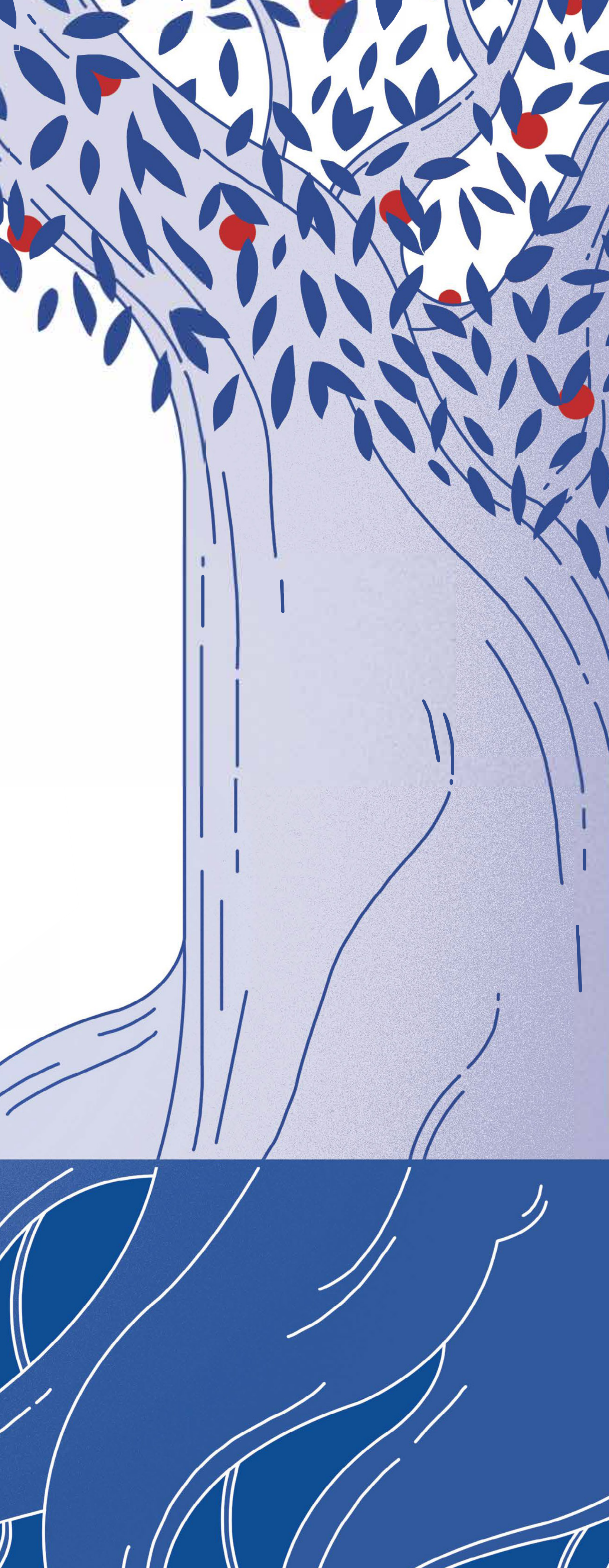
JM FINANCIAL



SOLID.
STABLE.
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JM Financial Services Limited
Annual Report 2023-24

Corporate Information

BOARD OF DIRECTORS

NON-EXECUTIVE DIRECTORS

Mr. Vishal Kampani - Chairman
Ms. Dipti Neelakantan
Mr. H M Kotak
Mr. Chirag Negandhi

INDEPENDENT DIRECTORS

Dr. Anup Shah
Mr. Parthiv Kilachand
Mr. Prakash Parthasarathy

WHOLE-TIME DIRECTORS

Mr. DimpleKumar Shah
Mr. Nirav Gandhi

CHIEF FINANCIAL OFFICER

Mr. Amit Agrawal

COMPANY SECRETARY

Ms. Dimple Mehta

BANKERS

HDFC Bank Limited
Axis Bank Limited
ICICI Bank Limited
IDFC First Bank Limited
RBL Bank Limited
State Bank of India

STATUTORY AUDITORS

BSR & Co. LLP

14th Floor, Central B Wing and North C Wing,
NESCO IT Park, Nesco Centre,
Western Express Highway, Goregaon (East),
Mumbai – 400063
Phone: +91 22 6257 1000
Fax: + 91 22 6257 1010
Email id: kapilgoenka@bsraffiliates.com
Website: www.bsr-co.in

REGISTRAR AND SHARE TRANSFER AGENT

KFIN TECHNOLOGIES LIMITED

Unit:- JM Financial Services Limited
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District, Nanakramguda, Hyderabad - 500032
Phone: 040-6716 2222
Fax: 040-2343 1551
Toll Free no.: 1800-3454-001
Email ID: einward.ris@kfintech.com
Website: www.kfintech.com

DEBENTURE TRUSTEE

IDBI TRUSTEESHIP SERVICES LIMITED

Asian Building, Ground Floor, Universal Insurance Building, Sir Phirozshah Mehta Road, Fort, Mumbai - 400001
Phone: +91 8097474602, +91 9167941249
Fax: +91 22 6631 1776
Toll Free no.: 022 40807000, +91 7208822299
Email ID: itsl@idbitrustee.com
Website: www.idbitrustee.com

REGISTERED OFFICE

JM FINANCIAL SERVICES LIMITED

7th Floor, Cnergy,
Appasaheb Marathe Marg,
Prabhadevi, Mumbai - 400025
Phone: +91 22 6630 3030
Fax: +91 22 6630 3223
Toll Free no.:+91 22 6630 3096
Email ID: jmfscompliance@jmfl.com
Website: www.jmfinancialservices.in
CIN: U67120MH1998PLC115415
LEI: 25490037PLZ7NK7WFO62

Independent Auditor's Report

To the Members of **JM Financial Services Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of JM Financial Services Limited (the "Company") which comprise the standalone balance sheet as at 31 March 2024, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year ended, and notes to the standalone 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 standalone 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Emphasis of Matter

We draw attention to Note 43 of the standalone financial statements which describes the accounting for the merger of JM Financial Capital Limited, wholly owned subsidiary with the Company in accordance with the Scheme of Arrangement as sanctioned by the Hon'ble National Company Law Tribunal (the "NCLT") with effective from 18 May 2023 (the "Scheme"). Though the appointed date as per the NCLT approved Scheme is 1 April 2023, as per the requirements of Appendix C to Ind AS 103 "Business Combination", the combination has been accounted for as if it had occurred from the beginning of the preceding period in the financial statements. Accordingly, the corresponding amounts in the standalone financial statements for the previous year ended 31 March 2023 have been restated by the Company after recognising the effect of the merger as above. The aforesaid note (Note 43) also describes in detail the impact of the business combination on the standalone financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

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

Key Information Technology (IT) systems used in financial reporting process

The key audit matter	How the matter was addressed in our audit
IT systems and controls The Company's key financial accounting and reporting processes are dependent on the automated controls in information systems, such that there exists a risk that gaps in the IT control environment could result in the financial accounting and reporting records being materially misstated. Therefore, the assessment of the general IT controls and the application controls specific to the accounting and preparation of financial information is considered to be a key audit matter.	We have involved IT Specialists in performing following audit procedures to assess the IT systems and controls: • Performed control testing on user access management, change management and system application controls over key financial accounting and reporting systems. • Tested key automated controls operating over the information technology systems in relation to financial accounting and reporting systems, including system access and system change management. • Tested the design and operating effectiveness of key controls over user access management which includes granting access/ right, new user creation, removal of user rights and super user access rights management over the in-scope systems.

Independent Auditor's Report (Contd.)

Key Information Technology (IT) systems used in financial reporting process	
The key audit matter	**How the matter was addressed in our audit**
	• For selected key general IT controls over financial and reporting systems, we independently performed procedures to determine that these controls remained unchanged during the year or were changed following the standard change management process. • Other areas that were tested include password policies, controls over changes to applications, its associated operating systems and databases and controls to ensure that developers don't have access to change applications, the operating system or databases in the production environment. Performing alternate procedures by testing compensatory controls for areas where IT controls were not relied upon.

Business Combination under Common Control	
[Refer to Note 2.2 in the Standalone Financial Statements – "Business combination under common control" and Note 43.1 to the Standalone Financial Statements]	
The key audit matter	**How the matter was addressed in our audit**
During the year, a Scheme of Arrangement (the "Scheme") was filed with the National Company Law Tribunal (the "NCLT") for demerger of the undertaking comprising Private Wealth and Portfolio Management Services (the "PMS") along with the investment in JM Financial Institutional Securities Limited (which houses the institutional equities business) from the Company to JM Financial Limited ("JMFL"). The Scheme also comprised of merger of JM Financial Capital Limited (the "JMFCL") into the Company, a wholly owned subsidiary of the Company. The Company has received the NCLT order approving the Scheme on April 20, 2023 with the appointed date of April 1, 2023. Upon filing with the Registrar of Companies and completing all the conditions prescribed in the Scheme, the Scheme became effective from May 18, 2023. The Scheme of Arrangement has significant measurement and disclosure impacts on the Company's Standalone Financial Statements. This involves identification of assets and liabilities to be transferred which is subject to the provisions of the Scheme of Arrangement. Further, during the year the transfer of the demerged undertaking comprising Private Wealth and PMS were completed and JMFL is in process of updating contracts with customers. There will be ongoing interdependencies between the Company and JMFL and as such the support fees, rent, revenue/ expenses, billing arrangement etc. and all dues arising therefrom between both Companies will be settled in Q1 FY 2025. Thus, we have identified the business combination transactions arising as a part of the Scheme of Arrangement as a key audit matter given it is a complex, non-routine transaction with related parties and material to the Standalone Financial Statements.	To address this key audit matter, our audit procedures included the following: • Read the NCLT order dated April 20, 2023 in respect of approval of the Scheme and subsequent filing of the Order with Registrar of Companies on May 18, 2023. • We understood from the management, assessed and tested the design and operating effectiveness of the internal financial controls over the accounting of business combination. • Evaluated the appropriateness of the accounting treatment followed by the Company for identification, derecognition and measurement of assets and liabilities of the demerged undertaking comprising Private Wealth and PMS as at the appointed date in accordance with the Scheme and generally accepted accounting principles in India including Indian Accounting Standards notified under the Companies Act, 2013. • Tested supporting workings and evidence relating to the accounting as per the terms of the Scheme. • Assessed and tested the adequacy of the Company's disclosures for compliance with applicable Indian Accounting Standards and accounting principles generally accepted in India.

Independent Auditor's Report (Contd.)

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the 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

Independent Auditor's Report (Contd.)

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

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Report on Other Legal and Regulatory Requirements

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

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

e. On the basis of the written representations received from the directors as on 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:

Independent Auditor's Report (Contd.)

a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its standalone financial statements - Refer Note 30 to the standalone financial statements.

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

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

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 46(A) to the standalone 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 46(B) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

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

f. Based on our examination which included test checks, except for the instances mentioned below, the Company has used accounting softwares for maintaining its books of account, which 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:

1. The feature of recording audit trail (edit log) facility was not enabled at the database level to log any direct data changes for accounting softwares used for maintaining details relating to:
    - General ledger system for the period from 1 April 2023 to 30 March 2024
    - Depository participant income system for the period from 1 April 2023 to 29 March 2024
    - Secondary market transactions and fee and commission income products system for the period from 1 April 2023 to 27 March 2024

2. The feature of recording audit trail (edit log) facility was not enabled at the application level:
    - for the accounting software used for maintaining details relating to general ledger for the period 1 April 2023 to 21 April 2023
    - for the accounting software used for maintaining details relating to secondary market transactions (general ledger table) for the period 1 April 2023 to 27 March 2024 and

Independent Auditor's Report (Contd.)

- for the accounting software used for maintaining details relating to fee and commission income (one table of Company master relating to revenue process) for the period from 1 April 2023 to 6 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:24118189BKDBCB4954

Place: Mumbai
Date: 15 May 2024

Annexure A

to the Independent Auditor's Report on the Standalone Financial Statements of JM Financial Services 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 in a phased manner over a period of 3 years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

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

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

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

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

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

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments, provided guarantee or security, granted loans and advances in the nature of loans, secured or unsecured to companies, limited liability partnership and other parties in respect of which the requisite information is as below:

(a) 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:

Particulars (amount in ₹ crores)	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year	-	-	-	-
Subsidiaries*	-	-	-	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others#	-	-	1,814.89	-
Balance outstanding as at balance sheet date				
Subsidiaries*	-	-	-	-
Joint ventures*	-	-	-	-
Associates*	-	-	-	-
Others*	-	-	1,410.21	-

*As per the Companies Act, 2013

The amount represents maximum loan outstanding during the year computed at day end rests.

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant

Annexure A (Contd..)

of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company grants margin trading finance loans wherein the schedule of repayment of principal and payment of interest has not been stipulated and accordingly we are unable to comment on whether the repayments or receipts are regular.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

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

(f) According to the information and explanations given to us and the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):.

Particulars (amount in ₹ crores)	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan			
- Repayable on demand (A)	1,410.21	-	0.12
- Agreement does not specify any terms or period of Repayment (B)	-	-	-
Total (A+B)	1,410.21	-	0.12
Percentage of loans/advances in nature of loan to the total loans	100%	-	100%

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, the Company has not given loans or provided guarantee or security and therefore the relevant provisions of Sections 185 of the Companies Act, 2013 are not applicable to the Company. Accordingly, clause 3(iv) of the Order is not applicable. Further, the Company has complied with the provisions of Sections 186 of the Companies Act, 2013 in relations to loans given and investments made.

(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, Duty of Customs or Cess 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, 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, statutory dues relating to

Annexure A (Contd..)

Goods and Service Tax, Provident Fund, Income-Tax or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹ in Crore)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Finance Act, 1994	Service Tax	76.02	August 2002- March 2006	Pending with Supreme Court	
The Finance Act, 1994	Service Tax	1,130.51	FY 2004 - 2017	Pending with High Court	
The Finance Act, 1994	Service Tax	927.77	July 2012 to March 2017	SCN issued by Dept	
The Finance Act, 1994	Service Tax	114.61	April 2014 to June 2017	SCN issued by DGGSI	
The Central Goods and Service Tax, 2017	GST	130.80	July 2017 to March 2018	Deputy Commissioner of State Tax	
The Central Goods and Service Tax, 2017	GST	55.54	April 2018 to March 2019	Deputy Commissioner of State Tax	
The Income Tax Act, 1961	Income Tax	73.99	AY 2011-12	CIT Appeal	
The Income Tax Act, 1961	Income Tax	47.17	AY 2012-13	ITAT	
The Income Tax Act, 1961	Income Tax	7.33	AY 2013-14	ITAT	
The Income Tax Act, 1961	Income Tax	70.80	AY 2014-15	CIT Appeal	
The Income Tax Act, 1961	Income Tax	54.96	AY 2016-17	CIT Appeal	
The Income Tax Act, 1961	Income Tax	315.32	AY 2017- 18	CIT Appeal	
The Income Tax Act, 1961	Income Tax	7.59	2017-18- JMF Cap	CIT Appeal	
The Income Tax Act, 1961	Income Tax	82.61	AY 2018-19	CIT Appeal	
The Income Tax Act, 1961	Income Tax	110.77	AY 2020-21	CIT Appeal	
The Income Tax Act, 1961	Income Tax	0.04	AY 2021-22	No Appeal	
The Income Tax Act, 1961	Income Tax	0.87	2021-22- JMF Cap	No Appeal	

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

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

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

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

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

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Act.

Annexure A (Contd..)

(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 (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 the related parties are in compliance with Section 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

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

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

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

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

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

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

(d) 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

Annexure A (Contd..)

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

Also refer to the Other Information paragraph of our main audit report which explains that the other information comprising the information included in Annual report is expected to be made available to us after the date of this auditor's report.

(xx) 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:24118189BKDBCV4954

Place: Mumbai
Date: 15 May 2024

Annexure B

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

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

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

Opinion

We have audited the internal financial controls with reference to financial statements of JM Financial Services Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the standalone 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 standalone financial statements, whether due to fraud or error.

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

Annexure B (Contd..)

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:24118189BKDBCV4954

Place: Mumbai
Date: 15 May 2024

Standalone Balance Sheet

as at March 31, 2024

(₹ in Crore)

Sr. No.	Particulars	Note no.	As at March 31, 2024	As at March 31, 2023
	ASSETS			
(1)	**Financial Assets**			
(a)	Cash and cash equivalents	4	58.13	110.34
(b)	Bank balance other than included in (a) above	5	2,869.35	1,569.24
(c)	Receivables			
	(i) Trade receivables	6	265.86	830.39
	(ii) Other receivables	6	32.08	79.21
(d)	Loans	7	1,401.75	782.25
(e)	Investments	8	189.89	137.89
(f)	Other financial assets	9	135.73	56.33
	Total Financial Assets		**4,952.79**	**3,565.65**
(2)	**Non-Financial Assets**			
(a)	Current tax assets (net)	10	33.07	59.13
(b)	Deferred tax assets (net)	11	12.01	11.57
(c)	Property, plant and equipment	12	121.04	111.34
(d)	Intangible assets under development	12	3.71	5.18
(e)	Other intangible assets	12	16.90	7.96
(f)	Other non-financial assets	13	24.57	21.08
	Total Non-Financial Assets		211.30	216.26
	Total Assets (1+2)		**5,164.09**	**3,781.91**
	LIABILITIES AND EQUITY			
	LIABILITIES			
(1)	**Financial Liabilities**			
(a)	Payables			
	(I) Trade payables	14		
	(i) Total outstanding dues of micro and small enterprises		-	0.10
	(ii) Total outstanding dues of creditors other than micro and small enterprises		87.90	40.41
	(II) Other payables	14		
	(i) Total outstanding dues of micro and small enterprises		-	-
	(ii) Total outstanding dues of creditors other than micro and small enterprises		1,103.80	1,282.07
(b)	Debt securities	15	1,440.59	983.34
(c)	Borrowings (other than debt securities)	16	562.26	116.39
(d)	Lease liabilities	17	107.16	103.77
(e)	Other financial liabilities	18	1,031.17	650.81
	Total Financial Liabilities		**4,332.88**	**3,176.89**
(2)	**Non-Financial Liabilities**			
(a)	Provisions	19	16.65	21.32
(b)	Other non-financial liabilities	20	28.58	16.41
	Total Non-Financial Liabilities		**45.23**	**37.73**
(3)	**EQUITY**			
(a)	Equity share capital	21	66.32	50.00
(b)	Other equity	22	719.66	517.29
	Total Equity		**785.98**	**567.29**
	Total Liabilities and Equity (1+2+3)		**5,164.09**	**3,781.91**
	The accompanying notes form an integral part of the standalone financial statements	1 to 59		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : May 15, 2024

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - F12560

Standalone Statement of Profit and Loss

for the year ended March 31, 2024

(₹ in Crore)

Sr. No.	Particulars	Note no.	For the year ended March 31, 2024	For the year ended March 31, 2023
	Income			
	Revenue from operations			
(a)	Interest income	23	356.01	175.66
(b)	Dividend income	23	-	15.75
(c)	Fees and commission income	23	528.60	393.91
(d)	Net gain on fair value changes	23	4.62	8.68
(e)	Other operating revenue	23	5.58	4.88
I	**Total revenue from operations**		**894.81**	**598.88**
II	Other income	24	25.05	8.20
III	**Total income (I + II)**		**919.86**	**607.08**
	Expenses			
(a)	Finance costs	25	225.32	93.20
(b)	Fees and commission expense		208.56	164.42
(c)	Impairment on financial instruments	26	(1.98)	(25.78)
(d)	Employee benefits expenses	27	224.52	206.03
(e)	Depreciation, amortization and impairment	12	30.56	21.07
(f)	Other expenses	28	102.57	103.70
IV	**Total expenses**		**789.55**	**562.64**
V	**Profit before tax (III - IV)**		**130.31**	**44.44**
	Tax expenses			
(a)	Current tax		28.56	2.80
(b)	Deferred tax		(0.39)	3.75
(c)	Tax adjustment of earlier years(net)		(0.10)	(0.09)
VI	**Total tax expenses**		**28.07**	**6.46**
VII	**Net Profit for the year (V - VI)**		**102.24**	**37.98**
	Other comprehensive income			
	(i) Items that will not be reclassified to profit or loss			
	- remeasurement of defined benefit liability (assets)		(0.19)	(0.27)
	- Income tax on the above		0.05	0.07
VIII	**Total other comprehensive income**		**(0.14)**	**(0.20)**
IX	**Total comprehensive income (VII + VIII)**		**102.10**	**37.78**
X	**Earning per share (EPS)**			
	(Face Value of ₹10/- each)			
	Basic EPS (in ₹)		16.75	7.60
	Diluted EPS (in ₹)		16.62	6.58
	The accompanying notes form an integral part of the standalone financial statements	1 to 59		

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : May 15, 2024

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - F12560

Statement of Standalone Cash Flow

for the year ended March 31, 2024

(₹ in Crore)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
	Cash flow from operating activities		
	Net profit before tax	130.31	44.43
	Adjustments for :		
	Depreciation and amortisation	30.56	21.07
	Profit on sale of fixed assets	(0.16)	(0.14)
	Share based payments to employees	1.51	0.71
	Net gain on fair value changes on Investment	(2.47)	(1.94)
	Finance income on rent deposits	(1.08)	(0.80)
	Bad debts written off	0.20	23.11
	Impairment on financial instrument	(1.98)	(25.78)
	Interest on income tax refund	(6.62)	-
	Finance costs	225.32	93.20
	Dividend income on investments	-	(15.75)
	Share of profit from partnership firm where the company is a partner	(2.80)	(0.58)
	Share of profit from AOP where the Company is a member	(14.08)	(4.67)
	Provision written back	(0.02)	(1.84)
	Interest income	(0.27)	(0.06)
	Operating profit before working capital changes	**358.41**	**130.95**
	Adjustments for :		
	(Decrease) / Increase in payables	(130.69)	651.30
	Increase in lease liabilities	2.34	0.36
	Increase in other financial liabilities	386.84	448.14
	(Decrease) / Increase in provisions	(4.81)	1.78
	Increase / (Decrease) in non financial liabilities	15.92	(7.87)
	Decrease / (Increase) in trade receivables	609.94	(860.77)
	(Increase) / Decrease in loans	(619.32)	406.27
	(Increase) in other bank balances	(1,300.11)	(534.39)
	(Increase) in other non financial assets	(3.49)	(7.99)
	(Increase) / Decrease in other financial assets	(77.32)	23.36
	Cash (used) /generated from operations	**(762.28)**	**251.15**
	Income tax paid (net)	**4.18**	**(20.97)**
A	**Net cash (used) / generated from operating activities**	**(758.10)**	**230.18**
	Cash flow from investing activities		
	Investment		
	(Redemption)/Investment in mutual funds	(108.63)	(37.08)
	Proceeds from repayment of 6% OCRPS (Preference Shares)	4.00	-
	Capital contributions to AOPs	-	(0.90)
	Share of profits received from partnership firm & AOP	14.61	5.75
	(Purchase) / Sale of investment in commercial paper	29.75	(29.75)
	Purchase of property, plant and equipment	(36.36)	(20.25)
	Sale of property, plant and equipment	2.93	0.09
	Interest received	0.27	0.06
	Dividend income on investments	-	15.75
B	**Net Cash (used) / generated from investing activities**	**(93.44)**	**(66.32)**
	Cash flow from financing activities		
	Proceeds from borrowings through NCDs	230.00	-
	Proceeds from borrowings through commercial paper	4,278.17	2,862.42
	Repayment from borrowings through commercial paper	(4,017.00)	(3,075.00)
	Proceeds of issue of the preference shares	-	42.00
	Proceeds from borrowings through term loan	150.00	-
	Repayment of borrowings through term loan	(4.17)	-
	(Repayment)/Proceed from overdraft facility from bank (net)	(61.23)	61.24
	Net proceeds from right issue	159.99	-
	Proceed from inter corporate deposits(net)	360.70	55.12
	Interest paid on borrowings	(206.79)	(86.24)
	Dividend paid on redemable preference shares	(0.12)	-
	Principal repayment of lease liabilities	(16.96)	(11.56)
	Interest paid on lease liability	(9.76)	(6.96)
	Dividends paid	(16.20)	(50.45)

Statement of Standalone Cash Flow

for the year ended March 31, 2024

(₹ in Crore)

Sr. No.	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
C	**Net Cash generated from / (used in) financing activities**	**846.63**	**(209.42)**
	Net (Decrease)/Increase in cash and cash equivalents (A+B+C)	**(4.91)**	**(45.57)**
	Cash and cash equivalents at the beginning of the year	**110.34**	**155.91**
	On demerger (refer note no. 43)	(47.30)	-
	Cash and cash equivalents at the end of the year	**58.13**	**110.34**
	Components of cash and cash equivalents		
	i) Cash on hand	**-**	**-**
	ii) Balances with banks	**58.13**	**110.34**
	(a) in current accounts	54.63	110.34
	(b) in Deposits with original maturity of less than 3 months	3.50	-
	Total cash and cash equivalents	**58.13**	**110.34**

Note :

(i) The above Standalone Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS-7) - Statement of Cash Flow

(ii) Material accounting policies (Note 2)

(iii) For non-cash transactions pursuant to the Scheme of Arrangement. (refer note no. 43)

(iv) The accompanying notes form an integral part of the standalone financial statements (1 to 59)

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : May 15, 2024

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - F12560

Statement of Standalone changes in Equity

for the year ended March 31, 2024

A. Equity Share Capital

(₹ in Crore)

Particulars	Balances as at March 31, 2022	Changes in equity share capital during the year	Balances as at March 31, 2023	Changes in equity share capital during the year	Balances as at March 31, 2024
Equity Share Capital	50.00	-	50.00	16.32	66.32

B. Other Equity

(₹ in Crore)

Particulars	Compulsory Convertible Preference shares	Reserves & Surplus						Total Other Equity
		Securities Premium Account	Capital Redemption Reserve	Statutory Reserve*	Debenture Redemption Reserve	Retained earnings	Share options outstanding account	
Balance as at April 1, 2023	**7.50**	**60.65**	**4.69**	**21.74**	**-**	**422.00**	**0.71**	**517.29**
Profit for the period	-	-	-	-	-	102.24	-	102.24
Other comprehensive income	-	-	-	-	-	(0.14)	-	(0.14)
Dividend paid	-	-	-	-	-	(16.20)	-	(16.20)
Transfer to Debenture redemption reserve	-	-	-	-	-	(5.04)	-	(5.04)
Demerger	-	-	-	-	-	(70.70)	-	(70.70)
Addition during the year	2.00	183.66	-	-	5.04	-	1.51	192.21
Balance as at March 31, 2024	**9.50**	**244.31**	**4.69**	**21.74**	**5.04**	**432.16**	**2.22**	**719.66**
Balance as at April 1, 2022	**7.50**	**60.65**	**4.69**	**16.54**	**-**	**434.67**	**0.71**	**524.76**
Profit for the period	-	-	-	-	-	37.98	-	37.98
Other comprehensive income	-	-	-	-	-	(0.20)	-	(0.20)
Dividend paid	-	-	-	-	-	(50.45)	-	(50.45)
Addition during the year	-	-	-	5.20	-	-	-	5.20
Balance as at March 31, 2023	**7.50**	**60.65**	**4.69**	**21.74**	**-**	**422.00**	**0.71**	**517.29**

*Represents statutory reserves transferred as part of merger (refer note no. 43)

The accompanying notes form an integral part of the standalone financial statements (1 to 59)

As per our report of even date attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : May 15, 2024

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - F12560

Significant Accounting Policies

and Notes to the Standalone Financial Statements

1 Corporate Information

JM Financial Services Limited (herein after referred to as 'The Company') is domiciled and incorporated on June 19, 1998, as a public limited company in India under the provisions of the Companies Act, 2013. The company is engaged in the business of shares/stock and commodity broking. It carries out its activities through membership of BSE Limited, The National Stock Exchange of India Ltd, The Multi Commodity Exchange of India Limited (MCX) & National Commodity and Derivatives Exchange Ltd (NCDEX).

The Company is also a distributor/ broker for primary market i.e. distributor for Initial Public Offers, Fixed income products and Mutual funds. The Company operates through its network of branches and sub-brokers. Besides this, the Company is also engaged in the business of Depository Participant Services, Portfolio Management Services, Investment Advisory Services and granting of Loans for Margin Trade Financing as per the guidelines of the Securities Exchange Board of India (SEBI). The Company has also obtained an corporate agency license from the Insurance Regulatory and Development Authority (IRDA) for providing Insurance Services.

The Company is covered by rules and bye-laws of all the Exchange(s) as mentioned above. It is also governed by SEBI, Goods and Services Tax Act, Department of Company Affairs etc.

2 Material Accounting Policies

2.1 Basis of preparation of standalone financial statements

Statement of Compliance

The standalone financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (Ind AS) and the relevant provisions of the Companies Act, 2013 (the "Act") and guidelines issued by the SEBI as applicable. The Ind AS are prescribed under Section 133 of the Act and relevant amendment rules issued thereafter.

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

Accounting policies have been consistently applied except where newly issued accounting standard is adopted during the current year or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Basis of Measurement

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

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

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer. The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of the Accounting Standards, including the level in the fair value hierarchy in which the valuations should be classified. Significant valuation issues are reported to the Board.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

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

-Level 2 inputs are inputs, other than quoted prices included within level 1, that are observable for the asset or liability, either directly or indirectly; and

-Level 3 inputs are unobservable inputs for the valuation of assets or liabilities

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement. The Company recognises transfers

Significant Accounting Policies (Contd..)

and Notes to the Standalone Financial Statements (Contd.)

between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Presentation of financial statements

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

Amounts in the financial statements are presented in Indian Rupees in crore (rounded off to two decimal places) as permitted by Schedule III to the Act. Per share data are presented in Indian Rupee to two decimal places.

Financial assets and financial liabilities are generally reported on gross basis in the balance sheet. They are offset and reported net only when, in addition to having an unconditional legally enforceable right to offset the recognised amounts without being contingent on a future event, the parties also intend to settle simultaneously 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 Business Combinations:

Business combinations (not involving entities under common control) are accounted for using the acquisition method. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12, Income Taxes and Ind AS 19, Employee Benefits, respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as goodwill. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is accumulated in equity as capital reserve. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Standalone Statement of Profit and Loss in the period in which they are incurred.

Business combinations involving entities under common control are accounted for using the pooling of interests method. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as capital reserve under other equity.

2.3 Goodwill

Goodwill is an asset representing the future economic benefits arising from other assets acquired in a business combination that are not individually identified and separately recognized. Goodwill is initially measured at cost, being the excess of the consideration transferred over the net identifiable assets acquired and liabilities assumed, measured in accordance with Ind AS 103 – Business Combinations.

Goodwill is considered to have indefinite useful life and hence is not subject to amortization but tested for impairment at least annually. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill acquired in a business combination, is from the acquisition date, allocated to each of the Company cash generating units (CGUs) that are expected to benefit from the combination. A CGU is the smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or group of assets. Each CGU or a combination of CGUs to which goodwill is so allocated represents the lowest level at which goodwill is monitored for internal management purpose and it is not larger than an operating segment of the Company.

A CGU to which goodwill is allocated is tested for impairment annually, and whenever there is an indication that the CGU may be impaired, by comparing the carrying amount of the CGU, including the goodwill, with the recoverable amount of the CGU. If the recoverable

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amount of the CGU exceeds the carrying amount of the CGU, the CGU and the goodwill allocated to that CGU is regarded as not impaired. If the carrying amount of the CGU exceeds the recoverable amount of the CGU, the Company recognizes an impairment loss by first reducing the carrying amount of any goodwill allocated to the CGU and then to other assets of the CGU pro-rata based on the carrying amount of each asset in the CGU. Any impairment loss on goodwill is recognized in the Statement of Profit and Loss. An impairment loss recognized on goodwill is not reversed in subsequent periods.

On disposal of a CGU to which goodwill is allocated, the goodwill associated with the disposed CGU is included in the carrying amount of the CGU when determining the gain or loss on disposal.

2.4 Property, Plant and Equipment and Intangible Assets

The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. Items of property, plant and equipment (including capital-work-in progress) are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and any accumulated impairment losses. Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located. If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment. Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

Depreciation is calculated on the cost of items of property, plant and equipment less their estimated residual values using the straight-line method over their estimated useful lives, and is generally recognised in the statement of profit and loss in accordance with schedule II to the Compnaies Act 2013.

Property, Plant and Equipment	Estimated useful life assesed by the company	Estimated useful life under Schedule II of the Companies Act, 2013
Office Premise	60 Years	60 Years
Leasehold Improvements	Over the Period of the Lease	Not Specified
Computers :		
(i) Servers and networks	6 Years	6 Years
(ii) Other EDP machines	3 Years	3 Years
Office equipment	5 Years	5 Years
Furniture and fixtures	10 Years	10 Years
Office Premises taken on Lease	Over the Period of the Lease	Not Specified
Vehicles	Over the Period of the Lease	6 Years

Assets taken on lease are depreciated over a period of lease.

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

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

Subsequent expenditure

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

Intangible assets

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

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

Intangible assets are amortised on straight line basis over the estimated useful life of 3 years. The method of amortisation and useful life are reviewed at the end of each accounting year with the effect of any changes in the estimate being accounted for on a prospective basis.

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values using the straight-line method over their estimated useful lives and is generally recognised in depreciation and amortisation in Statement of profit and loss. Goodwill is not amortised. Amortisation methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

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

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

Deemed cost on transition to Ind AS

The cost of property, plant and equipment at April 1, 2018, the date of transition to Ind AS, was determined with reference to its carrying value recognised as per the previous GAAP (deemed cost), as at the date of transition to Ind AS.

Impairment losses on non-financial assets

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

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

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

Capital work-in-progress and Capital advances:

Capital work-in-progress are property, plant and equipment which are not yet ready for their intended use. Advances given towards acquisition of fixed assets outstanding at each reporting date are shown as other non-financial assets. Depreciation is not recorded on capital work-inprogress until construction and installation is completed and assets are ready for its intended use. Depreciation is not recorded on capital work-inprogress until construction and installation is completed and assets are ready for its intended use.

De-recognition:

The carrying amount of an item of property, plant and equipment is derecognized on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition, disposal or retirement of an item of property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised net, within "Other Income" or "Other Expenses", as the case maybe, in the Standalone Statement of Profit and Loss in the year of de-recognition, disposal or retirement.

2.5 Revenue recognition

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net-of variable consideration) allocated to that performance obligation. The transaction price of goods and services rendered is net-of variable consideration on account of various discounts and schemes offered by the Company as a part of the contract.

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.

Significant Accounting Policies (Contd..)

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

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

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

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

2.5.1Fees and Commission Income

Brokerage and Distribution, Selling, Advisory and Other fees: These are recognised net of goods and services tax recovered.

Brokerage earned from executing client transactions on the secondary market in “Cash” , “Future and Option” and "commodity" segments are recognised in the accounts on the trade date.

Fees earned from primary market operations, i.e. procuring subscription from investors for public offerings of companies are recognised on determination of the amount due to the Company by the RTA and after the allotment of securities is completed.

Fees earned for mobilizing bonds, fixed deposits from companies and funds for mutual funds from investors are recognised on monthly, quarterly or annual basis as set forth in terms of the engagement.

Fees from Structured Products, Insurance Products, Depository Participant Business and Portfolio Management Services are recognised based on the stage of completion of assignments and terms of agreement with the client.

Depository participant annual maintenance fees is amortised over twelve months from the date of billing.

2.5.2 Advisory income:

The Company provides Broking Advisory services to its customers and earns revenue in the form of advisory fees . In case of these advisory transactions, the performance obligation and its transaction price is enumerated in contract with the customer. For arrangements with a fixed term, the Company may commit to deliver services in the future. Revenue associated with these remaining performance obligations typically depends on the occurrence of future events or underlying asset values, and is not recognized until the outcome of those events or values are known. The right to receive the fees is based on the milestones defined in accordance with the terms of the contracts entered into between the company and the counterparty which also defines its performance obligation. In case of contracts, which have a component of success fee or variable fee, the same is considered in the transaction price when the uncertainty regarding the consideration is resolved.

2.5.3 Distribution of financial products:

The Company distributes various financial products and other services to the customers on behalf of third party i.e. the Company acts as an intermediary for distribution of financial products and services. The Company executes contracts with the Principal, viz. AMC’s, Mutual Funds, Bank, Insurance Company etc. to procure customers for its products. As a consideration, the Company earns commission income from the third parties for the distribution of their financial products. The commission is accounted net of claw back if any, due to non-fulfilment of contract by the customer with the principal. The customer obtains control of the service on the date when customer enters into a contract with principal and hence subscription or contract date is considered as the point in time when the performance obligation has been satisfied. In case of continuing services, the same are recognised over a period of time. The Company also conducts: a. education training programs b. provide financial planning services to its customers. The Company recognizes the revenue on completion of the performance obligation either on point in time or over a period of time, as the case may be. In case of third party financial products, transaction price is determined as per contract and mutual terms agreed between the parties. The commission is a percentage of transaction value. The distribution fee earned from the following products contributed to a major proportion of overall fee earned from distribution of financial products in Financial Year : i. Mutual funds ii. Life insurance policies iii. Fixed income and bonds iv. Portfolio management products.

2.5.4 Interest Income

Interest income is recognised using the effective interest method.

The ‘effective interest rate’ is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

Significant Accounting Policies (Contd..)

and Notes to the Standalone Financial Statements (Contd.)

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortised cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortised cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

2.5.5 SEBI Margin Trade Finance and Delay payment interest

SEBI MTF loan receivable and Debtors are recognised on the date of transaction at the exchange and the interest is calculated from the settlement date of transaction with clearing corporation.

2.5.6 Dividend Income

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

2.5.7 Investment Income

The gains/ losses on sale of investments are recognised in the Statement of Profit and Loss on the trade date. Gain or loss on sale of investments is determined after consideration of cost on FIFO basis.

2.5.8 Subscription based income

Subscription based income is recognised when the performance obligation has been satisfied. Lifetime subscriptions based revenue are recognised at a point in time and other subscriptions are recognised over period of time based on subscription period.

2.5.9 Other Income

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

2.6 Lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. As a lessee

At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of its relative stand-alone prices. However, for the leases of property the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term, unless the lease transfers ownership of the underlying asset to the Company by the end of the lease term or the cost of the right-of-use asset reflects that the Group will exercise a purchase option. In that case the right-of-use asset will be depreciated over the useful life of the underlying asset, which is determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Company uses Group incremental borrowing rate as the discount rate. The Company determines its incremental borrowing rate by obtaining interest rates from various external financing sources and makes certain adjustments to reflect the terms of the lease and type of the asset leased.

Lease payments included in the measurement of the lease liability comprise the following:

- fixed payments, including in-substance fixed payments;

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- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, if the Company changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Company presents right-of-use assets that do not meet the definition of investment property in 'property, plant and equipment' and lease liabilities separately in the balance sheet within 'Financial Liabilities'.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including IT equipment. The Group recognises the lease payments associated with these leases as an expense in profit or loss on a straight-line basis over the lease term.

ii. As a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Contracts in which all the risks and rewards of the lease are substantially transferred to the lessee are classified as a finance lease. All other leases are classified as operating leases.

Leases, for which the Company is an intermediate lessor, it accounts for the head-lease and sub-lease as two separate contracts. The sub-lease is classified as a finance lease or an operating lease by reference to the RoU asset arising from the head-lease.

Critical accounting judgements and Key sources of estimation uncertainty

Leases:

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

2.7 Foreign currency transactions

Transactions in foreign currencies are translated into the respective functional currencies of the Company at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction.

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

2.8 Borrowing costs

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

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2.9 Employee benefits

Retirement benefit costs and termination benefits:

Defined Contribution Plan

A defined contribution plan is a post-employment benefit plan where the Group's legal or constructive obligation is limited to the amount that it contributes to a separate legal entity.

The Group makes specified monthly contributions towards Government administered provident fund scheme. Obligations for contributions to defined contribution plan are expensed as an employee benefits expense in the statement of profit and loss in period in which the related service is provided by the employee. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments is available.

Defined Benefit Obligation:

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

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

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

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

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

Short-term employee benefits

Short-term employee benefits are measured on an undiscounted basis and expensed as the related service is provided. A liability is recognised for the amount expected to be paid under short-term cash bonus, if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Other long-term employee benefits

Accumulated absences expected to be carried forward beyond twelve months is treated as long-term employee benefit for measurement purposes. The Group's net obligation in respect of other long-term employee benefit of accumulating compensated absences is the amount of future benefit that employees have accumulated at the end of the year. That benefit is discounted to determine its present value The obligation is measured annually by a qualified actuary using the projected unit credit method. Remeasurements are recognised in profit or loss in the period in which they arise.

The obligations are presented as current liabilities in the balance sheet if the Group does not have an unconditional right to defer the settlement for at least twelve months after the reporting date.

Other defined contribution plans

The Defined contribution plans are the plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or constrictive obligation to pay additional sums. 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. The Company also makes contribution towards Employee State Insurance Scheme ("ESIC") which is a contributory scheme providing medical, sickness, maternity, and disability benefits to the insured employees under the Employees State Insurance Act, 1948 in respect of qualifying employees.

2.10 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to a business combination, or items recognised directly in equity or in Other comprehensive income. The Group has determined that interest and penalties related to income taxes, including uncertain tax

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treatments, do not meet the definition of income taxes, and therefore accounted for them under Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

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

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

Deferred tax is not recognised for:

- temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- taxable temporary differences arising on the initial recognition of goodwill.
- The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be 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.

Temporary differences in relation to a right-of-use asset and a lease liability for a specific lease are regarded as a net package (the lease) for the purpose of recognising deferred tax.

2.11 Goods and Services Input Tax Credit

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

2.12 Provisions

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

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

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

Where the Group expects some or all of the expenditure required to settle a provision will be reimbursed by another party, the reimbursement is recognised when, and only when, it is virtually certain that reimbursement will be received if the entity settles the obligation. The reimbursement is treated as a separate asset.

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

A provision for onerous contracts is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on the incremental costs of fulfilling the obligation under the contract and an allocation of other costs directly related to fulfilling the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

Contingent Liability:

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

Contingent Assets:

Contingent asset is not recognised in standalone 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.

2.13 Commitments

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

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

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

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

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

2.14 Segments

As per Ind AS 108, The Chief Operating Decision Maker (CODM) evaluates the “Operating Segments". Operating segments are reported in a manner consistent with the internal reporting provided to the CODM. The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. The Company has only one operating business segment i.e securities based activities: This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, margin trade financing etc carried out in India.Accordingly there are no separate reportable segments, as per the Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

2.15 Financial Instruments

Recognition of Financial Instruments

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Group becomes a party to the contractual provisions of the instrument Financial assets are not reclassified subsequent to their initial recognition unless the Group changes its business model for managing financial assets, in which case all affected financial assets are reclassified on the first day of the first reporting period following the change in the business model.

Initial Measurement of Financial Instruments

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus or minus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Significant Accounting Policies (Contd..)

and Notes to the Standalone Financial Statements (Contd.)

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

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

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

Subsequent Measurement of Financial Assets:

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- its contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI. This election is made on an investment-by-investment basis.

Classification of Financial Assets:

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

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

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

A financial asset is held for trading if:

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

Debt instruments at amortised cost or at FVOCI

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 FVOCI, 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.

Significant Accounting Policies (Contd..)

and Notes to the Standalone Financial Statements (Contd.)

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 FVOCI 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 FVOCI, 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 FVOCI are subject to impairment.

Equity Investments at FVOCI

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

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

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

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

Investments in equity instruments are classified as at FVTPL, unless the Company irrevocably elects 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 FVOCI criteria are measured at FVTPL. In addition, debt instruments that meet the amortised cost criteria or the FVOCI 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 FVOCI 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.

Defaults and breaches

For loans payable recognised at the end of the reporting period, shall disclose:

(a) details of any defaults during the period of principal, interest, sinking fund, or redemption terms of those loans payable;

Significant Accounting Policies (Contd..)

and Notes to the Standalone Financial Statements (Contd.)

(b) the carrying amount of the loans payable in default at the end of the reporting period; and

(c) whether the default was remedied, or the terms of the loans payable were renegotiated, before the financial statements were approved for issue.

Impairment of financial assets

Overview of the Expected Credit Loss principles :

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

ECLs are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the entity in accordance with the contract and the cash flows that the Group expects to receive). ECLs are discounted at the effective interest rate of the financial asset.

At each reporting date, the Group assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the debtor;
- a breach of contract such as a default or being more than 90 days past due;
- the restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;
- it is probable that the debtor will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

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

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

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

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

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

Stage 1 - Performing assets with zero to thirty days past due (DPD). Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2 - Under-performing assets having 31 to 90 DPD. Stage 2 loans also include facilities, where the credit risk has improved and the loan has been reclassified from Stage 3.

Stage 3 - Non-performing assets with overdue more than 90 DPD.

For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18 and loans under short term financing, the Company always measures the loss allowance at an amount equal to lifetime expected credit losses.

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

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

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

Significant Accounting Policies (Contd..)

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Derecognition of financial assets

The Company derecognises a financial asset when:

- the contractual rights to the cash flows from the financial asset expire; or
- it transfers the rights to receive the contractual cash flows in a transaction in which either:
  - substantially all of the risks and rewards of ownership of the financial asset are transferred;or
  - the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Company enters into transactions whereby it transfers assets recognised on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets. In these cases, the transferred assets are not derecognised.

Write-off

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

Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instrument

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

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

Financial liabilities

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

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

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

Financial liabilities at FVTPL

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

A financial liability is classified as held for trading if:

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

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

Financial liabilities subsequently measured at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined

Significant Accounting Policies (Contd..)

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based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.

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

Derecognition of financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also derecognises a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognised at fair value. On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognised in profit or loss.

2.16 Cash and Cash Equivalents

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

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

2.17 Earnings Per Share

Basic Earnings Per Share

Basic earnings per share is calculated by dividing the profit (or loss) attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

Diluted Earnings Per Share

Diluted earnings per share is computed by dividing numerator for calculating dilutive earnings per share by the weighted average number of equity shares considered for deriving basic earnings per share adjusted for the weighted average number of equity shares that would have been issued upon conversion of all dilutive potential equity shares.

Share Capital

i. Equity shares

Incremental costs directly attributable to the issue of equity shares are recognised as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with Ind AS 12.

ii. Preference shares

The Company's redeemable preference shares are classified as financial liabilities, because they bear nondiscretionary dividends and are redeemable in cash by the holders. Non-discretionary dividends thereon are recognised as interest expense in profit or loss as accrued.

2.18 Share-based payment arrangements

The grant date fair value of equity-settled share-based payment arrangements granted to employees is generally recognised as an employee benefits expense, with a corresponding increase in equity, over the vesting period of the awards. The amount recognised as an expense is adjusted to reflect the number of awards for which the related service and non-market performance conditions are expected to be met, such that the amount ultimately recognised is based on the number of awards that meet the related service and non-market performance conditions at the vesting date. For share-based payment awards with non-vesting conditions, the grant date fair value of the share-based payment is measured to reflect such conditions and there is no true-up for differences between expected and actual outcomes. The fair value of the amount payable to employees in respect of share appreciation rights ("SARs"), which are settled in cash, is recognised as an employee benefits expense with a corresponding increase in liabilities, over the period during which the employees become unconditionally entitled to payment. The liability is remeasured at each reporting date and at settlement date based on the fair value of the SARs. Any changes in the liability are recognised in profit or loss.

Significant Accounting Policies (Contd..)

and Notes to the Standalone Financial Statements (Contd.)

2.19 Securities held for trading

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee
- The gains/ losses on sale of securities held for trading are recognised in the Statement of Profit and Loss on the trade date. Gain or loss on sale of securities held for trading is determined after consideration of cost on FIFO basis.

Securities held for trading instruments are classified as at FVTPL.

3 Critical accounting judgements and key sources of estimation uncertainties

In preparing these financial statements, management has made judgements and estimates that affect the application of the Company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

Expected Credit Loss

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

The inputs used and process followed by the Company in determining the increase in credit risk have been detailed in Note No. 41.

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 No. 41.

Recognition and measurement of defined benefit obligations:

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determinedby reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is sensitive to changes in these assumptions. Further details are disclosed in note 35.

Impairment of financial assets:

The Company recognizes loss allowances for expected credit losses on its financial assets measured at amortized cost. At each reporting date, the Company assesses whether financial assets carried at amortized cost are creditimpaired. 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.

Notes

to the Standalone Financial Statements for the year ended March 31, 2024

4 Cash and cash equivalents

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Cash and cash equivalents		
i) Cash on hand	-	-
ii) Balances with banks	**58.13**	**110.34**
(a) in current accounts	54.63	110.34
(b) in Deposits with original maturity of less than 3 months	3.50	-
Total	**58.13**	**110.34**

5 Bank Balance other than included in (4) above

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
In deposit accounts under lien against which facilities are availed	2,869.35	1,569.24
Total	**2,869.35**	**1,569.24**

5.1 Fixed deposit and other balances with banks earns interest at fixed rate.

5.2 Other bank balances include deposit accounts and are under lien and lodged with stock exchange'(s) towards base/ additional base capital or are under lien towards overdraft facilities and guarantees given by the banks to Stock Exchanges. The details are given below :

i) Fixed deposits under lien with stock exchanges amounted to ₹1,974.89 crore (March 31, 2023 : ₹926.75 crore);

ii) Collateral security towards bank guarantees issued amounted to ₹611.15 crore (March 31, 2023 : ₹473.20 crore);

iii) Collateral security against bank overdraft facility/Intraday overdraft facility amounted to ₹283.06 crore (March 31, 2023 : ₹119.29 crore)

iv) others ₹3.75 crore (March 31, 2023 : ₹50.00 crore)

6 Receivables

(I) Trade Receivables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, considered good	236.53	715.97
Unsecured considered good	30.19	117.10
Significant increase in Credit Risk	1.38	1.50
Total Trade Receivables	**268.10**	**834.57**
Less: Provision for Impairment loss allowance	2.24	4.18
Net Trade Receivables	**265.86**	**830.39**

(II) Other Receivables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured, considered good	31.90	79.20
Unsecured considered good	0.18	0.01
Significant increase in Credit Risk	0.26	-
Total Other Receivables	**32.34**	**79.21**
Less: Provision for Impairment loss allowance	0.26	-
Net Other Receivables	32.08	79.21

Notes (Contd..)

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

6.1 Reconciliation of impariment allowance on Trade Receivables:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Impairment allowance		
Opening Impairment loss allowance	4.18	1.28
Add/ (less): Provided/(reversed) during the year	(6.42)	2.90
Closing Impairment loss allowance	**(2.24)**	**4.18**

6.2 Of the above, Trade receivable from related parties are as below :

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables from related parties	-	-
Less: Provision for Impairment loss allowance	-	-
Net trade receivables	**-**	**-**

6.3 Of the above, Trade receivable from related parties are as below

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade receivables from KMP	-	-
Less: Provision for Impairment loss allowance	-	-
Net trade receivables	**-**	**-**

6.4 Trade receivable ageing schedule: (Gross)

As at March 31, 2024

(₹ in Crore)

Particulars	Unbilled dues	Not Due	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	20.94	-	276.98	0.09	0.76	0.00	0.04	298.81
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	-	0.61	0.27	0.08	0.11	0.56	1.63
(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	**20.94**	**-**	**277.59**	**0.36**	**0.84**	**0.11**	**0.60**	**300.44**

Notes (Contd..)

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

As at March 31, 2023

(₹ in Crore)

Particulars	Unbilled dues	Not Due	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	23.02	-	889.26	-	-	-	-	912.28
(ii) Undisputed Trade Receivables- significant increase in credit risk	-	-	-	1.20	0.16	0.06	0.08	1.50
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
Total	**23.02**	**-**	**889.26**	**1.20**	**0.16**	**0.06**	**0.08**	**913.78**

Note:

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

7 Loans

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
At amortised cost		
Loans given in India to other than public sector		
SEBI Margin Trade Finance		
Gross loans repayable on demand	1,410.21	636.35
Less: Impairment loss allowance	8.46	3.82
(a) Net loans repayable on demand	**1,401.75**	**632.53**
Margin Trade Finance		
Gross loans repayable on demand	-	154.54
Less: Impairment loss allowance	-	4.82
(b) Net loans repayable on demand	-	149.72
Total (a+b)	**1,401.75**	**782.25**

7.1 Break up of loans into secured and unsecured

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Secured		
Secured by Shares, Bonds and other securities	1410.21	790.89
Unsecured	-	-
Gross	1410.21	790.89
Less: Impairment loss allowance	8.46	8.64
Net	**1401.75**	**782.25**

Notes (Contd..)

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

7.2 Reconciliation of impariment loss allowance on Loans

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Impairment loss allowance measured as per simplified approach		
Opening Impairment loss allowance	8.64	(5.43)
Add/ (less): Provided/(reversed) during the year	(0.18)	14.07
Closing Impairment allowance	**8.46**	**8.64**

Note:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Of the above, loans from related parties are as below :-		
SEBI MTF loans receivables from related parties	0.12	-
Less: Provision for Impairment loss allowance	-	-
Net loan receivable	**0.12**	**-**

The above loans fall under exceptions to the restrictions on the company to grant loans to directors under Section 185(3) of the Act, which provides that loans given in the ordinary course of its business. The interest in respect of such loans advanced is charged at a rate not less than the rate of prevailing yield of government security closest to the tenor of the loan. The above loan given at the rate of interest which is higher than prevailing yield on government security of the similar tenure.

8 Investments

(₹ in Crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
(A)	At Amortised Cost		
	Investments in India		
(a)	**Subsidiaries**		
	Equity instruments (Shares)		
	Equity shares of JM Financial Commtrade Limited of ₹ 10/- each fully paid up	5.00	5.00
	Equity shares of JM Financial Institutional Securities Limited of ₹ 10/- each fully paid up	-	27.75
	Preference Shares		
	9% non-cumulative redeemable preference shares of JM Financial Commtrade Limited of ₹ 10/- each fully paid up	2.50	2.50
	6% optionally convertible redeemable non-cumulative preference shares of JM Financial Commtrade Limited of ₹ 10/- each fully paid up.	12.00	16.00
	Partnership firm		
	Contributions to Partnership Firm where a Company is a Partner on capital account	0.90	0.90
	Contributions to AOPs (ARB Maestro) where a Company is a Member on capital account	0.90	0.90
	Share of Profit - Astute Investments	0.48	0.21
	Share of Profit - ARB Maestro	2.99	0.98
	Total	**24.77**	**54.24**
	Less: Impairment loss allowance	**-**	**-**
	Net Amount (i)	**24.77**	**54.24**
(b)	**Commercial Papers**	**-**	**29.75**
	(600 units of Trust Investment Advisors Private Limited)		
	Less : Provision for Expected Credit Loss	-	0.12
	Net Amount (ii)	**-**	**29.63**
(B)	At fair value through profit or loss		
	Units of Mutual Fund - (Direct) Growth Option	165.12	40.02
	Units of Mutual Fund - (Overnight) - Growth Option	-	14.00

Notes (Contd..)

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

(₹ in Crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
	Total	**165.12**	**54.02**
	Less: Impairment loss allowance	**-**	**-**
	Net Amount (iii)	**165.12**	**54.02**
(C)	**At fair value through other comprehensive income (iv)**	-	-
(D)	**At fair value designated at fair value through profit or loss (v)**	-	-
	Total (i+ii+iii+iv+v)	**189.89**	**137.89**

8.1 The Company has complied with the requirements of the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

8.2 The Company has elected to measure investment in subsidiaries at deemed cost as per Ind AS 27.

9 Other Financial Assets

(₹ in Crore)

	Particulars	As at March 31, 2024	As at March 31, 2023
(i)	**Security Deposits :**		
	Unsecured, considered good		
	Security deposit with stock exchanges	54.56	26.24
	Security deposit for leased premises		
	To Related parties	7.73	7.32
	To Others	5.94	4.89
	Other Security deposits	1.65	1.44
	Total (i)	**69.88**	**39.89**
(ii)	**Others :**		
	Interest accrued on bank deposits	65.28	14.17
	Advances to employees	0.10	0.12
	Recovery expense fund	0.02	-
	Debt securities held as stock in trade	0.45	2.15
	GST paid under protest	0.57	-
	Less: Provisions for tax	(0.57)	-
	Other receivables	-	0.00
	Total (ii)	**65.85**	**16.44**
	Total (i) + (ii)	**135.73**	**56.33**

10 Current tax assets (net)

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Current tax assets	33.07	59.13
(net of provision for tax of ₹17.42 crore (March 31, 2023 ₹37.06)		
Total	**33.07**	**59.13**

11 Deferred tax assets

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Difference between books and tax written down value of fixed assets	4.92	3.83
Expense allowable on payment basis	5.27	4.32
Impairment of financial instruments	1.65	3.26
Fair value of investments	(0.03)	0.00
Others	0.20	0.16
Total	**12.01**	**11.57**

Notes (Contd..)

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

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

11.1 For the year ended March 31, 2024

(₹ in Crore)

Deferred tax asset / (liability)	Opening balances as on 01.04.2023	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Recognised in Other Equity	Closing balances as on 31.03.2024
Difference between books and tax written down value of fixed assets	4.86	0.06	-	-	4.92
Expense allowable on payment basis	4.33	0.89	0.05	-	5.27
Impairment of financial instruments	2.22	(0.57)	-	-	1.65
Fair value of investments	0.00	(0.03)	-	-	(0.03)
Others	0.16	0.04	-	-	0.20
Total	**11.57**	**0.39**	**0.05**	**-**	**12.01**

11.2 For the year ended March 31, 2023

(₹ in Crore)

Deferred tax asset / (liability)	Opening balances as on 01.04.2022	Recognised in profit or loss (Expense) / Income	Recognised in other comprehensive income	Recognised in Other Equity	Closing balances as on 31.03.2023
Difference between books and tax written down value of fixed assets	10.71	(5.85)	-	-	4.86
Expense allowable on payment basis	3.44	0.80	0.09	-	4.33
Impairment of financial instruments	1.00	1.22	-	-	2.22
Fair value of investments	(0.00)	0.00	-	-	0.00
Others	0.11	0.05	-	-	0.16
Total	**15.26**	**(3.78)**	**0.09**	**-**	**11.57**

12 Property, plant and equipment

(₹ in Crore)

Particulars	Gross block				Accumulated depreciation / Amortization				Net block
	As at April 1, 2023	Additions/ adjustments	Deductions/ adjustments*	As at March 31, 2024	As at April 1, 2023	Charge for the year	Deductions/ adjustments*	As at March 31, 2024	As at March 31, 2024
Property Plant and Equipment									
Owned Assets									
Office Premise	0.62	(0.00)	-	0.62	0.07	0.01	-	0.08	0.54
Leasehold improvements	9.44	5.76	0.82	14.39	5.63	1.42	0.82	6.24	8.15
Computers	18.50	7.21	2.10	23.61	11.22	3.57	1.79	13.00	10.61
Office equipment	2.31	2.26	0.43	4.14	0.98	0.53	0.43	1.09	3.06
Furniture and fixtures	1.25	1.20	0.15	2.30	0.35	0.20	0.13	0.42	1.88
Land & Building	0.07	-	-	0.07	-	-	-	-	0.07
Right-of-use assets									
Office Premises	141.69	19.94	0.84	160.79	45.02	21.67	-	66.69	94.10
Vehicles (Refer Note)	1.19	2.45	0.19	3.44	0.46	0.46	0.10	0.82	2.62
Total Property Plant and Equipment	**175.07**	**38.82**	**4.53**	**209.36**	**63.73**	**27.86**	**3.27**	**88.34**	**121.04**
Other Intangible Assets									
Software	19.96	14.17	4.01	30.11	12.00	2.69	1.47	13.21	16.90
Total Intangible Assets	**19.96**	**14.17**	**4.01**	**30.11**	**12.00**	**2.69**	**1.47**	**13.21**	**16.90**
Intangible assets under development									**3.71**

* Transferred in relation to demerger pursuant to the Scheme of Arrangement. (refer note no. 43)

Notes (Contd..)

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

Note:

Vendor has lien over the assets taken on lease

(₹in Crore)

Particulars	Gross block				Accumulated depreciation / Amortization				Net block
	As at April 1, 2022	Additions/ adjustments	Deductions/ adjustments	As at March 31, 2023	As at April 1, 2022	Charge for the year	Deductions/ adjustments	As at March 31, 2023	As at March 31, 2023
Property Plant and Equipment									
Owned Assets									
Office Premise	2.02	-	1.40	0.62	1.35	0.12	1.40	0.07	0.55
Leasehold improvements	6.66	2.81	0.03	9.44	4.67	0.98	0.02	5.63	3.81
Computers	13.06	5.80	0.36	18.50	9.05	2.53	0.35	11.22	7.28
Office equipment	1.44	1.20	0.32	2.31	0.98	0.32	0.31	0.98	1.33
Furniture and fixtures	0.80	0.74	0.28	1.25	0.24	0.39	0.28	0.35	0.90
Land & Building	0.07	-	-	0.07	-	-	-	-	0.07
Right-of-use assets									
Office Premises	75.48	154.03	87.82	141.69	30.33	14.69	-	45.02	96.67
Vehicles (Refer Note)	1.18	0.50	0.49	1.19	0.59	0.35	0.49	0.46	0.73
Total Property Plant and Equipment	**100.70**	**165.07**	**90.70**	**175.07**	**47.22**	**19.38**	**2.86**	**63.74**	**111.34**
Other Intangible Assets									
Software	13.25	6.71	-	19.96	10.31	1.69	-	12.00	7.96
Total Intangible Assets	**13.25**	**6.71**	**-**	**19.96**	**10.31**	**1.69**	**-**	**12.00**	**7.96**
Intangible assets under development									**5.18**

Note:

Vendor has lien over the assets taken on lease

12.1 Ageing schedule for Intangible Assets Under Development (IAUD)

As at March 31, 2024

(₹ in Crore)

Particulars	Amount in IAUD as on March 31, 2024				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	2.87	0.83	0.01	-	3.71
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**2.87**	**0.83**	**0.01**	**-**	**3.71**

As at March 31, 2023

(₹ in Crore)

Particulars	Amount in IAUD as on March 31, 2023				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Projects in progress	4.73	0.41	0.04	-	5.18
(ii) Projects temporarily suspended	-	-	-	-	-
Total	**4.73**	**0.41**	**0.04**	**-**	**5.18**

Notes (Contd..)

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

Note :

There are no intangible assets under development projects where completion is overdue or has exceeded its cost compared to its original plan.

13 Other Non-financial Assets

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
GST credit receivable	15.37	11.01
Capital advances	0.89	0.64
Prepaid expenses	7.86	8.77
Others (employee advance, advance for expenses, etc.,)	0.45	0.66
Total	**24.57**	**21.08**

Note : The Company has not given any advances to directors or other officers of the Company or any of them either severally or jointly with any other persons or advances to firms or private companies respectively in which any director is a partner or a director or a member.

14 Payables

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Trade Payables		
Total outstanding dues of micro and small enterprises	-	0.10
Total outstanding dues of creditors other than micro and small enterprises	87.90	40.41
Other Payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,103.80	1,282.07
Total	**1,191.70**	**1,322.58**

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

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	0.10
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-
Total	**-**	**0.10**

Notes (Contd..)

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

(₹ in Crore)

Particulars	As at March 31, 2024	
	MSME	Others
Outstanding for following periods from due date of payment		
Unbilled dues	-	33.28
Not due	-	-
Less than 1 year	-	1,156.97
1-2 years	-	0.21
2-3 years	-	0.49
More than 3 years	-	0.74
Total	**-**	**1,191.69**

(₹ in Crore)

Particulars	As at March 31, 2023	
	MSME	Others
Outstanding for following periods from due date of payment		
Unbilled dues	-	10.32
Not due	-	-
Less than 1 year	0.10	1,310.98
1-2 years	-	0.52
2-3 years	-	0.11
More than 3 years	-	0.55
Total	**0.10**	**1,322.48**

14.2 Trade payables ageing schedule:

(₹ in Crore)

Particulars	Unbilled dues	Trade Payables which are not due	Outstanding for following periods for due dates for payments as at March 31, 2024				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-	-
(ii) Others	33.28	-	1,156.97	0.21	0.49	0.75	1,191.70
(iii) Disputed - MSME	-	-	-	-	-	-	-
(iv) Disputed - Others	-	-	-	-	-	-	-

(₹ in Crore)

Particulars	Unbilled dues	Trade Payables which are not due	Outstanding for following periods for due dates for payments as at March 31, 2023				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	0.10	-	-	-	0.10
(ii) Others	10.32	-	1,310.98	0.52	0.11	0.55	1,322.48
(iii) Disputed - MSME	-	-	-	-	-	-	-
(iv) Disputed - Others	-	-	-	-	-	-	-

Notes (Contd..)

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

15 Debt Securities

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
	Within India		
	At amortised cost		
(A)	**Secured**		
(a)	Non-convertible debenture (NCD)	230.00	-
	Interest accrued on Non-convertible debenture	8.09	-
	Total (i)	**238.09**	**-**
(B)	**Unsecured**		
(a)	Commercial paper	1,244.00	965.00
	Unamortised interest on commercial paper	(41.50)	(23.67)
(b)	Preference shares capital	-	42.00
	Interest accrued on the above	-	0.01
	Total (ii)	**1,202.50**	**983.34**
	Total (i + ii)	**1,440.59**	**983.34**

(₹ in Crore)

Particulars	March 31, 2024	March 31, 2023
Debt securities in India	1,440.59	983.34
Debt securities outside India	-	-
Total	**1,440.59**	**983.34**

15.1 The maximum amount of commercial paper outstanding at any time during the year was ₹1,956.00 crore (FY 2022-23: ₹1060.00 crore).

15.2 Commercial paper has interest ranging from 7.80% to 9.40% p.a (5.05% to 8.95% p.a for FY 2022-23) and are repayable within a period upto 365 days from the date of disbursement.

15.3 Non-Convertible Debentures of ₹230.00 crore (FY 2022-23 was Nil) are secured on pari passu basis on the receivables/ assets of the Company.

The details of NCD issuance are as mentioned below :

Tranche	Amount (₹ In Crore)	Coupon / Interest Rate (%)	Issuance (Value) Date	Maturity Date
A	49.00	9.0964%	11-Sep-23	11-Mar-26
B	31.00	8.7500%	20-Nov-23	20-Nov-25
C	150.00	9.0732%	30-Nov-23	30-May-25

1) NCDs are issued at par at a Face Value of ₹ 1,00,000/-.

2) The Coupon payable are on 'fixed coupon' basis as per the relevant series/tranche Debentures at the rate specified in the relevant Issue Documents.

16 Borrowings (other than debt securities)

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
	Within India		
	At amortised cost		
	Secured		
(a)	Term loans from NBFC*	145.83	-
	Interest accrued on Term loan	0.39	-

Notes (Contd..)

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

(₹ in Crore)

Sr. No.	Particulars	As at March 31, 2024	As at March 31, 2023
	Unsecured		
(b)	Inter corporate deposits	15.70	5.00
	Accrued interest on inter corporate deposits	0.31	0.13
(c)	Overdraft facility from banks**	0.03	61.26
	From Related Party		
(d)	Inter corporate deposits	400.00	50.00
	Total	**562.26**	**116.39**

16.1 *Term Loans borrowings are secured by way of first pari passu charge by way of hypothecation on all the current assets of the Borrower (including SEBI-MTF receivables), both present and future with a minimum cover of 1.25x times the facility outstanding at any given point in time.

16.2 *Company has utilized money raised by way of Term loans during the year for the purpose for which they were raised.

16.3 */**The quarterly information's / returns filed by the company with Banks / Financial Institutions from which borrowing is obtained on the basis of security of current assets/receivables and that are in agreement with the books of account of the company.

16.4 **Bank Overdraft (ODFD) facilities are secured against fixed deposits pledged with Banks. The Company also has OD against receivables facilities with Banks, same are secured by receivables (T+5 debtors) of the company.

Maturity profile and rate of interest of term loans:

(₹ in Crore)

Residual Maturities	As at March 31, 2024	
	Up to 1 year	1-3 years
Term Loan 1	-	100.00
Term Loan 2	16.67	29.17

Effective Interest Rate#	As at March 2024	As at March 2023
Term Loan 1	9.44%	NA
Term Loan 2	9.33%	NA

#The rate of interest for the above term loans are linked to the MCLR/base rates of the Banks and Financial Institutions and is subject to change from time to time.

17 Lease Liabilities

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Operating lease liability	104.37	102.93
Finance lease liability	2.79	0.84
Total	**107.16**	**103.77**

18 Other Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Margin money from clients / franchisees	964.22	604.26
Employee benefits payable	64.44	44.86
Director commission payable	0.27	0.21
Other liabilities	2.24	1.48
Total	**1,031.17**	**650.81**

Notes (Contd..)

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

19 Provisions

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Provision for gratuity (refer note no. 36)	13.93	14.40
Provision for compensated absences	2.72	6.92
Total	**16.65**	**21.32**

20 Other Non Financial Liabilities

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory Dues	27.13	15.99
Income received in advance	1.45	0.42
Total	**28.58**	**16.41**

21 Equity Share Capital

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
[a] Authorised share capital				
Equity shares of the par value of ₹10 each	28,00,00,000	280.00	28,00,00,000	280.00
Preference Shares of the par value of ₹10 each	8,50,00,000	85.00	8,50,00,000	85.00
Total	**36,50,00,000**	**365.00**	**36,50,00,000**	**365.00**
[b] Issued, Subscribed and paid up				
Equity shares of ₹10 each	6,63,25,000	66.32	5,00,00,000	50.00
Total	**6,63,25,000**	**66.32**	**5,00,00,000**	**50.00**
[c] Subscribed and paid up				
Equity shares of ₹10 each	6,63,25,000	66.32	5,00,00,000	50.00
Total	**6,63,25,000**	**66.32**	**5,00,00,000**	**50.00**

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

(₹ in Crore)

Particulars	As at March 31, 2024		As at March 31, 2023	
	Number	Amount	Number	Amount
Equity Shares				
Shares outstanding at the beginning of the year	5,00,00,000	50.00	5,00,00,000	50.00
Add : Shares issued during the year	1,63,25,000	16.32	-	-
Shares outstanding at the end of the year	**6,63,25,000**	**66.32**	**5,00,00,000**	**50.00**

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

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Percentage	Number of Shares	Percentage
JM Financial Limited (alongwith 6 shares held by other nominee shareholders)	6,63,25,000	100%	5,00,00,000	100%

Notes (Contd..)

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

21.3 Shareholding of Promoter:

Name of the shareholder	As at March 31, 2024		As at March 31, 2023	
	Number of Shares	Percentage	Number of Shares	Percentage
JM Financial Limited (alongwith 6 shares held by other nominee shareholders)	6,63,25,000	100%	5,00,00,000	100%

21.4 Terms and rights attached to each class of shares:

Equity Shares:

The Company has only one class of equity shares having par value of 10/- per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

During the year ended March 31, 2024, the Company has paid a final dividend for the year ended March 31, 2023 of ₹3.15/- per equity share aggregating to ₹15.75 crore and 6% p.a. dividend on 75,00,000 preference shares aggregating to ₹0.45 crore, as approved by its members at the Annual General Meeting held on July 25, 2023.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

21.5 No aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date.

21.6 4,80,766 equity shares reserved for issuance towards outstanding employee stock options. (previous year F.Y. 2022-23 : 4,80,766 equity shares)

22 Other equity

(₹ in Crore)

Particulars	As at March 31, 2024 Amount	As at March 31, 2023 Amount
0.01% Compulsory Convertible Preference shares		
As per last balance sheet	-	-
Additions during the year	2.00	-
Deletions during the year	-	-
Total	**2.00**	**-**
6% Compulsory Convertible Preference shares		
As per last balance sheet	7.50	7.50
Additions during the year	-	-
Deletions during the year	-	-
Total	**7.50**	**7.50**
Securities Premium Account		
As per last balance sheet	60.65	60.65
Additions during the year	40.00	-
Additions during the year	143.66	-
Deletions during the year	-	-
Total	**244.31**	**60.65**
Statutory Reserve		
As per last balance sheet	21.74	16.54
Additions during the year	-	5.20
Deletions during the year	-	-
Total	**21.74**	**21.74**

Notes (Contd..)

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

(₹ in Crore)

Particulars	As at March 31, 2024 Amount	As at March 31, 2023 Amount
Capital Redemption Reserve		
As per last balance sheet	4.69	4.69
Additions during the year	-	-
Deletions during the year	-	-
Total	**4.69**	**4.69**
Stock option outstanding		
Opening Balance	5.55	5.55
Add : Additions on account of fresh grants during the year	-	-
Less : Deferred employee compensation	(3.33)	(4.84)
Total	**2.22**	**0.71**
Debenture Redemption Reserves	-	-
As per last balance sheet	-	-
Additions during the year	5.04	-
Deletions during the year	-	-
Total	**5.04**	**-**
Retained earnings		
As per last balance sheet	422.00	439.87
Demerger	(70.70)	-
Profit for the year	102.24	37.98
Transfer to Debenture Redemption Reserve	(5.04)	-
Other Comprehensive income	(0.14)	(0.20)
Transfer to statutory reserve	-	(5.20)
Dividend Paid	(16.20)	(50.45)
Total	**432.16**	**422.00**
Total	**719.66**	**517.29**

6% Compulsory Convertible Preference shares

75,00,000 6% CCPS of ₹10/- each at a premium of ₹57/- per share were issued by the Company to its holding company in financial year 2018-2019. As per the terms of the issue each CCPS shall be converted into equity shares is the ratio of 1:1 anytime between the completion of 3 years from the date of allotment of CCPS and the end of tenth year.

0.01% Compulsory Convertible Preference shares

20,00,000 9% Redeemable Cumulative Preference Shares issued by the Company in the FY 2022-23 were converted into 0.01% Compulsorily Convertible Preference Shares in the FY 2023-24. As per the terms of the issue, each CCPS shall be converted into equity shares in the ratio of 1 : 1 anytime between the after the completion of 1 years from the date of allotment of CCPS till the completion of five years from the date of allotment of CCPS.

Nature and purpose of reserves

Stock Options Outstanding

Stock option outstanding relates to the stock options granted by the Company to employees under an Employee Stock options Plan (refer note no. 34).

Securities Premium Account

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

Notes (Contd..)

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

Capital Redemption Reserves

Capital Redemtion Reserve was created in financial year 2010-2011 on redemption of optionally convertible preference shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Debenture Redemption Reserves

Debenture Redemtion Reserve was created in financial year 2023-2024 on redemption of Non-Convertible Debenture. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

Retained earnings

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

Note:-

During the year ended March 31, 2024, the Company has varied the terms of 20,00,000 9% Redeemable Cumulative Preference Shares ("RPS") by converting them into 0.01% Compulsorily Convertible Preference Shares. These shares with a face value of ₹ 10 per share are issued at a share premium of ₹200.00 per share aggregating to ₹42.00 crore after receiving the exchange approval on November 16, 2023.

23 Revenue from Operations

(₹ in Crore)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(A)	**Interest Income**		
(a)	**Interest income on financial assets measured at amortised cost:**		-
	Interest income from margin financing	143.23	57.10
	Interest on delayed payment recovered from clients	60.66	30.49
	Interest Income other	1.67	29.82
	Interest income on fixed deposit placed as margin, etc	150.45	58.25
(b)	**Interest income on financial assets measured at fair value through profit or loss:**	-	-
(c)	**Interest income on financial assets measured at fair value through OCI:**	-	-
	Total (i)	**356.01**	**175.66**
(B)	**Dividend Income (ii)**	**-**	**15.75**
(C)	**Fees and commission Income**		
	Brokerage	344.39	202.70
	Distribution, selling, advisory and other fees	184.21	191.21
	Total (iii)	**528.60**	**393.91**
(D)	**Net gain on fair value changes**		
	Net gain/ (loss) on financial instruments at fair value through profit or loss		
	(i) Profit/(loss) on other securities held for trade:		
	Realised gain/(loss)	2.35	6.63
	Unrealised gain/(loss)	(0.20)	0.11
	(ii) Profit/(loss) on investments (net) at fair value through profit or loss:		
	Realised gain/(loss)	2.37	1.92
	Unrealised gain/(loss)	0.10	0.02
	Total net gain/(loss) on fair value changes (iv)	**4.62**	**8.68**
(E)	**Others**		
	Recoveries from clients/franchisees	5.58	4.88
	Total (v)	**5.58**	**4.88**
	Total Revenue from Operations (i+ii+iii+iv+v)	**894.81**	**598.88**

Notes (Contd..)

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

24 Other Income

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Interest income	0.27	0.06
Interest on income tax refund	6.62	-
Share of profit from partnership firm where the company is a partner	2.81	0.58
Share of profit from AOP where the company is a member	14.08	4.67
Profit on sale of fixed assets (net)	0.17	0.14
Provision written back	0.02	1.95
Miscellaneous income	0.00	0.00
Finance Income on remeasurement of security deposits	1.08	0.80
Total	**25.05**	**8.20**

25 Finance Costs

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
On financial liabilities measured at amortised cost		
Debt Securities		
Commercial papers	114.92	51.38
Non-Convertible Debentures	8.09	-
Borrowings (Other than Debt Securities)		
Inter corporate deposits	13.71	6.90
Bank Overdraft	4.97	2.70
Finance charges on leased assets	0.45	0.31
Finance charges on leased premises	9.31	6.65
Finance charges on preference shares	0.11	0.01
Processing Fees on term loan	0.13	-
Finance charges on term loan	7.06	-
Other Financial liabilities		
On Margins	57.80	18.38
On Others		
Bank Guarantee and other charges	8.77	6.87
Total	**225.32**	**93.20**

26 Impairment of Financial Instruments

(₹ in Crore)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(A)	**On financial instruments measured at fair value through OCI:**	-	-
(B)	**On financial instruments measured at amortised cost:**		
	Provision for expected credit loss :		
(a)	SEBI MTF loans	4.64	0.67
(b)	Other loans*	(4.82)	(30.75)
(c)	On trade receivables	(1.68)	4.18
(d)	On investment	(0.12)	0.12
	Total	**(1.98)**	**(25.78)**

*Represents ECL impact of the merged entity (refer note no. 43)

Notes (Contd..)

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

27 Employee benefits expenses

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Salaries, bonus, other allowances and benefits	209.11	192.72
Contribution to provident fund	9.02	8.10
Share based payment to employees	1.53	0.58
Gratuity expense	2.92	2.93
Staff welfare expenses	1.94	1.70
Total	**224.52**	**206.03**

28 Other Expenses

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Rent and other related costs	1.75	0.42
Rates and taxes	4.20	1.90
Repairs and maintenance	1.76	1.78
Professional and consultancy charges	14.84	5.10
Exchange Transaction charges	6.04	5.28
Communication expenses	1.68	1.71
Information technology expenses	33.84	17.64
Membership and subscription	1.01	1.07
Electricity	2.67	2.06
Insurance	4.35	4.06
Printing and stationery	1.53	1.21
Donations	2.15	2.43
Manpower expenses	12.41	11.02
Auditors remuneration [refer note below] #	0.51	0.43
Directors Commission	0.27	0.21
Travelling expenses	3.66	2.16
Bad Debts written off	0.20	23.11
Business development expenses	13.78	14.52
Expenditure on Special Events	5.32	1.95
Recruitment Charges	0.99	1.69
Miscellaneous expenses	4.78	4.56
Recovery of expenses	(15.19)	(0.61)
Total	**102.57**	**103.70**

#Payment to the auditors

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
a) for audit fees	0.31	0.36
b) for other services	0.17	0.06
c) for reimbursement of expenses	0.03	0.01
Total	**0.51**	**0.43**

Notes (Contd..)

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

29 Tax Expenses

29.1 Income tax

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Current tax	28.56	2.80
Tax adjustment in respect of earlier years (net)	(0.10)	(0.09)
Deferred tax	(0.39)	3.75
Total income tax expenses recognised in the current year	**28.07**	**6.46**
Income tax expense recognised in other comprehensive income	0.05	0.07

29.2 Reconciliation of total tax charge

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Income tax expense for the year reconciled to the accounting profit:	28.02	6.46
Profit before tax	130.31	44.44
Income tax rate	25.17%	25.17%
Income tax expense	32.80	11.18
Tax Effect of:		
Income that is exempt from tax	(4.25)	(1.32)
Income not chargeble to tax	-	(3.75)
Expenses that are not deductible in determining taxable profits	(0.42)	0.43
Tax adjustments in respect of earlier years (net)	(0.10)	(0.21)
Others	-	-
Income tax expense recognised in profit and loss	28.02	6.34
Effective Tax Rate	**21.50%**	**14.26%**

Note: In the previous year company had availed a benefit of Section 80M of the Income tax Act, 1961 and hence the tax expense for the previous year was Nil.

30 Contingent liabilities

(₹ in Crore)

Particulars		Year ended March 31, 2024	Year ended March 31, 2023
Contingent Liabilities shall be classified as:			
a)	Claims against the company not acknowledged as debt;		
(i)	Service tax demand raised in respect of reversal of cenvat credit on common input tax credits	1.15	-
(ii)	Income tax demands in respect disputed disallowances and tax deducted at source under the Income Tax Act,1961. With regards to above, the Company is hopeful of succeeding and as such does not expect any significant liability to crystallize. (refer note (i) and (ii) below)	0.55	0.55
b)	Guarantees excluding financial guarantees; and		
(i)	Bank Gurantees given as collateral for margins to various stock exchanges against Fixed Deposit	1,222.20	946.30

Note :

(i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgments/decisions pending with various forums/authorities.

(ii) The Company's pending litigations comprise of claims against the Company pertaining to proceedings pending with Income Tax. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

Notes (Contd..)

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

31 Commitments

(₹ in Crore)

Particulars	Year ended March 31, 2024	Year ended March 31, 2023
Estimated amount of contracts remaining to be executed on capital account and not provided for	0.07	0.18
Commitments for the acquisition of property, plant and equipment	Nil	Nil

32 Significant Investment in the Subsidiaries

Name of the company	Principal Place of business	Holding/Subsisiary/Associate	% of shares held
Equity shares of JM Financial Commtrade Limited	7th Floor, Cnergy, Appasaheb Marathe Marg Prabhadevi MUMBAI Mumbai City Maharashtra, India	Wholly-owned Subsidiary	100
Astute Investments	JM Financial Services Ltd. 1st Floor B wing, Suashish IT Park, Plot No. 68E, off Datta Pada Road, Opp. Tata Steel, Borivali East, Mumbai - 400 066.	Partnership Firm	90
ARB Maestro	JM Financial Services Ltd. 1st Floor B wing, Suashish IT Park, Plot No. 68E, off Datta Pada Road, Opp. Tata Steel, Borivali East, Mumbai - 400 066.	Association of person	90

33 Earning per equity share

(₹ in Crore)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
(a)	Profit attributable to equity share holders (₹in crore)	102.24	37.98
(b)	Weighted Number of equity shares outstanding during the year	5,27,73,014	5,00,00,000
(c)	Weighted Number of equity shares outstanding during the year after adjustment for dilution	6,15,04,465	5,75,00,000
(d)	Nominal value per share (₹)	10	10
(e)	EPS :		
	Basic (₹)	16.75	7.60
	Diluted (₹)	16.62	6.58

34 Share-based payments

34.1 Employee share option plan of the Holding Company

During the current year and in the earlier years , based on the request made by JM Financial Services Limited ('the Company'), JM Financial Limited, in accordance with Securities And Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999, has granted the equity stock options, inter alia, to the eligible employees and/or directors of the Company.

(₹ in Crore)

	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1	Charge on account of the above scheme included in employee benefit expenses	0.02	(0.13)

34.2 Employee share option plan of the Company

The Board at its meeting held on May 13, 2022 had accorded its consent to create, grant, offer and allot upto 25,00,000 stock options under Employees Stock Option Scheme ("Scheme") subject to the approval of members. The members at the Annual General meeting held on July 21, 2022 had approved the Scheme. Further, the Employees' Stock Option Committee constituted by the Board has approved the grant of 4,80,766 stock options ("ESOP") on October 12, 2022 under the Scheme termed as "JM Financial Services Employee Share Purchase Option Scheme 2022" / "JMFSL-ESOS 2022"/ "Scheme" at an exercise price of ₹104/- per option to the Employees, that will vest in a graded manner and which can be exercised as specified in the scheme. However, the Board at its meeting held on January 23, 2024 had revised the exercise price to ₹ 102/- per ESOP. Further, there was no grant of stock options during the financial year 2023-24.

Notes (Contd..)

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

The details of options are as under:

	For the year ended March 31, 2024	For the year ended March 31, 2023
Outstanding at the beginning of the year	4,80,766	-
Add: Granted during the year	-	4,80,766
Less: Exercised and shares allotted during the year	-	-
Less: Forfeited/cancelled during the year	-	-
Less: Lapsed during the year	-	-
Outstanding at the end of the year	4,80,766	4,80,766
Exercisable at the end of the year	-	-

The Company follows fair value based method of accounting for determining compensation cost for its stock-based compensation scheme. The fair value of each stock options granted during the current year is mentioned in the table below. The fair value has been calculated by applying Black and Scholes model as valued by an independent valuer.

Tranches	% of Options to be vested	No. of options granted	
		Current Year	Previous Year
Tranche-1	10%	48,077	NA
Tranche-2	20%	96,153	NA
Tranche-3	30%	144,230	NA
Tranche-4	40%	192,300	NA

Tranches	Vesting date		Fair value per option	
	Current Year	Previous Year	Current Year	Previous Year
Tranche-1	12-Oct-24	NA	116.43	NA
Tranche-2	12-Oct-25	NA	116.34	NA
Tranche-3	12-Oct-26	NA	115.66	NA
Tranche-4	12-Oct-27	NA	114.49	NA

Series "JMFSL-ESOS 2022"/ "Scheme"	Life of the Option (in years)		Risk-free interest rate	
	Current Year	Previous Year	Current Year	Previous Year
Tranche-1	2	2	7.41	7.41
Tranche-2	3	3	7.41	7.41
Tranche-3	4	4	7.41	7.41
Tranche-4	5	5	7.41	7.41

Series "JMFSL-ESOS 2022"/ "Scheme"	Volatility		Dividend Yield	
	Current Year	Previous Year	Current Year	Previous Year
Tranche-1	0.5	0.5	0.04	0.04
Tranche-2	0.5	0.5	0.04	0.04
Tranche-3	0.5	0.5	0.04	0.04
Tranche-4	0.5	0.5	0.04	0.04

34.3 ESOP cost for the scheme name "JMFSL-ESOS 2022" recognised in Statement of Profit and Loss during financial year 2023-24 is ₹1.51 crore (Previous year ₹0.70 crore).

34.4 Details of options granted under "JMFSL-ESOS 2022"/ "Scheme" are as under:

Grant date	Options granted	Options exercised during the year	Options forfeited/ cancelled during the year	Options lapsed during the year	Outstanding at the end of the year	Exercisable at the end of the year
12-Oct-22	480,766	-	-	-	480,766	-

Notes (Contd..)

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

Vesting of option		Exercise period	Exercise price	Pricing formula
Year 1	0%	within 5 years from the date of vesting	₹102.00	Exercise price of ₹104 was determined by the ESOP Committee at its meeting held on October 12, 2022, now is revised to ₹102 by Board at its meeting held on January 23, 2024
Year 2	10%			
Year 3	20%			
Year 4	30%			
Year 5	40%			

35 Lease Transactions

As per IND AS 116, a lease modification is accounted for as a separate lease if the modification increases the scope of the lease by adding the right to use one or more underlying assets and the consideration of the lease increases by an amount commensurate with the standalone price for the increase in scope.

- Accordingly, the Company has accounted for the increase in scope of the lease of underlying asset as a new lease and increased the right to use asset and lease liability by ₹0.35 crore (Previous Year ₹37.26 crore) without any corresponding impact in P&L.

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

(₹ in Crore)

Particular	As at March 31, 2024	As at March 31, 2023
Opening balance	103.77	51.67
Additions during the year	21.59	64.23
Deletions during the year	(1.24)	(0.57)
Finance costs accrued during the year	9.76	6.95
Payment of lease liabilities	(26.72)	(18.51)
Total	**107.16**	**103.77**

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

(₹ in Crore)

Particulars	Total minimum lease payments outstanding	
	March 31, 2024	March 31, 2023
Before 3 months	6.76	6.04
3 - 6 months	6.69	6.54
6 - 12 months	13.19	13.30
1 - 3 years	54.78	53.67
3 - 5 years	44.24	53.03
Above 5 years	2.14	21.10
Total	**127.80**	**153.68**

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.

Future Commitements

(₹ in Crore)

Particulars	March 31, 2024	March 31, 2023
Future undiscounted lease payments to which leases is not yet commenced	0.01	1.05

Notes (Contd..)

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

The minimum vehicles lease rentals outstanding as at the year-end are as under:

(₹ in Crore)

Particulars	March 31, 2024	March 31, 2023
Before 3 months	0.36	0.15
3 - 6 months	0.36	0.15
6 - 12 months	0.72	0.22
1 - 3 years	3.09	0.73
3 - 5 years	0.35	0.04
Above 5 years	-	-
Total	**4.88**	**1.29**

The Company does not face significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

36 Employee Benefit :

Defined Contribution Plan:

The Company operates defined contribution plans (Provident fundand 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 ₹9.01 crore (Previous Year: ₹8.10 crore) has been recognised in the Statement of Profit and Loss under the head Employees Benefit Expenses.

Short-term employee benefits:

The Company provides for accumulated compensated absences as at balance sheet date using full cost method to the extent leave will be utilised. The charge for the current year is disclosed under Salaries and Bonus.

Defined benefit obligation

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

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

Interest Rate Risk:

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

Longevity Risks:

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

Salary Risks:

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

Notes (Contd..)

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

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

Particular	As at March 31, 2024	As at March 31, 2023
Significant assumptions		
Discount rate (%)	7.15%	7.45%
Expected rate of salary escalation (%)	7.00%	7.00%
Other assumption		
Mortality Table	Indian Assured Lives (2012-14) Ultimate	Indian Assured Lives (2012-14) Ultimate

b) Amount recognised in Balance sheet in respect of these defined benefit obligation:

(₹ in Crore)

Particular	As at March 31, 2024	As at March 31, 2023
Present value of defined benefit obligation	13.93	14.03
Fair value of plan assets	-	-
Net liability	**13.93**	**14.03**

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

(₹ in Crore)

Particular	For the year ended March 31, 2024	For the year ended March 31, 2023
Current service cost	2.10	1.94
Net interest cost	0.82	0.91
Past service cost	-	-
Total amount recognised in profit & loss	**2.92**	**2.85**

Components of defined benefits cost recognised outside profit and loss
Remeasurements on the net defined benefit liability :

(₹ in Crore)

Particular	For the year ended March 31, 2024	For the year ended March 31, 2023
- Actuarial (gain)/loss from change in demographic assumptions	(0.09)	-
- Actuarial (gain)/loss from change in financial assumptions	0.16	(0.33)
- Actuarial (gain)/loss from change in experience adjustments	0.12	0.68
Total amount recognised in other comprhensive income	**0.19**	**0.35**

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

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

(₹ in Crore)

Particular	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening defined benefit obligation	14.03	13.11
Current service cost	2.10	1.95
Past service cost	-	-
Interest cost	0.82	0.91
Remeasurements (gains)/losses:		
Actuarial (gain)/loss from change in demographic assumptions	(0.09)	-
Actuarial (gain)/loss from change in financial assumptions	0.15	(0.33)
Actuarial (gain)/loss from change in experience adjustments	0.12	0.68
Benefits paid	(0.79)	(2.22)
Liability assumed / settled	(2.41)	(0.07)
Closing defined benefit obligation	**13.93**	**14.03**

Notes (Contd..)

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

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

(₹ in Crore)

Particulars	As at March 31, 2024 Increase	As at March 31, 2024 Decrease	As at March 31, 2023 Increase	As at March 31, 2023 Decrease
Discount rate (- / +0.5%)	13.67	14.20	13.40	14.71
% change compared to base due to sensitivity	-1.89%	1.96%	-4.49%	4.83%
Salary growth rate (- / +0.5%)	14.17	13.69	14.58	13.50
% change compared to base due to sensitivity	1.73%	-1.70%	3.96%	-3.80%

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

There is no change in the method of valuation for the prior periods in preparing the sensitivity analysis. For change in assumptions refer to note (a) above.

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

f) Projected benefits payable:

(₹ in Crore)

Particular	As at March 31, 2024	As at March 31, 2023
Expected benefits for year 1	3.77	1.22
Expected benefits for year 2	2.64	1.00
Expected benefits for year 3	2.12	1.10
Expected benefits for year 4	1.95	0.67
Expected benefits for year 5	1.81	1.04
Expected benefits for year 6	1.29	1.47
Expected benefits for year 7	1.23	1.44
Expected benefits for year 8	0.89	1.57
Expected benefits for year 9	0.66	1.56
Expected benefits for year 10 and above	2.80	21.81

The weighted average duration of the defined benefit obligation is 3.84 years (previous year 9.32 years).

37 Related party disclosures

A) Enterprise where control exists

i) Holding Company — JM Financial Limited

ii) Subsidiary Company/Firm/AOP — JM Financial Commtrade Limited
JM Financial Capital Limited (till May 18, 2023)
JM Financial Institutional Securities Limited (till May 18, 2023)
Astute Investments (Partnership Firm)
ARB Maestro(Association of Persons)

Notes (Contd..)

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

B) Related parties in accordance with Ind AS 24 "Related Party Disclosures"

(Parties with whom the transactions were carried out during the current year/previous year)

i)	Holding Company	JM Financial Limited
ii)	Subsidiary Company	JM Financial Commtrade Limited JM Financial Capital Limited (till May 18, 2023) JM Financial Institutional Securities Limited (till May 18, 2023)
iii)	Partnership Firm	Astute Investments
iv)	Association of Persons	ARB Maestro
v)	Fellow Subsidiaries	JM Financial Institutional Securities Limited (wef may 19, 2023) JM Financial Products Limited JM Financial Properties and Holdings Limited JM Financial Asset Management Limited Infinite India Investment Management Limited CR Retail Malls (India) Limited JM Financial Credit Solutions Limited JM Financial Asset Reconstruction Company Limited JM Financial Home loans Limited JM Financial Securities Inc JM Financial Singapore Pte Ltd JM Financial Overseas Holdings Private Limited
vi)	Key Management Personnel and close members of the Key Management Personnel	Ms. Dimple Mehta (Company Secretary) Relatives : Mr. Mayank Mehta Mr. Ashok Upadhyay Ms. Nayana Upadhyay Master Vivaan Mehta Master Mehaan Mehta Mr. Sunil Upadhyay
		Mr. Nirav Gandhi (Whole-Time Director) Relatives : Mrs. Devanshi Agrawal Mr. Mansukhlal Gandhi Mrs. Mrudula Gandhi Ms. Nishi Gandhi Ms. Karishma Gandhi Mr. Bushan Nagendra
		Mr. Dimplekumar Shah (Whole-Time Director) Relatives : DimpleKumar Shah HUF Mrs. Purvi DimpleKumar Shah Ms. Maanya DimpleKumar Shah Mr. Devikaben Navinchandra Shah Mr. Jigar Navinchandra Shah Mr. Ishita Amit Pothiwala
		Mr. Amit Agrawal (Chief Financial Officer) Relatives : Ms. Priyanka Agrawal Mr. Trilok Chandra Agrawal Ms. Geeta Agrawal Mr. Shrihaan Agrawal Ms. Ananya Agrawal Mr. Rajesh Agrawal

Notes (Contd..)

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

vii) KMPs of parent company i.e. JM Financial Limited and close members of the KMPs of parent company	Mr. Nimesh Kampani (Non- executive Chairman of JMFL, the Holding Company) Mr. Vishal Kampani (Non-executive Chairman of JMFSL and also a Non-Executive Vice Chairman of JMFL, the Holding Company) Relatives : Mr. Nimesh N Kampani Ms. Aruna Kampani Mrs.Madhu Vishal Kampani Mr. Shiv Kampani Ms. Avantika Kampani Ms. Amishi Kampani
	Mr. Manish Sheth (CFO of JMFL, the Holding Company (Upto September 30, 2023)) Relatives : Manish C Sheth HUF Mrs. Sejal Sheth Ms. Prisha Sheth Mr. Chhabildas Sheth Mrs. Chandrika Sheth Mr. Jignesh Sheth
	Mr. Nishit Shah (CFO of JMFL, the Holding Company (With effect from October 1, 2023)) Relatives : Ms. Anuja Trivedi Mr. Ashwin Shah Ms. Vasumati Shah Ms. Ananya Shah Mr. Nimish Shah
	Mr. Adi Patel (Joint MD of JMFL, the Holding Company) Relatives : Ms. Zenobia Adi Patel Mr. Rusi Perojshah Patel Mr. Kaizad Adi Patel Ms. Winifer Adi Patel
	Mr. Atul Mehra (A director of JMFSL (till 23.01.2024) and also a Joint MD of JMFL (till March 28, 2024), the Holding Company) Relatives : Mrs. Suvidha Mehra Shri Sham Mehra Mrs. Santosh Mehra Ms. Sammika Mehra Ms. Sasha Mehra Ms. Priya Malhotra
viii) Directors	Mr. Vishal Kampani Ms. Dipti Neelakantan Mr. Hemant Kotak Mr. DimpleKumar Shah Mr.Nirav Gandhi Mr. Atul Mehra (w.e.f August 17, 2023 till January 23, 2024) Mr. Chirag Negandhi (w.e.f February 20, 2024)
ix) Independent directors	Dr. Anup Shah Mr. Parthiv Kilachand Mr. Prakash Parthasarathy

Notes (Contd..)

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

x)	Associate	JM Financial Trustee Company Private Limited
xi)	Enterprises over which any person described in Clause B iv) and vi) above is able to exercise significant influence	J.M. Financial & Investment Consultancy Services Private Limited J.M. Assets Management Limited JSB Securities Limited Kampani Consultants Limited (till Jun 16, 2023) Persepolis Investment Company Private Limited SNK Investments Private Limited Capital Market Publishers India Private Limited Kampani Properties and Holding Limited DayOne Learning Solutions (OPC) Private Limited
xii)	Private company in which a director or manager (or his relative) is a member or director	Macro Investment & Financial Consultants Private Limited (till October 10, 2023) Knowhowhub.com Private Limited (till October 10, 2023) Landmark Business Service Centre Private Limited JM Financial Trustee Company Private Limited (w.e.f August 3, 2023) Watson Infrabuild Private Limited (Shruti Shah relative of Anup Shah) Renewables Trinethra Private Limited (Shruti Shah relative of Anup Shah) DJ Energy Private Limited (Shruti Shah relative of Anup Shah) Uttar Urja Projects Private Limited (Shruti Shah relative of Anup Shah) Trinethra Wind And Hydro Power Private Limited (Shruti Shah relative of Anup Shah) Bothe Windfarm Development Private Limited (Shruti Shah relative of Anup Shah) Adani Solar Energy Kutchh Two Private Limited (Shruti Shah Relative Of Anup Shah) Surajkiran Solar Technologies Private Limited (Shruti Shah Relative Of Anup Shah) Surajkiran Renewal Resources Private Limited (Shruti Shah Relative Of Anup Shah) Adani Solar Energy AP Seven Private Limited (Shruti Shah Relative Of Anup Shah) Doli Chambers Premises Private Limited (Pragna Pravin Shah relative of Anup Shah) **Mr. Vishal Kampani** JM Financial and Investment Consultancy Services Private Limited Capital Market Publishers India Private Limited Persepolis Investment Company Private Limited JM Financial Trustee Company Private Limited (Nimesh Kampani relative of Vishal Kampani) SNK Investments Private Limited (Nimesh Kampani relative of Vishal Kampani) Dayone Learning Solutions (OPC) Private Limited (Madhu Kampani relative of Vishal Kampani) **Dr. Anup Shah** Macro Investment & Financial Consultants Private Limited (till October 10, 2023) Knowhowhub.com Private Limited (till October 10, 2023) Landmark Business Service Centre Private Limited JM Financial Trustee Company Private Limited (w.e.f August 3, 2023) Watson Infrabuild Private Limited (Shruti Shah relative of Anup Shah) Renewables Trinethra Private Limited (Shruti Shah relative of Anup Shah) DJ Energy Private Limited (Shruti Shah relative of Anup Shah) Uttar Urja Projects Private Limited (Shruti Shah relative of Anup Shah) Trinethra Wind And Hydro Power Private Limited (Shruti Shah relative of Anup Shah)

Notes (Contd..)

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

	Bothe Windfarm Development Private Limited (Shruti Shah relative of Anup Shah) Adani Solar Energy Kutchh Two Private Limited (Shruti Shah Relative Of Anup Shah) Surajkiran Solar Technologies Private Limited (Shruti Shah Relative Of Anup Shah) Surajkiran Renewal Resources Private Limited (Shruti Shah Relative Of Anup Shah) Adani Solar Energy AP Seven Private Limited (Shruti Shah Relative Of Anup Shah) Doli Chambers Premises Private Limited (Pragna Pravin Shah relative of Anup Shah)
	Mr. Parthiv Kilachand Highclass Trading Private Limited Masuma Tradecorp Private Limited Virsun Investments Private Limited Tulsi Global Logistics Private Limited Delmar Trading Company Private Limited Esmeralda Advisors Private Limited (Nandish Kilach relative of Parthiv Kilachand)
	Ms. Dipti Neelakantan JM Financial Trustee Company Private Limited Multiples Equity Fund Trustee Private Limited Miksar Foods Private Limited (Kshitij Neelakantan relative of Dipti Neelakantan)
	Mr. Prakash Parthasarathy Manipal Global Education Services Private Limited FabIndia International Pte Ltd Creaegis Investment Advisers Pvt Ltd (Formerly Creaegis Consultants Pvt Ltd) Creaegis I Pvt Ltd (Incorporated in Cayman Islands)
	Mr. Nirav Gandhi 9 AND 9 BI (OPC) Private Limited
xiii) Public company in which a director or manager is a director and holds singly or along with his relatives, more than two percent of its paid up share capital	**Mr. Vishal Kampani** JM Financial Limited JM Financial Asset Management Limited Kampani Consultants Limited (till June 16, 2023) **Mr. Parthiv Kilachand** Polychem Limited Ginners and Pressers Limited Sun Tan Trading Company Limited Environmental Purifiers Limited
xiv) Any body corporate whose Board of Directors, managing director or manager is accustomed to act in accordance with the advice, directions or instructions of a director or manager	Mr. Prakash Parthasarathy-Fabindia International Pte Ltd. & Creaegis Advisors Limited Mr. Nirav Gandhi- Association of National Exchanges Members of India
xv) Section 8 company	Dr. Anup Shah- Health and Education Foundation

Notes (Contd..)

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

C) Details of transactions with related parties during the year:

(₹ in Crore)

Name of the related party	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
i) Holding Company			
JM Financial Limited	Reimbursement of employee expenses	0.02	-
	Recovery of employee expenses	-	0.13
	Rent paid	0.28	0.27
	ICD Taken	1,881.00	1,730.00
	ICD Repaid	1,881.00	1,730.00
	Interest on ICD	7.05	2.56
	Fees Received	22.75	25.43
	Dividend on Preference Shares	0.45	0.45
	Dividend on Equity Shares	15.75	50.00
	0.01% Compulsorily convertible Pref shares	-	42.00
	Issue of Share Premium (1,63,25,000 share @ ₹88/-)	143.66	-
	Issue of Share capital (1,63,25,000 share @ ₹10/-)	16.33	-
	Gratuity paid in transfer of employee	0.10	0.04
	Interest on Preference Shares	0.11	-
	Demat Charges Received*	-	-
	Income net of passouts pertaining to the related party transferred on account of demerger (PMS & Wealth Division)	29.77	-
	Expenses pertaining to the related party transferred on account of demerger (PMS & Wealth Division)	19.86	-
	Closing Balance Receivable / (Payable)	4.98	5.13
	Closing Balance Receivable / (Payable)-Demerger (PMS)	(0.06)	-
	Closing Balance Receivable / (Payable)-Demerger (Wealth Division)	(0.38)	-
	Closing Balance - Deposit	1.00	1.00
	Closing Balance - Equity Share Capital	66.33	50.00
	Closing Balance - 6% Compulsorily Convertible Preference Shares	7.50	7.50
	Closing Balance -0.01% Compulsorily convertible Pref shares	2.00	42.00
	* (Current Year ₹542/-)		
ii) Subsidiary Company			
JM Financial Commtrade Limited	Reimbursement of expenses (Received)	0.07	-
	ICD Taken	116.39	68.80
	ICD Repaid	116.39	68.80
	Interest on ICD paid	1.93	1.19
	Closing Balance - Investment in Equity Shares	5.00	5.00
	Closing Balance - Investment in 9% non-cumulative redeemable preference shares	2.50	2.50
	Closing Balance - Investment in 6% optionally convertible redeemable non-cumulative preference shares	12.00	16.00
	Closing Balance Receivable / (Payable)	-	-
JM Financial Capital Limited (till May 18, 2023)	ICD Taken	-	115.00
	ICD Repaid	-	65.00
	Interest on ICD paid	-	0.83
	Reimbursement of expenses (Received)	-	0.03
	Recovery of Employee's Health Insurance expenses	-	-
	Gratuity paid in transfer of employee	-	0.01
	Dividend Received	-	-
	Secondary Brokerage Received	-	-
	Closing Balance - Investment in Equity Shares	-	225.00
	Closing Balance Receivable / (Payable) - ICD	-	(50.00)
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.			

Notes (Contd..)

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

(₹ in Crore)

Name of the related party	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
JM Financial Institutional Securities Limited (till May 18, 2023)	Dividend from Shares	-	15.75
	Recovery of Employee's Health Insurance expenses	-	-
	Inter Corporate Deposits given	-	12.50
	Inter Corporate Deposits repaid	-	12.50
	Interest income on Inter Corporate Deposits given	-	0.01
	Closing Balance - Investment in Equity Shares	-	27.75
	Closing Balance Receivable / (Payable)	-	-
iii) Partnership Firm			
Astute Investments	Receipt on partner's current account	2.53	2.07
	Interest on Margin	-	0.58
	Referral fees paid	-	1.17
	Margin Deposit received	0.22	62.69
	Margin Deposit refunded	0.15	63.88
	Secondary Brokerage Received#	-	0.04
	Demat charges received*	-	-
	Reimbursement of expenses (received)	0.06	0.09
	Share of Profit for the period	2.80	0.58
	Closing Balance Receivable / (Payable) - Current Account	0.49	0.21
	Closing Balance Receivable / (Payable) - Trade Receivable^	-	-
	Closing Balance Receivable / (Payable) - Capital Account	0.90	0.90
	Closing Balance Receivable / (Payable) - Margin Deposit	(0.12)	(0.04)
	* ₹1,000/- (Previous Year ₹23,160/-)		
	# (Current Year ₹. 20,563/-)		
	^ Nil (Previous year ₹6,690/-)		
iv) Association of Persons			
ARB Maestro	Receipt on member's current account	12.08	3.69
	Interest on Margin	32.73	7.73
	Margin Deposit received	1,393.12	566.39
	Margin Deposit refunded	1,208.82	234.37
	Contribution toward Capital Account	-	0.90
	Secondary Brokerage Received	0.47	0.63
	Demat charges received*	-	0.01
	Reimbursement of expenses (received)	0.52	0.23
	Share of Profit for the period	14.08	4.67
	Closing Balance Receivable / (Payable) - Current Account	2.99	0.98
	Closing Balance Receivable / (Payable) - Margin Deposit	(516.32)	(332.02)
	Closing Balance Receivable / (Payable) - Capital Account	0.90	0.90
	* (Current Year ₹27,680/-)		
v) Fellow Subsidiaries			
JM Financial Institutional Securities Limited (wef. May 19, 2023)	Gratuity paid in transfer of employee	0.03	-
	Gratuity received in transfer of employee	0.08	-
JM Financial Products Limited	ICD Taken	1,702.20	670.00
	ICD Repaid	1,702.20	670.00
	Interest on ICD paid	0.79	2.81
	Fees Received#	-	-
	Maturity proceeds received on redemption of NCDs	-	19.84
	Reimbursement of expenses (Received)	0.08	0.07
	Recovery of Employee's Health Insurance expenses^	-	-
	Secondary Brokerage Received (Own)	0.97	0.89
	Gratuity paid in transfer of employee	0.39	0.06
	Gratuity Received in transfer of employee	0.13	0.04
	Demat charges received*	-	-
	Closing Balance Receivable / (Payable) - Margin Deposit	(5.00)	-
	Closing Balance Receivable / (Payable)	10.71	(22.39)
	# (Current Year ₹36,223/-)		
	^ Nil (Previous year ₹17,147/-)		
	* (Current Year ₹1,292/-)		

Notes (Contd..)

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

(₹ in Crore)

Name of the related party	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
JM Financial Asset Management Limited	Demat charges received *		
	Closing Balance Receivable	-	-
	* (Current Year ₹500/-)	-	-
JM Financial Properties and Holdings Ltd.	Business Service Centre Expenses	13.08	9.23
	Reimbursement of expenses - paid	1.79	1.28
	Reimbursement of expenses (Received)#	-	0.01
	ICD Taken	-	155.00
	ICD Repaid	50.00	105.00
	Interest on ICD paid	0.06	0.10
	Property Deposit Received	-	4.60
	Closing Balance Receivable / (Payable) - ICD	-	(50.00)
	Closing Balance - Deposit	10.59	10.59
	# (Current Year ₹10,000/-)		
CR Retail Malls (India) Limited	ICD Taken	-	30.00
	ICD Repaid	-	30.00
	Interest on ICD paid	-	0.06
	Demat charges received*	-	-
	Closing Balance Receivable / (Payable)	-	-
	* ₹500/- (Previous Year ₹500/-)		
JM Financial Asset Reconstruction Company Limited	Investment in market linked non -convertible debentures	-	320.00
	Fees received	-	6.61
	Gratuity Received in transfer of employee	-	0.01
	Secondary Brokerage Received#	0.01	-
	Closing Stock of MLD (at Face Value)	0.20	1.80
	Closing Balance Receivable / (Payable)	-	-
	#(Previous Year ₹3,425/-)		
JM Financial Credit Solutions Limited	Reimbursement of expenses (Received)	0.02	0.07
	ICD Taken	400.00	110.00
	ICD Repaid	-	110.00
	Interest on ICD paid	2.17	0.03
	Demat charges received*	-	-
	Closing Balance Receivable / (Payable)	(400.00)	-
	* (Current Year ₹1000/-)		
JM Financial Home Loan Limited	Reimbursement of expenses (Received)	0.05	0.04
	Closing Balance Receivable / (Payable)	-	-
vi) Key Management Personnels/Wholetime direcor & Company Secretary and its close members of the family (relatives)			
Key Management Personnels/ Wholetime Director & Company Secretary	Remuneration :		
	Short term employee benefits	8.27	8.74
	Post employment benefits	0.17	0.21
	Share based payments (refer note no. 33)	-	0.25
	Demat charges received*	0.00	0.00
	Secondary Brokerage Received	0.01	0.01
	Interest income from margin money#	0.03	0.00
	Closing Balance Receivable / (Payable)	(6.01)	(4.09)
	* ₹2,340/- (Previous Year ₹2,745/-)		
	# Previous Year ₹39,439/-		

Notes (Contd..)

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

(₹ in Crore)

Name of the related party	Nature of Transaction	Year ended March 31, 2024	Year ended March 31, 2023
Relatives of Key Management Personnels	Demat charges received *	-	-
	Secondary Brokerage Received	0.03	0.02
	Sitting Fees paid	-	-
	Director's Commission	-	-
	Sale of Bonds of Market Linked Debentures	-	4.01
	Closing Balance Receivable / (Payable)	(0.24)	(0.05)
	* ₹942/- (Previous Year ₹1090/-)		
vii) Directors	Sitting Fees paid	0.06	0.05
	Director's Commission	0.07	0.05
	Demat charges received *	-	-
	Secondary Brokerage Received	0.01	0.01
	Closing Balance Receivable / (Payable)^	(0.07)	(0.05)
	* ₹2,944/- (Previous Year ₹1,750/-)		
	^ ₹270/-		
viii) Independent Directors	Sitting Fees paid	0.09	0.11
	Director's Commission	0.20	0.10
	Closing Balance Receivable / (Payable)	(0.20)	(0.10)
ix) Associate			
JM Financial Trustee Company Private Limited	Secondary Brokerage Received#	-	-
	Closing Balance Receivable / (Payable)	-	-
	# Current Year ₹20,184/-		
x) Enterprises over which any person described in Clause B (iv) and (v) above is able to exercise significant influence			
J. M. Financial & Investment Consultancy Services Pvt Ltd	Secondary Brokerage Received	0.37	0.17
	Demat charges received*	-	-
	Gratutiy paid in transfer of employee	-	-
	Closing Balance Receivable / (Payable)	-	-
	* ₹1,025/- (Previous Year ₹950/-)		
JM Assets Management Private Limited	Secondary Brokerage Received	0.05	0.08
	Closing Balance Receivable / (Payable)	-	-
Kampani Consultants Limited (till Jun 16, 2023)	Rent paid	-	0.05
	Secondary Brokerage Received	-	0.03
	Closing Balance Receivable / (Payable)	-	-
Persepolis Investment Company Private Limited	Rent paid	0.05	-
	Secondary Brokerage Received#	0.01	-
	Closing Balance Receivable / (Payable)	-	-
	# Previous Year ₹10,288/-		
JSB Securities Limited	Demat charges received*	-	-
	Closing Balance Receivable / (Payable)**	-	-
	* ₹500/- (Previous Year ₹392)		
	** Balance Payable ₹2,604/-(Previous Year ₹3,194)		
Kampani Properties and Holdings Limited	Secondary Brokerage Received#	-	-
	Closing Balance Receivable / (Payable)	-	-
	# Current Year ₹31,082/-		
Capital Market Publishers India Private Limited	IT - Application expenses	0.04	0.04
	Closing Balance Receivable / (Payable)	-	-

Notes (Contd..)

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

37.1 The above transactions are excluding Service tax/Goods & Service tax wherever applicable.

37.2 The details of related party relationships are identified by the management of the company and relied upon by auditors.

37.3 There have been no write-off / write back in case of related party.

37.4 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.

38. Dividend

(₹ in Crore)

Particular	year ended March 31, 2024	year ended March 31, 2023
(a) Dividend Paid :		
Dividends on equity shares declared and paid during the year:		
Final dividend paid on Equity Shares		
Paid during the year for the earlier financial year	15.75	50.00
Dividend per share for the earlier financial year	₹3.15	₹10.00
Final dividend on 6% Compulsory Convertible Preference shares		
Paid for the earlier financial year	0.45	0.45
Dividend per share for the earlier financial year	₹0.60	₹0.60
Total dividend paid	**16.20**	**50.45**
(b) Dividend Proposed :		
Final dividend proposed on Equity Shares		
Proposed during the same financial year	-	15.75
Dividend per share for the same financial year	-	₹3.15
Final dividend on 6% Compulsory Convertible Preference shares		
Proposed during the same financial year*	0.45	0.45
Dividend per share for the same financial year	₹0.60	₹0.60
Final dividend on 0.01% Compulsory Convertible Preference Shares		
Proposed during the same financial year*	0.00	-
Dividend per share for the same financial year	₹ 0.001	-

*The dividend proposed by the board of directors and is subject to shareholders approval, at the next Annual General Meeting. The same has not been recognised as a liability at the respective year end.

39 Maturity Analysis of Assets and Liabilities

(₹ in Crore)

Particulars	March 31, 2024			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	58.13	-	58.13	110.34	-	110.34
(b) Other bank balances	2,838.33	31.02	2,869.35	1,503.21	66.02	1,569.24
(c) Derivative Financial Instruments	-	-	-	-	-	-
(c) Receivables						
Trade Receivable	264.31	1.55	265.86	830.39	-	830.39
Other Receivable	32.08	-	32.08	79.21	-	79.21
(d) Loans	1,401.75	-	1,401.75	782.25	-	782.25
(e) Investments	165.12	24.78	189.89	83.64	54.25	137.89
(f) Other Financial assets	118.25	17.48	135.73	40.19	16.14	56.33
Total Financial Assets	**4,877.97**	**74.82**	**4,952.79**	**3,429.23**	**136.42**	**3,565.65**

Notes (Contd..)

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

(₹ in Crore)

Particulars		March 31, 2024			March 31, 2023		
		Within 12 months	After 12 months	Total	Within 12 months	After 12 months	Total
(2)	**Non-financial Assets**						
(a)	Current tax Assets (Net)	-	33.07	33.07	-	59.13	59.13
(b)	Deferred tax assets (net)	-	12.01	12.01	-	11.57	11.57
(c)	Property, Plant and Equipment	-	121.04	121.04	-	111.34	111.34
(d)	Intangible assets under Development	-	3.71	3.71	-	5.18	5.18
(e)	Other Intangible assets	-	16.90	16.90	-	7.96	7.96
(f)	Other non-financial assets	24.57	-	24.57	21.08	-	21.08
	Total Non-financial Assets	**24.57**	**186.73**	**211.30**	**21.08**	**195.18**	**216.26**
	Total Assets (A)	**4,902.54**	**261.55**	**5,164.09**	**3,450.31**	**331.60**	**3,781.91**
Liabilities							
(1)	**Financial Liabilities**						
(a)	Trade Payables	87.90	-	87.90	40.51	-	40.51
	Other Payable	1,100.86	2.94	1,103.80	1,282.07	-	1,282.07
(b)	Debt Securities	1,210.59	230.00	1,440.59	941.34	42.00	983.34
(c)	Borrowings (Other than Debt Securities)	433.09	129.16	562.26	116.39	-	116.39
(d)	Lease Liabilities	38.59	68.57	107.16	20.67	83.10	103.77
(e)	Other financial liabilities	1,031.17	-	1,031.17	650.81	-	650.81
	Total Financial Liabilities	**3,902.21**	**430.67**	**4,332.88**	**3,051.79**	**125.10**	**3,176.89**
(2)	**Non-Financial Liabilities**						
(a)	Provisions	6.48	10.16	16.65	8.51	12.81	21.32
(b)	Other non-financial liabilities	28.58	-	28.58	16.41	-	16.41
	Total Non-Financial Liabilities	**35.06**	**10.16**	**45.23**	**24.92**	**12.81**	**37.73**
	Total Liabilities (B)	**3,937.27**	**440.84**	**4,378.11**	**3,076.70**	**137.91**	**3,214.62**
	Net (A) - (B)	**965.27**	**(179.29)**	**785.98**	**373.60**	**193.69**	**567.29**

40 Capital Management

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

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

The Company monitors capital using Adjusted net debt to equity ratio.

(₹ in Crore)

Particulars	As at March 31, 2024 Amount	As at March 31, 2023 Amount
Borrowings (long-term and short-term borrowings including current maturities)	2,005.64	1,100.56
Gross debt	**2,005.64**	**1,100.56**
Unencumbered Cash		
Less - Cash and cash equivalents	1.69	4.69
Less - Other bank deposits	3.50	50.00
Less - Investment in Mutual Fund	165.12	54.02
Total unencumbered cash	170.31	108.71
Adjusted net debt	1,835.33	991.85
Total equity	785.98	567.29
Adjusted net debt to equity ratio	2.34	1.75

Notes (Contd..)

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

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

41 Financial Instruments

41.1 Fair Value

Classes and categories of financial instruments and their fair values

The following table combines information about:

– classes of financial instruments based on their nature and characteristics

– the carrying amounts of financial instruments

– fair values of financial instruments and

– fair value hierarchy levels of financial assets and financial liabilities for which fair value was disclosed.

Accounting classification and fair values

(₹ in Crore)

As at March 31, 2024	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	58.13	58.13	-	-	-	-
Bank balances other than above	-	-	2,869.35	2,869.35	-	-	-	-
Receivables								
(i) Trade receivables	-	-	265.86	265.86	-	-	-	-
(ii) Other receivables	-	-	32.08	32.08	-	-	-	-
Loans	-	-	1,401.75	1,401.75	-	-	-	-
Investments	165.12	-	24.77	189.89	165.12	-	-	165.12
Other Financial assets	0.45	-	135.28	135.73	0.22	0.23	-	0.45
Total	**165.57**	**-**	**4,787.22**	**4,952.79**	**165.34**	**0.23**	**-**	**165.57**
Financial liabilities								
Trade Payables								
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	87.90	87.90	-	-	-	-
Other Payable								
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	1,103.80	1,103.80	-	-	-	-
Debt Securities	-	-	1,440.59	1,440.59	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	562.26	562.26	-	-	-	-
Lease Liabilities	-	-	107.16	107.16	-	-	-	-
Other financial liabilities	-	-	1,031.17	1,031.17	-	-	-	-
Total	**-**	**-**	**4,332.88**	**4,332.88**	**-**	**-**	**-**	**-**

Notes (Contd..)

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

(₹ in Crore)

As at March 31, 2023	Carrying amount				Fair value			
	FVTPL	FVOCI	Amortised Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Cash and cash equivalents	-	-	110.34	110.34	-	-	-	-
Bank balances other than above	-	-	1,569.24	1,569.24	-	-	-	-
Receivables								
(i) Trade receivables	-	-	830.39	830.39	-	-	-	-
(ii) Other receivables	-	-	79.21	79.21	-	-	-	-
Loans	-	-	782.25	782.25	-	-	-	-
Investments	54.02	-	83.87	137.89	54.02	-	-	54.02
Other Financial assets	2.15	-	54.18	56.33	0.14	2.01		2.15
Total	**56.17**	**-**	**3,509.48**	**3,565.65**	**54.16**	**2.01**	**-**	**56.17**
Financial liabilities								
Trade Payables								
Total outstanding dues of micro and small enterprises	-	-	0.10	0.10	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	40.41	40.41	-	-	-	-
Other Payable								
Total outstanding dues of micro and small enterprises	-	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	-	-	1,282.07	1,282.07	-	-	-	-
Debt Securities	-	-	983.34	983.34	-	-	-	-
Borrowings (Other than Debt Securities)	-	-	116.39	116.39	-	-	-	-
Lease Liabilities	-	-	103.77	103.77	-	-	-	-
Other financial liabilities	-	-	650.81	650.81	-	-	-	-
Total	**-**	**-**	**3,176.89**	**3,176.89**	**-**	**-**	**-**	**-**

41.2 Financial risk management

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

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

Risk management framework

The Company has a robust Risk Management framework to identify and evaluate business risks and opportunities.This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage

i) Credit risk

In respect of the broking operations credit risk is the risk of margin erosion due to market volatility/fluctuations, failure of clients to meet their financial obligations.The Company has in place, a widespread credit policy to monitor clients margin requirement to prevent risk of default which includes well defined basis for categorization of securities, client-wise/scrip-wise maximum exposure, segmentwise margin requirement, etc. for better management of credit risk.

In respect of its lending operations, the Company measures, monitors and manages credit risk at an individual borrower level and at the group exposure level for corporate borrowers. Company has structured and standardized

Notes (Contd..)

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

credit approval process including a comprehensive credit risk assessment, which encompasses analysis of relevant quantitative and qualitative information to ascertain the credit worthiness of the borrower. Credit teams track cases for early signs of stress, ensuring that corrective action is taken in the case of non – starter of early delinquency cases. Credit approvers and relationship managers are responsible for ensuring adherence to these policies.

The maximum exposure to credit risk for each class of financial instruments is the carrying amount of that class of financial instruments presented in the financial statements. The Company's major classes of financial assets are cash and cash equivalents, loans, investment in mutual fund units & Government Securities, term deposits, trade receivables and security deposits.

Deposits with banks are considered to have negligible risk or nil risk, as they are maintained with high rated banks/ financial institutions as approved by the Board of directors.

Investments include investment in liquid mutual fund units that are marketable securities of eligible financial institutions for a specified time period with high credit rating given by domestic credit rating agencies.

The management has established accounts receivable policy under which customer accounts are regularly monitored. The Company has a dedicated risk management team, which monitors the positions, exposures and margins on a continuous basis.

Expected Credit Loss (ECL):

For the purpose of computation of ECL, the term default implies an event where amount due towards margin requirement and / or mark to market losses for which the client was unable to provide funds / collaterals to bridge the shortfall, the same is termed as margin call triggered.

For arriving at the ECL, the Company follows ECL model as approved by board.

Reconciliation of impariment allowance on trade receivables: refer note no. 6.1

Reconciliation of impariment loss allowance on loans: refer note no. 7.2

Ageing of trade receivable: refer note no. 6.4

Company believes that the unimpaired amounts that are past due by more than 90 days are collectible in full, based on historical payment behaviour and extensive analysis of customer credit risk, including underlying customers' credit ratings wherever available.

ii) Liquidity risk

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

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

The Company has undrawn lines of credit of ₹383.63 Crore and ₹166.37 Crore as of March 31, 2024 and March 31, 2023 respectively, from its bankers for working capital requirements.

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

Notes (Contd..)

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

Exposure to liquidity risk

The following table details the Group's remaining contractual maturity for its financial liabilities. The table has been drawn up to reflect the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay.

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

Prudent liquidity risk management requires sufficient cash and marketable securities and availability of funds through adequate committed credit facilities to meet obligations when due and to close out market positions.

The Company has a view of maintaining liquidity with minimal risks while making investments. The Company invests its surplus funds in short term liquid assets in bank deposits and liquid mutual funds. The Company monitors its cash and bank balances periodically in view of its short term obligations associated with its financial liabilities.

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

(₹ in Crore)

For the year ended March 31, 2024	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables					
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	87.90	87.90	-	-	-
Other Payable					
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,103.80	1,102.36	0.70	0.75	-
Debt Securities	1,440.59	1,210.59	230.00	-	-
Borrowings (Other than Debt Securities)	562.26	433.09	129.16	-	-
Lease Liabilities	107.16	19.01	44.86	41.42	1.87
Other financial liabilities	1,031.17	1,031.17	-	-	-
Total	**4,332.88**	**3,884.13**	**404.72**	**42.17**	**1.87**
Financial assets					
Cash and cash equivalents	58.13	58.13	-	-	-
Bank balances other than above	2,869.35	2,838.33	30.81	0.21	-
Receivables					
(i) Trade receivables	265.86	264.32	0.95	0.59	-
(ii) Other receivables	32.08	32.08	-	-	-
Loans	1,401.75	1,401.75	-	-	-
Investments	189.89	165.12	-	-	24.77
Other Financial assets	135.73	118.32	1.75	10.72	4.94
Total	**4,952.80**	**4,878.04**	**33.52**	**11.53**	**29.71**

Notes (Contd..)

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

(₹ in Crore)

For the year ended March 31, 2023	Contractual cash flows				
	Carrying amount	0-1 year	1-3 years	3-5 years	More than 5 years
Financial liabilities					
Trade Payables					
Total outstanding dues of micro and small enterprises	0.10	0.10	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	40.41	40.41	-	-	-
Other Payable	-	-	-	-	-
Total outstanding dues of micro and small enterprises	-	-	-	-	-
Total outstanding dues of creditors other than micro and small enterprises	1,282.07	1,282.07	-	-	-
Debt Securities	983.34	941.34	-	-	42.00
Borrowings (Other than Debt Securities)	116.39	116.39	-	-	-
Lease Liabilities	103.77	15.22	33.37	38.04	17.14
Other financial liabilities	650.81	650.81	-	-	-
Total	**3,176.89**	**3,046.34**	**33.37**	**38.04**	**59.14**
Financial assets					
Cash and cash equivalents	110.34	110.34	-	-	-
Bank balances other than (a) above	1,569.24	1,555.25	13.65	0.34	-
Receivables					
(i) Trade receivables	830.39	830.39	-	-	-
(ii) Other receivables	79.21	79.21	-	-	-
Loans	782.25	782.25	-	-	-
Investments	137.89	83.64	-	54.25	-
Other Financial assets	56.33	46.34	1.23	1.19	7.57
Total	**3,565.64**	**3,487.42**	**14.88**	**55.78**	**7.57**

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 the fair value or future Cash flows of a financial instrument will fluctuate because of changes in market prices. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

i. Foreign currency risk

The Company does not have any foreign currency exposure as at each reporting date. Accordingly, foreign currency risk disclosure is not applicable.

ii. Interest rate risk

The Company is exposed to Interest risk if the fair value or future cash flows of its financial instruments will fluctuate as a result of changes in market interest rates. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates.

The Company's interest rate risk arises from borrowings, interest bearing deposits with bank and loans given to customers. Such instruments exposes the Company to fair value interest rate risk. Management believe that the interest rate risk attached to this financial assets are not significant due to the nature of this financial assets. All the borrowings of the company are fixed interest rate bearing instrument and hence there is no impact of movement in interest rate.

Notes (Contd..)

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

iii. Market price risks

The Company is exposed to market price risk, which arises from FVTPL investment in mutual funds. The management monitors the proportion of mutual funds investments in its investment portfolio based on market indices. Material investments within the portfolio are managed on an individual basis and all buy and sell decisions are approved by the appropriate authority.

iv. Interest rate risk

The Company is exposed to interest rate risk because company borrows funds at fixed interest rates. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate of borrowings.

Exposure to interest rate risk

The Company's exposures to interest rates on financial assets and financial liabilities are detailed in the liquidity risk management section of this note:

(₹ in Crore)

Particulars	As at March 31, 2024	As at March 31, 2023
Financial Assets		
Fixed rate instruments	4,536.96	3,211.62
Floating rate instruments	165.12	54.02
	4,702.08	**3,265.64**
Financial Liabilities		
Fixed rate instruments	1,889.70	1,020.00
Floating rate instruments	145.83	-
	2,035.53	**1,020.00**
Total	**6,737.61**	**4,285.64**

Fair value sensitivity analysis for floating rate instruments : Financial Assets

The Company is exposed to fair value interest rate risk in relation to floating rate investments.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remains constant.

Fair value sensitivity (net)- INR	Profit or (Loss)		Equity increase/(decrease)	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Floating rate instruments				
March 31, 2024	1.65	(1.65)	1.65	(1.65)
March 31, 2023	0.54	(0.54)	0.54	(0.54)

Fair value sensitivity analysis for floating rate instruments : Financial Liabilities

The Company is exposed to fair value interest rate risk in relation to floating rate borrowings.

A reasonably possible change of 100 basis points in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Fair value sensitivity (net)- INR	Profit or (Loss)		Equity increase/(decrease)	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Floating rate instruments				
March 31, 2024	(1.46)	1.46	(1.46)	1.46
March 31, 2023	-	-	-	-

Notes (Contd..)

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

42 Merger and Demerger

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

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

Accounting of amalgamation as per approved Composite Scheme:

(i) The Company recorded the assets, liabilities and reserves of the Transferor Companies, vested in it pursuant to this Scheme, at their respective book values as appearing in the books of the Transferor Companies;

(ii) The loans and advances or payables or receivables or any other investment or arrangement of any kind, held interse, between the Transferor Companies and the Company was cancelled.

(iii) The difference between the book value of assets, liabilities and reserves as reduced by the face value of the equity shares issued by the Company and after considering the cancellation of inter-company investments was recorded within Other Equity of the Company.

Demerger

The said NCLT order was filed with the Registrar of Campanies by the Resulting Entity and the Company on May 18, 2023 thereby making the composite scheme effective and all the conditions of the scheme of arrangements was complied. In terms of the Composite Scheme, all assets and liabilities of undertaking comprising Private Wealth and Portfolio Management Services (the "PMS") of the Company stands transferred and vested into the Resulting Entity on 1 April 2023, being the Demerger Appointed Date.

Balance Sheet of JM Financial Capital Limited as on March 31, 2023 mergerd in JM Financial Services Limited are as follows :

(₹ in Crore)

Sr. No.	Particulars	March 31, 2023
	ASSETS	
(1)	**Financial Assets**	
(a)	Cash and cash equivalents	3.67
(b)	Bank Balance other than included in (a) above	11.25
(c)	Loans	199.72
(d)	Investments	83.64
(e)	Other financial assets	2.21
	Total Financial Assets	**300.49**
(2)	**Non-Financial Assets**	
(a)	Current tax assets (net)	0.38
(b)	Deferred tax assets (net)	1.74
(c)	Property, Plant and Equipment	0.12
(d)	Other intangible assets	0.02
(e)	Other non-financial assets	0.34
	Total Non-Financial Assets	**2.58**
	Total Assets	**303.07**

Notes (Contd..)

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

(₹ in Crore)

Sr. No.	Particulars	March 31, 2023
	LIABILITIES AND EQUITY	
	LIABILITIES	
(1)	**Financial Liabilities**	
(a)	Trade Payables	0.05
(b)	Other financial liabilities	2.48
	Total Financial Liabilities	**2.53**
(2)	**Non-Financial Liabilities**	
(a)	Current tax liabilities (net)	0.85
(b)	Provisions	0.51
(c)	Other non-financial liabilities	0.09
	Total Non-Financial Liabilities	**1.45**
(3)	EQUITY	
(a)	Equity share capital	225.00
(b)	Other equity	74.09
	Total Equity	**299.09**
	Total Liabilities and Equity	**303.07**

43 Balance Sheet of PMS and PWG Segment as on March 31, 2023 demergerd from JM Financial Services Limited are as follows :

(₹ in Crore)

Sr. No.	Particulars	PMS	PWG	Total
	ASSETS			
(1)	Financial Assets			
(a)	Trade Receivable	2.49	0.70	3.19
(b)	Investments	-	27.75	27.75
	Total Financial Assets	**2.49**	**28.45**	**30.94**
(2)	Non-Financial Assets			
(a)	Property, Plant and Equipment	0.04	0.29	0.33
(b)	Other intangible assets	0.69	1.85	2.54
(c)	Other non-financial assets	(10.09)	57.39	47.30
	Total Non-Financial Assets	**(9.36)**	**59.53**	**50.17**
(A)	**Total Assets**	**(6.87)**	**87.98**	**81.11**
	LIABILITIES			
(1)	Financial Liabilities			
(a)	Payables			
	(I) Trade Payables	0.14	-	0.14
(b)	Lease Liabilities	-	0.05	0.05
(c)	Other financial liabilities	3.02	3.44	6.46
	Total Financial Liabilities	**3.16**	**3.49**	**6.65**
(2)	Non-Financial Liabilities			
(a)	Provisions	1.02	2.75	3.76
	Total Non-Financial Liabilities	**1.02**	**2.75**	**3.76**
(B)	**Total Liabilities**	**4.18**	**6.23**	**10.41**
(C)	**Net Assets trasnferred (A-B)**	**(11.05)**	**81.75**	**70.70**

Utilisation of reserves for transfer of net assets pursuant to the Scheme of Arrangement

Retained Earning 70.70

Notes (Contd..)

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

44 Operating Segments

The Company has only one operating business segment i.e securities based activities: This includes broking income from Primary and Secondary Market business, income from Depository Participant activities, income from Portfolio Management Services, margin trade financing etc. carried out in India. Accordingly there are no separate reportable segments, as per the Indian Accounting Standard on 'Operating Segments' (Ind AS 108) prescribed under section 133 of the Companies Act, 2013.

(A) Additional information by Geographies

Although the comapies operations are managed by products and services, we provide additional information based on geographies:

(₹ in Crore)

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Revenue by Geograophical Market		
India	919.72	607.08
Outside India	**0.14**	**0.00**
Total	**919.86**	**607.08**

(B) Revenue from major customers

The company is not reliant on revenues from transactions with any single external customer and does not receive 10% or more of company's total revenue from transactions with any single external customer for the year ended March 31, 2024 and March 31, 2023.

(C) All assets of the company are domiciled in india.

45 Details of expenses towards Corporate Social Responsibility as per Section 135 of the Companies Act, 2013 read with Schedule VII thereto:

Details of CSR Activities for the financial year ended March 31, 2024:

Organization	Purpose
JM Financial Foundation	JM Financial Foundation is spending the CSR contribution towards supporting the project through a part contribution to the "Pune International Centre" (PIC) which is located in Pune Maharashtra. PIC has initiated a construction of new state-of-the-art campus, spread over 1.5 lakhs sq. ft. including research wing, library, art gallery, five conference rooms, auditorium and amphitheater for the overall economic, social, educational and cultural furtherance leading to national development. The expected construction period is two years with total project construction cost of ₹ 75 Crore.

(₹ in Crore)

	Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
a)	Gross amount required to be spent by the Company during the year	1.40	1.65
b)	Amount spent during the year on:	-	-
	(i) Construction/acqusition of any asset	1.40	-
	(ii) On purposes other than (i) above	-	1.65
	Amount provided for on-going projects	-	-
	Total (i) + (ii)	**1.40**	**1.65**
c)	Unspent amount	-	-
d)	Total Previous years shortfall	-	-
e)	Reason for shortfall	-	-
f)	Amount contributed to a trust controlled by the Company	-	-
g)	Nature of CSR Activities		
i)	Construction / acquisation of any asset	1.40	-
ii)	On purposes other than (i) above (refer note below)	-	1.80

Note : During the current financial year, in addition to ₹1.40 crores (previous year ₹1.65 crores) towards CSR contribution for the FY2023-24, the Company has also spent ₹NIL (previous year ₹0.15 crore from the Unspent CSR Bank Account related to the FY2020-21).

Notes (Contd..)

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

46 Utilisation of Borrowed Funds and Share Premium:

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

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

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

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

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

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

47 Outstanding Qualified Borrowings

Submission of details of Outstanding Qualified Borrowings and Incremental Qualified Borrowings at the time of filing of annual financial results for the financial year ending March 2024.

In reference to the SEBI Circular No. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/172 dated October 19, 2023, below are the details of outstanding and incremental qualified borrowing done during the year :

Sr. No.	Particulars	Amount (₹ in crores)
1	Outstanding Qualified Borrowings at the start of the financial year	-
2	Outstanding Qualified Borrowings at the end of the financial year	375.83
3	Highest credit rating of the company relating to the unsupported bank borrowings or plain vanilla bonds, which have no structuring/support built in.	ICRA AA / Stable and Crisil AA / Stable
4	Incremental borrowing done during the year (qualified borrowing)*	150.00
5	Borrowings by way of issuance of debt securities during the year#	230.00

* Term loans borrowed during the year

NCDs borrowed during the year

48 The outstanding foreign currency exposure,foreign currency payable in next five years and unhedged foreign currency exposure at the year ended March 31,2024 is NIL (previous year NIL).

49 Information as required pursuant to regulation 52(4) of sebi (listing obligations and disclosures requirements) regulations, 2015

Key Financial Ratios:

Sr. No	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
1	Debt to Equity Ratio	2.55	1.94
2	Debt Service Coverage Ratio	0.19	0.14
3	Interest Service Coverage Ratio	1.71	1.70
4	Total Debts to Total Assets ratio	0.39	0.29
5	Debtors Turnover ratio	1.68	1.13
6	Operating Margin (%)	14.17	7.32
7	Net Profit margin (%)	11.11	6.26
8	Inventory Turnover ratio	NA	NA
9	Current ratio	1.25	1.18
10	Current Liability Ratio	0.89	0.97

Notes (Contd..)

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

Sr. No	Particulars	Year ended March 31, 2024	Year ended March 31, 2023
11	Long Term Debt to Working Capital	0.38	0.07
12	Bad debts to Account Receivable	NA	NA
13	Sector specific equivalent ratios	NA	NA
14	Outstanding Redeemable Preference Shares (₹ In lakh) (refer note no. 10)	0.00	4200.00
15	Capital Redemption Reserve (₹ In lakh)	468.75	468.75
16	Debenture Redemption Reserve	504.16	0.00
17	Assets Coverage Ratio	6.39	NA
18	Net Worth (₹ in lakh) :	78598.28	56728.59
19	Net Profit/(Loss) After tax (₹ in lakhs)	10224.29	3797.89
20	Earnings Per Share (EPS)		
	Basic EPS (in ₹) (Not annualised)	16.75	7.60
	Diluted EPS (in ₹) (Not annualised)	16.62	6.58

21 The NCDs are fully secured by way of first pari passu charge on the Company's identified assets. Further, the requisite security cover as agreed with investors is maintained. Security cover maintained by the Company for the NCDs issued and remaining outstanding as on March 31, 2024 is 6.39 times.

22 Definitions for Coverage ratios:

Sr. No	Ratio	Definition
(i)	Debt equity ratio	Total debt / Total Shareholder's funds
(ii)	Debt service coverage ratio	Profit before depreciation, finance charges and tax / Total debt
(iii)	Interest service coverage ratio	Profit before depreciation, finance charges and tax / Finance charges
(iv)	Total Debts to Total Assets	Total Debts / Total Assets
(v)	Debtors Turnover ratio	Operating Income / Average Receivables (Operating Income includes Fees & Commission income,Interest on delayed payments & Recoveries from clients franchisees)
(vi)	Operating Margin	Profit before tax / Total Income
(vii)	Net Profit margin	Profit after tax / Total income
(viii)	Inventory Turnover ratio	Sales / Average Inventory
(ix)	Current ratio	Current Assets / Current Liabilities
(x)	Current Liability ratio	Current Liabilities / Total Liabilities
(xi)	Long Term Debt to Working Capital	Long Term Debt (maturing more than one year) / (Current Assets - Current Liabilities)

50 Recent Pronouncements

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

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

52 Monthly and quarterly stock statement in respect of working capital facilities/credit facilities availed by the company has been filed with such banks, financial institutions and debenture trustee and are in agreement with the books of account.

53 There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

Notes (Contd..)

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

54 Additonal regulatory information required under (WB) (xiv) of Division III of Schedule III amendment, disclosure of ratios, is not applicable to the Company as it is not in NBFC registered under Section 45-IA of Reserve Bank of India Act, 1934.

55 The Company does not have any transactions with companies struck off under the Companies Act, 2013.

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

57 No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

58 The financial statements were approved for issue by the Board of Directors on May 15, 2024.

59 Events after reporting date

There have been no events after the reporting date that require disclosure in these financial statements.

In terms of our report attached
For B S R & Co. LLP
Chartered Accountants
Firm Registration No. 101248W/W-100022

Kapil Goenka
Partner
Membership No. 118189

Place : Mumbai
Date : May 15, 2024

For and on behalf of the Board of Directors

Dimplekumar Shah
Wholetime Director
DIN : 09158483

Nirav Gandhi
Wholetime Director
DIN : 08778702

Amit Agrawal
Chief Financial Officer
M. No. - 406631

Dimple Mehta
Company Secretary
M. No. - F12560

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