

# **SOLID. STABLE. SUSTAINABLE.**

**JM Financial Asset Reconstruction  
Company Limited  
Annual Report 2023-24**



# Corporate Information

## BOARD OF DIRECTORS

### NON-EXECUTIVE DIRECTORS

Mr. V P Shetty  
Mr. Narotam Sekhsaria  
Mr. Pulkit Sekhsaria  
Mr. Adi Patel  
Mr. Vishal Kampani

### INDEPENDENT DIRECTORS

Ms. Rupa Vora  
Dr. Vijay Kelkar  
Mr. Ameet Desai  
Mr. Satish Chand Mathur  
Mr. Munesh Khanna

### CHIEF EXECUTIVE OFFICER

Mr. Srinivasan Viswanathan

### CHIEF OPERATING OFFICER

Mr. Vivek Grover (ceased w.e.f. close of business hours of January 31, 2024)

### CHIEF FINANCIAL OFFICER

Mr. Sabyasachi Ray

### COMPANY SECRETARY

Mr. Vineet Singh

## REGISTERED OFFICE

### JM Financial Asset Reconstruction Company Limited

7<sup>th</sup> Floor, Energy, Appasaheb Marathe Marg,  
Prabhadevi, Mumbai - 400 025  
Tel: 91-22-66303030 Fax: 91-22-66303223  
Email ID: [vineet.singh@jmfl.com](mailto:vineet.singh@jmfl.com)  
Website: [www.jmfinancialarc.com](http://www.jmfinancialarc.com)

**CIN: U67190MH2007PLC174287**

## OUR OFFICES

### Mumbai Office

3rd Floor, Suashish IT Park Building B,  
Dattapada Road, Borivali East,  
Mumbai - 400 066

### Delhi Office

Sood Tower (East Tower), 6th Floor,  
Barakhamba Road, Connaught Place,  
New Delhi - 110 001

### Bengaluru Office

4th Floor, Basappa Complex,  
Lavelle Road,  
Bengaluru - 560 001

## BANKERS

RBL Bank Limited  
IDBI Bank Limited  
Indian Overseas Bank  
Karur Vysya Bank  
Dhanlaxmi Bank Limited

## STATUTORY AUDITOR

**M/s. Sharp & Tannan Associates**

## REGISTRAR AND SHARE TRANSFER AGENTS

### KFin Technologies Limited

Selenium Tower B, Plot no. 31 & 32,  
Gachibowli, Financial District,  
Nanakramguda, Serilingampally  
Hyderabad - 500 032  
Telephone: 91-040-67162222  
Fax: (040) 2343 1551  
Email ID: [venu.sp@kfintech.com](mailto:venu.sp@kfintech.com)  
Website: [www.kfintech.com](http://www.kfintech.com)

## DEBENTURE TRUSTEE

### SBICAP Trustee Company Limited

4<sup>th</sup> Floor, Mistry Bhavan,  
122, Dinshaw Vachha Road,  
Churchgate, Mumbai - 400 020  
Tel: 91-22-43025555; Fax No: 91-22-22040465  
Email ID: [corporate@sbicaptrustee.com](mailto:corporate@sbicaptrustee.com)  
Website: [www.sbicaptrustee.com](http://www.sbicaptrustee.com)



# Independent Auditor's Report

## To The Board of Directors

### The Members of JM Financial Asset Reconstruction Company Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of **JM Financial Asset Reconstruction Company Limited** ("the Parent Company") and its subsidiaries constituted as Trusts, (the Parent Company and its subsidiaries constituted as Trusts together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2024, the consolidated statement of Profit and Loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, including a summary of material 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 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, Including the Ind AS, of the consolidated financial position of the Company as at March 31, 2024, and its consolidated loss including consolidated other comprehensive income, the consolidated changes in equity and its consolidated Cash flows for the period ended on that date.

#### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

#### Material Uncertainty Related to Going Concern

With reference to Note 50.1 to the consolidated financial statements which indicates that the group has incurred significant losses for the current financial year, an exceptional impairment loss provision was made on March 31, 2024, in multiple trusts & loans related to one large investment in security receipts/financial assets due to the change in the resolution strategy & events subsequent to the balance sheet date, which led to a reduction in the fair values of these assets, resulting in the Group's net worth decreasing from ₹ 1,535.77 crore as on March 31, 2023, to ₹ 595.48 crore as on March 31, 2024. The reduction in net worth has resulted in a decrease in regulatory capital and regulatory ratios that indicate that material uncertainty related to going concern may exist.

However, the Parent Company is raising funds through an equity infusion of ₹ 525 crore or such higher amounts from its Holding Company/Existing shareholders/holding company's group entities/new investors, approved in its Board Meeting on May 16, 2024, subject to regulatory and other approvals. The regulatory capital and regulatory ratios will improve post the equity infusion which is explained in the note and the parent Company is confident it can meet obligations with equity infusion and asset realization. The Consolidated Financial Statements are prepared on a going-concern basis, as detailed in the note.

Our opinion is not modified with respect to this above matter.

#### Emphasis of Matters:

We draw your attention to Note 32 of these consolidated financial statements, which describes the exceptional item considered by management for significant impairment provisions of ₹ 846.86 Crore on fair valuation of investments in multiple trusts and loans related to one large account/exposure in the current financial year due to a change in resolution strategy/plan and events subsequent to the balance sheet date resulting in the reduction of fair values of the specific assets.

Our opinion is not modified with respect to this emphasis of 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.

## Independent Auditor's Report (Contd.)

### Key Audit Matter

#### Fair Valuation of the Group's financial instruments:

The valuation of the financial instruments is based on a recovery range provided by the External Rating Agency and other unobservable inputs (i.e. projection of future cash flows and expenses etc.). These assets are classified as level 3 in the valuation hierarchy and the same are not actively traded.

Initially, the independent committee finalizes the resolution strategy for each trust, which may involve actions such as settling dues, selling assets through legal action or other means like NCLT, restructuring, and bringing in investors or strategic partners. The fair value of the investment can only be estimated based on the chosen resolution strategy, expected cash flows, recovery ranges provided by the external rating agency, collateral values, discount rates, proposed investor offer and other relevant assumptions. Further, the Group has applied judgements in estimating the cash flows.

The financial instruments carried at fair value of the Group are:

- The group has Investments in security receipts in Trusts formed under distressed credit business aggregating to ₹ 1,241.82 crores as at March 31, 2024;
- Financial assets under distressed credit business by the Trusts consolidated as subsidiaries aggregating ₹ 1,487.74 crores as at March 31, 2024.

(Refer to notes 9 & 10 in the consolidated financial statements)

In view of the complexities and significant judgements involved we have considered the valuation of these financial instruments as a key audit matter.

### Auditor's Response

#### Principal Audit Procedures Performed:

- We have tested the design and effectiveness of internal controls implemented by the management in respect of valuation of the investments and financial assets 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 and discount rates etc.

We have selected the sample and performed the following audit procedures:

- Analysed reasonableness of the determination of the appropriate recovery rate and estimated cash flows and the other relevant judgments and estimates, if any; and we assessed the information used to determine the key assumptions;
- Compared the historical estimates of the cash flows with the actual recoveries and obtained explanations for the variations, if any;
- Compared the management's assumption of discount rate with the supporting internal/ external evidence;
- We assessed the reasonableness of the judgements in estimating the cash flows in response to corroborating the assumptions based on the information used by the group, adopted/change in resolution strategy; and verified the accounting treatment applied.
- Read and assessed the disclosure made in the consolidated financial statements to assess compliance with respect to the disclosure requirements.

#### Information Other than the Consolidated financial statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's report including annexures to the Board's report but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above and, in doing so, 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 work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's & Board of Director's Responsibility for the Consolidated Financial Statements

The Parent Company's management & Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 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 changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Companies Act, 2013.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statement that gives a true and fair view and is free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of consolidated financial statements.

In preparing the consolidated financial statements, management is responsible for assessing the respective entities 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 their respective entities or to cease operations or has no realistic alternative but to do so.

The Parent Company's Board of Directors are also responsible for overseeing the Group's financial reporting process.

#### **Auditor's Responsibilities 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Parent Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtained sufficient appropriate audit evidence regarding the financial information on the entities within the Group to express an opinion on the consolidated financial statements.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in the aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative

## Independent Auditor's Report (Contd.)

materiality and qualitative factors in (i) planning the scope of our audit work 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 and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated 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 Companies Act, 2013, 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 of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to the preparation of aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement 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 Companies Act, 2013.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors of the Parent Company, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
  - (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 Auditor's Report of the Parent Company. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of internal financial controls over the financial reporting of those companies
  - (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, according to the information & explanation given to us, the remuneration (Commission) payable by the Parent Company to its directors during the year, is in accordance with the provisions of section 197 of the Act subject to the approval of the shareholders which the parent Company proposes to obtain in its forthcoming annual general meeting.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There are no pending litigation which would impact the consolidated financial position of the Group;
    - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Parent Company.
    - iv. (a) The management of the Parent Company, has represented to us that, to the best of their knowledge and belief as stated in note no 52 (vi) (A), no funds (which are material either individually or in the aggregate) have been



advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (b) The management of the Parent Company, has represented, to us that, to the best of their knowledge and belief note no 52 (vi) (B), no funds (which are material either individually or in the aggregate) have been received by the Parent Company from any person(s) or entity(ies), including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Parent Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the

representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- v. During the year Parent Company has not declared/ paid any dividend hence reporting under rule 11(f) is not applicable to that extent.
- vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable only to the parent company as the subsidiaries are in the form of trusts. Based on our examination which included test checks, the parent company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature did not operate for the period 1st Apr 2023 to 4th Apr 2023. Further, for the period where the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.
2. With respect to the matters specified in paragraph 3(xxi) and 4 of the Companies (Auditor’s Report) Order, 2020 (“the Order” / “CARO”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, to be included in Auditor’s report, according to information and explanation given to us, and based on the CARO report issued by us for the parent company included in the consolidated financial statements, have unfavourable remarks or qualifications in their CARO report w.r.t. Parent Company.

Sr. No.	Name of the Entity	CIN	Parent/ Subsidiary Company	Clause Number of the CARO Report
1	JM Financials Asset Reconstruction Company Limited	U67190MH2007PLC174287	Parent Company	iii (c) iii (d) vii (b)

For **Sharp and Tannan Associates**  
Chartered Accountants  
Firm’s Registration No.:109983W  
by the hand of

**Parthiv S. Desai**  
Partner

Membership No.: (F) 042624  
UDIN: 24042624BKFRSK8629

Mumbai, May 16, 2024

# Annexure A

to the Independent Auditors' Report

**(Referred to in paragraph 1(f) under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)**

We have audited the internal financial controls over financial reporting of **JM Financial Asset Reconstruction Company Limited** ("the Parent Company") as of March 31, 2024 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

## **Management's & Board of Director's Responsibility for the Internal Financial Controls**

The Parent Company's Management & the Board of Directors 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 ('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 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 Parent Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 Parent 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 consolidated 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 consolidated 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated 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 and 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, 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Mumbai, May 16, 2024

For **Sharp and Tannan Associates**  
Chartered Accountants  
Firm's Registration No.:109983W  
by the hand of

**Parthiv S. Desai**  
Partner

Membership No.: (F) 042624  
UDIN: 24042624BKFRSK8629

# Consolidated Balance Sheet

as at March 31, 2024

(₹ in Crore)

Sr. No.	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
<b>ASSETS</b>				
<b>(I) Financial Assets</b>				
A	Cash and cash equivalents	5	93.66	70.95
B	Bank balances other than (A) above	6	0.99	2.73
C	Trade Receivables	7	197.78	272.39
D	Loans	8	499.12	543.28
E	Investments	9	1,250.57	1,263.37
F	Other Financial Assets	10	1,532.71	2,756.28
<b>Total Financial Assets (I)</b>			<b>3,574.83</b>	<b>4,909.00</b>
<b>(II) Non Financial Assets</b>				
A	Current tax assets (net)	11	83.75	44.35
B	Deferred tax assets (net)	12	121.14	88.91
C	Property, Plant and Equipment	13	11.33	13.52
D	Other Intangible assets	13	0.15	0.03
E	Other non-financial assets	14	1.33	2.26
<b>Total Non Financial Assets (II)</b>			<b>217.70</b>	<b>149.07</b>
<b>Total Assets (I+II)</b>			<b>3,792.53</b>	<b>5,058.07</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>(I) Financial Liabilities</b>				
A	Trade Payables	15		
	(i) total outstanding dues of micro and small enterprises		0.14	0.23
	(ii) total outstanding dues of creditors other than micro and small enterprises		4.70	2.55
B	Debt Securities	16	1,897.90	1,709.80
C	Borrowings (Other than Debt Securities)	17	1,015.27	1,493.55
D	Lease liabilities	18	14.02	16.08
E	Other financial liabilities	19	69.19	28.01
<b>Total Financial Liabilities (I)</b>			<b>3,001.22</b>	<b>3,250.22</b>
<b>(II) Non-Financial Liabilities</b>				
A	Provisions	20	1.75	2.09
B	Other non-financial liabilities	21	20.74	24.81
<b>Total Non-Financial Liabilities (II)</b>			<b>22.49</b>	<b>26.90</b>
<b>(III) EQUITY</b>				
A	Equity Share capital	22	398.33	398.33
B	Other Equity	23	197.15	1,137.44
<b>Equity attributable to owners of the Company</b>			<b>595.48</b>	<b>1,535.77</b>
C	Non-Controlling interests	23	173.34	245.18
<b>Total Equity (III)</b>			<b>768.82</b>	<b>1,780.95</b>
<b>Total Liabilities and Equity (I+II+III)</b>			<b>3,792.53</b>	<b>5,058.07</b>

The accompanying notes are an integral part of the consolidated financial statements : 1 to 54

**In terms of our report of even date attached**

**For Sharp & Tannan Associates**

Chartered Accountants

Firm's Registration No.: 109983W

**Parthiv S. Desai**

Partner

Membership No.(F) 042624

**For and on behalf of the Board of Directors**

**Adi Patel**

Director  
(DIN - 02307863)

**Vineet Singh**

Company Secretary

**Rupa Vora**

Chairperson -  
Audit Committee  
(DIN - 01831916)

**Sabyasachi Ray**

Chief Financial Officer

**Srinivasan Viswanathan**

Chief Executive Officer

Place : Mumbai

Date : May 16, 2024

Place : Mumbai

Date : May 16, 2024



# Consolidated Statement of Profit and Loss

for the year ended Marh 31, 2024

(₹ in Crore)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>(I)</b>	<b>Income :</b>			
	<b>Revenue from operations</b>			
	Interest Income	24	92.61	66.04
	Fees and Incentives	25	250.24	150.51
	<b>Total Revenue from operations</b>		<b>342.85</b>	<b>216.55</b>
<b>(II)</b>	Other Income	26	1.06	2.34
<b>(III)</b>	<b>Total Income (I+II)</b>		<b>343.91</b>	<b>218.89</b>
<b>(IV)</b>	<b>Expenses :</b>			
	Finance Costs	27	301.87	247.84
	Net Loss on fair value changes	28	50.11	103.70
	Impairment of financial instruments (net)	29	11.48	12.43
	Employee Benefits Expenses	30	21.62	20.37
	Depreciation and amortization expenses	13	2.53	2.71
	Others expenses	31	44.04	25.46
	<b>Total Expenses</b>		<b>431.65</b>	<b>412.51</b>
<b>(V)</b>	<b>Profit/(Loss) before exceptional items and tax (III- IV)</b>		<b>(87.74)</b>	<b>(193.62)</b>
<b>(VI)</b>	<b>Exceptional items</b>	32	<b>(846.86)</b>	-
<b>(VII)</b>	<b>Profit/(Loss) before tax (V+VI)</b>		<b>(934.60)</b>	<b>(193.62)</b>
<b>(VIII)</b>	<b>Less : Tax Expenses:</b>	33		
	Current tax		40.95	-
	Deferred tax		(30.54)	(46.96)
	<b>Total tax expenses</b>		<b>10.41</b>	<b>(46.96)</b>
<b>(IX)</b>	<b>Profit/(Loss) for the year (VII-VIII)</b>		<b>(945.01)</b>	<b>(146.66)</b>
<b>(X)</b>	<b>Other Comprehensive Income</b>			
	Items that will not be reclassified to profit or loss			
	- Actuarial gain/(losses) on post-retirement benefit plans		(0.30)	(0.20)
	- Income tax on the above		(0.08)	(0.05)
	<b>Total other comprehensive income</b>		<b>(0.22)</b>	<b>(0.15)</b>
<b>(XI)</b>	<b>Total Comprehensive Income (IX+X)</b>		<b>(945.23)</b>	<b>(146.81)</b>
<b>(XII)</b>	<b>Net Profit/(Loss) for the year attributable to:</b>			
	Owners of parent company		(941.98)	(154.47)
	Non-controlling interests		(3.03)	7.81
<b>(XIII)</b>	<b>Other Comprehensive Income attributable to:</b>			
	Owners of parent company		(0.22)	(0.15)
	Non-controlling interests		-	-
<b>(XIV)</b>	<b>Total Comprehensive Income attributable to:</b>			
	Owners of parent company		<b>(942.20)</b>	<b>(154.62)</b>
	Non-controlling interests		<b>(3.03)</b>	<b>7.81</b>
<b>(XV)</b>	<b>Earnings per equity share (Face value of ₹ 10 each)</b>	34		
	Basic Earning per share (in ₹)		(23.65)	(3.88)
	Diluted Earning per share (in ₹)		(23.65)	(3.88)

The accompanying notes are an integral part of the consolidated financial statements : 1 to 54

**In terms of our report of even date attached**

**For Sharp & Tannan Associates**  
Chartered Accountants  
Firm's Registration No.: 109983W

**Parthiv S. Desai**  
Partner  
Membership No.(F) 042624

Place : Mumbai  
Date : May 16, 2024

**For and on behalf of the Board of Directors**

**Adi Patel**  
Director  
(DIN - 02307863)

**Vineet Singh**  
Company Secretary

Place : Mumbai  
Date : May 16, 2024

**Rupa Vora**  
Chairperson -  
Audit Committee  
(DIN - 01831916)

**Sabyasachi Ray**  
Chief Financial Officer

**Srinivasan Viswanathan**  
Chief Executive Officer

# Consolidated Statement of Changes in Equity

for the year ended March 31, 2024

## A. Equity share capital

Particulars	Balance as at April 1, 2022	Changes in equity share capital during the year	As at March 31, 2023	Changes in equity share capital during the year	As at	
					March 31, 2023	March 31, 2024
Equity Share Capital	344.64	53.69	398.33	-	398.33	398.33

(₹ in Crore)

## B. Other Equity

Particulars	Securities Premium	Retained earnings	Capital reserves on change in interest without loss of control	Equity component of Compulsory convertible debentures	Initial Corpus	Impairment Reserve	Stock Option Outstanding	Attributed to owners of the Company	Non-controlling Interest	As at	
										March 31, 2023	March 31, 2024
<b>As at April 1, 2022</b>	194.34	868.03	28.15	142.52	0.01	108.10	2.47	1,343.62	119.86	1,463.48	
Profit for the year	-	(154.47)	-	-	-	-	-	(154.47)	7.81	(146.66)	
Addition during the year	88.84	-	-	-	-	-	0.81	89.65	-	89.65	
Redemption of security receipts	-	-	-	-	-	-	-	-	(7.35)	(7.35)	
Initial Corpus	-	-	-	-	#	-	-	#	-	#	
Issue and conversion of Compulsorily Convertible Debentures -Equity component	-	-	-	(142.52)	-	-	-	(142.52)	-	(142.52)	
Change in controlling interest	-	-	-	-	-	-	-	-	124.86	124.86	
ESOP Grant During the year	-	-	-	-	-	-	4.06	4.06	-	4.06	
ESOP Deferred employee compensation	-	-	-	-	-	-	(2.75)	(2.75)	-	(2.75)	
Appropriation for Impairment reserve (refer note 23.2)	-	(19.09)	-	-	-	19.09	-	-	-	-	
Re-measurement of defined benefit plans	-	(0.15)	-	-	-	-	-	(0.15)	-	(0.15)	
<b>As at March 31, 2023</b>	283.18	694.32	28.15	-	0.01	127.19	4.59	1,137.44	245.18	1,382.62	

(₹ in Crore)





Particulars	(₹ in Crore)									
	Securities Premium	Retained earnings	Capital reserves on change in interest without loss of control	Equity component of compulsory convertible debentures	Initial Corpus	Impairment Reserve	Stock Option Outstanding	Attributed to owners of the Company	Non-Controlling Interest	Total
<b>As at April 1, 2023</b>	<b>283.18</b>	<b>694.32</b>	<b>28.15</b>	-	<b>0.01</b>	<b>127.19</b>	<b>4.59</b>	<b>1,137.44</b>	<b>245.18</b>	<b>1,382.62</b>
Profit for the year	-	(941.98)	-	-	-	-	-	(941.98)	(3.03)	(945.01)
Addition during the year	-	-	-	-	-	-	1.91	1.91	191.25	193.16
Redemption of security receipts	-	-	-	-	-	-	-	-	(69.91)	(69.91)
Initial Corpus	-	-	-	-	#	-	-	#	-	#
Transfer on account of options not exercised	-	0.06	-	-	-	-	(0.06)	-	-	-
Share of distribution of Income (net of taxes)	-	-	-	-	-	-	-	-	(4.78)	(4.78)
Change in controlling interest	-	-	-	-	-	-	-	-	(185.37)	(185.37)
Appropriation for Impairment reserve (refer note 23.2)	-	(116.54)	-	-	-	116.54	-	-	-	-
Re-measurement of defined benefit plans	-	(0.22)	-	-	-	-	-	(0.22)	-	(0.22)
<b>As at March 31, 2024</b>	<b>283.18</b>	<b>(364.36)</b>	<b>28.15</b>	-	<b>0.01</b>	<b>243.73</b>	<b>6.44</b>	<b>197.15</b>	<b>173.34</b>	<b>370.49</b>

# Denote amount below ₹50,000

The accompanying notes are an integral part of the consolidated financial statements : 1 to 54

**In terms of our report of even date attached  
For Sharp & Tannan Associates**

Chartered Accountants

Firm's Registration No.: 109983W

**Parthiv S. Desai**

Partner

Membership No.(F) 042624

Place : Mumbai

Date : May 16, 2024

**For and on behalf of the Board of Directors**

**Adi Patel**

Director  
(DIN - 02307863)

**Rupa Vora**

Chairperson -  
Audit Committee  
(DIN - 01831916)

**Srinivasan Viswanathan**

Chief Executive Officer

**Vineet Singh**

Company Secretary

Place : Mumbai

Date : May 16, 2024

**Sabyasachi Ray**

Chief Financial Officer

# Consolidated Statement of Cash Flow

for the year ended March 31, 2024

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A Cash flow from operating activities</b>		
Profit/(Loss) before exceptional items and tax	(87.74)	(193.62)
<b>Adjustment for</b>		
Interest expenses	300.57	246.18
Interest on lease liability	1.30	1.66
Impairment of financial instruments (net)	11.48	12.43
Depreciation and amortisation of expenses	2.53	2.71
Net (Gain)/Loss on fair value changes	50.11	104.81
(Gain)/Loss on mutual fund	#	(1.11)
(Gain)/Loss on lease modification	(0.03)	(0.43)
Net (gain) on sale of Property, Plant and Equipment	#	-
Amortisation of deferred employee compensation (ESOP)	1.91	2.12
Interest income on fixed deposits	(0.90)	(1.76)
<b>Operating profit/(loss) before working capital changes</b>	<b>279.22</b>	<b>172.99</b>
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in financial assets of trusts	842.31	103.20
(Increase)/Decrease in trade receivables	68.95	(80.51)
(Increase)/Decrease in long term loans and advances	(26.99)	55.48
(Increase)/Decrease in other financial assets	(8.59)	(1.71)
(Increase)/Decrease in non financial assets	0.93	0.36
(Increase)/Decrease in other bank balances	1.74	0.73
Increase/(Decrease) in trade payables	(5.91)	1.50
Increase/(Decrease) in financial liabilities	36.73	(11.10)
Increase/(Decrease) in non financial liabilities	(4.40)	(5.38)
Increase/(Decrease) in provisions	(0.64)	(0.12)
<b>Cash generated from/(used in) operations</b>	<b>1,183.35</b>	<b>235.44</b>
Income tax paid (net)	(80.35)	(4.01)
<b>Net cash generated from/ (used in) operating activities</b>	<b>1,103.00</b>	<b>231.43</b>
<b>B Cash flow from investing activities</b>		
Payments for purchase of investment in Security Receipts	(260.56)	(434.03)
Redemption of Security Receipts	184.49	91.98
Payment for acquisition of subsidiary trusts, net of cash acquired	(343.02)	(447.78)
Effect of change in controlling interest	(13.26)	7.39
Payments for purchase of investment in equity instruments (Right Issue)	-	(13.11)
Proceed from sale of investment in equity instruments	13.13	0.34
Payments for purchase of investment in mutual funds	(4.00)	(161.70)
Redemption of mutual funds	4.00	162.81
Payments for purchase of Property, Plant and Equipment and Intangibles	(0.51)	(0.13)
Sale of Property, Plant and Equipment	0.01	-
Interest Income	0.90	1.76
<b>Net cash generated from/(used in) investment activities</b>	<b>(418.82)</b>	<b>(792.47)</b>



(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>C Cash flow from financing activities</b>		
Proceeds from debt securities	129.11	1,390.12
Repayment of debt securities	(178.50)	(474.00)
Proceeds from borrowing	975.00	1,126.40
Repayment of borrowing	(1,434.71)	(1,244.18)
Proceed from issue of Optionally Convertible Debentures	200.00	-
Repayment of debt component of Compulsory Convertible Debenture	-	(20.17)
Interest paid on debt securities and other borrowings	(294.89)	(192.12)
Repayment of lease liabilities	(3.28)	(3.49)
Redemption of security receipts (Non controlling interest)	(76.30)	(7.35)
<b>Net cash generated from/(used in) financing activities</b>	<b>(683.57)</b>	<b>575.21</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>0.61</b>	<b>14.17</b>
Cash and cash equivalents at the beginning of the financial year/period	70.95	56.78
<b>Cash and cash equivalents at the end of the financial year/period</b>	<b>71.56</b>	<b>70.95</b>

### Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Cash and cash equivalents</b>	93.66	70.95
Bank overdrafts repayable on demand and used for cash management purposes	(22.10)	-
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>71.56</b>	<b>70.95</b>

# Denotes amount less than ₹50,000/-

The accompanying notes are an integral part of the consolidated financial statements : 1 to 54

#### In terms of our report of even date attached

**For Sharp & Tannan Associates**

Chartered Accountants

Firm's Registration No.: 109983W

**Parthiv S. Desai**

Partner

Membership No.(F) 042624

Place : Mumbai

Date : May 16, 2024

**For and on behalf of the Board of Directors**

**Adi Patel**

Director  
(DIN - 02307863)

**Vineet Singh**

Company Secretary

Place : Mumbai

Date : May 16, 2024

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Chairperson -  
Audit Committee  
(DIN - 01831916)

**Sabyasachi Ray**

Chief Financial Officer

**Srinivasan Viswanathan**

Chief Executive Officer

# Notes

forming part of the Consolidated Financial Statements

## 1 Corporate Information

JM Financial Asset Reconstruction Company Limited ('the Parent') is a public limited company incorporated and domiciled in India and governed by the Companies Act, 2013 (the "Act"). The Parent is a Securitization Company registered with Reserve Bank of India and along with its subsidiaries is engaged in the business of acquisition of non-performing and distressed assets (NPA) from Banks and Financial institutions. The Trust are set up under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") for acquisition of NPAs and are considered as subsidiaries, where it exercises control for the purpose of preparation of the consolidated financial statements.

## 2 Basis of Preparation and presentation

### 2.1 Statement of Compliance

The financial statements of the Group have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of 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 other relevant provisions of the Act to the extent applicable and the guidelines prescribed by the RBI, to the extent applicable.

### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally the original cost or transaction price of 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 consolidated 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 net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized 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 entity can access at the 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 asset or liability.

### 2.3 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.

## 3 Material Accounting Policy information

### 3.1 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entities (including structured entities) controlled by the Group. 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.

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 who's less than a majority of the security receipts of an investee trusts, it has power over the investee when it is exposed, or has rights, to variable returns from its involvement with investee's activities. Variable returns are returns in form of expected cash flow from management fees, recovery incentive fees, upside income and share of investment in said trust that are not fixed and have the potential to vary as a result of the performance of investee. The Group assesses whether returns from investee are variable and how variable those returns are on the basis of the substance of the arrangement and regardless of the legal form of the returns. The amount of variability depends on the investee's ability to generate sufficient cash flow to pay the fees & share of investment in said investee.

The Group shall consider whether in its assessment it is acting in the capacity of a principal or an agent based on the level of exposure to the variable returns and consolidate the investee if the Group is acting as a principal. The Group shall reconsider this assessment annually if relevant facts or circumstances change.

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 intragroup assets and liabilities, equity, income, expenses, and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the

non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognized directly in equity and attributed to owners of the Group.

When the Group loses control of a subsidiary, a gain or loss is recognized in profit or 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 recognized 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).

### 3.2 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.

### 3.3 Property, plant and equipment and Intangible Assets

Property, plant and equipment (PPE) is recognized 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. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress".

"Under Ind AS 116, a lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and recognises depreciation of the right-of-use asset. The cost of the right-of-use asset shall comprise of:

- a) the amount of the initial measurement of the lease liability which is the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease;
- b) any lease payments made at or before the commencement date, less any lease incentives received;

## Notes

forming part of the Standalone Financial Statements (Contd.)

- c) any initial direct costs incurred by the lessee; and
- d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

(Also refer to policy on leases, borrowing costs and impairment of assets below).

Depreciation / amortization is recognized on a straight-line basis over the estimated useful lives of respective assets as under:

Tangible assets -Property, Plant and Equipment	Useful life
Motor Vehicles	8 years or lease period whichever is lower
Computers	3 years
Servers and networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Leasehold improvements	10 years or lease period whichever is lower
Intangible assets	Useful life
Computer software	5 years

Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase. Assets taken on finance lease are depreciated over a period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognized 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 recognized as 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 amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalized as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development". Intangible assets are amortized on straight line basis over the estimated useful life of 5 years. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortization on impaired assets is provided by adjusting the amortization charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life. An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized as profit or loss when the asset is derecognized.

### Impairment losses on non-financial assets

As at the end of each year, the Group reviews the carrying amount of its non-financial assets that is PPE and intangible to determine whether there is any indication that these assets have suffered an impairment loss.

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognized 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 recognized immediately in the Statement of Profit and Loss.



### 3.4 Revenue Recognition

Revenue is recognized when (or as) the Group satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the Group recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Group applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

The Group is generally able to make reliable estimates after it has agreed to the following with the other parties to the transaction:

- (a) Each party's enforceable rights regarding the service to be provided and received by the parties;
- (b) The consideration to be exchanged; and
- (c) The manner and terms of agreements or offer documents.

Revenue in form of management fees for providing services to the trust is recognized on accrual basis over the life of the contract as per terms of the relevant trust deed/ offer documents. The fees are recognized on accrual basis till the NAV of the Trust is recoverable and not wholly impaired.

Recovery incentive is accounted over the period on a cash basis, i.e. as and when received by the Group, based on terms of the relevant trust deeds and offer document issued by the Trust.

The Group recognises followings income/(loss) under the heading Net gain/(loss) on fair value changes on financial instruments at FVTPL

- (i) Additional realisation of assets over Net Asset Value of security receipt is accounted as per the terms

of relevant trust deed / offer document on actual distribution from the trust after full redemption of the Net Asset Value of security receipts in the trust.

- (ii) Net appreciation/ depreciation in Net Asset Value of security receipts is considered as fair value gain/ (loss) on change in investment and credit impaired financial assets.

### 3.5 Leasing

The Group evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

#### The Group as a lessee

The Group assesses, whether the contract is, or contains, a lease if the contract involves—

- a) the use of an identified asset,
- b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- c) the right to direct the use of the identified asset.

The Group at the inception of the lease contract recognizes a Right-of-Use (ROU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the Straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In

## Notes

forming part of the Standalone Financial Statements (Contd.)

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.

The Group recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Group recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

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 18 "Lease Liabilities" and ROU asset has been presented in Note 13 "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

### The Group 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 ROU asset arising from the head-lease.

### 3.6 Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of qualifying assets as defined in Ind AS 23 are capitalized as a part of costs of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.

Interest expenses are calculated using the EIR and all other Borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

### 3.7 Employee benefits

#### Retirement benefit costs and termination benefits:

#### Defined Contribution Plan

Payments to defined contribution plans are recognized as expense in the Statement of Profit and Loss of the year when employees have rendered service entitling them to the contributions. The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognized as an asset to the extent that cash refund or a reduction in the future payment is available.

#### 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 Company net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company recognizes current service cost, past service cost, if any and interest cost in the Statement of Profit and Loss. Re-measurement gains and losses arising from experience adjustments and changes in actual assumptions are recognized in the period in which they occur in the OCI.

#### Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.





### Other long-term employee benefits

Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

## 3.8 Income Tax

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

### Current Tax

The tax currently payable is based on the taxable profit for the year of the Group. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

### Deferred tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Group's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized 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 utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognized if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be 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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

## 3.9 Provisions, contingent liabilities and contingent assets

### Provisions are recognized 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.

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognized as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Group recognizes 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 recognized in the financial statements.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 3.10 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:

- changes during the period in receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes; and
- 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.

### 3.11 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

### 3.12 Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognised 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

Financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs 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) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets

or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### Subsequent Measurement of Financial Assets

All recognized financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortized 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.

#### Interest income

Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

#### 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 amortized 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

#### 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 recognized 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.

#### 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. Security receipt investments in scope of Ind AS 109, "Financial Instruments" are measured at fair value. Security Receipts are classified as at FVTPL. Gains and losses on security investments are included in the statement of profit or loss.

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 re-measurement recognized in profit or loss.

#### 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 de-recognition of financial assets described below.

#### Impairment of financial assets:

The Group applies the expected credit loss model for recognizing impairment loss on financial assets measured at amortized cost, trade receivables and other contractual rights to receive cash or other financial asset.

"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:"

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where no significant increase in credit risk, improvement in credit risk and the loan has been reclassified from Stage 2.
- Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where significant increase in the credit risk, has improved improvement in credit risk and the loan has been reclassified from Stage 3.

## Notes

forming part of the Standalone Financial Statements (Contd.)

- Stage 3 - Under-performing assets with overdue more than 90 DPD including non-performing assets.

For loans, Group measures the loss allowance at an amount equal to 12 months expected credit loss for Stage 1 and life time expected credit loss for Stage 2 class categories of loans. For Stage 3 financial asset, the measurement of loss allowance is based on the present value of the asset's expected cash flow using the asset's original EIR.

For other receivables in distress credit business, Group measures life time expected credit loss allowance based on practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account the historical credit loss experience and adjusted for forward looking information.

### De-recognition of financial assets

The Group derecognizes a financial asset when the Group 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 asset, but assumes a contractual obligations to pay the cash flows to one or more recipients.

Where the entity has transferred an assets, 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 derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

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 recognized in profit or loss if such gain or loss would have otherwise been recognized in profit or loss on disposal of that financial asset.

### 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 de-recognition event.

The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

### Financial liabilities and equity instruments

#### Classification as debt or equity

Debt and equity instruments issued by a group entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

#### Equity 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 unfavourable to the Group or a contract that will or may be settled in the its'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 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 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 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 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

#### De-recognition of financial liabilities

The Group de-recognizes financial liabilities when, and only when, the Group's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognized in profit or loss.

### 3.13 Share-based payment arrangements

Equity-settled share-based payments to employee of the Group 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 recognised as deferred employee compensation and is expensed in the Statement of Profit and Loss over the vesting period with a corresponding increase in employee 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 recognised any impact in profit or loss, such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment in other equity.

### 3.14 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.

### 3.15 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on shares, security receipts and other investments partly paid;
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments if any related to normal course of business are not disclosed to avoid excessive details.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 3.16 Foreign currency translation

In preparing the financial statements of the Group, transactions in currencies other than the entity's functional currency (foreign currencies) are recognized 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 recognized in the Statement of Profit and Loss in the period in which they arise.

### 3.17 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.

## 4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of consolidated financial statements in conformity with Ind AS requires the Group's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognized in the consolidated 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 (accounted on a prospective basis) and recognized 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 of 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 recognized in the consolidated financial statements and/or 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.

### i) Fair value measurement and valuation processes

"Some of the Group's assets are measured at fair value for financial reporting purposes. The Management determines the appropriate valuation techniques and inputs for the fair value measurements. In estimating the fair value of an asset, the Group uses market-observable data to the extent it is available. The Group engages third party external rating agencies to perform the valuations. The Management works closely with the qualified external rating agencies to establish the appropriate valuation techniques and inputs to the model. Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in note 43."

### ii) Consolidation of trusts under distressed credit business

The Group's shareholding in security receipts of certain trusts formed in respect of distressed credit business is less than 50% and are being consolidated as subsidiaries, based on the management evaluation of right to variable returns determined on the basis of expected cash flow in form of management fees, recovery incentives, upside income and investment and priority on said cash flow determined that the Group has a control over these Trusts in terms of Ind AS 110- Consolidated Financial Statements.

## 4A Issue of new accounting standards or amendments to the existing standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



## 5. Cash and Cash Equivalents

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Balances with Banks</b>		
- In Current account	91.08	60.03
- In Deposits account	2.58	10.92
<b>Total</b>	<b>93.66</b>	<b>70.95</b>

## 6. Other Bank Balances

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Earmarked balance with banks:</b>		
- In current account (refer note 6.1)	0.74	2.48
- In deposit account (refer note 6.2)	0.25	0.25
<b>Total</b>	<b>0.99</b>	<b>2.73</b>

6.1 Current account include amount maintained for expenses towards Corporate Social Responsibility.

6.2 Balance in deposit accounts carry fixed rate of interest and are for period up to 9 months (Previous year : 14 months) and have lien against bank guarantees obtained by the Group.

## 7. Trade Receivables

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortized cost:</b>		
Unsecured considered good :		
Trade Receivables	242.02	310.97
Less: Impairment Loss allowance (refer note 44)	(44.24)	(38.58)
<b>Total</b>	<b>197.78</b>	<b>272.39</b>

### 7.1 Trade receivable ageing schedule

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>For the year 2023-24</b>						
Undisputed trade receivable - Considered good	18.71	16.87	44.34	48.13	113.97	242.02
Less : Impairment loss allowance	0.87	4.79	14.94	10.31	13.33	44.24
	<b>17.84</b>	<b>12.08</b>	<b>29.40</b>	<b>37.82</b>	<b>100.64</b>	<b>197.78</b>

### 7.1 Trade receivable ageing schedule

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>For the year 2022-23</b>						
Undisputed trade receivable - Considered good	57.87	31.74	66.43	65.47	89.46	310.97
Less : Impairment loss allowance	13.28	3.50	8.48	0.72	12.60	38.58
	<b>44.59</b>	<b>28.24</b>	<b>57.95</b>	<b>64.75</b>	<b>76.86</b>	<b>272.39</b>

The above trade receivables mostly comprises of management fees recoverable from trusts which has a priority in the cash flows of the trust. Further these fees are payable by the trust to the Group only on realisation from the financial assets in the trust

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 8. Loans

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
Loans secured by tangible assets	493.50	468.58
Interest accrued	98.70	96.63
<b>Gross Loan</b>	<b>592.20</b>	<b>565.21</b>
Less: Impairment Loss allowance (refer note 44)	(93.08)	(21.93)
<b>Net Loan-Total</b>	<b>499.12</b>	<b>543.28</b>

All loans are granted within India and to entities other than public sector

### 9. Investments (At FVTPL)

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Quoted</b>		
Equity instruments :		
7,65,980 of equity shares of Nitco Limited of ₹ 10 each fully paid up (Previous year : 68,52,824 shares of ₹ 10 each)	4.28	13.23
<b>Unquoted</b>		
Equity instruments		
1,31,07,380 of equity shares (right issue) of BRFL Textiles Private Limited of face value ₹ 10 each fully paid up (Previous year : 1,31,07,380 shares of face value ₹ 10 each)	4.47	13.11
Security receipts of trusts held in distressed credit business (refer note 48 and below given notes)	1,241.82	1,237.03
<b>Total</b>	<b>1,250.57</b>	<b>1,263.37</b>

9.1 There are no investments made by the Group outside India.

9.2 The Group has given certain identified security receipts as pledge for term loans, bank overdraft, cash credit limits availed with various banks/ hypothecated in favour of debenture trustee for NCDs issued.

#### 9.3 Commitments:

a) In respect of one trust, the company has given a commitment to the security receipt holders for purchase/ arrange to purchase the outstanding security receipts at a consideration equivalent to outstanding face value of security receipts along with yield of 10.70% p.a. compounded annually on or before January 31, 2026. Commitment of outstanding face value of security receipts as at March 31, 2024 is ₹ 16.39 crore (Previous year : ₹ 28.53 crore of one trust).

### 10. Other Financial Assets

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Financial Assets under Distressed Credit Business (carried at FVTPL)	1,487.74	2,714.88
Recoverable from trusts	55.65	47.08
Advance to others	#	0.01
Interest receivable	-	0.02
Security deposits		
To Related Parties	1.40	1.27
To Others	0.31	0.39
<b>Total</b>	<b>1,545.10</b>	<b>2,763.65</b>
Less : Impairment loss allowance recoverable from trusts (refer note 44)	(12.39)	(7.37)
<b>Net Total</b>	<b>1,532.71</b>	<b>2,756.28</b>

# Denote amount below ₹50,000

**11. Current Tax Assets**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Advance tax paid (net of provision for taxes)	83.75	44.35
<b>Total</b>	<b>83.75</b>	<b>44.35</b>

**12. Deferred tax liability/(asset)**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Measurement of Financial instruments at fair value	(99.26)	(62.04)
Impairment of financial instruments	(20.10)	(17.19)
Difference between books and tax written down value (WDV) of Property, plant and equipment	(0.26)	(0.32)
Others (43B, 35D, etc. allowances under Income Tax Act, 1961)	(1.52)	(9.36)
<b>Total</b>	<b>(121.14)</b>	<b>(88.91)</b>

**12.1 Deferred tax recorded in the balance sheet and changes recorded in the income tax expenses :****For the year ended March 31, 2024**

(₹ in crore)

Particulars	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in Other Equity	Recognised in OCI	Closing balance
a) Measurement of financial instruments at fair value	(62.04)	(35.61)	(1.61)	-	(99.26)
b) Impairment on financial instruments	(17.19)	(2.91)	-	-	(20.10)
c) Difference between books and tax WDV of PPE	(0.32)	0.06	-	-	(0.26)
d) Others (43B, 35D, etc. allowances)	(9.36)	7.92	-	(0.08)	(1.52)
<b>Total - DTL/(DTA)</b>	<b>(88.91)</b>	<b>(30.54)</b>	<b>(1.61)</b>	<b>(0.08)</b>	<b>(121.14)</b>

**For the year ended March 31, 2023**

(₹ in crore)

Particulars	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in Other Equity	Recognised in OCI	Closing balance
a) Measurement of financial instruments at fair value	(25.24)	(36.80)	-	-	(62.04)
b) Impairment on financial instruments	(14.04)	(3.15)	-	-	(17.19)
c) Difference between books and tax WDV of PPE	(0.36)	0.04	-	-	(0.32)
d) Others (43B, 35D, etc. allowances)	(2.26)	(7.05)	-	(0.05)	(9.36)
<b>Total - DTL/(DTA)</b>	<b>(41.90)</b>	<b>(46.96)</b>	<b>-</b>	<b>(0.05)</b>	<b>(88.91)</b>

**13. Property, Plant and Equipment and Intangible assets****As at March 31, 2024****Property, Plant and Equipment**

(₹ in crore)

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
<b>Owned Assets</b>									
Freehold Land	0.03	-	-	0.03	-	-	-	-	0.03
Furniture and fixtures	0.02	-	(0.01)	0.01	0.02	#	(0.01)	0.01	#
Office equipment	0.11	-	(0.03)	0.08	0.10	#	(0.03)	0.07	0.01



## Notes

forming part of the Standalone Financial Statements (Contd.)

(₹ in crore)

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
Computers	0.72	0.36	(0.01)	1.07	0.60	0.07	(0.01)	0.66	0.41
Leasehold improvements	1.84	-	(0.13)	1.71	1.53	0.08	(0.13)	1.48	0.23
<b>Leased Assets</b>									
Office premises (Right of use assets - refer note 35)	22.60	0.04	(0.31)	22.33	9.56	2.34	(0.22)	11.68	10.65
Motor Vehicles (refer note 13.1)	0.28	-	(0.28)	-	0.27	0.01	(0.28)	-	-
<b>Total</b>	<b>25.60</b>	<b>0.40</b>	<b>(0.77)</b>	<b>25.23</b>	<b>12.08</b>	<b>2.50</b>	<b>(0.68)</b>	<b>13.90</b>	<b>11.33</b>

# Denote amount below ₹50,000

### Intangible Assets

(₹ in crore)

Particulars	Gross Block				Accumulated amortisation				Net Block
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Addition	Deductions	As at March 31, 2024	As at March 31, 2024
Software (refer note 13.2)	0.44	0.15	-	0.59	0.41	0.03	-	0.44	0.15
<b>Total</b>	<b>0.44</b>	<b>0.15</b>	<b>-</b>	<b>0.59</b>	<b>0.41</b>	<b>0.03</b>	<b>-</b>	<b>0.44</b>	<b>0.15</b>

### As at March 31, 2023

### Property, Plant and Equipment

(₹ in crore)

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at March 31, 2023
<b>Owned Assets</b>									
Freehold Land	0.03	-	-	0.03	-	-	-	-	0.03
Furniture and fixtures	0.02	-	-	0.02	0.02	#	-	0.02	#
Office equipment	0.11	-	-	0.11	0.10	#	-	0.10	0.01
Computers	0.60	0.13	(0.01)	0.72	0.57	0.04	(0.01)	0.60	0.12
Leasehold improvements	1.84	-	-	1.84	1.44	0.09	-	1.53	0.31
<b>Leased Assets</b>									
Office premises (Right of use assets - refer note 35)	24.81	0.19	(2.40)	22.60	7.89	2.51	(0.84)	9.56	13.04
Motor Vehicles (refer note 13.1)	0.28	-	-	0.28	0.22	0.05	-	0.27	0.01
<b>Total</b>	<b>27.69</b>	<b>0.32</b>	<b>(2.41)</b>	<b>25.60</b>	<b>10.24</b>	<b>2.69</b>	<b>(0.85)</b>	<b>12.08</b>	<b>13.52</b>

# Denote amount below ₹50,000

### Intangible Assets :

(₹ in crore)

Particulars	Gross Block				Accumulated amortisation				Net Block
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at March 31, 2023
Software (refer note 13.2)	0.44	-	-	0.44	0.39	0.02	-	0.41	0.03
<b>Total</b>	<b>0.44</b>	<b>-</b>	<b>-</b>	<b>0.44</b>	<b>0.39</b>	<b>0.02</b>	<b>-</b>	<b>0.41</b>	<b>0.03</b>

**Notes :**

**13.1** Vendor have a lien over assets taken on lease.

**13.2** The Intangible assets are other than internally generated

**14. Other Non-financial Assets**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	0.79	1.54
Balances with Government Authorities	0.45	0.56
Other non-financial Assets	0.09	0.16
<b>Total</b>	<b>1.33</b>	<b>2.26</b>

**15. Trade Payable**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Trade Payable</b>		
Total outstanding dues of micro enterprises and small enterprises (refer note 15.1)	0.14	0.23
Total outstanding dues of creditors other than micro enterprises and small enterprises	4.70	2.55
<b>Total</b>	<b>4.84</b>	<b>2.78</b>

**15.1 Dues payable to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act 2006 :**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	0.14	0.23
(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 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.	-	-
<b>Total</b>	<b>0.14</b>	<b>0.23</b>

Dues to Small and medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**15.2 Trade payable ageing schedule :**

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
<b>For the year 2023-24</b>					
(i) MSME - Undisputed	0.14	-	-	-	0.14
(ii) Others - Undisputed	4.70	-	-	-	4.70
<b>Total</b>	<b>4.84</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.84</b>
<b>For the year 2022-23</b>					
(i) MSME - Undisputed	0.23	-	-	-	0.23
(ii) Others - Undisputed	2.55	-	-	-	2.55
<b>Total</b>	<b>2.78</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.78</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 16. Debt Securities (Within India)

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
<b>Secured</b>		
Non Convertible Debentures (refer note 16.1, 16.2, 16.3 and 50.1)	1,588.11	1,637.50
Add: Premium/ interest accrued	109.79	72.30
<b>Total Secured</b>	<b>1,697.90</b>	<b>1,709.80</b>
<b>Unsecured</b>		
Optionally Convertible Debenture (refer note 16.4)	200.00	-
<b>Total Unsecured</b>	<b>200.00</b>	<b>-</b>
<b>Total</b>	<b>1,897.90</b>	<b>1,709.80</b>

16.1 Non-convertible Debentures secured by way of hypothecation and/ or pledge of certain identified security receipt and/ or priority loans.

### 16.2 Maturity profile and rate of interest of NCDs:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
8% Tranche XXXII redeemable in the year 2023-24 <sup>^</sup>	-	75.00
8.5% Tranche XXXIII redeemable in the year 2023-24 <sup>^</sup>	-	50.00
8% Tranche XXXIV redeemable in the year 2023-24 <sup>^</sup>	-	55.00
8.25% Tranche XXXV redeemable in the year 2024-25 <sup>@</sup>	70.00	70.00
8.50% Tranche XXXVI redeemable in the year 2024-25 <sup>@</sup>	100.00	100.00
9% Tranche XXXVII redeemable in the year 2024-25 <sup>@</sup>	150.00	150.00
9% Tranche XXXVIII redeemable in the year 2024-25 <sup>@</sup>	30.00	30.00
9.25% Tranche XXXIX redeemable in the year 2024-25 <sup>@</sup>	125.00	125.00
9.60% Tranche A (Series I) redeemable in the year 2024-25	75.00	75.00
9.60% Tranche A (Series II) redeemable in the year 2024-25	50.00	50.00
9.60% Tranche A (Series III) redeemable in the year 2025-26	75.00	75.00
9.60% Tranche A (Series IV) redeemable in the year 2025-26	50.00	50.00
10.21% Tranche B redeemable in the year 2024-25	400.00	400.00
10.20% Tranche C (Series I) redeemable in the year 2025-26	175.00	175.00
10.20% Tranche C (Series II) redeemable in the year 2025-26	175.00	175.00
9% Tranche D redeemable in the year 2026-27	30.00	-
10.20% Tranche E redeemable in the year 2026-27	50.00	-
10.21% Tranche F redeemable in the year 2025-26	50.00	-
<b>Total</b>	<b>1,605.00</b>	<b>1,655.00</b>

<sup>@</sup> The interest is linked to IGB 6.10 and 6.54 Government Securities of 10 years.

<sup>^</sup> redeemed during the period ended March 31, 2024.

Maturity profile above is disclosed at face value which excludes cumulative premium amounting to ₹ 0.20 crore (As at March 31, 2023 : ₹ 1.04 crore), cumulative discount of ₹ Nil (As at March 31, 2023 : ₹ 0.57 crore) and cumulative impact of effective interest rate adjustment amounting to ₹ 17.09 crore (As at March 31, 2023 : ₹ 17.97 crore).

16.3 The Group has utilized money obtained by way of Non-convertible debentures during the year for the purpose for which they were obtained.

16.4 The Group has issued 20,00,000, unlisted, unrated and unsecured Optionally Convertible Debentures (OCD) having face value of ₹ 1,000 each on March 4, 2024 to its shareholder JM Financial Credit Solution Limited. Conversion of said OCD shall be any time at option of the Company (Issuer of OCD). OCD shall be redeemable at any time and redemption shall be mutually decided by Issuer of OCD and Holder of OCD (JM Financial Credit Solution Limited). The Group has recognised the OCD as liability in financial statement considering the ability to repay at any time within whole life of said instrument.



## 16.5 Additional disclosure pursuant to Ind AS 7 (Debt Securities Movement during the year)

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	1,709.80	785.91
Cash flows	16.38	833.77
Non cash changes*	171.72	90.12
<b>Closing balance</b>	<b>1,897.90</b>	<b>1,709.80</b>

\*Non cash changes includes interest on debt securities

## 17. Borrowings (other than debt securities)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortized cost</b>		
<b>Secured:</b>		
Term loans from (refer note 17.1, 17.2 and 17.5)		
(a) Banks	151.22	192.45
(b) Others	113.02	275.81
Add: Interest accrued	16.50	8.71
	<b>280.74</b>	<b>476.97</b>
Other loans from banks (refer note 17.3)		
(a) Working capital demand loans	102.60	45.00
(b) Cash credit facilities	57.82	50.15
Add: Interest accrued	0.06	-
	<b>160.48</b>	<b>95.15</b>
<b>Unsecured:</b>		
Inter corporate deposits (refer note 17.4)		
(a) From related party (refer note 41)	257.00	265.00
(b) From others	302.00	592.86
Add: Interest accrued but not due	15.05	63.57
	<b>574.05</b>	<b>921.43</b>
<b>Total</b>	<b>1,015.27</b>	<b>1,493.55</b>

17.1 Term loans are secured by way of pledge of certain identified security receipts.

17.2 Maturity profile and rate of interest of term loans:

(₹ in crore)

Residual Maturities	Interest range from				
	8% to 9%	9% to 10%	10% to 11%	11% to 12%	12% to 13%
<b>As at March 31, 2024:</b>					
Up to one year (April- 24 to March- 25)	-	5.00	100.82	-	-
Up to 1-3 years (April- 25 to March- 27)	-	-	141.42	-	-
3 years and above (April- 27 onwards)	-	-	17.00	-	-
<b>Total</b>	<b>-</b>	<b>5.00</b>	<b>259.24</b>	<b>-</b>	<b>-</b>
<b>As at March 31, 2023:</b>					
Up to one year (April- 23 to March- 24)	-	80.78	181.36	-	-
Up to 1-3 years (April- 24 to March- 26)	-	76.99	48.61	-	-
3 years and above (April- 26 onwards)	-	3.52	77.00	-	-
<b>Total</b>	<b>-</b>	<b>161.29</b>	<b>306.97</b>	<b>-</b>	<b>-</b>

**Note:**

- Maturity profile shown excluding effective interest rate impact amounting to ₹ 16.50 crore (As at March 31, 2023 : ₹ 8.71 crore).
- The rate of interest of above term loans are linked with MCLR, Repo rate and T-Bill of banks and subject to change from time to time. Classification of term loans based on interest rates has been done on interest rate prevalent as on the relevant reporting period ends.

## Notes

forming part of the Standalone Financial Statements (Contd.)

17.3 Other loans from banks in the nature of working capital and cash credit facilities are secured by way of pledge of certain identified security receipts.

17.4 Inter corporate deposits taken from related party are repayable on call and taken from others are for 22-344 days (previous year : 30 -710 days).

17.5 The Group has utilized money obtained by way of Term loans during the year for the purpose for which they were obtained.

17.6 The monthly asset cover statement submitted by the company with banks / financial institutions from which borrowing is obtained on the basis of security of investment in security receipts are in agreement with the books of account.

17.7 All borrowings are made within India.

17.8 Additional disclosure pursuant to Ind AS 7 (Borrowing Movement during the year)

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	1,493.55	1,599.03
Cash flows	(599.16)	(261.54)
Non cash changes*	120.88	156.06
<b>Closing balance</b>	<b>1,015.27</b>	<b>1,493.55</b>

\*Non cash changes includes interest on borrowings

### 18. Lease liabilities

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
On Office Premises (refer note 35)	14.02	16.07
On Motor Vehicle (refer note 18.1 and 35)	-	0.01
	<b>14.02</b>	<b>16.08</b>

18.1 Finance lease obligations are secured by way of hypothecation of vehicles.

18.2 Additional disclosure pursuant to Ind AS 7 (Lease liability Movement during the year)

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	16.08	19.49
Cash flows	(3.28)	(3.49)
Non cash changes*	1.22	0.08
<b>Closing balance</b>	<b>14.02</b>	<b>16.08</b>

\*Non cash changes includes interest on lease and effect of lease modification

### 19. Other Financial Liabilities

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Employee Benefits payable	5.90	5.46
Amount collected on behalf of trust	54.00	4.89
Provision for CSR Expenditure (refer note 37)	2.94	6.20
Undistributed collection in trusts	6.35	11.46
<b>Total</b>	<b>69.19</b>	<b>28.01</b>





## 20. Provisions

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for employee benefits		
- Gratuity (refer note 40)	1.50	1.44
- Compensated absence (refer note 40)	0.25	0.65
<b>Total</b>	<b>1.75</b>	<b>2.09</b>

## 21. Other non Financial Liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Dues	16.66	21.40
Other	4.08	3.41
<b>Total</b>	<b>20.74</b>	<b>24.81</b>

## 22. Equity Share Capital

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised</b>		
1,85,00,00,000 (Previous year: 1,85,00,00,000) equity shares of ₹ 10/- each	1,850.00	1,850.00
15,00,00,000 (Previous year: 15,00,00,000) redeemable preference shares of ₹ 10/- each	150.00	150.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Paid-up</b>		
39,83,25,537 (Previous year: 39,83,25,537) equity shares of ₹ 10/- each fully paid-up	398.33	398.33
<b>Total</b>	<b>398.33</b>	<b>398.33</b>

### 22.1 Terms and rights

The Company has only one class of issued shares referred to as equity shares having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share.

The preference shares (not issued), forming part of Authorized Capital, have a face value of ₹ 10. Each holder of such preference shares would be entitled to one vote per share on resolutions placed which directly affects the rights of such preference shares.

### 22.2 Reconciliation of number of shares

(₹ in crore)

Particulars	Equity Shares	
	As at March 31, 2024	As at March 31, 2023
Shares outstanding at the beginning of the year	39,83,25,537	34,46,42,857
Shares issued during the year	-	5,36,82,680
<b>Shares outstanding at the end of the year</b>	<b>39,83,25,537</b>	<b>39,83,25,537</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 22.3 Details of shareholding more than 5%

(₹ in crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares:</b>				
JM Financial Limited	21,35,65,599	53.62%	21,35,65,599	53.62%
JM Financial Credit Solutions Limited	3,97,92,720	9.99%	3,97,92,720	9.99%
Mr. Narotam S Sekhsaria	5,68,66,072	14.28%	5,68,66,072	14.28%
Indian Overseas Bank	2,10,00,000	5.27%	2,10,00,000	5.27%
Valiant Mauritius Partners FDI Ltd	3,35,50,551	8.42%	3,35,50,551	8.42%

### 22.4 Details of shareholding of promoters

(₹ in crore)

S. No.	Promoter Name	No. of Shares	Percentage of total shares	Percentage of change during the year
1	JM Financial Limited	21,35,65,599	53.62%	-

## 23. Other equity

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Securities Premium Reserve	283.18	283.18
Capital reserve on change in interest without loss of control	28.15	28.15
Retained earnings	(364.36)	694.32
Employee Stock option outstanding (refer note 23.1(e))	6.44	4.59
Impairment reserve (refer note 23.2)	243.73	127.19
Initial Corpus	0.01	0.01
<b>Total</b>	<b>197.15</b>	<b>1,137.44</b>

Refer Statement of Changes in Equity for movement in each reserve and surplus.

### 23.1 Nature of each reserves:

- Securities premium reserve represents premium received on equity shares issued which can be used on accordance with the provisions of the Act, 2013 for specified purposes.
- Capital reserve on acquisitions/ disposals represents reserves created on acquisition / disposal of subsidiaries without loss of control.
- Retained earnings are the profits that the Group has earned till date less any transfers to general reserve, impairment reserve, statutory reserve, dividends or other distributions to the shareholders.
- Initial corpus is corpus contributed by the Group for setting up of a Trust under SARFAESI Act for acquisition of account under distressed credit business.
- Stock options outstanding account (net of deferred stock option expenses ) relates to the stock options granted by the Group to employees under an Employee Stock Option Plan (refer note no.39)
- Impairment allowance reserve represents reserve created in accordance with the Reserve Bank of India (RBI) circular no. RBI/2019-20/170 DOR(NBFC).CC.PD.No.109/22.10.106/2019-20 dated 13th March, 2020 on implementation of Indian Accounting Standard. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI.



**23.2** During the year, 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. Total provision as required under the extant RBI guidelines for Non - Performing Advances is ₹ 243.73 crore

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 company, 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”.

As at March 31, 2024, two loan accounts belonging to the same borrower group have outstanding interest which has not been serviced for more than 180 days.

In consideration to the aforesaid orders issued by the Honourable Supreme Court of India, the two accounts are classified as Standard. However, the provision as required under the extant RBI guidelines for Non - Performing Advances amounting to ₹ 227.18 crore is carried for these borrower accounts. Of the provisions made ₹ 220.79 crore is made by transfer to the impairment reserve.

In February 2024, the Adjudicating Authority (Under the Prevention of Money Laundering Act, 2002) (The Act) issued an order attaching certain properties held by the Company as one of the collaterals against loans acquired in trust (as a trustee) and additional loan given to the borrower group as referred to above (“borrower group”). The above order was pursuant to the action initiated by the Enforcement Directorate against the borrower group under the above Act. The Company has appealed against the aforesaid order in appropriate forum. The Company views these legal proceedings as arising in the normal course of Asset Reconstruction business. Considering the total security against the loans acquired of the borrower group and the expected cashflows to the Company as per the documented waterfall, the Company believes that the above proceedings do not have a material impact on the financial position of the Company.

## 24. Interest income

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Interest Income</b>		
On loans (at amortized cost)	71.26	56.20
On financial instruments (at FVTPL)	-	7.03
On others (at FVTPL)	21.35	2.81
<b>Total</b>	<b>92.61</b>	<b>66.04</b>

## 25. Fees and Incentives

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Management fees	234.99	134.94
Recovery Incentives Fees	15.25	15.57
<b>Total</b>	<b>250.24</b>	<b>150.51</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 26. Other Income

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on fixed deposit (at amortised cost)	0.90	1.76
Other interest income	0.12	0.12
Gain on lease modification	0.03	0.43
Net gain on disposal of property, plant and equipment	0.01	-
Miscellaneous income	#	0.03
<b>Total</b>	<b>1.06</b>	<b>2.34</b>

### 27. Finance Cost

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>At amortized cost:</b>		
Interest on Debt Securities	171.72	90.12
Interest on Borrowings (Other than Debt Securities)	120.88	150.72
Others	9.27	7.00
<b>Total</b>	<b>301.87</b>	<b>247.84</b>

27.1 Above interest on debt securities includes interest on compulsory convertible debentures of ₹ Nil (Previous year : ₹ 1.13 crore).

27.2 Interest on others includes interest on lease obligations of ₹ 1.30 crore (Previous year : ₹ 1.66 crore).

### 28. Net Loss on fair value changes

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>On financial instruments designated at FVTPL:</b>		
Security receipts and financial assets of trusts	54.29	102.26
Equity instruments	(4.18)	2.55
Gain on mutual fund	#	(1.11)
<b>Total Net gain/(loss) on fair value changes</b>	<b>50.11</b>	<b>103.70</b>

#### 28.1 Net (Gain)/Loss on fair value changes

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Realised Gain	(112.28)	(19.79)
Unrealised Loss	162.39	123.49
<b>Total</b>	<b>50.11</b>	<b>103.70</b>

### 29. Impairment of Financial Instruments

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>At amortised Cost</b>		
Loans	0.80	(0.56)
Trade Receivables	5.66	14.95
Advances	5.02	(1.96)
<b>Total</b>	<b>11.48</b>	<b>12.43</b>



### 30. Employee benefits

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, bonus, other allowances and benefits	18.58	17.19
Contribution to provident and other funds (refer note 40)	0.88	0.81
Gratuity (refer note 40)	0.22	0.24
Share Based Payments to employees (refer note 39)	1.91	2.12
Staff welfare expenses	0.03	0.01
<b>Total</b>	<b>21.62</b>	<b>20.37</b>

### 31. Other Expenses

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Rate & Taxes	3.15	3.52
Legal & professional fees	6.25	3.56
Lease rentals	0.14	0.14
Corporate social responsibility (refer note 37)	2.83	4.17
Support service charges	6.00	5.45
Donation	0.25	0.25
Manpower Expenses	1.17	0.59
Director's commission & sitting fees	0.67	0.24
Travelling Expenses	0.16	0.25
Repairs & Maintenance	0.04	0.06
Auditors remuneration ( refer note 31.1)	0.21	0.19
Insurance Expenses	0.68	0.24
Electricity Expenses	0.19	0.19
Demat charges	0.13	0.25
Conveyance Expense	0.02	0.02
Car hire charges	0.01	#
Resolution expenses	21.13	5.46
Miscellaneous expenses	1.01	0.88
<b>Total</b>	<b>44.04</b>	<b>25.46</b>

# Denotes amount less than ₹50,000/-

#### 31.1 Payment to Auditors (Excluding Goods & Service tax)

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Audit fees	0.15	0.14
In any other matters (certification, limited review, etc.)	0.05	0.04
Out of pocket expenses	0.01	0.01
<b>Total</b>	<b>0.21</b>	<b>0.19</b>



## Notes

forming part of the Standalone Financial Statements (Contd.)

### 32. Exceptional items

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Security receipts	26.32	-
Financial Assets under Distressed Credit Business (carried at FVTPL)	741.55	-
Loans	70.35	-
Equity instruments	8.64	-
	<b>846.86</b>	<b>-</b>

During the financial year 2023-24, the Group has recognised impairment loss/expected credit loss aggregating ₹ 846.86 crore (excluding tax) on fair valuation of investments in multiple trusts and loans related to one large account/exposure due to a change in resolution strategy/plan and events subsequent to the balance sheet date. The recognition of such impairment loss/expected credit loss has happened in the normal course of asset reconstruction business of the Group. However, considering other impacts of the same on the financial statements and its materiality, the same has been treated as an Exceptional Item in the Statement of Profit and Loss Account.

### 33. Income Tax

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	40.95	-
Deferred tax	(30.54)	(46.96)
<b>Total income tax expenses recognised in the current year</b>	<b>10.41</b>	<b>(46.96)</b>
Income tax expense recognised in other comprehensive income	(0.08)	(0.05)
<b>Total income tax expenses</b>	<b>10.33</b>	<b>(47.01)</b>

#### 33.1 Reconciliation of total tax charge

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/(Loss) for the year	(934.60)	(193.62)
Income tax rate	25.17%	25.17%
Income tax expense	(235.23)	(48.71)
<b>Tax Effect of:</b>		
Effect of non deductible expenses	0.78	1.11
Effect of unrecognised deferred tax assets (net)*	250.63	0.64
Deferred tax on Remeasurment of employee defined benefit obligation	(0.08)	(0.05)
Effect of deferred tax on unrecognised tax losses	(5.77)	-
<b>Income tax expense recognised in profit and loss</b>	<b>10.33</b>	<b>(47.01)</b>

\*Includes unrecognised deferred tax assets for the financial year 2023-24 in respect of deductible temporary differences of ₹ 991.32 (including exceptional items) pertaining to impairment loss/expected credit loss on fair valuation of investments in multiple trusts and loans due to a change in resolution strategy/plan and events subsequent to the balance sheet date. It is not probable of future taxable profit will be available against which the Group can use the benefits therefrom.



### 34. Earning per share

Earnings per share is calculated by dividing the profit attributed to equity shareholders by the weighted average number of equity shares outstanding during the year as under:

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Profit/(Loss) for the year attributable to equity shareholders - Basic EPS (₹ in crore.)	(941.98)	(154.47)
b) Profit/(Loss) for the year attributable to equity shareholders - Diluted EPS (₹ in crore)	(941.98)	(154.47)
c) Weighted average number of equity shares outstanding during the year for calculating basic earning per share (Nos.)	39,83,25,537	39,83,25,537
d) Add : Effect of stock option scheme (Nos.)*	-	2,78,566
e) Weighted average number of equity shares outstanding during the year for calculating diluted earning per share (Nos.)	39,83,25,537	39,86,04,103
Basic earnings per share (₹) (a/c)	(23.65)	(3.88)
Dilutive earning per share (₹) (b/e)	(23.65)	(3.88)
Nominal value per share (₹)	10	10

\* Includes shares issued under ESOS are anti-dilutive and therefore considered as Nil.

### 35. Leasing

Following are the changes in the carrying value of the leased assets for the year ended March 31, 2024:

Category of leased asset	Gross Block				Accumulated Depreciation				Net block
	As at April 1, 2023	Additions	Deletions	As at March 31, 2024	As at April 1, 2023	Additions	Deletions	As at March 31, 2024	As at March 31, 2024
Office Premises*	22.60	0.04	(0.31)	22.33	9.56	2.34	(0.22)	11.68	10.65
Motor Vehicle	0.28	-	(0.28)	-	0.27	0.01	(0.28)	-	-

\* addition and deletion is as result of lease modification - decrease in lease area and rent

Following are the changes in the carrying value of the leased assets for the year ended March 31, 2023:

Category of leased asset	Gross Block				Accumulated Depreciation				Net block
	As at April 1, 2022	Additions	Deletions	As at March 31, 2023	As at April 1, 2022	Additions	Deletions	As at March 31, 2023	As at March 31, 2023
Office Premises*	24.81	0.19	(2.40)	22.60	7.89	2.51	(0.84)	9.56	13.04
Motor Vehicle	0.28	-	-	0.28	0.22	0.05	-	0.27	0.01

\* addition and deletion is as result of lease modification - decrease in lease area and rent

The following is the movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023:

#### On Office premises

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening balance	16.07	19.42
Lease Modification	(0.08)	(1.60)
Finance cost during the year	1.30	1.61
Payment of lease liabilities	(3.27)	(3.36)
<b>Closing balance</b>	<b>14.02</b>	<b>16.07</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### On Motor Vehicle

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening balance	0.01	0.07
Additions during the year	-	0.02
Finance cost during the year	#	0.05
Payment of lease liabilities	(0.01)	(0.13)
<b>Closing balance</b>	-	<b>0.01</b>

Table showing contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

### On Office Premises:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Not later than one year	3.42	3.33
Later than one year and not later than five years	13.96	13.85
Later than five years	-	3.47

### On Motor Vehicle

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Not later than one year	-	0.01
<b>Total Finance lease commitment (on an undiscounted basis)</b>	-	<b>0.01</b>

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.

## 36. Foreign Currency Exposure and Un-hedged Foreign Currency Exposure

Sr. No.	Particulars	Amount in foreign Currency (Equivalent to USD in Million)	Amount in INR (₹ in crore)
<b>I.</b>	<b>Details of Foreign Currency Exposure</b>		
	(A) Receivables	NIL	NIL
	(i) Export of goods		
	(ii) Services Rendered / Other Income		
	(B) Payables	NIL	NIL
	(i) Import of Goods		
	(ii) Services utilised / Other Expenses		
	(C) Non-Trade Items	NIL	NIL
	(i) Foreign Currency Loans (ECBs, FCTLs, etc.)		
	(a) Principal Payments		
	(b) Interest		
	(ii) Foreign Currency Investments		
	<b>Total Foreign Currency Exposure</b>	<b>NIL</b>	<b>NIL</b>



Sr. No.	Particulars	Amount in foreign Currency (Equivalent to USD in Million)	Amount in INR (₹ in crore)
<b>II</b>	<b>Details of Hedgings</b>		
	(A) Natural Hedges	NIL	NIL
	(B) Financial Hedges	NIL	NIL
	(i) Forward Contracts Booked:		
	(a) For Export and other Receivables		
	(b) For Import and other Payables		
	(ii) Swaps		
	(a) Principal amount Swaps		
	(b) Interest Rate Swaps		
	(iii) Other Financial Derivative Hedging Instruments		
	<b>Total Hedging of Foreign Currency Exposure</b>	<b>NIL</b>	<b>NIL</b>
<b>III.</b>	<b>Amount of Unhedged Foreign Currency Exposure</b>	NIL	NIL
<b>IV.</b>	<b>Realised / Recognised Amount of Foreign Currency Loss / Gain</b>	NIL	NIL
<b>V.</b>	<b>EBID</b>		(640.47)
<b>VI.</b>	<b>Total Banking Exposure of the company</b>		
	(i) Term Loans Exposure (Outstanding amounts + Undisbursed )		151.22
	(ii) Working Capital Exposure (Limit sanctioned & accepted)		171.00

### Note

i) EBID is computed as per the definition contained in footnote 3 to paragraph 2 (c ) of the RBI Circular No. RBI/ 2013-14/ 448 DBOD.No.BP.BC. 85/21.06.200/2013-14 dated January 15, 2014 i.e. Profit After Tax + Depreciation + Interest on Debt + Lease Rentals, if any.

ii) Total banking exposure of the company excludes sanction facilities against fixed deposits.

### 37. Corporate Social Responsibility

Details of expenses towards corporate social responsibility as per section 135 of the Act, 2013 read with schedule VII there to: (₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Gross amount required to be spent by the Group during the year	2.83	4.17
b) Amount spent	0.63	0.43
Amount provided for on-going projects	2.20	3.74
<b>Total</b>	<b>2.83</b>	<b>4.17</b>
c) Short fall at the end of the year	-	-
d) Total Previous years shortfall	-	-
e) Reason for shortfall	-	-
f) Amount contributed to a trust controlled by the Group	-	-
g) Nature of CSR Activities	-	-
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	2.83	4.17
<b>Total</b>	<b>2.83</b>	<b>4.17</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### Details of unspent obligations

In case of section 135(5) of the Companies Act, 2013 (ongoing projects)

(₹ in crore)

Opening balance as on April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2024	
With Company	In separate CSR Unspent account		From Company's bank account	From separate CSR unspent account	With Company	In separate CSR Unspent account
3.74	2.46	2.83	0.63	5.46	2.20	0.74

(₹ in crore)

Opening balance as on April 1, 2022		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2023	
With Company	In separate CSR Unspent account		From Company's bank account	From separate CSR unspent account	With Company	In separate CSR Unspent account
3.24	2.55	4.17	0.43	3.33	3.74	2.46

### 38. Segment Reporting

The group operates in a segment of distressed credit business and all other activities are incidental to its main business activities as per requirement of Ind AS- 108 on Operating Segment. The reportable business segment is in line with the segment wise information which is being presented to the Chief Operating Decision Maker.

The Group has one geographical segment identified based on its location of customers which is within India.

### 39. Employee Stock Option Scheme

The Employee Stock Option Scheme (the "Scheme") provides for grant of stock options to the eligible employees and/or directors ("the Employees") of the Group. 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 2023-24, the Nomination and Remuneration Committee has granted Nil options (previous year 19,60,749 options) at an exercise price of ₹ Nil per option (previous year ₹ 33.63 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:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Outstanding at the beginning of the year	34,99,797	20,08,819
Add: Granted during the year	-	19,60,749
Less: Forfeited/cancelled during the year	(27,423)	(4,69,771)
Less: Lapsed/not exercised during the year	(30,183)	-
Outstanding at end of the year	34,42,191	34,99,797
Exercisable at end of the year	9,73,347	3,95,361

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%	-	6,53,583	-	19-04-2024	-	22.14
Tranche 2	33.33%	-	6,53,583	-	19-04-2025	-	24.33
Tranche 3	33.34%	-	6,53,583	-	19-04-2026	-	26.23

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	-	3.50	-	6.85%	-	0.5004	-	-
Tranche 2	-	4.50	-	7.12%	-	0.4940	-	-
Tranche 3	-	5.50	-	7.32%	-	0.4897	-	-

\* Dividend Yield is Nil as the Group has not declared and paid any dividend in previous years and no dividend is expected to be paid.

#### Details of options granted

Particulars	(in Numbers)		
	Series I	Series II	Series III
Grant date	16 April 2020	19 April 2021	04 May 2022
Options granted	15,81,444	9,09,549	19,60,749
Options forfeited/cancelled till March 31, 2024	(4,06,344)	(2,87,562)	(2,85,462)
Options lapsed/not exercised till March 31, 2024	(21,963)	(8,220)	-
Outstanding at end of year	11,53,137	6,13,767	16,75,287
Exercisable at end of year	7,68,758	2,04,589	-
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
Exercise period	Within 3 years from the date of vesting	Within 3 years from the date of vesting	Within 3 years from the date of vesting
Exercise price	₹ 28.46	₹ 29.69	₹ 33.63
Pricing formula	As was determined by the Nomination and Remuneration Committee	As was determined by the Nomination and Remuneration Committee	As was determined by the Nomination and Remuneration Committee

The charge on account of the above scheme is included in employee benefit expense aggregating ₹ 1.91 crore (Previous year: ₹ 2.12 crore).

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 40. Employee Benefits

#### a) Defined contribution plans

The Group operates defined contribution plan (Provident fund) for all qualifying employees. 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 ₹ 0.69 crore (Previous year ₹ 0.66 crore) has been recognized in the Statement of Profit and Loss under the head Employee Benefits Expense.

#### b) Defined benefit obligation

The Group's liabilities under the Payment of Gratuity Act, 1972 are determined on the basis of independent actuarial valuation made at the end of each financial year using the projected unit credit method. The plan is of a final salary defined benefit in nature which is sponsored by the Group and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

#### Interest Rate Risk:

The risk of government security yields falling due to which the corresponding discount rate used for valuing liabilities falls. Such a fall in discount rate will result in a larger value placed on the future benefit cash flows whilst computing the liability and thereby requiring higher accounting provisioning.

#### Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the 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 Group, which results in a higher liability for the Group and is therefore a plan risk for the Group.

#### The principal assumptions used for the purposes of the actuarial valuations:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Discount rate	7.15%	7.45%
Expected rate of salary increase	7.00%	7.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table.	Indian Assured Lives Mortality (2012-14) Ult table.

#### Amount recognized in statement of profit and loss in respect of these defined benefit obligation

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	0.12	0.15
Past service cost	-	-
Net interest cost	0.10	0.09
<b>Components of defined benefits recognised in profit or loss.</b>	<b>0.22</b>	<b>0.24</b>
Remeasurements on the net defined benefit liability :		
- Return on plan assets, excl. amount included in interest exp. (income)	-	-
- Actuarial (gain)/loss from change in demographic assumptions	0.13	-
- Actuarial (gain)/loss from change in financial assumptions	0.03	(0.03)



(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
- Actuarial (gain)/loss from change in experience adjustments	0.14	0.23
<b>Total amount recognised in OCI</b>	<b>0.30</b>	<b>0.20</b>
<b>Total</b>	<b>0.52</b>	<b>0.44</b>

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.

**The amount included in the balance sheet arising from Company's obligation in respect of its defined benefit plan is as follows:**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	1.50	1.44
Fair value of plan assets	-	-
<b>Net asset arising from defined benefit obligation</b>	<b>1.50</b>	<b>1.44</b>

**Movement in the present value of the defined benefit obligation are as follows:**

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	1.44	1.37
Current service cost	0.12	0.15
Interest cost	0.10	0.09
Past service cost	-	-
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	0.13	-
- Actuarial (gain)/loss from change in financial assumptions	0.03	(0.03)
- Actuarial (gain)/loss from change in experience adjustments	0.14	0.23
Benefits paid	(0.46)	(0.36)
Liabilities extinguished on settlements	-	(0.01)
<b>Closing defined benefit obligation</b>	<b>1.50</b>	<b>1.44</b>

**A reconciliation of the plan assets during the inter-valuation period is given below**

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Opening balance of fair value of plan assets</b>	-	-
Employer contribution	0.46	0.36
Interest on plan assets	-	-
Administrative Expenses	-	-
<b>Remeasurement due to :</b>		
Actual return on plan assets less interest on plan assets	-	-
Benefit paid	(0.46)	(0.36)
Asset acquired/(settled) on account of business combination or inter group transfer	-	-
Asset distributed on settlements	-	-
<b>Closing balance of fair value of plan assets</b>	<b>-</b>	<b>-</b>

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate 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 is as follows:

## Notes

forming part of the Standalone Financial Statements (Contd.)

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation (base)	1.50	1.44

Particulars	For the year ended March 31, 2024		For the year ended March 31, 2023	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
	Defined benefit obligation on increase in 50 bps	1.46	1.53	1.38
Impact of increase in 50 bps on DBO	(2.93%)	2.13%	(4.00%)	2.84%
Defined benefit obligation on decrease in 50 bps	1.55	1.47	1.50	1.40
Impact of decrease in 50 bps on DBO	3.09%	(2.09%)	4.35%	(2.74%)

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 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 recognized in the balance sheet.

### Projected benefits payable:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Expected benefits for year 1	0.20	0.26
Expected benefits for year 2	0.19	0.25
Expected benefits for year 3	0.18	0.06
Expected benefits for year 4	0.32	0.05
Expected benefits for year 5	0.14	0.26
Expected benefits for year 6	0.22	0.05
Expected benefits for year 7	0.13	0.21
Expected benefits for year 8	0.10	0.07
Expected benefits for year 9	0.10	0.04
Expected benefits for year 10 and above	0.97	2.16

### Compensated absences

As per Group's policy, provision of ₹ 0.25 crore (Previous year ₹ 0.65 crore) has been made towards compensated absences, determined on the basis of independent actuarial valuation made at the end of each financial year using the projected unit credit method. (Previous year : calculated on the basis of unutilized leave as on the last day of the financial year)

### c) Code on Social Security, 2020

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.



## 41. Disclosure of related party

### a) Name and relationship with related parties:

#### (i) Names of related parties and description of relationship where control exists

##### Ultimate holding company

JM Financial Limited

#### (ii) Names of related parties and description of relationship where transactions have taken place

##### (A) Ultimate holding company

JM Financial Limited

##### (B) Fellow Subsidiaries

JM Financial Institutional Securities Limited

JM Financial Products Limited

JM Financial Properties and Holdings Limited

JM Financial Home Loans Limited

JM Financial Services Limited

JM Financial Capital Limited (merged with JM Financial Services Limited w.e.f. May 18, 2023 - refer note 41(g))

JM Financial Credit Solutions Limited

JM Financial Asset Management Limited

Astute Investments

CR Retail Malls (India) Limited

##### (C) Key managerial personnel

###### Whole time director or Chief Executive Office

Mr. Srinivasan Viswanathan - Chief Executive Officer (appointed w.e.f. June 22, 2023)

Mr. Anil Bhatia - Chief Executive Officer (ceased w.e.f. close of business hours of May 15, 2023)

###### Non-Executive Directors

Mr. V. P. Shetty

Mr. Narotam Sekhsaria

Mr. Pulkit Sekhsaria

Mr. Adi Patel

Mr. Vishal Kampani

###### Independent Directors

Ms. Rupa Vora

Dr. Vijay Kelkar

Mr. Ameet Desai

## Notes

forming part of the Standalone Financial Statements (Contd.)

Mr. Satish Chand Mathur

Mr. Munesh Khanna

### Key managerial personnel of Ultimate holding company

Mr. Nimesh Kampani (NNK)

Mr. Vishal Kampani (VNK)

Mr. Atul Mehra (ASM) (ceased to be related party of the Company with effect from March 28, 2024)

Mr. Adi Patel (ARP)

Ms. Jagi Mangat Panda (JMP)

Mr. P S Jayakumar (PSJ)

Ms. Roshini Bakshi (RHB)

Mr. Navroz Udwadia (NDU)

Mr. Pradip Kanakia (PMK)

Mr. Sumit Bose (SB)

### Close member of Key managerial personnel of Ultimate holding company

Mrs. Suvidha Mehra (ceased to be related party of the Company with effect from March 28, 2024)

### (D) Entity controlled or jointly controlled or significantly influenced by key management personnel of a parent of the reporting entity

J.M. Financial & Investment Consultancy Services Private Limited

### b) Transactions with related parties :

(₹ in crore)			
Name of the Related Party	Nature of relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>JM Financial Limited (JMFL)</b>	(A)		
Inter Corporate Deposit taken		541.00	647.00
Inter Corporate Deposit paid		806.00	821.70
Interest on Inter Corporate Deposits		38.37	37.18
Rating Support Fees		7.28	4.89
Support Service Charges		3.00	2.50
Recovery of Expense		0.03	0.02
Reimbursement of Expenses		0.26	0.25
Interest on Compulsory Convertible Debenture		-	1.86
<b>JM Financial Properties and Holdings Limited (JMFPHL)</b>	(B)		
Space and other related cost		2.72	2.77
Security Deposit received		-	0.54
Reimbursement of Expenses		0.43	0.46
<b>JM Financial Home Loans Limited (JMFWHL)</b>	(B)		
Reimbursement of Expenses		#	#
<b>JM Financial Products Limited (JMFWPL)</b>	(B)		
Inter Corporate Deposit taken		257.00	200.00
Inter Corporate Deposit paid		-	200.00
Management Fees received		1.89	1.89
Interest on Inter Corporate Deposits paid		0.31	2.94
Support Service Charges		2.50	2.50





(₹ in crore)

Name of the Related Party	Nature of relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
Reimbursement of Expenses		0.03	0.03
Purchase of distress assets		-	142.82
<b>JM Financial Services Limited (JMFSL)</b>	(B)		
Market linked Non Convertible Debentures issued		-	320.00
Transfer of gratuity		-	0.01
Arranger Fees		-	6.61
Brokerage paid		0.01	-
<b>JM Financial Credit Solutions Ltd (JMFCSL)</b>	(B)		
Issue of Optionally Convertible Debenture		200.00	-
Purchase of distress assets		300.00	-
Interest on Compulsory Convertible Debenture		-	7.91
Issue of security receipts through subsidiary trust		102.00	-
Management Fees received		4.94	4.94
<b>JM Financial Asset Management Limited</b>	(B)		
Interest on Inter Corporate Deposits		-	0.13
Inter Corporate Deposit taken		-	20.00
Inter Corporate Deposit paid		-	20.00
<b>Key Managerial Personnel</b>	(C)		
Remuneration (refer note (d) )		2.94	1.67

### c) Closing balances

(₹ in crore)

Name of the Related Party	Nature of relationship	As at March 31, 2024	As at March 31, 2023
<b>Inter Corporate Deposit payable</b>			
JM Financial Limited (JMFL)	(A)	-	265.00
JM Financial Products Limited (JMFPPL)	(B)	257.00	-
<b>Security Deposit Receivable</b>			
JM Financial Properties and Holdings Limited (JMFPPL)	(B)	2.21	2.21
<b>Market linked Non-Convertible Debentures</b>			
JM Financial Services Ltd (JMFSL)	(B)	0.20	0.20
JM Financial Capital Ltd (JMFCCL)	(B)	-	1.60
Dr. Vijay Kelkar	(C)	0.20	0.20
Mr. V P Shetty	(C)	-	2.00
Mrs. Suvridha Mehra	(C)	-	1.10
<b>Optionally Convertible Debenture</b>			
JM Financial Credit Solutions Ltd (JMFCSL)	(B)	200.00	-
<b>Trade Receivables</b>			
JM Financial Products Limited (JMFPPL)	(B)	-	0.03
<b>Trade Payable</b>			
JM Financial Limited (JMFL)	(A)	1.88	1.88
<b>Outstanding Security Receipts</b>			
JM Financial Credit Solutions Ltd (JMFCSL)	(B)	102.00	-
<b>Key Managerial Personnel</b>	(C)	1.45	0.20

# Denotes amount below ₹50,000/-

## Notes

forming part of the Standalone Financial Statements (Contd.)

### d) Remuneration to KMP were as follows

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) short term employee benefits	2.02	1.33
(b) post employment benefits;	0.25	0.10
(c) other benefits*	0.67	0.24
<b>Total</b>	<b>2.94</b>	<b>1.67</b>

\* Other benefits includes directors sitting fees and commissions.

e) Remuneration excludes provision for gratuity and compensated absences as the incremental liability has been accounted for Group as a whole.

f) There are no provisions for doubtful debts / advances or amounts written off or written back for debts due from/ due to related parties.

g) Pursuant to the NCLT order approving the Scheme of Arrangement (the “Scheme”) on April 20, 2023 with the appointed date being April 1, 2023, JM Financial Capital Limited has been merged with JM Financial Services Limited.

h) The transactions disclosed above are exclusive of GST.

### Note

The Group enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

## 42. Capital Management

The Group manages its capital to ensure that the Group will be able to continue as going concerns while maximising the return to stakeholders through the optimization of the debt and equity balance.(also refer note no 50.1)

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 debt to equity ratio.

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Borrowings (Debt securities and borrowing other than debt securities)	2,913.17	3,203.35
Less - Cash and cash equivalents	(93.66)	(70.95)
<b>Net Debt</b>	<b>2,819.51</b>	<b>3,132.40</b>
Total equity (excluding non-controlling interest)	595.48	1,535.77
Net Debt to equity ratio	4.73	2.04

## 43. Fair value measurement

### a) Fair value hierarchy and method of valuation:

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are a) recognized and measured at fair value and b) measured at amortized cost and for which fair values are disclosed in the consolidated 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.

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 fair value measurements are those derived from quoted prices of equity instruments.



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). The input factors considered are estimated cash flows, collateral values and other assumptions etc.

## b) Categories of Financial Instruments:

As at March 31, 2024

(₹ in crore)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents	-	-	93.66	93.66	-	-	-	-
Other bank balances	-	-	0.99	0.99	-	-	-	-
Trade receivables (net)	-	-	197.78	197.78	-	-	-	-
Loans (net)	-	-	499.12	499.12	-	-	-	-
Investments	1,250.57	-	-	1,250.57	4.28	-	1,246.29	1,250.57
Other financial assets (net)	1,487.74	-	44.97	1,532.71	-	-	1,487.74	1,487.74
<b>Total</b>	<b>2,738.31</b>	<b>-</b>	<b>836.52</b>	<b>3,574.83</b>	<b>4.28</b>	<b>-</b>	<b>2,734.03</b>	<b>2,738.31</b>
<b>Financial liabilities</b>								
Trade payables	-	-	4.84	4.84	-	-	-	-
Debt securities	-	-	1,897.90	1,897.90	-	-	-	-
Borrowing (other debt securities)	-	-	1,015.27	1,015.27	-	-	-	-
Lease liabilities	-	-	14.02	14.02	-	-	-	-
Other financial liabilities	-	-	69.19	69.19	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,001.22</b>	<b>3,001.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at March 31, 2023

(₹ in crore)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents	-	-	70.95	70.95	-	-	-	-
Other Bank balances	-	-	2.73	2.73	-	-	-	-
Trade receivables (net)	-	-	272.39	272.39	-	-	-	-
Loans (net)	-	-	543.28	543.28	-	-	-	-
Investments	1,263.37	-	-	1,263.37	13.23	-	1,250.14	1,263.37
Other financial assets (net)	2,714.88	-	41.40	2,756.28	-	-	2,714.88	2,714.88
<b>Total</b>	<b>3,978.25</b>	<b>-</b>	<b>930.75</b>	<b>4,909.00</b>	<b>13.23</b>	<b>-</b>	<b>3,965.02</b>	<b>3,978.25</b>
<b>Financial liabilities</b>								
Trade payables	-	-	2.78	2.78	-	-	-	-
Debt securities	-	-	1,709.80	1,709.80	-	-	-	-
Borrowing (other debt securities)	-	-	1,493.55	1,493.55	-	-	-	-
Lease liabilities	-	-	16.08	16.08	-	-	-	-
Other financial liabilities	-	-	28.01	28.01	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,250.22</b>	<b>3,250.22</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### Notes

1 Includes debt securities issued at fixed rate of interest for which carrying value and fair value are as under :

As at	Carrying value	Fair value
As at March 31, 2024	1,153.65	1,144.19
As at March 31, 2023	1,011.34	1,117.92

(₹ in crore)

2 Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Group considers that the carrying amounts of financial instruments measured at amortised cost recognized in the financial statements approximate their fair values.

3 For financial assets that are measured at amortized cost, the carrying amounts are equal to the fair values.

#### c) Valuation techniques used to determine the fair values:

i) For level 1- Listed equity instruments are fair valued using quoted prices;

ii) For level 2- fair value measurements are derived from quoted prices of equity instruments; and

iii) For Level 3 fair value measurements are derived on a recovery range provided by the External Rating Agency and other unobservable inputs. The values of financial instruments are estimated using a combination of the recovery range provided by the External Rating Agency and discounting the estimated cash flows based on realization of collateral values, etc. using interest rate on borrowing of the Group. Further, necessary and appropriate adjustments (adequate provisions for contingencies/ appropriate discounting of the cash flows) have been made by considering credit risk, uncertainties associated with prevailing economic condition, timing of the recoveries, strategy which may involve actions such as settling dues, selling assets through legal action or other means like NCLT, restructuring, and bringing in investors or strategic partners and the value at which the collaterals are expected to be recovered for determination of fair value of the financial assets.

#### d) Fair value measurements use significant unobservable inputs (Level-3):

The following table presents the changes in level 3 items for the year ended March 31, 2024 and March 31, 2023

Particulars	Investment in Security Receipts	Financial Asset	Total
<b>As at April 1, 2022</b>	<b>956.17</b>	<b>2,293.41</b>	<b>3,249.58</b>
Acquisitions made	434.03	529.94	963.97
(Realisations) made	(91.98)	(67.40)	(159.38)
Net gain/(loss) on fair value changes	(61.19)	(41.07)	(102.26)
<b>As at March 31, 2023</b>	<b>1,237.03</b>	<b>2,714.88</b>	<b>3,951.91</b>
Acquisitions made	260.56	534.27	794.83
(Realisations) made	(184.49)	(842.31)	(1,026.80)
Change in controlling interest	96.18	(264.40)	(168.22)
Net gain/(loss) on fair value changes (Including exceptional items)	(167.46)	(654.70)	(822.16)
<b>As at March 31, 2024</b>	<b>1,241.82</b>	<b>1,487.74</b>	<b>2,729.56</b>

(₹ in crore)

**e) Sensitivity for instruments**

(₹ in crore)

Nature of the instrument	Fair Value As at March 31, 2024	Fair Value As at March 31, 2023	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2024*		Sensitivity Impact for the year ended March 31, 2023*	
					FV Increase	FV Decrease	FV Increase	FV Decrease
					Investment in Security receipts	1,241.82	1,237.03	Estimated cash flow based on realisation of collaterals value, etc.
Investment in financial assets of structured entities	1,487.74	2,714.88	Estimated cash flow based on realisation of collaterals value, etc.	5%	111.91	(111.91)	128.75	(128.75)

\* above sensitivity is determined at percentage of outstanding security receipts at cost considering the normal course of business excluding exceptional item disclosed in note 32

f) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

**44. Financial risk management**

The Group's activities expose it to credit risks, liquidity risks and market risks.

Risk management forms an integral part of the business and as it being into distressed credit business it exposed to several risks related to stress assets i.e. non-performing assets (NPA) acquired from banks and financial institutions. The group has a robust account monitoring system which ensures early detection of risks whereby timely action can be taken to surmount any avoidable slippages. The Group has an effective mechanism of driving business through policies and committees. The group has well balanced and experienced team of resources to drive its business.

The Group has established Risk Management Committee and Asset Acquisition Committee, responsible for identifying, developing, monitoring and mitigating all the risks related to its business. The committees reports to the board of directors on regular basis.

**i) Credit risk**

Credit risk is the risk of loss that may occur from the failure of party to abide by the terms and conditions of any financial contract, principally the failure to make the required payments. In order to minimize credit risk, the Group has adopted a policy of acquisition of asset in a transparent manner and at a fair price in a well-informed market, and the transactions are executed at arm's length in exercise of due diligence and adopt an industry / sector neutral and geography neutral approach in targeting financial assets for acquisition. Credit risk management is achieved by considering the factors like cash flow, collateral values, etc.

In order to minimize credit risk, the Group has tasked its Risk Management Committee and Asset Acquisition Committee to develop and maintain the Group's credit risk grading's.

Group has classified its receivables in to following categories:

- Loans given (in the nature of restructuring loans, additional funding for working capital, etc.); and
- Other receivables under distress credit business.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### Provision for expected credit loss

#### 1 For loans:

Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Group's current credit risk rating and grading framework comprises the following categories:

For stage-1 performing assets- 12 months Expected Credit Loss (ECL); and

For stage-2- under performing assets- lifetime ECL (on default occurred)

For stage-3-credit impaired assets-based on expected cash flows

#### (i) Movement of gross carrying amount in loans given:

##### As at March 31, 2024

(₹ in crore)

Particulars	As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount-opening balance</b>	<b>135.78</b>	<b>-</b>	<b>429.43</b>	<b>565.21</b>
New assets originated or purchased	83.82	-	34.76	118.58
Assets derecognised or repaid (excluding write offs)	(56.83)	-	(34.76)	(91.59)
<b>Gross carrying amount- closing balance</b>	<b>162.77</b>	<b>-</b>	<b>429.43</b>	<b>592.20</b>

##### As at March 31, 2023

(₹ in crore)

Particulars	As at March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount-opening balance</b>	<b>148.29</b>	<b>-</b>	<b>472.40</b>	<b>620.69</b>
New assets originated or purchased	33.61	-	-	33.61
Transfer to Stage 3	(46.12)	-	(42.97)	(89.09)
<b>Gross carrying amount- closing balance</b>	<b>135.78</b>	<b>-</b>	<b>429.43</b>	<b>565.21</b>

#### (ii) Movement of provision for impairment (ECL):

##### As at March 31, 2024

(₹ in crore)

Particulars	As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
<b>ECL allowance - opening balance</b>	<b>2.23</b>	<b>-</b>	<b>19.70</b>	<b>21.93</b>
New assets originated or purchased	0.54	-	70.71	71.25
Assets derecognised or repaid (excluding write offs)	(0.10)	-	-	(0.10)
<b>ECL allowance - closing balance</b>	<b>2.67</b>	<b>-</b>	<b>90.41</b>	<b>93.08</b>

##### As at March 31, 2023

(₹ in crore)

Particulars	As at March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
<b>ECL allowance - opening balance</b>	<b>2.44</b>	<b>-</b>	<b>20.05</b>	<b>22.49</b>
New assets originated or purchased	0.10	-	-	0.10
Transfer to Stage 3	(0.31)	-	(0.35)	(0.66)
<b>ECL allowance - closing balance</b>	<b>2.23</b>	<b>-</b>	<b>19.70</b>	<b>21.93</b>



**2 For other receivables under distressed credit business:**

For the purpose of measuring the expected credit loss, including the lifetime expected credit loss allowances for other receivables under distress credit business, 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.

There is no credit period defined for other receivables and amount is due on the date of invoice/debit note. Interest is charged on overdue amount as per terms agreed.

Movement of provision for impairment

**As at March 31, 2024**

(₹ in crore)

Particulars	As at March 31, 2024		
	Trade receivables	Other financial assets	Total
<b>ECL allowance - opening balance</b>	<b>38.58</b>	<b>7.37</b>	<b>45.95</b>
Addition	5.66	5.02	10.68
<b>Closing balance</b>	<b>44.24</b>	<b>12.39</b>	<b>56.63</b>

**As at March 31, 2023**

(₹ in crore)

Particulars	As at March 31, 2023		
	Trade receivables	Other financial assets	Total
<b>ECL allowance - opening balance</b>	<b>23.63</b>	<b>9.33</b>	<b>32.96</b>
Addition	14.95	(1.96)	12.99
<b>Closing balance</b>	<b>38.58</b>	<b>7.37</b>	<b>45.95</b>

**The ageing of trade receivables :**

(₹ in crore)

Particulars	As at	As at
	March 31, 2024	March 31, 2023
Past due 1-180 days	18.71	57.87
More than 180 days	223.31	253.10
	<b>242.02</b>	<b>310.97</b>

**b) Liquidity risk**

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. 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.

Ultimate responsibility for liquidity risk rest with the management, which has established by an appropriate liquidity risk framework for the management of the Group's short term, medium-term and long term funding and liquidity management requirements. The Group manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has undrawn lines of credit of ₹ 10.58 crore and ₹ 69.01 crore as of March 31, 2024 and March 31, 2023 respectively, from its bankers for working capital requirements. The Company also has Bank balances of ₹ 93.66 crore as on March 31, 2024. The company is in process of raising of equity which would also be used for repayment of its obligation.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### Exposure to liquidity risk

The following tables details the Group's remaining contractual/ expected maturities for its non-derivative financial liabilities and assets as at the reporting date. The tables have been drawn up based on undiscounted cash flow basis.

#### As at March 31, 2024

(₹ in crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings and debt securities	2,913.17	2,913.17	1,940.01	953.38	19.78	-
Trade payables	4.84	4.84	4.84	-	-	-
Lease liabilities	14.02	14.02	2.23	5.44	6.35	-
Other financial liabilities	69.19	69.19	67.99	1.20	-	-
<b>Total</b>	<b>3,001.22</b>	<b>3,001.22</b>	<b>2,015.07</b>	<b>960.02</b>	<b>26.13</b>	<b>-</b>
<b>Financial Assets</b>						
Cash and cash equivalents	93.66	93.66	93.66	-	-	-
Other Bank balances	0.99	0.99	0.99	-	-	-
Trade receivables (net)	197.78	197.78	54.53	143.25	-	-
Loans (net)	499.12	499.12	286.58	212.54	-	-
Investment	1,250.57	1,250.57	502.76	600.70	147.11	-
Other Financial Assets (net)	1,532.71	1,532.71	719.60	604.02	203.50	5.59
<b>Total</b>	<b>3,574.83</b>	<b>3,574.83</b>	<b>1,658.12</b>	<b>1,560.51</b>	<b>350.61</b>	<b>5.59</b>

#### As at March 31, 2023

(₹ in crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings and debt securities	3,203.35	3,203.35	1,398.14	1,716.36	88.85	-
Trade payables	2.78	2.78	2.78	-	-	-
Lease liabilities	16.08	16.08	2.03	4.78	5.95	3.32
Other financial liabilities	28.01	28.01	27.42	0.59	-	-
<b>Total</b>	<b>3,250.22</b>	<b>3,250.22</b>	<b>1,430.37</b>	<b>1,721.73</b>	<b>94.80</b>	<b>3.32</b>
<b>Financial Assets</b>						
Cash and cash equivalents	70.95	70.95	70.95	-	-	-
Other Bank balances	2.73	2.73	2.48	0.25	-	-
Trade receivables (net)	272.39	272.39	72.84	122.69	76.86	-
Loans (net)	543.28	543.28	537.72	5.56	-	-
Investment	1,263.37	1,263.37	704.80	501.50	57.07	-
Other Financial Assets (net)	2,756.28	2,756.28	1,199.23	1,266.59	278.79	11.67
<b>Total</b>	<b>4,909.00</b>	<b>4,909.00</b>	<b>2,588.02</b>	<b>1,896.59</b>	<b>412.72</b>	<b>11.67</b>

### Note

- The maturities of non-derivative financial liabilities are based on the earliest date on which the Group may be required to pay.
- The maturities of the financial assets are based on the management's estimation on realization.
- The liquidity gap between 0-1 year for the financial year 2023-24 would be met by refinancing through bank facilities /other refinancing options. The liquidity gap includes inter corporate deposit payable to related party which are payable which are on call and also Bank working capital balances which are annually renewable. The company would also have equity available from fresh infusion to repay its obligation.



The following are the details of Group's remaining contractual maturities of financial liabilities based on undiscounted cash flows:

### As at March 31, 2024

(₹ in crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings and debt securities	2,913.17	2,930.05	1,725.22	1,185.05	19.78	-
Trade payables	4.84	4.84	4.84	-	-	-
Lease liabilities	14.02	17.38	3.42	7.03	6.93	-
Other financial liabilities	69.19	69.19	67.99	1.20	-	-
<b>Total</b>	<b>3,001.22</b>	<b>3,021.46</b>	<b>1,801.47</b>	<b>1,193.28</b>	<b>26.71</b>	<b>-</b>

The following are the details of Group's remaining contractual maturities of financial liabilities based on undiscounted cash flows

### As at March 31, 2023

(₹ in crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings and debt securities	3,203.35	3,220.85	1,399.64	1,732.36	88.85	-
Trade payables	2.78	2.78	2.78	-	-	-
Lease liabilities	16.08	20.66	3.34	6.80	7.05	3.47
Other financial liabilities	28.01	28.01	27.42	0.59	-	-
<b>Total</b>	<b>3,250.22</b>	<b>3,272.30</b>	<b>1,433.18</b>	<b>1,739.75</b>	<b>95.90</b>	<b>3.47</b>

### c) Market risk

The Group's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

#### 1. Currency risk

The functional currency of the Group is Indian Rupee (₹). The Group has not undertaken any transactions denominated in foreign currencies and therefore is not exposure to exchange rate fluctuations. Group has not taken derivative contracts during the year.

#### 2. Interest rate risk

The Group is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The Group has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk and provide appropriate guidelines to the Treasury to manage such risk. The ALCO reviews the interest rate risk on periodic basis and decides on the appropriate funding mix.

#### Exposure to interest rate risk

The exposure of the Group's borrowings to the interest rates risk at the end of the reporting period is:

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Borrowings:</b>		
Fixed rate borrowings	1,793.45	2,125.99
Floating rate borrowings	778.32	932.78
<b>Total</b>	<b>2,571.77</b>	<b>3,058.77</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### Interest rate Sensitivity analysis:

The sensitivity analysis has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 100 basis point 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.

If floating rate of interest had been 100 basis points higher/ lower, the Group's profit for the year ended March 31, 2024 would decrease/ increase by ₹ 7.78 crore (Previous year: decrease/ increase by ₹ 9.33 crore).

### 3 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 the Group's investments exposes to equity price risks. In general, these securities are not held for trading purposes.

### Equity Price Sensitivity analysis:

The fair value of equity instruments as at March 31, 2024 aggregate to ₹ 4.28 crore (Previous year ₹ 13.23 crore). If price of equity instruments decrease/ increase by 5%, the Group's profit for the year ended March 31, 2024 would be decrease/ increase by ₹ 0.21 crore (Previous year: decrease/ increase by ₹ 0.66 crore).

## 45 A) Entities considered for Consolidation

### a) Composition of the Group

Information about the composition of the Group at the end of the reporting period is as follows:

Name of the Entity	Principal activity	Country of incorporation	Proportion of ownership interest and voting power held by the group	
			As at March 31, 2024 (%)	As at March 31, 2023 (%)
<b>Subsidiary Trusts in India</b>				
JMFARC - DB-ICICI Trust <sup>^</sup>	Asset reconstruction	India	-	100%
JMFARC - DB SBI Trust <sup>^</sup>	Asset reconstruction	India	-	100%
JMFARC - DB DCB Trust <sup>^</sup>	Asset reconstruction	India	-	100%
JMFARC - Jord SUUTI Trust <sup>^</sup>	Asset reconstruction	India	-	100%
JMFARC - Pasupati SASF Trust	Asset reconstruction	India	100%	100%
JMFARC - Central Bank Tube Trust <sup>^</sup>	Asset reconstruction	India	-	100%
JMFARC - UTI Tube Trust <sup>^</sup>	Asset reconstruction	India	-	100%
JMFARC - SASF Tube Trust <sup>^</sup>	Asset reconstruction	India	-	100%
JMFARC - UCO Bank March 2011 Trust	Asset reconstruction	India	100%	100%
JMFARC - Corp Apparel 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Central India 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Dena Bank March 2014 Trust	Asset reconstruction	India	100%	100%
JMFARC - Gelatine March 2014 Trust	Asset reconstruction	India	100%	100%
JMFARC - ICICI Bank July 2014 Trust	Asset reconstruction	India	100%	100%
JMFARC - Axis Bank Cement March 2015 Trust	Asset reconstruction	India	100%	100%
JMFARC - ICICI Bank Cement June 2015 Trust	Asset reconstruction	India	100%	100%
JMFARC - United Bank Cement Sept 2015 Trust	Asset reconstruction	India	100%	100%
JMFARC - ICICI Geometric Trust	Asset reconstruction	India	15%	15%
JMFARC - Axis Bank February 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - OBC Cement March 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - Axis Iris II March 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - SBI Geometric October 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - IRIS Cash 2016 Trust	Asset reconstruction	India	100%	100%
JMFARC - Tata Capital December 2016 Trust	Asset reconstruction	India	100%	100%



Name of the Entity	Principal activity	Country of incorporation	Proportion of ownership interest and voting power held by the group	
			As at March 31, 2024	As at March 31, 2023
JMFARC - IDBI March 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - BOB 2008 Trust	Asset reconstruction	India	100%	100%
JMFARC - SME Retail 2011 Trust	Asset reconstruction	India	100%	100%
JMFARC - IOB II March 2011 Trust	Asset reconstruction	India	40%	50%
JMFARC - Corp I 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Corp II 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Retail June 2011 Trust	Asset reconstruction	India	100%	100%
JMFARC - Retail Aug 2011 Trust	Asset reconstruction	India	100%	100%
JMFARC - IRIS IIFL May 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - ALHB Bank Textile June 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - ALHB Bank June 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - Federal Bank June 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - IRIS Cash July 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - Woods October 2017 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics August 2018 I Trust	Asset reconstruction	India	100%	100%
JMFARC - IRIS Cash March 2018 Trust	Asset reconstruction	India	100%	100%
JMFARC - Metalics July 2018 Trust	Asset reconstruction	India	100%	100%
JMFARC - Federal Bank March 2013 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics March 2019 I	Asset reconstruction	India	100%	100%
JMFARC - Fabrics September 2018 I Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics September 2018 II Trust	Asset reconstruction	India	100%	100%
JMFARC - PNB IRIS II September 2018 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics June 2018 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics June 2019 II Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics June 2019 III Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics December 2019 I Trust	Asset reconstruction	India	100%	100%
JMFARC - March 2018	Asset reconstruction	India	60%	60%
JMFARC - Fabrics September 2020 Trust	Asset reconstruction	India	100%	100%
JMFARC - Fabrics November 2020 Trust	Asset reconstruction	India	100%	100%
JMFARC - Metalics February 2018 Trust	Asset reconstruction	India	92%	92%
JMFARC - Metalics November 2018 Trust	Asset reconstruction	India	95%	95%
JMFARC - Metalics December 2018 Trust	Asset reconstruction	India	94%	94%
JMFARC - KTK Metalics December 2018 Trust	Asset reconstruction	India	94%	94%
JMFARC - Coated February 2021 Trust	Asset reconstruction	India	89%	89%
Deccan 2021 Trust	Asset reconstruction	India	100%	100%
Deccan June 2022	Asset reconstruction	India	100%	100%
Textile 2022	Asset reconstruction	India	100%	100%
Retail June 2022 *	Asset reconstruction	India	-	54%
Deccan January 2023 Trust	Asset reconstruction	India	100%	100%
Real Estate May 2023 Trust <sup>@</sup>	Asset reconstruction	India	59%	-
Deccan September 2023 Trust <sup>@</sup>	Asset reconstruction	India	100%	-

<sup>@</sup> Trusts addition during the year

<sup>^</sup> Trusts closed during financial year 2022-23

\* Subsidiary till July 31, 2023

#### Note :

All the entities considered for consolidation above are Trust formed under SARFAESI Act in India for conducting principal activities of acquisition of accounts under distressed credit business.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### B) Additional Information, as required under Schedule III to the Act, 2013, of entities consolidated as Subsidiary.

#### i) As at and for the year ended March 31, 2024

(₹ in crore)

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	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total comprehensive income
<b>Parent</b>								
JM Financial Asset Reconstruction Company Limited	(633.92)	(82.39%)	(236.89)	25.06%	(0.22)	100.00%	(237.11)	25.06%
<b>Subsidiary Trusts in India</b>								
JMFARC - Pasupati SASF Trust	(0.10)	(0.01%)	#	0.00%	-	-	#	0.00%
JMFARC - UCO Bank March 2011 Trust	0.10	0.01%	-	-	-	-	-	-
JMFARC - Corp Apparel 2013 Trust	0.09	0.01%	-	-	-	-	-	-
JMFARC - Central India 2013 Trust	29.04	3.78%	-	-	-	-	-	-
JMFARC - Dena Bank March 2014 Trust	1.49	0.19%	-	-	-	-	-	-
JMFARC - Gelatine March 2014 Trust	6.45	0.84%	-	-	-	-	-	-
JMFARC - ICICI Bank July 2014 Trust	0.03	0.00%	-	-	-	-	-	-
JMFARC - Axis Bank Cement March 2015 Trust	12.65	1.65%	(9.20)	0.97%	-	-	(9.20)	0.97%
JMFARC - ICICI Bank Cement June 2015 Trust	9.06	1.18%	(7.55)	0.80%	-	-	(7.55)	0.80%
JMFARC - United Bank Cement Sept 2015 Trust	16.81	2.19%	#	0.00%	-	-	#	0.00%
JMFARC - ICICI Geometric Trust	1.55	0.20%	-	-	-	-	-	-
JMFARC - Axis Bank February 2016 Trust	0.39	0.05%	-	-	-	-	-	-
JMFARC - OBC Cement March 2016 Trust	2.05	0.27%	(1.30)	0.14%	-	-	(1.30)	0.14%
JMFARC - Axis Iris II March 2016 Trust	6.00	0.78%	-	-	-	-	-	-
JMFARC - SBI Geometric October 2016 Trust	3.60	0.47%	0.01	0.00%	-	-	0.01	0.00%
JMFARC - IRIS Cash 2016 Trust	45.13	5.87%	(31.03)	3.28%	-	-	(31.03)	3.28%
JMFARC - Tata Capital December 2016 Trust	42.56	5.54%	33.52	(3.55%)	-	-	33.52	(3.55%)
JMFARC - IDBI March 2017 Trust	2.34	0.30%	-	-	-	-	-	-
JMFARC - IIFL May 2017 Trust	2.42	0.31%	(1.65)	0.17%	-	-	(1.65)	0.17%
JMFARC - IRIS Cash July 2017 Trust	11.27	1.47%	(10.69)	1.13%	-	-	(10.69)	1.13%
JMFARC - Woods October 2017 Trust	8.65	1.13%	(4.83)	0.51%	-	-	(4.83)	0.51%
JMFARC - IRIS Cash March 2018 Trust	3.03	0.39%	(1.83)	0.19%	-	-	(1.83)	0.19%
JMFARC - BOB 2008 Trust	(0.01)	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - SME Retail 2011 Trust	0.01	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - IOB II March 2011 Trust	1.88	0.24%	(0.02)	0.00%	-	-	(0.02)	0.00%
JMFARC - Federal Bank March 2013 Trust	22.78	2.96%	7.18	(0.76%)	-	-	7.18	(0.76%)
JMFARC - Corp I 2013 Trust	4.05	0.53%	-	-	-	-	-	-
JMFARC - Corp II 2013 Trust	0.27	0.04%	-	-	-	-	-	-
JMFARC - ALHB Bank June 2017 Trust	0.01	0.00%	-	-	-	-	-	-





(₹ in crore)

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	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total comprehensive income
JMFARC - ALHB Bank Textile June 2017 Trust	0.01	0.00%	(0.02)	0.00%	-	-	(0.02)	0.00%
JMFARC - Federal Bank June 2017 Trust	1.05	0.14%	(2.51)	0.27%	-	-	(2.51)	0.27%
JMFARC - Metallics July 2018 Trust	(0.01)	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - Fabrics August 2018 I Trust	248.43	32.31%	(511.53)	54.13%	-	-	(511.53)	54.12%
JMFARC - Fabrics September 2018 I Trust	23.41	3.04%	(49.13)	5.20%	-	-	(49.13)	5.20%
JMFARC - Fabrics September 2018 II Trust	16.69	2.17%	(34.82)	3.68%	-	-	(34.82)	3.68%
JMFARC - PNB IRIS II September 2018 Trust	1.15	0.15%	-	-	-	-	-	-
JMFARC - Fabrics June 2018 Trust	23.01	2.99%	(48.25)	5.11%	-	-	(48.25)	5.10%
JMFARC - Fabrics March 2019 I	10.51	1.37%	(22.01)	2.33%	-	-	(22.01)	2.33%
JMFARC - Retail June 2011 Trust	0.03	0.00%	0.02	0.00%	-	-	0.02	0.00%
JMFARC - Retail Aug 2011 Trust	0.08	0.01%	#	0.00%	-	-	#	0.00%
JMFARC - Fabrics June 2019 II Trust	22.09	2.87%	(46.02)	4.87%	-	-	(46.02)	4.87%
JMFARC - Fabrics June 2019 III Trust	5.72	0.74%	(11.91)	1.26%	-	-	(11.91)	1.26%
JMFARC - Fabrics December 2019 I Trust	1.50	0.20%	(3.24)	0.34%	-	-	(3.24)	0.34%
JMFARC - March 2018	93.86	12.21%	-	-	-	-	-	-
JMFARC - Fabrics September 2020 Trust	3.13	0.41%	(6.58)	0.70%	-	-	(6.58)	0.70%
JMFARC - Fabrics November 2020 Trust	16.05	2.09%	(32.85)	3.48%	-	-	(32.85)	3.48%
JMFARC - Metallics February 2018 Trust	0.02	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - Metallics November 2018 Trust	0.01	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - Metallics December 2018 Trust	0.01	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - KTK Metallics December 2018 Trust	#	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - Coated February 2021 Trust	-	0.00%	66.14	(7.00%)	-	-	66.14	(7.00%)
Deccan 2021	9.52	1.24%	0.01	0.00%	-	-	0.01	0.00%
Deccan June 2022	3.03	0.39%	-	-	-	-	-	-
Textile 2022	164.84	21.44%	25.00	(2.63%)	-	-	25.00	(2.61%)
Deccan January 2023 Trust	94.67	12.31%	-	-	-	-	-	-
Real Estate May 2023 Trust	149.72	19.47%	-	-	-	-	-	-
Deccan September 2023 Trust	107.27	13.90%	-	-	-	-	-	-
	<b>595.48</b>	<b>77.45%</b>	<b>(941.98)</b>	<b>99.68%</b>	<b>(0.22)</b>	<b>100.00%</b>	<b>(942.20)</b>	<b>99.68%</b>
<b>Non Controlling Interests in all subsidiaries</b>	<b>173.34</b>	<b>22.55%</b>	<b>(3.03)</b>	<b>0.32%</b>	-	-	<b>(3.03)</b>	<b>0.32%</b>
JMFARC - ICICI Geometric Trust	8.77	1.14%	-	-	-	-	-	-
JMFARC - IOB II March 2011 Trust	#	0.00%	-	-	-	-	-	-
JMFARC - March 2018	62.57	8.14%	-	-	-	-	-	-

## Notes

forming part of the Standalone Financial Statements (Contd.)

(₹ in crore)

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	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total comprehensive income
JMFARC - Metallics February 2018 Trust	#	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - Metallics November 2018 Trust	#	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - Metallics December 2018 Trust	#	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - KTK Metallics December 2018 Trust	#	0.00%	#	0.00%	-	-	#	0.00%
JMFARC - Coated February 2021 Trust	-	-	(3.03)	0.32%	-	-	(3.03)	0.32%
Real Estate May 2023 Trust	102.00	13.27%	-	-	-	-	-	-
<b>Total</b>	<b>768.82</b>	<b>100.00%</b>	<b>(945.01)</b>	<b>100.00%</b>	<b>(0.22)</b>	<b>100.00%</b>	<b>(945.23)</b>	<b>100.00%</b>

# Denotes amount less than ₹50,000

### Note:

1) Subsidiaries share in OCI is Nil for the year ended March 31, 2024.

### ii) As at and for the year ended March 31, 2023

(₹ in crore)

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	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total comprehensive income
<b>Parent</b>								
JM Financial Asset Reconstruction Company Limited	(809.03)	(45.43%)	(84.99)	57.95%	(0.15)	100.00%	(85.14)	57.99%
<b>Subsidiary Trusts in India</b>								
JMFARC - DB-ICICI Trust^	-	-	0.02	(0.01%)	-	-	0.02	(0.01%)
JMFARC - DB SBI Trust^	-	-	0.02	(0.01%)	-	-	0.02	(0.01%)
JMFARC - DB DCB Trust^	-	-	0.01	(0.01%)	-	-	0.01	(0.01%)
JMFARC - Jord SUUTI Trust^	-	-	0.18	(0.12%)	-	-	0.18	(0.12%)
JMFARC - Pasupati SASF Trust	(0.10)	(0.01%)	-	-	-	-	-	-
JMFARC - Central Bank Tube Trust^	-	-	0.01	(0.01%)	-	-	0.01	(0.01%)
JMFARC - UTI Tube Trust^	-	-	0.12	(0.08%)	-	-	0.12	(0.08%)
JMFARC - SASF Tube Trust^	-	-	0.02	(0.01%)	-	-	0.02	(0.01%)
JMFARC - UCO Bank March 2011 Trust	0.10	0.01%	-	-	-	-	-	-
JMFARC - Textile 2013 Trust	-	-	-	-	-	-	-	-
JMFARC - Corp Textile 2013 Trust^	0.01	0.00%	-	-	-	-	-	-
JMFARC - Corp Apparel 2013 Trust	0.09	0.01%	-	-	-	-	-	-
JMFARC - Central India 2013 Trust	29.04	1.63%	-	-	-	-	-	-
JMFARC - Dena Bank March 2014 Trust	1.49	0.08%	0.91	(0.62%)	-	-	0.91	(0.62%)
JMFARC - Gelatine March 2014 Trust	6.45	0.36%	-	-	-	-	-	-
JMFARC - ICICI Bank July 2014 Trust	0.03	0.00%	-	-	-	-	-	-
JMFARC - Indian Bank I March 2016- Trust	-	-	-	-	-	-	-	-



(₹ in crore)

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	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total comprehensive income
JMFARC - Axis Bank Cement March 2015 Trust	21.85	1.23%	(0.55)	0.38%	-	-	(0.55)	0.37%
JMFARC - ICICI Bank Cement June 2015 Trust	16.61	0.93%	(0.53)	0.36%	-	-	(0.53)	0.36%
JMFARC - United Bank Cement Sept 2015 Trust	16.81	0.94%	(1.31)	0.89%	-	-	(1.31)	0.89%
JMFARC - ICICI Geometric Trust	1.55	0.09%	-	-	-	-	-	-
JMFARC - Axis Bank February 2016 Trust	0.39	0.02%	0.05	(0.03%)	-	-	0.05	(0.03%)
JMFARC - OBC Cement March 2016 Trust	3.35	0.19%	0.08	(0.05%)	-	-	0.08	(0.05%)
JMFARC - Axis Iris II March 2016 Trust	6.00	0.34%	-	-	-	-	-	-
JMFARC - SBI Geometric October 2016 Trust	3.58	0.20%	0.01	(0.01%)	-	-	0.01	(0.01%)
JMFARC - IRIS Cash 2016 Trust	76.17	4.28%	-	-	-	-	-	-
JMFARC - Tata Capital December 2016 Trust	9.04	0.51%	-	-	-	-	-	-
JMFARC - IDBI March 2017 Trust	2.34	0.13%	-	-	-	-	-	-
JMFARC - IRIS IIFL May 2017 Trust	4.08	0.23%	-	-	-	-	-	-
JMFARC - IRIS Cash July 2017 Trust	21.96	1.23%	-	-	-	-	-	-
JMFARC - Woods October 2017 Trust	13.48	0.76%	-	-	-	-	-	-
JMFARC - IRIS Cash March 2018 Trust	4.86	0.27%	(1.50)	1.02%	-	-	(1.50)	1.02%
JMFARC - BOB 2008 Trust	(0.01)	0.00%	-	-	-	-	-	-
JMFARC - SME Retail 2011 Trust	0.01	0.00%	-	-	-	-	-	-
JMFARC - IOB II March 2011 Trust	1.88	0.11%	-	-	-	-	-	-
JMFARC - Federal Bank March 2013 Trust	24.03	1.35%	(0.15)	0.10%	-	-	(0.15)	0.10%
JMFARC - Corp I 2013 Trust	4.05	0.23%	-	-	-	-	-	-
JMFARC - Corp II 2013 Trust	0.27	0.02%	-	-	-	-	-	-
JMFARC - ALHB Bank June 2017 Trust	0.01	0.00%	-	-	-	-	-	-
JMFARC - ALHB Bank Textile June 2017 Trust	0.03	0.00%	0.02	(0.01%)	-	-	0.02	(0.01%)
JMFARC - Federal Bank June 2017 Trust	3.57	0.20%	2.52	(1.72%)	-	-	2.52	(1.72%)
JMFARC - Metallics July 2018 Trust	(0.01)	0.00%	-	-	-	-	-	-
JMFARC - Fabrics August 2018 I Trust	759.96	42.67%	(88.33)	60.23%	-	-	(88.33)	60.17%
JMFARC - Fabrics September 2018 I Trust	72.53	4.07%	(8.46)	5.77%	-	-	(8.46)	5.76%
JMFARC - Fabrics September 2018 II Trust	51.51	2.89%	(6.01)	4.10%	-	-	(6.01)	4.09%
JMFARC - PNB IRIS II September 2018 Trust	1.15	0.06%	-	-	-	-	-	-
JMFARC - Fabrics June 2018 Trust	71.25	4.00%	(8.31)	5.67%	-	-	(8.31)	5.66%
JMFARC - Fabrics March 2019 I	32.52	1.83%	(3.79)	2.58%	-	-	(3.79)	2.58%
JMFARC - Retail June 2011 Trust	0.02	0.00%	0.01	(0.01%)	-	-	0.01	(0.01%)
JMFARC - Retail Aug 2011 Trust	0.08	0.00%	-	-	-	-	-	-
JMFARC - Fabrics June 2019 II Trust	68.10	3.82%	(7.94)	5.41%	-	-	(7.94)	5.41%
JMFARC - Fabrics June 2019 III Trust	17.63	0.99%	(2.06)	1.40%	-	-	(2.06)	1.40%

## Notes

forming part of the Standalone Financial Statements (Contd.)

(₹ in crore)

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	
	₹ in crore	As % of consolidated net assets	₹ in crore	As % of consolidated profit or (loss)	₹ in crore	As % of consolidated other comprehensive income	₹ in crore	As % of consolidated Total comprehensive income
JMFARC - Fabrics December 2019 I Trust	4.73	0.27%	(0.55)	0.38%	-	-	(0.55)	0.37%
JMFARC - March 2018	93.85	5.27%	-	-	-	-	-	-
JMFARC - Fabrics September 2020 Trust	9.71	0.55%	(1.13)	0.77%	-	-	(1.13)	0.77%
JMFARC - Fabrics November 2020 Trust	48.90	2.75%	(5.70)	3.89%	-	-	(5.70)	3.88%
JMFARC - Metallica February 2018 Trust	0.02	0.00%	-	-	-	-	-	-
JMFARC - Metallica November 2018 Trust	0.01	0.00%	-	-	-	-	-	-
JMFARC - Metallica December 2018 Trust	0.01	0.00%	-	-	-	-	-	-
JMFARC - KTK Metallica December 2018 Trust	-	-	-	-	-	-	-	-
JMFARC - Coated February 2021 Trust	453.43	25.46%	62.84	(42.86%)	-	-	62.84	(42.79%)
Deccan 2021	9.52	0.53%	-	-	-	-	-	-
Deccan June 2022 <sup>@</sup>	3.03	0.17%	-	-	-	-	-	-
Textile 2022 <sup>@</sup>	139.84	7.85%	0.02	(0.01%)	-	-	0.02	(0.01%)
Retail June 2022 <sup>*</sup>	139.32	7.82%	-	-	-	-	-	-
Deccan January 2023 Trust <sup>@</sup>	94.67	5.32%	-	-	-	-	-	-
	<b>1,535.77</b>	<b>86.23%</b>	<b>(154.47)</b>	<b>105.33%</b>	<b>(0.15)</b>	<b>100.00%</b>	<b>(154.62)</b>	<b>105.32%</b>
<b>Non Controlling Interests in all subsidiaries</b>	<b>245.18</b>	<b>13.77%</b>	<b>7.81</b>	<b>(5.33%)</b>	<b>-</b>	<b>-</b>	<b>7.81</b>	<b>(5.32%)</b>
JMFARC - ICICI Geometric Trust	8.77	0.49%	-	-	-	-	-	-
JMFARC - IOB II March 2011 Trust	#	-	-	-	-	-	-	-
JMFARC - March 2018	62.56	3.51%	-	-	-	-	-	-
JMFARC - Metallica February 2018 Trust	#	-	#	-	-	-	#	-
JMFARC - Metallica November 2018 Trust	#	-	#	-	-	-	#	-
JMFARC - Metallica December 2018 Trust	#	-	#	-	-	-	#	-
JMFARC - KTK Metallica December 2018 Trust	#	-	#	-	-	-	#	-
Retail June 2022 <sup>*</sup>	117.52	6.60%	-	-	-	-	-	-
JMFARC - Coated February 2021 Trust <sup>\$</sup>	56.33	3.16%	7.81	(5.33%)	-	-	7.81	(5.32%)
<b>Total</b>	<b>1,780.95</b>	<b>100.00%</b>	<b>(146.66)</b>	<b>100.00%</b>	<b>(0.15)</b>	<b>100.00%</b>	<b>(146.81)</b>	<b>100.00%</b>

# Denotes amount less than ₹50,000

@ Trust addition during the year

^ trust closed during the year

\$ stake acquired by other security receipt holders during the financial year 2021-22

\* change in controlling interest during the year

### Note:

Subsidiaries share in OCI is Nil for the year ended March 31, 2023.



#### 46. Details of non-wholly owned subsidiaries that have material non-controlling interest

The table below shows details of non-wholly owned subsidiaries of the Group that have material non-controlling interests:

(₹ in crore)

Name of the subsidiaries	Place of incorporation and principal place of business	Proportion of ownership interest and voting rights held by non-controlling interests		Profit/ (loss) allocated to non-controlling interests		Accumulated non-controlling interests	
		As at March 31, 2024	As at March 31, 2023	For the year ended March 31, 2024	For the year ended March 31, 2023	As at March 31, 2024	As at March 31, 2023
JMFARC ICICI Geometric Trust	India	85.00%	85.00%	-	-	8.77	8.77
JMFARC IOB II March 2011 Trust	India	59.59%	50.44%	-	-	#	#
JMFARC March 2018	India	40.00%	40.00%	-	-	62.57	62.56
JMFARC Metallics February 2018 Trust	India	7.61%	7.61%	#	#	#	#
JMFARC Metallics November 2018 Trust	India	5.08%	5.08%	#	#	#	#
JMFARC Metallics December 2018 Trust	India	6.16%	6.16%	#	#	#	#
JMFARC KTK Metallics December 2018 Trust	India	6.16%	6.16%	#	#	#	#
Retail June 2022*	India	-	45.75%	-	-	-	117.52
JMFARC Coated February 2021 Trust	India	11.05%	11.05%	(3.03)	7.81	-	56.33
Real Estate May 2023 Trust @	India	40.52%	-	-	-	102.00	-
<b>Total</b>				<b>(3.03)</b>	<b>7.81</b>	<b>173.34</b>	<b>245.18</b>

@ addition during the year

\* subsidiary upto July 31, 2023

46.1 Summarized financial information in respect of each of the Group's subsidiaries that has material non-controlling interests is set out below. The summarized financial information below represents amounts before intra-Company eliminations:

(₹ in crore)

Particulars	JMFARC Coated February 2021 Trust		JMFARC ICICI Geometric Trust		JMFARC – March 2018	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial assets	1.26	569.37	0.57	0.56	156.62	156.56
Non-financial assets	-	-	10.32	10.32	-	-
Financial liabilities	1.20	35.12	0.57	0.56	0.19	0.10
Non-financial liabilities	0.06	24.49	#	#	-	0.04
Equity attributable to owners of the Company	-	453.43	1.55	1.55	93.86	93.86
Non-controlling interests	-	56.33	8.77	8.77	62.57	62.56
Revenue	44.35	113.08	0.01	0.08	0.05	0.01
Expenses	5.00	18.67	0.01	0.08	0.05	0.01
Tax Expenses	(23.76)	23.76	-	-	-	-
<b>Profit for the year</b>	<b>63.11</b>	<b>70.65</b>	-	-	-	-
Profit attributable to owners of the Company	66.14	62.84	-	-	-	-
Profit attributable to non-controlling interests	(3.03)	7.81	-	-	-	-
<b>Profit for the year</b>	<b>63.11</b>	<b>70.65</b>	-	-	-	-
Other comprehensive income attributable to owners of the Company	-	-	-	-	-	-
Other comprehensive income attributable to non-controlling interests	-	-	-	-	-	-

## Notes

forming part of the Standalone Financial Statements (Contd.)

(₹ in crore)

Particulars	JMFARC Coated February 2021 Trust		JMFARC ICICI Geometric Trust		JMFARC – March 2018	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
<b>Other comprehensive income for the year</b>	-	-	-	-	-	-
Total comprehensive income attributable to owners of the Company	66.14	62.84	-	-	-	-
Total comprehensive income attributable to non-controlling interests	(3.03)	7.81	-	-	-	-
<b>Total comprehensive income for the year</b>	<b>63.11</b>	<b>70.65</b>	-	-	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-
Net cash generated from/(used in) operating activities	572.94	0.01	#	#	#	(0.01)
Net cash generated from/(used in) investing activities	-	-	-	-	-	-
Net cash generated from/(used in) financing activities	(572.87)	(0.01)	-	-	0.01	0.01
<b>Net cash generated from/(used in)</b>	<b>0.07</b>	<b>#</b>	<b>#</b>	<b>#</b>	<b>#</b>	<b>#</b>

# Denotes amount less than ₹50,000

(₹ in crore)

Particulars	JMFARC IOB II March 2011 Trust		JMFARC Metallics February 2018 Trust		JMFARC Metallics November 2018 Trust	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial assets	0.03	0.02	1.06	1.06	0.62	0.62
Non-financial assets	1.88	1.88	#	#	#	#
Financial liabilities	0.03	#	-	-	-	-
Non-financial liabilities	-	#	1.04	1.04	0.61	0.61
Equity attributable to owners of the Company	1.88	1.90	0.02	0.02	0.01	0.01
Non-controlling interests	#	#	#	#	#	#
Revenue	-	-	-	#	-	#
Expenses	0.03	#	#	0.01	#	#
Tax Expenses	(0.01)	#	#	#	#	#
<b>Profit for the year</b>	<b>(0.02)</b>	<b>#</b>	<b>#</b>	<b>(0.01)</b>	<b>#</b>	<b>#</b>
Profit attributable to owners of the Company	(0.02)	#	#	(0.01)	#	#
Profit attributable to non-controlling interests	-	-	#	#	#	#
<b>Profit for the year</b>	<b>(0.02)</b>	<b>#</b>	<b>#</b>	<b>(0.01)</b>	<b>#</b>	<b>#</b>
Other comprehensive income attributable to owners of the Company	-	-	-	-	-	-
Other comprehensive income attributable to non-controlling interests	-	-	-	-	-	-
<b>Other comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Total comprehensive income attributable to owners of the Company	(0.02)	#	#	(0.01)	#	#
Total comprehensive income attributable to non-controlling interests	-	-	#	#	#	#
<b>Total comprehensive income for the year</b>	<b>(0.02)</b>	<b>#</b>	<b>#</b>	<b>(0.01)</b>	<b>#</b>	<b>#</b>





(₹ in crore)

Particulars	JMFARC IOB II March 2011 Trust		JMFARC Metallics February 2018 Trust		JMFARC Metallics November 2018 Trust	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Dividend paid to non-controlling interests	-	-	-	-	-	-
Net cash generated from/(used in) operating activities	0.02	0.01	0.05	0.04	0.03	0.03
Net cash generated from/(used in) investing activities	-	-	-	-	-	-
Net cash generated from/(used in) financing activities	-	0.01	-	0.01	-	-
<b>Net cash generated from/(used in)</b>	<b>0.02</b>	<b>0.02</b>	<b>0.05</b>	<b>0.05</b>	<b>0.03</b>	<b>0.03</b>

# Denotes amount less than ₹50,000

(₹ in crore)

Particulars	JMFARC Metallics December 2018 Trust		JMFARC KTK Metallics December 2018 Trust		Retail June 2022	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Financial assets	0.63	0.63	0.33	0.33	-	257.35
Non-financial assets	#	#	#	#	-	-
Financial liabilities	-	-	-	-	-	0.04
Non-financial liabilities	0.62	0.62	0.33	0.32	-	0.46
Equity attributable to owners of the Company	0.01	0.01	#	#	-	139.33
Non-controlling interests	#	#	#	#	-	117.52
Revenue	-	#	-	#	25.09	5.46
Expenses	#	#	#	#	25.09	5.46
Tax Expenses	#	#	#	#	-	-
<b>Profit for the year</b>	#	#	#	#	-	-
Profit attributable to owners of the Company	#	#	#	#	-	-
Profit attributable to non-controlling interests	#	-	#	#	-	-
<b>Profit for the year</b>	#	#	#	#	-	-
Other comprehensive income attributable to owners of the Company	-	-	-	-	-	-
Other comprehensive income attributable to non-controlling interests	-	-	-	-	-	-
<b>Other comprehensive income for the year</b>	-	-	-	-	-	-
Total comprehensive income attributable to owners of the Company	#	#	#	#	-	-
Total comprehensive income attributable to non-controlling interests	#	#	#	#	-	-
<b>Total comprehensive income for the year</b>	#	#	#	#	-	-
Dividend paid to non-controlling interests	-	-	-	-	-	-
Net cash generated from/(used in) operating activities	0.03	0.03	0.03	0.01	(11.44)	41.71
Net cash generated from/(used in) investing activities	-	-	-	-	-	-
Net cash generated from/(used in) financing activities	-	-	(0.01)	0.01	24.70	(22.50)
<b>Net cash generated from/(used in)</b>	<b>0.03</b>	<b>0.03</b>	<b>0.02</b>	<b>0.02</b>	<b>13.26</b>	<b>19.21</b>

# Denotes amount less than ₹50,000

## Notes

forming part of the Standalone Financial Statements (Contd.)

(₹ in crore)

Particulars	Real Estate May 2023 Trust	
	As at March 31, 2024	As at March 31, 2023
Financial assets	251.91	-
Non-financial assets	-	-
Financial liabilities	0.05	-
Non-financial liabilities	0.13	-
Equity attributable to owners of the Company	149.73	-
Non-controlling interests	102.00	-
Revenue	9.46	-
Expenses	9.46	-
Tax Expenses	-	-
<b>Profit for the year</b>	-	-
Profit attributable to owners of the Company	-	-
Profit attributable to non-controlling interests	-	-
<b>Profit for the year</b>	-	-
Other comprehensive income attributable to owners of the Company	-	-
Other comprehensive income attributable to non-controlling interests	-	-
<b>Other comprehensive income for the year</b>	-	-
Total comprehensive income attributable to owners of the Company	-	-
Total comprehensive income attributable to non-controlling interests	-	-
<b>Total comprehensive income for the year</b>	-	-
Dividend paid to non-controlling interests	-	-
Net cash generated from/(used in) operating activities	(251.01)	-
Net cash generated from/(used in) investing activities	-	-
Net cash generated from/(used in) financing activities	251.73	-
<b>Net cash generated from/(used in)</b>	<b>0.72</b>	-

# Denotes amount less than ₹50,000

### 47. Maturity Analysis of Assets and Liabilities

(₹ in crore)

Sr. No.	Assets	As at March 31, 2024			As at March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>(1)</b>	<b>Financial Assets</b>						
(a)	Cash and cash equivalents	93.66	-	93.66	70.95	-	70.95
(b)	Other bank balances	0.99	-	0.99	2.48	0.25	2.73
(c)	Trade Receivables	54.53	143.25	197.78	72.84	199.55	272.39
(d)	Loans	286.58	212.54	499.12	537.72	5.56	543.28
(e)	Investments	502.76	747.81	1,250.57	704.80	558.57	1,263.37
(f)	Other Financial assets	719.60	813.11	1,532.71	1,199.23	1,557.05	2,756.28
<b>(2)</b>	<b>Non-financial Assets</b>						
(a)	Current tax Assets (Net)	-	83.75	83.75	-	44.35	44.35
(b)	Deferred tax assets (net)	-	121.14	121.14	-	88.91	88.91
(c)	Property, Plant and Equipment	-	11.33	11.33	-	13.52	13.52
(d)	Other Intangible assets	-	0.15	0.15	-	0.03	0.03
(e)	Other non-financial assets	1.33	-	1.33	2.26	-	2.26
	<b>Total Assets</b>	<b>1,659.45</b>	<b>2,133.08</b>	<b>3,792.53</b>	<b>2,590.28</b>	<b>2,467.79</b>	<b>5,058.07</b>
	<b>LIABILITIES AND EQUITY</b>						



(₹ in crore)

Sr. No.	Assets	As at March 31, 2024			As at March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	<b>LIABILITIES</b>						
(1)	<b>Financial Liabilities</b>						
(a)	Trade Payables	4.84	-	4.84	2.78	-	2.78
(b)	Debt Securities	1,099.58	798.32	1,897.90	221.43	1,488.37	1,709.80
(c)	Borrowings (Other than Debt Securities)	840.43	174.84	1,015.27	1,176.71	316.84	1,493.55
(d)	Lease liabilities	2.23	11.79	14.02	2.03	14.05	16.08
(e)	Other financial liabilities	67.99	1.20	69.19	27.42	0.59	28.01
(2)	<b>Non-Financial Liabilities</b>						
(a)	Provisions	0.45	1.30	1.75	0.91	1.18	2.09
(b)	Other non-financial liabilities	20.74	-	20.74	24.81	-	24.81
	<b>Total Liabilities</b>	<b>2,036.26</b>	<b>987.45</b>	<b>3,023.71</b>	<b>1,456.09</b>	<b>1,821.03</b>	<b>3,277.12</b>

**Note :** Maturity Analysis of Assets and Liabilities- within 12 months of current year is negative on account of ICDs payables to related parties which were payable on call and working capital demand loans/ cash credit facilities which were annually renewals. The shortfall would be balanced through refinancing/ others modes of borrowings and fresh infusion of equity.

#### 48. Schedule of security receipts

(₹ in crore)

Name of Trust	As at March 31, 2024		As at March 31, 2023	
	No. of SRs	Amount	No. of SRs	Amount
<b>Investment in Trust Security receipts at fair value</b>				
JMFARC - BOI 2009 - Trust	48,600	-	48,600	-
JMFARC - Swarna 2011 - Trust	72,199	0.98	72,199	0.98
JMFARC - Swarna II 2012 - Trust Class A	66,200	1.58	66,200	1.58
JMFARC - Swarna II 2012 - Trust Class B	12,500	0.31	12,500	0.31
JMFARC - OBC March 2014 - Trust	34,500	-	34,500	-
JMFARC - Fed Gelatine March 2014 - Trust	17,500	-	17,500	-
JMFARC - OBC March 2014 II - Trust	4,760	0.29	4,760	0.29
JMFARC - UBOI March 2014 - Trust	66,750	0.73	66,750	1.72
JMFARC - SBI Ceramics June 2014 - Trust	1,56,000	1.54	1,56,000	3.68
JMFARC - Indian Bank June 2014 - Trust	32,200	0.38	32,200	0.91
JMFARC - Vijaya Bank June 2014 - Trust	25,360	0.10	25,360	0.76
JMFARC - Hotels June 2014 - Trust Class A	3,29,099	-	3,29,099	-
JMFARC - Hotels June 2014 - Trust Class B	20,71,631	-	20,71,631	-
JMFARC - Central Bank of India June 2014 - Trust	32,000	-	32,000	-
JMFARC - CSB Ceramics September 2014 - Trust	32,625	1.21	32,625	2.45
JMFARC - LVB Ceramics September 2014 - Trust	27,900	0.77	27,900	1.56
JMFARC - SBOP Ceramics December 2014 - Trust	11,850	0.62	11,850	0.89
JMFARC - SBH Ceramics December 2014 - Trust	60,000	3.08	60,000	4.32
JMFARC - SBT Ceramics March 2015 - Trust	23,250	1.11	23,250	1.74
JMFARC - SBI Steel March 2015 - Trust	93,150	-	93,150	-
JMFARC - SBM Ceramics March 2015 - Trust	12,750	0.78	12,750	0.94
JMFARC - Karnataka Bank Cement March 2015 - Trust	49,500	1.78	49,500	3.61
JMFARC - Vijaya Bank Ceramics March 2015 - Trust	27,000	0.79	27,000	1.49
JMFARC - SBH Cement June 2015 - Trust	66,000	2.44	66,000	4.95
JMFARC - United Bank Textile September 2015 - Trust	27,075	0.64	27,075	0.69
JMFARC - PNB Ceramics November 2015 - Trust	4,01,640	14.82	4,01,640	27.46
JMFARC - Corp Bank Ceramics September 2015 - Trust	46,065	2.54	46,065	3.59

## Notes

forming part of the Standalone Financial Statements (Contd.)

Name of Trust	As at March 31, 2024		As at March 31, 2023	
	No. of SRs	Amount	No. of SRs	Amount
	(₹ in crore)			
JMFARC - SBOP Geometric - Trust	61,560	-	61,560	-
JMFARC - Dena Ceramics January 2016 - Trust	15,750	0.52	15,750	1.04
JMFARC - UBOI Steel March 2016 - Trust	63,000	-	63,000	-
JMFARC - IDBI Ceramics March 2016 - Trust	57,180	3.05	57,180	3.66
JMFARC - EXIM Ceramics March 2016 - Trust	17,101	0.91	17,101	1.30
JMFARC - UCO Geometric March 2016 - Trust	88,965	-	88,965	-
JMFARC - KVB Iris II March 2016 - Trust	37,500	5.63	37,500	5.63
JMFARC - Indian Bank March 2016 - Trust	97,515	-	97,515	0.09
JMFARC - IOB March 2016 - Trust	50,250	1.27	50,250	1.42
JMFARC - Iris March 2016 - Trust	10,00,165	35.84	10,00,165	104.15
JMFARC - Exim Iris March 2016 - Trust	60,000	1.66	60,000	5.22
JMFARC - Axis Iris March 2016 - Trust	1,50,000	6.36	1,50,000	19.20
JMFARC - KB Metals September 2016 - Trust	22,500	#	22,500	#
JMFARC - Andhra Resin September 2016 - Trust	37,605	#	37,605	#
JMFARC - Dena SEZ September 2016 - Trust	7,335	0.37	7,335	0.55
JMFARC - IDBI Geometric Dec 2016 - Trust	41,250	-	41,250	-
JMFARC - IRIS December 2016 - Trust	31,110	2.21	31,110	4.67
JMFARC - IRIS UBOI December 2016 - Trust	16,005	0.86	16,005	2.30
JMFARC - IRIS PNB January 2017 - Trust	41,550	2.02	41,550	5.90
JMFARC - IOB CHN March 2017 - Trust	37,500	3.49	37,500	3.56
JMFARC - IOB Ceramics March 2017 - Trust	33,000	1.25	33,000	2.18
JMFARC - IRIS United March 2017 - Trust	66,900	0.49	66,900	4.36
JMFARC - SBP March 2017 - Trust	31,665	1.68	31,665	2.28
JMFARC - IRIS UCO March 2017 - Trust	38,310	1.39	38,310	4.61
JMFARC - SBP Retreat March 2017 - Trust	77,600	5.42	77,600	7.23
JMFARC - SBI Retreat March 2017 - Trust	1,66,800	11.65	1,66,800	15.53
JMFARC - SBI Tollways March 2017 - Trust	1,53,000	2.70	1,53,000	4.32
JMFARC - Karnataka Bank September 2017 - Trust	20,310	1.07	20,310	1.47
JMFARC - Syndicate Ceramics September 2017 - Trust	1,25,250	4.35	1,25,250	6.76
JMFARC - Allahabad Bank December 2017 - Trust	76,275	5.49	76,275	7.02
JMFARC - Motors December 2017 - Trust	94,500	5.39	94,500	5.39
JMFARC - IOB Metallics February 2018 - Trust	3,60,000	-	3,60,000	-
JMFARC - Township February 2018 - Trust	4,80,000	8.47	4,80,000	36.00
JMFARC - IRIS Canara March 2018 - Trust	18,225	1.22	18,225	2.15
JMFARC - Alphahealth 2018 - Trust	17,80,700	190.53	17,80,700	190.88
JMFARC - Fabrics August 2018 II - Trust	3,80,000	29.64	3,80,000	36.10
JMFARC - Fabrics September 2018 III - Trust	40,200	2.12	40,200	3.82
JMFARC - IRIS SIDBI December 2018 - Trust	33,000	2.43	33,000	4.77
JMFARC - Infra March 2019 - Trust	60,000	4.50	60,000	4.50
JMFARC - IOB March 2011 - Trust Class A	2,80,000	-	2,80,000	-
JMFARC - IOB March 2011 - Trust Class B	96,500	-	96,500	-
JMFARC - UCO Bank March 2014 - Trust	4,62,500	6.09	4,62,500	6.44
JMFARC - SBI March 2014 I - Trust	1,73,750	4.78	1,73,750	5.17
JMFARC - SBI March 2014 II - Trust	45,250	1.52	45,250	1.52
JMFARC - Cosmos March 2014 - Trust	1,54,500	1.32	1,54,500	1.47
JMFARC - Indian Bank March 2014 - Trust	44,500	-	44,500	-
JMFARC - BOI March 2014 II - Trust	2,15,750	-	2,15,750	-
JMFARC - OBC June 2014 - Trust	8,915	-	8,915	-
JMFARC - Karnataka Bank December 2014 - Trust	1,72,500	3.13	1,72,500	3.43
JMFARC - CSB September 2015 - Trust	63,000	0.01	63,000	0.01
JMFARC - SBH December 2015 - Trust	73,380	-	73,380	-



(₹ in crore)

Name of Trust	As at March 31, 2024		As at March 31, 2023	
	No. of SRs	Amount	No. of SRs	Amount
JMFARC - KVB March 2016 - Trust	3,55,095	5.52	3,55,095	10.11
JMFARC - Federal Bank March 2016 - Trust	73,350	3.77	73,350	3.77
JMFARC - PAN INDIA 2016 - Trust	15,46,908	139.22	15,46,908	139.22
JMFARC - PNB March 2017 - Trust	2,22,075	7.65	2,22,075	8.09
JMFARC - SBT March 2017 - Trust	55,875	2.40	55,875	3.63
JMFARC - LTF June 2017 - Trust	6,00,000	3.93	6,00,000	11.99
JMFARC - Central Bank Retail 2011 - Trust	88,872	-	88,872	-
JMFARC - ICICI Bank September 2016 - Trust	8,55,495	15.16	8,55,495	15.62
JMFARC - Fabrics June 2019 I - Trust Class A\$	1,71,800	11.82	50,400	4.79
JMFARC - Fabrics June 2019 I - Trust Class B	1,51,200	-	1,51,200	3.78
JMFARC - Textile Gama I - Trust	48,000	-	48,000	3.32
JMFARC - Textile Gama II - Trust	33,390	-	33,390	0.05
Victory Real Estate 2021- Trust	60,000	6.00	60,000	6.00
Realty March 2022 - Trust	6,07,500	60.75	6,07,500	60.75
Sapphire RE Trust 2022^	-	-	65,504	0.98
Textile Gama III - Trust	9,150	-	9,150	0.92
Textile Gama IV - Trust	14,850	-	14,850	1.49
Aranya - Trust @	60,05,000	540.50	38,25,000	382.50
Retail June 2022 - Trust*	24,90,540	47.78	-	-
Textile Gama V - Trust@^	-	-	-	-
<b>Total</b>		<b>1,241.82</b>		<b>1,237.03</b>

# Denotes amount less than ₹50,000

@ trusts added during the year or additional investment made in security receipts of existing trust

^ trusts closed during the year

\$ includes security receipts bought back during the year

\* subsidiary upto July 31, 2023

49. Pursuant to notification issued by the Ministry of Corporate Affairs (MCA) dated August 16, 2019, on Companies (Share Capital and Debentures) Rules, 2014, ('Rules') the Parent Company is not required to create DRR and as per MCA notification dated 5th June, 2020, the Parent Company is also exempted to invest or deposit a sum which shall not be less than 15% of the amount of the Debentures issued and maturing during the financial year.

## 50. Disclosure of ratios:

Sr. No.	Ratio	Numerator (₹ in crore)	Denominator (₹ in crore)	As at March 31, 2024	Numerator (₹ in crore)	Denominator (₹ in crore)	As at March 31, 2023
a)	Capital to risk-weighted assets ratio (CRAR)	3,329.56	96.99	2.91%	4,586.86	1,131.46	24.67%
b)	Tier I CRAR*	NA	NA	NA	NA	NA	NA
c)	Tier II CRAR*	NA	NA	NA	NA	NA	NA
d)	Liquidity Coverage Ratio*	NA	NA	NA	NA	NA	NA

\* not applicable considering the nature of company's business.

## Notes

forming part of the Standalone Financial Statements (Contd.)

**50.1** Pursuant to note 32 of exceptional item, there is decrease in the Group's net worth as on March 31, 2024. However, the Group is in the process of raising funds of ₹ 525 crore or such higher amounts through equity infusion from its Holding Company/ Existing shareholders/Group entities/New investors and the same has been approved by the Board at its meeting held on May 16, 2024 subject to the necessary regulatory and other approvals as may be necessary. The Group is confident about meeting its obligations considering the above equity infusion and realisation from its existing assets. Considering the above, there would be no impact on Going concern principle on the Group in the foreseeable future and the Group would continue to operate its business in the normal course. The impact of these developments if any shall be assessed and given effect in the respective future periods. Summary of the impact on regulatory ratios is given as under:

	(₹ in crore)		
	Pre Impact of exceptional item	Post Impact of exceptional item (Pre equity infusion)	Post Equity Infusion
Net worth (₹ in crore)	1,442.34	595.48	1,120.48
Debt Equity Ratio (Nos. of times)*	2.02	4.89	2.13

\* debt equity ratio (Total debt/Net worth) of post equity infusion after considering utilisation of proceed of said equity infusion for repayment of debts

### 51. Contingent liabilities

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Income tax matter under dispute* :</b>		
Primarily relates to demand received from income tax authorities on account of disallowance of donation u/s 80G of Income Tax Act, 1961	0.41	0.41

\*In respect of above disputed demand, the Group has filed appeal before appellate authority and has sufficient tax credit to pay the above demand in case the same materialises.

### 52. Additional Regulatory Information

- (i) The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
- (ii) The Company has no transactions with the companies struck off under the Companies Act, 2013.
- (iii) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (v) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vi) (A) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
  - (i) directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.



- (vii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (viii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (ix) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
- (x) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**53.** The figures for the previous year have been regrouped/rearranged wherever necessary to make them comparable with the current year's figures.

**54.** The consolidated financial statements are approved for issue by the Board of Directors at its meeting held on May 16, 2024.

**For and on behalf of the Board of Directors**

**Adi Patel**  
Director  
(DIN - 02307863)

**Rupa Vora**  
Chairperson -  
Audit Committee  
(DIN - 01831916)

**Srinivasan Viswanathan**  
Chief Executive Officer

**Vineet Singh**  
Company Secretary

**Sabyasachi Ray**  
Chief Financial Officer

Place : Mumbai  
Date : May 16, 2024



# Independent Auditor's Report

To,

**The Members of JM Financial Asset Reconstruction Company Limited**

## **Report on the Audit of the Standalone Financial Statements**

### **Opinion**

We have audited the standalone financial statements of **JM Financial Asset Reconstruction Company Limited** ("the Company"), which comprise the balance sheet as at March 31, 2024, the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and the statement of cash flows for the year ended on that date, including a summary of material 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 accounting principles generally accepted in India, Including the Ind AS, of the financial position of the Company as at March 31, 2024, and its loss including other comprehensive income, the changes in equity and its Cash flows for the period ended on that date.

### **Basis for Opinion**

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

### **Material Uncertainty Related to Going Concern**

With reference to Note 49.1 to the standalone financial statements which indicates that the company has incurred

significant losses for the current financial year, an exceptional impairment loss provision made on March 31, 2024, in multiple trusts & loans related to one large investment in security receipts/financial assets due to the change in the resolution strategy & events subsequent to the balance sheet date, which led to a reduction in the fair values of these assets, resulting in the Company's net worth decreasing from ₹ 1,533.09 crore as on March 31, 2023, to ₹ 592.34 crore as on March 31, 2024. The reduction in net worth has resulted in a decrease in regulatory capital and regulatory ratios that indicate that material uncertainty related to going concern may exist.

However, the Company is raising funds through an equity infusion of ₹ 525 crore or such higher amounts from its Holding Company/Existing shareholders/group entities/new investors, approved in its Board Meeting on May 16, 2024, subject to regulatory and other approvals. The regulatory capital and regulatory ratios will improve post the equity infusion which is explained in the note and the Company is confident it can meet obligations with equity infusion and asset realization. The Standalone Financial Statements are prepared on a going-concern basis, as detailed in the note.

Our opinion is not modified with respect to this above matter.

### **Emphasis of Matters:**

We draw your attention to Note 32 to these standalone financial statements, which describes the exceptional item considered by management for significant impairment provisions of ₹ 846.86 Crore on fair valuation of investments in multiple trusts and loans related to one large account/exposure in the current financial year due to a change in resolution strategy/plan and events subsequent to the balance sheet date resulting in the reduction of fair values of the specific assets.

Our opinion is not modified with respect to this emphasis of matter.

### **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.



## Independent Auditor's Report (Contd.)

### Key Audit Matter

#### Fair Valuation of investments in security receipts:

The valuation of the investments in security receipts in Trusts formed under distressed credit business is based on a recovery range provided by the External Rating Agency and other unobservable inputs (i.e. projection of future cash flows and expenses etc.). These assets are classified as level 3 in the valuation hierarchy and the same are not actively traded.

Initially, the independent committee finalizes the resolution strategy for each trust, which may involve actions such as settling dues, selling assets through legal action or other means like NCLT, restructuring, and bringing in investors or strategic partners. The fair value of the investment can only be estimated based on the chosen resolution strategy, expected cash flows, recovery ranges provided by the external rating agency, collateral values, discount rates, proposed investor offer and other relevant assumptions. Further, the Company has applied judgements in estimating the cash flows.

The Company has made investments in security receipts in Trusts formed under distressed credit business aggregating to ₹ 2,462.51 crore as at March 31, 2024 carried at fair value. (Refer note 9 to the Standalone Financial Statements).

In view of the complexities and significant judgements involved we have considered the valuation of these investments as a key audit matter.

### Auditor's Response

#### Principal Audit Procedures Performed:

- We have 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 the 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 and discount rates etc.

We have selected the sample and performed the following audit procedures:

- Analysed reasonableness of the determination of the appropriate recovery rate and estimated cash flows and the other relevant judgments and estimates, if any; and we assessed the information used to determine the key assumptions;
- Compared the historical estimates of the cash flows with the actual recoveries and obtained explanations for the variations, if any;
- Compared the management's assumption of discount rate with the supporting internal/ external evidence;
- We assessed the reasonableness of the judgements in estimating the cash flows in response to corroborate the assumptions based on the information used by the Company, adopted/change in resolution strategy; and verified the accounting treatment applied.
- Read and assessed the disclosure made in the standalone financial statements for assessing the compliance with respect to the disclosure requirements.

### Information Other than the Standalone 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 Board's report including annexures to Board's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance opinion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above 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 work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's & Board of Director's Responsibility for the Standalone Financial Statements

The Company's Management & Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes

in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Companies Act, 2013. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Responsibilities 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has an adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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 (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.



## Independent Auditor's Report (Contd.)

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 the Companies (Auditor's Report), Order 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure-A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
  2. As required by Section 143(3) of the Companies Act, 2013, 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), Statement of Changes in Equity and the Cash Flow Statement 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 Accounting Standards specified under Section 133 of the Companies Act, 2013.
    - (e) On the basis of the written representations received from the directors as on March 31, 2024, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013.
- (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 B".
  - (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, according to the information & explanation given to us, the remuneration (Commission) payable by the Company to its directors during the year, is in accordance with the provisions of section 197 of the Act subject to approval of shareholders which the Company proposes to obtain in its forthcoming annual general meeting.
  - (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There is no pending litigation by the Company / on the Company which has the impact on its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
    - iv. (a) The Management has represented that, to the best of its knowledge and belief, as stated in note no 51 (vi) (A), no funds (which are material either individually or in the aggregate), have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person (s') or entity (ies), including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries")

- or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, as stated in note no 51 (vi) (B), no funds (which are material either individually or in the aggregate) have been received by the Company from any person (s) or entity (ies), including foreign entity (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.
- v. During the year Company has not declared/ paid any dividend hence reporting under rule 11 (f) is not applicable to that extent.
- vi. Based on our examination which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that the audit trail feature did not operate for the period 1st Apr 2023 to 4th Apr 2023. Further, for the period where the audit trail (edit log) facility was enabled and operated throughout the year for the respective accounting software, we did not come across any instance of the audit trail feature being tampered with.

For **Sharp and Tannan Associates**  
Chartered Accountants  
Firm’s Registration No.:109983W  
by the hand of

**Parthiv S. Desai**  
Partner

Membership No.: (F) 042624  
UDIN: 24042624BKFRSJ9926

Mumbai, May 16, 2024



**to the Independent Auditors' Report****(Referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)**

We report that:

- (i) In respect of the Company's Property, Plant & Equipment and Intangible Assets:
- (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment (PPE) of the Company.
- (B) The Company has maintained proper records showing full particulars of the Intangible assets of the Company.
- (b) Property, Plant and Equipment have been 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) Based on the examination of the registered sale deed provided to us, we report that the title deeds, comprising of the immovable properties of land 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.
- (d) The Company has not made any revaluation of PPE (including Right of use assets) or intangible assets as at the balance sheet date. Accordingly, reporting on paragraphs 3 (i)(d) of the Order is not applicable to the Company.
- (e) There is no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Accordingly, reporting on paragraphs 3(i)(e) of the Order is not applicable to the Company.
- (ii) (a) The Company does not have any inventory as considering the nature of the business. Accordingly, the reporting under clause (ii)(a) of the Order is not applicable.
- (b) In our opinion and according to the information and explanations given to us, pursuant to terms of sanction letters for working capital limits in excess of five crore, in aggregate, from banks or financial institutions on the basis of security of current assets (i.e. Security receipts, considering based on

the nature of business); based on our verification quarterly statements (Pledge / Hypothecation) filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.

- (iii) The Company is a non-banking financial company ("NBFC") registered under section 3 of 'Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002' (SARFAESI Act) under the RBI regulation, as an 'Asset Reconstruction Company'. During the year, the Company has made investments in security receipts, granted loans for restructuring, secured and unsecured, and advances in the nature of loans to the subsidiary in the form of trusts:

In our opinion and according to the information and explanations given to us;

- (a) Clause (iii) (a) of the Order is not applicable to the company, considering the nature of the business as the company in distress business through the subsidiary in the form of Trusts.
- (b) The company has made investments and granted loans to the subsidiary in the nature of Trust, and granted loans to other parties other than subsidiary, associates & joint ventures, considering the nature of the business as the company, the terms and conditions of the grant of such loans are not prejudicial to the interest of the company.
- (c) In respect of loans granted by the Company, to the subsidiary in the nature of Trust, the repayment has not been stipulated considering the nature of business since the same are dependent on recoveries/realization of Financial Assets held by such subsidiaries and to other parties other than subsidiary, associates & joint venture, the schedule of repayment of principal and payment of interest has been stipulated and the repayments of principal amount and receipts of interest have generally been regular as per stipulation except for the following cases:

Number of borrowers	Amount overdue as at March 31, 2024 (₹ Crore)	Due date	Extent of delay (in days)	Remarks, if any
4	458.41	Various Due dates	More than 1 day	-

- (d) In respect of the loans granted by the company, to the subsidiary in the nature of Trust, the repayment has not been stipulated considering the nature of business, so we are not able to comment on overdue outstanding for subsidiary in the nature of trusts and to other parties other than subsidiary associates & joint venture there is no overdue amount remaining outstanding for more than 90 days as at the balance sheet date except for the following cases, and reasonable steps have been taken by the company for recovery of the overdue amount of principal and interest:

Number of borrowers	Principal Amount (₹Crore)	Interest Amount (₹Crore)	Remarks, if any
4	316.11	124.00	-

- (e) Clause (iii) (e) of the Order is not applicable to the company, considering the nature of the business as the company is in distress credit business.
- (f) Considering the nature of business, during the year the company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, to Promoters, related parties as defined in clause (76) of section 2 of the Companies Act, 2013, accordingly, the clause (iii) (f) of the Order is not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted loans, made investments or provided guarantees which requires compliance with the provisions of Section 185 and 186 of the Act, Accordingly, reporting under clause 3 (iv) of the Order is not applicable to the Company.
- (v) According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) The maintenance of cost records has not been specified by the central government under section 148(1) of the Companies Act, 2013, for the business activities carried out by the Company. Accordingly, reporting under clause 3 (vi) of the Order is not applicable.
- (vii) According to the information and explanations given to us in respect of statutory dues:
- (a) The Company is 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 where applicable to it with the appropriate authorities. There were no arrears in respect of said statutory dues as at March 31, 2024, for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no disputed statutory dues referred to in sub-clause (a) above, except the details mentioned in below tabulated form, which have not been deposited as at 31 March 2024.

Nature of the statute	Nature of dues	Forum where Dispute is Pending	Period to which the Amount Relates	Amount ₹ Crore
The Income Tax Act, 1961	Income tax	Commissioner of Income-tax (Appeals)	Assessment Year 2016-17	0.41

- (viii) We report that there are no such transactions which are not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961), Accordingly, reporting on paragraphs 3 (viii) of the Order is not applicable to the Company.
- (ix) According to the information and explanations given to us and the records examined by us;
- (a) the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) As disclosed by the management in note 51 (i) and as confirmed by us, the company has not declared willful defaulter by banks or financial institutions or other lenders Accordingly, reporting on paragraphs 3 (ix) (b) of the Order is not applicable to the Company.
- (c) In our opinion and according to the information and explanations given to us, the company has raised additional term loan from Bank & NBFC and the same term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the company and considering the business nature of the company, we report that no funds raised on short- term basis have been used for long-term purposes by the company.





## Annexure A (Contd.)

- (e) According to the information and explanations given to us and on an overall examination of the financial statements of the company & considering the business nature of the company, the company has not taken the loan from the bank or financial institution to meet the obligation as such of the subsidiaries in the nature of trusts. Accordingly, reporting on paragraphs 3 (ix) (e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and procedures performed by us and considering the nature of the business, we report that the company has raised loans during the year on the pledge of securities (i.e. Investment in Security Receipts) held in its subsidiaries in the form of trusts, however, there is no default as such in the repayment of such loans raised by the company.
- (x) According to the information and explanations given to us and the records examined by us,
- (a) In our opinion and according to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting on paragraphs 3 (x)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanation provided to us, during the year the Company has not made preferential allotment or private placement of shares or convertible debentures (fully or partially), However, during the year company has issue optionally convertible debentures amounting to ₹ 200 Crores and the requirements of provision of section 42 and section 62 of the Act have been complied with and the funds raised have been used for the purposes for which the funds were raised.
- (xi) According to the information and explanations given to us and the records examined by us,
- (a) Based upon the audit procedures performed by us no material fraud by the Company or any material fraud on the Company has been noticed or reported during the year.
- (b) Based on the audit procedures performed by us there is no report under sub-section (12) of section 143 of the companies act 2013 has been filed by the auditors in the form ADT- 4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (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 Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable Ind AS.
- (xiv) According to the information and explanations given to us and the records examined by us,
- (a) the company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the company issued till date, for the period under audit.
- (xv) According to the information and explanations given to us, in our opinion, during the year the company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company.
- (xvi) The Company being a Securitisation and Reconstruction Company ('SCRC') under Securitisation & Reconstruction of Financial Assets & Enforcement of Securities Interest Act, 2002, it is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting on Para 3(xvi)(b) and (c) is not applicable.
- According to the information and explanations given to us, there is no Core Investment Company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly, paragraph 3(xvi) (d) of the Order is not applicable to the Company.
- (xvii) In our opinion and according to the information and explanations given to us, the company has not incurred cash losses in the current financial year. In the immediately preceding financial year, the company incurred cash losses amounting to ₹ 18.18 crores.
- (xviii) There has been no resignation of the statutory auditors during the year Accordingly, reporting under clause 3(xviii) of the Order is not applicable.

- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions including support letter from the group company to infuse equity subject to regulatory & other approvals, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) (a) There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- (b) In respect of ongoing projects, the Company has transferred the unspent Corporate Social Responsibility (CSR) amount as at the end of the current & previous financial year, to a Special account within a period of 30 days from the end of the said financial year in compliance with the provision of section 135(6) of the Act.

For **Sharp and Tannan Associates**  
Chartered Accountants  
Firm's Registration No.:109983W  
by the hand of

**Parthiv S. Desai**  
Partner

Membership No.: (F) 042624  
UDIN: 24042624BKFRSJ9926

Mumbai, May 16, 2024



## Annexure - B

### to the Independent Auditors' Report

**(Referred to in paragraph 2(f) under the heading "Report on Other Legal and Regulatory Requirements" Section of our report on even date)**

We have audited the internal financial controls over financial reporting of **JM Financial Asset Reconstruction Company Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's & Board of Director's Responsibility for Internal Financial Controls

The Company's management and Board of Directors are 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 "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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over

financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk.

The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

#### Meaning of Internal Financial Controls over Financial Reporting

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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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 standalone financial statements.

#### Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. 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 and 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, 2024, based on the internal financial control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Mumbai, May 16, 2024

For **Sharp and Tannan Associates**  
Chartered Accountants  
Firm's Registration No.:109983W  
by the hand of

**Parthiv S. Desai**  
Partner

Membership No.: (F) 042624  
UDIN: 24042624BKFRSJ9926



# Standalone Balance Sheet

as at March 31, 2024

(₹ in Crore)

Sr. No.	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
	<b>ASSETS</b>			
(I)	<b>Financial Assets</b>			
(a)	Cash and cash equivalents	5	84.75	39.20
(b)	Bank balance other than (a) above	6	0.99	2.73
(c)	Trade Receivables	7	201.53	304.23
(d)	Loans	8	499.12	543.28
(e)	Investments	9	2,471.26	3,622.33
(f)	Other Financial assets	10	60.84	55.49
	<b>Total Financial Assets</b>		<b>3,318.49</b>	<b>4,567.26</b>
(II)	<b>Non-financial Assets</b>			
(a)	Current tax assets (Net)	11	83.75	44.35
(b)	Deferred tax Assets (Net)	12	113.42	83.64
(c)	Property, Plant and Equipment	13	11.33	13.52
(d)	Other Intangible assets	13	0.15	0.03
(e)	Other non-financial assets	14	1.33	2.26
	<b>Total Non Financial Assets</b>		<b>209.98</b>	<b>143.80</b>
	<b>TOTAL ASSETS (I+II)</b>		<b>3,528.47</b>	<b>4,711.06</b>
	<b>LIABILITIES AND EQUITY</b>			
	<b>LIABILITIES</b>			
(I)	<b>Financial Liabilities</b>			
(a)	Trade Payables	15		
	(i) total outstanding dues of micro and small enterprises		0.14	0.23
	(ii) total outstanding dues of creditors other than micro and small enterprises		4.69	2.54
(b)	Debt Securities	16	1,897.90	1,709.80
(c)	Borrowings (Other than Debt Securities)	17	921.86	1,408.13
(d)	Lease liabilities	18	14.02	16.08
(e)	Other financial liabilities	19	82.80	21.90
	<b>Total Financial Liabilities</b>		<b>2,921.41</b>	<b>3,158.68</b>
(II)	<b>Non-Financial Liabilities</b>			
(a)	Provisions	20	1.75	2.09
(b)	Other non-financial liabilities	21	12.97	17.20
	<b>Total Non-Financial Liabilities</b>		<b>14.72</b>	<b>19.29</b>
(III)	<b>EQUITY</b>			
(a)	Equity Share capital	22	398.33	398.33
(b)	Other Equity	23	194.01	1,134.76
	<b>Total Equity</b>		<b>592.34</b>	<b>1,533.09</b>
	<b>TOTAL LIABILITIES AND EQUITY (I+II+III)</b>		<b>3,528.47</b>	<b>4,711.06</b>

The accompanying notes are an integral part of the standalone financial statements : 1 to 53

**In terms of our report of even date attached****For Sharp & Tannan Associates**

Chartered Accountants

Firm Registration No.: 109983W

**Parthiv S. Desai**

Partner

Membership No.(F) 042624

**For and on behalf of the Board of Directors****Adi Patel**

Director

(DIN - 02307863)

**Rupa Vora**

Chairperson -

Audit Committee

(DIN - 01831916)

**Srinivasan Viswanathan**

Chief Executive Officer

**Vineet Singh**

Company Secretary

**Sabyasachi Ray**

Chief Financial Officer

Place : Mumbai

Date : May 16, 2024

Place : Mumbai

Date : May 16, 2024

# Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crore)

Sr. No.	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>I</b>	<b>Revenue From Operations</b>			
(a)	Interest Income	24	93.08	66.00
(b)	Fees and Incentives	25	265.29	166.70
			<b>358.37</b>	<b>232.70</b>
<b>II</b>	<b>Other Income</b>	26	0.58	2.00
<b>III</b>	<b>Total Income (I+II)</b>		<b>358.95</b>	<b>234.70</b>
<b>IV</b>	<b>EXPENSES</b>			
(a)	Finance costs	27	292.99	240.29
(b)	Net loss on fair value changes	28	98.97	149.73
(c)	Impairment on financial instruments	29	11.55	12.51
(d)	Employee benefits expense	30	21.62	20.37
(e)	Depreciation and amortization expense	13	2.53	2.71
(f)	Other expenses	31	15.62	13.76
	<b>Total expenses</b>		<b>443.28</b>	<b>439.37</b>
<b>V</b>	<b>Profit/(Loss) before exceptional items and tax (III- IV)</b>		<b>(84.33)</b>	<b>(204.67)</b>
<b>VI</b>	<b>Exceptional items</b>	32	<b>(846.86)</b>	-
<b>VII</b>	<b>Profit/(Loss) before tax (V+VI)</b>		<b>(931.19)</b>	<b>(204.67)</b>
<b>VIII</b>	<b>Less : Tax expense</b>	33		
	Current tax		40.95	-
	Deferred tax		(29.70)	(49.74)
	<b>Total tax expenses</b>		<b>11.25</b>	<b>(49.74)</b>
<b>IX</b>	<b>Profit/(Loss) for the year (VII-VIII)</b>		<b>(942.44)</b>	<b>(154.93)</b>
<b>X</b>	<b>Other Comprehensive Income</b>			
(i)	Items that will not be reclassified to profit or loss		(0.30)	(0.20)
(ii)	Income tax on the above		(0.08)	(0.05)
	<b>Total Other Comprehensive Income</b>		<b>(0.22)</b>	<b>(0.15)</b>
<b>XI</b>	<b>Total Comprehensive Income for the year (IX+X)</b>		<b>(942.66)</b>	<b>(155.08)</b>
<b>XII</b>	<b>Earnings per equity share (Face value of ₹ 10 each)</b>	34		
	Basic (in ₹)		(23.66)	(3.89)
	Diluted (in ₹)		(23.66)	(3.89)

The accompanying notes are an integral part of the standalone financial statements : 1 to 53

In terms of our report of even date attached

For Sharp & Tannan Associates

For and on behalf of the Board of Directors

Chartered Accountants

Firm Registration No.: 109983W

**Parthiv S. Desai**

Partner

Membership No.(F) 042624

**Adi Patel**

Director

(DIN - 02307863)

**Rupa Vora**

Chairperson -

Audit Committee

(DIN - 01831916)

**Srinivasan Viswanathan**

Chief Executive Officer

**Vineet Singh**

Company Secretary

**Sabyasachi Ray**

Chief Financial Officer

Place : Mumbai

Date : May 16, 2024

Place : Mumbai

Date : May 16, 2024



# Statement of Changes in Standalone Equity

for the year ended March 31, 2024

## A. Equity share capital

(₹ in Crore)

Particulars	Balance as at April 1, 2022	Changes in equity share capital during the year	As at March 31, 2023	Changes in equity share capital during the year	As at March 31, 2024
Equity Share Capital	344.64	53.69	398.33	-	398.33

## B. Other Equity

(₹ in Crore)

Particulars	Reserves and Surplus					Total Other Equity
	Securities Premium	Retained earnings	Equity component of Compulsory convertible debentures	Impairment allowance reserve	Employee Stock Outstanding	
<b>As at April 1, 2022</b>	<b>194.34</b>	<b>893.97</b>	<b>142.52</b>	<b>108.10</b>	<b>2.47</b>	<b>1,341.40</b>
Profit for the year	-	(154.93)	-	-	-	(154.93)
Addition during the year	88.84	-	-	-	0.81	89.65
Issue and conversion of Compulsorily Convertible Debenute- Equity Component	-	-	(142.52)	-	-	(142.52)
Appropriation for Impairment reserve (Refer note 47(e))	-	(19.09)	-	19.09	-	-
ESOP grant during the year	-	-	-	-	4.06	4.06
ESOP deferred employee compensation	-	-	-	-	(2.75)	(2.75)
Re-measurement of defined benefit plan	-	(0.15)	-	-	-	(0.15)
<b>As at March 31, 2023</b>	<b>283.18</b>	<b>719.80</b>	<b>-</b>	<b>127.19</b>	<b>4.59</b>	<b>1,134.76</b>
Profit for the year	-	(942.44)	-	-	-	(942.44)
Addition during the year	-	-	-	-	1.91	1.91
Appropriation for Impairment reserve (Refer note 47(e))	-	(116.54)	-	116.54	-	-
Transfer on account of options not exercised	-	0.06	-	-	(0.06)	-
Re-measurement of defined benefit plan	-	(0.22)	-	-	-	(0.22)
<b>As at March 31, 2024</b>	<b>283.18</b>	<b>(339.34)</b>	<b>-</b>	<b>243.73</b>	<b>6.44</b>	<b>194.01</b>

The accompanying notes are an integral part of the standalone financial statements : 1 to 53

### In terms of our report of even date attached

**For Sharp & Tannan Associates**

Chartered Accountants

Firm Registration No.: 109983W

**Parthiv S. Desai**

Partner

Membership No.(F) 042624

**For and on behalf of the Board of Directors**

**Adi Patel**

Director

(DIN - 02307863)

**Rupa Vora**

Chairperson -

Audit Committee

(DIN - 01831916)

**Srinivasan Viswanathan**

Chief Executive Officer

**Vineet Singh**

Company Secretary

**Sabyasachi Ray**

Chief Financial Officer

Place : Mumbai

Date : May 16, 2024

Place : Mumbai

Date : May 16, 2024



# Standalone Statement of Cash Flow

for the year ended March 31, 2024

(₹ in Crore)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
		Audited	Audited
<b>A</b>	<b>Cash flow from operating activities</b>		
	Profit/(Loss) before exceptional items and tax	(84.33)	(204.67)
	<b>Adjustment for:</b>		
	Interest expenses	291.69	238.63
	Interest on lease liability	1.30	1.66
	Impairment of financial instruments (net)	11.55	12.51
	Depreciation and amortisation of expenses	2.53	2.71
	Net (Gain)/Loss on fair value changes	98.97	150.84
	(Gain)/Loss on mutual fund	#	(1.11)
	(Gain)/Loss on lease modification	(0.03)	(0.43)
	Net (Gain) on sale of Property, Plant and Equipment	#	-
	Amortisation of deferred employee compensation (ESOP)	1.91	2.12
	Interest income on fixed deposits	(0.42)	(1.42)
	<b>Operating profit/(loss) before working capital changes</b>	<b>323.16</b>	<b>200.84</b>
	<b>Adjustment for:</b>		
	(Increase)/Decrease in trade receivables	97.04	(97.70)
	(Increase)/Decrease in loans	(26.99)	55.48
	(Increase)/Decrease in other financial assets	(10.44)	(4.54)
	(Increase)/Decrease in other non financial assets	0.93	0.36
	(Increase)/Decrease in other bank balances	1.74	0.73
	Increase/(Decrease) in trade payable	(5.91)	1.50
	Increase/(Decrease) in provisions	(0.64)	(0.12)
	Increase/(Decrease) in other financial liability	60.90	(24.14)
	Increase/(Decrease) in other non financial liabilities	(4.23)	(5.84)
	<b>Cash generated from/ (used in) operations</b>	<b>435.56</b>	<b>126.57</b>
	Income tax paid (net)	(80.35)	(4.01)
	<b>Net cash generated from/ (used in) operating activities</b>	<b>355.21</b>	<b>122.56</b>
<b>B</b>	<b>Cash flow from investing activities</b>		
	Purchase of investment in security receipts	(603.58)	(881.86)
	Redemption of security receipts	866.04	190.23
	Purchase of Property, Plant and Equipment and Intangibles	(0.51)	(0.13)
	Payments for purchase of investment in equity instruments (right issue)	-	(13.11)
	Proceed from sale of investment in equity instruments	13.13	0.34
	Payments for purchase of investment in mutual funds	(4.00)	(161.70)
	Redemption of mutual funds	4.00	162.81
	Sale of Property, Plant and Equipments	0.01	-
	Interest Income	0.42	1.42



(₹ in Crore)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
		Audited	Audited
	<b>Net cash generated from/(used in) investment activities</b>	<b>275.51</b>	<b>(702.00)</b>
<b>C</b>	<b>Cash flow from financing activities</b>		
	Proceeds from debt securities	129.11	1,390.12
	Repayment of debt securities	(178.50)	(474.00)
	Proceed from issue of optionally convertible debenture	200.00	-
	Repayment of debt component of Compulsory Convertible Debenture	-	(20.17)
	Interest paid on debt securities and other borrowing	(294.89)	(191.36)
	Repayment of lease liability	(3.28)	(3.49)
	Proceeds from borrowing	975.00	1,109.40
	Repayment of borrowing	(1,434.71)	(1,244.18)
	<b>Net cash generated from/(used in) financing activities</b>	<b>(607.27)</b>	<b>566.32</b>
	<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>23.45</b>	<b>(13.12)</b>
	Cash and cash equivalents at the beginning of the financial year/period	39.20	52.32
	<b>Cash and cash equivalents at the end of the financial year/period</b>	<b>62.65</b>	<b>39.20</b>

### Reconciliation of cash and cash equivalents as per the cash flow statement

Cash and cash equivalents as per above comprise of the following

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Audited	Audited
<b>Cash and cash equivalents</b>	<b>84.75</b>	<b>39.20</b>
Bank overdrafts repayable on demand and used for cash management purposes	(22.10)	-
<b>Cash and cash equivalents in the statement of cash flows</b>	<b>62.65</b>	<b>39.20</b>

# Denotes amount less than ₹50,000/-

The accompanying notes are an integral part of the standalone financial statements : 1 to 53

### In terms of our report of even date attached

**For Sharp & Tannan Associates**

Chartered Accountants

Firm Registration No.: 109983W

**Parthiv S. Desai**

Partner

Membership No.(F) 042624

**For and on behalf of the Board of Directors**

**Adi Patel**

Director

(DIN - 02307863)

**Vineet Singh**

Company Secretary

**Rupa Vora**

Chairperson -

Audit Committee

(DIN - 01831916)

**Srinivasan Viswanathan**

Chief Executive Officer

**Sabyasachi Ray**

Chief Financial Officer

Place : Mumbai

Date : May 16, 2024

Place : Mumbai

Date : May 16, 2024

# Notes

forming part of the Standalone Financial Statements

## 1 Corporate Information

JM Financial Asset Reconstruction Company Limited (the "Company" or "JMFARC") was incorporated as a private limited company on September 19, 2007 under the provision of Companies Act, 1956 and is registered with the Reserve Bank of India ("RBI") as an asset reconstruction company ("ARC") under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act") vide RBI certificate of registration no. 11/2008 dated September 23, 2008. The Company was converted into a Public Limited Company with effect from April 12, 2017. The Company is engaged in the business of acquisition of non-performing and distressed assets (NPA) from Banks and Financial institutions and resolving them.

## 2 Basis of Preparation and presentation

### 2.1 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 other relevant provisions of the Act to the extent applicable and the guidelines prescribed by the RBI, to the extent applicable.

### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally the original cost or transaction price of 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 standalone 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 net realizable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorized 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 entity can access at the 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 asset or liability.

### 2.3 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.

## 3 Material Accounting Policy information

### 3.1 Investment in Subsidiary:

Subsidiaries are all entities over which the Company has control. Investment in Security Receipts of Subsidiaries are accounted at fair value under Ind AS 109 (refer note 42).

### 3.2 Revenue Recognition

Revenue is recognized when (or as) the Company satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset



is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, the company recognizes as revenue the amount of the transaction price (excluding estimates of variable consideration) that is allocated to that performance obligation.

The Company applies the five-step approach for recognition of revenue:

- Identification of contract(s) with customers;
- Identification of the separate performance obligations in the contract;
- Determination of transaction price;
- Allocation of transaction price to the separate performance obligations; and
- Recognition of revenue when (or as) each performance obligation is satisfied.

The company is generally able to make reliable estimates after it has agreed to the following with the other parties to the transaction:

- (a) each party's enforceable rights regarding the service to be provided and received by the parties;
- (b) the consideration to be exchanged; and
- (c) the manner and terms of agreements or offer documents.

Revenue in form of management fees for providing services to the trust is recognised on accrual basis over the life of the contract as per terms of the relevant trust deed/ offer documents. The fees are recognized on accrual basis till the NAV of the Trust is recoverable and not wholly impaired.

Recovery incentive is accounted over the period on a cash basis, i.e. as and when received by the Company, based on terms of the relevant trust deeds and offer document issued by the Trust.

The Company recognises followings income/(loss) pertaining to security receipts under the heading Net gain/(loss) on fair value changes on financial instruments at FVTPL

- (i) Additional realisation of assets over Net Asset Value of security receipt is accounted as per the terms of relevant trust deed / offer document on actual distribution from the trust after full redemption of the Net Asset Value of security receipts in the trust.

- (ii) Net appreciation/ depreciation in Net Asset Value of security receipts is considered as fair value gain/ (loss) on change in investment and credit impaired financial assets.

### 3.3 Leasing

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

#### The Company as a lessee

The Company assesses, whether the contract is, or contains, a lease if the contract involves–

- a) the use of an identified asset,
- b) the right to obtain substantially all the economic benefits from use of the identified asset, and
- c) the right to direct the use of the identified asset.

The Company at the inception of the lease contract recognizes a Right-of-Use (RoU) asset at cost and a corresponding lease liability, for all lease arrangements in which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, any lease payments made at or before the inception date of the lease plus any initial direct costs, less any lease incentives received. Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use assets.

Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

## Notes

forming part of the Standalone Financial Statements (Contd.)

For lease liabilities at inception, the Company measures the lease liability at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease, if that rate is readily determined, if that rate is not readily determined, the lease payments are discounted using the incremental borrowing rate.

The Company recognizes the amount of the re-measurement of lease liability as an adjustment to the right-of-use assets. Where the carrying amount of the right-of-use assets is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in the Statement of profit and loss.

For short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the lease term.

Lease liability has been presented in Note 18 "Lease Liabilities" and ROU asset has been presented in Note 13 "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 RoU asset arising from the head-lease.

### 3.4 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 recognized in the Statement of Profit and Loss in the period in which they are incurred.

### 3.5 Employee benefits

#### Retirement benefit costs and termination benefits:

##### Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit and Loss of the year when employees have rendered service entitling them to the contributions. The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognized as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

##### Defined Benefit Obligation:

The Company's 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 net obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The 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 adjustments and changes in actual assumptions are recognized in the period in which they occur in the OCI.

##### Short-term employee benefits:

Short-term employee benefits are expensed as the related service is provided at the undiscounted amount of the benefits expected to be paid in exchange for that service. A liability is recognized 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 benefits:**

Liabilities recognized 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.

**3.6 Income tax**

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognized in profit or loss, except when they relate to items that are recognized in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

**Current Tax**

The tax currently payable is based on the taxable profit for the year of the Company. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

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 realized, based on tax rates (and tax laws) that have been enacted or substantively enacted.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

**3.7 Property, plant and equipments 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".

"Under Ind AS 116, a lessee measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and recognises depreciation of the right-of-use asset. The cost of the right-of-use asset shall comprise of

- a) the amount of the initial measurement of the lease liability which is the present value of the lease payments that are not paid at that date. The lease payments shall be discounted using the interest rate implicit in the lease;
- b) any lease payments made at or before the commencement date, less any lease incentives received;
- c) any initial direct costs incurred by the lessee; and
- d) an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease, unless those costs are incurred to produce inventories. The lessee incurs the obligation for those costs either at the commencement date or as a consequence of having used the underlying asset during a particular period.

(Also refer to policy on leases, borrowing costs and impairment of assets below).



## Notes

forming part of the Standalone Financial Statements (Contd.)

**Depreciation / amortization is recognised on a straight-line basis over the estimated useful lives of respective assets as under:**

Tangible assets -Property, Plant and Equipment	Useful life
Motor Vehicles	8 years or lease period whichever is lower
Computers	3 years
Servers and networks	6 years
Office equipment	5 years
Furniture and fixtures	10 years
Leasehold improvements	10 years or lease period whichever is lower
Intangible assets	Useful life
Computer software	5 years

Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase. Assets taken on finance lease are depreciated over a period of lease.

The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised as 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 amortization and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as “Intangible assets under development”. Intangible assets are amortized on straight line basis over the estimated useful life of 5 years. The method of amortization and useful life are reviewed at the end of each accounting year with the effect of

any changes in the estimate being accounted for on a prospective basis.

Amortization on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life. An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized as profit or loss when the asset is derecognised.

### Impairment losses on non financial assets

As at the end of each year, the company reviews the carrying amount of its non-financial assets that is PPE and intangible to determine whether there is any indication that these assets have suffered an impairment loss.

An asset is considered as impaired when on the balance sheet date there are indications of impairment in the carrying amount of the assets, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e. the higher of the assets' net selling price and value in use). The carrying amount is reduced to the level of recoverable amount and the reduction is recognized 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 recognized immediately in the Statement of Profit and Loss.

### 3.8 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.

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 recognizes 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.

### 3.9 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:

- changes during the period in receivables and payables transactions of a non-cash nature;
- non-cash items such as depreciation, provisions, deferred taxes; and
- 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.

### 3.10 Financial Instruments

Financial instruments comprise of financial assets and financial liabilities. Financial assets and liabilities are recognized when the Company becomes the party to the contractual provisions of the instruments. Financial assets primarily comprise of loans and advances, premises and other deposits, trade receivables and cash and cash

equivalents. Financial liabilities primarily comprise of borrowings and trade payables.

#### Initial Measurement of Financial Instruments

Financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs 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) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### 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 amortized 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.

#### Interest income

Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

#### 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 amortized 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.

#### 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.

## Notes

forming part of the Standalone Financial Statements (Contd.)

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 recognized 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.

### Fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading. Security receipt investments in scope of Ind AS 109, "Financial Instruments" are measured at fair value. Security Receipts are classified as at FVTPL. Gains and losses on security investments are included in the statement of profit or loss.

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 re-measurement recognized in profit or loss.

### 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 de-recognition of financial assets described below.

### Impairment of financial assets:

The Company applies the expected credit loss model for recognising impairment loss on financial assets measured at amortized cost, trade receivables and other contractual rights to receive cash or other financial asset.

The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument.

Based on the above process, the Company categorises its loans into Stage 1, Stage 2 and Stage 3, as described below:

- Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include



facilities where no significant increase in credit risk, improvement in credit risk and the loan has been reclassified from Stage 2.

- Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where significant increase in credit risk, improvement in credit risk and the loan has been reclassified from Stage 3.
- Stage 3 - Under performing with overdue more than 90 DPD including Non performing assets

For loans, Company measures the loss allowance at an amount equal to 12 months expected credit loss for Stage 1 and life time expected credit loss for Stage 2 class categories of loans. For Stage 3 financial asset, the measurement of loss allowance is based on the present value of the asset's expected cash flow using the asset's original EIR.

For other receivables in distress credit business, Company measures life time expected credit loss allowance based on practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account the historical credit loss experience and adjusted for forward looking information.

### Derecognition of financial assets

The Company derecognises a financial asset 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 asset, but assumes a contractual obligations to pay the cash flows to one or more recipients.

Where the entity has transferred an assets, 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 derecognized. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

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 OCI 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 de-recognition 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 Company 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 Company 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 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.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 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 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.

### 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.

### 3.11 Share-based payment arrangements

Equity-settled share-based payments to employee of the Company 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 recognised as deferred employee compensation and is expensed in the Statement of Profit and Loss over the vesting period with a corresponding increase in employee 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 recognised any impact in profit or loss, such that the cumulative expenses reflects the revised estimate, with a corresponding adjustment in other equity.

### 3.12 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

### 3.13 Foreign currency translation

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 recognized in the Statement of Profit and Loss in the period in which they arise.



### 3.14 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.

### 3.15 Commitments

Commitments are future liabilities for contractual expenditure, classified and disclosed as follows:

- estimated amount of contracts remaining to be executed on capital account and not provided for;
- uncalled liability on shares, security receipts and other investments partly paid;
- other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments if any related normal course of business are not disclosed to avoid excessive details.

### 3.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss (before Other Comprehensive Income) for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

## 4 Critical accounting judgments and key sources of estimation uncertainty

The preparation of standalone financial statements in conformity with Ind AS requires the Company's Management to make judgments, estimates and assumptions about the carrying amounts of assets and liabilities recognized in the standalone 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 (accounted on a prospective basis) and recognized 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 of 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 Company's accounting policies and that have the most significant effect on the amounts recognized in the standalone financial statements and/or 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.

#### i) 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 the fair value measurements.

In estimating the fair value of an asset, the Company uses market-observable data to the extent it is available. Where Level 1 inputs are not available, the Company engages third party external rating agencies to perform the valuations. The Management works closely with the qualified external rating agencies to establish the appropriate valuation techniques and inputs to the model.

Information about the valuation techniques and inputs used in determining the fair value of various assets are disclosed in note 42.

#### 4A Issue of new accounting standards or amendments to the existing standards

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2024, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.



## Notes

forming part of the Standalone Financial Statements (Contd.)

### 5. Cash and cash equivalents

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Balances with banks</b>		
- In current accounts	84.70	39.19
- In Deposits account	0.05	0.01
<b>Total</b>	<b>84.75</b>	<b>39.20</b>

### 6. Other bank balances

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Earmarked balance with banks:</b>		
- In current account (refer note 6.1)	0.74	2.48
- In deposit account (refer note 6.2)	0.25	0.25
<b>Total</b>	<b>0.99</b>	<b>2.73</b>

6.1 Current account include amount maintained for expenses towards Corporate Social Responsibility.

6.2 Balance in deposit accounts carry fixed rate of interest and are for period up to 9 months (previous year : 14 months) and have lien against bank guarantees obtained by the Company.

### 7. Trade receivables

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost :</b>		
Unsecured considered good		
Trade receivables	245.77	342.81
Less: Impairment Loss Allowance (refer note 43)	(44.24)	(38.58)
<b>Total</b>	<b>201.53</b>	<b>304.23</b>

#### 7.1 Trade receivable ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>For the year 2023-24</b>						
Undisputed trade receivable - Considered good	22.11	16.87	44.34	48.48	113.97	245.77
Less: Impairment Loss Allowance	0.87	4.79	14.94	10.31	13.33	44.24
	<b>21.24</b>	<b>12.08</b>	<b>29.40</b>	<b>38.17</b>	<b>100.64</b>	<b>201.53</b>

#### 7.1 Trade receivable ageing schedule

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
<b>For the year 2022-23</b>						
Undisputed trade receivable - Considered good	69.31	37.82	80.75	65.47	89.46	342.81
Less: Impairment Loss Allowance	10.80	4.14	10.31	0.72	12.61	38.58
	<b>58.51</b>	<b>33.68</b>	<b>70.44</b>	<b>64.75</b>	<b>76.85</b>	<b>304.23</b>

The above trade receivable mostly comprises of management fees recoverable from trusts which has a priority in the cashflows of the trust. Further these fees are payable by the trust to the Company only on realisation from the financial assets in the trust.



## 7.2 Information on the ageing of the unrealised management fee as per circular RBI/2022-23/182-DOR.ACC.REC. No.104/21.07.001/2022-23 dated February 20, 2023

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
A. Outstanding amount of unrealised management fees	245.77	342.81
Out of the above, amount outstanding for:		
B. Amounts where the net asset value of the security receipts has fallen below 50 per cent of the face value	85.01	30.59
C. Other amounts unrealised for:		
(i) More than 180 days but upto 1 year	9.25	31.04
(ii) More than 1 year but upto 3 years	42.11	135.01
(iii) More than 3 years	93.68	84.87
D. Allowances held for unrealised management fees (on B and C)	46.63	28.62
<b>E. Net unrealised management fee receivable (B+C-D)</b>	<b>183.42</b>	<b>252.89</b>

## 8. Loan

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>At amortised cost</b>		
Loans secured by tangible asset	493.50	468.58
Interest accrued	98.70	96.63
<b>Gross loan</b>	<b>592.20</b>	<b>565.21</b>
Less: Impairment Loss Allowance (refer note 43)	(93.08)	(21.93)
<b>Net Loan-Total</b>	<b>499.12</b>	<b>543.28</b>

All loans are granted within India and to entities other than public sector.

## 9. Investments (At FVTPL)

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Quoted</b>		
Equity instruments		
7,65,980 of equity shares of Nitco Limited of ₹ 10 each fully paid up (Previous year : 68,52,824 shares of ₹ 10 each)	4.28	13.23
<b>Unquoted</b>		
Equity instruments		
1,31,07,380 of equity shares (right issue) of BRFL Textiles Private Limited of face value ₹ 10 each fully paid up (Previous year : 1,31,07,380 shares of face value ₹ 10 each)	4.47	13.11
Security receipts of trusts held in distressed credit business (refer note 46 and below given notes)	2,462.51	3,595.99
<b>Total</b>	<b>2,471.26</b>	<b>3,622.33</b>

9.1 There are no investments made by the Company outside India.

9.2 The Company has given some identified security receipts as pledge for term loans, bank overdraft, cash credit limits availed with various banks/ hypothecated in favour of debenture trustee for NCDs issued.

### 9.3 Commitments:

In respect of one trust, the company has given a commitment to the security receipt holders for purchase/ arrange to purchase the outstanding security receipts at a consideration equivalent to outstanding face value of security receipts along with yield of 10.70% p.a. compounded annually on or before January 31, 2026. Commitment of outstanding face value of security receipts as at March 31, 2024 is ₹ 16.39 crore (Previous year : ₹ 28.53 crore of one trust).



## Notes

forming part of the Standalone Financial Statements (Contd.)

### 10. Other Financial Assets

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Recoverable from trusts	72.02	61.60
Interest receivable	-	0.02
Advance to other	#	0.01
Security deposits:		
To Related Parties	1.40	1.27
To Others	0.31	0.39
<b>Total</b>	<b>73.73</b>	<b>63.29</b>
Less : Impairment loss allowance on recoverable from trusts (refer note 43)	(12.89)	(7.80)
<b>Net Total</b>	<b>60.84</b>	<b>55.49</b>

# Denote amount below ₹50,000

### 11. Current tax assets (net)

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Advance tax paid (net of provisions)	83.75	44.35
	<b>83.75</b>	<b>44.35</b>

### 12. Deferred Tax Liability/(Asset)

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Measurement of financial instruments at fair value	(91.54)	(56.77)
Impairment of financial instruments	(20.10)	(17.19)
Difference between books and tax written down value (WDV) of Property, plant and equipment	(0.26)	(0.32)
Others (43B, 35D, etc. allowances under Income Tax Act, 1961)	(1.52)	(9.36)
<b>Total</b>	<b>(113.42)</b>	<b>(83.64)</b>

#### 12.1 Deferred tax recorded in the balance sheet and changes recorded in the income tax expenses:

##### For the year ended March 31, 2024

Particulars	(₹ in crore)			
	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in OCI	Closing balance
Measurement of financial instruments at fair value	(56.77)	(34.77)	-	(91.54)
Impairment of financial instruments	(17.19)	(2.91)	-	(20.10)
Difference between books and tax written down value (WDV) of Property, plant and equipment	(0.32)	0.06	-	(0.26)
Others (43B, 35D, etc. allowances under Income Tax Act, 1961)	(9.36)	7.92	(0.08)	(1.52)
<b>Total DTL/(DTA)</b>	<b>(83.64)</b>	<b>(29.70)</b>	<b>(0.08)</b>	<b>(113.42)</b>

**For the year ended March 31, 2023**

(₹ in crore)

Particulars	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in OCI	Closing balance
Measurement of financial instruments at fair value	(17.20)	(39.57)	-	(56.77)
Impairment of financial instruments	(14.04)	(3.15)	-	(17.19)
Difference between books and tax written down value (WDV) of Property, plant and equipment	(0.36)	0.04	-	(0.32)
Others (43B, 35D, etc. allowances under Income Tax Act, 1961)	(2.26)	(7.05)	(0.05)	(9.36)
<b>Total DTL/(DTA)</b>	<b>(33.86)</b>	<b>(49.73)</b>	<b>(0.05)</b>	<b>(83.64)</b>

**13. Property, Plant and Equipment and Intangible assets****As at March 31, 2024****Property, Plant and Equipment**

(₹ in crore)

Particulars	Gross Block				Accumulated depreciation			Net Block	
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at March 31, 2024
<b>Owned Assets</b>									
Freehold land	0.03	-	-	0.03	-	-	-	-	0.03
Furniture and Fixtures	0.02	-	(0.01)	0.01	0.02	#	(0.01)	0.01	#
Office Equipments	0.11	-	(0.03)	0.08	0.10	#	(0.03)	0.07	0.01
Computers	0.72	0.36	(0.01)	1.07	0.60	0.07	(0.01)	0.66	0.41
Leasehold improvements	1.84	-	(0.13)	1.71	1.53	0.08	(0.13)	1.48	0.23
<b>Leased Assets</b>									
Office Premises (Right of use assets - refer note 37)	22.60	0.04	(0.31)	22.33	9.56	2.34	(0.22)	11.68	10.65
Motor Vehicles (refer note 13.1)	0.28	-	(0.28)	-	0.27	0.01	(0.28)	-	-
<b>Total</b>	<b>25.60</b>	<b>0.40</b>	<b>(0.77)</b>	<b>25.23</b>	<b>12.08</b>	<b>2.50</b>	<b>(0.68)</b>	<b>13.90</b>	<b>11.33</b>

# Denote amount below ₹50,000

**Intangible Assets**

(₹ in crore)

Particulars	Gross Block				Accumulated amortisation			Net Block	
	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at April 1, 2023	Additions	Deductions	As at March 31, 2024	As at March 31, 2024
Software (refer note 13.2)	0.44	0.15	-	0.59	0.41	0.03	-	0.44	0.15
<b>Total</b>	<b>0.44</b>	<b>0.15</b>	<b>-</b>	<b>0.59</b>	<b>0.41</b>	<b>0.03</b>	<b>-</b>	<b>0.44</b>	<b>0.15</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### As at March 31, 2023

#### Property, Plant and Equipment

(₹ in crore)

Particulars	Gross Block				Accumulated depreciation				Net Block
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at March 31, 2023
<b>Owned Assets:</b>									
Freehold land	0.03	-	-	0.03	-	-	-	-	0.03
Furniture and Fixtures	0.02	-	-	0.02	0.02	#	-	0.02	#
Office Equipments	0.11	-	-	0.11	0.10	#	-	0.10	0.01
Computers	0.60	0.13	(0.01)	0.72	0.57	0.04	(0.01)	0.60	0.12
Leasehold improvements	1.84	-	-	1.84	1.44	0.09	-	1.53	0.31
<b>Leased Assets</b>									
Office Premises (Right of use assets - refer note 37)	24.81	0.19	(2.40)	22.60	7.89	2.51	(0.84)	9.56	13.04
Motor Vehicles (refer note 13.1)	0.28	-	-	0.28	0.22	0.05	-	0.27	0.01
<b>Total</b>	<b>27.69</b>	<b>0.32</b>	<b>(2.41)</b>	<b>25.60</b>	<b>10.24</b>	<b>2.69</b>	<b>(0.85)</b>	<b>12.08</b>	<b>13.52</b>

# Denote amount below ₹50,000

#### Intangible Assets

(₹ in crore)

Particulars	Gross Block				Accumulated amortisation				Net Block
	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at April 01, 2022	Additions	Deductions	As at March 31, 2023	As at March 31, 2023
Software (refer note 13.2)	0.44	-	-	0.44	0.39	0.02	-	0.41	0.03
<b>Total</b>	<b>0.44</b>	<b>-</b>	<b>-</b>	<b>0.44</b>	<b>0.39</b>	<b>0.02</b>	<b>-</b>	<b>0.41</b>	<b>0.03</b>

#### Note :

13.1 Vendor have a lien over assets taken on lease.

13.2 The intangible assets are other than internally generated.

#### 14. Other non-financial Assets

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Prepaid expenses	0.79	1.54
Balances with GST/Service Tax / VAT Authorities etc.	0.45	0.56
Other non-financial Assets	0.09	0.16
<b>Total</b>	<b>1.33</b>	<b>2.26</b>

#### 15. Trade Payable

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Total outstanding dues of micro enterprises and small enterprises (refer note 15.1)	0.14	0.23
Total outstanding dues of creditors other than micro enterprises and small enterprises	4.69	2.54
<b>Total</b>	<b>4.83</b>	<b>2.77</b>

**15.1 Dues payable to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act 2006:**

(₹ in crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year.	0.14	0.23
(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 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.	-	-
<b>Total</b>	<b>0.14</b>	<b>0.23</b>

Dues to Small and medium Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**15.2 Trade payable ageing schedule :**

(₹ in crore)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	
<b>For the year 2023-24</b>					
(i) MSME - Undisputed	0.14	-	-	-	0.14
(ii) Others - Undisputed	4.69	-	-	-	4.69
<b>Total</b>	<b>4.83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.83</b>
<b>For the year 2022-23</b>					
(i) MSME - Undisputed	0.23	-	-	-	0.23
(ii) Others - Undisputed	2.54	-	-	-	2.54
<b>Total</b>	<b>2.77</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.77</b>

**16. Debt Securities (Within India)**

(₹ in crore)

Particulars	As at	
	March 31, 2024	March 31, 2023
<b>At amortised cost</b>		
<b>Secured</b>		
Non Convertible Debentures (refer note 16.1, 16.2, 16.3 and 49.1)	1,588.11	1,637.50
Add: Premium/ interest accrued	109.79	72.30
<b>Total Secured</b>	<b>1,697.90</b>	<b>1,709.80</b>
<b>Unsecured</b>		
Optionally Convertible Debentures (refer note 16.4)	200.00	-
<b>Total Unsecured</b>	<b>200.00</b>	<b>-</b>
<b>Total</b>	<b>1,897.90</b>	<b>1,709.80</b>

16.1 Non-convertible Debentures secured by way of hypothecation and/ or pledge of certain identified security receipt and/ or priority loans.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 16.2 Maturity profile and rate of interest of NCDs:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
8% Tranche XXXII redeemable in the year 2023-24 <sup>@</sup>	-	75.00
8.5% Tranche XXXIII redeemable in the year 2023-24 <sup>@</sup>	-	50.00
8% Tranche XXXIV redeemable in the year 2023-24 <sup>@</sup>	-	55.00
8.25% Tranche XXXV redeemable in the year 2024-25 <sup>@</sup>	70.00	70.00
8.50% Tranche XXXVI redeemable in the year 2024-25 <sup>@</sup>	100.00	100.00
9% Tranche XXXVII redeemable in the year 2024-25 <sup>@</sup>	150.00	150.00
9% Tranche XXXVIII redeemable in the year 2024-25 <sup>@</sup>	30.00	30.00
9.25% Tranche XXXIX redeemable in the year 2024-25 <sup>@</sup>	125.00	125.00
9.60% Tranche A (Series I) redeemable in the year 2024-25	75.00	75.00
9.60% Tranche A (Series II) redeemable in the year 2024-25	50.00	50.00
9.60% Tranche A (Series III) redeemable in the year 2025-26	75.00	75.00
9.60% Tranche A (Series IV) redeemable in the year 2025-26	50.00	50.00
10.21% Tranche B redeemable in the year 2024-25	400.00	400.00
10.20% Tranche C (Series I) redeemable in the year 2025-26	175.00	175.00
10.20% Tranche C (Series II) redeemable in the year 2025-26	175.00	175.00
9% Tranche D redeemable in the year 2026-27	30.00	-
10.20% Tranche E redeemable in the year 2026-27	50.00	-
10.21% Tranche F redeemable in the year 2025-26	50.00	-
<b>Total</b>	<b>1,605.00</b>	<b>1,655.00</b>

<sup>@</sup> The interest is linked to IGB 6.10 and 6.54 Government Securities of 10 years.

<sup>^</sup> redeemed during the period ended March 31, 2024.

Maturity profile above is disclosed at face value which excludes cumulative premium amounting to ₹ 0.20 crore (As at March 31, 2023 : ₹ 1.04 crore), cumulative discount of ₹ Nil (As at March 31, 2023 : ₹ 0.57 crore) and cumulative impact of effective interest rate adjustment amounting to ₹ 17.09 crore (As at March 31, 2023 : ₹ 17.97 crore).

16.3 The company has utilized money obtained by way of Non-convertible debentures during the year for the purpose for which they were obtained.

16.4 The company has issued 20,00,000, unlisted, unrated and unsecured Optionally Convertible Debentures (OCD) having face value of ₹ 1,000 each on March 4, 2024 to its shareholder JM Financial Credit Solution Limited. Conversion of said OCD shall be any time at option of the Company (Issuer of OCD). OCD shall be redeemable at any time and redemption shall be mutually decided by Issuer of OCD and Holder of OCD (JM Financial Credit Solution Limited). The company has recognised the OCD as liability in financial statement considering the ability to repay at any time within whole life of said instrument.

### 16.5 Additional disclosure pursuant to Ind AS 7 (Debt Securities Movement during the year)

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	1,709.80	785.91
Cash flows	16.38	833.77
Non cash changes*	171.72	90.12
<b>Closing balance</b>	<b>1,897.90</b>	<b>1,709.80</b>

\*Non cash changes includes interest on debt securities

**17. Borrowings (other than debt securities)**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>At amortized cost</b>		
<b>Secured:</b>		
Term loans from (Refer note 17.1,17.2 and 17.5)		
a) Banks	151.22	192.45
b) Others	36.02	198.81
Add: Interest accrued	0.09	0.29
	<b>187.33</b>	<b>391.55</b>
Other loans from banks as (Refer note 17.3)		
(a) Working Capital Demand Loans	102.60	45.00
(b) Cash credit facilities	57.82	50.15
Add: Interest accrued	0.06	-
	<b>160.48</b>	<b>95.15</b>
<b>Unsecured:</b>		
Inter corporate deposits (Refer Note 17.4)		
(a) From related party (Refer Note 40)	257.00	265.00
(b) From others	302.00	592.86
Add: Interest accrued but not due	15.05	63.57
	<b>574.05</b>	<b>921.43</b>
<b>Total</b>	<b>921.86</b>	<b>1,408.13</b>

17.1 Term loans are secured by way of pledge of certain identified security receipts.

17.2 Maturity profile and rate of interest of term loans:

(₹ in crore)

Residual Maturities	Interest range from			
	8% to 9%	9% to 10%	10% to 11%	12% to 13%
<b>As at March 31, 2024:</b>				
Up to one year (April- 24 to March- 25)	-	5.00	100.82	-
Up to 1-3 years (April- 25 to March- 27)	-	-	81.42	-
3 years and above (April- 27 onwards)	-	-	-	-
<b>Total</b>	<b>-</b>	<b>5.00</b>	<b>182.24</b>	<b>-</b>
<b>As at March 31, 2023:</b>				
Up to one year (April- 23 to March- 24)	-	80.78	181.36	-
Up to 1-3 years (April- 24 to March- 26)	-	76.99	48.61	-
3 years and above (April- 26 onwards)	-	3.52	-	-
<b>Total</b>	<b>-</b>	<b>161.29</b>	<b>229.97</b>	<b>-</b>

**Note:**

- Maturity profile shown excluding effective interest rate impact amounting to ₹ 0.09 crore (As at March 31, 2023: ₹ 0.29 crore).
- The rate of interest of above term loans are linked with MCLR, Repo rate and T-Bill of banks and subject to change from time to time. Classification of term loans based on interest rates has been done on interest rate prevalent as on the relevant reporting period ends.

**17.3** Other loans from banks in the nature of working capital and cash credit facilities are secured by way of pledge of certain identified security receipts.

**17.4** Inter corporate deposits taken from related party are repayable on call and taken from others are for 22-344 day (previous year : 30 -710 days).

**17.5** The company has utilized money obtained by way of Term loans during the year for the purpose for which they were obtained.

## Notes

forming part of the Standalone Financial Statements (Contd.)

**17.6** The monthly asset cover statement submitted by the company with banks / financial institutions from which borrowing is obtained on the basis of security of investment in security receipts are in agreement with the books of account.

**17.7** All borrowings are made within India.

**17.8** Additional disclosure pursuant to Ind AS 7 (Borrowing Movement during the year)

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	1,408.13	1,537.40
Cash flows	(598.27)	(277.78)
Non cash changes*	112.00	148.51
<b>Closing balance</b>	<b>921.86</b>	<b>1,408.13</b>

\*Non cash changes includes interest on borrowings

### 18. Lease liabilities

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
On Office premises (Refer note 37)	14.02	16.07
On Motor Vehicle (Refer note 18.1 and 37)	-	0.01
	<b>14.02</b>	<b>16.08</b>

18.1 Finance lease obligations are secured by way of hypothecation of vehicles.

18.2 Additional disclosure pursuant to Ind AS 7 (Lease liability Movement during the year)

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	16.08	19.49
Cash flows	(3.28)	(3.49)
Non cash changes*	1.22	0.08
<b>Closing balance</b>	<b>14.02</b>	<b>16.08</b>

\*Non cash changes includes interest on lease and effect of lease modification

### 19. Other financial liabilities

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Employee Benefits payable	5.90	5.46
Amount collected on behalf of trust	73.96	10.24
Provision for CSR Expenditure (Refer note 36)	2.94	6.20
<b>Total</b>	<b>82.80</b>	<b>21.90</b>

### 20. Provisions

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Provision for Gratuity (Refer note 38)	1.50	1.44
Provision for compensated absence (Refer note 38)	0.25	0.65
<b>Total</b>	<b>1.75</b>	<b>2.09</b>





## 21. Other non-financial liabilities

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Dues	12.20	16.93
Others	0.77	0.27
<b>Total</b>	<b>12.97</b>	<b>17.20</b>

## 22. Equity share capital

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Authorised</b>		
1,85,00,00,000 (Previous year: 1,85,00,00,000) equity shares of ₹ 10/- each	1,850.00	1,850.00
15,00,00,000 (Previous year: 15,00,00,000) redeemable preference shares of ₹ 10/- each	150.00	150.00
	<b>2,000.00</b>	<b>2,000.00</b>
<b>Issued, Subscribed and Paid-up</b>		
39,83,25,537 (Previous year: 39,83,25,537) equity shares of ₹ 10/- each fully paid-up	398.33	398.33
<b>Total</b>	<b>398.33</b>	<b>398.33</b>

### 22.1 Terms and rights

The Company has only one class of issued shares referred to as equity shares having a face value of ₹ 10 each. Each holder of equity shares is entitled to one vote per share.

The preference shares (not issued), forming part of Authorized Share Capital, have a face value of ₹ 10 each. Each holder of such preference shares would be entitled to one vote per share on resolutions placed which directly affects the rights of such preference shares.

### 22.2 Reconciliation of number of shares

Particulars	Number of equity shares	
	As at March 31, 2024	As at March 31, 2023
Shares outstanding at the beginning of the year	39,83,25,537	34,46,42,857
Shares issued during the year	-	5,36,82,680
<b>Shares outstanding at the end of the year</b>	<b>39,83,25,537</b>	<b>39,83,25,537</b>

### 22.3 Details of shareholding more than 5%

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares:</b>				
JM Financial Limited	21,35,65,599	53.62%	21,35,65,599	53.62%
JM Financial Credit Solutions Limited	3,97,92,720	9.99%	3,97,92,720	9.99%
Mr. Narotam S Sekhsaria	5,68,66,072	14.28%	5,68,66,072	14.28%
Indian Overseas Bank	2,10,00,000	5.27%	2,10,00,000	5.27%
Valiant Mauritius Partners FDI Ltd	3,35,50,551	8.42%	3,35,50,551	8.42%

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 22.4 Details of shareholding of promoters

S. No.	Promoter Name	No. of Shares	Percentage of total shares	Percentage of change during the year
1	JM Financial Limited	21,35,65,599	53.62%	-

### 23. Other Equity

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Securities premium reserve	283.18	283.18
Retained earnings	(339.34)	719.80
Impairment reserve (Refer note 47(e))	243.73	127.19
Employee Stock option outstanding (refer note 23.1(d))	6.44	4.59
<b>Total</b>	<b>194.01</b>	<b>1,134.76</b>

Refer Statement of Changes in Equity for movement in each reserve and surplus.

#### 23.1 Nature of each reserves:

- Securities premium reserve represents premium received on equity shares issued which can be used on accordance with the provisions of the Companies Act, 2013 for specified purposes.
- Retained earnings are the profits that the company has earned till date less any transfers to general reserve, statutory reserve, impairment reserve, dividends or other distributions to the shareholders.
- Impairment reserve represent reserve created as per 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 on Implementation of Indian Accounting Standards. The balance in the 'Impairment Reserve' shall not be reckoned for regulatory capital. Further, no withdrawals are permitted from this reserve without prior permission from the Department of Supervision, RBI.
- Stock options outstanding account (net of deferred stock option expenses) relates to the stock options granted by the Company to its employees under Employee Stock Option Plan (Refer note 45)

### 24. Interest Income

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
On loans (at amortised cost)	71.26	56.20
On financial instruments (at FVTPL)	-	6.99
On others (at FVTPL)	21.82	2.81
<b>Total</b>	<b>93.08</b>	<b>66.00</b>

### 25. Fees and incentives

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Management fees	245.67	150.62
Recovery Incentives Fees	19.62	16.08
<b>Total</b>	<b>265.29</b>	<b>166.70</b>



## 26. Other Income

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest on Fixed Deposit	0.42	1.42
Other interest income	0.12	0.12
Gain on lease modification	0.03	0.43
Net gain on disposal of property, plant and equipment	0.01	-
Miscellaneous income	#	0.03
<b>Total</b>	<b>0.58</b>	<b>2.00</b>

## 27. Finance Cost

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>At Amortised cost:</b>		
Interest on Debt Securities	171.72	90.12
Interest on Borrowings (Other than Debt Securities)	112.00	143.17
Others	9.27	7.00
<b>Total</b>	<b>292.99</b>	<b>240.29</b>

27.1 Above interest on debt securities includes interest on compulsory convertible debentures of ₹ Nil (Previous year : ₹ 1.13 crore).

27.2 Interest on others includes interest on lease obligations of ₹ 1.30 crore (Previous year : ₹ 1.66 crore).

## 28. Net loss on fair value changes

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
On financial instruments designated at FVTPL		
Security Receipts	103.15	148.29
Equity instruments	(4.18)	2.55
Gain on mutual fund	#	(1.11)
<b>Total</b>	<b>98.97</b>	<b>149.73</b>

### 28.1 Net loss/(gain) on fair value changes:

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Realised gain	(106.84)	(19.42)
Unrealised Loss	205.81	169.15
<b>Total</b>	<b>98.97</b>	<b>149.73</b>

## 29. Impairment of Financial Instruments

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>At amortised cost:</b>		
Loans	0.80	(0.56)
Trade receivable	5.66	14.95
Financial assets	5.09	(1.88)
<b>Total</b>	<b>11.55</b>	<b>12.51</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 30. Employee Benefits Expense

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, bonus, other allowances and benefits	18.58	17.19
Contribution to provident and other funds (Refer note 38)	0.88	0.81
Gratuity (refer note 38)	0.22	0.24
Share Based Payments to employees (refer note 45)	1.91	2.12
Staff welfare expenses	0.03	0.01
<b>Total</b>	<b>21.62</b>	<b>20.37</b>

### 31. Other Expenses

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Rates & Taxes	0.34	0.60
Travelling Expenses	0.06	0.12
Repairs and Maintenance	0.04	0.06
Lease rental	0.14	0.14
Audit Expenses (refer note 31.1)	0.14	0.13
Support service charges	6.00	5.45
Insurance Expenses	0.28	0.22
Professional Fees	3.93	1.32
Director's commission & sitting fees	0.67	0.24
Electricity Expenses	0.19	0.19
Demat Charges	0.04	0.17
Conveyance Expense	0.02	0.03
Car Hire Charges	#	#
Manpower Expenses	0.04	0.06
Communication expenses	0.03	0.03
Membership and Subscription	0.09	0.09
Printing and stationery	0.08	0.06
Information Technology Expenses	0.18	0.10
Donation	0.25	0.25
Corporate social responsibility (refer note 36)	2.83	4.17
Other Expenses	0.27	0.33
<b>Total</b>	<b>15.62</b>	<b>13.76</b>

# denotes amount below ₹ 50,000

#### 31.1 Auditors' remuneration (Excluding goods and service tax):

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit fees	0.08	0.08
In any other manner (Certifications, limited reviews, etc.)	0.05	0.04
Out of pocket	0.01	0.01
	<b>0.14</b>	<b>0.13</b>



### 32. Exceptional items

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Security receipts	767.87	-
Loans	70.35	-
Equity instruments	8.64	-
	<b>846.86</b>	<b>-</b>

During the financial year 2023-24, the Company has recognised impairment loss/expected credit loss aggregating ₹ 846.86 crore (excluding tax) on fair valuation of investments in multiple trusts and loans related to one large account/exposure due to a change in resolution strategy/plan and events subsequent to the balance sheet date. The recognition of such impairment loss/ expected credit loss has happened in the normal course of asset reconstruction business of the Company. However, considering other impacts of the same on the financial statements and its materiality, the same has been treated as an Exceptional Item in the Statement of Profit and Loss Account.

### 33. Income tax

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	40.95	-
Deferred tax	(29.70)	(49.74)
<b>Total income tax expenses recognised in the current year</b>	<b>11.25</b>	<b>(49.74)</b>
Income tax expense recognised in other comprehensive income	(0.08)	(0.05)
<b>Total income tax expenses</b>	<b>11.17</b>	<b>(49.79)</b>

#### 33.1 Reconciliation of total tax charge

(₹ in crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit/ (loss) for the year	(931.19)	(204.67)
Income tax rate	25.17%	25.17%
Income tax expense	(234.39)	(51.50)
<b>Tax Effect of:</b>		
Effect of non-deductible expenses	0.78	1.11
Effect of unrecognised deferred tax assets (net)*	250.63	0.64
Deferred tax on Re-measurement of employee defined benefit obligation	(0.08)	(0.05)
Effect of deferred tax on unrecognised tax losses	(5.77)	-
<b>Income tax expense recognised in profit and loss</b>	<b>11.17</b>	<b>(49.79)</b>

\*Includes unrecognised deferred tax for the financial year 2023-24 assets in respect of deductible temporary differences of ₹ 991.32 (including exceptional items) pertaining to impairment Loss/expected credit Loss on fair valuation of investments in multiple trusts and loans due to a change in resolution strategy/plan and events subsequent to the balance sheet date. It is not probable of future taxable profit will be available against which the Group can use the benefits therefrom.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### 34. Earning Per Share :

Earnings per share is calculated by dividing the profit attributed to equity shareholders by the weighted average number of equity shares outstanding during the year as under:

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Profit/(Loss) for the year attributable to equity shareholders - Basic EPS (₹ in crore.)	(942.44)	(154.93)
b) Profit/(Loss) for the year attributable to equity shareholders - Diluted EPS (₹ in crore)	(942.44)	(154.93)
c) Weighted average number of equity shares outstanding during the year for calculating basic earning per share (Nos.)	39,83,25,537	39,83,25,537
d) Add : Effect of stock option scheme (Nos.)*	-	2,78,566
e) Weighted average number of equity shares outstanding during the year for calculating diluted earning per share (Nos.)	39,83,25,537	39,86,04,103
Basic earnings per share (₹) (a/c)	(23.66)	(3.89)
Dilutive earning per share (₹) (b/e)	(23.66)	(3.89)
Nominal value per share (₹)	10	10

\* Includes shares issued under ESOS are anti-dilutive and therefore considered as Nil.

### 35. Segment Reporting

The company operates in a segment of distressed credit business and all other activities are incidental to its main business activities as per requirement of Ind AS- 108 on Operating Segment. The reportable business segment is in line with the segment wise information which is being presented to the Chief Operating Decision Maker.

The Company has one geographical segment identified based on its location of customers which is within India.

### 36. Corporate Social Responsibility

Details of expenses towards corporate social responsibility as per section 135 of the Act, 2013 read with schedule VII there to:

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
a) Gross amount required to be spent by the company during the year	2.83	4.17
b) Amount spent	0.63	0.43
Amount provided for on-going projects	2.20	3.74
<b>Total</b>	<b>2.83</b>	<b>4.17</b>
c) Short fall at the end of the year	-	-
d) Total Previous years shortfall	-	-
e) Reason for shortfall	-	-
f) Amount contributed to a trust controlled by the Group	-	-
g) Nature of CSR Activities		
(i) Construction / acquisition of any asset	-	-
(ii) On purposes other than (i) above	2.83	4.17
<b>Total</b>	<b>2.83</b>	<b>4.17</b>

**Details of unspent obligations**

In case of section 135(5) of the Companies Act, 2013 (on-going projects)

(₹ in crore)

Opening balance as on April 1, 2023		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2024	
With Company	In separate CSR Unspent account		From Company's bank account	From separate CSR unspent account	With Company	In separate CSR Unspent account
3.74	2.46	2.83	0.63	5.46	2.20	0.74

(₹ in crore)

Opening balance as on April 1, 2022		Amount required to be spent during the year	Amount spent during the year		Closing balance as on March 31, 2023	
With Company	In separate CSR Unspent account		From Company's bank account	From separate CSR unspent account	With Company	In separate CSR Unspent account
3.24	2.55	4.17	0.43	3.33	3.74	2.46

**37. Leasing**

Following are the changes in the carrying value of the leased assets for the year ended March 31, 2024 :

(₹ in crore)

Category of leased asset	Gross Block				Accumulated Depreciation				Net block
	As at April 1, 2023	Additions	Deletions	As at March 31, 2024	As at April 1, 2023	Additions	Deletions	As at March 31, 2024	As at March 31, 2024
Office Premises*	22.60	0.04	(0.31)	22.33	9.56	2.34	(0.22)	11.68	10.65
Motor Vehicle	0.28	-	(0.28)	-	0.27	0.01	(0.28)	-	-

\* addition and deletion is as result of lease modification - decrease in lease area and rent

Following are the changes in the carrying value of the leased assets for the year ended March 31, 2023 :

(₹ in crore)

Category of leased asset	Gross Block				Accumulated Depreciation				Net block
	As at April 1, 2022	Additions	Deletions	As at March 31, 2023	As at April 1, 2022	Additions	Deletions	As at March 31, 2023	As at March 31, 2023
Office Premises*	24.81	0.19	(2.40)	22.60	7.89	2.51	(0.84)	9.56	13.04
Motor Vehicle	0.28	-	-	0.28	0.22	0.05	-	0.27	0.01

\* addition and deletion is as result of lease modification - decrease in lease area and rent

**The following is the movement in lease liabilities during the year ended March 31, 2024 and March 31, 2023:****On Office Premises:**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	16.07	19.42
Lease Modification	(0.08)	(1.60)
Finance cost during the year	1.30	1.61
Payment of lease liabilities	(3.27)	(3.36)
<b>Closing balance</b>	<b>14.02</b>	<b>16.07</b>



## Notes

forming part of the Standalone Financial Statements (Contd.)

### On Motor Vehicle

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening balance	0.01	0.07
Additions during the year	-	0.02
Finance cost during the year	#	0.05
Payment of lease liabilities	(0.01)	(0.13)
<b>Closing balance</b>	<b>-</b>	<b>0.01</b>

Table showing contractual maturities of lease liabilities as at March 31, 2024 and March 31, 2023 on an undiscounted basis:

### On Office Premises:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Not later than one year	3.42	3.33
Later than one year and not later than five years	13.96	13.85
Later than five years	-	3.47

### On Motor Vehicle

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Not later than one year	-	0.01
<b>Total</b>	<b>-</b>	<b>0.01</b>

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.

## 38. Employee Benefits

### a) Defined contribution plans

The Company operates defined contribution plan (Provident fund) for all qualifying employees. The employees of the Company are members of a retirement contribution plan operated by the government. The Company is required to contribute a specified percentage of payroll cost to the retirement contribution scheme to fund the benefits. The only obligation of the Company with respect to the plan is to make the specified contributions.

The Company's contribution to Provident Fund aggregating ₹ 0.69 crore (Previous year ₹ 0.66 crore) has been recognized in the Statement of Profit and Loss under the head Employee Benefits Expense.

### b) Defined benefit obligation

The Company's liabilities under the Payment of Gratuity Act, 1972 are determined on the basis of independent 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.

**The principal assumptions used for the purposes of the actuarial valuations:**

Particulars	As at March 31, 2024	As at March 31, 2023
Discount rate	7.15%	7.45%
Expected rate of salary increase	7.00%	7.00%
Mortality rate	Indian Assured Lives Mortality (2012-14) Ult table.	Indian Assured Lives Mortality (2012-14) Ult table.

**Amount recognized in statement of profit and loss in respect of these defined benefit obligation**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	(₹ in crore)	
Current service cost	0.12	0.15
Past service cost	-	-
Net interest cost	0.10	0.09
<b>Components of defined benefits costs recognised in profit or loss.</b>	<b>0.22</b>	<b>0.24</b>
Remeasurements on the net defined benefit liability :		
- Return on plan assets, excl. amount included in interest exp. (income)	-	-
- Actuarial (gain)/loss from change in demographic assumptions	0.13	-
- Actuarial (gain)/loss from change in financial assumptions	0.03	(0.03)
- Actuarial (gain)/loss from change in experience adjustments	0.14	0.23
<b>Total amount recognised in OCI</b>	<b>0.30</b>	<b>0.20</b>
<b>Total</b>	<b>0.52</b>	<b>0.44</b>

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.

**The amount included in the balance sheet arising from Company's obligation in respect of its defined benefit plan is as follows:**

Particulars	As at March 31, 2024	As at March 31, 2023
	(₹ in crore)	
Present value of funded defined benefit obligation	1.50	1.44
Fair value of plan assets	-	-
<b>Net asset arising from defined benefit obligation</b>	<b>1.50</b>	<b>1.44</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### Movement in the present value of the defined benefit obligation are as follows:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	1.44	1.37
Current service cost	0.12	0.15
Interest cost	0.10	0.09
Past service cost	-	-
Remeasurements (gains)/losses:		
- Actuarial (gain)/loss from change in demographic assumptions	0.13	-
- Actuarial (gain)/loss from change in financial assumptions	0.03	(0.03)
- Actuarial (gain)/loss from change in experience adjustments	0.14	0.23
Benefits paid	(0.46)	(0.36)
Liabilities extinguished on settlements	-	(0.01)
<b>Closing defined benefit obligation</b>	<b>1.50</b>	<b>1.44</b>

### A reconciliation of the plan assets during the inter-valuation period is given below

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Opening balance of fair value of plan assets</b>	-	-
Employer contribution	0.46	0.36
Interest on plan assets	-	-
Administrative Expenses	-	-
<b>Remeasurement due to :</b>		
Actual return on plan assets less interest on plan assets	-	-
Benefit paid	(0.46)	(0.36)
Asset acquired/(settled) on account of business combination or inter group transfer	-	-
Asset distributed on settlements	-	-
<b>Closing balance of fair value of plan assets</b>	<b>-</b>	<b>-</b>

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase, attrition rate 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 is as follows:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation (base)	1.50	1.44

Particulars	As at March 31, 2024		As at March 31, 2023	
	Discount Rate	Salary Escalation Rate	Discount Rate	Salary Escalation Rate
Defined benefit obligation on increase in 50 bps	1.46	1.53	1.38	1.48
Impact of increase in 50 bps on DBO	(2.93%)	2.13%	(4.00%)	2.84%
Defined benefit obligation on decrease in 50 bps	1.55	1.47	1.50	1.40
Impact of decrease in 50 bps on DBO	3.09%	(2.09%)	4.35%	(2.74%)

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 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 recognized in the balance sheet.

Projected benefits payable:

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Expected benefits for year 1	0.20	0.26
Expected benefits for year 2	0.19	0.25
Expected benefits for year 3	0.18	0.06
Expected benefits for year 4	0.32	0.05
Expected benefits for year 5	0.14	0.26
Expected benefits for year 6	0.22	0.05
Expected benefits for year 7	0.13	0.21
Expected benefits for year 8	0.10	0.07
Expected benefits for year 9	0.10	0.04
Expected benefits for year 10 and above	0.97	2.16

### Compensated absences

As per Company's policy, provision of ₹ 0.25 crore (Previous year ₹ 0.65 crore) has been made towards compensated absences, determined on the basis of independent actuarial valuation made at the end of each financial year using the projected unit credit method. (Previous year : calculated on the basis of unutilized leave as on the last day of the financial year)

### c) Code on Social Security, 2020

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.

## 39. Foreign Currency Exposure and Un-hedged Foreign Currency Exposure

Sr. No.	Particulars	Amount in foreign Currency (Equivl. To USD in Million)	Amount in INR (₹ in crore)
<b>I.</b>	<b>Details of Foreign Currency Exposure</b>		
	(A) Receivables	NIL	NIL
	(i) Export of goods		
	(ii) Services Rendered / Other Income		
	(B) Payables	NIL	NIL
	(i) Import of Goods		
	(ii) Services utilised / Other Expenses		
	(C) Non-Trade Items	NIL	NIL
	(i) Foreign Currency Loans (ECBs, FCTLs, etc.)		
	(a) Principal Payments		
	(b) Interest		
	(ii) Foreign Currency Investments		
	<b>Total Foreign Currency Exposure</b>	<b>NIL</b>	<b>NIL</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

Sr. No.	Particulars	Amount in foreign Currency (Equivl. To USD in Million)	Amount in INR (₹ in crore)
<b>II</b>	<b>Details of Hedgings</b>		
	(A) Natural Hedges	NIL	NIL
	(B) Financial Hedges	NIL	NIL
	(i) Forward Contracts Booked:		
	(a) For Export and other Receivables		
	(b) For Import and other Payables		
	(ii) Swaps		
	(a) Principal amount Swaps		
	(b) Interest Rate Swaps		
	(iii) Other Financial Derivative Hedging Instruments		
	<b>Total Hedging of Foreign Currency Exposure</b>	<b>NIL</b>	<b>NIL</b>
<b>III.</b>	<b>Amount of Unhedged Foreign Currency Exposure</b>	NIL	NIL
<b>IV.</b>	<b>Realised / Recognised Amount of Foreign Currency Loss / Gain</b>	NIL	NIL
<b>V.</b>	<b>EBID</b>		(646.78)
<b>VI.</b>	<b>Total Banking Exposure of the company</b>		
	(i) Term Loans Exposure (Outstanding amounts + Undisbursed )		151.22
	(ii) Working Capital Exposure (Limit sanctioned & accepted)		171.00

### Note

- i) EBID is computed as per the definition contained in footnote 3 to paragraph 2 (c) of the RBI Circular No. RBI/ 2013-14/ 448 DBOD.No.BP.BC. 85 /21.06.200/2013-14 dated January 15, 2014 i.e. Profit After Tax + Depreciation + Interest on Debt + Lease Rentals, if any.
- ii) Total banking exposure of the company excludes sanction facilities against fixed deposits.

## 40. Disclosure of related party

### a) Name and relationship with related parties:

#### (i) Names of related parties and description of relationship where control exists

##### Holding company

JM Financial Limited

#### (ii) Names of related parties and description of relationship where transactions have taken place

##### (A) Holding company

JM Financial Limited

##### (B) Fellow Subsidiaries

JM Financial Institutional Securities Limited

JM Financial Products Limited

JM Financial Properties and Holdings Limited

JM Financial Home Loans Limited

JM Financial Services Limited

JM Financial Capital Limited (merged with JM Financial Services Limited w.e.f. May 18, 2023 - refer note 40(g))



JM Financial Credit Solutions Limited  
JM Financial Asset Management Limited  
Astute Investments  
CR Retail Malls (India) Limited

### (C) Key managerial personnel

#### Whole time director or Chief Executive Office

Mr. Srinivasan Viswanathan - Chief Executive Officer (appointed w.e.f. June 22, 2023)  
Mr. Anil Bhatia - Chief Executive Officer (ceased w.e.f. close of business hours of May 15, 2023)

#### Non-Executive Directors

Mr. V. P. Shetty  
Mr. Narotam Sekhsaria  
Mr. Pulkit Sekhsaria  
Mr. Adi Patel  
Mr. Vishal Kampani

#### Independent Directors

Ms. Rupa Vora  
Dr. Vijay Kelkar  
Mr. Ameet Desai  
Mr. Satish Chand Mathur  
Mr. Munesh Khanna

#### Key managerial personnel of Holding company

Mr. Nimesh Kampani (NNK)  
Mr. Vishal Kampani (VNK)  
Mr. Atul Mehra (ASM) (ceased to be related party of the Company with effect from March 28, 2024)  
Mr. Adi Patel (ARP)  
Ms. Jagi Mangat Panda (JMP)  
Mr. P S Jayakumar (PSJ)  
Ms. Roshini Bakshi (RHB)  
Mr. Navroz Udwardia (NDU)  
Mr. Pradip Kanakia (PMK)  
Mr. Sumit Bose (SB)

#### Close member of Key managerial personnel of Holding company

Mrs. Suvidha Mehra (ceased to be related party of the Company with effect from March 28, 2024)

## Notes

forming part of the Standalone Financial Statements (Contd.)

**(D) Entity controlled or jointly controlled or significantly influenced by key management personnel of a parent of the reporting entity**

J.M.Financial & Investment Consultancy Services Private Limited

**(E) All subsidiary trusts of the company**

Name of entity	Country of incorporation	Proportion of ownership interest and voting power held by the Company	
		As at March 31, 2024	As at March 31, 2023
<b>Subsidiary Trusts in India</b>		(%)	(%)
JMFARC - DB-ICICI Trust <sup>^</sup>	India	-	100%
JMFARC - DB SBI Trust <sup>^</sup>	India	-	100%
JMFARC - DB DCB Trust <sup>^</sup>	India	-	100%
JMFARC - Jord SUUTI Trust <sup>^</sup>	India	-	100%
JMFARC - Pasupati SASF Trust	India	100%	100%
JMFARC - Central Bank Tube Trust <sup>^</sup>	India	-	100%
JMFARC - UTI Tube Trust <sup>^</sup>	India	-	100%
JMFARC - SASF Tube Trust <sup>^</sup>	India	-	100%
JMFARC - UCO Bank March 2011 Trust	India	100%	100%
JMFARC - Corp Apparel 2013 Trust	India	100%	100%
JMFARC - Central India 2013 Trust	India	100%	100%
JMFARC - Dena Bank March 2014 Trust	India	100%	100%
JMFARC - Gelatine March 2014 Trust	India	100%	100%
JMFARC - ICICI Bank July 2014 Trust	India	100%	100%
JMFARC - Axis Bank Cement March 2015 Trust	India	100%	100%
JMFARC - ICICI Bank Cement June 2015 Trust	India	100%	100%
JMFARC - United Bank Cement Sept 2015 Trust	India	100%	100%
JMFARC - ICICI Geometric Trust	India	15%	15%
JMFARC - Axis Bank February 2016 Trust	India	100%	100%
JMFARC - OBC Cement March 2016 Trust	India	100%	100%
JMFARC - Axis Iris II March 2016 Trust	India	100%	100%
JMFARC - SBI Geometric October 2016 Trust	India	100%	100%
JMFARC - IRIS Cash 2016 Trust	India	100%	100%
JMFARC - Tata Capital December 2016 Trust	India	100%	100%
JMFARC - IDBI March 2017 Trust	India	100%	100%
JMFARC - BOB 2008 Trust	India	100%	100%
JMFARC - SME Retail 2011 Trust	India	100%	100%
JMFARC - IOB II March 2011 Trust	India	40%	50%
JMFARC - Corp I 2013 Trust	India	100%	100%
JMFARC - Corp II 2013 Trust	India	100%	100%
JMFARC - Retail June 2011 Trust	India	100%	100%
JMFARC - Retail Aug 2011 Trust	India	100%	100%
JMFARC - IRIS IIFL May 2017 Trust	India	100%	100%
JMFARC - ALHB Bank Textile June 2017 Trust	India	100%	100%
JMFARC - ALHB Bank June 2017 Trust	India	100%	100%
JMFARC - Federal Bank June 2017 Trust	India	100%	100%
JMFARC - IRIS Cash July 2017 Trust	India	100%	100%
JMFARC - Woods October 2017 Trust	India	100%	100%
JMFARC - Fabrics August 2018 I Trust	India	100%	100%
JMFARC - IRIS Cash March 2018 Trust	India	100%	100%
JMFARC - Metallics July 2018 Trust	India	100%	100%
JMFARC - Federal Bank March 2013 Trust	India	100%	100%
JMFARC - Fabrics March 2019 I Trust	India	100%	100%
JMFARC - Fabrics September 2018 I Trust	India	100%	100%





Name of entity	Country of incorporation	Proportion of ownership interest and voting power held by the Company	
		As at March 31, 2024	As at March 31, 2023
JMFARC - Fabrics September 2018 II Trust	India	100%	100%
JMFARC - PNB IRIS II September 2018 Trust	India	100%	100%
JMFARC - Fabrics June 2018 Trust	India	100%	100%
JMFARC - Fabrics June 2019 II Trust	India	100%	100%
JMFARC - Fabrics June 2019 III Trust	India	100%	100%
JMFARC - Fabrics December 2019 I Trust	India	100%	100%
JMFARC - March 2018 Trust	India	60%	60%
JMFARC - Fabrics September 2020 Trust	India	100%	100%
JMFARC - Fabrics November 2020 Trust	India	100%	100%
JMFARC - Metallics February 2018 Trust	India	92%	92%
JMFARC - Metallics November 2018 Trust	India	95%	95%
JMFARC - Metallics December 2018 Trust	India	94%	94%
JMFARC - KTK Metallics December 2018 Trust	India	94%	94%
JMFARC - Coated February 2021 Trust	India	89%	89%
Deccan 2021 Trust	India	100%	100%
Deccan June 2022 Trust	India	100%	100%
Textile 2022 Trust	India	100%	100%
Retail June 2022 Trust <sup>*</sup>	India	-	54%
Deccan January 2023 Trust	India	100%	100%
Real Estate May 2023 Trust <sup>®</sup>	India	59%	-
Deccan September 2023 Trust <sup>®</sup>	India	100%	-

<sup>®</sup> Trusts addition during the year

<sup>^</sup> Trusts closed during the financial year 2022-23

<sup>\*</sup> Subsidiary till July 31,2023

## b) Transactions with related parties :

Name of the Related Party	Nature of relationship	(₹ in crore)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
<b>JM Financial Limited (JMFL)</b>	(A)		
Inter Corporate Deposit taken		541.00	647.00
Inter Corporate Deposit paid		806.00	821.70
Interest on Inter Corporate Deposits		38.37	37.18
Rating Support Fees		7.28	4.89
Support Service Charges		3.00	2.50
Recovery of expenses		0.03	0.02
Reimbursement of Expenses		0.26	0.25
Interest on Compulsory Convertible Debenture		-	1.86
<b>JM Financial Properties and Holdings Limited (JMFPHL)</b>	(B)		
Space and other related cost		2.72	2.77
Security Deposit received		-	0.54
Reimbursement of Expenses		0.43	0.46
<b>JM Financial Home Loans Limited (JMFHL)</b>	(B)		
Reimbursement of Expenses		#	#
<b>JM Financial Products Limited (JMFPL)</b>	(B)		
Inter Corporate Deposit taken		257.00	200.00
Inter Corporate Deposit paid		-	200.00
Management Fees received		1.89	1.89
Interest on Inter Corporate Deposits paid		0.31	2.94

## Notes

forming part of the Standalone Financial Statements (Contd.)

Name of the Related Party	Nature of relationship	(₹ in crore)	
		For the year ended March 31, 2024	For the year ended March 31, 2023
Support Service Charges		2.50	2.50
Reimbursement of Expenses		0.03	0.03
<b>JM Financial Services Limited (JMFSL)</b>	(B)		
Market linked Non Convertible Debentures issued		-	320.00
Transfer of gratuity		-	0.01
Arranger fees paid		-	6.61
Brokerage paid		0.01	-
<b>JM Financial Credit Solutions Ltd (JMFCSL)</b>	(B)		
Issue of Optionally Convertible Debenture		200.00	-
Interest on Compulsory Convertible Debenture		-	7.91
Management Fees received		4.94	4.94
<b>JM Financial Asset Management Limited (JMFAMC)</b>	(B)		
Interest on Inter Corporate Deposits		-	0.13
Inter Corporate Deposit taken		-	20.00
Inter Corporate Deposit paid		-	20.00
<b>Subsidiary trusts - managed by the Company as trustee</b>	(E)		
<b>Management fees and incentives</b>			
Retail June 2022 - Trust*		3.70	0.50
JMFARC Coated February 2021 Trust		3.92	15.67
Real Estate May 2023 Trust		7.43	-
<b>Net gain/(loss) on fair value changes - Additional realization of assets over Net Asset Value (NAV)</b>			
JMFARC - Allahabad Bank June 2017 Trust		-	0.22
JMFARC - Allahabad Bank Textile June 2017 Trust		1.22	1.20
JMFARC - Federal Bank June 2017 Trust		24.27	4.48
JMFARC - Federal Bank March 2013 Trust		8.43	-
JMFARC - Axis Bank February 2016 Trust		-	0.79
JMFARC Coated February 2021 Trust		127.38	-
JMFARC-SME Retail 2011-Trust		0.25	-
JMFARC - Woods October 2017 Trust		0.26	-
<b>Interest Income</b>			
JMFARC Coated February 2021 Trust		0.30	-
Real Estate May 2023 Trust		0.17	-
Textile 2022 Trust		-	6.99
<b>Investment in security receipts</b>			
Deccan September 2023 Trust		107.27	-
Deccan June 2022 - Trust		-	20.00
Retail June 2022 - Trust*		37.75	154.50
Textile 2022 - Trust		-	142.82
Deccan January 2023 Trust		-	94.67
Real Estate May 2023 Trust		198.00	-
<b>Redemption of security receipts</b>			
Retail June 2022 - Trust*		80.90	50.98
Deccan June 2022 - Trust		-	16.97
Textile 2022 - Trust		-	3.01
JMFARC - ICICI Bank Cement June 2015 - Trust		-	2.29
JMFARC -United Bank Cement Sept 2015-Trust		-	3.52
JMFARC - Dena Bank March 2014-Trust		-	4.86
Real Estate May 2023 Trust		48.28	-
JMFARC Federal Bank June 2017 Trust		24.27	4.48
JMFARC Federal Bank March 2013 Trust		8.43	-



(₹ in crore)

Name of the Related Party	Nature of relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
JMFARC Coated February 2021 Trust		517.97	-
JMFARC - Woods October 2017 Trust		0.26	-
JMFARC Gelatine March 2014 Trust		-	2.62
JMFARC ALHB Bank Textile June 2017 Trust		1.22	1.20
Others		0.25	8.32
<b>Loans and advances given/(repaid) (net)</b>			
JMFARC Gelatine March 2014 Trust		0.39	0.06
JMFARC Fabrics August 2018 I Trust		0.56	0.65
JMFARC Central India 2013 Trust		0.10	0.30
JMFARC Corp I 2013 Trust		0.67	0.14
JMFARC Federal Bank March 2013 Trust		(0.40)	0.50
JMFARC Coated February 2021 Trust		(1.51)	0.50
Others		2.53	0.90
<b>Key Managerial Personnel</b>	(C)		
Remuneration (refer note (d))		2.94	1.67

### c) Closing balances

(₹ in crore)

Name of the Related Party	Nature of relationship	As at March 31, 2024	As at March 31, 2023
<b>Inter Corporate Deposit payable</b>			
JM Financial Limited (JMFL)	(A)	-	265.00
JM Financial Products Limited (JMFPL)	(B)	257.00	-
<b>Security Deposit Receivable</b>			
JM Financial Properties and Holdings Limited (JMFPHL)	(B)	2.21	2.21
<b>Market Linked Non-Convertible Debenture</b>			
JM Financial Services Ltd (JMFSL)	(B)	0.20	0.20
JM Financial Capital Ltd (JMFCL)	(B)	-	1.60
Dr.Vijay Kelkar	(C)	0.20	0.20
Mr. V P Shetty	(C)	-	2.00
Mrs. Suvridha Mehra	(C)	-	1.10
<b>Optionally Convertible Debenture</b>			
JM Financial Credit Solutions Ltd (JMFCSL)	(B)	200.00	-
<b>Trade Payable</b>			
JM Financial Limited (JMFL)	(A)	1.88	1.88
<b>Trade receivables/loans and advances(net)</b>			
JM Financial Products Limited (JMFPL)	(B)	-	0.03
<b>Subsidiaries trust</b>	(E)		
JMFARC Fabrics August 2018 I Trust		4.32	3.73
JMFARC Coated February 2021 Trust		(1.17)	32.75
Others		(2.94)	9.54
<b>Key Managerial Personnel</b>	(C)	1.45	0.20

# Denotes amount below ₹50,000/-

\* Subsidiary trust upto July 31, 2023

## Notes

forming part of the Standalone Financial Statements (Contd.)

### d) Remuneration to KMP were as follows

Particulars	(₹ in crore)	
	For the year ended March 31, 2024	For the year ended March 31, 2023
(a) Short term employee benefits	2.02	1.33
(b) Post employment benefits;	0.25	0.10
(c) Other benefits*	0.67	0.24
<b>Total</b>	<b>2.94</b>	<b>1.67</b>

\* Other benefits includes directors sitting fees and commissions.

- e) Remuneration excludes provision for gratuity and compensated absences as the incremental liability has been accounted for company as a whole.
- f) There are no provisions for doubtful debts/ advances or amounts written off or written back for debts due from/ due to related parties.
- g) Pursuant to the NCLT order approving the Scheme of Arrangement (the “Scheme”) on April 20, 2023 with the appointed date being April 1, 2023, JM Financial Capital Limited has been merged with JM Financial Services Limited.
- h) The transactions disclosed above are exclusive of GST.

### Note

The Company enters into transactions, arrangements and agreements involving directors, senior management and their business associates, or close family members, in the ordinary course of business under the same commercial and market terms, interest and commission rates that apply to non-related parties.

## 41. Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximising the return to stakeholders through the optimization of the debt and equity balance. (also refer note no 49.1)

The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants. The Company monitors capital using debt to equity ratio.

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
Borrowings (Debt securities and borrowing other than debt securities)	2,819.76	3,117.93
Less - Cash and cash equivalents	(84.75)	(39.20)
<b>Net Debt</b>	<b>2,735.01</b>	<b>3,078.73</b>
Total equity	592.34	1,533.09
Net Debt to equity ratio	4.62	2.01

## 42. Fair value measurement

### a) Fair value hierarchy and method of valuation:

This note explains the judgements and estimates made in determining the fair values of the financial instruments that are a) recognized and measured at fair value and b) measured at amortized cost and for which fair values are disclosed in the standalone financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 fair value measurements are those derived from quoted prices of equity instruments.



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). The input factors considered are estimated cash flows, collateral values, other assumptions, etc.

## b) Categories of Financial Instruments:

As at March 31, 2024

(₹ in crore)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents	-	-	84.75	84.75	-	-	-	-
Other bank balances	-	-	0.99	0.99	-	-	-	-
Trade receivables (net)	-	-	201.53	201.53	-	-	-	-
Loans (net)	-	-	499.12	499.12	-	-	-	-
Investments	2,471.26	-	-	2,471.26	4.28	-	2,466.98	2,471.26
Other financial assets (net)	-	-	60.84	60.84	-	-	-	-
<b>Total</b>	<b>2,471.26</b>	<b>-</b>	<b>847.23</b>	<b>3,318.49</b>	<b>4.28</b>	<b>-</b>	<b>2,466.98</b>	<b>2,471.26</b>
<b>Financial liabilities</b>								
Trade payables	-	-	4.83	4.83	-	-	-	-
Debt securities	-	-	1,897.90	1,897.90	-	-	-	-
Borrowing (other debt securities)	-	-	921.86	921.86	-	-	-	-
Lease liabilities	-	-	14.02	14.02	-	-	-	-
Other financial liabilities	-	-	82.80	82.80	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>2,921.41</b>	<b>2,921.41</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

As at March 31, 2023

(₹ in crore)

Particulars	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>								
Cash and cash equivalents	-	-	39.20	39.20	-	-	-	-
Other Bank balances	-	-	2.73	2.73	-	-	-	-
Trade receivables (net)	-	-	304.23	304.23	-	-	-	-
Loans (net)	-	-	543.28	543.28	-	-	-	-
Investments	3,622.33	-	-	3,622.33	13.23	-	3,609.10	3,622.33
Other financial assets (net)	-	-	55.49	55.49	-	-	-	-
<b>Total</b>	<b>3,622.33</b>	<b>-</b>	<b>944.93</b>	<b>4,567.26</b>	<b>13.23</b>	<b>-</b>	<b>3,609.10</b>	<b>3,622.33</b>
<b>Financial liabilities</b>								
Trade payables	-	-	2.77	2.77	-	-	-	-
Debt securities	-	-	1,709.80	1,709.80	-	-	-	-
Borrowing (other debt securities)	-	-	1,408.13	1,408.13	-	-	-	-
Lease liabilities	-	-	16.08	16.08	-	-	-	-
Other financial liabilities	-	-	21.90	21.90	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,158.68</b>	<b>3,158.68</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### Notes

1 Includes debt securities issued at fixed rate of interest for which carrying value and fair value are as under:

As at	Carrying value	Fair value
As at March 31, 2024	1,153.65	1,144.19
As at March 31, 2023	1,011.34	1,117.92

(₹ in crore)

2 Except for those financial instruments for which the carrying amounts are mentioned in the above table, the Company considers that the carrying amounts recognized in the financial statements approximate their fair values.

3 For financial assets that are measured at amortized cost, the carrying amounts are equal to the fair values.

### c) Valuation techniques used to determine the fair values:

- i) For level 1- Listed equity instruments are fair valued using quoted prices;
- ii) For level 2- fair value measurements are derived from quoted prices of equity instruments; and
- iii) For Level 3 fair value measurements are derived on a recovery range provided by the External Rating Agency and other unobservable inputs. The values of financial instruments are estimated using a combination of the recovery range provided by the External Rating Agency and discounting the estimated cash flows based on realization of collateral values, etc. using interest rate on borrowing of the Company. Further, necessary and appropriate adjustments (adequate provisions for contingencies/appropriate discounting of the cash flows) have been made by considering credit risk, uncertainties associated with prevailing economic condition, timing of the recoveries, strategy which may involve actions such as settling dues, selling assets through legal action or other means like NCLT, restructuring, and bringing in investors or strategic partners and the value at which the collaterals are expected to be recovered for determination of fair value of the financial assets.

### d) Fair value measurements use significant unobservable inputs (Level-3):

The following table presents the changes in level 3 items for the year ended March 31, 2024 and March 31, 2023

Particulars	Investment in Security Receipts
<b>As at April 1, 2022</b>	<b>3,052.65</b>
Acquisitions made	881.86
(Realisations) made	(190.23)
Net Gain on fair value changes	(148.29)
<b>As at March 31, 2023</b>	<b>3,595.99</b>
Acquisitions made	603.58
(Realisations) made	(866.04)
Net Gain on fair value changes	(871.02)
<b>As at March 31, 2024</b>	<b>2,462.51</b>

(₹ in crore)

### e) Sensitivity for instruments

Nature of the instrument	Fair Value As at March 31, 2024	Fair Value As at March 31, 2023	Significant unobservable inputs*	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2024*		Sensitivity Impact for the year ended March 31, 2023*	
					FV Increase	FV Decrease	FV Increase	FV Decrease
Investment in Security receipts	2,462.51	3,595.99	Estimated cash flow based on realisation of collaterals value, etc.	5%	189.44	(189.44)	193.09	(193.09)

(₹ in crore)

\* above sensitivity is determined at percentage of outstanding security receipts at cost considering the normal course of business excluding exceptional item disclosed in note 32



f) Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of all the amounts that the Company could have realized. As such, the fair value of the financial instruments subsequent to the respective reporting dates may be different from the amounts reported at each year end.

### 43. Financial risk management

The Company's activities expose it to credit risks, liquidity risks and market risks.

Risk management forms an integral part of the business and as it being into distressed credit business it exposed to several risks related to stress assets i.e. non-performing assets (NPA) acquired from banks and financial institutions. The Company has a robust account monitoring system which ensures early detection of risks whereby timely action can be taken to surmount any avoidable slippages. The Company has an effective mechanism of driving business through policies and committees. The Company has well balance and experienced team of resources to drive its business.

The Company has established Risk Management Committee and Asset Acquisition Committee, responsible for identifying, developing, monitoring and mitigating all the risks related to its business. The committees reports to the board of directors on regular basis.

#### i) Credit risk

Credit risk is the risk of loss that may occur from the failure of party to abide by the terms and conditions of any financial contract, principally the failure to make the required payments. In order to minimize credit risk, the Company has adopted a policy of acquisition of asset in a transparent manner and at a fair price in a well-informed market, and the transactions are executed at arm's length in exercise of due diligence and adopt an industry / sector neutral and geography neutral approach in targeting financial assets for acquisition. Credit risk management is achieved by considering the factors like cash flow, collateral values, etc.

In order to minimize credit risk, the Company has tasked its Risk Management Committee and Asset Acquisition Committee to develop and maintain the Company's credit risk grading's.

Company has classified its receivables in to following categories:

- a) Loans given (in the nature of restructuring loans, additional funding for working capital, etc.); and
- b) Other receivables under distress credit business.

#### Provision for expected credit loss

##### 1 For loans:

Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. The Company's current credit risk rating and grading framework comprises the following categories:

For stage-1 performing assets- 12 months Expected Credit Loss (ECL); and

For stage-2- under-performing assets- lifetime ECL (on default occurred); and

For stage-3-credit impaired assets-based on expected cash flows



## Notes

forming part of the Standalone Financial Statements (Contd.)

### (i) Movement of gross carrying amount in loans given:

#### As at March 31, 2024

(₹ in crore)

Particulars	As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount-opening balance</b>	<b>135.78</b>	-	<b>429.43</b>	<b>565.21</b>
New assets originated or purchased	83.82	-	34.76	118.58
Assets derecognised or repaid (excluding write offs)	(56.83)	-	(34.76)	(91.59)
<b>Gross carrying amount- closing balance</b>	<b>162.77</b>	-	<b>429.43</b>	<b>592.20</b>

#### As at March 31, 2023

(₹ in crore)

Particulars	As at March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
<b>Gross carrying amount-opening balance</b>	<b>148.29</b>	-	<b>472.40</b>	<b>620.69</b>
New assets originated or purchased	33.61	-	-	33.61
Assets derecognised or repaid (excluding write offs)	(46.12)	-	(42.97)	(89.09)
<b>Gross carrying amount- closing balance</b>	<b>135.78</b>	-	<b>429.43</b>	<b>565.21</b>

### (ii) Movement of provision for impairment (ECL):

#### As at March 31, 2024

(₹ in crore)

Particulars	As at March 31, 2024			
	Stage 1	Stage 2	Stage 3	Total
<b>ECL allowance - opening balance</b>	<b>2.23</b>	-	<b>19.70</b>	<b>21.93</b>
New assets originated or purchased	0.54	-	70.71	71.25
Assets derecognised or repaid (excluding write offs)	(0.10)	-	-	(0.10)
<b>ECL allowance - closing balance</b>	<b>2.67</b>	-	<b>90.41</b>	<b>93.08</b>

#### As at March 31, 2023

(₹ in crore)

Particulars	As at March 31, 2023			
	Stage 1	Stage 2	Stage 3	Total
<b>ECL allowance - opening balance</b>	<b>2.44</b>	-	<b>20.05</b>	<b>22.49</b>
New assets originated or purchased	0.10	-	-	0.10
Assets derecognised or repaid (excluding write offs)	(0.31)	-	(0.35)	(0.66)
<b>ECL allowance - closing balance</b>	<b>2.23</b>	-	<b>19.70</b>	<b>21.93</b>

### 2 For other receivables under distressed credit business:

For the purpose of measuring the expected credit loss, including the lifetime expected credit loss allowances for other receivables under distress credit business, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information. ECL rates are based on actual credit loss experience over the past six years and the ECL rate is calculated by averaging loss rates over past six years.

There is no credit period defined for other receivables and amount is due on the date of invoice/ debit note. Interest is charged on overdue amount as per terms agreed.

**Movement of provision for impairment****As at March 31, 2024**

(₹ in crore)

Particulars	As at March 31, 2024		
	Trade receivables	Other financial assets	Total
<b>ECL allowance - opening balance</b>	<b>38.58</b>	<b>7.80</b>	<b>46.38</b>
Addition	5.66	5.09	10.75
<b>Closing balance</b>	<b>44.24</b>	<b>12.89</b>	<b>57.13</b>

**As at March 31, 2023**

(₹ in crore)

Particulars	As at March 31, 2023		
	Trade receivables	Other financial assets	Total
<b>ECL allowance - opening balance</b>	<b>23.63</b>	<b>9.68</b>	<b>33.31</b>
Addition	14.95	(1.88)	13.07
<b>Closing balance</b>	<b>38.58</b>	<b>7.80</b>	<b>46.38</b>

**The ageing of trade receivables :**

(₹ in crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Past due 1–180 days	22.11	69.31
More than 180 days	223.66	273.50
	<b>245.77</b>	<b>342.81</b>

**b) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. 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.

Ultimate responsibility for liquidity risk rest with the management, which has established an appropriate liquidity risk framework for the management of the Company's short term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The Company has undrawn lines of credit of ₹ 10.58 crore and ₹ 69.01 crore as of March 31, 2024 and March 31, 2023 respectively, from its bankers for working capital requirements. The Company also has Bank balances of ₹ 84.75 crore as on March 31, 2024. The company is in process of raising of equity which would also be used for repayment of its obligation

**Exposure to liquidity risk**

The following are the details of Company's remaining contractual maturities of financial liabilities and assets at the reporting date. The amounts are gross and undiscounted.

## Notes

forming part of the Standalone Financial Statements (Contd.)

### As at March 31, 2024

(₹ in crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings and debt securities	2,819.76	2,819.76	1,940.01	879.75	-	-
Trade payables	4.83	4.83	4.83	-	-	-
Lease liabilities	14.02	14.02	2.23	5.44	6.35	-
Other financial liabilities	82.80	82.80	81.60	1.20	-	-
<b>Total</b>	<b>2,921.41</b>	<b>2,921.41</b>	<b>2,028.67</b>	<b>886.39</b>	<b>6.35</b>	<b>-</b>
<b>Financial Assets</b>						
Cash and cash equivalents	84.75	84.75	84.75	-	-	-
Other Bank balances	0.99	0.99	0.99	-	-	-
Trade receivables (net)	201.53	201.53	55.56	145.97	-	-
Loans (net)	499.12	499.12	286.58	212.54	-	-
Investment	2,471.26	2,471.26	1,043.69	1,013.25	406.77	7.55
Other Financial Assets (net)	60.84	60.84	34.56	24.69	1.59	-
<b>Total</b>	<b>3,318.47</b>	<b>3,318.47</b>	<b>1,506.11</b>	<b>1,396.45</b>	<b>408.36</b>	<b>7.55</b>

### As at March 31, 2023

(₹ in crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings and debt securities	3,117.93	3,117.93	1,398.14	1,716.36	3.43	-
Trade payables	2.77	2.77	2.77	-	-	-
Lease liabilities	16.08	16.08	2.03	4.78	5.95	3.32
Other financial liabilities	21.90	21.90	21.31	0.59	-	-
<b>Total</b>	<b>3,158.68</b>	<b>3,158.68</b>	<b>1,424.25</b>	<b>1,721.73</b>	<b>9.38</b>	<b>3.32</b>
<b>Financial Assets</b>						
Cash and cash equivalents	39.20	39.20	39.20	-	-	-
Other Bank balances	2.73	2.73	2.48	0.25	-	-
Trade receivables (net)	304.23	304.23	92.18	135.19	76.86	-
Loans (net)	543.28	543.28	537.72	5.56	-	-
Investment	3,622.33	3,622.33	1,705.05	1,686.97	222.80	7.51
Other Financial Assets (net)	55.49	55.49	17.11	32.52	1.99	3.87
<b>Total</b>	<b>4,567.24</b>	<b>4,567.24</b>	<b>2,393.72</b>	<b>1,860.49</b>	<b>301.65</b>	<b>11.38</b>

### Note

- The maturities of non-derivative financial liabilities are based on the earliest date on which the Company may be required to pay.
- The maturities of the financial assets are based on the management's estimation on realization.
- The liquidity gap between 0-1 year for the financial year 2023-24 would be met by refinancing through bank facilities /other refinancing options. The liquidity gap includes inter corporate deposit payable to related party which are payable on call and also Bank working capital balances which are annually renewable. The company would also have equity available from fresh infusion to repay its obligation.



The following are the details of Company remaining contractual maturities of financial liabilities based on undiscounted cash flows:

### As at March 31, 2024

(₹ in crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings and debt securities	2,819.76	2,836.64	1,725.22	1,111.42	-	-
Trade payables	4.83	4.83	4.83	-	-	-
Lease liabilities	14.02	17.38	3.42	7.03	6.93	-
Other financial liabilities	82.80	82.80	81.60	1.20	-	-
<b>Total</b>	<b>2,921.41</b>	<b>2,941.65</b>	<b>1,815.07</b>	<b>1,119.65</b>	<b>6.93</b>	<b>-</b>

### As at March 31, 2023

(₹ in crore)

Particulars	Contractual cash flows					
	Carrying amount	Total	0-1 year	1-3 years	3-5 years	More than 5 years
<b>Financial Liabilities</b>						
Borrowings and debt securities	3,117.93	3,135.43	1,399.64	1,732.36	3.43	-
Trade payables	2.77	2.77	2.77	-	-	-
Lease liabilities	16.08	20.66	3.34	6.80	7.05	3.47
Other financial liabilities	21.90	21.90	21.31	0.59	-	-
<b>Total</b>	<b>3,158.68</b>	<b>3,180.76</b>	<b>1,427.06</b>	<b>1,739.75</b>	<b>10.48</b>	<b>3.47</b>

### c) Market risk

The Company's activities expose it primarily to the financial risks of changes in foreign currency exchange rates and interest rates as future specific market changes cannot be normally predicted with reasonable accuracy.

#### 1. Currency risk

The functional currency of the Company is Indian Rupee (₹). The Company has not undertaken any transactions denominated in foreign currencies and therefore is not exposure to exchange rate fluctuations. Company has not taken derivative contracts during the year.

#### 2. Interest rate risk

The Company is exposed to interest rate risk pertaining to funds borrowed at both fixed and floating interest rates. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk and provide appropriate guidelines to the Treasury to manage such risk. The ALCO reviews the interest rate risk on periodic basis and decides on the appropriate funding mix.

#### Exposure to interest rate risk

The exposure of the Company's borrowings to the interest rates risk at the end of the reporting period is:

(₹ in crore)

Borrowings:	As at March 31, 2024	As at March 31, 2023
Fixed rate borrowings	1,916.45	2,049.00
Floating rate borrowings	778.32	932.77
<b>Total</b>	<b>2,694.77</b>	<b>2,981.77</b>

## Notes

forming part of the Standalone Financial Statements (Contd.)

### Interest rate Sensitivity analysis:

The sensitivity analysis has been determined based on the exposure to interest rates at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming that the amount of the liability as at the end of the reporting period was outstanding for the whole year. A 100 basis point 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.

If floating rate of interest had been 100 basis points higher/ lower, the Company's profit for the year ended March 31, 2024 would decrease/ increase by ₹ 7.78 crore (Previous year: decrease/ increase by ₹ 9.33 crore).

### 3 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 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 as at March 31, 2024 aggregate to ₹ 4.28 crore (Previous year ₹ 13.23 crore). If price of equity instruments decrease/ increase by 5%, the Company's profit for the year ended March 31, 2024 would be decrease/ increase by ₹ 0.21 crore (Previous year: decrease/ increase by ₹ 0.66 crore).

## 44. Maturity Analysis of Assets and Liabilities

(₹ in crore)

Sr. No.	Particulars	As at March 31, 2024			As at March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	<b>ASSETS</b>						
<b>(1)</b>	<b>Financial Assets</b>						
(a)	Cash and cash equivalents	84.75	-	84.75	39.20	-	39.20
(b)	Other bank balances	0.99	-	0.99	2.48	0.25	2.73
(c)	Trade Receivables	55.56	145.97	201.53	92.18	212.05	304.23
(d)	Loans	286.58	212.54	499.12	537.72	5.56	543.28
(e)	Investments	1,043.70	1,427.56	2,471.26	1,705.06	1,917.27	3,622.33
(f)	Other Financial assets	34.56	26.28	60.84	17.11	38.38	55.49
	<b>Total Financial Assets</b>	<b>1,506.14</b>	<b>1,812.35</b>	<b>3,318.49</b>	<b>2,393.75</b>	<b>2,173.51</b>	<b>4,567.26</b>
<b>(2)</b>	<b>Non-financial Assets</b>						
(a)	Current tax Assets (Net)	-	83.75	83.75	-	44.35	44.35
(b)	Deferred tax Assets (Net)	-	113.42	113.42	-	83.64	83.64
(c)	Property, Plant and Equipment	-	11.33	11.33	-	13.52	13.52
(d)	Other Intangible assets	-	0.15	0.15	-	0.03	0.03
(e)	Other non-financial assets	1.33	-	1.33	2.26	-	2.26
	<b>Total Non -financial Assets</b>	<b>1.33</b>	<b>208.65</b>	<b>209.98</b>	<b>2.26</b>	<b>141.54</b>	<b>143.80</b>
	<b>Total Assets</b>	<b>1,507.47</b>	<b>2,021.00</b>	<b>3,528.47</b>	<b>2,396.01</b>	<b>2,315.05</b>	<b>4,711.06</b>
	<b>LIABILITIES AND EQUITY</b>						
	<b>LIABILITIES</b>						
<b>(1)</b>	<b>Financial Liabilities</b>						
(a)	Trade Payables	4.83	-	4.83	2.77	-	2.77
(b)	Debt Securities	1,099.58	798.32	1,897.90	221.43	1,488.37	1,709.80
(c)	Borrowings (Other than Debt Securities)	840.43	81.43	921.86	1,176.71	231.42	1,408.13
(d)	Lease liabilities	2.23	11.79	14.02	2.03	14.05	16.08
(e)	Other financial liabilities	81.60	1.20	82.80	21.31	0.59	21.90
	<b>Total Financial Liabilities</b>	<b>2,028.67</b>	<b>892.74</b>	<b>2,921.41</b>	<b>1,424.25</b>	<b>1,734.43</b>	<b>3,158.68</b>



(₹ in crore)

Sr. No.	Particulars	As at March 31, 2024			As at March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
<b>(2)</b>	<b>Non-Financial Liabilities</b>						
(a)	Provisions	0.45	1.30	1.75	0.91	1.18	2.09
(b)	Other non-financial liabilities	12.97	-	12.97	17.20	-	17.20
	<b>Total Non-Financial Liabilities</b>	<b>13.42</b>	<b>1.30</b>	<b>14.72</b>	<b>18.11</b>	<b>1.18</b>	<b>19.29</b>
	<b>Total Liabilities</b>	<b>2,042.10</b>	<b>894.04</b>	<b>2,936.13</b>	<b>1,442.36</b>	<b>1,735.61</b>	<b>3,177.97</b>
	<b>Net (A-B)</b>	<b>(534.63)</b>	<b>1,126.96</b>	<b>592.34</b>	<b>953.65</b>	<b>579.44</b>	<b>1,533.09</b>

**Note :** Maturity Analysis of Assets and Liabilities- within 12 months of current year is negative on account of ICDs payables to related parties which are payable on call and working capital demand loans/ cash credit facilities which are annually renewals. The shortfall will be balanced through refinancing/ others modes of borrowings and fresh infusion of equity.

#### 45. Employee Stock Option Scheme

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. 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 2023-24, the Nomination and Remuneration Committee has granted Nil options (previous year 19,60,749 options) at an exercise price of ₹ Nil per option (previous year ₹ 33.63 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:

Particulars	As at March 31, 2024	As at March 31, 2023
Outstanding at the beginning of the year	34,99,797	20,08,819
Add: Granted during the year	-	19,60,749
Less: Forfeited/cancelled during the year	(27,423)	(4,69,771)
Less: Lapsed/not exercised during the year	(30,183)	-
Outstanding at end of the year	34,42,191	34,99,797
Exercisable at end of the year	9,73,347	3,95,361

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%	-	6,53,583	-	19-04-2024	-	22.14
Tranche 2	33.33%	-	6,53,583	-	19-04-2025	-	24.33
Tranche 3	33.34%	-	6,53,583	-	19-04-2026	-	26.23

## Notes

forming part of the Standalone Financial Statements (Contd.)

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	-	3.50	-	6.85%	-	0.5004	-	-
Tranche 2	-	4.50	-	7.12%	-	0.4940	-	-
Tranche 3	-	5.50	-	7.32%	-	0.4897	-	-

\* Dividend Yield is Nil as the Company has not declared and paid any dividend in previous years and no dividend is expected to be paid.

Details of options granted under various series are as under :

Particulars	Series I	Series II	Series III
Grant date	16 April 2020	19 April 2021	04 May 2022
Options granted	15,81,444	9,09,549	19,60,749
Options forfeited/cancelled till March 31, 2024	(4,06,344)	(2,87,562)	(2,85,462)
Options lapsed/not exercised till March 31, 2024	(21,963)	(8,220)	-
Outstanding at end of year	11,53,137	6,13,767	16,75,287
Exercisable at end of year	7,68,758	2,04,589	-
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
Exercise period	Within 3 years from the date of vesting	Within 3 years from the date of vesting	Within 3 years from the date of vesting
Exercise price	₹ 28.46	₹ 29.69	₹ 33.63
Pricing formula	As was determined by the Nomination and Remuneration Committee	As was determined by the Nomination and Remuneration Committee	As was determined by the Nomination and Remuneration Committee

The charge on account of the above scheme is included in employee benefit expense aggregating ₹ 1.91 crore (Previous year: ₹ 2.12 crore).

### 46. Schedule of security receipts

Name of Trust	As at March 31, 2024		As at March 31, 2023	
	No. of SRs	Amount	No. of SRs	Amount
<b>A) Subsidiary Trusts (at fair value)</b>				
JMFARC - DB-ICICI - Trust &	-	-	1,15,000	-
JMFARC - DB-SBI - Trust &	-	-	61,000	-
JMFARC - DB-DCB - Trust &	-	-	7,500	-
JMFARC - JORD-SUUTI - Trust &	-	-	8,000	-
JMFARC - Pasupati- SASF - Trust	2,50,000	-	2,50,000	-
JMFARC - Central bank - Tube - Trust &	-	-	50,000	-
JMFARC - UTI - Tube - Trust &	-	-	6,000	-
JMFARC - SASF Tube - Trust &	-	-	62,000	-
JMFARC - UCO Bank March 2011 - Trust	16,500	-	16,500	-
JMFARC - Corp Apparel 2013 -Trust	1,20,000	0.01	1,20,000	0.01
JMFARC - Central India 2013 - Trust	2,89,360	28.07	2,89,360	28.07
JMFARC - Dena Bank March 2014 - Trust	67,000	1.38	67,000	1.38
JMFARC - Gelatine March 2014 - Trust	6,28,672	6.34	6,28,672	6.34





(₹ in crore)

Name of Trust	As at March 31, 2024		As at March 31, 2023	
	No. of SRs	Amount	No. of SRs	Amount
JMFARC - ICICI Bank July 2014 - Trust	20,000	#	20,000	#
JMFARC - Axis Bank Cement March 2015 - Trust	2,30,000	13.80	2,30,000	23.01
JMFARC - ICICI Bank Cement June 2015 - Trust	1,70,500	10.11	1,70,500	17.66
JMFARC - United Bank Cement September 2015 - Trust	1,80,000	18.34	1,80,000	18.34
JMFARC - ICICI Geometric - Trust	61,500	-	61,500	-
JMFARC - Axis Bank February 2016 - Trust	87,500	-	87,500	-
JMFARC - OBC Cement March 2016 - Trust	49,700	1.62	49,700	2.91
JMFARC - Axis Iris II March 2016 - Trust	60,000	6.00	60,000	6.00
JMFARC - SBI Geometric October 2016 - Trust	4,53,000	-	4,53,000	-
JMFARC - IRIS Cash 2016 - Trust	4,26,200	58.63	4,26,200	89.66
JMFARC - Tata Capital December 2016 - Trust	1,30,000	43.39	1,30,000	9.87
JMFARC - IDBI March 2017 - Trust	30,000	2.34	30,000	2.34
JMFARC - IRIS IIFL May 2017 - Trust	27,500	3.00	27,500	4.65
JMFARC - IRIS Cash July 2017 - Trust	2,64,000	13.83	2,64,000	24.52
JMFARC - Woods October 2017 - Trust	1,87,500	9.81	1,87,500	14.72
JMFARC - IRIS Cash March 2018 - Trust	78,500	3.47	78,500	5.30
JMFARC - Fabrics June 2018 - Trust	8,30,000	22.07	8,30,000	70.32
JMFARC - Metallics July 2018 - Trust	1,66,500	-	1,66,500	-
JMFARC - Fabrics August 2018 I - Trust	80,20,000	237.80	80,20,000	749.58
JMFARC - Fabrics September 2018 I - Trust	7,53,500	22.46	7,53,500	71.58
JMFARC - Fabrics September 2018 II - Trust	5,35,300	16.01	5,35,300	50.84
JMFARC - PNB IRIS II September 2018 - Trust	11,510	1.15	11,510	1.15
JMFARC - Fabrics March 2019 I - Trust	3,37,800	10.08	3,37,800	32.09
JMFARC - BOB 2008 - Trust	1,11,600	-	1,11,600	-
JMFARC - SME Retail 2011 - Trust	13,365	#	13,365	#
JMFARC - IOB II March 2011 - Trust Class A	1,04,200	-	1,04,200	-
JMFARC - IOB II March 2011 - Trust Class B	5,800	-	5,800	-
JMFARC - Federal Bank March 2013 - Trust	10,00,000	17.43	10,00,000	19.11
JMFARC - Corp I 2013 - Trust	93,000	4.05	93,000	4.05
JMFARC - Corp II 2013 - Trust	58,800	0.01	58,800	0.01
JMFARC - Allahabad Bank June 2017 - Trust	36,000	0.01	36,000	0.01
JMFARC - Allahabad Bank Textile June 2017 - Trust	69,000	0.01	69,000	0.01
JMFARC - Federal Bank June 2017 - Trust	15,72,000	-	15,72,000	3.50
JMFARC - Metallics February 2018 - Trust	12,21,809	-	12,21,809	-
JMFARC - Metallics November 2018 - Trust	6,56,405	-	6,56,405	-
JMFARC - Metallics December 2018 - Trust	6,75,629	-	6,75,629	-
JMFARC - KTK Metallics December 2018 - Trust	3,47,199	-	3,47,199	-
JMFARC - Retail June 2011 - Trust	4,69,884	0.05	4,69,884	0.05
JMFARC - Retail Aug 2011 - Trust	7,039	#	7,039	#
JMFARC - Fabrics June 2019 II - Trust	7,07,500	21.20	7,07,500	67.21
JMFARC - Fabrics June 2019 III - Trust	1,83,100	5.49	1,83,100	17.39
JMFARC - Fabrics December 2019 I - Trust	49,100	1.44	49,100	4.66
JMFARC - March 2018 - Trust	12,00,000	93.85	12,00,000	93.85
JMFARC - Fabrics September 2020 - Trust	1,00,900	3.02	1,00,900	9.59
JMFARC - Fabrics November 2020 - Trust	5,08,000	15.41	5,08,000	48.26
JMFARC - Coated February 2021 - Trust	39,05,900	-	39,05,900	474.57
Deccan 2021 Trust	6,94,900	9.51	6,94,900	9.51
Deccan June 2022 - Trust	2,00,000	3.03	2,00,000	3.03

## Notes

forming part of the Standalone Financial Statements (Contd.)

Name of Trust	As at March 31, 2024		As at March 31, 2023	
	No. of SRs	Amount	No. of SRs	Amount
	(₹ in crore)			
Deccan January 2023 Trust	9,46,700	94.67	9,46,700	94.67
Textile 2022 - Trust	14,28,228	164.81	14,28,228	139.81
Retail June 2022 - Trust*	-	-	19,03,040	139.33
Real Estate May 2023 Trust <sup>®</sup>	19,80,000	149.72	-	-
Deccan September 2023 Trust <sup>®</sup>	10,72,700	107.27	-	-
<b>Total</b>		<b>1,220.69</b>		<b>2,358.96</b>
<b>B) Non Subsidiary Trusts (at fair value)</b>				
JMFARC - BOI 2009 - Trust	48,600	-	48,600	-
JMFARC - Swarna 2011 - Trust	72,199	0.98	72,199	0.98
JMFARC - Swarna II 2012 - Trust Class A	66,200	1.58	66,200	1.58
JMFARC - Swarna II 2012 - Trust Class B	12,500	0.31	12,500	0.31
JMFARC - OBC March 2014 - Trust	34,500	-	34,500	-
JMFARC - Fed Gelatine March 2014 - Trust	17,500	-	17,500	-
JMFARC - OBC March 2014 II - Trust	4,760	0.29	4,760	0.29
JMFARC - UBOI March 2014 - Trust	66,750	0.73	66,750	1.72
JMFARC - SBI Ceramics June 2014 - Trust	1,56,000	1.54	1,56,000	3.68
JMFARC - Indian Bank June 2014 - Trust	32,200	0.38	32,200	0.91
JMFARC - Vijaya Bank June 2014 - Trust	25,360	0.10	25,360	0.76
JMFARC - Hotels June 2014 - Trust Class A	3,29,099	-	3,29,099	-
JMFARC - Hotels June 2014 - Trust Class B	20,71,631	-	20,71,631	-
JMFARC - Central Bank of India June 2014 - Trust	32,000	-	32,000	-
JMFARC - CSB Ceramics September 2014 - Trust	32,625	1.21	32,625	2.45
JMFARC - LVB Ceramics September 2014 - Trust	27,900	0.77	27,900	1.56
JMFARC - SBOP Ceramics December 2014 - Trust	11,850	0.62	11,850	0.89
JMFARC - SBH Ceramics December 2014 - Trust	60,000	3.08	60,000	4.32
JMFARC - SBT Ceramics March 2015 - Trust	23,250	1.11	23,250	1.74
JMFARC - SBI Steel March 2015 - Trust	93,150	-	93,150	-
JMFARC - SBM Ceramics March 2015 - Trust	12,750	0.78	12,750	0.94
JMFARC - Karnataka Bank Cement March 2015 - Trust	49,500	1.78	49,500	3.61
JMFARC - Vijaya Bank Ceramics March 2015 - Trust	27,000	0.79	27,000	1.49
JMFARC - SBH Cement June 2015 - Trust	66,000	2.44	66,000	4.95
JMFARC - United Bank Textile September 2015 - Trust	27,075	0.64	27,075	0.69
JMFARC - PNB Ceramics November 2015 - Trust	4,01,640	14.82	4,01,640	27.46
JMFARC - Corp Bank Ceramics September 2015 - Trust	46,065	2.54	46,065	3.59
JMFARC - SBOP Geometric - Trust	61,560	-	61,560	-
JMFARC - Dena Ceramics January 2016 - Trust	15,750	0.52	15,750	1.04
JMFARC - UBOI Steel March 2016 - Trust	63,000	-	63,000	-
JMFARC - IDBI Ceramics March 2016 - Trust	57,180	3.05	57,180	3.66
JMFARC - EXIM Ceramics March 2016 - Trust	17,101	0.91	17,101	1.30
JMFARC - UCO Geometric March 2016 - Trust	88,965	-	88,965	-
JMFARC - KVB Iris II March 2016 - Trust	37,500	5.63	37,500	5.63
JMFARC - Indian Bank March 2016 - Trust	97,515	-	97,515	0.09
JMFARC - ICICI Bank September 2016 - Trust	8,55,495	15.16	8,55,495	15.62
JMFARC - IOB March 2016 - Trust	50,250	1.27	50,250	1.42
JMFARC - Iris March 2016 - Trust	10,00,165	35.84	10,00,165	104.15
JMFARC - Exim Iris March 2016 - Trust	60,000	1.66	60,000	5.22
JMFARC - Axis Iris March 2016 - Trust	1,50,000	6.36	1,50,000	19.20
JMFARC - KB Metals September 2016 - Trust	22,500	#	22,500	#
JMFARC - Andhra Resin September 2016 - Trust	37,605	#	37,605	#
JMFARC - Dena SEZ September 2016 - Trust	7,335	0.37	7,335	0.55
JMFARC - IDBI Geometric Dec 2016 - Trust	41,250	-	41,250	-



(₹ in crore)

Name of Trust	As at March 31, 2024		As at March 31, 2023	
	No. of SRs	Amount	No. of SRs	Amount
JMFARC - IRIS December 2016 - Trust	31,110	2.21	31,110	4.67
JMFARC - IRIS UBOI December 2016 - Trust	16,005	0.86	16,005	2.30
JMFARC - IRIS PNB January 2017 - Trust	41,550	2.02	41,550	5.90
JMFARC - IOB CHN March 2017 - Trust	37,500	3.49	37,500	3.56
JMFARC - IOB Ceramics March 2017 - Trust	33,000	1.25	33,000	2.18
JMFARC - IRIS United March 2017 - Trust	66,900	0.49	66,900	4.36
JMFARC - SBP March 2017 - Trust	31,665	1.68	31,665	2.28
JMFARC - IRIS UCO March 2017 - Trust	38,310	1.39	38,310	4.61
JMFARC - SBP Retreat March 2017 - Trust	77,600	5.42	77,600	7.23
JMFARC - SBI Retreat March 2017 - Trust	1,66,800	11.65	1,66,800	15.53
JMFARC - SBI Tollways March 2017 - Trust	1,53,000	2.70	1,53,000	4.32
JMFARC - Karnataka Bank September 2017 - Trust	20,310	1.07	20,310	1.47
JMFARC - Syndicate Ceramics September 2017 - Trust	1,25,250	4.35	1,25,250	6.76
JMFARC - Allahabad Bank December 2017 - Trust	76,275	5.49	76,275	7.02
JMFARC - Motors December 2017 - Trust	94,500	5.39	94,500	5.39
JMFARC - IOB Metallica February 2018 - Trust	3,60,000	-	3,60,000	-
JMFARC - Township February 2018 - Trust	4,80,000	8.47	4,80,000	36.00
JMFARC - IRIS Canara March 2018 - Trust	18,225	1.22	18,225	2.15
JMFARC - Alphahealth 2018 - Trust	17,80,700	190.53	17,80,700	190.88
JMFARC - Fabrics August 2018 II - Trust	3,80,000	29.64	3,80,000	36.10
JMFARC - Fabrics September 2018 III - Trust	40,200	2.12	40,200	3.82
JMFARC - IRIS SIDBI December 2018 - Trust	33,000	2.43	33,000	4.77
JMFARC - Infra March 2019 - Trust	60,000	4.50	60,000	4.50
JMFARC - IOB March 2011 - Trust Class A	2,80,000	-	2,80,000	-
JMFARC - IOB March 2011 - Trust Class B	96,500	-	96,500	-
JMFARC - UCO Bank March 2014 - Trust	4,62,500	6.09	4,62,500	6.44
JMFARC - SBI March 2014 I - Trust	1,73,750	4.78	1,73,750	5.17
JMFARC - SBI March 2014 II - Trust	45,250	1.52	45,250	1.52
JMFARC - Cosmos March 2014 - Trust	1,54,500	1.32	1,54,500	1.47
JMFARC - Indian Bank March 2014 - Trust	44,500	-	44,500	-
JMFARC - BOI March 2014 II - Trust	2,15,750	-	2,15,750	-
JMFARC - OBC June 2014 - Trust	8,915	-	8,915	-
JMFARC - Karnataka Bank December 2014 - Trust	1,72,500	3.13	1,72,500	3.43
JMFARC - CSB September 2015 - Trust	63,000	0.01	63,000	0.01
JMFARC - SBH December 2015 - Trust	73,380	-	73,380	-
JMFARC - KVB March 2016 - Trust	3,55,095	5.52	3,55,095	10.11
JMFARC - Federal Bank March 2016 - Trust	73,350	3.77	73,350	3.77
JMFARC - PAN INDIA 2016 - Trust	15,46,908	139.22	15,46,908	139.22
JMFARC - PNB March 2017 - Trust	2,22,075	7.65	2,22,075	8.09
JMFARC - SBT March 2017 - Trust	55,875	2.40	55,875	3.63
JMFARC - LTF June 2017 - Trust	6,00,000	3.93	6,00,000	11.99
JMFARC - Central Bank Retail 2011 - Trust	88,872	-	88,872	-
JMFARC - Fabrics June 2019 I - Trust Class A <sup>§</sup>	1,71,800	11.82	50,400	4.79
JMFARC - Fabrics June 2019 I - Trust Class B	1,51,200	-	1,51,200	3.78
JMFARC - Textile Gama I - Trust	48,000	-	48,000	3.32
JMFARC - Textile Gama II - Trust	33,390	-	33,390	0.05
Victory Real Estate 2021 Trust	60,000	6.00	60,000	6.00
Realty March 2022 Trust	6,07,500	60.75	6,07,500	60.75

## Notes

forming part of the Standalone Financial Statements (Contd.)

Name of Trust	As at March 31, 2024		As at March 31, 2023	
	No. of SRs	Amount	No. of SRs	Amount
Sapphire RE Trust 2022 <sup>^</sup>	-	-	65,504	0.98
Retail June 2022 - Trust <sup>*</sup>	24,90,540	47.78	-	-
Textile Gama III - Trust	9,150	-	9,150	0.92
Textile Gama IV - Trust	14,850	-	14,850	1.49
Textile Gama V - Trust <sup>^</sup>	-	-	-	-
Aranya - Trust <sup>@</sup>	60,05,000	540.50	38,25,000	382.50
<b>Total</b>		<b>1,241.82</b>		<b>1,237.03</b>

# Denotes amount less than ₹50,000

@ trusts added during the year or additional investment made in security receipts of existing trust

<sup>^</sup> trusts closed during the year

<sup>\$</sup> includes security receipts bought back during the year

<sup>\*</sup> subsidiary upto July 31, 2023

<sup>&</sup> trusts closed during financial year 2022-23

### 47. Additional disclosure;

The following additional disclosures have been made taking into account RBI guidelines in this regard:

a) Name and address of the banks / financial institutions/NBFCs from whom financial assets were acquired and the values at which such assets were acquired from each such bank/ financial institutions/NBFCs.

Name of the selling bank/ financial institution / NBFC	Address	Acquisition cost ₹ in crore	% to total
<b>Sponsor</b>			
Indian Overseas Bank	763, Anna Salai, Chennai	827.91	3.46%
<b>Sponsor Total</b>		<b>827.91</b>	<b>3.46%</b>
<b>Non- Sponsors</b>			
Piramal Capital & Housing Finance Limited	601, 6th Floor, Amiti Building, Agastya Corporate Park, Kamani Junction, Opp Fire Station, LBS Marg, Kurla (West) Mumbai – 400 070	4,219.00	17.63%
State Bank of India (SBI & erstwhile Associate Bank's)	State Bank Bhavan, Corporate Centre, Madame Cama Marg, Mumbai, Maharashtra – 400 021	3,709.89	15.51%
Bank of India	Star House, C-5, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	1,362.75	5.70%
Canara Bank	112 J. C. Road, Bangalore	1,118.06	4.67%
UCO Bank	Biplabi Trailokya Maharaj Sarani, Kolkata - 700001	1,066.49	4.46%
Union Bank of India	Union Bank Bhavan, 239 Vidhan Bhavan Marg, Mumbai -400021	1,065.75	4.45%
Punjab National Bank	7, Bhikhaji Cama Place, New Delhi	1,062.09	4.44%
ICICI Bank	ICICI Bank Towers, Bandra-Kurla Complex, Mumbai 400 051	884.65	3.70%
HDFC Limited	Ramon House, 4th Floor, H. T. Parekh Marg, 169, Backbay Reclamation, Mumbai 400 020	863.89	3.61%
JM Financial Credit Solution Limited	7th Floor, Chergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025	695.00	2.90%
Bank of Baroda	Kalpataru Heritage Building, 6th floor, Nanik Motwani Lane, Fort, Mumbai - 400023	631.67	2.64%
Axis Bank	Maker Towers F, 13th Floor, Cuffe Parade, Mumbai - 400005	612.76	2.56%
Poonawalla Fincorp Limited	601, 6th Floor, Zero One IT Park, Survey no 79/1, Ghorpadi, Mundhwa Road, Pune - 411036	558.36	2.33%
Central Bank of India	Chandermukhi, Nariman Point, Mumbai 400021	513.63	2.15%
EXIM Bank	Centre One Building, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai - 400005	464.21	1.94%
Indian Overseas Bank	763, Anna Salai, Chennai	423.48	1.77%
Federal bank	Federal Towers, Aluva, Ernakulum, Kerala - 683101	402.00	1.68%
Indian Bank	254-260, Avvai, Shanmugam Salai, Royapettah, Chennai - 600014	355.01	1.48%



Name of the selling bank/ financial institution / NBFC	Address	Acquisition cost ₹ in crore	% to total
Yes Bank	9th floor Nehru Centre, Worli, Mumbai - 400018	338.51	1.41%
Cosmos Co-operative Bank Ltd	Cosmos Heights, 269/270 Shaniwar Peth, Pune - 411030	309.00	1.29%
L&T Infrastructure Finance Company Limited	3rd Floor, Brindavan, Plot No. 177, CST Road, Kalina, Santacruz (East), Mumbai 400 098	308.43	1.29%
Karur Vysya Bank	Erode Road, Karur - 639002	296.41	1.24%
JM Financial Products Limited	5th Floor Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025	263.67	1.10%
Diwan Housing Finance	3rd Floor, DHFL House, 19 Sahar Raod, Vile Parle (East), Mumbai - 400 099	240.00	1.00%
IDBI Bank	IDBI Tower, WTC Complex, Cuffe Parade, Mumbai 400005	232.32	0.97%
Karnataka Bank	Mahavira Circle, Kankanadi, Mangalore - 575002	220.39	0.92%
L&T Finance Limited	City 2, Plot No. 177, Vidyanaagari Marg, CST Road, Kalina, Santacruz (E), Mumbai 400 098	92.38	0.39%
Standard Chartered Bank	23, Narain Manzil, Barakhamba Road, New Delhi- 110001	89.84	0.38%
Sicom Ltd	Solitaire Corporate Park, Building No 4, Andheri Kurla Road, Chakala, Andheri (East), Mumbai - 400093	84.65	0.35%
South Indian Bank	SIB House, Mission Quarters, T B Road, Thrissur, Kerala - 680001	79.33	0.33%
Catholic Syrian Bank	CSB Bhavan, St. Mary's College Road, Thrissur,	63.75	0.27%
Bank of Maharashtra	"Lokmangal" 1501, Shivajinagar, Pune 411005	59.33	0.25%
Lakshmi Vilas Bank	LVB House,4/1,Sardar Patel Road, guindy,Chennai - 600032. Tamil Nadu	51.32	0.21%
HSBC	52/60, M. G. Road, Fort, Mumbai - 400001	49.03	0.20%
VSJ Investments Pvt. Ltd	G-12, Raheja Centre, 214 Fress Press Journal Marg, Nariman Point, Mumbai 400 021.	43.67	0.18%
Stressed Assets Stabilisation Fund	IDBI Tower, 10th Floor, WTC Complex, Cuffe Parade, Mumbai 400005	31.20	0.13%
Ratnakar Bank	One India Bulls Center, Tower 2 , 6th Floor,841, Senapati Bapat Marg,Lower Parel (W),Mumbai 400013	25.00	0.10%
Tata Capital Financial Services Limited	One Forbes, Dr. V. B. Gandhi Marg, Fort, Mumbai 400001	24.50	0.10%
Assets Care & Reconstruction Enterprise Ltd (ACRE)	13, 2nd Floor, Mohandev Building, Tolstoy Marg, New Delhi, Delhi 110001	22.70	0.09%
HUDCO	HUDCO Bhawan, Core-7-A,India Habitat Centre,Lodhi Road, New Delhi - 110 003	21.34	0.09%
Bank of Bahrain & Kuwait B.S.C	Jolly Maker Chamber, 2, Ground Floor, Nariman point, Mumbai - 400021	19.19	0.08%
Deutsche bank	DB House, Hazarimal Somani Marg, Fort, Mumbai 400001	18.35	0.08%
Small Industries Development Bank of India	Samruddhi Venture Park, Upper Ground Floor, MIDC Road, Marol, Andheri East. Mumbai - 400 093	15.13	0.06%
Kotak Mahindra Bank Limited	27 BKC, Plat No. C-27, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	8.37	0.03%
Life Insurance Corporation of India	Yogakshema, Jeevan Bima Marg, Mumbai - 400021	7.39	0.03%
Specified Undertaing of UTI	UTI Tower, G Block, Bandra Kurla Complex, Bandra (East), Mumbai - 400051	7.30	0.03%
Barclays PLC	801, Ceejay House, Annie Besant Road, Worli, Mumbai 400 018	7.22	0.03%
KKR India Financial Services Pvt. Ltd.	Regus CitiCentre, Level 6, 10/11, Dr. Radhakrishna Salai, Tamil Nadu, Chennai 600 004	6.75	0.03%
Phoenix ARC Private Limited	158, 5th Floor, Dani Corporate Park, CST Road, MMRDA Area, Kalina, Santacruz East, Mumbai, Maharashtra 400098	6.13	0.03%
Rupee Co-operative Bank	2062, Sadashiv Peth, Astang Ayurved Building, Pune- 411030	6.00	0.03%
IFCI Ltd	Earnest House, 9th Floor., NCPA Marg, Nariman Point, Mumbai 400021	5.12	0.02%
SBI Global Factors Limited	6th Floor, Metropolitan Building, Bandra Kurla Complex, Bandra (East), Mumbai 400 051	4.50	0.02%
BNP Paribas	Unit No 203, Sakar II, Ellisbridge, Ahmedabad 380006	3.39	0.01%
SBM Bank (Mauritius) Limited	101, Raheja Centre, Nariman Point, Mumbai 400 021	3.27	0.01%
IFCI Factors Limited	10Th Floor, IFCI Tower, 61 Nehru Place, New Delhi 110 019	3.13	0.01%
Pegasus Assets Reconstruction Private Limited	507, Dalamal House, Nariman Point, Mumbai 400 021	3.10	0.01%



## Notes

forming part of the Standalone Financial Statements (Contd.)

Name of the selling bank/ financial institution / NBFC	Address	Acquisition cost ₹ in crore	% to total
India Infoline Finance Limited (IIFL)	12A-10, 13th Floor, Parinee Crescenzo, C-38 & C-39, G Block, Behind MCA, Bankdra Kurla Complex, Bandra (East), Mumbai 400 051	2.75	0.01%
IL & FS Financial Services Limited	IL & FS Financial Centre, Plat C-22, G Block, Bandra Kurla Complex, Bandra East, Mumbai 400 051	2.27	0.01%
The Saraswat Co-op Bank Ltd	Mittal Court 'A' Wing 1st Floor, Nariman Point, Mumbai - 400004	2.19	0.01%
NKGSB Co-Operative Bank Ltd.	Laxmi Sadan, 361, V. P. Road, Mumbai 400 004	2.10	0.01%
CTBC Bank Co Limited	UGF, Birla Tower, 25, Barakhamba Raod, New Delhi - 110 001	2.02	0.01%
Dhanlakhmi Bank	Dhanalaxmi Buildings, Naickanal, Thrissur, Kerala - 680001	1.59	0.01%
The Nashik Road Deolali Vyapari Sahakari Bank Ltd	Kalpavruksha, Aashanagar, Nashikroad, Nashik, Maharashtra - 422101	1.50	0.01%
Omkara Asset Reconstruction Pvt Ltd.	C/515, Kanakia Zillion, Junction of L.B.S Road & CST Road B.K.C Annexe Near Equinox, Kurla West, Mumbai 400070	1.07	0.00%
UTI Mutual Fund	UTI Tower, Gn Block, Bandra Kurla Complex, Bandra (East) 400051	0.60	0.00%
Barclays Bank PLC	801-808 Ceejay House, Shivsagar Estate Dr Annie Besant Road, Worli, Mumbai - 400018	0.42	0.00%
Industrial & Commercial Bank of China	2, G Block Rd, G Block BKC, Bandra Kurla Complex, Bandra East, Mumbai 400051	0.41	0.00%
Dombivali Nagari Sahkari Bank Limited	"Madhukunj" P-52, M.I.D.C. Kalyan Shil Road, Sonarpada, Dombivli (East) - 421 204.	0.16	0.00%
<b>Non Sponsors Total</b>		<b>23,096.88</b>	<b>96.54%</b>
<b>Grand Total</b>		<b>23,924.79</b>	<b>100.00%</b>

### Note :

\* Indian Overseas Bank has ceased to be a sponsor with effect from September 22, 2015. Hence subsequent acquisitions from the same bank has been grouped in Non Sponsor acquisitions.

### Value of financial assets acquired from following banks has combined into financial assets of merged entity.

- With effect from April 1, 2017 State Bank of Mysore, State Bank of Travancore, State Bank of Patiala, State Bank of Bikaner and Jaipur and State bank of Hyderabad are merged with State Bank of India.
  - With effect from April, 2019 Vijaya Bank and Dena Bank are merged with Bank of Baroda
  - With effects from April 1, 2020 United Bank of India and Oriental Bank of Commerce are merged with Punjab National Bank. Allahabad Bank is merged with Indian Bank and Syndicate Bank merged with Canara Bank.
  - L & T Fincorp Limited is added in L&T Finance Limited.
  - Andhra Bank & Corporation Bank are added in Union Bank of India.
- b) Dispersion of various assets industry wise.

Industry	Acquisition Price ₹ in crore	% to total
Hospitality	4,853.32	20.29%
Real Estate	4,700.96	19.65%
Retail	3,345.56	13.98%
Textiles	2,984.55	12.47%
Iron & Steel	1,561.31	6.53%
Pharmaceuticals	1,425.19	5.96%
Ceramics	886.56	3.71%
Healthcare	626.43	2.62%
Infrastructure	363.69	1.52%
Chemicals	297.43	1.24%



Industry	Acquisition Price ₹ in crore	% to total
Plywood/ laminates	276.51	1.16%
Airlines	238.75	1.00%
Power	217.40	0.91%
Shipping	195.00	0.82%
Cement	171.52	0.72%
Information Technology	146.33	0.61%
Media	139.71	0.58%
Trading	130.83	0.55%
Metals	125.54	0.52%
Leather	107.15	0.45%
Coal	101.80	0.43%
Plastics	92.79	0.39%
Packaging	92.79	0.39%
Food Products	87.82	0.37%
Others	755.86	3.16%
<b>Total</b>	<b>23,924.80</b>	<b>100.00%</b>

- i) The above table (b) has been prepared by management based on the information and relevant documents available with the Company which has been relied upon by the auditors.
- ii) The acquisition price in the tables (a) and (b) above includes financial assets acquired till March 31, 2024 including financial assets resolved till date.
- iii) The Company has put in place internal audit system, scope of which provides for periodical checks and review of the assets acquisition procedures and asset reconstruction measures and the matters related thereto.
- c) Details of related parties as per the accounting standards and the amounts due to and from them : Refer note 40
- d) Additional disclosure as per RBI Notification No. DBNS. PD (SC/RC). 8/ CGM (ASR) dated April 21, 2010 and RBI/DOR/2024-25/116 DoR.FIN.REC.16/26.03.001/2024-25 dated April 24, 2024

Particulars	₹ in crore (face value)
Value of financial assets acquired during the financial year either in its own books or in the books of the trust	2,245.17
Value of financial assets realized during the financial year*	2,333.96
Value of financial assets outstanding for realization as at the end of the financial year	12,135.10
Value of Security Receipts redeemed partly during the financial year	749.26
Value of Security Receipts redeemed fully during the financial year (including writeoffs)	553.95
Value of Security Receipts pending for redemption as at the end of the financial year	14,499.58
Value of Security Receipts which could not be redeemed as a result of non-realization of the financial asset as per the policy formulated by the Securitization company or Reconstruction company under Paragraph 7(6)(ii) or 7(6)(iii) and under Paragraph 10.2 or 10.3 as per Master direction dated April 24, 2024	4,719.49
Value of land and/or building acquired in ordinary course of business of reconstruction of assets	-

\* Value of financial assets realised during the financial year includes the amount of ₹ Nil of financial asset written-off due to trust closure.



## Notes

forming part of the Standalone Financial Statements (Contd.)

e) Disclosure requirements as per RBI circular dated March 13, 2020 having reference number RBI/2019-20/170 , DOR (NBFC). CC.PD.No.109/22.10.106/2019-20 as per para 2 of Prudential Floor of ECL

Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
1	2	3	4	(5) = (3)-(4)	6	(7) = (4)-(6)
<b>Performing Assets</b>						
Standard	Stage 1	389.95	6.39	383.56	227.18	(220.79)
	Stage 2	-	-	-	-	-
<b>Subtotal</b>		<b>389.95</b>	<b>6.39</b>	<b>383.56</b>	<b>227.18</b>	<b>(220.79)</b>
<b>Non-Performing Assets (NPA)</b>						
Substandard	Stage 3	185.25	74.10	111.15	92.63	(18.53)
<b>Doubtful</b>						
Up to 1 year	Stage 3	-	-	-	-	-
1 to 3 years	Stage 3	-	-	-	-	-
More than 3 years	Stage 3	17.00	12.59	4.41	17.00	(4.41)
<b>Subtotal for doubtful</b>		<b>202.25</b>	<b>86.69</b>	<b>115.56</b>	<b>109.63</b>	<b>(22.94)</b>
Loss	Stage 3	-	-	-	-	-
<b>Subtotal for NPA</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms	Stage 1	-	-	-	-	-
	Stage 2	-	-	-	-	-
	Stage 3	-	-	-	-	-
<b>Subtotal</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	Stage 1	<b>389.95</b>	<b>6.39</b>	<b>383.56</b>	<b>227.18</b>	<b>(220.79)</b>
	Stage 2	-	-	-	-	-
	Stage 3	<b>202.25</b>	<b>86.69</b>	<b>115.56</b>	<b>109.63</b>	<b>(22.94)</b>
	<b>Total</b>	<b>592.20</b>	<b>93.08</b>	<b>499.12</b>	<b>336.81</b>	<b>(243.73)</b>

The above disclosure is not applicable for management fees accrual as the same is considered to be governed by income recognition for the purpose of RBI guidelines and disclosures.

Restructuring Loan disbursed to one borrower amounting to ₹ 185.25 crore, has been classified as non- performing asset during the previous financial year and during the current financial year the asset has migrated from Substandard to Doubtful.

The Honorable 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 company, 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”. Total provision as required under the extant RBI guidelines for Non - Performing Advances is ₹ 243.73 crore

As at March 31, 2024, two loan accounts belonging to the same borrower group have outstanding interest which has not been serviced for more than 180 days.

In consideration to the aforesaid orders issued by the Honourable Supreme Court of India, the said accounts are classified as Standard Assets. However, the provision as required under the extant RBI guidelines for Non - Performing Advances amounting to ₹ 227.18 crore is carried for these borrower accounts. Of the provisions made ₹ 220.79 crore is made by transfer to the impairment reserve.



In February 2024, the Adjudicating Authority (Under the Prevention of Money Laundering Act, 2002) (The Act) issued an order attaching certain properties held by the Company as one of the collaterals against loans acquired in trust (as a trustee) and additional loan given to the borrower group as referred to above ("borrower group"). The above order was pursuant to the action initiated by the Enforcement Directorate against the borrower group under the above Act. The Company has appealed against the aforesaid order in appropriate forum. The Company views these legal proceedings as arising in the normal course of Asset Reconstruction business. Considering the total security against the loans acquired of the borrower group and the expected cashflows to the Company as per the documented waterfall, the Company believes that the above proceedings do not have a material impact on the financial position of the Company.

**i) Additional disclosure as per RBI Notification No. DNBS (PD) CC. No. 41/SCRC/26.03.001/2014-2015 dated August 5, 2014 (for acquisitions made after August 5, 2014):**

a) None of the assets have been acquired during the year at a price higher than the book value (value of assets declared by seller bank in the auction)

b) Assets (i.e. total purchase consideration paid at the trust level) have been disposed off during the financial year at a discount of more than 20% of its valuation as on the previous year end

Name of Trust	Acquisition price	O/s SRs	NAV % as on	
			March 31, 2024	March 31, 2023
JMFARC - Woods October 2017 Trust *	18.75	9.81	100%	126%

(₹ in crore)

\* SRs of the captioned trust are been redeemed in April 2024.

c) Trusts where the value of the SRs (i.e. Net Asset Value) have declined more than 20% below the acquisition value during the year.

Name of Trust	Acquisition price (₹ in crore)	SRs outstanding (₹ in crore)	NAV % as on March 31, 2024
JMFARC-Iris March 2016-Trust	666.76	655.03	25%
JMFARC - Axis Iris March 2016 Trust	100.00	100.00	25%
JMFARC - IRIS United March 2017 - Trust	44.60	43.34	11%
JMFARC-Exim Iris March 2016-Trust	40.00	40.00	25%
JMFARC - IRIS PNB January 2017 - Trust	27.70	27.49	60%
JMFARC - IRIS UCO March 2017 - Trust	25.54	25.38	46%
JMFARC - IRIS December 2016 - Trust	20.74	20.74	75%
JMFARC IRIS Canara March 2018 Trust	12.15	12.15	75%
JMFARC - IRIS UBOI December 2016 - Trust	10.67	10.67	65%
JMFARC - Axis Iris II March 2016 Trust	6.00	6.00	25%
JMFARC - KVB Iris II March 2016- Trust	25.00	25.00	25%
JMFARC-SBH Cement June 2015-Trust	44.00	44.00	50%
JMFARC- Karnataka Bank Cement March 2015-Trust	33.00	33.00	50%
JMFARC- Axis Bank Cement March 2015-Trust	23.00	18.40	75%
JMFARC - SBI Retreat March 2017 - Trust	83.40	77.66	75%
JMFARC - SBP Retreat March 2017 - Trust	38.80	36.16	75%
JMFARC - Township February 2018 Trust	240.00	240.00	0%
JMFARC-PNB Ceramics November 2015-Trust	267.76	265.30	0%
JMFARC - Syndicate Bank Ceramics September 2017 Trust	83.50	83.50	25%
JMFARC - IDBI Ceramics March 2016 - Trust	38.12	38.12	25%
JMFARC-Corp Bank Ceramics September 2015-Trust	30.71	30.71	0%
JMFARC - IOB Ceramics March 2017 - Trust	22.00	22.00	32%
JMFARC- Vijaya Bank Ceramics March 2015-Trust	18.00	18.00	0%
JMFARC- SBT Ceramics March 2015-Trust	15.50	15.50	0%
JMFARC - EXIM Ceramics March 2016 - Trust	11.40	11.40	25%
JMFARC -Dena Ceramics January 2016-Trust	10.50	10.50	25%
JMFARC- SBM Ceramics March 2015-Trust	8.50	8.50	0%
JMFARC - Allahabad Bank December 2017 Trust	50.85	50.85	72%

## Notes

forming part of the Standalone Financial Statements (Contd.)

Name of Trust	Acquisition price (₹ in crore)	SRs outstanding (₹ in crore)	NAV % as on March 31, 2024
JMFARC - SBT March 2017 - Trust	37.25	37.25	43%
JMFARC - SBP March 2017 - Trust	21.11	21.11	53%
JMFARC - Dena SEZ September 2016 - Trust	4.89	4.89	50%
JMFARC - Fabrics June 2018 - Trust *	83.00	74.02	30%
JMFARC - Fabrics August 2018 I - Trust *	802.00	789.04	30%
JMFARC - Fabrics September 2018 I - Trust *	75.35	75.35	30%
JMFARC - Fabrics September 2018 II - Trust *	53.53	53.51	30%
JMFARC - Fabrics March 2019 I - Trust *	33.78	33.78	30%
JMFARC - Fabrics June 2019 II - Trust *	70.75	70.75	30%
JMFARC - Fabrics June 2019 III - Trust *	18.31	18.31	30%
JMFARC - Fabrics December 2019 I - Trust *	4.91	4.91	29%
JMFARC - Fabrics September 2020 - Trust *	10.09	10.09	30%
JMFARC - Fabrics November 2020 - Trust *	50.80	50.80	30%

\* This is as per management estimate as on March 31, 2024. Net Asset Value of these trusts are as per last NAV declaration, there is no movement of more than 20%

d) There was no outsourced agency, which was owned/ controlled by a director of the ARC

e) Assets acquired under IBC - type and value of assets acquired under IBC, the sector-wise distribution based on business of the corporate debtor.

Year of Acquisition	Type	Value of assets acquired (acquisition cost)	Sector of the business
FY 2019-20	Debts of textile company	200.00	Textiles

(₹ in crore)

f) Implementation status of the resolution plans approved by the Adjudicating Authority on a quarterly basis :

The Resolution Plan approved by NCLT has been implemented. The board of Alok Industries Ltd oversees the operations of the Company. There is a team of qualified and experienced professionals who are managing the day to day operations under the supervision and guidance of the Board.

g) Information on the ageing of the unrealised management fee recognised in their books as a part of the Notes to Accounts in the annual financial statements : Refer Note 7.2

**48.** Pursuant to notification issued by the Ministry of Corporate Affairs (MCA) dated August 16, 2019, on Companies (Share Capital and Debentures) Rules, 2014, ('Rules') the Company is not required to create DRR and as per MCA notification dated 5th June, 2020, the Company is also exempted to invest or deposit a sum which shall not be less than 15% of the amount of the Debentures issued and maturing during the financial year.

### 49. Disclosure of ratios:

Sr. No.	Ratio	Numerator (₹ in crore)	Denominator (₹ in crore)	As at March 31, 2024	Numerator (₹ in crore)	Denominator (₹ in crore)	As at March 31, 2023
a)	Capital to risk-weighted assets ratio (CRAR)	3,329.56	96.99	2.91%	4,586.86	1,131.46	24.67%
b)	Tier I CRAR*	NA	NA	NA	NA	NA	NA
c)	Tier II CRAR*	NA	NA	NA	NA	NA	NA
d)	Liquidity Coverage Ratio*	NA	NA	NA	NA	NA	NA

\* not applicable considering the nature of company's business.



**49.1** Pursuant to note no 32 of exceptional item, there is decrease in the Company's net worth and regulatory capital including regulatory ratios required to be maintained as per the applicable RBI guidelines as on March 31, 2024. To comply with the regulatory requirements, the Company is in the process of raising funds of ₹ 525 crore or such higher amounts through equity infusion from its Holding Company/Existing shareholders/Group entities/New investors and the same has been approved by the Board at its meeting held on May 16, 2024 subject to the necessary regulatory and other approvals as may be necessary. The Company is confident about meeting its obligations considering the above equity infusion and realisation from its existing assets. Considering the above, there would be no impact on Going concern principle on the Company in the foreseeable future and the Company would continue to operate its business in the normal course. The impact of these developments, if any shall be assessed and given effect in the respective future periods. Summary of the impact on regulatory ratios is given as under:

	Pre Impact of exceptional item	Post Impact of exceptional item (Pre equity infusion)	Post Equity Infusion
Net Worth (₹ in crore)	1,439.20	592.34	1,117.34
Debt Equity Ratio (No of times)*	1.96	4.76	2.05
CRAR	22.60%	2.91%	18.68%

\* debt equity ratio (Total debt/Net worth) of post equity infusion after considering utilisation of proceed of said equity infusion for repayment of debts

## 50. Contingent liabilities

Particulars	(₹ in crore)	
	As at March 31, 2024	As at March 31, 2023
<b>Income tax matter under dispute*:</b>		
Primarily relates to demand received from income tax authorities on account of disallowance of donation u/s 80G of Income Tax Act, 1961	0.41	0.41

\*In respect of above disputed demand, the company has filed appeal before appellate authority and has sufficient tax credit to pay the above demand in case the same materialises.

## 51. Additional Regulatory Information

- (i) The Company has not been declared wilful defaulter by any bank or financial institutions or government or any government authority.
- (ii) The Company has no transactions with the companies struck off under the Companies Act, 2013.
- (iii) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.
- (iv) The Company has complied with the number of layers prescribed under the Companies Act, 2013.
- (v) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (vi) (A) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:
  - (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

## Notes

forming part of the Standalone Financial Statements (Contd.)

- (B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- (viii) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (ix) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.
- (x) There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

**52.** The figures for the previous year have been regrouped/rearranged wherever necessary to make them comparable with the current year's figures.

**53.** The standalone financial statements are approved for issue by the Board of Directors at its meeting held on : May 16, 2024 .

### For and on behalf of the Board of Directors

**Adi Patel**  
Director  
(DIN - 02307863)

**Rupa Vora**  
Chairperson -  
Audit Committee  
(DIN - 01831916)

**Srinivasan Viswanathan**  
Chief Executive Officer

**Vineet Singh**  
Company Secretary

**Sabyasachi Ray**  
Chief Financial Officer

Place : Mumbai  
Date : May 16, 2024



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