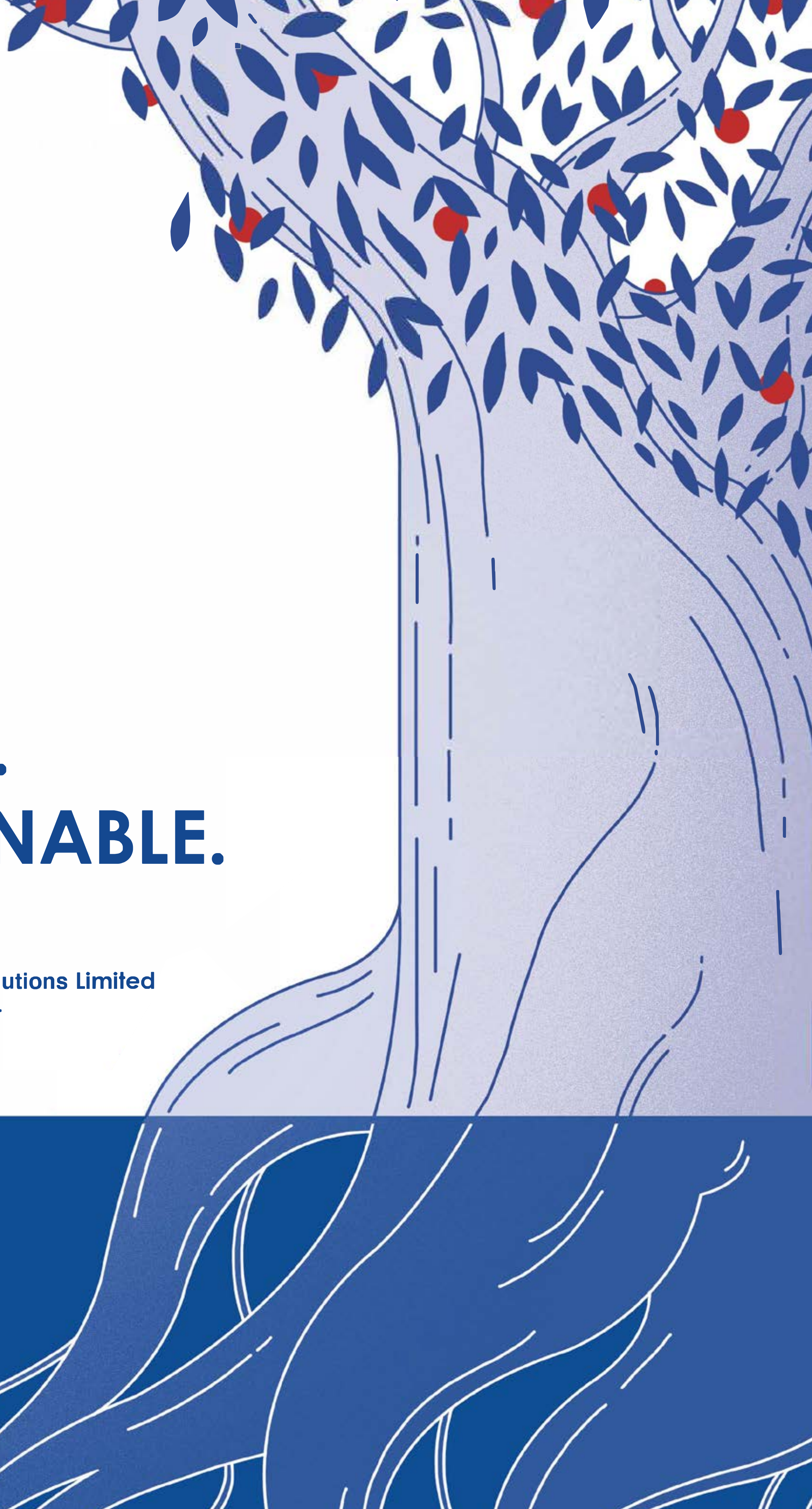
JM FINANCIAL



SOLID.
STABLE.
SUSTAINABLE.

JM Financial Credit Solutions Limited
Annual Report 2023-24

CORPORATE INFORMATION

BOARD OF DIRECTORS

NON-EXECUTIVE CHAIRMAN
Mr. Vikram Pandit

VICE-CHAIRMAN & MANAGING DIRECTOR
Mr. Vishal Kampani

NON-EXECUTIVE VICE CHAIRMAN
Mr. Hariharan Aiyar

INDEPENDENT DIRECTORS
Dr. Anup Shah
Mr. Satish Chand Mathur
Mr. K G Krishnamurthy

NON-EXECUTIVE DIRECTORS
Ms. Dipti Neelakantan
Mr. V P Shetty *(upto August 1, 2023)*
Mr. Adi Patel *(with effect from August 1, 2023)*

COMPANY SECRETARY AND CHIEF COMPLIANCE OFFICER
Mr. Hemant Pandya

CHIEF FINANCIAL OFFICER
Mr. Gagan Kothari *(upto October 31, 2023)*
Mr. Vishal Solanki *(with effect from November 1, 2023)*

REGISTERED OFFICE
JM Financial Credit Solutions Limited
Address
7th Floor, Cnergy, Appasaheb Marathe Marg
Prabhadevi, Mumbai- 400025
Contact Information
Tel: 022-66303030
Fax: 022-66303223
Email: investorrelations.csl@jmfl.com
Website: www.jmfinancialcreditsolutions.com

CIN: U74140MH1980PLC022644

BANKERS
Bank of Baroda
Bank of India
Canara Bank
HDFC Bank Limited
IDBI Bank Limited
IDFC First Bank Limited
ICICI Bank
RBL Bank Limited
State Bank of India
Union Bank of India

STATUTORY AUDITORS
BSR & Co. LLP
Address
14th Floor, Central B Wing
and North C Wing, Nesco IT Park 4,
Nesco Center, Western Express Highway,
Goregaon (East), Mumbai- 400063
Contact Information
Tel: 22 6257 1000
Fax: 22 62571010

DEBENTURE TRUSTEE
IDBI Trusteeship Services Limited
Address
Universal Insurance Building, Ground Floor
Ground Floor, Sir P.M. Road
Mumbai - 400 001
Contact Information
Tele: 022 4080 7000
Fax: 022 6631 1776
Website: www.idbitrustee.com

REGISTRARS & TRANSFER AGENTS
KFin Technologies Limited
Unit: JM Financial Credit Solutions Limited
Address
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda,
Serilingampally Mandal
Hyderabad - 500 032
Contact Information
Toll Free no.: 1800-309-4001
Email ID: einward.ris@kfintech.com

LEI: 2549006BN92R4G13MM66

Independent Auditor's Report

To the Members of JM Financial Credit Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JM Financial Credit Solutions Limited (the "Company") which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Impairment loss allowance for Expected Credit Loss ('ECL') on loans

The Company has recorded an impairment loss allowance of ₹ 481.27 crore as at 31 March 2024 and has recognized a charge of ₹ 99.10 crore for the year ended 31 March 2024 in its statement of profit and loss.

See Note 2.15 – Significant Accounting policies, Notes to the financial statements - Note 6: Loans, Note 28: Impairment on financial instruments, Note 40B: Financial Risk Management, Note 48.9: Provisions and Contingencies

The key audit matter	How the matter was addressed in our audit
Under Ind AS 109, Financial Instruments, allowance for loan losses are determined using expected credit loss ("ECL") estimation model. The estimation of impairment loss allowance on loans involves significant judgement and estimates. The key areas where we identified greater levels of management judgement and therefore increased levels of audit focus in the Company's estimation of ECL are: Staging – Ind AS 109 requires the Company to classify loans and advances into various stages based on assessment of significant increase in credit risk and default risk considering the quantitative and qualitative information. Significant management judgment is involved in determining the significant increase in credit risk and related staging. • Model estimations – Inherently judgmental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposures at Default ("EAD"). The LGD including value of collateral for under construction properties held by the Company / borrower specific cash flows for measurement of provision are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgmental aspect of the Company's modelling approach.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence for testing impairment loss allowance on loans: • Read and assessed the Company's accounting policies for impairment of financial assets considering the requirements of Ind AS 109. • Performed process walkthroughs to identify the key systems, applications and controls used in the impairment loss allowance process. We tested the relevant manual, general IT and application controls over key systems used in the impairment loss allowance process. • Tested the design and implementation and operating effectiveness of controls in respect of the Company's impairment loss allowance process such as the timely recognition of impairment loss and staging criteria, if applicable, completeness and accuracy of reports and management's review process over the computation of impairment loss allowance and the related disclosures on Credit Risk under Financial Risk management. • Assessed management's rationale for determination of criteria for significant increase in credit risk.

Independent Auditor's Report (Contd.)

The key audit matter	How the matter was addressed in our audit
• Economic scenarios – Ind AS 109 requires the Company to measure ECL on an unbiased forward-looking basis reflecting a range of future economic conditions. Significant management consideration is applied in determining the economic scenarios used and the probability weights applied to them, including changes to methodology. • Qualitative adjustments/ management overlays – Adjustments to the model-driven ECL results as overlays are recorded by management to address risks not captured by models for specific exposures. These adjustments are inherently uncertain and significant management judgement is involved in estimating these amounts. Other considerations for estimation of impairment loss allowance include: • Data inputs – The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data which has been used to create assumptions in the model. • Disclosures: The disclosures regarding the Company's application of Ind AS 109 are key to explaining the key judgements and significant inputs to the impairment loss allowance. • Given the size of loan portfolio relative to the balance sheet and the impact of impairment loss allowance on the financial statements, we have considered this as a key audit matter.	• Evaluated whether the methodology applied by the Company is compliant with the requirements of the relevant accounting standards and tested that the computations are performed in accordance with the approved methodology, including checking mathematical accuracy. • Sample testing over key inputs, data and assumptions impacting computation of impairment loss allowance to assess the completeness, accuracy and relevance of data, economic forecasts, and model assumptions applied. • Test of details on management overlays in order to assess the reasonableness of the adjustments by challenging key assumptions, and inspecting the computation methodology. • Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loss allowance in the financial statements are appropriate and sufficient. • We involved financial risk management specialists to evaluate appropriateness of the Company's Ind AS 109 impairment model, methodologies and reasonableness of assumptions used, including macro-economic factors.

Information Technology (IT) systems and controls

The key audit matter	How the matter was addressed in our audit
The Company's key financial accounting and reporting processes are dependent on information systems including automated controls in systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. Therefore, the assessment of the general IT controls and the application controls specific to the accounting and preparation of financial information is considered to be a key audit matter.	We have performed the following procedures during the period covered under audit: • We evaluated and tested relevant IT general controls and IT application automated controls of the in-scope IT systems identified as relevant for our audit of the financial statements and financial reporting process of the Company. • Performed control testing on user access management, program change management, program development, if required and IT operations and system application controls over key financial accounting and reporting systems. • Tested the design and operating effectiveness of key controls over user access management which includes granting access/ right, new user creation, removal of user rights and super user access rights management over the in-scope systems • For selected key general IT controls over financial and reporting systems, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process. • Other areas that were tested include password policies, controls over changes to applications, its associated operating systems and databases and controls to ensure that developers don't have access to change applications, the operating system or databases in the production environment. • Performed alternate procedures by testing compensating controls for areas where IT controls were not relied upon.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's and Board of Directors' Responsibilities for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/ loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements

Independent Auditor's Report (Contd.)

or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2 A. As required by Section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements - Refer Note 33 to the financial statements.

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 6(f) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 14.5(b) to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 21 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

e. Based on our examination which included test checks, the Company has used accounting softwares for maintaining its books of account which, along with access management tools, as applicable, have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting softwares. Further, for the periods where audit trail (edit log) facility was enabled and operated for the respective accounting softwares, we did not come across any instance of the audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

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

Kapil Goenka
Partner
Membership No.: 118189
ICAI UDIN:24118189BKDBCX5181

Place: Mumbai
Date: 18 May 2024

Annexure A

to the Independent Auditor's Report on the Financial Statements of JM Financial Credit Solutions Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified every year. In accordance with this programme, all property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company is engaged in the business of a non banking financial company without accepting public deposits under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, it does not hold any physical inventory. Accordingly, clause 3(ii) (a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks and financial institution on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security to companies, firms, limited liability partnership or any other parties during the year. The Company has made investments, granted loans and advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership and other parties in respect of which the requisite information is as below:

(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company's principal business is to give loans. Accordingly, clause 3(iii) (a) of the Order is not applicable.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made during the year and the terms and conditions of the grant of loans and advances in the nature of loans provided during the year are, prima facie, not prejudicial to the interest of the Company. Further the Company, has not provided any guarantee or security to companies, limited liability partnership or other parties during the year.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the receipts have been regular except for the following:

Number of Customers/ Borrowers	Amount (₹ in crore)	Due Date	Extent of delay
3	232.57	Various due dates	1-30 days
3	264.36	Various due dates	31-60 days
10	456.66	Various due dates	More than 90 days

represents outstanding amount as on 31 March 2024 for the overdue customers/borrowers.

Having regard to the nature of the Company's business and the volume of information involved, it is not practicable to provide an itemised list of loan assets where delinquencies in the repayment of principal and interest have been identified.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans (and advance in the nature of loan) given except an amount of ₹ 456.66 crores (principal amount) overdue for more than ninety days as at 31 March 2024. In our opinion, reasonable steps have been taken by the Company for recovery of the principal and interest. Further, the Company has not given any advance in the nature of loan to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company's principal business is to give loans. Accordingly, clause 3(iii) (e) of the Order is not applicable.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified under Section 185 of the Companies Act, 2013. In respect of the investments made by the Company, in our opinion the provisions of Section 186(1) of the Act have been complied with. The remaining provisions related to section 186 of the Act do not apply to the Company as it is an NBFC registered with the Reserve Bank of India ('RBI').

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year. since effective 1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Income-Tax and Cess have been regularly deposited by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on employees' state insurance and duty of customs.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Income-Tax or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹ in Crore)	Period to which the amount relates	Due date	Date of payment
Employees Provident Funds & Miscellaneous Provisions Act, 1952	Provident fund contribution	0.04	April 2022 - September 2023	Various Due dates	Not Paid

Annexure A (Contd.)

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Taxes	9.63	AY 2018-19	Commissioner of Income Tax Appeals

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year. ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.

(f) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(f) is not applicable.

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) In our opinion and according to the information and explanation provided to us, the Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and has obtained the registration.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) The Company is not part of any group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016 as amended). Accordingly, the requirements of clause 3(xvi)(d) are not applicable.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, 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, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

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

Kapil Goenka
Partner
Membership No.: 118189
ICAI UDIN:24118189BKDBCX5181

Place: Mumbai
Date: 18 May 2024

Annexure B

to the Independent Auditor's Report on the financial statements of JM Financial Credit Solutions Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of JM Financial Credit Solutions Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

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

Kapil Goenka
Partner
Membership No.: 118189
ICAI UDIN:24118189BKDBCX5181

Place: Mumbai
Date: 18 May 2024

Auditors' Additional Report

To the Board of Directors of
JM Financial Credit Solutions Limited

Report on the Financial Statements

1. In addition to the report made under section 143 of the Companies Act, 2013 (the 'Act') on the financial statements of JM Financial Credit Solutions Limited (the 'Company') for the year ended 31 March 2024 and as required by Master Direction on Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016 vide Master Direction DNBS.PPD.03/66.15.001/2016-17 dated 29 September 2016 (the 'Directions'), we report as follows on the matters specified in paragraphs 3 and 4 of the said Directions to the extent applicable.

Management's Responsibility for the Financial Statements

2. The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. The Company's management is responsible for ensuring that the Company complies with the requirements of the Master Direction - Reserve Bank of India (Non-Banking Financial Company – Scale Based Regulation) Directions 2023 dated 19 October 2023 (Updated as on 21 March 2024) (the 'Master Direction'). This responsibility includes the design, implementation and maintenance of internal control relevant to the compliance with the Master Direction.

Auditor's Responsibility

4. We have audited the financial statements of the Company for the year ended 31 March 2024, on which we issued an unmodified audit opinion vide our report dated 18 May 2024. Our audit of these financial statements was conducted in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'). Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. Our audit was not planned and performed in connection with any transactions to identify matters that may be of potential interest to third parties.

5. Pursuant to the requirements of the Directions, it is our responsibility to provide reasonable assurance on whether the Company has complied with the matters specified in the Directions to the extent applicable to the Company.

6. We conducted our examination in accordance with the 'Guidance Note on Reports or Certificates issued for Special Purposes (Revised 2016)' issued by the Institute of Chartered Accountants of India (the 'ICAI'). The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. Based on our examination of the audited financial statements as at and for the year ended

   31 March 2024, books of account and records of the Company as produced for our examination and according to the information and explanations given to us, we further report that:

   i. The Company is engaged in the business of non-banking financial institution, and it has obtained a certificate of registration, the registration no. being B-13.01681 from Reserve Bank of India ('RBI'). The date of issuance of Certificate of Registration ('COR') to FICS Consultancy Services Limited is 27 August 2003 in pursuance of section 45-IA of RBI Act, 1934 (subsequently name changed to JM Financial Credit Solutions Limited and revised registration certificate received from RBI vide communication dated 8 April 2015);

ii. The Company is entitled to continue to hold such Certificate of Registration in terms of its asset/ income pattern as on/ for the year ended 31 March 2024;

iii. In our opinion and to the best of our information and according to the explanations given to us, the Company is meeting the required net owned fund requirement as laid down in the Master Direction;

iv. The Board of Directors of the Company has passed a resolution in its meeting held on 29 April 2023 for non-acceptance of public deposits during the year ended 31 March 2024 and further confirmed on 25 April 2024;

v. The Company has not accepted any public deposits during year ended 31 March 2024;

vi. With effect from 1 April 2018, as per the roadmap issued by the Ministry of Corporate Affairs for Non-Banking Finance Companies vide notification no. G.S.R 365(E) dated 30 March 2016, for financial reporting purposes, the Company has followed the Accounting Standards issued by the ICAI specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standard) Rules, 2015 ('Ind AS'). In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts (i.e. Stage 3 assets) as per Ind AS in the preparation of the financial statements for the year ended 31 March 2024;

vii. In our opinion and to the best of our information and according to the explanations given to us, the Company being a Middle Layer Systemically Important Non-deposit taking NBFC as defined in paragraph 2.3 of the Master Direction, for the year ended 31 March 2024:

   a) the capital adequacy ratio as disclosed in the annual return submitted to RBI in form DNBS03 (Important Prudential Parameters) as at 31 March 2024, has been correctly arrived at and such ratio is in compliance with the minimum capital to risk assets ratio ('CRAR') prescribed by RBI; and

   b) the Company has furnished to RBI, the provisional annual statement of capital funds, risk assets/exposures and risk asset ratio ('form DNBS03') for the year ended 31 March 2024 on 18 April 2024 which is within the stipulated period.

viii. Based on the criteria set forth by RBI in paragraph 5.1.21 of the Master Direction for classification of NBFCs as NBFC – Micro Finance Institution ('NBFC-MFI'), the Company does not meet the criteria to be classified as NBFC-MFI as defined in the aforesaid Master Direction, with reference to the business carried on by it during the year ended 31 March 2024.

Restriction of use

9. This Report is addressed to and provided to the Board of Directors solely to comply with the aforesaid Directions and for submission to RBI, if required and may not be suitable for any other purpose. Accordingly, our Report should not be quoted or referred to in any other document or made available to any other person or persons without our prior written consent. Also, we neither accept nor assume any duty or liability for any other purpose or to any other party to whom our Report is shown or into whose hands it may come without our prior consent in writing.

Yours faithfully,

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

Kapil Goenka
Partner
Membership No.: 118189
ICAI UDIN:24118189BKDBDL7352

Place: Mumbai
Date: 13 June 2024

Balance Sheet
as at March 31, 2024

(₹ in Crore)

	Particulars	Note No.	As at March 31, 2024	As at March 31, 2023
	ASSETS			
1	**Financial Assets**			
A	Cash and cash equivalents	4	1,284.05	51.17
B	Bank balance other than (A) above	5	5.83	5.59
C	Loans	6	7,030.18	9,197.56
D	Investments	7	1,775.66	1,195.05
E	Other Financial assets	8	6.90	6.07
	Total Financial Assets		**10,102.62**	**10,455.44**
2	**Non-financial Assets**			
A	Current tax assets (net)	9	96.66	48.48
B	Deferred tax assets (net)	10	112.88	97.07
C	Property, Plant and Equipment	11	20.33	16.31
D	Other Intangible assets	11	0.19	0.01
E	Other non-financial assets	12	1.50	0.94
	Total Non-financial Assets		**231.56**	**162.81**
	Total Assets		**10,334.18**	**10,618.25**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	**Financial Liabilities**			
A	**Payables**			
	(I) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises	13	0.82	0.04
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	13	3.34	6.54
B	Debt securities	14	3,991.10	3,915.34
C	Borrowings (Other than Debt securities)	15	2,059.82	2,367.54
D	Lease Liabilities	16	17.71	18.11
E	Other financial liabilities	17	43.72	46.54
	Total Financial Liabilities		**6,116.51**	**6,354.11**
2	**Non-financial Liabilities**			
A	Provisions	18	2.59	2.57
B	Other non-financial liabilities	19	2.34	4.67
	Total Non-financial Liabilities		**4.93**	**7.24**
3	**EQUITY**			
A	Equity Share Capital	20	2.83	2.83
B	**Other Equity**	21	4,209.91	4,254.07
	Total Equity		**4,212.74**	**4,256.90**
	Total Liabilities and Equity		**10,334.18**	**10,618.25**
	The accompanying notes form an integral part of the financial statements	1 to 58		

In terms of our report of even date attached

For and on behalf of the Board of Directors

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

Vishal Kampani
Managing Director
DIN – 00009079

Adi Patel
Director
DIN – 02307863

Kapil Goenka
Partner
Membership No. 118189

Vishal Solanki
Chief Financial Officer

Hemant Pandya
Company Secretary

Place: Mumbai
Date: May 18, 2024

Place: Mumbai
Date: May 18, 2024

Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crore)

	Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
I.	Income:			
	Revenue from operations			
	Interest income	22	1,223.23	1,118.08
	Fees and commission income	23	15.97	1.13
	Net gain on fair value changes	24	64.11	53.08
	Net gain on derecognition of financial instruments under amortised cost category	25	0.71	-
	Dividend income		0.80	0.01
	Total Revenue from Operations		**1,304.82**	**1,172.30**
	Other income	26	-	0.24
	Total Income (I)		**1,304.82**	**1,172.54**
II.	Expenses:			
	Finance costs	27	595.46	499.36
	Net loss on derecognition of financial instruments under amortised cost category		-	0.06
	Impairment on financial instruments	28	561.74	136.87
	Employee benefits expense	29	47.93	50.09
	Depreciation, amortization and impairment	30	5.12	3.86
	Other expenses	31	27.67	29.47
	Total Expenses (II)		**1,237.92**	**719.71**
III.	Profit before Tax (III) (I-II)		**66.90**	**452.83**
IV.	Tax expense			
	Current tax	32	44.69	102.89
	Deferred tax charge / (benefit)	32	(25.40)	14.36
	Tax adjustment of earlier years(net)	32	0.45	0.83
	Total Tax expenses – (IV)		**19.74**	**118.08**
V.	Net Profit for the year (V) (III – IV)		**47.16**	**334.75**
VI.	Other Comprehensive Income			
	(i) Items that will be reclassified to profit or loss		-	-
	(ii) Items that will not be reclassified to profit or loss			
	- Actuarial gain/(losses) on post-retirement benefit plans		(0.35)	0.04
	- Equity Instruments through Other Comprehensive Income		(80.54)	(25.83)
			(80.89)	**(25.79)**
	- Income tax on the above		(9.58)	6.49
	Total Other Comprehensive Loss (VI)		**(90.47)**	**(19.30)**
VII.	Total Comprehensive Income (V + VI)		**(43.31)**	**315.45**
VIII.	Earnings Per Equity Share	35		
	(Face value of ₹ 10/- each)			
	Basic (₹)		166.83	1,184.18
	Diluted (₹)		166.83	1,184.18
	The accompanying notes form an integral part of the financial statements	1 to 58		

In terms of our report of even date attached

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

Kapil Goenka
Partner
Membership No. 118189

Place: Mumbai
Date: May 18, 2024

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN – 00009079

Adi Patel
Director
DIN – 02307863

Vishal Solanki
Chief Financial Officer

Hemant Pandya
Company Secretary

Place: Mumbai
Date: May 18, 2024

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
A	**Cash flow from operating activities**		
	Profit before tax	66.90	452.83
	Adjustment for:		
	Depreciation, amortization and impairment	5.12	3.86
	Net gain on fair value changes	(64.11)	(53.08)
	Net (gain) / loss on derecognition of financial instruments under amortised cost category	(0.71)	0.06
	Loans Written off	481.97	224.89
	Provision for impairment written back	(124.71)	(165.00)
	Impairment on financial instruments	204.48	76.96
	Provision for gratuity	0.30	0.25
	Provision for compensated absences	(0.51)	0.38
	Interest on fixed deposits	(0.07)	(0.16)
	Interest on Security deposit	(0.25)	(0.15)
	Interest income on loans and Investment	(1,222.91)	(1,117.76)
	Dividend income	(0.80)	(0.01)
	Finance cost	595.46	499.36
	Operating profit / (loss) before working capital changes and interest received / paid	**(59.84)**	**(77.57)**
	Adjustment for:		
	Decrease / (Increase) in loans	1,552.73	(1,906.23)
	(Increase) / Decrease in other financial and non-financial assets	(1.26)	8.82
	(Decrease) / Increase in trade payables and other liabilities	(7.56)	11.30
	(Decrease) in Provisions	(0.12)	(0.11)
	Interest income received	1,275.81	1,042.69
	Interest expenses paid	(623.96)	(493.46)
	Cash generated from / (used in) operations	**2,135.80**	**(1,414.56)**
	Direct taxes paid	(93.33)	(113.11)
	Net cash generated from / (used in) operating activities	**2,042.47**	**(1,527.67)**
B	**Cash flow from investing activities**		
	Purchase of investments	(9,493.41)	(9,599.81)
	Sale of investments	8,896.38	9,601.06
	Fixed deposits placed with bank	(0.23)	(2.16)
	Interest received on bank deposits	0.02	0.19
	Dividend received	0.80	0.01
	Purchase of Property, plant and equipment	(5.74)	(0.36)
	Net cash used in investing activities	**(602.18)**	**(1.07)**
C	**Cash flow from financing activities**		
	Dividend paid	(0.85)	(0.71)
	Repayment of lease obligations (Principal)	(3.81)	(2.83)
	Repayment of lease obligations (interest)	(1.77)	(1.74)
	Proceeds from issuance of debt securities	1,525.00	627.70
	Repayment of debt securities	(1,419.30)	(544.33)
	Proceeds from borrowings other than debt securities	450.00	1,404.00
	Repayment of borrowings other than debt securities	(756.68)	(311.28)

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net cash (used in) / generated from financing activities	**(207.41)**	**1,170.81**
Net increase / (decrease) in Cash and cash equivalents	1,232.88	(357.93)
Cash and cash equivalents at the beginning of the year	51.17	409.10
Cash and cash equivalents at the end of the year (refer note 4)	**1,284.05**	**51.17**
Components of cash and cash equivalents		
Cash on hand	-	0#
Balances with banks		
- In current accounts	1,134.05	51.02
- Cheques, drafts on hand	-	0.15
- In deposit accounts	150.00	-
	1,284.05	**51.17**
The accompanying notes form an integral part of the financial statements	1 to 58	

#Denotes amount less than ₹50,000/-

Additional Disclosure pursuant to Ind AS 7 (Borrowings Movement during the Year)

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Balance	**6,282.88**	**5,102.57**
Cash flows	(220.59)	1,183.73
Others*	(11.39)	(3.42)
Closing Balance	**6,050.90**	**6,282.88**

** includes Effective interest rate (EIR) adjustment, interest accrued, etc.*

Note

1 The Statement of cash flow has been prepared under the 'Indirect Method' set out in Ind AS 7 - "Statement of Cash Flow ".

In terms of our report of even date attached

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

Kapil Goenka
Partner
Membership No. 118189

Place: Mumbai
Date: May 18, 2024

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN – 00009079

Adi Patel
Director
DIN – 02307863

Vishal Solanki
Chief Financial Officer

Hemant Pandya
Company Secretary

Place: Mumbai
Date: May 18, 2024

Statement of changes in Equity

for the year ended March 31, 2024

A. Equity share capital

(₹ in Crore)

Particulars	Balance as at March 31, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
Equity Share Capital	2.83	-	2.83	-	2.83

B. Other Equity

(₹ in Crore)

Particulars	Reserves and Surplus					Other Comprehensive Income (OCI)	Total Other Equity
	Securities Premium	General Reserve	Capital Reserve	Statutory Reserve	Retained earnings	Equity instruments through OCI	
Balance at March 31, 2022	**1,715.28**	**0.17**	**#**	**458.46**	**1,761.47**	**3.95**	**3,939.33**
Addition/Reduction during the year							
Profit for the year	-	-	-	-	334.75	-	334.75
Other comprehensive income for the year	-	-	-	-	0.03	(19.33)	(19.30)
Final Dividend	-	-	-	-	(0.71)	-	(0.71)
Transfer to statutory reserves	-	-	-	66.95	(66.95)	-	-
Balance at March 31, 2023	**1,715.28**	**0.17**	**#**	**525.41**	**2,028.59**	**(15.38)**	**4,254.07**
Addition/Reduction during the year							
Profit for the year	-	-	-	-	47.16	-	47.16
Other comprehensive income for the year	-	-	-	-	(0.26)	(90.21)	(90.47)
Final Dividend	-	-	-	-	(0.85)	-	(0.85)
Transfer to statutory reserves	-	-	-	9.44	(9.44)	-	-
Balance at March 31, 2024	**1,715.28**	**0.17**	**#**	**534.85**	**2,065.20**	**(105.59)**	**4,209.91**

 # Denotes amount less than ₹ 50,000/-

The accompanying notes form an integral part of the financial statements 1 to 58

In terms of our report of even date attached

For and on behalf of the Board of Directors

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

Vishal Kampani
Managing Director
DIN – 00009079

Adi Patel
Director
DIN – 02307863

Kapil Goenka
Partner
Membership No. 118189

Vishal Solanki
Chief Financial Officer

Hemant Pandya
Company Secretary

Place: Mumbai
Date: May 18, 2024

Place: Mumbai
Date: May 18, 2024

Significant Accounting Policies

and Notes to the Financial Statements

1 Corporate Information

JM Financial Credit Solutions Limited (the "Company") was originally incorporated at Mumbai, Maharashtra on May 15, 1980, as a public limited company, under the provisions of the Companies Act, 1956 with registration number 22644 of 1980, with the name "FICS Consultancy Services Limited". The Company also received a certificate for commencement of business on May 24, 1980. Subsequently, by way of a fresh certificate of incorporation dated March 04, 2015 issued by the Registrar of Companies, Mumbai, Maharashtra, the Company's name was changed to "JM Financial Credit Solutions Limited". The Company has obtained a certificate of registration dated August 27, 2003 bearing registration no. B-13.01681 issued by the Reserve Bank of India ("RBI") to carry on the activities of a non-banking financial company without accepting public deposits under Section 45 IA of the RBI Act, 1934. The Company is a Systemically Important Non-Deposit taking Non-Banking Financial Company (NBFC-ND-SI) classified as an Investment and Credit Company and in accordance with the Scale Based Regulations, as a Middle layer NBFC (NBFC-ML)

The Company is a public limited company incorporated under Companies Act, 2013 and its non-convertible debentures and commercial paper are listed on the BSE Limited and the National Stock Exchange of India Limited.

2. Material Accounting Policies

2.1 Basis of preparation and presentation of financial statements

Basis of Measurement

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the "Act") (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant rules, as amended.

Accounting policies are consistently applied except where a newly-issued Ind AS initially adopted or a revision to an existing Ind AS requires a change in the accounting policy

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 Convention

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Measurement of fair values

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 that market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/ or disclosure purposes in these financial statements is determined on such a basis, except for share based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116, and measurements that have some similarities to fair value but are not fair value in use in Ind AS 36.

Fair value measurements under Ind AS are categorised into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company can access at measurement date
- Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the valuation of assets or liabilities.

Presentation of financial statements

The Balance Sheet, the Statement of Profit and Loss and the Statement of Changes in Equity are prepared and presented in the format prescribed in the Division III of Schedule III to the Companies Act, 2013 (the "Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows". The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flow and Statement of Changes in Equity are together referred as the financial statement of the Company.

The financial statements are prepared and presented on going concern basis and the relevant provisions of the Act and the guidelines and directives issued by the Reserve Bank of India (RBI) to the extent applicable.

Amounts in the financial statements are presented in Indian Rupees in crores 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.

Functional and presentation currency

These financial statements are presented in Indian Rupees (INR"/"₹") which is also the Company's functional currency. All amounts have been rounded to the nearest crores, unless otherwise indicated.

2.2 Property, Plant and Equipment and Intangible Assets

A Property, Plant and Equipment

a. Recognition and measurement

Property, Plant and Equipment (PPE) is recognised when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. PPE is stated at original cost net of tax/duty credits availed, if any, less accumulated depreciation and cumulative impairment, if any. Cost includes professional fees related to the acquisition of PPE. PPE not ready for the intended use on the date of the Balance Sheet is disclosed as "capital work-in-progress". (Also refer to policy on leases, borrowing costs and impairment of assets below).

PPE held for use are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses.

b. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

c. Depreciation

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

Assets	Useful Life
Vehicles	5 years
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

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.

Freehold land has an unlimited useful life and therefore is not depreciated.

d. Derecognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in statement of profit or loss.

B Intangible assets

a. Recognition and measurement

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably. Intangible assets are stated at original cost net of tax/duty credits availed, if any, less accumulated amortisation and cumulative impairment. Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

b. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably.

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c. Amortisation

Intangible assets are amortised on straight line basis over the estimated useful life of 5 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation on impaired assets is provided by adjusting the amortisation charge in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

d. Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognised in statement of profit or loss when the asset is derecognised.

C 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 recognised as an impairment loss in the Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the statement of profit or loss.

2.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured and there exists reasonable certainty of its recovery.

a. Interest Income

Interest income on financial instruments at amortised cost is recognised on a time proportion basis taking into account the amount outstanding and the effective interest rate (EIR) applicable. Interest on financial instruments measured as at fair value is included within the fair value movement during the period.

Interest income on all trading assets and financial assets, if any, required to be measured at FVTPL is recognized using the contractual interest rate as net gain on fair value changes.

Penal interest / charges accounted on receipt basis

The EIR is the rate that exactly discounts estimated future cash flows of the financial instrument through the expected life of the financial instrument or, where appropriate, a shorter period, to the net carrying amount of the financial instrument. The future cash flows are estimated taking into account all the contractual terms of the instrument.

The calculation of the EIR includes all fees paid or received between parties to the contract that are incremental and directly attributable to the specific lending arrangement, transaction costs, and all other premiums or discounts. For financial assets at Fair Value through Profit and Loss ('FVTPL'), transaction costs are recognised in statement of profit or loss at initial recognition.

The interest income is calculated by applying the EIR to the gross carrying amount of non-credit impaired financial assets (i.e. at the amortised cost of the financial asset before adjusting for any expected credit loss allowance) , Interest income on all trading assets and financial assets required to be measured at FVTPL is recognised using contractual interest rate. For financial assets originated or purchased credit-impaired (POCI) the EIR reflects the ECLs in determining the future cash flows expected to be received from the financial asset.

b. Fees and Commission Income

Ind AS 115, Revenue from contracts with customers, outlines a single comprehensive model of accounting for revenue arising from contracts with customers. The Group recognises revenue from contracts with customers based on a five-step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer,

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

Fee and commission income include fees other than those that are an integral part of EIR. The fees included in this part of the statement of profit and loss include fees charged for servicing a loan.

Revenue from contract with customer for rendering services is recognized at a point in time when performance obligation is satisfied. Fees and commission income are measured at an amount that reflects the fair value of the consideration received or receivable, to which an entity expects to be entitled in exchange for transferring goods or services to customer, excluding amounts collected on behalf of third parties.

c. Dividend Income

Dividend income from investments is recognised when the Company's right to receive dividend has been established and it is probable that the economic benefits associated with the dividend will flow to the Company and the amount of the dividend can be measured reliably.

d. Other income

Other Income represents income earned from the activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.

e. Net gain on fair value changes

The Company recognises gains on fair value change of financial assets measured at FVTPL and realised gains on derecognition of financial asset measured at FVTPL on net basis. However, net gain / loss on derecognition of financial instruments classified as amortised cost is presented separately under the respective head in the Statement of Profit and Loss.

2.4 Leases

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

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

a) the use of an identified asset,

b) the right to obtain substantially all the economic benefits from use of the identified asset, and

c) the right to direct the use of the identified asset.

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

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

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

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

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The lease liabilities is subsequently increased by the interest cost on the lease liability and decreased by lease payment made. The carrying amount of lease liability is remeasured to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. A change in the estimate of the amount expected to be payable under a residual value guarantee, or as appropriate, changes in the assessment of whether a purchase or extension option is reasonably certain to be exercised or a termination option is reasonably certain not be exercised. The Company has applied judgement to determine the lease term for some lease contracts in which it is a lessee that include renewal options. The assessment of whether the Company is reasonably certain to exercise such options impacts the lease term, which significantly affects the amount of lease liabilities and right of use assets recognised. The discounted rate is generally based on incremental borrowing rate specific to the lease being evaluated.

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 liabilities has been presented in Note 16 “Lease Liability” and ROU asset that do not meet the definition of Investment Property has been presented in Note 11 “Property, Plant and Equipment” and lease payments have been classified as financing cash flows.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company’s policy on borrowing costs.

2.5 Foreign currency transactions

In preparing the financial statements of the Company, transactions in currencies other than the entity’s functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in statement of profit or loss in the period in which they arise.

2.6 Borrowing costs

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

Borrowing costs include interest expense calculated using the EIR on respective financial instruments measured at amortised cost, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

The effective interest rate (EIR) is the rate that exactly discounts estimated future cash flows through the expected life of the financial instrument to the gross carrying amount of the financial liability. Calculation of the EIR includes all fees paid that are incremental and directly attributable to the issue of a financial liability.

2.7 Employee benefits

Retirement benefit costs and termination benefits:

Defined Contribution Plan

Payments to defined contribution plans are recognised as expense in the Statement of Profit 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 recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that cash refund or a reduction in the future payment is available.

Defined Benefit Obligation:

The Company's Gratuity liability under the Payment of Gratuity Act,1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

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

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Company, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan.

Remeasurement of the net defined benefit liability, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in Other Comprehensive Income (OCI). Net interest expense (income) on the net defined liability (assets) is computed by applying the discount rate, used to measure the net defined liability (asset), to the net defined liability (asset) at the start of the financial year after taking into account any changes as a result of contribution and benefit payments during the year. Net interest expense and other expenses related to defined benefit plans are recognised in statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in Statement of Profit and Loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Short-term employee benefits

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

Other long-term employee benefits:

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

2.8 Share-based payment arrangements

Equity-settled share-based payments to employees of the Company are measured at the fair value of the equity instruments at the grant date as per Black and Scholes model. Details regarding the determination of the fair value of equity-settled share-based transactions are set out in note 41.

The fair value determined at the grant date of the equity-settled share-based payments to employees of the Company is expensed on a straight-line basis over the vesting period with a corresponding increase in equity.

At the end of each year, the Company revisits its estimate of the number of equity instruments expected to vest and recognizes any impact in the Statement of profit and loss, such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

Equity-settled share-based payment transactions with parties other than employees are measured at the fair value of the goods or services received, except where that fair value cannot be estimated reliably, in which case they are measured at the fair value of the equity instruments granted, measured at the date the entity obtains the goods or the counterparty renders the service.

For cash-settled share-based payments, a liability is recognised for the goods or services acquired, measured initially at the fair value of the liability. At the end of each reporting period until the liability is settled, and at the date of settlement, the fair value of the liability is remeasured, with any changes in fair value recognised in statement of profit or loss for the year.

2.9 Taxation

Income tax

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

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recognised in other comprehensive income or directly in equity respectively.

The Company has determined that interest and penalties related to income taxes, including uncertain tax treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current tax

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.

Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill. Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset is realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

2.10 Goods and Services Input Tax Credit

Goods and Services tax input credit is accounted for in the books in the period in which the supply of goods or service received is accounted and when there is no uncertainty in availing/utilising the credits.

2.11 Provisions, contingent liabilities and contingent assets

Provisions

Provisions are recognised only when:

i. a Company has a present obligation (legal or constructive) as a result of a past event; and

ii. it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and

iii. a reliable estimate can be made of the amount of the obligation

These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liability

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent Assets:

Contingent asset is not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognized.

Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

2.12 Commitments

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

i. estimated amount of contracts remaining to be executed on capital account and not provided for;

ii. uncalled liability on shares and other investments partly paid;

iii. Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

iv. Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

v. Commitments under Loan agreement to disburse Loans, if any

2.13 Statement of Cash Flows

Statement of Cash Flows is prepared segregating the cash flows into operating, investing and financing activities. Cash flow from operating activities is reported using indirect method adjusting the net profit for the effects of:

i. changes during the period in inventories and operating receivables and payables transactions of a non-cash nature;

ii. non-cash items such as depreciation, provisions, deferred taxes, unrealised foreign currency gains and losses, and undistributed profits of associates and joint ventures; and

iii. All other items for which the cash effects are investing or financing cash flows.

Cash and cash equivalents (including bank balances) shown in the Statement of Cash Flows exclude items which are not available for general use as on the date of Balance Sheet.

2.14 Segments

Based on “Management Approach” as defined by Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the “Operating Segments”. Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment.

2.15 Financial Instruments

Recognition of Financial Instruments

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

Initial Measurement of Financial Instruments

Recognised financial assets and financial liabilities are initially measured at fair value except for trade receivables which are initially measured at transaction price. Transaction costs and revenues that are directly

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attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in statement of profit or loss.

If the transaction price differs from fair value at initial recognition, the Company will account for such difference as follows:

- if fair value is evidenced by a quoted price in an active market for an identical asset or liability or based on a valuation technique that uses only data from observable markets, then the difference is recognised in statement of profit or loss on initial recognition (i.e. day 1 profit or loss);
- in all other cases, the fair value will be adjusted to bring it in line with the transaction price (i.e. day 1 profit or loss will be deferred by including it in the initial carrying amount of the asset or liability).

After initial recognition, the deferred gain or loss will be released to the Statement of profit and loss on a rational basis, only to the extent that it arises from a change in a factor (including time) that market participants would take into account when pricing the asset or liability.

Classification of Financial Assets:

- Debt instruments that are held within a business model whose objective is to collect the contractual cash flows, and that have contractual cash flows that are solely payments of principal and interest on the principal amount outstanding (SPPI), are subsequently measured at amortised cost;
- all other debt instruments (e.g. debt instruments managed on a fair value basis, or held for sale) and equity investments are subsequently measured at FVTPL.

However, the Company may make the following irrevocable election / designation at initial recognition of a financial asset on an asset-by-asset basis:

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and
- the Company may irrevocably designate a debt instrument that meets the amortised cost or FVTOCI criteria as measured at FVTPL if doing so eliminates or significantly reduces an accounting mismatch (referred to as the fair value option).

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Subsequent Measurement of Financial Assets:

All recognised financial assets that are within the scope of Ind AS 109 are required to be subsequently measured at amortised cost or fair value on the basis of the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Debt instruments at amortised cost or at FVTOCI

The Company assesses the classification and measurement of a financial asset based on the contractual cash flow characteristics of the individual asset basis and the Company's business model for managing the asset.

For an asset to be classified and measured at amortised cost or at FVTOCI, its contractual terms should give rise to cash flows that are meeting SPPI test.

For the purpose of SPPI test, principal is the fair value of the financial asset at initial recognition. That principal amount may change over the life of the financial asset (e.g. if there are repayments of principal). Interest consists of consideration for the time value of money, for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs, as well as a profit margin. The SPPI assessment is made in the currency in which the financial asset is denominated.

Contractual cash flows that are SPPI are consistent with a basic lending arrangement. Contractual terms that introduce exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement, such as exposure to changes in equity prices or commodity prices, do not give rise to contractual cash flows that are SPPI. An originated or an acquired financial asset can be a basic lending arrangement irrespective of whether it is a loan in its legal form.

An assessment of business models for managing financial assets is fundamental to the classification of a financial asset. The Company determines the business models at a level that reflects how financial assets are managed at individual basis and collectively to achieve a particular business objective.

When a debt instrument measured at FVTOCI is derecognised, the cumulative gain/loss previously recognised in OCI is reclassified from equity to profit or loss. In contrast, for an equity investment designated as measured at FVTOCI, the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to profit or loss but transferred within equity.

Debt instruments that are subsequently measured at amortised cost or at FVTOCI are subject to impairment.

Equity Investments at FVTOCI

The Company subsequently measures all equity investments at fair value through profit or loss, unless the Company's management has elected to classify irrevocably some of its equity investments as equity instruments at FVTOCI, when such instruments meet the definition of Equity under Ind AS 32 Financial Instruments: Presentation and are not held for trading. Such classification is determined on an instrument-by-instrument basis.

Gains and losses on equity instruments measured through FVTPL are recognised in the Statement of Profit and Loss.

Gains and losses on equity instruments measured through FVTOCI are never recycled to profit or loss. Dividends are recognised in statement of profit or loss as dividend income when the right of the payment has been established, except when the Company benefits from such proceeds as a recovery of part of the cost of the instrument, in which case, such gains are recorded in OCI. Equity instruments at FVTOCI are not subject to an impairment assessment.

Financial assets at fair value through profit or loss (FVTPL)

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects on initial recognition to present subsequent changes in fair value in other comprehensive income for investments in equity instruments which are not held for trading.

Debt instruments that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVTOCI criteria but are designated as at FVTPL are measured at FVTPL.

A financial asset that meets the amortised cost criteria or debt instruments that meet the FVTOCI criteria may be designated as at FVTPL upon initial recognition if such designation eliminates or significantly reduces a measurement or recognition inconsistency that would arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in statement of profit or loss. The net gain or loss recognised in statement of profit or loss incorporates any dividend or interest earned on the financial asset. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

Reclassifications

If the business model under which the Company holds financial assets changes, the financial assets affected are reclassified. The classification and measurement requirements related to the new category apply prospectively from the first day of the first reporting period following the change in business model that result in reclassifying the Company's financial assets. During the current financial year and previous accounting period there was no change in the business model under which the Company holds financial assets and therefore no reclassifications were made. Changes in contractual cash flows are considered under the accounting policy on Modification and derecognition of financial assets described below.

Impairment of financial assets

Overview of the Expected Credit Loss principles

The company records allowance for expected credit losses for all loans, other debt financial assets not held at FVTPL, together with loan commitments and financial guarantee contracts, in this section all referred to as 'financial instruments'. Equity instruments are not subject to impairment under Ind AS 109.

Expected credit losses (ECL) are a probability-weighted estimate of the present value of credit losses. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate (or credit-adjusted effective interest rate for purchased or originated credit-impaired financial assets). The Company estimates cash flows by considering all contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) through the expected life of that financial instrument.

The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. 12-month expected credit losses are portion of the life-time expected credit losses and represent the lifetime cash shortfalls that will result if default occurs within the 12 months after the reporting date and thus, are not cash shortfalls that are predicted over the next 12 months.

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition. For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Company measures ECL on an individual basis. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR.

Impairment losses and releases are accounted for and disclosed separately from modification losses or gains that are accounted for as an adjustment of the financial asset's gross carrying value.

The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL. The Company considers the following as constituting an event of default:

- the borrower is past due more than 90 days + Accounts Identified by the Company as NPA as per regulatory guidelines + Objective Evidence for impairment (Qualitative Overlay); or
- the borrower is unlikely to pay its credit obligations to the Company.

When assessing if the borrower is unlikely to pay its credit obligation, the Company takes into account both qualitative and quantitative indicators. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis.

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 given the uncertainty over the change in the risk of default occurring over the remaining life of the financial instrument.

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

- Stage 1: Defined as performing assets with upto 30 days past due (DPD). Stage 1 loans will also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2 to Stage 1.
- Stage 2: Defined as under-performing assets having 31 to 90 DPD. Stage 2 loans will also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3 to Stage 2. Accounts with overdue more than 30 DPD will be assessed for significant increase in credit risks.
- Stage 3: Defined as assets with overdue more than 90 DPD. The Company will record an allowance for the life time expected credit losses. These accounts will be assessed for credit impairment.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 115 and loans under short term financing, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

Further, for the purpose of measuring lifetime expected credit loss allowance for trade receivables, the Company has used a practical expedient as permitted under Ind AS 109. This expected credit loss allowance is computed based on a provision matrix which takes into account historical credit loss experience and adjusted for forward-looking information.

The impairment requirements for the recognition and measurement of a loss allowance are equally applied to debt instruments at FVTOCI except that the loss allowance is recognised in other comprehensive income and is not reduced from the carrying amount in the balance sheet.

The Financial assets for which the Company has no reasonable expectations of recovering either the entire outstanding amount, or a proportion thereof, the gross carrying amount of the financial asset is reduced. This is considered a (partial) derecognition of the financial asset.

Derecognition of financial assets

A financial asset is derecognised only when:

- The Company has transferred the rights to receive cash flows from the financial assets or
- retains the contractual rights to receive the cash flows of the financial assets, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial assets. In such cases, the financial assets are derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Write-off

Loans and debt securities are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities previously written off are credited to the statement of profit and loss.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain/loss is recognised in statement of profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

Financial liabilities

A financial liability is a contractual obligation to deliver cash or another financial asset or to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the Company or a contract that will or may be settled in the Company's own equity instruments and is a non-derivative contract for which the Company is or may be obliged to deliver a variable number of its own equity instruments, or a derivative contract over own equity that will or may be settled other than by the exchange of a fixed amount of cash (or another financial asset) for a fixed number of the Company's own equity instruments.

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

- it has been incurred principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages

Notes
to the Financial Statements for the year ended March 31, 2024 (Contd..)

together and has a recent actual pattern of short-term profit-taking; or

- it is a derivative that is not designated and effective as a hedging instrument.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost.

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition

Derecognition of financial liabilities

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

2.16 Cash and Cash Equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short term deposits, as defined above.

2.17 Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the net statement of 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.

Diluted Earnings Per Share

For the purpose of calculating diluted earnings per share, the net statement of 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.

Final dividend declared, if any, is recognised in the period in which the said dividend has been approved by the Shareholders. The dividend payable is recognised as a liability with a corresponding amount recognised directly in equity.

2.18 Recent Pronouncements:

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.

3 Critical accounting judgements and key sources of estimation uncertainties

The preparation of the financial statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable.

Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Judgements:

Information about judgements made in applying accounting policies that have most significant effect on the amount recognised in the financial statements is included in the following notes:

Note 2.15 - classification of financial assets: assessment of the business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

Expected Credit Loss

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and credit assessment and including forward-looking information. In certain cases, the assessment based on past experience is required for future estimation of cash flows which requires significant judgment.

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in Note 40 B(i)

Fair Valuation

Some of the Company's assets and liabilities are measured at fair value for financial reporting purposes. In estimating the fair value of an asset and liability, the Company uses market observable data to the extent it is available. When Level 1 inputs are not available, the Corporation has applied appropriate valuation techniques and inputs to the valuation model.

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 40 A.

Assumptions and estimation of uncertainties:

Information about assumptions and estimation of uncertainties that have a significant risk of resulting in a material adjustment in the year ended March 31, 2024 are included in the following notes:

Note 2.15 - impairment test of non-financial assets: key assumption underlying recoverable amounts.

Note 2.2 - useful life of property, plant, equipment and intangibles assets

Note 2.9 - Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid / recovered for uncertain tax positions

Note 2.11 - recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources

Note 37 - measurement of defined benefit obligations: key actuarial assumptions.

Note 40 - determination of the fair value of financial instruments with significant unobservable inputs.

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

4 Cash and cash equivalents

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Cash on hand	-	0#
Cheques, drafts on hand	-	0.15
Balances with banks		
- In current accounts	1,134.05	51.02
- In deposit accounts	150.00	-
	1,284.05	**51.02**
	1,284.05	**51.17**

 # Denotes amount less than ₹50,000/-

Note:

Balances with banks in deposit accounts earns interest at fixed rate based on short term bank deposit rates for a period upto 3 months.

5 Bank balances other than cash and cash equivalents

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
- In current accounts (Refer Note a below)	5.49	5.28
- In deposit accounts (Refer Note b and c below)	0.34	0.31
Total	**5.83**	**5.59**

Notes:

a) Balances with banks in current accounts comprises of unspent money entirely transferred to a separate bank account as prescribed under Sub-section (6) of section 135

b) Balances with banks in deposit accounts comprises deposits that have an original maturity exceeding 3 months at balance sheet date. It earns interest at fixed rate based on short term bank deposit rates.

c) Balances with banks in deposit accounts are held as margin money against creation of Recovery Expense Fund in respect of listed debt securities.

6 Loans

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Term Loans (refer note a)	7,022.63	9,437.99
Inter Corporate Deposit to Related Party	400.00	-
Staff Loans	0.02	0.03
Interest accrued	88.80	141.71
Gross loan	**7,511.45**	**9,579.73**
Less: Impairment loss allowance (refer note b)	(481.27)	(382.17)
Loans net of Impairment loss allowance	**7,030.18**	**9,197.56**
Break up of loans into secured and unsecured		
Secured by tangible assets	6,371.34	8,925.29
Unsecured	1,140.11	654.44
Gross loan	**7,511.45**	**9,579.73**
Less: Impairment loss allowance (refer note b)	(481.27)	(382.17)
Loans net of Impairment loss allowance	**7,030.18**	**9,197.56**

Note:

a) Includes impact of Effective interest rate amounting to ₹38.84 crore as at March 31, 2024 (₹ 63.00 crore as at March 31, 2023).

b) Impairment loss allowance includes provision on undisbursed loan commitment amounting to ₹ Nil crore as at March 31, 2024 (₹ 2.01 crore as at March 31, 2023).

c) The loans are given in India to other than Public sector companies.

d) The Company has not granted any loans or advances in the nature of loans to promoters, directors, KMPs and the related parties (as defined under the Companies Act, 2013) except as disclose above (₹400 crore ICD placed to related party), either severally or jointly with any other person that are: (a) repayable on demand; or (b) without specifying any terms or period of repayment

e) Investments in debentures and other financial instruments which, in substance, have been classified under Loans. Management believes that the classification results in a better presentation of the substance of these investments and is in alignment with regulatory filings.

f) 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.

7 Investments

(₹ in Crore)

	As at March 31, 2024		As at March 31, 2023	
	In numbers	Amount	In numbers	Amount
At FVTPL				
Mutual fund units				
SBI Liquid Fund – Growth	1,10,784	41.87	-	-
JM Liquid Fund – Growth	4,66,79,353	308.13	1,62,54,856	100.03
UTI Liquid Cash Plan - Growth	82,196	32.53	-	-
Axis Liquid Fund – Growth	1,22,521	32.88	-	-
HDFC Liquid Fund - Direct Plan –Growth	1,59,740	75.78	-	-
ICICI Prudential Liquid Fund – Growth	21,40,679	76.51	-	-
Nippon India Liquid Fund- Growth	52,633	31.10	-	-
Aditya Birla Sun Life Liquid fund –Growth	19,40,936	75.63	-	-
Bajaj Mutual Fund	2,43,249	25.63	-	-
Mirae Mutual Fund	81,514	20.79	-	-
Baroda Mutual Fund	44,420	12.37	-	-
Franklin Mutual Fund	34,883	12.65	-	-
JM Overnight Mutual Fund	-	-	29,85,036	340.05
Bank of India Overnight Scheme	-	-	88,058	10.00
		745.87		**450.08**
Debt instruments				
Vrutant Real Estate Developers Private Limited	490	-	490	4.90
(Unrated, Unlisted, Unsecured, Redeemable, Optionally Fully Convertible Debentures)				
Non-Convertible Debentures				
JM Financial Products Limited	9,66,584	91.86	9,66,584	92.09

Notes
to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

	As at March 31, 2024		As at March 31, 2023	
	In numbers	Amount	In numbers	Amount
Government Securities				
91 days Treasury Bills (18/04/2024)	1	24.91	-	-
182 days Treasury Bills (11/07/2024)	1	4.91	-	-
182 days Treasury Bills (04/07/2024)	1	19.61	-	-
182 days Treasury Bills (25/07/2024)	1	14.71	-	-
364 days Treasury Bills (06/07/2023)	-	-	1	39.30
		64.14		**39.30**
Security receipts				
Victory Real Estate 2021 – Trust	3,40,000	34.00	3,40,000	34.00
Realty March 2022 – Trust	30,17,500	301.75	30,17,500	301.75
Real Estate May 2023 – Trust	10,20,000	102.00	-	-
		437.75		**335.75**
Equity Instruments				
Meghvarnam Realty Private Limited	100	0#	100	0#
Compulsory Convertible Preference Shares				
Hero Fincorp Limited	6,00,000	39.96	6,00,000	33.00
Optional Convertible Debentures				
JM Financial Asset reconstruction Company Limited	20,00,000	200.00	-	-
Compulsory Convertible Debentures				
JM Financial Home Loans Limited	-	-	72,02,134	25.63
JM Financial Home Loans Limited (Partly Paid Up)	-	-	72,02,134	6.41
		-		**32.04**
At FVTOCI				
Equity instruments				
JM Financial Asset Reconstruction Company Limited	3,97,92,720	59.49	3,97,92,720	153.42
JM Financial Home Loans Limited	3,88,67,220	136.59	1,48,19,206	54.47
		196.08		**207.89**
Total		**1,775.66**		**1,195.05**

 # Denotes amount below ₹50,000/-

Note:

All the above investments are within India.

8 Other Financial assets

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Advances	14.73	14.73
Less: Impairment loss allowance (Expected Credit Loss)	(14.73)	(14.73)
Net	**-**	**-**
Security deposits	3.02	2.25
Accrued interest but not due on investments	3.83	3.82
Accrued interest but not due on deposits with banks	0.05	0#
Total	**6.90**	**6.07**

 # Denotes amount below ₹50,000/-

9 Current tax assets (net)

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Advance tax (net of provisions)	96.66	48.48
Total	**96.66**	**48.48**

10 Deferred tax Assets (net)

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Impairment of Financial instruments	121.36	86.40
Change in fair value	(14.53)	0.90
Measurement of Financial instruments at amortised cost (EIR)	1.54	6.12
Disallowances under section 43B of the Income Tax Act, 1961	3.46	2.70
Difference between books and tax written down value of Property, plant and equipment	1.05	0.95
Total	**112.88**	**97.07**

The following table shows deferred tax recorded in the balance sheet and changes recorded in the Income tax expense:

For the year ended March 31, 2024

(₹ in Crore)

Deferred tax asset / (liability)	Opening balance as at April 1, 2023	Recognised in Statement of profit or loss (Expense) / Income	Recognised in OCI (loss) / Income	Closing balance as at March 31 2024
Fiscal allowance on Property, plant and equipment	0.95	0.10	-	1.05
Fiscal allowance on expenditure, etc.	2.70	0.76	-	3.46
Measurement of Financial instruments at amortised cost (EIR)	6.12	(4.58)	-	1.54
Impairment allowance for financial assets	86.40	34.96	-	121.36
Fair value of financial instruments	0.90	(5.76)	(9.67)	(14.53)
Total	**97.07**	**25.48**	**(9.67)**	**112.88**

For the year ended March 31, 2023

(₹ in Crore)

Deferred tax asset / (liability)	Opening balance as at April 1, 2022	Recognised in Statement of profit or loss (Expense) / Income	Recognised in OCI (loss) / Income	Closing balance as at March 31 2023
Fiscal allowance on Property, plant and equipment	0.77	0.18	-	0.95
Fiscal allowance on expenditure, etc.	1.78	0.92	-	2.70
Measurement of Financial instruments at amortised cost (EIR)	(0.97)	7.09	-	6.12
Impairment allowance for financial assets	106.57	(20.17)	-	86.40
Fair value of financial instruments	(3.22)	(2.38)	6.50	0.90
Total	**104.93**	**(14.36)**	**6.50**	**97.07**

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

11 Property, Plant and Equipment and Other Intangible Assets:

(₹ in Crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION/AMORTISATION				NET BLOCK
	As at 31.03.2023	Additions for the year	Deduction for the year	As at 31.03.2024	Up to 31.03.2023	Additions for the year	Deduction for the year	Up to 31.03.2024	As at 31.03.2024
PROPERTY, PLANT AND EQUIPMENT									
Owned Assets:									
Freehold land	0.05	-	-	0.05	-	-	-	-	0.05
Computers	0.70	0.41	0.01	1.10	0.50	0.14	0.01	0.63	0.47
Furniture and fixtures	0.26	0.42	-	0.68	0.07	0.03	-	0.10	0.58
Office Equipment	0.08	0.30	-	0.38	0.04	0.02	-	0.06	0.32
Leasehold improvements	0.61	2.95	-	3.56	0.36	0.13	-	0.49	3.07
Vehicles	-	1.45	-	1.45	-	0.07	-	0.07	1.39
Right – of – use Asset									
Leased Vehicle	0.20	-	0.05	0.16	0.05	0.05	0.05	0.05	0.10
Right of use assets	25.59	3.57	0.21	28.94	10.16	4.64	0.21	14.59	14.35
Total	**27.49**	**9.10**	**0.27**	**36.32**	**11.18**	**5.08**	**0.27**	**15.99**	**20.33**
INTANGIBLE ASSETS – ACQUIRED									
Software	**0.36**	**0.22**	**-**	**0.58**	**0.36**	**0.03**	**-**	**0.39**	**0.19**

 # Denotes amount less than Rs. 50,000/-

Note:

i) The Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets during the current or previous year.

ii) the Company does not hold any benami property.

iii) Title deed of the immovable property (other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee) are held in the name of the company.

(₹ in Crore)

Description	GROSS BLOCK				ACCUMULATED DEPRECIATION/AMORTISATION				NET BLOCK
	As at 31.03.2022	Additions for the year	Deduction for the year	As at 31.03.2023	Up to 31.03.2022	Additions for the year	Deduction for the year	Up to 31.03.2023	As at 31.03.2023
PROPERTY, PLANT AND EQUIPMENT									
Owned Assets:									
Freehold land	0.05	-	-	0.05	-	-	-	-	0.05
Computers	0.54	0.16	-	0.70	0.39	0.11	-	0.50	0.20
Furniture and fixtures	0.08	0.18	-	0.26	0.04	0.03	-	0.07	0.19
Office Equipment	0.07	0.01	-	0.08	0.03	0.01	-	0.04	0.04
Leasehold improvements	0.61	-	0#	0.61	0.30	0.06	0#	0.36	0.25
Right-of-Use Assets									
Vehicle	-	0.20	-	0.20	-	0.05	-	0.05	0.15
Right of use of leased vehicle	24.61	2.61	1.63	25.59	6.74	3.59	0.17	10.16	15.43
Total	**25.96**	**3.16**	**1.63**	**27.49**	**7.50**	**3.85**	**0.17**	**11.18**	**16.31**
INTANGIBLE ASSETS – ACQUIRED									
Software	**0.36**	**0.22**	**-**	**0.36**	**0.35**	**0.01**	**-**	**0.36**	**0.01**

 # Denotes amount less than ₹50,000/-

Note:

i) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the current or previous year.

ii) the Company does not hold any benami property.

iii) Title deed of the immovable property (other than properties where the company is the lessee and the lease agreement are duly executed in favour of the lessee) are held in the name of the company.

12 Other non-financial assets

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Unsecured and considered good unless otherwise stated		
Prepaid Expenses	0.29	0.27
Balances with government authorities	1.20	0.63
Others	0.01	0.04
Total	**1.50**	**0.94**

13 Trade Payables

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Total outstanding dues to micro enterprises and small enterprises	0.82	0.04
Total outstanding dues of creditors other than micro enterprises and small enterprises	3.34	6.54
	4.16	**6.58**

Due to related parties as at March 31, 2024 is ₹ Nil crore (as at March 31, 2023 is ₹1.22 crore)

13. a Details of dues to Micro and Small Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006.

(₹ in Crore)

		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	0.82	0.04
(ii)	Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii)	The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv)	The amount of interest due and payable for the year	-	-
(v)	The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total		**0.82**	**0.04**

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13. b Trade payable ageing schedule:

(₹ in Crore)

Particulars	Unbilled dues	Trade payables which are not due	Outstanding for following periods from date of transaction				Total FY 2023-24
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.23	0.59	-	-	-	0.82
(ii) Others	-	0.23	3.09	-	-	0.02	3.34
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**-**	**0.46**	**3.68**	**-**	**-**	**0.02**	**4.16**

Ageing of the trade payables is determined from the date of transaction till the reporting date

(₹ in Crore)

Particulars	Unbilled dues	Trade payables which are not due	Outstanding for following periods from date of transaction				Total FY 2022-23
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	0.04	-	-	-	-	0.04
(ii) Others	-	0.18	5.59	0.76	-	0.01	6.54
(iii) Disputed dues – MSME	-	-	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-	-	-
Total	**-**	**0.22**	**5.59**	**0.76**	**-**	**0.01**	**6.58**

Ageing of the trade payables is determined from the date of transaction till the reporting date

14 Debt Securities

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Secured		
Non-convertible debentures (refer note 14.1 and 14.2)	3,853.44	3,748.46
Interest Payable	137.66	166.88
Total	**3,991.10**	**3,915.34**
Unsecured		
Commercial paper (refer note 14.3)	-	-
Less: Unamortised interest on commercial paper	-	-
Total	-	-
Grand Total	**3,991.10**	**3,915.34**

Debt securities are issued in India.

14.1 Non-Convertible Debentures:

Non-convertible debentures aggregating ₹3,991.10 crore (As at March 31, 2023: ₹ 3,915.34) are secured by way of first charge on freehold land and hypothecation on pool of certain loan receivables of the Company.

14.2 Maturity profile and rate of interest/ discounted rate of interest of Non-Convertible Debentures (NCD):

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Private Placement - Face value of ₹10,00,000 each		
8.25 % NCD redeemable in year 2023-24	-	40.00
9.40 % NCD redeemable in year 2023-24	-	200.00
9.10 % NCD redeemable in year 2023-24	-	33.35
10.85 % NCD redeemable in year 2024-25#	597.00	597.00
8.35 % NCD redeemable in year 2024-25	21.00	300.00
8.50 % NCD redeemable in year 2025-26	200.00	200.00
9.75 % NCD redeemable in year 2026-27	100.00	100.00
9.75 % NCD redeemable in year 2027-28	100.00	100.00
9.75 % NCD redeemable in year 2028-29	100.00	100.00
8.99 % NCD redeemable in year 2028-29	75.00	75.00
9.75 % NCD redeemable in year 2029-30	100.00	100.00
9.10 % NCD redeemable in year 2030-31	145.00	145.00
9.20 % NCD redeemable in year 2030-31	105.00	105.00
8.99 % NCD redeemable in year 2031-32	75.00	75.00
8.50 % NCD redeemable in year 2031-32	260.00	260.00
8.60 % NCD redeemable in year 2032-33	30.00	30.00
8.65 % NCD redeemable in year 2032-33	200.00	200.00
Private Placement - Face value of ₹1,00,000 each		
8.50 % NCD redeemable in year 2025-26	102.70	102.70
8.80 % NCD redeemable in year 2025-26	100.00	-
9.38 % NCD redeemable in year 2026-27	125.00	125.00
9.00 % NCD redeemable in year 2026-27	150.00	-
8.81 % NCD redeemable in year 2026-27	25.00	-
8.91 % NCD redeemable in year 2026-27	50.00	-
9.30 % NCD redeemable in year 2026-27	750.00	-
9.00 % NCD redeemable in year 2027-28	50.00	-
Public issue - Face value of ₹1000 each		
9.50% Tranche I -Option III redeemable in year 2023-24	-	365.31
10.10% Tranche II -Option III redeemable in year 2023-24	-	49.09
9.67% Tranche II -Option IV redeemable in year 2023-24	-	42.87
9.11% Tranche I -Option IV redeemable in year 2023-24	-	17.03
9.75% Tranche I -Option V redeemable in year 2028-29	214.81	214.81
9.34% Tranche I -Option VI redeemable in year 2028-29	11.94	11.94
10.25% Tranche II -Option V redeemable in year 2028-29	25.04	25.04
9.81% Tranche II -Option VI redeemable in year 2028-29	16.15	16.15
Total	**3,878.64**	**3,780.29**

 # NCD with floating rate and quarterly reset.

Maturity profile above is disclosed at face value which excludes discount of ₹ 2.65 crore (2022-23 : ₹ 8.07 crore) and impact of effective interest rate adjustment amounting to ₹ 22.55 crore (As at March 31, 2023 : ₹ 23.76 crore).

14.3 The maximum amount of commercial paper outstanding at any time during the year was ₹ 400 crore (2022-23 : ₹ 330 crore).

14.4 (a) Company have utilized money raised by way of Non-convertible debentures during the year for the purpose for which they were raised

14.4 (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:

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to the Financial Statements for the year ended March 31, 2024 (Contd..)

(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.

Maturity profile and rate of interest of Non-Convertible Debentures:

(₹ in Crore)

	As at March 31, 2024		
	Up to one year (April 2024 to March 2025)	1-3 years (April 2025 to March 2027)	3 years & above (April 2027 onwards)
8.01 % to 9.00%	21.00	627.70	840.00
9.01 % to 10.00%	-	975.00	792.90
10.01% to 11.00%	597.00	-	25.04
Total	**618.00**	**1,602.70**	**1,657.94**

Maturity profile above excludes effective interest rate and discount impact amounting to ₹25.20 crore

Maturity profile and rate of Non Convertible Debentures:

(₹ in Crore)

	As at March 31, 2023		
	Up to one year (April 2023 to March 2024)	1-3 years (April 2024 to March 2026)	3 years & above (April 2026 onwards)
7.00 % to 8.00%	40.00	602.70	790.00
8.01 % to 9.00%	658.55	-	1,017.90
9.01 % to 10.00%	49.10	597.00	25.04
Total	**747.65**	**1,199.70**	**1,832.94**

Maturity profile above excludes effective interest rate and discount impact amounting to ₹31.83 crore

The above categorisation of loans has been based on the interest rates, prevalent as on the respective reporting dates.

15 Borrowings (Other than Debt securities)

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Term loans		
(i) from banks		
-Secured (refer note 15.1)	1,908.17	1,971.35
(ii) from other parties		
-Secured (refer note 15.1)	149.31	392.81
Interest payables on term loan from banks and other parties	2.34	3.38
Total	**2.059.82**	**2,367.54**
Working Capital Demand Loan (refer note 15.2)	-	-
Total	**2,059.82**	**2,367.54**

Borrowings are made within India.

15.1 Term loans are secured by way of floating first pari passu charge by way of hypothecation on certain identified loan fund balances of the Company. Also includes impact of effective interest rate of ₹10.51 crore (As at March 31, 2023: ₹15.27 crore).

The Company have utilized money raised by way of Term loans during the year for the purpose for which they were raised.

15.2 The quarterly returns filed by the company with banks / financial institutions from which borrowing is obtained on the basis of security of current assets are in agreement with the books of account of the company.

Cash credit facility and working capital demand loan from banks are secured by way of floating first pari passu charge by way of hypothecation on certain identified loan fund balances of the Company.

Maturity profile and rate of interest of term loans:

(₹ in Crore)

Residual Maturities	As at March 31, 2024		
	Up to one year (April 2024 to March 2025)	1-3 years (April 2025 to March 2027)	3 years & above (April 2027 onwards)
8.01 % to 9.00%	12.00	42.00	-
9.01 % to 10.00%	564.12	929.24	177.99
10.01% to 11.00%	41.52	83.93	40.62
11.01% to 12.00%	97.40	79.17	-
Total	**715.04**	**1,134.34**	**218.61**

Maturity profile above excludes effective interest rate impact amounting to ₹10.51 crore

Maturity profile and rate of interest of term loans:

(₹ in Crore)

Residual Maturities	As at March 31, 2023		
	Up to one year (April 2023 to March 2024)	1-3 years (April 2024 to March 2026)	3 years & above (April 2026 onwards)
7.00 % to 8.00%	145.25	280.72	145.48
8.01 % to 9.00%	392.38	769.13	262.00
9.01 % to 10.00%	129.58	242.39	12.50
Total	**667.21**	**1,292.24**	**419.98**

Maturity profile above excludes effective interest rate impact amounting to ₹15.27 crore

The rate of interest for the above term loans is linked to the MCLR/base rates of the banks and financial institutions and is subject to change from time to time. The above categorisation of loans has been based on the interest rates, prevalent as on the respective reporting dates.

16 Lease Liability

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Lease liability (refer note 36)	17.71	18.11
	17.71	**18.11**

17 Other financial liabilities Liability

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Employee benefits payable	30.03	32.81
Provision for CSR Expenditure	13.39	13.27
Others	0.30	0.46
	43.72	**46.54**

Notes

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18 Provisions

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
For employee benefits:		
Gratuity (refer note 37)	2.13	1.58
Compensated absences	0.46	0.99
	2.59	**2.57**

19 Other non-financial liabilities

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Statutory dues payable	2.34	4.67
	2.34	**4.67**

20 Equity Share capital

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Authorised		
30,00,000 (March 2022: 30,00,000) Equity shares of ₹10/- each	3.00	3.00
20,00,000 (March 2022: 20,00,000) Preference shares of ₹10/- each	2.00	2.00
	5.00	**5.00**
Issued, Subscribed and Paid-up		
2,826,816 (March 2022: 2,826,816) Equity shares of face value of ₹10/- each fully paid-up	2.83	2.83
	2.83	**2.83**

Reconciliation of the number of equity shares outstanding

(₹ in Crore)

	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,826,816	2.83	2,826,816	2.83
Shares issued during the year	-	-	-	-
Shares forfeited during the year	-	-	-	-
Shares outstanding at the end of the year	**2,826,816**	**2.83**	**2,826,816**	**2.83**

Details of shareholding in excess of 5%

	As at March 31, 2024		As at March 31, 2023	
	Number	%	Number	%
JM Financial Limited along with its nominees	1,319,431	46.68%	1,319,431	46.68%
INH Mauritius 1	1,384,087	48.96%	1,384,087	48.96%

Terms and rights attached to each class of shares:

Equity Shares:

The Company has only one class of shares referred to as equity shares having a face value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividend, as and when declared and approved by the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

Details of promoters:

Shares held by promoters at the end of the year

Sr No	Name of the Promoter	No of shares as at March 31,2024	Percentage of total shares as at March 31,2024	No of shares as at March 31,2023	Percentage of total shares as at March 31,2023	Percentage of change during the year
1	JM Financial Limited	13,19,431	46.68%	13,19,431	46.68%	Nil

21 Other Equity

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Securities premium account	1,715.28	1,715.28
General reserve	0.17	0.17
Capital reserve	#	#
Statutory reserve	534.85	525.41
Retained Earnings	1,959.61	2,013.21
Grand Total	**4,209.91**	**4,254.07**

 # ₹39,674/-

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Securities premium account		
Opening balance	1,715.28	1,715.28
Closing balance	**1,715.28**	**1,715.28**
General reserve		
Opening balance	0.17	0.17
Closing balance	**0.17**	**0.17**
Capital reserve		
Opening balance	#	#
Addition*	-	-
Closing balance	**#**	**#**
Statutory reserve (Section 45-IC of the RBI Act, 1934)		
Opening balance	525.41	458.46
Addition	9.44	66.95
Closing balance	**534.85**	**525.41**
Retained earnings:		
Opening balance	2,013.21	1,765.42
(+) Profit for the year	47.16	334.75
(+/-) Other Comprehensive Income	(90.47)	(19.30)
	1,969.90	**2,080.87**
(-) Appropriations		
Transferred to statutory reserve	9.44	66.95
Final Dividend	0.85	0.71
	10.29	**67.66**
Closing balance	**1,959.61**	**2,013.21**
Grand Total	**4,209.91**	**4,254.07**

 # ₹39,674/-

Note:

The Board of Directors of the Company has recommended a dividend of ₹30/- per equity share of the face value of ₹10/- each amounting to ₹8.48 Crore for the financial year 2023-2024 subject to the approval of the members at their ensuing Annual General Meeting.

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

Nature

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

General reserve

Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of Companies Act, 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of Companies Act, 2013.

Capital Reserve:

Capital reserve is created pursuant to the forfeiture and extinguishment of the partly paid up shares.

Statutory Reserve:

Statutory Reserve is the reserve created by transferring a sum not less than twenty per cent of its net profit after tax every year in terms of Section 45-IC of the RBI Act, 1934.

Debenture Redemption Reserve:

As per amendment in Companies Act, 2013, Debenture Redemption Reserve is not required for debentures issued by Non-Banking Finance Companies regulated by Reserve Bank of India for both public as well as privately placed debentures.

Retained earnings:

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, statutory reserve, debenture redemption reserve, dividends or other distributions paid to shareholders.

22 Interest Income

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
On Financial assets measured at amortised cost		
Interest on Loans	1,214.39	1,101.45
Interest income on bank deposits	0.07	0.16
Other Interest Income	0.25	0.15
On Financial assets measured at FVTPL		
Interest income from Investments	8.52	16.32
	1,223.23	**1,118.08**

23 Fees and Commission Income

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Prepayment and other Fees	15.97	1.13
	15.97	**1.13**

24 Net gain on fair value changes

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain on financial instruments at fair value through profit		
(i) On trading portfolios	-	-
(ii) Others		
On financial instruments	64.11	53.08
Total net gain /(loss) on fair value change	**64.11**	**53.08**
Fair value changes		
Realised	40.47	42.56
Unrealised	23.64	10.52
	64.11	**53.08**

Fair value changes in this schedule are other than those arising on account of accrued interest income/expense

25 Net gain on derecognition of financial instruments under amortised cost category

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain on derecognition of financial instruments under amortised cost category	0.71	-
	0.71	**-**

26 Other Income

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Provision for expenses written back	-	0.22
Gain on derecognition of lease liabilities	-	0.02
	-	**0.24**

27 Finance costs

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
At Amortised Cost		
Debt Securities	349.61	327.80
Borrowings (Other than Debt securities)	231.34	156.89
Interest expense on Lease Liabilities	1.77	1.74
Other charges	12.74	12.93
	595.46	**499.36**

28 Impairment on financial instruments

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
At amortised cost		
Provision for Expected Credit Loss (Stage 1 & 2)	(32.82)	5.84
Provision for Expected Credit Loss (Stage 3)	256.63	65.89
Provision for Expected Credit Loss (On Other financial assets)	-	5.24
Provision for Stage 3 assets written back of earlier year	(124.71)	(164.99)
Write off of assets	481.97	224.89
Write back of assets earlier written off	(19.33)	-
	561.74	**136.87**

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

29 Employee benefits expense

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, bonus, other allowances and benefits	46.06	48.62
Contribution to provident and other funds	1.46	1.14
Gratuity (refer note 37)	0.30	0.25
Staff welfare expenses	0.11	0.08
	47.93	**50.09**

30 Depreciation, amortization and impairment

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Depreciation of PPE	5.09	3.85
Amortisation of intangible assets	0.03	0.01
	5.12	**3.86**

31 Other expenses

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Rates and taxes	0.37	0.50
Legal and professional fees	9.65	9.11
Support service charges	2.16	2.16
Information technology expenses	0.43	0.39
Travelling and conveyance	0.79	0.89
Auditors’ remuneration (refer note 34)	0.47	0.34
Repairs and maintenance	0.39	0.28
Electricity expenses	0.24	0.22
Donation	-	1.00
Corporate social responsibility (refer note 43)	9.94	11.99
Insurance Expense	0.42	0.23
Bank charges	0.05	0.01
Printing & Stationery	0.04	0.04
Membership and Subscription	0.24	0.25
Communication expenses	0.10	0.09
Director Sitting Fees	0.44	0.31
Director commission	0.18	0.44
Miscellaneous expenses	1.76	1.22
	27.67	**29.47**

32 Tax Expense

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	44.69	102.89
Deferred tax	(25.40)	14.36
Tax adjustment in respect of earlier years	0.45	0.83
Total income tax expenses recognised in the current year	**19.74**	**118.08**
Income tax expense / (benefit) recognised in other comprehensive income	(9.58)	6.49

Reconciliation of total tax charge

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Income tax expense for the year reconciled to the accounting profit:		
Profit before tax	66.90	452.83
Income tax rate*	25.17%	25.17%
Income tax expense	16.84	113.97
Tax Effect of:		
Items that are allowable or disallowable in determining taxable profits (net)	2.50	3.28
Set off of temporary differences pertaining to earlier years on which no deferred tax was created	(0.06)	0#
Tax adjustment in respect of earlier years	0.45	0.83
Total	**2.90**	**4.11**
Income tax expense recognised in the statement of profit and loss	**19.74**	**118.08**

**The tax rate used for reconciliation above is the corporate tax rate applicable to companies in India on taxable profit under the tax laws in Indian Jurisdiction i.e. Income tax Act, 1961.*

 # Denotes amount below ₹50,000/-

33 Contingent Liabilities and Commitments

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Contingent liability		
Claims against the Company not acknowledged as debt:	2.47	2.47
Income tax matters	-	-
Commitments	-	-
Undisbursed Commitment *	-	25.29
Investment in Compulsory Convertible Debentures	-	6.75

**This disclosure is given pursuant to the notification no.DNBS.CC.PD.No.252/03s.10.01/2011-12 dated December 26, 2011 issued by Reserve Bank of India.*

33 (a) Disputed matter

During the year ended 31 March 2023, the Company had received assessment order along with computation sheet and demand notice for FY 2019-20. The Income-tax Department had erroneously computed the income by making addition in gross taxable income of ₹1,272.88 crores and also credit for Advance Tax and TDS was not granted which resulted into a demand notice of ₹628.20 crores. The Company had filed a rectification application before the jurisdictional assessing officer for deletion of the erroneous amount and or grant of credit for taxes paid. The Company had also filed an appeal before the Commissioner of Income-tax (Appeals) against the same. Accordingly, this was not classified as contingent liability in Financial Year 2022-23. During the year ended 31 March 2024, the Company has received rectification order under section 154 of the Income tax Act, wherein additional tax liability has been reversed by the Income-tax Department.

34 Payment to Auditors: (Excluding Goods and Services Tax)

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit Fees	0.18	0.17
In any other manner (Certifications, limited reviews, etc)	0.27	0.16
Out of pocket	0.02	0.01
Total	**0.47**	**0.34**

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

35 Earnings per share

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

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net Profit for the year (₹in Crore)	47.16	334.75
Profit attributable to equity shareholders (₹in Crore)	47.16	334.75
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (No of shares)	2,826,816	2,826,816
Basic and Diluted earnings per share (₹)	166.83	1,184.18
Nominal value per share (₹)	10	10

Note:

There is no dilution to Basic earnings per share as there are no outstanding dilutive potential equity shares.

36 Lease Transactions

Following are the changes in the carry value of the right of use assets for the year ended March 31, 2024:

Category of ROU asset	GROSS BLOCK				ACCUMULATED DEPRECIATION				Net block
	As at 01.04.2023	Additions	Deletion	As at 31.03.2024	As at 01.04.2023	Depreciation	Deductions	As at 31.03.2024	As at 31.03.2024
Premises	25.59	3.57	0.21	28.94	10.16	4.64	0.21	14.59	14.35
Vehicle	0.20	-	0.05	0.16	0.05	0.05	0.05	0.05	0.10
Total	**25.79**	**3.57**	**0.26**	29.10	**10.21**	**4.69**	**0.26**	**14.64**	**14.45**

Following are the changes in the carry value of the right of use assets for the year ended March 31, 2023:

Category of ROU asset	GROSS BLOCK				ACCUMULATED DEPRECIATION				Net block
	As at 01.04.2022	Additions	Deletion	As at 31.03.2023	As at 01.04.2022	Depreciation	Deductions	As at 31.03.2023	As at 31.03.2023
Premises	24.61	2.61	1.63	25.59	6.74	3.59	0.17	10.16	15.43
Vehicle	-	0.20	-	0.20	-	0.05	-	0.05	0.15
Total	**24.61**	**2.81**	**1.63**	**25.79**	**6.74**	**3.64**	**0.17**	**10.21**	**15.58**

The aggregate depreciation expenses on ROU assets is included under depreciation, amortization and impairment expenses in the Statement of Profit and Loss.

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

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Opening balance	**18.11**	**19.90**
Additions during the year	3.41	2.48
Deletions during the year	-	1.46
Finance cost accrued during the year	1.77	1.77
Payment of lease liabilities	5.58	4.58
Closing balance	**17.71**	**18.11**

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

(₹ in Crore)

	Minimum lease Payments		Present Values of Minimum lease Payments	
	As at March 31, 2024	As at March 31, 2023	As at March 31, 2024	As at March 31, 2023
Not later than one year	5.60	4.88	4.15	3.34
Later than one year and not later than five years	16.05	14.88	13.56	11.45
Later than five years	-	3.49	-	3.32
Total	**21.65**	**23.26**	**17.71**	**18.11**
Less: future finance charges	3.93	5.14		
Present value of minimum lease payments	17.71	18.11		

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.

37 Employee Benefits

Defined contribution plans

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

The Company's contribution to Provident Fund for year ended March 31,2024 aggregating ₹1.40 crore (March 31,2023: ₹ 1.14 crore) has been recognised in the Statement of Profit and Loss under the head Employee Benefits Expense.

Defined benefit obligation

The Company's liabilities under the Payment of Gratuity Act, 1972 are determined on the basis of actuarial valuation made at the end of each financial year using the projected unit credit method.

The plan is of a final salary defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. The actuarial risks associated are:

Interest Rate Risk:

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

Longevity Risks:

Longevity risks arises when the quantum of benefits payable under the plan is based on how long the employee lives post cessation of service with the company. The gratuity plan provides the benefit in a lump sum form and since the benefit is not payable as an annuity for the rest of the lives of the employees, there is no longevity risks.

Salary Risks:

The gratuity benefits under the plan are related to the employee's last drawn salary. Consequently, any unusual rise in future salary of the employee raises the quantum of benefit payable by the company, which results in a higher liability for the company and is therefore a plan risk for the company.

a) The principal assumptions used for the purposes of the actuarial valuations were as follows.

	As at March 31, 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.

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

b) Amount recognised in statement of profit and loss in respect of these defined benefit obligation

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	0.19	0.16
Net interest cost	0.11	0.09
Past service cost	-	-
Total amount recognised in statement of profit and loss	**0.30**	**0.25**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	0.22	-
- Actuarial (gain)/loss from change in financial assumptions	0.04	(0.04)
- Actuarial (gain)/loss from change in experience adjustments	0.09	#
Total amount recognised in other comprehensive income	**0.35**	**(0.04)**
Total	**0.65**	**0.21**

#Denotes below ₹50,000/-

The current service cost and the net interest expense for the year are included in the 'Employee benefits expense' line item in the statement of profit and loss.

c) 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	2.13	1.58
Fair value of plan assets	-	-
Net liabilities arising from defined benefit obligation	**2.13**	**1.58**
Current	0.40	0.28
Non-Current	1.73	1.30

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

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	1.58	1.35
Current service cost	0.19	0.16
Past service cost	-	-
Interest cost	0.11	0.09
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	0.22	-
Actuarial (gain)/loss from change in financial assumptions	0.04	(0.04)
Actuarial (gain)/loss from change in experience adjustments	0.09	#
Benefits paid	(0.08)	-
Liabilities assumed/(settled)	(0.01)	0.02
Closing defined benefit obligation	**2.13**	**1.58**

#Denotes amount less than ₹50,000/-

e) **Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. The sensitivity analysis below have been determined based on reasonable possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis are as follows:**

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation (base)	2.13	1.58

Particulars	As at March 31, 2024		As at March 31, 2023	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate
	2.06	2.17	1.50	1.61
Impact of increase in 50 bps on DBO	-3.33%	1.59%	-4.79%	1.98%
Defined benefit obligation on decrease in 50 bps	2.21	2.10	1.66	1.55
Impact of decrease in 50 bps on DBO	3.55%	-1.58%	5.20%	-1.94%

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis.

For change in assumptions refer to note (a) above.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation asset recognised in the balance sheet.

f) **Projected benefits payable:**

(₹ in Crore)

	For the year ended March 31, 2024	For the year ended March 31, 2023
Expected benefits for year 1	0.40	0.28
Expected benefits for year 2	0.18	0.08
Expected benefits for year 3	0.19	0.08
Expected benefits for year 4	0.19	0.08
Expected benefits for year 5	0.19	0.08
Expected benefits for year 6	0.18	0.08
Expected benefits for year 7	0.18	0.08
Expected benefits for year 8	0.20	0.08
Expected benefits for year 9	0.18	0.07
Expected benefits for year 10 and above	2.00	3.11

The weighted average duration of the defined benefit obligation is 6.87 years (previous year 9.97 years)

38 Related Party Disclosure

Names of related parties and description of Relationship

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

Holding Company

JM Financial Limited

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to the Financial Statements for the year ended March 31, 2024 (Contd..)

(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 Services Limited*

JM Financial Products Limited

JM Financial Properties and Holdings Limited

JM Financial Asset Reconstruction Limited (JMFARC)

JM Financial Home Loans Limited

JM Financial Capital Limited*

Astute Investments

Real Estate May 2023 – Trust

(C) The entity is controlled or jointly controlled by a person identified

Enterprise over which close members of the family (relatives) of key management personnel are able to exercise significant influence

J.M. Assets Management Private Limited

J.M. Financial & Investment Consultancy Services Private Limited

(D) Key management personnel of the reporting entity or of a parent of the reporting entity:

Mr. Vishal Kampani (VNK) and (KMP of the parent company and KMP / Managing Director of the Company)

Mr. Nimesh Kampani (NNK) (KMP of the parent company)

Mr. Adi Patel (KMP of the parent company) (Director effective from August 2023)

Mr. Atul Mehra (KMP of the parent company – Uptill March 28, 2024)

Ms. Jagi Mangat Panda (JMP) (KMP of the parent company)

Mr. P S Jayakumar (PSJ) (KMP of the parent company)

Ms. Roshini Bakshi (RHB) (KMP of the parent company)

Mr. Navroz Udwadia (NDU) (KMP of the parent company)

Mr. Pradip Kanakia (PMK) (KMP of the parent company)

Mr. Sumit Bose (SB) (KMP of the parent company)

Non-Executive Directors of company

Mr. Vikram Pandit

Mr. Hariharan Aiyar

Mr. V P Shetty (Uptil July 31, 2023)

Mr. Adi Patel (Effective August 1, 2023)

Ms.Dipti Neelakantan

Independent Directors of company

Dr. Anup Shah

Mr. Satish Chand Mathur

Mr. K. G. Krishnamurthy

Relative of Key management personnel of company

Urmi Apurva Diwan

Shruti Anup Shah

Ms. Samiksha Mehra (Relative of Atul Mehra) – Uptill March 28, 2024)

Ms. Sasha Mehra (Relative of Atul Mehra) – Uptill March 28, 2024)

Ms. Suvidha Mehra (relative of Atul Mehra) – Uptill March 28, 2024)

(iii) Details of transactions with related parties;

Name of the related party	Nature of relationship	As at March 31, 2024 (₹in Crore)	As at March 31, 2023 (₹in Crore)
JM Financial Limited			
Rating and support fees	(A)	4.47	3.23
Support service charges		1.98	1.98
Dividend paid		0.40	0.33
Gratuity paid		0.08	-
Gratuity received		-	0.02
Reimbursement of employee expenses / (ESOP)		0#	0.02
Reimbursement of expenses		0.04	0.03
Closing balance payables		-	1.22
JM Financial Properties and Holdings Limited			
Space and related charges	(B)	2.74	2.41
Reimbursement of expenses (paid)		0.42	0.39
Security deposit paid		-	0.79
Gratuity received		0.07	-
Security deposit outstanding		2.22	2.22
JM Financial Services Limited			
Demat Charges	(B)	0#	-
Interest paid on NCD		-	0#
Space and related charges		0.02	0.07
Inter Corporate Deposit placed		400.00	-
Interest income on ICD		2.17	-
Closing Balance on Inter Corporate Deposit		400.00	-
JM Financial Home Loans Limited			
Dividend received	(B)	0.01	0.01
Reimbursement of Expenses received		0#	-
Investment in Compulsory Convertible Debentures		6.75	2.25
Interest income on Compulsory Convertible Debentures		0.58	0.48
Investment in Right issue of Shares		13.50	-
Closing Investment in equity shares and Compulsory Convertible Debentures		81.51	61.25

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

Name of the related party	Nature of relationship	As at March 31, 2024 (₹in Crore)	As at March 31, 2023 (₹in Crore)
JM Financial Products Limited	(B)		
Interest received on NCDs		7.93	7.93
Inter corporate deposits taken		-	20.00
Inter corporate deposits repaid		-	20.00
Assignment of Loan (Purchase)		-	69.27
Interest expenses on inter corporate deposits taken		-	0.01
Closing balance of Non-convertible debentures		96.65	96.65
Payables			
JM Financial Asset Reconstruction Company Limited	(B)		
Management Fees		4.94	4.94
Interest income on Compulsory Convertible Debentures		-	7.91
Investment in Optional Convertible Debenture		200.00	-
Closing balance of equity shares		178.44	178.44
Closing balance of Optional Convertible Debentures		200.00	-
JM Financial Capital Limited			
Inter Corporate Deposits placed		-	110.00
Inter Corporate Deposits repaid		-	110.00
Interest received		-	0.03
Astute Investments	(B)		
Interest paid on NCDs		0.17	0.13
Redemption of NCD		2.25	-
Closing balance of Non-convertible debentures		0.53	1.42
J.M. Assets Management Private Limited	(C)		
Rent paid		1.68	1.68
Closing Security Deposit		0.84	0.84
Real Estate May 2023 – Trust			
Investment in Security receipts		102.00	-
Sale of loans		300.00	-
Closing balance of Security receipts		102.00	-
J.M. Financial & Investment Consultancy Services Private Limited	(C)		
Interest paid on NCDs		0.08	0.08
Interest payable on NCDs		-	-
Closing balance of Non-convertible debentures		0.79	0.79
Key management personnel and Relatives of Key managerial personnel	(D)		
Interest paid on NCDs		0.38	0.42
Redemption of NCD		3.00	0.94
Closing balance of Non-convertible debentures		0.25	3.75
Payables		3.18	11.94
Remuneration details of Key Management Personnel:			
Short term employee benefits		6.75	15.75
Post employee benefits		0.26	0.24
Share based payments		-	-
Other benefits (Refer Note)		0.59	0.72

#Denotes amount less than ₹50,000/-

Note :-

1) The remuneration excludes provision for gratuity and compensated absences as the incremental liability has been accounted for the group as a whole.

2) Other benefits include commission and sitting fees paid to non-executive directors and independent directors.

* 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.

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.

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

38.2 The transactions disclosed above are exclusive of GST.

38.3 Closing balance / investment has been disclosed at cost.

39 Maturity Analysis of Assets and Liabilities

(₹ in Crore)

		As at March 31, 2024			As at March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	ASSETS						
1	**Financial Assets**						
A	Cash and cash equivalents	1,284.05	-	1,284.05	51.17	-	51.17
B	Bank Balance other than (A) above	0.34	5.49	5.83	2.18	3.41	5.59
C	Loans	2,811.43	4,218.75	7,030.18	2,612.16	6,585.40	9,197.56
D	Investments	810.01	965.65	1,775.66	489.38	705.67	1,195.05
E	Other Financial assets	3.88	3.02	6.90	3.82	2.25	6.07
		4,909.71	**5,192.91**	**10,102.62**	**3,158.71**	**7,296.73**	**10,455.44**
2	**Non-financial Assets**						
A	Current tax assets (net)	-	96.66	96.66	-	48.48	48.48
B	Deferred tax Assets (Net)	-	112.88	112.88	-	97.07	97.07
C	Property, Plant and Equipment	-	20.33	20.33	-	16.31	16.31
D	Other Intangible assets	-	0.19	0.19	-	0.01	0.01
E	Other non-financial assets	1.50	-	1.50	0.94	-	0.94
		1.50	**230.06**	**231.56**	**0.94**	**161.87**	**162.81**
	Total Assets	**4,911.21**	**5,422.97**	**10,334.18**	**3,159.65**	**7,458.60**	**10,618.25**

(₹ in Crore)

		As at March 31, 2024			As at March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
A	**Payables**						
	(I) Trade Payables						
	(i) total outstanding dues of micro enterprises and small enterprises						
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	4.16	-	4.16	6.58	-	6.58
B	Debt Securities	743.29	3,247.81	3,991.10	912.58	3,002.76	3,915.34
C	Borrowings (Other than Debt Securities)	717.38	1,342.44	2,059.82	670.60	1,696.94	2,367.54
D	Lease liabilities	4.15	13.56	17.71	3.34	14.77	18.11
E	Other financial liabilities	39.09	4.63	43.72	41.42	5.12	46.54

Notes
to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

		As at March 31, 2024			As at March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
	Total Financial Liabilities	**1,508.07**	**4,608.44**	**6,116.51**	**1,634.52**	**4,719.59**	**6,354.11**
2	**Non-Financial Liabilities**						
A	Provisions	0.74	1.85	2.59	1.27	1.30	2.57
B	Other non-financial liabilities	2.34	-	2.34	4.67	-	4.67
	Total Non-Financial Liabilities	**3.08**	**1.85**	**4.93**	**5.94**	**1.30**	**7.24**
	Total	**1,511.15**	**4,610.29**	**6,121.44**	**1,640.46**	**4,720.89**	**6,361.35**
	Net	**3,400.06**	**812.68**	**4,212.74**	**1,519.19**	**2,737.71**	**4,256.90**

40 Financial Instruments

Capital Management

The Company manages its capital to ensure that the Company will be able to continue as going concerns while maximizing the return to stakeholders through the optimization of the debt and equity balance.

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximize shareholders value and minimize cost of capital. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using adjusted net debt (total borrowings net of cash and cash equivalents) to equity ratio. For this purpose, adjusted net debt is defined as total debt less cash and bank balances.

(₹ in Crore)

Borrowings	As at March 31, 2024	As at March 31, 2023
Debt	**6,050.92**	**6,282.88**
Less - Cash and cash equivalents*	1,284.05	51.17
Less - Investment in liquid mutual funds	745.87	450.08
Less - Investment in government securities	64.14	39.30
Less - Other bank deposits	-	-
Adjusted net debt	**3,956.86**	**5,742.33**
Total equity	4,209.91	4,256.90
Adjusted net debt to equity ratio	**0.94**	**1.35**

**excludes balances in earmarked account.*

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest bearing loans and borrowings that define capital structure requirements. Breaches in financial covenants would permit the bank to immediately call loans and borrowings.

The Company is subject to capital adequacy ratio ("CAR") requirements which are prescribed by the RBI. The Company is currently required to maintain a minimum 15.0 % as prescribed under the prudential norms of the RBI under the Master Direction – Non-Banking Financial Company – Systemically Important Non Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 based on the total capital to risk weighted assets as part of the governance policy. The Company generally maintain capital adequacy higher than the statutorily prescribed CAR. As at March 31, 2024, the capital adequacy ratio, which was computed on the basis of the applicable RBI requirements, is disclosed in Note 48.2. We believe that our high capital adequacy gives us significant headroom to grow our business.

Particulars	Numerator	Denominator	As At March 31, 2024	As At March 31, 2023	% of Variance
CRAR	3,725.78	8,870.15	42.00%	40.57%	3.52%
Tier I	3,633.06	8,870.15	40.96%	39.59%	3.46%
Tier II	92.72	8,870.15	1.05%	0.98%	7.14%
LCR	506.12	34.79	1,454.93%	669.90%	117.19%

The liquidity coverage ratio (LCR) for the year ended March 31, 2024 is 1,454.93%, which is higher as compared to the previous year ended March 31, 2023 of 669.90% primarily because of increase in HQLA is much higher as compared to Net cash outflows. (Refer note 46)

Financial instruments

A. Fair Value

Classes and categories of financial instruments and their fair values

The following table combines information about:

- classes of financial instruments based on their nature and characteristics;
- the carrying amounts of financial instruments;
- fair values of financial instruments (except financial instruments when carrying amount approximates their fair value); and
- fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed

Set out below, is the accounting classification of financial instruments by category:

(₹ in Crore)

As at March 31, 2024	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	1,284.05	1,284.05
Bank Balance other than (a) above	-	-	5.83	5.83
Trade receivables	-	-	-	-
Loans	-	-	7,030.18	7,030.18
Investments	1,579.58	196.08	-	1,775.66
Other Financial assets	-	-	6.90	6.90
Total	**1,579.58**	**196.08**	**8,326.96**	**10,102.62**
Financial liabilities				
Debt securities	-	-	3,991.10	3,991.10
Borrowings	-	-	2,059.82	2,059.82
Lease liabilities	-	-	17.71	17.71
Trade payables	-	-	4.16	4.16
Other Financial Liabilities	-	-	43.72	43.72
Total	**-**	**-**	**6,116.51**	**6,116.51**

(₹ in Crore)

As at March 31, 2023	FVTPL	FVTOCI	Amortised Cost	Total
Financial assets				
Cash and cash equivalents	-	-	51.17	51.17
Bank Balance other than (a) above	-	-	5.59	5.59
Trade receivables	-	-	-	-
Loans	-	-	9,197.53	9,197.53
Investments	987.16	207.89	-	1,195.05
Other Financial assets	-	-	6.07	6.07
Total	**987.16**	**207.89**	**9,260.36**	**10,455.41**

Notes
to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

As at March 31, 2023	FVTPL	FVTOCI	Amortised Cost	Total
Financial liabilities				
Debt securities	-	-	3,915.34	3,915.34
Borrowings	-	-	2,367.54	2,367.54
Lease liabilities	-	-	18.11	18.11
Trade payables	-	-	6.58	6.58
Other Financial Liabilities	-	-	46.54	46.54
Total	**-**	**-**	**6,354.11**	**6,354.11**

a. **Debt securities issued at fixed rate of interest for which carrying value and fair value are as under:**

As at	Carrying value	Fair Value
March 31, 2024	3,306.41	3,189.30
March 31, 2023	3,245.99	3,194.91

b. The Company considers that the carrying amounts recognised in the financial statements for Loans, Debt Securities (other than those disclosed in point a. above) and Borrowings approximate their fair values.

c. For financial assets / liabilities ("financial instruments") that are measured at fair value, except those included in point (b) above, the carrying amounts are equal to the fair values, as these financial instruments are maturing within 12 months or repayable on demand.

Fair Value Hierarchy and Method of Valuation

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

Fair value hierarchy levels 1 to 3 are based on the degree to which the fair value is observable:

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

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the- counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in level 3.

Valuation processes and Technique

The finance department of the Company performs the valuations of financial assets and liabilities required for financial reporting purposes, including level 3 fair values. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO and the team at least once every three months, in line with the Company's quarterly reporting periods.

Type of Financial Instrument	Valuation Technique
Cash and cash equivalents	At amortised cost
Other bank balances	At amortised cost
Loans	At amortised cost
Investment in Mutual Funds	NAV as on the reporting date.

Type of Financial Instrument	Valuation Technique
Investments in Government securities	Price from The Clearing Corporation of India Limited
Investment in Security receipts	latest NAV published
Investment in Debt instruments	Market approach - Comparable companies' approach, and Net realisable value
Investment in Compulsory Convertible Preference Shares	Market approach - Comparable companies' approach
Investment in Equity instruments	Market approach – Comparable companies' approach and Net book value
Investment in Optional Convertible Debenture	Price of recent transaction
Other Financial assets	At amortised cost

Fair Valuation technique for financial liability - At amortised cost

(₹ in Crore)

As at March 31, 2024	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Measured at FVTPL					
Investments in Mutual Fund	745.87	745.87	-	-	745.87
Investments in Debentures or Bonds	91.86	-	-	91.86	91.86
Investments in Equity instrument	0#	-	-	0#	0#
Investments in Security receipts	437.75	-	-	437.75	437.75
Investments in Government securities	64.14	-	64.14	-	64.14
Investments in Compulsory Convertible Preference Shares	39.96	-	-	39.96	39.96
Investment in Optional Convertible Debenture	200.00	-	-	200.00	200.00
Measured at FVTOCI					
Investments in Equity instrument	196.08	-	-	196.08	196.08
Total	**1,775.66**	**745.87**	**64.14**	**965.65**	**1,775.66**

(₹ in Crore)

As at March 31, 2023	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets					
Measured at FVTPL					
Investments in Mutual Fund	450.08	450.08	-	-	450.08
Investments in Debentures or Bonds	96.99	-	-	96.99	96.99
Investments in Equity instrument	0#	-	-	0#	0#
Investments in Security receipts	335.75	-	-	335.75	335.75
Investments in Government securities	39.30	-	39.30	-	39.30
Investments in Compulsory Convertible Preference Shares	33.00	-	-	33.00	33.00
Investments in Compulsory Convertible Debentures	32.04	-	-	32.04	32.04
Measured at FVTOCI					
Investments in Equity instrument	207.89	-	-	207.89	207.89
Total	**1,195.05**	**450.08**	**39.30**	**705.67**	**1,195.05**

 # Denotes amount less than ₹50,000/-

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

(₹ in Crore)

	Equity shares	Debt Instrument	Compulsory Convertible Preference Shares	Security receipts
As at March 31, 2022	**55.27**	**295.34**	**-**	**335.75**
Acquisitions	-	2.25	33.00	-
Conversion from CCD to Equity Shares	178.44	(178.44)	-	-
Realisations	-	-	-	-
Net Gain / (Loss) on fair value changes	(25.83)	9.88	-	-

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

	Equity shares	Debt Instrument	Compulsory Convertible Preference Shares	Security receipts
As at March 31, 2023	**207.89**	**129.03**	**33.00**	**335.75**
Acquisitions	13.50	206.75	-	102.00
Conversion from CCD to Equity Shares	55.22	(55.22)	-	-
Realisations	-	(0.31)	-	-
Net Gain / (Loss) on fair value changes	(80.53)	11.61	6.96	-
As at March 31, 2024	**196.08**	**291.86**	**39.96**	**437.75**

 # Denotes amount less than ₹50,000/-

Sensitivity for instruments

(₹ in Crore)

Nature of instrument	Fair value as at March 31, 2024	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2024	
Equity shares	196.08	Market approach – Comparable companies' approach and Net book value	5%	9.80	(9.80)
Debt instruments	291.86	Market approach - Comparable companies' approach, and Net realisable value	5%	14.59	(14.59)
Compulsory Convertible Preference Shares	39.96	Market approach - Comparable companies' approach	5%	2.00	(2.00)
Security receipts	437.75	Latest published NAV	5%	21.89	(21.89)

(₹ in Crore)

Nature of instrument	Fair value as at March 31, 2023	Significant unobservable inputs	Increase / Decrease in the unobservable input	Sensitivity Impact for the year ended March 31, 2023	
Equity shares	207.89	Market approach – Comparable companies' approach and Net book value	5%	10.39	(10.39)
Debt instruments	129.03	Market approach - Comparable companies' approach, and Net realisable value	5%	6.45	(6.45)
Compulsory Convertible Preference Shares	33.00	Discounted cash flow, Market approach - Comparable companies' approach	5%	1.65	(1.65)
Security receipts	335.75	Latest published NAV	5%	16.79	(16.79)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk;
- Liquidity risk; and
- Market risk (including interest rate risk)

Risk management framework

Risk management forms an integral part of the business. As a lending institution, the Company is exposed to several risks related to the lending business and operating environment. The Company have established a risk management and audit framework to identify, assess, monitor and manage various types of internal and external risks. This framework is driven by the Board through the Audit Committee, Risk Management Committee and the Asset Liability Management Committee. Risk

Management Committee inter alia is responsible for reviews, identifies, monitors and measures the risk profile and risk measurement system of the Company.

i. Credit risk

Credit risk is the risk of loss that may occur from the failure of any party to abide by the terms and conditions of any contract, principally the failure to make required payments of amounts due to us. In its lending operations, the Company is principally exposed to credit risk.

The credit risk is governed by the Credit Policy approved by the Board of Directors. The Credit Policy outlines the type of products that can be offered, customer categories, the targeted customer profile and the credit approval process and limits.

The Company measures, monitors and manages credit risk at an individual borrower level and at the Company exposure level for corporate borrowers. Company has structured and standardized credit approval process including a comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower. Credit teams track cases for early signs of stress, ensuring that corrective action is taken in the case of non – starter of early delinquency cases.

Credit approvers and relationship managers are responsible for ensuring adherence to these policies.

Credit Risk Assessment Methodology

The Company has an established credit analysis procedure leading to appropriate identification of credit risk. Appropriate appraisals have been established for various types of products and businesses. The methodology involves critical assessment of quantitative and qualitative parameters subject to review and approvals

Finance approval process begins with a detailed evaluation of technical, commercial, financial, marketing and management factors and the sponsor's financial strength and experience.

As part of the appraisal process, a risk matrix is generated, which identifies each of the project risks, mitigating factors and residual risks associated with the project.

After completion of all formalities by the borrower, a loan agreement is entered into with the borrower.

The Company has set out security creation requirements in the loan documents. In any kind of real estate lending transaction, the company maintains a security and receivables cover between 1 to 2 times of the loan amount. This gives enough flexibility in the event the real estate prices come down or there is a cost overrun. It also helps ensure equity of the promoter in the project in terms of the residual value cover.

The Company monitors the completeness of documentation and the creation of security. All customer accounts are reviewed at least once a year while reviews for larger exposures and reviews on delinquent customers are conducted more frequently.

Risk and monitoring team review collections regularly and personally contact customers that have defaulted on their loan payments.

The Company believes that close monitoring of debt servicing enables us to maintain high recovery ratios and maintain satisfactory asset quality.

The Company also requires the borrower to submit periodic reports. The Credit Committee of the Company, apart from approving proposals, regularly reviews the credit quality of the portfolio and various sub-portfolios. A summary of the reviews carried out by the Credit Committee is submitted to the Board for its information. The Company continue to monitor the credit exposure until our loans are fully repaid.

Company has rating model in place and does not only relies on external rating.

The credit impaired assets as at the reporting dates were secured by collateral.

The Company's current credit risk grading framework comprises the following categories:

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to the Financial Statements for the year ended March 31, 2024 (Contd..)

Category	Description	Basis for recognising expected credit losses
Stage 1	performing assets	12-month ECL
Stage 2	under-performing assets (Assets for which there is significant increase in credit risk)	Lifetime ECL
Stage 3	Credit Impaired	Lifetime ECL – credit-impaired

The key elements in calculation of ECL are as follows:

Probability of default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. The PD has been determined based on comparative external ratings.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a reporting date. It shall include outstanding loan amount, accrued interest and expected drawdowns on non-discretionary loan commitments.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the lender would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD. The LGD is determined based on valuation of collaterals and other relevant factors.

Provision as per Expected Credit Loss (ECL):

The impact on collateral values is also assessed for determination of adjustment to the loss given default and reasonable haircuts are applied wherever necessary.

As part of the management overlays, as per the approved ECL policy, the management's estimate of the future stress and risk and available market information. Refer note 48 to the financial statements.

The table below shows the credit quality and the exposure to credit risk based on the year-end stage classification. The amounts presented are gross of impairment allowances.

(₹ in Crore)

As on March 31, 2024	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount	PD
Stage 1 – performing assets	Loan	6,702.75	92.72	6,610.03	RE - 0.03 to 6.78
Stage 3 – Assets which are credit impaired	Advances	14.73	14.73	-	100
Stage 2 – Assets for which there is significant increase in credit risk	Loan	264.16	88.54	175.62	4.73 to 26.86
Stage 3 - Assets which are credit impaired	Loan	544.54	300.01	244.53	Refer note

Note: The Company has used discounted cash flow methodology to determine provision for credit impaired assets.

(₹ in Crore)

As on March 31, 2023	Asset category	Gross Carrying Amount	Expected Credit Loss	Net Carrying Amount	PD
Stage 1 – performing assets	Loan	8,079.74	102.81	7,976.93	0.13 to 2.64
Stage 1 – performing assets	Advances	14.73	14.73	-	100.00
Stage 2 – Assets for which there is significant increase in credit risk	Loan	1,016.43	111.27	905.16	3.91 to 12.43
Stage 3 - Assets which are credit impaired	Loan	483.56	168.09	315.47	Refer note

Note: The Company has used discounted cash flow methodology to determine provision for credit impaired assets.

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation of loans

(₹ in Crore)

	2023-24			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance*	**8,079.74**	**1,016.43**	**483.56**	**9,579.73**
New assets originated or purchased / further increase in existing asset	3,061.74	50.36	-	3,112.10
Assets derecognised or repaid (excluding write offs)	(4,068.14)	(300.04)	(363.87)	(4,732.05)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(129.06)	129.06	-	-
Transfers to Stage 3	(241.53)	(631.65)	873.18	-
Changes to contractual cash flows due to modifications not resulting in derecognition	-	-	-	-
Amounts written off**	-	-	(448.33)	(448.33)
Gross carrying amount closing balance*	**6,702.75**	**264.16**	**544.54**	**7,511.45**

**Including interest accrued and net of EIR*

***Apart from above written off, ₹33.64 crore is on account of TDS credit of earlier years*

(₹ in Crore)

	2022-23			
	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount opening balance*	**6,383.89**	**1,023.41**	**416.01**	**7,823.31**
New assets originated or purchased / further increase in existing asset	5,552.06	85.28	8.30	5,645.64
Assets derecognised or repaid (excluding write offs)	(3,148.42)	(442.46)	(73.45)	(3,664.33)
Transfers to Stage 1	101.69	(101.69)	-	-
Transfers to Stage 2	(736.65)	862.89	(126.24)	-
Transfers to Stage 3	(72.83)	(411.00)	483.83	-
Changes to contractual cash flows due to modifications not resulting in derecognition				
Amounts written off	-	-	(224.89)	(224.89)
Gross carrying amount closing balance*	**8,079.74**	**1,016.43**	**483.56**	**9,579.73**

**Including interest accrued and net of EIR*

Reconciliation of Expected Credit Loss (ECL) balance is given below

(₹ in Crore)

	2023-24			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**102.81**	**111.27**	**168.09**	**382.17**
ECL remeasurements due to changes in EAD / assumptions [Net]	52.74	74.79	-	127.53
Assets derecognized or repaid (excluding write off)	(34.45)	(38.66)	(10.89)	(84.00)
Transfers to Stage 1	-	-	-	-
Transfers to Stage 2	(1.75)	5.48	-	3.73
Transfers to Stage 3	(26.63)	(64.34)	307.69	216.72
"Impact on year end ECL of exposures transferred between stages during the year"	**(28.38)**	**(58.86)**	**307.69**	**220.45**
Recoveries	-	-	-	
Amounts written off	-	-	(164.88)	(164.88)
ECL allowance - closing balance	**92.72**	**88.54**	**300.01**	**481.27**

Notes
to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

	2022-23			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance - opening balance	**131.10**	**212.86**	**131.48**	**475.44**
ECL remeasurements due to changes in EAD / assumptions [Net]	54.08	13.04	-	67.12
Assets derecognized or repaid (excluding write off)	(38.32)	(137.19)	-	(175.51)
Transfers to Stage 1	0.59	(6.20)	-	(5.61)
Transfers to Stage 2	(32.71)	55.49	-	22.78
Transfers to Stage 3	(11.93)	(26.73)	312.41	273.75
"Impact on year end ECL of exposures transferred between stages during the year"				
Recoveries			(50.91)	(50.91)
Amounts written off			(224.89)	(224.89)
ECL allowance - closing balance	**102.81**	**111.27**	**168.09**	**382.17**

An analysis of changes in the gross carrying amount and the corresponding ECL allowances in relation to Advances

(₹ in Crore)

	2023-24			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount opening balance	**-**	**-**	**14.73**	**14.73**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Transfer to Stage 3	-	-	-	-
Amounts written off	-	-	-	-
Gross carrying amount closing balance	**-**	**-**	**14.73**	**14.73**

(₹ in Crore)

	2022-23			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
Gross carrying amount opening balance	**14.73**	**-**	**-**	**14.73**
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid (excluding write offs)	-	-	-	-
Amounts written off	(14.73)	-	14.73	-
Gross carrying amount closing balance	**-**	**-**	**14.73**	**14.73**

Reconciliation of ECL balance is given below

(₹ in Crore)

	2023-24			
	Stage 1	**Stage 2**	**Stage 3**	**Total**
ECL allowance - opening balance	**-**	**-**	**14.73**	**14.73**
ECL remeasurements due to changes in EAD / assumptions [Net]	-	-	-	-
Transfer to Stage 3	-	-	-	-
Assets derecognized or repaid (excluding write off)	-	-	-	-
Amounts written off	-	-	-	-
ECL allowance - closing balance	-	-	14.73	14.73

(₹ in Crore)

	2022-23			
	Stage 1	Stage 2	Stage 3	Total
ECL allowance - opening balance	**9.50**	**-**	**-**	**9.50**
ECL remeasurements due to changes in EAD / assumptions [Net]	-	-	5.23	5.23
Transfer to Stage 3	(9.50)	-	9.50	-
Assets derecognized or repaid (excluding write off)	-	-	-	-
Amounts written off	-	-	-	-
ECL allowance - closing balance	**-**	**-**	**14.73**	**14.73**

ii) Liquidity risk

Liquidity risk is the current and prospective risk arising out of an inability to meet financial commitments as they fall due, through available cash flows or through the sale of assets at fair market value. It includes both, the risk of unexpected increases in the cost of funding an asset portfolio at appropriate maturities and the risk of being unable to liquidate a position in a timely manner at a reasonable price.

The Company manages liquidity risk by maintaining sufficient cash and marketable securities and by having access to funding through an adequate amount of committed credit lines. Given the need to fund products, the Company maintains flexibility in funding by maintaining availability under committed credit lines to meet obligations when due. Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of Balance Sheet liquidity ratios are considered while reviewing the liquidity position.

We manage liquidity risk in accordance with our Asset Liability Management Policy. This policy is framed as per the current regulatory guidelines and is approved by the Board of Directors. The Asset Liability Management Policy is reviewed periodically to incorporate changes as required by regulatory stipulation or to realign the policy with changes in the economic landscape. The Asset Liability Committee (ALCO) of the Company formulates and reviews strategies and provides guidance for management of liquidity risk within the framework laid out in the Asset Liability Management Policy.

The Company has undrawn lines of credit of ₹10 Crore and ₹ 10 Crore as of March 31, 2024 and March 31, 2023 respectively, from its lenders and financial institutions for working capital and term loan requirements.

The Company has the right to draw upon these lines of credit based on its requirement and terms of draw down.

Exposure to liquidity risk

The following are the details of Company's remaining contractual maturities of financial liabilities and assets at the reporting date. The amounts are gross.

(₹ in Crore)

As at March 31, 2024	Carrying amount (Gross)	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	4.16	4.16	-	-	-
Debt Securities	3,991.10	743.29	1,604.36	588.64	1,054.81
Borrowings	2,059.82	717.38	1,117.57	224.87	-
Lease Liabilities	17.71	4.15	7.11	6.45	-
Other financial liabilities	43.72	39.09	4.63	-	-
Total	**6,116.51**	**1,508.07**	**2,733.67**	**819.96**	**1,054.81**
Financial Assets					
Cash and cash equivalents	1,284.05	1,284.05	-	-	-
Bank Balance	5.83	0.34	5.49	-	-
Trade receivable	-	-	-	-	-
Loans	7,030.18	2,811.43	2,928.99	1,226.46	63.30
Investments	1,775.66	810.01	91.86	-	873.79
Other Financial assets	6.90	3.88	-	1.44	1.58
Total	**10,102.62**	**4,909.71**	**3,026.34**	**1,227.90**	**938.67**

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

As at March 31, 2023	Carrying amount (Gross)	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	6.58	6.58	-	-	-
Debt Securities	3,915.34	912.58	1,083.97	414.82	1,503.97
Borrowings	2,367.54	670.60	1,276.96	416.85	3.13
Lease Liabilities	18.11	3.34	5.49	5.97	3.31
Other financial liabilities	46.54	41.42	5.12	-	-
Total	**6,354.11**	**1,634.52**	**2,371.54**	**837.64**	**1,510.41**
Financial Assets					
Cash and cash equivalents	51.17	51.17	-	-	-
Bank Balance	5.59	2.18	3.41	-	-
Trade receivable	-	-	-	-	-
Loans	9,197.56	2,612.16	4,421.66	1,848.14	315.60
Investments	1,195.05	489.38	-	92.09	613.58
Other Financial assets	6.07	3.82	-	2.25	-
Total	**10,455.44**	**3,158.71**	**4,425.07**	**1,942.48**	**929.18**

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include contractual interest payments and exclude the impact of netting agreements

As at March 31, 2024	Carrying amount (Gross)	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	4.16	4.16	-	-	-
Debt Securities	4,016.30	745.47	1,612.89	592.94	1,065.00
Borrowings	2,070.33	717.38	1,128.08	224.87	-
Lease Liabilities	21.65	5.60	8.97	7.08	-
Other financial liabilities	43.72	39.09	4.63	-	-
Total	**6,156.16**	**1,511.70**	**2,754.57**	**824.89**	**1,065.00**

As at March 31, 2023	Carrying amount (Gross)	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables	6.58	6.58	-	-	-
Debt Securities	3,947.17	913.07	1,098.46	427.70	1,507.94
Borrowings	2,382.82	670.60	1,292.25	416.85	3.13
Lease Liabilities	23.26	4.89	7.72	7.16	3.49
Other financial liabilities	46.54	41.42	5.12	-	-
Total	**6,406.37**	**1,636.55**	**2,403.55**	**851.71**	**1,514.56**

iii) Market risk - Interest rate risk

The Company is exposed to interest rate risk as it has assets and liabilities based on floating interest rates as well. The Company has an approved Asset and Liability Management Policy which empowers the Asset and Liability Management Committee (ALCO) to assess the interest rate risk run by it and provide appropriate guidelines to the Treasury to manage the risk. The ALCO reviews the interest rate risk on periodic basis and decides on the asset profile and the appropriate funding mix. The ALCO reviews the interest rate gap statement and the interest rate sensitivity analysis.

Exposure to interest rate risk

The Company's exposures to interest rates on loans and borrowings are detailed in the liquidity risk management section of this note

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Loans		
Fixed-rate instruments	4,223.88	5,228.23
Floating-rate instruments	3,198.75	4,209.76
Total	**7,422.63**	**9,437.99**
Debt Securities and Borrowings (Other than Debt Securities)		
Fixed-rate instruments	3,210.39	3,116.83
Floating-rate instruments	2,700.53	2,995.79
Total	**5,910.92**	**6,112.62**

Fair value sensitivity analysis for Floating-rate instruments

The sensitivity analysis below have been determined based on exposure to the interest rates for financial instruments at the end of the reporting period and the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period in case of instruments that have floating rates.

If interest rates had been 100 basis points higher or lower and all other variables were constant, the Company's profit before tax would have changed by the following:

(₹ in Crore)

	As at March 31, 2024		As at March 31, 2023	
	100 bps higher	100 bps lower	100 bps higher	100 bps lower
Floating rate loans	31.98	(31.98)	42.10	(42.10)
Floating rate borrowings	(27.00)	27.00	(29.96)	29.96
	4.98	**(4.98)**	**12.14**	**(12.14)**

41 Employee Stock Option Scheme:

JM Financial Limited granted the Stock Options to the eligible employees and/or directors (the Employees) of JM Financial Limited and its subsidiaries. Out of the total number of Options granted by JM Financial Limited, the following Stock Options pertain to the employees of the Company.

April 12, 2019 88,233 Stock Options

April 18, 2020 67,680 Stock Options

April 17, 2021 79,839 Stock Options

The option shall be eligible for vesting as per following schedule:

Vesting Date	Series	No. of Stock Options	Status	Exercise Period	Exercise Price per Option (In ₹)
12th April 2019	Series – XI	29,411	Vested	Seven years from the date of Grant	1
12th April 2020	Series – XI	29,411	Vested	Seven years from the date of Grant	1
12th April 2021	Series – XI	29,411	Vested	Seven years from the date of Grant	1
18th April 2020	Series – XII	22,560	Vested	Seven years from the date of Grant	1
18th April 2021	Series – XII	22,560	Vested	Seven years from the date of Grant	1
18th April 2022	Series – XII	22,560	Vested	Seven years from the date of Grant	1
17th April 2021	Series – XIII	26,613	Vested	Seven years from the date of Grant	1
17th April 2022	Series – XIII	26,613	Vested	Seven years from the date of Grant	1
17th April 2023	Series – XIII	26,613	Vested	Seven years from the date of Grant	1

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The current status of the stock options granted to the Employees is as under:

Particulars	Number of outstanding options	
	Current year	Previous year
Outstanding at the beginning of the year	17,742	29,022
Granted during the year	-	-
Exercised during the year	-	11,280
Lapsed	-	-
Outstanding at the end of the year	17,742	17,742
Exercisable at the end of the year	17,742	8,871

 # Denotes amount less than ₹50,000/-

The charge on account of the above scheme is included in employee benefit expense / write back aggregating (₹# crore) (Previous year 0.02).Since the options are granted by JM Financial Limited (the Holding company), basic and diluted earnings per share of the Company would remain unchanged.

42 Disclosure required in terms of Regulation 34(3) and 53(f) Of Securities and Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015:

Loans and advances in the nature of loans given to subsidiaries and associates:

(₹ in Crore)

Name of the company	Relationship	Maximum Balance	Closing Balance
JM Financial Services Ltd	Fellow Subsidiary	400.00 (-)	400.00 (-)
JM Financial Capital Limited	Fellow Subsidiary	-	-
		(110.00)	(-)

(Figures in brackets indicates previous year figures)

Loans and advances shown above are short term in nature and interest bearing.

43 Expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 (read with schedule VII thereof)

(₹ 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.	9.94	11.99
b)	**Amount spent:**		
	In cash	2.04	4.00
	Yet to be paid in cash	7.90	7.99
	Total	**9.94**	**11.99**
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	9.94	11.99

Amount approved by the Board to be spent during the year ended March 31, 2024 was ₹9.94 crore (March 31, 2023 was ₹11.99 crore)

Details of unspent obligations

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

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
7.99	5.28	9.94	2.04	7.77	7.90	5.49

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

(₹ 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
11.81	3.12	11.99	4.00	9.65	7.99	5.28

44 The Company operates only in one Operating Segment i.e. Loans - Financing Activity and all other activities are incidental to the main business activity. The Company has its operations within India and all revenue is generated within India. As such the Company has only one reportable Segment as per Indian Accounting Standard 108 "Operating Segments". The reportable business segments are in line with the segment wise information which is being presented to the Chief Operating Decision Maker (CODM).

The Company has its operations within India and all revenue is generated within India

45 Unhedged Foreign Currency Exposure

As at March 31, 2024

(₹ in Crore)

Particulars	Unhedged			Hedged through forward or derivative (#)			Natural Hedge
	</=1 Year	>1 Year	Total	</=1 Year	> Year	Total	</=1 Year
FCY Receivables							
Loans to JV/WOS	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-
FCY Payables							
Imports	-	-	-	-	-	-	-
Trade Credits	-	-	-	-	-	-	-
ECBs	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	**-**	**-**	**-**	**-**	**-**	**-**	**-**

#Note: Covered Option(s) is/are not included

As at March 31, 2023

(₹ in Crore)

Particulars	Unhedged			Hedged through forward or derivative (#)			Natural Hedge
	</=1 Year	>1 Year	Total	</=1 Year	> Year	Total	</=1 Year
FCY Receivables							
Loans to JV/WOS	-	-	-	-	-	-	-

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

Particulars	Unhedged			Hedged through forward or derivative (#)			Natural Hedge
	</=1 Year	>1 Year	Total	</=1 Year	> Year	Total	</=1 Year
Others	-	-	-	-	-	-	-
FCY Payables							
Imports	-	-	-	-	-	-	-
Trade Credits	-	-	-	-	-	-	-
ECBs	-	-	-	-	-	-	-
Other FCY loans	-	-	-	-	-	-	-
INR to USD swaps	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-

#Note: Covered Option(s) is/are not included

46 Disclosure on liquidity risk

a. Funding Concentration based on significant counterparty* (both deposits and borrowings

(₹ in Crore)

Year	Number of Significant Counterparties*	Amount	% of Total Deposits	% of Total Liabilities
For the year ended March 31, 2024	24	5,400.87	Not Applicable	88.3%
For the year ended March 31, 2023	22	5,360.65	Not Applicable	84.3%

**Significant counterparty is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies*

b. Top 20 large deposits (amount in ₹ Crore and % of total deposits):

Not applicable. The Company being a Systemically Important Non-Deposit taking Non-Banking Financial Company registered with Reserve Bank of India, does not accept public deposits.

c. Total of top 10 borrowings (amount in ₹ Crore and % of total borrowings):

For the year ended March 31, 2024		For the year ended March 31, 2023	
Amount (₹ In Crore)	% of Total Borrowings	Amount (₹ In Crore)	% of Total Borrowings
3,751.51	62.0%	3,876.08	61.7%

d. Funding Concentration based on significant instrument/product*:

(₹ in Crore)

Sr. No.	Name of the instrument/product	For the year ended March 31, 2024		For the year ended March 31, 2023	
		Amount	% of Total Liabilities	Amount	% of Total Liabilities
1	Term Loans	2,059.82	33.7%	2,367.54	37.2%
2	Non-Convertible Debentures	3,991.10	65.2%	3,915.34	61.6%
3	Commercial Papers	-	-	-	-
4	Inter corporate deposit	-	-	-	-
5	Cash Credit and Working Capital lines	-	-	-	-

**Significant instrument/product is as defined in RBI Circular RBI/2019-20/88 DOR.NBFC (PD) CC. No.102/03.10.001/2019-20 dated November 4, 2019 on Liquidity Risk Management Framework for Non-Banking Financial Companies and Core Investment Companies .*

e. Stock Ratios:

Sr. No.	Particulars	Ratios	
		As at March 31, 2024	As at March 31, 2023
1.	Commercial papers as a % of total public funds	-	-
	Commercial papers as a % of total liabilities	-	-
	Commercial papers as a % of total assets	-	-

Sr. No.	Particulars	Ratios	
		As at March 31, 2024	As at March 31, 2023
2.	Non-convertible debentures (original maturity of less than one year) as a % of total public funds	None	None
	Non-convertible debentures (original maturity of less than one year) as a % of total liabilities	None	None
	Non-convertible debentures (original maturity of less than one year) as a % of total assets	None	None
3.	Other short-term liabilities, if any as a % of total public funds	25.0%	26.1%
	Other short-term liabilities, if any as a % of total liabilities	24.7%	25.8%
	Other short-term liabilities, if any as a % of total assets	14.6%	15.4%

f. Institutional set-up for liquidity risk management

The Board of Directors of the Company has constituted the Asset Liability Management Committee and the Risk Management Committee.

The Asset Liability Management Committee, inter alia, reviews liquidity risk management, funding and capital planning, forecasting and analyzing different scenarios and preparation of contingency plans. Further, the Risk Management Committee, inter alia, monitors and measures the risk profile of the Company and oversees the integrated risk management system of the Company.

The Company has also constituted the Asset Liability Management Support Group, inter alia, to analyse, monitor and report the liquidity risk profile to the Asset Liability Management Committee.

The Company manages liquidity risk by maintaining sufficient cash/treasury surplus and by having access to funding through an adequate amount of committed credit lines to meet obligations, in case required.

Management regularly monitors the position of cash and cash equivalents vis-à-vis projections. Assessment of maturity profiles of financial assets and financial liabilities including debt financing plans and maintenance of balance sheet liquidity ratios are considered while reviewing the liquidity position.

The Company manages liquidity risk in accordance with the Company's Asset Liability Management Policy. The Asset Liability Management Policy is reviewed periodically to realign the same pursuant to any regulatory changes/changes in the economic landscape or business needs.

The Company has implemented the guidelines on Liquidity Risk Management Framework prescribed by the Reserve Bank of India requiring maintenance of Liquidity Coverage Ratio (LCR), which aim to ensure that an NBFC maintains an adequate level of unencumbered HQLAs that can be converted into cash to meet its liquidity needs for a 30 calendar day time horizon under a significantly severe liquidity stress scenario. LCR = Stock of High-Quality Liquid Assets (HQLAs)/Total Net Cash Outflows over the next 30 calendar days HQLAs comprise of Cash, Investment in Central and State Government Securities.

LIQUIDITY COVERAGE RATIO

(₹ in Crore)

	Particulars	For the Quarter ended June 30, 2023		For the Quarter ended September 30, 2023	
		Total Unweighted Value[1] (average)	Total weighted Value (average)[2]	Total Unweighted Value[3] (average)	Total weighted Value (average)[4]
HIGH QUALITY LIQUID ASSETS (HQLA)					
1.	Total HQLA (Bank balances and Treasury bills)	180.22	180.22	86.74	86.74
	CASH OUTFLOWS				
2.	Deposits (for deposit taking companies)				
3.	Unsecured wholesale funding				
4.	Secured wholesale funding				
5.	**Additional requirements, of which:**				
i.	Outflows related to derivative exposures and other collateral requirements				

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(₹ in Crore)

Particulars		For the Quarter ended June 30, 2023		For the Quarter ended September 30, 2023	
		Total Unweighted Value[1] (average)	Total weighted Value (average)[2]	Total Unweighted Value[3] (average)	Total weighted Value (average)[4]
ii.	Outflows related to loss of funding on debt products				
iii.	Credit and liquidity facilities				
6.	Other contractual funding obligations	307.83	354.01	54.72	62.92
7.	Other contingent funding obligations	16.69	19.20	21.09	24.25
8.	**TOTAL CASH OUTFLOWS**	**324.53**	**373.20**	**75.80**	**87.17**
	CASH INFLOWS				
9.	Secured Lending				
10.	Inflows from fully performing exposures	202.91	152.18	263.24	197.43
11.	Other cash inflows	242.90	182.18	31.85	23.88
12.	**TOTAL CASH INFLOWS**	**445.81**	**334.36**	**295.08**	**221.31**
13.	**TOTAL HQLA**		180.22		86.74
14.	**TOTAL NET CASH OUTFLOWS**		**93.30**		21.79
15.	**LIQUIDITY COVERAGE RATIO (%)**		**193.16%**		**398.03%**

[1] *Unweighted values is calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).*

[2] *Weighted values is calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow*

[3] *Unweighted values is calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).*

[4] *Weighted values is calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow*

(₹ in Crore)

Particulars		For the Quarter ended December 31, 2023		For the Quarter ended March 31, 2024	
		Total Unweighted Value[5] (average)	Total weighted Value (average)[6]	Total Unweighted Value[7] (average)	Total weighted Value (average)[8]
HIGH QUALITY LIQUID ASSETS (HQLA)					
1.	Total HQLA (Bank balances and Treasury bills)	124.54	124.54	506.12	506.12
	CASH OUTFLOWS				
2.	Deposits (for deposit taking companies)				
3.	Unsecured wholesale funding				
4.	Secured wholesale funding				
5.	**Additional requirements, of which:**				
i.	Outflows related to derivative exposures and other collateral requirements				
ii.	Outflows related to loss of funding on debt products				
iii.	Credit and liquidity facilities				
6.	Other contractual funding obligations	208.06	239.27	121.00	139.15
7.	Other contingent funding obligations				
8.	**TOTAL CASH OUTFLOWS**	**208.06**	**239.27**	**121.00**	**139.15**
	CASH INFLOWS				
9.	Secured Lending				
10.	Inflows from fully performing exposures	134.24	100.68	389.95	292.46
11.	Other cash inflows	423.26	317.45	110.38	82.79
12.	**TOTAL CASH INFLOWS**	**557.50**	**418.13**	**500.33**	**375.25**
13.	**TOTAL HQLA**		124.54		506.12
14.	**TOTAL NET CASH OUTFLOWS**		**59.82**		**34.79**
15.	**LIQUIDITY COVERAGE RATIO (%)**		**208.20%**		**1454.93%**

[5] *Unweighted values is calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).*

[6]*Weighted values is calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow*

[7]*Unweighted values is calculated as outstanding balances maturing or callable within 30 days (for inflows and outflows).*

[8]*Weighted values is calculated after the application of respective haircuts (for HQLA) and stress factors on inflow and outflow*

47 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.

(₹ in Crore)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS	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)
Performing Assets						
Standard	Stage 1	6,702.75	92.71	6,610.04	26.98	65.73
		(8,079.74)	(102.69)	(7,977.05)	(32.32)	(70.37)
	Stage 2	264.16	88.54	175.62	1.06	87.48
		(972.10)	(104.95)	(867.15)	(3.89)	(101.06)
	Stage 3	87.89	43.96	43.93	8.79	35.17
		(-)	(-)	(-)	(-)	(-)
Subtotal		**7,054.80**	**225.21**	**6,829.59**	**36.83**	**188.38**
		(9,051.84)	(207.64)	(8,844.20)	(36.21)	(171.43)
Non-Performing Assets (NPA)						
Substandard	Stage 3	398.57	223.45	175.12	39.86	183.59
		(293.23)	(91.98)	(201.25)	(29.32)	(62.66)
	Stage 2	-	-	-	-	-
		(44.33)	(4.43)	(39.90)	(4.43)	(-)
Doubtful						
Up to 1 year	Stage 3	51.08	27.36	23.72	10.22	17.14
		(77.07)	(26.20)	(50.87)	(23.67)	(2.53)
1 to 3 years	Stage 3	-	-	-	-	-
		(103.96)	(40.61)	(63.35)	(36.65)	(3.96)
More than 3 years	Stage 3	7.00	5.25	1.75	3.50	1.75
		(-)	(-)	(-)	(-)	(-)
Subtotal for doubtful		**58.08**	**32.61**	**25.47**	**13.72**	**18.89**
		(181.03)	(66.81)	(114.22)	(60.32)	(6.49)
Loss	Stage 3	-	-	-	-	-
		(9.30)	(9.30)	-	(9.30)	-
Subtotal for NPA		**456.65**	**256.06**	**200.59**	**53.58**	**202.48**
		(474.26)	(158.79)	(315.47)	(89.64)	(69.15)
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	-	-	-	-	-
		(9.24)	(0.12)	(9.12)	(0.04)	(0.08)
	Stage 2	-	-	-	-	-
		(16.06)	(1.89)	(14.17)	(0.06)	(1.83)
	Stage 3	-	-	-	-	-
		(-)	(-)	(-)	(-)	(-)
Subtotal		-	-	-	-	-
		(25.30)	(2.01)	(23.29)	(0.10)	(1.91)

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to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

Asset Classification as per RBI Norms	Asset Classification as per Ind AS	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)
Total	Stage 1	6,702.75	92.72	6,610.03	26.98	65.74
		(8,088.98)	(102.81)	(7,986.17)	(32.36)	(70.45)
	Stage 2	264.16	88.54	175.62	1.06	87.48
		(1,032.49)	(111.27)	(921.22)	(8.38)	(102.89)
	Stage 3	544.54	300.01	244.53	62.36	237.65
		(483.56)	(168.09)	(315.47)	(98.94)	(69.15)
	Total	**7,511.45**	**481.27**	**7,030.18**	**90.40**	**390.87**
		(9,605.03)	**(382.17)**	**(9,222.86)**	**(139.68)**	**(242.49)**

Figures in brackets represents previous year amount

In terms of the requirement as per RBI notification no. 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, NBFCs are required to create an impairment reserve for any shortfall in impairment allowances under Ind AS 109 and Income Recognition, Asset Classification and Provisioning (IRACP) norms (including provision on standard assets). The impairment allowances under Ind AS 109 made by the company exceeds the total provision required under IRACP (including standard asset provisioning), as at March 31, 2024 and accordingly, no amount is required to be transferred to impairment reserve.

48 Disclosures as per RBI master directions and other notifications.

48.1 Information pursuant to RBI Guidelines on Securitisation of standard assets dated February 1, 2006

(₹ in Crore)

Sr No	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	Total Number of transactions wherein Loan assets securitized	-	-
(ii)	Total book value of loan assets securitised – Rupees	-	-
(iii)	Total sales consideration received for the securitised assets – Rupees	-	-
(iv)	Gain on sale on account of securitisation – Rupees	-	-
(v)	Gain recognized in the Statement of Profit and Loss – Rupees	-	-
(vi)	Outstanding value of any services provided by way of credit enhancement, liquid support, post -securitisation asset servicing etc.	-	-

Details of non-performing financial assets purchase / sold (Assignment)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
No. of accounts sold	9	-
No. of accounts purchased	-	-
Aggregate outstanding	427.46	-
Aggregate consideration paid	-	-
Aggregate consideration received	300.00	-

During the year, there are no non-performing financial assets purchased.

Pursuant to Master Directions – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 dated September 24, 2021, applicable disclosures are given below

Particulars	As at March 31, 2024	As at March 31, 2023
Aggregate principal outstanding of loans acquired (₹in crores)	-	65.00
Aggregate consideration paid* (₹in crores)	-	69.27
Weighted average residual tenor of loans acquired	-	9 months

**Consideration paid includes principal and interest accrued but not due as on date of acquisition.*

Pursuant to Master Direction – Reserve Bank of India (Transfer of Loan Exposures) Directions, 2021 vide RBI Notification - RBI/DOR/2021-22/86 DOR.STR.REC.51/21.04.048/2021-22 dated September 24, 2021, Disclosure of information as required is as mentioned below

(₹ in Crore)

Details of Stressed loans transferred during the year	To ARC	
	During the year ended March 31, 2024	During the year ended March 31, 2023
Number of accounts	9	-
Aggregate principal amount of loan transferred	427.46	-
Weighted average residual tenor of the loans transferred	2.93	-
New book value of loans transferred at the time of transfer	302.75	-
Aggregate consideration	300.00	-
Additional consideration realised in respect of accounts transferred in earlier years	-	-

48.2 Information pursuant to RBI Guidelines on Capital adequacy, liquidity and disclosure norms dated August 1, 2008:-

(i) Capital risk adequacy ratio (CRAR):

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
CRAR (%)	42.00%	40.57%
CRAR - Tier I capital (%)	40.96%	39.59%
CRAR - Tier II capital (%)	1.05%	0.98%
Amount of subordinated debt raised as Tier-II capital	Nil	Nil
Amount raised by issue of Perpetual Debt Instruments	Nil	Nil

48.3 Exposures:

A. Exposure to Real Estate Sector

(₹ in Crore)

Sr No	Category		As at March 31, 2023
I)	**Direct Exposure**		
(a)	**Residential Mortgages-**		
	Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented. Exposure would also include non-fund based (NFB) limits.		
(b)	**Commercial Real Estate-**		
	Lending secured by mortgages on commercial real estate (office buildings, retail space, multipurpose commercial premises, multifamily residential buildings, multi tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.). Exposure would also include non-fund based (NFB) limits.	4,896.72	7,997.31
(c)	**Investments in Mortgage-Backed Securities (MBS) and other securitized exposures**		

Notes

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(₹ in Crore)

Sr No	Category		As at March 31, 2023
	i. Residential		-
	ii. Commercial Real Estate		-
II)	**Indirect Exposure**		
	Fund based and non-fund-based exposures on National Housing Bank and Housing Finance Companies.		-
	Total Investments		
I	**Direct Exposure**		
(i)	**Commercial real estate**	437.75	340.65
(ii)	**Investments in Mortgage Backed Securities (MBS) and other securitised exposures-**		
	a) Residential,		
	b) Commercial Real Estate.		
	b) Others.		
II	**Indirect Exposure**		
(i)	Funded and Non-funded Exposures NHB and Housing Finance Companies(HFCs)	136.59	86.50
(ii)	Any other	-	-
	Total	**5,471.06**	**8,424.46**

B. Exposures to Capital Market

(₹ in Crore)

	Category	As at March 31, 2024	As at March 31, 2023
(i)	Direct investment in equity shares, convertible bonds, convertible debentures and units of equity oriented mutual funds the corpus of which is not exclusively invested in corporate debt	99.45	186.42
(ii)	Advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity oriented mutual funds	-	-
(iii)	Advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	1,101.64	1,262.75
(iv)	Advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
(v)	Secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	400.00	-
(vi)	Loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii)	Bridge loans to companies against expected equity flows / issues;	-	-
(viii)	Underwriting commitments taken up by the NBFCs in respect of primary issue of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds	-	-
ix.	Financing to stockbrokers for margin trading	-	
x.	All exposures to Alternative Investment Funds: (i) Category I (ii) Category II (iii) Category III	-	
	Total exposure to Capital Market	**1,601.09**	**1,449.17**

C) Sectoral Exposure

(₹ in Crore)

Sectors	As at March 31, 2024			As at March 31, 2023		
	Total Exposure	Gross NPA	% of gross NPA to exposure in that sector	Total Exposure	Gross NPA	% of gross NPA to exposure in that sector
1. Agriculture and Allied activities	-	-	-	-	-	-
2. Industry	-	-	-	-	-	-
3. Services						
a) Commercial Real Estate	4,896.72	532.79	10.88%	7,997.31	483.56	6.05%
b) Financial Institution Financing	347.82	-	-	319.64	-	-
c) Other services	2,266.91	11.75	0.52%	1,262.75	-	-
4. Personal Loans	-	-	-	-	-	-
5. Others	-	-	-		-	-

D) Related Party Disclosure

(₹ in Crore)

Related Parties/ Items	Parent		Fellow Subsidiaries		Key Management Personnel		Relatives of Key Management Personnel		Total	
	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year	Current year	Previous year
Borrowings										
Closing	-	-	1.32	-	-	0.05	0.25	-	1.57	0.05
Maximum balance	-	-	3.57	20.00	2.00	0.05	1.25	-	6.82	20.05
Deposits										
Closing	-	-	3.06	3.06	-	-	-	-	3.06	3.06
Maximum balance			3.06	3.06	-	-	-	-	3.06	3.06
Advances										
Closing	-	-	400.00	-	-	-	-	-	400.00	-
Maximum balance	-	-	400.00	110.00	-	-	-	-	400.00	110.00
Investments*										
Closing	-	-	658.61	336.35	-	-	-	-	658.61	336.35
Maximum balance			658.61	336.35	-	-	-	-	658.61	336.35
Purchase of fixed/other assets	-	-	-	-	-	-	-	-	-	-
Sale of fixed/other assets	-	-	-	-	-	-	-	-	-	-
Interest paid	-	-	0.25	0.09	0.20	0#	0.17	0#	0.62	0.09
Interest received	-	-	10.67	16.34	-	-	-	-	10.67	16.34
Others	-	-		-		-		-		

** investment has been disclosed at cost*

E. Intragroup Exposure

(₹ in Crore)

		As at March 31, 2024	As at March 31, 2023
i)	Total amount of intra-group exposures	400.00	-
ii)	Total amount of top 20 intra-group exposures	400.00	-
iii)	Percentage of intra-group exposures to total exposure of the NBFC on borrowers/customers	5.33%	-

ii. Asset Liability Management:

Maturity pattern of certain items of assets and liabilities:

(₹in Crore)

Particulars	1 to 7 days	8 to 14 days	15 days to 31 days	Over one month to 2 months	Over 2 months to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Assets											
Deposits	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Advances	3.04	-	17.27	81.76	476.59	1,271.99	966.16	2,928.99	1,227.90	64.88	7,038.58
	(1.30)	(-)	(69.21)	(108.84)	(234.91)	(816.75)	(1,385.93)	(4,421.66)	(1,749.94)	(416.03)	(9,204.57)
Investments	-	10.00	124.91	-	-	675.10	-	91.86	-	873.79	1,775.66
	(-)	(-)	(-)	(182.00)	(268.09)	(39.30)	(-)	(-)	(92.08)	(613.58)	(1195.05)
Liabilities											
Borrowing	8.59	-	67.28	47.17	135.00	819.85	382.78	2,721.93	813.51	1,054.81	6,050.92
	(3.43)	(-)	(34.49)	(262.54)	(558.47)	(240.55)	(483.69)	(2,350.09)	(843.53)	(1,506.09)	(6,282.88)
Foreign currency assets	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)
Foreign currency liabilities	-	-	-	-	-	-	-	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)	(-)

 # Denotes amount below ₹50,000/-

The company has estimated their inflows from investment in liquid mutual fund on the basis of outflows in respective buckets upto 6 months.

Notes:

a) Information on maturity pattern of advances for which there are no specified repayment terms are based on the reasonable assumptions.

b) Above maturity pattern is after the considering the impact of Moratorium benefit extended by the Company to the customers

c) Figures in brackets are for previous year.

48.4 Schedule to the Balance Sheet (as required in terms of Paragraph 19 of Master Directions – Non-Banking Financial Company - "Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016

1. Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:

	Particulars Liabilities side	Amount outstanding (₹in Crore)	Amount overdue (₹in Crore)
(a)	Debentures		
	(i) Secured	3,991.10	-
		(3,915.34)	(-)
	(ii) Unsecured (other than falling within the meaning of public deposits)	-	-
		(-)	(-)
(b)	Deferred Credits	-	-
		(-)	(-)
(c)	Term Loans	2,059.82	-
		(2,367.54)	(-)
(d)	Inter-corporate loans and borrowing	-	-
		(-)	(-)
(e)	Commercial Paper	-	-
		(-)	(-)
(f)	Other Loans		
	Working Capital Loan	-	-
		(-)	(-)
	Cash Credits	-	-
		(-)	(-)
	Due under finance lease	-	-
		(-)	(-)

2. Break up of Loans and Advances including bills receivables (other than those included in (3) below):

	Particulars Assets side	Amount outstanding (₹in Crore)
(a)	Secured	6,371.34
		(8,925.29)
(b)	Unsecured	1,140.11
		(654.44)

3. Break up of Leased Assets and stock on hire and other assets counting towards AFC activities:

	Particulars Assets side	Amount outstanding (₹in Crore)
(i)	Lease assets including lease rentals under sundry debtors:	
	(a) Financial Lease	-
		(-)
	(b) Operating Lease	-
		(-)
(ii)	Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	-
		(-)
(iii)	Other loans counting towards AFC activities:	
	(a) Loans where assets have been repossessed	-
		(-)
	(b) Loans other than (a) above	-
		(-)

Notes
to the Financial Statements for the year ended March 31, 2024 (Contd..)

4. Break – up of Investments:

Particulars	Amount outstanding (₹in Crore)
Current Investment	
1. Quoted:	
(i) Shares:	
(a) Equity	-
(b) Preference	-
(ii) Debentures and Bonds	-
	(-)
(iii) Units of Mutual Funds	745.87
	(450.08)
(iv) Government Securities	64.14
	(39.30)
(v) Others (Please Specify)	-
2. Unquoted:	
(i) Shares:	
(a) Equity	196.08
	(207.89)
(b) Preference	39.96
	(33.00)
(ii) Debentures and Bonds	291.86
	(129.03)
(iii) Units of Mutual Funds	-
	(-)
(iv) Government Securities	-
	(-)
(v) Others (Security receipts)	437.75
	(335.75)

5 Borrower group – wise classification of assets financed as in (2) and (3) above:

Category	Amount (net of provisions)		
	Secured (₹in Crore)	Unsecured (₹in Crore)	Total (₹in Crore)
1) Related Parties			
(a) Subsidiaries	-	-	-
	(-)	(-)	(-)
(b) Companies in the same group	-	400.00	400.00
	(-)	(-)	(-)
(c) Other related parties	-	-	-
	(-)	(-)	(-)
2) Other than related parties	6,371.34	740.11	7,111.45
	(8,925.29)	(654.44)	(9,579.73)
	6,371.34	1,140.11	7,511.45
	(8,925.29)	(654.44)	(9,579.73)
Less: Provision for non-performing assets	300.01	-	300.01
	(168.09)	-	(168.09)
	6,071.33	1,140.11	7,211.44
	(8,757.20)	(654.44)	(9,411.64)

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value/ Breakup or fair value or NAV (₹ in Crore)	Book Value (Net of Provisions) (₹ in Crore)
1) Related Parties		
(a) Subsidiaries	-	-
	(-)	(-)
(b) Companies in the same group	589.94	589.94
	(332.02)	(332.02)
(c) Other related parties	-	-
	(-)	(-)
2) Other than related parties	1,185.72	1,185.72
	(863.03)	(863.03)
	1,775.66	**1,775.66**
	(1,195.05)	(1,195.05)

(7) Other Information:

Particulars	Amount (₹in Crore)
(i) Gross Non – Performing Assets	
(a) Related Parties	-
	(-)
(b) Other than related parties	544.54
	(483.56)
(ii) Net Non – Performing Assets	
(a) Related Parties	-
	(-)
(b) Other than related parties	244.53
	(315.47)
(iii) Assets acquired in satisfaction of debt	-
	(-)

(Figures in brackets indicates previous year figures)

48.5 There are no restructured advances as on March 31, 2023 and March 31, 2022. Hence disclosure of information as required in terms of Paragraph 25 of Master Directions – Non-Banking Financial Company - “Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions 2016 is not warranted.

48.6 Investments

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(a) Value of Investments		
(i) Gross Value of Investments		
(a) in India	1,775.66	1,195.05
(b) Outside India	-	-
(ii) Provision for depreciation		
(a) in India	-	-
(b) Outside India	-	-
(iii) Net Value of Investments		
(a) in India	1,775.66	1,195.05
(b) Outside India	-	-

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

(₹ in Crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
(b)	**Movement of provisions held towards depreciation on investments**		
(i)	Opening balances	-	-
(ii)	Add : Provisions made during the year	-	-
(iii)	Less : Write-off / write-back of excess provisions during the year	-	-
(iv)	Closing balance	-	-

48.7 Additional & Miscellaneous Disclosures:

(I) Registration obtained from other financial sector regulators

Company has not registered with other financial sector regulator except with Reserve Bank of India

(II) Disclosure of Penalties imposed by RBI and other regulators

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Penalties imposed	Nil	Nil

(III) Net Statement of profit or loss for the period, prior period items and changes in accounting policies:

There are no prior period items and changes in accounting policies impacting net profit for the year

(IV) Revenue Recognition has not been postponed on account of pending resolution of significant uncertainties

(V) Premium utilised for share issue expenses

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Premium utilised for share issue expense	-	-

(VI) Drawdown from Reserves

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Drawdown from reserves	-	-

48.8 Ratings assigned by credit rating agencies and migration of ratings during the year:

		As at March 31, 2024	As at March 31, 2023
	ICRA Limited		
(i)	Commercial Paper programme	[ICRA]A1+	[ICRA]A1+
(ii)	Bank loan facility	[ICRA]AA/Stable	[ICRA]AA/Stable
(iii)	Non-Convertible Debentures	[ICRA]AA/Stable	[ICRA]AA/Stable
		PP-MLD ICRA AA / Stable	PP-MLD ICRA AA / Stable
	India Rating		
(i)	Commercial Paper programme	IND A1+	IND A1+
(ii)	Bank loan facility	IND AA/Stable	IND AA/Stable
(iii)	Non-Convertible Debentures	IND AA/Stable	IND AA/Stable

48.9 Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss

	For the year ended March 31, 2024 (₹in Crore)	For the year ended March 31, 2023 (₹in Crore)
Provisions for depreciation on Investment*	-	-
Provision towards NPA / ECL(stage 3)	256.63	65.89
Provision made towards Income tax	45.14	103.72
Other Provision and Contingencies (with details)	-	-
Provision for Standard Assets / ECL stage 1 and 2	(32.82)	11.08

Netted off from "Net gain on fair value changes" in schedule III as per Ind AS requirement

48.10 Concentration of Deposits, Advances and Exposures and NPAs:

Concentration of Deposits (for deposit taking NBFCs)

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Total Deposits of twenty largest depositors	NA	NA
Percentage of Deposits of twenty largest depositors to Total Deposits of the NBFC	NA	NA

Concentration of Advances

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Total Advances to twenty largest borrowers	5,210.35	5,980.87
Percentage of Advances to twenty largest borrowers to total Advances of the NBFC	70.20%	63.57%

Concentration of Exposures

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Total Exposure to twenty largest borrowers / customers	5,257.10	6,073.63
Percentage of Exposures to twenty largest borrowers / customers to total Exposure of the NBFC on borrowers / customers	69.99%	63.40%

Concentration of NPAs

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Total exposure to top four NPA accounts	373.13	280.52

Sector-wise NPAs

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Agriculture & allied activities	Nil	Nil
MSME	Nil	Nil
Corporate borrowers	544.54	483.56
Services	Nil	Nil
Unsecured personal loans	Nil	Nil
Auto loans	Nil	Nil
Other personal loans	Nil	Nil

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

48.11Movement of NPAs:

(₹ in Crore)

	As at March 31, 2024	As at March 31, 2023
Net NPAs to Net Advances (%)	3.39%	3.35%
Movement of NPAs (Gross)		
(a) Opening balance	**483.56**	**416.01**
(b) Additions during the year	873.19	492.13
(c) Reductions during the year	812.20	424.58
(d) Closing balance	**544.54**	**483.56**
Movement of Net NPAs		
(a) Opening balance	**315.47**	**284.53**
(b) Additions during the year	565.49	179.13
(c) Reductions during the year	636.43	148.79
(d) Closing balance	**244.53**	**315.47**
Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	**168.09**	**131.48**
(b) Provisions made during the year	307.69	312.41
(c) Write-off / write-back of excess provisions	175.77	275.80
(d) Closing balance	**300.01**	**168.09**

48.12 Disclosures of customer complaints

Disclosure of complaints:

1. **Summary information on complaints received by the Company from customers and from the Office of Ombudsman:**

Sr. No.	Particulars	Current Year	Previous Year
	Complaints received by the NBFC from its customers		
1.	Number of complaints pending at beginning of the year	-	-
2.	Number of complaints received during the year	2	-
3.	Number of complaints disposed during the year	2	-
3.1	Of which, number of complaints rejected by the NBFC	-	-
4.	Number of complaints pending at the end of the year	-	-
5	Number of maintainable complaints received by the NBFC from Office of Ombudsman	-	-
5.1	Of 5, number of complaints resolved in favour of the NBFC by Office of Ombudsman	-	-
5.2	Of 5, number of complaints resolved through conciliation/mediation/advisories issued by Office of Ombudsman	-	-
5.3	Of 5, number of complaints resolved after passing of Awards by Office of Ombudsman against the NBFC	-	-
6	Number of Awards unimplemented within the stipulated time (other than those appealed)	-	-

Note: Maintainable complaints refer to complaints on the grounds specifically mentioned in Integrated Ombudsman Scheme, 2021 (Previously the Ombudsman Scheme for Non-Banking Financial Companies, 2018) and covered within the ambit of the Scheme.

The compliant was withdrawn by the Complainant against the Company.

2. Top five grounds of complaints received by the Company from customers:

Grounds of complaints, (i.e. complaints relating to)	Number of complaints pending at the beginning of the year	Number of complaints received during the year	% increase/ decrease in the number of complaints received over the previous year	Number of complaints pending at the end of the year	Of 5, number of complaints pending beyond 30 days
1	2	3	4	5	6
		Current Year			
Ground – 1	-	-	-	-	-
Ground – 2	-	-	-	-	-
Ground – 3	-	-	-	-	-
Ground – 4	-	-	-	-	-
Ground – 5	-	-		-	-
Others	-	2	100%	-	-
Total		**2**	**100%**		
		Previous Year			
Ground – 1	-	-	-	-	-
Ground – 2	-	-	-	-	-
Ground – 3	-	-	-	-	-
Ground – 4	-	-	-	-	-
Ground – 5	-	-	-	-	-
Others	-	-	-	-	-
Total					

48.13 There were no instances of fraud reported in the Company during the financial year ended March 31, 2024.

The Company had however reported one instance of fraud in one of its Borrower's account during the financial year 2022-23, for which the extent of loss to the Company was ₹ 9.30 crore. The same was also reported to RBI as per applicable guidelines.

48.14 During the year, there are no Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the Company.

48.15 Disclosure in respect of derivatives, securitisation transactions, consolidated financial statements, overseas assets (for those with joint ventures and subsidiaries abroad), off balance sheet SPV's sponsored are not applicable for the year to the Company since there is no exposure.

49 During the year ended 31 March 2024, the Company has sold Nine loans worth ₹ 427.46 crores to JM Financial Asset Reconstruction Company Limited, through a publicly conducted auction mode as per the guidelines of Reserve Bank of India, for an aggregate consideration of ₹ 300 crores which include cash of ₹ 198.00 crores and security receipts of ₹102.00 crores issued by the Trust. Ind AS 109 – Financial Instruments, requires substantially all risk and rewards to be transferred for the purpose of derecognition of such loans from the company's books and recognizing security receipts so acquired. The control on the loan resolution and the associated risk and reward on the outstanding loan granted to the borrower rest fully and without recourse with JM Financial Asset Reconstruction Company Limited in capacity as the trustees of the respective trust. As a result, these assets have been derecognised from the books of accounts and investments in security receipts have been recognised which are classified as FVTPL.

No accounts has been sold during the year ended March 31, 2023

50 There is no amount due to be credited to Investor education and Protection fund as at March 31, 2024 (As at March 31, 2023 – Nil)

Notes

to the Financial Statements for the year ended March 31, 2024 (Contd..)

51 Willful Defaulter

The Company has not been declared willful defaulter by any bank or financial institutions or government or any government authority.

52 Relationship with struck off Companies

The Company has no transactions with the companies struck off under the Companies Act, 2013.

53 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under the Companies Act, 2013.

54 Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

55 Undisclosed Income

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.

56 Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

57 Registration of charges or satisfaction with Registrar of Companies

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

58 The financial statements were approved by the Board of Directors on May 18, 2024.

In terms of our report of even date attached

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

Kapil Goenka
Partner
Membership No. 118189
Place: Mumbai
Date: May 18, 2024

For and on behalf of the Board of Directors

Vishal Kampani
Managing Director
DIN – 00009079

Adi Patel
Director
DIN – 02307863

Vishal Solanki
Chief Financial Officer

Hemant Pandya
Company Secretary

Place: Mumbai
Date: May 18, 2024

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