JM FINANCIAL

SOLID.
STABLE.
SUSTAINABLE.

JM Financial Institutional Securities Limited
Annual Report 2023-24

Corporate Information

BOARD OF DIRECTORS

Mr. Vishal Kampani
Non-Executive Chairman

Ms. Dipti Neelakantan
Non-Executive Director

Mr. Chirag Negandhi
Non-Executive Director (with effect from February 13, 2024)

Mr. Anish Damania
Whole-Time Director (with effect from May 15, 2024)

Mr. Samir Shah
Whole-Time Director

Mr. Richard Liu
Whole-Time Director (up to February 29, 2024)

COMPANY SECRETARY
Ms. Siddiqa Raeen

CHIEF FINANCIAL OFFICER
Mr. Chetan Dharod

PRINCIPAL BANKER
HDFC Bank Limited

STATUTORY AUDITORS
B S R & Co. LLP Chartered Accountants

REGISTRAR & TRANSFER AGENT
KFin Technologies Limited
Selenium Building, Tower B, Plot 31 & 32,
Financial District, Nanakramguda, Serilingampally
Hyderabad, Rangareddy,
Telangana, India - 500 032
Email ID: einward.ris@kfintech.com
Toll Free no.: 1800-309-4001
Email ID: einward.ris@kfintech.com
Website: https://ris.kfintech.com

REGISTERED OFFICE
JM Financial Institutional Securities Limited
7th Floor, Cnergy, Appasaheb Marathe Marg,
Prabhadevi, Mumbai 400 025
Tel: 91-22-6630 3030
Fax: 91-22-6630 3223
Website: www.jmfinancialinstsec.com
CIN: U67100MH2017PLC2960381

Independent Auditor's Report

To the Members of

JM Financial Institutional Securities Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of JM Financial Institutional Securities 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 obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 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 except for the matters stated in the paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

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. the modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(A)(b) above on reporting under Section 143(3)(b) and paragraph 2(B)(f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

g. 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 does not have any pending litigations which would impact its financial position.

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

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 40(A) 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 40(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 preference 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 which extent it applies to payment of dividend.

As stated in Note 49 to the financial statements, the Board of Directors of the Company has recommended a preference dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting.

f. 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 respective softwares except that the feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for accounting software used for maintaining details relating to secondary market transactions for the period from 1 April 2023 to 27 March 2024. 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:24118189BKDBCU8115

Place: Mumbai
Date: 15 May 2024

Annexure A to the Independent Auditor's Report

on the Financial Statements of JM Financial Institutional Securities 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 our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.

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

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

(ii) (a) The Company is a service company, primarily rendering broking and allied services. Accordingly, it does not hold any physical inventories. Accordingly, clause 3(ii)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks on the basis of security of current assets. The Company has not been sanctioned any working capital limit from the financial institutions. As per sanction terms, the Company is not required to file quarterly returns or statements with the bank.

(iii) According to the information and explanation given to us and on the basis of examination of the records of the Company has made investments, granted loans or advances in nature of loans to employees and provided guarantees to companies, firms, Limited Liability Partnerships, or any other parties.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

(₹ in Lakhs)

Particulars	Guarantees	Security	Employee Loans	Advances in nature of loans
Aggregate amount during the year Subsidiaries* Joint ventures* Associates* Others			2.93 **	
Balance outstanding as at balance sheet date Subsidiaries* Joint ventures* Associates* Others*			1.95	

*As per the Companies Act, 2013

**The amount represents the maximum loan outstanding during the year

(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 yearand the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the yearare, prima facie, not prejudicial to the interest of the Company

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company granted loans to employees wherein the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts have been regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given to employees

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan given falling due during the year, which has been renewed or extended or fresh loans given to settle the overdue of existing loans given to the same party.

(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 records of the Company, the Company has neither made any investments nor has it given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 and 186 of the Companies Act, 2013 ("the Act") are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable.

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

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

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax 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, Employees State Insurance, Income-Tax, or other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, 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.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, or other statutory dues, which have not been deposited with the appropriate authorities on account of any dispute.

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

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

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

(c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.

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

(e) 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) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

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

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

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

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

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

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

(xiii) The requirements as stipulated by the provisions of Section 177 of the Act are not applicable to the Company. In our opinion and according to the information and explanations given to us and on the basis of our examination of records of the company, transactions with related parties are in compliance with Section 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) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

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

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

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

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

Kapil Goenka
Partner
Membership No.: 118189
ICAI UDIN:24118189BKDBCU8115

Place: Mumbai
Date: 15 May 2024

Annexure B to the Independent Auditor's Report

on the financial statements of JM Financial Institutional Securities 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 Institutional Securities 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:24118189BKDBCU8115

Place: Mumbai
Date: 15 May 2024

Balance Sheet

as at March 31, 2024

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
	ASSETS			
1	**Financial Assets**			
A	Cash and cash equivalents	4	832.90	844.76
B	Bank Balance other than included (A) above	5	13,915.75	11,610.75
C	Receivables			
	(i) Trade Receivables	6	1,659.16	705.74
D	Investments	7	4,282.37	-
E	Other Financial assets	8	3,043.11	4,706.77
			23,733.29	**17,868.02**
2	**Non-financial Assets**			
A	Current tax assets (net)	9	-	44.62
B	Deferred tax Assets (net)	10	320.52	343.42
C	Property, Plant and Equipment	11	2,492.98	2,809.31
D	Other Intangible assets	11	50.28	28.55
E	Other non-financial assets	12	294.80	131.32
			3,158.58	**3,357.22**
	Total Assets		**26,891.87**	**21,225.24**
	LIABILITIES AND EQUITY			
	LIABILITIES			
1	Financial Liabilities			
A	Payables			
	Trade Payables	13		
	(i) total outstanding dues of micro enterprises and small enterprises		4.70	0.14
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		1,529.72	616.83
B	Lease Liabilities	14	2,950.13	3,329.67
C	Other financial liabilities	15	3,587.30	2,515.51
			8,071.85	**6,462.15**
2	**Non-Financial Liabilities**			
A	Current Tax Liabilities (Net)	16	9.93	-
B	Provisions	17	414.38	423.34
C	Other non-financial liabilities	18	822.65	1,006.25
			1,246.96	**1,429.59**
3	**EQUITY**			
A	Equity Share capital	19	630.00	630.00
B	Other Equity	20	16,943.06	12,703.50
	Total Equity		**17,573.06**	**13,333.50**
	Total Liabilities and Equity		**26,891.87**	**21,225.24**
The accompanying notes form an integral part of the financial statements		1 to 51		

In terms of our report of even date attached

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

Kapil Goenka
Partner
Membership No. 118189

Place: Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors

Vishal Kampani
Chairman
DIN – 00009079

Anish Damania
Whole time Director
DIN – 05105982

Chetan Dharod
Chief Financial Officer

Siddiqa Raeen
Company Secretary

Place: Mumbai
Date: May 15, 2024

Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Lakhs)

Sr. No.	Particulars	Note No.	For the year ended 31.03.2024	For the year ended 31.03.2023
I.	**INCOME:**			
	Revenue from operations			
	Interest Income	21	829.80	557.42
	Fees and Commission Income	22	18,918.79	12,246.60
	Net gain on fair value changes	23	451.44	301.29
	Total Revenue from Operations (A)		**20,200.03**	**13,105.31**
	Other income (B)	24	30.19	88.64
	Total Income (A+B)		**20,230.22**	**13,193.95**
II.	**EXPENSES:**			
	Finance costs	25	424.24	441.08
	Sub-brokerage, fees,commission and other expense		3,336.75	2,199.21
	Impairment on financial instruments	26	17.09	194.09
	Employee benefits expense	27	7,369.09	5,971.49
	Depreciation, amortization and impairment	11	556.60	542.07
	Operating and other expenses	28	2,680.15	2,042.14
	Total expenses		**14,383.92**	**11,390.08**
III.	**PROFIT BEFORE TAX**		**5,846.30**	**1,803.87**
IV	**LESS: TAX EXPENSE**	29		
	Current tax		1,485.00	548.00
	Tax adjustments of earlier year		29.94	24.53
	Deferred tax		40.22	(80.20)
			1,555.16	**492.33**
V	**NET PROFIT FOR THE YEAR**		**4,291.14**	**1,311.54**
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		(68.83)	#
	- Income tax on the above		17.32	#
	Total Other Comprehensive Loss		**(51.51)**	#
VII	**TOTAL COMPREHENSIVE INCOME**		**4,239.63**	**1,311.54**
VIII	**EARNINGS PER EQUITY SHARE**	33		
	(Face value of ₹10/- each)			
	Basic (₹)		68.11	20.82
	Diluted (₹)		32.26	9.86
	The accompanying notes form an integral part of the financial statements	1 to 51		

# Denotes amount below ₹ 500

In terms of our report of even date attached

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

For and on behalf of the Board of Directors

Vishal Kampani
Chairman
DIN – 00009079

Anish Damania
Whole time Director
DIN – 05105982

Kapil Goenka
Partner
Membership No. 118189

Chetan Dharod
Chief Financial Officer

Siddiqa Raeen
Company Secretary

Place: Mumbai
Date: May 15, 2024

Place: Mumbai
Date: May 15, 2024

Statement of Cash Flow

for the year ended March 31, 2024

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2024	31.03.2023
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net Profit before tax	5,846.30	1,803.87
	Adjustment for:		
	Depreciation and amortization expenses	556.60	542.07
	Impairment on financial instruments	17.09	194.09
	Provision for gratuity	53.98	53.50
	Provision for compensated absences	(44.93)	40.99
	Finance cost	424.24	441.08
	Interest income on Fixed Deposits	(0.06)	-
	Profit on sale of Fixed Assets	(0.67)	-
	Sundry credit balances written back	-	(16.20)
	Gain on Sale of Investment	(147.46)	(169.08)
	Change in fair value of financial assets at FVTPL	(5.45)	(14.88)
	Gain on Modification of Lease Liability	-	(44.42)
	Operating profit before working capital changes	**6,699.64**	**2,831.02**
	Working Capital Adjustment		
	(Increase) in trade receivables	(953.42)	(52.09)
	Decrease/(Increase) in other Financial Assets	1,652.02	(4,180.39)
	(Increase)/Decrease in other Non-Financial Assets	(163.48)	91.28
	Increase/(Decrease) in trade payables	917.45	(262.37)
	Increase/(Decrease) in other financial liabilities	1,071.79	(73.27)
	(Decrease) in provisions	(86.84)	(81.00)
	(Decrease)/Increase in other non-financial liabilities	(183.60)	471.16
	(Increase) in other bank balances	(2,305.00)	(4,002.00)
	Cash generated/(used in) from operations	**6,648.56**	**(5,257.66)**
	Direct taxes Paid net	(1,460.39)	(539.90)
	Net cash generated/(used in) from operating activities	**5,188.17**	**(5,797.56)**
B	CASH FLOWS FROM INVESTING ACTIVITIES		
	Purchase of Property, Plant and Equipment	(270.83)	(65.49)
	Sale of Property, Plant and Equipment	9.50	-
	Purchase of Mutual Funds	(41,187.94)	(8,939.55)
	Sale of Mutual Funds	37,053.03	17,238.67
	Interest Received on Fixed Deposits	0.06	-
	Net cash (used in) /generated from investing activities	**(4,396.18)**	**8,233.63**

(₹ in Lakhs)

Sr. No.	Particulars	31.03.2024	31.03.2023
C	**CASH FLOWS FROM FINANCING ACTIVITIES**		
	Finance Cost	(146.12)	(109.39)
	Repayment of lease liabilities including interest	(657.66)	(653.55)
	Intercorporate Deposits Taken	59,850.00	45,750.00
	Intercorporate Deposits Repaid	(59,850.00)	(45,750.00)
	Interim Dividend paid-on equity shares	-	(1,575.00)
	Dividend paid – on Preference shares	(0.07)	(0.07)
	Net cash used in financing activities	**(803.85)**	**(2,338.01)**
	Net (Decrease) / increase in cash and cash equivalents	**(11.86)**	**98.06**
	Cash and cash equivalents at the beginning of the year	844.76	746.70
	Cash and cash equivalents at the end of the year (refer note 4)	832.90	844.76
The accompanying notes form an integral part of the financial statements 1 to 51			

Note: Statement of cash flows has been prepared under the indirect method as set out in the Ind AS 7 “Statement of Cash Flows” as specified in the Companies (Indian Accounting Standards) Rules, 2015.

In terms of our report of even date attached

For and on behalf of
B S R & Co. LLP
Chartered Accountants
Firm’s Registration No.101248W /W-100022

Kapil Goenka
Partner
Membership No. 118189

Place: Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors

Vishal Kampani
Chairman
DIN – 00009079

Anish Damania
Whole time Director
DIN – 05105982

Chetan Dharod
Chief Financial Officer

Siddiqa Raeen
Company Secretary

Place: Mumbai
Date: May 15, 2024

Statement of Changes in Equity

for the year ended March 31, 2024

A. EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	Balance as at April 1, 2022	Changes in equity share capital during the year	Balance as at March 31, 2023
Equity Share Capital	630.00	-	630.00

Particulars	Balance as at April 1, 2023	Changes in equity share capital during the year	Balance as at March 31, 2024
Equity Share Capital	630.00	-	630.00

B. OTHER EQUITY

Particulars	Optionally convertible preference shares	Reserves and Surplus			Total
		Securities Premium	Retained earnings	Capital reserves	
Balance as at April 1, 2022	**700.00**	**2,145.00**	**8,352.76**	**1,769.27**	**12,967.03**
Profit for the year			1,311.54		1,311.54
Other comprehensive income			#		#
Interim dividend paid on equity shares			(1,575.00)		(1,575.00)
Dividend on Preference Shares			(0.07)		(0.07)
Balance as at March 31, 2023	**700.00**	**2,145.00**	**8,089.23**	**1,769.27**	**12,703.50**
Profit for the year	-	-	4,291.14	-	4,291.14
Other comprehensive income	-	-	(51.51)	-	(51.51)
Dividend on Preference Shares	-	-	(0.07)	-	(0.07)
Balance as at March 31, 2024	**700.00**	**2,145.00**	**12,328.79**	**1,769.27**	**16,943.06**

# Denotes amount below ₹ 500

The above statement of changes in equity should be read in conjunction with the accompanying notes for integral part of Financial Statements-Note No. 1 to 51.

In terms of our report of even date attached

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

Kapil Goenka
Partner
Membership No. 118189

Place: Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors

Vishal Kampani
Chairman
DIN – 00009079

Anish Damania
Whole time Director
DIN – 05105982

Chetan Dharod
Chief Financial Officer

Siddiqa Raeen
Company Secretary

Place: Mumbai
Date: May 15, 2024

Material Accounting Policies and Notes
to Financial Statements

1. CORPORATE INFORMATION

JM Financial Securities Limited formed on June 13, 2017 with object to carry on securities broking & allied businesses. The name of Company was changed pursuant to the Scheme of arrangement from January 18, 2018.Company is domiciled and incorporated as a public limited company in India under the provisions of the Companies Act, 2013.The Company carries out its activities through membership of BSE Limited and The National Stock Exchange of India Ltd. The Company is covered by rules and bye-laws of all the Exchange(s) as mentioned above. It is also governed by SEBI, Goods and Services Tax Act, Department of Company Affairs etc. The company became a direct wholly owned subsidiary of JM Financial Limited pursuant to the Scheme of arrangement becoming effective from May 18, 2023.

2. MATERIAL ACCOUNTING POLICIES

2.1 Basis of preparation and presentation of financial statements

Statement of Compliance

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

Basis of Preparation

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.

Financial Statements has been made on going concern assumptions.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement or disclosure purposes in these standalone financial statements is determined on such a basis, except for share based payment transactions that are within scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 116 and measurements that have some similarities to fair value but are not fair value, such as net realisable value in Ind AS 2 or value in use in Ind AS 36.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2, or 3 based on degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 inputs are unobservable inputs for the asset or liability.

Presentation of financial statements

The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the format prescribed in the Schedule III to the Act. The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 “Statement of Cash Flows”.

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

The Company presents its balance sheet in order of liquidity in compliance with the Division III of the Schedule III to The Companies Act, 2013. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non–current) is presented in Note 37.

Financial assets and financial liabilities are generally reported gross in the balance sheet. They are only offset and reported net when, in addition to having

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle on a net basis in all of the following circumstances:

a. The normal course of business

b. The event of default

c. The event of insolvency or bankruptcy of the Group and/or its counterparties

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.

2.2 Property, plant and equipment and Intangible Assets

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

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

Property, plant and equipment	Useful Life
Tangible Assets	
Vehicles	Over the period of lease
Computers	3 years
Servers and Networks	6 years
Office Equipments	5 years
Furniture and Fixtures	10 years
Intangible Assets	
Computer Software	5 years

Assets costing less than ₹ 5,000/- are fully depreciated in the year of purchase.

Depreciation methods, useful lives and residual values are reviewed and the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. With the effect of any changes in estimate accounted for on a prospective basis. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Intangible assets

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

Intangible assets not ready for the intended use on the date of Balance Sheet are disclosed as "Intangible assets under development.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss.

Computer Software

Intangible assets are stated at cost less accumulated amortization and impairment loss, if any.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of Profit and Loss when the asset is derecognized.

Impairment losses on non-financial assets

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.

Leased Assets

Assets acquired under finance lease are capitalised at the inception of lease at the fair value of the assets or present value of minimum lease payments whichever is lower. These assets are fully depreciated on a straight line basis over the lease term or its useful life whichever is shorter.

2.3 Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net-of variable consideration) allocated to that performance obligation.

The Company recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

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

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

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

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

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation. The Company recognises revenue from the following sources:

Fees and Commission Income

a. Income from services rendered as a broker is recognised upon rendering of the services on a trade date basis, in accordance with the terms of contract. Brokerage income for executing clients' transactions in the secondary market in 'Cash' and 'Futures and Options' segments are recognised on the trade date.

b. Fee income from primary market deals, is recognised based on the stage of completion of assignments and as and when performance obligation is satisfied.

c. Fee Income from Advisory Fees is recognized as and when related performance obligations are satisfied.

2.3.1 Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the amortised cost and at the effective interest rate applicable.

2.4 Leases

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

The Company as a lessee

Leases

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

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

which it is a lessee, except for leases with term of less than twelve months (short term) and low-value assets.

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

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.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. Generally, the Company uses its Group's incremental borrowing rate as the discount rate.

The Group determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

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

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

Lease liability has been presented in Note 14 "Lease Liabilities" and ROU asset has been presented in Note 11 "Property, Plant and Equipment" and lease payments have been classified as financing cash flows.

2.5 Foreign currency transactions

In preparing 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 and recognised in profit or loss in the period in which they arise.

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.

2.6 Employee benefits

Retirement benefit costs and termination benefits:

Defined Contribution Plan:

A defined contribution plan is a post-employment benefit plan where the Company's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.The Company makes specified monthly contributions towards Government administered provident fund scheme.Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined Benefit Obligation:

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

The Company recognizes service cost and interest cost in the statement of profit and loss account. Remeasurement gains and losses arising from experience adjustment and changes in actuarial assumptions are recognized in the period in which they occur in the Other Comprehensive Income.

Short - term benefits:

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

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

Other long-term 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.

Other defined Contribution plans:

The Company makes contributions towards National Pension Scheme ("NPS") which is a defined contribution retirement benefit plans for employees who have opted for the contribution towards NPS.

2.7 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.

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 profit or loss for the year

2.8 Income tax

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

Current Tax

The tax currently payable is based on taxable profit for the year. 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.

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

Material Accounting Policies and Notes (Contd.)

to the Financial Statements

such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

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

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

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

2.9 Goods and Services Input Tax Credit

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

2.10 Provisions and Contingencies

Provisions are recognised only when:

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

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

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

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

Further, long term provisions are determined by discounting the expected future cash flows specific to the liability. The unwinding of the discount is recognised as finance cost. A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract. Before a provision is established, the Company recognises any impairment loss on the assets associated with that contract.

Contingent liability is disclosed in case of:

i. a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation; and

ii. a present obligation arising from past events, when no reliable estimate is possible.

Contingent Assets:

Contingent 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.

2.11 Commitments

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

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

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

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

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

2.12 Statement of Cash Flows

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

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

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

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

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

2.13 Segments

As per Ind AS 108, the Chief Operating Decision Maker (CODM) evaluates the "Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company operates only in one Operating Segment i.e Institutional Broking Business and all other activities are incidental to the main business activity. Accordingly there are no separate reportable segments, as per the Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.The reportable business segments are in line with the segment wise information which is being presented to the CODM.

2.14 Financial Instruments

Recognition of Financial Statements

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

Initial Measurement of Financial Instruments

Recognised financial assets and financial liabilities are initially measured at fair value, except for trade receivables that do not contain a significant financing component are initially measured at transaction price. Transaction costs and revenues that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at FVTPL) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs and revenues directly attributable to the acquisition of financial assets or financial liabilities at FVTPL are recognised immediately in profit or loss.

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

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

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

Subsequent Measurement of Financial Assets

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

Classification of Financial Assets

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

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

- the Company may irrevocably elect to present subsequent changes in fair value of an equity investment that is neither held for trading nor contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies, in OCI; and

Material Accounting Policies and Notes (Contd.)

to the Financial Statements

- 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

The gain/loss on sale of securities held for trading are recognized in the statement of Profit and Loss on the trade date. Gain or Loss on sale of securities held for trading is determined after consideration of cost on FIFO basis.

Held-for-trading assets are recorded and measured in the balance sheet at fair value.

Financial assets 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.

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

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

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

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

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

Reclassifications

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

Impairment of Financial Assets

In accordance with Ind AS 109, the Company applies expected credit loss model (ECL) for measurement and recognition of impairment loss. The Company recognises lifetime expected losses for all contract assets and / or all trade receivables that do not constitute a financing transaction. The Company is exposed to credit risk when the customer defaults on his contractual obligations. If the amount of an impairment loss decreases in a subsequent period, and the decrease can be related objectively to an event occurring after the impairment was recognised, the excess is written back by reducing the trade receivables/Other receivables impairment allowance account accordingly. The write-back is recognised in the statement of profit and loss. At each reporting date, the Company assesses whether financial assets carried at amortized cost are credit impaired. A financial asset is 'credit impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred

Write-off

Trade receivables are written off when the Company has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Company determines that the borrower/ customer does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Company may apply enforcement activities to financial assets written off. Recoveries resulting from the Company's enforcement activities will result in impairment gains.

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

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

Financial liabilities

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

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

Financial liabilities subsequently measured at amortised cost

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

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

De-recognition of financial liabilities

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

Offsetting

Financial assets and financial liabilities are offset and the net amount is presented in the balance sheet when, and only when, there is a legally enforceable right to set off the amounts and the Company intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

2.15 Cash and Cash Equivalents

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

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

2.16 Earnings Per Share

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

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

2.17 Dividend on Ordinary Shares

The Company recognises a liability to make cash to equity holders of the Company when the dividend is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, an interim dividend is authorised when it is approved by the Board of Directors and final dividend is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

3. USE OF ESTIMATES & JUDGEMENTS

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

The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

Expected Credit Loss

When determining 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 in the process followed by the Company in determining the increase in credit risk have been detailed in Note 38.

Fair Valuation

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

Information about the valuation techniques and inputs used in determining the fair value of various assets and liabilities are disclosed in Note 38.

Deferred Taxes

Deferred tax is recorded on temporary differences between the tax bases of assets and liabilities and their carrying amounts, at the rates that have been enacted or substantively enacted at the reporting date. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable profits during the periods in which those temporary differences and tax loss carry-forwards become deductible. The Company considers the expected reversal of deferred tax liabilities and projected future taxable income in making this assessment. The amount of the deferred tax assets considered realisable, however, could be reduced in the near term if estimates of future taxable income during the carry-forward period are reduced.

Defined benefit plans

The present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

Leases:

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The option to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company reassess the option when significant events or changes in circumstances occur that are within the control of the lessee.

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

4. CASH AND CASH EQUIVALENTS

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Cash in hand	-	-
Balances with banks		
- in current accounts	632.90	844.76
- in deposit accounts (Refer Note 4.1) (maturity of less than 3 months)	200.00	-
Total	**832.90**	**844.76**

4.1 Balances with banks in deposit account earns interest at fixed rate based on short term bank deposit rates for the period upto three months.

5. OTHER BANK BALANCES

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
In Deposit accounts under lien against which facilities are availed (refer note 5.1)	13,915.75	11,610.75
Total	**13,915.75**	**11,610.75**

5.1 Balances with banks in deposit accounts to the extent held as margin money or security against the borrowings, guarantees and other commitments.

6. RECEIVABLES

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured and considered good		
Trade receivables considered good - Unsecured	1,660.82	705.74
Less: Impairment loss allowance	(1.66)	-
Total	**1,659.16**	**705.74**

There are no debts due by directors or other officers of the company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.

6.1 As at 31.03.2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months –1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	1,660.82	-	-	-	-	1,660.82
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
Total*	**1,660.82**	**-**	**-**	**-**	**-**	**1,660.82**

*excludes impairment loss allowance

As at 31.03.2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months – 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	705.74	-	-	-	-	705.74
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-
Total*	**705.74**	**-**	**-**	**-**	**-**	**705.74**

*excludes impairment loss allowance

There is no unbilled revenue receivable for the year ended March 31, 2024 and March 31, 2023.

7. INVESTMENTS

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
(Measured at FVTPL)		
Mutual Fund Units		
JM Overnight Fund (Direct) - Growth Option	4,282.37	-
Total	**4,282.37**	**-**
Break up of Gross Investments		
(i) Investments outside India	-	-
(ii) Investments in India	4,282.37	-
Total	**4,282.37**	**-**

8. OTHER FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
At FVTPL		
Securities held for trading	2,299.43	4,057.32
At amortised cost		
Security deposits		
Unsecured, considered good		
a. to related parties	341.79	312.60
b. to others	8.40	6.40
c. to Stock exchanges	161.25	161.25
Staff Loans	1.95	2.93
Other Advances	25.20	20.28
Interest accrued on bank deposits	172.40	96.78
Other receivable	106.48	243.30
	3,116.90	4,900.86
Less: Impairment loss allowance (Refer Note 38)	(73.79)	(194.09)
Total	**3,043.11**	**4,706.77**

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

9. CURRENT TAX ASSETS (NET)

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Advance Tax (Net of provisions)	-	44.62
Total	**-**	**44.62**

10. DEFERRED TAX ASSETS (NET)

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Difference between books and tax written down value of Property, Plant and Equipment	(10.63)	(3.31)
Fiscal allowance on Assets	210.86	197.45
Disallowances under section 43B of the Income Tax Act, 1961	105.12	104.17
Fair value gain on financial assets measured at FVTPL	(1.37)	(3.74)
Impairment loss allowance on financial assets measured at cost	18.99	48.85
Fair value gain on sale of Mutual Funds	(2.45)	-
Total	**320.52**	**343.42**

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 Lakh)

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Difference between books and tax written down value of Property, Plant and Equipment	(3.31)	(7.32)	-	(10.63)
Fiscal allowance on Assets	197.45	13.41	-	210.86
Disallowances under section 43B of the Income Tax Act, 1961	104.17	(16.37)	17.32	105.12
Fair value gain on financial assets measured at FVTPL	(3.74)	2.37	-	(1.37)
Impairment loss allowance on financial assets measured at cost	48.85	(29.86)	-	18.99
Fair value gain on sale of Mutual fund	-	(2.45)	-	(2.45)
Total	**343.42**	**(40.22)**	**17.32**	**320.52**

For the year ended March 31, 2023

(₹ in Lakh)

Deferred tax asset / (liability)	Opening balance	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Closing balance
Difference between books and tax written down value of Property, Plant and Equipment	(1.66)	(1.65)	-	(3.31)
Fiscal allowance on Assets	176.55	20.90	-	197.45
Disallowances under section 43B of the Income Tax Act, 1961	104.73	(0.56)	#	104.17
Preliminary expenses (Section 35D of the Income Tax Act,1961)	0.12	(0.12)	-	-
Demerger expenses (Section 35DD of the Income Tax Act,1961)	0.25	(0.25)	-	-
Fair value gain on financial assets measured at FVTPL	-	(3.74)	-	(3.74)
Impairment loss allowance on financial assets measured at cost	-	48.85	-	48.85
Fair value gain on sale of Mutual fund	(16.77)	16.77	-	-
Total	**263.22**	**80.20**	**-**	**343.42**

# Denotes amount below ₹ 500

11. PROPERTY, PLANT AND EQUIPMENT:

(₹ in Lakh)

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	As at 01.04.2023	Additions for the year	Deductions for the year	As at 31.03.2024	Up to 31.03.2023	Charge for the year	Deductions for the year	Up to 31.03.2024	As at 31.03.2024
PROPERTY, PLANT AND EQUIPMENT									
Owned Assets:									
Furniture, fixtures	7.09	-	-	7.09	7.09	-	-	7.09	-
Office Equipment	116.22	34.08	1.40	148.90	115.48	4.58	1.40	118.66	30.24
Computers	479.42	162.88	38.39	603.91	407.03	43.80	38.39	412.44	191.47
Leased Assets:									
Office Premises	4,541.97	-	111.53	4,430.44	1,830.37	474.37	111.53	2,193.21	2,237.23
Motor Vehicles *	45.83	33.91	12.42	67.32	21.25	15.62	3.59	33.28	34.04
Total	**5,190.53**	**230.87**	**163.74**	**5,257.66**	**2,381.22**	**538.37**	**154.91**	**2,764.68**	**2,492.98**
INTANGIBLE ASSETS									
Software	286.34	39.97	-	326.31	257.79	18.24	-	276.03	50.28
TOTAL	**286.34**	**39.97**	**-**	**326.31**	**257.79**	**18.24**	**-**	**276.03**	**50.28**

*** Vendor has lien over the assets taken on lease.**

a. The Company has not revalued any of its property, plant and equipment.

b. The Company does not hold any benami property.

c. The Company has not revalued any of its leased assets.

11. Property, Plant and Equipment:

(₹ in Lakh)

Description	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK
	As at 01.04.2022	Additions for the year	Deductions for the year	As at 31.03.2023	Up to 31.03.2022	Charge for the year	Deductions for the year	Up to 31.03.2023	As at 31.03.2023
PROPERTY, PLANT AND EQUIPMENT									
Owned Assets:									
Furniture, fixtures	7.09	-	-	7.09	7.09	-	-	7.09	-
Office Equipment	116.16	0.06	-	116.22	114.43	1.05	-	115.48	0.74
Computers	431.97	47.45	-	479.42	385.09	21.94	-	407.03	72.39
Leased Assets:									
Office Premises	4,710.63	-	**168.66	4,541.97	1,427.20	489.96	86.79	1,830.37	2,711.60
Motor Vehicles *	46.56	12.42	13.15	45.83	19.28	15.12	13.15	21.25	24.58
Total	**5,312.41**	**59.93**	**181.81**	**5,190.53**	**1,953.09**	**528.07**	**99.94**	**2,381.22**	**2,809.31**
INTANGIBLE ASSETS									
Software	280.78	5.56	-	286.34	243.80	13.99	-	257.79	28.55
TOTAL	**280.78**	**5.56**	**-**	**286.34**	**243.80**	**13.99**	**-**	**257.79**	**28.55**

*** Vendor has lien over the assets taken on lease.**

****Includes gain on modification of lease liabilities ₹ 44.42 Lakh**

a. The Company has not revalued any of its property, plant and equipment.

b. The Company does not hold any benami property.

c. The Company has not revalued any of its leased assets.

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

12. OTHER NON-FINANCIAL ASSETS

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Unsecured and considered good unless otherwise stated		
Capital Advances	2.22	-
Prepaid Expenses	150.52	126.82
GST input tax credit receivable	142.06	4.50
Total	**294.80**	**131.32**

13. TRADE PAYABLES

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Total outstanding dues to micro enterprises and small enterprises	4.70	0.14
Total outstanding dues to other than micro enterprises and small enterprises*	1,529.72	616.83
Total	**1,534.42**	**616.97**

* Due to related parties as at March 31, 2024 is ₹ 346.31 Lakh (as at March 31, 2023 is ₹ 80.90 Lakh)

13.1. Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED 2006) have been determined based on the information as available with the Company and the details of amount outstanding due to them are as given below:

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	4.70	0.14
(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	**4.70**	**0.14**

13.2 Trade payable ageing schedule:

As at 31.03.2024

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	4.70	-	-	-	4.70
(ii) Others	1,529.72	-	-	-	1,529.72
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	**1,534.42**	**-**	**-**	**-**	**1,534.42**

As at 31.03.2023

(₹ in Lakh)

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	0.14	-	-	-	0.14
(ii) Others	616.83	-	-	-	616.83
(iii) Disputed dues – MSME	-	-	-	-	-
(iv) Disputed dues – Others	-	-	-	-	-
Total	**616.97**	**-**	**-**	**-**	**616.97**

13.3 Unbilled dues as on March 31, 2024 is ₹ 22.57 Lakh (Previous year: ₹ 20.82 Lakh)

14. LEASE LIABILITIES

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Secured by way of hypothecation of vehicles	35.86	26.78
Premises Lease Liability	2,914.27	3,302.89
Total	**2,950.13**	**3,329.67**

15. OTHER FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Directors’ commission payable	0.80	-
Employee benefits payable	3,586.50	2,515.51
Total	**3,587.30**	**2,515.51**

16. CURRENT TAX LIABILITIES (NET)

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for tax (Net)	9.93	-
Total	**9.93**	**-**

17. PROVISIONS

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
For employee benefits:		
Gratuity (refer note 35)	336.63	269.03
Compensated absences	77.75	154.31
Total	**414.38**	**423.34**

18. OTHER NON-FINANCIAL LIABILITIES

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Statutory dues	822.65	1,006.25
Total	**822.65**	**1,006.25**

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

19. EQUITY SHARE CAPITAL

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Authorised		
3,00,00,000 Equity shares of Rs 10/- each	3,000.00	3,000.00
3,00,00,000 Preference shares of Rs 10/- each	3,000.00	3,000.00
	6,000.00	**6,000.00**
Issued, Subscribed and Paid-up		
63,00,000 (Previous year 63,00,000) Equity shares of Rs 10/- each fully paid-up	630.00	630.00
Total	**630.00**	**630.00**

Reconciliation of number of shares outstanding at the beginning and end of the year:

Equity Shares:

(₹ in Lakh)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of shares	Amount	Number of shares	Amount
Shares outstanding at the beginning of the year	63,00,000	630.00	63,00,000	630.00
Shares issued during the year - fully paid up	-	-	-	-
Shares outstanding at the end of the year	**63,00,000**	**630.00**	**63,00,000**	**630.00**

Details of shareholders holding more than 5% of the aggregate shares in the Company:

(₹ in Lakh)

Name of the shareholder	As at 31.03.2024		As at 31.03.2023	
	Number of shares	Percentage	Number of Shares	Percentage
JM Financial Services Limited, the holding Company (6 shares jointly held with certain individuals) (Refer note 50)	-	-	63,00,000	100%
JM Financial Limited, the holding Company (6 shares jointly held with certain individuals) (Refer note 50)	63,00,000	100%	-	-

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				Percentage of change during the year
Sr No	Name of the Promoter	No of shares	Percentage of total shares	
1	JM Financial Limited along with its six nominee shareholders	63,00,000	100%	Nil

20. OTHER EQUITY

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
0.01% Optionally Convertible Preference Shares	700.00	700.00
Securities premium	2,145.00	2,145.00
Capital Reserve	1,769.27	1,769.27
Retained Earnings	12,328.79	8,089.23
Grand Total	**16,943.06**	**12,703.50**

(₹ in Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
0.01% Optionally Convertible Preference Shares		
Opening balance	700.00	700.00
Addition	-	-
Closing balance	**700.00**	**700.00**
Securities premium		
Opening balance	2,145.00	2,145.00
Addition on issue of share	-	-
Closing balance	**2,145.00**	**2,145.00**
Capital Reserve		
Opening balance	1,769.27	1,769.27
Addition during the year	-	-
Closing balance	**1,769.27**	**1,769.27**
Retained Earnings		
Opening balance	8,089.23	8,352.76
Addition Profit for the year	4,291.14	1,311.54
Interim dividend on equity shares	-	(1,575.00)
Final dividend on preference shares	(0.07)	(0.07)
Other Comprehensive Income	(51.51)	#
Closing balance	**12,328.79**	**8,089.23**
Grand Total	**16,943.06**	**12,703.50**

# Denotes amount below ₹500

Details of Preference Shareholders holding more than 5% of the aggregate shares in the Company:

Name of the shareholder	As at 31.03.2024		As at 31.03.2023	
	Number of Shares	Percentage	Number of Shares	Percentage
JM Financial Limited	70,00,000	100%	70,00,000	100%

Rights, preferences and restrictions attached to Preference shares:

The Preference Shareholders of the Optionally Convertible preference share (OCPS) have a preferential right to fixed non-cumulative preference dividend of 0.01% per annum; carry a preferential right for repayment of capital in priority to the equity shares, on liquidation of the Company or repayment of capital. However, the preference shares carry no further or other right to participate either in the profits or assets of the Company and have no voting rights. Entire Instruments would be classified as equity based on following:

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

a. The terms of the instrument provide it with the ability to avoid making cash payment (of the dividend as well as of the principal), and convert instrument into a fixed number of its own shares at any time.

b. The Conversion option is already considered in determining the classification of the entire instrument, and hence is not accounted for separately, as an embedded derivative and

c. Discretionary payment features (such as discretionary dividend) on equity instruments are considered as an integral component of the instrument. Considering these facts, the entire instrument would be classified as equity.

Securities premium reserve

Securities premium account is created when shares are issued at premium. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

Capital Reserve

Capital reserves represent fair value of business derived from excess of Net assets of the institutional business of demerged company over the liabilities taken over.

Retained earnings

Retained Earnings represent the undistributed profits of the Company remaining after transfer to other Reserves.

21. INTEREST INCOME

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
At amortised cost		
Interest Income		
Interest on Fixed deposits	829.80	557.42
Total	**829.80**	**557.42**

22. FEE AND COMMISSION INCOME

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Brokerage	14,893.17	11,222.46
Fees from primary market deals	2,970.41	625.57
Advisory Fees	1,055.21	398.57
Total	**18,918.79**	**12,246.60**

23. NET GAIN ON FAIR VALUE CHANGES

(₹ in Lakh)

Particulars	For the ear ended March 31, 2024	For the year ended March 31, 2023
Net gain on financial instruments at fair value through profit or loss:		
On Securities held for trading	303.98	132.21
On financial instruments designated at fair value through profit or loss	147.46	169.08
Total	**451.44**	**301.29**

23.1 NET GAIN ON FAIR VALUE CHANGES

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Net gain on financial instruments at fair value through profit and loss :-		
On Securities held for trading	303.98	132.21
On financial instruments designated at FVTPL	147.46	169.08
Total Net gain on fair value changes	**451.44**	**301.29**
Fair Value changes:		
- Realised	434.02	286.41
- Unrealised	17.42	14.88
Total Net gain on fair value changes	**451.44**	**301.29**

24. OTHER INCOME

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income – on staff loans	0.28	0.02
Interest on Fixed deposits	0.06	-
Finance Income on rent deposit	29.18	28.00
Gain on modification of lease liability	-	44.42
Profit on sale of Assets	0.67	-
Sundry credit balances written back	-	16.20
Total	**30.19**	**88.64**

25. FINANCE COSTS

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
At amortised cost		
Interest on Bank overdraft facilities	0.16	-
Interest on Inter-corporate Deposits	21.96	27.33
Finance charges on leased Motor Vehicles	12.43	13.56
Finance Charges on Leased Premises	265.69	318.13
Bank Guarantee Charges	124.00	82.06
Total	**424.24**	**441.08**

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

26. IMPAIRMENT ON FINANCIAL INSTRUMENTS

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
At amortised cost		
On Trade Receivables	1.66	-
On Other Receivables	(120.31)	194.09
On Other Receivables -Write off	135.74	-
Total	**17.09**	**194.09**

27. EMPLOYEE BENEFITS EXPENSE

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salaries, bonus, allowances and other benefits	7,068.60	5,681.71
Contribution to provident and other funds (refer note 35)	230.50	206.18
Share Based Payments to employees (refer note 39)	0.71	16.96
Staff welfare expenses	15.30	13.14
Gratuity (refer note 35)	53.98	53.50
Total	**7,369.09**	**5,971.49**

28. OTHER EXPENSES

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Electricity	38.21	37.28
Rent, rates and taxes, excluding taxes on income	47.24	38.44
Repairs and maintenance	42.82	45.95
Information technology expenses	79.67	49.69
Insurance	38.05	42.22
Legal and professional fees	53.63	58.28
Business Promotion	15.66	12.68
Business Conference and seminar expenses	200.80	48.46
Communication expenses	22.95	15.24
Subscription and membership	722.99	539.70
Travelling and conveyance	175.14	84.00
Manpower expenses	36.87	31.87
Support service fees	1,040.52	887.80
Auditors' remuneration(refer note 32)	14.17	14.42
Directors' commission	0.80	-
Directors' sitting fees	1.20	1.45
Donations	90.00	69.00
Exchange difference (net)	7.16	16.72
Miscellaneous expenses	52.27	48.94
Total	**2,680.15**	**2,042.14**

29. INCOME TAX

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Current tax	1,485.00	548.00
Deferred tax	40.22	(80.20)
Tax Adjustment for earlier year	29.94	24.53
Total income tax expenses recognised in Statement of Profit and Loss	**1,555.16**	**492.33**
Income tax expense recognised in other comprehensive income	17.32	#

# Denotes amount below ₹500

Reconciliation of total tax charge

(₹ in Lakh)

Particulars	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	5,846.30	1,803.87
Income tax rate	25.168%	25.168%
Income tax expense	**1,471.40**	**454.00**
Tax Effect of:		
Items that are allowable or disallowable in determining taxable profits (Net)	23.35	13.13
Adjustment in respect of earlier years (net)	29.94	24.53
Permanent differences	0.47	0.67
Income Tax Interest	30.00	-
Total	**83.76**	**38.33**
Income tax expense recognised in Statement of Profit and Loss	**1,555.16**	**492.33**

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.

30. CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of the Companies Act, 2013 read with schedule VII, the company has spent on Corporate Social Responsibility as per its CSR policy.

a) Gross amount required to be spent by the company during the year is ₹ 65 lakh (Previous year ₹69 lakh)

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

b) Amount spent during the year:

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Gross amount required to be spent by the Company during the year.	65.00	69.00
Total	**65.00**	**69.00**
Short fall at the end of the year	-	-
Total Previous years shortfall	-	-
Reason for shortfall	-	-
Amount contributed to a trust controlled by the Group	65.00	69.00
Nature of CSR Activities	Integrated Village Development Program	Integrated Village Development Program
Amount Spent		
i) Construction/acquisition of any asset	-	-
ii) On purposes other in (i) than above	65.00	69.00

31. CONTINGENT LIABILITIES

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Bank Guarantees	20,000.00	19,600.00

Bank Guarantees are been taken from banks and kept with the exchange as a margin to meet the margin obligation.

32. PAYMENT TO AUDITORS: (EXCLUDING GST)

(₹ in Lakh)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Audit Fees	9.98	9.46
In any other manner (Certifications, limited reviews, etc.)	3.04	3.64
Out of pocket	1.15	1.32
Total	**14.17**	**14.42**

33. 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:

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Profit for the year (₹ in Lakh)	4,291.14	1,311.54
Preference Dividend (₹ in Lakh)	0.07	0.07
Profit attributable to equity shareholders (₹ in Lakh)	4,291.07	1,311.47
Weighted average number of equity shares outstanding during the year for calculating basic earnings per share (Nos.)	63,00,000	63,00,000
Basic earnings per share (₹)	68.11	20.82
Dilutive potential equity shares (Nos.)	70,00,000	70,00,000
Weighted average number of equity shares outstanding during the year for calculating diluted earnings per share (Nos.)	1,33,00,000	1,33,00,000
Diluted earnings per share (₹)	32.26	9.86
Nominal value per share (₹)	10.00	10.00

34. LEASE TRANSACTIONS

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

(₹ in Lakh)

Category of leased assets	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK
	As at 01.04.2023	Additions	Deductions	As at 31.03.2024	As at 01.04.2023	Depreciation	Deductions	As at 31.03.2024	As at 31.03.2024
Office Premises	4,541.97	-	111.53	4,430.44	1,830.37	474.37	111.53	2,193.21	2,237.23
Motor Vehicles	45.83	33.91	12.42	67.32	21.25	15.62	3.59	33.28	34.04
Total	**4,587.80**	**33.91**	**123.95**	**4,497.76**	**1,851.62**	**489.99**	**115.12**	**2,226.49**	**2,271.27**

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

(₹ in Lakh)

Category of leased assets	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
Office Premises	4,710.63	-	*168.66	4,541.97	1,427.20	489.96	86.79	1,830.37	2,711.60
Motor Vehicles	46.56	12.42	13.15	45.83	19.28	15.12	13.15	21.25	24.58
Total	**4,757.19**	**12.42**	**181.81**	**4,587.80**	**1,446.48**	**505.08**	**99.94**	**1,851.62**	**2,736.18**

The aggregate depreciation expense on right to use assets is included under depreciation and amortization expenses in the Statement of Profit and Loss.

* During financial year 2022-23 as per IndAS 116, a lease modification which does not results in generation of an additional right of use asset is to be discounted as a remeasurement. Accordingly, the Company has remeasured its lease obligation and right of use assets as on October 1, 2022 considering the revised discount rate of the group and has recorded a measurement gain on modification of lease liability of ₹44.42 lakh as other income in profit and loss account.

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

(₹ in Lakh)

Lease Liabilities for office premises	As at March 31, 2024	As at March 31, 2023
Opening balance	**3,302.89**	**3,748.48**
Additions during the year	-	-
Deletions during the year	-	(110.49)
Finance cost accrued during the year	265.69	318.13
Payment of lease liabilities	(654.31)	(653.23)
Closing balance	**2,914.27**	**3,302.89**

(₹ in Lakh)

Lease Liabilities for motor vehicles	As at March 31, 2024	As at March 31, 2023
Opening balance	**26.78**	**29.33**
Additions during the year	33.91	12.42
Deletions during the year	(9.20)	-
Finance cost accrued during the year	12.43	13.56
Payment of lease liabilities	(28.06)	(28.53)
Closing balance	**35.86**	**26.78**

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

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

On Office Premises

(₹ in Lakh)

Due	Total minimum lease payments outstanding as at March 31, 2024	Total minimum lease payments outstanding as at March 31, 2023
Not later than one year	654.62	654.31
Later than one year and not later than five years	2,962.56	2,821.47
Later than five years	-	795.69
Total	**3,617.18**	**4,271.47**

On Motor Vehicles

(₹ in Lakh)

Due	Total minimum lease payments outstanding as at March 31, 2024	Total minimum lease payments outstanding as at March 31, 2023
Not later than one year	16.35	16.77
Later than one year and not later than five years	28.38	15.89
Later than five years	-	-
Total	**44.73**	**32.66**

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.

35. EMPLOYEE BENEFITS

Defined contribution plans

The Company operates defined contribution plan (Provident fund and other funds) 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 and other funds aggregating ₹ 230.50 Lakh (Previous year ₹206.18 Lakh) 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.

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

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

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Current service cost	34.46	35.67
Net interest cost	19.52	17.83
Total amount recognised in statement of profit and loss	**53.98**	**53.50**
Remeasurements on the net defined benefit liability :		
- Actuarial (gain)/loss from change in demographic assumptions	55.70	-
- Actuarial (gain)/loss from change in financial assumptions	3.68	(6.80)
- Actuarial (gain)/loss from change in experience adjustments	9.45	6.80
Total amount recognised in other comprehensive income	**68.83**	**#**

# Denotes amount below ₹500

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

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

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	336.63	269.03
Fair value of plan assets	-	-
Net liabilities arising from defined benefit obligation	**336.63**	**269.03**

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

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

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening defined benefit obligation	269.03	253.90
Current service cost	34.46	35.67
Interest cost	19.52	17.83
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	55.70	-
Actuarial (gain)/loss from change in financial assumptions	3.68	(6.80)
Actuarial (gain)/loss from change in experience adjustments	9.45	6.80
Benefits paid	(42.48)	(41.63)
Liabilities assumed/(settled)	(12.73)	3.26
Closing defined benefit obligation	**336.63**	**269.03**

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 Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Defined benefit obligation (base)	336.63	269.03

Sensitivity Analysis

Particulars	As at March 31, 2024		As at March 31, 2023	
	Discount rate	Salary Escalation rate	Discount rate	Salary Escalation rate
Defined benefit obligation on increase in 50 bps	330.54	339.91	256.14	275.08
Impact of increase in 50 bps on DBO	-1.81%	0.98%	-4.79%	2.25%
Defined benefit obligation on decrease in 50 bps	342.93	333.38	282.89	262.90
Impact of decrease in 50 bps on DBO	1.87%	-0.97%	5.15%	-2.28%

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 Lakh)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Expected benefits for year 1	80.66	14.05
Expected benefits for year 2	70.50	13.26
Expected benefits for year 3	68.28	13.53
Expected benefits for year 4	46.57	31.77
Expected benefits for year 5	43.58	13.36
Expected benefits for year 6	33.39	26.15
Expected benefits for year 7	23.54	29.05
Expected benefits for year 8	20.17	17.09
Expected benefits for year 9	16.41	27.39
Expected benefits for year 10 and above	50.56	466.55

The weighted average duration of the defined benefit obligation is 3.68 years (Previous year 9.93 years).

Short term employee benefit –Accumulated Compensated Absences:

The liability towards compensated absences for the year ended March 31,2024 is based on actuarial valuation carried out by using the projected unit credit method. Accumulated provisions on account of the above is ₹ 77.75 Lakh (Previous year ₹ 154.31 Lakh)

The new Code on Social Security, 2020 has been enacted, which could impact the contributions by the Company towards Provident Fund and Gratuity. The effective date from which the changes are applicable is yet to be notified and the rules are yet to be framed. The Company will complete its evaluation and will give appropriate impact in the financial statements in the period in which the Code becomes effective and the related rules are published.

36. DISCLOSURE IN RESPECT OF RELATED PARTIES PURSUANT TO IND AS 24 ON “RELATED PARTY DISCLOSURES”:

List of related parties

(i) Related party where control exists

Holding Company JM Financial Limited (w.e.f.April 1, 2023-refer note 50)

(ii) Other related parties

Relationship	Name of the Party
Fellow Subsidiaries	JM Financial Singapore Pte. Limited JM Financial Securities Inc. JM Financial Properties and Holdings Limited JM Financial Products Limited JM Financial Capital Limited ** JM Financial Services Limited JM Financial Commtrade Limited JM Financial Asset Management Limited JM Financial Home Loans Limited Infinite India Investment Management Limited CR Retails Malls (India) Limited JM Financial Asset Reconstruction Company Limited JM Financial Credit Solutions Limited JM Financial Overseas Holdings Private Limited.

Material Accounting Policies and Notes (Contd.)

to the Financial Statements

Relationship	Name of the Party
Entities where close members of the key management personnel are able to exercise significant influence	J.M. Financial & Investment Consultancy Services Private Limited Capital Market Publishers India Private Limited Persepolis Investment Company Private Limited JM Financial Trustee Company Private Limited Multiples Equity Fund Trustee Private Limited (w.e.f.February 7,2024) Shri Varadvinayak Developers Private Limited
Key Management Personnel ('KMP") of the Company	Mr. Vishal Kampani - Non-Executive Chairman Ms. Dipti Neelakantan - Non-Executive Director Mr. Chirag Negandhi - Additional (Non-Executive) Director (w.e.f.February 13,2024) Mr. Anish Damania – CEO and appointed Additional Director (w.e.f.March 1,2024) Mr. Samir Shah - Whole time Director Mr. Richard Liu – Whole time Director (up to February 29,2024)
Key management personnel of holding company	Mr. Nimesh Kampani - Non-Executive Chairman
	Mr. Vishal Kampani - Non-Executive Vice Chairman
	Mr. Atul Mehra - Joint Managing Director (upto March 28, 2024)
	Mr. Adi Patel - Joint Managing Director
	Ms. Jagi Mangat Panda - Independent Director
	Mr. P S Jayakumar - Independent Director
	Ms. Roshini Bakshi - Independent Director
	Mr. Navroz Udwadia - Independent Director
	Mr. Pradip Kanakia - Independent Director
	Mr. Sumit Bose - Independent Director

(iii) Details of transactions with related parties;

(₹ in Lakh)

Name of the related party	Nature of relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
JM Financial Limited	Reimbursement of Employee Stock Option cost	0.71	16.96
	Fees from primary market received*	2,970.40	625.57
	Reimbursement of Expenses recovered from us*	16.91	19.52
	Reimbursement of Expenses Paid to us*	157.16	49.29
	Dividend Paid on Preference Shares	0.07	0.07
	Payment of Gratuity Liability in respect of		
	Employee transferred	7.92	2.28
	ICD Taken	47,050.00	12,000.00
	ICD Repaid	47,050.00	12,000.00
	Interest on ICD Paid	16.03	4.55
	Closing balance - receivable (net)	961.69	147.67
JM Financial Services Limited	Interim Dividend paid on Equity Shares	-	1,575
	Reimbursement of Expenses Paid*	-	0.06
	Payment of Gratuity Liability in respect of Employee transferred	8.04	-
	Received towards Gratuity in respect of Employee transferred	3.23	-
JM Financial Singapore Pte. Limited	Support Service fee (expense)*	114.91	196.60
	Closing balance - payable	58.57	24.61

(₹ in Lakh)

Name of the related party	Nature of relationship	For the year ended March 31, 2024	For the year ended March 31, 2023
JM Financial Securities Inc.	Support Service fee (expense)*	925.61	691.19
	Research Fee (income)	84.81	59.72
	Closing balance - payable (net)	283.82	49.51
J.M. Financial & Investment Consultancy Services Private Limited	Rent*	41.16	41.16
	Reimbursement of Expenses Paid*	4.17	3.90
	Security Deposit Refunded	20.58	-
	Security Deposit Paid	20.58	-
	Security deposit for office premises as at the year end	20.58	20.58
JM Financial Properties and Holdings Limited	Business service center charges and other related cost*	623.44	612.06
	Reimbursement of Expenses Paid*	97.26	102.03
	Refund of security deposit	-	38.36
	Security deposit for office premises as at the year end	505.00	505.00
JM Financial Products Limited	Payment received towards gratuity liability in respect of Employee transferred in	-	5.54
	ICD Taken	12,800.00	33,750.00
	ICD Repaid	12,800.00	33,750.00
	Interest on ICD Paid	5.93	22.08
****JM Financial Capital Limited**	ICD Taken	-	1,250.00
	ICD Repaid	-	1,250.00
	Interest on ICD Paid	-	0.70
Key Management Personnel	Remuneration	840.59	839.02
	Closing balance - payable	395.00	450.00

* Figures are excluding GST.

** 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.

Note: 1. Related party relationships have been identified by the management and relied upon by the auditors.

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

(iv) Transactions and balance with Key Management Personnel ('KMP') and Directors

KMPs are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director, whether executive or otherwise.

(₹ in Lakh)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
(a) short term employee benefits	790.72	807.06
(b) post-employment benefits	38.93	18.00
(c) share-based payment	8.94	12.51
(d) Other benefits	2.00	1.45
	840.59	**839.02**

Note: 1. As the liabilities for the gratuity and compensated absences are provided on an actuarial basis, and calculated for the Company as a whole rather than each of the individual employees, the said liabilities pertaining specifically to key managerial personnel are not known and hence, not included in the above table.

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

2. **In addition to the above:**

   ₹ 20Lakh has been paid to one of the KMP during the year ended March 31, 2024 towards post-employment benefits, upon his resignation from the Company.

3. “Other benefits” include commission and sitting fees paid to the Non-Executive Director.

37. MATURITY ANALYSIS OF ASSETS AND LIABILITIES:

(₹ in Lakh)

		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	832.90	-	832.90	844.76	-	844.76
(B)	Other bank balances	12,737.00	1,178.75	13,915.75	7,913.75	3,697.00	11,610.75
(C)	Receivables						
	(i) Trade Receivables	1,659.16	-	1,659.16	705.74	-	705.74
(D)	Investments	4,282.37	-	4,282.37	-	-	-
(E)	Other Financial assets	2,719.97	323.14	3,043.11	4,410.44	296.33	4,706.77
	Total Financial assets	**22,231.40**	**1,501.89**	**23,733.29**	**13,874.69**	**3,993.33**	**17,868.02**
2	**Non-financial Assets**						
(A)	Current tax assets (net)	-	-	-	-	44.62	44.62
(B)	Deferred tax Assets (net)	-	320.52	320.52	-	343.42	343.42
(C)	Property, Plant and Equipment	-	2,492.98	2,492.98	-	2,809.31	2,809.31
(D)	Other Intangible assets	-	50.28	50.28	-	28.55	28.55
(E)	Other non-financial assets	293.62	1.18	294.80	129.65	1.67	131.32
	Total Non-financial assets	**293.62**	**2,864.96**	**3,158.58**	**129.65**	**3,227.57**	**3,357.22**
	Total Assets	**22,525.02**	**4,366.85**	**26,891.87**	**14,004.34**	**7,220.90**	**21,225.24**
	LIABILITIES						
1	**Financial Liabilities**						
A	Payables						
	Trade Payables						
	(i) total outstanding dues of micro enterprises and small enterprises	4.70	-	4.70	0.14	-	0.14
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	1,529.72	-	1,529.72	616.83	-	616.83
B	Lease Liabilities	435.58	2,514.55	2,950.13	402.19	2,927.48	3,329.67
C	Other financial liabilities	3,587.30	-	3,587.30	2,515.51	-	2,515.51
	Total Financial Liabilities	**5,557.30**	**2,514.55**	**8,071.85**	**3,534.67**	**2,927.48**	**6,462.15**
2	**Non-Financial Liabilities**						
A	Current Tax Liabilities (Net)	9.93	-	9.93	-	-	-
B	Provisions	158.41	255.97	414.38	168.36	254.98	423.34
C	Other non-financial liabilities	822.65	-	822.65	1,006.25	-	1,006.25
	Total Non-Financial Liabilities	**990.99**	**255.97**	**1,246.96**	**1,174.61**	**254.98**	**1,429.59**
	Total Liabilities	**6,548.29**	**2,770.52**	**9,318.81**	**4,709.28**	**3,182.46**	**7,891.74**

38. 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:

1. Accounting classification and fair values

(₹ in Lakh)

As at March 31, 2024	FVTPL	Amortised Cost	Total
Financial assets			
Cash and cash equivalents	-	832.90	832.90
Bank Balance other than above	-	13,915.75	13,915.75
Investments	4,282.37	-	4,282.37
Trade receivables	-	1,659.16	1,659.16
Other Financial assets	2,299.43	743.68	3,043.11
Total	**6,581.80**	**17,151.49**	**23,733.29**
Financial liabilities			
Lease Liabilities	-	2,950.13	2,950.13
Trade payables	-	1,534.42	1,534.42
Other Financial Liabilities	-	3,587.30	3,587.30
Total	**-**	**8,071.85**	**8,071.85**

(₹ in Lakh)

As at March 31, 2023	FVTPL	Amortised Cost	Total
Financial assets			
Cash and cash equivalents	-	844.76	844.76
Bank Balance other than above	-	11,610.75	11,610.75
Investments	-	-	-
Trade receivables	-	705.74	705.74
Other Financial assets	4,057.32	649.45	4,706.77
Total	**4,057.32**	**13,810.70**	**17,868.02**
Financial liabilities			
Lease Liabilities	-	3,329.67	3,329.67
Trade payables	-	616.97	616.97
Other Financial Liabilities	-	2,515.51	2,515.51
Total	**-**	**6,462.15**	**6,462.15**

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

2. Fair Value Hierarchy and Method of Valuation

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the 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 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

(₹ in Lakh)

As at March 31, 2024	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets						
Measured at FVTPL						
Investments						
Mutual funds units	7	4,282.37	4,282.37	-	-	4,282.37
Other Financial Assets						
Securities held for trading	8	2,299.43	2,299.43	-	-	2,299.43
Total		**6,581.80**	**6,581.80**	**-**	**-**	**6,581.80**
Financial Liabilities		-	-	-	-	-
Total		**-**	**-**	**-**	**-**	**-**

(₹ in Lakh)

As at March 31, 2023	Notes	Carrying Value	Level 1	Level 2	Level 3	Total
Financial assets						
Measured at FVTPL						
Other Financial Assets						
Securities held for trading	8	4,057.32	4,057.32	-	-	4,057.32
Total		**4,057.32**	**4,057.32**	**-**	**-**	**4,057.32**
Financial Liabilities		-	-	-	-	-
Total		-	-	-	-	-

The Company considers that the carrying amounts recognised in the financial statements are approximate their fair values.

B. Financial risk management

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

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

i) Credit risk

Credit Risk refers to risk that a counter party will default on its contractual obligations resulting in financial loss to the Company. Credit risk arises primarily from financial assets such as trade receivables, investments, other balances with banks, loans and other receivables.

Credit risk arising from trade receivables are reviewed periodically and based on past experience and history. Management is confident of recovering all the dues.

An analysis of ageing of the gross carrying amount and the changes in the ECL allowances in relation to other receivables:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Past due 0–180 days	30.88	49.21
More than 180 days	73.75	194.09
Total	**104.63**	**243.30**

Movement of provision for impairment

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	194.09	-
Provisions made	105.46	194.09
Provisions written back	(138.00)	-
Provisions recovered	(87.76)	
Closing balance	**73.79**	**194.09**

An analysis of ageing of the gross carrying amount and the changes in the ECL allowances in relation to trade receivables:

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Past due 0–180 days	1,660.82	705.74
More than 180 days	-	-
Total	**1,660.82**	**705.74**

Movement of provision for impairment

(₹ in Lakh)

Particulars	As at March 31, 2024	As at March 31, 2023
Opening balance	-	-
Provisions made	30.16	-
Provisions written back	(28.50)	-
Closing balance	**1.66**	**-**

ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

Material Accounting Policies and Notes (Contd.)

to the Financial Statements

However the Company believes that it has a strong financial position and business is adequately capitalized, have good credit rating and appropriate credit lines available to address liquidity risks.

The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

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

The Company has 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.

(₹ in Lakh)

March 31, 2024	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Lease Liabilities	2,950.13	435.58	1,084.19	1,430.36	-
Trade payables	1,534.42	1,534.42	-	-	-
Other Financial Liabilities	3,587.30	3,587.30	-	-	-
Total	**8,071.85**	**5,557.30**	**1,084.19**	**1,430.36**	**-**
Financial Assets					
Cash and Cash Equivalents	832.90	832.90	-	-	-
Bank Balance other than above	13,915.75	12,737.00	1,178.75	-	-
Investments	4,282.37	4,282.37	-	-	-
Trade receivables	1,659.16	1,659.16	-	-	-
Other financial assets	3,043.11	2,719.97	1.95	321.19	-
Total	**23,733.29**	**22,231.40**	**1,180.70**	**321.19**	**-**

(₹ in Lakh)

March 31, 2023	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Lease Liabilities	3,329.67	402.19	926.92	1,240.33	760.23
Trade payables	616.97	616.97	-	-	-
Other Financial Liabilities	2,515.51	2,515.51	-	-	-
Total	**6,462.15**	**3,534.67**	**926.92**	**1,240.33**	**760.23**
Financial Assets					
Cash and Cash Equivalents	844.76	844.76	-	-	-
Bank Balance other than above	11,610.75	7,913.75	3,697.00	-	-
Investments	-	-	-	-	-
Trade receivables	705.74	705.74	-	-	-
Other financial assets	4,706.77	4,410.44	2.92	-	293.41
Total	**17,868.02**	**13,874.69**	**3,699.92**	**-**	**293.41**

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

(₹ in Lakh)

March 31, 2024	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Lease Liabilities	3,661.91	670.97	1,428.77	1,562.17	-
Trade payables	1,534.42	1,534.42	-	-	-
Other Financial Liabilities	3,587.30	3,587.30	-	-	-
Total	**8,783.63**	**5,792.69**	**1,428.77**	**1,562.17**	**-**

(₹ in Lakh)

March 31, 2023	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Lease Liabilities	4,304.13	671.09	1,353.26	1,484.09	795.69
Trade payables	616.97	616.97	-	-	-
Other Financial Liabilities	2,515.51	2,515.51	-	-	-
Total	**7,436.61**	**3,803.57**	**1,353.26**	**1,484.09**	**795.69**

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

iii) Market Risk

Market risk is the risk that changes in market prices such as foreign exchange rates, interest rates etc. could affect the Company's income or the value of its holdings of financial instruments including cash flow. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while maximizing the return. Market risk comprises three types of risk: interest rate risk, foreign currency risk and price risk, such as commodity risk. The Company does not have any exposure to interest rate risk and price risk.

The Company has exposure to foreign currency risk. The year end foreign currency exposures that have not been hedged by a derivative instrument or otherwise are given below:

a) Amounts receivable in foreign currency on account of the following:

Particulars	As at 31.03.2024 Rupees in Lakh	As at 31.03.2024 Amount in foreign currency	As at 31.03.2023 Rupees in Lakh	As at 31.03.2023 Amount in foreign currency
Export of Services	37.52	USD 44,999.79	99.45	USD 1,21,115.63

b) Amounts payable in foreign currency on account of the following:

Particulars	As at 31.03.2024 Rupees in Lakh	As at 31.03.2024 Amount in foreign currency	As at 31.03.2023 Rupees in Lakh	As at 31.03.2023 Amount in foreign currency
Payable	316.81	USD 3,80,010.06	62.02	USD 75,538.33
	59.18	SGD 95,797.65	24.61	SGD 39,853.13

Material Accounting Policies and Notes (Contd.)
to the Financial Statements

Sensitivity analysis

The Company is mainly exposed to USD, SGD. The following table analyses the Company's Sensitivity to a 5% increase and a 5% decrease in the exchange rates of these currencies against INR.

(₹ in Lakh)

Net unhedged exposure	% Change	Profit or (Loss)	
		March 31, 2024	March 31, 2023
USD	5% Increase	13.96	8.07
	5% Decrease	(13.96)	(8.07)
SGD	5% Increase	2.96	1.23
	5% Decrease	(2.96)	(1.23)

39. EMPLOYEE STOCK OPTION:

Based on the request made by the Company, JM Financial Limited, in accordance with Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, has granted the equity stock options, inter alia, to the eligible employees and/or directors (the Employees) of the Company.

The charge on account of the ESOP included in employee benefit expense aggregate ₹0.71 Lakh (Previous year ₹16.96 Lakh). Since the options are issued by JM Financial Limited, the Ultimate Holding Company, basic and diluted earnings per share of the Company would remain unchanged.

40. A) During the year, the Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(B) During the year, the Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

(ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

41. The Company has only one reporting business segment i.e Institutional Broking Business and all other activities are incidental to the main business activity. Accordingly there are no separate reportable segments, as per the Indian Accounting Standard on "Operating Segments" (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

42. The Company does not have pending litigation which would impact its financial position.

43. The company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

44. There are no capital commitments as at March 31, 2024.

45. The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

46. The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

47. During the year, there are no transactions which the Company has surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961

48. The company is not declared willful defaulter by any bank or financial institution or other lender.

49. The Board of Directors of the Company has recommended a dividend of ₹ 0.001 per preference share of the face value of ₹ 10/- each for the year ended March 31, 2024. The said dividend will be paid, if approved by the shareholders at the Annual General Meeting.

50. During the financial year 2023-24, JM Financial Limited (the "JMFL") received the NCLT order approving the Scheme of Arrangement (the "Scheme") on April 20, 2023 with the appointed date being April 1, 2023 which was filed with National Company Law Tribunal (the "NCLT") during the financial year 2022-23. The Scheme involved transfer of investment in JM Financial Institutional Securities Limited (the company) from its wholly owned subsidiary, JM Financial Services Limited (the "JMFSL") to JMFL. Upon the Scheme becoming effective from May 18, 2023 (on filing of required forms with the Registrar of Companies, Mumbai), the company has become a direct wholly owned subsidiary of JMFL.

51. The Financial statements are approved for issue by the Board of Directors at its meeting held on May 15, 2024.

In terms of our report of even date attached

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

Kapil Goenka
Partner
Membership No. 118189

Place: Mumbai
Date: May 15, 2024

For and on behalf of the Board of Directors

Vishal Kampani
Chairman
DIN – 00009079

Anish Damania
Whole time Director
DIN – 05105982

Chetan Dharod
Chief Financial Officer

Siddiqa Raeen
Company Secretary

Place: Mumbai
Date: May 15, 2024

Connect with us

JM FINANCIAL

7th Floor, Cnergy, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, India