once again initiated ground operations from September 16, 2020, to slowly crawl back to a point of stability. Given below is a glimpse of the milk collected over 25 milk collection cycles from February 1, 2020 to March 31, 2021:



Through a total milk collection of 68,298.57 litres depicted above, the *Sahayaks* have till date earned a total commission of ₹ 0.68 Lakh while the milk pouring farmers have earned a total sum of ₹ 24.27 Lakh.

Adarsh Gram (Model Village) Development Project

Agriculture forms the backbone of Indian agrarian life and economy and this fact holds true for our villages in Bihar as well. In order to conceptualize and develop villages as models, it was necessary for us to implement a project that focuses the maximum on agriculture, while tying together few other aspects of rural life as well. The Model Village *(Adarsh Gram in Hindi)* Development Project was initiated in 2018 with the primary objective of developing such villages while harnessing natural resources and village capacities to convert 15 identified remote villages in Sikandra block into self-reliant villages. Given below are some updates on the project progression under its primary focus areas:

Livelihoods and alternate agriculture → Similar to our approach in Maharashtra, we have been following a cyclical model of training-agri inputs-handholding with the vulnerable marginal and small farmers. This year, the pandemic and the national lockdown played a very big spoilsport for our planned deliverables for both the *Kharif and Rabi seasons*. Given the context, we realized that we would have to go back to educating and handholding farmers in reverting to traditional but scientific methods of reusing seeds for subsequent rounds of cultivation, and nurturing them with effective, organic fertilizers to enhance and retain soil quality and health. To this effect, our project has so far intervened in enhancing farmers' awareness and providing quality inputs timely. While the year was largely disruptive, we were able to bolster ourselves in the month of November 2020, when we conducted extensive meetings across our project villages, understood farmers' challenges faced during the pandemic and addressed their major concerns towards betterment of agriculture. We began organizing planned farmers' awareness-building sessions and increasing our frequency as well as scale of interactions from February 2021. Therefore, as opposed to other years when we had multiple sessions through the year reaching out to our farmer beneficiaries, this year, we organized four structured, large-scale events in convergence with Krishi Vigyan Kendra (KVK), Jamui, impacting a total of 740 farmers. A first-ever three-day farmers knowledge building session series was organized in three high agri-potential villages, namely – Jagdishpur, Nauwadih and Fatehpur. These sessions, held from February 1 to 3, 2021 under the banner *Khet, Khalihaan aur jaagruk kisaan adhiveshan* (Farm, barn and aware farmer session in Hindi) were arranged with the primary objective of disseminating knowledge timely, prior to the Zaid cropping season, dispelling myths and misconceptions, while feeding farmers' curiosities with information based in Science. The sessions were attended by a total of 527 farmer attendees, and delivered by Dr. Sudhir Kumar Singh (Director and Senior Scientist, Krishi Vigyaan Kendra, Jamui). The content in these sessions revolved around the significance of soil health and tests, which form the core for a better crop, healthy plant and contribute to soil sustainability in the long run.

Khet, Khalihaan aur Jagrut Kisaan in village Fatehpur, Bihar

As an immediate outcome of the farmers' knowledge-building series conducted in February 2021, on March 2nd and 3rd, KVK – Jamui had organized a training session on the importance and methods of soil testing. The main objective of this training was to provide a unique opportunity of entrepreneurship to youths along with enabling them to set up and run soil test labs in their village itself, with an agenda of helping farmers in better crop-planning while ensuring better soil nutrient management for enhanced crop production. The two-day training was attended by 17 youths mobilized by JM Financial Foundation. The third event was an exposure visit planned and organized with the KVK, Jamui on March 2, 2021, to Kundri in Jamui block, Jamui district, which has been developed as a climate resilient agriculture village. We identified and mobilized 92 farmers from Nauwadih (38 farmers), Jagdishpur (16 farmers) and Fatehpur (38 farmers) villages who through a visit to three farm plots, got an opportunity to observe-

- Zero tillage of sowing paddy and wheat
- Furrow irrigated raised bed system
- Plots cultivated entirely using farmer-produced seeds

The fourth event involved an exposure visit conducted for 104 farmers at our project's model/demonstration farm with the objective of orienting them to the concept, method and practice of capsicum cultivation, in anticipation of the imminent *Rabi season.*

Lemon produce from our orchards planted in Sikandra, Bihar

Complementing the farmers capacity building efforts are the agri-inputs provided under the project, either free of cost or with heavy subsidies. The model of nutrition gardens was introduced in our project from the second year of its implementation, as a small-scale, holistic model of kitchen garden, involving vegetable cultivation on raised beds interspersed with water drainage channels.

These nutrition gardens, if cared for, yield healthy greens for four months straight. Under our project intervention this year, a total of 102 farmers across 11 intervention villages were provided with vegetable seeds for cultivation in the nutrition gardens, which after cultivation, fulfilled their nutritional requirements during the peak lockdown months. Fruit plant saplings of lemon (2,475 saplings), guava (961 saplings) and custard apple (483 saplings) were provided to 61 farmers for cultivation of individual orchards across all our project villages. Of these orchards, 53 are in vegetative growth stage, 4 have been destroyed by wild animals and the status of four others has been difficult to ascertain owing to restricted movement during the lockdown. As a step towards organic farming, in continuation with the efforts last year, 32 vermi-beds have been provided to and raised by 32 farmers. The vermicompost yielded from the said beds have been used by the farmers in their crop fields.

Shri Vardhman Nidaan Seva

Addressing health issues and concerns is of paramount importance, while trying to achieve the goal of comprehensive development. Keeping this along with the existing, visible health issues in the community at the center of our intervention plans, JM Financial proudly initiated its first own mobile health unit under the name – Shri Vardhman Nidaan Seva (abbrv. SVNS) on December 10, 2020. The project has been identified, evaluated and undertaken with the objective of providing primary – preventive and curative healthcare services to families in Khaira and Sikandra blocks, that face the hardest time in accessing reliable care, and possess an even lower level of awareness of good health seeking practices. Since inception, though in the midst of a pandemic, the MHU has been serving more than 14 villages through its weekly pre-designated and scheduled clinic locations in the said blocks.

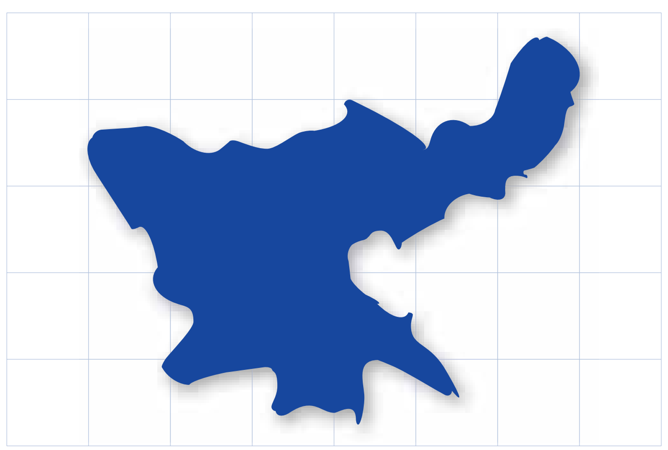
JM Financial CSR team with the newly inaugurated mobile health unit at Jamui, Bihar

The MHU is operational from 9:00 am to 5:00 pm for five days a week and on alternate Saturdays as per a pre-decided weekly routine. The project is executed on ground by a team of six subject matter experts, comprising → a qualified medical practitioner, a qualified nurse, a driver, an MIS and data management executive and two qualified health and applied nutrition professionals from Tata Institute of Social Sciences.

Management Discussion and Analysis (Contd.)

Patient being explained the prescribed medication in Jamui, Bihar

From December 10, 2020 to March 31, 2021, Shri Vardhman Nidaan Seva has treated 5,812 patients through 136 OPD visits over 69 days of serving villages in a radius of 50-53 km per day. With its daily visits, personalized patient follow-ups and free medication continued even through the raging pandemic, the project has in little time, managed to earn the faith of the community.



JHARKHAND

The state of Jharkhand may be hailed as the industrial linchpin for a forward-looking India, but a closer look at the some of the geographies within would reveal the blighting state of health indicators in districts that are poorer, with heavy tribal population concentration. Giridih is one such district, also highlighted by the NITI Aayog as an Aspirational District and JM Financial has been working to strengthen public health therein, since 2017. Our CSR projects in this region are focused purely on community healthcare, with intensive concentration in Dumri and Pirtand blocks.

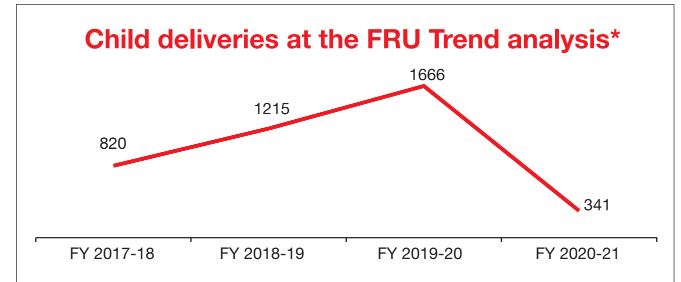
Project First Referral Unit (FRU)

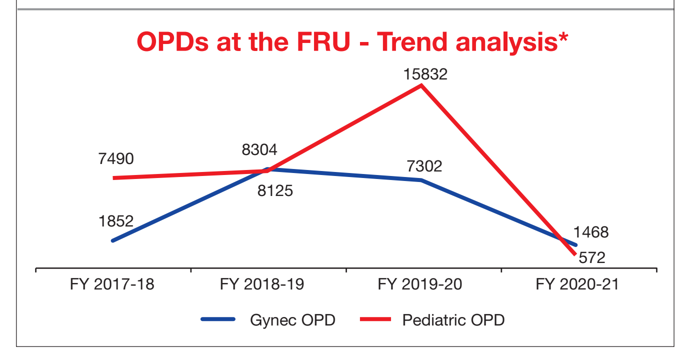
The Project FRU began with a tripartite (PPP) agreement entered into with the Jharkhand Rural Health Mission Society (JRHMS – Govt. of Jharkhand) in September 2017, with the predominant objective of improving maternal and child health indicators. For this purpose, the project implementation was undertaken at the block-level Community Health Center (CHC) located in Dumri block, wherein we worked for over three years to set up and run successfully, a Comprehensive Emergency Obstetric and New-born Care (CEmONC) Unit within the First Referral Unit (FRU) in the CHC. Over 3.3 years of its implementation, the project sustained relentless efforts at initiating and cementing quality healthcare services being available for over 2 lakhs (approx.) population in the region. These efforts included:

- Identifying system and facility gaps through external audits paediatric and gynaecology facilities
- Development of Standard Operating Procedures (SOP) and deploying them as per National Health Mission (NHM) protocol
- Recruitment and skills enhancement of 41 trained staff and existing hospital staff
- Enhancing FRU services operations and management through digitized OPD registrations, creating a permanent repository of patient data, operationalizing a 24x7 laboratory, regular deliveries by trained nursing staff
- Linking community needs with FRU services via monthly community visits and awareness sessions in the villages on maternal and child healthcare, regular meetings with government and JRHMS officials at block, district and state levels, implementation of government programmes such as Janani Suraksha Yojana and PM Surakshit Matritva Abhiyan.
- Following output-oriented monitoring and evaluation framework

As a result of the said efforts, 4,042 babies were safely delivered at the FRU during the life-cycle of the project, of which 76 were caesarean deliveries. The New Born Stabilization Unit (NBSU) which lay closed and non-functional was inaugurated under our project and made operational, thereby saving lives of 318 critical new-born babies, from January 2018 to June 2020.

The Operation Theatre was refurbished, operationalized and maintained, leading to 1,809 surgeries being performed.





* Numbers for FY 2020-21 only up till June 2020, i.e. up till the conclusion of the project.

Project FRU at a glance - Giridih, Jharkhand

The FRU being functional during the project life-cycle has been a boon to the mothers and children in the region, who would often have to depend on expensive private healthcare options for quality services. The project also brought us a moment of feeling humbled but immense pride at the same time when it received the prestigious 18th FICCI (Federation of Indian Chambers of Commerce & Industry) award in July 2020.

The project MoU had a commitment for three years till March 31, 2020, but concluded in the month of June 2020 with an extension of three months accorded by the authorities.

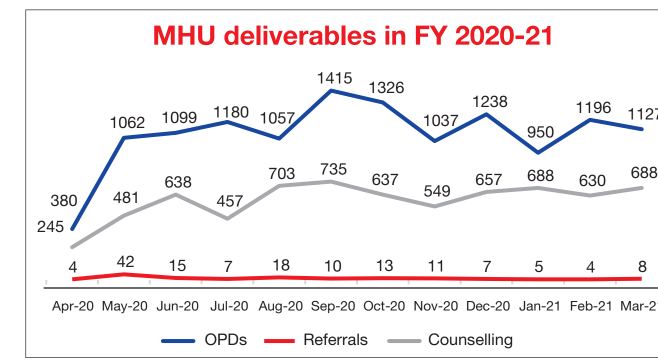
[7] Hindi words to describe a moving clinic

Project Mobile Health Unit (MHU)

Akin to the project in Jamui district, Bihar, project MHU was undertaken in September 2017 in Dumri and Pirtand blocks of Giridih in order to make available healthcare services by way of a mobile medical van. Renowned locally as the *chalta phirta dawkhana*[7], the MHU has been providing doorstep healthcare services to 14 identified, most needy villages*, located on undulating terrains of the aforementioned blocks, inhabited by largely tribal and other backward caste families.

** The project after two years of serving 24 villages, has re-oriented its approach in the third year to focus on 14 villages from the said group, basis comparative levels of deprivation from medical care and our potential to provide intensive services with timely follow-up.*

Through the year, the MHU has treated 13,067 (cumulative) OPD patients, bringing the record since inception to 60,007.



Most of the patients treated consult our MHU doctor with general, dermatological, musculoskeletal, respiratory, gastro-intestinal and orthopaedic complaints.

Project MHU conducting preventive healthcare awareness sessions during lockdown - Giridih, Jharkhand

Management Discussion and Analysis (Contd.)

Philanthropic Causes Supported by JM Financial Foundation

In addition to the CSR projects undertaken by the company, we have also been supporting deserving philanthropic initiatives through JM Financial Foundation (JMFF). Keeping in line with the objectives of the Foundation, we have endeavored to support programs in the space of promoting education, healthcare, sports and music, with partner organisations. Due to the pandemic, many organisations we support, created alternatives to reach out to their beneficiaries and sustain their positive impact.

Augmenting Education Facilities

JM Financial Foundation has partnered with an organization that encourages holistic development of differently abled children with a well-balanced curriculum and supported by special educators and therapists. Scholarships were endowed to 34 girls to pursue bachelors/masters in Computer Applications in Bhavnagar, Gujarat. We supported an institution that impacts 72,000 students and 3,000 educators across Municipal schools of Mumbai, with tried and tested training models. Skills training was provided to 248 students with intellectual & developmental disabilities, so as to maximise their potential by identifying and building on skills within them that would help them lead independent lives. About 23 one-teacher schools known as 'Ekal Vidyalayas' were supported as an education initiative for tribal children in rural areas across the country.

Skill development sessions for differently abled students

Aiding Healthcare Initiatives

With our support, rehabilitative aid was provided to 92 differently abled, underprivileged individuals, by way of providing prosthetic limbs, callipers, wheelchairs and hearing aids. Treatment of 698 patients with Ayurveda medicines supplied by an eminent institute in Bengaluru was supported by us. Free eye surgeries were conducted with JMFF support, for 334 patients in Maharashtra and Rajasthan while eye screening was done for 2,000 students in Udupi, Karnataka. We extended medical aid by way of part funding of critical surgeries for 32 children (up to 18 years of age) in Mumbai and other parts of Maharashtra. Surgery for a one-month old child with congenital heart defect in Hyderabad, was supported also supported. We helped sustain the running cost of a hospital in Palitana, Gujarat during the pandemic. Lastly, 3,000 blankets were distributed by our partner organisation and our employees to street dwellers in Delhi NCR, Kanpur and Lucknow, Shimla, Chandigarh and Mayurbhanj in Orissa, to combat the harsh winters.

Providing rehabilitative aid

Additional Areas of Support

Training of sports athletes

JMFF supports a premier institute initiated and managed by our nation's top sportspersons. Training is provided to budding athletes who otherwise do not have access to facilities to enhance their skills. World class coaching, nutritional facilities and equipment was provided to train 96 such athletes to participate in global sports competitions and win medals for the country. During the lockdown, the athletes were at home but it was important for them to train and maintain their physical fitness levels and stay mentally motivated. Regular online fitness training sessions by Strength & Conditioning (S&C) trainers, nutrition sessions by nutritionists, psychology sessions by sports psychologists, daily wellness monitoring by physiotherapists and fitness training related equipment were provided as well.

Preserving India's rich heritage

Promotion of music & cultural traditions

JMFF supports an organisation in Ahmedabad that runs a School for Indian Classical Music with a large number of students, who have performed excellently in various youth festivals and music competitions.

Nutritional assistance to infants

JMFF supports an organisation that promotes adoption of children and child welfare. During the year, we supported nutritional supplements that were provided to 22 such children in pre-adoption foster care.

Human Resources

At JM Financial, we attribute our growth and success to our work family – our human capital.

We believe in investing in our employees, nurturing their personal and professional growth, empowering them to make work better and most importantly, trusting their abilities and valuing their contributions.

Talent is our most valuable asset and we believe that the ultimate identity and success of our Firm lies in the excellent quality of our people and their commitment towards attaining our organizational goal.

Human Resources function is responsible for building the Group Human Resources strategy and is supporting all our businesses, by delivering best in-class Human Resources partnership.

HR Promise - The Human Resources Tagline

HUMAN RESOURCES

Pragmatic | Professional | Progressive

We believe that the credibility and reputation of the Firm is shaped by the collective conduct of individual employees and the tagline affirms these three beliefs at its foundation to supplement the Group values.

Pragmatic

Professional

Progressive

Engagement Surveys – Great Place To Work

As part of our endeavour to rank as an employer of choice and also identify our developmental areas, we internally conducted a dipstick study to understand our employees - what motivates them to go the extra mile, what drives loyalty and what genuinely makes and keeps them happy.

The findings of the survey reiterated our belief that our strongest attributes are our value systems, our open door culture, innovative practices, transparency, a sense of belonging, spirit of teamwork and the respect and credibility we hold in the industry.

This year, five entities viz., JM Financial Limited (representing Institutional Businesses), JM Financial Services Limited, JM Financial Asset Management Limited, JM Financial Products Limited (Dwello) and JM Financial Home Loans Limited participated in the Great Place To Work survey.

JM Financial Group has been accredited as Great Place to Work-Certified™ by the Great Place to Work Institute for all five participating entities in 2021.

Talent Management

Building and developing our talent pool is our continuous and top priority and we have been successful in attracting diverse talent with sound expertise, new perspectives and experience.

JM Financial has a strong presence in the market and our empanelled service partners help us study, survey and attract superior talent in the market.

Our initiative to participate in various market studies enable us to stay updated with market trends.

Workforce Diversity

We have employees from extremely diverse backgrounds in terms of experience, culture and heritage. This goes a long way in building our inclusive culture, as people from different backgrounds bring with them fresh ideas, innovations, unique styles and methods.

Through this, we aspire to develop a flexible, agile and high performing workforce and most importantly, a blended one.

We take pride in the workforce diversity that we have and ensure that each individual is treated with equality and respect.

Campus Hiring

Our aim is to hire a strong pool of fresh minds, whose competencies can be further developed.

The batch of 2020-21 comprised Management Graduates from schools of Business Management and Social Work. The hiring has been executed for Dwello and CSR teams at JM Financial.

JM Financial also focuses on a Management Internship Program, which aspires to establish not only its brand

Management Discussion and Analysis (Contd.)

at campuses but also build a relationship with potential candidates that it can recruit as full time resources from the campuses. Through this program, we get an opportunity to evaluate Interns for a possible Pre-Placement Offer.

Rewards and Recognition

At JM Financial, we pride ourselves in our people and their achievements. It is therefore important for us to recognize their hard work, dedication and commitment.

Our Rewards and Recognition program provides a framework for encouraging and recognizing long service and exemplary performance of our employees.

The organization has an annual Reward and Recognition Program, which recognizes and appreciates talent. The reward is non-monetary in nature and is designed for both, Business and Support functions.

Employee Engagement

New Introductions:
Chai Pe Charcha - During the lockdown, we introduced 'Chai Pe Charcha', where Team Leaders/ Department Heads were encouraged to organize online chai-pe-charcha meetings (with chai), on various platforms like Microsoft Teams, Zoom, Google Meet etc. The intent was to get-together and have virtual interactions apart from work.

Thank you Email from Group Managing Director and HR – Employees were thanked for standing by these tough times and ensuring that they gave their best in supporting the organizational goals.

JM Financial Super Heros – We thanked each employee who braved all odds and were in office premises during the challenging times of a nationwide lockdown and ensured the continuity of all our businesses and timely support to all clients. We also thanked our CSR associates, who continued to work at the grassroots for lesser served communities.

Covid-19 Frontliners - The JM Financial family shared a salute with all the Covid-19 frontliners, for their service to the nation during these extraordinary times. Employees were asked to share pictures of someone from their family (spouse / parents / siblings / children) who have been Covid-19 frontliners. We added their pictures in our monthly newsletter - Essence, thanking each and every one of them.

#MyWork from Home - During this initiative, we encouraged employees to share pictures of their 'home-stations'.

Rise and Shine – In order to keep spirits high, employees were requested to share their personal achievements during the lockdown. From the small bits of chores to the big tasks they were undertaking, we wanted to hear them all. 'Rise and Shine' is a section in our HR Newsletter – Essence.

Young Achievers - With an aim to inspire innovation amongst children of JM Financial employees, we had invited entries of employees' kids on the notable contributions and creations during the past one year.

Terrific Tuesday – Dwello conducted employee engagement activities and fun minute to win games within branches, as part of the team building activity.

Women's Day – Employees were encouraged to share iCheers with their women colleagues, to spread smiles by acknowledging the ones who have helped, inspired and motivated them.

Appreciation Week - During Appreciation Week, employees were encouraged to show their appreciation to those colleagues across teams, who they feel have helped or supported them throughout the year, through iCheer. An overwhelming number of 5000+ iCheers were sent across the organization during this period.

Tell a Tale - This initiative was undertaken to encourage reading as a hobby within our employees. Also, to push employees to pen down their thoughts in form of stories or poems. This way, we asked employees to share their stories, poems or book reviews with pictures. 'Tell a Tale' is a section in our HR Newsletter – Essence.

Other Initiatives:

Dwello Leadership Meet: A two-day Leadership Meet was organized for Team Leaders at Dwello, to encourage team bonding and plan the strategy for FY2021-22.

Covid-19 Care Leave: Employees who test Covid-19 positive could apply for leave under this leave category. As the impact of this infection varied on case to case basis, we had not stipulated the number of days of leave that can be availed. Number of days of leave varied depending on the severity of the case.

Celebrations

At JM Financial, we firmly believe that celebration is a part of our work culture. Festivals bring employees closer and help improve work relationships. Celebrations provide a well-deserved break and help employees to remain engaged.

Several occasions were celebrated, including Diwali, Christmas, Navratri, Holi, Friendship Day, Independence Day, International Yoga Day, World Photography Day etc.

Several online workshops such as Diya Decoration, Handmade Gift Making, Home Decoration, Zumba, Garba etc were conducted.

Several online engagement activities such as Twin with your Work Buddy, Tricolour Dishes, Poetries and Paintings about the country were conducted.

Employees participated in large numbers and with great enthusiasm.

Health and Awareness

Doctor Consultation - Employees could consult a doctor via email or phone, for any health related queries/reports. Mails were rolled out to employees with the doctor's contact information and consultation timings.

Mindhouse App - We had introduced an app called 'Mindhouse'. The app had various Yoga sessions, sessions on handling and managing stress and anxiety, sessions to improve focus, recorded sessions of guided meditation and guided sleep meditation and sessions on calming the mind and boosting productivity, for employees to enrol and benefit from the same.

#BeJMFit - We had initiated the fitness month in September, 2020 called #BeJMFit, where every week a fitness bingo was shared with employees and they were encouraged to engage in fitness activities. For eg: Drink 3 litres of water daily, do 10 jumping jacks daily etc.

Performance Management

We follow a comprehensive performance evaluation process for annual reviews, which was digitalized and a structured performance evaluation calendar was launched.

Employees across levels benefit from the development oriented approach of this system.

This practice helps us identify the capabilities of employees and leverage the same. It also helps us to suggest and plan development in the identified areas through training. For this, a Training Need Analysis is captured.

Trainings were provided to new joinees, in order to help them get equipped with the appraisal process and the system.

Compensation and Benefits

JM Financial's compensation framework is structured to align the interests of our employees with the long-term interests of the Firm and its other stakeholders.

Our compensation framework is designed to retain and motivate our human capital, reward them for their performance and attract superior talent from the industry.

JM Financial also offers various benefits designed to meet the needs of our employees. These benefits are an integral part of our Company and provide employees and their families' valuable support, during employment with JM Financial.

Succession Planning

At JM Financial, we promote an atmosphere of inclusion, by encouraging the next level of employees to take higher responsibilities.

Managers along with Human Resources formulate a customized grooming and orientation of high potentials, by carefully planning their work experiences. Their skills and capabilities are developed through further training and mentoring.

Learning and Development

Training is necessary for the employees' development and progress. We have an environment supporting continuous learning.

iLearn is our one stop destination to all our training requirements. This year, due to the pandemic, all trainings were conducted online.

iLearn is a blend of:
Online technical and behavioural courses (Online Trainings) which are hosted on the platform. Courses were decided basis the training requirement of employees. These training modules are micro video based lessons, which focus on retention.

External faculty trainings (Classroom Trainings) are conducted and employees are given opportunities to develop their skills.

We have promoted open programs conducted by employees of the organization, who share their knowledge and expertise on subject matters (Knowledge Community).

Employees can also seek information on seminars and job related trainings, arranged by specialized centres (Seminars and Workshops).

In order to create awareness, market the platform and ensure that employees undergo trainings, we executed a marketing campaign called 'Learning Premier League 2.0', flavour of the campaign being similar to Cricket. Employees were encouraged to browse the open platform and take up courses

Management Discussion and Analysis (Contd.)

of their choice. We felicitated the 'Learner of the Tournament' and encouraged other employees to keep learning.

Basis employees' training requirements, content is developed in-house also and uploaded on the iLearn platform.

New joinees are introduced to the iLearn portal, as well as the iLearn mobile app at the time of their Induction. Courses like POSH, IT User Awareness and Social Media Policy have to be undertaken by each and every employee of JM Financial.

A Learning Calendar was created across businesses and levels to inculcate the culture of learning.

Workshops on topics such as 'Organic Farming', 'Energy Conservation' and 'Basics of Photography' were also conducted.

A contest called '#bingelearning' was initiated by Home Loans. Winners were felicitated with e-certificates.

We have successfully achieved a total of 374 man days of trainings (Classroom Trainings, Knowledge Community and Webinars), during the FY 2020-21.

Wellbeing and Safety

For us, the health and safety of all our employees and their families is of utmost concern and priority.

The Covid-19 pandemic has been unprecedented and required immediate action to be taken across the Group. We activated the business continuity plan and a large part of our employees were working from home or remotely.

Employees were constantly being communicated and updated about the developments of the pandemic, Government guidelines, dos and don'ts and measures that the Firm had taken. Multiple advisories were sent to all employees, along with the activation of the Crisis Management Team for health related assistance needed during the interim period.

All offices were fumigated, sanitary equipment was made available and HR Business Partners were constantly in touch with the employees to ensure their safety.

In addition, several precautionary measures were taken for the essential staff working out of the offices, including fumigation, temperature check, masks, sanitizers etc.

Work from Home facility was provided. Remote access was provided to employees on their laptops, so that they had the necessary accesses to relevant email inbox and drives.

Internal and external meetings were conducted on digital platforms.

Hiring process was digitalized with online interviews, pre-joining formalities, on-boarding and induction.

'Post Covid-19 – Welcome back to office' webinar were conducted to ensure that employees were aware and followed the necessary protocols.

The total employee strength of JM Financial Group stood at 1,978, as on March 31, 2021.

Safe Harbour

This report describing our activities, projections and expectations for the future, may contain certain 'forward looking statements' within the meaning of applicable laws and regulations. The actual results of business may differ materially from those expressed or implied due to various risk factors and uncertainties. These risk factors and uncertainties include the effect of domestic as well as global economic and political events, volatility in interest rates and in the securities market, new regulations and government policies that may impact our businesses as well as ability to implement our strategies. We are under no obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events and assume no liability for any action taken by anyone on the basis of any information contained herein.

Report on Corporate Governance

Corporate Governance

Corporate Governance is a reflection of a company's value system, encompassing its culture, policies and its relationship with various stakeholders. Corporate Governance encompasses laws, procedures, practices and implicit rules that determine the management's ability to take sound and informed decisions. Good governance helps in conducting the affairs of a company in an ethical manner, bringing transparency and fairness in dealing with all its stakeholders' - in particular, its shareholders, creditors and employees. There is a global consensus on the objective of good corporate governance; maximising long-term stakeholders' value.

Philosophy of JM Financial on Corporate Governance

Corporate Governance at JM Financial has been a continuous journey. JM Financial has imbibed a philosophy of following robust corporate governance practices and accountability. JM Financial is committed to good governance practices by conducting its business in a transparent manner and creating long term sustainable stakeholders' value.

JM Financial continues to lay strong emphasis on appropriate and timely disclosure and transparency in its business dealings. Our ethical behaviour and good conduct go a long way in maintaining good governance practices, preserving stakeholders' trust and maximizing long term corporate value.

The actions of JM Financial are governed by its values and principles, viz., integrity, teamwork, client focus, innovation, implementation, performance and partnership, which is reinforced at all levels across the Group. The Company engages itself in a credible and transparent manner with all its stakeholders' which help them to understand its long-term strategies.

JM Financial has further strengthened its governance practices by implementing and executing various processes, procedures and policies that not only governs the compliance but ensures adherence to the best corporate practices. The good governance practices as stipulated in legislations such as Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "**Listing Regulations**"), the Companies Act, 2013, as amended, (the "**Act**") and all other applicable rules and regulations are being followed by the Company.

The report on the corporate governance, as per the applicable provisions of the Listing Regulations is as under:

1. Board of Directors

The Board of Directors (the "**board**") of the Company comprises highly skilled professionals bringing a wide range of expertise and experience in functioning of the board. The board provides leadership, strategic guidance and discharges its fiduciary duties of safeguarding the interest of the Company and its stakeholders.

Composition of the Board

The composition of the Board of Directors of the Company consists of executive and non-executive directors and the same is in conformity with regulation 17 of the Listing Regulations. The board comprises nine (9) directors, including one (1) woman independent director. The strength of independent directors on the board stands at 77.78%. Independent directors on the board meets the requirements of regulation 16(1)(b) of the Listing Regulations and section 149(6) of the Act. The board mix provides a combination of professionalism, knowledge and experience required in the financial industry.

Out of total nine (9) directors, seven (7) are independent directors including one (1) woman director. The remaining two (2) are non-independent directors, of which one is the Managing Director and other non-executive director, who is also the Chairman of the board.

Mr. Vishal Kampani, the Managing Director is a relative (son) of Mr. Nimesh Kampani, who is the non-executive Chairman of the Company. Save and except this, none of the directors of the Company is related to other directors.

Mr. P S Jayakumar was appointed as an additional (independent) director with effect from July 30, 2020, by the Board of Directors of the Company, subject to the necessary approvals, if any and to the extent required.

The board has received confirmation from the independent directors that they satisfy the conditions of their independence as laid down under section 149(6) of the Act read with rule 5 and rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and the regulation 16(1)(b) and regulation 25(8) of the Listing Regulations. Further, the independent directors have included their names in the data bank of independent directors maintained with the Indian Institute of Corporate Affairs in terms of section 150 of the Act read with rule 6 as stated above.

Based on the confirmations received as above, the board is of the opinion that all the independent directors of the Company, fulfil the conditions specified under the Act and the Listing Regulations and are independent of the management.

Report on Corporate Governance (Contd.)

Skills/Expertise/Competencies of the Board

The board members have rich and varied experience in critical areas like governance, finance, entrepreneurship, legal, economics, general management, etc., which enable them to satisfactorily discharge their duties as directors. This also helps them to effectively contribute in functioning of the Company.

The nomination and remuneration committee of the board assess and recommend to the board, core skill sets required by the directors to enable the board to perform their functions effectively.

Pursuant to schedule V(C) to the Listing Regulations, the skills/expertise/competencies possessed by the directors are stated below:

Name of the directors	Skills/Expertise/Competencies
Mr. Nimesh Kampani Non-executive Chairman	Mr. Nimesh Kampani's expertise is in the area of financial advisory including investment banking, mergers, acquisitions & restructuring, corporate finance and capital markets.
Mr. Vishal Kampani Managing Director	Mr. Vishal Kampani's expertise is in the area of institutional securities business including investment banking, institutional equities, fund based businesses comprising lending activities, asset reconstruction, alternative asset management and management of real estate and private equity funds.
Mr. E A Kshirsagar Independent Director	Mr. E A Kshirsagar is a specialist in areas of corporate strategy and structuring, disinvestments-central/state/private sector, feasibility studies for a variety of industries and the impact of legislations on businesses. He also has wide and varied experience in handling finance related functions.
Mr. Darius E Udwadia Independent Director	Mr. Darius E Udwadia has spent over five decades in active law practice and has vast experience and expertise, inter-alia, in corporate laws & governance, mergers, acquisitions and takeovers, corporate restructuring, foreign collaboration, joint ventures, project and infrastructure finance international loans and finance related transactions and instruments, real estate and conveyance.
Dr. Vijay Kelkar Independent Director	Dr. Vijay Kelkar, former Finance Secretary has extensive understanding of India's macroeconomic policies and of the financial sector.
Mr. Paul Zuckerman Independent Director	Mr. Paul Zuckerman has extensive knowledge in the field of economics and finance.
Mr. Keki Dadiseth Independent Director	Mr. Keki Dadiseth possesses wealth of knowledge and expertise in the field of business and finance.
Ms. Jagi Mangat Panda Independent Director	Ms. Jagi Mangat Panda is a Media/Broadcast Entrepreneur. She has more than two decades of experience in the media and broadcasting industry.
Mr. P S Jayakumar Additional (Independent) Director	Mr. P S Jayakumar has more than three decades of experience in the banking and financial services sector.

Memberships of other boards

None of the directors of the Company hold directorships in more than twenty (20) companies including in more than ten (10) public companies. In accordance with the Listing Regulations, none of the directors of the Company has held directorships and/or independent directorship in more than seven (7) listed companies during the financial year 2020-21. The Managing Director of the Company does not hold directorship as an independent director in any other listed company. Also, none of the directors is serving as a member of more than ten (10) committees or as the chairman of more than five (5) committees in accordance with the requirements of the Listing Regulations. Necessary disclosures regarding committee positions in other public companies as at the end of financial year have been made by the directors.

The information relating to the number and category of other directorships and committee chairmanships/memberships held by the directors in other public companies including the names of the listed entities as on March 31, 2021 is given below:

Name of the director	Category in the Company	Number of directorships in other public companies* (excluding the Company)				Number of committee positions held in other public companies** (excluding the Company)		Number of equity shares held in JM Financial Limited as on March 31, 2021
		Listed@	Name of the listed company	Category of directorship	Unlisted	Chairman	Member	
Mr. Nimesh Kampani DIN- 00009071	Non-executive Chairman	-	-	-	3	1	1	12,57,50,000#
Mr. E A Kshirsagar DIN- 00121824	Independent Director	2	Batliboi Limited Hawkins Cookers Limited	Non-executive - Independent Director Non-executive - Independent Director	1	3	3	Nil
Mr. Darius E Udwadia DIN - 00009755	Independent Director	1	ABB India Limited	Non-executive - Independent Director	1	1	3	Nil
Mr. Paul Zuckerman DIN- 00112255	Independent Director	-	-	-	-	-	-	Nil
Dr. Vijay Kelkar DIN- 00011991	Independent Director	-	-	-	2	-	1	1,379
Mr. Keki Dadiseth DIN-00052165	Independent Director	2	Britannia Industries Limited Godrej Properties Limited	Non-executive - Independent Director	-	1	2	11,400
Ms. Jagi Mangat Panda DIN- 00304690	Independent Director	1	Ortel Communications Limited	Managing Director	4	1	2	Nil
Mr. P S Jayakumar DIN – 01173236	Additional (Independent) Director	2	CG Power and Industrial Solutions Limited Adani Ports and Special Economic Zone Limited	Additional Independent Director	6	3	9	Nil
Mr. Vishal Kampani DIN-00009079	Managing Director	-	-	-	8	-	3	1,20,00,000

* Other directorships do not include directorships of private limited companies, foreign companies and companies under section 8 of the Act.

** The information pertaining to the chairmanships/memberships of committees of the board held by the directors includes only audit committee and stakeholders' relationship committee.

\# Includes 12,50,000 equity shares held by Nimesh Kampani HUF.

@ Includes only equity listed entities.

Board meetings and board procedure

In view of the Covid-19 outbreak, the Ministry of Corporate Affairs (the "**MCA**") and the Securities and Exchange Board of India (the "**SEBI**") vide their respective circulars had relaxed the requirement of having intervening gap of one hundred and twenty (120) days between any two (2) meetings of the board. Notwithstanding this, during the financial year 2020-21, the board met six (6) times on the following dates and the gap between the two (2) meetings was not more than one hundred and twenty (120) days.

• May 6, 2020 • July 30, 2020 • September 18, 2020

• October 27, 2020 • December 7, 2020 • January 23, 2021

The board meetings are usually held at the registered office of the Company. However, due to exceptional circumstances arising out of Covid-19 pandemic and consequent relaxations granted by MCA and SEBI, all the board and committee meetings were held through video conferencing mode, thereby following the safety norms. The required quorum was present at all the above meetings.

The board meetings are pre-scheduled and tentative dates of the board and committee meetings are informed well in advance to facilitate the directors to plan their schedule. The board meets at least once in a quarter to review financial results and operations of the Company. In addition, the board also meets to consider, discuss and decide the business strategy including policy matters and gaining the understanding of various businesses conducted by the subsidiaries of the Company. The notice of all meetings are given well in advance to all the directors. The agenda, setting out the business to be transacted at the meeting, with well-structured and comprehensive notes on agenda, is circulated in advance to the board members, to enable them to go through the same and take informed decisions. Agenda papers are circulated at least seven (7) days prior to the date of meeting. Additional items are taken up with the permission of the Chairman and requisite consent of the directors present.

Report on Corporate Governance (Contd.)

The details of attendance of the directors at the board meetings held during the financial year 2020-21 and at the last annual general meeting are given below:

Name of the director	Number of board meetings held	Number of board meetings attended	Whether attended the annual general meeting held on July 30, 2020
Mr. Nimesh Kampani	6	6	Yes
Mr. E A Kshirsagar	6	6	Yes
Mr. Darius E Udwadia	6	4	No
Mr. Paul Zuckerman	6	6	Yes
Dr. Vijay Kelkar	6	6	Yes
Mr. Keki Dadiseth	6	4	No
Ms. Jagi Mangat Panda	6	5	Yes
Mr. Vishal Kampani	6	6	Yes
Mr. P S Jayakumar	6	5*	Yes

* Mr. P S Jayakumar was appointed as an additional (independent) director with effect from July 30, 2020.

The board/committee agenda is circulated in electronic mode through software which complies with high standards of security and integrity. Detailed presentations and notes are laid before each meeting, by the management and senior executives of the Company, to apprise the board on overall performance on quarterly basis. The agenda also includes information as stipulated in part A of schedule II of the Listing Regulations.

The senior executives/management of the Company and its subsidiaries are also invited to attend the meetings of the board, committees, to make representations on plans, business performance, operations, financial performance, risk management, regulatory environment of the Company and its subsidiaries and for other issues and matters which the board wants to be apprised of on a periodical basis. Additionally, the board members interact with the CEOs/business heads of respective subsidiary companies for clarification/information, as and when required.

The board periodically reviews and takes note of, inter alia, the compliance confirmations in respect of laws and regulations applicable to the Company. The compliance confirmations pertaining to respective subsidiary companies including the summary thereof are also placed before the board for its information and noting. The board has complete access to the information within the Company.

The risk management committee of the board periodically reviews the processes on risk assessment, risk mitigation and risk management. The framework comprises an in-house exercise on risk management review carried out periodically by the Company to identify and mitigate various risks faced by the Company and its subsidiaries from time to time. A detailed note on risk management process is given in the risk management section of management discussion and analysis report. A meeting of the risk management committee was held during the financial year, the details of which form part of the report.

The draft minutes of the board and committee meetings are circulated amongst the directors/members for their perusal and comments within fifteen (15) days from the date of the conclusion of the meeting in accordance with Secretarial Standard-1 (the "**SS-1**") issued by the Institute of Company Secretaries of India. Suggestions, if any, received from the directors/members are suitably incorporated in the draft minutes, in consultation with the Chairman of the board/committee.

Separate Meeting of Independent Directors

During the financial year 2020-21, a separate meeting of the independent directors of the Company was held on March 24, 2021 without the presence of the non-executive Chairman, the Managing Director and the management team of the Company. The meeting was attended by all the independent directors, except Mr. Keki Dadiseth. The matters considered and discussed thereat, inter alia, included those prescribed under schedule IV to the Act and regulation 25 of the Listing Regulations, among others.

Familiarisation Programme for Independent Directors

In compliance with the requirements of the Listing Regulations, the Company has put in place a familiarisation programme for independent directors to familiarise them with their roles, rights, responsibilities etc. in relation to the nature of the financial services sector and the business model of the Company and its subsidiaries. Details of such familiarisation programme imparted to independent directors during the financial year 2020-21, is placed on the website viz., https://jmfl.com/investor-relations/Familiarisation_Programme_for_Independent_Directors.pdf

The familiarisation programme ensures that the independent directors are updated on the business and regulatory environment, overall operations of the Company and its subsidiaries vis-à-vis peers, etc. This enables the independent directors to make better informed decisions in the interest of the Company and its stakeholders'.

Code of Conduct

The Company has adopted the Code of Conduct (the "**Code**") which applies to all the board members and the senior management personnel and same is available on the website of the Company at https://jmfl.com/investor-relations/Code_of_Conduct_Directors_Senior_Management_Personnel.pdf. It is the responsibility of all the board members and senior management personnel to familiarise themselves with the Code and comply with its provisions. All the board members and senior management personnel have affirmed compliance with the Code.

A declaration signed by the Managing Director to this effect is given below:

Declaration

I confirm that the Company has obtained the confirmation from all its directors and senior management personnel that they have complied with the provisions of the Code of Conduct for the financial year 2020-21.

Vishal Kampani
Managing Director
DIN – 00009079

Place: Mumbai
Date: May 5, 2021

2. Committees of the Board:

The board has constituted various committees of directors to take informed decisions in the best interests of the Company. These committees monitor the activities as per the scope defined in their respective charters and terms of reference, which are reviewed annually.

- Audit Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Stakeholders' Relationship Committee
- Risk Management Committee
- Allotment Committee

A. Audit Committee

The audit committee comprises five (5) members all of whom are non-executive and independent directors thereby meeting the requirements of section 177 of the Act read with rules made thereunder and regulation 18 of the Listing Regulations. All members of the audit committee are financially literate and possess thorough knowledge of the financial services industry.

Mr. E A Kshirsagar, independent director, is the Chairman of the committee. He was present at the last annual general meeting held on July 30, 2020 to address the queries, if any, of the shareholders.

The company secretary acts as the secretary to the committee. The meetings of the audit committee are also attended by the chief financial officer, internal auditors and the statutory auditors as invitees. The company secretary is the compliance officer to ensure compliance and effective implementation of the Code for prevention of Insider Trading of the Company.

During the financial year 2020-21, the audit committee met four (4) times on May 6, 2020, July 30, 2020, October 27, 2020 and January 23, 2021. The required quorum was present at all the audit committee meetings and the gap between two meetings did not exceed a period of one hundred and twenty days (120 days), despite the relaxation granted by MCA and SEBI vide their respective circulars.

The audit committee had reviewed the information stipulated in part C of schedule II of the Listing Regulations during its above meetings.

Report on Corporate Governance (Contd.)

The attendance of the members of the committee at the above meetings was as under:

Name of the member	Position	Number of meetings held	Number of meetings attended
Mr. E A Kshirsagar	Chairman	4	4
Mr. Darius E Udwadia	Member	4	2
Mr. Paul Zuckerman	Member	4	4
Dr. Vijay Kelkar	Member	4	4
Mr. Keki Dadiseth	Member	4	3

The broad terms of reference of the audit committee, inter alia, includes the following:

a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;

b. Recommendation for appointment, remuneration and terms of appointment of statutory auditors of the Company;

c. Review and monitor the auditor's independence and performance, and effectiveness of audit process;

d. Approval for all payments to the statutory auditors for any other services rendered by them;

e. Review with the management, the annual financial statements and auditor's report thereon before submission to the board for its approval, with particular reference to:

   i. Matters required to be included in the directors' responsibility statement forming part of the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;

   ii. Changes, if any, in accounting policies and practices and reasons for the same;

   iii. Major accounting entries involving estimates based on the exercise of judgment by management;

   iv. Significant adjustments, if any, made in the financial statements arising out of audit findings;

   v. Compliance with listing and other legal requirements relating to financial statements;

   vi. Disclosure of all related party transactions;

   vii. Modified opinion(s), if any, in the draft audit report.

f. Review with the management, the quarterly financial statements before submission to the board for its approval;

g. Review with the management, the statement of uses/application of funds raised through an issue, the statement of funds utilised for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the agency monitoring the utilisation of proceeds of a public or right issue and making appropriate recommendations to the board to take steps in this matter;

h. Approval or any subsequent modification of transactions of the Company with its related parties;

i. Scrutiny of inter-corporate loans and investments;

j. Valuation of undertakings or assets of the Company, wherever it is necessary;

k. Evaluation of internal financial controls and risk management systems;

l. Review with the management, performance of statutory and internal auditors, adequacy of the internal control systems;

m. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

n. Discussion with internal auditors of any significant findings and follow up thereon;

o. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;

p. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

q. Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors as is applicable;

r. Review the functioning of the whistle blower mechanism;

s. Approve appointment of the chief financial officer;

t. Review of utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/advances/investments;

u. Review of compliances with SEBI (Prevention of Insider Trading) (Amendment) Regulations, 2018 and to verify that the systems for internal control are adequate and are operating effectively, at least once in a financial year;

v. Such other functions as may be entrusted to it by the Board of Directors from time to time.

The chairman of the audit committee apprises the board about significant discussions and decisions taken at the audit committee meetings including those relating to the financial results, internal audit reports, statutory auditor's reports and the limited review reports provided by them.

B. Nomination and Remuneration Committee

The nomination and remuneration committee (the "**NRC**") comprises four (4) non-executive directors of which three (3) are independent directors. The required quorum was present at the NRC meetings held on April 17, 2020 and July 30, 2020 during the financial year 2020-21.

The committee is chaired by Dr. Vijay Kelkar, an independent director. He was present at the last annual general meeting held on July 30, 2020 to address the queries, if any, of the shareholders.

The matters considered by the committee during the year, inter alia, included determination of performance linked discretionary bonus and annual compensation of the key managerial personnel including the Managing Director as also of the senior managerial personnel, grant of stock options, if any, to the eligible employees, performance evaluation of individual directors, the board as a whole and the board committees and recommendation for the appointment of independent director, among other matters. The attendance of the members of the committee at the said meetings was as under:

Name of the member	Position	Number of meetings held	Number of meetings attended
Dr. Vijay Kelkar	Chairman	2	2
Mr. Nimesh Kampani	Member	2	2
Mr. E A Kshirsagar	Member	2	2
Mr. Darius E Udwadia	Member	2	1

The scope of activities of the NRC is as set out in regulation 19 of the Listing Regulations read with the applicable provisions of section 178 of the Act. The terms of reference of the NRC is broadly as follows:

a) Formulate the criteria for determining qualifications, positive attributes and independence of a director;

b) Identify and recommend to the board, the appointment of persons considered capable and fit for the role of a director based on the criteria so formulated;

c) Evaluate directors' performance;

d) Recommend to the board a policy relating to the remuneration for the directors, key managerial personnel (the "**KMPs**") and other senior employees of the Company;

e) Recommend the appointment of KMPs and approve their remuneration;

f) Recommend to the board, all remuneration, in whatever form, payable to senior management; and

g) Such other functions as may be entrusted to it by the Board of Directors, from time to time.

Criteria for Performance Evaluation and Remuneration of Directors

Policy on Performance Evaluation and Remuneration of the directors (the "**Policy**") has been framed for evaluating the performance of the board as a whole, the chairman, managing director, executive director, independent directors and the non-executive director. Based on the same, the performance evaluation as above was carried out by the nomination and remuneration committee of the board during the financial year ended March 31, 2021 and then the same was recommended to the board.

The Policy, inter alia, provides the criteria for performance evaluation such as board effectiveness, quality of discussion and contribution at the meetings, business acumen, strategic thinking, time commitment, relationship with the stakeholders', corporate governance practices, contribution of the committees to the board in discharging its functions, etc.

C. Corporate Social Responsibility Committee

The corporate social responsibility (the "**CSR**") committee is constituted in accordance with section 135 of the Act and applicable rules made thereunder. The committee comprises of three (3) members of which, two (2) are independent directors. The committee is chaired by Mr. Nimesh Kampani.

The CSR committee has been constituted to identify, execute and monitor CSR projects and assist the board and the Company in fulfilling its CSR objectives.

Report on Corporate Governance (Contd.)

During the financial year 2020-21, the CSR committee met twice on October 13, 2020 and March 18, 2021. The details of the attendance of the members of the committee at the said meetings was as under:

Name of the member	Position	Number of meetings held	Number of meetings attended
Mr. Nimesh Kampani	Chairman	2	2
Mr. Paul Zuckerman	Member	2	2
Mr. Keki Dadiseth	Member	2	2

The broad terms of reference of the CSR committee is as follows:

a) Formulate and recommend to the board, the CSR policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII to the Act;

b) Make recommendation on the amount of expenditure to be incurred on CSR activities;

c) Institute a transparent monitoring mechanism for implementation of the CSR activities to be undertaken by the Company;

d) Such other tasks as may be entrusted to it by the Board of Directors, from time to time.

The update on the CSR activities undertaken by the Company through its philanthropic arm and implementing agency viz., JM Financial Foundation is provided in Annexure C to the directors' report forming part of the annual report.

D. Stakeholders' Relationship Committee

The stakeholders' relationship committee (the "**SRC**") is established in accordance with section 178 of the Act and regulation 20 of the Listing Regulations. The SRC comprises three (3) members, of which two (2) are independent directors and one (1) is a non-executive director. Dr. Vijay Kelkar is the chairman of the committee and he was present at the last annual general meeting held on July 30, 2020 to address the queries, if any, of the shareholders. The required quorum was present at all meetings conducted during the financial year 2020-21.

Mr. Prashant Choksi, Group Head – Compliance, Legal & Company Secretary also acts as the compliance officer and the secretary to the committee.

During the financial year 2020-21, the SRC met four (4) times on May 6, 2020, July 30, 2020, October 27, 2020 and January 23, 2021. The details of attendance of the members of the committee at the said meetings was as under:

Name of the member	Position	Number of meetings held	Number of meetings attended
Dr. Vijay Kelkar	Chairman	4	3
Mr. Nimesh Kampani	Member	4	4
Ms. Jagi Mangat Panda	Member	4	4

The broad terms of reference of the SRC is as follows:

a) Resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.;

b) Review of measures taken for effective exercise of voting rights by shareholders;

c) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Share Transfer Agents;

d) Review of various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

e) Such other functions as may be entrusted to it by the Board of Directors from time to time.

Nature and number of Grievances

During the financial year 2020-21, the number of grievances received by the Company/its Registrar and Transfer Agents (the "**RTA**") from its shareholders was only two (2); one relating to non receipt of dividend and second relating to non receipt of shares.

The grievances received as above were duly resolved in a timely manner.

Requests for transmission of shares held in physical mode are approved by the Managing Director and/or Company Secretary as per the authority delegated by the board to them for speedy disposal of such cases.

E. Risk Management Committee

The risk management committee (the **"RMC"**) is constituted in accordance with regulation 21 of the Listing Regulations and comprises five (5) members, of which two (2) are independent directors, viz., Mr. Darius E Udwadia and Mr. Paul Zuckerman. The other members include Mr. Vishal Kampani, Managing Director, Mr. Adi Patel and Mr. Darius Pandole, senior executives of the Company. The committee is chaired by Mr. Darius E Udwadia.

During the financial year 2020-21, the RMC met once on October 27, 2020. The details of attendance of the members of the committee at the said meeting was as under:

Name of the member	Position	Number of meeting held	Number of meeting attended
Mr. Darius E Udwadia	Chairman	1	-
Mr. Paul Zuckerman	Member	1	1
Mr. Vishal Kampani	Member	1	1
Mr. Adi Patel	Member	1	1
Mr. Darius Pandole	Member	1	1

The board has defined the roles and responsibilities of the RMC. The responsibilities entrusted to the RMC by the board, inter alia, are as under:

a) Assess the risk profile of the Company and key areas of risks in particular;

b) Formulate the systems and processes to monitor, control and mitigate the risks;

c) Review and evaluate the risk management plan, policy and practices with respect to risk assessment and risk management processes;

d) Review and monitor various functions including cyber security;

e) Review nature of risk level of insurance coverage and its adequacy;

f) Perform such other functions as may be necessary or appropriate for the performance of its oversight function; and

g) Such other functions as may be entrusted to it by the Board of Directors, from time to time.

F. Allotment Committee

The allotment committee of the Board comprises three (3) members viz., Mr. Nimesh Kampani, a non-executive director, Mr. Darius E Udwadia and Mr. Keki Dadiseth, independent directors of the Company. The committee is chaired by Mr. Nimesh Kampani.

During the financial year 2020-21, the allotment committee met four (4) times on June 19, 2020, September 18, 2020, December 7, 2020 and March 18, 2021. The details of attendance of the members of the committee at the said meetings was as under:

Name of the member	Position	Number of meetings held	Number of meetings attended
Mr. Nimesh Kampani	Chairman	4	4
Mr. Darius E Udwadia	Member	4	3
Mr. Keki Dadiseth	Member	4	3

Scope and Functions

The allotment committee, inter alia, considers and approves the allotment of shares/securities including those arising on account of exercise of stock options by the eligible employees. It also considers and approves requests for issue of duplicate share certificates, issue of new share certificates upon rematerialisation, etc.

Secretarial Standards

The Company is in compliance with applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

3. Disclosure in relation to remuneration of directors

a. Remuneration of the Managing Director

The compensation structure of the Managing Director consists of two parts – fixed and variable, determined on the basis of:

- Market benchmarking
- Individual performance
- Performance of the Company

The above compensation structure is also reviewed by the NRC and approved by the board.

Remuneration of the Managing Director, Mr. Vishal Kampani

In accordance with the terms of the employment agreement entered into by the Company with Mr. Vishal Kampani, the Company has paid the following remuneration to him during the financial year 2020-21:

(Amount in ₹)

Salary	1,20,00,000
Perquisites	34,27,213
Total	**1,54,27,213**

Additionally, Mr. Kampani is also entitled to receive the Company's contribution to provident fund as per the rules of the Company.

No sitting fees were paid to Mr. Kampani for attending the meetings of the board during the financial year 2020-21.

Mr. Vishal Kampani is also the Managing Director of JM Financial Products Limited (the "**JM Financial Products**"), a material subsidiary of the Company. As per the terms of his employment contract, Mr. Kampani also draws remuneration from the said material subsidiary. As per the prevailing terms, so long as Mr. Kampani serves as a Managing Director of the

Report on Corporate Governance (Contd.)

Company and of JM Financial Products, the total amount of remuneration that may be paid to Mr. Kampani by the Company and/or JM Financial Products, shall not exceed the higher maximum limit admissible from the Company or JM Financial Products, as the case may be, in accordance with the applicable provisions of the Act and schedule V thereto.

The details of remuneration paid to Mr. Vishal Kampani during the financial year 2020-21 from JM Financial Products Limited is as below:

(Amount in ₹)

Salary	1,20,00,000
Perquisites	19,81,111
Performance Bonus	8,25,00,000
Total	**9,64,81,111**

Additionally, Mr. Kampani is entitled to receive contribution to provident fund from JM Financial Products.

The total amount of remuneration paid/payable by the Company and JM Financial Products are within the limits prescribed under the Act.

b. **Remuneration Policy for Non-executive Directors**

The non-executive/independent directors receive remuneration by way of sitting fees for attending the meetings of the board and/or committees thereof, as decided by the board from time to time subject to the limits specified under the Act. They are also entitled to receive the commission as may be determined by the board within the limits specified under the Act.

The Company follows transparent process for determining the remuneration of non-executive directors including the independent directors. The remuneration is governed by the role assumed, number of meetings of the board and the committees thereof attended by them, the position held by them as the Chairman and member of the committees of the Board and their overall contribution as board/committee members. Besides this, the board also takes into consideration the external competitive environment, track record, individual performance of such directors and performance of the Company as well as the industry standards in determining the remuneration of the non-executive/ independent directors.

Considering the above and as decided by the board, an aggregate amount of ₹1,48,00,000/- is payable as commission to the independent directors of the Company for the financial year 2020-21. The details of sitting fees/commission paid/ payable to the directors is given below:

(Amount in ₹)

Name of director	Sitting fees paid during the financial year 2020-21								Commission	
	Board Meeting	Audit committee Meeting	Nomination and Remuneration committee Meeting	Allotment committee Meeting	Stakeholders' Relationship committee Meeting	Corporate Social Responsibility Meeting	Risk Management committee Meeting	Committee of Directors (QIP)	Paid for FY 2019-20	Payable for FY 2020-21
Mr. Nimesh Kampani	6,00,000	-	40,000	20,000	40,000	40,000	-	60,000	-	-
Mr. E A Kshirsagar	6,00,000	2,00,000	40,000	-	-	-	-	60,000	22,00,000	25,00,000
Mr. Darius E Udwadia	4,00,000	1,00,000	20,000	15,000	-	-	-	40,000	20,00,000	20,00,000
Mr. Paul Zuckerman	6,00,000	2,00,000	-	-	-	40,000	10,000	-	20,00,000	20,00,000
Dr. Vijay Kelkar	6,00,000	2,00,000	40,000	-	30,000	-	-	-	22,00,000	23,00,000
Mr. Keki Dadiseth	4,00,000	1,50,000	-	15,000	-	40,000	-	-	20,00,000	20,00,000
Ms. Jagi Mangat Panda	5,00,000	-	-	-	40,000	-	-	-	20,00,000	20,00,000
Mr. P S Jayakumar	5,00,000	-	-	-	-	-	-	-	-	20,00,000

Notes: The above does not include the following:

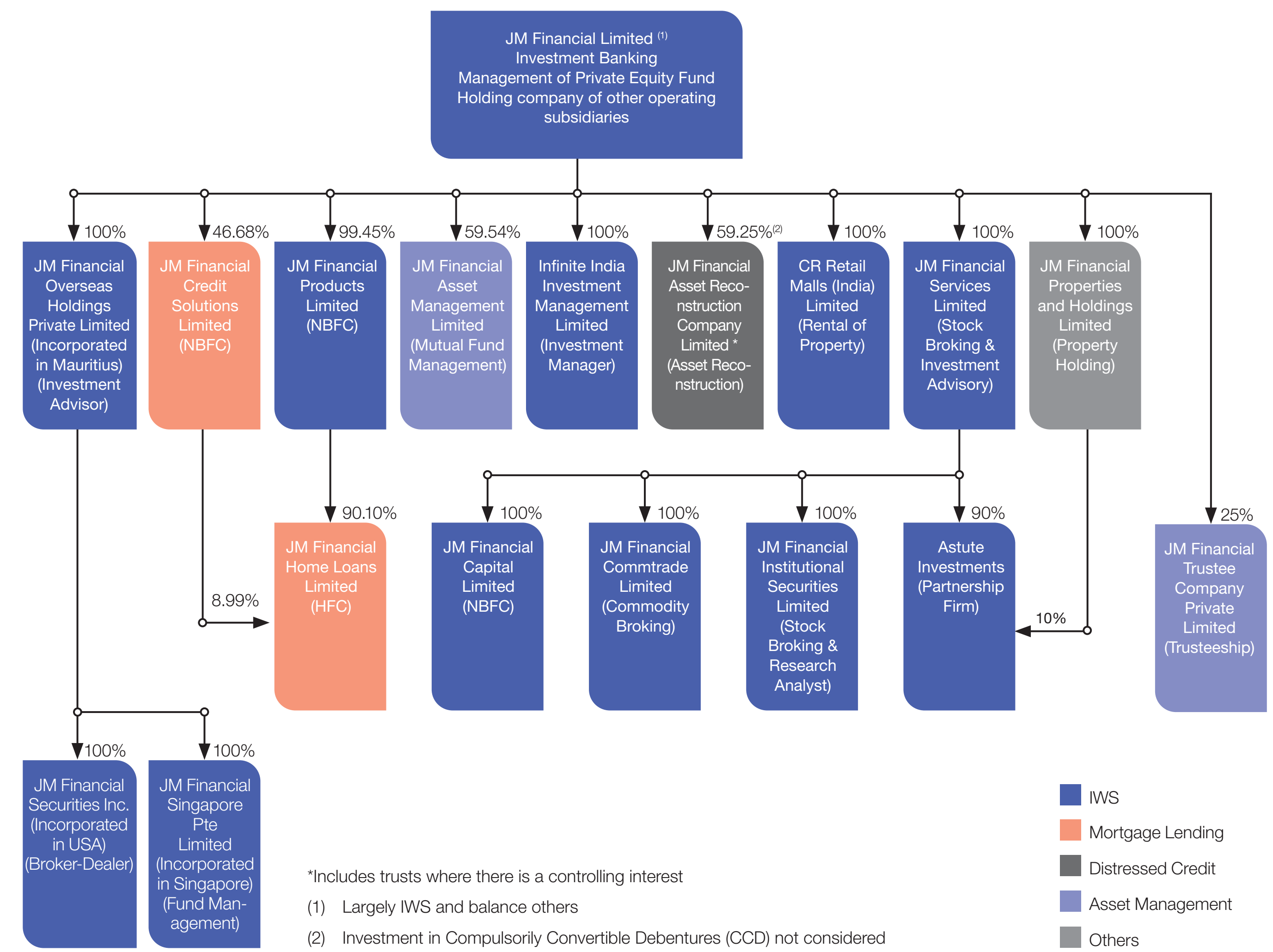
1. Sitting fees of ₹ 1,00,000/- paid to the independent directors (except for Mr. Keki Dadiseth) for attending the independent directors' meeting held on March 24, 2021.
2. As per the practice followed by the Company, the commission for the financial year 2020-21 will be paid to non-executive directors after the financial statements are adopted by the members at the thirty sixth annual general meeting of the Company.
3. Mr. Keki Dadiseth, an independent director, was paid the professional fees of ₹ 4,00,000/- during the financial year 2020-21, for rendering professional services to a private equity fund managed by the Company as a senior advisor.

   The payment of the said professional fees to the independent director as above does not affect his independence of judgement, as the services rendered by him is in his professional capacity.

   Other than the above, no payments have been made to any of the independent directors by the Company except for reimbursement of expenses, if any.

4. Subsidiaries and Associate Company:

As on March 31, 2021, the Company has the following subsidiaries and associate company:



*Includes trusts where there is a controlling interest

(1) Largely IWS and balance others

(2) Investment in Compulsorily Convertible Debentures (CCD) not considered

In terms of regulation 16(1)(c) of the Listing Regulations, the material subsidiaries of the Company as on March 31, 2021 are given below:

1) JM Financial Products Limited;
2) JM Financial Credit Solutions Limited;
3) JM Financial Asset Reconstruction Company Limited; and
4) JM Financial Services Limited.

Report on Corporate Governance (Contd.)

In accordance with regulation 24 of the Listing Regulations, the following independent directors of the Company are also independent directors on the Boards of the material unlisted subsidiaries as on March 31, 2021:

Name of the material unlisted* subsidiaries	Name of the Independent Directors
JM Financial Products Limited	Mr. E A Kshirsagar
JM Financial Credit Solutions Limited	Mr. Darius E Udwadia
JM Financial Asset Reconstruction Company Limited	Dr. Vijay Kelkar
JM Financial Services Limited	Not appointed since the income or net worth is not exceeding 20% of the consolidated income or net worth respectively, of the Company and its subsidiaries in the immediately preceding financial year.

* The above subsidiaries have issued debt securities which are listed on stock exchanges but their equity shares are not listed.

The minutes of the board meetings of the unlisted subsidiary companies are also placed at the board meetings of the Company. The management also periodically brings to the attention of the Board of Directors, a statement of significant transactions and arrangements entered into by all the unlisted subsidiary companies of the Company. The audit committee of the Company also reviews the financial statements, in particular, the investments made by the unlisted subsidiaries.

5. General Body Meetings:

i. The details of Annual General Meeting ("**AGM**") held during the last 3 years and the special resolutions passed thereat are as under:

Date of AGM	Venue	Time	Whether special resolution passed	Summary of special resolutions
July 18, 2018	J. K. Banquets Hall, Industry Manor, 1/B - 1&2, Ground Floor, Appasaheb Marathe Marg, Near Century Bhavan, Prabhadevi, Mumbai 400 025	3.00 pm	Yes	• Issue of redeemable non-convertible debentures for an amount aggregating up to ₹ 5,000 crore. • Reclassification of Mr. Ashith Kampani from promoters' group to non-promoters' group/ public category. • Approval for giving of loan(s) and/or guarantee(s) and/or providing security(ies) in connection with loan(s) to any person and/or body corporate and/or acquisition of securities of other body(ies) corporate for an amount of up to ₹ 2,000 crore over and above the limits available to the Company pursuant to section 186 of Companies Act, 2013.
July 19, 2019	J. K. Banquets Hall, Industry Manor, 1/B - 1&2, Ground Floor, Appasaheb Marathe Marg, Near Century Bhavan, Prabhadevi, Mumbai 400 025	3.30 pm	Yes	• Re-appointment of Ms. Jagi Mangat Panda (DIN 00304690), as an independent director of the Company, not liable to retire by rotation, for a further term not exceeding five (5) consecutive years from March 31, 2020 to March 30, 2025. • Issue of redeemable non-convertible debentures for an amount aggregating up to ₹ 2,500 crore.
July 30, 2020	Held through video conferencing/ other audio visual means in accordance with the Circulars issued by MCA and SEBI, in view of Covid-19 pandemic.	3.30 pm	Yes	• Approval for issue of redeemable Non-convertible debentures for an amount aggregating up to ₹ 1,000 crore.

ii. **Special Resolutions passed through Postal Ballot**

During the financial year 2020-21, no resolutions were passed by means of postal ballot.

Resolutions, if any, to be passed through postal ballot during the current financial year will be taken up as and when necessary.

6. Management Discussion and Analysis Report

The management discussion and analysis report for financial year 2020-21, prepared in accordance with the Listing Regulations, forms part of the annual report.

7. Disclosures

A. Policies determining Material Subsidiaries and Related Party Transactions

The board has adopted the policy for determining material subsidiaries pursuant to regulation 16 of the Listing Regulations, which is available on the website of the Company https://jmfl.com/investor-relations/Policy_on_Material_Subsidiaries.pdf

The policy on dealing with related party transactions, pursuant to regulation 23, is also available on the Company's website at https://jmfl.com/investor-relations/Policy_on_Dealing_with_Related_Party_Transactions.pdf

B. Disclosure on Material Related Party Transactions

During the year, the Company has not entered into any materially significant transactions with the related parties including promoters, directors, the management, subsidiaries or relatives of the directors, which could lead to a potential conflict of interest between the Company and these parties. Transactions entered into with related parties during financial year 2020-21 were in the ordinary course of business and at arms' length basis. Majority of the related party transactions are between the Company and its subsidiaries, some of which are wholly owned subsidiaries.

C. Penalty or Strictures

No penalties or strictures have been imposed on the Company by stock exchanges or SEBI or any other statutory authority in any matter related to capital markets during the last three (3) years.

D. Code of Conduct for Prevention of Insider Trading

The Company has adopted the code of conduct (the "**Code**") for prevention of insider trading to regulate the trading in securities by the directors and employees of the Company pursuant to the SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Code requires pre-clearance for trading in the shares of the Company and prohibits trading in the shares of the Company by the designated persons while in possession of unpublished price sensitive information in relation to the Company or its securities.

The Company has appointed the company secretary as the compliance officer to ensure compliance of the Code by all the directors and employees likely to have access to unpublished price sensitive information. The Code is uploaded on the Company's website at https://jmfl.com/investor-relations/Code_for_Insider_Trading.pdf

E. Vigil Mechanism/Whistle Blower Policy

Pursuant to the provisions of regulation 22 of the Listing Regulations and section 177 of the Act, the Company has established vigil mechanism/ whistle blower policy for the directors and employees to report their genuine concerns about any unethical behaviour, financial irregularities including fraud or suspected fraud. The vigil mechanism provides adequate safeguards against victimisation of employees and directors who avail the vigil mechanism. The Company affirms that no personnel have been denied access to the audit committee. The Chairman of the audit committee, Mr. E A Kshirsagar has confirmed that there were no such cases of whistle blower reported to him, during the financial year 2020-21.

The policy provides that no adverse action shall be taken or recommended against a director or an employee in retaliation to his/her disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This mechanism protects such directors and employees from any unfair or prejudicial treatment by anyone within the Company. The said policy is available on the Company's website at https://jmfl.com/investor-relations/Whistle_Blower_Policy.pdf

F. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities

The Company does not deal with any commodity and hence not exposed to any commodity price risk. As on March 31, 2021, the Company has foreign exchange receivable which is equivalent to ₹ 22.71 crore and the foreign exchange payable as on the said date was Nil.

Report on Corporate Governance (Contd.)

G. Certification about Directors

The Company has obtained a certificate from M/s. Makarand M Joshi & Co., practicing company secretaries that none of the directors on the board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authorities. A copy of the said certificate is attached to the report.

H. Total fees paid to statutory auditors

The particulars about the total amount of fees paid to the statutory auditors of the Company and its subsidiaries, during the financial year 2020-21, is stated in notes 33.1 to consolidated financial statements, which forms part of the annual report.

I. Managing Director (MD) and Chief Financial Officer (CFO) Certification

As required under the Listing Regulations, the MD and the CFO of the Company have certified the accuracy of financial statements for the financial year 2020-21 and adequacy of internal control systems for financial reporting for the said year, which is appended to the report.

J. Details of Utilization of Funds Raised through Qualified Institutional Placement

During the year, the Company had raised ₹ 770 crore through an equity issuance under Qualified Institutions Placement (the "**QIP**") route. The net proceeds from the QIP, which are pending utilisation, have been temporarily deployed in income generating assets.

K. Disclosures related to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to providing and promoting a safe and healthy work environment for all its employees. The Company has a policy on 'Prevention of Sexual Harassment' in accordance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (the "**POSH**").

No cases were reported during the year under review. There were no complaints pending as on March 31, 2021. The Company has constituted the Internal Complaints Committee in compliance with the POSH.

L. Auditors' Certificate on Corporate Governance

Pursuant to the Listing Regulations, the Auditors' Certificate on Corporate Governance Report, forms part of the report.

8. Means of Communication:

The Company recognises the importance of two way communication with shareholders and of giving a balanced reporting of results and progress. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of the Company's corporate governance ethos. The Company regularly interacts with its shareholders through multiple channels of communication.

A. Quarterly Results

The quarterly/annual financial results are regularly submitted to the stock exchanges in accordance with the Listing Regulations and are also published in English newspaper (Business Standard) and a Marathi daily (Sakal). The quarterly/annual results, press releases, earnings calls on the financial results and the presentation made to the Institutional Investors/Analysts are also uploaded on the website of the Company at https://jmfl.com/investor-relation/financial-results.html. The Company also sends the quarterly results via emails to those shareholders who have registered their email-ids with their Depository Participant(s) or with it.

B. Dividend Intimations

The Company sends intimation to all its shareholders about the dividend credited to their bank accounts or pay orders issued to them, in cases where bank details are not available in records or the dividend credit has been rejected by bank. Shareholders are requested to check whether the dividend amount has been credited to their bank accounts or not and revert to the Company or its Registrar and Transfer Agents, if the same has not been credited.

C. Website

The website of the Company www.jmfl.com provides information about the businesses carried on by the Company, its subsidiaries and associate. The primary source of information to the shareholders, customers, analysts and other stakeholders of the Company and to public at large goes through the website of the Company www.jmfl.com.

Financial results, annual reports, shareholding pattern, official news releases, quarterly corporate governance report, details of unclaimed dividend, various policies adopted by the board and other general information about the Company and such other disclosures as required under the Listing Regulations, are made available on the Company's website.

D. Annual Report

Annual Report containing, inter alia, the standalone and consolidated financial statements, directors' report, auditor's report and other important information is circulated to the shareholders of the Company prior to the AGM. The annual report of the Company is also available on its website https://jmfl.com/annual-report and also on the website of BSE www.bseindia.com and NSE www.nseindia.com.

E. Reminder to Shareholders

Individual reminders are sent each year to those shareholders whose dividend amounts have remained unclaimed from the date they become due for payment, before transferring the monies thereof to the Investor Education and Protection Fund ("**IEPF**"). The information on unclaimed dividend is also uploaded on the website of the Company.

A separate reminder, in accordance with IEPF Rules, is also sent to those shareholders who have not claimed/encashed their dividends for more than seven (7) consecutive years and whose shares are liable to be transferred to IEPF Authority.

F. NSE Electronic Application Processing System (Neaps) and BSE Portal for Electronic Filing

The financial results, shareholding pattern and quarterly reports on corporate governance and all other filings required to be made to the Stock Exchanges are electronically uploaded on NSE Electronic Application Processing System ("**NEAPS**") portal i.e., www.connect2nse.com/listing.com and BSE Listing portal i.e., http://listing.bseindia.com

G. Designated exclusive email-id

The Company has designated email id exclusively for its shareholders viz., shareholdergrievance@jmfl.com for the purpose of registering complaints by investors and the same is displayed on the Company's website.

H. Price Sensitive Information

All price sensitive information and such other matters which in the opinion of the Company are of importance to the shareholders/investors are promptly intimated to the stock exchanges in terms of the company's policy for determination of materiality of events/information and the Listing Regulations.

I. Investor Calls/Conference

The Company arranges investors' calls/conferences for discussing financial position of the Company from time to time.

J. Institutional Investors/Analysts Presentations and Media Releases

Presentations and media releases on financial position of the Company as well as its material subsidiaries and important events/material developments of the Company are submitted to the stock exchanges and are also hosted on the Company's website for information of investors at www.jmfl.com.

9. Accounting Standards followed by the Company

The financial statements of the Company have been prepared in accordance with Ind AS, as notified under the Companies (Indian Accounting Standards) Rules, 2015 read with section 133 of the Act.

10. Compliance with mandatory/non-mandatory requirements

The Company is fully compliant with the corporate governance requirements specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 of the Listing Regulations, as applicable and compliance reports on Corporate Governance in the requisite formats, have been submitted to the concerned stock exchanges.

The Company has complied with all the mandatory requirements of corporate governance as specified in the Listing Regulations. The board has taken cognizance of the discretionary requirements as specified in part E of schedule II to the Listing Regulations and are being reviewed from time to time.

General Shareholders' Information

With an endeavour to keep the shareholders informed about JM Financial Limited (the "**Company**"), of which they are members, we are providing the information about the Company's shareholding pattern, the share price movements, top 10 shareholders and other information as required under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "**Listing Regulations**").

A. Thirty Sixth Annual General Meeting

The Board of Directors of the Company has decided to hold the Annual General Meeting (the "**AGM**") of the Company on **Wednesday, July 28, 2021 at 4.00 pm** through Video Conferencing ("**VC**") and/or Other Audio Visual Means ("**OAVM**") in accordance with the various circulars issued by Ministry of Corporate Affairs (the "**MCA Circulars**") and by Securities and Exchange Board of India (the "**SEBI Circulars**") from time to time (together referred to as the "**Circulars**"), without the physical presence of the members at a common venue. Members can, if they so desire, access these Circulars on the website of the Company at https://jmfl.com/investor-relation/agm-egm.html

Guidelines for participation in the AGM are laid out in the Notice convening the thirty sixth annual general meeting and have also been uploaded on the Company's website viz. https://jmfl.com/investor-relation/agm-egm.html

Day: **Wednesday**

Date: **July 28, 2021**

Time: **4.00 pm**

Mode of conducting the meeting: **Video Conferencing/Other Audio Visual Means**

B. Financial calendar (Financial year 2021-22)

Particulars	Period
Financial year (FY)	April 1 to March 31
Tentative calendar for consideration of unaudited/audited financial results*	
First quarter ending June 30, 2021 (Unaudited)	On or before August 14, 2021
Second quarter and half year ending September 30, 2021(Unaudited)	On or before November 14, 2021
Third quarter and nine months ending December 31, 2021(Unaudited)	On or before February 14, 2022
Fourth quarter and financial year ending March 31, 2022 (Audited)	On or before May 30, 2022

* The above dates are subject to change basis the relaxation, if any, granted by Securities and Exchange Board of India ("**SEBI**") in the wake of Covid-19.

C. Details of securities listed on stock exchanges

The Company's shares are listed on the following stock exchanges:

Name of the stock exchange and its address	Security Code/ Symbol	Payment of annual listing fee (FY 2021-22)
BSE Limited ("**BSE**") Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 Tel : 91 22 2272 1233/4 Fax: 91 22 22721919 www.bseindia.com	523405	Paid
National Stock Exchange of India Limited ("**NSE**") Exchange Plaza, C-l, Block G Bandra Kurla Complex Bandra East, Mumbai 400 051 Tel : 91 22 26598100 /14 Fax: 91 22 26598120 www.nseindia.com	JMFINANCIL	Paid

D. Market price data

High, low and trading volume of the Company's equity shares during each month of the financial year 2020-21 at BSE and NSE are given below:

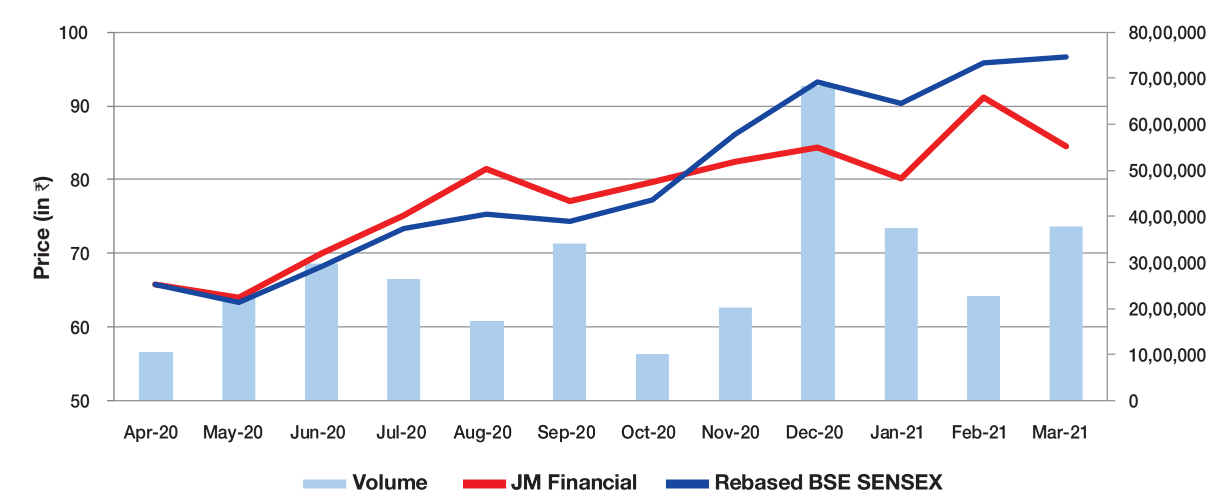
	BSE			NSE		
Month	High (₹)	Low (₹)	Monthly Trading Volume	High (₹)	Low (₹)	Monthly Trading Volume
Apr-20	82.70	61.25	10,58,972	82.85	61.50	1,39,91,366
May-20	71.00	55.50	22,22,853	69.50	55.45	3,33,50,621
Jun-20	78.75	64.55	29,87,600	78.90	64.30	4,36,93,601
Jul-20	85.90	69.25	26,33,918	86.00	69.20	4,39,53,494
Aug-20	86.90	72.60	17,41,081	86.90	72.95	3,17,71,424
Sep-20	85.50	72.90	34,07,905	85.80	73.00	2,70,24,134
Oct-20	86.70	75.00	10,06,275	86.80	74.80	2,29,37,982
Nov-20	83.75	74.35	20,28,267	83.80	74.45	3,76,41,407
Dec-20	93.85	75.95	68,21,229	93.95	75.55	8,93,42,899
Jan-21	97.45	79.75	37,50,530	97.50	79.65	4,37,49,327
Feb-21	95.00	80.10	22,83,589	95.00	80.10	2,37,92,751
Mar-21	101.60	84.10	37,70,700	101.70	76.90	4,18,18,743

Source: www.bseindia.com and www.nseindia.com

E. Stock performance vs S&P BSE Sensex and Nifty

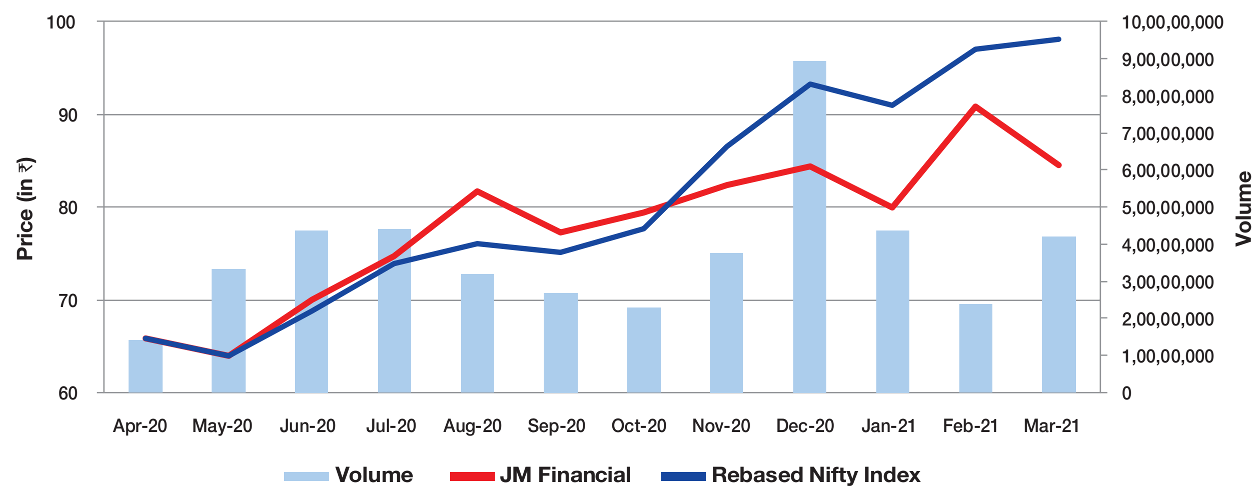
The performance of the Company's equity shares on BSE and NSE relative to the S&P BSE Sensex and Nifty is given below:

a) Average monthly closing price of the Company's shares on BSE as compared to S&P BSE Sensex



General Shareholders' Information (Contd.)

b) Average monthly closing price of the Company's shares on NSE as compared to Nifty



F. Registrar and transfer agents

KFin Technologies Private Limited ("**KFintech**") is the Company's Registrar and Transfer Agents (the "**RTA**"). KFintech is a SEBI registered Category I – Registrar to an Issue and Share Transfer Agents. For any queries relating to the equity shares of the Company, the shareholders/investors may contact the RTA at the following addresses:

Hyderabad Office	Mumbai Office
Registered Office KFin Technologies Private Limited Selenium Tower B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana	Investor Relations Office KFin Technologies Private Limited 24-B, Raja Bahadur Mansion, Ground Floor, 6, Ambalal Doshi Marg, Behind BSE, Fort, Mumbai - 400 001

Email ID: einward.ris@kfintech.com ● Toll Free no.: 1800 309 4001 ● Website: www.kfintech.com

RTA has launched a mobile application – KPRISM. Shareholders can download the mobile application by visiting https://kprism.kfintech.com/ and see their portfolios serviced by KFINTECH. It also helps to check dividend status, request for annual reports, change of address, change / update bank mandate and download standard forms. At present, the application is made available only for Android mobile application and the same can be downloaded from Play Store by searching for "KPRISM" or click on https://play.google.com/store/apps/details?id=com.karvy.kprismv3

G. Share transfer system

Out of the total 95,27,22,711 equity shares as on March 31, 2021, 95,05,10,619 equity shares (62,429 members) representing 99.77% of the Company's total equity shares are dematerialised and are held by the shareholders in electronic mode. These shares can be transferred through the Depository Participants (the "**DP**") in electronic mode with no involvement of the Company. The summary of demat transactions are noted by the Board of Directors of the Company on a periodical basis. The remaining 22,12,092 equity shares (481 shareholders) representing 0.23% are held by the shareholders in physical form. Requests for transmission/transposition or for deletion of name in case of physical share certificates are processed by RTA and approved by the Company.

Shareholders may note that as per the notification dated June 8, 2018 issued by SEBI read with its circulars dated September 7, 2020 and December 2, 2020, transfer of shares is permitted only in dematerialised mode. Shareholders are requested to dematerialise their shares held, if any, by them in physical mode in order to avoid inconvenience for transfer of shares in future. Shareholders who wish to understand the procedure for dematerialisation of shares may contact the Company or its RTA or visit the following link of the depositories:

National Securities Depository Limited ("**NSDL**") website: https://nsdl.co.in/faqs/faq.php

Central Depository Services (India) Limited ("**CDSL**") website: https://www.cdslindia.com/Investors/open-demat.html

H. Distribution of shareholding

Distribution of shareholding as on March 31, 2021 is given below:

Shares range from – to	Shareholders		Equity shares	
	Number of holders	% to total number of holders	Number of shares	% to total paid–up equity share capital
1 - 5,000	61,287	97.42	2,71,20,458	2.85
5,001 - 10,000	771	1.22	59,25,413	0.62
10,001 - 20,000	337	0.54	50,16,515	0.53
20,001 - 30,000	126	0.20	31,71,297	0.33
30,001 - 40,000	51	0.08	18,53,834	0.19
40,001 - 50,000	42	0.07	19,51,200	0.21
50,001 – 1,00,000	82	0.13	63,05,140	0.66
1,00,001 and above	214	0.34	90,13,78,854	94.61
Total	**62,910**	**100.00**	**95,27,22,711**	**100.00**

The Company did not have any outstanding warrants or other convertible instruments as on March 31, 2021 which could have any impact on share capital of the Company, except for the stock options granted to the eligible employees which will result in addition to the paid up equity share capital on allotment of shares consequent upon the exercise of stock options by them.

I. Categories of shareholders as on March 31, 2021

Category	Number of equity shares	% to total paid–up equity share capital
Shareholding of Promoters & Promoters' Group:		
Promoters	34,22,84,100	35.93
Promoters' Group and Persons acting in concert including relatives	17,97,24,158	18.86
Total (A)	**52,20,08,258**	**54.79**
Public Shareholding		
Individuals	8,48,75,948	8.91
Financial Institutions	NIL	NIL
Bodies Corporate	1,14,63,226	1.20
Mutual Funds	9,31,33,078	9.78
Alternative Investment Fund	18,93,677	0.20
NBFC	1,01,113	0.01
Trusts	59,160	0.01
IEPF	14,38,674	0.15
Foreign Shareholding		
Non-resident Indians	1,37,95,984	1.45
Foreign Portfolio Investors	22,39,53,550	23.50
Foreign Nationals	43	0.00
Total (B)	**43,07,14,453**	**45.21**
Total (A) + (B)	**95,27,22,711**	**100.00**

General Shareholders' Information (Contd.)

J. List of top ten public shareholders as on March 31, 2021

Sr. No.	Name of the shareholder	Number of shares	% to total paid–up equity share capital
1.	ICICI Prudential Growth Fund	4,67,90,974	4.91
2.	Baron Emerging Markets Fund	3,82,60,642	4.02
3.	Valiant Mauritius Partners Offshore Limited	3,35,48,779	3.52
4.	Nippon Life India Trustee Limited	2,28,90,812	2.40
5.	TIMF Holdings	1,61,09,125	1.69
6.	Valiant Mauritius Partners Limited	1,58,81,714	1.67
7.	Saif India VI FII Holdings Limited	1,51,21,775	1.59
8.	Vikram Shankar Pandit	1,16,46,939	1.22
9.	Wells Fargo Emerging Markets Equity Fund	1,15,71,429	1.21
10.	The Wellington Trust Company National Association	1,01,25,163	1.06

K. Dematerialisation of shares, International Securities Identification Number and liquidity:

The equity shares of the Company are available for trading in the dematerialised form under both the depositories i.e., NSDL and CDSL. The International Securities Identification Number ("**ISIN**") allotted to the Company's shares under the depository system is INE780C01023.

Number of shares held in dematerialised and physical mode:

Particulars	Number of shareholders	Number of shares	% to total paid–up equity share capital
Held in dematerialised mode in NSDL	27,861	92,74,11,392	97.34
Held in dematerialised mode in CDSL	34,568	2,30,99,227	2.43
Held in physical mode	481	22,12,092	0.23
Total	**62,910**	**95,27,22,711**	**100.00**

The Company's equity shares are frequently traded on BSE and NSE.

The requests received for dematerialisation of shares are confirmed by the RTA within the stipulated time period. Rejections, if any, are promptly returned to the Depositories under advice to the concerned shareholders.

L. Closure of register of members

The register of members of the Company will be closed from Tuesday, June 1, 2021 to Friday, June 4, 2021 (both the days inclusive) for the purpose of determining the shareholders entitled for dividend.

M. Dividend payment date

The dividend, if declared by the shareholders at the thirty sixth annual general meeting scheduled on Wednesday, July 28, 2021, will be paid on and from Thursday, July 29, 2021, to those shareholders whose names appear in the statement of beneficial ownership furnished by NSDL and CDSL at the close of the business hours on Monday, May 31, 2021, in respect of shares held by them in dematerialised form, and those shareholders whose names appear in the register of members at the close of business hours on Monday, May 31, 2021, in respect of shares held by them in physical form.

N. Updation of bank account and PAN details

The shareholders, who have so far not registered/updated their bank account details and their Permanent Account Number (the "**PAN**") are requested to register/update the same in the following manner:

a. Members holding shares in physical mode:

In case of PAN Card, email the scanned copy of self-attested PAN card to the Company at ecommunication@jmfl.com or to the RTA at einward.ris@kfintech.com

In case of bank account details, email the scanned copy of the letter duly signed by the shareholder, including all the joint holders, if any, with the bank account details/updated details to the Company at ecommunication@jmfl.com or to the RTA at einward.ris@kfintech.com

(The above letter should be accompanied by a scanned copy of the cancelled cheque of the first shareholder's bank account having his/her name printed on the same and self-attested scanned copy of the first page of the bank passbook/statement).

b. Members holding shares in electronic mode (Demat):

Register/update PAN and the bank account details in the demat account of the shareholders through the DPs.

Like the previous year, dividend will be directly credited to the shareholders' respective bank accounts. In case if the details of the bank account are not available, then the Company shall dispatch the dividend demand drafts/pay orders to such members by post.

O. Dividend history commencing from the financial year 2015-16

The following table provides details of dividends declared by the Company in last five years.

Financial Year	Date of declaration	Date of payment	Number of shares	Dividend per share (₹)		Total amount of dividend (₹ in crore)	
2015-16 (Interim Dividend)	February 3, 2016	February 16, 2016	78,88,19,970	0.60	1.45	47.33	114.45
2015-16 (Final Dividend)	August 2, 2016	August 4, 2016	78,95,89,017	0.85		67.12	
2016-17 (Interim Dividend)	January 23, 2017	February 6, 2017	79,37,49,788	0.65	1.50	51.59	119.28
2016-17 (Final Dividend)	July 24, 2017	July 27, 2017	79,63,67,733	0.85		67.69	
2017-18 (Interim Dividend)	January 19, 2018	February 5, 2018	79,76,74,467	0.70	1.80	55.84	148.10
2017-18 (Final Dividend)	July 18, 2018	July 20, 2018	83,87,05,025	1.10		92.26	
2018-19 (Interim Dividend)	January 23, 2019	February 6, 2019	83,99,31,463	0.50	1.00	42.00	84.00
2018-19 (Final Dividend)	July 19, 2019	July 22, 2019	83,99,31,463	0.50		42.00	
2019-20 Dividend	July 30, 2020	August 3, 2020	84,12,24,647	0.20	0.20	16.82	16.82

General Shareholders' Information (Contd.)

Unclaimed dividend

Pursuant to the provisions of section 124 of the Companies Act, 2013 (the "**Act**") read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (the "**IEPF Rules**"), the amount of dividend which remains unclaimed or unpaid for a period of seven (7) years from the date of transfer of such amount to the Unpaid Dividend Account opened in pursuance of sub-section (1) of the said section is required to be transferred to the Investor Education and Protection Fund (the "**IEPF**") established under section 125(1) of the Act. Accordingly, the unclaimed final dividend in respect of the financial year 2013-14 is due for transfer to the IEPF in August 2021. Shareholders, who have not yet claimed their final dividend for the financial year 2013-14 or for any subsequent financial years, are requested to claim the same from the Company.

In order to reduce the unclaimed dividend amount, the Company has taken the following measures as per the practise followed by it:

- Periodic reminders to the shareholders to claim their dividend and register their bank account details;
- Direct credit of dividend to the account of shareholders, in case of revalidation requests;
- General notice by way of an advertisement in the newspapers to claim the dividend.

In terms of the relevant IEPF Rules, the Company has uploaded the information in respect of the unclaimed dividends (both for interim and final dividend) for the financial years from 2012-13 to 2018-19 as on the date of the thirty fifth annual general meeting held on July 30, 2020, on the website of the IEPF viz., www.iepf.gov.in and under "Investor Relations" section on the website of the Company viz., https://jmfl.com/investor-relation/unclaimed-dividend.html

The following table provides the details of years for which the dividends are remaining to be claimed for last seven (7) years:

Sr. no.	Financial year	Type of dividend	Dividend per share (in ₹)	Date of declaration	Due date for transfer of unclaimed dividend to IEPF	Amount unclaimed (in ₹)
1.	2013-14	Final	0.55	July 3, 2014	August 6, 2021	17,02,891.85
2.	2014-15	Interim	0.55	January 28, 2015	March 4, 2022	15,53,789.60
3.	2014-15	Final	0.80	July 30, 2015	August 31, 2022	18,86,633.60
4.	2015-16	Interim	0.60	February 3, 2016	March 10, 2023	18,79,291.80
5.	2015-16	Final	0.85	August 2, 2016	September 6, 2023	25,03,994.60
6.	2016-17	Interim	0.65	January 23, 2017	February 27, 2024	17,97,847.35
7.	2016-17	Final	0.85	July 24, 2017	August 27, 2024	22,98,985.65
8.	2017-18	Interim	0.70	January 19, 2018	February 22, 2025	11,63,527.40
9.	2017-18	Final	1.10	July 18, 2018	August 23, 2025	17,00,936.60
10.	2018-19	Interim	0.50	January 23, 2019	February 28, 2026	12,94,263.00
11.	2018-19	Final	0.50	July 19, 2019	August 23, 2026	12,93,029.50
12.	2019-20	Final	0.20	July 30, 2020	September 3, 2027	5,06,014.00

Equity Shares in respect of which dividend is unclaimed

Pursuant to the IEPF Rules, all shares in respect of which dividend has not been claimed for seven (7) consecutive years shall be transferred by the Company in the name of IEPF by way of credit to the demat account established by the IEPF Authority.

The equity shares in respect of which the dividend has not been claimed for seven (7) consecutive years from the financial year 2013-14, (barring the shares that have already been transferred by the Company to IEPF in September 2020 and March 2021) are due to be transferred by the Company in the name of IEPF Authority in August, 2021.

Transfer of dividend/shares to IEPF/IEPF Authority

The details of transfer of unclaimed dividend amount to IEPF by the Company for the financial year 2012-2013 and 2013-2014 are given below:

Date of transfer	Financial year to which relates	Amount (in ₹)
September 28, 2020	Unclaimed (final) dividend for the financial year 2012-13	16,99,351.00
March 31, 2021	Unclaimed (interim) dividend for the financial year 2013-14	14,51,896.55

The details of equity shares transferred by the Company to IEPF Authority during the financial year 2020-21 are given below:

Date of transfer	Financial year to which relates	Number of shares
September 29, 2020	Shares in respect of the dividend not claimed by the shareholders for a consecutive period of seven (7) years - financial year 2012-13	33,797
March 27, 2021	Shares in respect of the dividend not claimed by the shareholders for the consecutive period of seven (7) years - financial year 2013-14	39,753

Any shareholder whose unclaimed dividend/shares are thus transferred to IEPF/IEPF Authority may claim his/her/its dividend/shares including all benefits, if any, accruing on such dividend/shares from IEPF/IEPF Authority by following the process given under rule 7 of the IEPF Rules.

In case of any queries/clarification for claiming the dividend/shares from IEPF/IEPF Authority, shareholders may contact the nodal officer, viz., Mr. Prashant Choksi, Group Head - Compliance, Legal & Company Secretary of the Company at ecommunication@jmfl.com

P. Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion and likely impact on equity capital

The Company did not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on March 31, 2021.

Q. Credit rating

The Company enjoys [ICRA]A1+ from ICRA Limited and CRISIL A1+ from CRISIL Limited for its commercial papers program. The Company also enjoys [ICRA]AA from ICRA for non-convertible debenture program and [ICRA]AA for long term bank lines. The Company does not have any fixed deposit programme or schemes or proposal involving mobilization of funds in India or abroad.

R. Registered Office of the Company/correspondence address

Mr. Prashant Choksi
Company Secretary and Compliance Officer
JM Financial Limited
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400 025.

Your Company has designated the following email IDs for its investors:
For general communication - ecommunication@jmfl.com
For grievance - shareholdergrievance@jmfl.com

S. Corporate identification number of the Company

L67120MH1986PLC038784

T. Website www.jmfl.com

U. Plant location

The Company is engaged in financial services business; hence it does not have any plant.

Certificate

To the Board of Directors of JM Financial Limited

Certified that for the financial year 2020-21;

A. We have reviewed financial statements and the cash flow statement for the financial year 2020-21 and that to the best of our knowledge and belief:

   1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there have been no deficiencies in the design or operation of such internal controls of which we are aware.

D. We have indicated to the auditors and the Audit Committee that there were:

   1. no significant changes in internal control over financial reporting during the year;

   2. no significant changes in accounting policies during the year;

   3. There have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Vishal Kampani
Managing Director
DIN – 00009079

Manish Sheth
Chief Financial Officer

Place : Mumbai
Dated : May 5, 2021

Certificate of Non-Disqualification of Directors

(Pursuant to Regulation 34 (3) and Schedule V Para C Clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
JM Financial Limited,
7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400025

We have examined the relevant disclosures provided by the Directors (as enlisted in Table A) of **JM FINANCIAL LIMITED** having **CIN L67120MH1986PLC038784** and having registered office at **7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi Mumbai – 400025** (hereinafter referred to as '**the Company**') for the purpose of issuing this Certificate, in accordance with Regulation 34 (3) read with Schedule V Para C clause 10 (i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and documents available on the website of the Ministry of Corporate Affairs and Stock Exchanges as on 31st March, 2021, and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and based on the disclosures of the Directors, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as Directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	Directors Identification Number	Date of appointment in the Company
1.	Mr. Nimesh Kampani	00009071	12/06/1987
2.	Mr. Vishal Kampani	00009079	03/02/2016
3.	Mr. Darius E Udwadia	00009755	01/06/2006
4.	Dr. Vijay Kelkar	00011991	19/03/2010
5.	Mr. Keki Dadiseth	00052165	30/10/2012
6.	Mr. Paul Zuckerman	00112255	29/10/2007
7.	Mr. Eknath Kshirsagar	00121824	28/05/2004
8.	Ms. Jagi Mangat Panda	00304690	31/03/2015
9.	Mr. P S Jayakumar	01173236	30/07/2020

Place: Mumbai
Date: May 5, 2021

For **Makarand M. Joshi & Co.**
Practicing Company Secretaries
UDIN: F006667C000247261

Kumudini Bhalerao
Partner
FCS: 6667
CP. No. 6690

Independent Auditors' Certificate on Corporate Governance

To The Members of
JM Financial Limited

1. This certificate is issued in accordance with the terms of our engagement letter reference no. A/KB/NMD/3463/20200707 dated July 20, 2020.

2. We, Deloitte Haskins & Sells LLP, Chartered Accountants, the Statutory Auditors of JM Financial Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2021, as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

Managements' Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditors' Responsibility

4. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the financial year ended March 31, 2021.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For **DELOITTE HASKINS & SELLS LLP**
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)
UDIN: 21105035AAAADU3499

Place: Mumbai
Date: May 5, 2021

List of website links

For quick glance of the members of the Company, below are the direct hyperlinks of the financials results, policies, codes etc. referred in this annual report and which are hosted on the website of the Company viz., www.jmfl.com

Sr. No	Particulars	Hyperlinks
1.	Annual report of the Company for the financial year ended 2020-21	https://jmfl.com/annual-report
2.	AGM notice of the thirty sixth annual general meeting	https://jmfl.com/investor-relation/agm-egm.html
3.	Annual Return in form MGT-7	https://jmfl.com/annual-report
4.	Board Familiarisation session organized during the financial year ended 2020-21	https://jmfl.com/investor-relations/Board_Familarisation.pdf
5.	Code of Conduct for Board Members & Senior Management	https://jmfl.com/investor-relations/Code_of_Conduct_Directors_Senior_Management_Personnel.pdf
6.	Code of Conduct for prevention of insider trading	https://jmfl.com/investor-relations/Code_for_Insider_Trading.pdf
7.	Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information	https://jmfl.com/investor-relations/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_Upsi.pdf
8.	Composition of Corporate Social Responsibility Committee	https://jmfl.com/investor-relation/board-directors.html
9.	Corporate Social Responsibility Policy	https://jmfl.com/investor-relations/CSR_Policy.pdf
10.	Corporate Social Responsibility Projects	https://jmfl.com/giving-csr/projects
11.	Disclosure as required under the applicable SEBI regulations pertaining to Employee' Stock Option Scheme	https://jmfl.com/annual-report
12.	Dividend Distribution policy	https://jmfl.com/investor-relations/Dividend_Distribution_Policy.pdf
13.	Familiarisation Program for Independent Directors	https://jmfl.com/investor-relations/Familiarisation_Programme_for_Independent_Directors.pdf
14.	Form 10F, 15G and 15H prescribed under Income Tax Act, 1961	https://jmfl.com/investor-relations/form10f.pdf https://jmfl.com/investor-relations/form15g.pdf https://jmfl.com/investor-relations/form15h.pdf
15.	MCA and SEBI Circulars issued on AGM through VC/OAVM	https://jmfl.com/investor-relation/agm-egm.html
16.	Nomination Form SH- 13 and revocation of nomination SH-14	https://jmfl.com/investor-relations/Nomination_form.pdf
17.	Policies determining material subsidiaries	https://jmfl.com/investor-relations/Policy_on_Material_Subsidiaries.pdf
18.	Policy on dealing with related party transactions	https://jmfl.com/investor-relations/Policy_on_Dealing_with_Related_Party_Transactions.pdf
19.	Policy on Performance Evaluation & Remuneration of the directors	https://jmfl.com/investor-relations/Policy_on_Performance_Evaluation_and_Remuneration_of_the_Directors.pdf
20.	Policy on Selection & Appointment of directors	https://jmfl.com/investor-relations/Policy_on_Selection_and_Appointment_of_Directors.pdf
21.	Self-Declaration for resident and non-resident as prescribed under Income Tax Act, 1961	https://jmfl.com/investor-relations/SelfDeclarationbyResidents.docx https://jmfl.com/investor-relations/SelfDeclarationbyNonResidents.docx
22.	Standalone and Consolidated financial statements	https://jmfl.com/investor-relation/financial-results.html
23.	Unclaimed/unpaid dividend up to 2018-19	https://jmfl.com/investor-relation/unclaimed-dividend.html
24.	Whistle Blower Policy	https://jmfl.com/investor-relations/Whistle_Blower_Policy.pdf

JM FINANCIAL

Business Responsibility Report

This Business Responsibility Report of the Company for the financial year 2020-21 forms part of this Annual Report, pursuant to regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (the "**Listing Regulations**").

The Business Responsibility Report demonstrates the Group's commitment towards sustainability as a business imperative and covers the operations of the Company and the companies belonging to the JM Financial Group. The Business Responsibility Report of the Company is also available on its website at https://jmfl.com/annual-report

Section A: General Information about the Company

1	Corporate Identity Number (CIN) of the Company	L67120MH1986PLC038784
2	Name of the Company	JM Financial Limited
3	Registered office address	7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025
4	Website	www.jmfl.com
5	E-mail id	ecommunication@jmfl.com
6	Financial year reported	April 1, 2020 to March 31, 2021
7	Sector(s) that the Company is engaged in (industrial activity NIC code-wise)	Investment Banking Services – 66190 Management of other investment funds – 66309 Activities of holding companies – 64200

8. **List three key products/services that the Company manufactures/provides (as in balance sheet)**

JM Financial Limited (the "**Company**") is a SEBI Registered Category I Merchant Banker and acting as the Manager to the Private Equity Fund. The Company is engaged in assisting corporates in fund raising as an investment bank, providing advisory services in equity and debt capital markets, mergers and acquisitions advisory, private equity syndication, corporate finance advisory business and private equity fund management.

The Company continues to own substantial/controlling equity interest in various subsidiary companies. The Company and its subsidiaries are engaged in the following businesses:

a. Investment Banking, Wealth Management and Securities Business (IWS) which includes fee and fund based activities for our clients;

b. Mortgage Lending which includes both wholesale mortgage lending and retail mortgage lending (home loans, education institutions lending and LAP);

c. Distressed credit which includes the asset reconstruction business; and

d. Asset Management which includes the mutual fund business.

9. **Total number of locations where business activity is undertaken by the Company**

Number of National Locations:

As on March 31, 2021, the Company and its subsidiaries had their presence in 76 locations across 11 states and two union territories in the country.

International Locations:

The overseas subsidiaries of the Company have presence in

- Mauritius;
- Singapore; and
- United States of America.

Additionally, the Company also has a representative office in Dubai, namely JM Financial Overseas Holdings Private Limited (DIFC Representative Office).

10. **Markets served by the Company (Local/State/National/International)**

The Company and its subsidiaries serve the customers in India and in the international market.

Section B: Financial details of the Company (As on March 31, 2021)

1	**Paid up Capital (INR)**	₹ 95,27,22,711
2	**Total Turnover (INR)**	Standalone: ₹ 374.41 crore Consolidated: ₹ 3,226.63 crore
3	**Total profit after taxes (INR)**	Standalone: ₹ 175.23 crore Consolidated: ₹ 590.14 crore

4 **Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%):**

The Company has spent ₹ 1.24 crore towards CSR activities, being 2% of its average net profits for the preceding three financial years calculated in accordance with the provisions of section 198 of the Companies Act, 2013 (the "**Act**").

Out of a total CSR spend of ₹ 1.24 crore for the financial year 2020-21, the Company spent a sum of ₹ 1 crore by way of contribution to PM CARES Fund for Covid–19 relief and the balance amount of ₹ 0.24 crore has been contributed on education.

5 **List of activities in which expenditure in 4 above has been incurred.**
The list of activities, as per schedule VII to the Act, on which CSR expenditure was incurred:

Category	(₹ in crore)
PM CARES Fund – Covid -19	1.00
Education	0.24

Section C: Other Details

1 **Does the company have any subsidiary company/ companies?**

Yes; Fifteen (15) subsidiary companies.

2 **Do the subsidiary company/companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**

Yes; Fifteen (15) subsidiary companies.

3 **Do any other entity/entities (e.g. suppliers, distributors etc.) that the company does business with; participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]**

No.

Section D: Business Responsibility Information

1. **Details of director/directors responsible for Business Responsibility**

a.	Details of the director responsible for implementation of the Business Responsibility policy	**Mr. Vishal Kampani** Managing Director DIN: 00009079
b.	Details of the Business Responsibility head	**Manish Sheth** Group Chief Financial Officer DIN: Not applicable since he is not a director of the Company. Telephone Number: 91-22-6630 3030 Email id: manish.sheth@jmfl.com

Business Responsibility Report (Contd.)

2. Principle-wise (as per NVGs) BR policy/policies

National Voluntary Guidelines (NVGs) on social, environmental and economic responsibilities of business prescribed by the Ministry of Corporate Affairs stipulates the nine principles as mentioned below:

P1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3: Businesses should promote the well-being of all employees.

P4: Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5: Businesses should respect and promote human rights.

P6: Business should respect, protect, and make efforts to restore the environment.

P7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8: Businesses should support inclusive growth and equitable development.

P9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

The principle wise responses are given below:

Sr. No.	Questions	Business Ethics and Transparency P1	Product/ Service Responsibility P2	Well-being of Employees P3	Responsibility towards Stakeholders P4	Human Rights P5	Environmental Responsibility P6	Policy Advocacy P7	Inclusive Growth P8	Engagement with Customer P9
1.	Do you have a policy/ policies for:	Yes	No (Refer Note 1)	Yes	Yes	Yes	No (Refer Note 2)	No (Refer Note 3)	Yes	Yes
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
3.	Does the policy conform to any national/ international standards? If yes, specify?	Yes*	-	Yes*	Yes*	Yes*	-	-	Yes*	Yes*
4.	Has the policy been approved by the Board? If yes, has it been signed by MD/owner/CEO/ appropriate Board Director?	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
5.	Does the company have a specified committee of the Board/Director/ Official to oversee the implementation of the policy?	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
6.	Indicate the link for the policy to be viewed online?	(Refer table 1 below)	-	#	(Refer table 1 below)	#	-	-	(Refer table 1 below)	#
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes#	-	Yes#	Yes#	Yes#	-	-	Yes#	Yes#
8.	Does the company have in-house structure to implement the policy/ policies	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
9.	Does the company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/ policies?	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency? (Refer Note 4)	Yes	-	Yes	Yes	Yes	-	-	Yes	Yes

* All policies have been formulated in accordance with the applicable laws and regulations and after considering the best practices adopted by the industry.

These policies of the Company are internal documents and are not accessible to the public. These policies have been uploaded on intranet portal of the Company which is accessible, inter-alia, by the employees of the Company.

Notes:

1. The core business area of JM Financial Group is to provide financial services and hence this principle has limited applicability. JM Financial Group, however, strives to comply with all the applicable regulations in respect of its operations.
2. Considering that JM Financial Group operates in financial services sector, Principle - 6 may not be strictly applicable. JM Financial Group complies with applicable environmental regulations in respect of its premises. JM Financial Group along with its employees takes initiatives to reduce consumption of energy and also makes continuous efforts to ensure that there is an optimum utilisation of the available resources with minimum or no wastage at all.
3. JM Financial Group entities are the members of various industry associations, through which they provide various suggestions with respect to healthy development of financial market.
4. Policies and processes are subject to internal audit and internal reviews from time to time.

Business Responsibility Report (Contd.)

Table 1

Name of the Policy	Web link
Code of Conduct for Board Members & Senior Management	https://jmfl.com/investor-relations/Code_of_Conduct_Directors_Senior_Management_Personnel.pdf
Whistle Blower Policy	https://jmfl.com/investor-relations/Whistle_Blower_Policy.pdf
Corporate Social Responsibility Policy	https://jmfl.com/investor-relations/CSR_Policy.pdf
Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information	https://jmfl.com/investor-relations/Code_of_Practices_and_Procedures_for_Fair_Disclosure_of_Upsi.pdf

3. **Governance related to Business Responsibility ("BR")**

   (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO assess the BR performance of the company. Within 3 months, 3-6 months, Annually, More than 1 year.**

   Annually.

   (b) **Does the company publish a BR or sustainability Report? What is hyperlink for viewing this Report? How frequently it is published?**

   Yes, the Company publishes the BR report annually. The Company's BR report for the financial year 2020-21, forms part of this annual report which is available on the website of the Company at https://jmfl.com/annual-report

Section E: PRINCIPLE-WISE PERFORMANCE

Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/ Contractors/NGOs /Others?**

   Yes; it covers the Company as well as its subsidiaries and other Group companies. The Group conducts its business with utmost integrity. Integrity is imbibed in our working culture and is non-negotiable. It considers ethics, transparency and accountability to be its most important operational priorities and these are ingrained into its practices across the organisation. The Group is committed to act professionally, fairly and with integrity in all our dealings. We have developed various policies and processes, which facilitates transparency, zero-tolerance approach to bribery and corruption in all our dealings while maintaining ethical behaviour. We have developed governance structures, procedures and practices that ensures ethical conduct at all levels. We maintain transparency in all our dealings and also discharge our responsibility while disclosing financial and other mandatory disclosures.

   The Board of Directors has approved and adopted the following:

   1. Code of Conduct for Directors and Senior Management which is available on the website of the Company viz., https://jmfl.com/investor-relations/Code_of_Conduct_Directors_Senior_Management_Personnel.pdf

   2. A separate set of Code of Conduct applicable to all the employees at the Group level, governs the conduct of the employees, inter alia, including the following:

      (i) Ethical behaviour at the work place;

      (ii) Employee trading policy, which also deals with insider trading regulations;

      (iii) Intellectual Property Protection; and

      (iv) Gifts to and from clients, suppliers and others.

   Though JM Financial Group's policies currently do not apply to external stakeholders such as suppliers, contractors, NGOs, etc., the Group emphasises on adherence to ethical business practices while dealing with all the stakeholders.

2. **How many stakeholders' complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

   The Company had received two complaints from its investors/ shareholders mainly relating to their equity shares and dividend, which have been satisfactorily resolved and nothing was pending as on March 31, 2021. The Company has more than 60,000 shareholders and most of its shares are held by them in electronic form. The Company did not receive any complaints during the last financial year from any other stakeholder.

   During the year, the Company or its subsidiaries did not receive any complaints from its employees.

   The Company and its Group entities have a fair and transparent mechanism to deal with the complaints, if any, from their investors, shareholders, debenture holders, customers or other external stakeholders. The respective business leaders efficiently and satisfactorily deal with the complaints, if any, received from the above categories of persons. On these lines, the complaints of the above persons, if any, are being effectively resolved by the management to their satisfaction.

Principle 2: Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   Considering the nature of business of JM Financial, the questions mentioned in this Principle 2 are not applicable. However, JM Financial through its service products such as affordable housing loans, education institutions lending, etc., is contributing positively to the socio-economic development.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   Not applicable as JM Financial is an integrated financial services group.

   (a) **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   Not applicable.

   (b) **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   Not applicable. However, owing to the lockdown and majority of the employees working remotely from their residences, during the significant period of the financial year 2020-21, we have seen a huge reduction in the usage of energy and water resources at our office premises.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

   Not applicable.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? (a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   Not applicable.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

   Not applicable.

Principle 3: Businesses should promote the wellbeing of all employees.

At JM Financial, we believe in investing our efforts towards employees' wellbeing. Building and enhancing the talent pool has always been a top priority initiative. We have adopted various policies, procedures, manuals and conducted various online training programs, throughout the year, for the protection and welfare of the employees.

Work-Life Balance: JM Financial promotes work-life balance. Although most of the staff have been working remotely from home, the employees are encouraged to have safe and balanced work life. Employees falling under essential services group, were only attending offices as per their choice with due precaution and care.

Leaves: Our leave cycle is from 1st April to 31st March. In case an employee has not availed of annual leave during a particular year, the leave(s) can be carried forward to December of the succeeding year. The leave categories are:

- Earned Leave: Annual leaves
- Sick Leave: 7 working days and is need based
- Marriage Leave: 5 working days, within 3 months of the date of marriage
- Maternity Leave: Paid Maternity Leave of 6 calendar months
- Paternity Leave: 5 working days
- Compassionate Leave: In case of death of any immediate family member, 3 working days of paid Compassionate Leave is extended to all employees, within 15 days of that event
- Medical Care Leave: Sick Leaves exceeding 7 days in a year, are approved under exceptional circumstances (such as hospitalization of employees) and considered as Medical Care Leave.

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Apart from the above standard leaves, we also introduced Covid Care Leave.

Covid Care Leave: Any employee who tests Covid-19 positive can apply for leave under this leave category. As the impact of this infection varies on a case to case basis, number of leaves one can avail has not been stipulated. Number of days of leave that can be availed by the employees vary depending on the severity of the case.

Celebrations: At JM Financial, we firmly believe that celebration is a part of our work culture. Festivals bring employees closer and help improve work relationships. Several occasions are celebrated including Diwali, Christmas, International Yoga Day, Father's Day, Mother's Day, Family Day, Friendship Day, Independence Day, Earth Day, Navratri, Children's Day, Boss Day, Republic Day, Women's Day, Men's Day, Photography Day, Mountain Day, Holi etc. During the pandemic, all the above festivals were celebrated online with employees joining the video calls through Microsoft Teams or such other platform.

During the pandemic, we ensured that employees stayed in touch with each other. Employees have regular team meetings on Microsoft Teams platform – for work discussions, birthdays, work anniversaries, deal closure celebrations and general catch ups over video calls. Managers held virtual coffee-break sessions to connect with their team members.

During the lockdown/Work From Home arrangement, we introduced something called as Chai pe Charcha (Virtual Coffee), where we encouraged team leaders / department heads to organize online chai pe charcha meetings on various platforms like Microsoft Teams, Zoom, Google Meet, etc. Various teams got together and had virtual interactions apart from working with their teams.

Employee Engagement Activities: The idea of engagement activities is to enable employees know each other better and encourage team building. Several activities such as Workshop on Organic Farming, Energy Conservation, Appreciation Week, All India Corporate Photography Contest 2020, #MyWorkfromHome, etc., were planned for employees to participate.

Other Initiatives:

Annual Business Meet: In regular course, business-specific off sites are organized. This year, 'Dwello', a real estate consultancy business, had a business meet where all team leaders had an Offsite with the motive of ensuring that employees participate in team building exercise, interaction with the Senior Leadership to know more about the business strategies and the core expectations to attain the Company's goals.

Health and Awareness:

Virtual Sessions: Online sessions like 'Ayurveda practices for respiratory health and immunity', Chair Yoga, Winter Yoga, etc. were also conducted. We introduced an app called 'Mindhouse' which was free for three months for employees from August to November, 2020. The app had various yoga sessions, sessions on handling and managing stress and anxiety, sessions to improve focus, recorded sessions of guided meditation, and guided sleep meditation, sessions on calming the mind and boosting productivity. Many employees enrolled in the free app and took benefit of the same.

Onsite & Virtual Doctor Consultation: We also organised periodical doctor consultation available on call.

Fitness Month: We initiated the Fitness month in September, 2020 called #BeJMFit, where every week we shared a fitness bingo with employees and encouraged employees to engage in fitness activities. A session on sustainable living was also organised to share and learn methods of sustainable living in everyday life.

Insurance Coverage: JM Financial offers competitive benefits package, designed to meet the varying needs of its employees. These benefits are an integral part of the Company and provide employees and their families valuable protection, during their employment with JM Financial.

Annual Health Check-ups: JM Financial employees are eligible for an Annual Health Check-up, depending on the age group.

Sports Club: We have set up JM Financial Sports Club with the objective of creating a platform for employees to get-together and enjoy various sporting activities, foster a habit of team-work and healthy competition, by using sports as a medium, promote a healthy work-life balance and an opportunity to de-stress by active engagement in sports. This creates the sense of belonging. Usually, annual events for cricket championships and football tournaments are organised each year, but due to Covid-19 pandemic, no such sports activity could be undertaken during the year for safety and security of the employees.

Online Learning and Development: Training is necessary for the employees' development and progress, this motivates them to work not only at an individual level but also at an organisational level. We have an environment supporting continuous learning.

With changing times, we moved our learning and development to online platform. We have an e-learning platform – iLearn – a one stop destination for all our training requirements. iLearn is a blend of

- Online technical and behavioural courses (Online Trainings) which are hosted on the platform. Courses were decided basis the training requirement of employees. These training modules are micro video based lessons.
- External faculty trainings are conducted and employees are given opportunities to develop their skills.
- We have promoted open programs conducted by employees of the organization, who share their knowledge and expertise on subject matters (Knowledge Community).
- Employees are also enrolled for seminars and job related trainings, arranged by specialized centres (Seminars and Workshops).

During the pandemic, this platform (iLearn) proved to be a boon for JM Financial. Employees were encouraged to learn from the comfort of their homes, since we were not able to conduct classroom trainings. Employee-wise LFH (Learn from Home) calendar was chalked out for employee development.

We facilitated Virtual Trainings/Webinars/Online Trainings, which were shorter than usual and more convenient for employees to attend.

Wellbeing and Safety: For us, the health and safety of all our employees is of utmost concern and priority. During the Covid-19 pandemic, measures were taken to ensure that employees and their families are safe. Employees were constantly being communicated and updated about the developments of the pandemic, Government guidelines, dos and don'ts and measures that the Group had taken. All offices were fumigated, sanitary equipment was made available, work from home facility was provided, IT infrastructure was provided and HR business partners were constantly in touch with the employees to ensure their safety. While the employees 'Worked from Home', they were also encouraged to 'Learn from Home'.

1. **Please indicate the total number of employees.**

   As on March 31, 2021, we had 1,978 permanent employees across all our business verticals and entities.

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis.**

   Apart from the total number of employees as stated above in point no.1, the Group had 586 temporary/contractual/casual employees as on March 31, 2021.

3. **Please indicate the number of permanent women employees.**

   The Group had 412 permanent women employees as on March 31, 2021.

4. **Please indicate the number of permanent employees with disabilities.**

   As on March 31, 2021, the Group had one permanent employee having disability.

5. **Do you have an employee association that is recognized by management?**

   The Group does not have any employee association.

6. **What percentage of your permanent employees is member of this recognized employee association?**

   Not applicable.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

   JM Financial Group does not engage child labour/forced labour/involuntary labour and does not adopt or allow discriminatory employment practices.

Sr. no.	Category	Number of complaints filed during the financial year 2020-21	Number of complaints pending as on March 31, 2021
1	Child labour / forced labour / involuntary labour	Not applicable	
2	Sexual Harassment	None	
3	Discriminatory employment	Not applicable	

8. **What percentage of your work force mentioned below were given safety and skill up-gradation training in the last year?**

   The details of training provided during the financial year are as follows:

Safety Training:

(a)	Permanent employees	No physical trainings were provided during the year, in view of lock down arising as a result of Covid-19.
(b)	Permanent women employees	
(c)	Casual/Temporary/Contractual employees	
(d)	Employees with disabilities	

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Skill Upgradation:

(a)	Permanent employees	67.4%
(b)	Permanent women employees	23.1%
(c)	Casual/Temporary/Contractual employees	100%
(d)	Employees with disabilities	100%

Principle 4: Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. **Has the company mapped its internal and external stakeholders?**

   Yes.

   Since the Company and its subsidiaries engage with various stakeholders on an ongoing basis viz., employees, customers, clients, investors, shareholders, government and regulatory bodies, business associates, media, social organisations, etc., the process of mapping of the stakeholders is an ongoing exercise and is conducted on regular basis.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders?**

   Yes.

   The Group works in remote rural and tribal areas of Bihar, Jharkhand and Maharashtra under the aegis of Integrated Rural Transformation Programme by way of its CSR (Corporate Social Responsibility). Central to this approach is identifying the community to be served and its specific needs, aspirations and potential. Therefore, prior to conceptualizing any initiative or project - short-term or long-term, the Group undertakes systematic community and household/family level assessments to ensure that the target group intended to be served, are the actual, deserving beneficiaries of the initiative underway. These assessments to identify the right recipients of programme/project benefits include sociological research methods, data evaluations-both primary and secondary, historical perspective studies to understand past experiences in a given thrust area as well as technical studies related to life essentials such as livelihoods, water, food, climate, and so on. Further to these assessments, the data gathered is then verified with government and other public authorities along with well-informed individuals and groups at the village, *panchayat*, block or district levels, as applicable.

   In FY 2020-21, our lives and functioning have been hampered greatly, with Covid-19 and its ensuing lockdown. While our long-term projects have struggled and managed to deliver their best, we also undertook relief initiatives across the country with the help of the ground-level data and information through and in collaboration with other good samaritan organizations and individuals.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, marginalised stakeholders?**

   The Group undertakes its CSR in areas where not many are able to reach. While some of our projects have a pan-India reach, our work is primarily undertaken in Jamui district of Bihar, Giridih district of Jharkhand and Palghar district of Maharashtra. Within these districts, initiatives aimed at long-term socio-economic/health/education/livelihoods development are undertaken basis our engagement with and assessment of disadvantaged, marginalized communities. Our ultimate beneficiaries largely belong to Scheduled Caste, Scheduled Tribe and Other Backward Caste categories, who have hitherto, not been able to access their full potential and entitlements.

   Beyond CSR, the Group also undertakes philanthropic initiatives year on year, in order to support often overlooked causes and beneficiaries, warranting change and development in the focus areas of education, health, sports development, animal welfare and disaster relief.

Principle 5: Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   Respecting and understanding the human rights and addressing the potential human rights violation is important responsibility of any organisation. The Group has adopted several policies viz., Code of Conduct, Equal Opportunities Policy, Policy against Sexual Harassment, Whistle Blower Policy, Disciplinary Policy, etc., which assists in ensuring that there is no violation of human rights in its conduct – externally or internally.

   The Group adheres to the statutes which embody the principles of human rights such as non-discrimination, prevention of child labour, prevention of sexual harassment, equal employment opportunities, etc. The Group is committed to a work environment in which all individuals are treated with fairness, respect and dignity. Persons not directly connected to the Group viz., outside vendors, consultants, suppliers or clients are also expected to comply with principles of human rights in all respects.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the Management?**

   During the financial year 2020-21, no complaints regarding human rights violations were received.

Principle 6: Businesses should respect, protect and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others.**

   The Company does not have specific policy relating to Principle 6. However, the activities mentioned in Principle 6 are laid down in the Corporate Social Responsibility Policy of the Company and its subsidiaries to which the same is applicable.

2. **Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes.

   JM Financial Group constantly endeavors to reduce its impact on the environment and identify ways to optimize resource consumption. To ensure that there is a minimum impact, it has undertaken initiatives like reduction of paper usage, maintenance of electronic data and records, reduction in usage of plastic bottles for drinking purposes, etc. Additionally, the Group strives towards imbibing green sustainable products, processes, policies and practices. We promote cost efficient environment-friendly measures and build awareness and consciousness of our environment among employees. Our offices have been designed such that they are equipped with energy efficient air conditioners, LED lights and other energy conservation measures. Various measures are taken to reduce the consumption of electricity by installing energy efficient equipment in our office premises.

3. **Does the company identify and assess potential environmental risks? Y/N**

   No.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filed?**

   JM Financial Group makes conscious efforts towards managing and conserving valuable environmental resources in various ways, however there is no direct project related to clean development.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc., Y/N. If yes, please give hyperlink for web page etc.**

   We promotes ecological sustainability and has taken several measures to minimise our environmental impact cause due to various factors. Also, we have moved to digitalisation platform wherein we save on paper and stationery. E-waste is disposed of in an appropriate manner.

   The above actions of the Group has contributed and continues to contribute towards saving environment by reduction in usage of resources.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Since the Company is not a manufacturing entity, the above question is not applicable.

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   No show cause or legal notices from CPCB/SPCB have been received during the financial year 2020-21 and were not pending as at the end of the financial year.

Principle 7: Businesses, when engaged in influencing people and regulatory policy, should do so in a responsible manner.

1. **Is your company a member of any trade and chamber or association? If yes, name only those major ones that your business deals with:**

   JM Financial Group entities are member/s of many industry bodies and trade associations such as:

   - Confederation of Indian Industry;
   - Bombay Chamber of Commerce and Industry;
   - Federation of Indian Chambers of Commerce and Industry;
   - IMC Chamber of Commerce & Industry;
   - The Chamber of Tax Consultants;
   - Association of Investment Bankers of India;
   - Association of Mutual Funds of India;
   - Association of ARCs in India;
   - Financial Intermediaries Association of India;
   - Young Presidents' Organisation;
   - The Associated Chambers of Commerce & Industry of India;

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- The Council of EU Chambers;
- Association of National Exchanges Members of India;
- BSE Brokers' Forum;
- The Indian Private Equity & Venture Capital Association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy Security, Water, Food Security, Sustainable Business Principles, Others)**

   The Group believes that it is its responsibility to help build a better business environment and thus a better world with opportunities for everyone. The Group through various associations and trade bodies provide suggestions with respect to development and regulation of financial services sector. Some of the employees of the Group including senior management are members of various committees constituted by regulators and industry bodies.

Principle 8: Businesses should support inclusive growth and equitable development.

1. **Does the company have specified programmes/ initiatives/projects in pursuit of the policy related to Principle 8? If yes, details thereof.**

   Yes.

   The Corporate Social Responsibility (CSR) initiatives of the Company and its subsidiaries (to the extent applicable) are governed by its CSR Policy uploaded on the Company's website viz., https://jmfl.com/investor-relations/CSR_Policy.pdf. This policy upholds the vision for inclusive growth and equitable development, which in turn direct our CSR to be executed under the larger aegis of *Integrated Rural Transformation Programme*. Our CSR projects are primarily implemented by JM Financial Foundation – the CSR and philanthropic arm of the JM Financial Group, while some others are implemented in partnership with external organizations. Since the year was ruled by the devastating Covid-19 pandemic for mankind as a whole, our Company and its subsidiaries went beyond their established projects to undertake and support relief and welfare causes for those most affected. During the year, the Group continued its ongoing efforts at grassroots development with its long-term projects in the states of Maharashtra, Bihar and Jharkhand. We initiated a new scholarship support project for students from weaker socio-economic backgrounds and contributed towards a national disaster relief fund.

   Given below is a brief account of the details pertaining to the said projects and initiatives implemented and supported by the Company:

Covid-19 pandemic – Relief and welfare initiatives

The Company as well as the JM Financial Group has always been proactive in responding to disasters and contributing towards relief and rehabilitation efforts. This time being no different, we undertook a series of relief initiatives through JM Financial Foundation as well as in collaboration, from the beginning of the pandemic and its ensuing lockdown.

Given below is a brief description of these initiatives from April 2020 to March 2021:

i) Supported the re-development and re-operationalization of a 114-bed Covid-19 dedicated healthcare facility in Mumbai. The same hospital was also provided with six adult ventilators to cater to increasing patient numbers.

ii) Contributed 11 Truelab™ Micro PCR Covid-19 testing machines to the state of Bihar, which are now in use in district hospitals and medical colleges across 10 districts.

iii) Supported the frontline health workers of a dedicated Covid-19 hospital in Mumbai with 1,000 PPE kits.

iv) Distributed 1,000 dry grocery kits to families in flood-wrecked East Champaran and Darbhanga districts of Bihar.

v) Set up and ran four live community kitchens across four villages of Jamui district, Bihar, for 46 days, serving over 1.55 lakh one-time, nutritious meals.

New CSR projects initiated and supported in FY 2020-21

A) **JM Financial Scholars Programme** – In a collaborative effort with other contributing entities from the JM Financial Group, the Company contributed towards an inclusive education initiative to offer scholarships to students from weaker socio-economic backgrounds, pursuing their under-graduation in Liberal Arts and Sciences at Ashoka University, Haryana.

B) **Contribution to PM CARES** – To strengthen the country's fight against the Covid-19 pandemic, the Company contributed towards the Prime Minister's Citizen's Assistance and Relief in Emergency Situations (PM CARES).

Ongoing long-term CSR projects

A) **Maharashtra** – In the state of Maharashtra, we have been working in seven villages of Mokhada block of Palghar district, by way of the Integrated Village Development Project, undertaken through a tripartite project Public Private Partnership (PPP) agreement by and between the Office of the Collector and District Magistrate, Palghar, JM Financial Foundation and Deepak Foundation. Over the past two years since its commencement, the project has been working in the areas of – agriculture and allied activities, water-irrigation and sanitation, increasing community access to public entitlements and improving education outcomes.

i) **Agriculture and allied activities** - The farmers of our project geography are engaged primarily in subsistence farming, comprising cultivation of staples. Our approach therefore, entails increasing their knowledge on advanced agri-inputs and techniques, providing them with inputs and handholding them to production and gainful post-production returns. This year, we trained a total (cumulative) of 265 farmers in the cultivation of jasmine, sweet potato, kitchen gardening, cashew and mango cultivation among others. In terms of agri-inputs to farmers, our project supported - 50 farmers with 70,000 chili saplings, 60 farmers with 5 kg chickpea seeds, 100 families with 100 mini vegetable seed kits, 42 farmers with a vermibed each, 50 farmers with 350 fruit saplings and 18 of last year's Systematic Rice Intensification (SRI) technique paddy farmers to once again cultivate paddy using this technique.

ii) **Water-irrigation and sanitation** – In the space of water conservation and enhanced irrigation practices, our project facilitated the digging of 1,787 Continuous Contour Trenches (CCTs) in addition to the 1,073 dug last year.

iii) **Increasing community access to public entitlements** – This project is premised on making farmers and their families aware of the government schemes and programmes that they're entitled to, but of which they have little to no awareness. Since inception, our project has been running two community helpdesks at the level of two Gram Panchayats, in order to educate the project beneficiaries on the said rights and entitlements and handhold them through each process of applying for them and receiving the benefits thereof. This year, we set up a third helpdesk at the block/taluka level, in order to reach out to the larger community in Mokhada and facilitate their entitlements as well.

   Doing this has resulted into convergence with the agriculture, social welfare, water and sanitation, Panchayati Raj, Integrated Child Development Scheme and tribal development departments for actual benefits accrued to our farmers.

iv) **Improving education outcomes** – In an attempt to improve education facilities for tribal children in Ase Panchayat, Mokhada, our Group has undertaken and supported an Ashramshala Infrastructure Support Project for an aided Ashramshala. This project entails renovation of the existing school's building, construction of a new school building for grades 1 to 4, toilet blocks for girls/women and boys/men and four rainwater harvesting structures, all spanning a total construction area of over 9,200 sq. ft.

B) **Bihar** – In the state of Bihar, the Group by way of JM Financial Foundation has been working in Chakai, Jhajha and Sikandra blocks of Jamui district – an aspirational district identified by the NITI Aayog. The long-term ongoing projects suffered a setback owing to the pandemic, but continued their existence and implementation too, to the best extent possible. Given below is a brief on our projects in implementation in this region:

i) **Project Bachpan** – Our five pre-school learning centers, reaching out to 120 children (age 3 - 6 years) continued their functioning up until the lockdown imposed in March 2020. For six months, our children (existing 120 along with 44 new admissions) stayed home, and unfortunately suffered a big gap in their learning, nutrition and holistic development.

   In the month of September 2020, when the situation with the pandemic started to allow for some amount of movement, we initiated Project Bachpan - सेंटर से घर तक (Hindi for *from center to home*) – a home-based learning initiative.

   From here on, mothers who had themselves had little or no education, assumed the role beyond being primary caregivers and became their children's teachers. With the help of weekly orientations, simple activity-based lesson plans and a take-home kit for each child comprising learning material and books, our project reinitiated children's learning process and took constructive steps to ensure continuity in their learning once again.

ii) **Project Integrated Livelihoods Development Centers (ILDCs)** – Aimed at enhancing cattle management practices, improving cattle breed and yield, this project is a long-term initiative to enhance cattle rearers' livelihoods across Chakai, Jhajha and Sikandra blocks. The ILDC project was initiated in January 2018 with 21 ILDCs set up across the said blocks.

   These ILDCs have since then been run by 21 rural youth trained intensively to provide para-veterinarian and cattle breed upgradation services to the farmers, round the clock. These youth, known as *Gopals* have been providing services such as deworming, deticking, vaccination, first aid, infertility treatments and green fodder plot development in this largely dry region.

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With the pandemic lockdown, this project suffered a minor setback, but our *Gopals* kept up with every service they were able to provide. During the year, our ILDCs functioning has helped the farmers and their cattle with 30,216 deworming rounds, 28,916 de-ticking rounds, 1,900 cattle vaccinations, 7,979 rounds of first aid treatment, 170 green fodder plots, and 60 cattle health camps.

All of these services along with 319 farmer meeting sessions, regular field intervention and handholding in cattle care has led to the birth of 1,768 calves of improved breed.

iii) **Shri Vardhman Dugdhalay** – The Shri Vardhman Dugdhalay (Dairy project) was inaugurated in January 2020 as an offshoot to the ILDC project, with an objective of scaling up the latter's outcomes enhancing unreached local cattle-owning farmers' livelihoods. The project is modelled to run through 10 Milk Collection Centers (MCCs) identified and equipped to aggregate and supply milk on a daily basis, which is then transported to the ultimate bulk milk buyer. Yielding to the global pandemic, our dairy project had to shut operations shortly after initiating them in the month of February 2020, and resumed cautiously only by mid-September 2020. Up until the end of FY 2020-21, the project operations have culminated into over 68,000 litres of milk being supplied and the farmer pourers being paid their dues accordingly.

iv) **Shri Vardhman Mahila Griha Udyog** – The Shri Vardhman Mahila Griha Udyog is a small-scale, kitchen-based production unit, set up in December 2018 and running steadily ever since. This unit, run by and with 18 women members was set up after training 16 women over 20 days in Palitana – Bhavnagar, Gujarat, in the skill of making and selling khakhra (a crispy Indian round, roasted, whole-wheat flatbread snack). This unit deploys the women members' *khakhra*-making skills daily and pays them a monthly stipend basis their quality pieces produced.

v) **Adarsh Gram (Model Village) Development Project** – The Model Village Development Project was initiated in March 2018 as a long-term, intensive rural development project to facilitate comprehensive rural development harnessing available natural resources, village capacities and government schemes to convert 15 identified remote villages into self-reliant ones. Given the pandemic and the national lockdown, the field initiatives under this project could primarily intervene in areas related to agriculture during the year.

As part of its learning inputs to farmers for adoption of improved agriculture practices, the project managed to train 740 farmers through four large knowledge building events combining theory and practical exposure. Alongside, 102 farmers were provided with seeds for cultivating nutrition gardens, 61 were provided with fruit plant saplings to raise orchards and 32 farmers were provided with vermibeds as a continued effort from last year towards organic farming.

vi) **Shri Vardhman Nidaan Seva** – The Company through the Foundation, initiated its first own healthcare initiative through a mobile health unit, under the name – Shri Vardhman Nidaan Seva. The project has been undertaken with the primary objective of addressing preventive and curative healthcare knowledge, attitudes and practices among rural and tribal communities residing in backward villages of Khaira and Sikandra blocks in Jamui district, Bihar. Even though it began in the midst of the pandemic in December 2020, the project has been able to treat 5,812 patients over 69 days of serving communities in over 14 villages.

C) **Jharkhand** – The Group has been working in the aspirational district of Giridih in the state of Jharkhand since April 2017 in the space of strengthening public and community healthcare. In this region, we have implemented two long-term projects in Dumri and Pirtand blocks, reaching out to some of the most unreached communities in difficult terrains.

i) **Project First Referral Unit (FRU)** – Project FRU was undertaken in a tripartite PPP model by and between the Jharkhand Rural Health Mission Society, Deepak Foundation and JM Financial Foundation, with the core objective of strengthening maternal and child healthcare services at the Community Health Center (CHC) in Dumri block. The project was undertaken for a period of three years and concluded in June 2020 after a three months' extension owing to the pandemic. Through our intervention, the project was able to strengthen existing medical staff's capacities and bring on-board qualified medical professional, install and streamline service delivery standards and procedures, thereby improving regular healthcare service delivery. Our actions and constant liaison with the government authorities resulted into the first and only New Born Stabilization Unit (NBSU) being made operational, and facilitated to the extent of being able to save 318 critical new born babies. During the reporting period, the project also received the prestigious 18th FICCI (Federation of Indian Chambers of Commerce & Industry) Award in the field of healthcare.

ii) **Project Mobile Health Unit (MHU)** – Our MHU completed three years of daily OPDs being provided to tribal and rural communities at their doorsteps. While in the initial two years the MHU had served 24 villages, we narrowed down our focus to 14 most deserving villages of the aforementioned two blocks in the third year, in order to provide more streamlined primary preventive and curative healthcare services. Adhering to norms of sanitation and social distancing, the MHU has catered to over 13,000 OPDs during the year, across general, dermatological, gastrointestinal, respiratory and musculoskeletal categories.

D) **One-time CSR Project Support** – The Group has supported the medical facilities and equipment for addressing early childhood and infant care at a new, upcoming private hospital in the state of Gujarat.

2. Are the programmes/projects undertaken through in-house team/own foundation/external NGO/ government structures/any other organization?

The programmes and projects supported by the Group are primarily undertaken by JM Financial Foundation – the CSR and philanthropic arm of the JM Financial Group with some others being implemented in partnership with other external organizations/institutions. The Group has a CSR function/department looking after the entire gamut of operations and support for these programmes and projects.

3. Have you done any impact assessment of your initiative?

An impact assessment has not yet been undertaken for our CSR initiatives. Each of our projects are long-term interventions that have recently completed 2.5 to 3 years since their inception. Barring the initial stages that provide the time for a project to settle, our projects were set up for impact assessment in their third year, i.e. calendar year 2020. However, owing to Covid-19, this plan now stands deferred, until the situation resumes normalcy.

4. What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken?

JM Financial Group has a CSR obligation of ₹ 27.04 crore for the FY 2020-21. Of this amount, the Group has spent ₹ 14.40 crore. The balance amount of ₹ 12.64 crore has been allocated to projects initiated in FY 2020-21 and to be continued over the next three financial years, up till FY 2023-24.

5. Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.

The assessments conducted prior to undertaking a grassroots project involve enlisting community participation. Be it through subsidized agri-inputs, or through mothers of children that cook voluntarily at our Project Bachpan centers – all our community development initiatives are designed and implemented keeping the beneficiaries at the core of working towards and receiving the end benefits. Through small but significant steps, we have tried to ensure that the project interventions are owned sustainably by the community.

Principle 9: Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. What percentage of customer complaints/consumer cases are pending as on the end of financial year.

There are no material customer complaints/consumer cases pending as at the end of the financial year 2020-21.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)

Since the Company is engaged in offering financial services, the above question is not applicable to it. However, all necessary disclosure requirements relating to the services offered by the Company are complied with.

3. Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.

None

4. Did your company carry out any consumer survey/ consumer satisfaction trends?

The Company has not carried out any formal consumer survey to map consumer satisfaction. However, the Group always put the interest of its clients before its own interest. The Group develops a more collaborative relationship with the consumers and places them at the centre of the innovation cycle. The Group contributes towards customers and the broader community by understanding its client needs, seeking new opportunities for them, addressing and delivering them the unique solutions as per their expectations.

Independent Auditors' Report

TO THE MEMBERS OF JM FINANCIAL LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **JM Financial Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the 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, total comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the 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 made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone 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 standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Revenue recognition (refer note 22 to the standalone financial statements)

Key Audit Matter Description

Revenue from operations comprises of revenue from investment banking services which mainly includes lead manager's fee, selling commission, underwriting commission, fees for mergers, acquisitions and advisory assignments and arranger's fees for mobilising debt funds. Revenue is recognised when the services for the transaction are determined to be completed or when specific obligation are determined to be fulfilled as set forth under the terms of the engagement. The variety and number of the obligations within the contracts can make it complex and requires significant involvement of management to determine completion of the performance condition associated with the revenue. Due to this complexity and significant level of judgement involved, this has been identified as a potential fraud risk and therefore a Key Audit Matter in respect of standalone financial statements.

How the Key Audit Matter was Addressed in the Audit

The audit procedures performed included the following:

- Obtained a detailed understanding and verified the design and tested effectiveness of controls that the Company has established to determine the completion of the performance obligations for the purpose of revenue recognition including maintenance of the Revenue Mandate Register.
- For selected samples, evaluated fulfilment of the performance obligation as per the terms of contract with customers by verifying the supporting documents evidencing the completion of the performance conditions.
- Verified the reconciliation between the revenue mandate register prepared by the management and the financial ledger and journal entries posted to the revenue accounts.

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

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management Discussion and Analysis and Corporate Governance report, but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the 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 standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 standalone financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibility for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 standalone 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 standalone 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 financial 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 the 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.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and

Independent Auditors' Report (Contd.)

(ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone 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 Section 143(3) of the Act, based on our audit 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 Cash Flows and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
   d. In our opinion, the aforesaid standalone 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 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
   g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the 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, as amended in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer note 30.1 to the standalone financial statements);
      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

FOR DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)
UDIN 21105035AAAADQ4497

Place : Mumbai
Date : May 05, 2021

Report on Internal Financial Controls Over Financial Reporting ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act.

We have audited the internal financial controls over financial reporting of JM Financial 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.

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 issued by the Institute of Chartered Accountants of India (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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting of the Company 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. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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 auditors' 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 system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the 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 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 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. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Independent Auditors' Report (Contd.)

Opinion

In our opinion, to the best of our information and according to the explanations given to us, 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 control stated in the Guidance Note.

FOR DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)
UDIN 21105035AAAADQ4497

Place : Mumbai
Date : May 05, 2021

ANNEXURE "B" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) In respect of its property, plant and equipment:

(a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.

(b) The fixed assets were physically verified during the year by the Management. According to the information and explanation given to us, no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed provided to us, we report that the title deeds of buildings, which are freehold, are held in the name of the Company. In respect of immovable properties of office premises that have been taken on lease and disclosed as fixed asset (lease assets-right to use) in the financial statements, the lease agreements are in the name of the Company, where the Company is the lessee in the agreement.

(ii) The Company does not have any inventory and hence reporting under clause (ii) of the Order is not applicable.

(iii) According to the information and explanations given to us, the Company has granted loans, secured or unsecured, to companies covered in the register maintained under Section 189 of the Act, in respect of which:

(a) The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.

(c) There is no overdue amount remaining outstanding as at the balance sheet date.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

(v) According to the information and explanations given to us, the Company has not accepted any deposits, and hence reporting under clause (v) of paragraph 3 of the Order is not applicable to the Company.

(vi) To the best our knowledge and 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, in respect of the services rendered by the Company

(vii) According to the information and explanations given to us and the books and records examined by us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-Tax, Goods and Service Tax Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no arrears in respect of said statutory dues as at March 31, 2021 for a period of more than six months from the date they became payable.

(b) There are no cases of non-deposit with the appropriate authorities of disputed dues of Customs Duty, Cess and other material statutory dues. Details of dues of Income Tax and Goods and Service Tax which have not been deposited as on March 31, 2021 on account of disputes are given below:

Statute	Nature of Dues	Forum where Dispute is pending	Period to which the amount relates	Amount (₹ in crore)
The Income Tax Act, 1961	Income Tax	Commissioner of Income Tax (Appeal)	F.Y. 2011-12 to 2017-18	11.08
Finance Act, 1994	Service Tax	Customs Excise and Service Tax Appellate Tribunal	F.Y. 2008-09 to 2014-15	8.66

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions. Further, the Company has not taken loan from banks and Governments or has not issued any debentures.

(ix) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause (ix) of paragraph 3 of the Order is not applicable.

(x) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the Company has paid/ provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

(xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of paragraph 3 of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Act, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.

(xiv) According to the information and explanation given to us, the Company has made private placement of equity shares during the year under audit, in compliance with the requirement of Section 42 of the Act. The amounts raised have been used for the purpose for which the funds were raised, other than temporary deployment pending application.

(xv) In our opinion and according to the information and explanations given to us, during the year, the Company has not entered into any non-cash transactions with its directors or directors of its subsidiaries or associate company or persons connected with them and hence provisions of Section 192 of the Act are not applicable.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

FOR DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)
UDIN 21105035AAAADQ4497

Place : Mumbai
Date : May 05, 2021

Standalone Balance Sheet

as at March 31, 2021

₹ in Crore

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial Assets			
Cash and cash equivalents	4	10.17	14.73
Bank balances other than cash and cash equivalents	5	4.97	7.20
Trade receivables	6	49.91	22.35
Loans	7	449.61	-
Investments	8	3,021.36	2,528.44
Other financial assets	9	21.66	20.97
Total Financial Assets		**3,557.68**	**2,593.69**
Non-Financial Assets			
Current tax assets (net)	10	159.21	168.10
Property, plant and equipment	11	68.39	76.85
Other intangible assets	11	0.43	0.25
Other non-financial assets	12	4.76	4.25
Total Non-Financial Assets		**232.79**	**249.45**
Total Assets		**3,790.47**	**2,843.14**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Trade Payables	13		
i. Total outstanding dues of micro enterprises and small enterprises		#	0.03
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		5.03	3.69
Borrowings (other than debt securities)	14	0.60	0.72
Other financial liabilities	15	117.99	103.35
Total Financial Liabilities		**123.62**	**107.79**
Non-Financial Liabilities			
Provisions	16	12.10	11.28
Deferred tax liabilities (net)	17	118.87	122.42
Other non-financial liabilities	18	33.02	28.37
Total Non-Financial Liabilities		**163.99**	**162.07**
EQUITY			
Equity share capital	19	95.27	84.12
Other equity	20	3,407.59	2,489.16
Total Equity		**3,502.86**	**2,573.28**
Total Liabilities and Equity		**3,790.47**	**2,843.14**
The accompanying notes form an integral part of the financial statements	1 to 47		

# Denotes amount below ₹ 50,000/-

In terms of our report of even date attached
For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Place : Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Standalone Statement of Profit and Loss

for the year ended March 31, 2021

₹ in Crore

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income:			
Revenue from operations			
Interest income	21	51.91	15.95
Fees and commission income	22	229.10	219.45
Net gain on fair value changes	23	65.27	21.15
		346.28	**256.55**
Other income	24	28.13	46.52
Total Revenue		**374.41**	**303.07**
Expenses:			
Finance costs	25	7.24	7.81
Fees, sub brokerage and other direct expenses		30.77	30.63
Impairment on financial instruments	26	4.75	2.32
Employee benefits expense	27	84.31	66.83
Depreciation and amortisation expense	11	11.92	12.18
Other expenses	28	18.59	26.85
Total expenses		**157.58**	**146.62**
Profit before tax		**216.83**	**156.45**
Tax expense	29		
Current tax		42.40	32.16
Deferred tax		(0.90)	(3.11)
Tax adjustment of earlier years (net)		0.10	0.09
Total tax expense		**41.60**	**29.14**
Profit for the year		**175.23**	**127.31**
Other Comprehensive Income (OCI)			
(i) Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit obligations		0.22	(0.39)
(ii) Income tax on above		(0.06)	0.10
Total Other Comprehensive Income / (loss) (net of tax)		**0.16**	**(0.29)**
Total Comprehensive Income		**175.39**	**127.02**
Earnings per equity share (EPS)	33		
(face value of ₹1/- each)			
Basic EPS (in ₹)		1.88	1.51
Diluted EPS (in ₹)		1.88	1.51
The accompanying notes form an integral part of the financial statements	1 to 47		

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Place : Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Cash Flow Statement

for the year ended March 31, 2021

₹ in Crore

		For the year ended March 31, 2021	For the year ended March 31, 2020
A	**Cash flow from operating activities**		
	Profit before tax	**216.83**	**156.45**
	Adjustment for:		
	Depreciation and amortisation expense	11.92	12.18
	Impairment on financial instruments (net)	4.75	-
	Loss on forfeiture of shares (refer note 8.1)	-	10.00
	Amortisation of deferred employee compensation (ESOP)	4.79	2.62
	Finance cost on leased obligations	6.81	7.26
	(Profit) / Loss on sale of assets	#	0.08
	Net gain on fair value changes	(65.27)	(21.15)
	Interest income	(4.76)	(0.43)
	Dividend income	(17.73)	(39.33)
	Operating profit before working capital changes	**157.34**	**127.68**
	Adjustment for:		
	(Increase) / Decrease in Loans and Advances	(452.00)	36.00
	(Increase) in Trade Receivables	(29.93)	(12.31)
	Decrease / (Increase) in Other Financial Assets	3.48	(2.53)
	(Increase) in Other Non-Financial Assets	(0.51)	(0.84)
	Increase in Trade Payables	1.32	0.67
	Increase in Provisions	1.04	0.15
	Increase / (Decrease) in Other Financial Liabilities	17.98	(1.72)
	Increase in Other Non-Financial Liabilities	4.65	24.48
	Cash (used in) / generated from operations	**(296.63)**	**171.58**
	Direct taxes (paid) (net)	(33.61)	(20.17)
	Net cash (used in) / generated from operating activities	**(330.24)**	**151.41**
B	**Cash flow from investing activities**		
	Purchase of investments in subsidiaries and associates	(1.62)	(183.46)
	Purchase of investments in other than subsidiaries and associates	(8,069.09)	(930.26)
	Proceeds from sale of investments	7,643.02	985.22
	Purchase of fixed assets	(1.14)	(0.14)
	Proceeds from sale of fixed assets	#	#
	Interest income	4.76	0.43
	Movement in bank balances other than cash and cash equivalents	2.23	0.90
	Dividend received from subsidiaries	16.43	35.53
	Dividend received from others	1.30	3.80
	Net cash (used in) investing activities	**(404.11)**	**(87.98)**

Cash Flow Statement (Contd.)

for the year ended March 31, 2021

₹ in Crore

		For the year ended March 31, 2021	For the year ended March 31, 2020
C	**Cash flow from financing activities**		
	Proceeds from issue of equity shares (net of share issue expenses)	759.40	0.13
	(Repayment of) Borrowings other than Debt Securities (net)	(0.12)	(0.49)
	(Repayment of) leased obligations	(12.67)	(12.17)
	Dividend paid (including tax on dividend)	(16.82)	(43.36)
	Net cash generated from / (used in) financing activities	**729.79**	**(55.89)**
	Net (decrease) / increase in cash and cash equivalents	**(4.56)**	**7.54**
	Cash & cash equivalents at the beginning of the year	14.73	7.19
	Cash & cash equivalents at the end of the year (refer note 4)	10.17	14.73

# Denotes amount below ₹ 50,000/-

The accompanying notes form an integral part of the financial statements - 1 to 47

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Place : Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Statement of Changes in Equity

for the year ended March 31, 2021

A. Equity share capital

₹ in Crore

	Balance as at March 31, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
Equity Share Capital	**83.99**	0.13	**84.12**	11.15	**95.27**

B. Other Equity

₹ in Crore

	Share application money pending allotment	Reserves and Surplus							Total
		Statutory reserve	Capital reserve	Securities premium reserve	General reserve	Capital redemption reserve	Stock option outstanding	Retained earnings	
Balance as at March 31, 2019	**-**	**59.44**	**4.16**	**1,243.25**	**201.83**	**12.89**	**34.32**	**842.07**	**2,397.96**
Addition/Reduction during the year									
Profit for the year	-	-	-	-	-	-	-	127.31	127.31
Other comprehensive income	-	-	-	-	-	-	-	(0.29)	(0.29)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**127.02**	**127.02**
Employee Stock Options (Net)	#	-	-	9.96	-	-	(2.41)	-	7.55
Dividends	-	-	-	-	-	-	-	(42.00)	(42.00)
Tax on dividend	-	-	-	-	-	-	-	(1.37)	(1.37)
Balance as at March 31, 2020	**#**	**59.44**	**4.16**	**1,253.21**	**201.83**	**12.89**	**31.91**	**925.72**	**2,489.16**
Addition/Reduction during the year									
Profit for the year	-	-	-	-	-	-	-	175.23	175.23
Other comprehensive income	-	-	-	-	-	-	-	0.16	0.16
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**175.39**	**175.39**
Issue of Equity Shares pursuant to qualified institutional placement	-	-	-	759.00	-	-	-	-	759.00
Share Issue Expenses	-	-	-	(8.05)	-	-	-	-	(8.05)
Employee Stock Options (Net)	(#)	-	-	12.12	-	-	(3.21)	-	8.91
Dividends	-	-	-	-	-	-	-	(16.82)	(16.82)
Balance as at March 31, 2021	**-**	**59.44**	**4.16**	**2,016.28**	**201.83**	**12.89**	**28.70**	**1,084.29**	**3,407.59**

# Denotes amount below ₹ 50,000/-

The accompanying notes form an integral part of the financial statements 1 to 47

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Place : Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Significant Accounting Policies

and notes to the Financial Statements

1 Corporate Information

JM Financial Limited ("the Company") 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, the Company became a deemed Public Limited Company (as per the then prevailing laws) 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, Public Limited Company as per Companies Act, 1956, as amended.

The Company is engaged in the holding company activities, advisors in equity and debt capital markets, management of capital markets transactions, mergers & acquisitions, advisory, private equity syndication, corporate finance advisory business and administration & management of private equity funds.

2. Significant Accounting Policies

2.1 Basis of preparation and presentation 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). 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 17, and measurements that have some similarities to fair value but are not fair value, such as 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.

Previous year figures have been re-grouped or reclassified, to confirm with current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

2.2 Business Combination

A common control business combination, involving entities or business in which all the combining entities or business are ultimately controlled by the same party or parties both before and after the business combination and where the controls is not transitory is accounted for using the pooling of interests method.

Significant Accounting Policies

and notes to the Financial Statements

Other business combination, including entities or business are accounted for using acquisition method.

2.3 Investments in Subsidiaries and Associates

Subsidiaries:
Subsidiaries are all entities over which the company has control. The Company controls an entity when the company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity.

Associates:
An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

Investments in Subsidiaries and Associates are accounted at cost net off impairment loss, if any.

2.4 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 tax / duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as “capital work-in-progress”.

Depreciation / amortisation is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Assets	Useful Life
Property, Plant & Equipment	
Office premises	60 years
Leasehold improvements	10 years or lease period whichever is lower
Computers	3 years
Servers and Networks	6 years
Office Equipment	5 years
Furniture and Fixtures	10 years
Motor Vehicles	5 years
Intangible Assets	
Computer Software	5 years

Assets costing less than ₹ 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”.

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 the statement of Profit and 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

Significant Accounting Policies

and notes to the Financial Statements

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 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, trade payables and other financial liabilities.

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

Significant Accounting Policies

and notes to the Financial Statements

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

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 FVTOCI, 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 FVTOCI 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 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.

Significant Accounting Policies

and notes to the Financial Statements

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

The Company assesses at each reporting date whether there is any objective evidence that the financial assets is deemed to be impaired.

Company applies 'simplified approach' which requires expected lifetime losses to be recognized from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss. At each reporting date these historical default rates are reviewed.

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). 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.

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.

Significant Accounting Policies
and notes to the Financial Statements

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: Defined as performing assets with upto 30 days past due (DPD). Stage 1 loans will also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.

Stage 2: Defined as under-performing assets having 31 to 90 DPD. Stage 2 loans will also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2. Accounts with overdue more than 30 DPD will be assessed for significant increase in credit risks.

Stage 3: Defined as assets with overdue more than 90 DPD. The Company will record an allowance for the life time expected credit losses. These accounts will be assessed for credit impairment.

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, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Derecognition of Financial Assets
A financial assets is derecognised only when:

- The Company has transferred the right 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 obligations to pay the cash flows to one or more receipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset 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.

On de-recognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognized in other comprehensive income and accumulated in equity is recognised in profit or loss if such gain or loss would have otherwise been recognised in profit or loss on disposal of that financial asset.

Write-off
Loans and debt securities 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 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 instruments
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 by a group entity are recognized 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 or 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 unfavorable to the Company or a contract that will or may be settled in the its's own equity instruments and is a non-derivative contract for

Significant Accounting Policies
and notes to the Financial Statements

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 it's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL

Financial liabilities at FVTPL
Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognized 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 amortized 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 amortized 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 assets 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.

De-recognition of financial liabilities
The Company de-recognizes 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 recognized in profit or loss.

2.6 Revenue recognition

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection.

Revenue from Investment Banking business, which mainly includes the lead manager's fees, selling commission, underwriting commission, fees for mergers, acquisitions & advisory assignments and arrangers' fees for mobilising funds is recognised based on the milestone achieved as set forth under the terms of engagement.

Dividend income from investments is recognised when the right to receive the dividend is established.

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR) applicable.

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 a weighted average basis.

Significant Accounting Policies
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2.7 Leasing

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 acquired under finance lease are capitalised at the inception of lease at the fair value of the assets or present value of minimum lease payments whichever is lower. These assets are fully depreciated on a straight line basis over the lease term or its useful life whichever is shorter.

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.

Operating Lease

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 recognises a Right-to-Use 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.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right-to-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the right-to-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-to-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-to-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-to-use assets.

Right to 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-to-use assets. Where the carrying amount of the right-to-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.

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.

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Lease liability has been presented in Note 15 “Other Financial Liabilities” and right-to-use asset has been presented in Note 11 “Property, Plant and Equipment” and lease payments have been classified as financing 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 right-to-use asset arising from the head-lease.

2.8 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 the Statement Profit and Loss in the period in which they arise.

2.9 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.

2.10 Employee benefits

Defined contribution obligation

Retirement benefits in the form of provident fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

Defined benefit obligation

The liabilities 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 recognizes current service cost, past service cost, if any and interest cost in the Statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the period in which they occur in the OCI.

Short-term 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.

2.11 Share-based payment arrangements

Equity-settled share-based payments to employees of the Company are measured at the fair value of the equity instruments at the grant date.

Significant Accounting Policies
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The fair value determined at the grant date of the equity-settled share-based payments to employees is recognised as deferred employee compensation and is expensed in the 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 Company revisits its estimate of the number of equity instruments expected to vest and recognizes any impact in profit or loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment in other equity.

2.12 Taxation

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 Current tax 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 of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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.

2.13 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.

2.14 Provisions, contingent liabilities and contingent assets

Provisions are recognised only when:

- an entity has a present obligation (legal or constructive) as a result of a past event; and
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and
- 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.

Significant Accounting Policies
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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:

- 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
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent assets are not recognised in the financial statements.

2.15 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.

2.16 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.

2.17 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.

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 financial statements in conformity with Ind AS requires the company's management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are

Significant Accounting Policies
and notes to the Financial Statements

considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates (accounted on a prospective basis) and recognized in the period in which the estimates is revised if the revision affects only that period, or in the period of the revision and future periods of the revision affects both current and future periods.

The followings are the critical judgements and estimations that have been made by the management in the process of applying the company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements and / or key source of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustments to the carrying amounts of assets and liabilities within the next financial year.

Fair value measurement and valuation processes
Some of the Company's assets are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for fair value measurements. In estimating the fair value of an asset, the company used market observable data to the extent it is available information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in note 39.

Revenue
Revenue from investment banking services (mainly includes lead manager's fee, selling commission, underwriting commission, fees for mergers, acquisitions and advisory assignments and arranger's fees for mobilising debt funds) is recognised when the services for the transaction are determined to be completed or when specific obligation are determined to be fulfilled as set forth under the terms of the engagement. The variety and number of the obligations within the contracts can make it complex and requires management judgements to determine completion of the performance condition associated with the revenue.

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.

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

Notes
to the Financial Statements

4 Cash and Cash Equivalents

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Cash in hand	-	#
Balances with banks:		
In current accounts	10.17	14.73
Total	**10.17**	**14.73**

# Denotes amount below ₹ 50,000/-

5 Bank Balances other than Cash and Cash Equivalents

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Balances with banks:		
In earmarked accounts (refer notes 5.1 and 5.2)	4.97	7.20
Total	**4.97**	**7.20**

5.1 Balances with banks in deposit accounts earns interest at fixed rate based on daily bank deposit rates for a period ranging from one day to 365 days.

5.2 Balances with banks in earmarked account pertains to unclaimed dividend ₹1.96 crore (Previous year ₹2.41 crore) and bank fixed deposits ₹ 3.01 crore (Previous year ₹ 4.79 crore).

6 Trade Receivables

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Unsecured:		
Considered good	49.91	22.35
Considered doubtful	2.36	-
	52.27	22.35
Less: Impairment loss allowance (refer note 39)	(2.36)	-
Total	**49.91**	**22.35**

6.1 No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person, nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

6.2 Trade receivables are generally on credit terms of 30 to 90 days and generally no interest is charged on overdue balances.

Notes
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7 Loans

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
At amortised cost		
Unsecured:		
Related parties		
Loans to subsidiaries (refer note 7.1 and 37)	452.00	-
Others		
Inter Corporate Deposits	5.00	5.00
	457.00	**5.00**
Less: Impairment loss allowance (refer note 39)	(7.39)	(5.00)
Total	**449.61**	**-**

7.1 The loans are given in India and to other than public sectors.

8 Investments

₹ in Crore

		As at March 31, 2021			
		Quantity (Nos.)	At cost	At FVTPL	Total
I	**TRADE INVESTMENTS**				
	Unquoted				
a)	**Investment in equity shares of ₹10/- each** (fully paid up unless stated)				
	In subsidiaries:				
	JM Financial Services Limited	5,00,00,000	107.50		**107.50**
	JM Financial Properties and Holdings Limited	30,00,000	3.00		**3.00**
	Infinite India Investment Management Limited	16,00,000	2.38		**2.38**
	JM Financial Products Limited	54,14,88,750	555.47		**555.47**
	JM Financial Credit Solutions Limited	13,19,431	529.40		**529.40**
	JM Financial Asset Management Limited	3,17,52,500	134.07		**134.07**
	JM Financial Asset Reconstruction Company Limited	20,41,97,279	372.74		**372.74**
	CR Retail Malls (India) Limited	2,00,00,000	43.74		**43.74**
	JM Financial Overseas Holdings Private Limited, Mauritius of US$ 1 each	1,20,00,000	60.27		**60.27**
	In associate company:				
	JM Financial Trustee Company Private Limited	25,000	0.03		**0.03**
b)	**Investment in preference shares of ₹10/- each** (fully paid up)				
	In subsidiaries:				
	JM Financial Properties and Holdings Limited	9,50,50,000	95.05		**95.05**
	(10% Optionally Convertible Preference Shares)				
	JM Financial Institutional Securities Limited	70,00,000	7.00		**7.00**
	(0.01% Optionally Convertible Preference Shares)				
	JM Financial Services Limited	75,00,000	50.25		**50.25**
	(6% Compulsorily Convertible Preference Shares)				
c)	**Investment in Debentures**				
	In subsidiaries:				
	JM Financial Asset Reconstruction Company Limited	49,16,104	183.37		**183.37**
	(12% Compulsorily Convertible Debentures of face value of ₹ 373/- each)				
			2,144.27		**2,144.27**
II	**OTHER INVESTMENTS**				
a)	**Investment in equity shares** (fully paid up)				
	Quoted				
	NEL Holdings Limited (formerly knowns as Nitesh Estates Limited) of ₹10/- each	12,30,442		0.20	**0.20**
				0.20	**0.20**
	Unquoted				
	National Stock Exchange of India Ltd of ₹ 1/- each	10,98,350		113.10	**113.10**
	Bran Engineering Private Limited of ₹ 10/- each	1,80,000		#	**#**
	Teracom Limited of ₹ 10/- each	2,60,000		#	**#**
				113.10	**113.10**
b)	**Investments in preference shares**				
	Unquoted				
	VCK Forex Services Private Limited of ₹ 100/- each	5,00,000		#	**#**
	(6% Redeemable Non-Cumulative Preference Shares)				
c)	**Investment in venture capital fund/alternative investment fund units**				
	Unquoted:				
	Urban Infrastructure Opportunity Fund of face value of ₹ 27,430/- each	983		0.06	**0.06**
	Paragon Partners Growth Fund I of face value of ₹ 100/- each	4,55,818		6.06	**6.06**
	VEC Strategic Growth Fund of face value of ₹ 1,000/- each	18		#	**#**
	JM Financial India Fund - Scheme A - Class D units of ₹ 100/- each	44,131		0.39	**0.39**
	JM Financial India Fund III - Scheme C - Class D units of ₹ 100/- each	36		0.14	**0.14**
	JM Financial India Fund - Scheme A - Class C units of ₹ 1/- each	3,07,434		0.03	**0.03**
	JM Financial India Fund - Scheme B - Class C units of ₹ 1/- each	2,64,806		0.03	**0.03**
	JM Financial India Fund III - Scheme C - Class C units of ₹ 1/- each	41,590		#	**#**
	JM Financial India Fund III - Scheme D - Class C units of ₹ 1/- each	33,107		#	**#**
	JM Financial India Fund (Settlor's contribution) of ₹ 1/- each	NA		#	**#**

Notes
to the Financial Statements

₹ in Crore

	As at March 31, 2021			
	Quantity (Nos.)	At cost	At FVTPL	Total
JM Financial India Fund III (Settlor's contribution) of ₹ 1/- each	NA		#	#
JM Financial Property Fund I- Class C units of ₹ 10,000/- each (Partly paid up of ₹ 3,411.07)	75,000		6.59	**6.59**
JM Financial Property Fund I - Class B units of ₹ 10,000/- each (Partly paid up of ₹ 9,833.96)	50		0.05	**0.05**
JM Financial Property Fund II - Class B units of ₹ 10,000/- each	50		0.05	**0.05**
JM Financial Property Fund (Settlor's contribution) of ₹ 10,000/- each	NA		#	#
JM Financial India Fund II - Class D units of ₹ 1,00,000/- each	5,597		61.50	**61.50**
			74.90	**74.90**
d) **Investments in Mutual Funds**				
Unquoted:				
JM Large Cap Fund - Dividend Option##	16,072		0.01	**0.01**
JM Liquid Fund - (Direct) Growth Option	5,75,29,277		323.58	**323.58**
UTI Liquid Cash Plan - Direct Growth Plan	2,67,251		90.08	**90.08**
HDFC Liquid Fund - Direct Growth Plan	1,85,550		75.06	**75.06**
ICICI Prudential Liquid Fund - Direct Growth Plan	24,62,841		75.05	**75.05**
Kotak Mahindra Liquid Fund - Direct Growth Plan	1,80,477		75.07	**75.07**
Aditya Birla Sun Life Liquid Fund - Direct Growth Plan	15,09,008		50.04	**50.04**
			688.89	**688.89**
TOTAL		**2,144.27**	**877.09**	**3,021.36**
(i) Investments outside India		60.27	-	**60.27**
(ii) Investments in India		2,084.00	877.09	**2,961.09**
TOTAL		**2,144.27**	**877.09**	**3,021.36**

8 Investments

₹ in Crore

	As at March 31, 2020			
	Quantity (Nos.)	At cost	At FVTPL	Total
I **TRADE INVESTMENTS**				
Unquoted				
a) **Investment in equity shares of ₹10/- each** (fully paid up unless stated)				
In subsidiaries:				
JM Financial Services Limited	5,00,00,000	107.50		**107.50**
JM Financial Properties and Holdings Limited	30,00,000	3.00		**3.00**
Infinite India Investment Management Limited	16,00,000	2.38		**2.38**
JM Financial Products Limited	54,09,68,650	553.86		**553.86**
JM Financial Credit Solutions Limited	13,19,431	529.40		**529.40**

Notes
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₹ in Crore

	As at March 31, 2020			
	Quantity (Nos.)	At cost	At FVTPL	Total
JM Financial Credit Solutions Limited (Partly paid up ₹ 2/- each)	19,837	10.00		**10.00**
Less: forfeiture of shares (refer note 8.1)	(19,837)	(10.00)		**(10.00)**
	-	-		-
JM Financial Asset Management Limited	3,17,52,500	134.07		**134.07**
JM Financial Asset Reconstruction Company Limited	20,41,97,279	372.74		**372.74**
CR Retail Malls (India) Limited	2,00,00,000	43.74		**43.74**
JM Financial Overseas Holdings Private Limited, Mauritius of US$ 1 each	1,20,00,000	60.27		**60.27**
In associate company:				
JM Financial Trustee Company Private Limited	25,000	0.03		**0.03**
b) **Investment in preference shares of ₹10/- each** (fully paid up)				
In subsidiaries:				
JM Financial Properties and Holdings Limited	9,50,50,000	95.05		**95.05**
(10% Optionally Convertible Preference Shares)				
JM Financial Institutional Securities Limited	70,00,000	7.00		**7.00**
(0.01% Optionally Convertible Preference Shares)				
JM Financial Services Limited	75,00,000	50.25		**50.25**
(6% Compulsorily Convertible Preference Shares)				
c) **Investment in Debentures**				
In subsidiaries:				
JM Financial Asset Reconstruction Company Limited	49,16,104	183.37		**183.37**
(12% Compulsorily Convertible Debentures of face value of ₹ 373/- each)				
		2,142.66		**2,142.66**
II **OTHER INVESTMENTS**				
a) **Investment in equity shares** (fully paid up)				
Quoted				
NEL Holdings Limited (formerly knowns as Nitesh Estates Limited) of ₹10/- each	12,30,442		0.08	**0.08**
			0.08	**0.08**
Unquoted				
National Stock Exchange of India Ltd of ₹ 1/- each	21,26,674		176.93	**176.93**
Bran Engineering Private Limited of ₹ 10/- each	1,80,000		#	#
Teracom Limited of ₹ 10/- each	2,60,000		#	#
			176.93	**176.93**
b) **Investments in preference shares**				
Unquoted				
VCK Forex Services Private Limited of ₹ 100/- each	5,00,000		#	#
(6% Redeemable Non-Cumulative Preference Shares)				

Notes
to the Financial Statements

₹ in Crore

	Quantity (Nos.)	At cost	At FVTPL	Total
	As at March 31, 2020			
c) **Investment in venture capital fund/alternative investment fund units**				
Unquoted:				
Urban Infrastructure Opportunity Fund of face value of ₹ 27,930/- each	983		0.11	**0.11**
Paragon Partners Growth Fund I of face value of ₹ 100/- each	4,44,290		5.29	**5.29**
VEC Strategic Growth Fund of face value of ₹ 1,000/- each	10,000		0.49	**0.49**
JM Financial India Fund - Scheme A - Class D units of ₹ 100/- each	44,131		0.39	**0.39**
JM Financial India Fund III - Scheme C - Class D units of ₹ 100/- each	36		0.15	**0.15**
JM Financial India Fund - Scheme A - Class C units of ₹ 1/- each	3,07,434		0.03	**0.03**
JM Financial India Fund - Scheme B - Class C units of ₹ 1/- each	2,64,806		0.03	**0.03**
JM Financial India Fund III - Scheme C - Class C units of ₹ 1/- each	41,590		#	**#**
JM Financial India Fund III - Scheme D - Class C units of ₹ 1/- each	33,107		#	**#**
JM Financial India Fund (Settlor's contribution) of ₹ 1/- each	NA		#	**#**
JM Financial India Fund III (Settlor's contribution) of ₹ 1/- each	NA		#	**#**
JM Financial Property Fund I- Class C units of ₹ 10,000/- each (Partly paid up of ₹ 3,411.07)	75,000		8.83	**8.83**
JM Financial Property Fund I - Class B units of ₹ 10,000/- each (Partly paid up of ₹ 9,833.96)	50		0.05	**0.05**
JM Financial Property Fund II - Class B units of ₹ 10,000/- each	50		0.05	**0.05**
JM Financial Property Fund (Settlor's contribution) of ₹ 10,000/- each	NA		#	**#**
JM Financial India Fund II - Class D units of ₹ 1,00,000/- each	3,186		35.93	**35.93**
			51.35	**51.35**
d) **Investments in Mutual Funds**				
Unquoted:				
JM Large Cap Fund - Dividend Option##	16,072		0.01	**0.01**
JM Liquid Fund - (Direct) Growth Option	2,89,68,758		157.41	**157.41**
			157.42	**157.42**
TOTAL		**2,142.66**	**385.78**	**2,528.44**
(i) Investments outside India		60.27	-	**60.27**
(ii) Investments in India		2,082.39	385.78	**2,468.17**
TOTAL		**2,142.66**	**385.78**	**2,528.44**

8.1 The Company decided not to pay the balance amount in respect of the partly-paid up equity shares issued and allotted by JM Financial Credit Solutions Limited (a subsidiary of the Company) to it in September 2018, the due date of payment for which was March 31, 2020. These shares having the aggregate value of ₹ 10.00 Crore was forfeited and hence the said amount was charged off in the Statement of Profit and Loss for the financial year 2019-20.

# Denotes amount below ₹ 50,000/-

Represents initial contribution as a 'Sponsor' towards setting up of JM Financial Mutual Fund.

Notes
to the Financial Statements

9 Other Financial Assets

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Security deposits	6.58	6.28
Receivable in respect of stock option plan	2.52	2.92
Employees advances	0.04	0.03
Interest accrued	11.34	11.05
Other receivables (refer note 9.1)	1.18	0.69
Total	**21.66**	**20.97**

9.1 Include advance, expenses recoverable, etc.

10 Current Tax Assets (Net)

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Advance Tax (Net of provisions)	159.21	168.10
Total	**159.21**	**168.10**

11 Property, Plant and Equipment and Intangible Assets

₹ in Crore

	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount
	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at April 1, 2020	Additions	Deductions	As at March 31, 2021	As at March 31, 2021
A) PROPERTY, PLANT AND EQUIPMENT									
Owned assets:									
Office premises	0.65	-	-	0.65	0.06	0.02	-	0.08	0.57
Furniture and fixtures	0.03	-	-	0.03	0.01	#	-	0.01	0.02
Office equipment	0.17	0.01	-	0.18	0.07	0.03	-	0.10	0.08
Computers	2.06	0.53	-	2.59	1.57	0.39	-	1.96	0.63
Leasehold improvements	0.55	-	-	0.55	0.06	0.06	-	0.12	0.43
Motor vehicles	2.48	-	-	2.48	1.59	0.54	-	2.13	0.35
Leased assets:									
Office premises (Right to use asset) - (refer note 35)	84.02	2.58	1.67	84.93	10.38	10.36	1.59	19.15	65.78
Motor vehicles (refer note 11.1)	1.84	0.27	0.14	1.97	1.21	0.37	0.14	1.44	0.53
Total (A)	**91.80**	**3.39**	**1.81**	**93.38**	**14.95**	**11.77**	**1.73**	**24.99**	**68.39**
B) INTANGIBLE ASSETS (refer note 11.2)									
Software	0.85	0.33	-	1.18	0.60	0.15	-	0.75	0.43
Total (B)	**0.85**	**0.33**	**-**	**1.18**	**0.60**	**0.15**	**-**	**0.75**	**0.43**
Total (A + B)	**92.65**	**3.72**	**1.81**	**94.56**	**15.55**	**11.92**	**1.73**	**25.74**	**68.82**

11.1 vendor has a lien over the assets taken on lease.

11.2 The intangibles assets are other than internally generated.

# Denotes amount below ₹ 50,000/-

Notes
to the Financial Statements

₹ in Crore

	Gross Carrying Amount				Accumulated Depreciation / Amortisation				Net Carrying Amount
	As at April 1, 2019	Additions	Deductions	As at March 31, 2020	As at April 1, 2019	Additions	Deductions	As at March 31, 2020	As at March 31, 2020
A) PROPERTY, PLANT AND EQUIPMENT									
Owned assets:									
Office premises	0.65	-	-	0.65	0.04	0.02	-	0.06	0.59
Furniture and fixtures	0.11	-	0.08	0.03	0.08	#	0.07	0.01	0.02
Office equipment	0.15	0.02	#	0.17	0.04	0.03	#	0.07	0.10
Computers	2.00	0.06	-	2.06	1.13	0.44	-	1.57	0.49
Leasehold improvements	0.77	-	0.22	0.55	0.14	0.07	0.15	0.06	0.49
Motor vehicles	2.48	-	-	2.48	1.03	0.56	-	1.59	0.89
Leased assets:									
Office premises (Right to use asset) - (refer note 35)	-	84.02	-	84.02	-	10.38	-	10.38	73.64
Motor vehicles (refer note 11.1)	2.01	-	0.17	1.84	0.80	0.50	0.09	1.21	0.63
Total (A)	**8.17**	**84.10**	**0.47**	**91.80**	**3.26**	**12.00**	**0.31**	**14.95**	**76.85**
B) INTANGIBLE ASSETS (refer note 11.2)									
Software	0.78	0.07	-	0.85	0.42	0.18	-	0.60	0.25
Total (B)	**0.78**	**0.07**	**-**	**0.85**	**0.42**	**0.18**	**-**	**0.60**	**0.25**
Total (A + B)	**8.95**	**84.17**	**0.47**	**92.65**	**3.68**	**12.18**	**0.31**	**15.55**	**77.10**

11.1 vendor has a lien over the assets taken on lease.

11.2 The intangible assets are other than internally generated.

# Denotes amount below ₹ 50,000/-

12 Other Non Financial Assets

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Capital advances	1.34	1.34
Balances with Government authorities	2.91	2.41
Prepaid expenses	0.51	0.50
Total	**4.76**	**4.25**

13 Payables

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro and small enterprises (refer note 13.1)	#	0.03
Total outstanding dues of creditors other than micro and small enterprises	5.03	3.69
Total	**5.03**	**3.72**

Notes
to the Financial Statements

13.1 Dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 are as under.

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	#	0.03
(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	**#**	**0.03**

# Denotes amount below ₹ 50,000/-

14 Borrowings (Other than Debt Securities)

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
At Amortised cost (Secured)		
Finance lease obligations (refer note 14.2 and 35)	0.60	0.72
Total	**0.60**	**0.72**

14.1 Borrowings are made within India

14.2 Finance lease obligations are secured by way of hypothecation of vehicles.

15 Other Financial Liabilities

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Employee benefits payable	42.56	24.19
Directors' commission payable	1.48	1.24
Unclaimed dividend	1.96	2.41
Security Deposits	0.83	1.00
Lease obligations (refer note 35)	71.16	74.51
Total	**117.99**	**103.35**

16 Provisions

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
For Employee benefits:		
- Gratuity (refer note 36)	5.41	5.03
- Compensated absence	2.08	1.64
For Clawback obligation	4.61	4.61
Total	**12.10**	**11.28**

Notes
to the Financial Statements

17 Deferred Tax Liabilities (Net)

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Investments	115.43	112.92
Net fair value gain on financial assets measured at FVTPL	12.33	14.28
Fiscal allowance on fixed assets	(0.87)	(0.86)
Fiscal allowance on expenditure, etc.	(2.34)	(1.30)
Impairment loss allowance on financial assets measured at cost	(1.20)	-
Disallowances under section 43B of the Income Tax Act, 1961	(1.88)	(1.99)
Share issue expenses (Section 35D of the Income Tax Act, 1961)	(2.58)	(0.84)
Amalgamation expenses (Section 35DD of the Income Tax Act, 1961)	(0.02)	(0.04)
Donations (Section 80G of the Income Tax Act, 1961)	-	0.25
Total	**118.87**	**122.42**

17.1 The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

For the year ended March 31, 2021

₹ in Crore

Deferred tax (asset) / liability	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Recognised in Other Equity	Closing balance
Investments	112.92	2.51	-	-	**115.43**
Net fair value gain on financial assets measured at FVTPL	14.28	(1.95)	-	-	**12.33**
Fiscal allowance on fixed assets	(0.86)	(0.01)	-	-	**(0.87)**
Fiscal allowance on expenditure, etc.	(1.30)	(1.04)	-	-	**(2.34)**
Impairment loss allowance on financial assets measured at cost	-	(1.20)	-	-	**(1.20)**
Disallowances under section 43B of the Income Tax Act, 1961	(1.99)	0.05	0.06	-	**(1.88)**
Share issue expenses (Section 35D of the Income Tax Act, 1961)	(0.84)	0.96	-	(2.70)	**(2.58)**
Amalgamation expenses (Section 35DD of the Income Tax Act, 1961)	(0.04)	0.02	-	-	**(0.02)**
Donations (Section 80G of the Income Tax Act, 1961)	0.25	(0.25)	-	-	**-**
Total	**122.42**	**(0.90)**	**0.06**	**(2.70)**	**118.87**

For the year ended March 31, 2020

₹ in Crore

Deferred tax (asset) / liability	Opening balance	Recognised in Statement of Profit and Loss	Recognised in other comprehensive income	Recognised in Other Equity	Closing balance
Investments	115.43	(2.51)	-	-	**112.92**
Net fair value gain on financial assets measured at FVTPL	17.67	(3.39)	-	-	**14.28**
Fiscal allowance on fixed assets	(0.90)	0.04	-	-	**(0.86)**
Fiscal allowance on expenditure, etc.	(0.02)	(1.28)	-	-	**(1.30)**
Impairment loss allowance on financial assets measured at cost	(1.44)	1.44	-	-	**-**
Disallowances under section 43B of the Income Tax Act, 1961	(1.66)	(0.23)	(0.10)	-	**(1.99)**
Share issue expenses (Section 35D of the Income Tax Act, 1961)	(1.45)	0.61	-	-	**(0.84)**
Amalgamation expenses (Section 35DD of the Income Tax Act, 1961)	(0.08)	0.04	-	-	**(0.04)**
Donations (Section 80G of the Income Tax Act, 1961)	-	0.25	-	-	**0.25**
MAT credit entitlement	(1.92)	1.92	-	-	**-**
Total	**125.63**	**(3.11)**	**(0.10)**	**-**	**122.42**

17.2 Tax Losses for which no deferred tax asset has been recognised :

₹ in Crore

Particulars	Year ended March 31, 2021	Expiry date	Year ended March 31, 2020	Expiry date
Brought forward losses (allowed to be carried forward for specified period)	-	-	21.28	March 31, 2022
Brought forward losses (allowed to be carried forward for specified period)	-	-	3.85	March 31, 2026
Total	**-**		**25.13**	

18 Other Non Financial Liabilities

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Money received in advance	19.68	22.05
Statutory dues	12.67	5.82
Others	0.67	0.50
Total	**33.02**	**28.37**

Notes
to the Financial Statements

19 Equity Share Capital

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Authorised:		
152,02,00,000 (Previous year 152,02,00,000) equity shares of ₹ 1/- each	152.02	152.02
4,38,00,000 (Previous year 4,38,00,000) preference shares of ₹ 10/- each	43.80	43.80
	195.82	**195.82**
Issued, Subscribed and Paid up Capital:		
95,27,22,711 (Previous year 84,12,24,647) equity shares of ₹1/- each fully paid-up	95.27	84.12
Total	**95.27**	**84.12**

19.1 Reconciliation of the number of equity shares outstanding:

₹ in Crore

Particulars	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	84,12,24,647	84.12	83,99,31,463	83.99
Shares allotted upon exercise of stock options*	14,98,064	0.15	12,93,184	0.13
Shares issued and allotted pursuant to the qualified institutional placement (refer note 19.4 below)	11,00,00,000	11.00	-	-
Shares outstanding at the end of the year	**95,27,22,711**	**95.27**	**84,12,24,647**	**84.12**

* Includes 5,000 equity shares of the face value of ₹ 1/- each allotted during the year upon exercise of stock options which were pending allotment as on March 31, 2020.

19.2 Terms and rights attached to equity shares:
The Company has only one class of equity shares. The shareholders are entitled to one vote per share, dividend, as and when declared by the Board of directors and shareholders and residual assets, if any, after payment of all liabilities, in the event of liquidation of the Company.

19.3 Details of shareholders holding more than 5 percent shares:

Name of Shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of total Holding	No. of Shares held	% of total holding
J. M. Financial & Investment Consultancy Services Private Limited	21,65,34,100	22.73%	21,65,34,100	25.74%
Nimesh Kampani*	12,57,50,000	13.20%	12,57,50,000	14.95%
J. M. Assets Management Private Limited	10,30,42,908	10.82%	10,30,42,908	12.25%

* includes 12,50,000 equity shares held by Nimesh Kampani HUF.

19.4 During the year, the Company issued and allotted 11,00,00,000 equity shares of the face value of ₹ 1/- each to the eligible qualified institutional buyers at the issue price of ₹ 70/- per equity share aggregating ₹ 770 crore through Qualified Institutional Placement (QIP) in accordance with Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended and Section 42 of the Companies Act, 2013 and other applicable provisions of the Companies Act, as Amended and the rules made thereunder.

Notes
to the Financial Statements

20 Other Equity

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Share application money pending allotment	-	#
Capital reserve	4.16	4.16
Securities premium reserve	2,016.28	1,253.21
General reserve	201.83	201.83
Statutory reserve	59.44	59.44
Capital redemption reserve	12.89	12.89
Stock option outstanding	31.63	33.78
Deferred employee compensation	(2.93)	(1.87)
Stock option outstanding	**28.70**	**31.91**
Retained earnings	1,084.29	925.72
Total	**3,407.59**	**2,489.16**

Movement in Other Equity

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Share application money pending allotment		
Opening balance	#	-
Add: stock options exercised but pending allotment	-	#
Less: Shares allotted during the year	(#)	-
Closing balance	**-**	**#**
Capital reserve	4.16	4.16
Securities premium reserve		
Opening balance	1,253.21	1,243.25
Add: On shares allotted pursuant to the qualified institutional placement	759.00	-
Add: On shares allotted upon exercise of stock options by the Employees	12.12	9.96
Less: Share issue expenses (net of deferred tax)	(8.05)	-
Closing balance	**2,016.28**	**1,253.21**
General reserve	**201.83**	**201.83**
Statutory reserve (under section 45-IC of The Reserve Bank of India Act, 1934)	**59.44**	**59.44**
Capital redemption reserve	**12.89**	**12.89**
Stock option outstanding		
Opening balance	33.78	38.87
Add: Additions on account of fresh grants during the year	14.22	5.66
Less: Transferred to securities premium upon exercise of stock options	(12.12)	(9.96)
Less: Reduction on account of options lapsed during the year	(4.25)	(0.79)
	31.63	33.78
Less: Deferred employee compensation	(2.93)	(1.87)
Closing balance	**28.70**	**31.91**

Notes
to the Financial Statements

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Retained earnings:		
Opening balance	**925.72**	**842.07**
Add: Profit for the year	175.23	127.31
Add/(less): Other Comprehensive Income	0.16	(0.29)
Less: Dividends paid including tax on dividend		
Final dividend	(16.82)	(42.00)
Tax on dividend	-	(1.37)
Closing balance	**1,084.29**	**925.72**
Total	**3,407.59**	**2,489.16**

# Denotes amount below ₹ 50,000/-

20.1 Share application money pending allotment represents equity shares to be issued pursuant to Employee Stock Option Scheme

20.2 Capital reserve and capital redemption reserves represents reserves created pursuant to the business combination up to year end.

20.3 Securities premium reserve represents premium received on equity shares issued, which can be utilised only in accordance with the provisions of the Companies Act, 2013 for specified purposes.

20.4 General reserve is created from time to time by transferring profits from retained earnings and can be utilised for purposes such as dividend payout, bonus issue, etc.

20.5 Statutory reserve is the reserve created by transferring the sum not less than 20% of its net profit after tax in terms of Section 45-IC of The Reserve Bank of India Act, 1934.

20.6 Stock option outstanding relates to the stock options granted by the Company to employees under an Employee Stock options Plan (refer note 31)

20.7 Retained earnings represents profits that the company earned till date, less any transfers to General Reserve, Statutory Reserves, Dividends and other distributions paid to the shareholders.

21 Interest Income

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
At Amortised Cost		
Interest on Loans	29.91	2.91
Interest on investments	22.00	13.04
Total	**51.91**	**15.95**

22 Fees and Commission Income

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Management and other fees	229.10	219.45
Total	**229.10**	**219.45**

23 Net Gain on Fair Value Changes

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Net gain on financial instruments designated at FVTPL	65.27	21.15
Total	**65.27**	**21.15**

23.1 Net gain/(loss) on fair value changes:

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
-Realised	33.63	28.66
-Unrealised	31.64	(7.51)
Total	**65.27**	**21.15**

24 Other Income

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Dividend from investments in subsidiaries	16.43	35.53
Dividend from other investments	1.30	3.80
Interest income – on fixed deposits and others (refer note 24.1)	4.76	0.43
Finance income on rent deposit	0.50	0.45
Group Support Service Fees	3.96	3.96
Lease rent	0.27	0.27
Miscellaneous income	0.91	2.08
Total	**28.13**	**46.52**

24.1 Interest income is earned on financial assets carried at amortised cost.

25 Finance Costs

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
On financial liabilities (at Amortised Cost):		
- Borrowing (other than debt securities)	0.43	0.55
- Lease obligations (refer note 35)	6.81	7.26
Total	**7.24**	**7.81**

Notes
to the Financial Statements

26 Impairment on Financial Instruments

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
On Financial instruments (at Amortised Cost):		
- Trade receivables	2.36	2.32
- Loans	2.39	-
Total	**4.75**	**2.32**

26.1 Impairment on financial instrument is net of provision for doubtful debts written back - Nil (previous year ₹ 4.94 Crore).

27 Employee Benefits Expense

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, bonus and allowances (refer note 31)	81.16	63.22
Contribution to provident and other funds	2.38	2.39
Gratuity (refer note 36)	0.70	0.64
Staff welfare expenses	0.07	0.58
Total	**84.31**	**66.83**

28 Other Expenses

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Support service fees	2.50	2.50
Rates and taxes	2.45	0.83
Donation	2.34	1.33
Legal and professional fees	1.97	1.65
Directors' commission	1.48	1.24
Fund Expenses	1.03	-
Subscription and membership	1.02	0.97
Repairs and maintenance	0.73	0.85
Directors' sitting fees	0.62	0.58
Insurance expenses	0.58	0.61
Motor car expenses	0.52	0.63
Electricity expenses	0.51	0.57
Advertisement and other related expenses	0.42	0.39
Communication expenses	0.35	0.38
Information technology expenses	0.31	0.35
Auditors' remuneration (refer note 34)	0.26	0.27
Printing and stationery expenses	0.19	0.39
Travelling and conveyance expenses	0.13	1.76
Loss on sale of assets	-	0.08
Loss on forfeiture of shares (refer note 8.1)	-	10.00
Miscellaneous expenses	1.18	1.47
Total	**18.59**	**26.85**

Notes
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29 Tax expense

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax	42.40	32.16
Deferred tax	(0.90)	(3.11)
Tax adjustment of earlier years (net)	0.10	0.09
Total income tax expenses recognised in Statement of Profit and Loss	**41.60**	**29.14**
Income Tax expense recognised in OCI	0.06	(0.10)

Reconciliation of total tax charge

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	216.83	156.45
Income tax rate	25.168%	25.168%
Income tax expense	**54.57**	**39.38**
Tax Effect of:		
Effect of income that is exempt from tax	(4.23)	(3.71)
Items that are allowable or disallowable in determining taxable profits (net)	1.74	0.22
Loss/ (Income) taxable at differential rate (net)	(2.57)	(1.97)
Utilization of temporary differences pertaining to earlier years on which no deferred tax was created	-	(4.77)
Adjustment in respect of earlier years (net)	0.10	0.09
Utilization of brought forward losses	(6.11)	(1.60)
Net impact on adoption of new tax rate (net) (Refer note below)	-	1.49
Others	(1.90)	0.01
Total	**(12.97)**	**(10.24)**
Income tax expense recognised in Statement of Profit and Loss	**41.60**	**29.14**

Note:

The Government of India had inserted section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay corporate tax at reduced rate effective from April 1, 2019, subject to certain conditions. The Company had availed the option of reduced rate which had resulted in deferred tax charge of ₹ 1.49 crore on account of reversal of opening balance of deferred tax assets and write off of unutilized MAT credit balance during the year ended March 31, 2020.

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30 Contingent Liabilities and Commitments:

30.1 Contingent liabilities* :

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
(i) Income Tax Matters under dispute:		
Primarily relates to demands received from income tax authorities for various assessment years, on account of disallowances of expenses u/s 14A of the Income Tax Act, 1961, etc	36.65	34.81
(ii) Service Tax Matters under dispute:		
Relates to demand received from central excise and service tax authorities in respect of Service Tax on FII Brokerage received in provision of Stock Broking Services, etc.	9.00	9.00

* In respect of above disputed demand, the Company is hopeful of succeeding in appeals and as such does not expect any significant liability to materialize.

30.2 Commitments:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	0.35	0.35
b) Uncalled liability on account of commitment to subscribe to investment and other partly paid investments	35.90	60.12

31 Employee Stock Option Scheme (ESOS)

The Employee Stock Option Scheme ('the Scheme') provides for grant of stock options to the eligible employees and/or directors ("the Employees") of the Company and/or its subsidiaries. The Stock Options are granted at an exercise price, which is either equal to the fair market price or at a premium, or at a discount to market price as may be determined by the Nomination and Remuneration Committee of the Board of the Company.

During the financial year 2020-21, the Nomination and Remuneration Committee has granted 18,56,913 options under Series 13 (previous year 6,62,130 options-Series 12) at an exercise price of ₹ 1/- per option to the Employees, that will vest in a graded manner and which can be exercised within a specified period.

The details of options are as under:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Outstanding at the beginning of the year	36,45,232	43,55,624
Add: Granted during the year	18,56,913	6,62,130
Less: Exercised and shares allotted during the year	14,93,064	12,93,184
Less: Exercised but pending allotment	Nil	5,000
Less: Forfeited/cancelled during the year	28,861	Nil
Less: Lapsed during the year	4,81,776	74,338
Outstanding at end of the year	34,98,444	36,45,232
Exercisable at end of the year	11,49,121	13,35,616

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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 and previous 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.

Details of options granted during the current and previous financial year based on the graded vesting and fair value of the options are as under:

Tranches	% of Options to be vested	No. of options granted		Vesting date		Fair value per option (₹)	
		Current year	Previous year	Current year	Previous year	Current year	Previous year
Tranche-1	33.33%	6,18,971	2,20,710	April 17, 2021	April 18, 2020	76.68	86.14
Tranche-2	33.33%	6,18,971	2,20,710	April 17, 2022	April 18, 2021	76.54	85.47
Tranche-3	33.33%	6,18,971	2,20,710	April 17, 2023	April 18, 2022	76.44	84.79
		18,56,913	**6,62,130**				

The following table summarizes the assumptions used in calculating the grant date fair value:

Tranches	Life of the Option (in years)		Risk-free interest rate		Volatility		Dividend Yield	
	Current Year (Series 13)	Previous Year (Series 12)	Current Year (Series 13)	Previous Year (Series 12)	Current Year (Series 13)	Previous Year (Series 12)	Current Year (Series 13)	Previous Year (Series 12)
Tranche-1	2.75	3.00	4.96%	7.09%	0.4768	0.4518	0.26%	1.11%
Tranche-2	3.75	3.75	5.48%	7.26%	0.4854	0.4483	0.26%	1.11%
Tranche-3	4.50	4.50	5.95%	7.39%	0.4717	0.4438	0.26%	1.11%

Details of options granted under various series are as under:

	Series 8	Series 9	Series 10	Series 11	Series 12	Series 13
Grant date	16/04/2015	12/05/2016	20/04/2017	12/04/2018	18/04/2019	17/04/2020
Options granted	14,44,440	12,55,515	23,19,636	18,48,018	6,62,130	18,56,913
Options exercised till March 31, 2021	12,21,726	10,95,181	14,49,117	7,57,756	1,29,840	N.A.
Options forfeited/ cancelled till March 31, 2021	Nil	Nil	Nil	Nil	Nil	Nil
Options lapsed till March 31, 2021	96,294	40,799	3,40,356	3,34,777	79,660	3,42,702
Outstanding at end of the year	1,26,420	1,19,535	5,30,163	7,55,485	4,52,630	15,14,211
Exercisable at end of the year	1,26,420	1,19,535	5,30,163	3,01,291	71,712	N.A.

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	Series 8	Series 9	Series 10	Series 11	Series 12	Series 13
Vesting of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options
Exercise period	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant
Exercise price (refer note[i] below)	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00
Pricing formula	As was determined by the Nomination and Remuneration Committee at its meeting held on April 16, 2015	As was determined by the Nomination and Remuneration Committee at its meeting held on May 12, 2016	As was determined by the Nomination and Remuneration Committee at its meeting held on April 20, 2017	As was determined by the Nomination and Remuneration Committee at its meeting held on April 12, 2018	As was determined by the Nomination and Remuneration Committee at its meeting held on April 18, 2019	As was determined by the Nomination and Remuneration Committee at its meeting held on April 17, 2020

Notes: [i] Additionally, an aggregate amount of ₹ 4.51 Crore (Previous year ₹ 8.41 Crore) being the difference between the exercise price and fair value of options has been reimbursed by the subsidiary companies with which the Employees are/were employed/associated.

[ii] As no options were outstanding in respect of Series 1 to Series 7 as on March 31, 2021, the details of options granted has not been included above.

[iii] Esop cost recognised in Statement of Profit and Loss ₹ 4.79 Crore (Previous year ₹ 2.62 Crore)

32 Pursuant to Securities and Exchange Board of India (share based employee benefits) Regulations, 2014, the details of receipt from subsidiaries are as under:

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
JM Financial Institutional Securities Limited	1.38	1.75
JM Financial Services Limited	1.55	2.96
JM Financial Products Limited	1.14	1.85
JM Financial Credit Solutions Limited	0.61	0.67
JM Financial Asset Management Limited*	(0.17)	0.40
Infinite India Investment Management Limited	#	0.03
JM Financial Asset Reconstruction Company Limited	0.13	0.33
JM Financial Capital Limited	0.04	0.07
JM Financial Home Loans Limited*	(0.17)	0.35
Total	**4.51**	**8.41**

amount below ₹ 50,000
* on account of options lapsed

33 Earnings Per Equity Share (EPS)

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by weighted average number of equity shares outstanding during the year, as under:

		For the year ended March 31, 2021	For the year ended March 31, 2020
Profit for the year (₹ in Crore)	A	175.23	127.31
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	B	93,02,93,133	84,08,64,766
Basic earnings per share (in ₹)	A/B	1.88	1.51
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	B	93,02,93,133	84,08,64,766
Add: Weighted average number of potential equity shares on account of employee stock options	C	27,66,744	34,25,560
Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (Nos.)	D=B+C	93,30,59,877	84,42,90,326
Diluted earnings per share (in ₹)	A/D	1.88	1.51

34 Payment to Auditors (Excluding Goods and Service tax)

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit fees	0.19	0.19
Certification and other matters	0.06	0.06
Reimbursement of expenses	0.01	0.01
	0.26	**0.26**
Fees paid to in connection with QIP debited to Securities premium reserve as Share issue expenses	0.35	-
Total	**0.61**	**0.26**

35 Lease Transactions

Following are the changes in the carrying value of the right of use assets for the year ended March 31, 2021:

₹ in Crore

Category of Right to use asset	Gross Block				Accumulated depreciation				Net Block
	As at 01-04-2020	Addition	Deletion	As at March 31, 2021	As at April 1, 2020	Addition	Deletion	As at March 31, 2021	As at March 31, 2021
Office premises	84.02	2.58	1.67	84.93	10.38	10.36	1.59	19.15	65.78
Total	**84.02**	**2.58**	**1.67**	**84.93**	**10.38**	**10.36**	**1.59**	**19.15**	**65.78**

Following are the changes in the carrying value of the right of use assets for the year ended March 31, 2020:

₹ in Crore

Category of Right to use asset	Gross Block				Accumulated depreciation				Net Block
	As at 01-04-2019	Addition	Deletion	As at March 31, 2020	As at April 1, 2019	Addition	Deletion	As at March 31, 2020	As at March 31, 2020
Office premises	-	84.02	-	84.02	-	10.38	-	10.38	73.64
Total	**-**	**84.02**	**-**	**84.02**	**-**	**10.38**	**-**	**10.38**	**73.64**

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The aggregate depreciation expenses on right to use assets is included under depreciation and amortisation expenses in the Statement of Profit and Loss.

The following is the movement in lease liabilities during the year ended March 31, 2021 and March 31, 2020:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Opening balance	**74.51**	**-**
Additions during the year	2.58	79.42
Deletions during the year	(0.07)	-
Finance cost accrued during the year	6.81	7.26
Payment of lease liabilities	(12.67)	(12.17)
Closing balance	**71.16**	**74.51**

Table showing contractual maturities of lease liabilities as at March 31, 2021 and March 31, 2020 on an undiscounted basis:

₹ in Crore

	Office premises	
	As at March 31, 2021	As at March 31, 2020
Less than one year	12.31	12.38
One to five years	49.20	46.11
More than five years	41.09	53.86
Total	**102.60**	**112.35**

₹ in Crore

	Motor vehicles	
	Minimum lease Payments	
	As at March 31, 2021	As at March 31, 2020
Not later than one year	0.28	0.44
Later than one year and not later than five years	0.32	0.43
Later than five years	-	-
Total	**0.60**	**0.87**

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.

36 Employee Benefits

Defined contribution plans

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 & other funds aggregating ₹ 2.38 crore (Previous year ₹ 2.39 crore) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

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Defined benefit obligation

The Company's liabilities 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 principal assumptions used for the purposes of the actuarial valuations were as follows.

	As at March 31, 2021	As at March 31, 2020
Discount rate	6.90%	6.80%
Expected rate of salary increase	7% per annum	7% per annum
Mortality Rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

b) Amount recognised in the Statement of Profit and Loss in respect of these defined benefit obligation.

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Current service cost	0.39	0.33
Net interest cost	0.31	0.31
Total amount recognised in the Statement of Profit and Loss	**0.70**	**0.64**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	-	-
- Actuarial (gain)/loss from change in financial assumptions	(0.04)	0.30
- Actuarial (gain)/loss from change in experience adjustments	(0.18)	0.09
Total amount recognised in other comprehensive income	**(0.22)**	**0.39**

amount below ₹ 50,000

The current service cost and the net interest expense for the year are included in the 'Employee benefit expense' line item in the Statement of Profit and Loss.

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c) Movement in the present value of the defined benefit obligation are as follows:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	5.03	4.41
Current service cost	0.39	0.33
Interest cost	0.31	0.31
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	-	-
Actuarial (gain)/loss from change in financial assumptions	(0.04)	0.30
Actuarial (gain)/loss from change in experience adjustments	(0.18)	0.09
Benefits paid	(0.16)	(0.31)
Laibilities assumed/(settled)	0.06	(0.10)
Closing defined benefit obligation	**5.41**	**5.03**

d) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. 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:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Defined benefit obligation (base)	5.41	5.03

₹ in Crore

	As at March 31, 2021		As at March 31, 2020	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate
Defined benefit obligation on increase in 50 bps	5.20	5.53	4.83	5.25
Impact of increase in 50 bps on DBO	(3.95%)	2.15%	(4.04%)	4.33%
Defined benefit obligation on decrease in 50 bps	5.64	5.29	5.25	4.83
Impact of decrease in 50 bps on DBO	4.26%	(2.16%)	4.36%	(4.06%)

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.

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e) Projected benefits payable:

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Expected benefits for year 1	0.82	0.81
Expected benefits for year 2	0.27	0.22
Expected benefits for year 3	0.84	0.25
Expected benefits for year 4	0.24	0.83
Expected benefits for year 5	0.59	0.22
Expected benefits for year 6	0.60	0.54
Expected benefits for year 7	0.57	0.58
Expected benefits for year 8	0.64	0.54
Expected benefits for year 9	0.14	0.61
Expected benefits for year 10 and above	6.49	5.78

The weighted average duration of the defined benefit obligation is 8.20 years (previous year 8.52 years)

f) 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.

37 Disclosure in respect of related parties pursuant to Ind AS 24 on 'Related Party Disclosures':

List of related parties

I) Parties where control exists:

a) **Subsidiaries**
JM Financial Institutional Securities Limited (IED)
JM Financial Services Limited (Financial Services)
JM Financial Properties and Holdings Limited (Properties)
Infinite India Investment Management Limited (Infinite)
JM Financial Commtrade Limited (Commtrade)
CR Retail Malls (India) Limited (CRRM)
JM Financial Capital Limited (Capital)
JM Financial Products Limited (Products)
JM Financial Credit Solutions Limited (Credit Solutions)
JM Financial Home Loans Limited (Home Loans)
JM Financial Asset Management Limited (AMC)
JM Financial Asset Reconstruction Company Limited and its subsidiaries (ARC)
JM Financial Overseas Holdings Private Limited (Overseas)
JM Financial Singapore Pte Ltd (Singapore)
JM Financial Securities, Inc. (USA)

b) **Partnership Firm**
Astute Investments (Astute)

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II) Parties with whom the transactions were carried out during the current / previous year

a) **Associate**
JM Financial Trustee Company Private Limited (Trustee)

b) **Key management personnel**
Mr. Vishal Kampani (VNK)

c) **Non-Executive / Independent Directors**
Non-executive Chairman:
Mr. Nimesh Kampani (NNK)

Independent Directors:
Mr. E A Kshirsagar (EAK)
Mr. Darius E Udwadia (DEU)
Mr. Paul Zuckerman (PSZ)
Dr. Vijay Kelkar (VLK)
Mr. Keki Dadiseth (KBD)
Mr. P S Jayakumar (PSJ)
Ms. Jagi Mangat Panda (JMP)

d) **Close Members of the Family (Relatives) of Key management personnel**
Mr. Nimesh Kampani (NNK)
Ms. Aruna N Kampani (ARNK)
Ms. Amishi Gambhir (AG)
Ms. Madhu Kampani (MVK)

e) **Individual exercising control or significant influence in reporting enterprise and close members of the family (relatives) of any such person**
Mr. Nimesh Kampani (NNK)

Close Members of the Family (Relatives):
Ms. Aruna N Kampani (ARNK)
Mr. Vishal Kampani (VNK)
Ms. Amishi Gambhir (AG)
Mr. Harith Kampani (HK)

f) **Enterprise over which close members of family (relatives) of key management personnel are able to exercise significant influence**
J.M. Financial & Investment Consultancy Services Private Limited (JMFICS)
J. M. Assets Management Private Limited (J.M.Assets)
JM Financial Trustee Company Private Limited (Trustee)
JSB Securities Limited (JSB)
Kampani Consultants Limited (KCL)
Persepolis Investment Company Private Limited (PICPL)
SNK Investments Private Limited (SNK)
Kampani Properties and Holdings Limited (KPHL)
Capital Market Publishers India Private Limited (CMPL)

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Related Party Disclosures:

₹ in Crore

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Investments made in debentures														
ARC	-	183.37	-	-	-	-	-	-	-	-	-	-	-	183.37
Employee related liabilities transfers to														
Properties	-	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01
Products	-	0.10	-	-	-	-	-	-	-	-	-	-	-	0.10
Employee related liabilities transfers from														
IED	0.06	-	-	-	-	-	-	-	-	-	-	-	0.06	-
ICDs placed														
ARC	515.00	40.00	-	-	-	-	-	-	-	-	-	-	515.00	40.00
Properties	4,415.00	50.00	-	-	-	-	-	-	-	-	-	-	4,415.00	50.00
Financial Services	866.00	20.00	-	-	-	-	-	-	-	-	-	-	866.00	20.00
Capital	380.00	50.00	-	-	-	-	-	-	-	-	-	-	380.00	50.00
ICDs repaid by														
ARC	163.00	40.00	-	-	-	-	-	-	-	-	-	-	163.00	40.00
Properties	4,415.00	50.00	-	-	-	-	-	-	-	-	-	-	4,415.00	50.00
CRRM	-	36.00	-	-	-	-	-	-	-	-	-	-	-	36.00
Financial Services	766.00	20.00	-	-	-	-	-	-	-	-	-	-	766.00	20.00
Capital	380.00	50.00	-	-	-	-	-	-	-	-	-	-	380.00	50.00
Loan given														
Astute	-	27.72	-	-	-	-	-	-	-	-	-	-	-	27.72
Loan repaid														
Astute	-	27.72	-	-	-	-	-	-	-	-	-	-	-	27.72
Dividend received from														
Products	16.23	10.82	-	-	-	-	-	-	-	-	-	-	16.23	10.82
Overseas	-	24.57	-	-	-	-	-	-	-	-	-	-	-	24.57
Credit Solutions	0.20	0.13	-	-	-	-	-	-	-	-	-	-	0.20	0.13
IED	#	#	-	-	-	-	-	-	-	-	-	-	#	#
Fees Sharing, Sub brokerage Paid to														
Financial Services	4.40	1.84	-	-	-	-	-	-	-	-	-	-	4.40	1.84
IED	26.08	28.07	-	-	-	-	-	-	-	-	-	-	26.08	28.07
Brokerage Paid to														
Financial Services	-	0.05	-	-	-	-	-	-	-	-	-	-	-	0.05
HK	-	-	-	-	-	-	-	-	0.13	-	-	-	0.13	-

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Related Party Disclosures:

₹ in Crore

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Placement fees paid to														
Financial Services	0.65	-	-	-	-	-	-	-	-	-	-	-	0.65	-
Dividend paid to														
JMFICS	-	-	-	-	-	-	-	-	-	-	4.33	10.80	4.33	10.80
J.M.Assets	-	-	-	-	-	-	-	-	-	-	2.06	5.15	2.06	5.15
JSB	-	-	-	-	-	-	-	-	-	-	0.13	0.33	0.13	0.33
KCL	-	-	-	-	-	-	-	-	-	-	0.01	0.03	0.01	0.03
SNK	-	-	-	-	-	-	-	-	-	-	0.24	0.59	0.24	0.59
NNK	-	-	-	-	-	-	-	-	2.52	6.29	-	-	2.52	6.29
ARNK	-	-	-	-	-	-	-	-	0.71	1.77	-	-	0.71	1.77
VNK	-	-	-	-	-	-	0.23	0.57	-	-	-	-	0.23	0.57
AG	-	-	-	-	-	-	-	-	0.16	0.40	-	-	0.16	0.40
PICPL	-	-	-	-	-	-	-	-	-	-	0.03	0.08	0.03	0.08
Trustee	-	-	0.02	0.06	-	-	-	-	-	-	-	-	0.02	0.06
KBD	-	-	-	-	#	-	-	-	-	-	-	-	#	-
Group support fees received from														
Credit Solutions	1.98	1.98	-	-	-	-	-	-	-	-	-	-	1.98	1.98
ARC	1.98	1.98	-	-	-	-	-	-	-	-	-	-	1.98	1.98
Lead managers fees received from														
Products	-	0.30	-	-	-	-	-	-	-	-	-	-	-	0.30
Rating support fees received from														
Credit Solutions	3.19	5.93	-	-	-	-	-	-	-	-	-	-	3.19	5.93
ARC	2.24	2.98	-	-	-	-	-	-	-	-	-	-	2.24	2.98
Rent received from														
Financial Services	0.27	0.27	-	-	-	-	-	-	-	-	-	-	0.27	0.27
Interest received from														
ARC	37.92	12.32	-	-	-	-	-	-	-	-	-	-	37.92	12.32
Astute	-	0.13	-	-	-	-	-	-	-	-	-	-	-	0.13
Properties	4.89	1.09	-	-	-	-	-	-	-	-	-	-	4.89	1.09
CRRM	-	1.27	-	-	-	-	-	-	-	-	-	-	-	1.27
Financial Services	8.76	0.01	-	-	-	-	-	-	-	-	-	-	8.76	0.01
Capital	0.33	0.32	-	-	-	-	-	-	-	-	-	-	0.33	0.32
Support Service Charges Paid to														
JMFICS	-	-	-	-	-	-	-	-	-	-	2.50	2.50	2.50	2.50
Rent paid to														
Properties	9.54	9.08	-	-	-	-	-	-	-	-	-	-	9.54	9.08
JMFICS	-	-	-	-	-	-	-	-	-	-	0.93	0.95	0.93	0.95

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Related Party Disclosures:

₹ in Crore

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
J.M.Assets	-	-	-	-	-	-	-	-	-	-	1.68	1.68	1.68	1.68
Subscription for online data paid to														
CMPL	-	-	-	-	-	-	-	-	-	-	0.03	0.02	0.03	0.02
Remuneration paid to (refer note iii)														
VNK	-	-	-	-	-	-	1.54	2.01	-	-	-	-	1.54	2.01
Professional fees paid to														
KBD	-	-	-	-	0.04	0.04	-	-	-	-	-	-	0.04	0.04
Directors Sitting fees														
NNK	-	-	-	-	-	-	-	-	0.08	0.07	-	-	0.08	0.07
EAK	-	-	-	-	0.10	0.09	-	-	-	-	-	-	0.10	0.09
DEU	-	-	-	-	0.07	0.07	-	-	-	-	-	-	0.07	0.07
PSZ	-	-	-	-	0.10	0.09	-	-	-	-	-	-	0.10	0.09
VLK	-	-	-	-	0.10	0.10	-	-	-	-	-	-	0.10	0.10
KBD	-	-	-	-	0.06	0.09	-	-	-	-	-	-	0.06	0.09
JMP	-	-	-	-	0.06	0.07	-	-	-	-	-	-	0.06	0.07
PSJ	-	-	-	-	0.06	-	-	-	-	-	-	-	0.06	-
Directors Commission														
EAK	-	-	-	-	0.25	0.22	-	-	-	-	-	-	0.25	0.22
DEU	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
PSZ	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
VLK	-	-	-	-	0.23	0.22	-	-	-	-	-	-	0.23	0.22
KBD	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
JMP	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
PSJ	-	-	-	-	0.20	-	-	-	-	-	-	-	0.20	-
Expenses reimbursed to														
Properties	1.56	1.75	-	-	-	-	-	-	-	-	-	-	1.56	1.75
JMFICS	-	-	-	-	-	-	-	-	-	-	0.08	0.08	0.08	0.08
Products	-	0.01	-	-	-	-	-	-	-	-	-	-	-	0.01
IED	0.41	0.55	-	-	-	-	-	-	-	-	-	-	0.41	0.55
ARC	0.22	0.11	-	-	-	-	-	-	-	-	-	-	0.22	0.11
Expenses recovered from														
IED	0.32	0.34	-	-	-	-	-	-	-	-	-	-	0.32	0.34
Infinite	#	#	-	-	-	-	-	-	-	-	-	-	#	#
Credit Solutions	0.02	0.03	-	-	-	-	-	-	-	-	-	-	0.02	0.03
Home Loans	#	#	-	-	-	-	-	-	-	-	-	-	#	#
ARC	0.02	0.03	-	-	-	-	-	-	-	-	-	-	0.02	0.03
Properties	0.01	#	-	-	-	-	-	-	-	-	-	-	0.01	#

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Related Party Disclosures:

₹ in Crore

	Subsidiaries*		Associate		Non-Executive / Independent Directors		Key Management Personnel		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of family of key management personnel are able to exercise significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Products	0.02	0.02	-	-	-	-	-	-	-	-	-	-	0.02	0.02
CRRM	#	#	-	-	-	-	-	-	-	-	-	-	#	#
JMFICS	-	-	-	-	-	-	-	-	-	-	0.01	#	0.01	#
Outstanding Balances:														
Investments	2,144.24	2,142.63	0.03	0.03	-	-	-	-	-	-	-	-	2,144.27	2,142.66
Security deposits received from														
Financial Services	1.00	1.00	-	-	-	-	-	-	-	-	-	-	1.00	1.00
Security deposits paid to														
Properties	7.21	7.21	-	-	-	-	-	-	-	-	-	-	7.21	7.21
JMFICS	-	-	-	-	-	-	-	-	-	-	0.54	0.54	0.54	0.54
J.M.Assets	-	-	-	-	-	-	-	-	-	-	0.84	0.84	0.84	0.84
ICDs receivable														
Financial Services	100.00	-	-	-	-	-	-	-	-	-	-	-	100.00	-
ARC	352.00	-	-	-	-	-	-	-	-	-	-	-	352.00	-
Interest receivable														
ARC	11.32	11.01	-	-	-	-	-	-	-	-	-	-	11.32	11.01
Receivable from														
ARC	0.61	0.68	-	-	-	-	-	-	-	-	-	-	0.61	0.68
Amount payable to														
IED	1.63	0.34	-	-	-	-	-	-	-	-	-	-	1.63	0.34
Financial Services	2.20	1.21	-	-	-	-	-	-	-	-	-	-	2.20	1.21
JMFICS	-	-	-	-	-	-	-	-	-	-	-	0.67	-	0.67
EAK	-	-	-	-	0.25	0.22	-	-	-	-	-	-	0.25	0.22
DEU	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
PSZ	-	-	-	-	0.20	0.21	-	-	-	-	-	-	0.20	0.21
VLK	-	-	-	-	0.23	0.22	-	-	-	-	-	-	0.23	0.22
KBD	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
JMP	-	-	-	-	0.20	0.20	-	-	-	-	-	-	0.20	0.20
PSJ	-	-	-	-	0.20	-	-	-	-	-	-	-	0.20	-

Notes:-

(i) * Subsidiaries include a partnership firm namely Astute Investments

(ii) There are no provisions for doubtful debts or amount written off or written back during the year/period in respect of debts due from/ due to related parties.

(iii) The remuneration excludes provision for gratuity as the incremental liability has been accounted for the Company as a whole.

(iv) The transactions disclosed above are exclusive of GST and Service tax , as applicable.

(v) Refer note. 8.1

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38 Maturity Analysis of Assets and Liabilities

₹ in Crore

		As at March 31, 2021			As at March 31, 2020		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	ASSETS						
1	**Financial Assets**						
A	Cash and cash equivalents	10.17	-	**10.17**	14.73	-	**14.73**
B	Bank balances other than cash and cash equivalents	4.97	-	**4.97**	7.20	-	**7.20**
C	Trade receivables	49.91	-	**49.91**	22.35	-	**22.35**
D	Loans	449.61	-	**449.61**	-	-	**-**
E	Investments	697.87	2,323.49	**3,021.36**	218.45	2,309.99	**2,528.44**
F	Other financial assets	15.83	5.83	**21.66**	15.08	5.89	**20.97**
		1,228.36	**2,329.32**	**3,557.68**	**277.81**	**2,315.88**	**2,593.69**
2	**Non-financial Assets**						
A	Current tax assets (Net)	-	159.21	**159.21**	-	168.10	**168.10**
B	Property, Plant and Equipment	-	68.39	**68.39**	-	76.85	**76.85**
C	Other Intangible assets	-	0.43	**0.43**	-	0.25	**0.25**
D	Other non-financial assets	4.68	0.08	**4.76**	4.21	0.04	**4.25**
		4.68	**228.11**	**232.79**	**4.21**	**245.24**	**249.45**
	Total Assets	**1,233.04**	**2,557.43**	**3,790.47**	**282.02**	**2,561.12**	**2,843.14**

₹ in Crore

		As at March 31, 2021			As at March 31, 2020		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	LIABILITIES						
1	**Financial Liabilities**						
A	Trade Payables						
	(i) total outstanding dues of micro enterprises and small enterprises	#	-	**#**	0.03	-	**0.03**
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	5.03	-	**5.03**	3.69	-	**3.69**
B	Borrowings (Other than Debt Securities)	0.28	0.32	**0.60**	0.35	0.37	**0.72**
C	Other financial liabilities	51.87	66.12	**117.99**	34.47	68.88	**103.35**
		57.18	**66.44**	**123.62**	**38.54**	**69.25**	**107.79**
2	**Non-Financial Liabilities**						
A	Provisions	2.90	9.20	**12.10**	2.45	8.83	**11.28**
B	Deferred tax liabilities (net)	-	118.87	**118.87**	-	122.42	**122.42**
C	Other non-financial liabilities	32.86	0.16	**33.02**	28.37	-	**28.37**
		35.76	**128.23**	**163.99**	**30.82**	**131.25**	**162.07**
	Total Liabilities	**92.94**	**194.67**	**287.61**	**69.36**	**200.50**	**269.86**

Note: Information on maturity pattern is based on the reasonable assumptions made by the management.

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39 Financial Instruments

a) Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves attributable to the equity shareholders of the Company. The primary objective of the company, when managing capital, is to safeguard its ability to continue as a going concern and to maintain an optimal capital structure, so as to maximize shareholders' value. As at March 31, 2021, the Company has only one class of equity shares and has low debt. Consequent to such capital structure, there are no externally imposed capital requirements. In order to maintain or achieve an optimal capital structure, the Company allocates its capital for distribution as dividend or reinvestments into business based on its long term financial plans.

The Company monitors capital structure on the basis of total debt to equity and maturity profile of overall debt portfolio of the Company.

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Gross debt (excluding finance lease obligations)	-	-
Total equity	3,502.86	2,573.28
Adjusted net debt to equity ratio	-	-

b) Categories of financial instruments

₹ in Crore

As at March 31, 2021	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	10.17	**10.17**
Bank balances other than cash and cash equivalents	-	-	4.97	**4.97**
Trade receivables	-	-	49.91	**49.91**
Loans	-	-	449.61	**449.61**
Investments in subsidiaries and associates	-	-	2,144.27	**2,144.27**
Investments other than those in subsidiaries and associates	877.09	-	-	**877.09**
Other financial assets	-	-	21.66	**21.66**
Total	**877.09**	**-**	**2,680.59**	**3,557.68**
Financial liabilities				
Trade payables	-	-	5.03	**5.03**
Borrowings (other than debt securities)	-	-	0.60	**0.60**
Other financial liabilities	-	-	117.99	**117.99**
Total	**-**	**-**	**123.62**	**123.62**

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to the Financial Statements

₹ in Crore

As at March 31, 2020	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	14.73	**14.73**
Bank balances other than cash and cash equivalents	-	-	7.20	**7.20**
Trade receivables	-	-	22.35	**22.35**
Investments in subsidiaries and associates	-	-	2,142.66	**2,142.66**
Investments other than those in subsidiaries and associates	385.78	-	-	**385.78**
Other Financial assets	-	-	20.97	**20.97**
Total	**385.78**	**-**	**2,207.91**	**2,593.69**
Financial liabilities				
Trade payables	-	-	3.72	**3.72**
Borrowings (other than debt securities)	-	-	0.72	**0.72**
Other Financial Liabilities	-	-	103.35	**103.35**
Total	**-**	**-**	**107.79**	**107.79**

c) Fair value measurement

This note provides information about how the Company determines fair value of various financial assets and financial liabilities.

(i) Financial instruments measured at Fair Value:

₹ in Crore

As at March 31, 2021	Fair Value	Level 1	Level 2	Level 3	Total
Financial assets					
Measured at FVTPL					
Investments in Mutual Fund	688.89	688.89	-	-	**688.89**
Investments in VCF	74.90	-	74.90	-	**74.90**
Investments in Equity Instruments	113.30	0.20	-	113.10	**113.30**
Total	**877.09**	**689.09**	**74.90**	**113.10**	**877.09**

₹ in Crore

As at March 31, 2020	Fair Value	Level 1	Level 2	Level 3	Total
Financial assets					
Measured at FVTPL					
Investments in Mutual Fund	157.42	157.42	-	-	**157.42**
Investments in VCF	51.35	-	6.21	45.14	**51.35**
Investments in Equity Instruments	177.01	0.08	-	176.93	**177.01**
Total	**385.78**	**157.50**	**6.21**	**222.07**	**385.78**

Notes:

Level 1: Fair Value measurements are based on quoted prices. This includes listed equity instruments and mutual funds that have quoted price. The fair value of equity are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

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Level 2: These includes instruments which does not have an active market hence the fair value is determined using observable market data such as latest declared NAV/ recent market deals.

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).

Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2021.

₹ in Crore

	Equity Shares	VCF Units
As at March 31, 2019	-	-
Reclassification from level 2 to level 3	184.82	53.52
Net (Loss)/Gain on fair value changes	(7.89)	(8.38)
As at March 31, 2020	**176.93**	**45.14**
Acquisitions	-	-
Net (Loss)/Gain on fair value changes	48.20	-
Realisations	(112.03)	-
Reclassification from level 3 to level 2	-	(45.14)
As at March 31, 2021	**113.10**	**-**

Sensitivity for instruments:

₹ in Crore

Nature of the instrument	Fair Value As at March 31, 2021	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2021	
				FV Increase	FV Decrease
Investment in Equity Shares	113.10	Impact estimated by the management considering current market conditions	5%	0.58	(0.58)

₹ in Crore

Nature of the instrument	Fair Value As at March 31, 2020	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2020	
				FV Increase	FV Decrease
Investment in Equity Shares	176.93	Impact estimated by the management considering current market conditions	5%	1.45	(1.45)
Investment in VCF Units	45.14	Impact estimated by the management considering current market conditions	5%	0.43	(0.43)

Impact of COVID-19:

Impact of Covid-19 pandemic has been considered on the observable and unobservable inputs used for the purpose of valuation. During the financial year 2019-20, the company had changed the classification of certain investments in equity instruments and venture capital fund units from level 2 to level 3. In the current year, level 3 classification is continued for

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such investment in equity instruments but the investment in venture capital units have been reclassified to level 2 from level 3. Further, the Company has made necessary adjustments to the timing of cash flows and values to be realized for the purpose of determination of the fair values of these investments carried at FVTPL.

(ii) Financial instruments measured at amortised cost:

The carrying amount of financial assets and liabilities measured at amortised cost are reasonable approximation of their fair values. Since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled

d) 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

Risk management forms an integral part of the business. As a financial institution, the Company is exposed to several risks including market risk, credit risk and liquidity risk. The Company has established a risk management and audit framework to identify, assess, monitor and manage these risks. This framework is driven by the Board through the Audit Committee, Risk Management Committee and the Asset Liability Management Committee. Risk Management Committee inter alia is responsible for identifying, reviewing, monitoring and taking measures for risk profile and for risk measurement system of the Company.

i) Credit risk

Credit Risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, other balances with banks, loans and other receivables.

The Company has adopted a Policy of dealing with counter parties that have sufficiently high credit rating. The Company's exposure and credit ratings of its counter parties are continuously monitored.

Credit risk arising from trade receivables are reviewed periodically and based on past experience and history. Management is confident of recovering all the dues. Credit risk arises from Investments and other balances with banks is limited and there is no collateral held against these became the counter parties are bank and recognised financial institutions with high credit ratings assigned by the credit rating agencies.

The Company's current credit risk grading framework comprises the following categories :

Category	Description	Basis for recognising expected credit loss
Stage 1	Performing assets	12 Months ECL
Stage 2	Under performing assets	Lifetime ECL
Stage 3	Assets overdue more than 90 days past due	Lifetime ECL

The key elements in calculation of ECL are as follows:

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. The PD has been determined based on comparative external ratings.

EAD - The Exposure at Default is an estimate of the exposure at a reporting date. It shall include outstanding loan amount, accrued interest and expected drawdowns on non-discretionary loan commitments.

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 table below shows the credit quality and the exposure to credit risk of loans based on the year-end stage classification.

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The amounts presented are gross of impairment allowances.

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Stage 1	452.00	-
Stage 2	-	-
Stage 3	5.00	5.00
Total	**457.00**	**5.00**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

₹ in Crore

	As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**-**	**-**	**5.00**	**5.00**
New assets originated or purchased	6,176.00	-	-	6,176.00
Assets derecognised or repaid (excluding write off)	(5,724.00)	-	-	(5,724.00)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Gross carrying amount closing balance	**452.00**	**-**	**5.00**	**457.00**

₹ in Crore

	As at March 31, 2021			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - Opening Balance	**-**	**-**	**5.00**	**5.00**
New assets originated or purchased	3.14	-	-	3.14
Assets derecognised or repaid (excluding write off)	(0.75)	-	-	(0.75)
Transfer to Stage 1	-	-	-	-
Transfer to Stage 2	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Gross carrying amount closing balance	**2.39**	**-**	**5.00**	**7.39**

An analysis of ageing of the gross carrying amount and the changes in the ECL allowances in relation to trade receivables:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Past due 0–180 days	49.91	22.35
More than 180 days	2.36	-
Total	**52.27**	**22.35**

Movement of Provision for Impairment:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Opening balance	-	4.94
Provisions made	2.36	-
Provisions written back	-	(4.94)
Closing Balance	**2.36**	**-**

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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. Liquidity may be affected due to severe liquidity crunch in the market or due to market disruptions where the Company is unable to access public funds. The Company's exposure to liquidity risk arises primarily from mismatch of maturities of financial assets and liabilities.

However the Company believes that it has a strong financial position and business is adequately capitalized, have good credit rating and appropriate credit lines available to address liquidity risks.

The Company attempts to minimize this risk through a mix of strategies such as short-term funding. The Company also monitors liquidity risk through adequate bank sanction limits at the beginning of each fiscal. Monitoring liquidity risk involves categorizing all assets and liabilities into different maturity profiles and evaluating them for any mismatches in any particular maturities, particularly in the short-term.

Exposure to liquidity risk

The table below summaries the maturity profile remaining contractual maturity period at the balance sheet date for its financial liabilities based on undiscounted cash flows.

₹ in Crore

March 31, 2021	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities					
Trade Payables	5.03	5.03	-	-	-
Borrowings (other than debt securities)	0.60	0.28	0.32	-	-
Other financial liabilities	117.99	51.87	13.95	16.54	35.63
Total	**123.62**	**57.18**	**14.27**	**16.54**	**35.63**
Financial Assets					
Cash and Cash Equivalents	10.17	10.17	-	-	-
Bank balances other than cash and cash equivalents	4.97	4.97	-	-	-
Trade Receivables	49.91	49.91	-	-	-
Loans	449.61	449.61	-	-	-
Financial Assets at Amortised Cost	21.66	15.83	0.39	-	5.44
Investments (other than investment in subsidiaries and associates)	877.09	697.87	-	-	179.22
Total	**1,413.41**	**1,228.36**	**0.39**	**-**	**184.66**

₹ in Crore

March 31, 2020	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities					
Trade Payables	3.72	3.72	-	-	-
Borrowings (other than debt securities)	0.72	0.35	0.37	-	-
Other financial liabilities	103.35	34.47	10.38	13.91	44.59
Total	**107.79**	**38.54**	**10.75**	**13.91**	**44.59**

Notes
to the Financial Statements

₹ in Crore

March 31, 2020	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Assets					
Cash and Cash Equivalents	14.73	14.73	-	-	-
Bank balances other than cash and cash equivalents	7.20	7.20	-	-	-
Trade Receivables	22.35	22.35	-	-	-
Financial Assets at Amortised Cost	20.97	15.08	0.76	0.01	5.12
Investments (other than investment in subsidiaries and associates)	385.78	218.45	-	-	167.33
Total	**451.03**	**277.81**	**0.76**	**0.01**	**172.45**

iii) Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and equity price risk as explained below:

a) Foreign currency risk:

The Company undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Company is exposed to currency risk significantly on account of its trade payables and trade receivables denominated in foreign currency. The functional currency of the Company is Indian Rupee. The Company wherever required hedges its foreign currency risk by using Derivative Instruments (Forward Contracts).

The carrying amounts of the Company's foreign currency denominated monitory assets and liabilities at the end of the reporting period are as follow:

i) Derivatives outstanding as at the reporting date:

Particulars	Currency type	As at March 31, 2021		As at March 31, 2020	
		Amount in Foreign Currency	₹ in Crore	Amount in Foreign Currency	₹ in Crore
Trade Receivable	USD	27,64,535	20.24	-	-

ii) Foreign currency exposures not hedged by a derivative instrument or otherwise are given below:

Particulars	Currency type	As at March 31, 2021		As at March 31, 2020	
		Amount in Foreign Currency	₹ in Crore	Amount in Foreign Currency	₹ in Crore
Trade Receivable	GBP	-	-	3,71,149.00	3.45
	Euro	-	-	7,63,806.00	6.34
	USD	3,37,502	2.47	-	-

Notes
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Foreign currency sensitivity analysis:

The Company is mainly exposed to USD, EURO and GBP. The following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against Indian Rupees.

₹ in Crore

Effect in INR	% Change	Profit or Loss	
		March 31, 2021	March 31, 2020
GBP	5% Increase	-	(0.17)
	5% Decrease	-	0.17
EURO	5% Increase	-	(0.32)
	5% Decrease	-	0.32
USD	5% Increase	(0.14)	-
	5% Decrease	0.14	-

b) Equity Price Risk:

Equity price risk is related to the change in market reference price of the instruments in quoted and unquoted securities. The fair value of some of the Company's investments exposes to company to equity price risks. In general, these securities are not held for trading purposes.

Equity Price Sensitivity analysis:

The fair value of equity instruments other than investment in subsidiaries and associates as at March 31, 2021, and March 31, 2020 was ₹ 0.20 crore and ₹ 0.08 crore respectively. A 5% change in price of equity instruments held as at March 31, 2021 and March 31, 2020 would result in

₹ in Crore

% Change	Profit or Loss	
	March 31, 2021	March 31, 2020
5% Increase	#	#
5% Decrease	(#)	(#)

# Denotes amount below ₹ 50,000/-

40 Earnings In Foreign Currency

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Income from investment banking services	37.18	19.67
Income from dividend	-	24.57
Total	**37.18**	**44.24**

41 Expenditure in Foreign Currency

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Directors commission and fees	0.20	0.20
Travelling expenses	-	0.33
Legal and professional fees	0.08	0.01
Others	0.23	0.20
Total	**0.51**	**0.74**

Notes
to the Financial Statements

42 Details of expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto.

₹ in Crore

	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	1.24	0.33
b) Amount spent during the year	1.24	0.33
Amount provided for on-going projects	-	-
Total	**1.24**	**0.33**
(i) Construction/acquisition of any asset	-	-
(ii) On purposes other than (i) above	1.24	0.33

43 Dividend Payable to Non-resident Shareholders:

The Company has not remitted any amount in foreign currencies on account of dividends during the year and does not have information as to the extent to which remittances, if any, in foreign currencies on account of dividends have been made by/on behalf of non-resident shareholders. The particulars of dividends payable to non-resident shareholders (including Foreign Institutional Investors) are as under:

	2020-21 (Final Dividend)	2019-20 (Final Dividend)
a) Number of non-resident shareholders	1,163	1,297
b) Number of equity shares held by them	18,87,41,737	13,45,09,655
c) (i) Amount of dividend paid (Gross) (₹ in crore)	3.77	6.73
(ii) Tax deducted at source (₹ in crore)	0.78	-
(iii) Year to which dividend relates	2019-20	2018-19

44 Disclosure required in terms of Regulation 34(3) and 53(f) Of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Loans and advances in the nature of loans given to subsidiaries and associates:

₹ in Crore

Name of the company	Relationship	Maximum Balance	Closing Balance
JM Financial Asset Reconstruction Company Limited	Subsidiary	352.00 (40.00)	352.00 (-)
JM Financial Services Limited	Subsidiary	430.00 (20.00)	100.00 (-)
JM Financial Capital Limited	Subsidiary	200.00 (50.00)	- (-)
JM Financial Properties and Holdings Limited	Subsidiary	500.00 (50.00)	- (-)
CR Retail Malls (India) Limited	Subsidiary	- (36.00)	- (-)
Astute Investments	Partnership Firm	- (27.72)	- (-)

All the above loans and advances have been given for business purposes.
Figures in brackets are for the previous year.

Notes
to the Financial Statements

45 The Board of Directors of the Company has recommended a dividend of ₹ 0.50 per equity share of the face value of ₹1/- each for the year ended March 31, 2021 (Previous Year: ₹ 0.20 per equity share). The said dividend will be paid, if approved by the shareholders at the Thirty Sixth Annual General Meeting

46 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. Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of COVID-19 cases.

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 pandemic including the current "second wave", that has significantly increased the number of cases in India 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 ones 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.

47 The Financial Statements are approved for issue by the Board of Directors at its meeting held on May 05, 2021.

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Place : Mumbai
Date: May 05, 2021

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Form AOC - 1

Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014
Statement containing salient features of the financial statement of subsidiaries/associate companies as on March 31, 2021

Part "A": Subsidiaries

₹ / US$ / SGD in Crore

Name of the Subsidiary	Currency	Share Capital	Other Equity[a]	Total assets including investments	Total liabilities[b]	Investments[c]	Turnover	Profit / (Loss) before Tax	Provision for tax	Profit / (Loss) after Tax	Proposed Dividend	% of shareholding
JM Financial Products Limited	₹	544.50	1,284.27	5,454.23	3,625.46	1,417.56	660.65	181.70	44.07	137.63	5.45	99.45%
JM Financial Services Limited	₹	50.00	399.03	2,008.64	1,559.61	0.15	414.14	40.42	8.53	31.89	40.45	100.00%
JM Financial Commtrade Limited	₹	5.00	21.31	26.81	0.50	24.62	1.81	1.14	0.21	0.93	-	100.00%
JM Financial Institutional Securities Limited	₹	6.30	96.63	178.83	75.90	68.21	133.58	32.79	8.23	24.56	#	100.00%
JM Financial Capital Limited	₹	225.00	69.34	298.45	4.11	105.01	48.42	20.67	5.28	15.39	33.75	100.00%
Infinite India Investment Management Limited	₹	1.60	17.92	21.56	2.04	0.02	4.22	2.96	0.75	2.21	-	100.00%
CR Retail Malls (India) Limited	₹	20.00	14.01	148.72	114.71	24.02	11.76	(2.96)	(0.03)	(2.93)	-	100.00%
JM Financial Credit Solutions Limited	₹	2.83	3,647.03	9,220.18	5,570.32	1,977.70	1,167.49	478.73	119.75	358.98	0.57	46.68%
JM Financial Home Loans Limited	₹	164.82	37.63	516.38	313.93	-	56.96	4.68	1.47	3.21	0.16	93.80%
JM Financial Asset Reconstruction Company Limited [Refer Note (d)]	₹	344.64	1,241.61	4,291.89	2,705.64	1,039.53	384.60	84.29	19.84	64.45	-	59.25% [e]
JM Financial Asset Management Limited	₹	53.33	165.87	231.45	12.25	168.90	31.33	(3.69)	(1.23)	(2.46)	-	59.54%
JM Financial Properties and Holdings Limited	₹	3.00	136.02	336.23	197.21	52.08	124.57	22.73	7.09	15.64	-	100.00%
JM Financial Overseas Holdings Private Limited	₹*	88.21	61.62	150.31	0.48	34.78	9.70	0.35	0.05	0.30	-	100.00%
	US$	1.20	0.84	2.05	0.01	0.47	0.13	#	#	#	-	
JM Financial Singapore Pte. Ltd.	₹*	38.74	(34.90)	6.38	2.54	0.01	2.64	(6.51)	0.24	(6.75)	-	100.00%
	SGD	0.71	(0.64)	0.12	0.05	#	0.05	(0.12)	#	(0.12)	-	
JM Financial Securities, INC	₹*	#	9.42	11.17	1.75	-	7.29	0.70	0.67	0.03	-	100.00%
	US$	#	0.13	0.15	0.02	-	0.10	0.01	0.01	#	-	

* Exchange rate as on March 31, 2021 (or last working day prior to March 31, 2021): 1 US$ = ₹ 73.50 and 1 SGD = ₹ 54.56

Amount less than ₹ / US$ / SGD 50,000

Notes

a. Other Equity includes Non-controlling interest, wherever applicable.
b. Total liabilities exclude share capital and other equity.
c. Investments exclude investment in subsidiaries under consolidation.
d. The numbers presented are as per consolidated financial statements of JM Financial Asset Reconstruction Company Limited (JMFARC).
e. Compulsory convertible debentures issued by JMFARC to the Company is not taken into consideration.

Form AOC - 1 (Contd.)

Part "B": Associate

₹ in Crore

Particulars	JM Financial Trustee Company Private Limited
Latest audited Balance Sheet Date	March 31, 2021
Shares of Associate held by the Company at the year end	
Nos.	25,000
Amount Invested in Associate	0.03
Extent of Holding%	25.00%
Description of ownership to determine significant influence	Ownership of 20% or more of the voting power
Reason why the associate is not consolidated	Ownership of not more than 50 % of the voting power and no control over the Board
Net worth attributable to shareholding as per latest audited Balance Sheet	12.01
Profit for the year	8.42
(i) Considered in Consolidation	2.11
(ii) Not Considered in Consolidation	6.31

Note:
1) Significant influence has been determined as per Indian Accounting Standard 28 "Investments in Associates and Joint Ventures" specified under Section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Independent Auditors' Report

TO THE MEMBERS OF JM FINANCIAL LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of JM Financial Limited ("the Parent") and its subsidiaries, (the Parent and its subsidiaries together referred to as "the Group") which includes the Group's share of profit in its associates, which comprise the Consolidated Balance Sheet as at March 31, 2021, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information ("the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group as at March 31, 2021, and their consolidated profit, their consolidated total comprehensive income, their consolidated cash flows and their consolidated changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing specified under Section 143 (10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibility for the Audit of the Consolidated Financial Statements Section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 50 of the consolidated financial statements, which describes the potential impact of the Covid-19 pandemic on the results of certain subsidiaries and particularly the determination of fair value of the financial assets and the impairment provisions and consequently the Group's results are dependent on future developments, which are highly uncertain.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. we have determined the matters described below to be the key audit matters to be communicated in our report.

A. Impairment of loans measured at amortised cost (refer note 8 to the consolidated financial statements)

Key Audit Matter Description

As at the year end, the Group has reported financial assets carried at amortised cost in form of loans granted by subsidiaries aggregating ₹ 11,222.84 crore net of provision for expected credit loss (ECL) of ₹ 598.69 crore. The management estimates impairment provision using collective/ individual model based approach for the loan exposure. The auditors of certain subsidiaries have reported this as a key audit matter because measurement of loan impairment involves application of significant judgement by the management. The most significant judgements are:

- Timely identification and classification of the impaired loans which also include considering the impact of recent RBI's Covid-19 regulatory circulars.
- Determining the probability of defaults based on comparative external ratings and estimation of loss given defaults based on the value of collaterals and relevant factors.
- Inputs and Judgements used in determination of management overlay at various asset stages considering the current uncertain economic environment with the range of possible effects unknown to the country arising out of the Covid-19 Pandemic.
- The disclosures made in the consolidated financial statements for ECL especially in relation to judgements and estimates by the Management in determination of the ECL. Refer note 48 to the consolidated financial statements.

How the Key Audit Matter was Addressed in the Audit

The audit procedures performed by auditors of certain subsidiaries included the following:

- Tested the design and effectiveness of internal controls implemented by the management for following:
  - o Identification and classification of loans which have impaired in correct buckets.
  - o Validation of the Model used for impairment provision.
  - o Management's judgement applied for the key assumptions used for the purpose of determination of impairment provision.
  - o Completeness and accuracy of the data inputs used.
- Tested the completeness and accuracy of data from underlying systems used in the models including the bucketing of loans into delinquency bands. The auditors critically assessed and tested the key underlying assumptions and significant judgements used by management.
- For loans identified by management as potentially impaired, examined these on a sample basis, checked the calculation of the impairment, critically assessed the underlying assumptions and corroborated these to supporting evidence.
- Examined a sample of loans which had not been identified by management as potentially impaired (Stage 1 and 2 assets) and tested their judgement by reviewing information such as the counterparty's payment history and other documentary evidence and representations.
- Performed an overall assessment of the ECL provision levels at each stage including management's assessment on Covid-19 impact to determine if they were reasonable considering the Company's portfolio, risk profile, credit risk management practices and the macroeconomic environment.
- Assessed the adequacy and appropriateness of disclosures in compliance with the Ind AS 107 in relation to ECL especially in relation to judgements used in estimation of ECL provision.

B. Investments and other financial assets carried at fair value (refer note 9 and 10 to the consolidated financial statements)

Key Audit Matter Description

The Group has following financial instruments carried at fair value:

- Investments made by one of the subsidiary company in the security receipts in Trusts formed under distressed credit business aggregating ₹ 1,026.18 crore as at March 31, 2021.
- Financial assets under distressed credit business by the Trusts consolidated as subsidiaries aggregating ₹ 2,222.82 crore as at March 31, 2021.

The valuation of these financial instruments is based on a recovery range provided by the External Rating Agency and other unobservable inputs. These assets classified as level 3 in valuation hierarchy are not actively traded and their values can only be estimated using a combination of the recovery range provided by the External Rating Agency, estimated cash flows, collateral values, discount rate used and other assumptions. Further, the Group has applied judgements in estimating the cash flows considering the current uncertain economic environment with the range of possible effects unknown to the Group arising out of the Covid-19 Pandemic. In view of the complexities and significant judgements involved we have considered the valuation of these investments as a key audit matter.

How the Key Audit Matter was addressed in the Audit

The audit procedures performed and reported by the auditors of the subsidiary company in respect of these financial instruments included following:

- Tested the design and effectiveness of internal controls implemented by the management in respect of valuation of the investments including those relating to assessment of recovery plan by Asset Acquisition Committee for determination of appropriate recovery rate based on the range provided by the External Rating Agency, independent verification of the valuation inputs viz. estimated cash flows, collateral values etc.
- Analyzed reasonableness of the determination of the appropriate recovery rate and estimated cash flows.
- Compared the management's assumption of discount rate with the supporting evidence.
- Compared the historical estimates of the cash flows with the actual recoveries and obtain explanations for the variations, if any.
- Assessed the reasonableness of the judgements in estimating the cash flows in response to Covid-19 related economic uncertainty and corroborated the assumptions based on the information used by the Group.

Independent Auditors' Report (Contd.)

Information Other than the Financial Statements and Auditors' Report Thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's report, Management Discussion and Analysis and Corporate Governance report, but does not include the consolidated financial statements, standalone financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 financial statements, our responsibility is to read the other information, to the extent it relates to these entities and, in doing so, place reliance on the work of the other auditors and consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Parent 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 consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group including its Associates in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibilities also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates 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, which have been used for the purpose of preparation of the consolidated financial statements.

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

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

Auditors' Responsibility for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial 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 Parent 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 the 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 ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 auditors' report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance of the Parent Company 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 financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of ten subsidiaries, whose financial statements reflect total assets of ₹ 8,561.47 crore as at March 31, 2021, total revenues of ₹ 1,331.98 crore and net cash outflows amounting to ₹ 43.40 crore for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of subsection (3) 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.

Our opinion on the consolidated financial statements above 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 other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of the reports of other auditors on the separate financial statements of subsidiaries and associate referred to in the Other Matters Section above 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 financial statements.

   (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, returns and the reports of the other auditors.

   (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, the Consolidated Statement of Cash Flow and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   (d) In our opinion, the aforesaid consolidated 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 of the Parent Company as on March 31, 2021 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its, subsidiary companies, associate companies incorporated in India, none of the directors of the Group companies, its associate companies and incorporated in India is disqualified

Independent Auditors' Report (Contd.)

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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditors' reports of the Parent company, subsidiary companies, associate companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over financial reporting of those companies.

(g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company to its directors during the year is in accordance with the provisions of Section 197 of the Act.

(h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates (Refer note 35 to the consolidated financial statement).

ii. the Group and its associates did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Parent Company and its subsidiary companies and associate company incorporated in India.

FOR DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)
UDIN 21105035AAAADR3547

Place : Mumbai
Date : May 05, 2021

ANNEXURE "A" TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Act

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2021, we have audited the internal financial controls over financial reporting of JM Financial Limited (hereinafter referred to as "the Parent") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Parent Company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting 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 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 internal financial controls over financial reporting of the Parent Company and its subsidiary companies, which are companies incorporated in India and where such reporting under Section 143(3) of the Act is applicable, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, 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 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 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 auditors' 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 and the audit evidence obtained by the other auditors of the subsidiary companies, which are companies incorporated in India, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Parent Company and its subsidiary companies, which are companies incorporated in India and where such reporting under Section 143(3) of the Act is applicable.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A 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 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 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. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion to the best of our information and according to the explanations given to us and based on the consideration of the other auditors referred to in the Other Matters paragraph below, the Parent Company and its subsidiary companies, which are companies incorporated in India and where such reporting under Section 143(3) is applicable, have, 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 respective companies considering the essential components of internal control stated in the Guidance Note.

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to seven subsidiary companies, which are companies incorporated in India and where such reporting under Section 143(3) of the Act is applicable, is based solely on the corresponding reports of the auditors of such companies.

Our opinion is not modified in respect of the above matter.

FOR DELOITTE HASKINS & SELLS LLP
Chartered Accountants
(Firm's Registration No.117366W/W-100018)

Pallavi A. Gorakshakar
Partner
(Membership No. 105035)
UDIN 21105035AAAADR3547

Place : Mumbai
Date : May 05, 2021

Consolidated Balance Sheet

as at March 31, 2021

₹ in Crore

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Financial Assets			
Cash and cash equivalents	4	826.38	809.90
Bank balances other than cash and cash equivalents	5	1,248.57	519.50
Derivative financial instruments	6	5.06	1.26
Trade receivables	7	499.18	324.25
Loans	8	11,222.84	11,900.13
Investments	9	5,801.66	4,014.45
Other financial assets	10	2,986.72	2,382.32
Total Financial Assets		**22,590.41**	**19,951.81**
Non-Financial Assets			
Current tax assets (net)	11	296.53	295.89
Deferred tax assets (net)	19	27.80	-
Property, plant and equipment	12	361.88	387.40
Capital work-in-progress	12	0.86	0.69
Other Intangible assets	12	8.54	10.14
Goodwill on consolidation		52.44	52.44
Other non-financial assets	13	36.38	47.15
Total Non-Financial Assets		**784.43**	**793.71**
Total Assets		**23,374.84**	**20,745.52**
LIABILITIES AND EQUITY			
LIABILITIES			
Financial Liabilities			
Derivative financial instruments	6	4.82	1.22
Trade payables	14		
(i) total outstanding dues of micro enterprises and small enterprises		0.57	0.98
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		764.03	438.87
Debt securities	15	8,493.03	8,235.26
Borrowings (other than debt securities)	16	3,875.48	3,520.41
Other financial liabilities	17	430.99	271.55
Total Financial Liabilities		**13,568.92**	**12,468.29**
Non-Financial Liabilities			
Provisions	18	50.68	47.88
Deferred tax liabilities (net)	19	-	27.21
Other non-financial liabilities	20	79.19	67.71
Total Non-Financial Liabilities		**129.87**	**142.80**

Consolidated Balance Sheet

as at March 31, 2021 (Contd.)

₹ in Crore

	Note No.	As at March 31, 2021	As at March 31, 2020
EQUITY			
Equity share capital	21	95.27	84.12
Other equity	22	6,904.63	5,554.65
Equity attributable to owners of the Company		**6,990.90**	**5,638.77**
Non-controlling interests		2,604.82	2,406.89
Non-controlling interests of Security receipts holders under Distressed Credit Business		71.33	88.77
Total Equity		**9,675.05**	**8,134.43**
Total Liabilities and Equity		**23,374.84**	**20,745.52**
The accompanying notes form an integral part of the consolidated financial statements	1 to 51		

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Place : Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021

₹ in Crore

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Income:			
Revenue from operations			
Interest Income	23	1,908.54	2,281.27
Fees and commission Income	24	628.53	646.26
Brokerage Income	25	256.61	202.70
Net gain on fair value changes	26	311.91	175.53
Net gain on derecognition of financial instruments carried at amortised cost	27	6.60	18.02
Other Operating Income	28	85.28	108.25
		3,197.47	**3,432.03**
Other Income	29	29.16	21.52
Total Revenue		**3,226.63**	**3,453.55**
Expenses:			
Finance costs	30	1,110.87	1,385.86
Impairment on financial instruments	31	256.76	233.72
Employee benefits expense	32	440.83	395.41
Depreciation and amortisation expense	12	39.75	41.04
Other expenses	33	311.57	304.00
Total expenses		**2,159.78**	**2,360.03**
Profit before tax		**1,066.85**	**1,093.52**
Tax expense	34		
Current tax		313.59	328.52
Deferred tax		(52.73)	(15.92)
Tax adjustment of earlier years (net)		(0.07)	3.38
Total tax expense		**260.79**	**315.98**
Profit for the year		**806.06**	**777.54**
Add : Share in profit of associate		2.11	0.41
Profit after tax and share in profit of associate		**808.17**	**777.95**
Other Comprehensive Income (OCI)			
(i) Items that will be reclassified to profit or loss			
- Exchange differences on translation of foreign operations		(2.74)	9.87
(ii) Items that will not be reclassified to profit or loss			
-Remeasurement of defined benefit obligations		2.74	(1.60)
-Share in Other Comprehensive Income of Associate		#	#
-Income tax on above		(0.69)	0.41
Total Other Comprehensive Income (Net of tax)		**(0.69)**	**8.68**
Total Comprehensive Income		**807.48**	**786.63**

Consolidated Statement of Profit and Loss

for the year ended March 31, 2021 (Contd.)

₹ in Crore

	Note No.	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Profit Attributable to:			
Owners of the Company		590.14	544.98
Non-controlling interests		218.03	232.97
Other Comprehensive Income Attributable to:			
Owners of the Company		(0.81)	8.78
Non-controlling interests		0.12	(0.10)
Total Comprehensive Income Attributable to:			
Owners of the Company		589.33	553.76
Non-Controlling Interest		218.15	232.87
Earnings per equity share (EPS)	36		
(face value of ₹1/- each)			
Basic EPS (in ₹)		6.34	6.48
Diluted EPS (in ₹)		6.32	6.45
The accompanying notes form an integral part of the consolidated financial statements	1 - 51		

# Denotes amount below ₹ 50,000/-

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Place : Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Consolidated Cash Flow Statement

for the year ended March 31, 2021

₹ in Crore

		For the year ended March 31, 2021	For the year ended March 31, 2020
A	**Cash flow from operating activities**		
	Profit before tax	1,066.85	1,093.52
	Adjustment for:		
	Depreciation and amortisation expense	39.75	41.04
	Amortisation of deferred employee compensation (ESOP)	10.46	11.03
	Impairment on financial instruments	256.76	233.72
	Assets written-off	2.44	25.47
	Loss on sale of property, plant and equipment (PPE)	0.11	0.01
	Net gain on fair value changes	(311.91)	(175.53)
	Dividend income	(1.89)	(4.41)
	Interest income	(68.46)	(77.87)
	Finance cost on lease obligations	4.99	5.88
	Operating profit before working capital changes	**999.10**	**1,152.86**
	Adjustment for:		
	(Increase)/Decrease in trade receivables	(179.09)	351.09
	Decrease/(Increase) in derivative financial instruments (net)	0.42	(0.23)
	Decrease in loans	417.06	2,214.75
	(Increase) in other financial assets	(472.48)	(123.41)
	Decrease/(Increase) in other non-financial assets	10.03	(10.62)
	Increase in trade payables	324.75	31.69
	Increase/(Decrease) in other financial liabilities	166.64	(117.65)
	Increase in provisions	5.54	4.08
	Increase in other non-financial liabilities	11.48	33.73
	Cash generated from operations	**1,283.45**	**3,536.29**
	Direct taxes paid (net)	(314.16)	(372.16)
	Net cash generated from operating activities	**969.29**	**3,164.13**
B	**Cash flow from investing activities**		
	Purchase of investments	(1,995.80)	(1,635.64)
	Proceeds from sale of investments	411.83	650.83
	Purchase of PPE	(6.36)	(9.96)
	Proceeds from sale of PPE	0.29	0.11
	(Increase)/Decrease in other bank balances	(729.07)	10.97
	Interest received	68.46	77.87
	Dividend received	1.89	4.41
	Net cash (used in) investing activities	**(2,248.76)**	**(901.41)**

Consolidated Cash Flow Statement

for the year ended March 31, 2021 (Contd.)

₹ in Crore

		For the year ended March 31, 2021	For the year ended March 31, 2020
C	**Cash flow from financing activities**		
	Proceeds from issue of shares on exercise of options	0.15	0.13
	Proceeds from issue of shares (QIP) – net of share issue expenses	759.25	-
	Proceeds from issue of securities / security receipts (SRs) to non-controlling interest shareholders	-	97.17
	(Repayment) on redemption of SRs to Non-controlling SR holders	(39.41)	-
	(Repayment of) debt component of Compulsorily Convertible Debentures to NCI shareholders	(1.44)	-
	Proceeds from/(Repayment of) Debt Securities (net)	257.77	(1,487.57)
	Proceeds from/(Repayment of) Borrowings other than Debt Securities (net)	356.33	(747.25)
	(Repayment of) lease obligations (including interest)	(19.10)	(21.10)
	Dividend paid on equity shares (including dividend distribution tax)	(17.60)	(45.91)
	Net cash generated from / (used in) financing activities	**1,295.95**	**(2,204.53)**
	Net increase in cash and cash equivalents before consolidation effect	**16.48**	**58.19**
	Less: opening cash and cash equivalent of a subsidiary trust on loss of control during the year	-	(0.06)
	Net increase in cash and cash equivalents after consolidation effect	**16.48**	**58.13**
	Cash and cash equivalents at the beginning of the year	809.90	751.77
	Cash and cash equivalents at the end of the year (Refer note 4)	**826.38**	**809.90**
	The accompanying notes form an integral part of the consolidated financial statements 1 to 51		

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Place : Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021

A. Equity share capital

₹ in Crore

	Balance as at March 31, 2019	Changes in equity share capital during the year	Balance as at March 31, 2020	Changes in equity share capital during the year	Balance as at March 31, 2021
Equity Share Capital	83.99	0.13	84.12	11.15	95.27

B. Other Equity

₹ in Crore

	Share application money pending allotment	Reserves and Surplus													Other Comprehensive Income		Other equity attributable to the owners of the Company	Non-controlling Interests (NCI)*	Total
		Statutory Reserve I	Statutory Reserve II	Capital Reserve	Reserve on acquisition / dilution in subsidiary companies	Securities Premium Reserve	Capital Redemption Reserve	Stock Option Out-standing	Capital Reserve on Consoli-dation	Deben-ture redemp-tion reserve	General Reserve	Impair-ment Reserve	Initial Corpus	Retained earnings	Foreign Currency Translation Reserve	Share of OCI of Associate			
Balance as at March 31, 2019	-	641.52	-	21.85	137.45	1,242.60	27.77	27.91	174.64	33.76	205.25	-	#	2,524.91	10.04	#	5,047.70	2,634.45	7,682.15
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	544.98	-	-	544.98	232.97	777.95
OCI	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.09)	9.87	#	8.78	(0.10)	8.68
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	543.89	9.87	#	553.76	232.87	786.63
Employee Stock Options (Net)	#	-	-	-	-	9.96	-	1.07	-	-	-	-	-	-	-	-	11.03	-	11.03
Transfer to Other Reserves	-	112.47	1.48	-	-	-	-	-	-	-	-	-	-	(113.95)	-	-	-	-	-
Transfer from Other Reserve	-	-	-	-	-	-	-	-	-	(33.76)	-	-	-	33.76	-	-	-	-	-
On acquisition of equity shares of subsidiary company from NCI shareholders	-	-	-	-	#	-	-	-	-	-	-	-	-	-	-	-	#	(0.09)	(0.09)
On account of infusion by NCI shareholders in subsidiary companies / trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	97.17	97.17
On loss of control by the subsidiary company in its subsidiary trusts (Refer note 45.2)	-	-	-	-	-	-	-	-	-	-	-	-	#	-	-	-	#	(480.70)	(480.70)
On account of forfeiture of partly paid-up equity shares in subsidiary company	-	-	-	-	(12.23)	-	-	-	-	-	-	-	-	-	-	-	(12.23)	12.23	-
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	(42.00)	-	-	(42.00)	(0.22)	(42.22)
Dividend Distribution tax	-	-	-	-	-	-	-	-	-	-	-	-	-	(3.61)	-	-	(3.61)	(0.05)	(3.66)
Balance as at March 31, 2020	#	753.99	1.48	21.85	125.22	1,252.56	27.77	28.98	174.64	-	205.25	-	#	2,943.00	19.91	#	5,554.65	2,495.66	8,050.31

Consolidated Statement of Changes in Equity

for the year ended March 31, 2021 (Contd.)

B. Other Equity

₹ in Crore

	Share application money pending allotment	Reserves and Surplus													Other Comprehensive Income		Other equity attributable to the owners of the Company	Non-controlling Interests (NCI)*	Total
		Statutory Reserve I	Statutory Reserve II	Capital Reserve	Reserve on acquisition / dilution in subsidiary companies	Securities Premium Reserve	Capital Redemption Reserve	Stock Option Out-standing	Capital Reserve on Consoli-dation	Deben-ture redemp-tion reserve	General Reserve	Impair-ment Reserve	Initial Corpus	Retained earnings	Foreign Currency Translation Reserve	Share of OCI of Associate			
Balance as at March 31, 2020	#	753.99	1.48	21.85	125.22	1,252.56	27.77	28.98	174.64	-	205.25	-	#	2,943.00	19.91	#	5,554.65	2,495.66	8,050.31
Profit for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	590.14	-	-	590.14	218.03	808.17
OCI	-	-	-	-	-	-	-	-	-	-	-	-	-	1.93	(2.74)	#	(0.81)	0.12	(0.69)
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	592.07	(2.74)	#	589.33	218.15	807.48
Employee Stock Options (Net)	#	-	-	-	-	12.12	-	(2.12)	-	-	-	-	-	-	-	-	10.00	0.46	10.46
Issue of Equity shares (QIP)	-	-	-	-	-	759.00	-	-	-	-	-	-	-	-	-	-	759.00	-	759.00
Share issue expenses	-	-	-	-	-	(8.05)	-	-	-	-	-	-	-	-	-	-	(8.05)	-	(8.05)
Transfer to Other Reserves	-	102.90	0.64	-	-	-	-	-	-	-	-	14.43	-	(117.97)	-	-	-	-	-
On acquisition of equity shares of subsidiary company from NCI shareholders	-	-	-	-	0.06	-	-	-	-	-	-	-	-	-	-	-	0.06	(1.67)	(1.61)
On account of change in controlling interest of Subsidiary company in its subsidiary trusts	-	-	-	-	-	-	-	-	-	-	-	-	#	-	-	-	#	21.19	21.19
On account of infusion in subsidiary company	-	-	-	-	16.46	-	-	-	-	-	-	-	-	-	-	-	16.46	(16.46)	-
On redemption of SRs to Non-controlling SR holders	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(39.41)	(39.41)
On repayment of debt component of Compulsorily convertible debentures to NCI shareholders in subsidiary company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1.44)	(1.44)
Dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	(16.82)	-	-	(16.82)	(0.33)	(17.15)
Balance as at March 31, 2021	-	856.89	2.12	21.85	141.74	2,015.63	27.77	26.86	174.64	-	205.25	14.43	#	3,400.28	17.17	#	6,904.63	2,676.15	9,580.78

The accompanying notes form an integral part of the consolidated financial statements 1 to 51

# Denotes amount below ₹ 50,000/-

*Including non-controlling interests of security receipts holders under distressed credit business

In terms of our report of even date attached

For and on behalf of
Deloitte Haskins & Sells LLP
Chartered Accountants
Firm's Registration No. 117366W/W-100018

Pallavi A. Gorakshakar
Partner
Membership No. 105035

Place : Mumbai
Date: May 05, 2021

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

Significant Accounting Policies
and notes to the Consolidated Financial Statements

1. Corporate Information

JM Financial Limited ("the Company") along with its subsidiaries (collectively referred to as "the Group") and an associate is an integrated and diversified financial services group. The Group's primary businesses include (a) Investment banking, wealth management and securities business (IWS) which includes fee and fund based activities for its clients, (b) Mortgage Lending which includes both wholesale mortgage lending and retail mortgage lending (home loans and education institutions lending), (c) Distressed credit which includes the Asset Reconstruction business and (d) Asset Management includes the mutual fund business.

The Company's equity shares are listed on the BSE Limited and National Stock Exchange of India Limited in India.

2. Significant accounting policies

2.1 Basis of preparation and presentation 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 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 such as 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 Cash flow statement 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 Rupees (₹) to two decimal places.

Previous year figures have been re-grouped or reclassified, to confirm with current year's grouping / classifications. There is no impact on Equity or Net Profit due to these regrouping / reclassifications.

2.2 Principles of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group and its subsidiaries. Control is achieved when the Group:

- has power over the investee;
- is exposed, or has rights, to variable returns from its involvement with the investee; and
- has the ability to use its power to affect its returns.

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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 circumstanc-es 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.

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, or, when applicable, the cost on initial recognition of an investment in an associate or joint venture.

2.3 Investments in Associates

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. Investments in associates are accounted for using the equity method of accounting, after initially being recognized at cost.

Under the equity method of accounting, the investments are initially recognized at cost and adjusted thereafter to recognize the Group's share of post-acquisition profits or losses of the investee in profit and loss, and the Group's share of other comprehensive income of

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the investee in other comprehensive income. Dividends received or receivable from associates are recognized as a reduction in the carrying amount of the investment.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

2.4 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree and the equity interests issued by the Group in exchange of control of the acquiree. Acquisition related costs are generally recognised in Consolidated Statement of Profit and Loss as incurred.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that

- Deferred tax assets or liabilities related to employee benefits arrangements are recognised and measured in accordance with Ind AS 12 Income taxes and Ind AS 19 Employee benefits respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payment at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interests in the acquiree (if any) over the net of the acquisition date amounts of the identifiable assets acquired and the liabilities assumed.

In case of a bargain purchase, before recognising a gain in respect thereof, the Group determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase. Thereafter, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and recognises any additional assets or liabilities that are identified in that reassessment. The Group then reviews the procedures used to measure the amounts that Ind AS requires for the purposes of calculating the bargain purchase. If the gain remains after this reassessment and review, the Group recognises it in other comprehensive income and accumulates the same in equity as capital reserve. This gain is attributed to the acquirer. If there does not exist clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, the Group recognises the gain, after reassessing arid reviewing (as described above), directly in equity as capital reserve.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value of at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill or capital reserve, as the case maybe. Measurement period adjustments are adjustments that arise from additional information obtained during the 'measurement period' (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is re-measured at fair value at subsequent reporting dates with the corresponding gain or loss being recognised in Statement of Profit and Loss.

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When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in Statement of Profit and Loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to Statement of Profit and Loss where such treatment would be appropriate if that interest were disposed of.

Common control transactions

Business combinations involving entities that are controlled by the Group are accounted for using the pooling of interests method as follows:

1) The assets and liabilities of the combining entities are reflected at their carrying amounts.

2) No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.

3) The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.

4) The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

5) The difference, if any, between the amounts recorded as share capital issued plus any additional consideration in the form of cash or other assets and the amount of share capital of the transferor is transferred to capital reserve and is presented separately from other capital reserves.

6) The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of combination. However, where the business combination had occurred after that date, the prior period information is restated only from that date.

2.5 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.

2.6 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 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".

Depreciation / amortisation is recognised on a straight-line basis over the estimated useful lives of respective assets as under:

Assets	Useful Life
Property, Plant & Equipment	
Office Premises	60 years
Leasehold building	60 years or lease period whichever is lower
Leasehold improvements	10 years or lease period whichever is lower
Computers	3 years
Servers and Networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Motor Vehicles	5 years
Intangible Assets	
Computer Software	5 years

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Assets costing less than ₹ 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 Statement of Profit and 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”.

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 the statement of Profit and Loss when the asset is derecognised.

Impairment losses on non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its property, plant and equipment and intangible assets to determine whether there is any indication that those 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 the Statement of Profit and Loss.

2.7 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 Fair Value through Profit or loss (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 Statement of Profit and 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 Statement of Profit and 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).

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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 Statement of Profit and 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 Statement of Profit and Loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

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Equity Investments at FVTOCI

The Group subsequently measures all equity investments at fair value through profit or loss, unless the Group management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI, 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 FVTOCI are never recycled to Statement of Profit and Loss. Dividends are recognised in Statement of Profit and 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 FVTOCI 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 Group 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 Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and 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.

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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 Group measures ECL on an individual basis, or on a collective basis for loans that share similar economic risk characteristics. 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 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:** Defined as performing assets with upto 30 days past due (DPD). Stage 1 loans will also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.

- **Stage 2:** Defined as under-performing assets having 31 to 90 DPD. Stage 2 loans will also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2. Accounts with overdue more than 30 DPD will be assessed for significant increase in credit risks.

- **Stage 3:** Defined as assets with overdue more than 90 DPD. The Company will record an allowance for the life time expected credit losses. These accounts will be assessed for credit impairment.

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, 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 asset or

- retains the contractual rights to receive the cash flows of the financial asset, 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 asset. In such cases, the financial asset 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 debt securities 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.

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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 Statement of Profit and 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.

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 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 Statement of Profit and Loss.

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2.8 Revenue recognition

Revenue is measured based on the consideration to which the Group expects to be entitled in a contract with customer and excludes amounts collected on behalf of third parties.

Revenue from Investment Banking business, which mainly includes the lead manager's fees, selling commission, underwriting commission, fees for mergers, acquisitions & advisory assignments and arrangers' fees for mobilising funds is recognised based on the milestone achieved as set forth under the terms of engagement.

Management fee is recognised at specific rates agreed for the relevant schemes applied on the daily net assets of each scheme under the asset management segment.

Brokerage income for executing clients' transactions in the secondary market in 'Cash' and 'Futures and Options' segments are recognised on the trade date.

Fees earned from primary market operations, i.e., procuring subscription from investors for public offerings of companies are recorded on determination of the amount due, once the allotment of securities is completed. Fees earned for mobilising bonds, fixed deposits for companies and funds for mutual funds from investors is recorded on monthly, quarterly or annual basis as set forth in terms of the engagement.

Income from structured products including processing fees, income from depository participant business and income from portfolio management services are recognised when the services are determined to be completed.

Dividend income from investments is recognised when the right to receive the dividend is established.

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR) applicable.

Management fees and incentive income under Distressed Credit business is recognised as per terms of the relevant trust deed/ offer documents.

2.9 Leases

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

As a lessee

Operating Lease
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 to Use 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.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. Right to Use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the right to 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 to use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right to use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right to use assets.

Right to 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 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.

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The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right to use assets. Where the carrying amount of the right to 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.

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 17 "Other Financial Liabilities" and Right to Use asset has been presented in Note 12 "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

Finance Lease

Assets held under finance leases are initially recognised as assets of the Group 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 Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Group's general policy on borrowing costs.

As a lessor

Leases for which the Group 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 Group 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 right to use asset arising from the head-lease.

2.10 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 Statement of Profit and Loss in the period in which they arise.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity.

2.11 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.

2.12 Employee benefits

Defined contribution obligation

Retirement benefits in the form of provident fund are a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due.

Defined benefit obligation

The liabilities 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 recognises current service cost, past service cost, if any and interest cost in the statement of Profit and Loss. Remeasurement gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the period in which they occur in the OCI.

Short-term 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 there is 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 in respect of services provided by employees up to the reporting date.

2.13 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.

2.14 Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in 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 Current tax 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.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities 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 of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 asset 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 realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2.15 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.

2.16 Segment Reporting

The Board of Directors of the Company has been identified as the Chief Operating Decision Maker (CODM) as defined by Ind AS 108, "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

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policies adopted for the Group. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Income / costs which relate to the Group as a whole and are not allocable to segments on a reasonable basis have been included under Unallocated Income / Costs.

2.17 Provisions, contingent liabilities and contingent assets

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.

2.18 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.

2.19 Statement of Cash Flows

Cash Flow Statement 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 Cash flow statement exclude items which are not available for general use as on the date of Balance Sheet, if any.

2.20 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 consolidated cash flow statement, cash and cash equivalents consist of cash at banks and on hand, Cheques on hand and short term deposits.

2.21 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.

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3 Critical accounting judgements and key sources of estimation uncertainties:

The preparation of financial statements in conformity with Ind AS requires the management to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities recognised in the financial statements that are not readily apparent from other sources. The judgements, estimates and associated assumptions are based on historical experience and other factors including estimation of effects of uncertain future events that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

The following are the critical judgements and estimations that have been made by the Management in the process of applying the Group's accounting policies and that have the most significant effect on the amounts recognised in the consolidated financial statements, and other key sources of estimation uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Consolidation of Entities where Group holds less than majority of voting rights:

An entity is consolidated as a subsidiary if the Company has control over the said entity based on the management evaluation of investments and related agreements/ deeds and determine that the Group has control over the said entity in terms of Ind AS 110 on Consolidated Financial Statements. Control shall include the right to appoint majority of the directors or to control the management or policy decisions exercisable by a person or persons acting individually or in concert, directly or indirectly, including by virtue of their shareholding or management rights or shareholders' agreements or voting agreements or in any other manner.

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. Where Level 1 inputs are not available, the Group has applied appropriate valuation techniques and inputs to the valuation model and has engaged third party external rating agencies to perform the valuations.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 46.

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.

The inputs used and process followed by the Group in determining the increase in credit risk have been detailed in Note 48.

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.

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences become deductible. The Group considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

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4 Cash and Cash Equivalents

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Cash	0.12	0.07
Cheques on hand	0.08	1.73
Balances with banks:		
- In current accounts	575.90	511.17
- In deposit accounts	250.28	296.93
Total	**826.38**	**809.90**

5 Bank Balances other than Cash and Cash Equivalents

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
In deposit accounts		
Under lien against which facilities are availed (refer note 5.1)	1,077.08	407.98
Under lien against which facilities are not availed (refer note 5.1)	165.01	103.06
Other bank balances (refer notes 5.2 and 5.3)	6.48	8.46
Total	**1,248.57**	**519.50**
Notes:		
5.1 Balances with banks in deposit accounts to the extent held as margin money or security against the borrowings, guarantees and other commitments.	1,242.09	511.04
5.2 Includes earmarked bank balances against unclaimed dividend	1.96	2.41
5.3 Includes other earmarked bank balances	4.30	5.54

6 Derivative Financial Instruments

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Embedded Derivatives (in Nifty Linked Debentures) (Refer Note 6.1)		
Fair value of asset	5.06	1.26
Total	**5.06**	**1.26**
Fair value of liability	4.82	1.22
Total	**4.82**	**1.22**

6.1 The Group has entered into derivative contracts (Options) to cover the exposure on issued Nifty linked debentures.

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7 Trade Receivables

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Secured, considered good	90.49	84.66
Unsecured, considered good	422.24	252.27
Less: Impairment loss allowance	(13.55)	(12.68)
	499.18	**324.25**
Unsecured, considered doubtful	4.53	1.85
Less: Impairment loss allowance	(4.53)	(1.85)
	-	-
Total	**499.18**	**324.25**

8 Loans

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
(At amortised cost)		
Term Loans	10,642.00	11,575.18
Demand Loans	953.45	425.14
Inter Corporate Deposits	30.00	30.00
Accrued Interest	196.08	210.10
	11,821.53	**12,240.42**
Less: Impairment loss allowance	(598.69)	(340.29)
	11,222.84	**11,900.13**
Break up of loans into secured and unsecured		
Secured by tangible assets (including real estate mortgages, shares, bonds, mutual funds, etc.)	11,819.38	12,219.92
Unsecured	2.15	20.50
	11,821.53	**12,240.42**
Less: Impairment loss allowance	(598.69)	(340.29)
Total	**11,222.84**	**11,900.13**

Note:

8.1 The loans are given in India to parties other than public sectors.

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9 Investments

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
(At amortised cost)		
Investment in Associate		
JM Financial Trustee Company Private Limited	0.03	0.03
Add : Share in post-acquisition profit	11.98	9.87
	12.01	**9.90**
(At FVTPL)		
Equity Instruments	200.73	249.82
Preference Shares	16.43	6.55
Debt Instruments	36.42	18.20
Government Securities	24.98	-
Security Receipts	1,053.61	1,185.84
Convertible Warrants	9.72	-
Venture Capital Fund (VCF) Units	74.94	51.37
Alternative Investment Funds (AIF) Units	21.84	6.04
Real Estate Investment Trust (REIT) Units	16.74	1.35
Mutual Fund Units	4,334.23	2,485.37
Equity Oriented Mutual Fund Units (Refer Note 9.1)	0.01	0.01
	5,789.65	**4,004.55**
Total	**5,801.66**	**4,014.45**
Break-up of Investments:		
Investments in India	5,766.87	3,983.90
Investments outside India	34.79	30.55
	5,801.66	**4,014.45**
Less: Impairment loss allowance	-	-
Total	**5,801.66**	**4,014.45**

Note:

9.1 Includes investment in units of equity oriented mutual fund of ₹ 0.01 crore which represents initial contribution as a 'Sponsor' towards setting up of JM Financial Mutual Fund.

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10 Other Financial Assets

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
(At FVTPL)		
Financial Assets of Distressed Credit business	2,222.82	1,965.16
Debt securities held as stock in trade	432.93	160.69
Assets held for Arbitrage activities	259.26	43.34
Redemption proceeds receivable from Mutual fund	-	14.00
	2,915.01	**2,183.19**
(At Amortised Cost)		
Advances recoverable in cash	39.97	60.41
Security deposits	17.33	17.78
Accrued Interest on fixed deposits	8.14	7.31
Other deposits	5.81	113.27
Employees advances	0.46	0.36
	71.71	**199.13**
Total	**2,986.72**	**2,382.32**

11 Current Tax Assets (Net)

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Advance Tax (Net of provisions)	296.53	295.89
Total	**296.53**	**295.89**

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12 Property, Plant and Equipment and Intangible Assets

₹ in Crore

	Gross Carrying Amount					Accumulated Depreciation / Amortisation					Net Carrying Amount
	As at April 1, 2020	Additions for the year	Deductions for the year	Currency Fluctuation	As at March 31, 2021	As at April 1, 2020	Additions for the year	Deductions for the year	Currency Fluctuation	As at March 31, 2021	As at March 31, 2021
A) PROPERTY, PLANT AND EQUIPMENT											
Owned assets:											
Land	0.44	-	-	-	0.44	-	-	-	-	-	0.44
Leasehold Building	54.90	-	-	-	54.90	3.12	1.04	-	-	4.16	50.74
Office premises	261.74	-	-	-	261.74	13.99	4.66	-	-	18.65	243.09
Leasehold improvements	15.70	0.95	0.43	-	16.22	8.26	2.28	0.20	-	10.34	5.88
Computers	24.54	2.64	0.33	#	26.85	13.48	5.25	0.33	#	18.40	8.45
Office equipment	7.29	0.45	0.48	-	7.26	4.68	1.25	0.46	-	5.47	1.79
Furniture and fixtures	30.68	0.24	0.27	#	30.65	11.59	4.20	0.21	#	15.58	15.07
Motor Vehicles	4.26	-	-	-	4.26	2.47	0.87	-	-	3.34	0.92
Leased assets :											
Office Premises (Right to use asset)	56.87	9.46	8.32	0.09	58.10	14.51	14.56	4.59	0.03	24.51	33.59
Motor Vehicles (Refer note 12.1)	5.59	0.63	1.25	-	4.97	2.51	1.54	0.99	-	3.06	1.91
Total (A)	**462.01**	**14.37**	**11.08**	**0.09**	**465.39**	**74.61**	**35.65**	**6.78**	**0.03**	**103.51**	**361.88**
B) INTANGIBLE ASSETS (refer note 12.2)											
Software	22.21	2.59	0.09	-	24.71	12.07	4.10	-	-	16.17	8.54
Total (B)	**22.21**	**2.59**	**0.09**	**-**	**24.71**	**12.07**	**4.10**	**-**	**-**	**16.17**	**8.54**
C) CAPITAL WORK-IN-PROGRESS											0.86
Total (A + B + C)	**484.22**	**16.96**	**11.17**	**0.09**	**490.10**	**86.68**	**39.75**	**6.78**	**0.03**	**119.68**	**371.28**

# Denotes amount below ₹ 50,000/-

₹ in Crore

	Gross Carrying Amount					Accumulated Depreciation / Amortisation					Net Carrying Amount
	As at April 1, 2019	Additions for the year	Deductions for the year	Currency Fluctuation	As at March 31, 2020	As at April 1, 2019	Additions for the year	Deductions for the year	Currency Fluctuation	As at March 31, 2020	As at March 31, 2020
A) PROPERTY, PLANT AND EQUIPMENT											
Owned assets:											
Land	0.44	-	-	-	0.44	-	-	-	-	-	0.44
Leasehold Building	54.90	-	-	-	54.90	2.08	1.04	-	-	3.12	51.78
Office premises	261.74	-	-	-	261.74	9.32	4.67	-	-	13.99	247.75
Leasehold improvements	16.30	1.01	1.61	-	15.70	7.27	2.53	1.54	-	8.26	7.44
Computers	19.89	4.72	0.08	0.01	24.54	8.09	5.46	0.08	0.01	13.48	11.06
Office equipment	6.93	0.64	0.28	-	7.29	3.61	1.33	0.26	-	4.68	2.61
Furniture and fixtures	31.02	0.60	0.95	0.01	30.68	8.22	4.29	0.92	#	11.59	19.09
Motor Vehicles	4.26	-	-	-	4.26	1.59	0.88	-	-	2.47	1.79
Leased assets :											
Office Premises (Right to use asset)	-	58.05	1.18	-	56.87	-	14.64	0.15	0.02	14.51	42.36
Motor Vehicles (Refer Note 12.1)	5.27	1.24	0.92	-	5.59	1.45	1.72	0.66	-	2.51	3.08
Total (A)	**400.75**	**66.26**	**5.02**	**0.02**	**462.01**	**41.63**	**36.56**	**3.61**	**0.03**	**74.61**	**387.40**
B) INTANGIBLE ASSETS (refer note 12.2)											
Software	19.58	2.63	-	-	22.21	7.59	4.48	-	-	12.07	10.14
Total (B)	**19.58**	**2.63**	**-**	**-**	**22.21**	**7.59**	**4.48**	**-**	**-**	**12.07**	**10.14**
C) CAPITAL WORK-IN-PROGRESS											0.69
Total (A + B + C)	**420.33**	**68.89**	**5.02**	**0.02**	**484.22**	**49.22**	**41.04**	**3.61**	**0.03**	**86.68**	**398.23**

# Denotes amount below ₹ 50,000/-

12.1 Vendor has lien over the assets taken on lease

12.2 The Intangible assets are other than internally generated.

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13 Other Non Financial Assets

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Capital advances	1.52	2.26
Balances with government authorities	25.08	21.30
Prepaid expenses	8.74	7.56
Advances receivable in kind	0.98	0.95
Commodities held as Stock-in-trade	-	14.99
Others	0.06	0.09
Total	**36.38**	**47.15**

14 Trade Payables

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Total outstanding dues of micro and small enterprises (Refer note 14.1)	0.57	0.98
Total outstanding dues of creditors other than micro and small enterprises	827.24	502.08
Less: Receivable from National Spot Exchange Limited (NSEL) on account of clients (Refer note 14.2)	(63.21)	(63.21)
	764.03	**438.87**
Total	**764.60**	**439.85**

Note :

14.1 Total outstanding dues of micro and small enterprises:
The amounts due to Micro and Small Enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006, has been determined to the extent such parties have been identified on the basis of information available with the Group. Disclosures pertaining to Micro and Small Enterprises are as under:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	0.57	0.98
(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	**0.57**	**0.98**

14.2 This amount is payable to the clients only if and to the extent the same is received from NSEL.

Notes
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15 Debt Securities

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
(At amortised cost)		
Secured		
Non-convertible debentures (Refer Notes 15.1 & 15.3)	6,800.27	6,908.59
	6,800.27	**6,908.59**
Unsecured		
Commercial papers (Refer Note 15.4)	1,103.00	726.70
Less: Unamortised discount on commercial papers	(43.91)	(14.18)
	1,059.09	**712.52**
Interest Accrued	633.67	614.15
Total	**8,493.03**	**8,235.26**
Debt securities in India	8,493.03	8,235.26
Debt securities outside India	-	-
Total	**8,493.03**	**8,235.26**

15.1 Maturity profile and rate of interest/ discounted rate of interest of Non-Convertible Debentures (NCD):

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Secured:		
Public issue - Face value of ₹ 1,000 each		
9.50% NCD redeemable in year 2021-22	31.12	31.12
9.90% NCD redeemable in year 2021-22	44.17	43.94
0% NCD redeemable in year 2021-22*	40.15	40.16
9.25% Tranche I -Option I redeemable in year 2021-22	116.42	116.52
0% Tranche I -Option II redeemable in year 2021-22*	24.35	24.39
10.20% NCD redeemable in year 2022-23	194.84	176.72
0% NCD redeemable in year 2022-23*	38.70	38.74
10.00% Tranche II -Option I redeemable in year 2022-23	98.44	98.72
0% Tranche II -Option II redeemable in year 2022-23*	31.04	31.73
9.70% NCD redeemable in year 2023-24	12.42	12.52
9.29% NCD redeemable in year 2023-24	11.38	11.42
0% NCD redeemable in year 2023-24*	4.54	4.54
9.50% Tranche I -Option III redeemable in year 2023-24	362.49	365.30
9.11% Tranche I -Option IV redeemable in year 2023-24	16.67	17.03
10.10% Tranche II -Option III redeemable in year 2023-24	47.61	49.09
9.67% Tranche II -Option IV redeemable in year 2023-24	42.37	42.87
9.85% NCD redeemable in year 2024-25	15.32	15.38

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₹ in Crore

	As at March 31, 2021	As at March 31, 2020
10.04% NCD redeemable in year 2024-25	66.90	66.78
10.30% NCD redeemable in year 2024-25	29.49	29.50
10.50% NCD redeemable in year 2024-25	99.86	99.23
9.48% NCD redeemable in year 2024-25	12.64	12.69
9.90% NCD redeemable in year 2024-25	10.34	10.34
0% NCD redeemable in year 2024-25*	4.14	4.14
0% NCD redeemable in year 2026-27*	8.25	8.29
9.75% Tranche I -Option V redeemable in year 2028-29	214.77	214.82
9.34% Tranche I -Option VI redeemable in year 2028-29	11.76	11.94
10.25% Tranche II -Option V redeemable in year 2028-29	24.81	25.04
9.81% Tranche II -Option VI redeemable in year 2028-29	15.80	16.15
10.00% NCD redeemable in year 2029-30	2.37	2.37
9.57% NCD redeemable in year 2029-30	4.95	4.96
	1,638.11	**1,626.44**
Private Placement - Face value of ₹ 10,00,000 each		
8.81% NCD redeemable in year 2020-21	-	260.00
8.80% NCD redeemable in year 2020-21	-	120.00
8.90% NCD redeemable in year 2020-21	-	150.00
10.29% NCD redeemable in year 2020-21	-	50.00
10% Tranche XXVII redeemable in the year 2020-21**	-	50.00
10% Tranche XXVIII redeemable in the year 2020-21**	-	50.00
9.15% NCD redeemable in year 2020-21*	-	14.70
9.15% NCD redeemable in year 2020-21	-	67.90
9.3606% NCD redeemable in year 2020-21	-	42.80
9.05% NCD redeemable in year 2020-21	-	205.00
0% NCD redeemable in year 2020-21 *	-	224.60
NCD redeemable in year 2020-21**	-	88.40
9.50% Tranche V NCD redeemable in the year 2020-21*	-	139.00
9.30% Tranche IX NCD redeemable in year 2020-21*	-	28.50
8.75% Tranche XV redeemable in the year 2020-21**	-	1.20
9.25% Tranche XIV Option A redeemable in the year 2020-21*	-	26.70
9.50% Tranche XXI Option A redeemable in the year 2020-21	-	24.70
8.75% NCD redeemable in year 2021-22	100.00	-
9.10% NCD redeemable in year 2021-22	33.33	-
11.50% NCD redeemable in the year 2021-22^	-	150.00
9.35% Tranche XIV Option B redeemable in the year 2021-22*	14.00	14.00
9.50% Tranche XVI redeemable in the year 2021-22*	21.00	21.00
9.75% Tranche XVII redeemable in the year 2021-22*	5.00	5.00

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₹ in Crore

	As at March 31, 2021	As at March 31, 2020
9.80% NCD redeemable in the year 2021-22*	47.00	47.00
10.25% NCD redeemable in the year 2021-22*	331.00	331.00
10.25% NCD redeemable in the year 2021-22	25.00	25.00
10.20% Tranche XX Option B redeemable in the year 2021-22*	10.00	10.00
10.38% NCD redeemable in the year 2021-22*	30.00	30.00
12.40% Tranche XXIX-Option A redeemable in the year 2021-22^	-	100.00
12.40% Tranche XXIX-Option B redeemable in the year 2021-22^	-	250.00
10.50% NCD redeemable in year 2021-22	20.00	20.00
0% NCD redeemable in year 2021-22*	30.00	30.00
0% NCD redeemable in year 2021-22*	683.90	683.90
9.00% NCD redeemable in year 2021-22	10.00	10.00
9.50% NCD redeemable in year 2021-22	25.00	25.00
9.70% NCD redeemable in year 2021-22	30.00	30.00
9.34% NCD redeemable in year 2021-22	109.80	109.80
10% NCD redeemable in the year 2021-22	25.00	25.00
5.77% NCD redeemable in year 2022-23**	150.00	-
9.10% NCD redeemable in year 2022-23	33.34	-
10.00% NCD redeemable in year 2022-23	50.00	50.00
10.48% Tranche XXIII redeemable in the year 2022-23*	50.00	50.00
0% NCD redeemable in year 2022-23*	110.00	110.00
7.75% NCD redeemable in year 2022-23	300.00	-
9.00% NCD redeemable in year 2022-23	50.00	-
8.40% NCD redeemable in year 2022-23	150.00	-
9.20% NCD redeemable in year 2022-23^	-	150.00
11.50% NCD redeemable in the year 2022-23^	148.00	150.00
12.50% Tranche XXIX-Option C redeemable in the year 2022-23^	-	150.00
9.25% NCD redeemable in the year 2022-23	5.10	5.10
9.10% NCD redeemable in year 2023-24	58.33	-
9.20% NCD redeemable in the year 2023-24	50.00	-
9.40% NCD redeemable in year 2023-24	200.00	-
9.10% NCD redeemable in year 2023-24	100.00	-
8.25% NCD redeemable in year 2023-24	50.00	-
10.85% NCD redeemable in year 2024-25	600.00	600.00
10.10% NCD redeemable in the year 2024-25	6.30	6.30
8.50% NCD redeemable in the year 2024-25	50.00	-
8% NCD redeemable in the year 2025-26	10.00	-
9.75% NCD redeemable in year 2026-27	100.00	100.00
8.65% NCD redeemable in year 2027-28	50.00	-
9.75% NCD redeemable in year 2027-28	100.00	100.00

Notes
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₹ in Crore

	As at March 31, 2021	As at March 31, 2020
8.65% NCD redeemable in year 2028-29	50.00	-
9.75% NCD redeemable in year 2028-29	100.00	100.00
9.50% NCD redeemable in year 2028-29	25.00	25.00
8.65% NCD redeemable in year 2029-30	50.00	-
9.75% NCD redeemable in year 2029-30	100.00	100.00
9.10% NCD redeemable in year 2030-31	145.00	-
9.20% NCD redeemable in year 2030-31	105.00	-
8.81% NCD redeemable in year 2030-31	155.00	-
8.75% NCD redeemable in year 2030-31	95.00	-
8.65% NCD redeemable in year 2030-31	50.00	-
8.60% NCD redeemable in year 2032-33	30.00	-
	4,876.10	**5,156.60**
Private Placement - Face value of ₹ 5,00,000 each		
Nifty Linked Debentures redeemable in the year 2020-21	-	31.07
	-	**31.07**
Private Placement - Face value of ₹ 2,50,000 each		
Nifty Linked Debentures redeemable in the year 2021-22	53.83	-
	53.83	**-**
Private Placement - Face value of ₹ 2,00,000 each		
11.00% Tranche XXV redeemable in the year 2020-21**	-	25.00
10% Tranche XXX redeemable in the year 2021-22**	100.00	100.00
NCD redeemable in year 2021-22**	50.00	50.00
NCD redeemable in year 2022-23**	75.00	-
8.5% Tranche XXXI redeemable in the year 2022-23**	75.00	-
	300.00	**175.00**
Total	**6,868.04**	**6,989.11**

* Redeemable at premium

** Market linked debentures (MLD)

^ Fully or partly redeemed during the year ended March 31, 2021

15.2 Maturity profile above is disclosed at face value which excludes premium and impact of effective interest rate adjustment.

15.3 Secured Non-convertible debentures are secured by way of first charge on freehold land, hypothecation on certain identified loan fund balances and receivables and pledge of certain security receipts of the relevant subsidiary companies.

15.4 Commercial papers raised during the year have interest ranging from 3.90% to 9.20% p.a (for FY 2019-20 - 7.00% to 13.00% p.a) and are repayable within a period upto 365 days from the date of disbursement.

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16 Borrowings (Other Than Debt Securities)

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
(At amortised cost)		
Secured		
Term loans		
(i) from banks (Refer notes 16.1 & 16.8)	1,637.88	2,699.49
(ii) from others (Refer notes 16.1 & 16.9)	430.25	356.87
Inter corporate deposits (Refer note 16.2)	800.00	-
Cash credit / WCDL facilities (Refer note 16.3)	274.12	236.66
Overdraft accounts (Refer note 16.4)	12.87	9.60
Additional special refinance facility from National Housing Bank (NHB) (Refer note 16.5)	17.20	-
Finance lease obligation (Refer notes 16.6 & 37)	2.30	3.56
Total	**3,174.62**	**3,306.18**
Unsecured		
Borrowings under Securities lending and borrowings (SLB)	266.44	48.67
Inter corporate deposits	419.00	150.00
Total	**685.44**	**198.67**
Interest Accrued	15.42	15.56
Total	**3,875.48**	**3,520.41**
Borrowings in India	3,875.48	3,520.41
Borrowings outside India	-	-
Total	**3,875.48**	**3,520.41**

16.1 Term Loans from banks and others are secured by way of:
- floating first pari passu charge by way of hypothecation on certain identified loan fund balances,
- exclusive charge by way of hypothecation on certain identified loan fund balances,
- pledge of certain identified security receipts,
- first ranking exclusive charge on mortgage of property, movable fixed and current assets,
- mortgage of property and hypothecation of rent receivable, of the relevant subsidiary companies.

16.2 Inter corporate deposit of the relevant subsidiary company is secured, however security creation is pending as on March 31, 2021 and will be created within the timeline which is permissible as per the executed document. It is short term in nature and repayable on or before August 2021.

16.3 Secured by way of hypothecation on certain identified loan fund balances and pledge of certain identified security receipts of the relevant subsidiary companies.

16.4 Secured by way of first ranking pari passu charge over the receivables and collaterals/fixed deposits with banks, of the relevant subsidiary companies.

16.5 Secured by way of exclusive charge on certain identified loan fund balances of the relevant subsidiary company.

16.6 Secured by way of hypothecation of vehicles.

16.7 Term loan includes impact of Effective interest rate (EIR) adjustment.

Notes
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16.8 Maturity profile and rate of interest of term loans from banks:

₹ in Crore

Residual Maturities	As at March 31, 2021		
	Up to one year (April 2021 to March 2022)	1-3 years (April 2022 to March 2024)	3 years & above (April 2024 onwards)
7.00 % to 8.00%	8.54	21.33	117.30
8.01 % to 9.00%	251.39	269.55	71.11
9.01 % to 10.00%	252.45	333.82	164.70
10.01% to 11.00%	15.00	80.00	65.00
Total	**527.38**	**704.70**	**418.11**

₹ in Crore

Residual Maturities	As at March 31, 2020		
	Up to one year (April 2020 to March 2021)	1-3 years (April 2021 to March 2023)	3 years & above (April 2023 onwards)
8.00 % to 9.00%	70.52	17.42	119.23
9.01 % to 10.00%	1,066.18	761.57	192.21
10.01% to 11.00%	341.92	110.00	30.00
Total	**1,478.62**	**888.99**	**341.44**

16.9 Maturity profile and rate of interest of term loans from others:

₹ in Crore

Residual Maturities	As at March 31, 2021		
	Up to one year (April 2021 to March 2022)	1-3 years (April 2022 to March 2024)	3 years & above (April 2024 onwards)
5.00 % to 6.00%	1.16	3.08	8.04
8.00 % to 9.00%	9.26	20.76	101.72
9.01 % to 10.00%	45.42	77.50	14.06
10.01% to 11.00%	-	150.00	-
Total	**55.84**	**251.34**	**123.82**

₹ in Crore

Residual Maturities	As at March 31, 2020		
	Up to one year (April 2020 to March 2021)	1-3 years (April 2021 to March 2023)	3 years & above (April 2023 onwards)
8.00 % to 9.00%	25.00	-	-
9.01 % to 10.00%	100.99	10.55	96.19
10.01% to 11.00%	33.00	17.00	-
12.01% to 13.00%	-	75.00	-
Total	**158.99**	**102.55**	**96.19**

16.10 Maturity profiles above are disclosed at face value which excludes impact of EIR adjustment.

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17 Other Financial Liabilities

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Employee benefit payable	171.99	116.00
Margin from clients / franchisees	122.93	72.73
Undistributed collections in trusts under Distressed Credit Business	44.12	12.38
Lease Obligations (Refer note 37)	36.68	43.43
Amount collected on behalf of trusts under Distressed Credit Business	29.05	17.49
Provision for CSR Expenditure	12.64	-
Property deposit	3.09	2.83
Unclaimed dividend	1.96	2.41
Other liabilities	8.53	4.28
Total	**430.99**	**271.55**

18 Provisions

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
For employee benefits		
Gratuity	31.89	30.15
Compensated absences	13.81	12.75
Others		
Clawback obligation	4.98	4.98
Total	**50.68**	**47.88**

19 Deferred Tax (Assets) / Liabilities

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Fiscal allowance on property, plant and equipment (PPE)	7.83	4.99
Disallowances under section 43B of the Income Tax Act, 1961	(17.12)	(16.62)
Net fair value gain measured at FVTPL	12.25	16.00
Measurement of Financial Instruments at amortised cost	(13.71)	(10.70)
Impairment loss allowance on financial assets	(130.66)	(83.13)
Investments	115.43	112.92
Share Issue Expenses (Section 35D of the Income Tax Act, 1961)	0.60	1.03
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(0.02)	(0.05)
Carry forward business losses	(2.40)	-
Donations u/s 80G	-	2.77
Total	**(27.80)**	**27.21**

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19.1 Table showing deferred tax recorded in the balance sheet and changes recorded in the tax expense:

For the year ended March 31, 2021

₹ in Crore

Deferred tax (asset) / liability	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Other Equity	Closing Balance
Fiscal allowance on PPE	4.99	2.84	-	-	**7.83**
Disallowances under section 43B of the Income Tax Act, 1961	(16.62)	(1.19)	0.69	-	**(17.12)**
Net fair value gain / (loss) measured at FVTPL	16.00	(3.48)	-	(0.27)	**12.25**
Measurement of Financial Instruments at amortised cost	(10.70)	(3.01)	-	-	**(13.71)**
Impairment loss allowance on financial assets	(83.13)	(47.53)	-	-	**(130.66)**
Investments	112.92	2.51	-	-	**115.43**
Share Issue Expenses (Section 35D of the Income Tax Act, 1961)	1.03	2.27	-	(2.70)	**0.60**
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(0.05)	0.03	-	-	**(0.02)**
Carry forward business losses	-	(2.40)	-	-	**(2.40)**
Donations u/s 80G	2.77	(2.77)	-	-	**-**
Total	**27.21**	**(52.73)**	**0.69**	**(2.97)**	**(27.80)**

For the year ended March 31, 2020

₹ in Crore

Deferred tax (asset) / liability	Opening balance	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Other Equity	Closing balance
Fiscal allowance on PPE	5.80	(0.81)	-	-	**4.99**
Disallowances under section 43B of the Income Tax Act, 1961	(21.49)	5.28	(0.41)	-	**(16.62)**
Net fair value gain / (loss) measured at FVTPL	33.94	(17.72)	-	(0.22)	**16.00**
Measurement of Financial Instruments at amortised cost	(28.87)	18.17	-	-	**(10.70)**
MAT credit entitlement	(1.92)	1.92	-	-	**-**
Impairment loss allowance on financial assets	(58.37)	(24.76)	-	-	**(83.13)**
Investments	115.43	(2.51)	-	-	**112.92**
Share Issue Expenses (Section 35D of the Income Tax Act, 1961)	(0.67)	1.70	-	-	**1.03**
Amalgamation Expenses (Section 35DD of the Income Tax Act, 1961)	(0.09)	0.04	-	-	**(0.05)**
Donations u/s 80G	-	2.77	-	-	**2.77**
Total	**43.76**	**(15.92)**	**(0.41)**	**(0.22)**	**27.21**

19.2 Tax Losses for which no deferred tax asset has been recognised :

₹ in Crore

	Year ended March 31, 2021	Expiry date	Year ended March 31, 2020	Expiry date
Brought forward losses (allowed to be carried forward for specified period)	4.25	March 31, 2022	26.58	March 31, 2022
Brought forward losses (allowed to be carried forward for specified period)	-	-	3.85	March 31, 2026
Total	**4.25**		**30.43**	

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20 Other Non Financial Liabilities

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Statutory dues	50.61	38.47
Money received in advance	22.44	24.27
Income received in advance	2.64	4.00
Other liabilities	3.50	0.97
Total	**79.19**	**67.71**

21 Equity Share Capital

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Authorised		
152,02,00,000 (as at March 31, 2020 - 152,02,00,000) equity shares of ₹ 1/- each	152.02	152.02
4,38,00,000 (as at March 31, 2020 - 4,38,00,000) preference shares of ₹ 10/- each	43.80	43.80
	195.82	**195.82**
Issued, Subscribed and Paid-up		
95,27,22,711 (as at March 31, 2020 - 84,12,24,647) equity shares of ₹ 1/- each fully paid-up	95.27	84.12
Total	**95.27**	**84.12**

21.1 Reconciliation of the number of equity shares outstanding:

₹ in Crore

	As at March 31, 2021		As at March 31, 2020	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	84,12,24,647	84.12	83,99,31,463	83.99
Shares Issued and allotted pursuant to the qualified institutional placement (refer note 21.4 below)	11,00,00,000	11.00	-	-
Shares allotted upon exercise of stock option*	14,98,064	0.15	12,93,184	0.13
Shares outstanding at the end of the year	**95,27,22,711**	**95.27**	**84,12,24,647**	**84.12**

* includes 5,000 equity shares of the face value of ₹ 1/- each allotted during the year upon exercise of stock options which were pending allotment as on March 31, 2020.

21.2 Terms and rights attached to equity shares:

The Company has only one class of equity shares. The shareholders are entitled to one vote per share, dividend, as and when declared by the Board of directors and shareholders and residual assets, if any, after payment of all liabilities, in the event of liquidation of the Company.

21.3 Details of shareholders holding more than 5 percent shares:

Name of Shareholders	As at March 31, 2021		As at March 31, 2020	
	No. of Shares held	% of total Holding	No. of Shares held	% of total holding
J. M. Financial & Investment Consultancy Services Private Limited	21,65,34,100	22.73%	21,65,34,100	25.74%
Nimesh Kampani*	12,57,50,000	13.20%	12,57,50,000	14.95%
J. M. Assets Management Private Limited	10,30,42,908	10.82%	10,30,42,908	12.25%

* includes 12,50,000 equity shares held by Nimesh Kampani HUF.

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21.4 During the year, the Company issued and allotted 11,00,00,000 equity shares of the face value of ₹ 1/- each to the eligible qualified institutional buyers at the issue price of ₹ 70/- per equity share aggregating ₹ 770 crore through Qualified Institutional Placement (QIP) in accordance with Chapter VI of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended and Section 42 of the Companies Act, 2013 and other applicable provisions of the Companies Act, as Amended and the rules made thereunder.

22 Other Equity

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Share Application Money Pending Allotment	-	#
Statutory Reserve - I (under section 45-IC of the RBI Act, 1934)	856.89	753.99
Statutory Reserve – II (under section 29C of the NHB Act, 1987)	2.12	1.48
Capital Reserve	21.85	21.85
Reserve on acquisition / dilution in subsidiary companies	141.74	125.22
Securities Premium Reserve	2,015.63	1,252.56
Capital Redemption Reserve	27.77	27.77
Stock Option Outstanding	33.64	33.78
Less: Deferred Employee Compensation Expense	(6.78)	(4.80)
Stock Option Outstanding	**26.86**	**28.98**
Capital Reserve on Consolidation	174.64	174.64
Debenture Redemption Reserve	-	-
General Reserve	205.25	205.25
Impairment Reserve	14.43	-
Initial Corpus	#	#
Retained Earnings	3,400.28	2,943.00
Foreign Currency Translation Reserve	17.17	19.91
Share in OCI of associate	#	#
Total	**6,904.63**	**5,554.65**

# Denotes amount below ₹ 50,000/-

Movement in Other Equity

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Share Application Money Pending Allotment		
Opening balance	#	-
Add: stock options exercised but pending allotment	-	#
Less: shares allotted during the year	#	-
Closing balance	**-**	**#**
Statutory Reserve – I (under section 45-IC of the RBI Act, 1934)		
Opening balance	753.99	641.52
Add: Transferred from retained earnings	102.90	112.47
Closing balance	**856.89**	**753.99**

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₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Statutory Reserve – II (under section 29C of the NHB Act, 1987)		
Opening balance	1.48	-
Add: Transferred from retained earnings	0.64	1.48
Closing balance	**2.12**	**1.48**
Capital Reserve	**21.85**	**21.85**
Reserve on acquisition / dilution in subsidiary companies		
Opening balance	125.22	137.45
Less: On acquisition of equity shares of subsidiary company from Non-controlling interest shareholders	0.06	#
Add: On account of infusion in subsidiary company	16.46	-
Less: On account of forfeiture of partly paid-up equity shares in subsidiary company	-	(12.23)
Closing balance	**141.74**	**125.22**
Securities Premium Reserve		
Opening balance	1,252.56	1,242.60
Add: On shares allotted upon exercise of stock options by the employees	12.12	9.96
Add: On shares allotted pursuant to the qualified institutional placement	759.00	-
Less: Share issue expenses (net of deferred tax)	(8.05)	-
Closing balance	**2,015.63**	**1,252.56**
Capital Redemption Reserve	**27.77**	**27.77**
Stock Option Outstanding		
Opening balance	33.78	38.87
Add: Additions on account of fresh grants during the year	16.23	5.66
Less: Transferred to securities premium upon exercise of stock options	(12.12)	(9.96)
Less: Reduction on account of options lapsed during the year	(4.25)	(0.79)
	33.64	**33.78**
Less : Deferred employee compensation	(6.78)	(4.80)
Closing balance	**26.86**	**28.98**
Capital Reserve on Consolidation	**174.64**	**174.64**
Debenture Redemption Reserve		
Opening balance	-	33.76
Less: Transferred to retained earnings	-	(33.76)
Closing balance	**-**	**-**
General Reserve	**205.25**	**205.25**
Impairment Reserve		
Opening balance	-	-
Add: Transferred from retained earnings (Refer note 22.1)	14.43	-
Closing balance	**14.43**	**-**

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₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Initial Corpus		
Opening balance	#	#
Add: On account of change in controlling interest of Subsidiary company in its subsidiary trusts	#	-
Less: On loss of control by the subsidiary company in its subsidiary trusts	-	#
Closing balance	**#**	**#**
Retained Earnings		
Opening balance	2,943.00	2,524.91
Add: Profit for the year	590.14	544.98
Add/(Less): Other Comprehensive Income	1.93	(1.09)
Add: Transfer from Debenture Redemption reserve	-	33.76
Amount available for appropriations	**3,535.07**	**3,102.56**
Less: Appropriations		
Final dividend	16.82	42.00
Dividend distribution tax		
Of the Company	-	1.37
Of the Subsidiaries	-	2.24
Transferred to Statutory Reserve – I	102.90	112.47
Transferred to Statutory Reserve - II	0.64	1.48
Transferred to Impairment Reserve	14.43	-
Closing balance	**3,400.28**	**2,943.00**
Foreign Currency Translation Reserve		
Opening balance	19.91	10.04
Add/(Less): During the year	(2.74)	9.87
Closing balance	**17.17**	**19.91**
Share of OCI of Associate		
Opening balance	#	#
Add: During the year	#	#
Closing balance	**#**	**#**
Total	**6,904.63**	**5,554.65**

# Denotes amount below ₹ 50,000/-

Share application money pending allotment:

Share application money pending allotment represents equity shares to be issued pursuant to Employee Stock Option Scheme.

Statutory reserve - I:

Statutory Reserve is the reserve created by transferring a sum not less than twenty percent of its net profit every year in terms of Section 45-IC of the Reserve Bank of India Act, 1934.

Statutory reserve - II:

As per Section 29C of The National Housing Bank Act, 1987 (the "NHB Act"), at least twenty percent of its net profits every year is required to transfer to a reserve before any dividend is declared. For this purpose any Special Reserve created under Section 36(1)(viii) of the Income-tax Act, 1961, is considered to be an eligible transfer.

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Capital reserve & Capital redemption reserve:

Capital reserve and capital redemption reserve represents reserves created pursuant to the business combination and buy-back of shares in subsidiary companies up to the year end.

Reserve on acquisition / dilution in subsidiary companies:

Reserve on acquisition / dilution in subsidiary companies represents reserves created pursuant to the acquisition, infusion or dilution of stake in subsidiary companies not resulting in change of control in those subsidiary companies.

Securities premium reserve:

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013 (the "Act").

Stock option outstanding:

Stock option outstanding relates to the stock options granted by the Company to employees under an Employee Stock options Plan (Refer Note 42).

Capital reserve on consolidation:

Capital reserve on consolidation represents reserves created pursuant to the acquisition of stake in subsidiaries resulting in gain of control in those subsidiaries.

Debenture redemption reserve:

The Act requires companies that issue debentures to create a debenture redemption reserve from annual profits until such debentures are redeemed. It is required to transfer a specified percentage (as provided in the Act) of the outstanding redeemable debentures to debenture redemption reserve. However, as per the amendment in the Act, debenture redemption reserve is not required for debentures issued by Non-Banking Finance Companies regulated by Reserve Bank of India for both public as well as privately placed debentures.

General reserve:

General reserve is created from time to time by transferring profits from retained earnings and can be utilized for purposes such as dividend payout, bonus issue, etc.

Impairment reserve:

Where impairment allowance under IND AS 109 is lower than the provisioning required under prudential norms on Income Recognition, Asset Classification and Provisioning (IRACP) (including standard asset provisioning), NBFCs shall appropriate the difference from their net profit or loss after tax to a separate 'Impairment Reserve'. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals shall be permitted from this reserve without prior permission from the Department of Supervision, RBI.

Initial corpus:

Initial corpus is corpus contributed by Parent for setting up of a Trust under SARFAESI Act for acquisition of account under distressed credit business.

Retained earnings:

Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, statutory reserve, debenture redemption reserve, capital redemption reserve, dividends or other distributions paid to shareholders.

Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. `) are recognized directly in the other comprehensive income and accumulated in foreign currency translation reserve.

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Note 22.1:

During the year, in one of the subsidiary companies namely, JM Financial Asset Reconstruction Company Limited (JMFARC), Impairment Reserve has been created in accordance with Income Recognition, Asset Classification and Provisioning (IRACP) provided under RBI/2019-20/170 DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13, 2020.

The Honourable Supreme Court vide orders dated October 30, 2017, November 20, 2017, April 09, 2018 and January 20, 2020, has directed that "No Coercive Action" can be taken against one of the borrower group of JMFARC, until further directions are being issued in this regard. As per recent judicial precedence, classification of an account as Non Performing Account can also be considered as a "Coercive Action".

The loan accounts aggregating ₹ 203.73 crore belonging to the said borrower group have outstanding interest which has not been serviced for more than 180 days. Notwithstanding the days past due, these loan accounts are continued to be classified as Standard assets, considering the aforesaid orders issued by the Honourable Supreme Court. However, JMFARC has made the provision amounting to ₹ 20.37 crore for these loan accounts as required under the extant RBI guidelines for Non - Performing Advances out of which, ₹14.43 crore is made by transfer to the impairment reserve.

23 Interest Income

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
(At Amortised Cost)		
Interest on Loans	1,889.14	2,192.96
Interest on Investments	-	19.99
(At Fair value through Profit or Loss)		
Interest on Financial assets	19.40	68.32
Total	**1,908.54**	**2,281.27**

24 Fees and Commission Income

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Fees and Commission Income	628.53	646.26
Total	**628.53**	**646.26**

25 Brokerage Income

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Brokerage Income	256.61	202.70
Total	**256.61**	**202.70**

26 Net Gain on Fair Value Changes

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Net gain on financial instruments measured at fair value through profit or loss	311.91	175.53
Total	**311.91**	**175.53**
-Realised	287.00	234.97
-Unrealised	24.91	(59.44)
Total	**311.91**	**175.53**

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27 Net Gain On Derecognition Of Financial Instruments Carried At Amortised Cost

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit on sale of financial instruments carried at amortised cost (Realised)	6.60	18.02
Total	**6.60**	**18.02**

28 Other Operating Income

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income	54.78	63.99
Income from Arbitrage activities	27.59	22.53
Dividend Income	1.89	4.41
Rental Income	1.02	17.32
Total	**85.28**	**108.25**

29 Other Income

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income	13.68	13.88
Miscellaneous income	15.48	7.64
Total	**29.16**	**21.52**

30 Finance Costs

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
(At Amortised Cost)		
Debt Securities	829.03	995.76
Borrowings (Other than Debt Securities)	257.18	365.49
Finance cost on lease obligations	4.99	5.88
Other Interest expense	19.67	18.73
Total	**1,110.87**	**1,385.86**

31 Impairment On Financial Instruments

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
(At Amortised Cost)		
On Loans	258.40	221.59
On Investments	-	(1.13)
On Trade receivables	3.55	9.71
On other Financial assets	(5.19)	3.55
Total	**256.76**	**233.72**

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32 Employee Benefits Expense

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, bonus, other allowances and benefits (Refer Note 42)	418.18	372.00
Contribution to provident and other funds	15.91	15.72
Gratuity (Refer Note 38)	6.04	5.15
Staff welfare expenses	0.70	2.54
Total	**440.83**	**395.41**

33 Other Expenses

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sub-brokerage, fees and commission	152.26	105.78
Donation	30.67	27.64
Legal and professional fees	27.03	20.99
Rates and taxes	15.04	14.79
Manpower expenses	13.62	14.10
Information technology expenses	13.03	13.35
Membership and subscriptions	8.85	8.21
Repairs and maintenance	8.82	8.68
Insurance expenses	5.02	9.12
Advertisement and other related expenses	3.39	10.83
Electricity expenses	3.37	4.50
Communication expenses	2.83	3.27
Directors' commission	2.62	2.57
Support Service Fees	2.50	2.50
Loans, Investments and other assets written-off	2.44	25.47
Travelling, hotel and conveyance expenses	2.26	8.36
Auditors' remuneration (Refer note 33.1)	1.45	1.62
Fund expenses	1.29	1.07
Printing and stationery	1.19	2.22
Space and other related costs	0.97	1.64
Provision on non-financial assets	0.95	1.56
Loss on sale of property, plant and equipment (PPE)	0.11	0.01
Business conference and seminar expenses	0.03	0.48
Miscellaneous expenses	11.83	15.24
Total	**311.57**	**304.00**

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33.1 Payment to Auditors (excluding Goods and services tax)*

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Audit fees	1.07	1.19
Certification and other matters	0.36	0.41
Reimbursement of Expenses	0.02	0.02
Total	**1.45**	**1.62**
Fees paid in connection with QIP issue debited to Securities premium reserve as Share issue expenses / NCD Issue included for measurement of financial liabilities at amortised cost	0.37	0.24
Total	**1.82**	**1.86**

*includes payments to other auditors of the relevant subsidiary companies aggregating ₹ 0.77 crore (Previous year ₹ 1.01 crore)

34 Tax Expense

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current tax	313.59	328.52
Deferred tax	(52.73)	(15.92)
Tax adjustment in respect of earlier years	(0.07)	3.38
Total income tax expenses recognised in Statement of Profit and Loss	**260.79**	**315.98**
Income tax expense recognised in OCI	**0.69**	**(0.41)**

Reconciliation of Total Tax Charge

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	1,066.85	1,093.52
Income tax rate	25.168%	25.168%
Income tax expense	**268.50**	**275.22**
Tax Effect of:		
Effect of income that is exempt from tax	(1.84)	(1.49)
Effect of items that are not deductible in determining taxable profits	9.24	6.64
Effect of income taxable at differential rate	(6.99)	(0.69)
Effect of change in tax rate*	-	29.56
Set off of temporary differences pertaining to earlier years on which no deferred tax was created	(0.84)	(4.77)
Recognition of deferred tax asset on temporary differences on which deferred tax was not created in earlier years	(1.16)	(0.85)
Set off of unabsorbed depreciation and loss	(6.11)	(2.85)
Tax effect on unrecognised deferred tax assets	1.07	6.79
Tax effect on special reserve created u/s 36(1)(viii) of Income tax act, 1961	-	(0.37)
Adjustment in respect of earlier years (net)	(0.07)	3.38
Tax effect of intra-group eliminations	0.83	1.59
Others	(1.84)	3.82
Total	**(7.71)**	**40.76**
Income tax expense recognised in Statement of Profit and Loss	**260.79**	**315.98**

* The Government of India inserted section 115BAA in the Income Tax Act, 1961, which provides domestic companies an option to pay corporate tax at reduced rate effective from April 1, 2019, subject to certain conditions. The Company as well as majority of its domestic subsidiary companies availed the option of reduced rate and accordingly, opening deferred tax asset (net) as on April 1, 2019, amounting to ₹ 29.56 crore was reversed during the year ended March 31, 2020.

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35 Contingent Liabilities and Capital Commitments

Contingent Liability*

Contingent liability in respect of income tax demands for various years disputed in appeal is ₹ 50.59 crore, (FY 2019-20 - ₹ 47.65 crore).

Disputed demands of service tax authorities is ₹ 9.00 crore (FY 2019-20 - ₹ 9.00 crore).

* Future cash outflows in respect of above matters is determinable only on receipt of judgments/decisions pending at various authorities.

Capital Commitments

The estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 1.10 crore (FY 2019-20 - ₹ 0.79 crore).

Uncalled liability on account of commitment to subscribe to investment is ₹ 44.73 crore (FY 2019-20 - ₹78.07 crore). Commitment of purchase of security receipts is ₹ 66.29 crore (FY 2019-20 – 66.29 crore).

36 Earnings Per Share

Earnings per share is calculated by dividing the profit attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year, as under:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Profit attributable to equity shareholders (In ₹ Crore)	**590.14**	**544.98**
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	93,02,93,133	84,08,64,766
Basic earnings per share (₹)	6.34	6.48
Dilutive potential equity shares (Nos.)	27,66,744	34,25,560
Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (Nos.)	93,30,59,877	84,42,90,326
Diluted earnings per share (₹)	6.32	6.45
Nominal value per share (₹)	1.00	1.00

37 Lease Transactions

Following are the changes in the carrying value of the Right to Use asset for the year ended March 31, 2021:

₹ in Crore

Category of Right to use asset	Gross Block					Accumulated depreciation					Net Block
	As at April 1, 2020	Additions	Currency Fluctu-ation	Deletion	As at March 31, 2021	As at April 1, 2020	Depre-ciation	Currency Fluctu-ation	Dedu-ction	As at March 31, 2021	As at March 31, 2021
Office premises	56.87	9.46	0.09	8.32	58.10	14.51	14.56	0.03	4.59	24.51	**33.59**
Total	**56.87**	**9.46**	**0.09**	**8.32**	**58.10**	**14.51**	**14.56**	**0.03**	**4.59**	**24.51**	**33.59**

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Following are the changes in the carrying value of the Right to Use asset for the year ended March 31, 2020:

₹ in Crore

Category of Right to use asset	Gross Block				Accumulated depreciation					Net Block
	As at April 1, 2019	Additions	Deletion	As at March 31, 2020	As at April 1, 2019	Depre-ciation	Currency Fluctuation	Deduc-tions	As at March 31, 2020	As at March 31, 2020
Office premises	-	58.05	1.18	56.87	-	14.64	0.02	0.15	14.51	**42.36**
Total	**-**	**58.05**	**1.18**	**56.87**	**-**	**14.64**	**0.02**	**0.15**	**14.51**	**42.36**

The following is the movement in lease liabilities during the year ended March 31, 2021 and March 31, 2020:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Opening balance	**43.43**	**-**
Additions during the year	9.18	56.30
Deletions during the year	(3.73)	(1.03)
Finance cost accrued during the year	3.62	4.31
Currency fluctuation	0.06	-
Payment of lease liabilities	(15.88)	(16.15)
Closing balance	**36.68**	**43.43**

Table showing contractual maturities of lease liabilities as at March 31, 2021 and March 31, 2020 on an undiscounted basis:

On Office Premises:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Not later than one year	15.22	16.28
Later than one year and not later than five years	24.98	31.82
Later than five years	3.35	4.56
Total	**43.55**	**52.66**

On Motor Vehicles:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Not later than one year	1.57	2.31
Later than one year and not later than five years	1.44	2.71
Later than five years	-	-
Total	**3.01**	**5.02**

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.

Rent expense on short term leases aggregating ₹ 0.97 crore (FY 2019-20: ₹ 1.64 crore) has been recognised in the Statement of Profit and Loss under the head Other Expenses.

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38 Employee Benefit

Defined contribution plans

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 ₹ 15.91 crore (FY 2019-20: ₹ 15.72 crore) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

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 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 arise 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 risk.

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.

	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 Rate	Indian Assured Lives Mortality (2012-14) Ult table	Indian Assured Lives Mortality (2012-14) Ult table

b) Amount recognised in Balance sheet in respect of these defined benefit obligation:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	31.89	30.15
Net liability	**31.89**	**30.15**

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c) Amount recognised in statement of profit and loss in respect of these defined benefit obligation:

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Components of defined benefits costs recognised in statement of profit and loss		
Current service cost	4.09	3.32
Net interest expense	1.95	1.83
Past service cost	-	-
Total amount recognised in statement of profit and loss	**6.04**	**5.15**
Components of defined benefits costs recognised in other comprehensive income (OCI).		
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in financial assumptions	(0.31)	2.15
- Actuarial (gain)/loss from change in experience adjustments	(2.43)	(0.55)
Total amount recognised in OCI	**(2.74)**	**1.60**
Total	**3.30**	**6.75**

d) Movement in the present value of the defined benefit obligation are as follows:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Opening defined benefit obligation	30.15	25.48
Current service cost	4.09	3.32
Net Interest cost	1.95	1.83
Past service cost	-	-
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in financial assumptions	(0.31)	2.15
Actuarial (gain)/loss from change in experience adjustments	(2.43)	(0.55)
Benefits paid	(1.56)	(2.08)
Closing defined benefit obligation	**31.89**	**30.15**

e) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. 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:

₹ in Crore

	As at March 31, 2021		As at March 31, 2020	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate
DBO on increase in 50bps	30.39	32.98	28.69	31.67
Impact of increase in 50bps on DBO (%)	(4.71%)	3.42%	(4.88%)	5.01%
DBO on decrease in 50bps	33.51	30.81	31.73	28.65
Impact of decrease in 50bps on DBO (%)	5.09%	(3.39%)	5.21%	(5.03%)

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.

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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:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Expected benefits for year 1	3.27	3.01
Expected benefits for year 2	1.70	1.65
Expected benefits for year 3	2.32	1.66
Expected benefits for year 4	2.04	2.28
Expected benefits for year 5	4.36	1.81
Expected benefits for year 6	2.37	2.55
Expected benefits for year 7	2.69	2.24
Expected benefits for year 8	2.80	2.72
Expected benefits for year 9	2.56	2.61
Expected benefits for year 10 and above	50.66	48.99

g) 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.

39 Disclosure in respect of related parties pursuant to Ind AS 24 on 'Related Party Disclosures'

1) List of related parties

(Parties with whom the transactions were carried out during the current / previous year)

A Associate

JM Financial Trustee Company Private Limited (Trustee)

B Key management personnel

Mr. Vishal Kampani (VNK)

C Non-Executive / Independent Directors

Non-executive Chairman:

Mr. Nimesh Kampani (NNK)

Independent Directors:

Mr. E A Kshirsagar (EAK)
Mr. Darius E Udwadia (DEU)
Mr. Paul Zuckerman (PSZ)
Dr. Vijay Kelkar (VLK)
Mr. Keki Dadiseth (KBD)
Ms. Jagi Mangat Panda (JMP)
Mr. P S Jayakumar (PSJ)

D Close Members of the Family (Relatives) of Key management personnel

Mr. Nimesh Kampani (NNK)
Ms. Aruna N Kampani (ARNK)
Ms. Amishi Gambhir (AG)
Ms. Madhu Kampani (MVK)

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E Individual exercising control or significant influence in reporting enterprise i.e. the company and close members of the family (relatives) of any such person

Mr. Nimesh Kampani (NNK)

Close Members of the Family (Relatives):
Ms. Aruna N Kampani (ARNK)
Mr. Vishal Kampani (VNK)
Ms. Amishi Gambhir (AG)
Mr. Harith Kampani (HK)

F Enterprise over which close members of the family (relatives) of key management personnel are able to exercise significant influence

J.M. Financial & Investment Consultancy Services Private Limited (JMFICS)
J.M. Assets Management Private Limited (J.M. Assets)
JM Financial Trustee Company Private Limited (Trustee)
JSB Securities Limited (JSB)
Kampani Consultants Limited (KCL)
Persepolis Investment Company Private Limited (PICPL)
SNK Investments Private Limited (SNK)
Capital Market Publishers India Private Limited (CMPL)
Kampani Properties and Holdings Limited (KPHL)

2) Details of transactions with related parties:

₹ in Crore

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Professional fees paid to												
KBD	-	-	-	-	0.04	0.04	-	-	-	-	**0.04**	**0.04**
Brokerage paid to												
HK	-	-	-	-	-	-	0.13	-	-	-	**0.13**	**-**
Fees and brokerage received from												
JMFICS	-	-	-	-	-	-	-	-	0.05	0.39	**0.05**	**0.39**
KCL	-	-	-	-	-	-	-	-	#	0.01	**#**	**0.01**
PICPL	-	-	-	-	-	-	-	-	0.02	#	**0.02**	**#**
SNK	-	-	-	-	-	-	-	-	0.02	#	**0.02**	**#**
VNK	-	-	#	#	-	-	-	-	-	-	**#**	**#**
NNK	-	-	-	-	-	-	0.01	0.06	-	-	**0.01**	**0.06**
ARNK	-	-	-	-	-	-	0.01	0.02	-	-	**0.01**	**0.02**
J.M. Assets	-	-	-	-	-	-	-	-	0.05	#	**0.05**	**#**
DEU	-	-	-	-	#	-	-	-	-	-	**#**	**-**

Notes
to the Consolidated Financial Statements

₹ in Crore

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
VLK	-	-	-	-	0.06	0.07	-	-	-	-	**0.06**	**0.07**
Others	#	-	-	-	-	-	-	-	-	#	**#**	**#**
Recovery of expenses from												
JMFICS	-	-	-	-	-	-	-	-	0.01	#	**0.01**	**#**
Reimbursement of expenses to												
JMFICS	-	-	-	-	-	-	-	-	0.12	0.12	**0.12**	**0.12**
CMPL	-	-	-	-	-	-	-	-	0.03	0.03	**0.03**	**0.03**
Remuneration to												
VNK	-	-	11.19	10.70	-	-	-	-	-	-	**11.19**	**10.70**
Director's Sitting Fees												
NNK	-	-	-	-	-	-	0.10	0.09	-	-	**0.10**	**0.09**
EAK	-	-	-	-	0.14	0.13	-	-	-	-	**0.14**	**0.13**
DEU	-	-	-	-	0.10	0.09	-	-	-	-	**0.10**	**0.09**
PSZ	-	-	-	-	0.10	0.09	-	-	-	-	**0.10**	**0.09**
VLK	-	-	-	-	0.11	0.12	-	-	-	-	**0.11**	**0.12**
KBD	-	-	-	-	0.06	0.09	-	-	-	-	**0.06**	**0.09**
JMP	-	-	-	-	0.06	0.07	-	-	-	-	**0.06**	**0.07**
PSJ	-	-	-	-	0.06	-	-	-	-	-	**0.06**	**-**
Directors Commission												
EAK	-	-	-	-	0.32	0.29	-	-	-	-	**0.32**	**0.29**
DEU	-	-	-	-	0.24	0.23	-	-	-	-	**0.24**	**0.23**
PSZ	-	-	-	-	0.20	0.20	-	-	-	-	**0.20**	**0.20**
VLK	-	-	-	-	0.23	0.28	-	-	-	-	**0.23**	**0.28**
KBD	-	-	-	-	0.20	0.20	-	-	-	-	**0.20**	**0.20**
JMP	-	-	-	-	0.20	0.20	-	-	-	-	**0.20**	**0.20**
PSJ	-	-	-	-	0.20	-	-	-	-	-	**0.20**	**-**
Dividend paid to												
JMFICS	-	-	-	-	-	-	-	-	4.33	10.80	**4.33**	**10.80**
Trustee	0.02	0.06	-	-	-	-	-	-	-	-	**0.02**	**0.06**
J.M. Assets	-	-	-	-	-	-	-	-	2.06	5.15	**2.06**	**5.15**
JSB	-	-	-	-	-	-	-	-	0.13	0.33	**0.13**	**0.33**
PICPL	-	-	-	-	-	-	-	-	0.03	0.08	**0.03**	**0.08**
KCL	-	-	-	-	-	-	-	-	0.01	0.03	**0.01**	**0.03**

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to the Consolidated Financial Statements

₹ in Crore

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
SNK	-	-	-	-	-	-	-	-	0.24	0.59	**0.24**	**0.59**
NNK	-	-	-	-	-	-	2.52	6.29	-	-	**2.52**	**6.29**
ARNK	-	-	-	-	-	-	0.71	1.77	-	-	**0.71**	**1.77**
VNK	-	-	0.23	0.57	-	-	-	-	-	-	**0.23**	**0.57**
AG	-	-	-	-	-	-	0.16	0.40	-	-	**0.16**	**0.40**
KBD	-	-	-	-	#	-	-	-	-	-	**#**	**-**
Rent paid to												
JMFICS	-	-	-	-	-	-	-	-	1.46	1.50	**1.46**	**1.50**
J.M. Assets	-	-	-	-	-	-	-	-	1.68	1.68	**1.68**	**1.68**
KCL	-	-	-	-	-	-	-	-	0.05	0.05	**0.05**	**0.05**
Subscription charges paid to												
CMPL	-	-	-	-	-	-	-	-	0.03	0.02	**0.03**	**0.02**
Support service fees paid to												
JMFICS	-	-	-	-	-	-	-	-	2.50	2.50	**2.50**	**2.50**
Demat charges received from												
VNK	-	-	#	#	-	-	-	-	-	-	**#**	**#**
Others	-	-	-	-	#	#	#	#	-	-	**#**	**#**
Issuance of NCDs under Primary market												
VNK	-	-	-	7.50	-	-	-	-	-	-	**-**	**7.50**
NNK	-	-	-	-	-	-	-	7.00	-	-	**-**	**7.00**
ARNK	-	-	-	-	-	-	-	5.00	-	-	**-**	**5.00**
DEU	-	-	-	-	0.30	-	-	-	-	-	**0.30**	**-**
VLK	-	-	-	-	0.25	-	-	-	-	-	**0.25**	**-**
JMFICS	-	-	-	-	-	-	-	-	-	10.00	**-**	**10.00**
J.M. Assets	-	-	-	-	-	-	-	-	-	10.00	**-**	**10.00**
Repayment of NCDs												
JMFICS	-	-	-	-	-	-	-	-	-	15.00	**-**	**15.00**
Interest on NCDs												
VNK	-	-	0.76	0.17	-	-	-	-	-	-	**0.76**	**0.17**
NNK	-	-	-	-	-	-	0.71	-	-	-	**0.71**	**-**
ARNK	-	-	-	-	-	-	0.51	-	-	-	**0.51**	**-**
JMFICS	-	-	-	-	-	-	-	-	1.03	3.10	**1.03**	**3.10**
J.M. Assets	-	-	-	-	-	-	-	-	1.03	-	**1.03**	**-**

Notes
to the Consolidated Financial Statements

₹ in Crore

	Associate		Key Management Personnel		Non-Executive / Independent Directors		Individual exercising control or significant influence in reporting enterprise and close members of the family of any such person / Close Members of the Family (Relatives) of Key management personnel		Enterprise over which close member of the family of key management personnel are able to exercise significant influence		Total	
	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21	2019-20
Balance outstanding at the year end												
Security deposit (paid)												
JMFICS	-	-	-	-	-	-	-	-	0.80	0.80	**0.80**	**0.80**
J.M. Assets	-	-	-	-	-	-	-	-	0.84	0.84	**0.84**	**0.84**
Investment in equity shares of												
Trustee	0.03	0.03	-	-	-	-	-	-	-	-	**0.03**	**0.03**
Closing balance of NCDs by												
VNK	-	-	8.50	7.50	-	-	-	-	-	-	**8.50**	**7.50**
NNK	-	-	-	-	-	-	8.00	7.00	-	-	**8.00**	**7.00**
ARNK	-	-	-	-	-	-	6.00	5.00	-	-	**6.00**	**5.00**
JMFICS	-	-	-	-	-	-	-	-	10.00	10.00	**10.00**	**10.00**
J.M. Assets	-	-	-	-	-	-	-	-	10.00	10.00	**10.00**	**10.00**
DEU	-	-	-	-	0.40	-	-	-	-	-	**0.40**	**-**
VLK	-	-	-	-	0.65	-	-	-	-	-	**0.65**	**-**
Interest payable on NCDs												
VNK	-	-	0.02	0.02	-	-	-	-	-	-	**0.02**	**0.02**
Payables to												
VNK	-	-	8.25	7.00	-	-	-	-	-	-	**8.25**	**7.00**
AG	-	-	-	-	-	-	-	0.05	-	-	**-**	**0.05**
EAK	-	-	-	-	0.32	0.29	-	-	-	-	**0.32**	**0.29**
DEU	-	-	-	-	0.24	0.23	-	-	-	-	**0.24**	**0.23**
PSZ	-	-	-	-	0.20	0.21	-	-	-	-	**0.20**	**0.21**
VLK	-	-	-	-	0.23	0.28	-	-	-	-	**0.23**	**0.28**
KBD	-	-	-	-	0.20	0.20	-	-	-	-	**0.20**	**0.20**
JMP	-	-	-	-	0.20	0.20	-	-	-	-	**0.20**	**0.20**
PSJ	-	-	-	-	0.20	-	-	-	-	-	**0.20**	**-**
ARNK	-	-	-	-	-	-	#	-	-	-	**#**	**-**
JMFICS	-	-	-	-	-	-	-	-	-	0.67	**-**	**0.67**

Notes:

1) There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.
2) The remuneration excludes provision for gratuity as the incremental liability has been accounted for the group as a whole.
3) The transactions disclosed above are exclusive of GST and service tax (as applicable).

Notes
to the Consolidated Financial Statements

40 Maturity Analysis of Assets and Liabilities

₹ in Crore

		As at March 31, 2021			As at March 31, 2020		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	ASSETS						
1	**Financial Assets**						
A	Cash and cash equivalents	826.38	-	**826.38**	809.90	-	**809.90**
B	Bank balance other than (A) above	1,230.82	17.75	**1,248.57**	511.36	8.14	**519.50**
C	Derivative financial instruments	5.06	-	**5.06**	1.26	-	**1.26**
D	Trade receivables	447.71	51.47	**499.18**	233.41	90.84	**324.25**
E	Loans	5,239.13	5,983.71	**11,222.84**	4,757.26	7,142.87	**11,900.13**
F	Investments	5,011.30	790.36	**5,801.66**	3,063.62	950.83	**4,014.45**
G	Other financial assets	1,108.00	1,878.72	**2,986.72**	835.46	1,546.86	**2,382.32**
		13,868.40	**8,722.01**	**22,590.41**	**10,212.27**	**9,739.54**	**19,951.81**
2	**Non-financial Assets**						
A	Current tax assets (net)	-	296.53	**296.53**	-	295.89	**295.89**
B	Deferred tax assets (net)	-	27.80	**27.80**	-	-	**-**
C	Property, plant and equipment	-	361.88	**361.88**	-	387.40	**387.40**
D	Capital work-in-progress	-	0.86	**0.86**	-	0.69	**0.69**
E	Other Intangible assets	-	8.54	**8.54**	-	10.14	**10.14**
F	Goodwill on consolidation	-	52.44	**52.44**	-	52.44	**52.44**
G	Other non-financial assets	34.67	1.71	**36.38**	38.27	8.88	**47.15**
		34.67	**749.76**	**784.43**	**38.27**	**755.44**	**793.71**
	Total Assets	**13,903.07**	**9,471.77**	**23,374.84**	**10,250.54**	**10,494.98**	**20,745.52**

₹ in Crore

		As at March 31, 2021			As at March 31, 2020		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	LIABILITIES						
1	**Financial Liabilities**						
A	Derivative financial instruments	4.82	-	**4.82**	1.22	-	**1.22**
B	Trade Payables						
	(i) total outstanding dues of micro enterprises and small enterprises	0.57	-	**0.57**	0.98	-	**0.98**
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	764.03	-	**764.03**	438.47	0.40	**438.87**
C	Debt securities	3,636.57	4,856.46	**8,493.03**	2,638.28	5,596.98	**8,235.26**
D	Borrowings (Other than debt securities)	2,387.87	1,487.61	**3,875.48**	1,969.71	1,550.70	**3,520.41**
E	Other financial liabilities	376.31	54.68	**430.99**	208.25	63.30	**271.55**
	Total Financial Liabilities	**7,170.17**	**6,398.75**	**13,568.92**	**5,256.91**	**7,211.38**	**12,468.29**
2	**Non-Financial Liabilities**						
A	Provisions	17.08	33.60	**50.68**	15.94	31.94	**47.88**
B	Deferred tax liabilities (net)	-	-	**-**	-	27.21	**27.21**
C	Other non-financial liabilities	77.05	2.14	**79.19**	63.50	4.21	**67.71**
	Total Non-Financial Liabilities	**94.13**	**35.74**	**129.87**	**79.44**	**63.36**	**142.80**
	Total Liabilities	**7,264.30**	**6,434.49**	**13,698.79**	**5,336.35**	**7,274.74**	**12,611.09**

Notes
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41 A) Entities Included In Consolidation

Name of the Entity	Country of incorporation	Proportion of interest as on March 31, 2021 (%)	Proportion of interest as on March 31, 2020 (%)
Subsidiaries in India (including step down subsidiaries)			
JM Financial Institutional Securities Limited	India	100.00	100.00
Infinite India Investment Management Limited	India	100.00	100.00
JM Financial Properties and Holdings Limited	India	100.00	100.00
JM Financial Services Limited	India	100.00	100.00
JM Financial Commtrade Limited	India	100.00	100.00
CR Retail Malls (India) Limited	India	100.00	100.00
JM Financial Capital Limited	India	100.00	100.00
JM Financial Products Limited [refer note (i)]	India	99.45	99.35
JM Financial Credit Solutions Limited	India	46.68	46.68
JM Financial Asset Management Limited	India	59.54	59.54
JM Financial Asset Reconstruction Company Limited [refer note (ii)]	India	59.25	59.25
JM Financial Home Loans Limited [refer note (iii)]	India	93.80	98.36
Partnership Firm in India			
Astute Investments	India	100.00	100.00
Subsidiaries outside India (including step-down subsidiaries)			
JM Financial Overseas Holdings Private Limited	Mauritius	100.00	100.00
JM Financial Singapore Pte. Ltd.	Singapore	100.00	100.00
JM Financial Securities, Inc	USA	100.00	100.00
Associate			
JM Financial Trustee Company Private Limited	India	25.00	25.00

Notes:

i. Aggregate shareholding in JM Financial Products Limited increased from 99.35% to 99.45% consequent upon the acquisition of 5,20,100 equity shares of JM Financial Products Limited.

ii. During the financial year 2019-20, the Company acquired 49,16,104 Compulsorily Convertible Debentures (CCD) of JM Financial Asset Reconstruction Company Limited. The said debentures are convertible into 4,91,61,040 equity shares of the face value of ₹ 10/- each at the end of 36 months from the date of their allotment. Accordingly, the proportion of interest disclosed above is based on the equity shares presently held by the Company and the CCDs held by the Company are not taken into consideration.

iii. Indirect shareholding in JM Financial Home Loans Limited reduced to 93.80% consequent upon the allotment of 1,48,19,206 equity shares by JM Financial Home Loans Limited to one of the Company's subsidiaries, namely JM Financial Credit Solutions Limited.

Notes
to the Consolidated Financial Statements

B) Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/Associate.

Name of the Entity	Net Assets*, i.e., total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	Amount ₹ in Crore	As % of consolidated net assets	Amount ₹ in Crore	As % of consolidated profit or loss	Amount ₹ in Crore	As % of consolidated OCI	Amount ₹ in Crore	As % of consolidated Total Comprehensive Income
Parent								
JM Financial Limited	1,354.75	14.08%	143.08	17.70%	0.17	(24.38%)	143.25	17.74%
Subsidiaries (including step-down subsidiaries) in India								
JM Financial Institutional Securities Limited	108.04	1.12%	26.90	3.33%	0.06	(8.49%)	26.96	3.34%
Infinite India Investment Management Limited	19.62	0.21%	2.28	0.28%	0.01	(1.27%)	2.29	0.28%
JM Financial Properties and Holdings Limited	138.67	1.44%	14.85	1.84%	0.01	(1.35%)	14.86	1.84%
JM Financial Services Limited	174.54	1.81%	27.03	3.34%	1.13	(163.53%)	28.16	3.49%
JM Financial Commtrade Limited	26.31	0.27%	0.93	0.11%	#	0.02%	0.93	0.11%
CR Retail Malls (India) Limited	32.52	0.34%	(1.79)	(0.22%)	#	(0.10%)	(1.79)	(0.22%)
JM Financial Products Limited	1,683.97	17.50%	143.50	17.76%	0.20	(29.38%)	143.70	17.80%
JM Financial Credit Solutions Limited	1,682.04	17.48%	168.37	20.83%	0.02	(2.30%)	168.39	20.85%
JM Financial Asset Reconstruction Company Limited**	985.68	10.24%	44.10	5.46%	0.05	(7.67%)	44.15	5.47%
JM Financial Asset Management Limited	130.66	1.36%	(1.31)	(0.16%)	0.09	(13.86%)	(1.22)	(0.15%)
JM Financial Capital Limited	294.45	3.06%	15.49	1.92%	0.04	(5.85%)	15.53	1.92%
JM Financial Home Loans Limited	173.66	1.80%	(3.57)	(0.44%)	0.15	(21.94%)	(3.42)	(0.42%)
Partnership Firm in India								
Astute Investments	3.50	0.04%	7.91	0.98%	-	-	7.91	0.98%
Subsidiaries(including step-down subsidiaries) outside India								
JM Financial Overseas Holdings Private Limited	113.78	1.18%	6.98	0.86%	(4.13)	599.25%	2.85	0.35%
JM Financial Singapore Pte. Ltd.	3.84	0.04%	(6.72)	(0.83%)	1.29	(187.57%)	(5.43)	(0.67%)
JM Financial Securities, Inc	9.42	0.10%	#	0.00%	0.10	(14.40%)	0.10	0.01%
Associate								
JM Financial Trustee Company Private Limited	12.01	0.12%	2.11	0.26%	#	(0.07%)	2.11	0.26%
	6,947.46	**72.19%**	**590.14**	**73.02%**	**(0.81)**	**117.11%**	**589.33**	**72.98%**
Non-controlling Interests in all subsidiaries	2,676.15	27.81%	218.03	26.98%	0.12	(17.11%)	218.15	27.02%
Total	**9,623.61**	**100.00%**	**808.17**	**100.00%**	**(0.69)**	**100.00%**	**807.48**	**100.00%**

*Net Assets have been arrived at after adjustments of Goodwill on consolidation.
**The numbers presented above are as per consolidated financial statements of JM Financial Asset Reconstruction Company Limited.

# Denotes amount below ₹ 50,000/-

Notes
to the Consolidated Financial Statements

42 Employee Stock Option Scheme (ESOS)

(A) JM Financial Limited:

The Employee Stock Option Scheme ('the Scheme') provides for grant of stock options to the eligible employees and/or directors ("the Employees") of the Company and/or its subsidiaries. The Stock Options are granted at an exercise price, which is either equal to the fair market price or at a premium, or at a discount to market price as may be determined by the Nomination and Remuneration Committee of the Board of the Company.

During the financial year 2020-21, the Nomination and Remuneration Committee has granted 18,56,913 options under Series 13 (previous year 6,62,130 options-Series 12) at an exercise price of ₹ 1/- per option to the Employees, that will vest in a graded manner and which can be exercised within a specified period.

The details of options are as under:

	For the year ended March 31, 2021	For the year ended March 31, 2020
Outstanding at the beginning of the year	36,45,232	43,55,624
Add: Granted during the year	18,56,913	6,62,130
Less: Exercised and shares allotted during the year	14,93,064	12,93,184
Less: Exercised but pending allotment	Nil	5,000
Less: Forfeited/cancelled during the year	28,861	Nil
Less: Lapsed during the year	4,81,776	74,338
Outstanding at end of the year	34,98,444	36,45,232
Exercisable at end of the year	11,49,121	13,35,616

The Group 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 and previous 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.

Details of options granted during the current and previous financial year based on the graded vesting and fair value of the options are as under:

Tranches	% of Options to be vested	No. of options granted		Vesting date		Fair value per option (₹)	
		Current year	Previous year	Current year	Previous year	Current year	Previous year
Tranche-1	33.33%	6,18,971	2,20,710	April 17, 2021	April 18, 2020	76.68	86.14
Tranche-2	33.33%	6,18,971	2,20,710	April 17, 2022	April 18, 2021	76.54	85.47
Tranche-3	33.33%	6,18,971	2,20,710	April 17, 2023	April 18, 2022	76.44	84.79
		18,56,913	**6,62,130**				

The following table summarizes the assumptions used in calculating the grant date fair value:

Tranches	Life of the Option (in years)		Risk-free interest rate		Volatility		Dividend Yield	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Tranche-1	2.75	3.00	4.96%	7.09%	0.4768	0.4518	0.26%	1.11%
Tranche-2	3.75	3.75	5.48%	7.26%	0.4854	0.4483	0.26%	1.11%
Tranche-3	4.50	4.50	5.95%	7.39%	0.4717	0.4438	0.26%	1.11%

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Details of options granted under various series are as under:

	Series 8	Series 9	Series 10	Series 11	Series 12	Series 13
Grant date	16/04/2015	12/05/2016	20/04/2017	12/04/2018	18/04/2019	17/04/2020
Options granted	14,44,440	12,55,515	23,19,636	18,48,018	6,62,130	18,56,913
Options exercised till March 31, 2021	12,21,726	10,95,181	14,49,117	7,57,756	1,29,840	N.A.
Options forfeited/ cancelled till March 31, 2021	Nil	Nil	Nil	Nil	Nil	Nil
Options lapsed till March 31, 2021	96,294	40,799	3,40,356	3,34,777	79,660	3,42,702
Outstanding at end of the year	1,26,420	1,19,535	5,30,163	7,55,485	4,52,630	15,14,211
Exercisable at end of the year	1,26,420	1,19,535	5,30,163	3,01,291	71,712	N.A.
Vesting of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options	1/3rd Options each on completion of first, second and third year from the date of grant of options
Exercise period	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant	Within 7 years from the date of grant
Exercise price(refer note[i])	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00	₹ 1.00
Pricing formula	As was determined by the Nomination and Remuneration Committee at its meeting held on April 16, 2015	As was determined by the Nomination and Remuneration Committee at its meeting held on May 12, 2016	As was determined by the Nomination and Remuneration Committee at its meeting held on April 20, 2017	As was determined by the Nomination and Remuneration Committee at its meeting held on April 12, 2018	As was determined by the Nomination and Remuneration Committee at its meeting held on April 18, 2019	As was determined by the Nomination and Remuneration Committee at its meeting held on April 17, 2020

Notes:

(i) Additionally during the year, an aggregate amount of ₹ 4.51 crore (Previous year ₹ 8.41 crore) being the difference between the exercise price and fair value of options has been reimbursed by the subsidiary companies with which the Employees are/were employed/associated.

(ii) As no options were outstanding in respect of Series 1 to Series 7 as on March 31, 2021, the details of options granted has not been included above.

(iii) Esop cost recognised in Statement of Profit and Loss is ₹ 9.30 crore (Previous year ₹ 11.03 crore).

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Of Subsidiary Companies

(B) JM Financial Asset Reconstruction Company Limited ('JMFARC'):

JMFARC has formulated the Employee Stock Option Scheme ('the Scheme') which provides for grant of stock options to its eligible employees ("the Employees"). The Stock Options are granted at an exercise price, as may be determined by the Nomination and Remuneration Committee of the Board of JMFARC.

During the year 2020-21, the Nomination and Remuneration Committee of the Board of JMFARC has granted 15,81,444 options under its first series at an exercise price of ₹ 28.46 per option to the Employees, that will vest in a graded manner and which can be exercised within a specified period.

The details of options are as under:

	For the year ended March 31, 2021
Outstanding at the beginning of the year	Nil
Add: Granted during the year	15,81,444
Less: Exercised and allotted during the year	Nil
Less: Lapsed during the year	Nil
Outstanding at end of the year	15,81,444
Exercisable at end of the year	Nil

JMFARC 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 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.

Details of options granted during the year and fair value of the options are as under:

Tranches	% of Options to be vested	No. of options granted	Vesting date	Fair value per option (₹)
Tranche-1	33.33%	5,27,148	April 16, 2022	19.79
Tranche-2	33.33%	5,27,148	April 16, 2023	21.58
Tranche-3	33.33%	5,27,148	April 16, 2024	23.08
		15,81,444		

The following table summarizes the assumptions used in calculating the grant date fair value:

Tranches	Life of the Option (in years)	Risk-free interest rate	Volatility	Dividend Yield
Tranche-1	3.50	5.59%	0.5160	Nil
Tranche-2	4.50	6.16%	0.5005	Nil
Tranche-3	5.50	6.51%	0.4870	Nil

Note:

(i) Esop cost recognised in Statement of Profit and Loss is ₹ 1.16 crore. (Previous year: Nil)

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43 Segment Disclosures

(A) Operating Segment Information

The Group has four reportable segments, namely, Investment banking, Wealth Management and Securities Business (IWS), Mortgage Lending, Distressed Credit and Asset management.

Segment	Principal activities
Investment banking, Wealth Management and Securities Business (IWS)	Investment banking, Wealth Management and Securities Business includes management of capital markets transactions, advising on mergers & acquisitions, and private equity syndication. The company also provides investment advisory and distribution services, involving equity brokerage services, wealth management, capital market lending for wealth management and broking clients and distribution of financial products. This segment also includes institutional equities business. It also involves administration and management of private equity and real estate funds.
Mortgage Lending	Mortgage Lending include providing finance against commercial real estate and residential real estate to a diverse range of corporates and non-corporate clients. It also includes housing finance business and lending to education institutions.
Distressed Credit	Distressed Credit includes securitisation and reconstruction of financial assets.
Asset management	Asset management business involves managing mutual fund assets through several schemes, offering a range of investment options to a large number of clients which predominantly include institutional and corporate clients as well as high net worth individuals.

Disclosure in respect of segment reporting pursuant to Ind AS 108 on 'Operating Segments'

₹ in Crore

		For the year ended March 31, 2021	For the year ended March 31, 2020
Segment revenue			
A	Investment banking, Wealth Management and Securities Business (IWS)	1,566.77	1,611.52
B	Mortgage Lending	1,217.72	1,350.85
C	Distressed Credit	384.60	413.50
D	Asset management	31.33	62.88
E	Others	125.18	79.75
	Total segment revenue	**3,325.60**	**3,518.50**
	Less: Inter - segmental revenue	(98.97)	(64.95)
	Total revenue	**3,226.63**	**3,453.55**
Segment results			
A	Investment banking, Wealth Management and Securities Business (IWS)	445.76	434.60
B	Mortgage Lending	477.50	533.01
C	Distressed Credit	90.67	85.58
D	Asset management	(3.54)	22.49
E	Others	56.46	17.84
Profit before tax		**1,066.85**	**1,093.52**
Less: Tax expense		(260.79)	(315.98)
Profit for the year		**806.06**	**777.54**
Add : Share in profit of associate		2.11	0.41
Profit after tax and share in profit of associate		**808.17**	**777.95**
Other Comprehensive Income		(0.69)	8.68
Total Comprehensive Income		**807.48**	**786.63**

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₹ in Crore

		As at March 31, 2021	As at March 31, 2020
Segment assets			
A	Investment banking, Wealth Management and Securities Business (IWS)	8,505.19	7,626.56
B	Mortgage Lending	9,646.99	8,404.14
C	Distressed Credit	3,845.09	4,127.32
D	Asset management	243.60	245.55
E	Others	1,081.53	289.51
	Total segment assets	**23,322.40**	**20,693.08**
Segment liabilities			
A	Investment banking, Wealth Management and Securities Business (IWS)	5,463.04	4,932.13
B	Mortgage Lending	5,859.13	4,972.32
C	Distressed Credit	2,213.40	2,526.03
D	Asset management	12.25	14.16
E	Others	150.97	166.45
	Total segment liabilities	**13,698.79**	**12,611.09**

₹ in Crore

		For the year ended March 31, 2021	For the year ended March 31, 2020
Capital expenditure incurred during the year			
A	Investment banking, Wealth Management and Securities Business (IWS)	3.86	3.09
B	Mortgage Lending	0.69	2.87
C	Distressed Credit	0.09	0.05
D	Asset management	0.65	2.55
E	Others	1.07	1.40
	Total capital expenditure	**6.36**	**9.96**

₹ in Crore

		For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation / amortisation for the year			
A	Investment banking, Wealth Management and Securities Business (IWS)	24.79	26.05
B	Mortgage Lending	3.13	2.87
C	Distressed Credit	0.84	1.08
D	Asset management	2.22	2.43
E	Others	8.77	8.61
	Total depreciation / amortisation	**39.75**	**41.04**
Significant Non-Cash Expenses other than depreciation / amortization			
A	Investment banking, Wealth Management and Securities Business (IWS)	82.85	84.87
B	Mortgage Lending	192.05	149.26
C	Distressed Credit	(4.92)	17.33
D	Asset management	0.39	0.09
E	Others	5.50	0.60
	Total Significant Non-Cash Expenses	**275.87**	**252.15**

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B) Geographical Segment Information

The geographic information analyses the Group's revenues and non-current assets by the Company's country of domicile and other countries. In presenting geographic information, segment revenue has been based on the selling location in relation to revenues and segment non-current assets are based on geographical location of assets.

₹ in Crore

	For the year ended March 31, 2021	For the year ended March 31, 2020
Segment revenue		
A In India	3,213.94	3,450.70
B Outside India	12.69	2.85
Total segment revenue	**3,226.63**	**3,453.55**

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Segment non-current assets		
A In India	9,435.58	10,462.20
B Outside India	36.19	32.78
Total segment non-current assets	**9,471.77**	**10,494.98**

44 Details of expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto.

₹ in Crore

	For the year ended March 31, 2021			For the year ended March 31, 2020		
	Holding Company and Subsidiaries	Associate	Total	Holding Company and Subsidiaries	Associate	Total
a) Gross amount required to be spent by the Group during the year.	26.89	0.09	26.98	23.98	0.11	24.09
b) Amount spent	14.31	0.09	14.40	24.02	0.11	24.13
Amount provided for on-going projects	12.64	-	12.64	-	-	-
Total	**26.95**	**0.09**	**27.04**	**24.02**	**0.11**	**24.13**
(i) Construction/ acquisition of any asset	-	-	-	-	-	-
(ii) On purposes other than (i) above	**26.95**	**0.09**	**27.04**	**24.02**	**0.11**	**24.13**

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45 Financial information of subsidiaries that have material non-controlling interest

a) Subsidiaries that have material non-controlling interests is provided below:

Name of the entity	Place of business/ country of incorporation	Ownership interest held by the Company		Ownership interest held by non-controlling interest		Principal Activities
		As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020	
JM Financial Credit Solutions Limited (JMFCSL)	India	46.68%	46.68%	53.32%	53.32%	Mortgage Lending
JM Financial Asset Reconstruction Company Limited (JMFARC)	India	59.25%*	59.25%*	40.75%	40.75%	Distressed Credit

* The ownership interest disclosed above is based on the equity shares presently held by the Company. Compulsorily Convertible Debentures (CCD) held by the Company are not taken into consideration.

b) The following table summarises Financial Information of subsidiaries that have material non-controlling interests, before any inter-company eliminations:

i) Summarised Statement of Profit and Loss

₹ in Crore

	JM Financial Credit Solutions Limited		JM Financial Asset Reconstruction Company Limited (Refer note 45.1)	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Total Income	1,167.49	1,309.79	384.60	413.50
Profit for the year	358.98	382.35	64.45	47.68
Other Comprehensive Income (OCI)	0.03	(0.04)	0.09	(0.01)
Profit allocated to non-controlling interests	191.42	202.46	26.73	22.63
OCI allocated to non-controlling interests	0.02	(0.02)	0.04	#
Dividends paid to non-controlling interests	0.23	0.15	-	-

# Denotes amount below ₹ 50,000/-

ii) Summarised Balance Sheet

₹ in Crore

	JM Financial Credit Solutions Limited		JM Financial Asset Reconstruction Company Limited (Refer note 45.1)	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Financial Assets	9,097.19	8,112.89	4,223.61	4,127.48
Non-Financial Assets	122.99	86.79	68.28	62.05
	9,220.18	**8,199.68**	**4,291.89**	**4,189.53**
Financial Liabilities	5,564.15	4,904.78	2,687.74	2,633.92
Non-Financial Liabilities	6.17	3.63	17.90	16.83
	5,570.32	**4,908.41**	**2,705.64**	**2,650.75**
Net Assets (Equity)	**3,649.86**	**3,291.27**	**1,586.25**	**1,538.78**
Net assets attributable to non-controlling interests	1,919.60	1,755.05	574.68	549.67
Net assets attributable to security receipts holders under distressed credit business (Refer note 45.2)	-	-	71.33	88.77

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iii) Summarised Cash Flow

₹ in Crore

	JM Financial Credit Solutions Limited		JM Financial Asset Reconstruction Company Limited (Refer note 45.1)	
	For the year ended March 31, 2021	For the year ended March 31, 2020	For the year ended March 31, 2021	For the year ended March 31, 2020
Net Cash flows from operating activities	638.34	1,195.29	(138.06)	(85.59)
Net Cash flows from investing activities	(1,085.39)	(590.55)	1.33	6.70
Net Cash flows from financing activities	651.26	(754.68)	2.55	184.20
Net increase / (decrease) in cash and cash equivalents before consolidation effect	**204.21**	**(149.94)**	**(134.18)**	**105.31**
Less: on loss of control of subsidiary trust	-	-	-	(0.06)
Net increase / (decrease) in cash and cash equivalents after consolidation effect	**204.21**	**(149.94)**	**(134.18)**	**105.25**

Note:

45.1 The numbers presented above are as per consolidated financial statements of JMFARC.

45.2 During the year ended March 31, 2020, JMFARC discontinued consolidation of one of its subsidiary trusts which was consolidated earlier, on the basis of exposure to variable returns in accordance with the policy approved by the Board of Directors of JMFARC defining the benchmark for consolidation of variable interest entity.

46 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 (except financial instruments for which carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Set out below, is a comparison by class of the carrying amounts and fair value of the Group's financial instruments, other than those with carrying amounts that are reasonable approximations of fair values:

1) Accounting classification and fair values

₹ in Crore

As at March 31, 2021	FVTPL	Amortised Cost	Total
Financial assets			
Cash and cash equivalents	-	826.38	**826.38**
Bank balances other than cash and cash equivalents	-	1,248.57	**1,248.57**
Derivative Financial instruments	5.06	-	**5.06**
Trade Receivables	-	499.18	**499.18**
Loans	-	11,222.84	**11,222.84**
Investments	5,789.65	12.01	**5,801.66**
Other Financial assets	2,915.01	71.71	**2,986.72**
Total	**8,709.72**	**13,880.69**	**22,590.41**

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₹ in Crore

As at March 31, 2021	FVTPL	Amortised Cost	Total
Financial liabilities			
Derivative Financial instruments	4.82	-	**4.82**
Trade payables	-	764.60	**764.60**
Debt Securities	-	8,493.03	**8,493.03**
Borrowings (other than debt securities)	-	3,875.48	**3,875.48**
Other Financial Liabilities	-	430.99	**430.99**
Total	**4.82**	**13,564.10**	**13,568.92**

₹ in Crore

As at March 31, 2020	FVTPL	Amortised Cost	Total
Financial assets			
Cash and cash equivalents	-	809.90	**809.90**
Bank balances other than cash and cash equivalents	-	519.50	**519.50**
Derivative Financial instruments	1.26	-	**1.26**
Trade Receivables	-	324.25	**324.25**
Loans	-	11,900.13	**11,900.13**
Investments	4,004.55	9.90	**4,014.45**
Other Financial assets	2,183.19	199.13	**2,382.32**
Total	**6,189.00**	**13,762.81**	**19,951.81**
Financial liabilities			
Derivative Financial instruments	1.22	-	**1.22**
Trade payables	-	439.85	**439.85**
Debt Securities	-	8,235.26	**8,235.26**
Borrowings (other than debt securities)	-	3,520.41	**3,520.41**
Other Financial Liabilities	-	271.55	**271.55**
Total	**1.22**	**12,467.07**	**12,468.29**

2) Fair Value Hierarchy and Method of Valuation:

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard.

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).

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₹ in Crore

As at March 31, 2021	Level 1	Level 2	Level 3	Total
Financial assets (Measured at FVTPL)				
Derivative Financial instruments	-	5.06	-	**5.06**
Investments				
- Equity shares	44.60	25.36	130.77	**200.73**
- Venture Capital Fund units	-	74.94	-	**74.94**
- Security Receipts	-	-	1,053.61	**1,053.61**
- Mutual funds units	4,334.23	-	-	**4,334.23**
- Others	48.27	56.54	21.33	**126.14**
	4,427.10	**156.84**	**1,205.71**	**5,789.65**
Other Financial assets				
- Financial assets under Distressed Credit Business	-	-	2,222.82	**2,222.82**
- Others	473.90	128.61	89.68	**692.19**
	473.90	**128.61**	**2,312.50**	**2,915.01**
Financial liabilities (Measured at FVTPL)				
Derivative Financial instruments	-	4.82	-	**4.82**

₹ in Crore

As at March 31, 2020	Level 1	Level 2	Level 3	Total
Financial assets (Measured at FVTPL)				
Derivative Financial instruments	-	1.26	-	**1.26**
Investments				
- Equity shares	37.18	20.31	192.33	**249.82**
- Venture Capital Fund units	-	6.23	45.14	**51.37**
- Security Receipts	-	-	1,185.84	**1,185.84**
- Mutual funds units	2,485.37	-	-	**2,485.37**
- Others	19.56	6.04	6.55	**32.15**
	2,542.11	**32.58**	**1,429.86**	**4,004.55**
Other Financial assets				
- Financial assets under Distressed Credit Business	-	-	1,965.16	**1,965.16**
- Others	57.34	60.46	100.23	**218.03**
	57.34	**60.46**	**2,065.39**	**2,183.19**
Financial liabilities (Measured at FVTPL)				
Derivative Financial instruments	-	1.22	-	**1.22**

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Fair value of the financial instruments that are not measured at fair value

Non-convertible Debentures measured at amortised cost for which carrying value and fair value are as under:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Carrying value*	7,501.71	7,603.26
Fair value	7,341.26	7,423.89

*Carrying value includes interest accrued and excludes premium and impact of effective interest rate adjustment.

These fair values are calculated for disclosure purpose only. Except for those financial instruments for which the fair values are mentioned in the above table, the Group considers that the carrying amounts recognised in the financial statements are approximate their fair values.

For financial assets that are measured at fair value, the carrying amounts are equal to the fair values.

Valuation Technique

Type of Financial Instrument	Valuation Technique
Debt Instruments	NAV / Quoted price as on the reporting date.
Government Securities	Price from the Clearing Corporation of India Limited
Equity Instruments	Quoted price as on the reporting date / latest available trade price.
Mutual Funds / Venture Capital Fund / AIF Units	NAV as on the reporting date / latest available NAV.
Convertible Warrants / REIT Units	Quoted price as on the reporting date
Security Receipts	NAV as on the reporting date.

Impact of Covid-19:

Impact of Covid-19 pandemic has been considered on the observable and unobservable inputs used for the purpose of valuation. During the financial year 2019-20, the group had changed the classification of certain investments in equity instruments and venture capital fund units from level 2 to level 3. In the current year, level 3 classification is continued for such investment in equity instruments but the investment in venture capital units have been reclassified to level 2 from level 3. Further, necessary adjustments have been made to the timing of cash flows and values of collaterals to be realized for the purpose of determination of the fair values of financial assets carried at FVTPL.

3) Fair value measurements using significant unobservable inputs (level 3)

The following table presents the changes in level 3 items for the year ended March 31, 2021 and March 31, 2020.

₹ in Crore

	Equity shares	Venture Capital Fund units	Security receipts	Financial Assets under Distressed Credit Business	Other financial assets
As at April 01, 2019	**1.92**	**-**	**1,438.26**	**2,241.87**	**-**
Acquisitions	12.52	-	20.16	293.97	106.50
Reclassification from Level 2 to Level 3	184.82	53.52	-	-	-
Realisations	-	-	(229.51)	(152.48)	(1.00)
On loss of control in a subsidiary trust	-	-	84.73	(574.64)	-
Net (Loss)/Gain on fair value changes	(7.14)	(8.38)	(127.80)	156.44	(5.27)
Foreign currency fluctuation	0.21	-	-	-	-
As at March 31, 2020	**192.33**	**45.14**	**1,185.84**	**1,965.16**	**100.23**

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₹ in Crore

	Equity shares	Venture Capital Fund units	Security receipts	Financial Assets under Distressed Credit Business	Other financial assets
As at March 31, 2020	**192.33**	**45.14**	**1,185.84**	**1,965.16**	**100.23**
Acquisitions	5.34	-	0.56	353.51	-
Reclassification from Level 3 to Level 2	-	(45.14)	-	-	-
Realisations	(112.03)	-	(63.59)	(492.30)	-
On change of control in subsidiary trusts	-	-	(49.78)	332.49	-
Net (Loss)/Gain on fair value changes	45.17	-	(19.42)	63.96	(10.55)
Foreign currency fluctuation	(0.04)	-	-	-	-
As at March 31, 2021	**130.77**	**-**	**1,053.61**	**2,222.82**	**89.68**

4) Sensitivity for instruments:

₹ in Crore

Nature of the instrument	Fair Value As at March 31, 2021	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2021	
				FV Increase	FV Decrease
Investment in Equity shares	130.77	Impact estimated by the management considering current market conditions	5%	0.85	(0.85)
Investment in Security receipts	1,053.61	Estimated cash flow based on realisation of collaterals value, etc.	5%	65.88	(65.88)
Financial Assets under Distressed Credit Business	2,222.82	Same as above	5%	99.80	(99.80)
Other financial assets	89.68	Same as above	5%	4.48	(4.48)

₹ in Crore

Nature of the instrument	Fair Value As at March 31, 2020	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2020	
				FV Increase	FV Decrease
Investment in Equity shares	192.33	Impact estimated by the management considering current market conditions	5%	1.45	(1.45)
Investment in VCF	45.14	Same as above	5%	0.43	(0.43)
Investment in Security receipts	1,185.84	Estimated cash flow based on realisation of collaterals value, etc.	5%	70.78	(70.78)
Financial Assets under Distressed Credit Business	1,965.16	Same as above	5%	86.79	(86.79)
Other financial assets	100.23	Same as above	5%	5.01	(5.01)

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47 Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

The primary objective of the Group's Capital Management is to maximize shareholders value. The Group manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Group monitors capital using adjusted net debt to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances, and liquid investments.

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Gross debt	**12,368.51**	**11,755.67**
Less: Cash and cash equivalents	826.38	809.90
Less: Deposits under lien against which facilities are not availed	165.01	103.06
Less: Investment in Government Securities	24.98	-
Less: Liquid investments in mutual funds (refer note 47.1)	4,334.23	2,499.37
Adjusted net debt	**7,017.91**	**8,343.34**
Total equity (refer note 47.2)	9,552.28	7,993.22
Adjusted net debt to equity ratio	**0.73**	**1.04**

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 lenders to accelerate the repayment of outstanding amount, enforce security interests created under the financing documents, and taking possession of the assets given as security.

47.1 Includes redemption proceeds receivable from mutual fund amounting to Nil as on March 31, 2021 and ₹ 14.00 crore as on March 31, 2020, received on next working day.

47.2 Equity includes total equity less non-controlling interests of security receipts holders under distressed credit business and net of goodwill on consolidation.

48 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, equity price risk and interest rate risk)

Risk management framework

Risk management forms an integral part of our business operations and monitoring activities. The Group is exposed to various risks related to our lending business and operating environment. The objective is to evaluate and monitor various risks that we are subject to and follow stringent policies and procedures to address these risks. The Group has formulated comprehensive risk management policies and processes to identify, evaluate and manage the risks that are encountered during conduct of business activities in an effective manner.

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i) **Credit risk:**

For Wholesale Loans:

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to us. In its lending operations, the Company is principally exposed to credit risk.

The credit risk is governed by the Credit Policy which outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits.

The Group measures, monitors and manages credit risk at an individual borrower level and at the Company 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.

Credit Risk Assessment Methodology

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.

Finance approval process begins with a detailed evaluation of technical, commercial, financial, marketing and management factors and the sponsor's financial strength and experience. As part of the appraisal process, a risk matrix is generated, which identifies each of the project risks, mitigating factors and residual risks associated with the project. After credit approval, a letter of intent is issued to the borrower, which outlines the principal financial terms of the proposed facility, sponsor obligations, conditions precedent to disbursement, undertakings from and covenants on the borrower. After completion of all formalities by the borrower, a loan agreement is entered into with the borrower.

The Group has set out security creation requirements in the loan documents. In any kind of real estate lending transaction the company maintains a security and receivables cover between 1.5 to 2 times of the loan amount. This gives enough flexibility in the event the real estate prices come down or there is a cost overrun. It also helps ensure equity of the promoter in the project in terms of the residual value cover.

The Group monitors the completeness of documentation and the creation of security through regular visits to the business outlets by the regional executives, head office executives and internal auditors. All customer accounts are reviewed at least once a year while reviews for larger exposures and reviews on delinquent customers are conducted more frequently.

Risk and monitoring team review collections regularly and personally contact customers that have defaulted on their loan payments. Close monitoring of debt servicing enables to maintain high recovery ratios and maintain satisfactory asset quality.

The Credit Committee of the respective subsidiaries, apart from approving proposals, regularly reviews the credit quality of the portfolio and various sub-portfolios. A summary of the reviews carried out by the Credit Committee is submitted to the Board of the respective subsidiaries for its information. The Group continue to monitor the credit exposure until the loans are fully repaid.

For Capital Market Loans:

The Demand/ Call loans are a line of credit facility sanctioned to a client up to which they can draw the money as and when required and can repay anytime as per liquidity available with them. Disbursement under Demand/ Call Loan shall be at the absolute discretion of the respective subsidiary company. Further, such loans are a credit facility which can be recalled at any time.

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The Credit team carries out a credit assessment of a borrower on the basis of financial credentials of the borrower and for that, asks for documents such as net worth / bank statements/ Income Tax Returns/ Balance sheet, investment statements and any similar documents or any such document as they may deem fit.

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 from the possible risk of default of a borrower, the respective subsidiary:

- Ensures maintenance of sufficient margin coverage on the borrower's 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; and
- Revises list of approved securities from time to time.

For Home Loans:

There is a systematic credit evaluation process monitoring the performance of its asset portfolio on a regular and continual basis to detect any material development, and constantly evaluate the changes and developments in sectors in which it has substantial exposure. It also undertakes periodic review of asset portfolio with a view to determine the portfolio valuation, identify potential areas of action and devise appropriate strategies thereon.

For Trade receivables and other financial assets:

The investment banking, wealth management and securities business of the Group are subject to the risk that a client or counterparty may fail to perform its obligations or that the value of any collateral held by the Group to secure the obligations might become inadequate. The Group is exposed to credit risk arising out of receivables from clearing houses of stock exchanges which comprise initial margins placed with clearing houses and receivables relating to sale of securities which the clients have traded, but not yet settled, and also with fixed deposits placed with banks. In addition, the Group is dependent on various intermediaries, including brokers, merchant bankers, stock exchanges, banks, registrars and share transfer agents and clearing houses and if any of these intermediaries do not perform their obligations or any collateral or security they provide proves inadequate to cover their obligations at the time of the default, the Group could suffer significant losses and it would have an adverse effect on our financial condition, results of operations and cash flows.

There is a widespread credit policy in place 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, etc. for better management of credit risk.

The Group's current credit risk grading framework 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	Assets overdue more than 90 days past due	Lifetime ECL

The key elements in calculation of ECL are as follows:

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. The PD has been determined based on comparative external ratings.

EAD - The Exposure at Default is an estimate of the exposure at a reporting date. It shall include outstanding loan amount, accrued interest and expected drawdowns on non-discretionary loan commitments.

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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 table below shows the credit quality and the exposure to credit risk of loans based on the year-end stage classification. The amounts presented are gross of impairment allowances.

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Stage 1	10,159.83	11,230.46
Stage 2	853.91	638.64
Stage 3	807.79	371.32
Total	**11,821.53**	**12,240.42**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to loans:

₹ in Crore

	2020-21			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**11,230.46**	**638.64**	**371.32**	**12,240.42**
New assets originated or purchased (including additions in existing assets and interest accruals)	3,050.55	15.10	43.92	**3,109.57**
Assets derecognised or repaid (excluding write offs)	(3,363.04)	(130.84)	(32.76)	**(3,526.64)**
Transfers to Stage 1	209.05	(209.05)	-	**-**
Transfers to Stage 2	(713.70)	713.70	-	**-**
Transfers to Stage 3	(253.24)	(173.64)	426.88	**-**
Amounts written off	(0.25)	-	(1.57)	**(1.82)**
Gross carrying amount closing balance	**10,159.83**	**853.91**	**807.79**	**11,821.53**

₹ in Crore

	2019-20			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**13,891.76**	**468.62**	**110.41**	**14,470.79**
New assets originated or purchased (including additions in existing assets and interest accruals)	3,203.74	140.22	1.32	**3,345.28**
Assets derecognised or repaid (excluding write offs)	(5,250.89)	(207.85)	(101.75)	**(5,560.49)**
Transfers to Stage 1	-	-	-	**-**
Transfers to Stage 2	(421.39)	421.39	-	**-**
Transfers to Stage 3	(192.76)	(183.74)	376.50	**-**
Amounts written off	-	-	(15.16)	**(15.16)**
Gross carrying amount closing balance	**11,230.46**	**638.64**	**371.32**	**12,240.42**

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₹ in Crore

	2020-21			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**145.62**	**116.50**	**78.17**	**340.29**
New assets originated or purchased (including additions in existing assets and interest accruals)	148.19	9.58	13.17	**170.94**
Assets derecognised or repaid (excluding write offs)	(25.09)	(11.73)	(10.63)	**(47.45)**
Transfers to Stage 1	0.99	(19.91)	-	**(18.92)**
Transfers to Stage 2	(21.56)	110.66	-	**89.10**
Transfers to Stage 3	(3.74)	(40.45)	108.92	**64.73**
Amounts written off	-	-	-	**-**
ECL allowance - closing balance	**244.41**	**164.65**	**189.63**	**598.69**

₹ in Crore

	2019-20			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**92.93**	**8.10**	**32.83**	**133.86**
New assets originated or purchased (including additions in existing assets and interest accruals)	88.08	35.92	4.76	**128.76**
Assets derecognised or repaid (excluding write offs)	(28.06)	(0.86)	(2.00)	**(30.92)**
Transfers to Stage 1	-	-	-	**-**
Transfers to Stage 2	(5.61)	77.65	-	**72.04**
Transfers to Stage 3	(1.72)	(4.31)	57.74	**51.71**
Amounts written off	-	-	(15.16)	**(15.16)**
ECL allowance - closing balance	**145.62**	**116.50**	**78.17**	**340.29**

The table below shows the credit quality and the exposure to credit risk of investments in debt instruments measured at amortised cost based on the year-end stage classification. The amounts presented are gross of impairment allowances.

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Stage 1	-	-
Stage 2	-	-
Stage 3	-	-
Total	**-**	**-**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to investments in debt instruments measured at amortised cost:

₹ in Crore

	2020-21			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**-**	**-**	**-**	**-**
New assets originated or purchased	-	-	-	**-**
Assets derecognised or repaid (excluding write offs)	-	-	-	**-**
Transfers to Stage 1	-	-	-	**-**
Transfers to Stage 2	-	-	-	**-**
Transfers to Stage 3	-	-	-	**-**
Gross carrying amount closing balance	**-**	**-**	**-**	**-**

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₹ in Crore

	2019-20			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance	**201.92**	**-**	**-**	**201.92**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	(201.92)	-	-	**(201.92)**
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
Gross carrying amount closing balance	**-**	**-**	**-**	**-**

₹ in Crore

	2020-21			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**-**	**-**	**-**	**-**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
ECL allowance - closing balance	**-**	**-**	**-**	**-**

₹ in Crore

	2019-20			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**1.13**	**-**	**-**	**1.13**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	(1.13)	-	-	**(1.13)**
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	-	-	-	-
Transfers to Stage 3	-	-	-	-
ECL allowance - closing balance	**-**	**-**	**-**	**-**

An analysis of ageing of the gross carrying amount and the changes in the ECL allowances in relation to trade receivables:

₹ in Crore

	As at March 31, 2021	As at March 31, 2020
Past due 0–180 days	375.60	207.39
More than 180 days	141.66	131.39
Total	**517.26**	**338.78**

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Reconciliation of impairment allowance on Trade Receivables

₹ in Crore

Impairment allowance measured as per simplified approach	
Impairment allowance as on April 01, 2019	**12.08**
Add/ (less): asset originated / acquired or recovered	9.71
(Less): Amount written-back due to write-off	(7.26)
Impairment allowance as on March 31, 2020	**14.53**
Add/ (less): asset originated / acquired or recovered	3.55
(Less): Amount written-back due to write-off	-
Impairment allowance as on March 31, 2021	**18.08**

Impact of Covid-19:

The relevant subsidiary companies of the Group have applied management overlays to the 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.

As part of the management overlays and as per the approved ECL policy of the relevant subsidiary companies of the Group, the management has adjusted the underlying PD and LGD as computed by ECL Model depending on the nature of the portfolio/borrower, the management's estimate of the future stress and risk and available market information. Also, refer note 50.

ii) Liquidity Risk:

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. It includes both, the risk of unexpected increases in the cost of funding an asset portfolio at appropriate maturities and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

The Group manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. Given the need to fund products, the Group maintains flexibility in funding by maintaining availability under committed credit lines to meet obligations when due. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

We manage liquidity risk in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors of the respective subsidiaries. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

The Group has undrawn lines of credit of ₹ 946.48 crore and ₹ 732.06 crore as of March 31, 2021 and March 31, 2020 respectively, 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.

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Exposure to liquidity risk

The following are the details of Group's remaining contractual maturities of financial liabilities and assets at the reporting date.

₹ in Crore

March 31, 2021	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities					
Derivative financial instruments	**4.82**	4.82	-	-	-
Trade Payables	**764.60**	764.60	-	-	-
Debt securities	**8,493.03**	3,636.57	2,542.10	880.24	1,434.12
Borrowings (other than debt securities)	**3,875.48**	2,387.87	946.96	362.58	178.07
Other Financial Liabilities	**430.99**	376.31	39.49	6.57	8.62
Total	**13,568.92**	**7,170.17**	**3,528.55**	**1,249.39**	**1,620.81**
Financial Assets					
Cash and Cash Equivalents	**826.38**	826.38	-	-	-
Bank balances other than cash and cash equivalents	**1,248.57**	1,230.82	14.75	3.00	-
Derivative financial instruments	**5.06**	5.06	-	-	-
Trade Receivables	**499.18**	447.71	51.47	-	-
Loans	**11,222.84**	5,239.13	4,693.89	865.60	424.22
Investments	**5,801.66**	5,011.30	231.58	260.05	298.73
Other Financial Assets	**2,986.72**	1,108.00	454.52	1,418.37	5.83
Total	**22,590.41**	**13,868.40**	**5,446.21**	**2,547.02**	**728.78**

₹ in Crore

March 31, 2020	Total	0-1 year	1-3 years	3-5 years	More than 5 years
Financial Liabilities					
Derivative financial instruments	**1.22**	1.22	-	-	-
Trade Payables	**439.85**	439.45	0.40	-	-
Debt securities	**8,235.26**	2,638.28	3,556.78	1,305.91	734.29
Borrowings (other than debt securities)	**3,520.41**	1,969.71	1,115.12	245.82	189.76
Other Financial Liabilities	**271.55**	208.25	36.09	21.03	6.18
Total	**12,468.29**	**5,256.91**	**4,708.39**	**1,572.76**	**930.23**
Financial Assets					
Cash and Cash Equivalents	**809.90**	809.90	-	-	-
Bank balances other than cash and cash equivalents	**519.50**	511.36	8.14	-	-
Derivative financial instruments	**1.26**	1.26	-	-	-
Trade Receivables	**324.25**	233.41	90.84	-	-
Loans	**11,900.13**	4,757.26	5,338.44	847.91	956.52
Investments	**4,014.45**	3,063.62	338.18	258.92	353.73
Other Financial Assets	**2,382.32**	835.46	545.30	993.18	8.38
Total	**19,951.81**	**10,212.27**	**6,320.90**	**2,100.01**	**1,318.63**

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iii) Market risk

The Group's activities expose it primarily to the currency, equity price and interest rates.

Currency Risk:

The Group undertakes transactions denominated in foreign currencies; consequently, exposure to exchange rate fluctuations arise. The Group is exposed to currency risk significantly on account of its trade payables and trade receivables denominated in foreign currency. The functional currency of the Group is Indian Rupee. The Group wherever required, hedges its foreign currency risk by using Derivative Instruments (Forward Contracts).

a) Foreign currency exposures hedged by a derivative instrument are given below:

Particulars	As at March 31, 2021 (₹ in Crore)	As at March 31, 2021 (Amount in Foreign Currency)	As at March 31, 2020 (₹ in Crore)	As at March 31, 2020 (Amount in Foreign Currency)
Trade Receivables	20.24	USD 27,64,535.00	-	-

b) Foreign currency exposures not hedged by a derivative instrument or otherwise are given below:

Particulars	As at March 31, 2021 (₹ in Crore)	As at March 31, 2021 (Amount in Foreign Currency)	As at March 31, 2020 (₹ in Crore)	As at March 31, 2020 (Amount in Foreign Currency)
Trade Receivables	2.72	USD 3,71,355.17	0.45	USD 59,671
	0.04	GBP 4,190.00	3.45	GBP 3,71,149
	-	-	6.34	EURO 7,63,806
	#	SGD 459.17	-	-
	0.01	AUD 1,790.12	-	-
	#	HKD 1,055.11	-	-
Trade Payables	0.64	USD 86,803.85	0.07	USD 9,190
	0.03	SGD 6,289.02	0.02	SGD 4,220

Sensitivity analysis

The Group is mainly exposed to USD, SGD, GBP and AUD. 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.

₹ in Crore

	Net unhedged exposure		% Change	Profit or Loss	
	March 31, 2021	March 31, 2020		March 31, 2021	March 31, 2020
USD	2.08	0.38	5% Increase	0.10	0.02
			5% Decrease	(0.10)	(0.02)
SGD	(0.03)	(0.02)	5% Increase	#	#
			5% Decrease	#	#
GBP	0.04	3.45	5% Increase	#	0.17
			5% Decrease	#	(0.17)
EURO	-	6.34	5% Increase	-	0.32
			5% Decrease	-	(0.32)
AUD	0.01	-	5% Increase	#	-
			5% Decrease	#	-
HKD	#	-	5% Increase	#	-
			5% Decrease	#	-

# Denotes amount below ₹ 50,000/-

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Equity price risk:

Equity price risk is related to the change in market reference price of the level 1 and level 2 equity instruments. The fair value of some of the Group's investments exposes the Group to equity price risks. In general, these securities are not held for trading purposes.

The fair value of level 1 and level 2 equity instruments as at March 31, 2021 and March 31, 2020 were ₹ 69.96 crore and ₹ 57.49 crore respectively. A 5% change in price of equity instruments held as at March 31, 2021 and March 31, 2020 would result in the following:

₹ in Crore

	March 31, 2021	March 31, 2020
5% Increase	3.50	2.87
5% Decrease	(3.50)	(2.87)

Interest rate risk:

The Group is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. Interest rates are susceptible to a number of factors beyond our control, including monetary policies of the RBI, deregulation of the financial sector in India, domestic and international economic and political conditions, inflation and other factors. The Group assesses and manages interest rate risk on balance sheet by managing assets and liabilities in line with Asset Liability Management Policy.

Exposure to interest rate risk

The Group's exposures to interest rates on financial assets and financial liabilities are detailed as under:

₹ in Crore

	March 31, 2021	March 31, 2020
Loans:		
Fixed rate Instruments	6,714.38	6,178.70
Floating rate Instruments	4,911.07	5,851.62
Total	**11,625.45**	**12,030.32**
Borrowings:		
Fixed rate Instruments	8,742.45	7,131.85
Floating rate Instruments	2,976.97	3,994.11
Total	**11,719.42**	**11,125.96**

Note: The above numbers are gross of expected credit losses and does not include accrued interest.

Fair value sensitivity analysis for Floating-rate instruments

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of instruments that have floating rates. A 100 basis points increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

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If interest rates had been 100 basis points higher or lower and all other variables were constant, the Group's profit before tax would have changed by the following:

₹ in Crore

	March 31, 2021		March 31, 2020	
	100 bps higher	100 bps lower	100 bps higher	100 bps lower
Floating rate loans	49.11	(49.11)	58.52	(58.52)
Floating rate borrowings	(29.77)	29.77	(39.94)	39.94

49 The Board of Directors of the Company has recommended a dividend of ₹ 0.50 per equity share of the face value of ₹1/- each for the year ended March 31, 2021 (Previous Year: ₹ 0.20 per equity share). The said dividend will be paid, if approved by the shareholders at the Thirty Sixth Annual General Meeting.

50 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. Consequent to the outbreak of the Covid-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with a significant number of Covid-19 cases.

Given the uncertainty over the potential macro-economic impact and external developments, the management of relevant subsidiaries, has considered internal and external information up to the date of approval of these financial statements. The Group has based on the available information, estimated impact on the future cash flows in respect of the financial assets and has also applied management overlays basis the policies of the said subsidiaries for the purpose of determination of:

- the provision for impairment of financial assets carried at amortised cost; and
- the fair value of certain financial assets carried at fair value through profit or loss (FVTPL).

Accordingly, the Statement of Profit and Loss for the year ended March 31, 2021 includes incremental impairment provision of ₹ 207.55 crore on account of the pandemic. The said provision is in addition to the impairment provision and fair value loss aggregating ₹ 175.21 crore for the year ended March 31, 2020, which significantly included potential impact on account of the pandemic. Based on the current indicators of future economic conditions, the Group considers these provisions to be adequate and the fair values of financial assets carried at FVTPL to be appropriate.

In addition, while assessing the liquidity situation, the Group has taken into consideration certain assumptions with respect to the expected realisation of the financial assets and the expected source of funds, based on its past experience which have been adjusted for the current events.

The extent to which the pandemic including the current "second wave", that has significantly increased the number of cases in India will impact future results of the subsidiaries and consequently the Group's results will depend on future developments, 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 Group. Given the uncertainty over the potential macro-economic condition, the impact of the Covid-19 pandemic may be different from the ones estimated as at the date of approval of these financial statements. The Group will continue to closely monitor any material changes to future economic conditions, which will be given effect to in the respective future periods.

51 The Financial Statements are approved for issue by the Board of Directors at its meeting held on May 05, 2021.

For and on behalf of the Board of Directors

Nimesh Kampani
Chairman
DIN – 00009071

Vishal Kampani
Managing Director
DIN – 00009079

E A Kshirsagar
Director
DIN – 00121824

Place : Mumbai
Date: May 05, 2021

Prashant Choksi
Company Secretary

Manish Sheth
Chief Financial Officer

JM FINANCIAL

7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India

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